The role of public, non-governmental and private actors for the development of organic farming: the Italian successful example

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Jel classification : Q130, Q180

Abstract

The evolution of Italian organic agri-food chain shows how the different actors have co-operated for the growth and expansion of the sector. Through statistical data, the paper illustrates what has been done by profit-oriented private firms, non governmental organizations (NGOs) and public authorities, at local, regional, national and EU level. Italy is the largest producer of organic raw materials and represents one of the biggest final markets. The entire food chain is regulated by EU standards and more than 1,300 inspectors are at work for ten certification bodies. Applied research, extension, training and education are also growing, thanks to public and private support. Increasingly, organic farming and food processing are important component of rural development projects, together with other diversification measures as landscape management and rural tourism. A similar path of development could be followed also by other Countries, with similar ecological and socioeconomic situations, as to achieve a socially and economically sustainable development.

Résumé

L'évolution de la filière agro-alimentaire biologique italienne est le résultat de la coopération entre les différents acteurs engagés dans le développement et l'expansion du secteur. En s'appuyant sur des données statistiques, cet article donne une vue d'ensemble des actions menées par les entreprises privées, par les organisations non gouvernementales (ONG) et par les autorités locales, régionales, nationales et européennes. L'Italie est le plus gros producteur de matières premières biologiques et elle représente l'un des marchés de consommation les plus importants. La filière alimentaire est entièrement réglementée par la législation européenne et plus de 1.300 inspecteurs travaillent pour dix organismes de certification. Parallèlement, on assiste à un développement significatif de la recherche appliquée, de la vulgarisation et de la formation, encouragé par le soutien public et privé. L'agriculture biologique et le secteur de la transformation ainsi que les autres formes de diversification des activités agricoles, comme l'aménagement du paysage et le tourisme rural, deviennent progressivement des composantes fondamentales dans les projets de développement rural. Ce parcours de développement pourrait être entrepris par d'autres pays qui présentent un cadre socio-économique et écologique similaire, pour atteindre un développement durable sur le plan social et économique.

1. Introduction

The impressive expansion of the organic agri-food chain in Italy is a success story that can represent a positive example for a similar development in other countries. It is the result of several circumstances: the food scandals, the awareness of consumers about links between nutrition and health, the producers' search for technical and economic alternatives, the relatively abundant flow of economic support channeled into the organic food chain, the reorganization of the grocery distribution. Anyhow, it also represents the final outcome of the actions implemented by several different actors: the individuals and private firms, which first adopted this alternative approach, their associations and those of the conventional farmers' unions, the public authorities. All over the last ten years the synergies between actors and between different policies are evident and have produced the present situation, still in progress.

2. Area, farms and main productions

The certified organic and under conversion agricultural area has increased from about 13,000 hectares in 1990 to almost 1.2 million hectares on December 31, 2001 and at present it accounts for about 7.9% of the total agricultural area in Italy (Table 1).

The number of organic farms has increased in the decade 1990-2000 from 1,300 to 57,298 (Table 1). Most organic farms can be found in the two major Italian islands; Sardinia and Sicily together account for about one third of the total farm number. The sociological characteristics of the organic farmers have evolved: once they mostly were alternative people, sometimes without agricultural background, looking for a new way of life. Many were German, Swiss, Austrian, or American. These first pioneers developed a fairly good social capital, established the first cultural associations and cooperated with the few early consumers to open the first shops, in the major towns only. Now, most organic farmers are Italians, inexperienced in organic techniques, but with good knowledge of their ecosystem and generally more market- oriented than some of the first innovators.

A similar distribution appears for the area under conversion or already classified as organic: Sicily and Sardinia represent 43% of the Italian surface. Sicily is well known in the organic market for its citrus production exported all over EU. The expansion in Sardinia is mainly due to the regional implementation of EU Reg. 2078/92, which subsidizes grazing land for the local sheep breed, specialized in milk production. Other Regions, like Tuscany, Umbria, Marche and Emilia Romagna were pioneering organic

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Tab. 1. *Organic farms and area, by area*

Area	Farms (no.)				Area (ha)				% on total
	1999	2000	2001	%	1999	2000	2001	%	
North	7.790	9.193	11.110	19,4	146.979	183.806	217.054	18,4	4,13
Centre	5.100	5.771	6.802	11,9	118.402	148.976	186.485	15,8	6,86
South	15.640	15.536	18.189	31,7	240.226	266.865	270.554	22,9	6,55
Islands	17.792	16.857	21.197	37,0	447.453	469.692	508.310	43,0	17,50
Italy	46.322	47.357	57.298	100,0	953.058	1.069.339	1.182.403	100,0	7,88

Source: Bio Bank on data supplied by Certification Bodies.

farming in the early 1980's, but after the EU Regulation 2078/92 their rate of growth has slowed down and their share in total organic area and farm number has decreased.

