Organic Agriculture in India

- Significance of Organic Agriculture in India
- The organic agriculture sector in India
- Activities of FiBL in India
- Conclusions

Archived at http://orgprints.org/00002768/
Why organic farming in India?

- Focus on improvement of farmers‘ livelihoods → development orientation

- Main target group: marginal farmers on marginal land

- Need for efficient management of natural resources (soil & water) to maintain agricultural productivity

- Healthy and tasty food, better environment
Sustainable Increase of Farmers‘ Income

Income = (Yield \times Price) \times Risk factor - Production Costs

- **Stabilize yields**
- **Value addition**
  - **Organic price premium**
  - **Direct / fair market links**
- **Reduce the risk of Production**
- **Reduce input costs**
What is needed for Organic Agriculture to be successful?
Organic Production in India – in a nutshell

- Large number of companies, NGOs, farmer organisations and government agencies promoting organic agriculture
- Estimated* 12’000 certified organic farms in 210 projects, cultivating more than 200’000 ha certified organic land
- Wide range of organic products in different States
- Government programmes to support organic farming
- Good chances on the export market; domestic market coming up

* Estimate of APEDA, 2003
Organic Producers in India

- Individual farmers
- Farmer groups
- NGO projects
- Companies
- Estates
Extension: Training and Advice

- NGOs and companies organizing farmers
- Govt. extension service, RAEOs
- Indian and international consultants
- Training activities, workshops
- Training and extension material

Most needed:
- Developing organic packages of practices
- Offering professional advice to farmers
Markets for Organic Products

Export Markets:
- Which products? Where?
- Prices?
- Requirements? Specifications?
- Quality management?
- Processing?

Domestic Markets:
- Profile of target group?
- Which market channels?
- Linking supply and demand
- Marketing skills
Markets for Indian Organic Products

Market Study on Indian Organic Products

Domestic and Export Markets

- Stakeholders
- Production
- Trade
- Consumers
- Potentials
- Obstacles

Implemented by FiBL, Switzerland, and ACNielsen ORG-MARG Pvt. Ltd., India

Supported by SECO, Switzerland

Available on www.indocert.org

December 2002
Interest in which organic products?

Source: Interviews of 50 upper middle class citizens of Mumbai. ACNielsen ORG-MARG Pvt. Ltd., 2002
### Export: Products and Volumes

<table>
<thead>
<tr>
<th>Product</th>
<th>Exported (t)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tea (Black tea, green tea)</td>
<td>3000</td>
</tr>
<tr>
<td>Coffee</td>
<td>550</td>
</tr>
<tr>
<td>Rice</td>
<td>2500</td>
</tr>
<tr>
<td>Wheat</td>
<td>1150</td>
</tr>
<tr>
<td>Pulses</td>
<td>300</td>
</tr>
<tr>
<td>Spices (mainly pepper and ginger)</td>
<td>700</td>
</tr>
<tr>
<td>Fruits (Banana, pineapple, mango etc.)</td>
<td>1800</td>
</tr>
<tr>
<td>Nuts (Cashew, walnut)</td>
<td>375</td>
</tr>
<tr>
<td>Cotton</td>
<td>1200</td>
</tr>
<tr>
<td>Herbal Products</td>
<td>250</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Product</th>
<th>Sales</th>
<th>Potential</th>
<th>Availability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tea</td>
<td>good - moderate</td>
<td>good - moderate</td>
<td>good - moderate</td>
</tr>
<tr>
<td>Rice</td>
<td>very good - good</td>
<td>good</td>
<td>poor</td>
</tr>
<tr>
<td>Protein grains</td>
<td>good</td>
<td>very good - good</td>
<td>poor</td>
</tr>
<tr>
<td>Spices</td>
<td>good - moderate</td>
<td>very good - good</td>
<td>moderate</td>
</tr>
<tr>
<td>Vanilla</td>
<td>good</td>
<td>very good - good</td>
<td>poor</td>
</tr>
<tr>
<td>Mango</td>
<td>moderate</td>
<td>moderate</td>
<td>moderate</td>
</tr>
<tr>
<td>Pineapple</td>
<td>good - moderate</td>
<td>good - moderate</td>
<td>moderate</td>
</tr>
<tr>
<td>Nuts</td>
<td>good</td>
<td>good</td>
<td>poor</td>
</tr>
</tbody>
</table>

Replies of 21 importers in Germany, Netherlands, UK, Switzerland, Japan and USA. Source: FiBL, 2002
Traders buying respectively not buying organic products from India

47 Importers interviewed in Germany, Netherlands, UK, Switzerland, Japan and USA. Source: FiBL, 2002
Organic Certification and Accreditation in India

✓ NPOP: National Standards based on IFOAM Basic Standards
✓ NPOP: Accreditation system based on IFOAM / ISO 65
✓ Accredited national certification bodies

Most needed:
- Organizing smallholders for group certification
- Improving proficiency of certification bodies
- Gaining international recognition
Research and Technology Development: Challenges

Agricultural Universities, Agricultural Research Institutes, Krishi Vigyan Kendras

- Comparison of production costs, yields and income in organic and conventional farming systems
- Improvement of organic production technologies (PoPs)
- Research on inputs to organic farming

➔ Make the results available to producers and to policy makers
The Organic Agriculture Sector in India

