Organic Farming in Europe – A Brief Overview

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Organic agriculture continues to develop dynamically in Europe. In most countries the organic land use is on the increase and the market continues to grow. This positive development is also due to several policy support measures; such as funding under rural development programmes, legal protection of the terms used to indicate organic products, action plans as well as support for research. At EU level the organic sector, is represented by the IFOAM EU Group an independent regional group of the International Federation of Organic Agriculture (IFOAM), which plays an important role in the further development of organic food and farming in Europe.

European organic agriculture in a global context

Global turnover in organic food was almost 55 billion US dollars or approximately 40 billion Euros in 2009 (Sahota 2011). About one quarter of the world's organic agricultural land (37.2 million hectares in total) is in Europe (which accounts for 9.2 million hectares) (Willer & Kilcher 2011).

Statistical Development: Growth continues

Since the beginning of the 1990s, organic farming has rapidly developed in almost all European countries (European Commission 2010). In Europe, currently more than nine million hectares[1] are managed organically by more than 260'000 producers (2009, see Table 1).

In the European Union, in 2009, there were 8.3 million hectares dedicated to organic farming, constituting 4.7 percent of the European whole agricultural land. They were managed organically by almost 220, 000 producers (Willer & Kilcher 2011).

Between 2008 and 2009, the organic agricultural land in Europe increased by 1 million hectares. The increase is due to high growth rates in Turkey, Spain, Italy and France. In recent years, growth rates were higher in the new member states compared to those in the EU 15.

The country with the largest organic agricultural land area in 2009 was Spain with 1.3 million hectares, followed by Italy with 1.1 million hectares, with Germany in the third place (with more than 1 million hectares in 2010). The country with the highest number of producers is Italy (more than 43, 000 producers).

[1] Data according to the survey of the Research Institute of Organic Agriculture FiBL, based on information of governments, Eurostat or the private sector. The annual survey on organic agriculture world-wide is carried out by the Research Institute of Organic Agriculture FiBL and the International Federation of Organic Agriculture Movements IFOAM. It is financially supported by the Swiss State Secretariat for Economic Affairs, the International Trade Centre ITC. A further sponsor is Nürnberg Messe. Further information is available at www.organic-world.net.

The European market for organic food and drink

In 2009, the organic food and drink market (general retails sales, specialised shops, farm gates sales etc.) was estimated to value approximately 18, 400 million euro. The largest market is Germany with approximately 5.9 billion euro (2010), followed by France (approx. 3.3 billion euro in 2010), and the UK (approx. 2 billion euro in 2010). Denmark, Austria, and Switzerland account for the highest market shares with more than five percent of the total food and drink market. While land area under organic management has expanded rapidly in many new EU member states as well as in candidate and potential EU candidate countries, consumption levels have remained low in these countries (less than 1 percent).

Whereas 2009 was characterised by slower growth than the previous years, with stagnation in some countries, the situation has changed in 2010 with organic products showing notable increases in sales again, which can be related to the improvement of economic conditions in general. In 2010 prices rose considerably in the second half of the year after a lower harvest of many crops, so it is likely that the limiting factor for market growth could again be supply. Overall it is estimated that market development in 2010 across Europe resulted in single digit growth rate for sales values and a bigger growth rate for the sales volumes.

For 2011 market actors expect ongoing mainly single-digit growth of the organic market in many countries.

EU regulation on organic farming

Organic farming is defined by EU law since the beginning of the 1990s with Council Regulation (EEC) No 2092/91. On July 20, 2007, the new organic regulation was published, 'Council Regulation (EC) No 834/2007 of 28 June 2007 on organic production and labelling of organic products and repealing Regulation (EEC) No 2092/91', which came into force on January 1, 2009. The regulation guarantees that terms such as "organic", "bio" and "eco" are only used on food products that are produced according to the standards laid down in the regulation.

One of the key developments of the European organic sector in 2010 was the launch of the new EU logo for organic products. Since July 1, 2010, the organic logo of the EU has been obligatory on all pre-packaged organic products that have been produced in all EU member states and meet the necessary standards.

Rural development policy

Regulation 1698/2005 on support for rural development by the European Agricultural Fund for Rural Development enables member states to support the conversion to and maintenance of organic farming. While most member states avail of this opportunity the level of support varies significantly (Pohl 2009; Schwarz, Nieberg, Sanders 2010). Many non-EU countries also provide similar support.

Rural development programmes have enabled broader based support of the organic sector, for example investment in processing, training, marketing and promotion.

Action plans for organic food and farming

Organic action plans provide a framework for integrating policies and measures in order to encourage organic sector development. Thus action plans serve as a strategic instrument for governments to achieve policy goals, particularly when multiple policy areas (such as agriculture, environment, and trade) and different levels of policy formulation are to be integrated (Schmid & al. 2008).