Most of the organic area (Table 2) is devoted to permanent pastures or to grass production (alfalfa, for example), needed for restoring fertility or for rotation. Since most farms are stockless (with some notable exceptions like the Parmigiano area in Emilia Romagna, the sheep breeding area in Sardinia or the Chianina Cattle breeders in Umbria and Tuscany), most grass is sold to nearby farmers or used as green manure.

Tab. 2. *Land use in organic farms (%)*

Land use	2000	2001
Pastures and fooder crops	41,0	44,8
Other crops	20,2	13,2
Cereals	18,2	21,5
Olive trees	10,0	9,9
Fruit trees	7,3	7,1
Vineyards	3,3	3,5
Total	100,0	100,0

Source: Biobank, 2003

Cereals follow, dominating the cropping pattern in regions like Apulia, Sicily and Emilia Romagna. Organic rice is grown in Lombardy and Piedmont. Thousands of hectares of olive trees have been converted into organic management, as well as vineyards. Large fruit orchards can be found mostly in Emilia Romagna, while small scale production is scattered everywhere. The same can be said about vegetable production, which is lagging a bit behind the expectations, mainly due to technical problems and the comparative low level of subsidies.

Agri-tourism (Table 3) has experienced a fast expansion in Italy in the last years and in the organic farms it allows to diversify income sources, but also to sell farm products and to educate the guests about the benefits of organic foods.

Tab. 3. *Agrotourism on organic farms*

Area	2000		2001		2002	
	no.	%	no.	%	no.	%
North	160	27,0	124	26,3	201	29,3
Centre	252	42,5	215	45,6	293	42,8
South	134	22,6	95	20,2	137	20,0
Islands	47	7,9	37	7,9	54	7,9
Italy	593	100,0	471	100,0	685	100,0

Source: Bio Bank, 2003.

In 2002, the number of organic farms was up to 685 all over the country, a 45% increase from the previous year. Almost half of them can be found in the four regions of Central Italy, with Tuscany in leading position.

Perspectives for the future seem to be bright, since most farmers declare (data not shown) their willingness to expand and diversify their operations. Notably, marketing is the major worry and the need for new marketing strategies affects 74% of the organic producers, who are searching for a premium price that sometimes is hard to materialize.

3. Processing, distribution and consumers

The expansion of agricultural production has been accompanied by a similar trend in the number of processing units (Table 4). At present, there are about 4,300 non agricultural processing units and almost 1,600 producers with processing activities on the farms. Traditionally, as in the conventional food chain, most processing was concentrated in the Northern part of the Country, but this scenario is slowly changing

Tab. 4. *Organic processors, by area*

Area	Farms with processing (no.)				Processing firms (no.)				Total (no)			
	1999	2000	2001	%	1999	2000	2001	%	1999	2000	2001	%
North	284	390	464	29,6	958	1.427	2.126	49,5	1.242	1.817	2.590	44,2
Centre	274	351	408	26,1	330	539	761	17,7	604	890	1.169	20,0
South	253	339	441	28,2	370	586	866	20,2	623	925	1.307	22,3
Islands	161	217	252	16,1	236	346	542	12,6	397	563	794	13,6
Italy	972	1.297	1.565	100,0	1.894	2.898	4.293	100,0	2.866	4.195	5.858	100,0

Source: Bio Bank on data supplied by Certification Bodies, 2003.

In the Northern regions still 30% of farms with processing facilities can be found and 50% of the organic food firms, but Southern Italy and the Islands show a very rapid positive evolution. The number of agricultural producers who are moving into processing is astonishing and the same can be said for the off-farm processing, which have grown in two years respectively by 67% and by 132%. Organic farming (as well as the so called typical products[1]) is inducing the setting up, conversion or expansion of new economic activities in the countryside, creating jobs and added value. Furthermore, farmers are proud again of the quality of their outputs and of their role in the society.

