18th Organic World Congress

Written inputs from panelists of the Main Track Session

6B: <u>Environments conducive to organic expansion</u>: Policies and joint activities (Panel discussion)

Tuesday, 14 October 2014 (11:30-13:00)

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Environments Conducive to Organic Expansion: Policies and joint activities

Background

The development potential of Organic Sectors in a concrete context heavily depends on the policies and frameworks provided by local or national Governments. Legal production requirements, subsidies, land tenure rights, security issues, participation options, market infrastructure, available institutions, education and training, innovation/knowledge management etc. strongly influence the likelihood that organic production, processing and trade will emerge and/or expand.

Session Objectives

Starting from success stories and lessons learned, the session will analyze key factors for an environment conducive to Organic production and marketing. Participants will jointly identify suitable policy priorities for governments as well as desirable activities for various stakeholders involved. The session will contribute to building advocacy and lobby strategies and messages for the local, national and international context.

Leading Questions

- What makes an environment favorable to organic production and market development? Which priorities should be set?
- How can we identify key problems, gaps and structural challenges that slow down organic development?
- What are smart strategies to address improvements in a certain context?
- Which public investments are the most effective ones: research, capacity-building, subsidies, market protection, organic regulations or promotion?
- What are main messages to pass on to organic advocacy specialists?
- What should local, national and international governance actors and policy decision-makers know?

Methodology: Panel discussion with 4-5 panelists.

Moderator/Rapporteur: Manjo Smith/David Gould

Speakers

- Balasubramanian A.V., CIKS, India
- Ulrich Hoffmann, UNCTAD
- Matthew Holmes, IFOAM WB & OTA Canada, Canada
- J.P Saini, CSK Himachal Pradesh Agricultural University, India
- Marco Schlüter, IFOAM EU Group, Belgium

A.V. Balasubramanian¹

A.V. Balasubramanian has a Post Graduate degree in Chemistry after which he obtained a post M.Sc., Diploma in Molecular Biophysics. Since 1982 he has been involved in study work and revitalization of various aspects of indigenous sciences technologies and knowledge systems of India with special reference to sustainable agriculture. In 1995 he cofounded the Centre for Indian Knowledge Systems (CIKS) which works on building capacity for sustainable agriculture through a combination of – research, producing educational and training material, conducting training programmes and trainers training programmes and building farmers institutions (www.ciks.org). He is a member of the Revitalizing Rainfed Agriculture Network (RRAN) which is involved in building a case for specific investments, policies and public support for rainfed areas. CIKS is the anchor for the thematic node on seeds of the network and he is also implementing a comprehensive pilot programme as part of RRAN in Tamil Nadu (www.rainfedfarming.org).

Taking Organic To The Next Level: Potential And Possibilities Of Rainfed Areas

Indian agriculture in the post independence period has been shaped by the view that productivity increases will take place based on a larger and more intensive adoption of green revolution technologies. However, it is increasingly realized and understood that such technologies with high water demand may be quite inappropriate in rainfed areas. India's rural poverty is concentrated largely in rainfed areas which constitute about 60% of our land under cultivation. We see major opportunities and possibilities to upscale and mainstream organic agriculture through a focus on rainfed areas. Some of the possibilities that we see are the following:

- 1. Encourage and support decentralized production and supply of inputs which would include
 - a. Farmyard manure and compost
 - b. Neem, Pungam and Castor seed cakes
 - c. Biopesticides based on local knowledge and resources
 - d. Production and supply of improved quality of local seeds
- 2. Work towards a more appropriate cropping system which would include focus on dryland crops such as millets and pulses, suitable crop rotation and a judicious mixture of cereals, pulses, fodder grasses and tree crops.
- Optimize use of local resources such as plants with biopesticidal properties, minerals such as rock phosphate, gypsum and lime, properly handled and processed animals wastes and harvesting and utilisation of water resources.

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- 4. Work towards increasing resilience of the farming system and reducing risks through a combination of
 - a. Diversification of the cropping system
 - b. Increase food security through enlarging the protein / calorie basket through cereal crops, vegetables in the home garden, fruiting trees, poultry and rearing of small ruminants and animal husbandry.
 - c. Linking up with appropriate packages of insurance of various kinds (crop yield, risk, weather risks) to manage risks.
 - d. Developing / utilizing the available contingency plans / options to deal with typical risks of rainfed areas such as delayed rains, insufficient rains, failure of an entire monsoon etc.
- 5. Building and nurturing farmer led and managed institutions for dealing with the market system, interfacing with a Government and to link up with various other civil society efforts and research institutions.
- 6. Increasing returns for the farmer through a combination of creating market linkages, providing marketing intelligence, technological and institutional capacity building for value addition to farm products.

