

WP7

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DL 7.1: Comparison of the Organic Sectors in WBC

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Agenda

Content

- Objectives & methods
- General country data
- Data on organic sector
- Conclusions and perspectives

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Objectives

- Give an overview
- Compare situations and the cues for development ...
 - within WBC
 - with regard to “reference countries” in EU-27
- Identify trans-national developments and perspectives
- Enrich and trigger reflection on action for the future development

- Comparison on the basis of country reports, completed if necessary
- Comparison to three “EU-27-reference countries”:
 - **Denmark**
 - **France**
 - **Spain**

Methods

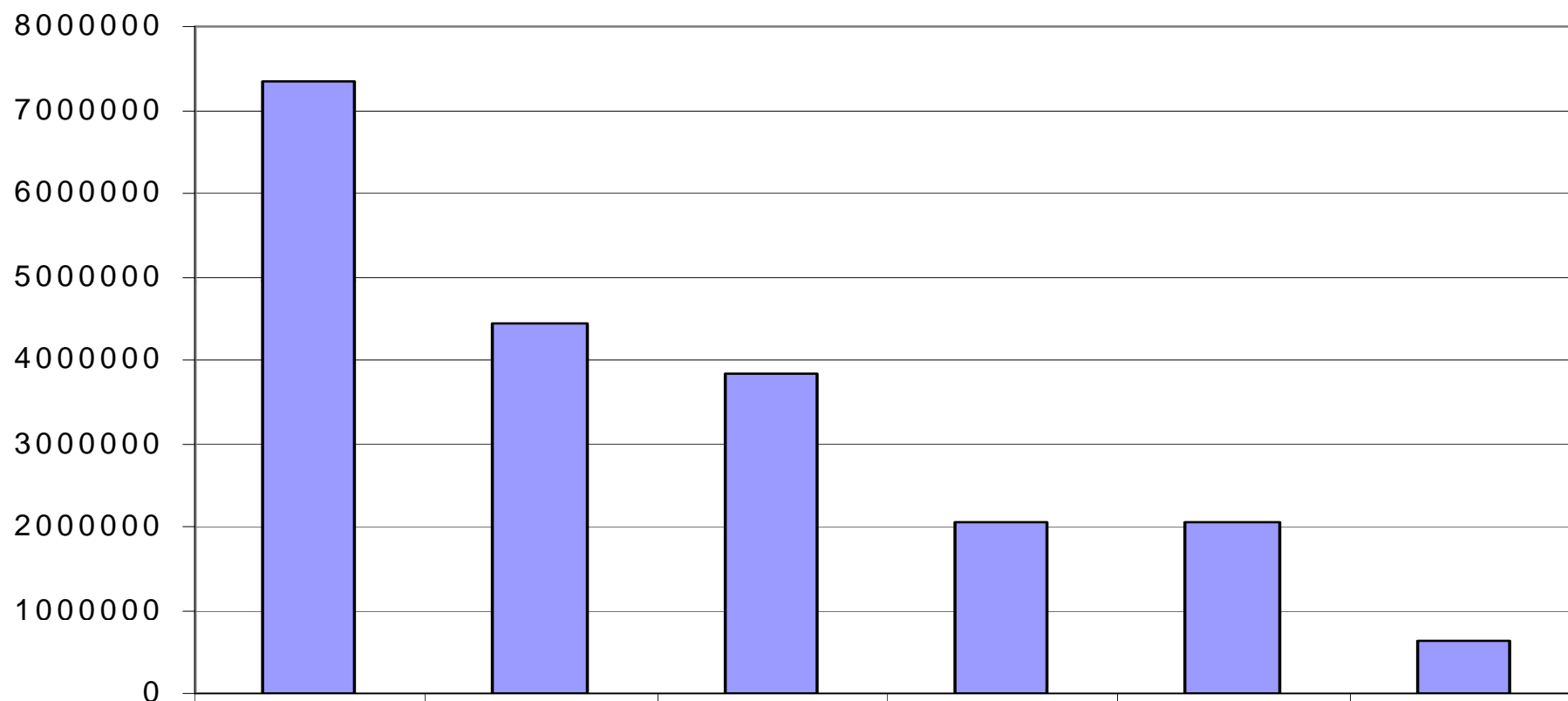
	Denmark	France	Spain
Market development stage	Mature	Growing	Young
Market share of organic	High	Intermediate	Low
Supply chains	Important in main commodities	Complex in all sectors	Few levels of processing and trading
Policy	Traditionally in favour	Not very encouraging	Not oriented towards domestic
Specialised retail	Low importance	High importance	Pioneer role
Conventional retail	Very important	Important, follower	Almost absent

