



Policy for organic farming: Rationale and concepts

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ABSTRACT

Since the mid 1980s, organic farming has become the focus of significant attention from policy-makers, consumers, environmentalists and farmers in Europe and state institutions have become increasingly involved in regulating and supporting the organic sector. Reflecting the multiple goals for organic farming and for agricultural policy, a varied and complex range of policy measures have been developed and implemented to support the organic sector. However, balancing societal and consumer/market goals and balancing institutional and private stakeholder interests in the organic sector present particular challenges for policy-making. The key issues of current organic farming policy addressed in this special issue therefore specifically consider the two different dimensions of policy development – the dimension of policies and the dimension of politics. This paper provides an introduction to the special issue by outlining organic farming policy development in the EU, providing the basic concepts of organic farming policies in Europe and introducing the key themes of the papers published in this special issue.

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Introduction

Organic farming is an approach to agriculture that emphasises environmental protection, animal welfare, food quality and health, sustainable resource use and social justice objectives, and which utilises the market to help support these objectives and compensate for the internalisation of externalities (Lampkin, 2003).

Although organic farming as a concept has existed for over 80 years, only since the mid 1980s has it become the focus of significant attention from policy-makers, consumers, environmentalists and farmers in Europe. This turning point coincided with the increasing concerns about the negative environmental and other impacts of post-war agricultural development and the introduction of policies to support agri-environmental initiatives, including organic farming. This was reinforced by the implementation in 1993 of Council Regulation (EEC) No. 2092/91, which provided an important basis for many of the market and policy initiatives that have followed, with the result that more than 75% of the growth in organic farming in Europe has taken place in the last decade.

Historically, in the absence of other support, organic producers turned to the consumer to support their principles and practices. Originally the organic food market developed as a means to an end, in effect providing compensation to producers for the internalisation of externalities (e.g. environment, animal welfare), but

the market is now often seen as an end in itself. Today, consumers typically see organic food as healthy, safe and of high quality and for this they are willing to pay price premiums for organic products. However many, if not most, are less strongly motivated by more altruistic concerns such as the environment, animal welfare and social justice.

Government support for organic farming in recognition of its wider benefits began in the late 1980s, with national initiatives in countries like Denmark, Austria and Switzerland, as well as programmes in a few EU member states under the framework of the EU Extensification Programme (Commission Regulation (EEC) No. 4115/88) (Lampkin et al., 1999; Lockeretz, 2007). Since then, organic farming development has become more and more an instrument of state agricultural policy. With the legal definition of organic farming (Council Regulation (EEC) No. 2092/91) in the early 1990s, it became possible to specifically include organic farming as an option under the agri-environmental and other measures of the rural development programmes. Government support for organic farming now also extends into areas such as research, market development and consumer promotion.

A particular challenge for policy-making is that the concept of organic farming does not belong to government to modify and adapt at will. The concept has been developed by producers and interested individuals since the early 20th century and sustained by consumers through specialist markets, particularly since the 1970s (Lockeretz, 2007). Although it may now be increasingly owned or controlled by commercial and public institutions (regulators, policy-makers, research institutes, food industry), the need to involve stakeholders and respect their contribution/ownership

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in order to maintain the integrity of the concept is critical (Schmid et al., 2008) and consistent with current perceptions of good practice in policy development and implementation.

Against this background, this Food Policy special issue particularly addresses organic farming policy in Europe considering two different dimensions of policy development:

1. The dimension of policies, analysing the portfolio of instruments to support organic farming on EU level, its transposition and farm level impacts, and
2. The dimension of politics, providing insights into the aspect of stakeholder and institutional involvement in policy development and into the factors influencing organic farming policy networks in Europe.

This paper aims to provide an introduction to the special issue by outlining organic farming policy development and providing the basic concepts of organic farming policies in Europe. Finally, it describes current key policy issues and challenges for the future development of organic farming policies in Europe.

Organic farming in Europe: a chronology

Brief overview of organic farming development in Europe

By the end of 2007, organic farming in Europe accounted for nearly 7.5 million hectares on over 200,000 holdings (ZMP, 2008). This contrasts with 2.0 Mha a decade earlier and only 105,000 ha on 6,700 holdings in 1985. Most of this land, nearly 5.8 Mha, is in the old European Union (EU15), while the new member states account for almost 1.4 Mha.