It can be seen that there is a natural synergy between the principle practices and approach of organic agriculture and various of the above interventions. In the current scenario in India and various other parts of the developing world yields of crops have reached a plateau and are on the decline in fertile areas which have followed the green revolution approach. There exists a major opportunity to tap the potential of rainfed areas to improve crop production. Significantly and more importantly the organic / sustainable agriculture approach that emphasizes cultivation through nurturing soil fertility and building on local biodiversity and knowledge is the optimum pathway in these areas. This has an excellent natural fit with the organic sustainable agriculture approach. The organic agriculture movement must seize this opportunity to ensure that the next significant leap in food production comes about through working out a sustainable / organic pathway for the rainfed areas.

Dr. J.P. Saini²

What makes an environment favorable to organic production.?

- Two-third of the arable area of developing countries is rainfed and not touched by green revolution technologies
- Increased awareness among consumers for safe & healthy food
- Increased cost for organic inputs
- Large number of small and marginal farmers in developing countries in Asia (about 90%)
- Shifting of agriculture towards marginal lands
- Growing problems of land fragmentation and land degradation
- Diminishing natural assets
- Indebtedness

These are some of the factors, which make the environment favorable to organic production.

How can we identify key problems and structural challenges affecting organic development?

- Lack of adequate information about the advantage of organic agriculture
- Lack of govt. subsidies or support to the farmers
- Lack of domestic and export market information on suppliers, prices and quality
- Lack of scientific and socio-economic data
- Lack of adequate extension system
- Lack of adequate storage, processing and transport facilities
- Lack of assured quality guarantee system for domestic market
- Stagnating local market
- High cost of certification

Structural challenges

- To reshape agricultural policies in favour of organic agriculture
- To frame policies favouring financial assistance to organic farming and enterprises
- Support price system to save the farmers from market risks
- Building institutional capacities
- Introduction of education in organic farming in SAU's and other institutes
- Developing human resources
- To build up adequate infrastructure for transport, storage, processing and marketing
- To create a guarantee system for domestic market
- To make availability of organic inputs
- To provide sufficient funds for research

What are smart strategies to address improvement?

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- Creating favorable government policies & structures
- Government assistance to the farmers particularly during the conversion period and also for organic input production
- Increase in investment on research
- Strengthening links between the government, private sector and NGO's
- Awareness campaigns on the benefits of organic farming
- Introduction of support structure for group certification
- Creating institutional mechanism at national, state and local level
- Institutionalization of the concept of the 'Service Providers'
- Creation of adequate transport, storage processing and marketing facilities

Which public investments are effective ones?

• Investment in research, capacity building, subsidies, market protection and organic regulations are indispensable for the promotion of organic farming however, investment in market protection and organic regulations should be given priorities which seem to be more effective for organic promotion.

What are main messages to organic advocacy specialists?

- Organic agriculture in as indispensable element of sustainable development strategies which can offer opportunity for rural people guarantee the sustainability of their livelihood
- Inorganic agriculture is the main cause of the global diversity loss, climate change and hunger and more than ever the world needs the alternative in the form of organic agriculture to overcome these issues
- Organic agriculture is a pathway to ensure sustainable livelihood to the poor farmers on marginal rainfed lands.
- The world needs a paradigm shift in agricultural development from a "Green Revolution" to an ecological intensification approach.

What should governance actors and policy decision makers know?

- They should have proper understanding of the effects, potentials and constraints of organic farming as a basis for political decision making, the design of support strategies for farmers and further research.
- They will have to have a clear vision and well defined mission with strategies to achieve the defined goals.
- For effective implementation of organic policies and strategies, the policy maker should have the awareness of farming needs, potential niches for commercial development and threats for not adopting alternatives.

Ulrich Hoffmann³

General policy

- A country wanting to develop its organic sector needs to perform an indepth integrated assessment of its general agriculture policies, programmes and plans, to understand how they affect the competitiveness and the conditions of the organic sector.
- The objectives for government involvement for the development of the organic sector need to be clarified before actions are undertaken. All stakeholders should be involved in the policy development and development of plans and programmes.
- General and organic agriculture policies should support each other to the greatest extent possible to promote effective policy coherence, especially if organic agriculture is promoted as a mainstream solution.
- An action plan for the organic sector should be developed based on analysis of the state of the sector, participatory consultations, a needs assessment and proper sequencing of actions. The action plan should state measurable targets for the organic sector to help agencies and stakeholders focus their efforts.
- One government agency should be assigned a leading role and organic desks should be established in other relevant ministries and agencies. Furthermore, a permanent body should be established for the consultations between the Government and the private sector.
- Governments should actively contribute to awareness raising for organic agriculture on all levels.
- Data about organic production and markets need to be collected over the years, analysed and made available to the sector and policymakers.

