

Organic agriculture in Austria

Highest rate of certified organic farms in the EU

Organic farming has a long history in Austria, not least due to the fact that Rudolf Steiner, the founder of the bio-dynamic farming movement, was an Austrian. Currently approximately 10% of Austrian farms are certified organic, the highest percentage in the EU.

The organic movement in Austria started in 1927 with two pioneer farmers. In 1962 the first organic farmers' cooperative was established, and training and extension took on a more formal structure. In 1979 the country's largest organic farmers' association, Ernte, was established. The first common crop production standards were defined in 1980 by the farmer associations and the standards were codified in 1989 into the Austrian Codex Alimentarius. In 1994 supermarkets started selling organic produce, and two years later the marketing agency Ökoland was established to combine the produce from the individual farms, thereby strengthening the farmers' bargaining position when dealing with large chains.

According to AMA Marketing, which publishes Austria's official statistics on agricultural markets and prices, organic products have reached a sizable market share. This is partly due to the fact that supermarkets account for 70% of organic sales. In 2002, the largest market share (expressed in value) was reached by organic potatoes (12%), followed by

fresh milk (9%) and milk products: 6% for butter and 5 % for yoghurt.

Development of organic production
With the availability of the first government support schemes for farms in conversion in the early 1990s, the number of certified organic farms increased rapidly, rising from 1,970 farms in 1991 to 6,000 farms in 1992. Starting in 1994 direct payments were made available for all organic farms through the introduction of the Agri-Environment Programme in preparation of the EU accession of Austria in 1995. The growth in the number of organic farms reached its peak in 1998 with 20,316 farms. Since then the number has declined slightly, falling to 18,591 farms in 2003.

The changes in the number of organic farms is partially linked to the country's regional dynamics. Indeed, while some farms in the Alpine areas, which focus mainly on dairying and beef, have reverted back to conventional farming, there has been a slow but steady increase in arable farms converting to organic farming, mostly in the eastern part of Austria. In 1995 19% of the country's total organic

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acreage (198,000 ha) was cropland, but by 2002 the proportion of cropland had increased to 32% of the 298,000 ha under organic management.

Despite this slow shift, the majority of organic farms in Austria are still in the Alpine areas, which is reflected in the percentage of organic farms per district. In some alpine districts, particularly in the Salzburg province, up to 50% of the farms are organic, whereas the districts dominated by cropland seldom have more than 5% of organic farms.

On these arable farms, most of the land is devoted to small grains (43%), dominated by wheat, which is grown on approximately 13,600 ha, followed by rye with 7,400 ha and barley with 6,000 ha. Another important crop, not least for export, are the potatoes, which make up 2.2% of the organic crop area (2,100 ha) in the lowlands.

Organic legislation in Austria

Austria has had a legally-defined national definition of organic farming that covers both crops and livestock within chapter A.8 of the Austrian Codex Alimentarius since 1983. In preparation for the accession to the EU in 1995, the EU Regulation 2092/91 was implemented on 1 July, 1994.