At national level (Fig. 1), certified organic farming accounts for 11.5% of utilised agricultural land (UAA) in Austria, 7–10% in the Czech Republic, Greece, Italy, Latvia, Sweden and Switzerland, 4–6% in Denmark, Estonia, Germany, Finland, Lithuania, Portugal, Slovakia, Slovenia, Spain and the United Kingdom, and 3% or less in other European countries. In Sweden, a further 7% of UAA is managed organically with agri-environmental policy support, but is not certified as such and therefore the products cannot be marketed as organic. Organic farming is particularly strongly represented in extensive grassland-production regions, especially alpine areas, with Liechtenstein at 26%, and Tirol and Salzburg in Austria and individual cantons in Switzerland well over 30%. The predomi-

nance of extensive grassland holdings accounts for the fact that average holding size for organic farms is typically twice that for conventional farms (35 compared with 18 ha in the enlarged EU; 179 compared with 68 ha in the UK), despite the popular image of organic farming as an activity better suited to small farms.

Alongside the increase in the supply base, the market for organic produce has also grown significantly, but statistics on the overall size of the market for organic produce in Europe are still very limited. Padel et al. (2009) estimate the retail sales value of the European market for organic food at 16.2 Me in 2007, an increase of more than 13% compared with the previous year and three times the level of a decade previously.

Reasons for state support for organic farming in Europe

Henrichsmeyer and Witzke (1994) and Dabbert et al. (2004) argue that state intervention might be economically justified in cases where:

- The negative effects of earlier government interventions in markets need to be corrected and eased by new interventions.
- Imperfect competition can lead to important market failure.
- A lack of information and transparency severely impedes market functions.
- Market failures arise due to the nature of the goods involved (e.g. public goods and externalities).
- Markets lead to an income distribution within a society which is considered unacceptable.

Public intervention in the context of organic agriculture in the European Union addresses: (i) correction of previous government intervention, (ii) imperfect competition, (iii) lack of information and transparency as well as (iv) market failure with respect to public goods. Indeed, the first policy support for organic farming within the framework of EU regulations was intended to correct previous state intervention on markets. In the context of serious over-production in Europe, policy-makers saw the lower productivity of organic farming as a positive advantage and thus as an instrument to address surplus production (Commission Regulation (EEC) No. 4115/88).

Ensuring conditions of fair competition between organic producers, ensuring market transparency at all stages of production and processing and improving the credibility of organic products

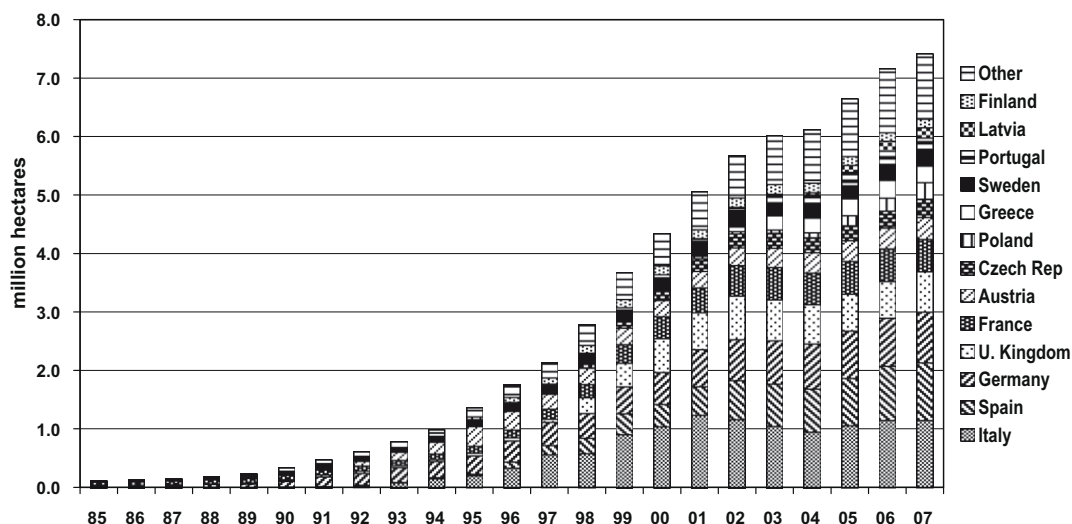


Fig. 1. Certified organic and in-conversion land area (Mha) in Europe, 1985–2007 (Other: countries with less than 150,000 ha in 2007; Sources: ZMP, 2008; FIBL; Aberystwyth University; Eurostat).

