

# *Part B: The European Union*



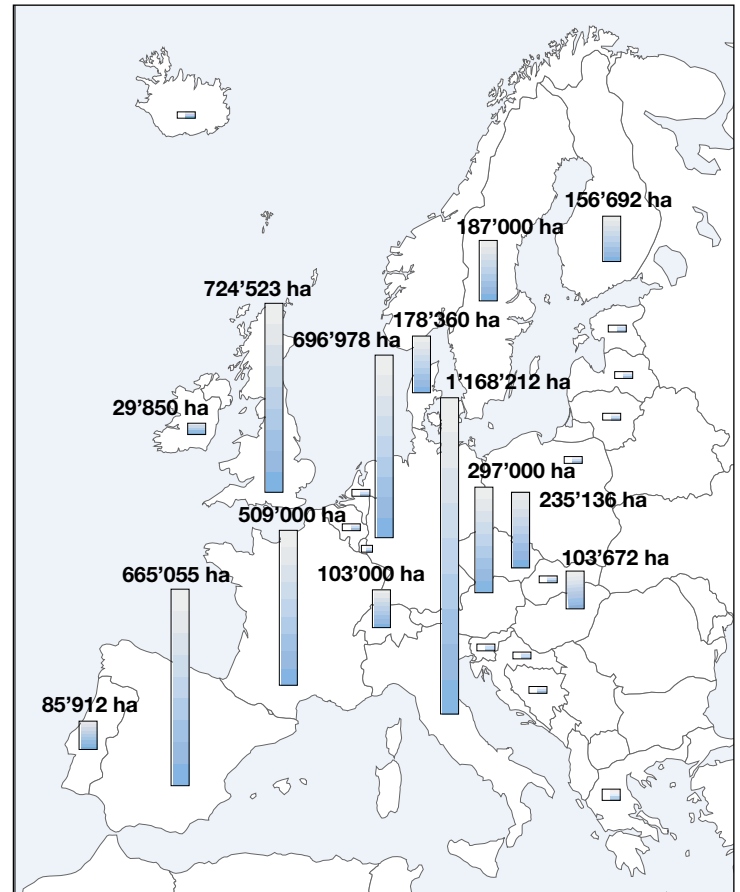
## 1. The European organic market: Overview

Organic farming is carried on in almost all countries of the world. The share of organic farms in overall farmland and in terms of numbers of holdings is growing continuously. The market for organic products is also growing very rapidly, not only in Europe, North America and Japan, where the largest markets are to be found, but also in many emerging economies and economies in transition. The roots of organic farming, however, lie in Europe. The development that has taken place in the organic market in recent years has thus been driven in Europe by a solid base of producers and consumers who are convinced of the ecological and social benefits of organic methods.

### 1.1 Development of organic agriculture

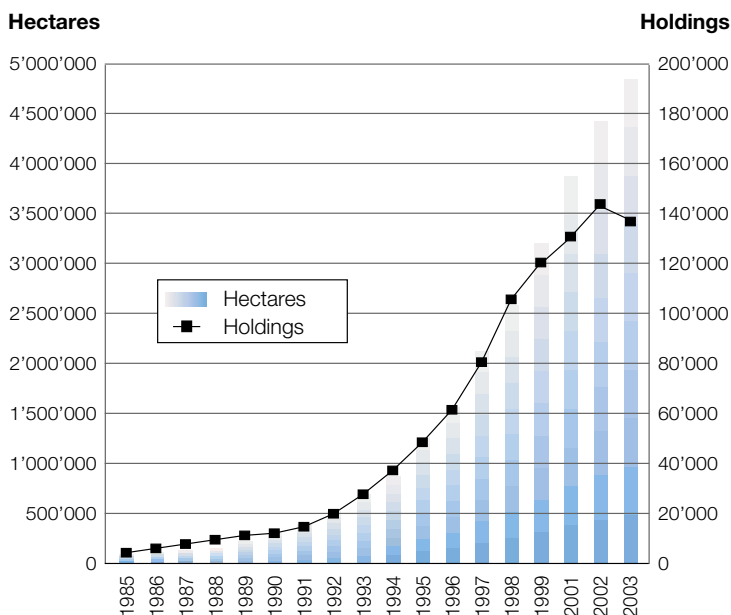
Organic farming has developed very rapidly in almost all European countries since the beginning of the 1990s. The total area under organic farming increased by 16.8% from 2001 to 2002, the front runner being Hungary with a growth rate of 304%, followed by the United Kingdom with a growth rate of 280%, Czech Republic with a growth rate of 200% and Portugal with a growth rate of around 150%. In recent years the total area under

Figure 8: Organic farming in Europe



Source: SÖL, february 2003

Figure 7: Development of organic agriculture in Europe



Source: SÖL and FIBL, february 2003

organic management in Europe has been increasing by an average of 30% per year. At the beginning of 2003, more than 5,4 million hectares were managed by over 170,000 organic operators in the countries of the EU and EFTA and the 13 accession candidates. This constitutes more than 2% of the total agricultural area.

There are significant differences among the individual countries as regards the extent of organic agriculture. In Austria more than 10% of all agricultural land is under organic management, while Germany, an important market for selling organic goods, is only in the middle of the field with 4.1%.

From 1987 on some countries (Denmark, Germany, Finland, Norway, Sweden, Austria) introduced subsidies for farm conversion in order to promote organic agriculture. The EU's agri-environment programme introduced under Regulation No. 2078/92 in September 1992 also seeks to promote production processes that protect the environment and promote

animal welfare. The type and amount of support provided within this programme varies in the different EU Member States.

## 1.2 Market development

In many countries the market for organic products is still relatively small, although it is growing everywhere. Worldwide, Europe is the biggest market for organic products. The annual turnover of the organic market in western Europe was around 10 billion US dollars in 2002 and this figure is currently rising by between 0 and 30% depending on the country. In the USA and Japan, the two markets that are next in importance to Europe for organic products, similar market growth rates are expected. Forecasts for the current year put the total sales volume of these three most important markets at 23–25 billion US dollars (with around 6% of this in Switzerland).

Depending on the country and product group, the market share of organic products ranges from less than 1% up to 5%. By the year 2005 the share of organic foods in the overall market in Europe is predicted to reach between 5 and 10%. Within the EU, Germany has the largest market volume in absolute terms. In Denmark, however, organic products have a higher percentage of the total market. Certain product groups already have as much as a 15% share of the total market in Europe (e.g., in Denmark carrots, eggs, butter, milk). The growing demand throughout Europe is a key factor in the future development of this market.

**Table 4: The European market for organic products in 2002**

Country	Total turnover in millions of €	% of total retail sales of food and beverages	Annual growth	Estimate for 2005 in million €
Germany	3.0	2.3	5–10	3.7
Italy	1.5	1.2	5–15	1.6
France	1.5	1.0	5–10	1.7
Belgium	0.3	2.2	5–10	0.35
United Kingdom	1.45	1.2	10–15	2–2.5
Switzerland	0.7	3.0–4.0	5–15	0.9–1.0
The Netherlands	0.38	1.4	5–10	0.5
Denmark	0.27	3.5	0–5	0.27–0.3
Finland	0.26–0.28	1.0–2.0	–	–
Austria	0.33	2.9	5–10	0.35–0.4
Sweden	0.35–0.45	1.5–2.0	10–15	0.4–0.5
Europe	9.5–10.5	–	–	11.8–12.8

Source: FiBL, 2003, ITC 2002

In Germany, Austria and Scandinavia the greatest challenge is to extend the range of products on offer and expand marketing channels. In the countries of southern Europe, where marketing efforts were



originally entirely export-oriented, the challenge is to create regional markets and promote awareness of organic products in the domestic market. The same also holds true for the countries of Central and Eastern Europe.

### 1.3 Market structures

European consumers buy organic products either direct from the farm, in specialist natural food stores and, increasingly, in traditional supermarket chains. Different countries have followed different marketing paths. Whereas in Germany for example direct sales and sales via specialist organic food stores predominate, the organic movement in the United Kingdom and Denmark targeted the supermarkets as a sales channel from the outset. Countries where organic products are sold mainly via conventional retail channels have higher market growth rates and larger market shares than in countries where natural food retailers are the main outlets for organic products. The second most important factor is the existence of a national umbrella brand name for organic products. The importance of supermarkets as an outlet for organic products will continue to increase in the coming years; most of the market growth in the organic sector is likely to come from this channel.

#### Web information corner on the organic market in Europe

<http://www.soel.de>

The German Foundation Ecology and Agriculture (Stiftung Ökologie & Landbau, SÖL) has published a study entitled "Ökologische Agrarkultur Weltweit – Organic Agriculture Worldwide" on its website. A copy of this bilingual (German/English) study may be obtained either direct from SÖL or downloaded from the internet ([www.soel.de/oekolandbau/weltweit.html](http://www.soel.de/oekolandbau/weltweit.html)).

<http://www.intracen.org/>

The website of the International Trade Center (ITC) in Geneva. The ITC has produced an overview of the market for organic products worldwide.

<http://www.organic-europe.net>

gives reports and database on organic agriculture in Europe.

<http://www.green-tradenet.de>

Information network on organic raw materials worldwide.

<http://www.biogene.org>

Information Turntable for GM-free Production.

<http://www.organicTS.com>

Information about market opportunities world wide for organic products.

<http://www.eisfom.org>

European information System for organic markets gives information of 32 European countries for organic products.

## **2. Access for organic imports: Requirements and conditions**

### **2.1 General framework**

The European Union (EU) has a Common Agricultural Policy (CAP), a common commercial policy and common import and customs regulations for imports from outside the EU. Organic products are subject to the same customs tariffs as conventional products. The ACP-EU Partnership Agreement (Cotonou 2000) forms the basis for developing long-term cooperation between the EU countries and the 69 African-Caribbean-Pacific countries (ACP countries). The Agreement provides for preferential tariffs for the ACP countries. It also provides for "general preferential tariffs for developing countries". Products from the Least Developed Countries are duty free. In order to take advantage of preferential tariffs, imported goods must be accompanied by a certificate of origin. The Common Agricultural Policy applies quantitative restrictions and special charges for agricultural imports (depending on the product, the season and country of origin). These also apply to organic products. Importers must apply for an import licence. The current World Trade Organization (WTO) reform negotiations are pushing forward towards liberalization of trade in agricultural products based on the resolutions of the GATT Uruguay Round. A key element in this is the commitment on the part of the industrialized countries to reduce customs tariffs and export subsidies by a further 13–24% by the year 2004. The aim of the WTO is to facilitate access for emerging economies and economies in transition to the markets of the industrialized countries.

The Fifth WTO Ministerial Conference was held in Mexico in September 2003. The main task was to take stock of progress in negotiations and other work under the Doha Development Agenda. The Conference ended with the conclusion that despite considerable movement in consultations, members remained entrenched, particularly on the "Singapore" issues. It is most likely that the small developing countries will suffer most for the inability to come to an agreement on the different issues discussed. However, it was decided in December 2003 that the Doha Development Agenda should be discussed further in smaller meetings during the coming years.

