Organic Agriculture
in Germany and Switzerland

GERMANY - By: *Helga Willer* and Minou Yussefi*

Organic farming in Germany is one of the pioneering countries of organic farming. There has been a steady growth of organic farms in the past decades.

In 2001 a set of measures to support organic farming was introduced by the German government, which have boosted the development of organic farming considerably.

1 History and development of organic agriculture in Germany; organisational development

The development of organic agriculture in Germany has been strongly influenced both by bio-dynamic and by organic-biological agriculture. The German catch-all term for all forms of ecological / biological agriculture is "oekologischer Landbau" (ecological/organic/biological agriculture).

1.1 First Growth Phase (1968-1988)

Towards the end of the 1960s, the negative environmental effects of industrialised farming and pollution in general were becoming obvious.

The producer organisation Bioland was founded in 1971; the Association for the Cultivation of Organic Fruit, Vegetables and Field Crops (ANOG) had already been established in 1961. (In 2002 ANOG merged with the Naturland association).

Since 1975 the Foundation Ecology & Agriculture (SÖL) has co-ordinated the exchange of experience and information on organic farming, mainly through its publications. SÖL has also supported the development of IFOAM, the International Federation of Organic Agriculture Movements from its beginnings. During this phase it was important to show agricultural experts that organic farming can be practised successfully. More producer organisations were founded later.

1.2 Second Growth Phase (1988 to 2000)

The Federation for Organic Farming AGOEL was founded in 1988 as an umbrella association for the six producer organizations. AGOEL ceased its activities in 2002. Today the organic sector is represented by the Federation of the Organic Food Industry (BOELW) uniting producer, processing and marketing organizations.

Common basic standards had already been developed in 1984. These standards set the framework within which the standards of the individual organisations operated. Since 1992 Council Regulation (EC) 2092/91 on organic farming is in place, complemented by a national organic farming act. Organic agriculture spread very quickly in the following years. This development was encouraged by state funding through the EU extensification programme from 1989 onwards and later Council Regulations 2078/92 and 1957/1999 on the support for rural development.

Organic agriculture also spread quickly in East Germany after the German reunification in 1990. Organic farming was not allowed in the days of the former German Democratic Republic (GDR). Nevertheless, a very small number of farms in eastern Germany had practised organic farming methods.

The trade sector saw the lack of a common seal as the main limiting factor for the further development of the organic market. Such a seal was launched in January 1999 by the private organic sector in cooperation with CMA, the marketing board for organic products. In 2001 this seal was replaced by the state organic seal; the Biosiegel .

1.3 Third expansion phase starting 2001

In 2001 a set of measures to support organic farming was introduced by the German government. These include the improved support of organic farms (see table below), the implementation of the Federal Organic Farming Scheme BOEL as well as the introduction of a national organic seal. This seal had proven very successful tool and many organic products sold in Germany are labelled with it: Currently 1,552 companies have registered their use of the Bio-Siegel for a total of 31,409 products (as of February 2006).

The Federal Organic Farming Scheme aims to contribute to sustainable growth based on a well-balanced expansion of supply and demand. Bearing this aim in mind, the Federal Scheme incorporates various measures in line with a production chain concept in the following sectors:

- agricultural production,
- recording and processing,
- trade, marketing, consumers,
- development and transfer of technologies,
- accompanying measures such as research and development.

2 Current statistics

At the end of 2004 767'891 hectares of agricultural land were managed organically according to Council Regulation (EC) 2092/91 by 16'603 farms. Compared to the previous year this represented an increase of 127 farms (+0.76 percent) and of 33'864 hectares (+4.6%). The share of organic farms of all farms was 3.95 and share of organic agricultural land 4.5 %. These shares are higher than the European average. With 3.5 billion Euro the German organic market is the biggest in Europe.

3 The market

Organic food sales in 2004 in Germany are estimated at 3.5 billion Euro (US$ 4.46 million). This amounts to around 2.5 percent of the total turnover of the food market and a

Table 2: Development of organic farming in Germany 1994 to 2004 (always per 31.12.)

Year	Land under organic management	% of all agricultural land	Organic farms	% of all farms
2000	546'023.00	3.20%	12'740.00	2.93%
2001	634'998.00	3.72%	14'702.00	3.57%
2002	696'978.00	4.12%	15'626.00	3.96%
2003	734'027.00	4.32	16'476.00	3.92%
2004	767'891.00	4.52%	16'603.00	3.95%

Sources: Bundesanstalt für Landwirtschaft und Ernährung (BLE), Frankfurt / Bonn, Germany; ZMP, Bonn, Germany; Bund Ökologische Lebensmittelwirtschaft (BÖLW), Berlin, ArbeitsGemeinschaft Ökologischer Landbau (AGÖL), Bioland und Demeter

