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MINISTERSTVO ZEMĚDĚLSTVÍ ČESKÉ REPUBLIKY

Development of Domestic Organic Market through State Support
-
Czech Republic Case Study

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Organic farming

Very successful concept worldwide as well as within the CR.

In the CR based mainly on the EU legislation (Reg. No. 2092/91 EC, 834/2007 EC) as well as national legal framework (Act. No. 242/2000)

History

- First organic farms in the CR shortly before 1989
- Boosted by interest in „healthy farming“
- Rules given by org. farmers associations and advisors (f.e. Pro-Bio) – no state-run system

History

- 1991 -1993 – first state (financial) support for organic investments
- 1993 – agreement between state and farmers association, common national logo and production rules, still no legislative framework

History

- 1998 - state support through agroenvi measures (still in place)
- 1.1.2001 – organic farming act coming into force
- 2001 – inclusion on the EU third countries list (Czech organic system recognized as compatible with EU system)

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National Action Plan

- 2004 – National Action plan approved
- Main goal: 10% of organic land in 2010
- Present state: 8% in 2008, the goal is achievable and realistic

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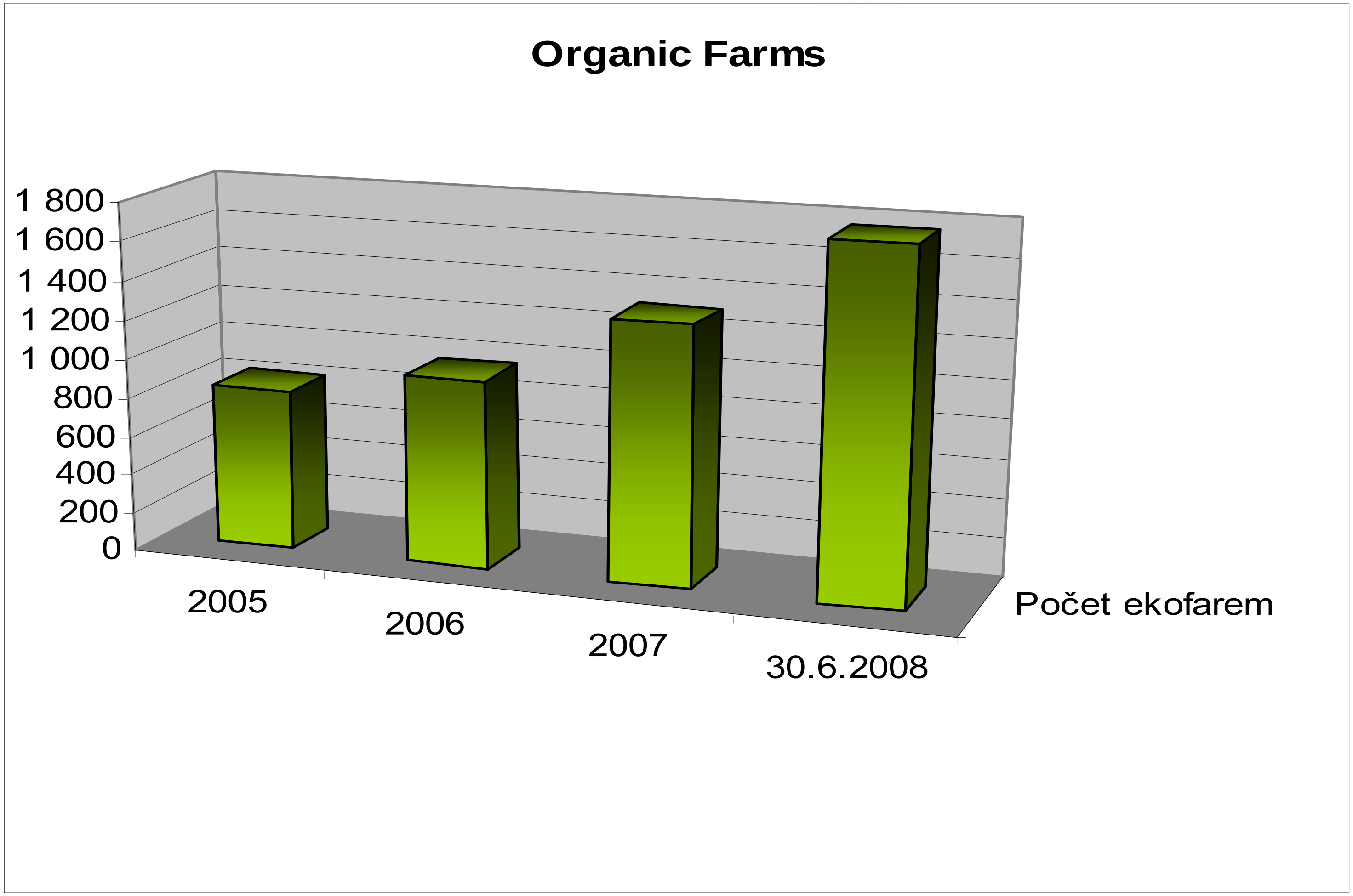
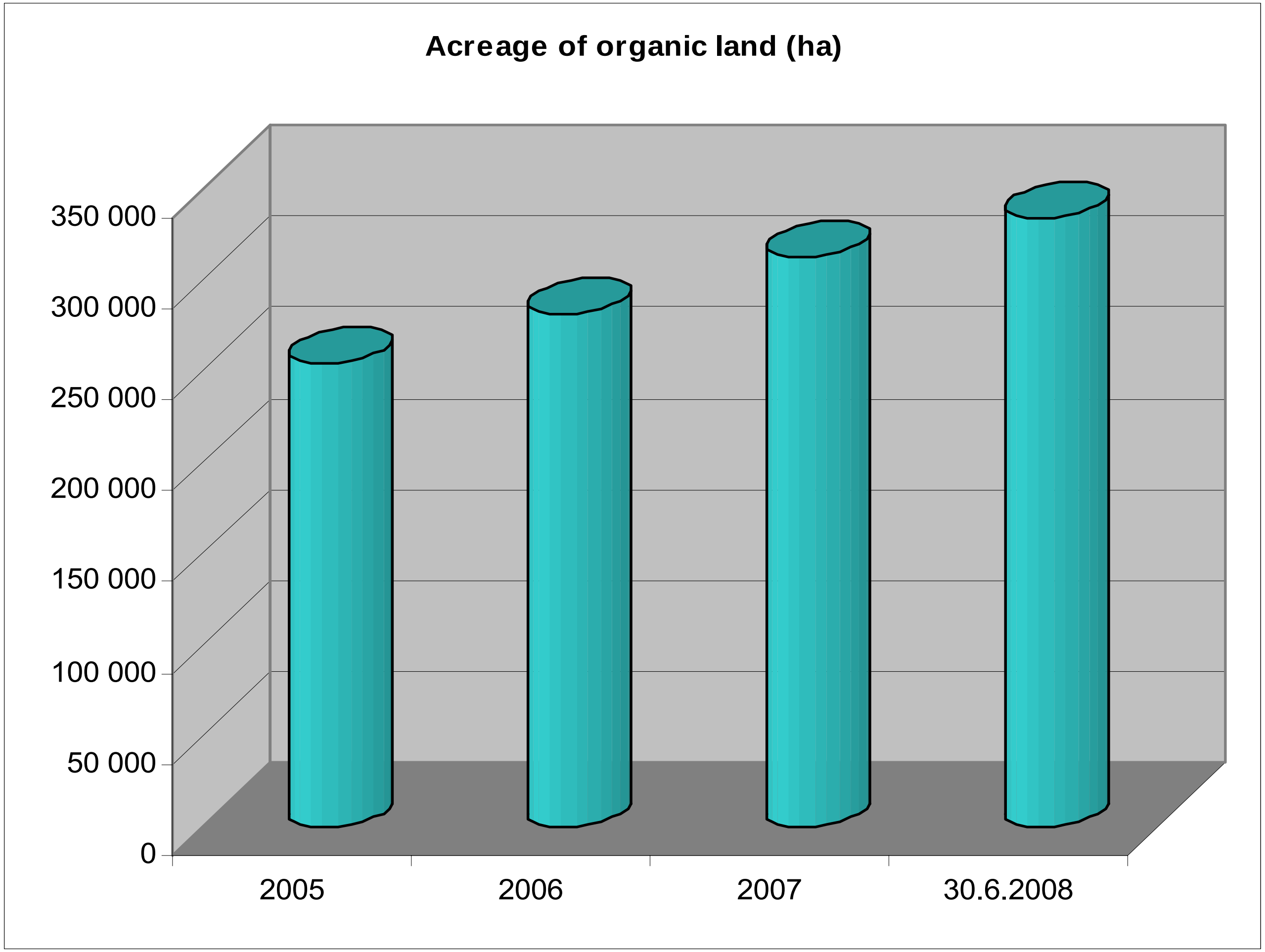
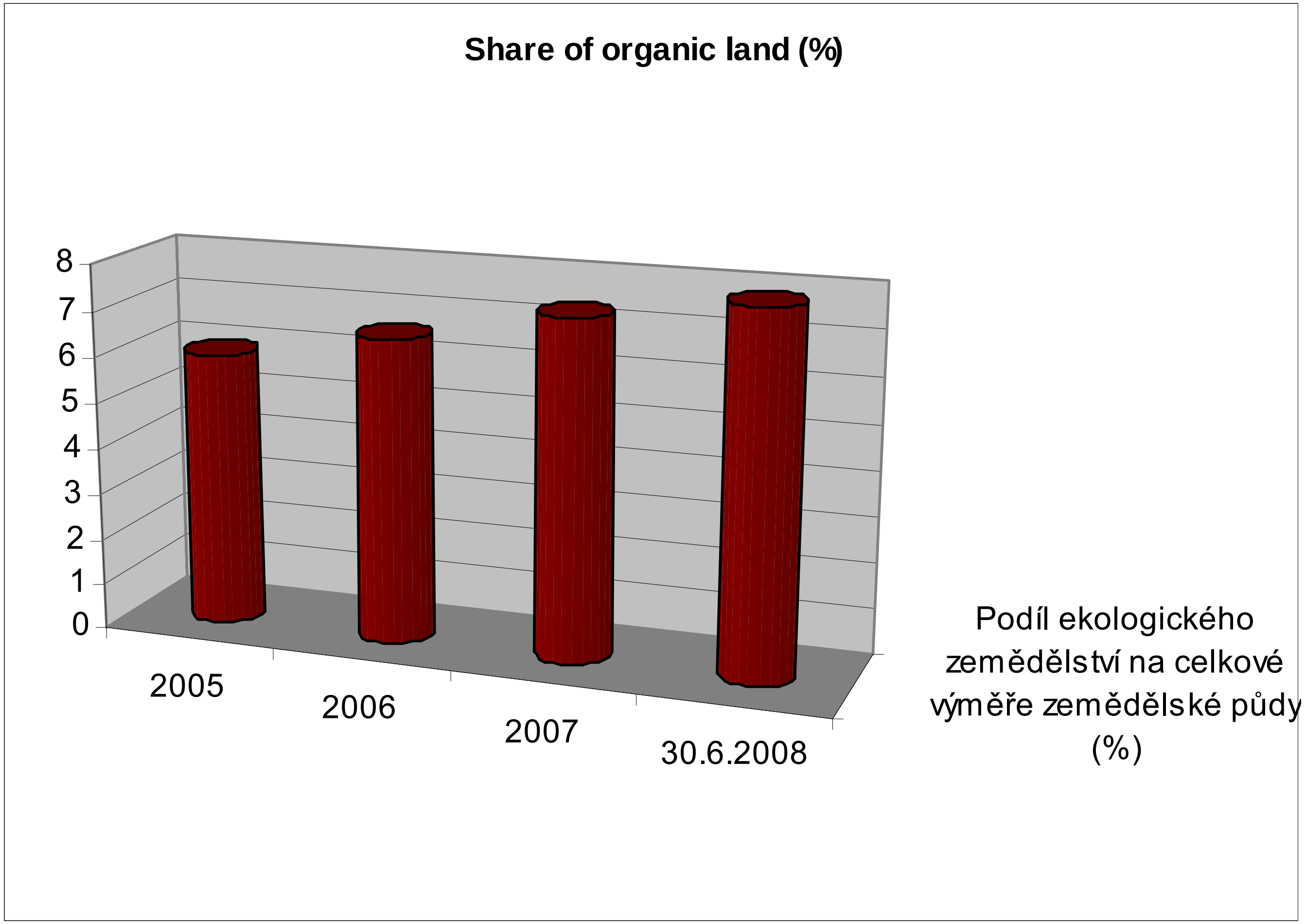
Number of organic farms

