Marketing organizations and cooperative associations for organic farming

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Marketing Organizations and Cooperative Associations for Organic Farming

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Summary: In this paper, the basic structures, missions and issues of major marketing organizations and cooperative associations in the USA and EU countries, with reference to organic farming are examined. In this respect, examples from public, private and farm organizations which conduct activities related to organic farming in the World and in Turkey were evaluated.

Organic farming organizations and their services are worth looking into in the USA and in most EU countries. On the other hand, such organizations and their affiliated activities on organic farming are rather limited and new in Turkey. In particular, Turkish agricultural cooperatives seem to have made no significant efforts in organic farming at present, probably due to the fact that most of the basic problems of agricultural cooperatives have not been solved.

In particular, the issues as the services of cooperatives to organic producers, management of cooperatives to assure producer control and the roles of local, regional and national cooperatives concerning organic farming are of crucial importance to the development of organic cooperatives.

Organic production is at a crossroads. Consumers of organic products fall into three main categories: the politically or ideologically motivated who are concerned about the environment and animal rights; the health conscious; and the switchers, who are easily swayed by the media and influenced by price and availability. However, consumer demand is driving a rapidly expanding market that has not yet been sufficiently organized to meet its needs. The creation of cooperatives can help remedy this situation, but they must be developed according to producer relevant models that do not duplicate those typically found in conventional agriculture. The information generated from the related organizations will help organic producers develop structures (e.g., cooperatives) to maintain control of their destiny in the market place. Currently, the farmer, organic or otherwise, has little if anything to say regarding the prices he or she receives. Consequently, the number of family farms has declined drastically due to poor farm income.

The organic food-processing sector in many countries traditionally consists of small and medium-sized successful enterprises, which produce one to two speciality products and sell them locally.

Large agri-food companies are investing in organic foods and using their names to launch brands available nation-wide.

A survey of organic producers whose aim is to explore marketing options may yield important information that will characterize current organic farm production systems, prioritize research needs, guide the development of cooperatives, and stimulate other organic industry initiatives. The survey could include questions related to general organic farm structure, operations and management, and current production constraints.

The organic industry provides a unique, and perhaps the last, opportunity to create a more sustainable food and fiber production network, but we must govern our own pricing structures that will allow us to remain on our farms with dignity. A fair return for such an honorable profession is not too much to ask.

1. Introduction

Organic farming can be defined as: "*Organic farming is an ecological production management system that promotes and enhances biodiversity, biological cycles and soil biological activity. It is based on*

minimal use of off-farm inputs and on management practices that restore, maintain and enhance ecological harmony."

'Organic' term denotes products produced under the authority of the Organic Foods Production Act. The principal guidelines for organic production are to use materials and practices that enhance the ecological balance of natural systems and that integrate the parts of the farming system into an ecological whole. Organic farming practices cannot ensure that products are completely free of residues; however, methods are used to minimize pollution from air, soil and water. Organic food handlers, processors and retailers adhere to standards that maintain the integrity of organic agricultural products. The primary goal of organic agriculture is to optimize the health and productivity of interdependent communities of soil life, plants, animals and people. The use of almost all synthetic inputs is forbidden in organic farming by laws and certification programs. Crop rotation is compulsory to avoid the exhaustion of the soil.

2. Organic Farming in the European Union and Turkey

2.1. France

In contrast with other European countries, organic agriculture in France developed furthest in the nineteen-eighties, particularly in areas of quality level of the products, number of organic farms and level of information amongst the population.

The first standards for organic agriculture were published in 1972 by the producers' association Nature & Progrès. Legislation on organic agriculture was passed in 1981. The state logo for organic products, the AB-Logo (Agriculture Biologique), was launched in 1985. This high level of state recognition led to the wide acceptance of organic agriculture in France and across its borders and at the time France was the most important European supplier for organic products, and 40 per cent of the European organic land was located in France.

In the mid nineteen-nineties, the number of organic farms stagnated, and the area of organically farmed land grew only very slowly. This was due to the implementation of council regulation number 2092/91 and major changes in the organization of the sector.

In 1993 the budget provided by the French government for conversion aids was still very modest in comparison with other EU-countries. In the year 1998, however, the French Ministry of Agriculture (http://www.agriculture.gouv.fr/accueilv3.htm) had allocated 60 million Francs (approximately 9 million Euro). These subsidies were distributed by region.

In December 1997, because of the growing domestic demand (20 percent annual increase) an action plan (Plan Pluriannuel de Développement et la Promotion de l'Agriculture Biologique) was announced by The Ministry of Agriculture to support organic production.

The plan involves subsidies totalling 80 million Francs (12.3 million Euro) to stimulate and improve organic production, distribution and sales. The goal requires converting one million hectares of farmland and increasing the number of organic producers to 25,000 by the year 2005. In order to achieve this goal, financial support for farm conversion was increased, and support was extended to marketing initiatives as well as to training and research.

More than 60 percent of the organic land is located in the six regions of Basse Normandie, Bretagne, Pays de la Loire, Languedoc-Roussillon, Midi-Pyrénées and Rhône-Alpes, which account for less than 40 percent of the French agricultural area. The majority of converted land is grassland, and within organic animal-production a big increase can be recorded.

Until 2000 organic arable land had been growing at a slower rate than grassland. Because of the discrepancy between the development of the animal and plant sectors and the growing demand for organic products on the part of the consumers, the import of organic products from other countries rose by 40 percent in 1998 over the previous year.

In 2000, however, this picture changed: Growth of organic animal production slowed down and the arable land increased faster than the grassland. This change is due to increased payments for cereals and oil seeds.

After years of stagnation, organic agriculture in France – once Europe's leader - is on the rise again, even though growth slowed down in 2000. This is due to an action plan launched by the French government in December 1997. The objective of the five-year plan is to make France Europe's leading supplier of organic foods and raw materials by the year 2010. Presently, domestic demand cannot be met with French production. At the end of 2000 there were 9,283 organic farms with 371000 hectares. One point four per cent (1.4 %) of all the farms deals with organic farming and 1.3 % of the total agricultural area belong to organic farms.

In France, organic farms are supported financially only while converting. Existing organic farms do not get any special subsidies for this kind of agriculture. They have an upper limit of 500,000 French francs (75,770 Euro) as total payments per farm during the conversion period.

2.2. Germany

The importance of agriculture in Germany has decreased during the last decades, as it has in all other European countries. In 1996, the contribution of agriculture to the gross domestic product was only 1 %. This figure is much higher, however, when related economic sectors based on agriculture are also taken into account. German agricultural exports and imports are among the highest in Europe. Trade partners are mainly EU-, EFTA or associated eastern European countries. The number of farms decreased from 648,803 in 1990 to 429,000 in 1999. As of 1999, farms with less than two hectares are no longer counted (until 1998 farms with more than one hectare were counted). In 1998 the agricultural area was 17.26 million hectares, which is 48 percent of the total area.

In 1999, 43 percent of all farms were managed full-time and 57 percent were managed part-time. Ninety-five percent of all farms were family farms (Federal Ministry of Food, Agriculture and Forestry, Agrarpolitische Mitteilungen 2/2000).

