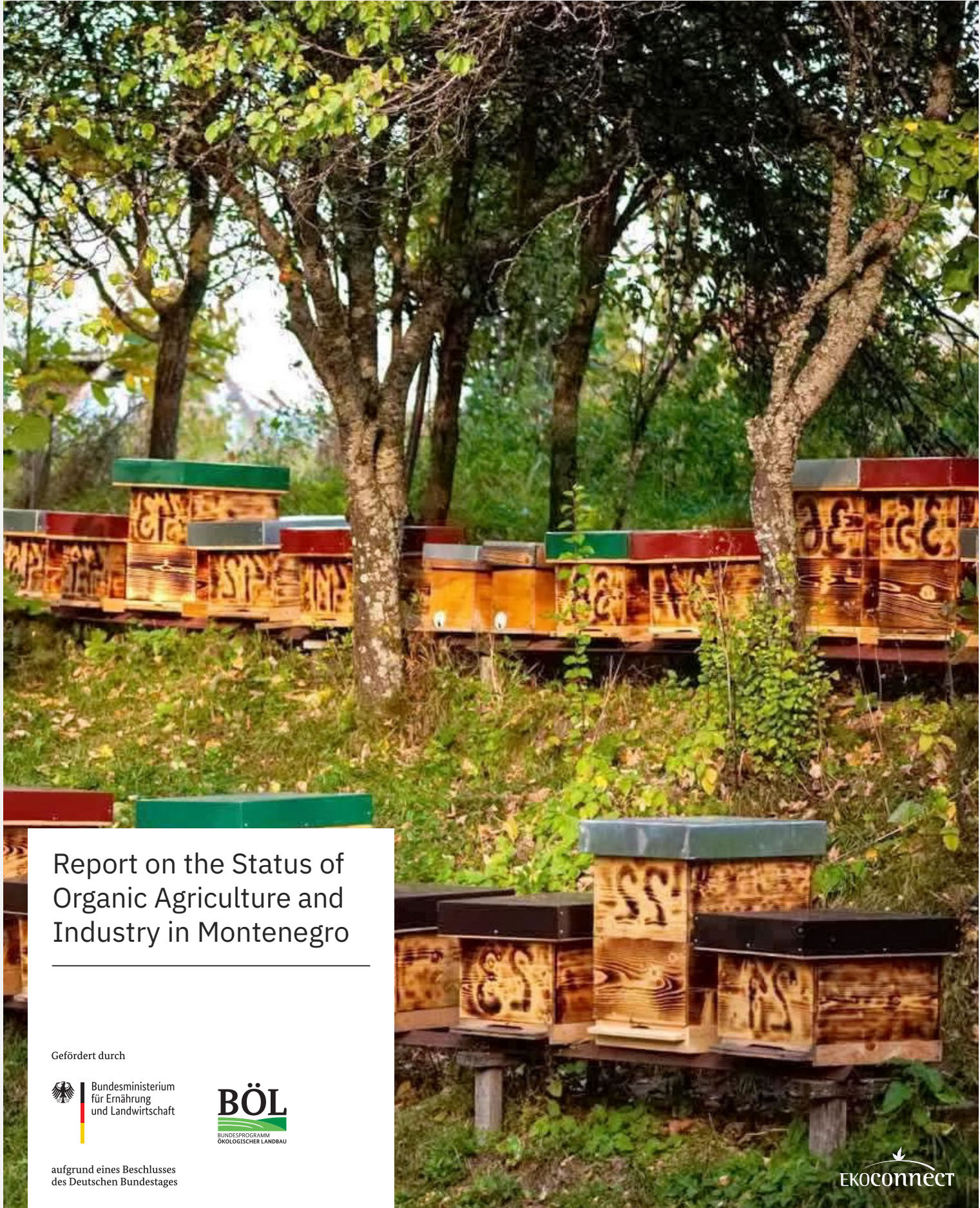


MONTENEGRO



Report on the Status of Organic Agriculture and Industry in Montenegro

Gefördert durch



Bundesministerium
für Ernährung
und Landwirtschaft



aufgrund eines Beschlusses
des Deutschen Bundestages

Imprint

Editor

Joachim Lenz,
Claudia Neumann



EkoConnect e.V.
Schützengasse 16
01067 Dresden
www.ekoconnect.org

Authors

Ratko Bataković
Miodrag Matavulj

Proofreading

EkoConnect e.V.

Layout & typesetting

www.whateverworks.biz

Gefördert durch



Bundesministerium
für Ernährung
und Landwirtschaft



aufgrund eines Beschlusses
des Deutschen Bundestages

Disclaimer

This report was funded by the German Ministry of Food and Agriculture within the framework of the project **28210E001**.

This report has been prepared to the best of our knowledge and belief. We cannot however accept any guarantee for the accuracy, correctness or completeness of the information and data provided.

