



Organic production in Slovenia

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Country overview (1)

- Slovenia is one of the most diverse European country
- Substantial share of agricultural land (74%) in Slovenia is designated as less favoured areas (LSA)
- Given the natural conditions, Slovenia has high potentials for further development of organic farming
- The demand for organic products is currently greater than the supply
- The number of organic farms is increasing quickly, but the supply of Slovenian organic foodstuffs on the market does not grow proportionally to the number of organic farms
- One of the reasons is the prevailing engagement of organic farms in animal husbandry, although the greatest demand is for vegetables, fruit and non-meat processed foodstuffs (milk and milled products)

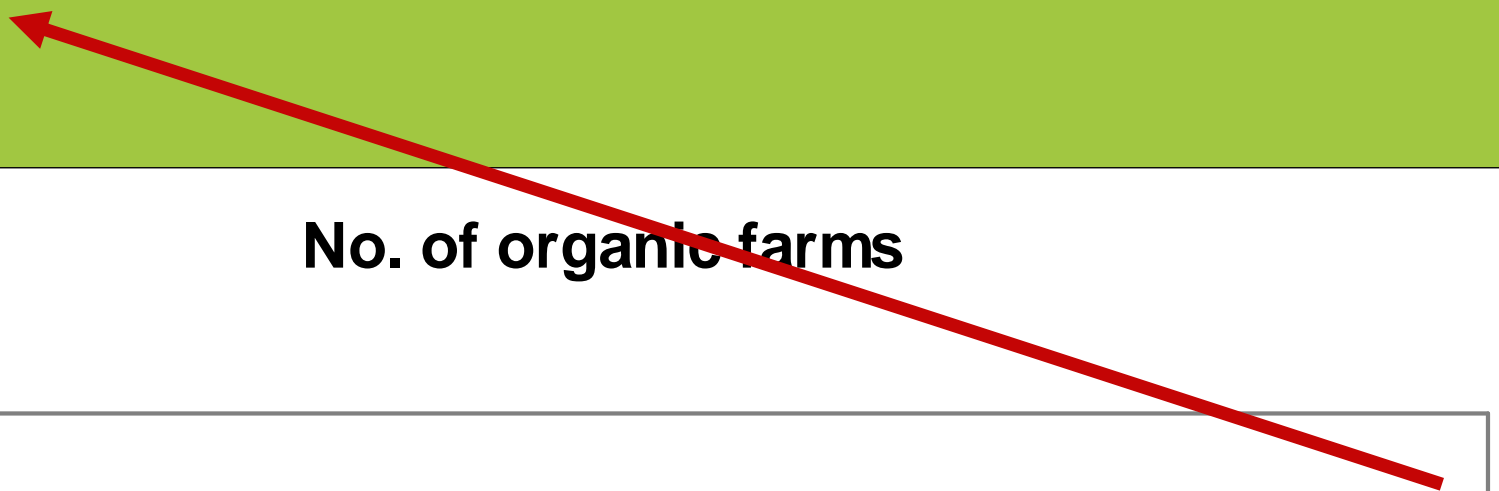


Country overview (2)