The farms in the former German Democratic Republic (GDR) were much bigger than those in the West, and even today the statistics differentiate between farms in the West and in the East. In 1999, the average farm size was 29 hectares in West Germany and 201 hectares in the East. One point one percent (1.1%) of all farms are organised as legal entities. They account for nearly 20 percent of the agricultural area.

The organic share of 2.6 percent of the total agricultural area and 2.4 percent of the total number of farms (1999) corresponds to the European average.

2.3. Greece

In order to understand the problems of agriculture in Greece, one has to bear in mind several facts on agriculture in Greece in general.

In 1995, there were 774,000 farms in Greece. The total agricultural area was 5,148,000 hectares in 1997. The average farm size is about 6.6 hectares. Bigger farms are created through leasing. This

is the same case for organic farms. There is a sharp difference between irrigated and rain-fed agriculture, which is more important than differences in soil and climate. Water is the main determining factor with respect to crops and yields. Rain-fed crops involve a higher cultivation risk and lower income. Therefore, only a small range of crops is cultivated on fields that can not be irrigated (cereals, pulses, some fodder crops, sesame, olives and wine).

Irrigated crops are cultivated according to the pattern of conventional agriculture all over the world: with a high application of chemicals. To a great extent, rain-fed agriculture has been refrained from the massive advertising campaigns of the chemical industry. Therefore, traditional practises of cultivation can still be found. Older people still know about crop rotation, green manure and traditional crops (pulses, rain-fed fodder crops). Models of traditional cultivation which could be referred to as organic have, however, vanished.

Many people believe that it should be easier to convert extensive cultivation to organic farming than intensive cultivation systems. This is not the case. The main problem is that farmers consider extensive agriculture to be organic already. Due to the lack of information and training, there is no understanding of the demands of organic agriculture. One should bear in mind that only 5.7 percent of Greek farmers have attended an agricultural training programme of one year or more.

Crop and animal production in Greece are traditionally separate from each other. Animals, mostly sheep and goats, graze on harvested fields and public land, including woodland, grassland and barren land. In the winter, grazing is supplemented by animal feed produced by the same farmer or purchased in the region around the farm. There are, however, big animal farms similar to those in western and central Europe producing eggs, milk and meat for the centres of consumption exclusively from purchased animal feed.

The system of integrated plant and animal production on the same farm as it is known in northern Europe has no tradition in Greece and other Mediterranean countries. That is the reason why this system will be difficult to implement even in organic agriculture. In most cases, a steady cooperation will develop between farms producing animal feed and others producing animal products and manure.

2.4. 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 nation-wide self-regulatory standards for organic farming.

Once EU-Regulation 2092/91 was implemented, the numerous small associations of organic farmers and the producers and consumer committees operating in every region reorganised themselves, joining forces through mergers and a federative network. Today, there are nine 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. By December 31, 2000 there were 49,790 organic farms with 1,040,377 hectares, 1,330 farms with processing plants, 2,817 processing and trade companies and 67 importers in Italy. The area constituted 7 % of the agricultural land and the farms, 2 % of all farms.

More than 25 % of the EU's organic land and more than two thirds of the organic farms are located in Italy.

2.5. Spain

In terms of organic agriculture Spain is much more of a producer than a consumer. The natural conditions of the country (relatively moderate use of agri-chemicals, numerous ecosystems and a favourable climate for early-cultivation) have promoted the introduction of organic agriculture, but until now there was no home market with stable trade-structures. Therefore approximately three-quarters of the production (for the most part typical Mediterranean crops) are exported, mainly to central and northern European countries.

Early organic farmers were either strongly motivated by the organic agriculture ideal, or they were farmers who made contracts for certain products for which traders could guarantee sale. Today the spectrum of the producers is more complex, and there are many producers for whom organic agriculture presents an economic alternative to conventional agriculture, since it offers major opportunities to sell quality-products at appropriate prices. The future development of organic farming depends on the development of the domestic market, making a higher variety of crops possible.

Organic farming started up in Spain in the 70's. Small farms, especially promoted by young people converted into organic farms in the middle of the 70's. The first important project of a noteworthy group of members was the conversion of the Calasparra (Murcia) rice cooperative. Spanish organic agriculture has shown a slow, but steady growth. In recent years, particularly since the introduction of state legislation on organic agriculture, rapid development was seen.

The number of organic farms has increased twelve-fold between 1994 and 1999, and the number of processing companies more than tripled. In 2000 there were 13,424 producers (1.1 % of all farms) and 866 processing firms dealing with organic farming.

2.6. Turkey

Organic farming and in-conversion land constitute a small part of total agricultural land. Organic farming was first started and concentrated in the Aegean region in 1985, has expanded in other regions in recent years. The number of farmers dealing with organic farming is increasing as well. The number of organic farm products increased to 92 in 1999 in Turkey. According to the statistics of 1999, in Turkey, 12275 farmers produced 92 organic products on a farm area of 46253 hectares and total organic production reached 168306 tons. The contribution of organic farming to the National Economy through exportation was estimated to be 150 million US dollars. The increases in the number of producers, farm acreage are meaningful. For instance, the number of organic producers was only 8 and farm land 1037 hectares in 1990.In 1998, 51 % of all organic products were dried farm products, 24.9 % field crops and 19 % fresh fruits. Crop pattern is made according to foreign market demand.

The development in organic production could be entirely attributed to increasing foreign demand, because domestic consumption has not yet reached a sizeable quantity. In this new and promising sector, marketing trends in world consumption and trade indicate that the increase in the production of organic farm products seem to continue in the future.

In order to identify and have a legislation concerning the rules of production, processing and marketing of organic products, the "*Regulation concerning the Production of Vegetal and Livestock Products by Organic Methods*" was issued and put into action in the Official Gazette of Republic of Turkey dated December 18, 1994. According to the national regulations, the "*National Steering*

Committee of Organic Agriculture" and the "*Committee for Organic Agriculture*" were established by The Ministry of Agriculture and Village Affairs.

3. Public and Private Organizations for Organic Farming

3.1. Experimental Farms, Research and Information Centres

3.1.1. Elm Farm Research Centre in Britain

Elm Farm Research Centre is located on a 95 ha organic farm. The research program is directed at the Research Centre and on other organic farms around the country. Thus all trials are carried out within the correct rotational position. Besides, there is an Advisory Service for the farmers, a laboratory supplied with modern equipment to undertake soil analysis according to the needs of the organic farmer. The education office of the centre deals with course development and staff training.

Research activities are carried out in the area of the conservation and losses of nutrients, some of this research program is supported from government funds. A key area of research is the development of stockless organic farming systems. In addition a number of PhD programs are being supported. These include a study of the intercropping of beans and wheat in organic systems; the marketing of organic produce and a study of the social and environmental costs and benefits of different farming systems.

There is an increasing interest in research in organic agriculture and horticulture, and this is encouraging. However, there are two key issues which must be taken into account. First of all, it is crucial that the approaches and methods of organic husbandry are well understood by the researcher. Secondly, the research must be implemented on a convenient place within an operating organic system. The research carried out within this context will be very beneficial to the organic farmer and likely to the rest of the agricultural community.

