IMPACT ASSESSMENT

Additional costs without simplification of the Organic Regulation

1. Labelling of Equivalent Organic Products Imported from Third Countries (following the Herbaria judgment)

We assume that the European Commission itself is best positioned to estimate the scale of trade volumes and to extrapolate the trade value at stake. Trade across the EU would be impaired by a kind of "downgrading" of equivalent organic imports, raising the question as to whether such products could still be used as regular organic goods for processing and preparation within the Union as before. This would result in damages along the supply chain amounting to billions. In addition, there would be changes in labelling in the country of origin, if the products arrive pre-packaged, or for EU operators who must adjust labels. Further damage would arise due to the reduced recognizability of imports for end consumers, since the organic claim of the countries of origin is not known as such, so declines in sales are to be expected.

2. Extension of Deadline for Trade Agreements

The lapse of authorisations without a follow-up scheme would mean that imports from previously recognised third countries would initially cease. Below you will find an overview of the authorisations for third countries pursuant to Annex I of Regulation (EU) 2021/2325 in combination with their trade volumes for 2024[1]. The quantities delivered would need to be extrapolated into monetary values.

The loss of equivalence-based recognised third countries would lead to massive disruptions in value chains within the EU, as significant import quantities and shares could no longer be introduced and would then be missing from the European market. The consequences of the loss of key products and raw materials, and the resulting production losses and business closures are incalculable and go far beyond mere merchandise losses.

Certainly, some imports could continue to be made via "compliant" control bodies. However, this would potentially require changes to standards, since the Organic Regulation would have to be complied with 1:1. Moreover, the import system would have to be restructured, which would involve considerable administrative costs:

- Elimination of trade facilitation.
- Change to a "compliant" control body.
- Certification under the Organic Regulation and, if required, adaptations in production standards.
- Possible limitation or loss of export opportunities.

It must be assumed that there would be additional costs running into billions and, in part, irreversible damage both in the countries of origin and in the EU.

[1] https://agriculture.ec.europa.eu/system/files/2025-05/analytical-brief-7-eu-organic-imports-brief_en.pdf

Position	Justification / Explanation of Additional Effort	Additional Effort
Expiry of authorisation for recognised third countries (until 31.12.2026) without follow-up regulation		
• Argentina	Authorisation for unprocessed plant and animal products & live animals, processed foodstuffs, as well as vegetative material & seed	Import volume 2024: 31,693 t = 1.2% of all organic imports into the EU (rank 19)
• Australia	Authorisation for unprocessed plant products, processed foodstuffs as well as seed & vegetative material	Import volume 2024: 1,018 t = <0.1% of all organic imports into the EU (rank 66)
• Canada	Authorisation for unprocessed plant & animal products & live animals, processed food & feed including wine & yeast, as well as vegetative material & seed	Import volume 2024: 24,201 t = 0.9% of all organic imports into the EU (rank 24)
• Costa Rica	Authorisation for unprocessed plant products, processed foodstuffs as well as seed & vegetative material	Import volume 2024: 19,609 t = 0.7% of all organic imports into the EU (rank 27)
• Israel	Authorisation for unprocessed plant products, processed foodstuffs as well as seed & vegetative material	Import volume 2024: 9,776 t = 0.4% of all organic imports into the EU (rank 39)
• India	Authorisation for unprocessed plant products as well as seed & vegetative material	Import volume 2024: 95,022 t = 3.6% of all organic imports into the EU (rank 9)
• Japan	Authorisation for unprocessed plant & animal products & live animals, processed foodstuffs (excluding algae-containing products)	Import volume 2024: 4,214 t = 0.2% of all organic imports into the EU (rank 54)
• Korea	Processed foodstuffs (including wine & yeast)	Import volume 2024: 113 t = <0.1% of all organic imports into the EU (rank 93)
• New Zealand	Authorisation for unprocessed plant & animal products & live animals, processed foodstuffs as well as vegetative material & seed	Import volume 2024: 13,016 t = 0.5% of all organic imports into the EU (rank 41)
• Tunisia	Authorisation for unprocessed plant products, processed foodstuffs as well as seed & vegetative material	Import volume 2024: 44,373 t = 1.7% of all organic imports into the EU (rank 12)
• USA	Authorisation for unprocessed plant & animal products & live animals, processed food & feed including wine & yeast as well as vegetative material & seed	Import volume 2024: 13,042 t = 0.5% of all organic imports into the EU (rank 37)
• **Total organic import volume**		**256,077 t import volume (2024) almost 10% of total organic imports**

3. Cleaning & Disinfection

Additional effort due to the creation of a positive list compared to a list with exclusion criteria and dispensing with individual substance evaluations

A project that developed recommendations for a future regulation on cleaning and disinfection in organic food processing and storage concluded on a positive list with individual substance evaluation as follows: *"A positive list is not a suitable instrument to meet the requirements of the different areas in organic processing and storage and cannot do justice to the great diversity of the organic sector. The previously proposed procedure for creating a positive list carries the risk that important substances necessary to ensure production and food safety will be missing at the end."*[2]

Another fundamental problem is that it is unrealistic to expect manufacturers of cleaning and disinfection products – as is usual for other lists in the Organic Regulation – to prepare dossiers and submit applications for all substances used in the organic sector, because this would be too onerous and costly for manufacturers given the relatively small market share of organic businesses. Consequently, it would be expected that indispensable agents would be missing.

The reason why the positive list was still discussed further is that, according to the legal opinion of the EU Commission, Article 24(1)(g) of Regulation 2018/848 is to be understood as allowing only a positive list. If this is changed, a list with exclusion criteria and dispensing with extensive individual evaluations of substances would be possible.

