

Comparing reasons for opting out in Austria, Denmark, Estonia and Norway

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Fostering healthy food systems through organic
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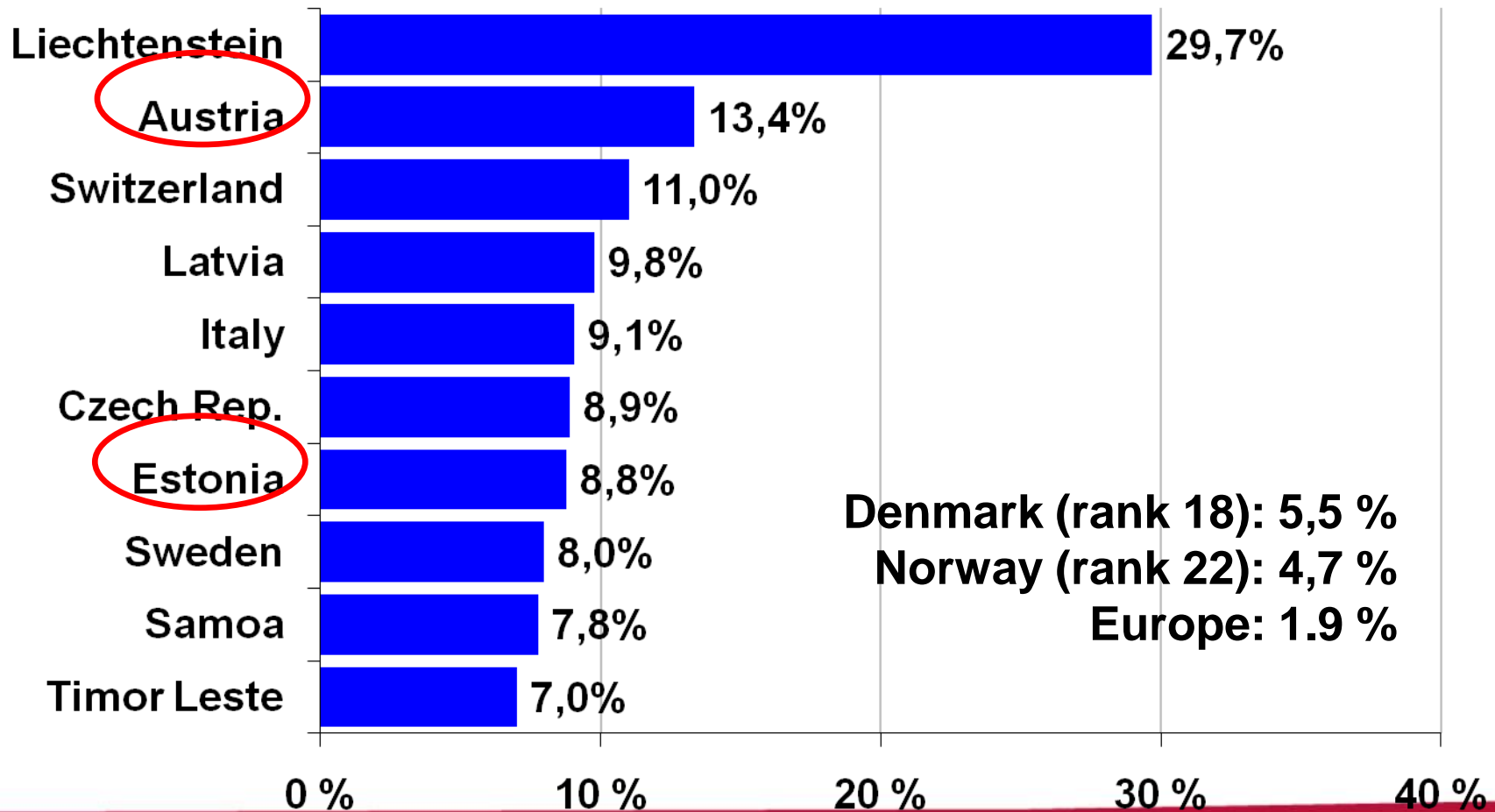
International Scientific Conference