Table 1
Organic farming policy instruments used in Europe by 2006.

Policy instrument	Supply side	Demand side
Legal instruments regulations	<ul style="list-style-type: none"> • Council Regulation (EEC) No. 2092/91 of 24 June 1991 on organic production of agricultural products and indications referring thereto on agricultural products and foodstuffs • Council Regulation (EC) No. 1804/1999 of 19 July 1999 supplementing Regulation (EEC) No. 2092/91 on organic production of agricultural products and indications referring thereto on agricultural products and foodstuffs to include livestock production 	<ul style="list-style-type: none"> • Council Regulation (EEC) No. 2092/91 of 24 June 1991 on organic production of agricultural products and indications referring thereto on agricultural products and foodstuffs • Council Regulation (EC) No. 1804/1999 of 19 July 1999 supplementing Regulation (EEC) No. 2092/91 on organic production of agricultural products and indications referring thereto on agricultural products and foodstuffs to include livestock production
Financial instruments	<ul style="list-style-type: none"> • Producer support by area payments: conversion and/or maintenance • Inspection cost support • Investment grants • Animal welfare improvement programme 	<ul style="list-style-type: none"> • Support for marketing initiatives • Public procurement projects • Investment grants for processing and distribution • Support for marketing of quality agricultural products • Support for new sales structure • Feasibility studies • Market analyses and inventories • Investment grants for consumer cooperatives
Communicative instruments	<ul style="list-style-type: none"> • Advice and technical assistance • Vocational training and education programmes • Research • Investment grants for demonstration projects • Support for capacity building and institutional structures • Financial reporting 	<ul style="list-style-type: none"> • Information and promotion campaign • Public education • EU/state logo • Research • Support for fairs, exhibitions and organic events • Research • Production and market statistics

Sources: Hrabalova et al. (2005), Nieberg and Kuhnert (2006), Tuson and Lampkin (2007).

in the eyes of consumers are cited by the European Commission as reasons for introducing Council Regulation (EEC) No. 2092/91 (EC, 1991), which provided the first European wide legal framework of rules on organic production, labelling and inspection.

Market failures due to lack of information and transparency and to open up new markets are addressed by Council Regulation (EC) No. 3/2008 on information provision and promotion measures for agricultural products on the internal market and in third countries, supported by a toolbox for promoting organic products developed as part of the EU action plan (EC, 2004).

The most apparent government intervention however is targeted to market failure in the context of the provision of public goods. All EU member states support conversion to and maintenance of organic farming (see Table 1) through area payments under the framework of agri-environment and rural development policy (see below). Organic farming here is considered as a land management concept that contributes to sustainable development and which is compatible with the need to preserve the natural environment and landscape and protect and improve natural resources (EC, 2005).

This multiplicity of organic farming policy goals addressing both market development and public good issues is reflected in the dual vision of the EU action plan for organic food and farming (EC, 2004), but also illustrates why policy-makers can sometimes find it difficult to implement appropriate policy mixes to support organic farming development.

Organic farming policy instruments

When considering options available for political support for organic farming, we can distinguish between three main types of instruments (Michelsen, 2002): Legal instruments (regulation) are based on the authority and power of the state. Financial instruments (economic incentives or disincentives) are based on the price mechanism relating to the market and operate through economic incentives whether positive in the form of support or negative in the form of taxes and duties. Communicative instruments are based on the mutuality and social norms of the civil society and involve some kind of interaction between the regulator and the regulated citizens.

Government organic farming policy employs all three types of instruments (Table 1). In this section we review legal, financial and communicative instruments for public organic farming support adopted in the 27 EU member states and some non-EU states by 2006.