Position	Justification / Explanation of Additional Effort	Additional Effort
Additional effort for creating and maintaining a positive list of cleaning and disinfection agents		
• Effort for dossiers by manufacturers	Creation by manufacturers With approximately 1,000 applications[3] extremely time-consuming; Effort per dossier approx. 2.5 days (Note: Submitting so many dossiers is unrealistic) Possibly additional effort through creation of efficacy studies (not included)	Per dossier: 20 h x €80 = €1,600 1,000 x €1,600 = **€1,600,000** Studies: approx. X € / study
• Accompanying the application procedure	Application through national contact points and tracking	8 h / application = 8 x €80 = €640 640 x 1,000 applications = **€640,000**
• Evaluation of applications by EGTOP Subgroup C&D and report preparation	Assessment of an unusually large number of applications, therefore significantly more meetings necessary (fast-track procedure needed!) 8 h per 20 dossiers => 50 additional days (Duration: 12.5 years with 4 meetings / year) Expert fees: €500 per expert per day	50 days / 1,000 dossiers 5 to 10 experts = €2,500 – €5,000 / day 50 x €2,500 = **€125,000 (5 experts)** 50 x €5,000 = **€250,000 (10 experts)**

[2] RuDI-Projekt: Empfehlungen für die Ausgestaltung der rechtlichen Vorgaben für Reinigungs- und Desinfektionsmittel in der Ökologischen Lebensmittelverarbeitung und Lagerung, S. 88: https://orgprints.org/id/eprint/52648/1/Schlussbericht%20gesamt.pdf

[3] Projekt RuDI S. 88: https://orgprints.org/id/eprint/52648/1/Schlussbericht%20gesamt.pdf

	Preparation of EGTOP reports: 1 report per 20 dossiers, 4 h per report => total 50 reports for 1,000 dossiers	50 x 4 h = 200 h = 25 days 25 x €2,500 = **€62,500 - €125,000**
• Correction and maintenance needs for the positive list by EGTOP	Increased effort for correction and updating of the list At approx. 5% of agents, additional effort 0.5 h / agent Expert fees: €500 per expert per day	0.5 h / substance => 0.5 h x 50 substances = 25 h = 3 days 3 x €2,500 = **€7,500 - €15,000**
• Authorisation in Regulation 2021/1165 (Commission)	Very long list with an unusually high number of substances (usual lists are from 10 up to max. 100 substances) Additional effort for the Commission and Member States due to high error susceptibility and high maintenance effort	
Total costs:	**Additional effort for application, evaluation, and authorisation**	**Application:** **€2,240,000** **Evaluation:** **€195,000 - €390,000** **Authorisation: X €**
Application of the positive list in companies		
• Checking and replacement of cleaning & disinfection products (C&D products) in companies: more frequent selection of a new agent due to errors or missing substances	Additional effort through more frequent product replacement (e.g., because no dossier was submitted or authorisation is delayed) Additional replacement of 3 agents per year and company in the first 5 years Number of affected companies: 5% of the total 26,000 companies registered in TRACES[4] = 1,300 companies	4 h / agent x €80 = €320 3 x €320 = **€960 / year / company** 1,300 x €960 = **€1,248,000 / year**
• Testing phase including efficacy tests and analyses	Additional effort through more frequent introduction and testing of new agents[5] Additional efficacy tests e.g. by contact plate tests & analyses	10 h x €80 **= €800 / agent** **= €2,400 / company** X €?
• Changes in QM & documentation & staff training	More frequent adaptation of instructions in the QM system & changes in documentation Training of employees on the agents	12 h x €80 **= €1,000 / year / company**
• Application for derogations for non-authorised agents in CLD systems	Prescribed cleaning regime in CLD systems may include non-authorised agents. Application for derogations (i.e., exemptions) for the use of non-authorised agents	2 h x €40 = €80 / derogation **€160 / year / company**
• Additional control costs	More frequent inspection of conformity of agents used in companies Initial inspection: €300 per agent	€300 / agent €300 x 5 = **€1,500 / company**

[4] In TRACES sind rund 26.000 Zertifikate hinterlegt für Aufbereitung, Im- und Export, Futtermittel, Vertrieb, Inverkehrbringen und Lagerung in Deutschland. Darunter werden Unternehmen sein, die weder lagern noch aufbereiten. Geht man davon aus, dass nur 5% der Unternehmen von einem Fehler betroffen sind, sind das 1300 Unternehmen. https://webgate.ec.europa.eu/tracesnt/directory/publication/organic-operator/index
[5] RuDI-Projekt S. 43: Die Einführungsphasen für neue Mittel werden auf Zeiten von 2 Monaten bis 2 Jahre kalkuliert: https://orgprints.org/id/eprint/52648/1/Schlussbericht%20gesamt.pdf

	5 new agents per affected company Exposure: 5% of companies = 1,300 companies	€1,500 x 1,300 companies = **€1,950,000 / year**
Total costs: Additional effort for companies		**€6,020 additional effort / company**

4. Contaminations

For better handling of contaminations, we do not propose any textual amendments, as we know this topic will lead to significant discussions within the EU. Nevertheless, improvements through "soft legislation," meaning more practicable interpretations and implementations, are urgently needed, which must be undertaken independently of the legislative process regarding the Organic Regulation. Since this is the topic that burdens companies in the EU with the most unnecessary effort and is truly pressing for them, here is a calculation of the additional effort.