## **2.2 The EU Regulation on organic production**

In the Member States of the EU, plant products are governed by Regulation No. 2092/91, which came into force in 1993, while products from organically managed livestock are governed by EU Regulation No. 1804/99, enacted in August 2000. These constitute an important step towards consumer protection. They protect producers from unfair competition and they protect consumers from pseudo-organic products. Plant and animal products, and processed agricultural goods imported into the EU, may only be labelled using terms such as "organic" in English and "biologisch" or "ökologisch" in German, etc., if they conform to the provisions of the EU Regulation. The EU Regulation on organic production – like the Swiss Organic Farming Ordinance – lays down minimum rules governing the production, processing and import of organic products, including inspection procedures, labelling and marketing, for the whole of Europe. In other words, the Regulation defines what constitutes an authentic, certified organic product. Each European country is responsible for enforcement and for its own monitoring and inspection system. Applications, supervision and sanctions are dealt with at regional level. At the same time, each country has a certain degree of freedom with regard to how it interprets the Regulation on organic production and how it implements the Regulation in its national context.

### **2.3 Importing goods into the EU**

The regulations on imports in the EU Regulation on organic production are of great significance for the international market in organic products. Article 11 of the EU Regulation governs market access for organic products in the countries of the EU. It stipulates that organic foods imported into the EU from third countries must have been produced, processed and certified in accordance with equivalent standards. The exporting country must give details of the standards and inspection procedures implemented and these are evaluated by the EU. In this respect, the requirements and conditions relating to access for organic products are comparable to those laid down in the Swiss Organic Farming Ordinance (see Part A, Chapter 4 of the present handbook). Enforcement is the responsibility of the EU Member States, although in Germany it is in fact carried out at the level of the German federal states

(Länder). For examples see Chapter 3 of Part B (EU Regulation see Annex II).

At the present time there are two ways of authorizing imports into the EU:

I. Access via the list of third countries in accordance with Art. 11, paragraphs 1–5: A country or certification body may apply to be added to the list of third countries (EU Third Countries List) via its diplomatic representatives in Brussels. In order to be added to this list, the country making the application must already have enacted organic farming legislation and a fully functional system of inspection and monitoring must be in place. In addition, it must provide an attestation of equivalence and other information on organic farming methods. The European Commission decides upon the application based on an assessment of the implemented system and the results of an evaluation visit conducted by EU experts to evaluate the implementation and functioning of the legislation in the respective country. To date only 8 countries have been included on the list: Argentina, Australia, Costa Rica, Czech Republic, Hungary, Israel, New Zealand and Switzerland. Goods imported from these countries need to be accompanied by a consignment-specific “Certificate of Inspection for Import of Products from Organic Production”.

II. **Access via import permit** in accordance with Art. 11, paragraph 6, for all countries not included on the list of third countries (i.e. the vast majority of imports into the EU). As a rule, certification bodies operating at the international level will assist exporters and importers to put together all the information and evidence needed to accompany the application for an import permit. Requirements vary from one EU country to another, but the following are those that generally apply (for specific country requirements see Chapter 3): Import permits are only issued to the importing company by the EU Member state authority into which the product is first imported. This company needs to sign an inspection contract with a European certification body that is approved in the EU. For imports from countries outside the EU and not listed on the third country list the importer applies for an import permit with the local

competent authority. With the application he or the certification body he assigns to this task has to provide documentation to prove that the production and certification of the respective products is in consonance with the EU requirements. The competent authority may request additional information, e.g. the inspection reports or evidence that the certification body active in the third country is complying with ISO 65 (EN 45011). Products may not be released into the EU market until an import permit has been issued. Import permits are usually issued for a limited time period. Re-application is necessary when they run out. Each consignment needs to be accompanied by a “Certificate of Inspection for Import of Products from Organic Production”.

Within the EU all organic products may be freely traded. However, procedures relating to the issue of import permits are not the same in all EU countries. It is advisable to seek advice from the relevant authorities before trading commences.

## 2.4 Requirements relating to inspection bodies

Since January 1988, all inspection bodies accredited in the EU must satisfy the requirements of the EN 45011 standards (these are identical to ISO Guide 65; both set out general standards for certification bodies), in order for suitable imports of organic goods to be approved by the European authorities. Because of the requirement of equivalency, this also applies to all inspection bodies in third countries from which certified products are imported into Europe. In other words, it also applies to local inspection bodies in emerging markets and markets in transition. There is a recommendation by the EU on options for going about this:

1. The inspection body is accredited by an accreditation body in accordance with EN 45011 standards. The accreditation body must be accepted by other accreditation bodies. This happens on the European level by signing the EA-MLA (Multilateral Agreement signed by members of the European co-operation for Accreditation). On the international level the respective organisation would be IAF (International Accreditation Forum), the international association of accreditation bodies – however the IAF members are still ne-

gotiating the MLA on ISO 65 and for accreditation bodies outside of the EU there is so far no possibility to sign a MLA on ISO 65.

2. The inspection body has been approved by a competent authority in the third country in accordance with EN 45011 or ISO Guide 65.
3. The inspection body has been assessed by a qualified expert in accordance with EN 45011 or ISO Guide 65. A supervisory authority in the EU has confirmed the assessment.

Although these options are not officially passed by the EU the EU Member States are more or less following them. At the present time, confirmation of assessments carried out by experts under option 3 is only undertaken by German authorities. Confirmation by a German authority is, however, recognised in all of the EU countries. In Germany the view is taken first of all that in many third countries option 2 does not exist and second, there are only very few accreditation organisations corresponding to option 1. A checklist is obtainable from the German interstate working group of organic control authorities (*Länderarbeitsgemeinschaft zur Verordnung EWG 2092/01, LÖK*) giving details of how an expert assessment in accordance with options 1, 2 and 3 should be carried out.

The EU countries have not reached any agreement as to whether they should recognise IFOAM as an accreditation organisation under option 1 or 3. The IFOAM accreditation programme, run by the International Organic Accreditation Service (IOAS), has so far been recognised primarily in the Scandinavian countries. Also in Germany the competent authority accepts the IOAS reports under option 3. IOAS accreditation is not officially recognised by the EU authorities because IOAS is not a signatory or member of any of the organisations mentioned above (EA-MLA, IAF-MLA). Obstacles for membership are the international character of IOAS whereas the accreditation bodies are usually focusing on the national level.

## 2.5 EU logo for organic products

In February 2000 the European Commission introduced a logo for organic products that may be used throughout the EU by producers operating in accordance with the provisions of the EU Regulation on organic production. The logo may only

Figure 9: The EU logo for organic products



be used on organic products where 95% of the ingredients are organic products that originate from the EU and that have been processed, packaged and labelled in the EU. According to a legal interpretation presented by the European Commission, the EU logo can now be used on imports from countries that are deemed to have an equivalent inspection system. These are the countries on the Third Country List (see chapter 2.3). For imports to carry the EU-logo when they are accepted into the EU under Article 11. 6, the certification body must be supervised by the authorities in the country of inspection. Not many countries outside the EU and US or that are not on the EU third country list, have a system for supervision of inspection bodies. Use of the new symbol is voluntary and it may also be used in conjunction with national government or private logos for identifying organic products. So far only few companies, especially in Southern Europe, are using the EU logo and the market impact is low.

The new logo is designed like those that were developed previously relating to protection of geographical indications and designations of origin (OJ L 224 of August 11, 1998) and to certificates of specific character (OJ L 275 of October 6, 1994) for agricultural products and foodstuffs. It contains twelve stars as the symbol of the EU and may be used in colour (blue and green) or black/white. The appropriate reference to organic production has been laid down for each language, but the logo may also be bilingual.

## 2.6 How the EU Regulation on organic production relates to other standards and laws

Some countries in Europe had already formulated their own legislation on organic production or private standards and label-

### Web information corner on requirements and conditions relating to access for organic imports

[http://europa.eu.int/eur-lex/en/consleg/main/1991/en\\_1991R2092\\_index.html](http://europa.eu.int/eur-lex/en/consleg/main/1991/en_1991R2092_index.html)

The EUR-Lex website leads to a consolidated version of the EU Regulation No. 2092/91 and includes amendments up to 23.03.2002. Available in all languages of the EU.

<http://www.wto.org/>

The website of the World Trade Organization gives the current status of the negotiations on the Agricultural Agreement and international commitments to reduce agricultural subsidies.

<http://www.iafinc.org/>

The members of the International Accreditation Forum (IAF) and the fields where they have already signed Mutual Recognition Agreements (MLA) may be viewed on the website of IAF.

<http://www.european-accreditation.org/>

The Multilateral Agreement for inspection and certification bodies is available on the homepage of the "European cooperation for Accreditation" organization.

<http://www.iso.ch/>

The homepage of the International Organization for Standardization (ISO), which has its headquarters in Geneva, contains details of ISO 65 pertaining to certification bodies.

<http://www.cenorm.be/>

The web pages of the European Committee for Standardization (CEN) give full details of EN Standard 45011.

<http://www.ifoam.org>

The website of IFOAM the International Federation of Organic Agriculture Movements publishes in the chapter "organic guarantee system" the Basic Standards and the Criteria for accreditation. It provides also information on the IFOAM Accreditation Programme.

<http://www.blw.admin.ch/themen/aw/bio/e/index.htm#links>

On the homepage of the Swiss Federal Office for Agriculture there are lists of approved European and Swiss certification bodies for downloading.

ling schemes before the EU Regulation came into force, sometimes many years earlier. These quality marks, for example in Denmark, Austria, Sweden and Switzerland, are well trusted by consumers and are one of the reasons for the current boom in the market for organic products in these countries. All national legal norms on organic production standards in the EU member states have been rendered void when the EU Regulation entered into force. The same will apply when the accession countries like Poland, Hungary enter the EU in 2004.

Figure 10: Governmental and private logos for organic products in Europe



Belgium



Denmark



Germany

AGRICULTURA ECOLOGICA

C.A.A.E.

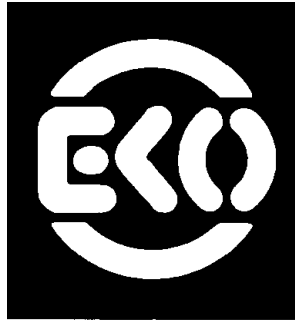


ANDALUCIA

Spain



Great-Britain



Netherlands



Finland



Norway



France



Austria



Sweden



Italy

**3. Major markets:  
Selected countries**

Chapter 3 gives detailed information on the major organic markets in the EU- Austria, Denmark, France, Germany, Italy, Sweden, The Netherlands and the United Kingdom. Country addresses are listed in Annex IV.