Content

A Facts and Figures	3
Geographical Location and Basic Information	
Nature and Ecology	
Climate & Soil	
Agriculture	
Export & Import	
<hr/>	
B The Organic Sector in Montenegro	8
History	
National Legal Framework	
State Support Measures	
EU funding support: IPARD II	
Key Sector Organizations / Institutions	
Research and Development in the Organic Sector	
Donor Support	
<hr/>	
C Current Status and Developments of Organic Production in the Country	13
Organic Production	
Organic Processing	
<hr/>	
D Organic Market	16
Specialized Organic Stores	
Retail and Supermarkets	
Direct Sales	
Internet	
Export - Import	
<hr/>	
E Opportunities and Conclusions	18
<hr/>	
F Sources	20

Facts and Figures

Map



Figure 1: Map of Montenegro

Country Information

13,812 km²

Land area

14.6 %

Unemployment rate (2022)

622,182 *

Population (2011)

7.6 %

Share of agricultural, forestry and fishing industry as a percentage of GDP (2020)

6,354 €*

Number of households

Euro €

Currency

Geographical Location and Basic Information

Montenegro as an Adriatic-Mediterranean, Dinaric country in Southeast Europe, located between 41°39' and 43°32' north latitude, and 18°26' and 20°21' east longitude has a favorable geographical position. On the western side, it borders Croatia (14 km land border) and Bosnia and Herzegovina (225 km), on the North and Northeast with Serbia and Kosovo, on the Southeast and East with Albania (172 km), while on the Southwest it

opens to the Adriatic Sea (the length of the sea coast is 293.5 km).

The capital city is Podgorica, and the historic capital city is Cetinje. Montenegro is a parliamentary republic with 24 municipalities and 1,307 settlements with density of 44.9 citizens per 1 km². Montenegro is EU candidate country, obtained candidacy status in 2010. The official language is Montenegrin.

Nature and Ecology

There are over 5,000 herbal species in Montenegro, out of which 200 are endemic. This puts Montenegro in the very top world natural ecological habitats.

Montenegro was the first country on the planet to declare itself an ecological state when the Parliament of

the Republic of Montenegro adopted the "Declaration on the Ecological State of Montenegro" on September 20, 1991 in Žabljak. The provision on Montenegro as an ecological state was also included in the 1992 Constitution of the Republic of Montenegro.

* Estimate / Forecast

Climate & Soil

It is rare that several climate types with several sub-types and varieties are represented in a small area, as it is in Montenegro, so almost even the smallest geographical unit has its own specific climatic characteristics. This is a consequence of its geographical location, the breakdown and dissection of the relief, the movement and confrontation of air masses with different physical properties, and the character of the substrate, and it is also determined by the presence of large water bodies (Adriatic Sea, Skadar Lake). With the distance from the sea, depending on the altitude, the climate changes, and therefore, several climate types are distinguished in this area: Mediterranean, sub-Mediterranean, variants of temperate-continental and mountain climates.

The total agricultural land in Montenegro amounts to 255,845 ha. As one of the most important natural resources, the land cover of Montenegro is quite diverse and is characterized by heterogeneous units that occur

due to different conditions: the basic substrate of different geological and lithological characteristics, specific types of soil. (The Montenegrin Investment Agency – MIA)

Annual air temperature and precipitation period (1991–2021)

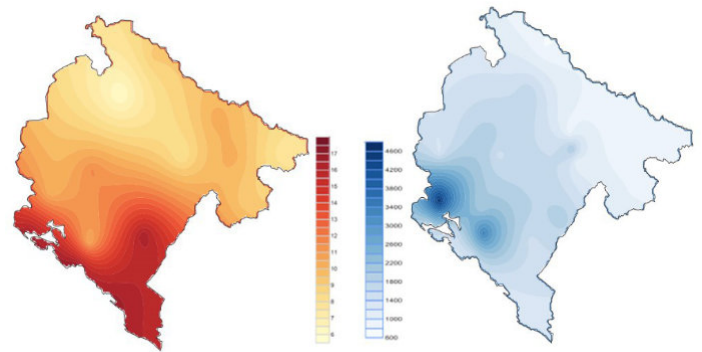


Figure 2

Agriculture

Agriculture plays an important role in the economy of Montenegro. The sector contributed approximately 7.6 % to the country's Gross Domestic Product (GDP) in 2020 – EUR 3.1 million in current prices (MONSTAT, 2021). According to the Labor Force Survey, the total number of employed in the agricultural sector in 2020 was 16,500 persons or 7.5 % of all employed workforce in Montenegro. Out of all employed, 36 % were women. The average agricultural holding has 4.6 ha of used agricultural land. There are 14,826 registered agricultural producers as of July 28, 2021. For those residing in the rural areas of Montenegro, agriculture is the most important sector because job opportunities for rural

population are limited (The Montenegrin Investment Agency – MIA). As a new trend, a link between agriculture and agro-tourism has started to be established and there are some very impressive examples for that. Unpolluted areas, rich biodiversity and a wide selection of local products enriches the tourist opportunities and makes it unique, so that tourism through the affirmation of national cuisine and specific Montenegrin products is becoming a strong driver of agricultural development. Tourists can, according to personal preferences, be involved in growing, soil cultivation, pruning, harvesting or only in consumption of organic products.



Figure 3: Ilija Moric farm (olive oil, rural tourism-restaurant)



Figure 4: Plantation Zuber (orchard and apartments)

Export & Import

The total foreign trade in agricultural and processed agricultural products in 2020 amounted to EUR 530 million and, compared to 2019, was higher by EUR 92.6 million or 15.1 %. Montenegrin most important trade partners are CEFTA and the EU countries.