The impacts are particularly relevant for plant-based products such as fruits and vegetables and products derived therefrom. Product groups with large surface areas, such as herbs, or those concentrated by extraction (oils) or drying (tea) are especially affected, both in foods and feed. On the other hand, products from animal production, with the exception of honey, are practically unaffected, as in these pesticide residues—on which official measures primarily focus—are generally not detectable.

Whether these are indeed the product groups most relevant regarding violations of the Organic Regulation or if they are disproportionately targeted due to the above-mentioned specific factor remains open. The major organic fraud cases[6], in which large quantities of usually residue-free cereals or oilseeds were relabelled as organic, would suggest this. Hence, specific sectors are particularly massively and, from our point of view, disproportionately affected by interpretations.

Position	**Justification / Explanation of Additional Effort**	**Additional Effort**
Additional effort caused by the EU Commission's interpretations regarding contamination handling		
Additional effort for companies due to unjustified investigations of positive findings: • no solid data basis • too low action thresholds • no review of the company's preliminary investigations • no preliminary assessment of	Additional effort due to handling significantly more and unjustified cases On average, 2 days of extra effort for companies to provide professional support to suppliers and control bodies Assessment: • An investigation is estimated to be unjustified or unnecessary in 50% of cases. • In almost all cases, investigations are not completed quickly enough. Basis: OFIS cases or complaints Not all companies are equally affected. Companies dealing with product groups having large surface areas (e.g., spices, herbs) or those concentrated by extraction (oils) or drying (tea), both in food and feed, are particularly affected.	Additional effort per case: On average 2 days 16 h x €80 = **€1,280 additional effort per case** (In difficult cases up to 10 working days 10 x 8 h x €80 = €6,400 per case)

[6] https://www.organic-integrity.org/fileadmin/afi/docs/afi10/08_Reliable-Imports-of-Organic-Products-from-third-Countries-into-EU.pdf

the relevance of the investigation / OFIS case • duplicate/multiple investigations in the supply chain	Reasons: • Unclear action thresholds combined with no or insufficient preliminary assessment regarding the relevance for opening an OFIS case: Not every substance that results in an analytical finding necessarily indicates an unauthorized use of a plant protection product (e.g., residue definition Trimesium). • Before opening a case, it should be checked whether a potential suspicion has already been properly resolved by the company. • OFIS cases are often investigated multiple times along the chain. • To avoid overburdening the control system unnecessarily, competent gatekeeper functions are needed before opening an OFIS case, representing harmonized views and knowledge.	
Additional analysis costs	Re-analysis, targeted on 1 substance. Average costs (e.g., multi-method pesticide screening): €200 per sample Approx. 5 re-analyses per case Additional cost for representative sample taking: €90 per sample	5 x €200 = €1,000 per case (Up to €10,000 in difficult cases) 5 x €90 = €450 per case **= €1,450 additional analysis costs per case**
Additional storage costs	Per batch approx. 10 tonnes = 36 intainers Storage costs for external storage: approx. €3 / intainer per month (rough estimate) Average time to close OFIS cases: 1 year 7 months (= 19 months)	36 x €3 = €108 / month Over 19 months: **approx. €2,000 additional storage costs per case** (In the case of long-term blocking and large quantities, up to €17,000 or more possible)
Additional control costs	Additional control costs for extensive investigations in the control system for contamination cases Approximately 100 h per case 2 h for OFIS and transfer, 4 h total for traceability and blocking	**€200 - €400 additional control costs per case** (In special cases 8 h / case = €800 per case)
Additional costs for product losses	Only in some cases, especially for perishable goods and those companies sell conventionally to prevent total loss In large batches where no COIs are issued anymore, losses up to €1,000,000 in one case	Depending on case from €10,000 to €1,000,000

Other administrative costs Additional lawyer and consultancy costs	Administrative costs (correspondence, objections, etc.) per litigation case: about €1,500 internal company costs Plus lawyer and court costs	approx. €1,500 per case Plus lawyer and court costs
Contract non-fulfill-ment or penalty costs from trade	One case example approx. €100,000 (tea)	X €?
Total costs: Additional effort in contamination cases	plus costs for product losses, administration, consulting & litigation as well as contractual penalties	**€5,000 additional costs per case in companies**

5. Eligibility criteria for group of operators

Several impact studies of FiBL, COLEAD as well as recent survey results of Fairtrade and Bio Suisse as well as exemplary recent producer group impact examples provided by FiBL point towards significant increase in costs and burdens for smallholder groups. The higher costs include initial adaptation costs due to the restrictions of Art 36.1, higher annual administrative costs due to multiple legal entities, and significantly higher certification costs in many cases. There also seems to be reduction of the number of organic farmers and volumes certified for the European market. While we have no own detailed costing examples we support the proposed changes of Art 36.1 and more meaningful rules for defining the list of high riks countries.

It is estimated that around 70% (more than 1,300 organisations, with approximately 700,000 organic producers) of all previously certified organic smallholder groups in third countries have had to change their legal structure or composition due to the combined effect of Article 36.1(a–d) and the 2,000-member limit. This includes both farmer organisations and processor/exporter-led groups.
Even approximately half of all farmers organisations, established according to their national legislation, fail to meet the combined definition of Article 36.1(a), (b), and (d), because they:

- have some non-organic members (this is the most common problem)
- include a few members exceeding the € 25,000 turnover limit, or
- consist of more than 2,000 members.
- They are second degree farmers organization (i.e composed of first grade farmers organisations who have farmers as members).

