



Supporting policies for organic sector development

Webinar Series on Organic Development for Kazakhstan

Presentation round for participants



Role and impact of policies on the organic sector

The role of policy support (1)



The rôle of policy support (2)

- USA-EU comparison illustrates effect of policy support:
 - USA 0,6% of land organic,
 - EU 5,7% of land organic.



- Support OA started in Europe in the late 80s.
- Organic conversion & maintenance area payments started in 1994 across the EU.
- Support to OA in the UE for the year 2001: 520 Million Euros.

The role of policy support (3)

- In some countries, governments have been the **main** driver of OA development, either for production (e.g. Tunisia) or for consumption (e.g. Saudi Arabia).



The role of policy support (4)

Generally speaking:

- Public support to OA very low in South America & Africa (except Tunisia).
- Historically low in Asia (except South Korea), but situation recently changing in some states.



The impact of public support to OA in the EU

Policy matters – a lot!

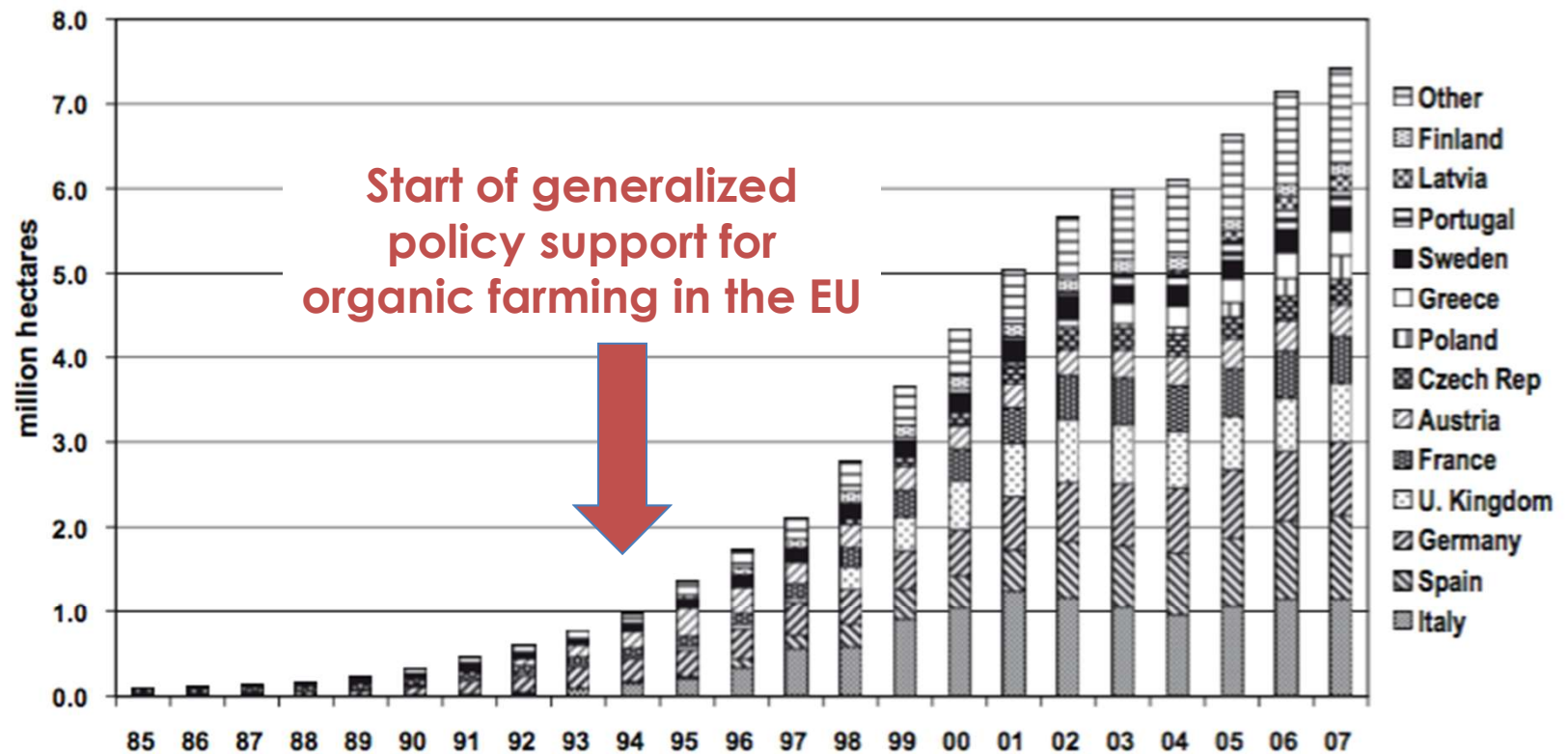


Fig. 1. Certified organic and in-conversion land area (Mha) in Europe, 1985–2007

(Other: countries with less than 150,000 ha in 2007; Sources: ZMP, 2008; FIBL; Aberystwyth University; Eurostat).

