Delegations will find attached a note from the Finnish delegation on the abovementioned subject, which has been entered under "Any Other Business" on the agenda for the Council (Agriculture and Fisheries) meeting on 23 March 2009.
Description of the problem:

Due to the adverse conditions during the growing season, since towards the end of 2008 there has been a shortage in the supply of organic protein (turnip rape, pea and field bean) in Finland. At the same time the internal market imports of organic protein feed have been insufficient relative to the need.

Compared to 2007, the cultivation areas of both organic pea and turnip rape decreased in 2008 (20% and 13%, respectively), while the area under field bean grew by 11%. The total cultivation area of organic protein crops (about 3 200 ha in 2008) is not large enough to meet the need for organic protein. Our self-sufficiency in protein feed is low, both in organic and in conventional production. The EU is also dependent on imported protein (especially soya) and the abolition of the EU support scheme for protein crops as from 2012 at the latest is likely to further reduce the cultivation area of protein crops in the EU.

Current legislation:

The new EU regulations on organic production (Council Regulation (EC) No 834/2007 and the Commission Implementing Regulation (EC) No 889/2008) became applicable in the beginning of 2009. As set down in Article 47 of the Implementing Regulation, the competent authority may authorise, on a temporary basis and in specific areas, individual operators to use non-organic feedingstuffs when forage production is lost or when restrictions are imposed on the production. This spring a number of Finnish livestock farms have applied for this derogation, most of these milk production farms. Milk producing farms are more dependent on high-quality protein than farms raising other ruminants.
Possible solutions:

Organic production stresses the use of local production inputs. This means that, first and foremost, we should ensure a sufficient local supply of organic protein feed. Besides this, however, there is a need for actions to reduce the dependence of the EU on imported protein. Reducing this dependence is also important for ensuring, where necessary, the supply of non-GMO feedingstuffs. The possibilities to cultivate alternative protein crops, such as field bean, to supplement the supply of turnip rape and rapeseed should be developed.

As regards the legislation on organic production we should consider, in the first place, whether the derogations allowed by the regulations are flexible enough for practical situations. In particular, we should look into the following questions:

1. Use of in-conversion feed

   - As regards Article 21(1) of the Implementing Regulation (889/2008) we should consider whether the maximum allowable percentage of in-conversion feed in the average daily rations of animals could be increased for the part of both purchased in-conversion feed and that coming from the holding itself.

   - As regards Article 21(2) of the Implementing Regulation (889/2008) we should consider the possibility to allow the use of feedingstuffs from parcels in the first year of conversion more extensively than in the case of grasses (perennial forage parcels) or permanent pastures alone. The present regulations allow their use up to 20% of the average daily rations. We should consider whether the application of this could also be extended to protein crops.

2. Increasing the discretionary power allowed to the competent national authority

   - As regards Article 47(c) of the Implementing Regulation (889/2008) we should consider whether, apart from the loss of forage production or restrictions imposed on the production, a shortage of organic feed on the internal market could also be considered as an exceptional circumstance.

3. Implementation of the Health Check of the Common Agricultural Policy

   - In the context of implementing the Health Check of the Common Agricultural Policy, the Member States should be allowed to undertake measures to ensure the production of protein crops as part of the measures under Article 68 of Council Regulation (EC) No 73/2009.