Italy represents one of the most important markets for organic foods (Michelsen et al., 1999), expanding every single year and the total sales have reached in the fiscal year 2000 about 1,174 millions Euro (D'Auria and Pittiglio, 2001). The first organic shop (Il girasole – the sunflower) was established in Milan, the industrial and financial capital of Italy, in the early '70's and it was an NGO: non-profit producers' and consumers' co-operative. For a long period organic products could be found only in a few specialized grocery stores, generally of small dimensions, most of which were run by non-profit consumers' and farmers' associations or by co-operatives. Direct sales in open market places and on farms have also been major marketing channels until the mid '90's.

Several investigations have been carried out, in different parts of the Country, in order to define purchasing behavior, socio-economic profiles, motivations and expectations of the Italian consumers of organic products. It appears clear that in Italy, as in other European countries, the consumers are relatively young, have a medium – high level of formal education, belong to the upper classes of income. They are conscious to pay a premium price, which is partially justified by health related justifications. Environment – linked motivations were not quoted very often. As it can be seen in Table 5, almost all motivations found in a recent survey relate to health and better nourishment.

Similarly to the farmers, also consumers' profile has varied greatly along the last years: the very first consumers liked to shop frequently at the specialized organic store, which also served as a meeting point - a sort of cultural centre -, whereas the present consumers want to buy organics at the supermarkets, shop once a week, and are even willing to purchase products, like organic frozen pizza.

Tab. 5. *Consumers' motivations (%)*

Motivations	Usual consumers	Occasional consumers
For the health of myself and of my family	100,0	94,9
Because there are no toxic residues	100,0	94,5
Because I want to consume in a conscious way	98,1	87,9
Because organic foods are healthier	96,2	93,3
Because organic foods are less polluting	71,2	65,7
Because they have a better taste	51,9	50,0
For my children	49,0	52,3
Because they nourish better	34,6	33,7
Because I want to feel good with other people	25,0	27,3
Because they have a better look	7,7	10,3

Source: Zanoli, personal communication

During the second half of the '90's, the entire organic food chain has exploded (Santucci et al. 1999, Santucci 2001). Almost every day a new activity begins its operation: specialized shops, supermarkets, franchisees, school canteens, etc. A final interesting consideration is that the specialized organic shop nowadays is often the only retailer left in the neighborhood and in these cases it has became the "magasin de proximité", the neighborhood shop, where even people who do not know anything about organic agriculture, totally unmotivated, go to buy food.

Since the very beginning of the organic production in Italy, local fairs and markets have been an important trading place, especially for small producers. Many national and local markets are held in all Regions, generally open air, from June to October. In some towns the market is held monthly or weekly, often associated to the traditional town or neighborhood markets. The largest commercial fair (SANA) is organized by a private operator and is held indoor in Bologna in September and from a few years it is also replicated in Rome in March.

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All supermarket chains have entered this niche market, all of them with their own private label (Table 6). A recent study (D'Auria and Pittiglio, 2002) reveals that in the 12 month period from November 2000 to October 2001, the sales within the supermarkets have reached 254 millions Euro, a spectacular +87.8% increase, that follows a previous annual growth by 35%. The consumers' expenditure is distributed over almost all categories of products: dairy products account for 26%, fruits and vegetables 13%, baby food 9%, bread and biscuits 12%, eggs 6%. Not surprisingly, organic meat is still almost absent, because this sub-sector needs to be properly organized. All sub-sectors show

[1] Consumers all over Europe are re-descovering the pleasure of eating and drinking typical products. The European Union, with two Regulations (2081/92 and 2082/92), has established the much needed legislative framework.

Tab. 6. *Presence of organic foods in supermarkets*

Chain	Private label	Launch
Coop - ipercoop	Naturali biologici	Nov 1995
Billa - Standa	Sì, naturalmente	Jun 1998
Pam	Pam da agricoltura biologica	Aug 1999
Panorama	Panorama da agricoltura biologica	Aug 1999
Superal	Superal da agricoltura biologica	Aug 1999
Famila	Biologico	Sep 1999
Esselunga	Esselunga Bio	Nov 1999
Gigante	Linea Biologica - Gusto Natura	Feb 2000
GS - Euromercato	Scelgo Bio	May 2000
Coop - ipercoop	Coop da agricoltura biologica	Nov 2000
Conad - Margherita Pianeta	Conad Nuovi Prodotti da AB	Nov 2000
Natura Sì	NaturaSì il Supermercato della Natura	Jan 2001
Despar - Eurospar - Interspar	Bio, Logico	Feb 2001
Selex	Bio Selex	May 2001
Crai	Crai Bio	Jul 2001

Source: Bio Bank, 2002

very strong expansion: fruit and vegetables +100%, dairy products +155%, pasta and rice +155% and so on.

