

Brussels, 19 March 2020
Case No: 83936
Document No: 1121919

Final report

EFTA Surveillance Authority's mission to

Iceland

from 25 November to 3 December 2019

on organic production and labelling of organic products

*In response to information provided by Iceland, any factual error noted in the draft report has been corrected.
Information from Iceland on the corrective actions already taken and planned are included in Annex 3 and 4
to the report.*

Executive summary

This report describes the outcome of a mission carried out by the EFTA Surveillance Authority in Iceland from 25 November to 3 December 2019.

The objective of the mission was to verify that official controls related to organic production and labelling of organic products were carried out in compliance with European Economic Area (EEA) legislation.

The mission team found that Iceland has put in place a system for the control of organic production, which is generally in line with the EEA organic legislation implemented in Iceland in May 2017. The Icelandic Food and Veterinary Authority (MAST) had been nominated as a competent authority for official controls in organic production on 1 January 2019 and control tasks were delegated to one control body (CB) on February 2019. Taking into account that the system had just recently been put in place, the mission team considers that it could provide a good basis for setting up adequate official controls in organic sector. MAST and the CB have produced operating procedures and checklists, which would allow the CB inspectors to perform official controls in line with EEA legislation. However, further actions in certain areas of official controls need to be taken to make the system fully effective and robust and fully in line with the EEA legislation. In particular, MAST's supervision should ensure that the CB controls are effective and capable to detect irregularities/breaches of legal requirements.

There is room for improvement in the CB's official control system. Training of staff should include all requirements of the legislation, which need to be supported by updated and amended documented procedures for controls. This need to address revised procedures for documentary checks during inspections and checks of other important requirements which might affect the status of the organic product (e.g. cleaning agents, use of veterinary medicinal products, labelling, etc.). Moreover, the lack of additional and unannounced control visits and adequate sampling strategy undermines the credibility of official controls.

In addition, there is a need for effective enforcement when non-compliances are detected and ensuring the effectiveness of the controls at the operators, which have to cover all legal requirements. Furthermore, Iceland has to ensure that the seed database, providing required information, is established and to communicate information regarding the manager of this database.

The report includes a number of recommendations addressed to the Icelandic competent authorities aimed at rectifying the identified shortcomings and enhancing the control system in place.

Table of contents

1	INTRODUCTION	4
2	SCOPE AND OBJECTIVE OF THE MISSION	4
3	LEGAL BASIS FOR THE MISSION	5
4	BACKGROUND - PREVIOUS MISSIONS.....	5
4.1	BACKGROUND INFORMATION	5
5	INFORMATION ON PRODUCTION AND TRADE.....	6
6	FINDINGS AND CONCLUSIONS	7
6.1	LEGISLATIVE AND IMPLEMENTING MEASURES	7
6.2	ORGANISATION AND IMPLEMENTATION OF OFFICIAL CONTROLS	7
6.2.1	Competent Authorities and Control Bodies	7
6.2.2	Control Bodies: Approval, Supervision and Withdrawal	8
6.2.3	Registration of operators	9
6.2.4	Planning, Prioritisation and Controls of operators	11
6.2.5	Controls on Labelling and Traceability	13
6.2.6	Sampling and Laboratory Analysis	14
6.2.7	Exceptional Production Rules and Other Derogations	15
6.2.8	Imports of Products from Organic Production	15
6.2.9	Measures in cases of irregularities and infringements	16
6.3	SEED DATABASE	17
7	FINAL MEETING	18
8	RECOMMENDATIONS	18
	ANNEX 1 - LIST OF ABBREVIATIONS AND TERMS USED IN THE REPORT	21
	ANNEX 2 - RELEVANT LEGISLATION	22
	ANNEX 3 - ICELAND'S COMMENTS TO DRAFT REPORT	23
	ANNEX 4 - ICELAND'S ACTION PLAN FOR CORRECTIVE MEASURES.....	26

1 Introduction

The mission took place in Iceland from 25 November to 3 December 2019. The mission team comprised two auditors and a legal officer from the EFTA Surveillance Authority (the Authority) and a national expert.

A pre-mission questionnaire was sent by the Authority to the Icelandic Ministry of Industries and Innovation on 12 August 2019. A reply ('the pre-mission document') was provided on 15 October 2019.

The opening meeting was held with representatives of the Icelandic Food and Veterinary Authority ('MAST'), the Ministry of Industries and Innovation ('Moll'), the Municipal Environmental and Public Health Offices ('LCAs'), the Icelandic Accreditation body (ISAC) and the Control body (CB) on 25 November 2019 at MAST's office in Hafnarfjörður. At the meeting, the mission team confirmed the objectives and the itinerary of the mission and the Icelandic representatives provided additional information to that set out in the pre-mission document.

Throughout the mission, a representative of MAST accompanied the mission team.

A final meeting was held at MAST's office in Hafnarfjörður on 3 December 2019, during which the mission team presented its main findings and preliminary conclusions from the mission.

The abbreviations used in the report are listed in Annex 1.

2 Scope and Objective of the mission

The main scope of the mission was to assess the application by the Icelandic competent authority (CA) of the following legislation of the European Economic Area (EEA):

- a) *Council Regulation (EC) No 834/2007 of 28 June 2007 on organic production and labelling of organic products and repealing Regulation (EEC) No 2092/91;*
- b) *Commission Regulation (EC) No 889/2008 of 5 September 2008 laying down detailed rules for the implementation of Council Regulation (EC) No 834/2007 on organic production and labelling of organic products with regard to organic production, labelling and control;*
- c) *Commission Regulation (EC) No 1235/2008 of 8 December 2008 laying down detailed rules for implementation of Council Regulation (EC) No 834/2007 as regards the arrangements for imports of organic products from third countries;*
- d) *Regulation (EC) No 882/2004 of the European Parliament and of the Council of 29 April 2004 on official controls performed to ensure the verification of compliance with feed and food law, animal health and animal welfare rules.*

The objectives of the mission were to evaluate the control systems in place for organic production and labelling of organic products, in particular the implementation of the requirements set out under the above-mentioned legislation concerning:

- All stages of production, preparation and distribution of organic products and their control and;
- The use of indications referring to organic production in labelling.

The assessment was carried out based on, and related to, the EEA legislation referred to in Annex 2 to this report. The assessment was further based on the pre-mission document.

The evaluation included the gathering of relevant information and appropriate verifications, by means of interviews/discussions, review of documents and records and on-the-spot inspections, in order to ascertain both the control procedures adopted and the measures in place to ensure that necessary corrective actions are taken when necessary.

The meetings with representatives of the CAs, CB and visits to relevant sites during the mission are listed in Table 1.

