

Strengthening the position of farmers in the Organic Food Supply Chain



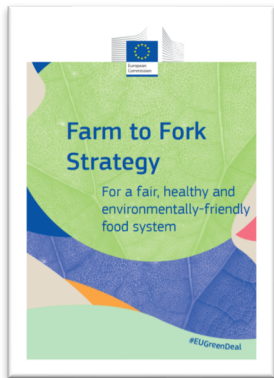
15 September 2022

European Commission - DG AGRI

Green Deal, Farm to Fork Strategy and Biodiversity Strategy



Organic farming plays a crucial role by contributing to the protection of the environment and animal welfare, as well as to rural development.



Reduce the use of pesticides, chemical fertilisers and antimicrobials, **reaching 25 % of agricultural land in organic farming** to promote the transition to sustainable food systems.



Zero pollution Action plan for Air, Water and Soil:
Reduction of use of fertiliser by at least 20%
Reducing the use and risk of pesticides by 50% by 2030

CAP for sustainable agriculture

The objectives of the organic production policy are embedded in the objectives of the CAP by ensuring that farmers receive a fair return for complying with the organic production rules.

Eco-schemes: at least 25% of direct payments will be allocated to eco-schemes, providing stronger incentives for climate- and environment-friendly farming practices and approaches.

Advancing research, knowledge-sharing, and innovation will be essential for securing a smart and sustainable agricultural sector.

AEI: [COM final 0508/2006](#) addressed outstanding issues and identified **28 agri-environmental indicators (AEI)** to monitor the integration of environmental concerns into the common agricultural policy.

Improving competitiveness, strengthen the farmers' position in the supply chain and boost the competitiveness of the agri-food sector, notably:

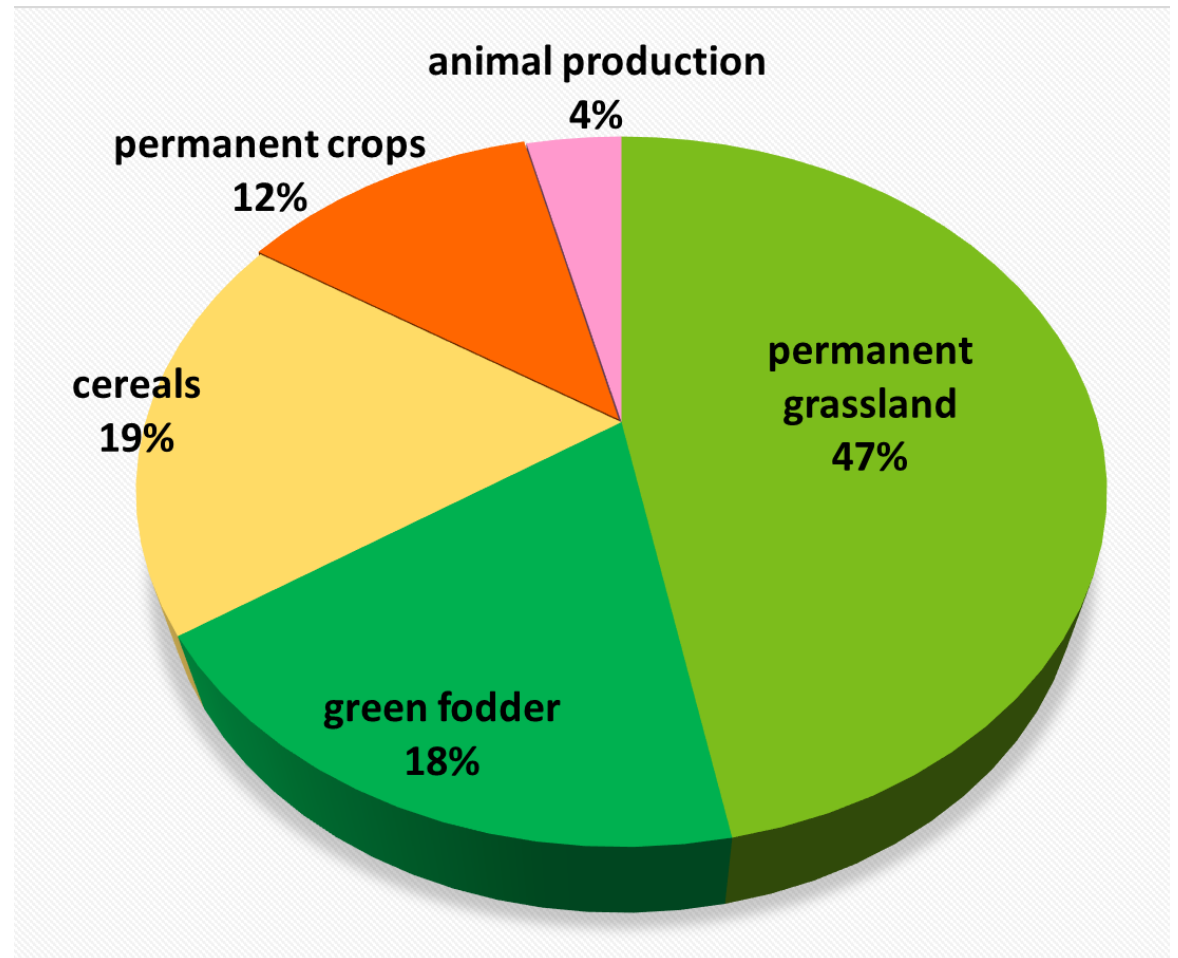
- **improved bargaining power**
- **market orientation**