Legal instruments

Since 1993, with the introduction of Council Regulation (EEC) No. 2092/91, organic production, labelling and certification are legally defined by government authorities (Dabbert, 2001). These EU regulations can be seen as a minimum level while stricter rules may be used by private farmer's associations (Dabbert et al., 2004). These regulations have also been used as a basis for national legislation in the non-EU member states Norway, Switzerland and Turkey. Similar legal definitions and regulatory procedures have been implemented in several countries outside Europe, including USA and Canada, and guidelines for organic farming exists as part of the FAO and WHO Codex Alimentarius (Codex Alimentarius, 2008) which governs international trade.

As part of the European action plan for organic food and farming (EC, 2004), the original regulations have been substantially revised, resulting in Council Regulation (EC) No. 834/2007 defining core organic farming principles and most recently the Commission Regulation (EC) No. 889/2008 setting out the detailed implementing rules. Both regulations came into force in January 2009, with compulsory use of a new European organic logo to follow in 2010.

However, until 1993, the private organic sector set organic standards based on the Basic Standards of International Federation of Organic Agriculture Movements (IFOAM, 2005). With the EU introducing the organic farming regulation, the basic power to define organic farming shifted from the private sector to government authorities. Thus, organic farming becomes part of a legislative process which is influenced by competing interest groups, both within and outside the organic farming sector (Dabbert et al., 2004). This might lead to tensions between regulators and organic sector organisations seeking to develop standards to address current issues such as climate change and peak oil (see for example papers by Reed and Michelsen in this special issue). In some cases, as in the US, this has been addressed by prohibiting certifiers from

operating to higher standards than provided for in the regulations, but this may serve to stifle the evolution of organic standards and lead to breakaway factions undermining public confidence in the regulatory system.

Financial instruments

Most EU27/EEA states have implemented area payments to support conversion to and (in most cases) continued organic production, with Bulgaria and Romania introducing support most recently as part of the 2007–2013 rural development programmes. In 2005, organic farming support as a part of the EU rural development programmes accounted in the EU25 (no data for Hungary and Malta) for around 7% of all agri-environmental contracts, 10% of supported area and 17% of the public expenditure (European Union, 2007). Greece, Italy and Denmark had the highest share of organic farming government support as a proportion of total agri-environmental support at 53%, 39% and 37%, respectively (European Union, 2007).

Although all the EU member state support schemes for organic conversion and maintenance are underpinned by the same EU regulations (1698/2005 for 2007–2013, 1257/1999 for 2000–2006, 2078/92 for 1994–1999), there is considerable variation between countries in payment rates, eligibility conditions and requirements

(Hrabalova et al., 2005; Nieberg and Kuhnert, 2006; Tuson and Lampkin, 2007) (see Table 2).

According to Nieberg and Kuhnert (2006), in 2004/2005, the organic grassland maintenance (continuing) payments were highest in Ireland, Austria (€122–324/ha) and Belgium (€252–335/ha) and lowest in the UK (€20–51/ha), the Czech Republic (€34/ha) and Sweden (€53/ha). The highest organic arable area maintenance payments were paid in Belgium (€240–350/ha), Portugal (€147–400/ha), Slovenia (€460/ha) and Greece (€335–600/ha). Again, in the UK the lowest arable area payments are provided (€44–51/ha). As far as permanent crops are concerned, area support was highest in Germany (€590–924/ha), Austria (€872/ha), Sweden (€788/ha), Slovenia (€795/ha) and Greece (€400–900/ha) and lowest in Denmark (€117/ha) and the UK (€20–44/ha). Finally, in Belgium (€380–750/ha), Austria (€545–690/ha), Greece (€600/ha) and Portugal (€600/ha) organic vegetable area payments are highest while they are lowest in the UK (€20–51/ha) and in Denmark (€117/ha). France only provided area payments for the conversion period. In Spain, Italy and Portugal, the payment rates also vary considerably between regions. In 2005, the highest average organic farming area support was provided in Greece (€698/ha), Austria (€288/ha), Lithuania (€279/ha) and Italy (€226/ha) compared to an average of €46/ha for the Czech Republic or €54/ha for the UK, respectively (European Union, 2007).

