

**ORGANIC AGRICULTURE IN EUROPEAN UNION.
THE CASE OF ITALY**

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Abstract

This study aims to approach some interesting points of view on-looker the organic agriculture in Europe, a new relative area of modern agriculture, which is in a continuous development nowadays.

The organic agriculture has a very important place in the agriculture in Europe and in entire world. In contrast to other parts of European agriculture, organic farming is a growth sector. Although rapid growth has been observed in absolute terms, the organic farming sector is still quite small, covering only about four percent of total agricultural land area in the EU. Due to differences in support between Member States and regions, large differences in the development stage of the organic sector exist.

The term "organic agriculture" refers to a process that uses methods respectful of the environment from the production stages through handling and processing. Organic production is not merely concerned with a product, but also with the whole system used to produce and deliver the product to the ultimate consumer. Two main sources of general principles and requirements apply to organic agriculture at the international level. One is the Codex Alimentarius Guidelines for the Production, Processing, Labelling and Marketing of Organically Produced Foods. The other is the International Federation of Organic Agriculture Movements (IFOAM), a private-sector international body, with some 750 member organizations in over 100 countries. IFOAM defines and regularly reviews, in consultation with its members, the Basic Standards that shape the "organic" term¹. According to the IFOAM 2002 Basic Standards, "organic agriculture is a whole system approach based upon a set of processes resulting in a sustainable ecosystem, safe food, good nutrition, animal welfare and social justice. Organic production therefore is more than a system of production that includes or excludes certain inputs."²

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¹ Scialabba, Hattam (2002, p. 3-5).

² IFOAM (2002)

According to the Codex Alimentarius, organic farming involves holistic production management systems (for crops and livestock) emphasising the use of management practices in preference to the use of off-farm inputs. This is accomplished by using, where possible, cultural, biological and mechanical methods in preference to synthetic materials.

The Codex guidelines specify¹ that an organic production system is designed to:

- “enhance biological diversity within the whole system;
- increased soil biological activity;
- maintain long-term soil fertility;
- recycle wastes of plant and animal origin in order to return nutrients to the land, thus minimising the use of non-renewable resources;
- rely on renewable resources in locally organised agricultural systems;
- promote the healthy use of soil, water and air as well as minimise all forms of pollution there to that may result from agricultural practices;
- handle agricultural products with emphasis on careful processing methods in order to maintain the organic integrity and vital qualities of the product at all stages;
- become established on any existing farm through a period of conversion, the appropriate length of which is determined by site-specific factors such as the history of the land, and type of crops and livestock to be produced”.

Organic livestock farming is based on the principle of a close link between the animals and the soil. The need for a link with the soil requires animals to have free access to outside areas for exercise, and also implies that their feed should be not only organic, but preferably produced on the farm. This sector of organic farming is, moreover, very strictly regulated by provisions on animal welfare and veterinary care.

The objectives of organic farming are identical whether we consider crop products or animal products: they comprise the application of production methods that do not damage the environment, more respectful use of the achievement of high-quality agricultural products.

On 24 June 1991, Council Regulation (EEC) No. 2092/91 on organic production of agricultural products and indications referring thereto on agricultural products and foodstuffs was adopted. Council Regulation (EEC) No. 2092/91 applies to non-processed crop and animal products, to processed agricultural products intended for human consumption, and to animal feed², where labelling ,

¹ CAC (1999, point 7).

² Article 1 of Council Regulation (EEC) No. 2092/91 of 24 June 1991 on organic production of agricultural products and indications referring thereto on agricultural products and

advertising material or commercial documents include the indication in use in each Member State suggesting to the purchaser that the product was obtained in accordance with the organic production method defined in the Regulation.

Organic farming aims at sustainable farming by means of a specific farm production system offering an alternative to the more traditional approaches to agriculture. It emphasises the use of management practices avoiding off-farm inputs and responding to a consumer demand for naturally-produced foodstuffs (excluding as far as possible the use of synthetic substances). In particular, organic farmers are concerned about producing agricultural products while minimising the negative effects on the environment, preserving as far as possible natural resources and maintaining biological diversity on farms and their neighbourhood.¹ Rules have therefore been introduced to ensure the protection and the respect of organic farming methods.

Farming is considered to be organic at European Union level if it complies with Council Regulation (EEC) No. 2092/91. This Regulation has been amended on several occasions, in particular in 1999 when the Council extended its scope to cover organic livestock production (No 1804/99). In June 2004, the European Commission adopted the “European Action Plan for Organic Food and Farming” whose objective is to facilitate the ongoing development of organic farming in the EU with 21 measures to be implemented.