3.1.2. Nagele Experimental Farm in The Netherlands

Research of this national experimental farm for the development and comparison of alternative systems started in 1979. The farm is situated near the village of Nagele in the NorthEastpolder, three to four meters below sea level on heavy sandy marine clay. The size of the farm is 72 hectares. Three farming systems have been studied: organic, integrated, and conventional. They are run on a commercial basis by one manager and four co-workers. The organic farm is managed according to the biodynamic method, which is one of the organic systems practiced most in Western Europe to date. It is a mixed farm of 22 hectares, with 20 dairy cows and 11-year rotation, including 55 percent fodder crops. Its main objective is to be self supporting in fertilizers and fodder. No pesticides are allowed. The conventional and the integrated farms are concerned exclusively with arable farming. They are each 17 hectares and have the same 4-year rotation. The conventional farm, which serves as a reference, seeks to maximize financial returns. The integrated farm should produce a satisfactory financial return, but is also aimed at minimal input of fertilizers, pesticides, and machinery to avoid pollution of the environment and save nonrenewable resources. So it may be characterized as an intermediate system.

The research on the farms has three objectives: (a) development of the organic mixed farm and the integrated arable farm in theory and practice, (b) evaluation of the results of the systems, based on their specific aims and (c) comparison of the results of the experimental systems with those of the conventional reference system.

The aim is not only development or comparison of systems, but to consider them both as necessary. The experimental systems have to be developed fully before they can be judged on their feasibility and viability, in comparison with conventional agriculture. In a previous paper, the initial results of farming and research were presented relating to animal husbandry, crop growth and yield, soil cultivation and weed control, pest and disease control, quality of products, farm economics, effects on nature and the environment. One of the most crucial questions in organic farming that of how to maintain soil fertility was treated separately. Herein, the latest research results are evaluated, with special emphasis on development of farm management, inputs of fertilizers and pesticides and economic results. Based on these results, the perspectives of the two alternative farming systems can be discussed.

3.1.3. The Organic Farming Centre in Scotland

The Organic Farming Centre is a joint institution between the Edinburgh School of Agriculture and the University of Edinburgh's Centre for Human Ecology. The centre is located both at the School of Agriculture in Edinburgh and at a farm in Fife region. The Centre obtained substantial funding for its first 2 years of operation from the European Commission, the Scottish Development Agency, Safeway pie, and the Department of Agriculture and Fisheries for Scotland since 1989. The Centre has an extensive program including research, information and training, and economics and marketing. The research has 2 key objectives: to assess the problems associated with maintaining a regular high quality supply of vegetables and beef using organic production techniques. As an activity of information and training, a European information service on organic husbandry will be created and training courses for farmers and advisors will be set up. The economic research program will determine the costs of production at field and representative farm levels for a range of crops and farm types. In addition, it will aim to show the role that organic production methods can play in meeting EC targets. In an effort to recognize the role of the consumer in the food production and retailing business, the Organic Farming Centre has maintained staff and resources to determine the preferences of the consumers of organic produce in terms of price, quantity and quality.

3.1.4. The Alternative Farming Systems Information Center (USA)

The Alternative Farming Systems Information Center (AFSIC) is one of the topic-oriented Information Centers at the National Agricultural Library, located in Beltsville, Maryland in the USA. The Library is the most impressive agricultural library in the world, and is one of the four U.S. national libraries along with the Library of Congress. AFSIC is supported, in part, by USDA's Sustainable Agriculture Research and Education (SARE) program.

AFSIC specializes in locating and accessing information related to non-conventional cropping systems including sustainable, organic, low-input, biodynamic, and regenerative agriculture. AFSIC also focuses on alternative crops, new uses for traditional crops, and crops grown for industrial production.

The publications as quick bibliographies, special reference briefs are created and published by AFSIC staff. These publications focus on specific topics of current interest and most of them are available through the website. Books, articles, and videocassettes cited in AFSIC bibliographic publications are not available directly from AFSIC.

3.2. Register and Certification Bodies

3.2.1. United Kingdom Register of Organic Food Standards

United Kingdom Register of Organic Food Standards (UKROFS) is an independent body supported by Government funds and administered by Food from Britain. The aim of UKROFS is to

ensure that food sold under a recognized organic symbol was produced according to a nationally agreed standard.

Its affairs are governed by a Board of invited members drawn from a wide spectrum of interested parties-standards organizations, producers, processors, retailers, trading standards officers and consumer groups.

The affairs of the Board are governed by invited members drawn from a wide spectrum of interested producers, processors, retailers, trading standard officers and consumers. The specialist committees assist the board in setting and operating organic standards and recently in advice on future research and development requirements. The first set of agreed standards were published in May 1989 and welcomed by the Ministry of Agriculture.

The UKROFS standard establishes the guidelines for methods of production and processing for virtually all farm products (plant and livestock products) and foodstuffs. The standard contains list of permitted inputs and the circumstances in which they may be used. In this connection, it has made progress significantly beyond the scope of the initial draft of the Regulation.

The producers or processors obtain the right to market their products by meeting the standards under the logo of the scheme introduced. Nevertheless the main aim of UKROFS is to provide confirmation that standard schemes operated by other bodies are consistent with the agreed national system. Thus the organization will be able to undertake functions as proposed in the Draft EC Regulation on organic agriculture.

Consequently, the United Kingdom Register of Organic Food Standards (UKROFS) have been set up in order to bring a legal definition and introduce a national system for verifying organic standards of organic produce by taking its first steps in 1987.

3.2.2. Inspection and Certification Bodies in France

Six inspection bodies are accredited according to EN 45011 by the Ministry of Agriculture

These are:
Ecocert SARL, Qualité France,Ulase, Agrocert, Certipaq, Aclave

These five organisations are authorised to certify organic plant and animal products. The Ministry of Agriculture as well as the Ministry of Economic Affairs function as competent authorities according to Council Regulation (EEC) No. 2092/91.

France has a national logo for organic products - the AB-Logo (AB = Agriculture biologique) - which is owned by the French state.

Organic products can be labelled with this logo when they contain more than 95 percent organic components, whether thet are produced or processed within the EU, or certified by one of the inspection bodies accredited according to EN 45011.

3.2.3. Italy's Certifying Bodies and Producer Organizations

In 1990 there were only four certifying-bodies/ producers' associations in Italy. These were AIAB, Suolo e Salute, CCPB and the Biodynamic Association, which later gave rise to a certifying body named CODEX.

AIAB was the largest association, grouping together many local-regional grassroot associations. Suolo e Salute (established in 1969) and the Biodynamic Association (established in 1947) were

the historical cultural/producers' groups, while CCPB is a cooperative (established in 1988) that supports cooperatives, processors and large co-op retailers.

At the end of 1993, a year after the EU regulations on organic agriculture had come into force, the Italian Minister of Agriculture recognised three new organisations (A.M.A.B., AgriEcoBio and BioAgriCoop), bringing the total number of certifying bodies up to seven.