Organic agriculture facts and figures

- **14.7 million ha farmed organically in 2020**

19.7% of the global organic area
9.1% of total EU agricultural land.



2019

Action Plan for the development of Organic Production



AXIS 1

ORGANIC FOOD AND PRODUCTS FOR ALL:
STIMULATE DEMAND AND ENSURE CONSUMER TRUST



AXIS 2

**ON THE WAY TO 2030:
STIMULATING
CONVERSION
AND REINFORCING THE
ENTIRE VALUE CHAIN**



AXIS 3

ORGANICS LEADING BY EXAMPLE: IMPROVING THE CONTRIBUTION OF ORGANIC FARMING TO SUSTAINABILITY

To support positive developments in the organic sector and maintain a balanced and profitable market for organic operators

Action 12: Supporting the organisation of the food chain

- What is the degree of organisation in organic food supply chains? How can the organisation be improved?
- What are the possibilities to form and joint organic producer organisations? Are producer organisations receiving support for this purpose?
- Are organic producers facing any specific unfair trading practices?



88% of the respondents to the public consultation on the organic action plan recognised the need for organic producers to receive help to better organise (e.g. in producer organisations) to improve their bargaining power in the supply chain.

Producer Organisations (PO's) help enhancing farmers' bargaining power

- POs can take different legal forms, including agricultural cooperatives
- POs:
 - concentrate supply
 - improve marketing
 - provide technical and logistical assistance to their members
 - help with quality management
 - transfer knowledge.



Common Markets Regulation (CMO)* governs rules on producer organisations

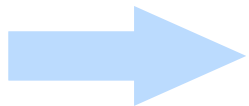
Recognition criteria for POs in any agricultural sector (per sector) :

- PO has been set up on the initiative of producers;
- PO is made up of and controlled by producers of a specific agricultural sector;
- PO can request for recognition with the EU country it is based in;
- PO carries out at least one of the activities listed by CMO, such as joint processing, distribution, transportation or packaging;
- PO follows at least one of the specific aims mentioned in CMO, such as optimising production costs or developing initiatives in the area of promotion and marketing.
- Additional criteria, such as having a minimum number of members and/or covering a minimum volume or value of products, statutes must enable PO's members to scrutinise the organisation democratically.



Recognised POs can benefit from exceptions from competition rules for certain activities

- **Activities of POs benefit from exception from competition rules:**
 - collective negotiations on behalf of their members,
 - planning of production or
 - certain supply management measures.



Derogation to competition rules for sustainability initiatives (Art 210a CMO) benefits also primary producers not being part of a recognised PO => only for initiatives aimed at achieving standards higher than mandated by Union or national law

Sectoral programmes by recognised POs possible in all sectors (with few exceptions)

- CAP Strategic Plans Regulation (SPR) offers the possibility to the Member States, within the CAP Strategic Plans, to finance sectoral programmes of recognised producer organisations in all sectors (except wine and apiculture, tobacco and ethanol).



Thank you.



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