Table 1: Competent authorities and establishments/sites visited during the mission

	Number	Comments
Competent authorities	3	An initial meeting and a final meeting between the mission team, MAST, Moll, LCA and the Accreditation body (ISAC) in Hafnarfjörður. An additional meeting with the CAs' and the CB's personnel held to seek further clarification on the system of official controls in this area.
Control Body	1	Office visit at CB's headquarters
Seaweed plant	1	Establishment harvesting and processing organic seaweed
Livestock farms	2	Organic sheep farm and organic dairy farm
Dairy plant	1	Establishment producing organic dairy products
Feed plant	1	Feed mill producing conventional and organic feed
Brewery	1	Establishment producing conventional and organic beer
Fish meal plant	1	Establishment producing fish meal and fish oil to be used in feed for organic production
Farm (crops and vegetables)	1	Growing and processing

3 Legal basis for the mission

The legal basis for the mission was:

- a) Point 4 of the Introductory Part of Chapter I of Annex I to the EEA Agreement;
- b) Article 1(e) of Protocol 1 to the Agreement between the EFTA States on the Establishment of a Surveillance Authority and a Court of Justice;
- c) *Commission Decision 98/139/EC of 4 February 1998 laying down certain detailed rules concerning on-the-spot checks carried out in the veterinary field by Commission experts in the Member States;*
- d) *Article 45 of Regulation (EC) No 882/2004 of the European Parliament and of the Council of 29 April 2004 on official controls performed to ensure the verification of compliance with feed and food law, animal health and animal welfare rules.*

Legislation relevant to this mission is listed in Annex 2.

4 Background - Previous missions

4.1 Background information

This mission was the first mission on this topic in Iceland. Regulation (EC) No 834/2007 was incorporated into the EEA Agreement with EEA Joint Committee Decision No 49/2017¹ on 17 March 2017, and it took effect in the EEA EFTA States on 18 March 2017.

5 Information on production and trade

In the reply to the pre-mission document the CA stated that the Icelandic organic sector has remained fairly small and stagnant in size and numbers for several years and that organic agricultural production consists of just over 30 farms and collection units and just over 30 processing, packing and importing units and has remained so for some time. The farms produce most of the common Icelandic agricultural products, especially outdoor and greenhouse vegetables and potatoes, barley, egg, sheep and dairy products. Currently there is no organic production of pork, chicken and beef. The largest single producer of organic products collects and processes wild seaweed mostly for export. Several small units collect wild Icelandic plants, mostly for use in cosmetics (outside the remit of the EEA legislation).

Exports of organic products from Iceland are mostly confined to seaweed meal, while there is no direct import from third countries; however, there is substantial trade of fresh and processed organic food products from other EEA countries.

Table 1: Certified organic units in Iceland 2011 - 2018

	2018	2017	2016	2015	2014	2013	2012	2011
Farms & wild collection units	32	31	31	36	34	33	35	39
Processing and packing	33	32	29	28	26	26	25	22
Imports from 3 rd countries	1	0	0	0	0	0	0	0

Table 2: Certified land used for organic agriculture and wild collection 2013 - 2018

	2018	2017	2016	2015	2014	2013
Certified agricultural land (ha)	22.683	20.755	22.710	24.182	22.605	22.395
> annual change (%)	9,3	-8,6	-6	6	1	8
Certified area for seaweed collection (ha)	200.032	200.032	200.032	200.032	200.032	200.032

Table 3: Certified organic production by sectors 2018

Primary production		Processing and imports	
Wild land-based plants	10	Dairy processing	4
Vegetables and herbs	15	Slaughterhouse, meat processing	1
Potatoes	10	Grain processing and bakeries	4
Trees, shrubs, forestry	3	Breweries	1
Garden flowers	1	Other food processing	7
Grain (barley)	3	Seaweed processing	1
Dairy and cattle	3	Feed processing	1
Sheep products	5	Packing and wholesale	5
Egg	4	Coffee roasting and milling	2
Seaweed	3	Seafood containing organic ingredients	1
On-farm packing of fresh produce	6	Imports from third countries	1
Aquaculture	1		

¹<http://www.efta.int/sites/default/files/documents/legal-texts/eea/other-legal-documents/adopted-joint-committee-decisions/2017%20-%20English/049-2017.pdf>

Table 4: Certified organic livestock in Iceland on 31 January 2018

	Units	No of livestock
Dairy cows	3	112
Other cattle	3	124
Sheep	5	1.226
Laying hens	4	12.413

6 Findings and conclusions

6.1 Legislative and implementing measures

Legal Requirements

Article 7 of the EEA Agreement requires acts referred to or contained in the Annexes to the Agreement to be made part of the Icelandic internal legal order.

Findings

1. Council Regulation (EC) 834/2007, Commission Regulation (EC) 889/2008 and Commission Regulation 1235/2008 were implemented into Icelandic Regulations No. 477/2017 and 481/2017.

Conclusions

2. The EEA legislation on organic production has been made part of the Icelandic legal order in line with Article 7 of the EEA Agreement.

6.2 Organisation and implementation of official controls

6.2.1 *Competent Authorities and Control Bodies*

Legal Requirements

Article 27(1) and (4) of Regulation (EC) No 834/2007

Findings

3. The Icelandic Food and Veterinary Authority (MAST) is the competent authority (CA) for organics since 1 January 2019. Until then, the Ministry of Industries and Innovation had this role. At MAST there is one staff full-time equivalent (FTE) responsible for the organic sector.
4. MAST has delegated the controls and certification of operators to a control body (CB). In Iceland there is one CB which is approved by MAST since 7 February 2019. The CB was founded in 1994 and has provided inspection and certification services since 1995, certifying the first organic products in 1996.
5. The CB is required to conduct as a minimum one annual on-site audit of each operator, plus the random/unannounced audits as stated in Articles 65 and 92c of Regulation (EC) No 889/2008. At the time of the mission, there were two full time employees at the CB covering the organic schemes and together with part-time external employees and sub-contractors, who provide work on inspections and certification, equal to 3 to 4 FTE.

6. The CB was accredited by NS-EN ISO/IEC 17065 standard by the Icelandic accreditation body (ISAC). Due to the recent implementation of the EEA organic legislation, the ISAC realised that they were not in a possession of all required technical expertise and they decided to engage an external specialised services. As a result assessors from an EU Member State's national accreditation body audited the CB in June 2019.
7. MAST has the right to have a representative at the opening and closing meeting of accreditation renewal visit at CB's headquarters. In 2019 a representative of MAST was present on the first day of the audit of the accreditation body.
8. According to information provided in the pre mission document and as confirmed on the opening meeting, the Local Health Authorities (LCA), who are the competent authority for the official controls in retail, have no role in the official controls system in the organic sector.

Conclusions

9. Iceland has designated the CA for official controls in organic production under the new EEA organic legislation. Delayed designation of MAST as the CA resulted in a situation where the control system under the new rules has only been put in place in the second half of 2019, i.e. almost two years after its implementation in the Icelandic legal order.

6.2.2 Control Bodies: Approval, Supervision and Withdrawal

Legal Requirements

Articles 27(5), 27(8), 27(9) and 27(14) of Regulation (EC) No 834/2007

Article 5(3) of Regulation (EC) No 882/2004

Articles 92c, 92e and 92f of Regulation (EC) No 889/2008

Findings

10. MAST is responsible for approving and withdrawing the approval of CBs.
11. There is only one CB for organic production in Iceland, to which MAST has delegated the authority to carry out official control of organic operators and to make individual decisions in case of non-compliance with the rules on production and sale of organic products.
12. MAST and the CB signed an agreement which defines responsibilities and obligations of both parties, such as frequency of certifications and controls of organic operators, exchange of information and ways of communication. According to the agreement, the CB must have the expertise, equipment and infrastructure required to handle the delegated tasks and have sufficient number of suitable qualified and experienced staff. The mission team noted that this was not always the case (see also point 15 and 34).
13. According to the agreement between MAST and the CB, MAST has the right to annually audit the CB and shall have access to all documents and registers that are requested. MAST has not so far performed any annual inspection, contrary to Article 92e of Regulation (EC) No 889/2008. The approval of the CB was expiring at the end of 2019 and MAST, without performing an annual inspection of the CB cannot