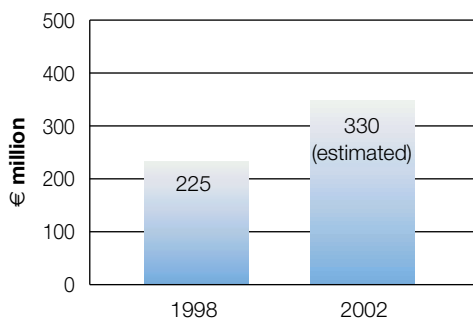
**3.1 The organic market in Austria**

**3.1.1 Market volume and potential**

The first organic farms in Austria were established in the 20's but the real organic boom phase started in the beginning of the 90's when in 1991 the Austrian Ministry of Agriculture and Forestry introduced national conversion subsidies through its program ÖPUL – Austrian National Aid Programme for the Promotion of Extensive Farming which protects the Natural Living conditions (<http://www.bmlf.gv.at/frame.html>). By 1999 according to ARGE, the Austrian umbrella organisation for organic farming (ARGE; <http://www.bioclub.at>) 64.5% of Austria's organic farmers were organised into farmers' associations. The associations about eleven of them, at present, have established their own standards, some of which are stricter than the existing legal standards in Austria (Council Regulation (EEC) No. 2092/91 and the Codex Alimentarii). Besides ARGE (<http://www.bioclub.at>) a second organisation was also formed in 1994, the ÖIG (<http://www.oekoland.at>).

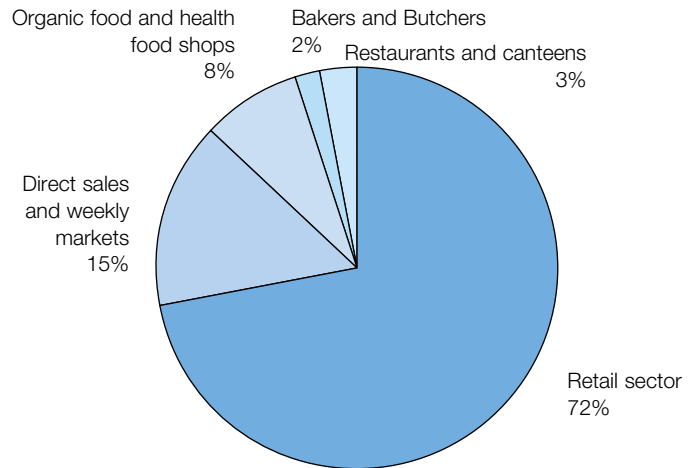
Apart from the state, retail chains and food processors also influenced the development of organic agriculture by promoting organic products in linking them with

**Figure 11: Organic food and beverages in Austria 1998–2002**



Source: Kortbech-Olesen, 1999, FiBL, 2003

**Figure 12: Sales channels for organic products in Austria in 2000**



Source: Hamm et al., 2002

vitality and the preservation of Austrian landscape and culture. Thus organic farming accounted for 297,000 ha by the end of 2002, which was 11.6% of the total agricultural area.

The market share of organic products is about 3% of the total food sales estimated for up to € 330 million. Important organic products for the Austrian market are milk, cereals and vegetables like carrots, onions and potatoes. Potatoes have a market share of 11.9% in the total organic sales in Austria, fresh milk 8.9%, yoghurt 5.5% and butter 6.3%. Cheese, meat, fruits and vegetables each have a share between 3–4% of which fruits and pork show increasing trends. Retail chains are the main sales channels with a market share of more than 70%. Direct sales and weekly markets is about 15% and organic food stores, bakers and butchers, private restaurants and canteens make up for the rest approx.15%. The average consumer price premium for organic products is about 59% being moderate in milk and eggs but high in vegetables.

It is expected that organic food sales in the conventional retail trade could reach a market share up to 15–20% by 2005 while the government strives for 30% organic volumes by 2006. In 2001 the Austrian Ministry of Agriculture and the organic umbrella organisation ARGE- Biolandbau further proposed a promotion concept for organic agriculture in Austria concerning consumer information, marketing, training, advice and research.

Even though 72% of the Austrian population buys organic products, the volume is expected to rise, as consumers in Austria mostly trust the organic origin. Motives for buying organic products are health and care for environment, better taste, support for own region, education and higher income. Nevertheless bottlenecks do exist in organic sales like the price differences, equal quality as conventional items, the lack of taste, short shelf life and the small choice. Also on the farmer's level there are some barriers for market expansion. There are even farmers who reconvert to conventional production systems due to problems in the advisory system or problems in selling organically produced products as a labelled organic product. Challenges for the future include developing ways of cooperative management taking into consideration the interests of the supply chain and "Bio Regions" (regions where a high percentage of farmers practice organic agriculture and market their products locally).

### 3.1.2 Imports and market requirements

About one third of all organic products sold in Austria are imported from The Netherlands, France, Germany and Italy. Of the € 330 million sales of organic products in the last year € 72 million came from imported products. 50% of this accounted for the organic vegetables imported from the Mediterranean countries and

Germany. 20% of the organic cereals consumed were imported. It is mostly the supermarkets themselves and also the large organic wholesalers that directly import organic products. The conventional importers are not so much involved in the organic imports but their interest is growing. There was also a noted amount of import of oil seeds from Hungary, Czech Republic and Germany.

### 3.1.3 Market access provisions

Market access for organic products is regulated by EU Regulation 2092/91 on organic farming (see Chapter 2). The following additional provisions apply in Austria: The additional statutory regulation, called Austrian Food Codex (Österreichischer Lebensmittelkodex), includes standards for animal husbandry and aquaculture and standards for approved ingredients, additives for processing of organic animal products. These standards are mandatory for any organic production and processing in Austria. Products imported from other EU Member States or from third countries only have to comply with the EU Regulation 2092/91; compliance with the Austrian Food Codex is not required by them.

The inspections laid down by the EU regulation on organic farming are conducted by seven private inspection bodies. These inspection bodies are approved and supervised by the Lebensmittelbehörde

Table 5: Import and export of organic agricultural products in Austria

Product group	Imports		Exports	
	Total quantity – (t)	Main countries of origin	Total quantity – (t)	Countries exporting to
Cereals	2,000	NL, CZ, DE	5,000	DE, FR, CH, DK, GB
Oilseeds	1,500	NL, CZ	100	DE, CH
Potatoes	600	EG, IL, IT, FI, ES, DE	5000	GB, IT, DE, CH
Vegetables	9,400	IT, FR, ES	2,200	DE, GB, IT, CH
Fruits (incl. Nuts)	9,800	IT, FR, ES, CL	500	DE, CH
Wine (hl)	–		10,000	DE, SE
Milk and Milk products	1,000	DE, FR	30,000	DE, GB, ES, NL IT, FR, CH
Beef	–		100	IT, FR, NL, BE, DE
Pork	–	DE, NL	80	IT, DE
Poultry	–	DE	–	
Eggs (in million pcs.)	–		2	IT, CH

Source: Omiard unpublished results, 2003

(Food Authority) of respective land (province). Precondition for the authorisation as inspection body is the accreditation according to EN 45011, which is conducted by the Bundesministerium für Wirtschaft und Arbeit (Ministry of Economy and Labour).

There are a number of private organic farming associations with their own standards for production and processing. These standards usually exceed the requirements of the statutory regulations. The organic farming associations authorise members and licensees to label products with the logo of their association if they meet their labelling requirements.

Bio-Ernte Austria (former Ernte für das Leben) is the biggest and best known organic farming association in Austria, boast of 11.500 farms and more than 200.000 ha agricultural area (year 2002, [http://www.ernte.at/frameseiten/f\\_wer\\_mit\\_gl.html](http://www.ernte.at/frameseiten/f_wer_mit_gl.html)). For products that are supposed to be labelled with the association's certification mark (Ernte) the use of ingredients not certified by Ernte is not permitted.

The AMA logo is the national label for products from organic agriculture. The label, managed by the Agrar-Markt-Austria-GesmbH (AMA), may be used for all products produced according to EU Regulation 2092/91 and chapter 8 of the Austrian Food Codex ("Österreichischer Lebensmittelkodex"). There are two types of the AMA-logo. The red and white label includes an indication of origin. This label can be used on organic products where 70% of the value determining ingredients originate from the country or province that is indicated on the label. The indication of origin is not restricted to Austria. For the black and white label there are neither any references to the origin of products nor any other restrictions. The use of the AMA logo requires a contract with AMA and an objective inspection of the requirements.

The import of organic products from third countries is regulated by the EU Regulation on organic farming. Applications for import permits for organic products have to be issued by the importing company to the Lebensmittelbehörde (Food Authority) of the Bundesland where the importing company is located.

## 3.2 The organic market in Denmark

### 3.2.1 Market volume and potential

Denmark is one of the pioneers in promoting organic agriculture. Since the first organic legislation was introduced in Denmark in 1987, it has been the government's policy to actively promote organic farming. Denmark has one of the largest consumption rates of organic products per capita worldwide. It is also one of the top ten countries in Europe as regards the organic share of the total cultivated area. Organic products accounted for 3.5% of total food sales, which was about € 270 million in 2001. In 2002 retail sales for Organic food and beverages are estimated to have reached € 350 million. Organic farming accounted for 6.6% of the total Danish farmland (corresponding to 178,360 ha) in 2002. The number of orga-



nically managed farms increased from 2200 in 1994 to 3714 in 2002 (5.9% of all farms in Denmark). The average size of organic farms in Denmark is 48 hectares.

Development of organic farming goes back to the 1920's when Denmark experienced a widespread interest in natural living and natural foods that was followed by the establishment of The Biodynamic Association in 1936. The Danish movement was further organised with the foundation of the Danish Organisation in 1981 for organic farming that was made up of farmers, consumers and processors with its own growing and breeding regulations and an independent inspection. The rapid development of the sector in recent years is a result both of government support and strong co-operation among government authorities, organic farmers and the

retail trade, in particular FDB (Coop Denmark). The state is aiming at 10% of organic farms by 2005.

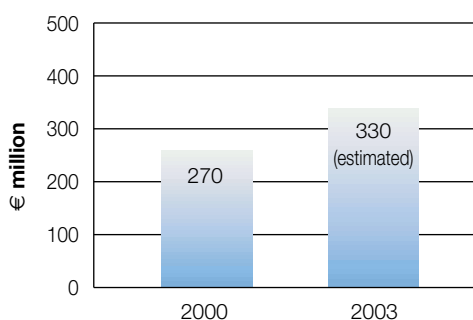
Guidelines for conversion to organic farming in Denmark are more stringent than in many other EU countries because in Denmark the whole farm must be converted. Conversion subsidies are granted up to a maximum amount of 5,000 Danish crowns.