Table 2
Financial support for conversion to and maintenance of organic production in different EU countries, 2004/2005 (in €/ha).

Country	Status	Grassland	Arable	Vegetables	Permanent crops
Germany	Conversion	130–255	153–255	251–576	501–1440
	Continuing	130–255	150–255	255–410	560–924
Austria	Conversion	122–324	363	545–690	872
	Continuing	122–324	363	545–690	872
Belgium	Conversion	252–335	410–456	810–894	788–810
	Continuing	55–275	240–350	380–750	555–750
Denmark	Conversion	187	187	187	187
	Continuing	117	117	117	117
Spain	Conversion	40–266	63–180	105–600	119–600
	Continuing	40–266	55–180	105–600	71–600
Finland	Conversion	147	240	480	631
	Continuing	103	196	436	587
France	Conversion	107	244	305	305–701
	Continuing	0	0	0	0
Greece	Conversion	0	335–600	600	400–900
	Continuing	0	335–600	600	400–900
Ireland	Conversion	261–327	261–327	261–327	261–327
	Continuing	228–291	228–291	228–291	228–291
Italy	Conversion	85–525	140–600	302–600	400–1080
	Continuing	85–525	111–600	295–600	298–900
Luxemburg	Conversion	180	180	360–510	510
	Continuing	150	150	300–450	450
Netherlands	Conversion	136	147	147–737	885
	Continuing	136	136	136	136
Portugal	Conversion	167–193	147–400	600	183–750
	Continuing	167–193	147–400	600	183–750
Sweden	Conversion	53	137–231	525	788
	Continuing	53	137–231	525	788
United Kingdom	Conversion	101–113	101–173	101–209	131–539
	Continuing	20–51	44–51	20–51	20–44
Czech Republic	Conversion	34	110	344	381
	Continuing	34	110	344	381
Hungary	Conversion	59	178	329	400
	Continuing	59	127	202	281
Poland	Conversion	72	149	215	394
	Continuing	57	131	206	337
Estonia	Conversion	74	97	241	241
	Continuing	74	97	241	241
Lithuania	Conversion	118	416	551	734–752
	Continuing	59	208	275	367–376
Slovenia	Conversion	230	460	544	795
	Continuing	230	460	544	795

Source: Nieberg and Kuhnert (2006).

Tuson and Lampkin (2007) report on further financial policy instruments targeted to organic supply like inspection costs support (provided in some regions in Germany, Denmark, Luxemburg, the Netherlands) and investment grants (Austria, Germany, Poland, Lithuania).

The most important financial instruments for the demand side are the support of marketing initiatives which are available in Belgium, Germany, Denmark, France and Portugal and the financial support of organic marketing projects which are provided in almost every EU15 country (Nieberg and Kuhnert, 2006; Tuson and Lampkin, 2007).

Communicative instruments

Communicative policy instruments for organic farming are targeted to information, communication, research, training and advice and can be found for both the supply and the demand side. In 2004, almost all the then EU15 states funded training and education for organic farmers (Tuson and Lampkin, 2007). In 2006, nationally-funded organic extension and advice was found in all EU member states apart from Spain, Greece, Portugal and Slovakia (Nieberg and Kuhnert, 2006). In 2008, the European Commission launched a promotional campaign for organic food and farming which aims to inform consumers about the meaning and benefits of organic farming and food production (EC, 2008). National consumer information and promotion campaigns were started in Austria, Belgium, Germany, Denmark, Spain, Finland, France, Italy, the Netherlands, Sweden, the Czech Republic, Poland, Slovenia, Latvia and Lithuania. National logos were launched in Austria, the Czech Republic, Germany, Denmark, Estonia, France, Lithuania, Slovenia and Slovakia (Hrabalova et al., 2005; Nieberg and Kuhnert, 2006; Tuson and Lampkin, 2007).

The European Commission funded 65 organic research projects under the 1st–6th Framework Programmes. This corresponds to a total of European Commission research funds for organic agriculture of 64.2 million € from 1990 to 2006 (Schmid et al., 2008). Additionally, almost all EU member states provide national financial input for organic farming research (Nieberg and Kuhnert, 2006).