National organic action plans/programs

Strategic action plans for organic agriculture (PPP).

- **UE:** 17 national and UE organic action plans between 2007 and 2011.
- In DCs, often financed through development cooperation
- Budgets vary widely. Ex: Denmark: 170 m € for 4 years.
Morocco: 26 millions € for 9 years.

National programs/projects for the development of organic agriculture

- International cooperation projects (e.g. Saudi Arabia)
- Financed by the MoA national budget (e.g. Philippines: 2% of the annual budget of the MoA is for the NOAP)

**General recommendations for supporting
policies for organic agriculture**

Summary of recommendations (1)

- Merely regulating organic is not supporting it.
- Defining the appropriate policy package should be done through a strategic planning process
- Design and implementation of policies should always be done in a public-private partnership.



Summary of recommendations (2)

- Good organic action plans are based on a deep analysis of the current situation and objective evaluation of previous policy support period to OA.
- Effective action plans include SMART targets for OA growth.



Balancing supply and demand

- Address the side that is under-developed, or address both?
- Temporary over-production → economies of scale needed to develop efficient processing and marketing channels.
- Can be covered through specific support incentivizing farmers to stay organic even if the premium markets are not yet in place.
- Globalized world...



Reliability of government commitment and trust

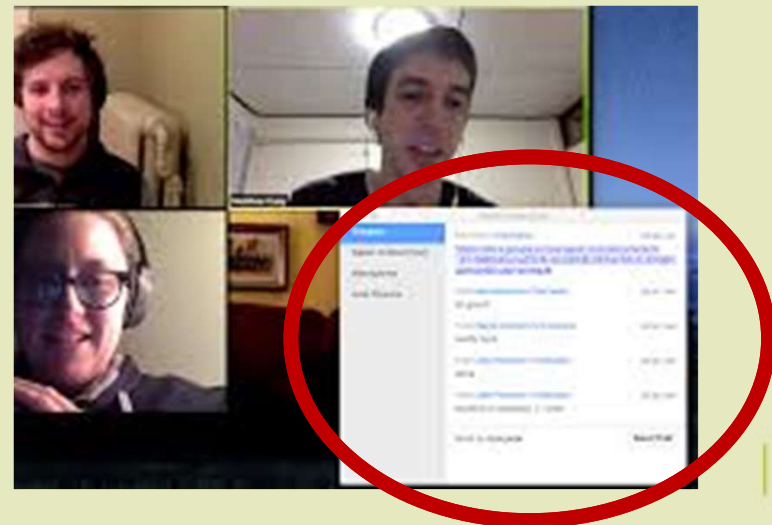
- Give + signal to private investors.
- Reliability and continuity of government support.
- Careful about transitions between multi-year support programs



