

The background is a solid green color with a repeating pattern of white icons representing various organic products, including fruits, vegetables, grains, and livestock. A vertical dotted line is on the left side of the text area.

11th Organic Producers' Conference

Developing Organic

Stephen Meredith, IFOAM EU

01 February 2017



About IFOAM EU



IFOAM EU

Operations and organisation

Over 180 members in all 28 EU member states, EFTA and EU candidate countries:

- Organic farming associations
- Organic food processors, retailers, traders
- Organic food and farming advisors and researchers
- Organic certifiers

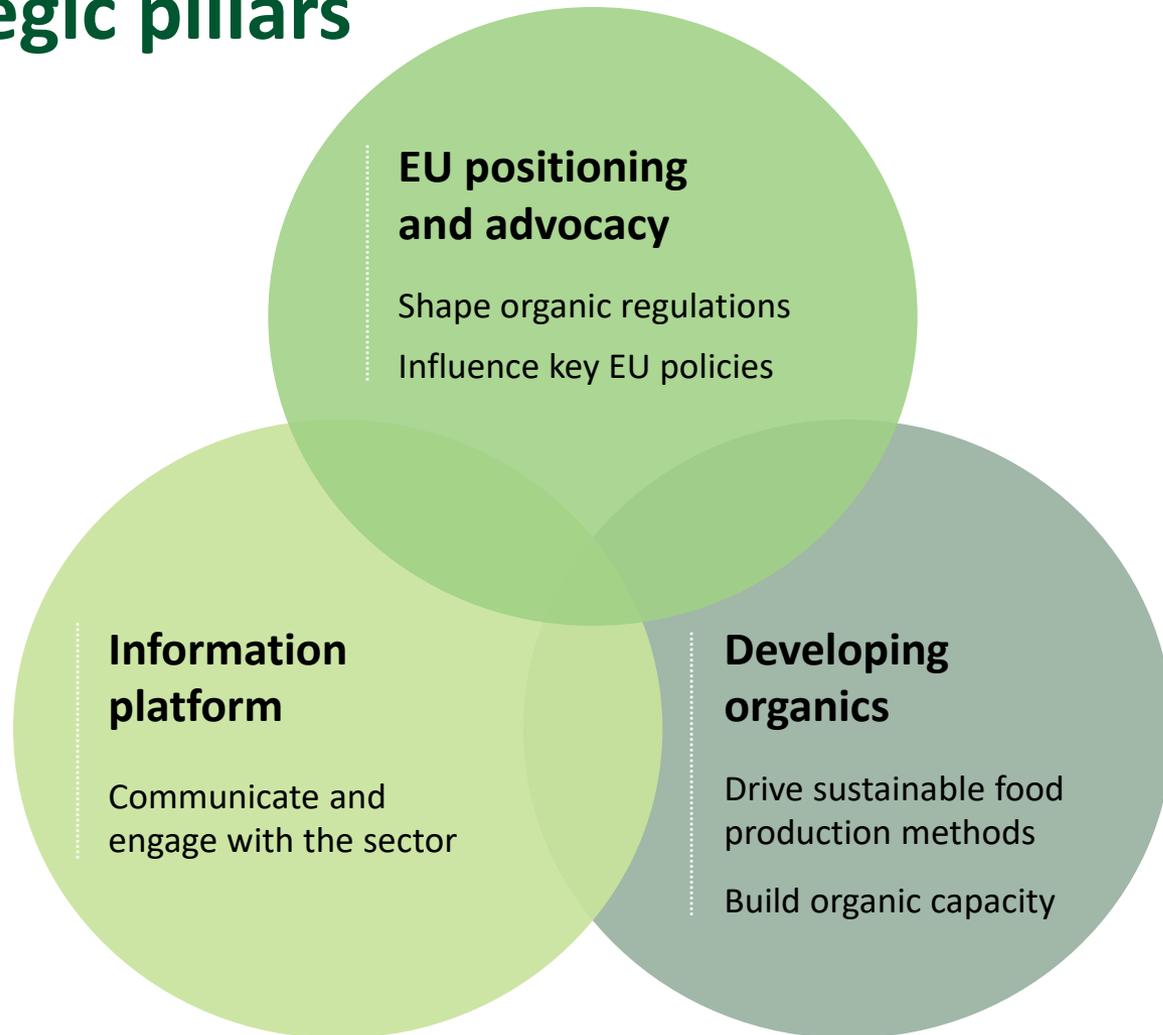
Based on the IFOAM principles of organic agriculture

- Health, Ecology, Fairness & Care.



