

SARD and...

organic agriculture

Organic agriculture serves the planet as far more than an agricultural production method. Organic agriculture provides an approach to an entire food and fibre supply chain that considers environmental and social friendliness of agriculture, aquaculture and wild harvesting. It blends modern science with traditional knowledge, allows farmers to convert low-input and subsistence farms into more productive systems and increases their ability to take advantage of locally available resources.

Through efficient use of natural resources and biodiversity, and recycling of renewable resources, organic agriculture allows farmers, pastoralists and fishers to flourish in the absence of external agricultural inputs. The organic market provides employment and income opportunities in rural areas. Policies are needed to make organic agriculture broadly accessible so its full benefit for sustainable agriculture, rural development and food security can be realized.

Sustainable Agriculture and Rural Development (SARD)

Agriculture and rural development are sustainable when they are ecologically sound, economically viable, socially just, culturally appropriate, humane and based on a scientific approach.

Rural development policy must aim to meet the nutritional and other human needs of present and future generations; and maintain, and where possible, enhance the productive and regenerative capacity of the natural resource base. It must also provide for the durable employment of those generations, reduce their vulnerability and strengthen their self-reliance.

Did you know?

- In the past decade, organic agriculture has grown from a niche market to a market force, demonstrating that it is an option for profitable enterprises.
- Organic is the most rapidly growing food sector with a sustained 10% annual growth for more than a decade.
- Organic food and drink accounted for US\$30 billion in annual sales in 2005, representing a market share of 1 to 4% in industrialized countries.
- China has organic retail sales of some US\$150 million annually and domestic markets in several developing countries are booming.
- Globally, more than 50 million ha of lands are certified organic, including 31 million ha of crop and pasture and 19 million ha of forests. Many EU countries and Brazil expect to have 20% of agricultural lands under organic management by 2010.

Why is action needed?

Organic agriculture supports rural development

Well thought out organic agriculture policies can address the range of economic, social, political and environmental problems facing rural communities. They have the potential to have a meaningful impact on income, food security, community empowerment, natural resource conservation, rural development and environmental well being.

Farm-friendly policies based on increasing capacities to generate income and food in rural areas can contribute to overcoming persistent poverty and hunger. However, without governmental support in the form of appropriate policies, this potential will not be realized.

- High input technologies and credit provision cannot meet the needs of the poor. The combination of rising input costs and lower farmgate

prices is already squeezing most farmers, especially those with little to invest.

- Policies and government actions that support the development of organic agriculture have looked mainly at fair market competition and environmental health potential and there has been little integration of organic agriculture issues into rural policy objectives.
- Government support to research and development approaches that adapt production to different ecosystems and cultural traditions remains limited.
- Organic agriculture practices improve agro-ecosystem management and performance and, where markets are available, certified organic products offer valuable export earning opportunities.
- Organic agriculture can reverse rural exodus to cities by providing higher returns to labour to farming families and employment opportunities for underutilized local workers.



Organic agriculture on the agenda

of NGOs –

The International Federation of Organic Movements (IFOAM) is a community of more than 750 member organizations in 108 countries.

of governments –

Some 70 countries have organic regulations in place, in various stages of implementation, that cover requirements for organic production, processing, certification, labelling and marketing.

of the private sector –

Organic certification is handled by some 400 authorized certification bodies. In addition, most of the world's mainstream food traders and retailers now offer organic products to their customers.

Ethics of organic agriculture

Organic agriculture proponents strive for a highly ethical form of agriculture, guided by the four basic principles of organic agriculture developed by IFOAM. These principles apply to agriculture in the broadest sense, including the way people tend soils, water, plants and animals in order to produce, prepare and distribute goods. They concern the way people interact with living landscapes, relate to one another and shape the legacy of future generations.

The four principles of organic agriculture

Health – Organic Agriculture should sustain and enhance the health of soil, plant, animal and human as one and indivisible.

Ecology – Organic Agriculture should be based on living ecological systems and cycles, work with them, emulate them and help sustain them.

Fairness – Organic Agriculture should build on relationships that ensure fairness with regard to the common environment and life opportunities.

Care – Organic Agriculture should be managed in a precautionary and responsible manner to protect the health and well being of current and future generations and the environment.

Organic agriculture protects the environment

Environmental damage caused by industrial agriculture and its impact on the well-being of rural communities is well documented. This includes such issues as greenhouse gas emissions, water pollution, biodiversity loss, land degradation and the widespread resistance of weeds and pests to chemical herbicides and pesticides.