In December 1996, the Ministry of Agriculture (the competent authority) confirmed the registration of all certifying bodies (some of which had changed their names) except for AgriEcoBio. This association did not conform to EN 45011 standards, and its place was taken over by two new bodies (QC&I and Ecocert) both of whom were recognised and registered. In early 1999 another control body, BIOS, was recognised.

AIAB, Bioagricoop and CCPB are IFOAM accredited; 7 out of 9 Italian certifying bodies (except Codex and Ecocert) are EN 45011 accredited by Sincert (Italian authority for the accredidation), member of IAF International Accreditation Forum and EA European cooperation for Accreditation.

In 2000 AIAB promoted ICEA limited consortium, together with DEMETER Italy, ANAB (the Italian BioBuilding Association), ACU (Consumers association) and Banca ETICA (Ethic Bank) which in the course of 2001 inherited the AIAB control and certification system leaving to AIAB the organic agriculture standards development, the managing of the Garanzia AIAB seal and the activities of research, training and promotion of organic agriculture.

Several certifying bodies have a producer organisation associated with them. The aims of the producer organisations are different from those of the certifying bodies. Although some aim to provide technical guidance and extension services to organic farmers the majority are merely lobbying and cultural associations. In this sense, a more active role of the traditional (non-organic) farmers associations would be desirable.

One unique regional producers' association is PROBER (Associazione produttori biologici e biodinamici dell' Emilia Romagna). The organisation includes producers from different certification bodies and has obtained the recognition from the regional government. Therefore, it has access to public funds to provide services to its members. The services given include technical extension, promotion and marketing, as well as demonstration, experimentation and research activities. It also lobbies for the sector at the regional level, including demands for more recognition and advantages for organic farming in many regional laws and programmes.

The Federation of the principal organic and biodynamic producer and certifying organisations (Federazione Italiana per l'Agricoltura Organica-FIAO) is founded in 1992. FIAO represents the sector with 17 cooperative, producer and consumer associations at a political level and informs the public about organic farming.

The other organizations (Biobank, Greenplanet, CEDA) inform producers concerning organic farming and consumers by publications and network. Greenplanet is a network of organic and ecological associations which runs a web network and publishes a free weekly E-mail newsletter about trade and laws issues, and a complete press review. CEDA (Centro Ecologico di Dimostrazione Agraria) promotes organic agriculture by providing documentation, demonstration and information. It was founded by AIAB in 1996. It organises courses and seminars for organic advisors and farm walks.

3.3. Other Organizations

3.3.1. Sweden

National Board of Agriculture and Control Association

The National Board of Agriculture has drawn up the regulations for the government support to be applied as from the growing season 1989.

The support runs for three years. Either the whole area can be changed in 1989 or it will transform step-wise over the subsequent five years at most. The change shall be sustainable -the area must be farmed organically for six years at the least. Also for areas which are already fanned organically, support can be granted.

The County Agricultural Board administers the support and also has the responsibility for the control. KRAV (Control Association for the Organic Farming) or Svenska Demeterforbundet control the cultivations.

Thanks to government support the organically farmed area is estimated to increase 4 times among 2,000 farmers. It corresponds to about 1.5 percent of the total arable area in Sweden.

As there is a great interest for organic farming the need for advisory services is increasing. In 1988 the County Agricultural Boards employed more advisors for organic production. Now we have all nine organic advisors at the County Agricultural Boards. One of them is specializing in domestic animals and two are working with gardening. In addition there is at least one advisor at each County Agricultural Board who to some extent works with organic advisory services.

The advisory services of the County Agricultural Boards in organic farming to individuals have tripled from budget year 1987/88 to 1988/89. The courses and field demonstrations in organic farming are increasing in number as well.

As commissioned by the government, the National Board of Agriculture set up a Council for Organic Farming in autumn 1988. The Council consists of authorities and representatives for the organic farming and trade. The Council changes experiences and gives its view on how the organic farming shall be promoted and developed.

3.3.2. Germany

There are numerous other organisations related to organic agriculture in Germany, some of which are introduced below. An almost complete overview of all relevant organisations in the organic sector in Germany is given in the directory of IFOAM members, Organic Agriculture World-wide. Two major organizations for organic farming are given below:

Foundation Ecology & Agriculture (SÖL)

Foundation Ecology & Agriculture (Stiftung Ökologie & Landbau-SÖL) was founded in 1961 and has worked specifically on the topic of organic agriculture since 1975. Many of SÖL's activities relate to information about organic farming. It publishes the quarterly journal Ökologie & Landbau (Ecology & Agriculture), which covers all aspects of ecology and farming. It is the only magazine in the German-speaking countries which regularly publishes articles on organic agricultural research. Ökologie & Landbau is also the German-language magazine of IFOAM. Since 1997 Ökologie & Landbau has been produced in co-operation with the Swiss Research Institute of Organic Agriculture (FIBL).

The brochures and books of SÖL cover a wide range of subjects related to organic agriculture. From 2000 on, SÖL and the organic producer organisation (Bioland) have published books for

organic farmers and growers. SÖL also publishes the quarterly Advisors' Bulletin and its internet page covers a wide range of topics on organic agriculture.

SÖL initiated and co-ordinates a biennial scientific conference on organic farming in the German-speaking countries, in co-operation with various research institutions. The first conference took place in Witzenhausen, Germany in 1993; the second in Munich in 2001.

Since 1991, SÖL has acted as co-ordinator of the IFOAM Regional Group of German-speaking Countries (Austria, Germany, Luxembourg and Switzerland).

The SÖL research and training farm was established in January 1999.

Working Group for Foods Produced without Genetic Engineering (ALOG)

Working Group for Foods Produced without Genetic Engineering (ArbeitsGemeinschaft Lebensmittel ohne Gentechnik-ALOG) was founded in January 1999. Its aim is to promote the availability of inputs as raw products, processing agents produced without the use of genetic engineering. The database is supported by numerous institutions and firms.

Members of ALOG are:

- ArbeitsGemeinschaft Ökologischer Landbau (AGÖL), Germany
- ARGE Gentechnik-frei e.V., Vienna, Austria
- Biologica, het Platform voor Biologische Landbouw en Voeding, Utrecht, the Netherlands
- Forschungsinstitut für biologischen Landbau (FiBL), Frick, Switzerland
- Verband der Reformwarenhersteller (VRH), Germany
- Stiftung Ökologie & Landbau (SÖL), Germany

Schweisfurth Foundation (Schweisfurth Stiftung)

The Schweisfurth Foundation was founded in 1985 by Karl Ludwig Schweisfurth. Its aim is to support projects in research and science for a sustainable environment. Organic farming is a main aspect of this goal. Several projects financed by the foundation deal with organic agriculture.

The foundation supports four chairs at three different universities in Germany: Agriculture and Social Ecology (Humboldt University, Berlin); Ecological Food Quality (University of Witzenhausen); Evolutionary Biology and Morphology (Witten Private University); and Applied Studies of Farm Animal Behaviour and Species-Appropriate Management and Housing (University of Witzenhausen). Furthermore, the foundation endows awards for organic farms as well as research awards for ecological economics and for species-appropriate farm animal management.

