

No space for fraud in organic production: tighter controls are bearing fruit

Brussels, 08/12/2011 –The Italian police arrested seven people, including executives from three agro-business companies accused of having committed fraud by intentionally selling conventional products as organic, with 2,500 tons of products confiscated (1). The IFOAM EU Group (2) condemns this fraudulent and criminal activity and welcomes the conclusion of the two-year police investigation, conducted with the cooperation of the organic sector in Italy, which has brought to justice the individuals who have deliberately deceived the public and criminally manipulated the rigorous checks and controls that are in place in the organic inspection and certification system.

“There is no space for criminals in the organic sector who think that fraudulent business is the way to make easy money”, stated Christopher Stopes, president of the IFOAM EU Group. “These suspected criminals have undermined the good work of many hundreds of thousands of organic farmers and businesses throughout Europe (and the millions around the world) who work to the highest standards of integrity in the farm-to-fork organic supply chain, Together the organic sector sustainably produces good, healthy food and a clean, safe environment.”

“We are glad that thanks to tight organic controls in place, the investigations of the Italian authorities in cooperation with the Italian organic sector that provided the necessary documentation and data, have seen an end to this incredible case”, adds Marco Schlüter, Director of IFOAM EU Group. “Unfortunately fraud is an ever-present risk in a premium priced market and the rapidly growing organic market is no exception, as this case of criminal exploitation reveals.”

“Consumers and society can rely on the fact that the IFOAM EU Group and its 300+ member organisations, representing hundred thousands of organic farmers, processors, wholesalers and shops, has zero tolerance for any attempts to undermine the credibility of our sector, and will continue to work hard to further reduce the risk of fraud in cooperation with EU and national government authorities and with organic inspection and certification bodies”, states Bavo van den Idsert, vice president of the IFOAM EU Group. “We are determined to continuously improve the quality of inspection, deploying risk-based approaches and improving international cooperation between member state authorities. Cross border exchange of information has improved, and many organic farmers and businesses take responsibility for extra control measures to assure the highest standards of integrity. We believe that the growing number of consumers have the right to genuine organic food and can be confident of the many benefits it brings.”

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NOTES:

- (1) Today seven people (5 owners or directors of a dozen companies and two employees of a control body) were arrested in Italy by the police, accused of having committed fraud by selling conventional products as organic products with false invoices and certification documents. Different products were concerned including field beans, soybeans and corn (for animal feed) and lesser amounts of wheat. The majority of products came from Bulgaria and Romania. The fraud dates back to a period between 2007 and 2009. The inspection body has fired and reported to the authorities two employees involved as soon as its internal audits identified the criminal activity. The five "entrepreneurs" and the two inspectors are now in prison. Over the last year, all Italian certification bodies have worked closely together with the Guardia di Finanza (Italian Revenue Guard Corps), having provided supporting documentation and data that has facilitated and deepened the investigation.
- (2) The IFOAM EU Group represents more than 300 member organisations of IFOAM (International Federation of Organic Agriculture Movements) in the EU-27, the EU accession countries and EFTA. Member organisations include: consumer, farmer and processor associations; research, education and advisory organisations; certification bodies and commercial organic companies. The IFOAM EU Group works to promote the organic sector and to secure organic interests in EU policies and regulation. See more at www.ifoam-eu.org