Webinar Activity

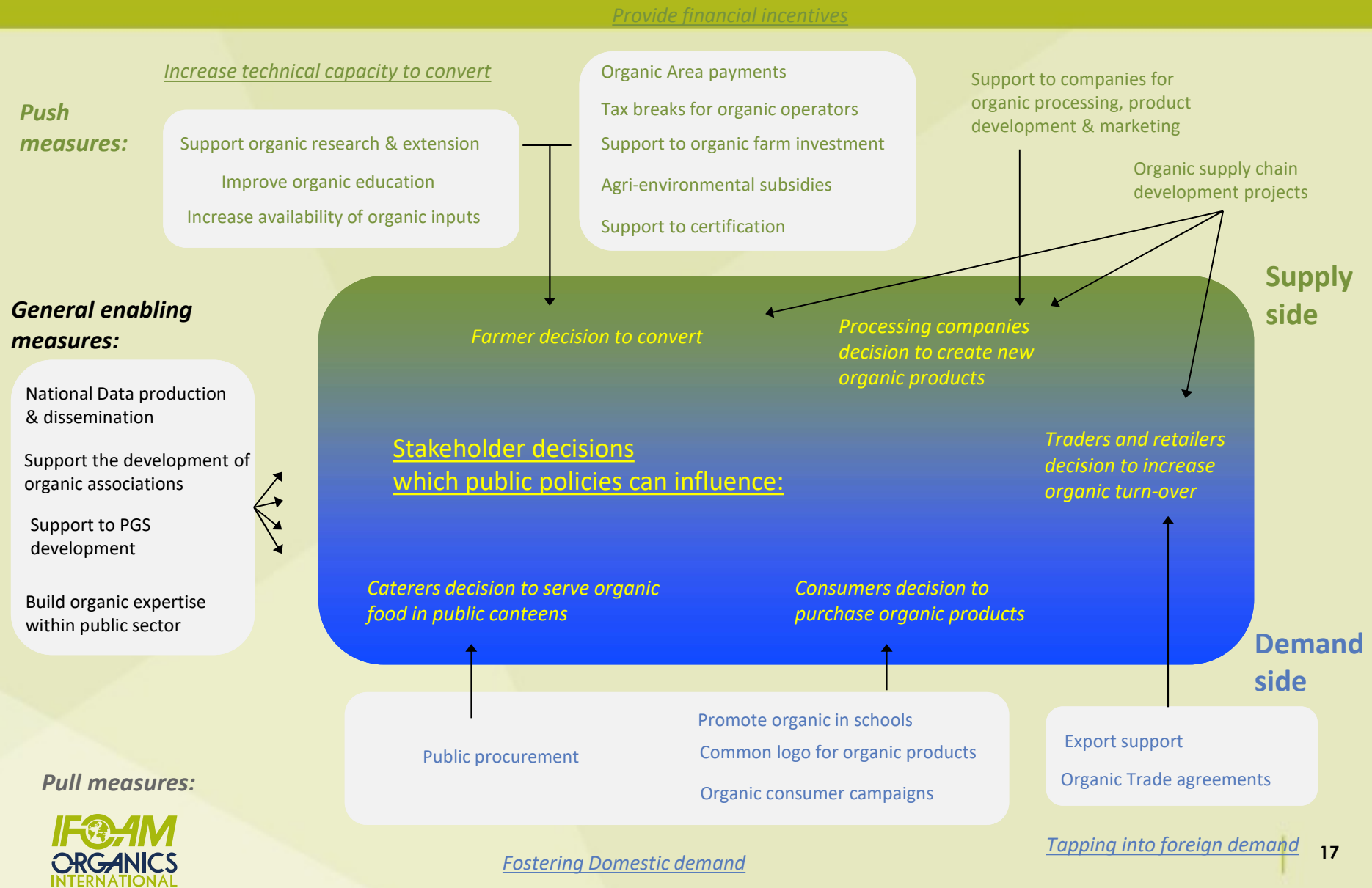
Can you name some different kind of support measures that governments can take to support organic agriculture development ?

-> Use the chat to answer. Let's try to list at least 8 different kind of government support measures. Don't repeat what is already pasted in the chat.



The different organic support measures

Overview of main organic support measures



Overview of push measures

- Support to organic research and extension
- Support for organic input development and use
- Support to certification
- Support for organic vocational training and academic programs
- Conversion and maintenance area payments for organic production
- Support for agri-environmental practices compatible with organic production
- Tax breaks for organic operators
- Support for organic farm investment
- Support for farm income diversification and agro-tourism
- Support to companies for organic processing, product development & marketing
- Organic supply chain development projects
- Organic management in public areas and publicly-owned land
- Prohibition of agro-chemical use in sensitive areas

Overview of pull measures

- Consumer education and promotion campaigns
- Public procurement
- Support to domestic trade/ retail uptake
- National/common logo for organic products
- School Organic Gardening and Curricula
- Export support
- Organic Trade agreements / equivalence negotiations

Overview of enabling measures (combined push-pull)

- National data production and dissemination
- Support the institutional development of organic associations
- Build organic expertise within the public sector
- Support to PGS development
- Support to urban gardening and collective gardens.

Webinar activity

Which ones of those measures are currently implemented in Kazakhstan?



Меры государственной поддержки для органического сектора

Меры толчка (для поддержки производства и продаж, т.е. предложения органик-продуктов)

- Поддержка исследований и обмена знаниями в области органик
- Поддержка развития / импорта и использования материалов, веществ и средств для органик
- Поддержка органической сертификации
- Поддержка профессионального образования и академических программ
- Субсидии за конверсию и содержание территорий для био-производства
- Субсидии на агроэкологические методы, совместимые с органик
- Налоговые льготы для органик-операторов
- Поддержка инвестиций в органические фермы
- Поддержка диверсификации фермерских доходов и агротуризма
- Поддержка компаний по переработке, разработке продуктов и маркетингу
- Проекты по развитию органической цепочки поставок
- Органик-менеджмент на общественных и государственных территориях
- **Запрет на использованию агрохимии на чувствительных природных территориях**

Меры тяги (способствуют росту покупки и потребления, т.е. спроса на органик-продукты)

- Информирование потребителей и рекламные кампании
- Государственные закупки
- Поддержка **внутренней** торговли / розничных продаж
- Национальный / общепотребимый логотип для органических продуктов
- Школа органического садоводства и другие образовательные программы для потребителей
- Поддержка экспорта
- Органические торговые соглашения / **переговоры по эквивалентности**