The Society for Ecological Animal Husbandry (Gesellschaft für ökologische Tierhaltung)

The Society for Ecological Animal Husbandry was founded in 1992. It unites agricultural scientists, veterinarians and others to promote the exchange of ideas and information on the relationship between humans, animals and the environment and to address special questions concerning animal welfare such as their social behaviour and adequate housing conditions.

3.3.3. Spain

At present, there is no money available in Spain for research in organic agriculture and for organic marketing. The only related activities are those of the working groups of the CRAE, which

are composed of representatives of the authorities, private organic agriculture organisations and consumer-associations. They work towards creating structures that can initiate research and marketing activities.

As for marketing, the state provides some support for organising organic fairs. At present, the CRAE organic agriculture working group examines possible common support and marketing-measures for the domestic market as well as for export.

The annual Biocultura fair at Madrid and Barcelona as well as national and international conferences are important for consumer information.

3.3.4. USA

The Calvert Foundation

The Calvert Foundation is interested in working with organic marketing organizations to provide loan capital for re-lending by community loan funds that assist organic farmers around the country. The Foundation is interested in matching investors with community loan funds that help individuals in need of capital.

The Calvert Foundation was launched this year by the Calvert Group, a 4 1/2 billion dollar family of socially responsible mutual funds. For the past year, Calvert sponsored mutual funds have been investing 1% of their funds in community development projects for housing, economic development, business development, cooperatives, and other community development activities.

The Calvert Foundation believes new sources of capital are needed and that old financial tools must be used in new ways to create hope, opportunity and investments in communities throughout the world. The Foundation will not make grants and will only provide loans to community loan funds who will re-lend through their revolving loan fund. Interest rates will be slightly below market, and terms will depend upon the loan amount. TCI cannot be more than 10% of the borrower's loan fund.

3.3.5. Turkey

The Ecologic Agriculture Association (Ekolojik Tarım Organizasyonu Derneği)

Ecologic Agriculture Association was founded in 1992 in order to develop and support organic farming in Turkey. The basic goals of the Association are to:

1. Promote awareness and understanding of organic agriculture and products, to support and encourage researches in organic farming by having cooperation with universities and research centers
2. Provide cooperation among private/public organizations and persons dealing with organic farming on technical and commercial fields
3. To develop domestic and foreign markets for organic products, regulate and control these markets
4. Contribute to the certification and inspection applications, allow the Association's Logo to be used in control on the markets
5. Have a strong voice on legislative, regulatory and policy issues with reference to organic farming and inform the society and its members
6. Develop new standards and protect the integrity of organic standards

The Ecologic Agricultural Association seems to be the unique independent NGO in Turkey, since there are no farmer cooperatives, producer and consumer organizations representing organic farming sector at present. Existing cooperative associations and farm organizations also do not offer any service for their members' organic products. Therefore, it appears vital for the Association to represent and cover the organic sector. A vital role for The Ecologic Agricultural Association could be to protect the environment and sustain a balanced ecosystem

By the establishment of The Ecologic Agricultural Association, ecologic farming practices have significantly increased especially around İzmir and in the Aegean, Çukurova and Mediterranean regions of Turkey.

4. Cooperative Associations for Organic Farming

4.1. Cooperative Associations in USA

Several potential cooperative options have emerged in the USA. Among them are:

- A professional association;
- An organic promotion board and
- Three types of marketing agencies which share the following common associations:
    1. an organic marketing association;
    2. a clearinghouse service and
    3. a marketing cooperative.

4.1.1. Professional Association

Most commodity growers have formed Professional Associations, such as the National Corn Growers in USA. A Professional Association is usually a non-profit organization and does not market or sell farmers' commodities.

In the organic community, a professional association's activities may be summarized as follows:

1. Engagement in public advocacy on a great number of issues that affect organic farmers (i.e. labelling laws, marketing orders, research funding, USDA farm programs, and certification issues).
2. Formation of a consumer/organic farm coalition to build strong consumer support.
3. Educational programs and conferences for organic farmers.
4. Execution of effective public relations to serve the interest of organic farmers.
5. Maintain a directory of all members.
6. Representation in the USDA's Organic Label development.
7. Professional representation within the OTA (Organic Trade Association, formerly OFPANA).
8. Communication on all issues through a newsletter.

A professional farm organization is funded through membership fees, likely starting with grants in case the association becomes non-profit.

4.1.2. Organic Promotion Board

Many commodity producers have elected to form a Promotion Board for their special interest. This is done by a legislative directive to USDA to hold a vote by all concerned producers. If the Promotion Board is approved by the producers, it will be controlled by the USDA and funded by the producers by a "check-off" fee. A Promotion Board can also be a private initiative but, historically, is obliged to collect fees necessary to finance promotions.

The following commodities have, or are forming, promotion boards: soybeans, mushrooms, limes, pecans, fluid milk, beef, potatoes, honey, wool, cotton, pork, eggs, fresh-cut flowers and watermelon.

Fees for a Promotion Board can be collected at any level of product flow, but usually are appraised at the farm gate. These fees are usually not assessed on small producers due to complexities and are usually collected at traditional market outlets such as milk handlers, slaughterhouses, etc. The farmer participates in voting and in helping set the direction of the promotional efforts.

Overall, promotion boards perform the valuable task of gathering money to promote a specific commodity. These promotions have been effective at increasing sales and public awareness of the commodity. Unfortunately this rarely means increased income for the farmer, but rather a more reliable and expanding market. Promotion Boards are not allowed to do marketing or make actual sales.

4.1.3. Organic Marketing Agencies in Common (OMAC)

An OMAC is an alliance of producers and cooperatives united in marketing. OMACs usually target a specific commodity or market. An OMAC could have multiple marketing arrangements depending upon members' needs.

An example of an OMAC is egg producers who compete in the retail egg market pooling eggs for processing into powder for manufacturing markets. These producers could join together only for the manufacturing market, or for all marketing.

Either way, the OMAC would be a centralized marketing and management service run according to the specific policies developed by members for each market. An OMAC can offer great flexibility as an organizational structure to market a great range of commodities from multiple regions allowing better service in the marketplace.

The possible functions and structure of an organic OMAC

OMAC performs sales for the farmer of raw or value-added products. Experienced marketing and sales staff could be employed, or a licensed marketing cooperative or business with its own professional employees could be contracted.

An OMAC can pool product, pool only revenue, perform marketing for the farmer or a group of cooperatives, or do any combination, keeping each account separately. It is possible to market bulk product to processors, specific products to distributors, as well as its own product line to retailers. An OMAC could offer different grades and qualities created by regional soil, climatic and cultural differences in farm products. By having sources of supply distributed widely over North America, a reliable, consistent organic product line can be developed.

An OMAC would have enforceable marketing agreements to define the participant's and the OMAC's responsibilities, as well as the rights and limitations of each.

Revenues could be kept separate for each member or pooled. A member could be a local or regional cooperative or a single farmer who would be an individual member of the OMAC.

