

The World of Organic Agriculture 2018: Summary

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According to the latest FiBL survey on certified organic agriculture worldwide, as of the end of 2016, data on organic agriculture was available from 178 countries.

Almost 58 million hectares of organic farmland – Australia has the largest area

There were 57.8 million hectares of organic agricultural land in 2016, including in-conversion areas. The regions with the largest areas of organic agricultural land are Oceania (27.3 million hectares, which is almost half the world's organic agricultural land) and Europe (13.5 million hectares, 23 percent). Latin America has 7.1 million hectares (12 percent) followed by Asia (4.9 million hectares, 9 percent), North America (3.1 million hectares, 6 percent), and Africa (1.8 million hectares, 3 percent). The countries with the most organic agricultural land are Australia (27.4 million hectares), Argentina (3 million hectares), and China (2.3 million hectares). See page 34 for the detailed results of the FiBL survey.

Globally, 1.2 percent of the farmland is organic – Liechtenstein has the highest organic share with 37.7 percent

Currently, 1.2 percent of the world's agricultural land is organic. The highest organic shares of the total agricultural land, by region, are in Oceania (6.5 percent) and in Europe (2.7 percent; European Union 6.7 percent). However, some countries reach far higher shares: Liechtenstein (37.7 percent) and French Polynesia (31.3 percent) have the highest organic shares. In fifteen countries, 10 percent or more of the agricultural land is organic.

Organic farmland has increased by 7.5 million hectares or 15 percent

Organic farmland increased by 7.5 million hectares or 15 percent in 2016. This is mainly because 5 million additional hectares were reported from Australia. However, many other countries reported an important increase and thus contributed to the global growth, such as China (42 percent increase; over 0.67 million hectares more) Uruguay (27 percent increase; more than 0.3 million hectares more), and India and Italy, both with an additional 0.3 million hectares. There has been an increase in organic agricultural land in all regions. In Europe, the area grew by almost 1 million hectares (6.7 percent increase). In Asia, the area grew by almost 34 percent or an

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additional 0.9 million hectares; in Africa, the area grew by 7 percent or over 0.1 million hectares, in Latin America the area grew by almost 6 percent or 0.4 million hectares after several years of drops, and in North America by more than 5 percent or 0.2 million additional hectares. A major relative increase of organic agricultural land was noted in many Asian and African countries, such as Lao People's Democratic Republic, Sierra Leone, and Zimbabwe.

Apart from the organic agriculture land, there is organic land dedicated to other activities, most of which area for wild collection and beekeeping. Other areas include aquaculture, forests, and grazing areas on non-agricultural land. The areas of non-agricultural land constitute more than 39.7 million hectares (see 53).

Organic producers on the rise – 2.7 million producers in 2016

There were at least 2.7 million organic producers in 2016.¹ Forty percent of the world's organic producers are in Asia, followed by Africa (27 percent) and Latin America (17 percent). The countries with the most producers are India (835'000), Uganda (210'352), and Mexico (210'000) (see page 60). There has been an increase in the number of producers of over 300'000, or over 13 percent, compared to 2015. A quarter of the world's organic agricultural land (14.3 million hectares) and more than 87 percent (2.4 million) of the producers were in **developing countries and emerging markets** in 2016 (see page 72).

Growth for all major crop groups

Land use and crop details were available for over 90 percent of the organic agricultural land. Unfortunately, some countries with very large organic areas, such as Australia, Brazil, and India, had little or no information on their land use (see page 78). **Over two-thirds of the agricultural land was grassland/grazing areas** (almost 38 million hectares, an increase of 16.5 percent compared to 2015). With a total of almost 10.6 million hectares, **arable land constitutes 18 percent of the organic agricultural land**. An increase of almost 6.3 percent since 2015 was reported. Most of this category of land was used for cereals including rice (4.1 million hectares), followed by green fodder from arable land (2.8 million hectares), oilseeds (1.3 million hectares), dry pulses and textile crops (0.5 million hectares each). **Permanent crops account for eight percent of the organic agricultural land**, amounting to 4.5 million hectares. Compared with the previous survey, an increase of more than 126'000 hectares, or 9 percent, was reported. The most important permanent crop is coffee (with more than 0.9 million hectares, constituting over 20 percent of the organic permanent

¹ Please note that some countries report only the numbers of companies, projects, or grower groups, which may each comprise a number of individual producers. The number of producers should, therefore, be treated with caution, and it may be assumed that the total number of organic producers is higher than that reported here.

cropland), followed by olives (almost 0.7 million hectares), nuts (almost 0.6 million hectares), grapes (almost 0.4 million hectares), and tropical and subtropical fruits (over 0.3 million hectares) (see page 74).