- verify if the CB fulfils the requirements set in Article 92e of Regulation (EC) No 889/2008.
14. The mission team noted that there are procedures in place which define the communication channels between MAST and the CB. The obligatory communication is described in the agreement between MAST and the CB, which requires that the CB shall inform MAST when a new operator is certified and at least twice a year of the results of the controls. If the outcome of controls indicate breaches that might affect the certification status of a product, the CB shall inform MAST without delay.
 15. In reply to a recommendation of the accreditation body from its audit in 2019 that the training of the CB's staff is insufficient, the CB has put in place a system for training of its staff. However, it has not been implemented fully yet. At the time of the mission new staff received office and on-line training followed by four to six field witness visits from a senior CB staff. Both permanent CB staff have attended the Better Training For Safer Food (BTSF) courses. The mission team noted that many CB's staff changed since MAST delegated the responsibility for the official controls to the CB and new staff was not always familiar with all requirements of organic legislation (See also point 34).
 16. The mission team noted that the CB has established a credible mechanism for safeguarding impartiality, including checking the absence of conflicts of interest by staff performing official controls, as required by Article 27(5)(c)(iii) of Regulation (EC) No 834/2007.
 17. MAST has the right to withdraw the approval of the CB, as provided in Article 27(8) of Regulation (EC) No 834/2007, if, during an audit or by other means it appears that the CB is not fulfilling its tasks satisfactorily. MAST can revoke the delegation immediately if the CB does not sufficiently and timely implement the corrective actions requested by MAST.
 18. The Icelandic Multi-Annual National Control Plan (MANCP) yearly report provides basic information on the system of official controls in organic sector. Iceland sent the information under Annex XIIIc of Regulation (EC) No 889/2008 to the Authority, however information requested in Annex XIIIb of Regulation (EC) No 889/2008 has only been partly provided.

Conclusions

19. The CA has adopted provisions and instructions concerning the delegation of competences and tasks to the CB. The lack of supervision by MAST over the work of the CB undermines the credibility and reliability of official controls performed by the CB and MAST has limited knowledge if the official controls delegated to the CB are effective to achieve the results required by the EEA legislation on organic production. In addition, the CA has not carried out an annual inspection of the CB to verify that it fulfils the requirements set in Article 92e of Regulation (EC) No 889/2008.

6.2.3 *Registration of operators*

Legal Requirements

Articles 28 and 29 of Regulation (EC) No 834/2007

Articles 63, 64, 92b and Annex XII of Regulation (EC) No 889/2008

Findings

20. The registration of organic operators is managed by the CB. Operators who wish to convert to organic production have to notify their activities to the CB before starting with conversion.
21. For new organic operations, after reception of the application and reviewing of the documentation provided, a first inspection is announced and performed. For the existing ones, a yearly report must be sent to the CB by the operators in which they must report on the production data from the previous year and any planned changes in the production for the current year. After reviewing the information provided, an inspection is announced and performed.
22. When the CB inspector can confirm compliance with the regulation, the report including all documentation is sent for completion by a CB's certification committee, which include two permanent members and additional appointed members who need to be specialised in the area which is being certified. The CB is responsible of all certification on behalf of MAST and can also suspend the certification but only MAST can withdraw the operating license of an organic operator.
23. The mission team noted that checks performed on operators applying for certification did not include checks if the operator had drawn up and consequently maintained the precautionary measures, as defined in Article 63(1)(c) of Regulation (EC) No 889/2008. The CB started to request this only during the controls in the second half of 2019 for the processing operators; it did not yet request it for other operators (e.g. farmers and other primary producers).
24. Declarations signed by the operator, were mostly correctly filled. The mission team noted that some undertakings to be included in the declarations as required by Article 63(2) of Regulation (EC) No 889/2008 were missing, such as the requirement to keep the control file for five years if the operator withdraws from the control system, as provided in Article 63(2)(g) of that regulation.
25. The CB issues a certificate, which include also documentary evidence ("*trading schedule*") providing the information required by Article 29 of Regulation (EC) No 834/2007; however, the compulsory template provided in Annex XII of Regulation (EC) No 889/2008 is not used, contrary to Article 68(1) of that regulation. The list of operators is updated and publicly available via the CB's website, as required by Article 28(5) of Council Regulation (EC) No 834/2007. However, the documentary evidence is not published on the website together with the list of operators, contrary to Article 92b of Regulation (EC) No 889/2008.
26. According to the information provided to the mission team, operators who sell products directly to the final consumer have not been exempted from the controls under the conditions of Article 28(2) of Regulation (EC) No 834/2007. However, the mission team noted that retailers are not certified, and as such, they are not part of the control system, as required by Article 28 of Regulation (EC) No 834/2007 (See also point 45).

Conclusions

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| <ol style="list-style-type: none">27. The CB has put in place a system for the registration of operators; however its effective implementation is undermined by insufficient checks of certain requirements necessary for certification.28. The CA does not ensure that the CB uses the prescribed template and that all relevant information on organic operators is made publicly available, thus making |
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it difficult to properly identify the operator and the type or range of products as well as the period of validity of the organic status of the organic operator.

29. The operators who sell products directly to the final consumer, which are an important part of the organic production chain, are not certified and therefore it is not ensured that the products sold as organic at retail level comply with EEA organic legislation.

6.2.4 Planning, Prioritisation and Controls of operators

Legal Requirements

Articles 27(3) and 28 of Regulation (EC) No 834/2007

Articles 65(1), 65(4), 77, 90, 92c and 92e of Regulation (EC) No 889/2008

Article 4(2) of Regulation (EC) No 882/2004

Titles II and III of Regulation (EC) No 834/2007

Titles II and IV of Regulation (EC) No 889/2008

Findings

30. The CB carries out a physical inspection of all organic operators once a year, as required by Article 65(1) of Regulation (EC) No 889/2008.
31. The CB has put in place a system for risk based planning of the random additional visits of the operators, as required by Article 65(4) of Regulation (EC) No 889/2008, however only in the second half of the 2019. Assessment of risk is performed based on volume of production, production system (solely organic or combined), degree of segregation and previous non-compliances. Currently there are four out of 63 operators in the high risk category.
32. In 2018, the CB did not carry out additional risk-based visits representing at least 10% of operators and did not carry out unannounced checks, which is not in line with points 2(b) and 2(c) respectively of Article 92c of Regulation (EC) 889/2008. In 2019, six additional visits were planned, and one was carried out at the time of the mission.
33. The CB has updated its procedures and produced new check lists in 2019. Since July 2019, the CB inspectors have at their disposal several updated guidance (*Operating procedures – General Management and Organic Certification*) on how to perform their checks as well as new check lists. The guidance and checklist are available for the inspector during on-the-spot controls, as required by Article 92e(c) of Regulation (EC) No 889/2008.
34. The mission team noted that the new procedures and check lists and training to CB staff do not include all requirements which should be checked during official controls. As a result, some requirements were not addressed during controls, and as such these controls were not always effective, as required by Article 27(9)(b) of Regulation (EC) No 834/2007 and Article 4(2) of Regulation (EC) No 882/2004. These included:
- The requirement to check if the cleaning agents can be used in organic production, as defined in Annex VII, point 1 of Regulation (EC) No 889/2008. The mission team noted that this requirement was not checked by CB inspectors in the milking parlour on a dairy farm, as well as in the dairy plant visited;