Комбинированные меры (развития спроса и предложения)

- Создание национальных данных и распространение информации об органическом секторе
- Поддержка институционального развития органических ассоциаций
- Создание органической экспертизы в государственном секторе
- Поддержка развития PGS
- Поддержка городского садоводства и коллективных садов
- Политика против ГМО-загрязнений и за обязательную ГМО-маркировку

Online Decision Aid tool

- Filtering measures based on factors and objectives
- Available in the “Global Policy Toolkit on Public Support to Organic Agriculture.”
- <https://www.ifoam.bio/our-work/how/regulation-policy/global-policy-toolkit>



Decision Aid for Organic Policy-Setting & Strategic Action Plans: Choosing Relevant Support Measures

In the Global Policy Toolkit on Public Support to Organic Agriculture, we present a total of 26 categories of support measures which can be taken to boost supply and/or demand of organic products. However, it will not be possible for a strategic organic action plan to implement the 26 categories of measures (mostly because public resources are limited). In addition, not all measures are suitable in all contexts. Priorities will be set and choices will have to be made.

In order to help policy makers and stakeholders participating in strategic organic planning, we have developed this decision-helping framework that helps filters the most suitable measures depending on the national context. Please pick the scenario that best corresponds to your situation for each question below, to discover which measures are most recommended in your context. This does not mean that other measures are not feasible: only that typically, in such a context, they might not be a priority, at least at the national level.

Stage of development of organic agriculture (How is the present situation?)

- Embryonic stage (exports not well developed, domestic market very small or non-existent)
- Exporting country (exports of OA well developed but domestic market very small or non-existent)
- Importing country (domestic market well developed, but domestic OA production not well developed: OA market supplied essentially with imports)
- Well developed production and consumption (domestic market is important, OA production also well developed, even if there may be supply-demand imbalances in either direction)

Organic regulatory context (How is organic agriculture regulated?)

- No organic regulation, no officially referenced Organic Guarantee System
- No organic regulation but an officially referenced Organic Guarantee System defining what is considered organic in terms of standard and control systems
- Organic Regulation applies only for export, and there is no officially referenced guarantee system for the domestic market
- The organic market is fully regulated (for domestic market and trade)

Q1: Stage of development of organic agriculture

- 1. Embryonic stage**
 - exports not well developed
 - domestic market very small or non-existent
- 2. Exporting country**
 - exports of organic agriculture well developed
 - domestic market very small or non-existent
- 3. Importing country**
 - domestic market well developed,
 - but domestic OA production not well developed
- 4. Well developed production and consumption**
 - domestic market is important
 - OA production also well developed

Q2: Organic regulatory context

1. No organic regulation, no official Organic Guarantee System
2. No organic regulation but an official Organic Guarantee System defining what is considered organic in terms of standard and control systems
3. Organic Regulation applies only for export, and there is no officially referenced guarantee system for the domestic market
4. The organic market is fully regulated (for domestic market and trade)

Q3 Culture of government intervention on the agricultural sector (What is the political culture?)

1. Free market with significant government intervention (e.g. taxes and subsidies).
2. Free market with low level of government intervention.
3. Government has significant control of the agriculture market, focusing on regulations and own programs.

Q4: What are the objectives for organic support? - multiple choices possible

1. Earning foreign currencies.
2. Encourage positive externalities (environmental and societal benefits of OA) and avoid negative externalities (hidden costs of conventional agriculture for the society).
3. Increase self-sufficiency in sector with high consumer demand (reducing imports).
4. Increase access to healthy food products for all citizens (popularize organic consumption).

Coffee break



15 min break

Welcome back! Here are the results

Push Measures (measures supporting the supply of organic products)

Support to organic research and extension

Support for organic vocational training and academic programs

Supply chain development projects

Support for organic input development/import

Support to certification

Organic management in public areas

Support for organic farm investment

Support for farm diversification and agro-tourism

Tax breaks for organic operators

Conversion and maintenance area payments for organic production

Support to companies for organic processing, product development and marketing

Subsidies for agri-environmental practices compatible with organic production

Pull Measures (measures supporting the demand for organic products)

School Organic Gardening and Curricula

Export support

Public procurement

Support to trade / retail uptake

National/common logo for organic products

National Data production and dissemination

Consumer education and promotion campaigns

Organic Trade agreements / equivalence negotiations

Combined Push and Pull measures

Support the institutional development of organic associations

Build organic expertise within the public sector

Support to PGS development

Policies against GM contamination and for compulsory GM labeling

Support to urban gardening and collective gardens

Webinar activity

Which ones of those measures are currently implemented in Kazakhstan?