Detailed information on **organic cotton** was provided by Textile Exchange, showing that during the 2015/16 growing season, 107'980 metric tons of organic cotton fibre was produced globally by 219'947 farmers on 302'562 hectares of land. There are currently 18 countries producing certified organic cotton, but 97 percent of the global supply comes from just seven countries. India remains by far the largest producer, accounting for almost two-thirds of total production, followed by China, Kyrgyzstan, Turkey, and Tajikistan. For more information including the situation of cotton production in individual countries and regions, see the chapter by Truscott et al. on page 137.

Looking at other **voluntary sustainability standards** (VSS), a recent survey among 14 standards (including organic) shows that strong growth continues and that at least 14 million hectares are covered by selected crops and standards. All standards covered experienced growth in their areas since 2011. The most successful commodity is coffee; at least 25 percent of the global coffee area is certified and 8.5 percent of the global coffee area is organic. (See the chapter by Lernoud et al., page 128).

Global market has increased to almost 90 billion US dollars

Organic food & drink sales have increased from less than 15 billion US dollars to almost 90 billion US dollars over two decades according to Ecovia Intelligence. Although the positive trend is likely to continue, there remain challenges. These include demand concentration (about 90 percent of sales are in North America and Europe), proliferating standards, and the fact that the farmland growth is slowing in parts of Europe and North America, which means there are concerns about supply shortfalls. (See the chapter by Amarjit Sahota on page 146).

In 2016, the countries with the largest organic markets were the United States (38.9 billion euros), Germany (9.7 billion euros), and France (6.7 billion euros). **The largest single market was the United States** (47 percent of the global market), followed by the European Union (30.7 billion euros, 37 percent), and China (5.9 billion euros, 6 percent). The highest per-capita consumption with more than 200 euros was found in Switzerland and Denmark. The highest organic market shares were reached in Denmark (9.7 percent), Luxembourg (8.6 percent), and Switzerland (8.4 percent) (See the chapter on the FiBL survey on the global market, page 174).

Africa

There were over **1.8 million hectares of certified organic agricultural land in Africa** in 2016. Compared to 2015, Africa reported an increase of almost 119'000 hectares, a 7 percent increase. There were more than 741'000 producers. The United Republic of Tanzania was the country with the largest organic area (with almost 270'000 hectares), and Uganda was the country with the largest number of organic producers (more than 210'000). The country with the highest share of organic agricultural land was the island state Sao Tome and Principe, with 13.8 percent of its agricultural area being organic. The majority of certified organic produce in Africa is destined for export markets. Key crops are coffee, olives, nuts, cocoa, oilseeds, and cotton (see page 177). In Africa, only Morocco and Tunisia have an organic regulation; however seven countries are drafting one and eleven countries have a national standard but not a national legislation (see page 152).

The year 2017 continued to see growing recognition among policymakers that organic agriculture has a significant role to play in addressing food insecurity, land degradation, poverty, and climate change in Africa. Organic conferences have become a success, and the next East African Organic Conference is scheduled for May 2018. The Fourth African Organic Conference will take place in November 2018 in Yaoundé, Cameroon. These conferences mark significant milestones for mainstreaming organic agriculture on the continent. For more information, see the chapter by Jordan Gama (page 174).

Asia

The total area dedicated to **organic agriculture in Asia was almost 4.9 million hectares in 2016**. There were 1.1 million producers; most of these were in India. The leading countries by area were China (2.3 million hectares) and India (almost 1.5 million hectares); Timor-Leste had the highest proportion of organic agricultural land (7.4 percent) (page 200). Twenty countries have regulations on organic agriculture, and six countries are in the process of drafting one. Eleven countries have a national standards but no organic legislation.