- The requirement to check for the use of the veterinary medicinal products, including the recording and respecting of the withdrawal periods. On a dairy farm visited, the farmer kept updated treatment records, while records which should be kept by the veterinarian had not been updated since 2017. On a prescription issued by the veterinarian, the withdrawal period indicated was not suitable for organic production, contrary to Article 24(5) of Regulation (EC) No 889/2008. These records had not been sufficiently checked by the CB inspectors and no sufficient training was received by the CB staff on this issue. In addition and more generally, the use of veterinary medicinal products is not declared to the CB before the livestock or livestock products are marketed as organic, as required by Article 77 of Regulation (EC) No 889/2008;
 - The requirement to check the complementary feed. Some vitamin supplements used on the dairy farm visited to feed cattle were not allowed to be used in ruminants, as provided in Annex VI, point 3a of Regulation (EC) No 889/2008. Again, this had not been checked and not sufficient training was received by the CB staff to enable them perform proper assessment of these requirements.
35. Furthermore, the operator who supplied the organic feed and delivered it to the dairy farm was not certified as an organic operator, even though the feed was unloaded in 1 tonne bags from a ship, stored, sold, emptied from the bags and transported by trucks to the silos of the farmers. This is not in line with Article 28 of Regulation (EC) No 834/2007 and had not been detected by the CB inspectors previously. They had only checked that the feed was produced in an EU Member State and certified as organic feed by the producer. However, a systematic check of the documentary evidence, to prove that all the operators in the organic production are controlled, was lacking.
36. At a seaweed harvesting and processing operator producing seaweed mainly for feed but also for food purposes, no checks had been performed by the CB to assess if areas where wild edible seaweeds are collected meet the criteria for Class A or Class B areas as defined in Annex II of Regulation (EC) No 854/2004, as required by Article 13(1)(a) of Regulation (EC) No 834/2007.
37. In a fishmeal establishment, producing both conventional fishmeal and fishmeal to be used in production of organic feed, the operator explained that only natural, tocopherol based, antioxidants were used for both kinds of fishmeal. For conventional fish oil, BHA or BHT was used, but as explained by the operator, it is added when the fish oil is loaded into the tanks in the vessel. The operator also explained that there was still a small quantity of ethoxyquin in the storage and a half-empty container was seen there by the mission team later during the visit. However, the mission team also saw ten bags (25 kg each) of BHT in the storage even though it was explained that BHT was never used in the facility. The operator took samples for ethoxyquin in the framework of own checks and 0.23 mg/kg ethoxyquin was detected in fishmeal in 2017. The operator explained that in 2017 they were still using ethoxyquin in conventional fishmeal production and that the positive result was probably due to cross contamination. No samples to detect possible presence of synthetic antioxidants in fishmeal suitable for production of organic feed had been taken by the CA or the CB during their checks.
38. Mass balance was assessed on selected commodities during the visits and generally satisfactorily calculated by the CB inspectors. However, on a dairy farm no records were kept of milk disposed of during withdrawal period from cows treated with veterinary medicinal products, which made it impossible to adequately assess the mass balance. No mass balance was calculated on the use of antioxidants in the fishmeal establishment.

39. During the visit to a dairy farm, a bag with barley hulls, for which was not possible to confirm its organic status due to lack of labelling was kept in the storehouse. The farmer mentioned that he had fed his calves with it. No action was taken on the spot by the CB to address this issue.
40. In addition, during the visit to the seaweed plant, the mission team noted that high contents of arsenic were detected by MAST in 2016 in the *Laminaria* spp. intended for feed (up to 85 mg/kg – 40 mg/kg is the maximum allowed in feed), while in the *Ascophyllus* spp., which accounted for the majority of seaweed production, the arsenic levels were below the maximum level allowed. After the mission, MAST informed the mission team about the outcome of a follow-up investigation and that less than 1000 kgs of feed containing *Laminaria* spp. had been distributed, and it had been withdrawn from the domestic market. It was also confirmed that no such feed had been dispatched to other EEA States.

Conclusions

41. Annual inspections of operators are performed by the CB. Although inspections observed were overall satisfactorily performed, some important aspects were not sufficiently covered or not covered at all during the visits, which undermines the effectiveness of the inspections. In addition, although the CB has documented procedures in place providing solid guidance to CB inspectors to carry out controls at operators, compliance with some legal requirements could not be fully ensured, as some areas are not included or sufficiently addressed in the control procedures and during training of the CB inspectors, to enable them to satisfactorily check all legal requirements.
42. Late implementation of random and unannounced checks based on risk evaluation and lack of such checks in 2018 and most of the 2019 makes the current system of official controls unreliable.

6.2.5 Controls on Labelling and Traceability

Legal Requirements

Articles 23, 24 and 27(13) of Regulation (EC) No 834/2007

Article 95(9) and (10) of Regulation (EC) No 889/2008

Title III of Regulation (EC) No 889/2008

Findings

43. The CB checks the organic labelling during its regular annual inspections of the operators. Labelling was in many cases found not to be in line with requirements as provided in Article 24 of Regulation (EC) No 834/2007. MAST explained that the labelling issue is still discussed internally and with the CB. The mission team saw use of old packaging material with non-compliant labelling for products produced after implementation of new EEA organic legislation and MAST explained that the derogation was given to the operator to use the packaging on stock. This is not allowed by Article 95(9) or (10) of Regulation (EC) No 889/2008, and is therefore not in line with Article 24 of the Regulation (EC) No 834/2007.
44. Traceability checks were routinely performed by the CB on selected commodities during the visits of the operators. However, the CB did not check the documentary

evidence for the organic products received by the operator nor did it verify if the operators had checked the documentary evidence for these products when receiving them, contrary to Article 29(2) of Regulation (EC) No 834/2007.

45. There is currently no system in place to ensure that labelling and traceability checks are performed in retail, as no CA is responsible for these checks, contrary to Articles 23(5) and 27(13) respectively of Regulation (EC) No 834/2007 (See also point 26).

Conclusions

46. Apart from the retail level, controls performed by the CB on traceability are mostly satisfactory, except for checks on documentary evidence. The control arrangements for the use of the organic label do not fully ensure the correct application of EEA legal requirements. In addition, the practice of allowing the use of non-compliant packaging material and labels for products produced after implementation of the EEA organic legislation into Icelandic legal order is not in line with EEA legislation.

6.2.6 *Sampling and Laboratory Analysis*

Legal Requirements

Article 65(2) of Regulation (EC) No 889/2008

Articles 5(2)(d) and 12 of Regulation (EC) No 882/2004

Findings

47. No relevant sampling plan for organic production has been prepared by the CB and no samples were taken in 2017, 2018 and in 2019 specifically focusing on detecting possible breaches of organic production rules. In 2019 five samples were taken randomly at organic operators in the framework of regular controls of pesticide residues in foodstuffs performed by MAST. The sampling plan for these regular controls did not include indication when samples should be taken to most likely detect pesticides residues in organic production as the timing of the samples focused on detection of pesticides in foodstuffs under EEA food safety legislation. This sampling did not take into account the general evaluation of the risk of non-compliance with the organic production rules, as required by Article 65(2) of Regulation (EC) No 889/2008. In addition, the CB inspectors were not trained on how to take samples to detect possible breaches in organic production.
48. No samples were ever taken by MAST or by the CB to detect possible presence of synthetic antioxidants in fish meal intended for use in organic feed.
49. A laboratory in Iceland is accredited for the detection of several pesticides using multiple methods but it is not accredited for detecting some pesticides which can only be detected by single methods and which are frequently detected in other EEA States, such as Glyphosate, Chlormequat and Mepiquat. A representative of MAST explained and provided evidence that no licence had been issued to allow placing on the market of mepiquat and chlormequat in Iceland. However, a licence by the Environmental agency allows the use of glyphosate. If samples would be taken for analysis of glyphosate, these would be sent to a laboratory in an EEA country, which is accredited for such analysis.