About 90% of all organic products are sold in supermarkets (FDB, Dansk Supermarket, IRMA, SuperBrugsen etc.) and discount stores. Only 4% is handled by organic health and speciality shops and 7% via direct sales. The main organic items are cereals, milk, dairy products, eggs, fruits and vegetables. Organic carrots, eggs, butter and milk already have market shares of more than 15% of the total sales in each product category. A market share of 10% for all organic food and beverages in relation to overall sales (organic and conventional) is expected by the year 2005. Organic products achieve average price premiums of 20 to 30%.

Due to the government-controlled Ø label, organic food and beverages are easy to find in Denmark. This label is well known because of intensive advertising and is trusted by the customers.

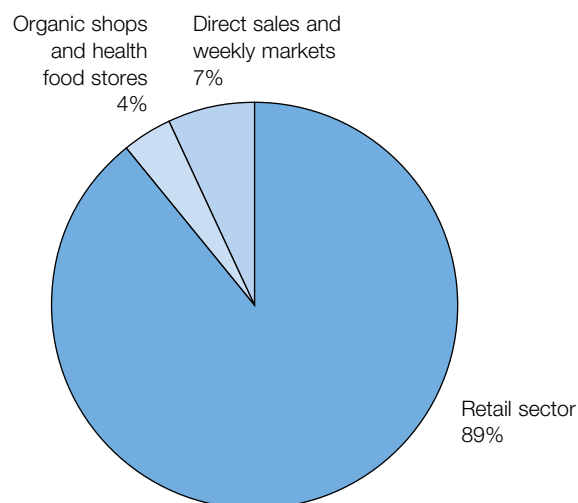
From the point of view of an exporter, the food processing industry is the most important market segment, as most imports consist of raw materials that are repacked or processed in Denmark. There are interesting prospects for exporters in emerging countries and countries in transition who can supply quality products at competitive prices. Importers and food processors are interested in obtaining more supplies direct from source – depending on the product in question and provided there is

**Figure 13: Organic food and beverages in Denmark for 1998 and 2002**



Source: FiBL, 2003

**Figure 14: Sales channels for the organic products in Denmark in 2000**



Source: Richter et al., 2003

confidence in the certification procedure applied in the producer country. Product innovations and consumer confidence in the authenticity of the organic origin of the product are necessary conditions for the market potential to be realised fully.

### 3.2.2 Imports and market requirements

Imports of consumer-packed organic food and beverages are currently insignificant. This is because only products that are processed or packaged in Denmark are allowed to use the government owned Ø logo. Therefore imports of organic food and beverages are largely in the form of unprocessed or semi-processed raw material.

Markets for vegetable, root and tuber products have grown rapidly. Organic carrots represent 13% of the total carrot sales in the supermarkets. Imports of fresh vegetables are mostly from The Netherlands, France, Italy and Spain. The production of organic fruits and berries is small, the main crops being blackcurrants and pears. About 3,000 tonnes of fresh fruits were imported in 2000. Regardless of their original origin, most fresh fruits are imported via The Netherlands. Almost all imports of fresh organic fruits are repackaged and labelled with the Ø logo in Denmark. The demand for dried fruits and nuts is met almost entirely by imports, which include temperate, subtropical and tropical fruits, nuts and kernels.

Processed organic tomato products are highly popular in Denmark. Small retail packs of frozen vegetables are already in the market. Demand for frozen organic vegetables is still only slight, but is on the rise. Import requirements are for bulk packed juice, which is then packed or bottled in Denmark. Imported deep-frozen fruits are further processed into marmalade and jam in Denmark.

Production of organic cereals tripled between 1992 and 1996 (reaching 21,000 t in 1996) and imports reached 83,600 tonnes in 2000. 29.5% of the rolled products sold in Coop Denmark are organic. The market for organic breakfast cereals is growing rapidly and imports are mainly done from Germany, Austria and Italy. In 1998, all FDB-owned bakeries switched completely to organic bread. Pasta, mainly of Italian origin, is imported in bulk, repacked in Denmark and labelled with the Ø logo.

All major retail organisations offer a selection of organic coffee and tea. Suppliers of organic coffee include Mexico, Guatemala, Costa Rica, Nicaragua and Peru. These are packed under a manufacturer's brand name and carry the Ø logo. Some packs also supplement the organic logo with the Max Havelaar Fair trade logo.

Dried herbs constitute an important product group. Products are usually imported in bulk, repacked in Denmark into small units and labelled.

Oil seeds of sesame and sunflower are imported. In addition to this soybeans are imported as it forms a basis for many different food items (tofu, soy drinks, vegetal burgers).

About 3000 hl of organic wine was imported and bottled in 2000 mainly from Germany and France.

Similarly products like organic baby foods are imported in retail packs from Germany.

Imports of animal feed have been allowed only since 1990. Organic animal feed is imported from Germany and the imports of cereals used as animal feed has grown several times.

The milk and dairy industry also play an important role and hold more than 30% of the organic products' market share.

Imports of organic meat and eggs are insignificant. A small volume of raw meat is imported from The Netherlands to produce organic sausages.

### 3.2.3 Market access provisions

Market access for organic products is regulated by EU Regulation 2092/91 on organic farming (see Chapter 2). The following additional provisions apply in Denmark:

Table 6: Import and export of organic agricultural food products in Denmark

Product group	Imports		Exports	
	Total quantity – (t)	Main countries of origin	Total quantity – (t)	Countries exporting to
<b>Cereals</b>	83,600 of which 63,600 Fodder and 20,000 Human	DE, IT	10,000	GB, DE, FR
<b>Potages</b>	2,000	DE	2,500	DE, SE
<b>Vegetables</b>	1,772		8,000	DE, GB
<b>Fruit (incl. nuts)</b>	3,000		100	
<b>Wine hl</b>	3,000		–	
<b>Milk and milk products</b>	–		30,000	GB, DE
<b>Beef (incl. Veal)</b>	–		66	GB
<b>Pork</b>	–		450	GB, IT
<b>Poultry</b>	No import of significance		125	GB, NL
<b>Eggs (million pieces)</b>	No import		20	

Source: Omiard unpublished results, 2003

Denmark implemented already at the end of the eighties a national label for organic products to promote organic agriculture: the national “Ø” label (Statskonrolleret Økologisk). The national Ø label that must be printed on all organic products indicates that the preparation of the product, e.g. its processing, packaging or labelling, has been controlled by the Danish authorities. The symbol is seen foremost on Danish products and also on some foreign products that have been packaged in Denmark. It is only if the final part of the control has occurred in Denmark (production, processing, packaging or labelling), that the Ø label can be used. Importers, processors and packers must register with the Danish authorities and their activities must be inspected by these authorities.

On the basis of the national inspections, the authorities grant the Ø label. Inspection and certification of organic products is a part of normal food control procedures and is therefore executed exclusively by public authorities (in contrast to most other European countries). The two authorities responsible for the implementation of the EU-Regulation on organic farming are the Danish Plant Directorate (responsible for the area of plant and animal production) and the Danish Veterinary and Food Administration (responsible for the area of processing and distribution).

Applications for import of organic food must be sent to the Food and Veterinary regional authorities and applications for import of organic feed must be sent to the Danish Plant Directorate. The Danish Veterinary and Food Administration can provide information about the relevant regional authorities.

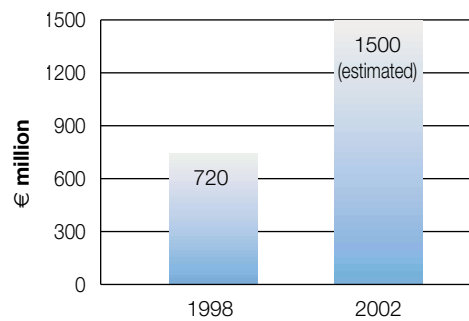
### 3.3 The organic market in France

#### 3.3.1 Market volume and potential

The French organic market began to develop in the 1970s. In the 1990s, growth in both organic production and consumption accelerated, but at a much slower rate in France than in many European countries. By 2002 11,177 organic farms managed in total 509,000 ha (1.7% of farmland).

France has, with a population of more than 58 million, one of the largest food markets of Europe. However organic food just has a market share of 1.0–1.5% of

Figure 15: Organic food and beverages in France 1998 and 2002



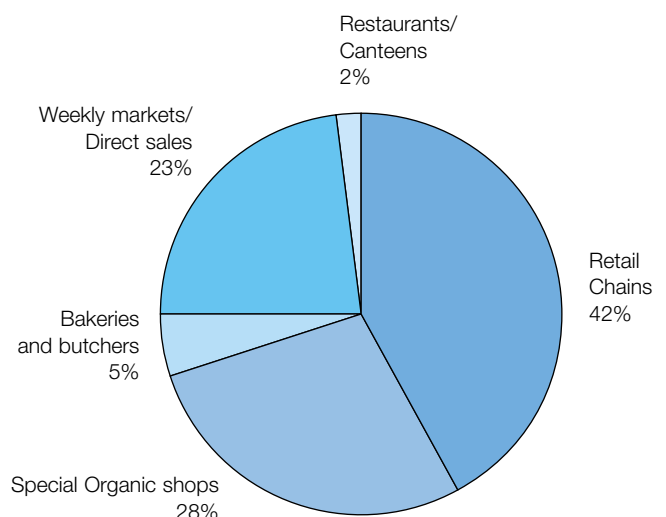
Source: Kortbech-Olesen, 1999, FiBL, 2003

total food sales. In 2002 sales in organic products was estimated at €1.2–1.3 billion.

75% of French households shop once a week at a supermarket. Supermarket chains have a market share of 42% (2002) of the total sales of organic products, and aim to participate more actively in the organic business in future. Specialist organic retailers account for 28% of organic product sales. 30% of organic products are sold in bakeries and via direct marketing. An increasing amount of organic products are expected to be channelled through catering, canteens and restaurants, and will gain importance in the organic market. Carrefour is the leading retail chain in organic food supply.

Growing environmental awareness, fear of food scares and scepticism of genetic engineering are stimulating demand for

Figure 16: Sales channels for the organic products in France in 2000



Source: Hamm et al., 2002, Richter et al., 2003

organic food and beverages in France. Growth rates of around 5–10% are expected for the organic market in the coming years. The development of the French organic market depends upon four factors:

- availability of organic products,
- consumer demand,
- government support and
- quality and professionalism of the organic trade.

In supermarkets, the products of integrated production, which are also strongly promoted and supported by them, are the main competitors of organic products in France.

The organic product groups with the strongest growth in sales are:

- Fresh fruits and vegetables, cereal products and beverages. These three product groups together account for almost half of total organic sales
- Dairy products, meat and meat products
- Dried fruits, legumes, culinary oils, coffee, tea, cocoa, sugar, honey, spices and culinary and medicinal herbs
- Prepared dishes.

Cereals dominate the processing sector. These are followed by dairy products, fruits and vegetables, spices, poultry products, medicinal and other herbs, soy products, meat, convenience products and coffee. Dairy products and the processing of eggs and poultry are also areas of growth within the processing sector. Now

that a number of major food processors have commenced with organic production, an annual growth rate of 10% is expected in this sector too.