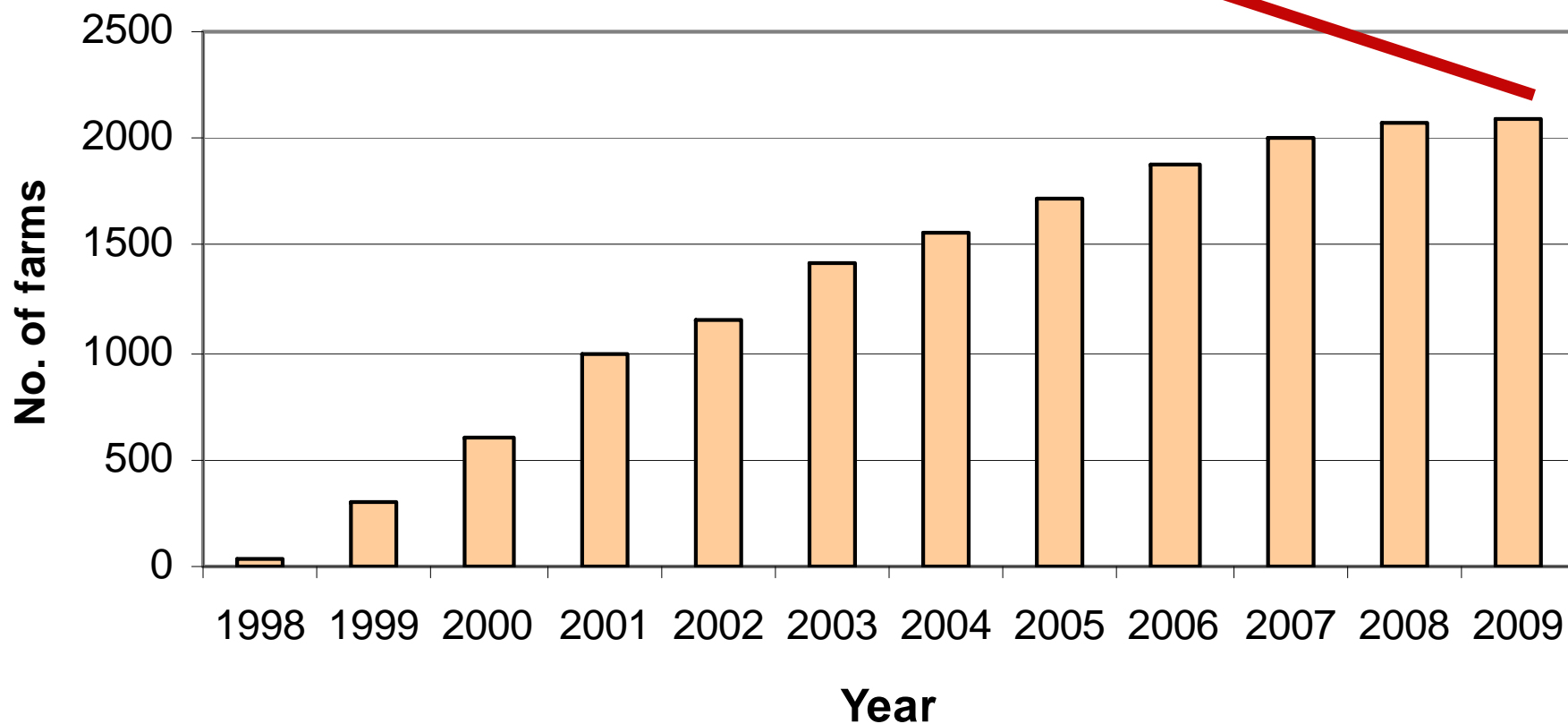
- The greatest share among the cultures under the control system is covered by grassland and indirectly by animal husbandry
- Animal husbandry, mostly cattle breeding and lately also sheep breeding, prevails in the north-western alpine regions and in the hilly regions
- In the Northeast, Southwest (Karst coastal region) and south-east regions, there are some organic vineyards, as well as more sheep and goat breeding.
- Orchards are spread all over the country. The most important fruit tree is the apple, followed by pear, plum, peach and cherry trees.
- A few farms in the coastal region produce olives (for olive oil), figs and khakis, but in very small amounts.
- Vegetable production is mainly concentrated in the vicinity of bidaer cities.