Conclusions

50. The absence of sampling plan and of sampling specific to organic production, and of training on how to take samples is a significant threat to the reliability of official controls in organic area and to credibility of organic production in Iceland as such.
51. The laboratory used by the CA for pesticides residues analysis is accredited and designated in line with Articles 5(2) and 12 of Regulation (EC) No 882/2004.

6.2.7 *Exceptional Production Rules and Other Derogations*

Legal Requirements

Article 28(2) of Regulation (EC) No 834/2007

Articles 29, 42(b), 45, 47(c) and 94 of Regulation (EC) No 889/2008

Chapter 6 of Title II of Regulation (EC) No 889/2008

Findings

52. Exceptional production rules and derogations are handled by MAST. Operators apply for a derogation electronically through a dedicated webpage, which was set up in 2019.
53. Ten derogations were granted in 2018 and 14 derogations in 2019; the majority of them was for use of seed not obtained by the organic production method as defined in Article 45 of Regulation (EC) No 889/2008 (eight in 2018 and nine in 2019). The CA had not sent a summary report of all authorisations for 2018 and information in this regard has not been published in the seed database as required by Article 55 of Regulation (EC) No 889/2008. In 2019, one derogation for recognising a previous period retroactively as being part of the conversion period was refused.
54. Information has not been communicated in line with requirements of relevant provisions of the EEA organic legislation concerning:
- a derogation to a dairy farm due to rainy season and lack of hay, as provided in Articles 47(c) and 94(d) of Regulation (EC) No 889/2008;
 - a derogation to use non-organic hops in production of beer, as provided in Article 29 of Regulation (EC) No 889/2008.

Conclusions

55. Iceland has put in place a system for granting derogations; however, it did not communicate information related to certain derogations as required by relevant provisions of the EEA organic legislation.

6.2.8 *Imports of Products from Organic Production*

Legal Requirements

Articles 32 and 33 of Regulation (EC) No 834/2007

Regulations (EC) No 889/2008 and (EC) No 1235/2008

Findings

56. There were no imports of organic products directly from third countries to Iceland since the implementation of the new EEA organic regulations.
57. MAST has published a guidance for imports from third countries on its web page. The mission team noted that there were no procedures available reflecting the European Commission guidance on additional official controls on products originating from Ukraine, Kazakhstan, Moldova and Russian Federation². MAST included these requirements into their guidance later during the mission.

Conclusions

58. While no imports from third countries of organic products took place in Iceland under the new EEA organic regulations, MAST has put in place the guidelines for importers to be followed.

6.2.9 Measures in cases of irregularities and infringements

Legal Requirements

Article 30 of Regulation (EC) No 834/2007

Article 92(d) of Regulation (EC) No 889/2008

Article 55(1) of Regulation (EC) No 882/2004

Findings

59. MAST has adopted a catalogue of measures in October 2019 and communicated it to the CB, as required by Article 92(d) of Regulation (EC) No 889/2008.
60. The catalogue of measures provides an overview of the various measures available and describes how these measures apply to various types of non-compliances with the organic production rules. The catalogue of measures describes four categories of non-compliances, from minor irregularity to serious infringement which compromises the organic status of the product.
61. Due to the recent adoption of the catalogue of measures, a representative of the CB stated that it has not yet been used in practice, which made it difficult for the mission team to assess if the measures to be taken on this basis would be effective, proportionate and dissuasive, as required by Article 55(1) of Regulation (EC) No 882/2004.
62. In 2017 and 2018, some non-compliances, such as repetitive use of veterinary medicinal products (VMP) as a preventive measure in a visited livestock production which could possibly affect the organic status of the product, have been classified as minor irregularity and no particular actions were taken by the CB, apart from a warning and planned follow up at the next regular annual control. During the visit of the mission team, it has been confirmed that the farmer does not use preventive antibiotics anymore.
63. Another example of weak enforcement was seen at the sheep farm visited, where the pens had fully slatted floor with no bedding, contrary to Article 11(1) and 11(2) of Regulation (EC) No 889/2008. In addition, the availability of the natural light in the

² https://ec.europa.eu/info/sites/info/files/food-farming-fisheries/farming/documents/guidelines-addoffctrl-ukraine-kazakhstan-moldova-russian-federation_2019_en.pdf

stable was not as required in Article 10(1) of Regulation (EC) No 889/2008. These issues had been all detected during previous visits by the CB inspectors, but the enforcement actions were repeatedly limited to warnings and follow up at the next regular annual check.

64. No drawings of the stables on the same sheep farm were available to allow the CB inspector to check the available surface of the usable area for animals and calculate the space allowances as required by Article 10 and Annex III of Regulation (EC) No 889/2008. At the time of the visit of the mission team all animals were kept inside for the winter and the facilities appeared overcrowded. No actions were taken by the CB inspector.

Conclusions

65. The CA has recently adopted the catalogue of measures providing a framework for the application of measures in cases of irregularities and infringements. However, due to its recent adoption it has not yet been used in practice and it was not possible to evaluate if measures taken on this basis would correspond to the severity of the non-compliance.
66. The CB has a system in place to impose measures in cases of irregularities or infringements, including administrative sanctions. The effectiveness of the system is however weakened as it does not always ensure that the CB imposes measures when non-compliances are detected and that these measures are effective, proportionate, dissuasive and timely followed up.

6.3 Seed Database

Legal Requirements

Articles 48 to 55 of Regulation (EC) No 889/2008

Findings

67. In reply to the pre-mission document, the CA stated that the production of organic seeds and propagative materials for trading purposes is virtually non-existent in Iceland. At the time of the mission, a page³ on the CB website presented a list of two Icelandic producers of organic seed (potatoes and turnips). Links to the seed databases in selected EEA countries were also provided there. A representative of the CB stated that the list of producers on this webpage had not been maintained and kept updated for at least two years and that the database was currently undergoing revision.
68. Iceland has not yet communicated information concerning the manager of the database as required by Article 48 of Regulation (EC) No 889/2008.

Conclusions

69. Iceland has not yet ensured that a seed database, providing required information, is established and has not communicated information regarding the manager of

³ <https://www.tun.is/lifraen-sadhvara/>

such database.

7 Final meeting

A final meeting was held at MAST's office in Hafnarfjörður on 3 December 2019, during which the mission team presented its main findings and preliminary conclusions from the mission. At the meeting the mission team also explained that, based on a more detailed assessment of the information received during the mission, additional findings and conclusions could be included in the report.

8 Recommendations

In order to facilitate the follow-up of the recommendations hereunder, Iceland should notify the Authority no later than 20 June 2020, by way of written evidence, of additional corrective actions planned or taken other than those already indicated in the reply to the draft report of the Authority. In case no additional corrective actions have been planned, the Authority should be advised. The Authority should be kept continuously informed of changes made to the already notified corrective actions and measures, including changes of deadlines for completion, and completion of the measures included in the timetable.

