

# ORGANIC FARMING SCHEME

## COMMENTS BY FRIENDS OF THE EARTH (ENGLAND, WALES AND NORTHERN IRELAND)

### Introduction

Friends of the Earth exists to protect and improve the conditions for life on Earth, now and for the future. Friends of the Earth is:

- C** one of the largest international environmental networks in the world with over 50 groups across five continents
- C** one of the UK's most influential national environmental pressure groups
- C** a unique network of campaigning local groups, working in 250 communities throughout England, Wales and Northern Ireland.

Friends of the Earth welcomes the opportunity to comment on MAFF's consultation on the Organic Farming Scheme. Our comments mainly relate to question 13 which seeks wider observations on the Organic Farming Scheme. In addition we have made specific responses to other questions but not those which ask for detailed comment on the administration of the Scheme.

### Summary

Farmer and consumer interest in organic farming has never been higher. Development of the organic sector offers huge potential to enhance biodiversity and boost rural economies as well as providing healthy food to meet consumer demand.

FOE is concerned that this potential will not be met if the Organic Farming Scheme continues on a 'stop-start' basis, without adequate funding, because of the absence of a Government strategy for developing the full potential of the sector.

FOE, along with 50 other organisations is calling for a target to be set by the Government for 30% of agricultural land to be certified organic or in conversion by 2010 to be backed by a strategy to ensure that organic farming is given the infrastructure, research and financial support it requires (see response to question 13).

- 1 Is there new evidence on the environmental impacts of organic production which should be taken into account in this review? Should further research be commissioned to inform future reviews?

There is already evidence that organic farming has a beneficial impact on biodiversity. Indeed as stated in this paper it is the environmental benefits of organic farming which led to the introduction of the Organic Farming Scheme.

We understand that further research is in progress investigating biodiversity and soil fertility on organic farms. Such research is welcome and should be continued. To ensure that we fully understand the benefits of organic farming, and how to improve organic systems, more research may be required to gain a full understanding of soil ecology, particularly in areas such as nutrient cycling and the populations of ecologically important organisms and micro-organisms. More research is also needed into the impact of intensive, chemical dependent agriculture on soil biodiversity so that accurate comparisons can be made. For organic farming to reach its potential more research is also needed into the development of organic farming systems, including ways of improving yields.

Given the known environmental benefits of organic systems, the economic benefits and the huge consumer demand FOE believes that organic farming should become a mainstream form of agriculture. For this to happen there will need to be an increase in the funding for the type of research outlined above. Currently the funding for research into organic farming is only 1.2% of the agricultural research budget.

2 Is there evidence that the growth of markets for UK organic produce is still being constrained by processing and distribution difficulties?

Consumer demand for organic food is still way ahead of supply and so we continue to rely on imports to provide 70% of the organic food sold in the UK. It is clearly a huge opportunity for farmers and the UK food industry to develop organic farming and the Government should support this, so it is not simply an issue of what constraints exist now - we must plan for an expanded market.

For this opportunity to be realised the organic food

industry and the Government need to work together to establish the necessary infrastructure.

The current lack of a dedicated processing and distribution network for the organic food chain adds to the price of organic produce and increases the likelihood of contamination.

- 3 Is there evidence that the availability of market opportunities is influencing the willingness of farmers to convert?
- 4 What assistance (if any) is being provided by potential customers to encourage farmers to convert?

Demand for organic food is rising at a rate of 40% a year while supply is only growing at 25% a year (ref). At a time of hardship for many farmers the expanding organic market offers a positive way forward. About 1 in 10 farmers have expressed interest in converting to organic methods of production.

However to ensure that farmers continue to be willing to convert, it is essential that they are confident that they will get a fair price for organic produce - which should also be sold at a fair price to the consumer. The Government should monitor the purchasing and pricing policies of the major supermarkets to ensure there is not an unreasonable mark-up from the farm gate price to the price paid by the consumer.

Farmers markets, vegetable boxes, farm shops and other forms of direct marketing will be the best way for some farmers to get a good price for organic produce. The Government and local authorities should support the development of this form of marketing through flexibility in planning policy and business rates.

Observations on other aspects of the Scheme.

A large scale conversion to organic farming in the UK, so that it becomes a mainstream form of agriculture, would bring significant environmental benefits which would help the Government meet its existing commitments to enhancing biodiversity. It

would also bring significant benefits to the rural economy, providing employment for more people (organic systems employ between 10 and 30% more people than conventional) in farming and the food industry. We also need a large scale expansion of the organic sector to reduce the current reliance on imports.

To make sure that this potential is not lost the Organic Farming Scheme should not be considered in isolation but should be part of a long-term strategy for the organic sector. FOE, along with many other organisations consider that the best way to do this would be to set a target for increasing organic production, backed with adequate funding and statutory policies to ensure that organic farming is given the infrastructure, research and financial support it requires.

### **The Organic Food and Farming Targets Bill**

The Organic Food and Farming Targets Bill, adopted by Paul Tyler MP, would ensure that a target is set for increasing the amount of land in organic production. The Government seems to have accepted the principle of setting a target by aiming to treble the area under organic farming by 2006 (ref). However to fully realise the potential of the organic sector we believe that a more ambitious target is needed. The target set out in the Bill of 30% of agricultural land to be certified organic or in conversion is an achievable target, based on current and projected demand for organic food, farmers interest in converting and availability of suitable land.

The target must be backed by a plan for meeting it. The Bill would require a strategy to be put in place including policies to address the following problems:

- **Charges for small abattoirs threaten their survival and in turn this threatens the viability of organic meat producers who rely on small, local abattoirs.**
- **The severe shortage of organic seed commercially available to UK farmers is stifling the growth of the organic market,**

**holding back both the organic cereal and livestock market.**

- **In sectors such as horticulture, and fruit, conversion costs are higher but this is not acknowledged in the current scheme.**

A strategy would also highlight the gaps in the organic sector for example, training, market development, infrastructure, transport and technical research.

### **Funding**

The principle recently adopted by Government, of shifting funding from production subsidies to agri-environment schemes including the Organic Farming Scheme is welcome. However the additional £20 million a year from 2001-2008 which has been allocated to the OFS from the Rural Development Plan, will in itself be totally inadequate to ensure that organic farming become a mainstream form of agriculture. The Government needs to shift more subsidies away from intensive farming into low-input methods such as organic.

The Government also needs to consider alternative sources of revenue. For example, based on DETR projected figures, FOE has calculated that an annual organic conversion support programme of £32 million could be financed comfortably by the revenues of a pesticide tax set at a low but effective level.

---

### **Friends of the Earth**

26-28 Underwood Street

LONDON

N1 7JQ

Tel: 020 7490 1555

E-mail: [info@foe.co.uk](mailto:info@foe.co.uk)

Website: [www.foe.co.uk](http://www.foe.co.uk)

---