The most important imported food products are fresh meat, cereal-based products, various foodstuffs (in-

cluding a variety of sauces, spices, ice-cream, etc.) followed by carbonated (sparkling) soft drinks (beverages), milk and dairy products, and live animals. Regarding exports, wine is one of the leading export products. Besides wine, meat preparations, such as cured meat products, have become one of the country's main export products. (The Montenegrin Investment Agency – MIA)

Export and import by sitc goods sections¹ (2018–2020 | thous. EUR)

	Exports			Imports		
	2018	2019	2020	2018	2019	2020
Total	400 107	415 484	366 128	2 553 580	2 600 771	2 105 170
Food and live animals	23 680	25 398	28 634	443 299	474 391	394 854
Beverages i tobacco	21 672	23 254	19 081	74 999	81 828	60 293
Crude materials except fuels	81 329	89 452	81 233	50 209	52 434	41 674
Mineral fuels and lubricants	81 979	90 251	59 718	273 437	284 052	166 583
Animal and vegetables fats	568	687	536	14 034	11 972	12 251
Chemical products	29 578	28 936	30 432	251 127	274 839	271 642
Manufactured goods	107 193	97 205	77 919	462 097	471 122	371 511
Machinery & transport equip	35 112	40 452	37 639	638 085	578 146	485 015
Miscellaneous goods	12 897	19 849	22 937	342 536	371 969	297 378
Commodities, n.e.c.	6 100	0	8 000	3 757	18	3 970

Figure 5: Foreign trade in goods of Montenegro

1 Standard International Trade Classification

Countries with the largest share in exports (2017-2020 | thous. EUR)

	Exports			
	2017	2018	2019	2020
Total	371 463	400 107	415 484	366 128
Republic of Serbia	65 990	93 079	107 924	100 997
Slovenia	19 983	28 168	25 422	35 832
Kosovo	22 630	17 057	29 386	23 589
Hungary	31 683	46 145	44 958	22 513
Bosnia and Herzegovina	47 186	30 906	29 807	22 364
China	6 450	14 010	17 413	22 136

Figure 6

Countries with the largest share in imports (2017-2020 | thous. EUR)

	Imports			
	2017	2018	2019	2020
Total	2 303 503	2 553 580	2 600 771	2 105 170
Republic of Serbia	495 703	492 031	500 439	414 899
China	221 419	256 624	221 954	218 000
Germany	196 101	234 584	244 169	204 073
Italy	168 716	189 977	185 023	134 557
Bosnia and Herzegovina	151 954	155 563	163 196	119 352
Croatia	131 135	152 898	150 642	114 963

Figure 7

The Organic Sector in Montenegro

Organic agriculture and the development of the organic sector is one of the strategic priorities of the development of agriculture in Montenegro. Different climatic zones and favorable agro-ecological conditions along with preserved nature and tradition in the production of domestic products enable the production of many different agricultural products in an organic way. Therefore, there is great potential for significant growth and development of the organic sector in Montenegro.

History

The priority of Montenegrin agriculture is in line with the principles of sustainable development and the maximum protection of the environment, and in that view the organic farming has a very important role. In recent years, interest in organic production in Montenegro is growing as well as the number of organic producers, but still the development of this sector is lacking behind the desired level.

Organic farming development became more intensive after the first organic law adoption in 2004. Consequently, various activities and initiatives were undertaken in order to overcome small farm output, and lack of tradition, knowledge and resources which limited acceleration of organic movement in the country. This includes the promotion of the role of organic farming for sustainability and provision of support in strengthening production, research, education, advisory service, market, marketing and in general public awareness of

organic production which is important for economic development of Montenegro.

The most significant projects that were implemented addressing the early mentioned systematic shortages were:

- Organic agriculture in Montenegro - Joint support to small producers in organic agriculture (FAO project)
- Organic Agriculture Development Program in Montenegro - OADP (Organic Agriculture Development Program - Danish Government Support - DANIDA)

Within these projects, trainings were organized for manufacturers, consultants and inspectors of the certification body. The Biotechnical Faculty introduced a course on organic production for agriculture students. Producers also had the opportunity to receive grants for investments in organic production.

The following is the organic sector's historical timeline in Montenegro:

- 2004 / 5: The first Organic law and secondary legislation are adopted
- 2005: National control body **Monteorganica** is formed
- 2008–2012: Two projects of international support to organic sector are implemented
- 2011: The National Association of Organic Producers of Montenegro is established
- 2012: The National Action Plan for the Development of Organic Agriculture is adopted
- 2013: Law on Organic Production is adopted (Official Gazette of Montenegro, No 56 / 2013)
- 2014: Rulebook on detailed rules and conditions for plant and livestock organic production is created and adopted (Official Gazette of Montenegro, 53 / 2014)
- 2015: Rulebook on the detailed content, manner of registration and maintenance of the Register of Entities in Organic Production is adopted (Official Gazette of Montenegro, 26 / 2015)
- 2015: Rulebook on the manner and methodology of performing professional control in organic production is adopted (Official Gazette of Montenegro, 78 / 2015)
- 2016: Rulebook on the content and size of the organic production logo is adopted (Official Gazette of Montenegro, 60 / 2016)
- 2016: Rulebook on detailed conditions and rules for processing, packaging, transport and storage of organic products is adopted (Official Gazette of Montenegro, 83 / 2016)
- 2017: Rulebook on detailed rules and conditions of organic production for aquaculture animals and seaweed is adopted (Official Gazette of Montenegro, 84 / 2017)

National Legal Framework

Organic production, labelling of organic, ecological and biological products, control over organic production, as well as other issues of importance for organic production are regulated by the **Law on Organic Production** and by-laws.

This law applies to products that are placed on the market or intended to be placed on the market, namely:

- 1) live or unprocessed agricultural products;
- 2) processed agricultural products used as food;
- 3) aquaculture products;
- 4) feed for animals;
- 5) seeds and planting material;
- 6) yeasts used for food and animal feed.