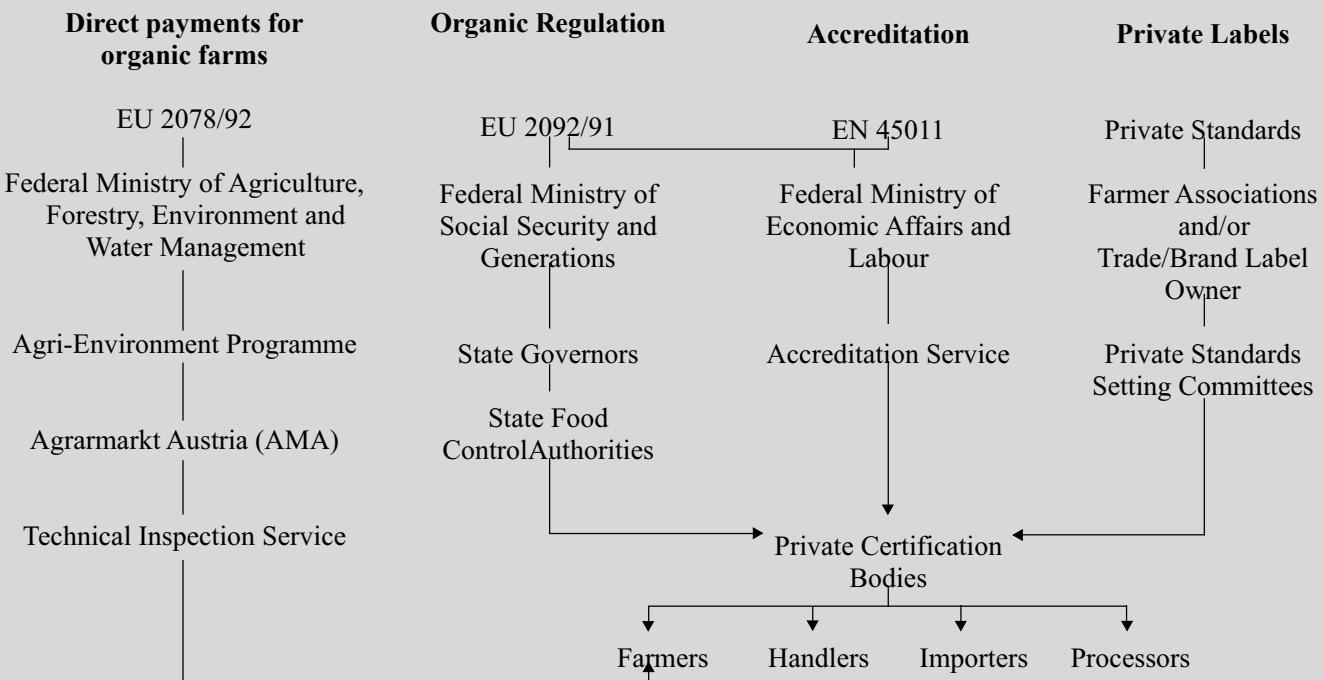
The control and certification process for farms, products and processors, and the accreditation process for certification bodies is characterised by a four-pronged approach (see figure below), involving three different ministries as well as private standards:

- The Federal Ministry of Social Security. As the central Competent Authority, this Ministry implements the EU Regulation 2092/91 and focuses on its main goal of protecting consumers from fraud and producers from unfair competition.

- The Federal Ministry for Economic Affairs and Labour ensures that inspection and certification activities comply with EN 45011 (ISO 65).
- The Federal Ministry for Agriculture, Forestry, Environment and Water Management focuses on environmental conservation. It administers the Agri-Environment Programme of the EU (Reg. no. 2078/92), offering direct payments to certified organic farmers participating in the programme.
- Private standard setting committees, e.g. of farmers' associations, enterprises or other groups also issue their own standards.

Federal Ministry of Social Security. This Ministry has a coordinating role with regard to the EU Regulation 2092/91. Actual implementation is devolved by the Austrian Food Act to

Overview of bodies involved in control, certification and standards for organic farms and products in Austria



Adapted from Darnhofer and Vogl (2003)

the nine State Governors, acting through their respective State Food Authorities. A State Food Authority issues a provisional approval pending accreditation of the certification body. When accreditation is achieved, the certification body receives final approval from the state where its head office is located and further approvals from the other states where it intends to operate and has submitted an application. Supervision of the private certification bodies is carried out by each state, with the supervision of administration and documentation taking place in the state where the certification body has its head office.

The Subcommittee for Organic Farming of the Austrian Codex Alimentarius Committee, which is located within the Federal Ministry of Social Security, has the important role of discussing rules and criteria on aspects not yet covered by the EU Regulation. Its bi-monthly meetings are attended by officials from all involved authorities as well as representatives of all stakeholders, *e.g.*, consumers, producers, and retail interest groups. The wide membership ensures that the decision process is transparent and decisions have broad support. The Subcommittee also advises the representatives of the Federal Ministry of Social Security in their negotiations on the EU Regulation in Brussels.

Federal Ministry of Economic Affairs and Labour: The amendment of the EU Regulation (Reg. no. 1935/95), which took effect in 1998, was interpreted in Austria as requiring certification bodies to be accredited. Therefore, the Austrian Accreditation Service, which is part of the Ministry of Economic Affairs, grants accreditation following a formal assessment of the certification body based on the

Austrian Law for Accreditation on compliance with ISO 65. There are seven accredited certification bodies operating in Austria, which are either non-profit or for-profit private organisations (see box below). Shares are held by private citizens, by enterprises that work in the inspection business at large, and by organic farmers' associations.

Federal Ministry of Agriculture. This Ministry is in charge of implementing the Agri-Environment Programme (based on Reg. no. 2078/92), which in Austria encompasses 31 schemes, including organic farming. Farmers can take part in the programme through a voluntary five-year contract. The programme is administered on behalf of the Ministry by Agrarmarkt Austria

(AMA), the government body that administers all market regulations and subsidies within the Common Agricultural Policy. The Technical Inspection Service of AMA controls the proper application of the schemes, for which farmers receive direct payments.