No	Recommendation
1	The Competent Authority should organise an annual inspection of control bodies as required by Article 92e of Regulation (EC) No 889/2008. Conclusion 19 Associated finding 13
2	The Competent Authority should ensure that the Control Body verifies all requirements necessary for certification, in particular operators precautionary measures, as defined in Article 63(1)(c) of Regulation (EC) No 889/2008 and that operators declarations include all undertakings as required by Article 63(2) of Regulation (EC) No 889/2008. Conclusion 27 Associated findings 23, 24
3	The Competent Authority should ensure that the documentary evidence issued by the CB to operators follows the model provided in Annex XII of Regulation (EC) No 889/2008, as required by Article 68 of that regulation, and it should be made available to the public together with the list of operators, as required by Article 92b of Regulation (EC) No 889/2008. Conclusion 28 Associated finding 25
4	Iceland should ensure that all relevant operators are subject to the control system as required by Article 28(1) of Regulation (EC) No 834/2007, including retailers selling organic products to the final consumers unless such retailers are exempted under the conditions of Article 28(2) of the same Regulation. Conclusion 29 Associated findings 26, 35
5	The Competent Authority should ensure that controls carried out by the Control Body are effective, as required by Article 27(9)(b) of Regulation (EC) No 834/2007, that the Control body staff performing official controls receive appropriate training

	<p>as required by Articles 92c(3) and 92e(b) of Regulation (EC) No 889/2008, and that documented procedures of the Control Body contain all relevant information and instruction for staff performing official controls, as required by Article 92e(c) of Regulation (EC) No_889/2008.</p> <p>Conclusion 41</p> <p>Associated findings 34, 35, 36, 37, 38, 39</p>
6	<p>The Competent Authority should ensure that the Control Body performs additional random checks based on risk evaluation of at least 10% of operators, as required by point 2(b) of Article 92c of Regulation (EC) 889/2008, and that at least 10% of all inspections and visits carried out in accordance with Article 65(1) and (4) of that regulation are unannounced, as required by point 2(c) of Article 92c(c) of that regulation.</p> <p>Conclusion 42</p> <p>Associated findings 31, 32</p>
7	<p>Iceland should ensure that the use of labels and packaging material by operators is in line with Article 24 of Regulation (EC) No 834/2007, that operators verify the documentary evidence of their suppliers as required by Article 29(2) of Regulation (EC) No 834/2007 and ensure compliance with labelling and traceability requirements, as required by Articles 23(5) and 27(13) of Regulation (EC) No 834/2007.</p> <p>Conclusion 46</p> <p>Associated findings 43, 44, 45</p>
8	<p>The Competent Authority should ensure that the Control Body takes and analyses samples as required by Article 65(2) of Regulation (EC) No 889/2008.</p> <p>Conclusion 50</p> <p>Associated findings 37, 47, 48</p>
9	<p>Iceland should ensure that it communicates information concerning: authorisations for use of seed not obtained by the organic production method, as provided in Article 55 of Regulation (EC) No 889/2008; authorisation to use non-organic feedingstuffs as provided in Articles 47(c) and 94(d) of that regulation; authorisation to use non-organic food ingredients of agricultural origin, as provided in Article 29(2) of that regulation.</p> <p>Conclusion 55</p> <p>Associated findings 54</p>
10	<p>The Competent Authority should ensure that, when the Control Body detects non-compliances, it takes measures in line with the requirements of Article 30 of Regulation (EC) No 834/2007, and that measures applied are effective, proportionate and dissuasive, as required by Article 55(1) of Regulation (EC) No 882/2004.</p> <p>Conclusion 66</p> <p>Associated findings 62, 63, 64</p>
11	<p>Iceland should ensure that a seed database is established and that information is communicated concerning the manager of the database as required by Article 48 of Regulation (EC) No 889/2008.</p> <p>Conclusion 69</p>

	Associated findings 67, 68
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Annex 1 - List of abbreviations and terms used in the report

The Authority	EFTA Surveillance Authority
CA	Competent Authority
BHA	Butylated hydroxyanisole – synthetic antioxidant
BHT	Butylated hydroxytoluene – synthetic antioxidant
CB	Control Body
EC	European Community
EEA	European Economic Area
EEA Agreement	Agreement on the European Economic Area
ETQ	Etoxiquin - synthetic antioxidant
LCA	Local competent authority
MANCP	Single integrated multi annual national control plan
MAST	Icelandic Food and Veterinary Authority

Annex 2 - Relevant legislation

The following EEA legislation was taken into account in the context of the mission:

- a) The Act referred to at Point 74 in Part 1.2 of Chapter I of Annex I to the EEA Agreement, Commission Decision 98/139/EC of 4 February 1998 laying down certain detailed rules concerning on-the-spot checks carried out in the veterinary field by Commission experts in the Member States; as adapted to the EEA Agreement by the sectoral adaptations referred to in Annex I to that Agreement;
- b) The Act referred to at Point 11 in Part 1.1 of Chapter I of Annex I to the EEA Agreement, Regulation (EC) No 882/2004 of the European Parliament and of the Council of 29 April 2004 on official controls performed to ensure the verification of compliance with feed and food law, animal health and animal welfare rules, as amended, and as adapted to the EEA Agreement by the sectoral adaptations referred to in Annex I to that Agreement;
- c) The Act referred to at Point 54b of Chapter XII of Annex II to the EEA Agreement, Council Regulation (EC) No 834/2007 of 28 June 2007 on organic production and labelling of organic products and repealing Regulation (EEC) No 2092/91, as amended and as adapted to the EEA Agreement by the sectoral adaptations referred to in Annex II to that Agreement;
- d) The Act referred to at Point 54ba of Chapter XII of Annex II to the EEA Agreement, Commission Regulation (EC) No 889/2008 of 5 September 2008 laying down detailed rules for the implementation of Council Regulation (EC) No 834/2007 on organic production and labelling of organic products with regard to organic production, labelling and control, as amended and as adapted to the EEA Agreement by the sectoral adaptations referred to in Annex II to that Agreement;
- e) The Act referred to at Point 54bb of Chapter XII of Annex II to the EEA Agreement, Commission Regulation (EC) No 1235/2008 of 8 December 2008 laying down detailed rules for implementation of Council Regulation (EC) No 834/2007 as regards the arrangements for imports of organic products from third countries, as amended and as adapted to the EEA Agreement by the sectoral adaptations referred to in Annex II to that Agreement.

Annex 3 - Iceland's comments to draft report

Date: 17.2.2020

Subject: **Suggestions of factual errors in ESA's report:**

Draft report – EFTA Surveillance Authority's mission to Iceland from 25 November to 3 December 2019 on organic production and labelling of organic products (ESA, 29 January 2020)

The Control Body (CB – Vottunarstofan Tún) wishes to notify the Competent Authority (CA – MAST) of the following potential errors of fact – and/or clarifications of points raised – in the above ESA draft report on its mission to Iceland. The notes are listed in the order that the subject is outlined in ESA's draft report. The original text from the report, either the whole paragraph or relevant section of a paragraph, is shown in *italics*, followed by the comment, clarification and/or suggested correction identified in **yellow**.