In 2017, there was an overall increase in organic production in all countries that submitted contributions to the Asia sector report for this book. Exports of organic products are also increasing as seen in the example of Bangladesh. An interesting development was the significant increase of national and local organic groups in China, such as organic marketing clubs or organic marketing alliances as market platforms. Community Supported Agriculture (CSA) and Participatory Guarantee Systems (PGS) are also attracting much interest. A mutual recognition of certified organic products between China and New Zealand was signed at the end of 2016. The authorities in India introduced a common logo for organic foods – “Jaivik Bharat.” The Philippines saw an increase in active involvement of more than 120 local municipal mayors in the development of organic agriculture. Some municipalities are

now recognized internationally for their exemplary development of organic agriculture, and in September 2018, the 3rd IFOAM Asia Organic Congress will take in the Philippines. For more information, including country reports, see the chapter from IFOAM Asia (page 188).

There has been increasing interest and participation in the Asian Local Governments of Organic Agriculture (ALGOA). Some local governments are expressing interest in the formation of local chapters of ALGOA in their respective countries (page 198).

Europe

As of the end of 2016, **13.5 million hectares of agricultural land in Europe** (European Union 12.1 million hectares) were managed organically by over 370'000 producers (European Union over 295'000). In Europe, 2.7 percent of the agricultural area was organic (European Union: 6.7 percent). Organic farmland has increased by 0.8 million hectares compared to 2015. The countries with the largest organic agricultural areas were Spain (2 million hectares), Italy (1.8 million hectares), and France (1.5 million hectares). In nine countries, at least 10 percent of the farmland is organic: Liechtenstein has the lead (37.7 percent), followed by Austria (21.9 percent) and Estonia (18.9 percent). Retail sales of organic products totalled 33.5 billion euros in 2016 (European Union: 30.7 billion euros), an increase of more than 11 percent since 2015. The largest market for organic products in 2016 was Germany, with retail sales of 9.5 billion euros, followed by France (6.7 billion euros), and Italy (2.6 billion euros) (see the article by Willer et al., page 218).

In Europe, all countries have an organic regulation or are drafting one. In 2017, negotiations by EU Institutions on the review of the **EU organic regulation** started to draw to a close, four years after the European Commission launched its legislative proposals. The basic text has been approved, and will contain some changes to the rules on production, controls, and imports. Discussions on the direction of the future of the Common Agricultural Policy (CAP) Post-2020 officially kicked-off in February 2017. The next years will be a critical period for the organic sector to work with policymakers and other agri-food stakeholders to use the debate on the future CAP as a means to support the development of organic food and farming in Europe. TP Organics launched its position paper **“Research and Innovation for Sustainable Food and Farming”** outlining what it would like to see in terms of the 9th EU Research & Innovation Framework Programme (FP9), which will start in 2021. TP Organics calls for the UN Sustainable Development Goals to be the basis for the next Framework Programme's architecture (page 210).

For this edition of the book, we received a country report on organic agriculture in Ukraine, which has become an important supplier of organic products for Western markets. The main organic exports from Ukraine are cereals, oil crops, pulses, wild collected berries, mushrooms, nuts, and herbs. Recent developments on the policy level include the introduction of a governmental data collection system. The

Ukrainian state logo for labelling of organic products was officially registered as a trademark owned by the Ministry of Agrarian Policy and Food of Ukraine. For more information, see the article by Trofimtseva and Prokopchuk on page 256.

Mediterranean countries

For the Mediterranean countries, which include countries in Northern Africa, Western Asia and Southern Europe, the Mediterranean Organic Agriculture Network (MOAN) pursues its commitment to collect and disseminate data on the organic sector in the Mediterranean region. According to the latest data, the total certified organic area in the Mediterranean region covers over 7.9 million hectares, of which **6.9 million hectares are organic agricultural area**. The largest part of the Mediterranean organic area is in the Mediterranean countries of the European Union (EU Med) totalling 87 percent of the agricultural organic area. Candidate and Potential Candidate (CPC) countries of the European Union follow with 8 percent. Only 5 percent is located in the Southern and Eastern Mediterranean (SEM) countries. The legislative and regulatory framework in the Mediterranean area highly differs between the countries. This directly affects organic data collection and availability. In the EU countries, official mechanisms for organic statistics collection are well established and many CPC countries implemented their national organic legislation and are at a very advanced stage of harmonisation with the EU regulation on organic farming. However, in the SEM countries where a national law had not been fully implemented, data collection is essentially based on direct and informal communication, which sometimes provides only partial information. For more information, see the article by Bteich et al. on page 262.