Integrative approaches

In Europe, the most important public policy measures fostering organic farming development were the introduction of organic farming area support and the provision of the EU-wide legal basis for organic farming (Lampkin and Stolze, 2006; Daugbjerg et al., 2008). In many cases, however, the resulting supply increases led to short-medium term marketing problems. Processing and marketing of organic products are of crucial importance to sustainable development of the organic sector with its dual market and public good focus, requiring a different approach to that usually implemented under other agri-environment schemes. Since the late 1990s, organic farming policy has therefore developed from a one-dimensional focus on area support to more integrated approaches considering demand-oriented measures as well as communicative policy instruments of information, training, research, education and capacity building. Action plans provide a strategic instrument for governments to achieve policy goals, particularly when multiple policy areas (such as agriculture, environment, trade), are to be integrated and contradictory policies are to be avoided whilst also ensuring that the different measures are complementary (Håring et al., 2004; Lampkin and Stolze, 2006; Schmid et al., 2008).

Action plans for organic food and farming have been so far introduced in Austria, Belgium (Flemish part), Czech Republic, Denmark, Estonia, France, Germany, Ireland, Italy, the Netherland,

Slovak Republic, Slovenia, Spain, Sweden and in the UK. At the EU level, the European Commission published in 2004 an Action Plan for Organic Food and Farming (EC, 2004). In order to ensure an integrated, targeted and tailored policy design, typical characteristics of action plans are: participation of stakeholders in the action plan development process; explicit statements of the strategic role organic farming should play in the general context of agricultural policy; status-quo analyses; reviews of related policies in order to identify conflicting and potentially supportive policy areas; and support for creative conflict between conventional and organic farming organisations in order to stimulate innovation and improvement, empowerment of stakeholders, and the formulation of clear strategic targets or goals (Dabbert et al., 2004; Hamm and Gronefeld, 2004; Håring et al., 2004; Lampkin and Stolze, 2006; Schmid et al., 2008). This implies a focus on specific, often local, issues that need to be addressed with tailored measures.

Issues in current organic farming policy

Organic farming is rooted in a social movement that emerged out of opposition to mainstream farming. Rather than engaging in public protest against an established policy, it opposed the predominant way of farming by demonstrating an alternative (Dabbert, 2001; Moschitz and Stolze, 2007). In the previous sections of this paper we outlined the public policy dimension of organic farming, which is increasingly shaped by actors outside the organic movement. Whilst gaining political importance, actors in the organic farming policy field have to face a twofold, somewhat contradictory challenge. On the one hand they conceive of organic farming policy as an alternative to traditional general agricultural policy. On the other hand organic farming is strongly regulated by the state and highly dependent upon the super-ordinate agricultural policy arena (Greer, 2002; Lampkin and Stolze, 2006). The key issues of current organic farming policy to be addressed in this special issue therefore specifically consider the two different dimensions of policy development – the dimension of policies and the dimension of politics.

The role of regulation in supporting and controlling the organic sector is considered by some to be beneficial, while others have expressed concerns that this is leading to a process of institutionalisation or 'conventionalisation' of the organic sector (Guthman, 2004). Much depends on the extent to which organic values and principles, and the stakeholders that represent them, are respected and integrated in regulatory frameworks. The paper by Padel et al. considers the organic farming principles and values as defined by the organic movement and analyses references to these in the Council Regulation (EEC) No. 2092/91 and its revision Council Regulation (EC) No. 834/2007. Padel et al. argue that organic farming is value-based and that there is a general agreement as to the concept and core values of organic agriculture in Europe in the literature. However, not all of these core values of organic farming are covered by the minimum regulatory standards. There is concern that in a growing, more anonymous and globalised market these might be forgotten. As ethical values are per se in need of interpretation, Padel et al. argue for a deliberative model of decision-making when aiming to achieve coherent integration in the structure of a regulation.

Michelsen also considers the regulatory framework within the context of Europeanization, i.e. the move from a national to an European regulatory framework governing organic farming. Michelsen argues that organic agriculture was Europeanized through a combination of the EU regulation defining organic agriculture and the regulations that provided direct financial support to organic producers in the course of the EU rural development programmes. Michelsen shows that in transposing these regulations, member

states have had to deal with political aspects of the conflict between mainstream and organic agriculture. The level of conflict however has an impact only on the level of financial support transposed, while other aspects of transposition can be explained by formal institutional preconditions. Because the highest support is found under conditions of truly low conflict, Michelsen's analysis suggests that proponents of political support for organic agriculture should base their strategies more on common interests than on contradicting values.

