



EUROPEAN COMMISSION
DIRECTORATE-GENERAL FOR AGRICULTURE AND RURAL DEVELOPMENT

Directorate B – Sustainability

Brussels

Dear [REDACTED],

I would like to thank you for your email of 12 July 2022¹, in which you ask for clarification regarding the provisions of Article 36(1), point (b), of Regulation (EU) No 2018/848² and in particular whether reforested mangrove areas (forestry) could be excluded from the 5 Ha total holding size set for members of group of operators (point (b)(ii)).

Indeed, as you correctly refer to the definition of holding in your e-mail, I would like to recall that, under Article 3, point(8) of Regulation (EU) No 2018/848, ‘holding’ means; *“all the production units operated under single management for the purpose of producing live or unprocessed agricultural products, including products originating from aquaculture and beekeeping, referred to in point (a) of Article 2(1) or products listed in Annex I other than essential oils and yeast”*

For production unit, the definition is also provided under Article 3, point (9), as follows: *“‘production unit’ means all assets of a holding, such as primary production premises, land parcels, pasturages, open air areas, livestock buildings or parts thereof, hives, fish ponds, containment systems and sites for algae or aquaculture animals, rearing units, shore or seabed concessions, and premises for the storage of crops, of crop products, of algae products, of animal products, of raw materials and of any other relevant inputs managed as described in point (10), point (11) or point (12)”*.

Article 36(1), point (b)(ii) states that each group of operators shall only be composed of members:

(ii) who have each holdings of maximum:

- five hectares,*
- 0,5 hectares, in the case of greenhouses, or*
- 15 hectares, exclusively in the case of permanent grassland;*

¹ Ares(2022)5215822

² [EUR-Lex - 02018R0848-20220101 - EN - EUR-Lex \(europa.eu\)](#)

You refer to the fact that, in your understanding, forestry could be excluded from the 5 Ha total holding size because the definition of “holding” does not include forest production. However, this is not the case when forestry parcels are part of the production unit as products are cultivated and/or harvested there. Indeed, from the description of the shrimp production system that you provided in your letter, it seems that in integrated mangrove shrimp aquaculture systems, mangroves are generally reforested in the middle of, or in communication with, the production ponds where shrimps are kept and this does not allow for excluding mangroves land as such when there are links with the ponds where shrimps are grown.

Subject to further information on the case at stake and your assessment of this case, I understand that in the example you describe the area for reforestation of mangroves is part of the production premises and under the production unit are included all of the assets of a holding managed as described under Article 3, points (10) (11) and (12), of Regulation (EU) No 2018/848 hence as an organic, in-conversion or non-organic production unit.

Only in the case that forestry parcels are not cultivated and not part of any production unit “*for the purpose of producing live or unprocessed agricultural products, including products originating from aquaculture and beekeeping*”, they could be considered as not part of the holding description. However, due attention should then be applied to the avoidance of any possible contamination from close mangroves parcels, due to the potential use of products not authorised in organic production.

The present opinion is provided on the basis of the facts as set out in your email of 12 July 2022 and expresses the view of the Commission services and does not commit the European Commission. In the event of a dispute involving Union law it is, under the Treaty on the Functioning of the European Union, ultimately for the European Court of Justice to provide a definitive interpretation of the applicable Union law.

Yours sincerely,