Table 3: Land use in organic farming in Germany according to main crop categories per 31.12.2004

Main category	Crop category	Hectares
Arable Land	Cereals	174'500
	Flowers and Ornamental Plants	605
	Oilseeds	7'600
	Other Arable Crops	190
	Root Crops	7'600
	set-a-side/Green Manuring	39'000
	Vegetables	8'400
	Protein Crops	18'100
	Field Fodder Growing	104'000
	Medical and Aromatic Plants and Spices	570
Permanent Crops	Grapes	2'500
	Special Crops	65
	Fruits and Nuts	15'000
Permanent Pastures	Permanent Pastures	386'000
Other	unknown /mixed	3'761
Total		767'891

Source: ZMP 2005/ FiBL Survey 2005/2006

growth of 13 percent compared to the previous year. Germany remains the biggest market for organic products in Europe, and all supply channels showed significant growth. Recently, conventional supermarkets have become the dominant distribution channel for organic products in the German market with sales of 36 percent of all organic products. Nearly every conventional supermarket or discounter in Germany now provides at least a basic organic range of 20 to 50 items, primarily easy-to-handle organic staple foods. A number of retail chains have developed their own label brands for organic products. Specialist organic shops play also an important role (accounting for 34 percent of all sales of organic products). About 3'000 specialized organic stores sell organic products in Germany. The most important products for these stores are fruits, vegetables, cheese and other fresh products, but also a wide range of grocery products. Growth rates in this independent organic retailing sector remain high (approximately ten percent annually) despite the growing number of conventional retailing competitors.

In fact, Germany is the country with the largest number of specialized organic supermarkets in the whole of Europe. The specialized organic supermarkets that opened in the late 1990s form an attractive sub-group of the specialist organic shops that has mushroomed in the last decade. Today there are 250 specialized organic supermarkets all over Germany with a strong growth trend.

A further 16 percent of the organic products were sold via direct sales. This is in contrast to many other countries, where more than two-thirds of all organic products were sold via conventional retail channels. Direct selling by farmers consists primarily of farmers' markets. This form of retailing is of considerable importance for the sales of fruits, vegetables, potatoes, meat and poultry. An increase in this marketing channel is, however, relatively unlikely.

There is a growing demand for organic food in the catering sector. Many public and private canteens and restaurants provide at least single items or combinations of organic foods on their menus.

4 Outlook

The area under organic management and the organic market in Germany continue to grow.

Recently the new German government announced that it will continue to run the Federal Organic Farming Scheme at least until 2007, which will boost the further development further - mainly through consumer information, support for farmers (advice, information) and funding of research. ■

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SWITZERLAND - By: *Research Institute of Organic Agriculture (FiBL)* **

General Information on the Situation of Agriculture in Switzerland

Slightly less than 40% of the area of Switzerland is used for agricultural purposes, alpine pastures included. In 2003, the agriculturally utilised surface totalled 1'067'055 hectares (Bundesamt für Statistik). About three quarters of that area were used for fodder production (permanent grassland, grass clover ley and maize silage). Therefore, seventy-five per cent of the gross return of Swiss agriculture is derived from animal production. In 2003 there were 65'866 farms. The average farm size was 16 hectares. Around per cent of the farms were full-time holdings. However, a fast shift towards part-time farms is projected for the next few years.

Swiss agriculture meets sixty-five per cent of the domestic food demand. Higher domestic supplies of 90 to 100% are only reached by potatoes, veal, cattle and most milk products.

Growth and Distribution of Organic Farms in Switzerland

Until 1990, the rate of conversions to organic farming had remained very steady for forty years, with annual growth rates of less than ten per cent. During the boom years between 1990 and 1999, the number of organic farms increased from 800 to over 6'000.

Table: Development of the Organic Area and the Number of Organic Farms in Switzerland 1980-2004

Year	organic farms	total organic land (hectares)
2000	5'162	85'000
2001	5'576	94'000
2002	6'123	101'000
2003	6'281	108'000
2004	6'320	110'000
2005	6'462	112'000

Source: Bio Suisse / FiB

Several factors have driven this growth:

• the consumers' concern about healthy food

• the agri–environmental policy of the state, which supports organic farms with annual subsidies, and

• the appearance of organic foods in the two dominant supermarket chains, Coop and Migros.

• the work of the organic actors like Bio Suisse, who unites the organic sector and FiBL, who provides research and practical advice for farmers.

Most farms in Switzerland work organic-biologically. Although very well known to the public, bio-dynamic farms compose only a small niche within the organic sector- The number of bio-dynamic farms has changed little during the fast expansion of organic farming. The growth of organic farming varies greatly from the mountain regions, here organic farming represents 22% of the agricultural area (2005); in the canton of Graubünden 51% of the agricultural land is organic. The fact that a lot of the organic land is located in the Alpine regions is also reflected in the land use in Swiss organic farming, which has a higher percentage of grassland than farming in general. In the western part of Switzerland, where stockless arable farms and horticulture crops dominate, the share of organically farmed land was very low in 2005 (see table). Information about the Swiss cantons is available at Wikipedia.