Another interesting development is represented by community catering: a growing number of kindergartens, school and university canteens, restaurants and even factory canteens are introducing organic menu and obviously they need a properly organized supply of ingredients, at a reasonable price.

This continuous search for higher quantities, good quality and lower prices is leading to commercial agreements, acquisitions and fusions, with somebody looking at these facts with suspicion. The challenge ahead is to better organize the supply chain, for the benefit of consumers, without hurting the interests of the Italian organic farmers. If prices begin a decreasing spiral, the social sustainability of organic farming could be at risk, with negative consequences for the environment and the whole Society.

For all marketing forms (Table 7), the Northern regions still represent the bigger share. In the southern part of Italy, organic foods can be found in a few shops, generally concentrated in the biggest and richest towns. The density of organic food sale points is 1:10,940 persons in the Northern regions and six times lower in the South, with only one to almost 67,000.

4. Legislation, certification and economic support

Undoubtedly, good part of the expansion of the organic sector in Italy has been pushed by the EU legislation (Le Goullou and Sharrpé, 2001): first, the EU Regulation 2092/91 which defined organic farming, second the EU Reg. 2078/92 providing subsidies decoupled from output and given to the area, then the EU Reg. 1904/99, which provides some guidance for the animal productions. Subsidies have been confirmed by Reg. 1257/99 (European Commission, 2001) and they may vary, according to national and local legislation. The highest subsidy goes to orchards (900 Euro as upper limit) and annual crops (600) while the lowest (450) goes to pastures and fodder crops.

In order to receive the subsidies, farmers and breeders must be certified by one of the Certification bodies operating nationwide (Table 8). Some of them were initially cultural associations, as the Biodynamic Association (established in 1947) with the trademark Demeter, Suolo e Salute (Soil and Health established in 1969) and AIAB (Associazione Italiana per l'Agricoltura Biologica, established in 1988), linking producers, scientists, consumers, etc. aiming at the development of organic farming. These associations organized conferences and training courses, published magazines and lobbied for recognition of organic farming. C-CPB (Consorzio per il Controllo dei Prodotti Biologici) was established in 1988 by some major cooperatives, mainly operating in the northeastern part of the Country. In 1993, the Italian Minister of Agriculture recognized three new organizations (AMAB = Associazione Marchigiana per l`Agricoltura Biologica, AgriEcoBio and BioAgriCoop). In the German speaking Province of Sud Tirol, at the border with Austria, the German Certification Bodies Biozert and IMO are authorized to operate.

Tab. 7. *Marketing channels in 2002, by area*

Area	Pop.	Organic shops		Organic markets		Canteens		Restaurants		Supermarkets*		Total		Density**
	(000)	no.	%	no.	%	no.	%	no.	%	no.	%	no.	%	
North	25.338	734	65,7	120	73,2	368	70,5	89	50,6	1.005	69,8	2.316	67,8	10.940
Centre	10.717	253	22,6	32	19,5	117	22,4	69	39,2	315	21,9	786	23,0	13.635
South	13.786	93	8,3	3	1,8	30	5,7	13	7,4	67	4,7	206	6,0	66.922
Islands	6.466	37	3,3	9	5,5	7	1,3	5	2,8	52	3,6	110	3,2	58.782
Italy	56.306	1.117	100,0	164	100,0	522	100,0	176	100,0	1.439	100,0	3.418	100,0	16.473

* December 2001

** Persons / total number of places selling organic foods.

Source: Bio Bank.