Around 20% of organic farmer organisations worldwide have already indicated across several survey (FiBL, Bio Suisse, Fairtrade 2025) their intention to discontinue EU organic certification, primarily due to the combined financial and administrative burdens. Many organizations orient themselves towards the US and other organic markets. Effects on volumes can be significant (but is impossible to predict at this point). In a GIZ workshop for organic stakeholders in Ethiopia in October 2025, all bigger producer organisations (many second degree farmers organization) reported that they had drastically reduced the number of EU organic certified farmer organisations and famers (by 10 to 90%).

Position	Justification / Explanation of Additional Effort[7]	Additional Effort
• Turnover limit • composition of the group	• According to the FiBL Survey (2024)[8], about one third of producer groups reported that their average farm size exceeds 5 hectares. Most organic smallholder organisations worldwide have at least some members with holdings above this size. Consequently, the additional turnover limit under Article 36.1(b)(i) is highly relevant for determining eligibility for membership in a group of operators. • The 2% ratio between the costs of individual certification and average organic turnover, promoted by IFOAM since decades, is a useful indicator for small-scale organic production, as it excludes large farms that can afford individual certification while reflecting the scale of organic production. This is particularly important given the wide variation in productivity and minimum viable crop areas between crops, farms, and regions. Also, most smallholders grow home consumption crops and use only part of their farm for production of the organic export crop. For example: ○ In bananas in LA, 2.7 ha corresponds to approximately € 25,000 in organic turnover. For many fresh fruits its also rather small areas that correspond to the limit ○ In sugar cane in LA, the same turnover corresponds to more than 15 ha. ○ In small-scale pineapple production in West Africa, 10 ha generated only € 5,500 in organic turnover. • However, the absolute maximum organic turnover threshold of 25.000 € set in Art 36.1.b (i) may have correlated to the 2% for European certification costs in 2007, but it causes a considerably burden in implementation in third countries as commodity prices and costs of production have increased and vary considerably between years, a tendency that is likely to apply also in coming years. • In some crops, the € 25,000 turnover limit excludes genuine smallholders. This is especially true for bananas, honey, and fresh fruit in Latin America, where any farmer with more than 5 ha typically exceeds the limit (or in case of honey only the turover limit applies) • For comparison, under Fairtrade, banana farmers with up to 10 ha are still considered smallholders, as production and packing costs are extremely high. • In most third countries, individual organic certification costs between € 1,000–1,500 per year, or up to € 3,000 including national transaction certificates and related fees. This is considerably higher than in Europe and also not expected to decrease to European price levels even with economies of scale (as less reliable data sources and legal system).	

[7] Data from FiBL 2025

[8] FiBL Study of the impacts of the new Eu organic regulation on smallholder value chains and the European organic sector, 2024 ; https://orgprints.org/54313

- Example costs of certification as % of turnover: A banana farmer in Latin America with 6 ha of banana (7 ha total) typically achieves around € 50,000 in organic turnover and therefore exceeds the current limit. However, individual certification would cost € 2,000–3,000 per year, representing 4–6% of turnover - far above the 2% threshold in Article 36.1(b).
- Such costs are commercially unviable, leading farmers either to split holdings artificially to stay under the 5ha threshold or to abandon EU organic certification altogether. This reduces available volumes and raises marginal costs.
- Similar problems occur in Turkey and other Mediterranean supply chains. Due to inflation, exchange rate volatility and market price fluctuations, smallholders may exceed the € 25,000 limit at least in some years, leading to exclusion from the group and destabilizing well-established organic supply chains.
- In 2025, this issue worsened. Sharp increases in prices for key smallholder commodities such as cocoa and coffee pushed in many groups at least a few group members above the € 25,000 limit, just during the first application of Art 36.1. In earlier studies on the effects of farm size/turnover limit (in 2024; based on 2023 prices), there were hardly any cocoa or cocoa farmers certified in groups that would have exceeded the limit.
- For example, a West African cocoa farmer with 9 ha in 2025 would surpass the limit, yet face certification costs of € 1,500/year, equalling 6% of turnover - again 3 times the 2% benchmark even in a year with exceptionally high market prices. The same farmer with individual certification could end up paying more than 10% of organic turnover next year when cocoa prices drop, which is a risk no farmer would take.
- Example Prices Coffee Cooperative Peru (productivity considerably higher than in Africa): 2024 average farmgate price: 2.42 € per kg. 2025 Average farmgate price €4.83 per kg of dry parchment. In 2024 (and before) farms with less than 7ha under coffee would have been safely under the 25.000€ turnover limit; in 2025 suddenly farms with 3.7 ha under coffee (but > 5ha total land including home consumption crops) risk to exceed the 25.000€ organic turnover limit and disqualify for Group of operator membership. If the cooperative wants to be certified under 36.1 as it stands, it effectively needs to expel these members – though next year they are likely well under the limit. Again there is no way that this farmer with 2024 income of 13.000€ and 2025 turnover of 25.000€ will go for individual farm certification of at the very least 1000 € (5.2% of 2 year average organic turnover)

Further problems:

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Groups of operators cannot add and remove organic members every year. If an absolute turnover ceiling were set in secondary acts, based on the 2% rule and real certification cost data, it would be advisable to use multi-year average organic turnover to measure eligibility. Or to stay with the 2% ceiling and remove the 25.000 € ceiling.
In all such cases, excluded “too large” small-scale farmers would also lack both the administrative capacity and financial means to maintain individual certification and compliance without an internal control system (ICS) support. They also need collective access to finance through membership in the producer organisation - which they no longer have as according to Art 36.1 they would need to be excluded as members, even if they get individual certification
Because of the complex rules of Art 36.1b, many producer organisations were found to have excluded all members with more than 5 ha, even if they are genuine smallholders as their own simplification measure. This reduces the exportable volume, undermines economic viability, and increases marginal costs per tonne of exported organic product, threatening the future of these supply chains.
Detailed cost examples at the end of this paper
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<tr><td>Legal personality</td><td>Potential cost savings and burden reduction through simplification of legal personality requirements
For example, in the Dominican Republic Impact Study[9], all 31 Fairtrade–Organic small producer organisations were found ineligible as groups of operators under Article 36.1:
13 had both organic and non-organic members,
3 exceeded the 2,000-member limit, and
25 (all banana SPOs) included members above 5 ha and/or € 25,000 in turnover.
Adjusting organisational structures is complex and costly, as these organisations have developed over decades. The required costs (that could be reduced by simplification) entail:
Initial adaptation costs, such as registering new entities or splitting groups;
Ongoing administrative costs, including higher operational overheads for managing multiple entities (management, book keeping, tax, etc.);
Increased certification costs, partly due to having several smaller units (note: the higher costs are also caused by higher control requirements which are defined in secondary acts).
In various countries worldwide, adaptation to the combined requirements of Art 36.1 a and d contradicts national law for agricultural cooperative societies as farmers organisations are not allowed to split (e.g. in case
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[9] FiBL-COLEAD Case study on the implications for low- and middle-income countries of Organic Regulation (EU) 2018/848 in the Dominican Republic, 2024, https://agrinfo.eu/documents/99/Implications-of-Organic-Regulation-in-Dominican-Republic_2024.pdf

	of being more than 2000 members) and/or organisations are obliged by law to accept any applicant farmer as member (whether organic or conventional). • Cost impacts vary depending on group size and adaptation strategy, but by 2025, many stakeholders reported that actual cost increases as per certification budgets 2025 far exceeded even pessimistic expectations . o In the Dominican Republic, the total internal and external certification costs (including 5% external control and 2% sampling) rose by up to 150% per tonne (2 detailed cost analysis) o In Africa, where groups are often larger due to lower productivity, cost increases of 150 to more than 500% have been reported (several individual costing examples provided by larger groups; information from traders) • The Bio Suisse survey[10] (Sept 2025) of 25 producer groups found: o 4 very small groups reported no or moderate increases; 7 reported increases of 30–75%; 3 reported increases of 100–170% o A third of groups had reduced the number of EU-certified farmers by 30–90% compared to 2024 as the result of the higher costs and complexities. o The main challenges cited were: group composition and legal entity requirements (6 groups), non-organic members (3 groups), and members with > 5 ha or > € 25,000 turnover (10 groups).	

6. Coverings on outdoor runs

Cattle

There are currently 949,300[11] organically reared cattle in Germany. Based on surveys of our member farms, we must assume that 65% of farms are affected by the Commission's current interpretation. The options available to farms for responding to the changed interpretation vary depending on their location, land availability and structural situation (e.g. conversion of old buildings). In order to illustrate the economic challenges, we will now consider three possible scenarios.

To calculate the additional costs, we first considered an average farm. We started by determining the additional costs per cattle place. This value was then extrapolated to the total number (949,300).
Since we must assume that 65% of the total 949,300 organically raised cattle are affected, we took this 65% as the base value. In order to reflect the different operational response options, we divided this affected group into three scenarios: It is estimated that an extension of the outdoor area will be possible for 45% of the affected farms. A dismantling of the roof will be possible for 45% of the affected farms. Some farms will have to build new facilities, as the structural integrity (statics) of the existing barns does not allow for dismantling and they do not have any additional space for extending the outdoor area. We assume that 10% of farms will be affected.

[10] Bio Suisse producer group survey, January 2025; Bio Suisse detailed survey of 25 producer groups in an ICS training (Sept 2025)
[11] BMLEH 2023, https://www.bmel-statistik.de/landwirtschaft/oekologischer-landbau/oekologische-tierhaltung

Scenario 1: Expansion of outdoor run (cattle)
This requires that additional space be available in the immediate vicinity of the barn and that the licensing authorities have no concerns regarding emissions.
With an average herd size of 50 dairy cows, the conversion costs amount to approximately €60,000[12].

Costs per farm	Average of 50 dairy cows	**€ 60,000**
Total for Germany	65% affected of which 45% scenario 1 (277,000 animals)	**€ 333 million**

Scenario 2: Removal of roofing (cattle)
In addition to the structural inspection and the actual demolition, it is usually also necessary to expand the slurry or manure storage facilities. With an average herd of 50 dairy cows, the conversion costs amount to approximately €65,000.

Costs per farm	Average of 50 dairy cows	**€ 65,000**
Total for Germany	65% affected of which 45% scenario 2 (277,000 animals)	**€ 360 million**

Scenario 3: Complete new barn (cattle)
Due to the operational situation, the structural integrity of the barns, emission regulations and lack of space, the barn must be rebuilt. In addition to the pure construction costs, the purchase of land and its development must also be taken into account in this case.
With an average herd of 50 dairy cows, the costs for an complete new construction amount to approximately €1.16 million[13].