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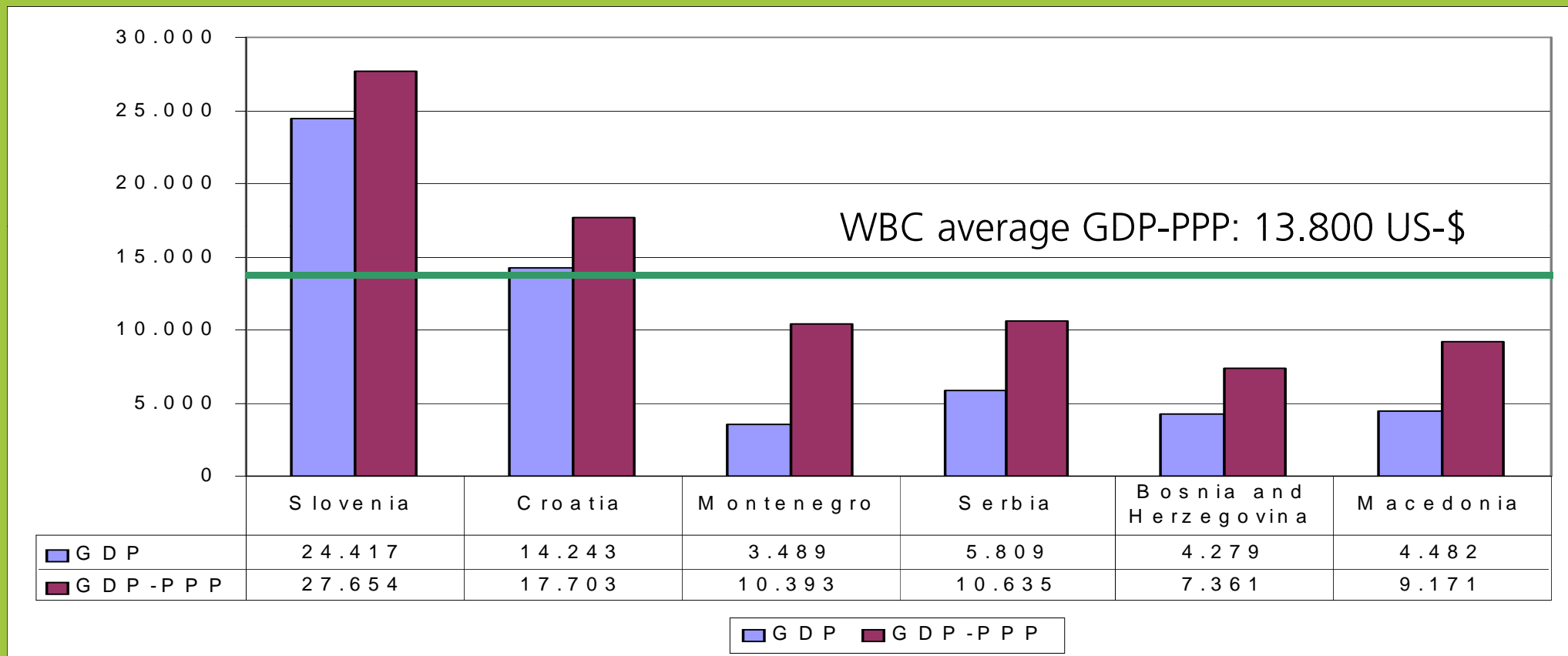
General Country Data - No. of Inhabitants



	Serbia	Croatia	Bosnia and Herzegovina	Macedonia	Slovenia	Montenegro
■ No. of inhabitants	7334935	4434000	3842265	2048619	2042335	620145