IFOAM EU

Strategic pillars





IFOAM EU Vision 2030 & Strategy Development

TRANSFORMING FOOD & FARMING

VISION 2030

ORGANIC ON EVERY TABLE

- Policy makers widely recognize the contributions of organic farming and promote it
- Citizens continue to increase their consumption of organic food and have easy access to it
- Organic and agroecological practices are employed on more than half of EU farmlands

A HOLISTIC ANSWER FOR AGRICULTURE & FOOD

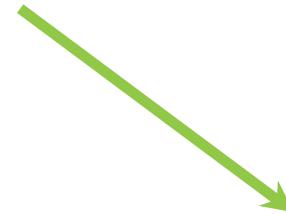
- Continual innovation increases the resilience and environmental performance of organic farming and food production
- Crop varieties and animals breeds are conserved, shared and allowed to flourish
- Working with fellow food and farming actors, organic contributes to the wellbeing of farms, the environment, rural communities and society

TRANSPARENT & FAIR FOOD CHAINS

- The environmental, social, and public health costs of farming are reflected in payments to farmers and in the cost of food
- Farmers and workers are fairly remunerated: value and power are fairly distributed across the system
- New business models and communications foster trust, and citizens engage with farmers and artisans

TRANSFORMING FOOD & FARMING

From Vision to Strategy



Internal strategy

IFOAM EU members & structures

External strategy

Potential members, policy-makers, other movements



Transforming food & farming – Making it Happen

ORGANIC ON EVERY TABLE

Strategic directions we propose

What IFOAM EU is already working on:

Make conversion to organic more attractive by helping to ensure that the rules and economics of organic are conducive to conversion and innovation

Increasing the EU funding dedicated to organic and enhance organic innovation

Promoting the availability of inputs adapted to organic systems and **fighting against inputs** threatening organic production

Developing the capacity and representativeness of organic associations

Food & farming actors

Reach out and engage with farmers interested in sustainability

Invest in the development of production capacity, through strong and transparent supply chains

Engage with land access movements to preserve and increase the number of organic farmers and the amount of land farmed organically

Communicate better & involve citizens: use a diversity of channels to tell the story of the benefits of organic & agroecology

Engage with policy-makers, schools, chefs, health advocates & community leaders to develop policies that support healthy production & consumption

Policy-makers

Ensure coherence between policies related to food & farming, health, education and environment

Reform the CAP to ensure that environmental and socio-economic outcomes delivered by farmers are fully incentivized and rewarded

Use green procurement to stimulate sustainable diets in public canteens and private sector mass catering

Prioritize access to land for new organic & agroecological farmers as the basis for food sovereignty in rural and urban areas

Develop comprehensive production & market data information systems to enable actors make informed investment decisions

Transforming food & farming – Making it Happen

A HOLISTIC ANSWER FOR AGRICULTURE & FOOD

Strategic directions we propose

What IFOAM EU is already working on:

Demonstrating the solutions organic can provide to societal problems

Building bridges with all working to transform food & farming

Engaging in intersection between environment and agriculture policy

Food & farming actors

Improve how we grow and manufacture food by reducing resource use, increasing productivity & recycling, improving animal health & welfare, and avoiding waste

Promote consumption of healthy diets with high levels of plant proteins and less – but better quality – animal proteins

Improve the quality of processed food with a view to the role food plays in health