Year	Number of farms	Organic area (ha)	Share (%)
1990	3	480	---------
1995	181	14 982	0,35
2000	563	165 699	3,86
2005	829	254 982	5,98
2008 (30.6.)	1 766	333 727	7,84


Organic Farms
1 800
1 600
1 400
1 200
1 000
800
600
400
200
0
2005
2006
2007
30.6.2008
Počet ekofarem


Acreage of organic land (ha)
350 000
300 000
250 000
200 000
150 000
100 000
50 000
0
2005
2006
2007
30.6.2008


Share of organic land (%)
8
7
6
5
4
3
2
1
0
2005
2006
2007
30.6.2008
Podíl ekologického zemědělství na celkové výměře zemědělské půdy (%)

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Development of domestic market

- No direct support for organic processors until 2007
- Consumer demand relatively low until 2004 – no increase in number of organic processors
- No export oriented market, nevertheless 60% of bioproducts imported

Number of organic processors

Year	Number of processors
2001	75
2005	125
2006	152
2007	253
2008 (30.6.)	375

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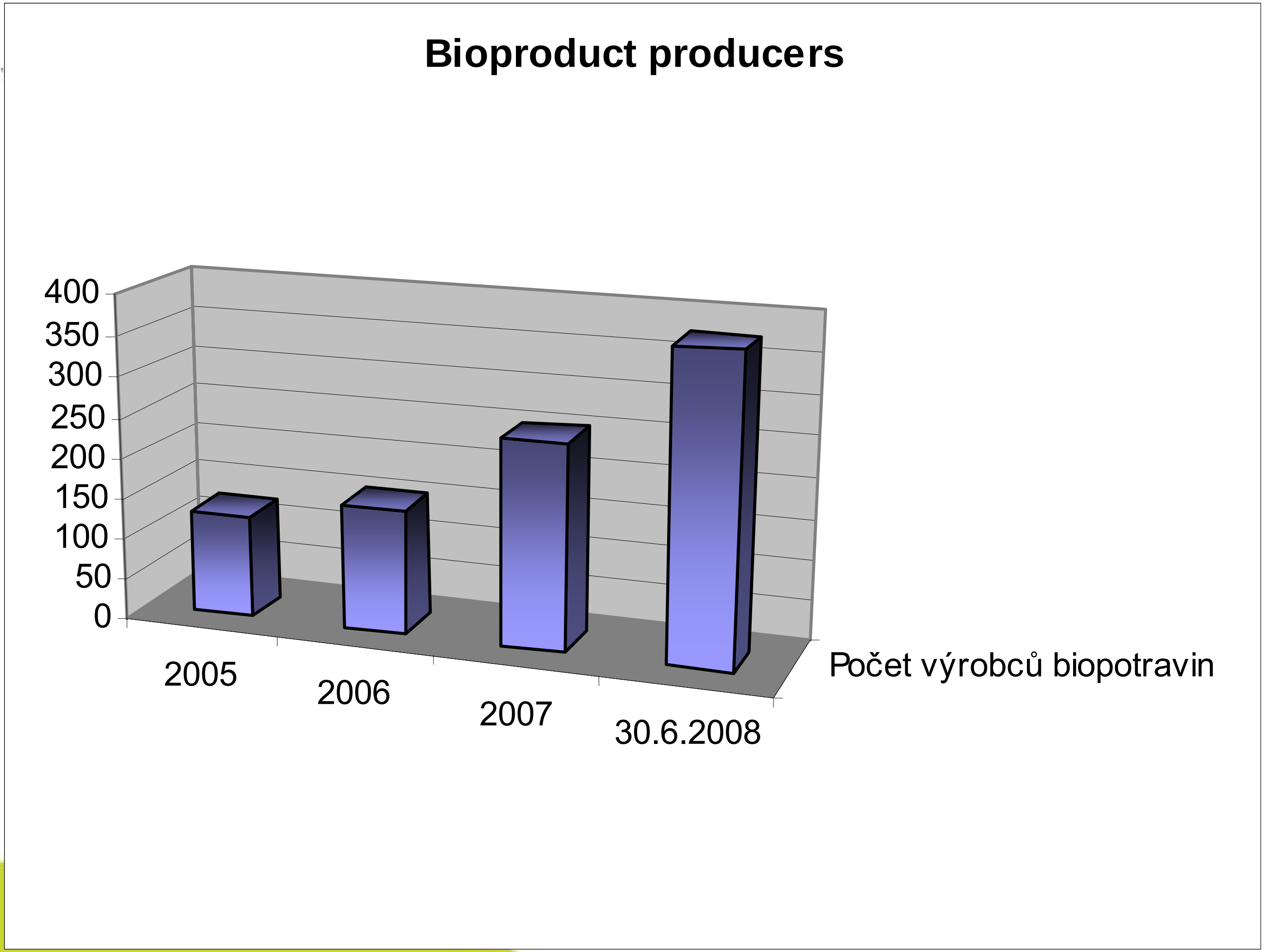

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Financial support for farmers

At national and **EU level**

- 1990s-2004 pre-accession funding
- 2004-2006 HRDP (increased funding)
- 2007-2013 Rural Development Plan (EU) with its agroenvironmental measures (broader opportunities for farmers)

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Financial support (agri envi measure)

Culture	Payment (EUR/ha)
Arable land	155
Permanent pastures	71 (89)
Permanent cultures	849
Vegetables and herbs	564

Advantage in investment measures (Axis I and III)

Axis I
Modernizing of agriculture holdings
Adittion of value of basic agricultural and forestry production
Support of young farmers

Axis III
Diversification of non agricultural activities
Support of (agri) tourism

Development of domestic market

- Boosted from 2005
- Organic processors supported through Rural Development Plan 2007 – 2013 (investment projects in Axis I)
- Supported by state promotion activities inducing consumer demand

Main promotion activites

- Promotion campaign from 2008 till 2010 (50% co-financing from EU funds)
- Includes billboards, advertisement, road shows, web page, media outputs etc.

Main promotion activities

- September – „The month of organic farming“ since 2005
- Including press conference, web page (promotion of particular regional activies)

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International cooperation

- IFOAM
- FiBL
- CORE organic
- Etc.

Summary: how to create domestic biomarket

- By setting baseline (rules, control and certification system) – harmonisation with EU legislation advisable
- Supporting organic farmers (payment for organic area)
- Creating consumer demand, educating consumers, promotion activities
- Supporting organic processors (since 2007 in CR)

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Thank you for your attention

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