### 3.3.2 Imports and market requirements

Only a part of French demand for organic products can be met by domestic production. Off-season products and tropical/exotic organic products have ready access to the French market. Organic imports have grown very rapidly since the mid-1990s. The import volume from non-EU countries has multiplied between 1994 and 1997. EU imports come mainly from Germany, The Netherlands, the United Kingdom and Italy. Non-EU products are imported from North American countries (USA, Canada), Latin America (Belize, Bolivia, Colombia, Costa Rica, the Dominican Republic, Guatemala, Mexico, Paraguay), Eastern Europe (Poland, Hungary, Slovak Republic) and Africa (Algeria, Burkina Faso, Cameroon, Ethiopia, Guinea, Madagascar, Morocco, Senegal, South Africa, Togo, Tunisia and Zimbabwe). Imports from Asia are insignificant.

Emerging markets and markets in transition that already export EU-certified organic products have good prospects of expanding their exports to France. There is a good potential for imports for the following raw materials and final products from the tropics and the Mediterranean region:

Table 7: Import and export of organic agricultural food products in France

Product group	Imports		Exports	
	Total quantity – (t)	Main countries of origin	Total quantity – (t)	Countries exporting to
Cereals	112,225 (00)	AT, IT, FI, DE	25,000	BE, CH, DE, NL, GB
Oilseeds	18,200 (99)	DE, IT	5,000	DE, NL
Olives for oil	2,200	ES, IT	300	
Potatoes	6,000	DE, ES, IL	1,000	AT, LU, GB
Vegetables	30,000	BE, ES, IT, NL	20,000	AT, BE, CH, DE, PT
Fruit (incl. nuts)	25,000	BE, ES, IL, IT	15,000	DE, GB
Wine hl	20,000	ES, IT	150,000	DE, DK
Milk and milk products	25,000 (99)	BE, DE	1,000	DE
Beef (incl. Veal)	800	DE	.	
Poultry	0		1,300	DE
Eggs (million pieces)	0		80	BE, DE, IT, GB

Source: Omiard unpublished results, 2003; FIBL estimations based on data from importing or exporting countries.

- Cereal, soy, sesame and amaranth products
- Rice and rice products
- Dried legume products (beans, lentils, chickpeas)
- Fresh fruits and vegetables
- Fruit juices and concentrates
- Dried fruits
- Deep-frozen fruits, concentrated fruit purées and pastes for processing
- Coffee, tea and cocoa, both raw and semi-processed
- Culinary and medicinal herbs and essential oils, in particular tropical herbs and oils
- Cane sugar and honey
- Culinary oils and fats (palm oil, soy, coconut, peanut, sesame and olive oil).



France meets its own needs in organic meat and organic dairy products, but imports 60% of its demand for protein-containing animal feeds.

### 3.3.3 Market access provisions

Market access for organic products is regulated by EU Regulation 2092/91 on organic farming (see Chapter 2). The following additional provisions apply in France:

France was one of the first European countries to implement a national logo for labelling organic products, the “AB” logo (Agriculture Biologique). It has displaced other private organic labels in France and is the property of the French Ministry of Agriculture. The AB logo has become the most important label by which French consumers recognise organic products. The use of the AB logo is permitted after signing a logo-using contract and compliance with the requirements of the EU

Regulation and additional production regulations as well as the inspection by an inspection body approved by the French Ministry of Agriculture. The differences between the requirements of the EU Regulation and the additional regulations especially refer to the production and preparation of animals and animal products (including aquaculture).

The AB logo may also be used for imported organic products from other European or third countries – provided that it can be proved that the requirements of the French production regulations have been met. However plant products have to be produced within the European Union unless the product is listed on the list for “exotic products”. French approved inspection bodies may sub-contract foreign inspection bodies for inspection according to the AB-requirements.

In France, an array of private organic inspection and certification companies are approved by law (Aclave, Agrocert, Certipaq, ECOCERT Sarl, Qualité France, Ulase). These companies must meet the requirements of EU Regulation 2092/91 and be accredited according to the EN 45011 by COFRAC (Comité Français d’Accreditation), which is the official body for the accreditation of organic inspection and certification bodies.

## 3.4 The organic market in Germany

### 3.4.1 Market volume and potential

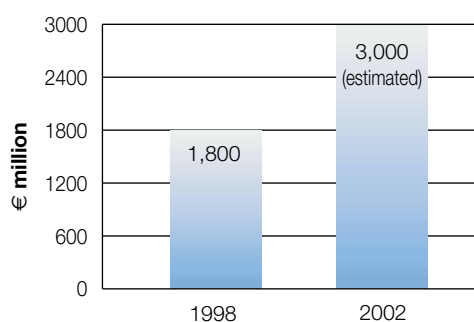
In Germany, first farms already converted to organic management in the early 20th century, when the first health food stores (Reformhäuser) were established. However, organic farming remained a niche sector until the 1980s, organic produce being sold only in health food and natural food stores (Naturkostläden). It was only in the early 1990s, when conventional retail chains began to sell organic products that sales surged. Today Germany as a market for organic products is Europe’s largest and the world’s second largest after the USA. A goal of the Federal Government is to expand the organic agriculture surface up to 20 per cent in ten years. The expansion is to take place on a long term basis, i.e. supply and demand is to grow heavily. In addition information and market transparency must

be improved as well as weak points in production and marketing tackled. The basic conditions for a further expansion of the organic agriculture in Germany are defined in the federal program. It supplements the existing promotion policies around measures which support the development of organic farming at all levels from the production to the consumer. For this federal program in the years 2002 and 2003 the German government had a budget of € 35 million.

In 2002 there were 17,152 organic farms in Germany, the area under organic production amounting to 696,978 ha (4% of all agricultural holdings, with a share of 4.1% of the total agriculturally utilised area). Since German reunification, a number of very large organic farms have been established in the "new" (eastern) states of Germany, which operate at lower production costs than those in the western part of the country (former "West Germany"). In a cross-European comparison, Germany has an intermediate position. The German Federal programme for organic farming is now subsidising consultation for conventional enterprises that want to change over.

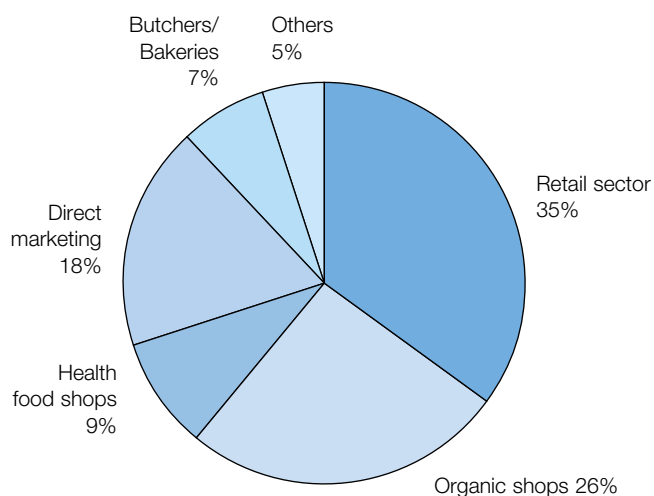
Organic food sales in 2002 are estimated at € 3.00 billion. This corresponds to a share of 2.3% of total turnover of the food market. By 2005, the turnover is expected to double. However, health and natural food stores still dominate today in Germany (35% of total sales of organic products). Only 35% of all organic products are marketed through supermarket chains today while further 18% are sold via direct sales. Nonetheless, German supermarkets are expected to increasingly enter the organic market. The specialized organic supermarkets that opened in the late 1990s are an attractive supplement to

**Figure 17: Organic food and beverages in Germany 1998 and 2002**



Source: Kortbech-Olesen, 1999, FiBL, 2003

**Figure 18: Sales channels for organic products in Germany in 2002**



Source: Hamm., 2003, estimations

the specialist organic retail trade. Catering also has growing demand. The price premiums sway a lot between 18–142% and this is mainly due to small supply, high logistic costs and very high depreciation of retail chains.

National production meets more than 60% of organic demand. The main product groups are bread and bakery, dairy products, tofu products, eggs, fruits and vegetables and meat. A considerable share of the grains, cereals, muesli and beverages consumed in the country are produced domestically. The segments experiencing growth are meat, meat products, dairy products, seeds and plant products. The importance of both convenience products (ready and semi-ready) and deep-frozen goods is growing.

Short-term supply bottlenecks occur repeatedly on the German organic market. However, with improving availability this problem is expected to become less severe. The potential problems in the future development of the organic market in Germany are: the increasing discount orientation of retailers and consumers, a deteriorating agricultural policy context, price dumping for organic products by supermarket chains or the loss of regional processing facilities.

### 3.4.2 Imports and market requirements

Germany is the largest European importer of organic products. 38% of the product value of all organic products is imported. Fruits and vegetables (fresh and processed) are the largest import item, with a share of 30% in terms of turnover of all imported organic goods and a share of 50% of organic fruit and vegetable consumption. In organic cereals and cereal products, and in eggs and poultry meat, imports account for 10 to 20% of domestic demand. Important organic import items also include nuts, tea, coffee, cocoa, spices, culinary oils and fats, sweeteners and bakery products. A large proportion of imports come from emerging markets and markets in transition.

### 3.4.3 Market access provisions

Market access for organic products is regulated by EU Regulation 2092/91 on organic farming (see Chapter 2). The following additional provisions apply in Germany:

The Öko-Landbaugesetz regulates some aspects of the implementation of the EU Regulation 2092/91 (Organic Farming Law) and includes a provision for fines for companies that breach the EU regulation.

Various organic farming associations have developed their own standards, which go beyond the EU standards. These farmers associations certify the products based on their own standards whereas the inspections are delegated to EU approved inspection bodies. It is advantageous for exporters if, in addition to the EU Regulation, they also meet the requirements of private standards schemes. The most important difference between the standards of the farming associations and the EU Regulation is the requirement for whole-farm organic management, which does not allow parallel production of conventional and organic agriculture. Farms that subscribe exclusively to EU standards are permitted to operate conventionally on parts of the farm.