Tab. 8. *Certification Bodies, December 31, 2000*

Certification Body	Established Year	Farms no.	Farms %	Hectares no.	Hectares %
AIAB (now ICEA)	1988	13.607	24,0	306.891	28,6
Bioagricoop	1984	8.332	14,7	192.312	17,9
Bios	1996	2.098	3,7	23.300	2,2
CCPB	1988	4.418	7,8	69.953	6,5
Codex (formerly Demeter)	1995	1.614	2,8	21.911	2,0
Ecocert Italia	1992	5.779	10,2	78.394	7,3
IMC (formerly AMAB)	1995	5.428	9,6	89.010	8,3
QC&I	1992	3.987	7,0	123.012	11,5
Suolo e Salute	1969	11.518	20,3	169.320	15,8
Total		56.781	100.0	1.074.103	100,0

Source: Biobank, 2002

In Italy, agricultural policy has been devolved to Regional Governments since 1972 and this has determined a notable heterogeneity in the implementation of the EU Regulation 2078. Criteria for eligibility are different, as well as the level of subsidies for the different crops. Such differences have been used to explain the non-homogeneous behaviour of farmers in the Italian Regions, (Zanoli, 2002) and within the same Region for the different farming systems (Santucci, 1998; Cicia, Cembalo and D'Ercole, 2000).

Another explanation for different levels of development of the organic food chain can be found in the extreme variety of supports, which have been given to the different actors under other EU or local funds and by an endless number of Authorities. In a few Regions, organic farmers are the first beneficiaries of all types of grants and agricultural credit, for any investments, whereas in other Regions they receive only some more scores and gain some position in the applicants' list. In other Regions, local and provincial Governments facilitate the organization of weekly and monthly open markets with personnel and structure. EU social funds have been used for training activities (see next paragraph) unevenly distributed. Educational campaign for school teachers, parents and medical doctors have been organized by the Health Department of some Regions, consequently leading to a growing demand for locally produced organic foods. Several LEADER projects all over the Country, but not everywhere, strongly supported organic farming, with applied experimental activities, finalized extension, grants for small scale processing plants, even for specialized organic grocery shops. Many Municipalities, as written before, have financially supported the introduction of organic ingredients into the menu composition of schools and other communities. Still, it must be clear to the Reader, that the financial support provided to the organic food chain is nothing, whenever compared with the flow of direct and indirect support that has been given and is still given to conventional food chains.

In March 1995, the Ministry of Agriculture Decree 220/95 confirmed the mentioned Certification Bodies, but in December 1996, the Ministry did not reconfirm AgriEcoBio, because of its non-conformity with EN 45011 standards. In the same year three new bodies (QC&I, Bios and Ecocert) were recognized and registered. More recently, in order to have a Third-Party certification, AMAB, the Biodynamic Association and AIAB withdrew from certification and set up separate Bodies, respectively IMC (est. 1995), CODEX (1995) and ICEA (2002). At present, seven of these Certification Bodies are also accredited by Sincert, the national authority that supervises certification in all economic sectors, according to EU Reg. 1935/95, that applies in Europe the standard UNI-EN 45011. Three are also accredited by IFOAM.

ICEA is the largest Certification Body and probably the best-known association at national and international level. It certifies about 24% of farms and 29% of the organic area (Table 8). Suolo e Salute is the runner up, with respectively 20% and 16%. The third biggest Certification Body is Bioagricoop, with 15% of farms and 18% of surface. AIAB, the Biodynamic Association and AMAB still pursue stricter production codes than those established by the EU regulations and therefore farmers respecting these guidelines can even put these labels on their products. Altogether, these nine Certification Bodies avail of about 90 local offices, with 1,300 agronomists and other technicians, properly trained (Santucci, 1999), who are responsible for inspecting the farms, the processing plants, the storage facilities, in order to verify the respect of the EU Regulations and of the Production standards established by the various associations, for products not covered by the EU legislation.

The coexistence of so many Certification Bodies and labels, like in many other European Countries, is generating some confusion among consumers and this can explain why supermarket chains have decided to use their own private label, in an effort to assure their clients about the quality of the controls. Obviously the private label per se is not enough and all products must be certified by one of the Certification Bodies.

5. Research, extension, education and training

Until the mid '90s, practically there was no formal research about organic farming, with some notable exceptions, like in the field of agricultural economics or for what concerns integrated pest management. Organic farmers and the few agronomists working with them were elaborating their own innovations, which were then diffused through informal channels and some alternative journals (Santucci, 1993; Santucci, 1995).

More recently, the pressure for research in organic agriculture has been growing and also Institutions like Universities and Public Research Centers are opening up to new fields of investigations. In the last two years, the Ministry of Agriculture has been financing some research programs, which unfortunately cover only a minority of crops or farming systems. Recent surveys made by CEDAS, a Documentation Centre for Sustainable Agriculture, have shown that an increasing number of researchers are currently working on organic farming systems. Funds are provided by the National Research Council, by the Ministry of Agriculture, by the Regional Governments or by the European Union, but their total entity, although rising, is still low.