Costs per farm	Average of 50 dairy cows	**€ 1.16 million**
Total for Germany	65% affected of which 10% scenario 3 (61,000 animals)	**€ 1.4 billion**

Overall assessment of cattle:

Scenario 1: Expansion of outdoor run, 45%		
Costs per farm	Average of 50 dairy cows	€ 60,000
Total for Germany (277,000 animals)	Conversion costs per animal: € 1,190	€ 333 million
Scenario 2: Removal of roofing, 45%		
Costs per farm	Average 50 dairy cows	€ 65,000
Total for Germany (277,000 animals)	Conversion costs per animal: € 1,300	€ 360 million

[12] construction costs LfLBayern: https://www.lfl.bayern.de/mam/cms07/iba/dateien/baukostenauswertung_2025_lange_version_oktober_2025.pdf
[13] construction costs KTBL: https://www.ktbl.de/webanwendungen/baukost-investition-betriebsgebaeude/

Scenario 3: complete new barn, 10%		
Costs per farm	Average 50 dairy cows	€ 1,2 million
Germany total (61,000 animals)	New barn costs per animal: €23,300	€ 1.4 billion
Total for Germany		**€ 2.1 billion**

Assessment: Our analysis concludes that approximately 65 per cent of dairy farms in Germany would be affected by major conversion measures. For 90 per cent of the farms affected, the adjustment costs for an average farm with 50 cows would be approximately 65,000 euros. Ten per cent would be forced to build new facilities for structural reasons. For an average farm with 50 cows, these costs would amount to approximately €1.2 million. For cattle farms, the adjustment costs across Germany would amount to €2.1 billion. It can be assumed that without a change in the requirements of the EU Organic Regulation, there would be a massive loss of organic farms in Germany.

Pigs:

In Germany, around 145,000[14] pigs are kept organically. Based on surveys of our member farms, we must assume that the current interpretation affects around 50 per cent of farms with organic piglet production and around 60 per cent of farms with organic fattening pigs in Germany. For our calculations, we assume that 55 per cent of pigs are affected. Only a small proportion of these (15 per cent) can respond to the changed requirements by dismantling their roofing. The vast majority (40 per cent) of farms would be forced to rebuild their stables as a result of the implementation. This affects both fattening pigs and sows.

		Costs per animal place	
Affected (145,000 pigs at 40 per cent affected for a new building: 84,800 pigs)	4/5 fattening pigs (46.400)	**€2,000[15]**	**€ 93 million**
	1/5 breeding sows (11.600)	**€10,275[16]**	**€ 123 million**
Total for Germany			**€ 216 million**

The operational structure of organic pig farms is still under development. The number of farms with 50 or more pigs amounts to approximately 460 farms in Germany. The structural implementation of the amended requirements would cost these farms an average of over €1 million, assuming 40% of them are affected. It is to be expected that many of the farms will withdraw from organic farming due to the uncertain legal requirements. This would pose a massive threat to independent, regionally based organic piglet production in Germany.

[14] Of a total of 212,000 pigs, 67,000 are piglets. This leaves 145,000 adult animals.
BMLEH Statistic 2023: https://www.bmel-statistik.de/landwirtschaft/oekologischer-landbau/oekologische-tierhaltung
[15] Baukosten KTBL: https://www.ktbl.de/webanwendungen/baukost-investition-betriebsgebaeude/
[16] Ibid.

7. Production unit

For the purpose of calculating the financial impact that this interpretation of the Commission would impose on the organic poultry fattening sector in Germany, two possible scenarios have been defined:

Scenario 1: Investment in new production units in separate operations
If the legal division of existing production units into several operations cannot be implemented, the affected farms would have to shut down most of their existing production units and establish a new barn on a separate, possibly more remote site. Sector estimates indicate that ap-proximately 80% of poultry fattening farms would be affected.

Scenario 2: Organic fattening poultry farms must reduce their capacity – calculation of economic damage
As neither the division of existing units nor investments in new facilities would be economically viable for many operations. Overall, we estimate that the organic poultry fattening sector in Germany would shrink by about one half.
Such a reduction in capacity would cause economic damage (direct loss of production, loss of jobs on farms and downstream sectors, loss of intermediate inputs, burden on processing and marketing chains).

Position	**Justification / Explanation of Additional Effort**	**Additional Effort**
Scenario 1: Investment in new production units in separate operations	Additional cost for administrative measures/per year: €15,000 **Administrative costs/ per barn space: € 1,56** Investment costs for new construction €740,000 **Investment costs for new construction per barn space € 77,08**	Number barn places organic fattening poultry: 1.800.000[17] Affected 80% **Annual additional costs € 2,2** **Investment costs €110**
Scenario 2: Organic fattening poultry farms must reduce their capacity – calculation of economic damage	-Direct loss of production (losses in volume and production value for organic poultry), • Loss of jobs on farms and in downstream sectors, • Loss of intermediate inputs (feed, animal health, transport, service providers), • Burden on processing and marketing chains (slaughterhouses, processors, trade), • Regional income losses in structurally sensitive regions, • Increased import dependency and possible supply and price risks, • One-off write-offs / stranded assets (investment and infrastructure losses). The exact amount of economic damage is uncertain and depends on assumptions	economic damage is without calculation

[17] BMLEH 2023: https://www.bmel-statistik.de/landwirtschaft/oekologischer-landbau/oekologische-tierhaltung

Conclusion
Investing in new production units in separate operating structures would mean additional costs for Germany of €110 million for investments and €2.2 million for bureaucracy and ongoing ad-ministrative costs. The economic damage if existing capacities in organic poultry farming have to be reduced is currently difficult to quantify but is estimated to be considerable and could lead to a decrease by 50% of the existing production capacities for fattening poultry in Germany.