25-27 August 2009 Estonia

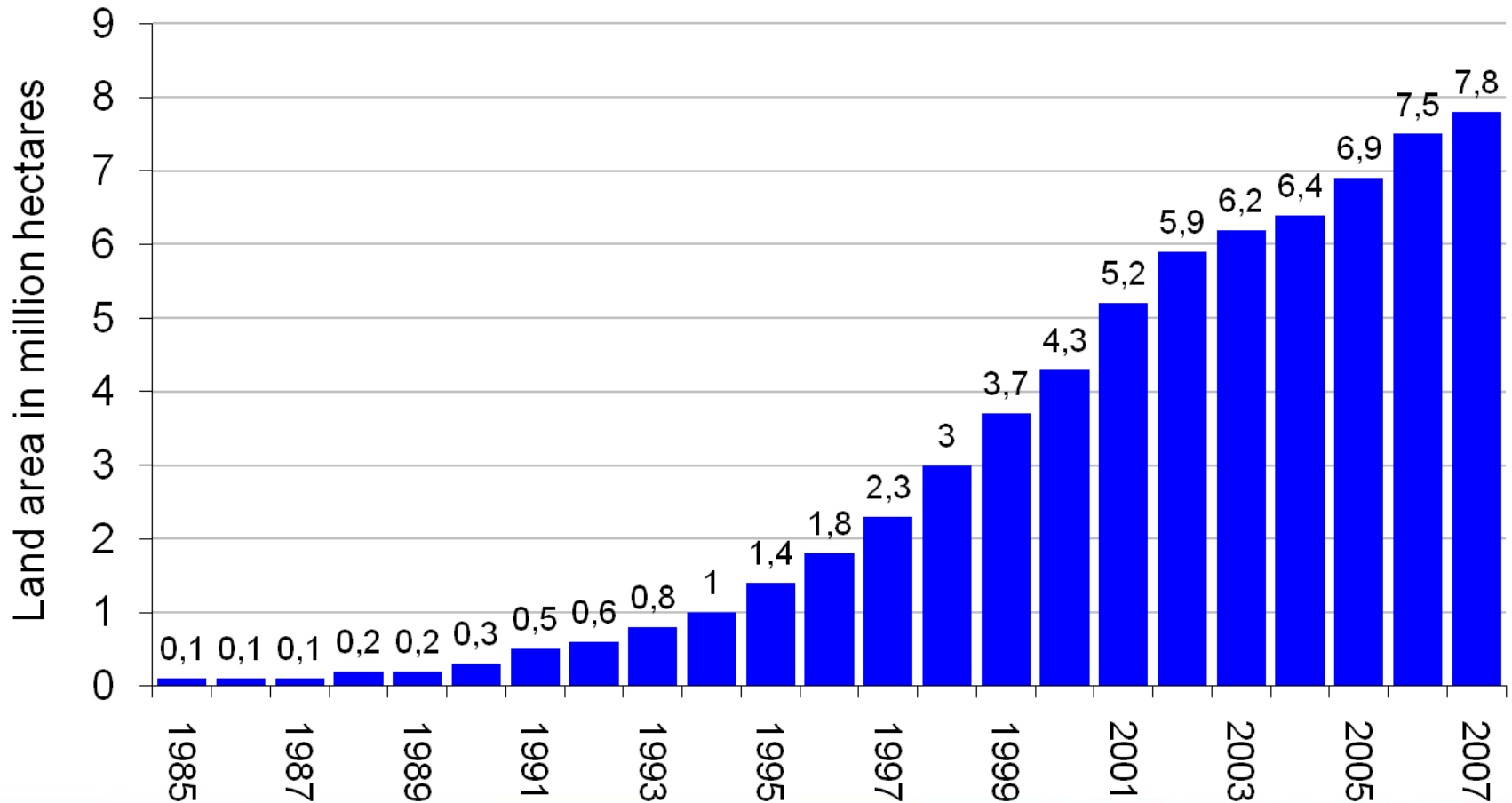


Source: http://en.wikipedia.org/wiki/File:Europe_