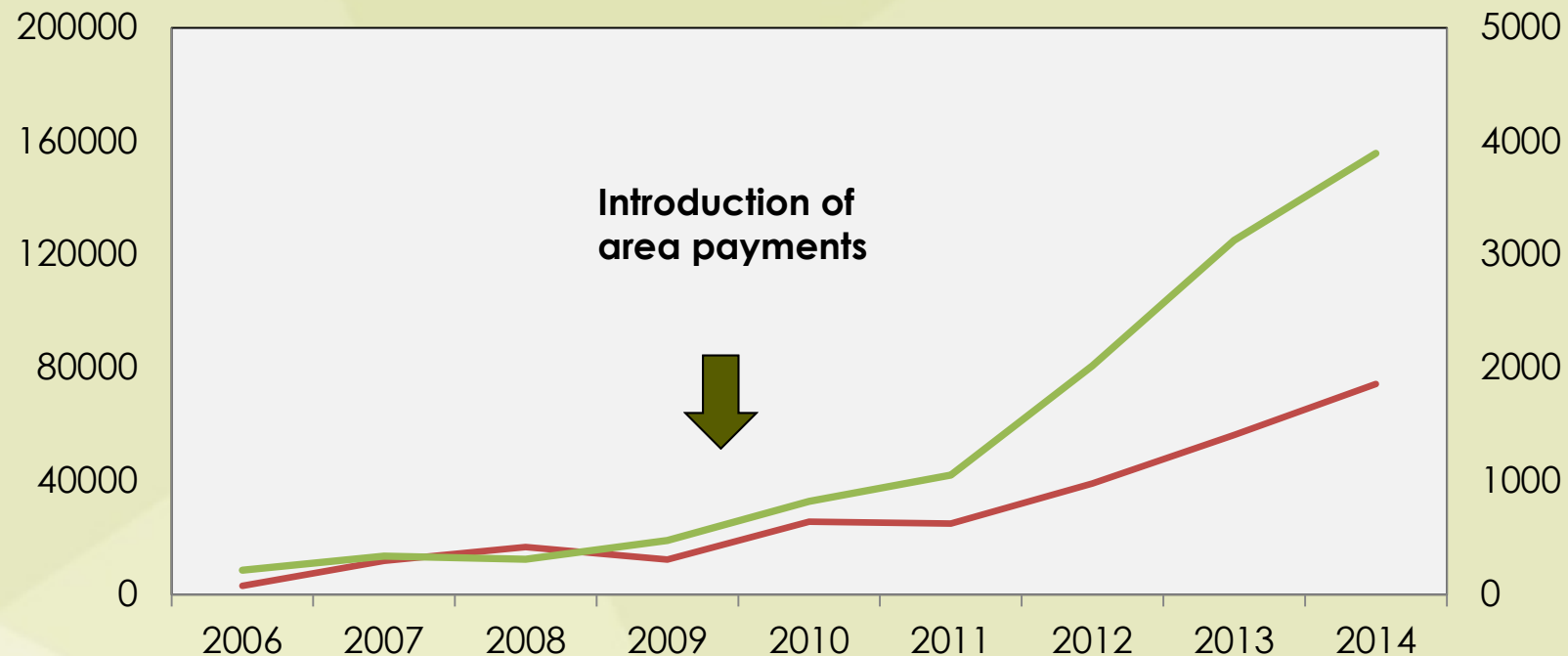


**Some good examples of pro-
organic measures**

Organic area payments

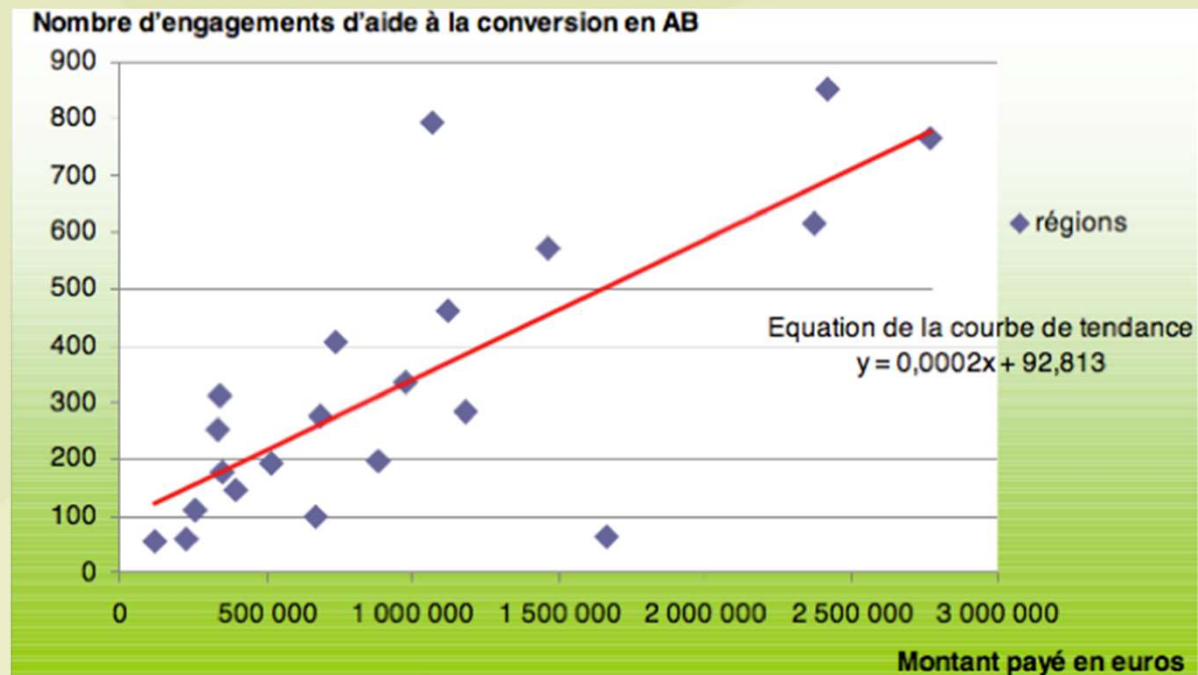
Subsidy payments per ha available to all organic farmers, for organic conversion and maintenance. Main instrument in the EU.

Strong impact on organic conversion in new EU countries, e.g. Bulgaria:



Support to organic extension

French study from 2010 shows clear correlation between the number of conversions to organic agriculture, and the amount of public funds invested in organic extension in various French regions:



—> cost-efficiency of funds spent in organic extension (in the French context) is around 3,000 Euros / farm conversion.

Support to organic research & extension: Tunisian example



Organic farmer field schools in 2006



Experimental station from the
CTAB (Technical center for
organic agriculture)



Support for organic input development and use: Example of The Philippines

Vermicompost facility built by one of the Local Government Units in The Philippines



Between 2011 and 2016, the government:

- ❖ established, maintained and upgraded 746 organic input product facilities.
- ❖ It distributed more than:
 - 199,000 kg of organic seeds,
 - 233,000 planting materials,
 - 1.1 MT of organic fertilizers and other inputs,
 - 4.4 million pcs of Bio Control Agents.
- ❖ Worms given to thousands of households to start on-farm vermicompost.
- ❖ The government also distributed thousands of organic animals, including organic fish fingerlings and brood stock.

Support for organic certification

- ❖ USA: “Organic Certification Cost share Program”: govt reimburse up to 75% of the annual organic certification costs with maximum of EUR 697 per farm. (EUR 9.5 million annual budget).
- ❖ Denmark: free organic public certification for all.
- ❖ **The Philippines** : full organic certification cost reimbursement for the first 3 years.