8. Outdoor runs for young poultry

he EU Commission's interpretation regarding young poultry outdoor runs, requires that each poultry house must have an outdoor run from the start. This interpretation has profound implications for the German poultry sector and would reduce 50 to 80% of rearing capacities.
For the purpose of calculating the financial impact that this interpretation of the Commission would impose on the organic poultry sector in Germany, three possible scenarios have been defined:
Scenario 1: Construction of a new green outdoor area, if outdoor space is available
To construct a green outdoor area, a farmer should expect a one-time investment of €150,000,
The investment includes replacement or installation of outlet hatches and fencing, modification of roof overhangs where required, the creation of new wall openings for access, and additional insulation if necessary. Service pipe penetrations or ducts through the barn wall may be needed, and external site infrastructure often requires adaptation — for example fire brigade access and turning areas. Work can also involve replacement or adaptation of barn wall cladding and, in some cases, relocation of feed silos. Finally, costs for building permits and required expert re-ports (such as emission assessments, technical drawings and other application documents) must be budgeted for. Taken together, these items can substantially affect permitting, construc-tion complexity, the project timeline and the overall cost.
Scenario 2: The farmer does not own any land and must purchase land and set up an outdoor run
Some organic poultry farms do not have enough land immediately adjacent to the barn to set up a green outdoor run. In these cases, the farmer must purchase or lease additional land.
Scenario 3: The farm has no space available and must invest in a new barn + outdoor area
If a farmer does not have sufficient space around the existing barn to set up a green outdoor area, investment in a new area and a new building including an outdoor area would be necessary to implement the requirement.

Position	Justification / Explanation of Additional Effort	Additional Effort
Scenario 1: Construction of a new green outdoor area, if outdoor space is available	Total additional annual costs: € 30,000 Total additional annual costs/ per barn space[18]: €3.13 Total Investment outdoor run: € 150,000 Total Investment outdoor run/ per barn space: €15.60	Number of places for young poultry: 1,469,0205[19] Affected: 80% **Annual additional costs: €3,7million** **Investment costs: €18,3 million**
Scenario 2: The farmer does not own any land and	Total investment land purchase: € 36,000[20]	Number of places for young poultry: 1,469,0205

[18] Barn spaces: 9600 young poultry chickens
[19] Organic poultry barn places in Germany: 7,345,100. 20% are for young poultry, corresponding to 1,469,020 organic young poultry places; Source: BMEL Statistic 2023: https://www.bmel-statistik.de/landwirtschaft/oekologischer-land-bau/oekologische-tierhaltung
[20] Statistisches Bundesamt (Destatis), 2025 | Stand: 27.10.2025: https://www-genesis.destatis.de/datenbank/on-line/statistic/61521/table/61521-0001/search/s/NjE1MjE=

must purchase land and set up an outdoor run	Total investment land purchase/per barn space: €3.75 Total additional annual costs: € 30,000 Total additional annual costs/ per barn space: €3.13 Total Investment outdoor run: € 150,000 Total Investment outdoor run/ per barn space: €15.60	Affected: 80% **Annual additional costs: €3,7million** **Investment costs: €22,8 million**
Scenario 3: The farm has no space available and must invest in a new barn + outdoor area	Investment new barn: € 740,000[21] Investment new barn/per barn space €77.08 Total investment land purchase: € 36,000 Total investment land purchase/per barn space: €3.75 Total additional annual costs: € 30,000 Total additional annual costs/ per barn space: €3.13 Total Investment outdoor run: € 150,000 Total Investment outdoor run/ per barn space: €15.60	Number of places for young poultry: 1,469,0205 Affected: 80% **Annual additional costs: €3,7million** **Investment costs: €113,3 million**

Conclusion

The additional investment costs for setting up outdoor runs for young poultry in Germany amount to around €18 million, plus €3.7 million additional annual costs if space is available next to the barn. If new land has to be purchased and a new outdoor area built on it, the investment costs rise to 22.8 million euros. If a farm does not have a suitable area in the immediate vicinity of the existing barn, a new barn will have to be built on a new site. In this case, the investment costs amount to 113 million euros, supplemented by 3.7 million euros in additional annual costs.

9. Solution for the authorisation of substances undeniably suitable for organic farming lacking horizontal approval

If companies cannot resort to irreplaceable agents, they must expect significant production losses due to missing treatment options.

Agents requiring regulation are those that were already listed in Annex I (formerly Annex II) of the Organic Regulation as single active substances and therefore are "undeniable suitable for organic farming" (example: Quassia) or belong to a collective category listed there (microorganisms or pheromones), but are currently not listed at EU level in Annex I of Regulation 1107/2009 of approved active substances. These agents could be authorised nationally under emergency authorisations; organic farming can only use them if the Organic Regulation allows it.

Reasons for non-listing can be:

- There is a gap in the renewal of the active substance, for example because better data had to be procured first (example: Novodor).

[21] KTBL (Board of Trustees for Technology and Construction in Agriculture) 2024: https://daten.ktbl.de/baukost4/main

- The active substance was authorised differently before the introduction of Regulation 1107/2009 and must now be authorised as a plant protection product. A company is handling this and has either already submitted the dossier or credibly will submit it soon; however, no decision has been made yet (example: Quassia).
- The active substance is reformulated or combined with a second active substance within the renewal process, which falls under the collective category (Capex 2, one GV and additionally one NPV). The renewal takes a long time; therefore the active substance is no longer on Annex I of Regulation 1107/2009 and is thus no longer available for organic farming. A national emergency authorisation for this active substance (without the second one) would be possible but is not granted because the active substance is currently not on Annex I of Regulation 1107/2009.