countries_map_en_2.png

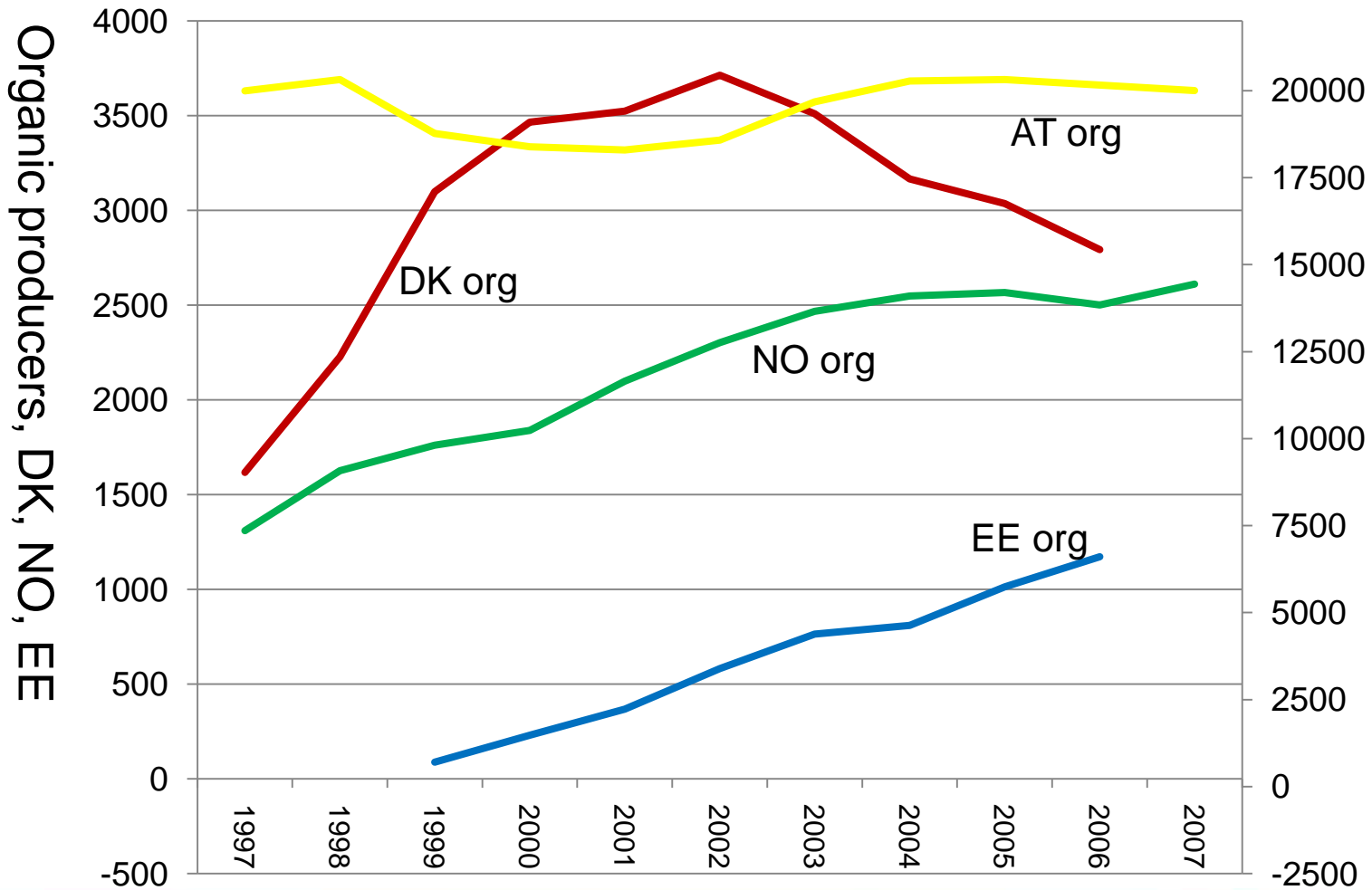
Top 10 countries of organic area 2007 (world wide)