Latin America and the Caribbean

In Latin America, **almost 460'000 producers managed 7.1 million hectares of agricultural land organically in 2016**. This constituted 12 percent of the world's organic land and almost one percent of the region's agricultural land. The leading countries were Argentina (3 million hectares), Uruguay (1.7 million hectares), and Brazil (0.75 million hectares, 2014). The highest shares of organic agricultural land were in the Falkland Islands/Malvinas (12.2 percent), Uruguay (11.5 percent), and French Guiana (10 percent). Many Latin American countries remain important exporters of organic products such as bananas, cocoa, and coffee. In Argentina and Uruguay, temperate fruit and meat are key export commodities. Twenty-three countries in this region have an organic regulation or are drafting one (see page 152). In October 2017, the Republic of Chile and the European Union (EU) announced the completion of the necessary internal procedures related to the agreement on trade in organic products and it entered into force on January 1, 2018.

Organic domestic markets have been growing steadily in the last decade. The biggest organic domestic market is in Brazil, where the National Program of School Meals,

which has been a major achievement since 2009, stipulates that 30 percent of the public procurement budget should be used to buy from family farms with preference given to organic farmers. In 2017, several important events took place such as the seventh Latin-American and Caribbean Meeting of Organic and Ecological Agriculture in Bolivia, the 6th Latin-American Congress of Agroecology, and IFOAM's Organic Leadership Course (OLC) in Brazil. For more information, see the chapter by Flores on page 268.

North America

In North America, **almost 3.1 million hectares of farmland were managed organically in 2016**. Of these, 2 million were in the United States and 1.1 million in Canada, representing 0.8 percent of the total agricultural area in the region (see page 296).

The U.S. organic sector continues its upward trajectory, gaining new market share and shattering records, as consumers used more organic products than ever before. **Organic sales in the U.S. totalled approximately 47 billion US dollars¹** (43 billion US dollars in food sales) in 2016, reflecting new sales of almost 3.7 billion US dollars from the previous year. Organic food now accounts for 5.3 percent of total food sales in the U.S. Farm Bill advocacy has been a major thrust during the past year, and it will continue to take center stage during 2018. Organic leaders have worked with legislators to create three bipartisan bills for consideration. The first is the Organic Farmer and Consumer Protection Act to improve oversight over global organic trade. The second is the Organic Research Act of 2017 to increase annual funding for USDA's Organic Agriculture Research and Extension Initiative to 50 million US dollars a year. The third is the Organic Farmers Access Act, designed to expand organic agriculture's access to, and eligibility for, rural development programs. For more information see article by Haumann on page 284.

Canada's organic sector continues its steady spread across Canada's farmland and onto Canadians' plates. There are over 5'000 organic operations nationally offering more organic ingredients, products and services than ever before. Canada's organic sector was valued at an estimated 5.4 billion Canadian dollars in 2017, up from 4.7 billion Canadian dollars in 2015. The need for continuous dialogue with government and regulators is required to ensure that organic can stay competitive. Consistent and permanent funding for Canadian Organic Standards and the closing of regulatory gaps across provinces and territories is needed. (See the chapter by Loftsgard and Guerra, page 289).

¹ The European Central Bank reference exchange rate U.S. dollar/Euro was 1.1069 in 2016.

Oceania

This region includes Australia, New Zealand, and the Pacific Island states. Altogether, there were over 27'000 producers, managing 27.3 million hectares. This constituted 6.5 percent of the agricultural land in the region and almost half of the world's organic land. **More than 99 percent of the organic land in the region is in Australia** (27.1 million hectares, 97 percent of which is estimated to be extensive grazing land), followed by New Zealand (more than 74'000 hectares, 2014 data), and Samoa (over 63'000 hectares). The highest organic shares of all agricultural land were in French Polynesia (31.3 percent), followed by Samoa (22.4 percent), Australia (6.7 percent), Vanuatu (6.3 percent), and the Solomon Islands (5.3 percent). Growth in the organic industry in Australia, New Zealand, and the Pacific Islands has been strongly influenced by a rapidly growing overseas demand; domestic sales are also growing (page 314).

