

GOOD PRACTICE SHEET N°1 ORGANIC AGRICULTURE

What is organic agriculture ?

Organic agriculture is a holistic production management system that promotes agrosystem health, including biodiversity, biological cycles and soil biological activities. It emphasizes management practices rather than externally sourced production methods, recognizing that local systems must adapt to regional conditions. (FAO, 1999)



Which **impactful changes** can organic farming bring to your business model transformation?



Why should you implement organic agriculture?

Organic farming responds to a specific consumer demand for sustainable food products, promoting more sustainable farming practices and contributing to the protection of the environment. In addition to its numerous environmental benefits in terms of soil quality, erosion risks, and reduction of environmental and water pollution, organic farming also guarantees much safer working conditions for farmers. Organic agriculture considers the medium and long-term effect of agricultural interventions on the agro-ecosystem by establishing an ecological balance to prevent soil fertility or pest problems.

What are the environmental and agronomic needs addressed by organic agriculture?

-  Improve soil fertility and biodiversity
-  Improve soil structure and limit erosion
-  Reduce water and environmental pollution

What are the economic needs addressed by organic agriculture?

-  Increase in selling prices
-  Low capital investment

What are the key figures for organic agriculture?

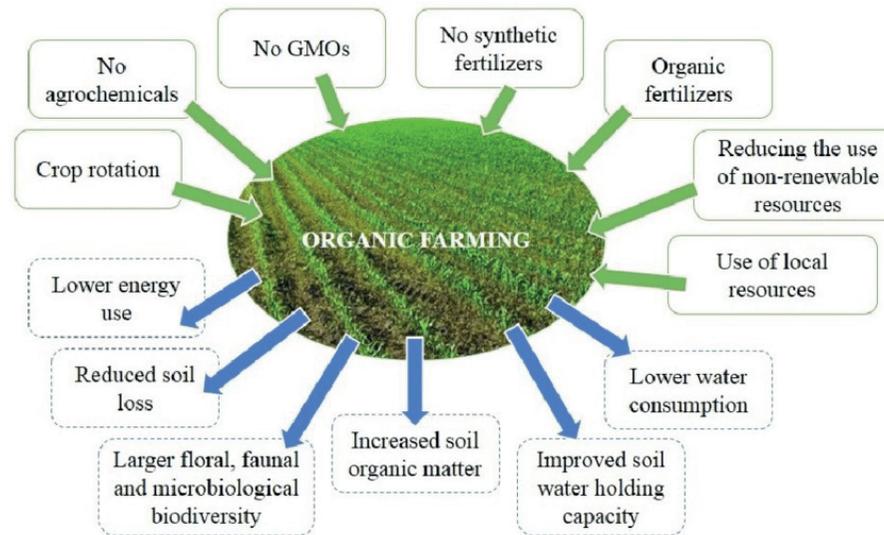
AGRO-ENVIRONMENTAL IMPACTS

Inputs of fertilizer and energy are reduced by 34 to 53% and pesticide inputs by 97%. Enhanced soil fertility and higher biodiversity found in organic plots may render organic agroecosystems less dependent on external inputs. (Source : based on a 21-year study of agronomic and ecological performance of biodynamic, bioorganic, and conventional farming systems).

Organic farming produces about 34% more biodiversity than other farming systems. 83% of the studies found organic farming to be beneficial for biodiversity in comparison to conventional farming. (Source : a meta-analysis of 766 scientific papers)

SOCIAL IMPACTS

Organic farming makes it possible to adapt to the changes of the Mediterranean food market, marked by an increase in societal expectations of consumers (respect of the environment, local consumption and reduction in packaging) and increased attention to the existing links between food and health. According to the CBI, around 70% of European people believe that organic products are safer.



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ECONOMIC IMPACTS

The consumption of organic products was estimated at nearly €45.2 billion for 2019 in the European Union. It more than quadrupled between 2004 and 2019. Provisional estimates for 2020 are over €50 billion.

Large retailers are investing in organic products, both to meet market demand, but also to improve their image and convince a younger client base. According to a Mintel study, young Mediterranean people are more sensitive to organic products (81% of young French, 85% of Spaniards, 87% of Italians ...).

France is the first Mediterranean country in terms of organic production. The French organic market was worth nearly 13.2 billion euros in 2020 and has almost doubled over the past five years.

POTENTIAL DEVELOPMENT

EU areas cultivated organically more than tripled between 2000 and 2020 and increased by 6.3% between 2018 and 2019, approaching 14.7 million hectares. Organic represented about 8.1% of the EU Utilised Agricultural Area in 2019 and is still increasing every year. The share of farm managers under 40 years of age was twice as large for organic farms (21%) as for non-organic farms (10.5%), which confirms the continuous increase of organic surfaces but also of organic products in the years to come. According to a Mintel study carried out between 2018 and 2019, organic products represented 17% of new food products at EU level.