Stakeholder engagement in policy development, implementation and evaluation, while touched on in the Padel et al. and Michelsen papers, are analysed further in two other papers in the special issue.

Moschitz and Stolze examine the *patterns of influence of organic farming policy networks* and how they affect policy implementation and the transposition of EU regulations at national level. The political environment is identified to be the main factor affecting size and density of organic farming policy networks in Europe while the distribution of power between organic farming organizations and agricultural ministries is influenced by state involvement and by the resources available to organic farming policy actors. However, while environmental and consumer stakeholders may be more visible in organic policy networks, the state and producers are the dominant influential stakeholder groups as in conventional networks.

The question of whether *multi-stakeholder involvement* can really make a worthwhile contribution to policy development is discussed by Häring et al. in the context of organic farming. The methodological approach to policy design and learning showed that the benefits and value of an alliance between researchers, policy makers and stakeholders in implementing policy are: (i) through partnership as stakeholder's voices were brought into the policy arena, (ii) through adding knowledge as stakeholder knowledge enhances the output of policy research and (iii) through dissemination of research results into practice.

As identified earlier in this paper, financial support payments in the framework of agri-environmental policy have become the dominant form of policy support for organic farming in Europe. However, there are significant concerns about the cost of these schemes as the organic sector expands its role in supporting agri-environmental objectives, and the interplay between mainstream support measures and organic farming support in influencing the financial performance of organic farms.

Offermann et al. contrast *organic farming dependency on direct payments* with that of conventional farms and assess the impact of foreseeable changes in the political and economic environment. They show that the organic farming direct payments play an important role in the financial viability of organic farms in Europe. However, other support payments and market returns contribute larger shares to total farm revenue. While most organic producers would like to see the specific organic support maintained or increased, a significant minority would like to see it reduced or abolished, favouring autonomy from state support and control as much as from reliance on purchased inputs and commercial interests.

The *interplay between the market for organic products and policy support* as means for maintaining the financial viability of organic farms is also considered in this special issue. As discussed above, organic farming faces a particular challenge in balancing the dual goals of delivering societal benefits through organic land management, which may be rewarded by public funds, and of delivering private benefits as reflected in specific consumer demands in the organic marketplace, which may be inconsistent with the societal goals.

Reed looks at the tensions that arise when the market is relied on to support the goals of organic farming. For some, the organic market held out the promise of consumer democracy – that social

change could be achieved through the marketplace – with consumers demonstrating support for the environmental, social and other goals of the organic sector by purchasing organic products. While this strategy may have been successful in the past, Reed argues that there is increasing evidence that there is a convergence between sections of the organic movement and the dominant multiple retailers. He suggests that, as a result, the potential of the organic movement is increasingly being circumscribed.

In contrast, Tranter et al. consider the potential of the market to play a greater role in supporting organic production. One of the reasons for higher levels of financial support during the conversion period has been to compensate for lack of access to organic price premia, which are normally only available once the 2–3 year conversion period is completed and products have achieved full organic status. One option to reduce the need for financial support would be to develop markets for products from farms in conversion. Tranter et al. examine *consumers' attitudes towards, and willingness-to-pay for, conversion-grade food*. They found that consumers would be prepared to pay a premium for conversion-grade produce of around half the premium for organic produce with vegetables attracting a higher premium than meat. However, they conclude that barriers to marketing such products, particularly from retailers, would be formidable and require alternative policies.

The papers presented in the special issue illustrate the complexity of policy making with respect to organic farming and in particular the challenge of reconciling multiple objectives, multiple stakeholders and multiple policy mechanisms in a coherent policy framework. The results of these studies and recent research programmes on organic farming policy (EUCEEOPF (<http://www.aber.ac.uk/EUCEEOPF>) and ORGAP (<http://www.orgap.org>)), indicate the need for continued review and development of organic farming policies. In a changing policy environment, with climate change, food security and economic crisis now dominant themes, the need for policy evolution and adaptation is even clearer.