The law applies to legal entities and natural persons involved in all stages of production, preparation and distribution of organic products. The law does not apply to food that facilities offer as collective nutrition and catering (catering facilities, hospitals, kindergartens, schools, social and other institutions) to the end consumer.

Since 2013 there were no further activities on harmonization of domestic legislation in relation to organic farming with the EU relevant legislative system. Certain domestic provisions were not updated and harmonized in regard to regulations 834 / 2007, 889 / 2008 and 1235 / 2008 while new regulation 2018 / 848 is still not transferred into the domestic legal framework.

The adoption of new Law for organic production that should be fully harmonized with the Regulation (EU) 2018 / 848 is planned for the last quarter of 2022 or beginning of 2023. Adoption of the secondary legislation is planned in the 4th quarter of 2022, and 2023. (Ministry of Agriculture Forestry and Water management MAFWM).



Figure 8: Montenegrin logo of Organic farming

State Support Measures

The most crucial state support for agricultural development, including organic agriculture is achieved through the agricultural budget. Agri-budget includes a set of incentives in the form of non-repayable grants from the overall budget of Montenegro for the development of organic agriculture. Through Agri-budget support payments / subsidies per hectares and animal units are provided. Certain support is provided for organic certification costs and subsidies for sales volume are in place as well. Every year, the Directorate for Payments issues a

Agri-budget support measures for organic production

Measure within the Agri-budget	Recipients Criteria	Amount
RURAL DEVELOPMENT MEASURES		
2.2. Axis 2 – Measures for sustainable management of natural resources	Agricultural producers registered in the Register of Entities in Organic Production and in the Register of Agricultural Farms and the respective registers of the Administrative Bodies.	Payment in crop production for: perennial plantings – €400/ha; field production - €250/ha (producers of perennial fodder crops, except in the year of establishment of the crop, are entitled to support in the amount of €100 in the following three years for the same plot with the condition that they apply for certification and are controlled by an authorized control body); For vegetable production – €350/ha. Payment in livestock production for: conditional head of cow and heifer – €100; conditional head of sheep and goats – €100; poultry - €2; bee society – €40.
SUPPORT TO GENERAL SERVICES AND SERVICES IN AGRICULTURE		
3.5 Support for the marketing of organic products	Agricultural producers registered in the Register of Entities in Organic Production and in the Register of Agricultural Farms and the respective registers of the Administrative Bodies.	To the applicants to a giro account following the criteria and conditions defined in the Public Call.
3.3 Program of product quality control measures	A control body that meets the criteria prescribed by this regulation and the public call.	€ 85,332.12 was allocated through a public call for the work of a certification body whose services are free to producers.

Figure 9

public call and criteria for support measures, and producers apply for support by submitting to the aforementioned Directorate a report on the control carried out by the certification body.

Amount of support for the placement of organic products in EUR per unit (kg / lit / piece): Stone fruits 0.25, Apples 0.25, Strawberries – berries 0.50, Pome fruits 2.50, Subtropical / southern fruits 0.70, Root vegetables 0.40, Leafy vegetables 0.40, Tuberous vegetables 0.30, Bulbous vegetables 0.40, Leguminous vegetables 0.80, Fruiting vegetables 0.50, Field crops - grain 0.20, Alfalfa 0.10, Clover and grass mixtures 0.10, Mill and confectionery products 0.40, Honey 2.00, Processed products of animal origin 2.30, Processed products of plant origin 1.50, Fruit juices 0.80, Eggs 0.10, Alcoholic drinks 0.10.

Criteria that producers must meet in order to be eligible for support: a) It is registered in the Register of subjects in organic production and in the Register of agricultural farms; b) Has a certificate issued by an accredited body for organic production in 2022; c) Place certified organic products on the market and have the relevant evidence for this.

EU funding support: IPARD II

The objective of IPARD is two-fold.

- to assist in the implementation of the acquis concerning the Common Agricultural Policy
- to contribute to the sustainable adaptation of the agricultural sector and rural areas in the candidate country.

IPARD II program provides investment support to increase the ability of the agri-food sector to cope with competitive pressure and market forces and progressively align with the Union rules and standards while pursuing economic, social, and environmental goals in the balanced territorial development of rural areas.

Furthermore, it will contribute to the security and safety of food supply and the maintenance of diversified and viable farming systems in vibrant rural communities and the countryside. In addition, the measures, rural infrastructure, agri-environmental schemes, and local initiatives will be supported through the IPARD II program. The IPARD II program will also reinforce the

capacity of relevant EU funds management structures to efficiently manage and implement the program in line with EU requirements.

Every year, the Directorate for Payments issues a public call and criteria for support measures, and producers apply for support by submitting to the aforementioned Directorate a report on the control carried out by the certification body.

Key Sector Organizations / Institutions

The **Ministry of Agriculture** is the competent authority for organic agriculture. The Directorate for Land Policy, Quality Schemes and Organic Production is responsible for creating and implementing policy in organic agriculture. The advisory service with offices in several municipalities provides support to producers regarding the filling in application forms, the use of means of protection, permitted means for use in organic production and the like.

The **National Association of Organic Producers of Montenegro – Organic Montenegro** was established in May 2011. The general objectives of this Association are to promote the development of organic farming and new products, as well as the organic market in Montenegro.

The newest idea in 2022 is establishment of cluster of organic operators that is currently in development. The cluster should be formed around the most reputable and significant producers, it should overcome the shortcomings that have been recognized in the organization and functioning of the association and provide members with a better status, a stronger influence on the creation and implementation of policy.

