Dropping organic certification - effects on organic farming in Norway

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2nd ISOFAR Conference and
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Project:

Reasons for opting out of certified organic production in Norway, (2007-08)

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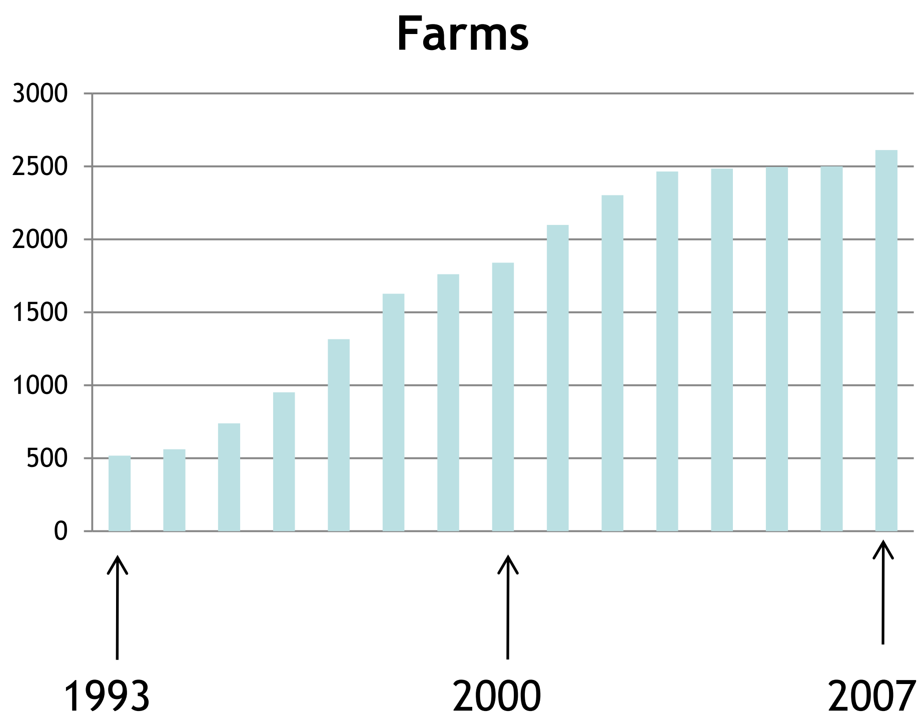
Why do farmers opt out?

The Norwegian "Ø"-label for certified organic products

- In 2002-2007, 1055 farms opted out of certified organic production
- On average, 7.3% of the organic farms were opting out each year
- Twice as much as the general farm exit (3-4% per year)

Organic growth …



Organic farms have increased; 1840 in 2000 - 2611 in 2007

…and structural changes

Organic farm land has increased more, comprises by 2007: 49.563 ha = ca 4%

National goal of 15% organic production and consumption by 2015

In general in Norway:
Rapid decrease in farm units
>200 000 in 1950
< 50 000 in 2008

Farms and herds still relatively small
Average farm size 21.3 ha
Average dairy herd 18 cows

More rapid change in the organic sector

Year	Farms opted out 2002	2003	2004	2005	2006	Organic farms 2006	All farms 2006
Farms	199	210	182	153	160	2500	51200
Agricultural area; ha/farm	17.4	15.9	15.6	24.9	24.7	24.7	20.2
Organic and in-conversion area; % of agricultural area the year before opting out	29%	47%	49%	39%	65%	72%	4%
Dairy cows; cows/dairy farm	14.3	12.6	17.1	15.5	22.1	19.1	17.6
% of farms with dairy cows	11.4%	16.9%	15.7%	11.9%			
Sheep, over 1 year; sheep/sheep farm	36.5	43.9	41.8	47.0	55.9	59.9	62.9
% of farms with sheep	40.0%	40.2%	39.9%	32.6%			33.4%

Parallel production allowed

- 2002, farmers opting out had little organic land
- 2006, farmers opting out had converted most of the land

Reasons for opting out

664 farmers contributed to a survey, grouped by current (2007) and future management (in 5-10 years):

Group	Organic	Close to	Conv	Exit (2007)
	X	X	X	X
Organic	X	X	X	
Close to	X			
Conv	X			
Exit (Future)	X			

23% of current organic farmers consider to opt out in near future

- Many individual comments on the surveys
- Deep interviews with four farmers (sheep, dairy, cereals, vegetable) and two advisers

Reasons for opting out

•Certification and control is too bureaucratic (and expensive)
•Organic standards: Complicated, irrational, change frequently
•Organic standards become stricter with time; animal welfare is cost-demanding
•Agricultural policy is risky (not predictable)
•Organic financial support is too low

•Plant production has problems with weeds and nutrient supply
•Difficulties to obtain 100% organic feed
•Hard to sell and achieve premium price for vegetables
•High employment and salaries increase off-farm employment

Organic farming area payments 2004/05 (€/ha) and prices to the farmer for conventional products

	Austria[1)]	Denmark[1)]	Italy[1)]	Norway
Arable land	327	117	111-600	312
Grassland/ pasture	96-251	117	85-525	69*
Permanent crops	799	117	298-900	312
Vegetables	509-654	117	295-600	312
Organic as share of total agricultural area (2006)[2)]	13.0 %	5.3 %	9.0 %	4.3 %
Milk €/100 liter[3)]	20.6	31.9	n.a.	44.3
Soft wheat €/100kg[3)]	8.5	11.4	14.3 (1999)	26.1

*Additional payment for organic animals (e.g. 79 €/dairy cow; 10 €/sheep over 1 year)

1) Zander et al 2008. Financial relevance of organic farming payments for Western and Eastern European organic farms, Renewable Agric. & Food Systems. 23: 53-61.
2) Willer et al 2008. The World of Organic Agriculture 2008.
3) Eurostat: http://epp.eurostat.ec.europa.eu

Reasons for opting out

- 36% of the farmers that have opted out, or plan to opt out in near future, claim to manage the farm according to organic standards, even if the public financial support to organic production in Norway is organic
- (Why) are so many farmers willing to refrain from organic subsidies, AND from extra input that could be achieved by conventional input?
- Implies a large potential for organic management with adaptations in certification practise and support instruments?
- Or do the farmers think that conventional practice is as good as = close to organic?

Next project?

Cultural barriers to agricultural greening:
Investigating farmers' reluctance to engage with environmental and organic policy instruments

- 4 years
- Bioforsk Organic, Norway
- Centre for Rural Research, Norway
- Univ. Natural Resources and Appl.Life Sciences (BOKU), Austria
- Århus University, Denmark
- Agresearch, New Zealand

Conclusions

•Current standards and certification hampers conversion and continued organic production
•Current support favours large farms
•Small, committed farmers opt out
•Many farmers claim to farm close to organic

•Social science is required to develop organic farming