Organic farming associations authorise members and licensees to label products with the logo of their association. The

**Table 8: Import and export of organic agricultural food products in Germany**

Product group	Imports		Exports	
	Total quantity – (t)	Main countries of origin	Total quantity – (t)	Countries exporting to
<b>Cereals</b>	100,000	IT, HU, CA, US, AR, AU, CZ, FI, AT, SE	80,000	FR, CH, AT, GB, DK, SE, NL, LU
<b>Oilseeds</b>	8,000	FR, IT, HU, US, AR, CN, IN, ES, AT, PT	3,000	GB, SE, LU, FR, PT
<b>Olives for oil</b>	–	–	–	IT, ES, GR, PT
<b>Potatoes</b>	6,000	AT, F, IT, IL, NL, HU	12,000	GB, DK, NL, IT, FR, AT, CH
<b>Vegetables</b>	50,000	IT, ES, FR, IL, NL, AT, DK, MA, AU, AR, BE	10,000	GB, DK, SE, NL, FR, FI, NO, LU, CH
<b>Fruit incl. nuts)</b>	30,000	IT, ES, IL, FR, TR, AR, CL, US, GR, NL, AT, BE, ZA DO, NZ	2,000	GB, SE, DK, NO, LU, CH
<b>Wine hl</b>	120,000	IT, FR, ES, AT	10,000	GB, DK, SE, US
<b>Milk and milk products</b>	15,000	AT, DK, NL, IT, BE, CH	25,000	FR, GB, IT, AT, LU, FI, DK, SE
<b>Beef (incl. Veal)</b>	400	DK, NL, AT, AR	600	FR, GB, BE, IT, LU, CH, NL
<b>Sheep meat (incl. Lamb)</b>	30	NL	50	GB, FR, NL
<b>Pork</b>	400	DK, NL, AT	600	FR, GB, AT
<b>Poultry</b>	200	HU, FR	10	LU, AT
<b>Eggs (million pieces)</b>	50	DK, FR, NL, CH	10	DK, LU

Source: Omiard unpublished results, 2003

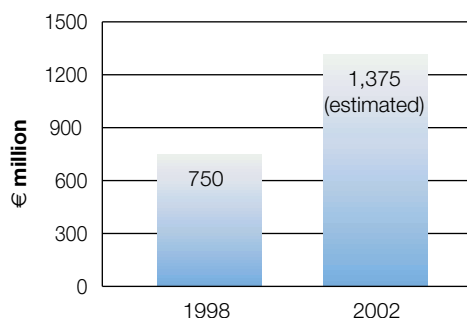
best-known private labels in Germany are Bioland, Demeter and Naturland. For products that are supposed to be labelled with the label of one of these associations the ingredients have to be certified according to these standards and it might be necessary for German inspection bodies to inspect them, even if equivalence at the European level had already been attested for the imported products.

There are 22 private inspection bodies approved according to the EU-Regulation. Ten of these are authorised to inspect importing companies, e.g. ABCert, Agreco, BCS, EcoControl, GfRS, IMO, Lacon. These companies usually support the import companies in applications for import permits. Since May 2003 the Bundesanstalt für Landwirtschaft und Ernährung (BLE) (Federal Agency for Agriculture and Food) has been the competent authority for issuing import permits for imports from non-EU countries according to article 11, paragraph 6 of the EU Regulation. An application form for import permits may be ordered at [sachgebiet-oekolandbau@ble.de](mailto:sachgebiet-oekolandbau@ble.de). The import company has to document in the application the equivalency of production and inspection measures with the EU-Regulation and explain deviations. The inspection body of the exporting company has to confirm these statements. Only an application signed by the importer and the inspection body of the exporter in the third country will be accepted by the BLE.

In October 2001, the Ministry of Consumer Protection, Nutrition and Agriculture introduced a national label for organic products, the "Bio-Siegel". The Bio-Siegel was introduced with a vast promotion and marketing campaign. It is already well-known. Companies complying with the EU-Regulation 2092/91 may use the Bio-Siegel if they notify the logo-use with the "Informationsstelle Bio-Siegel" (information service Bio-Siegel). There are no restrictions for imported products. The use of the label is free, however there are guidelines for the design of the logo.

There are supermarket trademarks e.g. BioBio (Plus), Bio-Wertkost (Edeka), Füllhorn (Rewe) and increasing marketing activities for organic products in the conventional retail trade in Germany. Usually these trademarks are based on the standards of the EU Regulation, but there are stronger requirements regarding the product security.

**Figure 19: Organic food and beverages in Italy 1998 and 2002**



Source: Kortbech-Olesen, 1999, FiBL, 2003

### 3.5 The organic market in Italy

#### 3.5.1 Market volume and potential

Italy has the largest land area devoted to organic farming in Europe, which is about one quarter of the European Union's organic utilised area. In 2002 as per the Ministry of Agriculture about 1,168,212 ha were cultivated organically. There were 55,902 organic enterprises including 49,489 farms. The target is to reach 10% of all agricultural area in Italy converted to organic standards by 2005.

Organic agriculture really took off in Italy in the mid eighties with the establishment of the National Commission of Organic



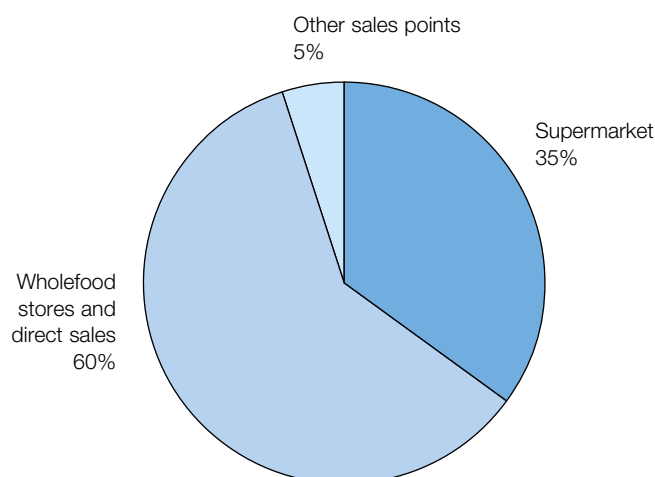
Agriculture that had its own nation wide self-regulatory standards for organic farming. FIAO founded in 1992 is the Federation of the principal organic and biodynamic producer and certifying organisations. It represents the organic sector at a political level and informs the public about organic farming. In 2001 a consor-

tium was founded which unites the major Italian processors and marketing companies.

Italy is the largest supplier of organic products within the EU and the most important categories of organic products are forage/ pasture/ meadows (47%) and cereals (19.5%), olives (8.7%) and fruit including citrus fruits (5.6%). Organic cereals mainly durum wheat for pasta making followed by barley, soft wheat and rice represent around 20% of the total organic agriculture production in Italy. Production of organic fruits and vegetables is mainly in the south especially citrus. Organic cattle numbers in 2002 were 164,536 and for pigs it was 19,900 (Ministero delle Politiche Agricole e Forestali 2003). Sheep and poultry figures have doubled in the last year. Organic olives are grown in an area of 102,055 ha. Organic milk production has gone up by 18% to 7,6 million kilograms. The same was also for other milk products like butter and yoghurt.

Organic product sales amounted to € 1.17 billion in 2001. They have a market share of 1.5% of the total food purchase in 2002. According to a research study consuming of organic products in Italy can reach a turnover of € 5.2 billion in 2005 and the market share rise by 3.3%. 67% of all organic operators are based in the Southern region, 12% in the centre and 21% in the northern region. Organic pro-

**Figure 20: Sales channels for organic products in Italy in 2003**



Source: Consorzio per il controllo dei prodotti biologici, 2003

ducts are more available in the North the reasons being established distribution channels and 78.7% of the Italian Supermarkets with organic fruits and vegetables are located in the North.

Of the 55,902 registered enterprises there are 4,346 processors, 155 importers, 122 export companies, 1,700 supermarkets and 1,000 agricultural and health food stores.

**Table 9: Import and export of organic agricultural food products in Italy**

Product group	Imports		Exports	
	Total quantity – (t)	Main countries of origin	Total quantity – (t)	Countries exporting to
<b>Cereals</b>	200,000	ES, FR, AR, AU, HU	300,000	NL, GB, DK, SE, DE, BE, ES, PT, CH, FR
<b>Oilseeds</b>	NA	NA	NA	DE, FR
<b>Olive oil</b>	80	ES, GR, TN	10,000	DK, GB, DE, US, JP, CH, FR
<b>Vegetables (incl. potatoes)</b>	4,280	AT, DE, NL, EG, ZA, CM, AO, TU, IL	21,823	AT, BE, CH, FI, GB, NL, GB, DK, SE, DE
<b>Fruit (incl. nuts)</b>	12,484	ES, DO, AR, CO, PE, NZ	199,441	AT, BE, CH, FI, NL, GB, DK, SE, DE
<b>Wine (HI)</b>	–	–	490,000	US, JP, EU
<b>Milk and milk products (HI)</b>	120,000	AT, DE	7,000	AT, DE, CH, NL, UK, DK
<b>Beef (incl. Veal)</b>	200	AT, DE	–	–
<b>Pork</b>	110	AT, DK, DE	35	DE, FR, GB
<b>Eggs (million pieces)</b>	15	AT, FR	–	–

Source: Omiard unpublished results, 2003

It is expected that by 2005 supermarkets would alone have 60% of the market shares for organic products. The price premium on organic products is 25% in supermarkets and 30% in specialised organic stores. The prices paid for organic fruit and vegetables though varies according to the season and is at times comparable to the conventional one. A little less than half of the Italians are willing to pay more for organic products compared to conventional ones but the limit is often 20%. Italian consumers attach great value to the origin of the product and the relation between health and nutrition, no chemicals and the support for ecological development.

### 3.5.2 Imports and market requirements

Domestic production does not match with the domestic demand and organic product imports are mainly from Argentina, Chile and some parts of Europe. Fruit and Vegetable packers such as Arabios, Di Rosa and Cannizzaro are involved in importing. Imports are mainly from Austria and Germany for milk and milk products, which have recently had a sharp rise. Nuts are imported from Spain, Dominican Republic, Argentina, Peru and New Zealand. Cereal imports were up to 200,000 tonnes in 2001 but these were mainly from Europe.

### 3.5.3 Market access provisions

Market access for organic products is regulated by EU Regulation 2092/91 on organic farming (see Chapter 2). The following additional provisions apply in Italy:

In 1992 a governmental decree (Decreto ministeriale 338/92) drafted a centralised notification and accreditation system of private inspection bodies. In 1995 a new decree (Decreto legislativo 220/95) replaced Dm 338/92 and defined the coordinative role of the ministry and the supervisory tasks of both the ministry and the regional authorities. In addition, the decree Dm 338/92 defines:

- the requirements for inspection bodies and their evaluation procedure
- the forms to be used by operators and inspection bodies
- the procedures for certificates and imports

Competent authority for the application of Council Regulation (EEC) 2092/91 is the Office for inter-professional agreements and organic farming (Ufficio associazionismo accordi interprofessionali ed agricoltura biologica) of the Ministry of Agriculture and Forestry (Ministero per le Politiche Agricole e Forestali – MiPAF). MiPAF currently authorises 15 private inspection bodies for inspection and certification according to the Council regulation 2092/91. The inspection bodies are either accredited ac-



ording to EN 45011 by the accreditation body Sincert, or directly by MiPAF. Some Inspection bodies have an additional IFOAM, NOP and JAS accreditation, for details see the annexed list.