Start up and operating capital could come from member investment or from a loan on committed production. Administrative and marketing expenses would be paid through the sales assessment. Expenses could be pooled and participants charged at a per unit rate. Inventory and handling operations could be maintained by local or regional cooperatives or individual members.

In this system, quality control practices are of the highest priority. All cooperative members must be trained initially, and receive continual in-service training in quality standards and quality control.

The major objectives of an organic OMAC are: to protect the interests of its members in the marketplace, and to control oversupply through production coordination, market development and sales.

Governance and membership of an organic marketing agency in common in conformance with the Capper-Volstead Act will minimize anti-trust action.

Organic Marketing Association

An Organic Farmers Marketing Association deals with basic marketing issues: market reports, commodity committees and communications among producers to enable them to establish sustainable prices. Sustainable prices are best protected if farmers work together at establishing target prices for organic commodities. Producers would accept to sell any organic commodity as conventional which cannot be sold at the organic target price. Net income would be the sum of organic sales and conventional sales, reflecting the "utilization" of organic. This method of marketing does not reduce the benefit of the organic target price, but will return a final net price based on marketing ability, quality, service, and overall market supply conditions.

Organic foods should be produce of sustainable agriculture and must have sustainable pricing. Good communication with reference to market conditions, prices, and related subjects would be necessary to help producers in market at this level.

A Clearinghouse Service

A Clearinghouse Service would: list available commodities, list market inquiries and check credit references. It would not make a sale or take possession of the commodity. This is the first option which actually produces a sale, yet does not have to handle any money. This option would not require a commitment by the producer to market the products through the Association, but is rather a membership-based fee service. Telecommunications Model: Organic Product Information Service (OPIS) is an example of a currently existing telecommunications clearinghouse.

The services and information available from a clearinghouse service could be distributed electronically if enough producers have the capacity to go "on-line." Even producers who do not own (or don't wish to own) computer equipment could benefit from such a service if a clearing house coordinator were hired to disseminate information through weekly phone calls. Information could also be distributed through more traditional channels such as periodic reports or newsletters.

Marketing Cooperative

A Marketing Cooperative, as compared to the organizations above, would actually sell the organic product and would do invoicing, handle money, and make farmer payments. A market-

ing cooperative would require increased member financing and support at the beginning. The marketing cooperative can provide member services such as transportation, coordination, research, production organization, and supply management.

Marketing Cooperatives can be designed to serve a variety of marketing options:

a. Contractual Marketing

A Contractual Marketing Cooperative would market on a contract basis or on a spot market basis. This option, in addition to acting as a clearinghouse service, would perform actual sales and transactions. It would also handle all contracts, invoicing, collections and farmer payments.

b. Pooled Marketing

A Pooled Marketing Cooperative requires a commitment of production units to be part of a commodity pool which would return a pooled price specifically for each grade of commodity. Pooling is a technique that has special application to cooperatives. Pooling is an old and effective tool of marketing associations which facilitates operation at cost.

Supply management becomes crucial in determining the volume of the pool production. A Pooled Market Cooperative is a complex business. The cooperative does all invoicing, collections, farmer payments and marketing. Clear member policy assures equal treatment among all producers and member cooperatives.

c. Value-Added Marketing (Processing)

A Value-Added Marketing Cooperative would process a commodity to add value, such as wheat to pasta or milk to cheese. A product could be sold in bulk or as a consumer branded product.

This option is the most complex for farmers with associated issues of inventory, manufacturing, financing, quality control and marketing. As the cooperative moves into its own brand of consumer products a number of additional issues must be addressed: trademarks, labeling laws, packaging, promotions, trade shows, etc.

A Value-Added Marketing Cooperative is usually based on the pooled method and has the highest member financing requirements. The intention often is to receive a higher return by adding value, but the additional cost can easily be more than the additional income. Value-added however, especially with consumer branded products, allows producers to hold markets when the commodity market is oversupplied.

The Value-Added Marketing Cooperative will usually have a marketing strategy that combines the sale of raw commodities, manufacturer qualities and consumer branded products. An organic farmer brand can be created through increased consumer awareness and farmers' education. In short, it gives farmers more control of their product, price and market, and introduces consumers to the source of their organic food.

4.2. Financing Options for Cooperatives

Any consideration of a marketing association requires a close look at the financial sustainability of the proposed business. A sound financial business plan is required in order to succeed at marketing. A cooperative venture is usually financed in part by the members who benefit.

The amount of start-up capital required would depend on the complexity of the business and its relationship with its members/owners. Member investment can take many forms: up-front investment, annual fees or a check-off of sales, to name a few. A member can't expect good performance from a market association which is poorly capitalized.

An organic farmers' cooperative has capitalization options other than conventional financing and member equity. Depending upon the structure, other potential sources are: USDA/Rural Development loans, Green Loan funds, REA loans, potential investment by consumers and a host of rural community loan funds. Initially there could be limited grants to aid in start-up. Given the limited resources of farmers, it is highly desirable to be creative in financing a cooperative marketing venture.

The challenge for any start-up cooperative effort is to convince members to invest in an unproved venture. Yet, without a member investment or fees, the member commitment is harder to assess and maintain. Member commitment is a crucial foundation for a sound, well-capitalized business venture.

Two levels of finance have been identified. The first level of financing identified is for development of local or regional organic handling operations (which may include anything from cold storage, to slaughter plants, storage, shipping depots and value-added enterprises). Two approaches to local or regional organic handling infra structure development have been suggested:

1. Using handling operations, equipment and plants of existing cooperatives, and;
2. Acquisition and upgrading of existing plants or handling operations, or fabrication of new handling operations.

This level of finance is beyond the scope of a clearinghouse or an organic marketing agency in common. The Study, however, is identifying options, private and public, for capitalization and availability of finances to local or regional organic cooperatives. We encourage farmers to discuss local and regional financial needs at the regional meetings.

For the clearinghouse or the organic marketing agency in common, the major concern seems to be for "operational finances." Both a clearinghouse and a marketing agency in common as discussed up to now are really telecommunication marketing cooperatives. Inventory, depots and physical plants etc. are part of local or regional cooperative initiatives. Financial needs appear to include personnel, data base/telecommunication equipment, travel, marketing and organization setup, rents /leases, working capital, and one time start up costs. To accurately determine the "operational finances" needed, both objectives and structure have to be decided upon.

4.3. Cooperative Associations and Producer Organizations for Organic Farming in EU

4.3.1. Cooperative Associations in Italy

Numerous associations have been founded in Central Italy more or less recently, but two negative aspects still persist:

1) All farmers are not members of any of them
2) Some small size associations neither allow giving any real technical support to their members, nor letting them have a sufficient political strength.

The demand for biological food, both fresh and processed, is very high. The number of specialized retailers and of supermarkets offering some biological products is consequently increasing every year.

The rules and recommendations of IFOAM (The International Federation of Organic Agriculture Movements) are controlled on 39% of the farms by association technicians. Twenty percent of producers have their produce analyzed at their own expense by public or private labs.

The prevailing marketing channel is direct sale on the farm, followed by middle men and wholesalers. Many producers have their own local distribution, through markets and retailers. Some very interesting experiences exist, both on the individual farm and co-operative level. They have been able to penetrate into national and foreign markets.