Section 6: Findings and conclusions

4. *The CB has been certifying organic products since 1994.*

The CB was founded in 1994 and has provided inspection and certification services since 1995, certifying the first organic products in 1996.

5. *At the time of the mission, there were two full time employees at the CB. Other CB inspectors were subcontracted and altogether equal to four FTE.*

At the time of the mission, there were two employees at the CB covering the organic and input schemes, with several external employees and sub-contractors providing work on inspections and certification on a part-time basis.

12. *MAST and the CB signed an agreement which defines responsibilities and obligations of both parties, such as frequency of certifications and controls of organic operators, exchange of information and ways of communication. According to the agreement, the CB must have the expertise, equipment and infrastructure required to handle the delegated tasks and have sufficient number of suitable qualified and experienced staff. The mission team noted that this was not always the case (see also point 15 and 34). (Tún's underlining.)*

This may – wrongly – imply that all of the underlined elements are „not always“ available, or if not all, this does not specify which elements were found to be insufficient. It should be made clear that CB clearly communicated to the delegation that in the year of 2019 CB lost three very experienced auditors and was therefore, at the time of the ESA visit, temporarily short on experienced auditors (not staff in general). It should also be made clear that there was, and is, an action program in place to further underpin capacity by (a) recruiting new auditors with suitable qualifications (agronomical expertise, especially to better cover livestock) and (b) conducting detailed staff training focusing on the EU control system, with a major input from qualified European trainer.

15. *Currently new staff receive one day office training followed by field witness visits from a senior CB staff. The CB staff attend the Better Training For Safer Food (BTSF) courses when possible. The CB staff attend the Better Training For Safer Food (BTSF) courses when possible.*

New inspectors currently receive approximately 4-5 days worth of in-house and on-line training, including internationally recognized ISO 19011 auditor training, plus field training by senior inspector in 4-6 audits on site. The CB's permanent organic staff have both attended BTSF courses.

34. *The mission team noted that the new procedures and check lists and training to CB staff do not include all requirements which should be checked during official controls. As a result, some requirements were not addressed during controls, and as such these controls were not always effective, as required ...*

Examples noted by the draft report include requirement to check if the cleaning agents can be used in organic production and the requirement to check for the use of the veterinary medicinal products. It should be noted that both these are included in CB's checklist.

The requirements regarding the declaring of use of veterinary medicinal products prior to marketing had been the subject of discussion between CA and CB on how this should and could be implemented.

36. *At a seaweed harvesting and processing operator producing seaweed mainly for feed but also for food purposes, no checks had been performed by the CB to assess if areas where wild edible seaweeds are collected meet the criteria for Class A or Class B areas as defined in Annex II of Regulation (EC) No 854/2004, as required by Article 13(1)(a) of Regulation (EC) No 834/2007.*

Since this statement may wrongly imply that CB performs no checks on quality of waters of the collecting sites, it should be noted that CB has required seaweed harvesting operators to provide evidence of (a) points of discharge of industrial and domestic/community sewage in the fjords and coastal communities close to collection areas (received from local councils) and (b) details of collection by area (as well as time, species and quantities) for CB's verification that collection is conducted outside minimum distances set.

39. *During the visit to a dairy farm, a bag with non-organic barley hulls was kept in the storehouse. The farmer mentioned that he had fed his calves with it. No action was taken on the spot by the CB to address this issue.*

The claimed non-organic status of this products has not been established. The farmer claimed that it was organic and that it had been received from a named organic barley farm. However this was not possible to confirm due partly to lack of labelling.

Regarding claim of CB's (or auditor's) lack of action on the spot, it was the CB's understanding that these visits should not be seen, prepared or handled as full and proper audits conducted by the CB, with the associated reporting of non-conformities, potential client action and potential subsequent certification processes. This understanding is based on the limited guidance that the ESA team communicated to CB prior to the visits, including clarification that these visits would not have direct consequences for the operators visited.

44. *Traceability checks were routinely performed by the CB on selected commodities during the visits of the operators. However, the CB did not check the documentary evidence for the organic products received by the operator nor did it verify if the operators had checked the documentary evidence for these products when receiving them, contrary to Article 29(2) of Regulation (EC) No 834/2007.*

The checking of documentary evidence for organic products received is a regular feature of both the initial application and audit processes as well as of annual

audits. While such check of documentary evidence may not have been sufficiently demonstrated by CB's auditors during ESA's visit, an understanding of the CB auditor's role in the ESA visits had not been fully established prior to those visits (as per comment on no. 39 above).

Additional comment received from MAST by email on 6 March 2020

Thank you for your e-mail. MAST has one comment the draft report in addition to the ones you received from Tún, but there seems to be a misunderstanding in regards to recommendation 4 (associated with finding no. 35), please see below:

„Regarding finding 35, there seems to be a misunderstanding regarding the importing of organic feed. No certified organic feed is shipped to this operator in bulk in ships. This operator has imported organic certified feed for some time. It is, and has been, imported in small quantities for a handful of farmer and all of it arrives in big bags (1 tonn) or 25 kg bags. In the feed mill, the big bags are emptied into a truck to distribute it to farmers where it is delivered into silos at the farms.“

Annex 4 - Iceland's action plan for corrective measures
TOC – Table of corrective actions ESA mission 2019 on Organic production and labelling of organic products

No	Recommendation	Corrective action	Date of compliance
1	<p>The Competent Authority should organise an annual inspection of control bodies as required by Article 92e of Regulation (EC) No 889/2008.</p> <p>Conclusion 19 Associated finding 13</p>	<p>The CA conducted an inspection of the CB on February 6th. Before the inspection two documents were published in the Quality manual for the annual inspection of CBs. Please see attached documents named REC-1 GAT-59 and REC-1 VLY-114</p> <p>A report was written after the inspection. Please see attached document named; REC-1 Report-Annual Inspection Tun.</p>	Completed
2	<p>The Competent Authority should ensure that the Control Body verifies all requirements necessary for certification, in particular operators precautionary measures, as defined in Article 63(1)(c) of Regulation (EC) No 889/2008 and that operators declarations include all undertakings as required by Article 63(2) of Regulation (EC) No 889/2008.</p> <p>Conclusion 27 Associated findings 23, 24</p>	<p>The CB has submitted to CA amended application forms and annual report template that require an operator to draw up and maintain precautionary measures; an amended audit checklist to ensure verification of those measures; and certification contract adding further clarifications to ensure full compliance with article 63(2).</p> <p>See attached documents named “REC-2 E...”</p>	1.june 2020
3	<p>The Competent Authority should ensure that the documentary evidence issued by the CB to operators follows the model provided in Annex XII of Regulation (EC) No 889/2008, as required by Article 68 of that regulation, and it should be made</p>	<p>The CB has already submitted a new template for their documentary evidence to be issued to operators in 2020. It does follow the model provided in Annex XII. See attached document (REC-3-).</p> <p>A list of all operators has been available to the public on CB's website for several years. The list does not include the documentary evidence (certificates). The CB has committed to revise the format of the list to include access to certificates at the end of this year. See attached document named “REC-3 Uppfært sniðmát vottorða Túns”</p>	<p>Completed</p> <p>31.1.2021</p>