Development of the organic and certified in-conversion land in Europe 1985-2007

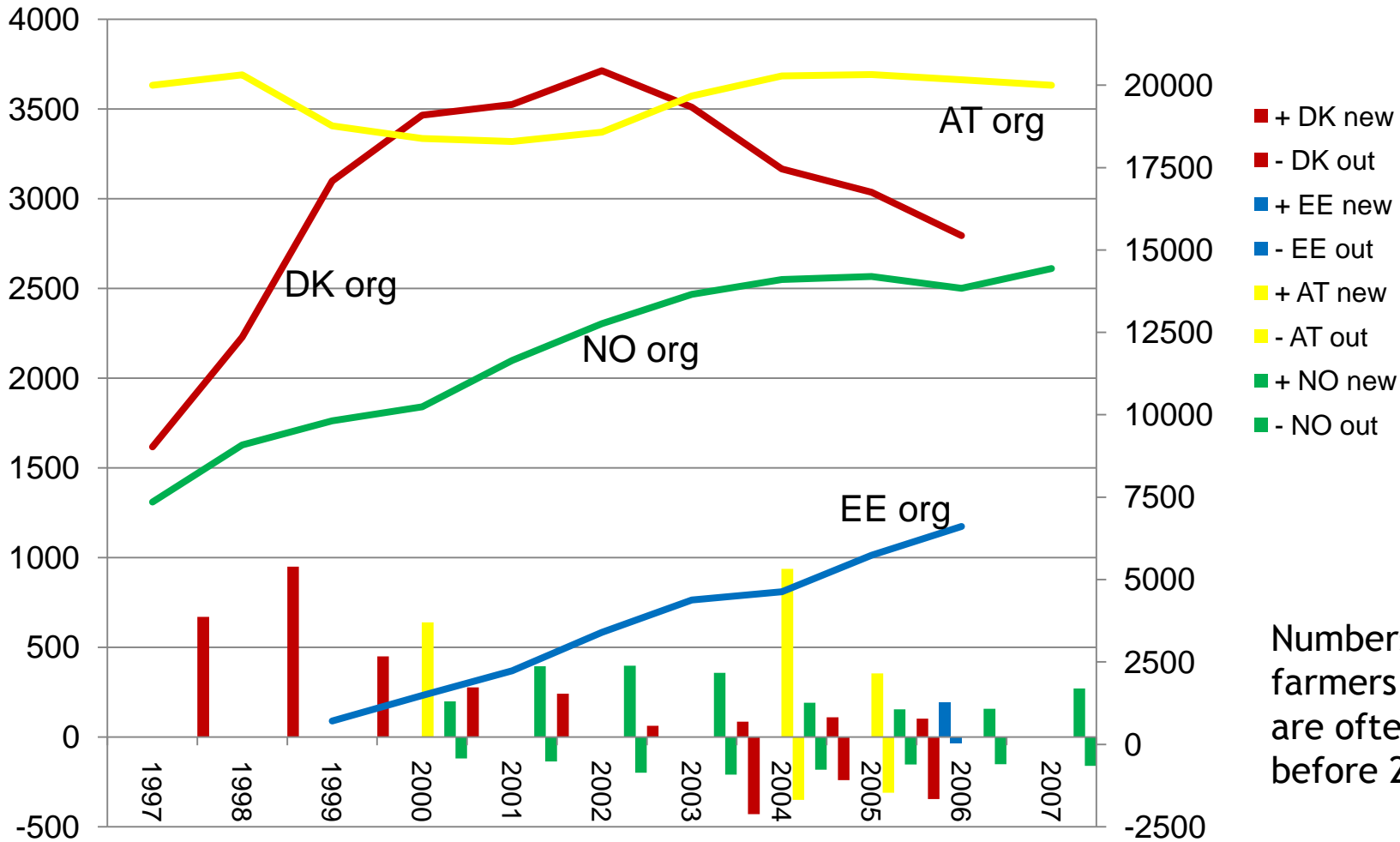


Development of organic producers 1997 to 2007



Organic producers, AT

Development of organic producers 1997 to 2007



Numbers of farmers opting out are often lacking before 2000.

Common structural development

- In all countries, the farmers opting out often have less land and smaller herds than the average organic farmer, whereas those entering the organic business have more land and larger herds
- E.g. in Norway, the average organic farm size and size of dairy herd is now well above the general average
- Is small still beautiful??

Standards for organic agriculture

- All countries have a minimum standard for organic farming given by the Council Regulation EEC No. 2092/91
- Norway (not EU member) via the EEA agreement
- National standards and certification systems were established in all countries before 1991

Certification and labelling - Austria

- Austria Bio Garantie inspects more than 50 % of organic farms
- Since 1994 the "Austria Organic Label"; owned by the Ministry of Agriculture and Forestry
- Annual inspection costs for farmers 110-150 €



Certification and labelling- Denmark



- One single symbol for organic products since 1990
- Inspections by the Plant Directorate, no costs for the farmer
- Conversion plans must be accepted by the Plant Directorate (after initial inspection)



Certification and labelling - Estonia



- Inspections by the Estonian Plant Production Inspectorate, since 2001. One national label.
- Annual inspection fee, even for conventional area on the farm

Certification and labelling - Norway



- One single symbol for organic products since 1986
- The Norwegian Food Authority is responsible; inspections are carried out by a private body, Debio
- Annual inspection costs dependent on acreage, typically 250-300 Euro



Reasons for opting out - Austria

1. Lacking premium prices for organic products