In OECD countries, the environmental and health cost of agriculture averages US\$200 per ha per year. Avoidance of this damage is passed on to consumers in the form of premium prices for organic products – products they choose in order

to compensate for policy failures associated with conventional farming.

What are the policy goals?

Current policies designed to improve the environmental performance of agriculture includes bans on a number of pesticides, financial incentives to reclaim marginal lands, penalties for water pollution and funding for damage-abatement technologies. However, these policy tools typically are applied ad hoc. They lack the level of support needed for widespread adoption of holistic

organic management that could serve to prevent these environmental problems in the first place.

Well-designed organic agriculture policies can address three crucial aspects of sustainable agricultural development:

- environmental health – through conservation and sustainable use of natural resources within and outside the agro-ecosystem;
- rural development – through employment and community empowerment;
- income generation – through diversification, value-addition and marketing and trade.



To succeed, these policies require integration, or at least harmonization, with policies related to nature conservation, rural development and food supply.

This would entail expanding the concept of organic agriculture from merely an agro-environmental measure to a tool for sustainable livelihood strategies in rural areas. Resulting synergies between organic agriculture, agrotourism and environmental conservation would offer viable opportunities for vibrant rural enterprises.

What are the policy options?

Organic agriculture offers solutions to natural resources conservation, profitability of farming and health of land, ecosystems and people. However, if farmers lack access to resources such as land and water, and if farming is unreasonably taxed, there is not much incentive to convert to organic management. In addition, it must be remembered that organic agriculture is more demand driven than other food sectors and thus policy must recognize the needs of the customers as well as the producers.

Establishing and implementing an organic policy with clear objectives is a logical first step in developing organic agriculture. Interventions, often defined in an action plan, must target both the supply and demand aspects of the food chain, more specifically:

- establishing the legal and institutional framework, including the definition of appropriate standards at all levels of organic supply chains – from production through processing, certification and labelling;
- providing incentives as well as technical and organizational know-how to producers, including income support through

agro-environmental and rural development programmes;

- promoting market development and educating consumers;
- designing and implementing relevant research, training and extension, including encouraging networks for information exchange covering research, training and farmer-to-farmer advice.

In the EU, the regulation for organic marketing also forms the foundation for directed support to organic farmers under the agro-environmental programmes of the Common Agriculture Policy.

Enact proactive organic policy

Effective policy measures for organic agriculture require removal of obstacles and biases against organic agriculture. This includes existing disincentives such as government subsidies for chemical fertilizers or liability provisions when organic produce cannot be marketed as such because of contamination by genetically modified organisms (GMOs).

To move forward, dedicated organic research funds are needed and

Objectives vary from country to country

Organic agriculture policies vary from region to region and country to country. In Chile, policies focus on income generation through exports. Malaysia sees organic agriculture as a way to support domestic markets and cut down on imports. Policies focus on environmental protection in Denmark, on rural development in South Africa, on strengthening the competitiveness of small holders in India, and on competing through quality rather than quantity as a market strategy in the small island states.

programmes must be designed in collaboration with farmers in order to build on their traditional knowledge. Proactive measures require integrating organic agriculture into general education and extension services, supporting technology developments such as improved composting techniques, and promoting organic seed breeding and testing.

These programmes have potential to support innovation in production techniques, food processing, food marketing and retailing.



Organic agriculture and consumer safety

As with other foods, organic products are subject to hygiene and safety controls. Organic agriculture addresses consumer concerns about hormones, antibiotics and pesticide residues in food as well as workers' and farmers' concerns regarding conditions of employment by providing a healthier safer work environment on the farm thanks to reduced use of chemicals. Furthermore, organic agriculture helps develop local and regional food markets through direct producer-consumer supply chains that, in turn, encourage people to eat their local foods. The fact that large food industries and retailers have entered the organic sector indicates that the global market now recognizes consumers' preference for higher quality products.

How it works: making organic agriculture grow

With the industrialization of agriculture, consumers and food producers have become widely separated. Organic agriculture re-establishes this link through marketing traditional products that are resilient and allow reliable farming with fewer chemical inputs and establishing quality food systems. Local authorities can create the

conditions for developing local markets by:

- organizing daily or weekly farmer markets in cities;
- providing local organic foods in public canteens such as school cafeterias and hospital kitchens;
- promoting eco-agrotourism; and
- educating young people on the interdependence of food habits, agriculture and ecology.

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References

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The "SARD and..." Policy Briefs are designed to encourage and assist governments in developing and implementing policies to achieve sustainable agriculture and rural development.

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