Monteorganica is the only **certification body** registered in Montenegro in the Register of Certification Bodies managed by the Ministry of Education and Culture. Monteorganica was founded in 2005 and is the first accredited conformity assessment body in any area of certification in Montenegro, and it is one of the few certification bodies in the Balkans that was not created with the support of international projects but was developed from local resources.

Monteorganica is accredited according to the MEST EN ISO 17065 standard and authorized to control organic production and products of protected origin (PDO, PGI). The certification body works in the territory of Montenegro and has 6 full-time employees, and hires experts and external evaluators as needed.

The **Agricultural Institute** was founded in 1961. It functioned under that name until 1997 when with the inclusion of the forestry sector in a unique scientific research institution, it grew into a Biotechnical Institute, and by launching studies in the field of agriculture (the school year 2005 / 2006) and acquiring the status of a higher education institution in 2008, it was transformed into the **Biotechnical Faculty**. Several subjects from organic agriculture studied at the faculty.



Figure 10: Certificate of accreditation by ATCG (Montenegrin AB)

Info

Ministry of Agriculture, Forestry and Water Management (with advisory services)

www.gov.me/mpsv

Organic Montenegro, the National Association of Organic Producers of Montenegro



MONTEORGANICA

www.orgcg.org



BIOTECHNICAL FACULTY OF THE UNIVERSITY OF MONTENEGRO

www.ucg.ac.me/btf

Research and Development in the Organic Sector

The Faculty of Biotechnology deals with research in the field of organic agriculture in Montenegro. There is currently one doctoral dissertation (**Evaluation of the biochemical composition of immortelle essential oil – *Helichrysum italicum* (Roth) G. Don fil.** – from Montenegro and some introduced populations are grown according to the principles of organic production), supported by the Ministry of Science. Development of organic sector is under responsibility of the Ministry of Agriculture, Forestry and Water Management. There is no specifically competent institution to which organic development is delegated as a program content or task. Montenegrin Statistical Office MON-STAT collects and publishes official data related to the organic sector.

Donor Support

In the previous period, Montenegro had, to a lesser extent, the support of FAO and GIZ for the development of the organic sector, and so far, the greatest support was from the Office of the Government of the Kingdom of Denmark in Montenegro, responsible for financing the Program for the Development of Organic Agriculture in Montenegro (Organic Agriculture Development Program – OADP), in the Danida project.

As part of the Neighborhood Program, the Government of Denmark allocated 15 million DKK for the development of organic agriculture in Montenegro for the period January 2009–December 2011. The Danish aid was implemented as a development program called the **Organic Agriculture Development Program (OADP)**. The goal of the Program was to support the development of organic agriculture and the consumption of organic products on the domestic market, through the tourism sector, as well as the export of organic products. (State Audit Institution – DRI)

Given that Montenegro is one of the members of the Permanent Working Group for Rural Development in South-Eastern Europe (SWG RRD), support for the improvement of legal legislation in the field of organic agriculture is ongoing. Therefore, a working group for organic agriculture was formed within the SWG RRD, which is coordinated in Montenegro by **prof. PhD. Zoran Jovović**. The following is a description of the planned activities within the support program by SWG RRD in

the sector of organic production in the countries of the Western Balkans.

The main task for the Western Balkans country / territories in the Organic Agriculture area: To harmonize national legislation in the organic agriculture sector drafting the Law on organic agriculture together with the fundamental bylaws, harmonized with the EU Reg. 2018 / 848 which must be relevant for all entities / bodies involved at any stage of production, preparation, labelling, distribution, marketing, and other activities related to the production and the trade.

Based on demand of the respective authorities (Ministry of Agriculture), the SWG RRD assistance for improvement of the Organic Agriculture sector in Western Balkans' country/territory is planned as technical support for:

- the preparation of the action plan for harmonization of the legislation in the organic agriculture sector with concrete measures and timeline for transposition, implementation and enforcement of EU Reg. 2018 / 848
- the drafting of the national Laws on Organic Agriculture and secondary legislation for Western Balkans' country / territory

Actions/Deliverables for the Organic Agriculture National Experts	Timeframe/Deadline in 2022
1. Preparation of the national action plan for harmonization the legislation in the organic agriculture sector for the period 2022–2024	end of April
2. Preparation of pre-draft Law on organic agriculture	end of May
3. Participation on the national public discussion on pre-draft Law on organic agriculture	end of June
4. Preparation of final draft of the Law on organic agriculture	end of September
5. Participation on the public discussion on draft Law on organic agriculture	end of October
6. To draft the secondary regulation	end of November
7. Participation on REAWG on organic agriculture a study visit and second interim meeting (BioFach visit in Nuremberg, Germany – trade fair for organic food and agriculture)	26–29.07.2022.
8. Participation on the REAWG on Organic Agriculture interim meetings	09–11.03.2022. 18–20.10.2022.

Figure 11: SWG activities

Info

prof. PhD. Zoran Jovović

zoran.jovovic.btf@gmail.com

Current Status and Developments of Organic Production in the Country

In the past 10 years, there is more than 30 % of increase in organic certified land in Montenegro. There is also a positive trend in growth of number of organic producers. The most significant amount of certified land in Montenegro is in medicinal and wild plants collection, followed by meadows and pastures and then followed by arable areas.