Australia has seen even more growth in 2016 in the area of pastoral land under certified organic management and the number of certified organic primary producers increased steadily in 2016. It is estimated that the overall volume (in metric tons) of Australian-grown organic products exported to other countries increased 17 percent between 2015 and 2016. The regulatory and governance arrangements in the certified organic sector in Australia have remained stable since, but change is in the air. The Australian Government, organic industry groups, and the participants in the organic supply chain generally are involved in a number of initiatives aimed at enhancing value for the organic sector in Australia. For more information about Australia, see the report by Lawson et al. on page 302.

Regional and national agencies and development partners increasingly recognize the value of organic agriculture as a development tool for the Pacific Islands context. Innovations such as the Pacific Organic Tourism and Hospitality Standard and the online **Pacific Organic Policy Toolkit** are attracting interest from organic farmers through to policymakers. The number of organic farmers in the region is continuing to grow with PGS growing at a faster rate than third-party certification. It is expected that the local market for organic products will start to expand as the tourism and hospitality industries start to look towards organic and sustainability as part of the Pacific Islands' brand (see the chapter by Karen Mapusua, page 309).

Standards, regulations, and policy support

According to the FiBL survey on **organic rules and regulations**, 87 countries had organic standards in 2017. Eighteen countries are in the process of drafting legislation, and at least 33 countries, mostly in Asia and Africa, have adopted national standards for organic agriculture. In the European Union (EU), after more than three years of intensive and controversial debates, the European Council and Parliament have agreed upon a basic text for a new organic regulation. The new regulation is expected to be adopted in April or May 2018. In the next two years, the implementation provisions will be discussed and agreed upon, and the new regulation shall enter into

force on 1 January 2021. In the United States, the United States Department of Agriculture (USDA) further strengthened its measures to maintain organic integrity and published, for example the “Interim Instruction on Maintaining the Integrity of Organic Imports.” For more information, see the chapter by Huber et al. on page 152).

Organic standards represent important regulatory **frameworks for guiding and controlling food processing activities for organic food**. A comparison of eight organic standards shows that governmental standards are more general than private ones, with private ones offering more specific guidance as to what additives and processing aids as well as processing methods are allowed or not allowed. (See the article by Batlogg et al., page 165).

Participatory Guarantee Systems (PGS) are locally focused quality assurance systems. PGS have proven to be an affordable alternative to third-party certification, an effective tool to develop local markets for organic produce and are particularly appropriate for small-scale farmers. Based on the data collected through the Global PGS Survey 2017 conducted by IFOAM – Organics International, PGS initiatives are established in 66 countries, with at least 311'449 farmers involved in PGS initiatives worldwide. This includes mostly small farmers and small processors. It is estimated that there are currently at least 241 PGS initiatives, of which 127 are fully operational. For more information, see the chapter by Moura di Castro and Varini, page 161.

Governments now provide public support for organic agriculture, and outcomes, lessons learned, and policy recommendations have now been published in a toolkit format. The new **IFOAM policy toolkit** aims to fill a knowledge gap in the area of organic advocacy and policy-making: policy-makers can learn more about not only why we should support organic agriculture, but also how it can be done. More about this toolkit is presented in the chapter by Katto on page 170.

A new narrative

The global General Assembly of IFOAM – Organics International 2017 decided on a new strategy. The new **IFOAM strategic plan** will work on three key factors: Enhancing supply with capacity development of operators and other value chain actors; stimulating demand with communication support and awareness campaigns; and advocating for a policy and guarantee environment that is conducive to sustainable production and consumption. For more information, see the chapter by Arbenz on page 320.

Next FiBL survey on organic agriculture worldwide

The next global organic survey will start in mid-2018; data will be published in February 2019 and presented at the Biofach Organic Trade Fair in Nuremberg, Germany. We will contact all relevant experts and would be very grateful if data could be sent to us. Should you notice any errors regarding the statistical data in this volume, please let us know; we will then correct the information in our database and provide the corrected data in the 2019 edition of “The World of Organic Agriculture.” Corrections will also be posted at www.organic-world.net.

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