Correcting policy failure

- Reducing and removing perverse subsidies for conventional agriculture.
- Recognizing and remunerating the delivery of public goods and services by organic agriculture, such as water quality, landscape maintenance, biodiversity preservation, disaster risk prevention, role in climate-change mitigation and adaptation to climate change.
- Democratizing agricultural R&D.
- Revising the blending targets and subsidy policy for biofuels.
- In particular in developing countries, accelerating progress on land reform and assuring proper land tenure systems, including safeguarding the rights of women.
- Proper implementation of the voluntary guidelines on responsible governance of land tenure systems to reduce the risk of land grabbing and related pressure on land prices and land-price speculation.

Standards and regulation

³ UNCTAD secretariat

- A national or regional standard for organic production should be developed, through close cooperation between the private sector and Government. It should be well adapted to the conditions in the country and mainly focus the domestic market.
- Governments should facilitate the access to certification services, either by stimulating foreign certification bodies to open local offices or by supporting the development of local service providers. In some countries, especially where the private sector is weak, the Government could consider establishing a governmental certification service.
- Compulsory requirements for mandatory third-party certification should be avoided as they will not enable other alternatives to emerge. Other conformity assessment procedures, such as participatory guarantee systems, should be explored.
- Mandatory regulations should only be considered when the need is clearly established and other simpler options have been ruled out. In the early stage of development, a mandatory organic regulation is not likely to be a priority. Regulations for domestic markets should be based on local conditions, and not mainly on the conditions in export markets.
- The recommendations from the International Task Force on Harmonization and Equivalence in Organic Agriculture (ITF) for regulatory solutions, in particular those relating to import access should be considered.
- Producers, especially smallholders, should be supported to comply with standards, certification procedures and regulations. Special considerations should be given to certification of smallholders. Training programmes for farmer groups to set up internal control systems should be supported.
- Before establishing regulations, Government should clarify the objectives. Governments regulating the sector should develop the regulations in close consultation with the sector and ensure that the regulation is enabling rather than controlling in nature.
- Reducing the proliferation of standards and achieving greater harmonization and equivalence.

Markets

- Public procurement of organic products should be encouraged, including featuring organic
 - o food in important public events.
- Consumer education and awareness should be actively promoted.
- A common (national, regional or international) mark for organic products should be established and promoted.
- Domestic market development strategies should include measures for both the supply and
 - o demand side, including the role of imports.
- The organization of farmers in regards to marketing, joint distribution and storage should be

supported.

- Market information systems should be established.
- Export promotion activities should be supported, recognising the special nature of organic markets. Organic exporters should be encouraged to join forces to promote and market their products.

• Organic products should be excluded from any mandatory phytosanitary treatments that are not permitted for organic products. Alternatives for fumigation should be supported.

Production

- Direct support measures to producers need to be adapted to small farmers as well as to commercial operations.
- Organic extension services need to be established and the staff trained. Organic extension should be developed and implemented in a participatory manner and have the farm and the farmer as the centre of attention.
- Traditional knowledge about pest control treatments et al. should be surveyed and brought into the extension service and disseminated in other ways.
- Recycling of agriculture and food waste into organic farming systems should be promoted.
- Government (or others) should establish basic controls of biological inputs such as pest control agents and organic fertilizers.
- Seed breeding and seed testing should be oriented to organic production. Compulsory seed treatments should be waived for organic farmers and untreated seeds should be made available. Alternative seed treatments should be developed and promoted.
- Policies for genetically modified organisms (GMOs) need to ensure that GMO seeds are not distributed or used in a way that can cause contamination of seeds.

Research and development

- Organic agriculture should be integrated into the curriculum for primary and secondary schools. Specialized institutions involved in training for organic agriculture should be supported. Higher education in organic agriculture should be developed.
- Special research programmes should be established for organic research, and the sector should be involved in priority setting. R&D in organic agriculture should be participatory, build on and integrate traditional knowledge (where relevant) and be based on the needs of producers.
- Regional cooperation in marketing, standards, conformity assessment and R&D should be promoted.

International trade policy reform

- Regional cooperation in marketing, standards, conformity assessment and R&D should be promoted.
- Developing coherent green policy packages for supporting organic agriculture under the Green Box of the current WTO Agreement on Agriculture.
- Reforming the WTO Agreement on Agriculture to assure a higher degree of food sovereignty, greater flexibility on consuming locally-produced products as part of community-supported agriculture, and reducing pressure on specialization and economies of scale and thus promote mixed/integrated agriculture.

Promoting policies on climate-change mitigation and adaptation to climate change

- Integrating promotion of organic agriculture into public policies on mitigation of and adaptation to climate change.
- Promoting data gathering on carbon sequestration and achieving higher resilience to climate change.
- Public support to increasing the use of renewable energy in organic agricultural production to move towards energy self-sufficiency.