The National Institute of Statistics (ISTAT) has introduced some questions about OF in the latest version of the Census Form and a working group was established to propose further investigation. Since 1997 the National Institute of Agricultural Economics (INEA) has been devoting a special chapter of its Yearbook to Organic Farming. INEA has also increased the number of organic farms surveyed by the EU-supported Farm Accounting Data Network.

The same can be said for the extension activities: until the early 1990's, the number of agronomists or veterinarians who could support farmers interested in organic farming was negligible and information was spread by the early adopters almost mouth to mouth. After the EU regulation, a frantic training activity for new extension agents (and for inspectors) has taken place, in all regions (see next paragraph). Still, the number of properly trained advisors is far from the needed amount and most extension activities only motivate the farmers towards organic farming (and inform about the subsidies).

An interesting development occurred in last two years that is the attention paid by private Publishing Houses to organic farming. A growing number of books and booklets, either translated from other languages or written by Italian experts is now available and all agricultural magazines have articles about this subject. The biggest Agricultural Magazine started the publication of a monthly magazine, totally devoted to organic farming.

Formal education on organic farming has begun to appear in some Technical College for Agriculture (students aged 14 to18) only recently and the same can be said for Vocational Schools of Agriculture (same age, two cycles of three and two years, respectively). At University level, organic farming has encountered strong resistance and only recently some Faculties have stepped into this subject, generally to meet the demand from the new generations of students. The Ministry of Agriculture has officially started a National School of Organic Farming, and some short courses (one or two weeks) were already organized for employees of the Public Sector and of the Farmers' Unions, aiming at providing the personnel of these Agencies with a common knowledge, both technical and administrative.

Vocational training has been a matter devolved to the Regional Governments since 1972 and the various Administrations have responded differently to the needs for appropriate training expressed by the labor market. Ten years ago, Santucci (1993) found out almost that training for farmers and technical staff operating in various Entities was extremely heterogeneous. The same pattern holds true.

Three years ago, the Mediterranean Agronomic Institute of Bari, the renowned international research and education Institution, operating within the umbrella of CIEHAM, launched its first Master Course on Mediterranean Organic Agriculture, in the English language, open to students from all Mediterranean Countries. Lecturers have been selected from all Mediterranean and European Countries.

6. Institutional summary and conclusions

The Italian experience in the organic sector shows a different involvement of the stakeholders in the different aspects, pursuing the main objective to support and to successfully develop the sector. This allows elaborating some more theoretical considerations which can be extremely useful for other Countries too.

The profit-oriented private operators (individual farmers, processors, traders, certification bodies, experts and consultants, publishing houses, etc.) have been playing a vital role in the initial diffusion of practices and knowledge, when the public bodies were indifferent, reluctant and in some cases even hostile about organic agriculture and food. They still play a major role, in all moment of the food chain: production is totally in private hands, as well as processing, import and export, marketing (of inputs and outputs) and advertising, certification. In knowledge creation and diffusion, they still ensure a good share of activities. Obviously, some private operators are quite small, whereas other ones have turnovers of several million dollars.

Non Governmental Organizations have always played and still play a major role. The social capital represented by such agencies is enormous and represent a winning card especially for those small operators with negligible individual economic and political strength. Since the very beginning, organic farmers have established groups, associations, and cooperatives, at local and higher level. Links and synergies were searched with environmentalists and consumers living in town. Long before the appearance of "environmentalist political parties", these groups were lobbying for recognition and support. Some NGOs are still very small – a few farmers living in the same valley, with zero budget and very focused scope, while other associations have thousands of members, interesting budgets, full time staff, offices, magazines, websites, etc. Organic NGOs have been lobbying with the local, regional, state and EU legislators. Through their International Association (IFOAM), they dialogue with the European Union, FAO and other international agencies. NGOs propose and implement projects for the development of organic farming, in several aspects. Alone or in cooperation with other actors, they implement applied agricultural research projects, rural development projects, promote marketing groups, favor cultural and market relationships with other countries, and organize promotional activities in schools and on the streets of all major towns. Some NGOs manage shops where local products and imported fair trade food and other goods are sold to consumers, side by side with educational activities aimed at expanding the local demand. NGOs organize training for farmers, agronomists, medical doctors and teachers. Other NGOs employ advisors, while others have been very active in the certification. Very important are the links with non-agricultural NGOs, but with strong environmental interests, like the World Wide Fund – Italian branch, or with Legambiente, LIPU[2] and similar advocacy groups, very strong in membership. More recently, the conventional farmers' associations, strong with hundreds of thousands of members, have recognized the importance of organic farming and have activated, within their umbrella, sections for organic producers. For many years these big unions were skeptical and even against organic farming, because they considered agriculture being "organic" or "biologic" and feared competitions or divisions within the rural world. Now that attitude is over and these organic farmers sections, within the traditional farmers unions, are quite common. They develop the same activities as the NGOs fully belonging to the organic sector.

