## Thematic Group on Strengthening the position of farmers in the Organic Food Supply Chain

# Conclusions & Recommendations

23 March 2023

Funded by the European Union

# Conclusions & Recommendations

The Group came together to identify ways in which the role of the organic producer in the organic value chain can be strengthened through cooperation. During the two thematic group (TG) meetings members took stock of the policy & regulatory framework; identified the key enabling conditions and barriers to strengthen the role of organic producers; discussed policy experiences aimed at growing the organic value chain and identified potential areas of intervention that can support collective actions across the organic value chain and strengthen the role of organic farmers.

The following sets out the Group's conclusions on and recommendations for strengthening the organic value chain through cooperation. The narrative includes examples to illustrate the points made.

The Group acknowledged the vital role of the EU in supporting organic production and consumption. Significant opportunities for growth in the organic market at scale are anticipated given EU targets to increase the area under organic production across the EU. To that end**, an increased role for the CAP is foreseen** in areas such as new entrants, succession, cooperation, processing, promotion, innovation and knowledge exchange as well as payments for conversion/maintenance.

There was a strong consensus that National policies, plans, and programmes such as CAP Strategic Plans, Organic Action Plans, Food Policies, and industry strategies have a crucial role to play in bringing everyone together from across the value chain to ensure there is the capacity and wherewithal to drive change and stimulate actions that will secure growth opportunities for organic production and organic markets. The examples overleaf highlight some approaches to Organic Policies by Member States.

Members also acknowledged that a host of broader socio-economic issues (often long-standing) such as access to land, depopulation, and lack of services will impact on efforts to increase organic production, develop new markets, and attract new entrants. To this end, the group agreed that it is **critical that public policy (from local, regional, national, and EU) adequately takes into account and integrates these various facets when thinking about value chains**.

The group agreed on the importance of investing in our young people, ensuring that young organic producers can develop and grow with the right market signals in order to support business investment. Opportunities for young organic producers should include local markets such as direct sales or farmers markets as well as support to help them develop their market and ultimately sell into the wider retail/hospitality environment. Examples of such policies are:

| Country | Description | Website link |
|---|---|---|
| Denmark | **Denmark** has the highest market share (13.0% in 2021) in the world of organic food and beverages. It is widely accepted in Denmark that organic production is the best marker for sustainability, positive environmental impact and animal welfare. | Organic Denmark |
| The Netherlands | The **Dutch Organic Action plan for growth of organic production and consumption** (launched December 2022) aims to increase the area of organic production to 15% of total agricultural area. The action plan will involve collaboration through the supply chain to ensure increases in both production and consumption as part of an acceleration towards a more sustainable food system. | Dutch action plan for growth of organic production and consumption |
| Luxembourg | The **PAN-Bio 2025 action plan from** the **Luxembourg** Government sends a strong signal for strengthening the organic value chain. PAN-Bio 2025 reflects a joint approach from a wide range of interests, including in the organic sector, from associations, ministries and administrations, as well as NGOs. The declared objective of PAN-Bio 2025 is to increase the share of organically farmed land in Luxembourg to 20% by 2025 to help shape the green orientation of EU policy in Luxembourg. | Agricultural portal and PAN Bio 2025 |

Members agreed that it was incumbent on the entire value chain to ensure that there is no gap between what farmers are expected to grow and what the market (including retailers) is demanding. EU Targets for organic production should be matched by a commitment from the market to ensure that the market is able to anticipate a significant increase in volume produced. To this end, cooperation (horizontal & vertical) will be critical to the future viability and vitality of the organic value chain giving farm businesses (especially small producers) increased capacity to reduce/share costs burdens, improve prices, increase confidence, increase bargaining power, and enhance marketing opportunities. Certification bodies are also critical, working with Member States to ensure the financial and resource burdens on business are proportionate. Producer Organisations have a key role in inspiring trust and reliability through the value chain. Opportunities for producer cooperation should be recognised when converting to organic with businesses supported to ensure they have the necessary financial, technical and market expertise to ensure that are effectively prepared for such changes. See below some examples of such cooperation:

| Project | Description | Website link |
|---|---|---|
| Cooperativa del Campo | **Cooperativa del Campo de Navaconcejo is an EU recognised Producer Organisation** promoting the adoption of organic farming among a group of farmer members of the cooperative, providing technical and administrative advice. | Cooperativa del Campo de Navaconcejo |
| Bioland | **Bioland e.V. is the leading registered association for organic farming in Germany**, formed by around 8 700 members producing according to the Bioland standards. The main goal of this collective initiative is to support the transformation of agriculture and the food industry according to strictly ecological criteria. All Bioland members and partners are subject annually to an independent control system using external accredited certification bodies. | Bioland |