Before splitting up the original organization into inspection and associative bodies many organisations in the organic sectors had proper standards and a proper label. Since the organisations had to separate associative activities and inspection activities, only three organisations have proper standards of national significance: BioAgriCoop (certification by BioAgriCert), AIAB (certification by ICEA) and AMAB (certification by IMC).

Labelling foreign produce with one of the private labels can be done either by having the product certified directly by the corresponding inspection body, or through certification by an inspection body with which the label-owner has a contractual agreement.

Produce from EU member states, or countries that appear on the third country register (Council Regulation (EEC) 92/94), can be imported and sold as organic in Italy provided the produce is certified by

an accredited inspection body in a member state or by an accredited inspection body listed in the annex of CR 92/94.

Produce from non-EU countries or countries that do not appear on the third country list, can be certified for the Italian market under the following conditions:

1. the produce has been certified by an accredited EU member state inspection body
2. in case the inspection body is not registered and accredited by an EU member country, application for import licences of organic products must be presented to MiPAF. Based on the relevant documentation listed in MiPAF Circ. no. 3 del 16/6/2000, MiPAF will evaluate equivalence with the Council regulation 2092-91 and authorise, or not, imports into Italy. The process is reported to be long and arduous.

### 3.6 The organic market in Sweden

#### 3.6.1 Market volume and potential

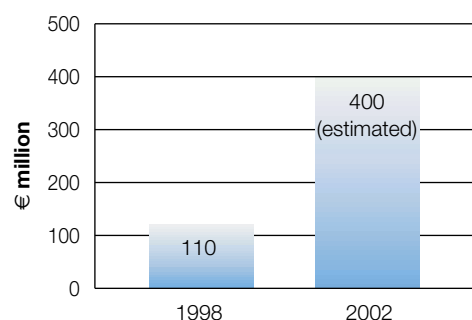
Organic development in Sweden started with the emergence of the first organic farms in the 1940's. Before the 1980's organic farming in Sweden consisted of a number of organisations working in isolation each with its own concept and philosophy. Then a common basis with a common concept of organic farming was formed in the beginning of the 1980's with a forum for co-operation SAO – Samarbetsgruppen för Alternative Odling (the Cooperation Group for Alternative Agriculture). The need to work with farmers interests like policy making and marketing led in 1985 to the establishment of ARF (Alternativodlarnas Riksförbund- the National Association of Alternative Farmers) which cared for developing this market and later came to be known as Ecologiska Lantbrukarna i Sverige (<http://ekolantbruk.se/> Swedish Ecological Farmers Association) in 1994. It founded KRAV (<http://www.krav.se/>) with an aim to unite different practices under a common system of standards and certification. It brought together production organisations, processors, retailers, environmental groups and consumer associations and acted as a strong binding group. All this together with the first support to conversion to organic farming with the EU grants helped in development of organic farming in Sweden.

After careful market analysis the Board of Agriculture has set a new overall target of 20% organic agricultural utilised area in the year 2005. As of December 2002, the organic agricultural area amounted to 187,000 ha which is 6.1% of the total agricultural area and is cultivated by 3,530 organic farms (3.94% of all farms). The Ecological Farmer Association strives for 30% of the agricultural land to be organically used by 2010. Though experts regard a market share of 2.0–2.5% as realistic, retail chains which are the main marketing channels, hope for a market share of above 5% by 2005.

According to EU regulations (Sweden became a member in 1995) 14% of Sweden's agricultural area is organically used, but only half of the area is organically certified. In 1999 almost 10% of Sweden's arable land was either certified organic or was only participating on the national support programme for organic farming under Council regulation (EC) 2078/92. Other developmental factors included a well-organised sector, consumers trust and awareness of a single certification system and one label, good relationship between the organic and conventional organisations and engagement by the food chains. In Sweden to sell organic products they must bear the KRAV sign. It is the best known label to consumers for environmentally sound food products.

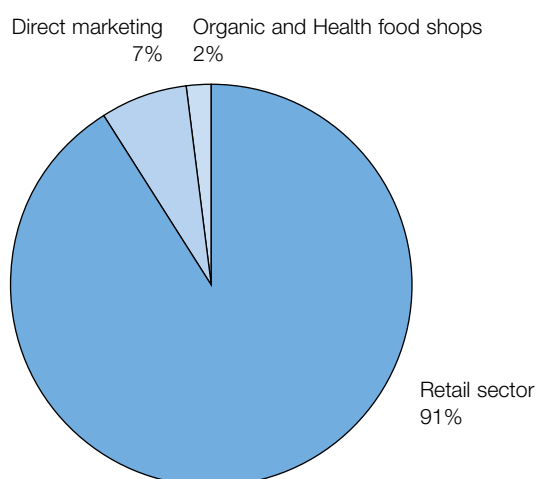
Two private sector bodies are recognised by the government authorities to carry out inspection and certification, KRAV (<http://www.krav.se>) and Svenska Demeterförbunde (<http://www.antroposofi.com/biodyn/demeter/intro.html>). Sweden has no national certification body or legislation defining organic farming.

**Figure 21: Organic food and beverages in Sweden 1998 and 2002**



Source: Kortbech-Olesen, 1999, FiBL, 2003

**Figure 22: Sales channels for organic products in Sweden in 2001**



Source: Richter et al., 2003

The organic market is currently growing at a rate of 20–30% per annum. The market share for organic products that is mainly dairy and fresh fruits and vegetables is between 1%–1.5%. While 91% of all organic products are sold via the retail sector only 7% is sold by direct selling activities or farmer shops and the remaining 2% by other channels. The multiple retailer COOP Sweden is one of the leading European companies in selling and promoting organic food (app. 7% sales share in organic food).

The average price premium is also quite low at about 30% with the lowest in milk and the highest in fruits and vegetables depending on the season. However milk presently has and will probably continue to have the strongest growth the next few years.

Eco Trade AB (<http://www.odal.se/odal/spannmal/krav/kravstyr.html>) the main marketing organisation for organic grain, is working for long term contracts with farmers who can supply sufficient quantity and good quality. Organic egg production has also grown in the last few years with 2.5% of the eggs laid now organic.

Motivation for the customers to buy organic food is their respect for animal welfare within the organic production systems, the environmental friendly agriculture and safety aspects. Nevertheless about 43% of the population never buys organic food. This can be related to the price premiums, the limited supply and less trust in the organic production.

### 3.6.2 Imports and market requirements

In Sweden organic products have been imported for more than a decade and the imports are higher than the exports. Imports are oriented towards products that are not produced or not available in sufficient quantities in Sweden like citrus and tropical fruits, cereals, vegetables

**Table 10: Import and export of organic agricultural food products in Sweden**

Product group	Imports		Exports	
	Total quantity – (t)	Main countries of origin	Total quantity – (t)	Countries exporting to
<b>Cereals</b>	10,000	DE, US, IT, AR.	5,000	DE, CH
<b>Oilseeds</b>	5,000	DE, US	0	–
<b>Olives for oil</b>	0	–	0	–
<b>Potatoes</b>	40	IL.	0	–
<b>Vegetables</b>	1,000	IL, IT, DE, NL	0	–
<b>Fruit (incl. nuts)</b>	4,234	IT, NL, DO, DE	0	–
<b>Wine</b>	62,631 (l)	FR, ES, AT	0	–
<b>Milk and milk products</b>	20	DK, DE	10	GB, FI
<b>Beef (incl. Veal)</b>	0	–	435	GB
<b>Sheep meat (incl. Lamb)</b>	0	–	32	GB
<b>Pork</b>	0	–	316	GB, DK

Source: Omiard unpublished results, 2003

nuts, spices, green coffee and wine. Organic imports often use the same channels as non-organic products.

The largest import of organic fruits is banana from the Dominican Republic. Owing to inadequate supplies the imports of citrus fruits has so far remained insignificant, but there is a great demand for citrus fruits especially for Satsumas and Oranges and Swedish importers regard them as having high import potential. The major exporting countries to Sweden are The Netherlands, Denmark, Italy, USA, Israel, and Argentina. The real need for imports of vegetables is in April and June before the domestic harvest begins. A growing demand is also developing for herbs like Basil, Thyme, Tarragon, Coriander, Rosemary and Oregano. The Swedes are among the highest per capita consumers of herbs and spices within the European Union and therefore Sweden is a potential market. All dried fruits and nuts in Sweden are imported which include raisins, dates, figs, plums, apricots, almonds, cashews, hazelnuts and walnuts, etc. Organic dried vegetables imported are chickpeas, kidney and mung beans, lentils and also desiccated coconut and soy products including roasted soybeans. The most popular canned fruits are pineapple, peaches, pears and mixed fruits. Most of the trade for cereals etc. is carried out by a company Ecotrade. The company foresees a continued demand for basic organic cereals and for grains with high nutritional value. Sweden has the highest per capita consumption rates for coffee and green coffee is imported from Mexico, Nicaragua, Honduras, Guatemala, Costa Rica, Peru and Brazil. Organic baby food products have attained a large market share as high as 10% for certain products.

### **3.6.3 Market access provisions**

Market access for organic products is regulated by EU Regulation 2092/91 on organic farming (see Chapter 2). The following additional provisions apply in Sweden:

In Sweden there are no additional statutory regulations on organic farming. The two competent authorities are the Ministry of Agriculture (Jordbruksverket) – responsible for agricultural production and the import of animal feed) and the Ministry of Nutrition (Livsmedelsverket) – responsible for processing and import of organic products).

The solely approved private inspection body KRAV carries out inspections. KRAV developed an extensive private standard that incorporates all relevant EU requirements and a number of stricter requirements. In addition, it regulates some areas not covered by the EU Regulation, as for example textile production, leather production, and aquaculture and pet food production. Swedish companies that signed a licence agreement with KRAV are allowed to label their products with the KRAV logo – provided the products have been produced according to the KRAV standards. The KRAV logo dominates the Swedish market and is well known by Swedish consumers. For market access the use of the KRAV logo is crucial.

Imported products that are supposed to be labelled with the KRAV logo have to be certified or re-certified by KRAV. These products need to fulfil the requirements of the EU Regulation as well as the applicable KRAV standards.

There are three categories (A, B & C) of recognition of certification and inspection bodies:

- The inspection body has an IFOAM Accreditation and remains accredited.
- The inspection body is evaluated by KRAV or an independent party recognised by KRAV. The evaluation is based on the requirements of the IFOAM Accreditation Criteria e.g. with regards to independence; objectivity; organisation structure; inspection and certification procedures etc. The recognition decision will be reviewed every second year.
- Other ways to establish credibility and trustworthiness. The recognition decision will be reviewed annually.

For all categories, an agreement is required between KRAV and the certification body. Besides fulfilling the EU Regulation, standards must also correspond either to KRAV's standards or the IFOAM Basic Standards.