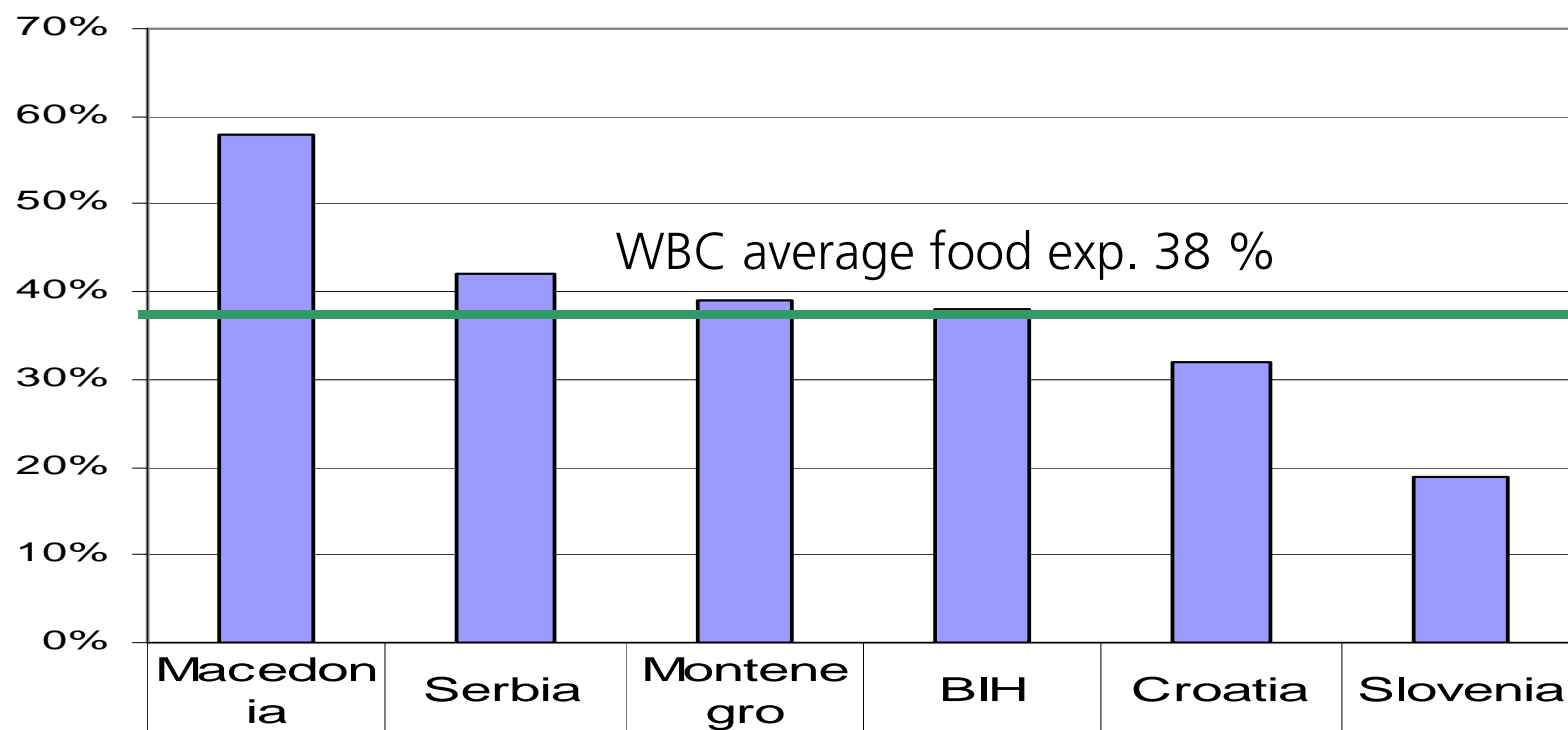


General Country Data – GDP-PPP per capita in US \$ (2009)



For comparison	EU 27	Denmark	Spain	France
GDP-PPP 2009	23.600	35.757	29.689	33.679

General Country Data - Food Expenditures as % of all Consumption Expenditures



Food Expenditures as % of all consumption expenditures	58%	42%	39%	38%	32%	19%
For comparison	EU 27	Denmark	Spain	France		
Food exp. in %	19.4	15.2	20.3	15.7		

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The organic sector

- Legal and institutional framework
- Production
- Imports and exports
- Domestic market