Organic Production

In 2019, the organic agricultural land of Montenegro was 4752 ha. This is 1.8 % of the total cultivated area. (Willer, Schlatter, Trávníček, & Kemper, 2021). Wild collection is conducted in larger area on 139,849 ha. In 2019, Montenegro had 394 producers and 11 organic processors. Agricultural land certified for organic production was increased from 2010–2019 for 33 %. (Ibid.) In 2019, under arable land (annual crops) was 319 ha, under perennial crops 508 hectares. In 2019, there were 3496 beekeepers in register and 1964 of them were organic certified beehives. (Ibid.)

According to the data of the Monteorganica certification body for 2021: 424 producers are engaged in plant production, of which 371 produce fruit, 63 arable crops and grow medicinal plants, 10 vegetable crops, and 3 producers collect forest fruits and medicinal plants. The total number of producers involved in plant production differs from the sum of individual categories because a certain number of producers are involved simultaneously, for example, in fruit growing and farming.

Livestock production is carried out by 64 producers, of which 56 producers with 4862 beehives, of

which 1980 with a certificate, 4 producers with 860 sheep, 22 rams and 105 lambs, cattle rearing by 5 producers with 217 cattle, 3 bulls, 147 steers and 78 calves and poultry farming, 1 producer with 200 laying hens.

The total area under annual and perennial crops in the certification process is 863.35 ha, which is 0.87 % less than in 2020. Of this, 300.06 ha of annual crops are grown and 563.29 ha of perennial crops. Of the total area, 606.55 ha is in the status of organic production, and 256.8 ha is in the transition period, which means that 70.25 % of the production is in the organic status of the total area on which production is carried out according to the principles of organic production.

Most of the areas in the certification process are in the area of medicinal and wild plants collection, followed by meadows and pastures, followed by arable areas - perennial plantings under fruit and annual field crops, cultivated medicinal plants and vegetables.

Wild plants and forest fruits are collected in an area of 139,832.5 ha, and an area of 3,563.98 ha is under meadows and pastures, which are mostly used for mowing and grazing livestock.

Last decade Montenegrin certified organic land and number of producers has slow but positive trend, in general slightly increasing. (Monteorganica-CB).

Organic Processing

Organic food processing in Montenegro mainly consists of processing fruits, cereals and herbs. The organic fruits grown are processed into juice (apple, pear, aronia) olives to olive oil and cereals to flour (Buckwheat, Wheat, Rye, hardy wheat, corn). The collected herbs are dried, blended and packed.

27 producers deal with the processing of organic products. Two producers produce olive oil, eleven produce fruit juices, six flour, three cheese and two teas.

At the end of 2021, two producers engaged in the import of organic products also applied for certification.

In general, the number of processors of organic products is increasing.

Company **IN-SPE** is first and the biggest organic producer considering wild collection, and organic tea

Organic processed products from evidence of Control Body – Monteorganica

No.	Product name	Organic Kg/l/pc
1	Aronia juice	794 l
2	Pear juice	2500 l
3	Buckwheat flour	3220
4	Spelt flour	2400
5	Wheat flour	1650
6	Oat flour	930
7	Barley flour	5990
8	Rye flour	4700
9	Corn flour	850
10	Juice mix	2000 l
11	Apple juice	4950 l
12	Olive oil	333 l
13	Mono teas	7160
14	Tea blends	2841
15	Apple vinegar	1600 l
18	Cow's cheese	8880
19	Cow clotted cream	300
20	Veal meat	4610
21	Sheep's cheese	300
22	Sheep clotted cream	350
23	Repackaged organic products	1294.15 kg i 120 l

Figure 12

production. In Bar, since February 1992, the family company D.O.O IN SPE, whose main activity is the purchase, processing and sale of medicinal herbs and bee products, exists and has been working continuously, with a tendency of constant expansion. The IN-SPE line **EKOMONTENEGRO** consists of organic nutritional supplements, pure teas, herbal mixtures, products based on honey, pollen, propolis, royal jelly, organic cosmetics, etc.

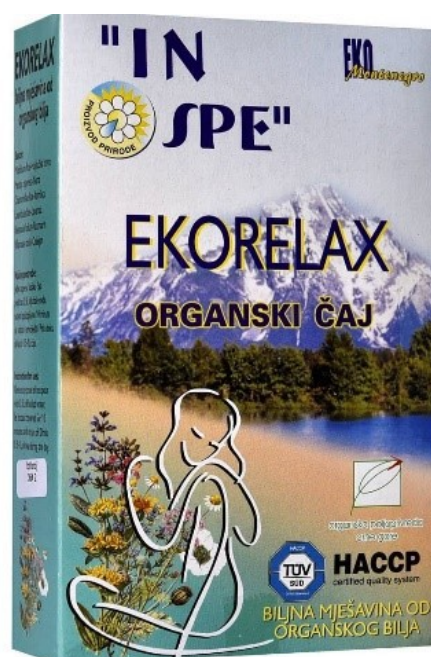


Figure 13: Organic herbal tea from Montenegro

Organic olive oil production currently is represented by one producer on market, who grows local olive variety Žutica but there are also producers which are in transitional period to certification. Thus, in the coming period for sure will be more local organic olive oil on the market.

Regarding honey production it is better situation although previous years were not favorable for beekeepers. Honey producers are supported in right manner from agri-budget so their more prominent presence in register of organic farmers in terms of numbers is related to those facts.

Organic flour producers are mainly located on north of Montenegro.