Italian legislation on food processing however is somewhat obsolete and limits some feasible development that could generate new perspectives for biological products.

The quality problems of the agricultural products and of the transformed food products, is one of the major objectives of the realization of the European "Atto unico" to create a big harmonized market.

In order to achieve such an objective the EEC Commission has suggested the adoption of "harmonized regulations" for environmental and health protection, for consumers defence and loyalty and seriousness of commercial operations.

The protection of the agricultural and transformed production can be reached by using several different instruments, ranging from the certification of the total quality to the use of geographical denomination including the use of specific labels and marks. The arrangements, directed towards the protection and the valorisation of the biological productions, can find a reference point according both to the regulations and to the operations, in such a context.

As far as our country is concerned, our Ministero dell'Agricoltura e delle Foreste has always been trying to follow a certain kind of intervention to valorise the agricultural productions, which mainly aimed at the use of the geographical denomination through a series of controlled marks, especially guaranteed for wines, cheese, and salami.

Little was the intervention of the certification of the total quality due to the lack of harmonized regulations, institutions and instruments which were to govern the above mentioned rules.

Under the pressure of the environmentalists and consumers associations, the Parliament has elaborated a bill for the protection and the valorisation of the biological productions. Such a measure, which came before the idea of a Europea regulamentation, needs - as we see it - a thorough revision and an adjustment to the basic principles and criteria of the EEC issue, which reflects more the needs of the producers.

The national association of the agricultural cooperatives (ANCA) organizes a set of alimentary farms and industries having a total amount of sales of 4 thousand billion ECU.

The association has worked to protect the income of little and medium sized farms, in order to achieve the utmost valorisation of the agricultural productions working in combination with industries. In such a view, under the spur of both consumers' and environmentalists' needs, some initiatives have developed in these last few years in the field of biological and controlled productions above all in the cereals, mills, wines, fruit and vegetables, olive oil cultivation, cattle and bees breeding, while on the side of services, more technical assistance has been given to production, and more attention has been paid to organic mineral fertilizers and to pesticides.

The whole of these activities can be valued - at present - around 50 to 60 billion lire of income but with interesting prospects of a future development, since the biological products is a reference factor in the process of productive reconversion of the Italian agriculture.

On the initiative of a group of ANCA firms, operating in the different phases of the agro - alimentary "chain", a Consorzio per il Controllo delle Produzioni Biologiche has been constituted, which aims at checking the impact of some farming processes on the environment, while it provides quality marks and guarantees the commercialization of these products on the markets.

The "Consorzio" also coordinates a network of laboratories and technicians who are to ensure that rules are observed and the environment is respected.

It carries out a series of services intended to favour the concentration and the standardization of the biological product in view of contracts with the organized distribution.

In Italy, the market of biological products is still underdeveloped - compared with the demand of the public - due to the lack of services and a still superficial knowledge of the problem in its whole.

Concluding the Consorzios' main target is to eliminate the risk of unloyal attitudes of some farmers which might damage the honest and hardworking farmers who are by far the majority in our association.

An organization for production control of ecological farming practices has been established, with funding from the government. The control is bound on rules set by IFOAM.

4.3.2. Cooperative Associations in France

The organic agricultural organisations represent the organic sector on a political level and their logos of the producer associations are not used for labelling organic products.

Fédération National de l'Agriculture Biologique (FNAB) is the Federation of the regional producer organisations and represents the organic sector at the administrations and the trade unions. Bioconvergence and Syndicat Europèen des Transformateurs de Produits de l'agriculture Biologique (SETRAB) represent the processors.

All three organisations are competent partners of the Ministry of Agriculture in questions relating to standards, inspection and certification.

The trademark for bio-dynamic products is the Demeter logo (Biodynamie).

4.3.3. Cooperative Associations in Germany

The organic producers' organisations all own legally protected seals with which certified farms and certified processors can be labelled. These seals are familiar to German consumers, especially those of Demeter, Bioland and Naturland.

Other organisations have gained regional importance (Biokreis, Ökosiegel and ANOG). Gäa and Biopark are mainly active in eastern Germany. Ecovin is an organisation of most of the organic wine producers in Germany.

The German organic producers' association for organic farming (Arbeits Gemeinschaft Ökologischer Landbau-AGÖL) was founded in 1988 at SÖL's initiative. The Association for Organic Farming is the umbrella association of the German organic producer organisations and has had nine members up to March 2001: ANOG (Arbeitskreis für naturnahen Obst-, Gemüse- und Feldfruchtanbau), Biokreis, Bioland, Biopark, Demeter, Ecovin, Gäa, Naturland, and Ökosiegel. However, Bioland and Demeter left AGÖL early in 2001.

Standards for the processing of organically produced products were developed by AGÖL. AGÖL represents the interests of its members before government and state authorities, espe-

cially when comments on drafts of regulations etc. are required. Internally, AGÖL co-ordinates positions on issues of common concern.

The Central Marketing Society of the German Agricultural Sector (Centrale Marketing Gesellschaft der Deutschen Agrarwirtschaft-CMA-) and AGÖL have developed the common organic seal "the Oeko-Pruefzeichen" which was presented to the public on January 29, 1999 in Berlin. This seal is administered by the Oekopruefzeichen (ÖPZ) GmbH.

AGÖL and its member organisations collaborate with IFOAM in numerous ways, and they are represented on the IFOAM World Board of Directors, the IFOAM Standards Committee, the IFOAM Accreditation Programme Committee, the IFOAM-EU-Group and the IFOAM Regional Group of German-speaking Countries (Austria, Germany, Luxembourg and Switzerland). AGÖL publishes a newsletter.

5. International Organizations

5.1. International Federation of Organic Agriculture Movements

IFOAM, the International Federation of Organic Agriculture Movements, was founded in 1972 in Versailles, France. Its head office has been located in Tholey-Theley in the German federal state of Saarland since 1987.

IFOAM represents the worldwide movement of organic agriculture and provide a platform for global exchange and cooperation. The organization commits to a holistic approach in the development of organic farming systems including maintenance of a sustainable environment and respect for the need of humanity. By the expertise of its members IFOAM opens the way for implementation of above aims in everyday life.

The federation's main function is coordinating the network of the organic movement around the world. IFOAM is a democratic federation and grassroot oriented. Major activities within IFOAM are carried out by World Board of Directors, various committees and task forces.

Major aims and activities are as follows:

- To exchange knowledge and expertise among the members and to inform the public about organic agriculture;
- To represent internationally the organic movement in parliament and policy making forums. In this context, IFOAM, has for example, consultative status with the UNO and FAO;
- To set and regularly revise the international "*IFOAM Basic Standards of Organic Agriculture and Food Processing*". These IFOAM Basic Standards are translated into 19 languages;
- To make an international guarantee of organic quality a reality. The International Organic Accreditation Services, Inc., (IOAS) runs the IFOAM Accreditation Programme to ensure equivalency of certification programmes worldwide.