Enhance knowledge: get involved in research projects & share knowledge across the value chain on innovative solutions for production & processing challenges

Create links with sustainable community development initiatives such as short-supply chains, bio-districts, urban agriculture & community supported agriculture

Policy-makers

Increase funding for organic & agro-ecological research

Support (local) approaches to rural revival such as bio-districts, community supported agriculture and city food networks

Integrate agriculture in education and social policies, including the development of good governance models **that can promote sustainable diets** & food education

Support the development of formal education & advisory systems with organic & agroecological focus

Develop and implement organic action plans as to enable organic & agroecological actors to address key sustainability challenges

Transforming food & farming – Making it Happen

TRANSPARENT & FAIR FOOD CHAINS

Strategic directions we propose

Food & farming actors

Become informed and inform others about the true cost of food
Develop new tools to create transparency from farm to fork and enhance business-to-business communication

Develop a code of fair pricing for supply chain actors

Inform citizens about the origin of what they are eating and how it was produced

Policy-makers

Encourage operators to make price & production data available to better see market functioning

Tax the use of pesticides & fertilizers and re-invest the money into agroecological research & innovation

Enact laws that foster a better distribution of value along the supply chain with a view to the role of multinationals and retailers

What IFOAM EU is already working on:

Increasing the credibility, fairness and transparency of the organic food chain by supporting the development of new certification & inspection tools

Building capacity & increasing the representativeness of organic associations

Evaluating potential for advocacy on true cost accounting/value pricing



CAP post-2020 Vision

Rationale

Organic supply and demand paradox

- Dynamic market growth, but trends suggest EU organic production lags behind.



Growth of organic retail sales in Europe, 2005-2014



Source: Willer et al, 2016

CAP 2014-2020 spending & organic farming

| Budget Allocation | Billion Euro | % of total EAFRD | % of total EU budget for agriculture |
|---|--------------|------------------|--------------------------------------|
| Budget allocation for Pillar 1 and Pillar 2 | | | |
| 1. Pillar 1 - European Agricultural Guarantee Fund (EAGF) - Market related expenditure & direct payments (Commitment appropriation) | €312.7 | | 76% |
| 2. Pillar 2 - European Agricultural Fund for Rural Development (EAFRD) – as adopted by EC | €99 | | 24% |
| 3. Total EU budget for agriculture Pillar 1 & Pillar 2 [1 + 2] | €411.7 | | 100% |
| Greening Component (Pillar 1) | | | |
| 4. Total national ceilings for direct payments 2014-2020 | €297.6 | | 72.3% |
| 5. Greening component (maximum 30% of direct payments [4]) | €89.3 | | 21.7% |
| Climate and environment issues (Pillar 2) | | | |
| 6. Contribution to environment & climate issues - including organic farming (minimum 30% of EAFRD [2]) | €29.7 | 30% | 7.2% |
| Organic farming support (conversion and maintenance payments) | | | |
| 7. EAFRD organic farming support (Measure 11) - as adopted by EC | €6.3 | 6.4% | 1.5% |
| 8. Total public expenditure (EU & Member States) for organic farming support (Measure 11) | €9.9 | | |
| Total environmental and climate change spending for agriculture (Pillar 1 and Pillar 2) | | | |
| 9. EU budget for transition towards environmental and climate-friendly agriculture [5+6] | €119 | | 28.9% |

Source: Stolze et al, 2016

Public goods vs private goods

- Agriculture highly dependent on environmental and socio-economic public goods
- European farmers confronted by need to maximise price competitiveness
- Current market framework does not sufficiently recognise farm produced private and public goods

Mainstream approach for public goods in agricultural production missing

Analysis of current CAP

- Disproportionate emphasis on international price competitiveness
- Public goods payments based on single practices rather than on a targeted system approach
- Payments calculated in terms of income forgone and costs incurred, not the value of public goods
- Greater preference from Member States to opt for 100% EU financing