= 2.6% of all Slovenian farms



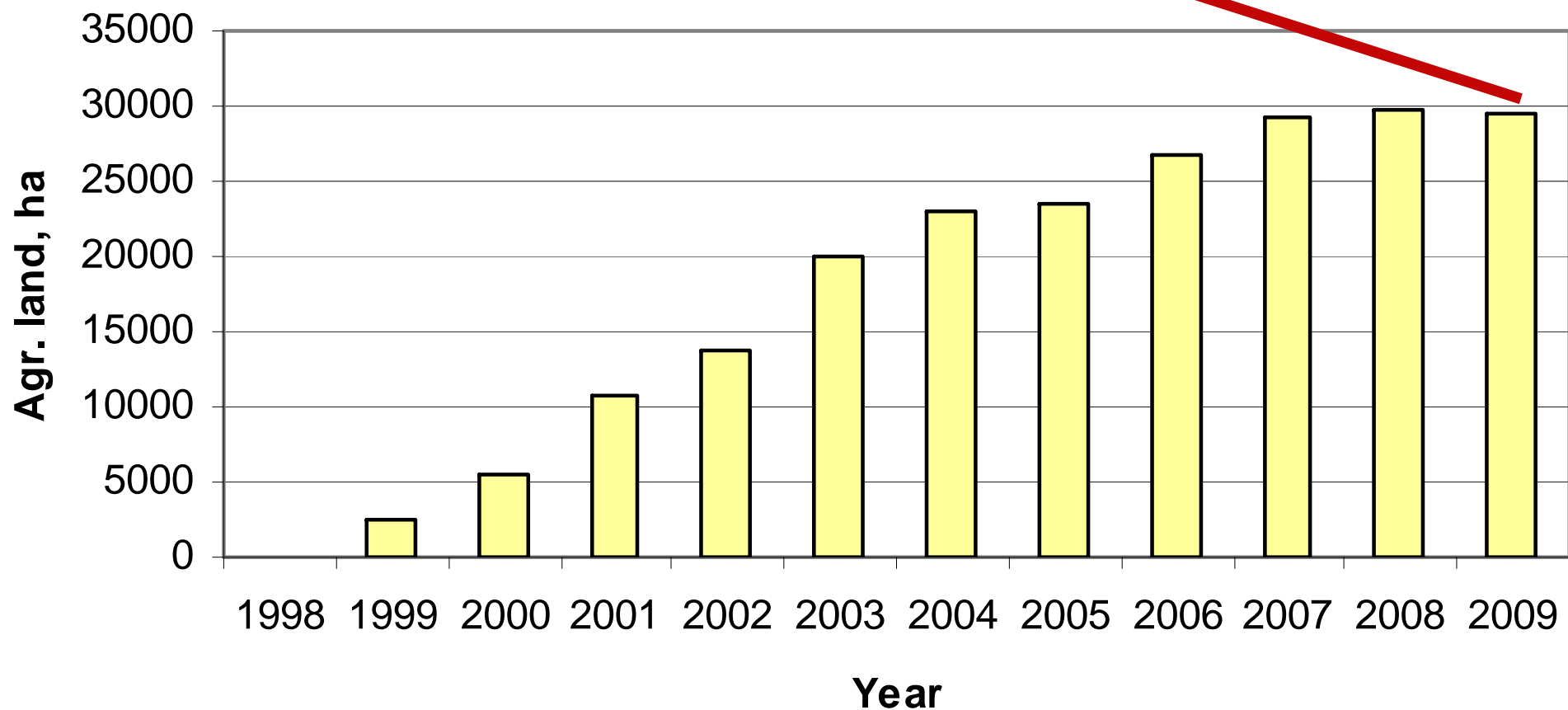
No. of organic farms



= 6,2 % of all agricultural land in Slovenia



Organic agricultural land



Imports and Exports of organic products

Import

- The most frequently imported products to Slovenia were: basic foods (grain, pasta, oil, etc.), processed plant products, fruits, vegetables, dairy products and other

Export

- Slovenia exports only smaller amount of organic honey, meat, herbs and pumpkin seed oils. In 2005 the company Mlinotest Ajdovščina started to export organic bread and organic short crust pastry



Market development

- The beginning of organic farming development in Slovenia lies in the 1990s
- First "health food shop" opened in 1989 in Ljubljana
- First consumers were "eco & health freaks"; the consumers find the origin important (majority prefers domestic products) and often seek direct contact with farmers/producers
- In the last couple of years, another group of consumers appeared: high(er)-income trend-followers, buying in organic supermarket
- Most of organic products are sold in largest conventional chain Mercator (40% market share in conventional food). Spar and Tuš, are increasing their organic products portfolio. Some organic products are sold in DM chain. Lidl and Hofer (Aldi) are only starting with few products, mostly dairy and some vegetables (carrots, onions)
- Purely organic shops are rare, ten at the most in whole Slovenia
- The largest organic shop is Kalček in Ljubljana with several hundreds organic products (250 m²)
- Organic open air markets and farm shops do not have enough supply to meet all customers' organic needs.

