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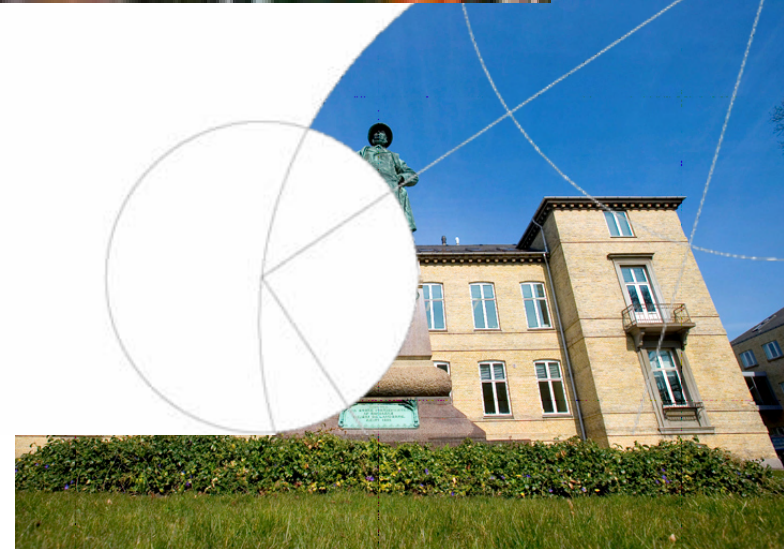
ORGANIC FARMING

AN OPPORTUNITY FOR DEVELOPING
COUNTRIES ?

BY

Dr. Paul Rye Kledal

Place, date, unit, occasion etc.
Slide 1

Globalization of Organic Food & Farming: WWW.GLOBALORG.DK
(2006-2010)

Superior environmentally, socially and economically?
Does it help small-holders to connect to global supply chains?

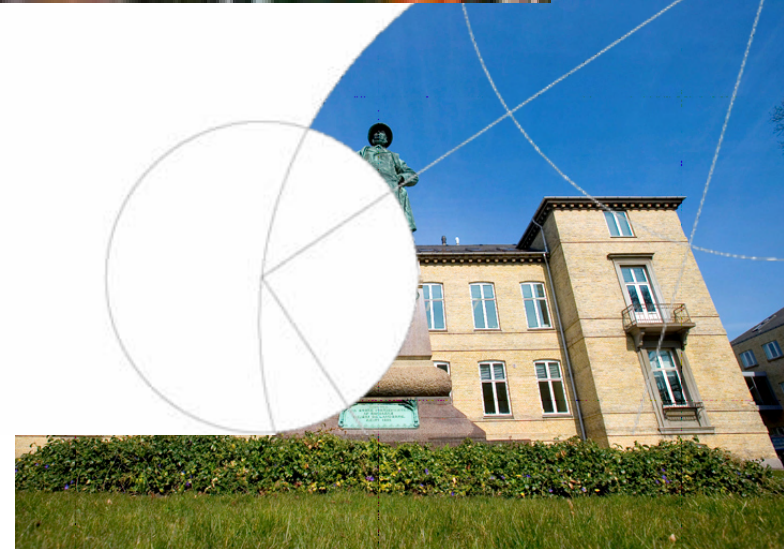Institute of Food and Resource Economics
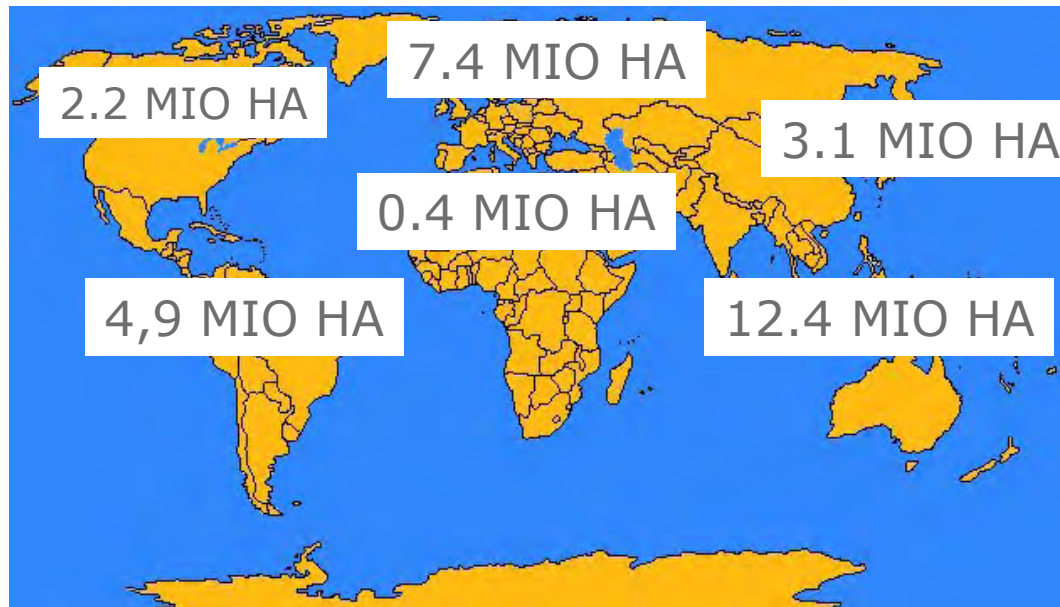
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Global organic farmland