ON-FARM ISSUES

- 1 Profitability issues : input prices, dependence on low market prices ...
- 2 Degradation of soil and water quality that reduces yields every year
- 3 Lack of autonomy in the management of the farm and in the marketing of products
- 4 Lack of consumer recognition
- 5 Health problems related to exposure to plant protection products



FIELD ADVICE

"With the conversion of my plots to organic, I was able to get involved in the CIVAM Bio. It's the capacity to listen and to exchange that contributes to the richness of the organic network. Moreover, organic farmers are often optimistic, curious, and happy to share their experience. Some farmers come to organic agriculture by opportunism but many stay and become convinced. The opportunity to get together for training days motivates the producers to get involved." Yves Guibert, French apple grower

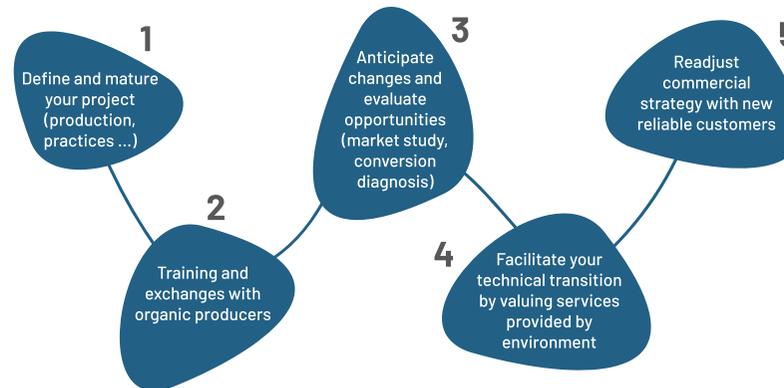
"Nowadays everybody loves organic wines and it's hard to believe that when I started it was criticized. People used to tell me that there was no future for organic production, maybe also because the quality wasn't very high. Today I think that some companies have opted for organic management only for economic reasons, but in most cases, there is more awareness of these subjects, which I consider fundamental for our society." Settimo Pizzolato, Italian winegrower

"We are committed to organic farming because we felt it was important to inform consumers about our way of working, that we produce a wine from healthy grapes. Without certification and control, there can be no guarantee for the consumer." Mathieu Marfisi, French winegrower

How to implement organic farming?



KEY STEPS TO A SUCCESSFUL IMPLEMENTATION



IMPACTS AND BENEFITS

- 1 Increased profitability: remunerative and stable prices, lower inputs
- 2 Improvement of soil quality and reduction of pollution of water resources
- 3 Regain control and autonomy of decision-making on the farm
- 4 Production of good and healthy food that meets consumers' expectations
- 5 Protect the health of farmers and their families from plant protection products



KEY CHALLENGES

Strong competition between labels

The **organic label competes with many other food labels** with ethical or sustainability attributes.

Uneven knowledge between countries

Knowledge of organic products is very uneven between Western & Northern Mediterranean countries and the Southern & Eastern Mediterranean countries where it is generally much lower.

Strong dependence on public policies

The **growth of organic areas and downstream development are strongly linked to the public policies that will be implemented** over the next few years, whether at Mediterranean level or individual country level.

How to go further?



MORE INFORMATION DOCUMENTS AND DATA

Al-Bitar L. (2004). Report on Organic Agriculture in the Mediterranean Area – Mediterranean Organic Agriculture Network, Options Méditerranéennes, Series B: N°50, CIHEAM-IAMB, Bari.

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Migliorini, P.; Minotou, C.; Lusic, D.; Hashem, Y.; Martinis, A. (Eds.) Proceedings of the International Conference “Organic Agriculture and Agro-Eco Tourism in the Mediterranean”, Athens, Greece, September 2011.

PNAS – Financial competitiveness of organic agriculture on a global scale.

PNAS – Organic profitability around the world.

Willer H. and Yussefi Y. (2007). International Federation of Organic Agriculture Movements (IFOAM), DE-Bonn and Research Institute of Organic Agriculture (FiBL), CH-FiBL.



DISCUSS AND TEST PROJECTS, TOOLS AND NETWORKS

The Organic Farm Knowledge is a thematic network and platform that aims to improve the quality of organic production by connecting farmers, advisors and scientists to strengthen the links between practice and research. This platform offers a unique opportunity to exchange knowledge, skills and farming techniques, bringing together in one place a large number of useful tools for organic (and conventional) farmers.

Mediterranean Organic Agriculture Network is a tool to promote cooperation and policy dialogue for sustainable production and consumption patterns in changing Mediterranean communities and territories, through the diffusion of organic agriculture’s lasting values and innovative practices.

LIVSEED is a project that aims to improve transparency and competitiveness of the organic seed and breeding sector and encourage greater use of organic seed. It includes networking of different initiatives in Europe to promote organic seed production, use, and enhance organic breeding and provides tools for farmers and advisors.

RELACS (Replacement of Contentious Inputs in Organic Farming Systems) is a multi-actor project that fosters the development and facilitate the adoption of cost-efficient and environmentally safe tools and technologies, to phase out the dependency on and use of inputs considered contentious in organic farming systems.



TAKE ACTION FUNDING SOURCES

CAP aid: The current Common Agricultural Policy (2014-2022) recognizes the role played by organic farming to meet the demand of consumers. Most EU countries have implemented conversion or maintenance subsidies. The Young Farmer Payment (YFP) is the main financial aid for installation. It comes under the 2nd pillar of the Common Agricultural Policy and is a capital grant to support the start-up of the farm (working capital needs, purchase of basic equipment). In addition, the Young Farmer Payment comes under the first pillar of the CAP and is linked to the surface area of the farms. They benefit from an "additional" payment on the traditional surface aid of an amount fixed at the national level during the first 5 years following their installation (duration provided by the European Union).

The third action plan for organic farming (2021 – 2027) was adopted in March 2021. The main goal is to achieve 25% of the EU agricultural land grown organically by 2030. Regarding the encouragement of consumption, the plan includes concrete actions to stimulate demand, preserve consumer confidence and ensure that citizens turn more to organic products.

Triodos Food Transition Europe Fund provides long term capital to leading sustainable food and agriculture companies across Europe, based on an evergreen private equity model. The fund focuses on accelerating the transition to ecologically and socially resilient food and agriculture systems.