Organic certification labels used

In Slovenia next Organic certification labels are used:

- BIODAR (private – national, USOFA – Union of Slovenian Organic Farmers' Associations)
- DEMETER
- State logo "ekološki"
- EU logo
- Others, most frequently on imported products.
 - EU logo
 - Biosiegel (German state logo),
 - other EU private and national logos
- Certification bodies:
 - <http://www.kon-cert.si/>
 - <http://www.ikc-um.si/>
 - <http://www.bureauveritas.si>
- To many consumers national/private logos



Market shares – different retail types

	<i>Market share</i>	<i>Number of outlets</i>	<i>Range width</i>	<i>Range focus</i>
Conventional supermarkets	75 – 80%	600	Approx. 2000 products	Basic foods* Processed plant products Fresh vegetables, fruits
Specialised organic shops	15 – 20%	20	Approx. 2500 products	Fresh vegetables, fruits Basic foods* Processed plant products
Craft (ie. bakery, butchers...)	Less than 1%	5	Approx. 150 products	Bread and pastry Meat (much smaller)
On-line sales	Less than 1%	n/a	Approx. 1000 products	n/a
Organic Farmers	Less than 1%	14	Approx. 150 products	Seasonal vegetables, fruits, cereals, juices, vinegar, oils (olive oil, pumpkin oil), herbs, spices...

Organic Food Processing

- Processing is one of the weakest elements in Slovenian organic agricultural sector
- Prevailing among the processed products are pasta, flakes, oil (of pumpkin seed), olive oil, vinegar, milk products, apple and grape vinegar, herbs in pots, vegetable seedlings and others
- **Milk and milk production industry**
 - In spite of a large amount of meadows and pastures and organic livestock it is not possible to find organically produced milk or meat, or milk and meat at least labelled as organic. The problem with milk is in the collection of milk and the individual dairies choice for such a production line.
 - Exception is only small dairy plant KREPKO (<http://www.mlekarna-krepko.si/bio>) from Logatec, which collect organic milk on Slovenian farms
- **Meat production industry**
 - Some years ago the trade mark “Pohorje Beef” entered the market
- **Milled production industry**
 - A similar problem is present in the milled production industry where bakeries have shown great readiness for baking organic bread, but not enough raw materials (cereals or flour) are available

Organic Food Processing



ekološki Republika Slovenija
Ministrstvo za kmetištvo,
gozdarstvo in prehrano

Ekološki mlečni
proizvodi izdelani
iz slovenskega
ekološkega
mleka

Vsak dan,
vse življenje...

Krepla

Logo of the Ministry of Agriculture, Forestry and Food of the Republic of Slovenia



Final comments

- The organic market in Slovenia is quite young, but steadily growing
- Most of organic products are sold in the conventional retail
- The strong market leader “Mercator” sells organic products in all of its 600 outlets, whereas the range of products depends on the outlet size
- Specialised organic shops are still rare, at the most ten in whole Slovenia. There’s only one organic supermarket in Ljubljana. But a growing number of outlets is planned based on excellent growth forecasts
- The domestic supply does not cover the demand for organic food, especially for fresh food
- Future challenges lie in the increase of demand connected with an improving consumer knowledge and awareness
- Furthermore the domestic supply must be advanced to increase the offer of Slovenian products



Plan of Long-Term Development of organic farming in Slovenia (2005-2015)

- By 2015 an organic farms share in Slovenia of 15 % is to be reached, and a 20% share of utilized agricultural area (UAA) under organic control;
- By 2015 a 10 % share of organic foodstuffs of Slovenian origin on the national market is to be achieved;
- In the next 5 years the number of organic tourist farms is to triple;
- Organic farming is one of the priorities in agriculture for accelerating the sustainable development of agriculture and establishing the conditions for sustainable development of the country;
- Providing better integration of non-governmental organisations;
- Cooperation with foreign organisations and IFOAM;
- Providing for conform, objective and multifunctional information actions on CAP measures to secure the overall policy image;
- Establishing close contacts with Member States and exchange of information;
- Monitoring the realisation of individual measures under the Action plan¹³