30.4 mio. ha (2006 Willer:2008)

700.000 farms

DK, S, N = amount of farmland as Africa

Global market of organic food and farming

Increasing by over five billion US dollars a year

Sales in 2006: 38.6 Billion US dollar (double of 2000)

Consumer demand is concentrated in US and Europe (97 pct)

Supply shortages in all sectors since 2005

Viable development path for the South

Organic farming in africa (2006)

6 countries (out of 46) covered 85 % of all organic farmland

Country	ha	farms
Tunisia	155.000	862
Uganda	88.500	87.000
South Africa	50.000	?
Tanzania	24.000	22.000
Ghana	22.000	3.000
Egypt	14.000	460

Use of agricultural land in Africa (2006)

Arable land (ha) (34.182 total)	**Crop category**
9.885	Oilseeds
9.121	Textile fibers
8.062	Medicinal/ aromatic plants

Permanent crops (163.447 total)	**Crop category**
89.324	Olives
22.925	Coffee
8.657	Tropical fruits
8.398	Fruits and nuts
7.039	Cocoa
5.502	Medicinal/ aromatic plants
3.981	Citrus fruit

Tri-polar development approach

Macro level

International/national

Civil Society

Market

State

Meso/sector level

Societal context

Food market

Food and Agricultural policy

Institutional setting

Societal context of the organic sector

Organic Food market

Food and Agricultural policy for the organic sector

Self organization capacity of the organic sector

Firm level

Organic firm
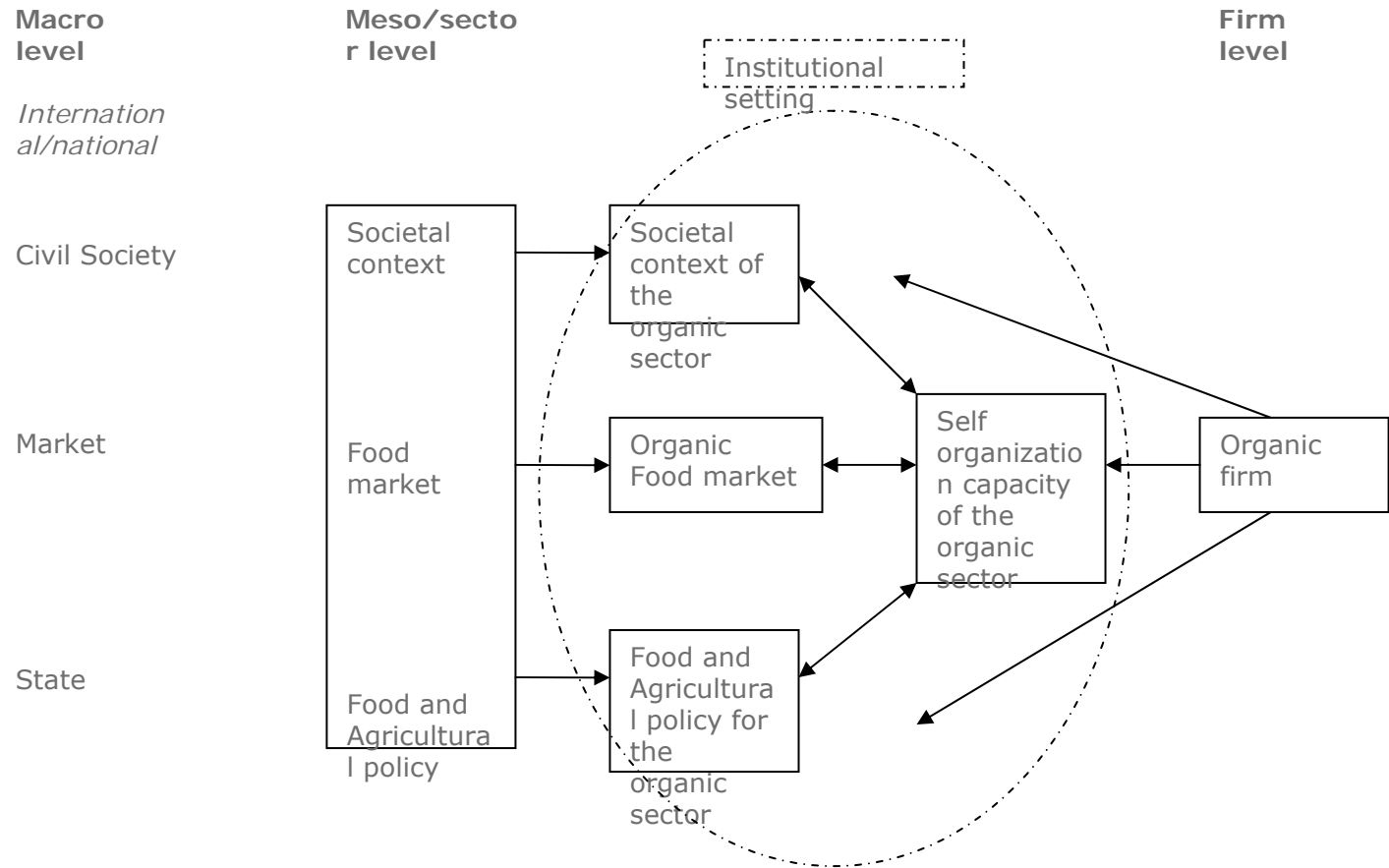
Research guide for policy analysis

If one polar weak developed (fx state) => limits on the other polars development options

The weak polar in question should determine the first order of development policies needed

Which policies?

What goals are related?

The State (organic farm setting)

- Weak or no Legislation

- Weak or no formal farm education or training
   (farmers school, university level)