CAP post-2020 Vision

A new deal between farmers and citizens

IFOAM EU Objectives for CAP post-2020

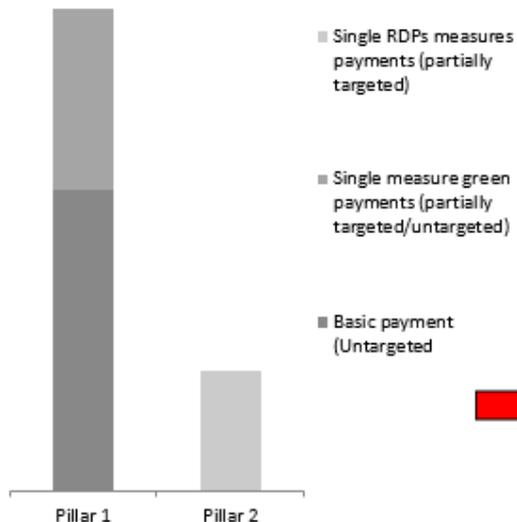
- CAP incentivises & rewards the positive externalities of agriculture
- Create a more supportive policy environment for organic farming development
- Increase the influence and relevance of organic as a key solution
- Build bridges with other like-minded organizations to reach the IFOAM EU 2030 Vision



Long-term Vision for CAP spending

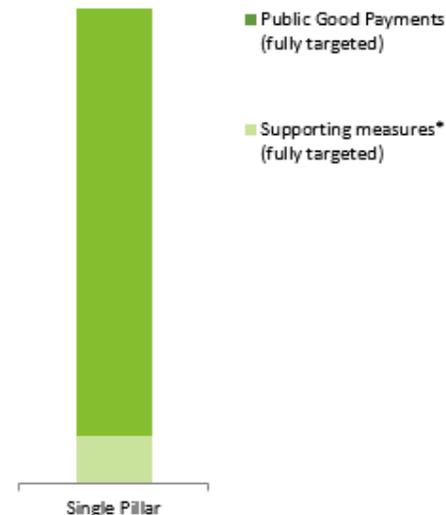
Current CAP Spending

- 2 pillars, 2 budgets
- Value of Public goods not taken into account
- Majority of spending untargeted
- Overall performance of entire farm not considered

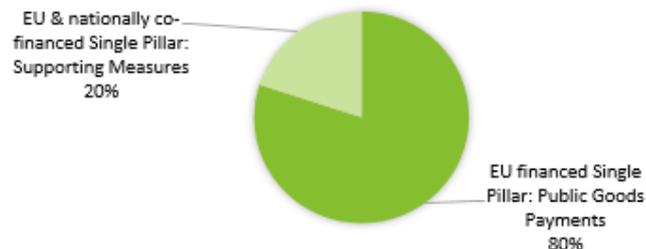
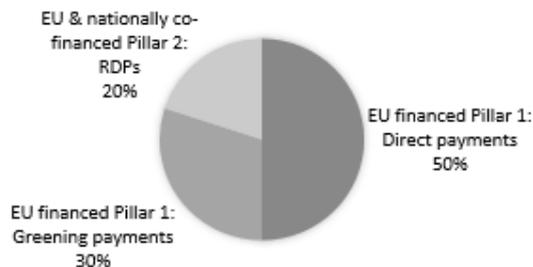
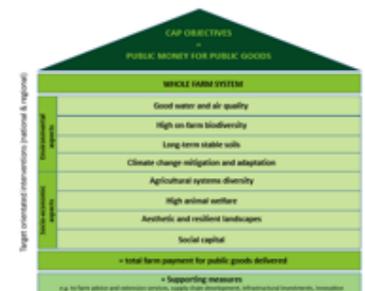