Within these controls, 5% of farmers participating in the scheme 'organic farming' will be inspected each year, with farms selected according to a risk assessment system.

Private Standards. Besides the legal regulations, private standards, *i.e.* those of an organic farmers' association or a private label, are also used for certification. The private standards reflect specific concerns and interests of the respective groups. For example,

Websites of relevant Austrian organisations

Organic certifiers in Austria:

ABG (Austria Bio Garanti),
Gesellschaft zur Kontrolle der
Echtheit biologischer Produkte
GmbH (AT-N-01-BIO).
www.abg.at

SGS, Austria Controll & Co
GesmbH, (AT-W-02-BIO).
www.sgsaustria.at/bio/index.htm

BIOS, Biokontrollsiegel Österreich
(AT-O-01-BIO).
www.bios-kontrolle.at/

SLK, Salzburger Landwirtschaftliche
Kontrolle GesmbH
(AT-S-01-BIO). www.slk.at

LVA, Lebensmittelversuchsanstalt,
(AT-W-01-BIO). www.lva.co.at

LACON Privatinstitut für Qualitätssicherung und Zertifizierung
ökologisch erzeugter Lebensmittel

GmbH (AT-O-02-BIO).
www.lacon-institut.com (Lacon Austria. www.oekoland.at/kontrolle/index.html)

BIKO, Verband Biokontrolle Tirol
(AT-T-01-BIO).
www.kontrollsiegel-tirol.at

Useful websites:

Umbrella organisations of organic farmer associations:
www.oekoland.at
www.bioinformation.at

Organic farmers associations:
www.umweltbundesamt.at/bioverbaende.html

Consolidated German version of EU Reg. 2092/91 (including all amendments):
www.boku.ac.at/oekoland/MitarbeiterInnen/Vogl/vogl_verordnung2092.htm

farmers particularly concerned with animal welfare can join an organic farmers' association known as Freiland, which has regulations on livestock housing, breeding, feeding and veterinary medicine that are stricter than the EU Regulation. These farmers and their association advertise their approach to organic farming to gain a comparative advantage.

Bio Ernte Austria is the most influential organic farmers' association, with about 50% of all Austrian organic farmers as members. Its standards are stricter than those of the Austrian Codex. As early as the 1960s, the association started to establish an inspection system and to advertise their organic brand.

'Ja! Natürlich' is the best known trade label in Austria and belongs to the supermarket chain Rewe (Billa, Merkur). Most organic products of Austrian origin sold under this label are produced by farmers belonging to Bio Ernte Austria. All organic farmers delivering to this and to other labels, e.g. 'Natur pur' of Spar,

have to fulfill additional requirements that go beyond the EU Regulation, Austrian Codex standards and farmer associations' standards. Conversely, the retailers also are bound by a contract with farmer associations to purchase organic products from Austrian farmers first, and foreign products only if domestic ones are not available.

Appraisal of the Austrian Implementation

Over the four years since accreditation was implemented, inspection and



certification of organic production in Austria have evolved into a highly professional and transparent system, not least because of the central and formal accreditation requirement and its accompanying supervision. However, although the first steps for harmonisation of the work of the certification bodies were successfully implemented, several areas of the certifying system still have potential for improvement, e.g. to achieve a joint Austrian catalogue for sanctions.

Perspectives for organics in Austria

The number of organic farms in Austria can be taken as an indicator of the fact that, after the rapid expansion in the late 1990s, organic farming is currently facing a plateau phase in Austria. The domestic market seems to be saturated in most product groups and additional production is mainly exported. Thus, new approaches and concepts must be found if organic farming is to grow further. One approach might be the creation of 'eco-regions' where most farmers are organic and synergies, e.g. with hotels and restaurants, could be created to increase the appeal of the region for tourism.

As far as the organic institutions are concerned, there is currently a restructuring going on. Indeed, the organic farmers associations, which used to represent an 'alternative' and were at the centre of a dynamic development, are now evolving into an established partner for both market and agricultural policy makers. The various institutions involved with the organic movement, such as the Ministry of Agriculture and the farmer cooperatives, are currently striving for the

unification of the current two umbrella organisations of the organic farmers associations. This consolidation of the structures would produce one all-encompassing organisation, 'Bio Austria', that would represent all Austrian organic farmers and cooperatives. ■

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- Vogl, C. and J. Hess. 1999. *Organic farming in Austria*. American Journal of Alternative Agriculture 14:137-143.
- Publications on the structure and economics organic farms in Austria can be found under: www.boku.ac.at/iao/lbw/publikationen/biolandbau/biolandbau.html

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