Info

D.O.O IN SPE

www.eliksir.co.me



Figure 14: Organic Olive oil from Montenegro

The biggest farm in Montenegro is **HM Durmitor** in Municipality ŽABLJAK with cows and sheeps (700 heads) breeding and production of milk and meet processed products. Breed Angus Aberdeen (350 heads) is dominating as well as sheep breed Pramenka. The farm also has 30 Simmental cows and cheese processing unit as well as a slaughter house.



Figure 16: Organic bred Aberdeen Anguses from HM Durmitor Montenegro



Figure 15: Organic Honey from Montenegro

Info

HM Durmitor

www.hmdurmitor.com/me/farma

Organic Products Market

The organic market in Montenegro has grown in recent years; nevertheless, most organic products are still imported. The main sales channels are specialized organic shops, supermarkets and direct marketing. Recently organic products are offered via internet – web shops. There were no exact market data available in FIBL report, neither in domestic resources.

Specialized Organic Stores

There are also specialized stores in Montenegro that sell food for consumers who prefer a healthier diet and use superfoods, macrobiotics, vegan, organic food, etc. The largest number of these stores is in the capital, Podgorica, which is the largest market for the mentioned products. The mentioned stores mostly offer packaged products: pasta, dried and stone fruits, vegetable milk, chocolates, teas, flour, butter, spreads, hummus, cereals, cold-pressed oils, etc. Imported products are dominantly present, while domestic producers are present to a lesser extent, and organic products make up a maximum of 25–30 percent of the total offer in these stores.



Figure 17: Organic products in specialized shops: Bonella



Figure 18: Organic products in specialized shops: Vodeniца

Retail and Supermarkets

Interest in purchasing organic products has increased in Montenegro in recent years, so domestic retail chains and chains operating on the territory of Montenegro have begun to enrich the offer of organic products. Imported products are dominantly present, while domestic producers are present to a lesser extent. Unlike specialized stores, these giants also offer fresh fruits and veget-

ables. In supermarkets, here are special areas visibly marked to attract the attention of customers (**IDEA, VOLI**) where customers can find organic products. The mentioned hypermarkets also offer online sales of organic products.

There is also an offer of organic products in the commercial cosmetics chain, which is similar to DM in terms of its offer, which is the Kosmetiks market, which, in addition to cosmetics, also offers customers a large range of organic products: juices, jams, chocolates, spreads, pastes, flour, oil, and promotes and popularization through his magazine.

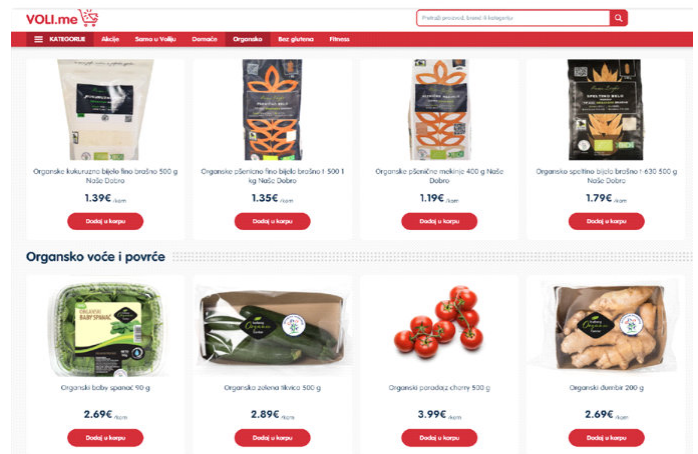


Figure 19: Organic products from hypermarkets (VOLI and IDEA)

Direct Sales

One of the mechanisms for selling organic food has been developing in recent years through direct sales on the farm. This segment of the market has not yet been developed to a significant extent, and sales through the provision of rural tourism services (ethnic villages, guesthouses, etc.) are also understood as part of direct sales.

Internet

Online sales exist, but they are not developed to a significant extent. It happens that the relevant sales site is not updated, there are not enough domestic products and this type of sale is not under control, that is, it is not regulated and does not take place within the regular legal framework of business.

The most seriously organized online sales channel in Montenegro is: **Moja hrana**.

Export-Import

There is no official data on the import and export of organic products. Information was received from the company MPM-Cosmetics Market that for the first ten months of 2022, it imported organic products worth 157,000 euros. Unofficially, imported products are dominated by products from Serbia, Croatia and Austria.

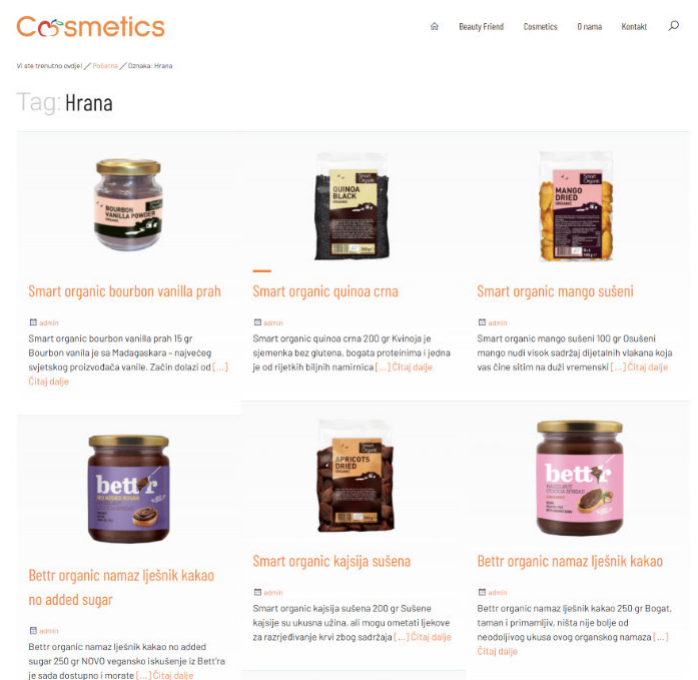


Figure 20: Organic products from cosmetics market

Info

IDEA

www.idea.co.me

VOLI

www.voli.me

Moja hrana

www.facebook.com/moja.hrana.crnagora

Opportunities and Conclusions

Strategic priorities in Montenegro include increasing high-quality traditional and organic production. Organic production can significantly contribute to the development of rural tourism in Montenegro, and in this way new jobs can be created and the quality of life in rural areas can be improved.