Legal and institutional framework

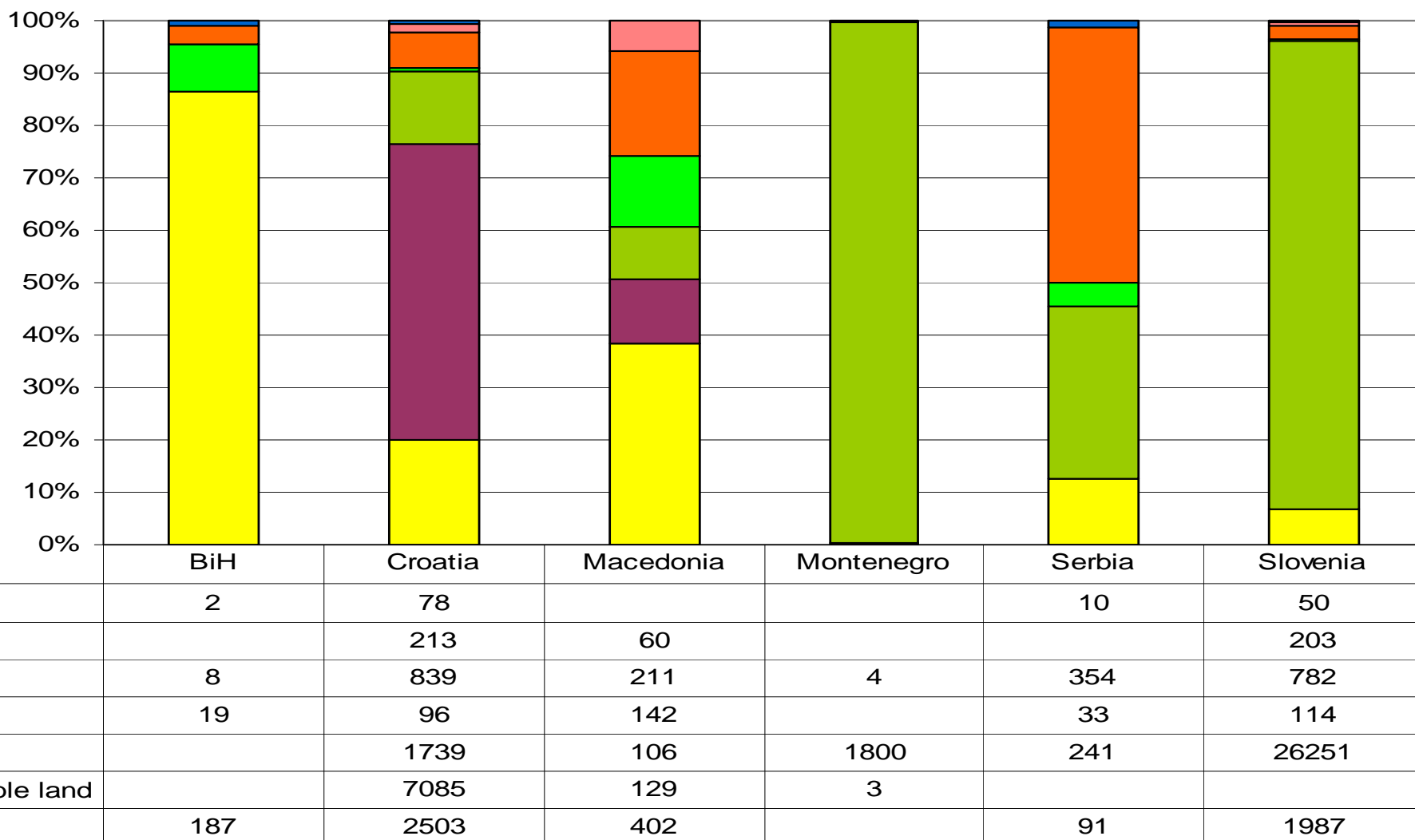
Country	National regulation since	National Label for organic products	Certification bodies
Serbia	2006	YES	YES
Croatia	2001	YES	YES
Slovenia	2001	YES	YES
Montenegro	2004	YES	YES
Macedonia	2004	NO	YES
Bosnia and Herzegovina	(only Republika Srpska, since 2004)	NO	YES

Organic Production: surfaces

Country	Bosnia and Herzegovina	Croatia	Macedonia	Montenegro	Serbia	Slovenia
Total Agriculture area (in ha)	2,400,000	3,200,000	1,320,000	518,000	5,093,000	500,000
Organic area (in ha, min/max)	200 400	14,000	1,333	1,200 25,000	500	29,400
Share of organic (min/max)	0,0	0.4%	0.1%	0.2 % 4.8 %	0.01%	5.9%

For comparison	EU 27	Denmark	Spain	France
Share of organic land in %	1.9	5.4	3.2	2