According to European Action Plan for Organic Food and Farming, impact of organic farming is very important for the environmental protection. The main benefits of organic farming relate to:

- Pesticides – restricting the use of pesticides, as in the case of organic farming, improves landscape, water quality, wildlife conservation and also the faunal and floral diversity.
- Plant nutrients – organic farming usually results in lower nitrate-leaching rates than those achieved on average in integrated or non-organic agriculture, as shown by studies on autumn nitrogen residues in the soil of almost all relevant crops.
- Soil protection – management practices used by organic farmers, such as growing catch crops to reduce nitrate leaching, wider and more varied crop rotations, and mixed grazing to reduce mono-specific overgrazing, all help to protect the soil.
- Biodiversity and nature protection – organic farming contributes to the preservation of species and natural habitats by means of its reduced inputs, its

foodstuffs (OJL 198, 22.7.1991, page 1); (see also the Council Regulation (EC) No. 1991/2006 of 21 Dec. 2006 amending Regulation (EEC) No 2092/91);

¹ Kristiansen and Reganold, (2006, p. 3).

high share of grassland with in holdings and its grater use of indigenous breeds and plant varieties.

- Animal welfare – organic farming may have a positive impact on animal welfare since the standards for organic farming include several requirements in this area that go further than the statutory provisions¹.

At EU-25 level, certified organic and in conversion area is 5.7 mio ha and represents 3.6% of the utilised agricultural area. At EU-15 level, certified organic and in-conversion area increased from 0.7 mio ha in 1993 to 5.1 mio ha in 2003.

There are substantial differences between the individual countries regarding the importance of organic farming in EU-25. In 2003 Italy had the most important organic area with more than 1.0 mio ha - about fifth of EU-25 – followed by Germany, Spain and United Kingdom, all three countries with about 0.7 mio ha, and France with 0.55 mio ha. The most important organic area in the EU-N10 is located in the Czech Republic with 0.25 mio ha and Hungary – 0.1 mio ha.

In 2004, 11 Member States were above the EU-25 average of organic area in utilised agricultural area: Austria 9.7%, Italy 8.1%, Sweden 7.2%, Finland 7.1%, Greece 6.8%, Denmark 6.1%, Czech Republic 6.0%, Slovenia 4.6%, Estonia 4.6%, the United Kingdom 4.3% and Germany 4.3%. Some of these Member States had already substantial share of organic area in 1993, but the ranking was different: Austria 4.0%, Germany 1.4%, Sweden 1.2%, Finland 0.9%, Denmark 0.8% and Italy 0.6%².

Compared with 1999, all EU Member States increased their organic land. The highest increases in 2003 occurred in those Member States where the share was relatively low in 1999 – Greece (tripling the area), Portugal (+50%). With the exceptions of Austria (+10%), the Czech Republic (+15%), the United Kingdom and Germany, the increases werw relatively low in Member States, having a share in total utilised agricultural area above the EU-25 average.(Figure 1)

¹ European Action Plan for Organic Food and Farming, Brussels, 10 June 2004, Commission Staff Working Document;

² Thielen (2005).

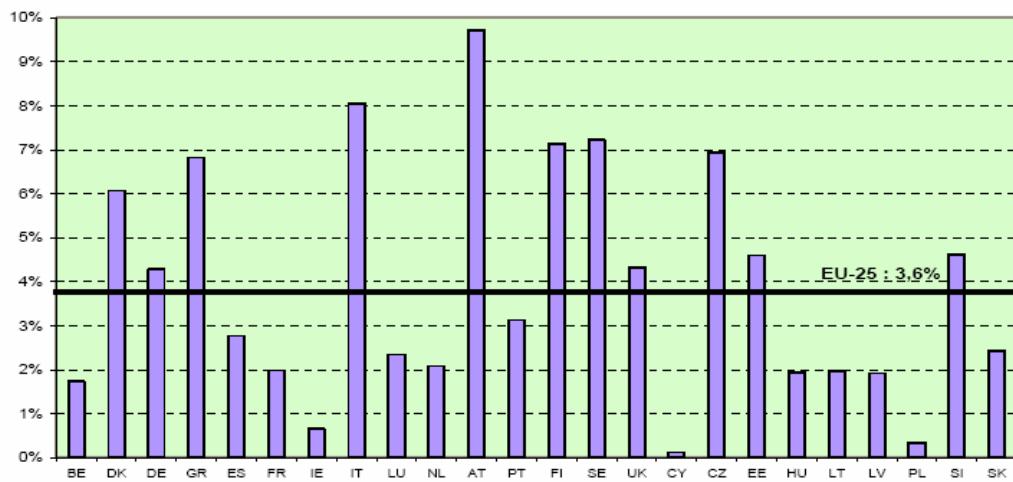


Figure 1: Share of organic area in utilised agricultural area in EU-25 in 2004 (%)