- ❖ In **Tunisia**, organic certification is subsidized since 1999. Subsidy covers 70% of the certification costs for a period of 5 to 7 years.
- ❖ **Mexico**: government reimburses: 50% of all certification costs including also the cost of technical assistance to obtain certification.

Government support to raising consumer awareness: the Saudi Arabia example

4

KINGDOM
TUESDAY 25 NOVEMBER 2014, SAUDI GAZETTE

Ministry of Agriculture steps up efforts to promote organic products

By Huda Al-Fozan
DAMMAM, Saudi Arabia (Special Report) – The Ministry of Agriculture has stepped up its efforts to promote organic products in the Kingdom, as it continues to work on increasing the awareness of consumers about the benefits of organic products.

The ministry has launched a series of initiatives to promote organic products, including the establishment of organic product displays in supermarkets and the launch of organic product campaigns.

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Ministry of Agriculture holds the 10th National Organic Products Festival in the Kingdom.

Solos exhibition presents unique artworks of 12 artists

By Huda Al-Fozan
DAMMAM, Saudi Arabia (Special Report) – The Solos exhibition, which is currently on display at the Solos gallery in Dammam, presents a collection of unique artworks by 12 artists.

The exhibition features a variety of artworks, including paintings, sculptures, and installations. The artists have used a wide range of materials and techniques to create their works.

The exhibition is a celebration of the Solos gallery's commitment to showcasing contemporary Saudi art.



Artists' artworks are on display at the Solos gallery.

World Children's Day marked with a social play

By Huda Al-Fozan
DAMMAM, Saudi Arabia (Special Report) – The World Children's Day was marked with a social play at the Solos gallery in Dammam.