2. Low availability/high costs of organic concentrates
3. Additional costs higher than returns
4. Uncertainty about organic standards
5. Small differences in subsidies as compared to other environmental support schemes
6. Excessive bureaucracy
7. Frequent and strict inspections
8. Strict direct marketing regulations

Reasons for opting out - Denmark

- Economy - mainly marketing problems
- A lot of bureaucracy required to get support
- Changes in organic standards
- Too much administration and control (especially for small farmers)
- Production facilities do not fit to (new) organic standards
- Sources: Kaltoft et al 2005, Lund 2007

Reasons for opting out - Estonia

1. Financially not worthwhile
2. Too much bureaucracy
3. Problems with weeds and plant protection
4. Difficult to comply with the regulations for animal husbandry
5. Marketing problems
6. Labour intensive and knowledge demanding

Source: Ploomi et al 2006.

Reasons for opting out - Norway



1. Certification and control is too bureaucratic (and expensive)
2. Organic financial support is too low
3. Agricultural policy is not predictable
4. Price premiums for organic products are too low
5. Expensive organic input factors (seeds, concentrates)
6. Changing organic standards (stricter with time; animal welfare is cost-demanding)
7. Complicated organic standards (irrational)
8. Economic results not satisfying

Conclusions 1

- Increasing farm and herd sizes
 - Are separate means required to support small and diverse farms?
- Highly different conditions
 - Still largely common reasons for opting out of certified organic farming

Conclusions 2

- Economics reasons include
 - Lack of premium prices
 - Too low financial support
- Standards and certification include
 - Rules getting stricter; costly to adapt animal housing etc
 - Unpredictable changes
 - Bureaucratic and time demanding control systems (bureaucrazy?)

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Thank you very much for your attention!