According to a recent survey at least 26 countries or regions in Europe have an action plan (Gonzalvez 2011), many of them with quantitative targets. Austria for instance aimed to have 20 percent organic land by 2010. This goal was more or less achieved; the country had a 19.5 percent share of organic land in 2010.

In 2004 the European Action Plan for Organic Food and Farming was launched[2]. The information campaign proposed in the plan started in July 2008. With this campaign, Action 1 - a multi-annual EU-wide information and promotion campaign to inform consumers, public institutions' canteens, schools and other key actors – is implemented. The campaign website[3] offers a wide range of information on organic agriculture and numerous tools (pictures, flyers) to support the promotion of organic agriculture.

Research

Today, organic farming research is funded under national research programmes or national organic action plans, as well as through European projects. Even though no figures for all European countries are available, it is known that the funds of the eleven countries who are part of the ERA-Net project CORE Organic amounted to more than 60 million Euros annually in 2006 (Lange & al. 2006)

Since the mid-1990s, several organic farming research projects have been funded under the framework programmes of the European Commission. Furthermore, there are several European projects that do not have organic farming as their focus, but carried out research related to organic farming in the framework of individual work packages. In the Seventh Framework Programme, launched in 2008, there are currently five projects focusing on organic farming that are being funded:[i]

- CORE Organic II – Coordination of European Transnational Research in Organic Food and Farming Systems.
- Bio-Bio: Indicators for biodiversity in organic and low-input farming systems;
- CERTCOST: Economic analysis of certification system for organic food and farming;
- ECROPOLIS Organic Sensory Information System: Documentation of sensory properties through testing and consumer research for the organic industry;
- LowInputBreeds: Development of integrated livestock breeding and management strategies to improve animal health, product quality and performance in European organic and "low input" milk, meat and egg production;
- SOLIBAM: Strategies for Organic and Low-input Integrated Breeding and Management (Plants)

In February 2010 the Strategic Research Agenda (SRA), the second major document of TP Organics,[4] was finalised, underlining research priorities and a number of suggestions for research projects. Recently TP Organics action plan for the implementation of the SRA was published. The action plan explains how the research priorities and research topics identified in the SRA can be implemented, with a particular focus on funding instruments, research methods, and the communication of results.

Text: Helga Willer, FiBL[5]

[2] Information on the European Action plan is available at http://ec.europa.eu/agriculture/organic and at www.organic-europe.net/.
[3] Homepage of the European Promotion Campaign http://ec.europa.eu/agriculture/organic/splash_en
[4] For further information see www.tporganics.eu
[5] Helga Willer, Research Institute of Organic Agriculture FiBL, Ackerstrasse, 5070 Frick, Switzerland, www.fibl.org

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Table 1: Organic agricultural land and share of total agricultural land in Europe 2009

		2009
	Organic agricultural land [ha]	Share of total agricultural land
Country*		
Albania	500	0.04%
Austria	518'757	18.50%
Belgium	41'459	3.02%
Bosnia and Herzegovina	580	0.03%
Bulgaria	12'320	0.40%
Channel Islands (2008)	430	5.73%
Croatia	14'194	1.10%
Cyprus	3'816	2.61%
Czech Republic	398'407	9.38%
Denmark	156'433	5.88%
Estonia	95'167	10.49%
Faroe Islands	12	0.40%
Finland	166'171	7.25%
France	677'513	2.47%
Germany	947'115	5.59%
Greece	326'252	3.94%
Hungary	140'292	3.32%
Iceland	6'661	0.44%
Ireland	47'864	1.16%
Italy	1'106'684	8.68%
Latvia	160'175	9.03%
Liechtenstein	1'005	26.87%
Lithuania	129'055	4.87%
Luxembourg	3'614	2.76%
Macedonia, The former Yugoslav Republic	1'489	0.14%
Malta	26	0.25%
Moldova	32'105	1.29%
Montenegro	4'603	0.90%
Netherlands	51'911	2.69%
Norway	56'737	5.48%
Poland	367'062	2.37%
Portugal	151'460	4.36%
Romania	168'288	1.22%
Russian Federation	78'449	0.04%
Serbia	8'661	0.17%
Slovakia	145'490	7.51%
Slovenia	29'388	6.01%
Spain	1'330'774	5.35%
Sweden	391'524	12.56%
Switzerland	114'050	10.78%
Turkey	325'831	1.29%
Ukraine	270'193	0.65%
United Kingdom	721'726	4.47%
Total	**9'204'243**	**1.93%**
European Union	***8'288'742***	***4.68%***

Country list according to the FAO website at http://faostat.fao.org/site/377/default.aspx#ancor