The public sector role is extremely important, since public authorities act at local, regional, national and EU level. From bottom – up, some examples of what such authorities have made in Italy, in order to understand their relative importance. At bottom level (village, municipality), local authorities can create the proper climate for private operators and NGOs to operate:

- establish a periodical market or introduce an organic section in the market
- promote organic food in schools run by the local council
- favor experiments and production on farms owned by local authorities
- provide meeting rooms and eventually offices to local NGOs
- provide technical support with local personnel
- organize events for awareness diffusion about organic agriculture, nutrition and health.

At regional[3] level, some regional Governments have been supporting organic farming since the very beginning, whereas other ones have given the smallest support. Regional governments can support organic farming, directly or indirectly, if they

- accept to dialogue with organic farmers
- co-finance training and education about organic farming and related topics (processing, marketing, etc.)
- mplement properly EU regulations
- allocate the available resources to organic farming (research, promotion, etc..)
- recognize the relevance of organic farming and processing within the rural development initiatives, like the LEADER program and similar ones
- educate its own personnel about organic farming.

At national level, at the beginning, the various Italian governments were not very pro-active about organic farming, but the last Ministers of Agriculture have shown more support and openness, because they were conscious that this approach favors rural development, protects biodiversity and cultural heritage. The State can (and in some cases must):

- elaborate national legislation respectful of international standards, allowing NGOs and private operators to express their energies
- promote applied research on the most important topics
- promote national information campaign about the links between health and nutrition, for consumers, teachers, educators at all levels
- recognize and supervise the Certification Bodies
- enforce the application of all Legislation, persecuting individuals and firms which do not respects the norms and commit frauds
- educate its own personnel about organic farming

At international level, the European Union has timidly supported organic farming since 1985, within the first extensification measures, and organic processing within various regulations, but the major impact has come when it

- launched a dialogue with organic farmers' associations
- established EU wide standards for production, import, processing and certification
- provided support to converting farmers
- accepted rural development programs including various activities for organic farming and processing
- opened the research fields to organic farming.

To conclude, we must recognize that, after a long period (1970-1990) during which only private individuals and some small organic NGOs struggled to spread their practices and beliefs, the turning point was marked by the EU involvement. The implementation of EC Reg. 2092/91 regarding certification and the financial support for organic farming provided by EC Reg. 2078/92 within the context of agro-environmental measures, has surely boosted the sector, also favoring the full blooming of the private and NGO components.

The role of large private operators is clear when we think that the development of the Italian domestic market has been helped by mainstream retailers which have increasingly invested in the organic sector, progressively enlarging their organic corner, widening the availability of organic foods at their outlets and launching their own private organic label. Following the mainstream retailers' first moves, also the conventional food industry has recently started to show an increasing interest in the sector. As a result, several big food companies are now launching organic versions of their most popular products to enter the promising organic business.

[2] Legambiente = League for the Environment; LIPU = Italian League for the Protection of Birds.

[3] In Italy, Agriculture is a function delegated to the Regional Governments in 1972. Consequently, the attitude, efficiency and efficacy of regional governments represent an important factor for the development of any initiative.

More recently, in the natural, on-going evolution of the Italian domestic market for organic food, the key word for further progress appears to be "partnership". Production and business consolidation is becoming a must for both incumbents and entrants. Establishing partnerships to attain a greater bargaining power and to benefit from economies of scale, therefore, seems to be the right path to follow. In this light, pioneer companies of the Italian organic sector and important brands of the food industry are joining new-born consortia, which gather various companies operating in different sectors under the same umbrella label. Increasingly, partnerships with fair trade operators are also being established, thus reconciling the new, expanding organic business with the original spirit of the organic movement, both essential driving forces in the modern organic world (Pinton, 2001). At the same time, such initiatives also cater for the consumers' emerging taste for quality and ethical foods.

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