At EU-25 level, 149 000 holdings are certified organic and in-conversion holdings which represent 1,4% of total agricultural holdings. For EU-N10 organic holdings represent a share of 0,25% in total holdings.

In the EU-25, the average organically cultivated area per holding at 40 ha was significantly larger than the average area of conventional holdings at 15 ha of utilised agricultural area. Compared to the average conventional holding, organic holdings are particularly large in two Southern Member States: Greece and Portugal – it might be influenced by relatively high share of olive groves. However, in the Member States with the most important share of organic holdings are United Kingdom, Austria, Finland and Denmark (Figure 2).

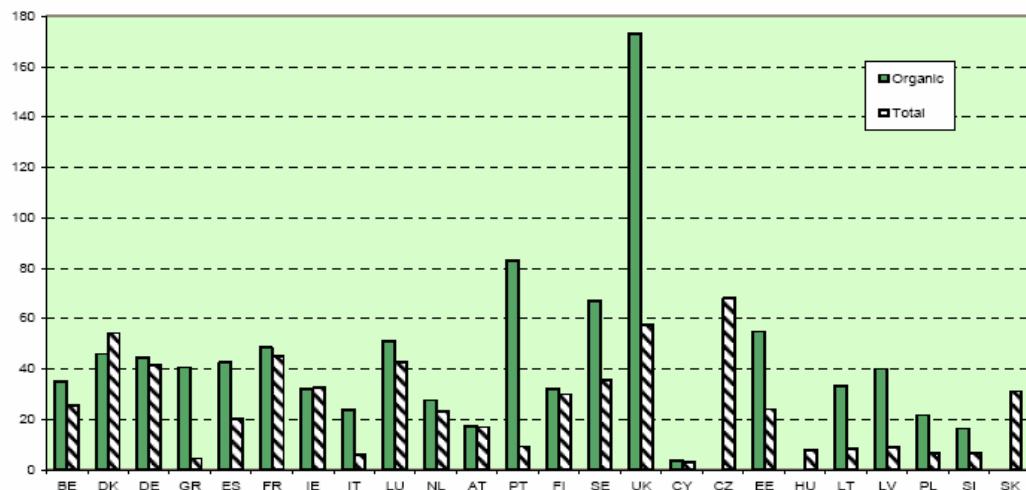


Figure 2: Utilised agricultural area per holding in EU-25 (ha).

In 2004, Italy had the largest number of organic holdings (31% of EU-25 total), followed by Austria, Spain and Germany with about 19 000-17 000 ha each. Over the period 1999-2004 the highest annual increase in number of holdings was noticed in the United Kingdom (13%), Spain (11%), Luxembourg (11%), Portugal (11%) and France (10%). In the same time, the number of holdings slightly decreased in Austria over this period.

Organic agriculture in Italy

In Italy the earliest pioneering experiences in organic agriculture date back to the nineteen-sixties, but only took off in the nineteen-seventies, involving more and more farmers and consumers seeking an improved quality of life and consumption.

During the mid eighties, the first local coordination agencies established the "Commissione Nazionale Cos'è Biologico" (National Commission for Organic Agriculture). Made up of representatives of organisations and consumers' associations from each Italian region, the Commission established the first nationwide self-regulatory standards for organic farming. Once EU-Regulation 2092/91 was implemented, the numerous small associations of organic farmers and the producers and consumers committees operating in every region reorganised themselves, joining forces through mergers and a federative network. Today, there are 16 officially recognised certification agencies operating in Italy. In the nineteen-nineties the organic sector in Italy showed one of the largest average annual growth rates in Europe. Since 2002 the number of farms has, however, decreased, because in some regions aids are not available any more.