**Government**

- **Regulations**
  - Standards
  - Accreditation
  - MoC, MoA, APEDA, Boards

- **Policies**
  - Agr. Subsidies
  - Support Schemes
  - MoA, Planning Commission

- **Research**
  - Universities
  - Research Centres
  - ICAR, SAU, Central Research Institutes

- **Extension**
  - Agric. extension service
  - KVKs, State Depts., RAEOs

**NGOs supporting Org. Agric.**

- Representing farmer’s interests
- Information, extension
- Market development, promotion

E.g. OFAI, BAAI, Morarka, Keystone, INORA, AME, IIRD, SOA

**Organic Competence Centre**

- Collect Information and Knowledge
- Documentation and dissemination
- Training and extension services
- Policy initiatives, networking

To be established (ICCOA)

**Producer Organisations**

- Cooperatives
- Producer Groups
- Companies, Projects

E.g. PDS, VOFA, TOFA, Ecofarms, Agrocel, Maikaal,

**Certification Bodies**

- Inspection
- Certification
- Standard development

IMO, SKAL, Ecocert, BCS, SGS, INDOCERT, APOF

**Consumers**

- Farmers
- Processors
- Traders
FiBL Activities in India

- Local initiative, local project ownership
- Funding through various donor agencies (SECO, SDC, WWF, Hivos, SST)

Fields of activity:
- Inspection and Certification
- Accreditation and legal framework
- Organic cotton (Research and extension)
- Capacity building
- Market Development
- Sustainable Tourism
- Policy dialogue and strategy development
INDQCERT - A National Certification Body

Organic inspection and certification for domestic and export markets

In collaboration with FiBL, bio.inspecta (CH) and Naturland (D)

Accredited by Govt. of India

Supported by SECO, Switzerland
INDOCERT: An Indian Initiative

Indian ownership, international links
Growing Organic Cotton under Groundwater Stress: Lessons from the Maikaal bioRe Project, Madhya Pradesh, India

Project Partners:

- Maikaal bioRe, India
- FiBL, Switzerland
- Intern. Water Management Institute (IWMI), India

Mandated by:

- Swiss Agency for Development and Cooperation (SDC)
- Remei AG, Switzerland
- World Wide Fund for Nature (WWF)
Maikaal: Development and Extension

- Improving the production technologies
- Developing replication strategies
- Elaborating manuals and training tool kits
- Guidelines for efficient smallholder certification
- Exchange of experience among farmers
Indo-Swiss Dialogue on Organic Agriculture

- Indian Govt. Delegation visit to Switzerland in July 2003
- To get an overview on the organisation of the organic agriculture sector in Switzerland
- To identify possible ways of co-operation

Shri Sompal, Member Planning Commission;
Dr. Mahesh Sharma, Chairman KVIC;
Dr. G. Kalloo, Dy. Dir. General, ICAR;
Subhash Mehta, FAO Advisor
ICCOA: Fields of Activities

- Collecting, generating and disseminating information and knowledge
- Capacity building of individuals and institutions; training
- Consultancy services
- Networking stakeholders
- Advocating for and popularizing OA

A Service Provider to the Organic Agriculture Sector
- Projects and mandates from private sector and govt.
- Owned and managed by the stakeholders (society)
- Collaboration with existing institutions
ICCOA: Planned projects and mandates (examples)

- Developing a directory for the OA sector in India.
- Elaborating Manuals for organic production of important crops.
- Developing training material for key topics in OA.
- Implementing Training Programs for stakeholders.
- Conducting market research and providing market information.
- Coordinating research projects (production technology, economy, impact assessment etc.).
- Providing information on government support schemes.
- Organizing events for popularizing organic agriculture.
- Providing consultancy for organic farming projects.
Indian Organic Market Development Project

- Project approved by SECO in May 2004, project duration: June 2004 – December 2007
- Goal: Facilitating market access (domestic and export) for Indian organic farmers
- Local implementation through ICCOA, in collaboration with FiBL
- Project contents:
  - Awareness creation
  - Market intelligence
  - Building up supply and market chains (pilot projects)
  - Capacity building in organisational development, quality management, marketing, fair trade etc.
Sustainable Tourism and Organic Agriculture in the Sangla Valley

- Initiative of Sangla Valley Sustainable Development Group
- Two ETH Diploma students to prepare basis for a possible project
- Collaboration with Indian universities
- Funding through SST

The Sangla Valley in Himachal Pradesh, close to the Chinese Border
Organic Agriculture in India – Recent Developments

- Large number of NGOs, companies and farmer organisations
- Govt. policies to support organic agriculture (central and State level)
- Domestic organic market (food crops) expected to come up
- Indigenous certification bodies emerging (e.g. www.indocert.org)
- Indian Competence Centre for Organic Agriculture (ICCOA) for exchange of information, generation of know how, offering services (www.iccoa.org)
Conclusions: Challenges ahead

- Domestic Market: Development?
- Export: Image?
- Legal framework: Update?
- Production Methods: Improvement?
- National Certification Bodies: Recognition?
- System comparison: Results?
- Local Advisory Service: Organisation?
- Extension Material: Development?
- Advice
- Production
- Market
- Research
The Future of Organic Agriculture in India?

**Trends:**
- Growth of production
- Mainly smallholders
- Increase of activities

**Challenges:**
- Market links?
- Entrepreneurship?
- Networking?