The play, titled 'The Children's Day', was performed by a group of children and adults. The play focused on the importance of children's rights and the role of society in protecting them.

The play was a success, with many children and adults participating in the performance.



Children and adults perform a social play during World Children's Day.

World Malayalee Council marks 'Kerala Piravi,' 'Children's Day'

By Huda Al-Fozan
DAMMAM, Saudi Arabia (Special Report) – The World Malayalee Council has marked the 'Kerala Piravi' and 'Children's Day' in Dammam.

The council organized a series of activities to celebrate these occasions, including a cultural performance and a children's play.

The activities were a success, with many people participating and enjoying the events.



World Malayalee Council members perform a cultural play.



صورها وحملها عبر هاشتاق

#المنتجات_العضوية_السعودية

على الإنستجرام وقم
بمتابعتنا لتحصل على فرصة
ربح آيفون 6 الجديد

Negative impact of general (agricultural) policies

Subsidies on chemical fertilizers & synthetic pesticides

- In the past, most countries have subsidized chemical inputs
- General global trend to phase out chemical fertilizer subsidies and reduced VATs and shift towards the opposite policy instruments (taxing chemical pesticides and subsidizing only organic fertilizers)



Some good examples

- ❖ Some EU countries apply lower VAT to organically approved pesticides and to organic fertilizers.
- ❖ South Korea abolished subsidies to chemical fertilizers in 2005 and is now subsidizing the use of organic fertilizers and soil conditioners.
- ❖ Bali: transition from 2009 to 2012 to subsidizing only organic fertilizers.



Taxing conventional pesticides (1)

- ❖ Effective way to reduce the use of pesticides by conventional farmers.
- ❖ Combine tax measure with advice to farmers and regulation.
- ❖ Pioneer countries: Sweden, Denmark and Norway who started taxing pesticides in the late 1980s.



Taxing conventional pesticides (2)

- ❖ Taxing pesticides can bring substantial revenues to the state (e.g. 2013 in Denmark: pesticide tax revenues was EUR 88 million)
- ❖ Revenue can be re-invested into OA research and support (e.g. Italy, Denmark, Sweden)
- ❖ Designing an effective pesticide taxation system is complex
→ see more detailed resources in the IFOAM-OI Toolkit on Public Support to Organic Agriculture.



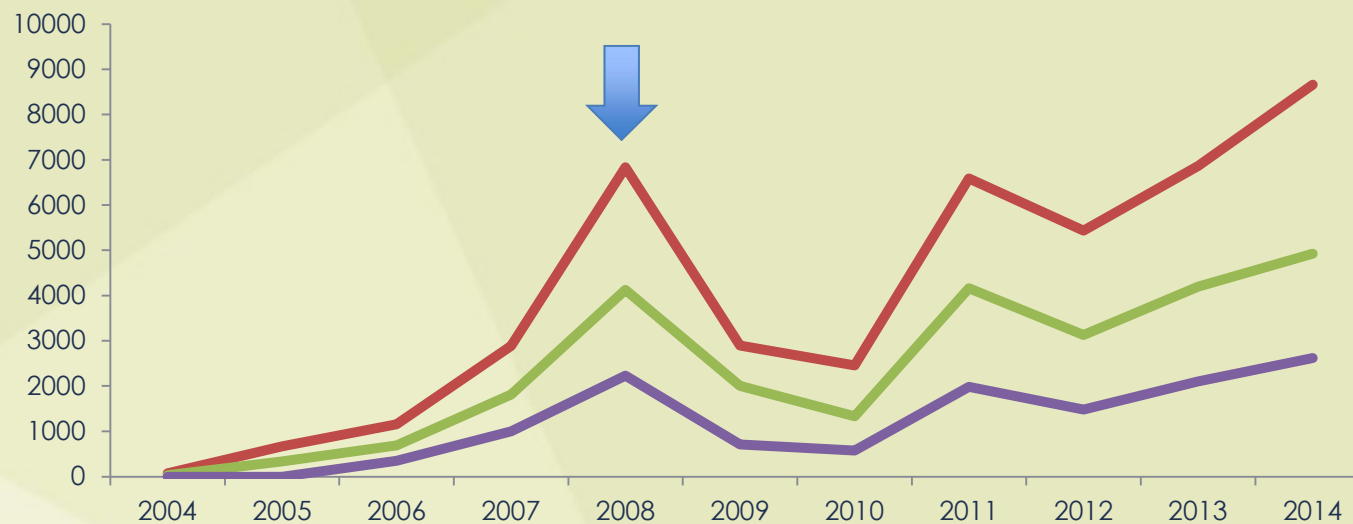
Allowance of GMO crops

The risk of GMO contamination

- Widespread GM contamination is a major risk for a country's organic sector. Can lead to increased costs, loss of reputation, and loss of market for an organic supply chain.
- Solution is “GMO-free region” or country. In 2015, 37 countries have officially banned the cultivation of GM crops.
- If GMOs are allowed, then need for GMO co-existence regulations, aiming at avoiding GMO contaminations and compensating farmers whose crops are contaminated (e.g. Portugal where GMO seed suppliers pay into the compensation fund).
- If GMOs are allowed to be grown or imported, then there should be at least compulsory GMO labeling for transparency to consumers.