	<p>available to the public together with the list of operators, as required by Article 92b of Regulation (EC) No 889/2008.</p> <p>Conclusion 28 Associated finding 25</p>		
4	<p>Iceland should ensure that all relevant operators are subject to the control system as required by Article 28(1) of Regulation (EC) No 834/2007, including retailers selling organic products to the final consumers unless such retailers are exempted under the conditions of Article 28(2) of the same Regulation.</p> <p>Conclusion 29 Associated findings 26, 35</p>	<p>The CA will raise the issue of exemptions under Art. 28(2) of Reg. (EC) No 834/2007 with the Ministry. Discussions are needed on how operators to be exempted will be defined, and how this will be published.</p> <p>The law on organic farming no 162/1994 was changed on December 21st 2019, (law no. 144/2019) to include a sentence giving Local Health Authorities (LHA) the authority for control on organic products at retail stage: “Heilbrigðisnefnd fer með opinbert eftirlit á markaði undir yfirumsjón Matvælastofnunar“.</p> <p>(3.grein) See the updated law here: https://www.althingi.is/lagas/nuna/1994162.html</p> <p>The CA has been in contact with the feed importer mentioned in finding 35, regarding issued raised during the mission. This feed importer has taken several steps to become a certified organic operator and has submitted an application to the CB to be certified. See also the comment from the CA as per e-mail dd. 06.02.2020 on feed in bulk.</p>	30.9. 2020
5	<p>The Competent Authority should ensure that controls carried out by the Control Body are effective, as required by Article 27(9)(b) of Regulation (EC) No 834/2007, that the Control body staff performing official controls receive appropriate training as required by Articles 92c(3) and 92e(b) of Regulation (EC) No 889/2008, and that documented procedures of the Control Body contain all relevant information and instruction for staff performing official controls, as required</p>	<p>Notwithstanding comments made by Iceland on findings 34, 36, 39 and 44, the CB has submitted to CA a plan of action to review its operating procedures, auditor guidelines and audit checklists to ensure their coverage of all requirements, including requirements pertaining to the issues noted in findings 34-39. The CB has also confirmed to the CA that these and other issues pertinent to the EU control system, will form the backbone of the forthcoming 2020 auditor and office staff training program, in advance of this year’s auditing.</p> <p>See attached document “Rec-5 Training Seminar 1-3.4.2020”</p>	31.12.2020

	<p>by Article 92e(c) of Regulation (EC) No 889/2008.</p> <p>Conclusion 41</p> <p>Associated findings 34, 35, 36, 37, 38, 39</p>		
6	<p>The Competent Authority should ensure that the Control Body performs additional random checks based on risk evaluation of at least 10% of operators, as required by point 2(b) of Article 92c of Regulation (EC) 889/2008, and that at least 10% of all inspections and visits carried out in accordance with Article 65(1) and (4) of that regulation are unannounced, as required by point 2(c) of Article 92c(c) of that regulation.</p> <p>Conclusion 42</p> <p>Associated findings 31, 32</p>	<p>During the annual inspection of the CB, the CA did get a confirmation on the status of the random checks based on risk assessment. Random checks did reach 10% of operators even though one of the high-risk operators, did withdraw his certificate.</p> <p>In 2019 there were also 5 unannounced visits (10% of certified operators) before the end of the year.</p> <p>Plans for 2020 already include the risk assessment for additional checks and the unannounced visits, and this was confirmed during the annual inspection of the CB and will be followed up on during the next annual visit at the latest.</p>	<p>Completed.</p> <p>To be followed up on during the annual visit to CB in end of year 2020.</p>
7	<p>Iceland should ensure that the use of labels and packaging material by operators is in line with Article 24 of Regulation (EC) No 834/2007, that operators verify the documentary evidence of their suppliers as required by Article 29(2) of Regulation (EC) No 834/2007 and ensure compliance with</p>	<p>The law on organic farming no 162/1994 was changed on December 21st 2019, law no. 144/2019, to include a sentence giving LHA the authority for control on organic products at retail stage.</p> <p>The CA has informed the LHAs of the change in law and will publish a guidance for their inspections at retail level regarding the labelling, documentation and traceability of organic products at the retail stage, before the end of this year.</p> <p>As outlined under Recommendation no. 5, the CB has submitted to CA a plan of action to review its operating procedures, auditor guidelines and audit checklists to ensure that they cover all requirements, including the checking of documentary evidence. The</p>	<p>End of year 2020.</p>

	<p>labelling and traceability requirements, as required by Articles 23(5) and 27(13) of Regulation (EC) No 834/2007. Conclusion 46 Associated findings 43, 44, 45</p>	<p>CB has also confirmed to the CA that this issue will be covered during the training program for auditors and office staff in 2020.</p> <p>The CA has improved the information on its web site regarding labels on packaging and will continue to add information for importers, distributors and producers. All labelling should be in line with the regulation at the end of year 2020.</p>	
8	<p>The Competent Authority should ensure that the Control Body takes and analyses samples as required by Article 65(2) of Regulation (EC) No 889/2008. Conclusion 50 Associated findings 37, 47, 48</p>	<p>The CB has submitted a plan to the CA for samples to be taken in 2020 based on risk assessment. The selecting and handling of samples is a subject of the CB's auditor training prior to the 2020 auditing round.</p>	31.10.2020
9	<p>Iceland should ensure that it communicates information concerning: authorisations for use of seed not obtained by the organic production method, as provided in Article 55 of Regulation (EC) No 889/2008; authorisation to use non-organic feeding stuffs as provided in Articles 47(c) and 94(d) of that regulation; authorisation to use non-organic food ingredients of agricultural origin, as provided in Article 29(2) of that regulation. Conclusion 55 Associated findings 54</p>	<p>In the year 2019, the CA was responsible for all authorisations for seeds, non-organic feeding stuffs and use of non-organic food ingredients. The CA will communicate the information for 2019 before 31.3.2020 through the relevant database. Also, where required, communicate, in a timely manner, the granting of authorisations during the year 2020.</p>	31.12.2020
10	<p>The Competent Authority should ensure that, when the Control Body detects non-compliances, it takes measures in line</p>	<p>The CA issued in October 2019 a catalogue of measures outlining classification of findings and sanctions. It is recognized that it is now being implemented. CB has submitted to the CA an amendment to its operating procedure incorporating this catalogue. (See attached documents named REC-10 Tun's Organic OPs...)</p>	1.7.2020.

	<p>with the requirements of Article 30 of Regulation (EC) No 834/2007, and that measures applied are effective, proportionate and dissuasive, as required by Article 55(1) of Regulation (EC) No 882/2004.</p> <p>Conclusion 66 Associated findings 62, 63, 64</p>	<p>CB has confirmed that this is a subject of its auditor and staff training prior to the 2020 auditing round. (See attached documents named REC-10 Training Seminar). Furthermore, CB has confirmed that, as stated by the CB's auditor during ESA's visit to one of the sites, an extra audit has been scheduled to verify client corrective actions, during which the catalogue will be applied.</p> <p>See attached document "Rec-10 Training Seminar 1-3.4.2020"</p>	
11	<p>Iceland should ensure that a seed database is established and that information is communicated concerning the manager of the database as required by Article 48 of Regulation (EC) No 889/2008.</p> <p>Conclusion 69 Associated findings 67, 68</p>	<p>The CA will consult with the Ministry on either a solution in cooperation with other EEA States, or setting up a seed database on its own. This work should be finished and a database working, before farmers prepare to buy seeds for the sowing in 2021. Information concerning the manager of the database will be communicated as soon as this has been arranged.</p>	31.12.2020