Annex: Graphs

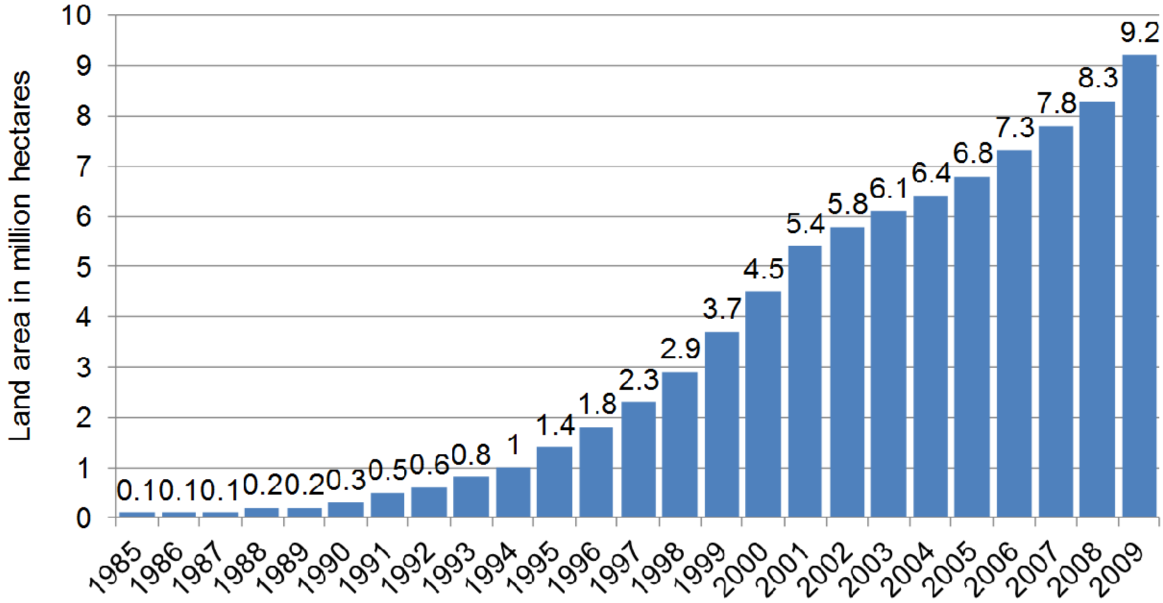

Figure 1: Development of organic agricultural land (including conversion areas) in Europe 1985-2009

Source: FiBL and Aberystwyth University

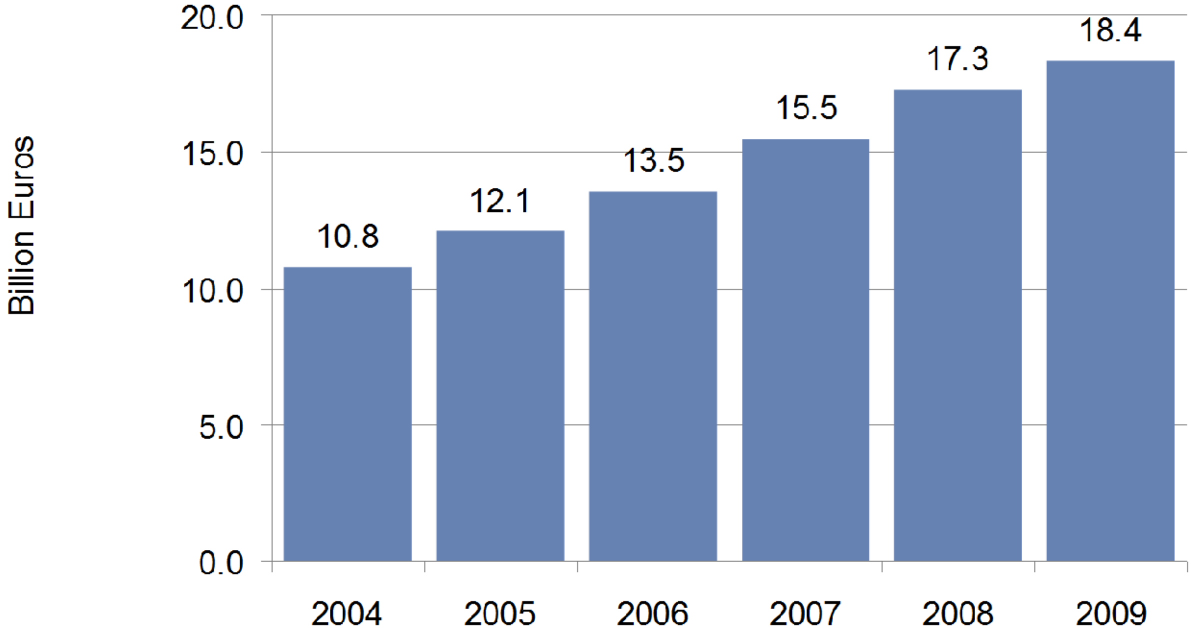

Figure 2: Growth of the European market for organic food 2005-2009

Source: Surveys by FiBL, AMI and ORC 2011

(The data source for some countries has changed (notably Spain in 2009) meaning that a direct year-to-year comparison is not possible.)

[i] For more information and links see http://www.organic-research.org/european-projects.html