The Market

In 2004 the Swiss organic market grew by 3% and now amounts to 1.19 billion Swiss Francs (0.77 million EUR - 0.96 $US). On average the Swiss consumer spent 160 Swiss Francs (105 EUR - 131.25 $US) on organic products. The sales with organic products have been continually growing in the past years.There has been speculation about possible market saturation in Switzerland, but the overall trend in organic sales remains positive despite a decline in general consumer spending and the arrival of food discount stores, driving down consumer prices. Over 80% of produce sold is of Swiss origin. The organic sales per capita increased in 2004, and Switzerland remains the European leader with average spending of 105 EUR per head. Demand is biggest for organic fresh products (meat, milk product, eggs, vegetables, fruit). With fresh products the market share is 7%. Highest growth rates are achieved for cheese, cream, eggs and vegetables. About 75% of sales pass through two major retailers and 15% through specialist organic shops, with the remainder retailing either direct from the producers or through family butchers and bakery shops. The two leading retail chains **Co-op** and **Migros** follow different strategies in their organic assortments. While Co-op (397 million EUR retail sales in organic food in 2004) continuously broadens the number of organic lines, Migros (193 million EUR retail sales in organic food in 2004) has slightly reduced its organic commitment. With the market entrance of the German discounters ALDI Co-op and Migros increased their communication efforts for their discount segments.

Coop Naturaplan sells a very wide range of organic products in all its supermarkets. Its label naturaplan is not exclusively used for organic products; animal products coming from animal friendly husbandry systems may also carry this label. Organic products are additionally labelled with the Bio Suisse bud. In 2004 the turnover with Naturplan products constituted 14% of total Coop Sales.

Migros is selling its organic products under the Migros Bio Engagement label. ■

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تحاول الحكومة الألمانيَة الوصول إلى معدل ٢٠٪ من الأراضي المخصصة للزراعة العضويَة بحلول عام ٢٠١٠، لذلك فقد اتخذت جملة تدابير لكي تحرص على تحقيق هذا المشروع. من أهم هذه التدابير تحسين دعم الزراعة العضويَة بالإضافة إلى استخدام الختم الوطني للمنتجات العضوية. من الممكن تقسيم فترات نمو الإنتاج العضوي إلى ثلاث مراحل، المرحلة الاولى امتدت ما بين عامي ١٩٦٨ و١٩٨٨ حيث بدأ في أواخر الستينات ظهور التأثيرات السلبيَة للزراعة الصناعية والتلوّث وقد كان من المهم خلال تلك الفترة إقناع الخبراء الزراعيين عن امكانيَة ممارسة الزراعة العضوية بشكل ناجح. خلال الفترة الثانية (١٩٨٨–٢٠٠٠) شهدت هذه الزراعة انتشاراً سريعاً في مختلف أنحاء المانيا وخاصة إلى المناطق الشرقيَة منها، خاصة بعد توحيدها.
أما المرحلة الثالثة وهي تمتد من العام ٢٠٠١ إلى الآن، فقد تخطت المانيا المعدَل الاوروبي في مجاليَ المساحة المزروعة عضوياً وعدد المزارع العضويَة.
حوالي ٤٠٪ من إجمالي المساحة في سويسرا مخصص للزراعة، من بينها مراعي جبال الألب ويقدر المدخول الزراعي من الإنتاج الحيواني بحوالي ٧٥٪ من مجمل هذا المدخول. تغطي الزراعة في سويسرا حوالي ٧٥٪ من الطلب المحلي بشكل إجمالي وقد ترتفع هذه النسبة الى حوالي ٩٠ أو ١٠٠ بالنسبة للبطاطا والماشية ومشتقات الحليب.
طوال أربعين عام بقيت نسبة نمو الزراعة العضوية ثابتة وكانت تتراوح حول ١٠٪ أمّا بين عامي ١٩٩٠ و١٩٩٩ فقد إرتفع عدد المزارع العضوية من ٨٠٠ إلى حوالي ٦٠٠٠ وذلك يعود إلى أسباب مختلفة هي: اهتمام المستهلكين بالمأكولات الصحية، سياسة الدولة الزراعية والبيئة التي تدعم المزارع العضوية بمساعدات سنوية، ظهور المنتجات العضوية في أكبر سلسلتين من المتاجر "Coop" و"Migros"، عمل هيئات مشجعة لهذا النوع من الإنتاج مثل "Bio Suisse" التي تقوم بأبحاث عديدة حول هذا الموضوع بالإضافة إلى إعطاء النصائح للمزارعين.

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