Position	Justification / Explanation of Additional Effort	Additional Effort
• Capex	The highly selective preparation is needed to reduce the population of the codling moth *Adoxophyes orana*. It is very beneficial to natural enemies because a large portion of the larvae die off only very late, allowing the endoparasitoids to fully develop within the larvae. It is required to reduce or maintain the population low enough for the mating disruption method (confusion technique) to be effective (component strategy). Alternatives may be *Bacillus thuringiensis* preparations, which are only sufficiently effective at high temperatures and very young larvae and do not spare the parasitoids. These conditions are not always met in spring, making the effect at best uncertain and possibly resulting in damage. A second alternative is Spinosad, which is not beneficial to natural enemies and can negatively affect not only the parasitoids of the codling moth but also the antagonists of the rosy apple aphid, potentially causing follow-up damage. An emergency authorisation would first have to be requested, as it is not authorised for pome fruits. Yield per hectare is about 25 t = 25,000 kg. The risk exists on 500 – 1000 ha depending on the year and infestation pressure in Germany. Effort for company-specific derogation for Spinosad: Application and documentation: 5 h / company Support by control bodies and associations: total 100 h Authority approval	Harvest losses: Total loss due to rot = 15% of 25,000 kg x €1.0 = €3,750 Downgrading to cider fruit = 15% of 25,000 kg x €0.8 = €3,000 Total loss risk = **€6,750 / ha** Total loss risk for 1,000 ha: **= €675,000** 5 h x €60 **= €300 / company** 100 x €60 = €6,000 X €
• Novodor	An example of the "closing the gap" problem is the product Novodor (*Bacillus thuringiensis* ssp. *tenebrionis*). Novodor is used exclusively in organic farms against the Colorado potato beetle (conventional	Harvest losses: 12,400 ha potatoes Yield: 20 t/ha

	farms use "more effective" synthetic plant protection products against the beetle). In 2023, there were 12,400 ha of organic potato cultivation in Germany, managed by an estimated over 1,000 farms. With average yields of 20 t/ha and prices around €40 per dt, this results in about €800/ha and thus a total revenue of approximately €10 million per year at the producer level, which would be at risk without Novodor. As an alternative to Novodor, Spinosad is mainly considered – due to its bee toxicity, farms must apply for company-specific derogations, which entails additional effort. Effort for company-specific derogation for Spinosad: • Application and documentation: 5 h / company • For 1,000 companies with 5 hours needed per application and documentation, that means 5,000 hours/year • Work capacities at certification bodies and associations likely an additional 1,000 hours • At a farm manager hourly rate of €60, this amounts to €360,000... • Authority approval	20 t/ha x €40 / dt **= €800 / ha** Total loss risk: 12,400 ha x 20 t/ha x €40 **= €9,920,000** Company-specific derogations: 5 h x €60 = €300 / company 1,000 companies x €300 = €300,000 1,000 h x €60 = €60,000 X €
• Quassia	Pome fruit cultivation: 30 tonnes per hectare yield, risk of loss up to 100%, with an average of 70% assumed. Complete loss, no cider fruit processing possible. Approximately 2,000 hectares affected 300 hectares of hops at £18 per kg and 1.3 tonnes per hectare yield, total loss in the event of severe aphid infestation A 90% reduction in yield is assumed here A 90% reduction results in a loss of £21,060 per hectare.	0.7 x 30,000 kg x €1 = €21,000 per hectare loss 2,000 x £21,000 = **£42 million total loss for pome fruit** 1,300 kg at £18 = £23,400 yield per hectare 90% loss = **£21,060 per hectare** 300 ha x £21,060 **= £631,600 total loss for hops**

10. **Abolition of official authorisations for the purchase of plant reproductive material (PRM) and animals**

Established databases on the availability of organic seed and organic animals can automatically and reliably provide proof when certain varieties and animals are not available in organic quality. Currently, the results of the database evaluation are additionally manually approved by authorities. This nonsensical effort should be eliminated when functioning databases exist that can both verify the (non-)availability and automatically and transparently confirm applications.

Position	Justification / Explanation of Additional Effort	Additional Effort
• Additional effort for applicants	Additional effort due to obtaining official authorisations: • Tracking authorisation status • Possibly obtaining new offers because previous offers for the application are no longer available • Precautionary authorisations at auctions (breeding animals) Cost per application €45 in 2024: • For plant reproductive material (PRM): 15,923 applications • For animals: 2,398 applications in Germany[22]	PRM: 15,923 x €50 = **€796,150 / year** Animals: 2,398 x €50 = **€119,900 / year**
• Authorisations by authorities	Costs and effort for official authorisations would be completely eliminated if these additional authorisations were waived. The examination of applications could be automated by databases (for plant reproductive material (PRM): organicXseeds.de, for animals: organicxlivestock.de) According to the fee regulations of the respective federal state, e.g., fee regulation of Saxony-Anhalt: €57 per authorisation[23] 2024: Seed: 15,923 applications in Germany Animals: 2,398 applications in Germany	€57 per authorisation: PRM: 15,923 x €57 = **€907,611** / year Animals: 2,398 x €57 = **€136,686 / year**
Total Additional Effort	**For additional official authorisations per year in Germany**	**€1,960,347 / year just for Germany**

[22] internal information of the database operator FiBLregarding www.organicxseeds.de and www.organicxlivestock.de; Report on the database oXs is available under https://www.organicxseeds.de/page/show?page=ec32bfa5-e575-1f19-77b2-883dcb16c646
[23] https://landesrecht.sachsen-anhalt.de/bsst/document/jlr-GebOST2012rahmen Position 98

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