The story of the GM cotton approval in Burkina Faso

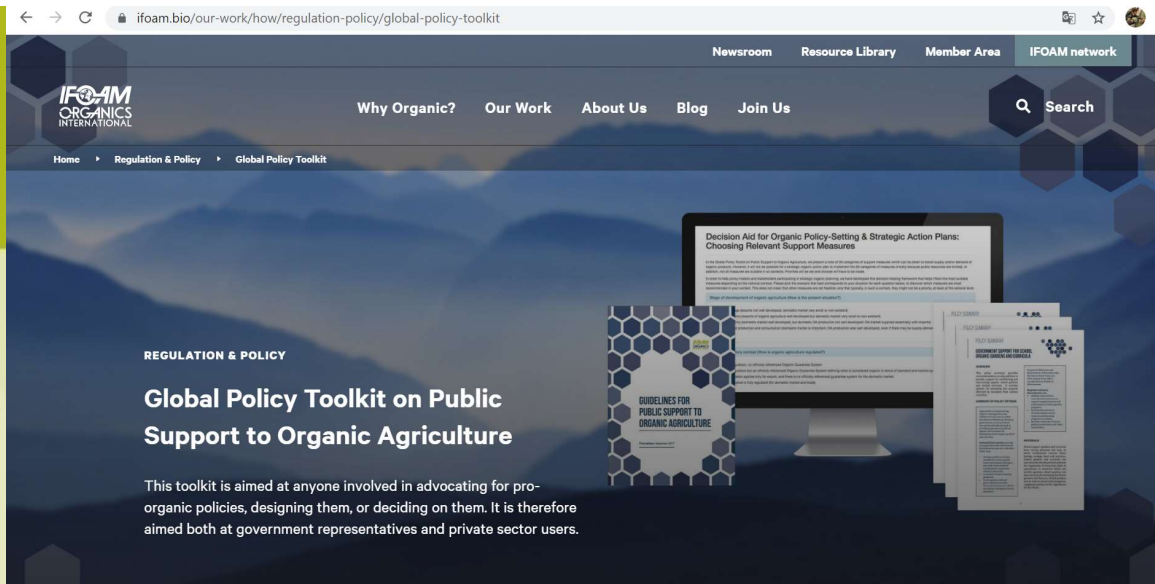
- ❖ In 2006, Burkina Faso legalized use of GM cotton seeds. In 2008, Bt-Cotton was commercially released & widely adopted (in 2011, 70% of the fields).
- ❖ Agronomic and commercial disaster. In 2015, the inter-professional cotton associations decided to phase out the use of Bt-Cotton seeds.
- ❖ This episode has done considerable harm to the growth of the organic cotton sector in Burkina Faso:



For more information...

GLOBAL POLICY TOOLKIT ON PUBLIC SUPPORT TO ORGANIC AGRICULTURE





The toolkit is composed of a series of tools, including:

- A **main report**, the "Guidelines for public support to organic agriculture": these guidelines make the cornerstone of the toolkit and present the fullest possible compilation of facts, arguments and tips of the full panel of policy measures that can be conceived to support organic agriculture. Most of the sections of this main report are also broken down into separate documents, for easier download and use. The report is targeted to policy makers and policy advocates. IFOAM-Organics International also developed a special Sub-Saharan African version of the main report, which focuses on the information most relevant in the context of Sub-Saharan African countries. You can access this **Sub-Saharan African version here**.
- A **decision-aid** to guide the user towards most relevant policy measures depending on his/her country situation. This tool is targeted to policy makers and policy advocates.
- Model **power point presentations** (see below) for advocacy on pro-organic policy measures. The power points are presented on the IFOAM-OI format, but users are encouraged to copy the content they find useful onto their own formats, and adjust it according to their needs. These power points are primarily targeted to policy advocates.
- **Policy Summaries** (see below) on various topics covered in the main report, practical to share with policy makers and carry to meetings on specific topics.
- A paper with **Tips for organic advocates** on "How to raise political awareness of the need for support to organic agriculture". This paper is targeted to policy advocates.
- The **policy template** for countries with an emerging organic sector.

Questions & Answers



THANK YOU!

www.ifoam.bio