IFOAM offers many platforms for information exchange, for example at the numerous international, continental and regional IFOAM conferences, or through our publications such as the magazine *Ecology and Farming* and conference proceedings. Increasing international outreach activities give the organic movement a voice and influence which can no longer be ignored by those being responsible for agricultural policy.

Through its directory "*Organic Agriculture Worldwide*", and also through the network of international contacts, IFOAM can link anyone who is looking for something in particular in any area of organic agriculture with the partners.

The worldwide organic movement has now progressed beyond being a niche production and market situation, therefore further development and extension of IFOM's network and partnerships are essential. There are many ways to join the IFOAM partnership and to contribute to, and benefit from, its worldwide movement and network.

IFOAM Regional Group of German-speaking Countries

Links to homepages of IFOAM member organisations, of which there are almost 100 in Germany, may be found at the IFOAM internet page or at the homepage of the IFOAM Regional Group of German-speaking Countries. IFOAM Regional Group of German-speaking Countries includes Austria, Germany, Luxembourg and Switzerland.

The IFOAM Regional Group of German-speaking Countries was founded in 1991 and meets twice per year to exchange information. Two seminars were held in 1999, one on Agenda 2000 and one on the new European organic animal husbandry regulation (Council Regulation (EC) 1804/99).

IFOAM Italia

Since its inception the Italian organic movement has taken its share of responsibility in the international scene. More and more delegates participate in IFOAM conferences, events and activities; there is more involvement in the IFOAM European Union regional group, the AgriBio-Mediterraneo region, the IFOAM accreditation programme, and the IFOAM Standards Committee.

Today there are over thirty IFOAM member organisations in Italy. They effectively represent the whole of the Italian organic movement, ranging from control and certification bodies, producers' and cultural associations, research institutes, co-operatives and traders. Most of them belong to the Italian coordination of IFOAM members), which serves an important tool in uniting the movement and strengthening it at the national and international level.

IFOAM Regional Group (AgriBioMediterraneo)

In order to develop stronger ties between the Italian and Mediterranean organic movements and IFOAM, organised the first international conference on organic agriculture was organized by AIAB in the Mediterranean countries in 1990.

In the Italian town of Vignola, representatives from the organic movements of Italy and the other Mediterranean countries successfully gathered together at "AgriBioMediterraneo". Many common problems were discussed, including issues on standards and certification (too often too central and north European centred) and markets (where the producers were often competing against each other because of the northern traders). The "missing" research on the specific problems of Mediterranean crops was also discussed with representatives from California (where similar problems arise with crops and climate).

After the first Vignola Conference started a series of international AgriBioMediterraneo conferences (every year from 1991 to 1995) in different countries: Barcelona (Spain), Athens (Greece), Montpellier (France), Izmir (Turkey), Marseilles (France), Sicily (Italy). At the assembly in Bari in 1997 the IFOAM regional group AgriBioMediterraneo was established.

5.2. The Organic Trade Association (OTA)

Founded in 1984 by organic producers and handlers as the Organic Foods Production Association of North America (OFPANA), the Association has been instrumental in shaping both the regulatory and market environment for the organic products industry. From 1986 to 1991, alliances were formed with other industry groups to promote organic industry developments. In 1990, the Association supported the establishment of the U.S. Organic Foods Production Act and the National Organic Standards Board. In 1992, OTA developed the Organic Harvest program which was founded to promote market expansion and educate consumers. The Association continues to promote organic products through the ongoing Organic Outreach Marketing Program. In 1994, OFPANA changed its name to the Organic Trade Association (OTA), reflecting the organization's expanded mission to promote the entire organic industry, including non-food products and services. A 15- member board provides quality leadership for the organization.

The Organic Trade Association (OTA) is a membership based business association representing the organic industry in Canada, the United States and Mexico. Members include growers, shippers, processors, certifiers, farmer associations, brokers, manufacturers, consultants, distributors and retailers.

The Organic Trade Association works to promote organic products in the marketplace and to protect the integrity of organic standards

The mission of the Organic Trade Association is to encourage global sustainability by promoting diverse organic trade. OTA provides leadership consistent with organic principles and values, and creates and expands market opportunities for the industry.

The goals of OTA are to serve its Association members and to:

- Promote awareness and understanding of organic agriculture and products;
- Protect the integrity of organic standards;
- Increase the sales and sustainability of the industry;
- Provide a strong and unified voice on legislative, regulatory and policy issues and
- Protect the environment and sustain a balanced ecosystem.

OTA is the only association that draws together all segments of the organic industry to share information, create standards of excellence, resolve problems and promote organic products.

OTA is a platform for action, a forum for dialogue and a community concerned about developing an ecologically responsible agriculture system.

A European Logo for Biological Foods

Agricultural produce and food containing at least 95 % of organic ingredients can now display a European logo, provided they have been successfully inspected at every stage from production to labelling. The new logo is the subject of a regulation adopted by the European Commission on December 22nd. Its use will assure consumers of the quality of the product in question. The logo consists of a dark blue circle with an ear of wheat in the centre, surrounded by the 12 stars of the EU flag. This is surrounded, in turn, by a circle containing the words 'Organic Farming' in English, or their equivalent in the other official EU languages. The logo can also be printed in black and white.

6. Contract Farming

Contract farming refers to contractual arrangement between farmers and other firms, whether oral or written, specifying one or more conditions of production and/or marketing of an agricultural product (Roy 1963). However contract farming should be distinguished from the multiplicity of simple marketing or labour contracts. In particular, contract farming regulates relations between farmers and enterprises such as a processing cooperative or a private company related to advance price, quality of product, farming practices, financing terms etc.

7. Conclusion

In particular, the following issues are extremely important for the development of organic cooperatives:

- How can cooperatives help you?
- How should cooperatives be governed to assure producer control?
- What is the role of local and regional cooperatives in a broader, more centralized (national) context?

Organic production is at a crossroads. Consumers of organic products fall into three main categories: the politically or ideologically motivated who are concerned about the environment and animal rights; the health conscious; and the switchers, who are easily swayed by the media and influenced by price and availability. However, consumer demand is driving a rapidly expanding market that has not yet been organized sufficiently to meet its needs. The creation of cooperatives can help remedy this situation, but they must develop according to producer relevant models that do not duplicate those typically found in conventional agriculture. The information generated from the related organizations will help organic producers develop structures (e.g., cooperatives) to maintain control of their destiny in the market place. Currently, the farmer, organic or otherwise, has little if anything to say regarding the prices he or she receives. Consequently, the number of family farms has declined drastically due to poor farm income.

The organic food-processing sector in many countries traditionally consists of small and medium-sized successful enterprises, which produce one to two speciality products and sell them locally.

Large agri-food companies are investing in organic foods and using their names to launch brands available nation-wide.

A survey of organic producers which will explore marketing options may yield important information that will characterize current organic farm production systems, prioritize research needs, guide the development of cooperatives, and stimulate other organic industry initiatives. The survey could include questions related to general organic farm structure, operations and management, and current production constraints.

The organic industry provides a unique, and perhaps the last, opportunity to create a more sustainable food and fibber production network, but we must govern our own pricing structures that will allow us to remain on our farms with dignity. A fair return for such an honourable profession is not too much to ask.

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