Organic Production: surface use



Production: Raw and Processed Organic Products

	Raw production	Processed products
BIH	Spices, fruit, mainly of collection, cereals, vegetables	Essential oils, syrups and juices, dried herbs, mushrooms, dried fruits, tinctures and extracts
Croatia	Cereals, vegetables, fruits, grapes	Processed vegetables and fruit
Macedonia	Cereals, vegetables, fruits, grapes, beef and meat, honey	Dried herbs, tea, processed fruit and mushrooms, fruit juices
Montenegro	Cereals, vegetables, fruits, milk, beef and honey	Bread and pastries, cheese and dairy products, jams and juices
Serbia	Cereals, vegetables, fruits, herbs, beef and meat, poultry, honey	Frozen wild berries, frozen sweets, apple concentrate, dried fruits, jams, agar and juices. Wild dried herbs; Frozen, dried wild mushrooms
Slovenia	Cereals, vegetables, fruits, herbs, milk, beef and meat, poultry, honey	Flours, bread, processed vegetables and fruit, oils, cheese, meat products

HUGE VARIETY FEM PROCESSING

Imports and Exports

	Export	Import
BIH	Tea, mushrooms, dried forest fruits, essential oils, raw plant material (sage for example)	Kiwi, leather goods, juices, various flours and meat products
Croatia	Pumpkin seeds, fresh vegetables	Baby food, legumes, fruits and vegetables, processed vegetables, confectionery, sweet, marmalade, fruit
Macedonia	n/a	n/a
Montenegro	n/a	n/a
Serbia	Frozen berries, frozen mushrooms, cereals, sunflower seed, Ground dried wild and herbs	Baby food, organic products, organic rice, organic
Slovenia	Basic foods (grain, pasta, processed plant products, fresh vegetables, fruits, dairy products.	Honey, meat, herbs, pumpkin bread, organic short crust

RAW MATERIALS

PROCESSED ITEMS

The Organic Market: Data

	BIH	Croatia	Macedonia	Montenegro	Serbia	Slovenia
Organic market share		0.1%			0.01%	< 1%
Annual amount spent		1			-	6

For comparison	EU 27	Denmark	Spain	France
Market share	2	6.8	0.5	1.8
Annual amount spent	-	140 €	8 €	45 €

The Organic Market: Supply chains

	Bosnia and Herzegovina	Croatia	Macedonia	Montenegro	Serbia	Slovenia
Export of raw material / processed items	Raw material export, but as well export of processed items	Export of raw material and processed food.	Export raw and processed items	raw goods are exported by foreign companies	Mainly raw material	Export raw and processed items
Domestic processing	In the processing of wild collection products	Mainly farm-based. One international company.	In the processing of wild collection products	Very few	In fruit, vegetables and in wild collection, for domestic market	All sectors, but weakly developed



The Organic Market: distribution channels

	Bosnia and Herzegovina	Croatia	Macedonia	Montenegro	Serbia	Slovenia
Direct selling	Few farms – green markets	Since the 1990ies	On-farm and on green market	Most important marketing channel	On-farm and on green market	On-farm and on green market
Health food stores	No	Yes, since the 1990ies, pioneer role and still very active.	Health shops but no specialised organic shops	Health shops but no specialised organic shops	Yes, about a dozen shops in bigger cities.	1.shop in 1989 in Ljubljana. 10 shops in Slovenia.
Organic in Supermarkets	Yes, but scarcely, and with imported products	Yes, in almost every supermarket	Yes, but rarely and with small assortments	A few	Yes, but rarely and with small assortments	Start in mid 90's. Similar development as in health shops.

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Conclusions: framework

Official regulation exists in most WBC

The legal framework is often adapted to EU regulations

Certification exists in all WBC

They work according to domestic law or / and
to international standards

Agriculture policy is in most cases in favour of organic farming

Conclusions: production

Wild collection is important

Plant production is more significant than animal production.

Agriculture is small-scale and agricultural practices are traditional

Conversion rates are high

Future potential is high.

Conclusions: markets and supply chains

Supply chains are generally short

Most developed supply chains are in the export-oriented sectors.

Domestic supply chains do often have pioneer character

Market structures lack in the main commodity sectors

Conclusions: consumers

Consumers are aware of organic production

Consumption trends are in favour of organic

But there is no clear image of organic

The willingness to pay more is strictly limited.

Organic is competing with traditional and artisanal farm products.

Thank you!

Questions?

How to enhance the organic
development of the organic sector in
WBC?