- Weak or none economic support for advisory
  service

-   Weak or none economic support for the sector

-   Weak or none marketing service for the sector

The Market

- Product oriented (market driven)
- Focused on few high value-crops and quality atributes
- Often few private actors down-stream (foreign) in control (collecting/packaging)
- So far a niche in the great number of smallholders worldwide
- Can be a spearhead for raising awareness on technology, quality control, functioning of global supply chains, entreprenuers, risk takers
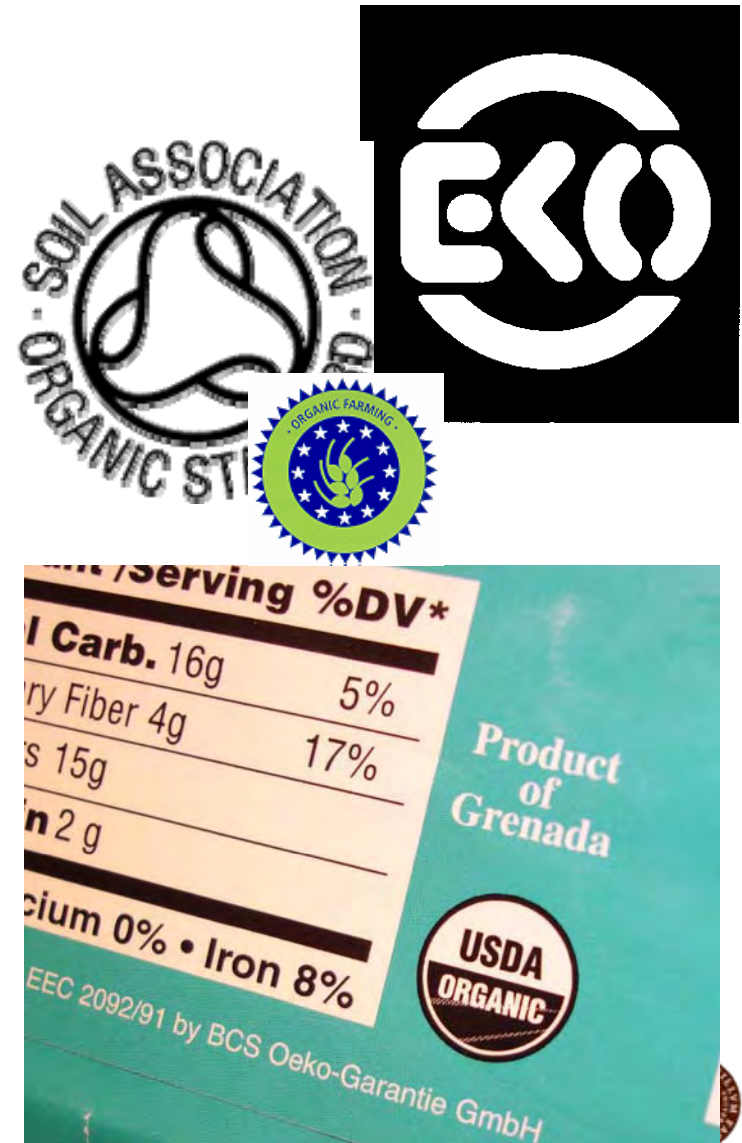
Civic Society (organic farm setting)

- **Often initiated from outside rural community, obligated to sell to certain buyers**
- **Small holders dependent on niche markets,**
- **Certification and brand not controlled by small holders themselves (no property rights – low profits)**
- **Easy access to technology/technology transfer delivered from outside**
- **Focus on quality control**

Missing links (examples I)

If state legislation missing:

   help market actors and key players in civil society to build up
   state or regional (east african brand) legislation

   Policies to lower transaction costs (enforcement, market
   analysis)

If market actors are small-holders:

   promote market and sales organizations, training, education
   in working with these (accounting, democratic rules,
   enforcement of rules). Linkages down-stream market actors
   (intermediaries, processors) and civic organizations

   promote control over processing and new market sales
   South-South

Missing links (examples II)

If civil society weak:

Promote organizations doing training/education (of trainers) and participatory experimentation.

Farm level:

compost making, use of legumes

pest management, key farmers, gender

Linkages to the state and market (specific commodity)

Conclusion

Tri-polar sectorial approach: State, market and civil society

Focus on the weak polar. Should determine first order policies as well as governance linkages with the other polars

Partnerships with private/ public development initiatives already implemented in the polars

Thank you for your attention