Sector studies and strategies emphasize opportunities in local food demand and agri-tourism. The 2015–2020 Montenegro Agriculture Sector Strategy and Action Plan highlighted the limitations of the country’s ability to compete in an international market of large-scale production, low unit costs, and standardized products. Instead, it is recommended focusing on increasing the domestic production capacity of high-quality traditional and organic products to “mainstream” them, fulfill local demand, and attract agri-tourism.

Increasing productivity and introducing EU food safety standards in primary agriculture and agri-manufacturing were identified as important long-term goals of the Montenegrin agriculture sector (Ministarstvo finansija i socijalnog staranja Crne Gore-MIF 2017). Other sector diagnostics have underlined the limitations of agri-food exports but emphasized opportunities in non-traditional niche products that are labor intensive and could benefit mountainous, poorer regions, such as wine and olive oil, organic production, medicinal herbs and spices, honey, and mushroom and truffle harvesting (World Bank 2016a)

Organic agriculture contributes to the development of rural tourism by creating a special niche market, giving the additional value to the product, providing tourists with the possibility of education on organic

agriculture as well as contributing to the destination differentiation. Participation in the preparation of healthy food as well as in the rural jobs is the most interesting activity for tourists. Rural tourism also contributes to the creation or expansion of the organic product market. In order for organic agriculture to contribute to the rural



Figure 21: Household Pavičević

tourism development in Montenegro, it is necessary to develop the awareness of youth about the significance and benefits that it provides by allowing the children to visit organic farms and participate in organic agriculture activities.

There should be organized events which include public presentations on organic agriculture processes and the possibility to discuss with organic farmers. Another thing to be done is to expand the organic food market. It is also necessary to enable the promotion of every interested rural household through the internet and advertise domestic products through national television in order to protect them and support organic producers.

Organic production in Montenegro has potential but is small scale in a niche market. Strategy should be, strengthening of the sector and enabling it to supply domestic markets continuously in order to achieve “Export to domestic market” for summer and winter touristic season as well as continue to improve offers through agro-tourism. Promotion and support to farmers involving also local communities and NGOs in development process should be the next chapter in organic Montenegro.



Figure 22: Household Miljanov Do



Figure 23: Household Kuća Kljajića

Sources

Figures

1	Map of Montenegro	3
2	Average air temperature and precipitation period (1991–2021)	5
3	Ilija Moric farm (olive oil, rural tourism-restaurant)	6
4	Plantation Zuber (orchard and apartments)	6
5	Foreign trade in goods of Montenegro	6
6	Countries with the largest share in exports (2017–2020)	7
7	Countries with the largest share in imports (2017–2020)	7
8	Montenegron logo of Organic farming	9
9	Agribudget support measures for organic production	10
10	Certificate of accreditation by ATCG (Montenegrin AB)	11
11	SWG RRD activities in organic sector in the region	12
12	Organic processed products from evidence of Control Body- Monteorganica	14
13	Organic herbal tea from Montenegro	14
14	Organic Olive oil from Montenegro	15
15	Organic Honey from Montenegro	15
16	Organic breed Aberdin Anguses from HM Durmitor	15
17	Organic products in specialized shops: Bonella	16
18	Organic products in specialized shops: Vodenica	16
19	Organic products from hypermarkets (VOLI and IDEA)	17
20	Organic products from cosmetics market	17
21	Household Pavičević, photo: Rural Development network of Montenegro	18
22	Household Miljanov do, photo: Rural Development network of Montenegro	19
23	Household Kuća Kljajića, photo: Rural Development network of Montenegro	19

Literature

Annual Report, Monteorganica – control body. jan.2022

Državna Revizorska Institucija (DRI) -Izveštaj o reviziji sredstava donacije kraljevine danske Program razvoja organske poljoprivrede (Organic Agriculture Development Programme - OADP) DRI BROJ: 40113-03-33/20

MAFWM - Ministry of Agriculture Forestry and Water management

Ministry of Internal Affairs - Directorate for Protection and Rescue - Disaster Risk Assessment of Montenegro ISBN 978-9940-8815-1-1, December 2021.

Organic Agriculture Contribution to the Rural Tourism Development in the North of Montenegro - Sandra Bojić; LAP Lambert Academic Publishing ISBN-13: 978-620-0-26500-5

The Montenegrin Investment Agency (MIA) - Guidelines agriculture sector in Montenegro (2022).

Willer, H., Schlatter, B., Travnicek, J., & Kemper, L. J. (2021). The World of Organic Agriculture Statistics and Emerging Trends 2021. Frick and Bonn.:FiBL and IFOAM – Organics Internationala.

World Bank. 2016a. Montenegro—Achieving Sustainable and Inclusive Growth amidst High Volatility. Systematic Country Diagnostic. Washington, DC: World Bank.