Most of the Italian organic farms are in the South and the Islands (32 %), even though with the recent decrease of the numbers of farms the share of the farms in the South went down. In Sicily organic farming developed at a very fast rate, with the number of farms increasing 2.5 times and land area almost doubling between 1993 and 1995. In comparison, the average rate of growth for the whole country was 123% and 126%, respectively, for the same period. The development in Sardinia is more recent, and mainly due to the application of EU Regulation 2078/92. When pastures were admitted to qualify for aid, many sheep-grazing pastures were converted into organic ones (for the most part, Sardinian farmers are sheep breeders and producers of the well known "pecorino" cheese). However, on both islands the number of organic farms recently dropped.

Tuscany and Emilia-Romagna have experienced pioneering organic movements dating back to the early 1980s. Indeed, out of the 16 certifying bodies five (ICEA, BioAgriCert, Codex, CCPB, QC&I) are based in Emilia-Romagna or Tuscany. Olive trees are grown by 60% of Tuscany's organic farmers, while cereals and fruit & vegetables prevail in Emilia-Romagna. Both regional governments have approved special laws after EU Regulations 2092/91 and 2078/92 to regulate and promote organic farming. Apulia in the South of Italy has also had a very recent growth, mainly due to policy support. Its main crops are durum wheat, olive oil and vegetables.

Since most farms are stockless (with some notable exception like the Parmigiano area in Emilia Romagna, the sheep breeding area in Sardegna or the Chianina Cattle breeders in Umbria and Tuscany), most grass is sold to nearby farmers or used as green manure. Cereals follow, dominating the cropping pattern in regions like Puglia, Sicily and Emilia Romagna. Organic rice is grown in Lombardia and Piemonte. Olive trees characterize most of Italian landscape and therefore thousands of hectares have been converted into organic management, as well as vineyards. Large orchards can be found mostly in Emilia Romagna, while small scale production is scattered everywhere. The same can be said about vegetable production, that is lagging a bit behind the expectations, mainly due to technical problems and the comparative low level of subsidies.

Agritourism is a characteristic feature of the Italian countryside and it has also experienced a huge development in the last years. On the organic farms, it allows not only to diversify income sources, but also to sell farm products and to educate the guests about the benefits of organic foods, once back home. In 2000, the number of organic farms was up to 595 all over the country, decreasing next year to 471. Almost half of them can be found in the four Regions of Central Italy, with Tuscany in leading position.¹

¹ Santucci and Pignataro (2002).

Italy's Certifying and Inspection Bodies. At present, nine Certification bodies operate nationwide in Italy. Some of them were initially cultural associations, as the Biodynamic Association (est. 1947), Suolo e Salute (est. 1969) and AIAB – Associazione Italiana per l’Agricoltura Biologica (est. 1988), linking producers, scientists, consumers etc, aiming at the development of organic farming. They organised conferences and training courses, published magazines and lobbied for recognition of organic farming. In 1993, the Italian Minister of Agriculture recognized three new organizations: AMAB – Associazione Marchigiana per l’Agricoltura Biologica -, AgriEcoBio and BioAgriCoop. So, the total number of certifying bodies was up to seven. In the German speaking Province of Sud Tirol, at the border with Austria, the German Certification Bodies Biozert and IMO are authorized to operate.

AIAB-ICEA is the largest Certification Body and probably the best known association at national and international level. It certifies about 24% of farms and 29% of the organic area. Suolo e Salute is the runner up, with respectively 20% and 16%. The third biggest Certification Body is Bioagricoop, with 15% of farms and 18% of surface.

The Biodynamic Association and AMAB still pursue stricter production codes than those established by the EU regulations and therefore farmers respecting these guidelines can even put these labels on their products. This nine Certification Bodies dispose of about 90 local offices, staffed with 1.000 agronomists and other technicians, properly trained, who are responsible for inspecting the farms, the processing plants, the storage facilities, in order to verify the respect of the EU Regulations and of the Production norms established by the various associations, for products not covered by the EU legislation.¹

Organic farming is one of several approaches to sustainable agriculture. It represents a very important agricultural system because reduces or eliminates water pollution and help conserve water and soil on the farm. During the last three decades, the rapid increase of agricultural production in the European Region has been achieved mainly through the application of technologies involving intensive management, often at the cost of progressive deterioration of resources, and causing certain negative environmental impacts. The encouragement of farm production systems which place greater reliance on organic recycling, biological nitrogen fixation, and control of pests and diseases by husbandry methods is becoming an explicit objective of government policies for agriculture in many industrialized countries. The development and adoption of such systems are increasingly recommended as an alternative solution to present-day agricultural and environmental problems.

¹ Biobank 2004.

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