The Group was clear that successful strengthening of the role of the producer through cooperation will significantly rely on a robust and coherent agriculture and knowledge innovation system. **Knowledge exchange, investments in research (e.g., Horizon Europe), learning from others across the organic supply chain, sharing experiences, developing ideas, and transferring best practices will be critical. Advisors and researchers should have a key role in supporting and upskilling producers in this as well as in the development of technical and social and digital innovations**, particularly in the context of the circular economy, where there are significant opportunities for business through the valorisation of by-products and creation of innovative products. Below is an example:

| Project | Description | Website link |
|---|---|---|
| Horizon 2020 projects: ReMIX and LIVESEED | Both projects have looked to alleviate production challenges and improve performance through supply chain cooperation and close working with policy makers to improve incentives for farmers. | ReMIX<br>LIVESEED (and its successor LIVESEEDING) |

Members recognised that business innovation will rely on robust information management systems to help it make business decisions, however access to good data and information is not always available or may be limited for supply chain actors with less supply chain influence. **Co-operation in this arena should enable increased transparency of agri-food markets and in doing so help facilitate well-functioning agricultural and food supply chains.** Such an example is:

| Project | Description | Website link |
|---|---|---|
| Bioverita | **Bioverita aims to improve transparency in organic breeding and cultivation** thus ensuring that varieties are suitable for organic farming. Bioverita is also communicated to the consumer via the Bioverita label logo improving consumer awareness of organic farming in general and organic varieties in particular. | Bioverita |

Increased market transparency will enable the organic sector to stimulate consumers and ensure better understanding of how their purchases contribute to sustainable outcomes. **Coordinated actions such as national promotion campaigns can help consumers to better understand why they should buy organic, and to that end, the organic sector needs to be clear about the attributes of the organic products in question.** See below an example of a coordinated action:

| Project | Description | Website link |
|---|---|---|
| Swedish action plan | The Swedish Board of Agriculture, together with representatives from the food chain, have (since 2017-18) been implementing an **action plan to promote national goals for organic production and consumption.** | [This is how the production, consumption and export of organic food should increase - Jordbruksverket.se] |

Businesses should utilise the funding available under the CAP to come together to promote the benefits of organic production with a view to growing consumer awareness and driving demand for organics. Consumer buying patterns should be continuously 'nudged' with the aim of making organics a normal part of the shopping basket, promoting the positive attributes of organic production and the associated value chain will be vital to this process. As with any product category, there should always be scope within the Organic Sector for differentiation that can demand a higher premium, e.g., local, PDO, PGI). Such opportunities would allow organic producers to capitalise on the links between quality, local and organic and tell a more compelling story that will better connect the producer to the consumer, see an example:

| Project | Description | Website link |
|---|---|---|
| Goji Mediterránea | **Goji Mediterránea** is a family project based on the **organic certified local production of goji berries** to be sold in European markets as innovative, organic and fresh This initiative has a strong social (family business formed by women) and environmental component (organic production, diversification for small farmers in mountain areas and | Goji Mediterránea |

| | | |
|---|---|---|
| | circular economy). Thanks to R&D the business is also recovering the by-product of the cherry sector and adding value through the creation of innovative new food and cosmetics products. | |

The inclusion of policy targets for the consumption of Organic products, the creation of food forums, and of urban/rural food systems, alongside all those previously mentioned could be key to building the critical mass needed for the organic market making **Organic the sustainable choice in a sustainable food system.**

Appropriate requirements for organic and local produce should be encouraged in public procurement with a view to boosting local production and demand as well as reinforcing clear messaging about the benefits of organics, (particularly to the future organic consumer). Public procurement should act as a vehicle to stimulate cooperation at local level to ensure consistency and continuity of supply, including for farmers during conversion to organic production. Below are examples of organics in public procurement:

| Project | Description | Website link |
|---|---|---|
| PAN Bio 2025, Community canteens | The pilot projects of **community canteens in Luxembourg** aim to develop training units to increase organic food on the menu and avoid food waste. | PAN Bio 2025 |
| Eating out label | The **Danish Organic "eating out label"** in gold, silver and bronze (developed by the Danish Government) can be applied to organic food services, including public institutions and canteens. The "eating out label" demonstrates how the share of organic raw material used in the kitchen has increased. Policy actions to promote organic farming include the "Organic conversion checks"; the conversion of public kitchens from conventional food to organic food, including education of kitchen staff; and marketing and information campaigns in Denmark. | Eating out label |

Overall, Thematic Group Members were in no doubt that having shared goals and shared visions that embrace **cooperation and coordination between markets,** producers and policy makers is crucial for ensuring that policy objectives and targets for organics are realistic and can be realised by the value chain.

## Disclaimer

This paper has been developed with the involvement of members of the EU CAP Network Thematic Group on Strengthening the position of farmers in the Organic Food Supply Chain from several EU Member states as part of the work carried out by the CAP Implementation Contact Point during the 2 thematic group meetings. The information and views set out in this document do not necessarily reflect the opinion of the European Commission.

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