

Document 6:

Extract from Control Body paper – The Certification of Brokers, Wholesalers and Brandholders

Wholesalers

5. Wholesalers who store organic products must be certified as organic under the provisions of Article 28 (1) of Council Regulation (EC) 834/2007. Under the provisions of Article 27 (3) of the Regulation, wholesalers dealing only with pre-packaged products may be exempt from annual inspections. The UK therefore operates a 'light touch' approach for such operator's i.e. an inspection is only required every third year.

6. As part of the consideration of brokers, the application of organic certification requirements to wholesalers who never take possession of the product has also been considered. This was discussed at a CBTWG meeting in May 2010 using the scenario of an uncertified company that purchases products, already packed, from a certified company and supplies these to another certified company. The products are distributed directly from the first licensee's warehouse to the second licensee. The wholesaler never handles the products as they are an office-based operation only. CBTWG was of the view that the wholesaler should be certified as it takes title to the goods, but a "light touch" approach to inspections could be adopted.

7. Taking the same approach to wholesalers under the EU Organic Regulations as to brokers, we are of the view that certification should be required for those wholesalers who do not take possession of the product. However, in accordance with Article 27(3) of Council Regulation 834/2007, a "light touch" approach to inspections may be adopted where the wholesalers only deal with certified pre-packaged products.