New CAP spending

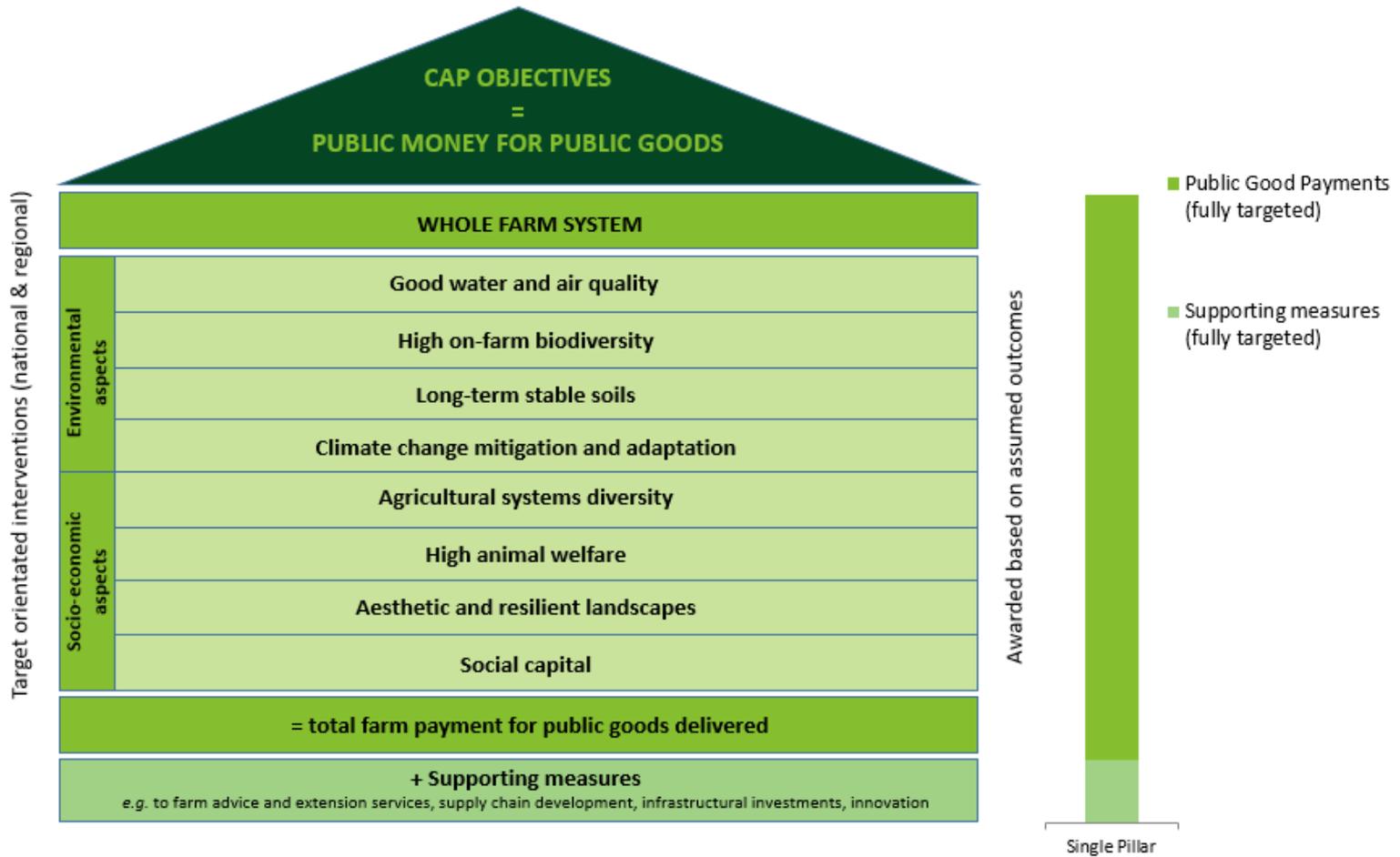
- 1 pillar, 1 budget
- Value of Public goods mainstreamed
- Targeted at reaching EU environment & climate outcomes
- Overall public good performance of entire farm considered



*e.g. farm advice and extension services, supply chain development, innovation, organic payments, and promotional activities



New payment model based on public money for public goods



Key milestones for new payment approach

- **2021:** Immediate transfer of 50% of the existing Pillar 1 budget & 10% of the Pillar 2 budget to a new single public goods budget
- **2021-2034:** Mandatory budgetary milestones to transfer the remaining CAP budget
- **2034:** One pillar payment system with 80% of agricultural budget dedicated to public goods delivery and 20% for supporting measures.