Future of organic farming policy

The policies for organic farming developed in Europe since the late 1980s have been developed in the context of production surpluses, loss of biodiversity due to agricultural intensification and a heavy reliance on commodity support for mainstream agriculture. As argued earlier, the market for organic products was initially developed as a means to support the financial viability of farmers trying to deliver broader objectives.

As we approach the next European policy planning period (2014–2020), the circumstances that have influenced organic farming policy development over the last two decades are very different. Widespread policy support has reduced and in some cases eliminated the need for producers to rely on the market, while at the same time the success of the organic market has generated its own challenges with respect to organic principles and values. Commodity support has been decoupled and increasingly these resources are being diverted to agri-environmental and rural development programmes. Surpluses as a problem have been replaced by renewed concerns about food security. Climate change now tops biodiversity and pollution as the key environmental concern. At the same time, the global economic downturn is severely constraining market growth and government ability to fund support programmes of this type.

Meta-analyses of scenarios and future pathways for the shaping of the common agricultural policy (CAP) show a two-axis construction with globalisation versus regionalisation on the one axis and economic orientation versus environmental orientation on the other (Meyer, 2007). The transition pathway for organic farming development will need to recognise that international trade of

organic products is already reality while at the same time, organic agriculture could add an important economically, culturally, ecologically and value-based plus to the trend of European agriculture's role in empowered local economies.

Stolze et al. (2007) highlighted the European dichotomy in: (i) the organic production structure and (ii) the level of organic farming development. For example, while in the new CEE member states consumer information, domestic market development, environmental/organic capacity building and educational programmes for farmers on environmental issues are priority issues that should be addressed through organic farming policies, in countries like Denmark and Germany, the challenges of a post-productionist agriculture and global trade are gaining importance.

With the ongoing growth of the organic sector and the growing relevance of international trade with organic products, the field of organic certification has become a maze of competing labels, different private and public standards, in addition to European law. This diversity reflects the specific conditions for organic operators in countries or regions but can also lead to confusion for both producers and consumers, may create a variety of costs and could increase the risk for fraud. As the basis of the current certification model was developed decades ago, with organic farming being in its early stage and the level of international trade being low, innovative and efficient certification approaches need to be developed without making cuts in certification quality (Dabbert et al., 2008).

With the focus on climate change, there are now strongly competing claims as to which farming systems deliver most in terms of reducing greenhouse gas emissions. Organic farming's reduced productivity and reliance on livestock as an integral part of the system is seen by some as a weakness, but by others as a way of significantly reducing fossil energy inputs, reducing nitrous oxide emissions associated with manufacture and use of nitrogen fertilisers and providing opportunities for soil organic carbon sequestration. At the same time, other environmental concerns still need to be part of the equation. More robust evidence-based assessments of these issues are needed to help identify the relative merits of different approaches and optimal future development paths.

The renewed focus on food security is also perceived as a key challenge for organic farming with its lower yields, at least in an industrialised farming context. On the one hand, increased food production is seen as essential, with GM crops and more intensive methods playing a significant role. However, there is also a need to examine how what is currently produced is actually utilised. Does it make sense to produce more cereals to feed to livestock in competition with human food needs? In many cases, grass-fed livestock can make better use of the biomass production potential of land, so integrated organic systems may exhibit similar total productivity to conventional production systems, while being less dependent on inputs from non-renewable resources. In developing countries, the potential of agro-ecological approaches such as organic farming to directly enhance food security has also been recognised (Scialabba and Hattam, 2002; IAASTD, 2008).

Conclusion

Organic farming in Europe has developed significantly in recent years, support by significant and varied policy interventions. The wide range of measures implemented reflect multiple policy goals and multiple stakeholder interests as well as some convergence of European policy goals with those of the organic movement, particularly with respect to ameliorating the impacts of intensive production on the environment and promoting high animal welfare and food quality standards. However, the new emphases on climate change, food security and global recession present new challenges for organic farming policy development. Research such as that presented in this special issue, can make a significant contri-

bution to supporting the policy development and evaluation process, and thus to addressing these challenges.

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