CAP post-2020

Timeline

- Cork 2.0 – Declaration on Rural Development (Sept 2016)
- IFOAM EU Launch Vision for CAP (Jan 2017)
- Commission Launch Public Consultation (Feb 2017)
- Communication/White Paper on CAP (Nov 2017)
- EU budget post-2020 launched (Dec 2017)





Thank you
Questions, answers, discussion

IFOAM EU Internal strategy 2016-2020



4 GOALS

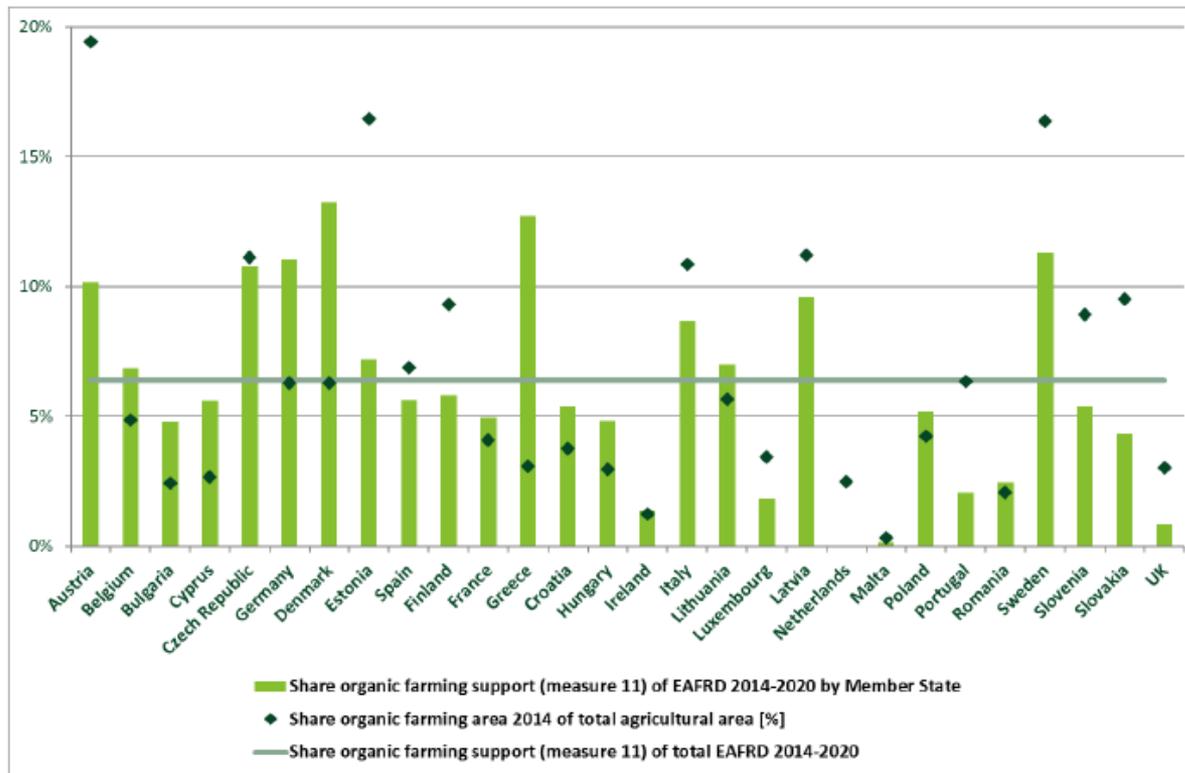
9 OBJECTIVES

13 STRATEGIES



Member State spending for organic farming

- Member States give differing priority to the development of organic farming (conversion and maintenance payments) under CAP



Stolze et al, 2016