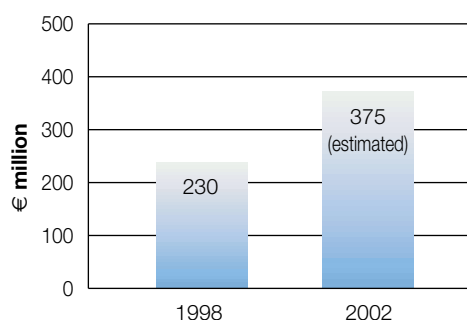
### 3.7 The organic market in The Netherlands

#### 3.7.1 Market volume and potential

The Netherlands is a small and very densely populated country in which agriculture plays only a marginal role, both in terms of the area utilised and value added. Wherever agriculture is practised, it is normally very intensive. The main branches of production are fruit, vegetables, flowers and ornamental plants and cattle farming. Within the agricultural sector, organic farming plays only a modest role compared to neighbouring countries. In the 1990s, organic farming began to grow in the Netherlands – as it did in most European countries. In 2002, 1560 organic farms managed a total of 42,610 ha, corresponding to 2.2% of total farmland. Food scares and downward pressure on prices in conventional agriculture make organic farming attractive for consumers and producers alike. Since 1992, the government has provided support for converting farms. However The Ministry of Agriculture, Nature and Fisheries abolished subsidies for conversion from 1<sup>st</sup> January 2003. A government plan of action has set the goal of 10% of the area being managed to organic standards by 2010. Most Dutch organic farms are mixed operations.

In 2002 organic sales amounted to about € 375 million, while the share of organic products in the total food market figured about 1.5%. This small share is partly

Figure 23: Organic food and beverages in The Netherlands 1998 and 2002



Source: Platform Biologica 2001, 2004, FiBL, 2003

because distribution of organic products is relatively expensive in The Netherlands and organic products are thus often more expensive than in surrounding countries.

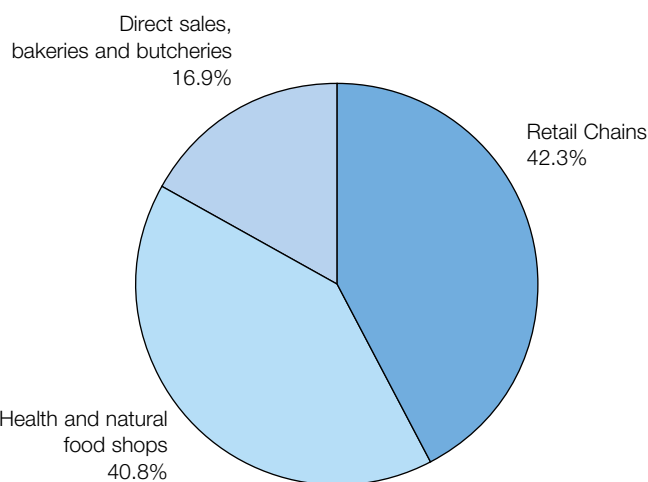
In The Netherlands too, market growth is driven by the supermarkets. The interest of supermarkets has grown steadily in recent years. In 2001 42.3% of the total sales of organic products was sold via supermarkets against 40.8% in whole food stores i.e. health food shops and natural food stores and 16.9% was sold through other distribution channels like bakeries, butcheries and direct selling. Most supermarket chains in The Netherlands such as Konmar, Vomar, Dekamarkt and De Nieuwe Weme sell organic products in their branches. In 1998 the

Table 11: Import and export of organic agricultural food products in The Netherlands

Product group	Imports		Exports	
	Total quantity – (t)	Main countries of origin	Total quantity – (t)	Countries exporting to
Cereals	40,000	FR, UA, RO, NL	35,000	DE, UK, BE
Oilseeds	30,000	FR, AG, PY, NL	–	–
Potatoes	7,500	DE	5,500	DE, UK
Vegetables	80,000	IT, IL, ES,	130,000	DE, UK, SE, DK
Fruit (incl. nuts)	2,000	US, AG, NZ	1,600	DE, UK, AT, CH
Milk and milk products	2,500	DE	15,000	DE, UK
Beef (incl. Veal)	690	AT, DE	0	0
Sheep meat (incl. Lamb)	225	DE, GL	0	0
Pork	275	DE	430	UK, BE, AT, DE
Poultry	80	FR, NL	243	DE, BE
Eggs (million pieces)	12	NL	1	DE

Source: Omiard unpublished results, 2003

**Figure 24: Sales channels for organic products in The Netherlands in 2000**



Source: Richter et al., 2003

largest Dutch supermarket chain, Albert Heijn (Ahold), launched an organic label programme of its own and has since then been promoting organic sales in a targeted manner. In 2001 they organised sales offer weeks three times a year and during these periods all organic products were offered with a price reduction of 25%. In the past two years, the share of organic sales marketed through supermarkets has risen to 42.3%. The low rate of domestic supply and the expensive distribution are the largest problems in the organic market in The Netherlands. In foreign trade, in contrast, The Netherlands has been able to establish its role as an international turntable for organic produce.

### 3.7.2 Imports and market requirements

Imports have a central position for organic produce in The Netherlands. The major players in the organic market the supermarket chains, often have to procure organic products from abroad. On the other hand, The Netherlands is also a large exporter of organic products. This is because numerous international food processors process organic products for re-export in their branches in The Netherlands. Unprocessed organic products are also re-exported from here.

The main imported products are fresh fruits and vegetables, cereals, oil-seeds, dried fruits, nuts, seeds for planting, coffee, tea, spices and herbs. The main suppliers are the central and eastern European countries and EU member state countries. Off-season and exotic products from tropical and subtropical countries account for an ever larger share.

### 3.7.3 Market access provisions

Market access for organic products is regulated by EU Regulation 2092/91 on organic farming (see Chapter 2). The following additional provisions apply in the Netherlands:

In the Netherlands, EU Regulation 2092/91 is implemented through a national Decree on the Agricultural Quality of Organic Production Methods. This legislation designates the organisation Skal as the sole official body for inspection and certification pursuant to the EU Regulation in the Netherlands. In 2002, Skal was split up into two organisations: the private foundation Stichting Skal for certification of organic production in the Netherlands by order of the Ministry of Agriculture, and the private company Skal International. Skal developed private regulations for some areas that are not yet covered by the EU Regulation 2092/91.

Skal's certification mark, EKO, indicates that the product carrying it meets the requirements of the EU Regulation 2092/91. The EKO label is mainly used for products, which have been produced in the Netherlands. Only foreign producers that have signed a contract with Skal can use the EKO label – provided they produce according to the EU-regulations and meet the requirements and conditions of Skal.

Applications for import licences for organic products can be issued to the Ministry of Agriculture. For imports to The Netherlands, product-specific requirements upon quality, size and constituents must be met (for addresses see Annex IV).

### 3.8 The organic market in the United Kingdom

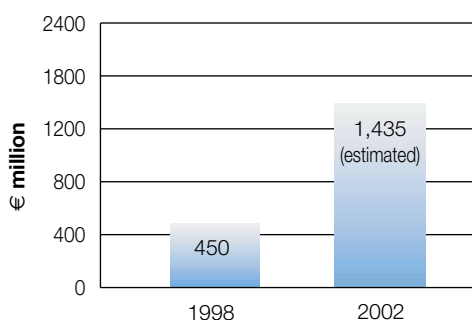
#### 3.8.1 Market volume and potential

With the foundation of the Soil Association in 1946, organic farming has a long history in the United Kingdom (UK). However, the organic market has developed only slowly compared to other European countries in the mid 90's. This has been explained by the poor interest of British consumers and the modest financial support provided to organic farms compared to other European countries. It is only since the late 1990s that demand for organic products has risen significantly, particularly for dairy and meat products. This is due in part to the advertising efforts of the retail trade.

The British retail market growth for organic products has been one of the fastest in Europe. The retail sales in 2003 are estimated to reach up to €1750 million. Estimates of the share of organic products in the overall retail market for the year 2002 ranged between 1.5–2.0%. The main organic products are fruits, vegetables and herbs. Supermarkets today account for 80% of organic product marketing. Box schemes, involving delivery to the home, directly or by mail order of a box of fresh in-season organic fruits and vegetables, are a significant market outlet.

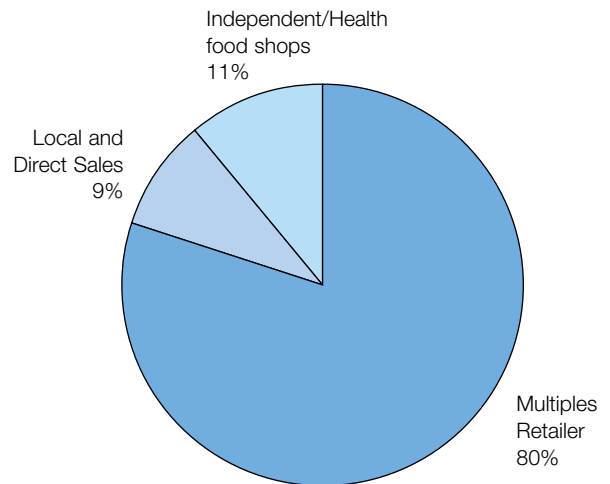
Of the 100,000 farms in the United Kingdom, 4057 (1.74% of all farms) produced according to organic standards in 2002. These organic farms managed an area of 724,523 ha, corresponding to a share of 4.2% of the total farmland area. Domestic production lags far behind demand. As 80% of the organic land is classified as grassland used for organic

**Figure 25: Organic food and beverages in the United Kingdom 1998 and 2002**



Source: Kortbech-Olesen, 1999, FiBL, 2003

**Figure 26: Sales channels for organic products in the United Kingdom in 2001**



Source: Richter et al., 2003

livestock production majority of the organic products consumed are imported.

Thanks to the entry of large supermarket chains, the growth prospects of the British organic food market are good. These multiple retailers are responsible for 80% of the total organic food sales, 9% is done through local and direct sales and 11% through independent and health food shops. Experts consider annual growth in sales by 10–15% to be realistic, reaching a value of € 2.0–2.5 billion by the year 2005, which would amount to 2 to 3% of total food sales. Trade estimates even put the market share at 10 to 15% by the year 2009. The branches experiencing the strongest growth are organic fruits and vegetables, organic meat, wine, beer and processed foods. A considerable rise in the capacity of supply, of both domestic production and imports, will be a precondition to this growth.

Besides the reliability and continuity of supply, particular potential problems for the British organic market are compliance with quality requirements and pricing structures. Furthermore, organic products continue to compete with the food products of integrated production. The issue will be resolved on the market. In the United Kingdom organic products also compete with low-cost “gene food”. This increases the likelihood that the premium for organic products (presently 50–55%) will come under pressure.

Despite competition on the food market, much scope will remain in future for foreign suppliers of organic products. The crucial aspects are credible certification, efficient trade structures and strong relationships with British market partners.

### 3.8.2 Imports and market requirements

About half of all imported organic foods come from EU member states. The main organic suppliers outside of the EU are the USA, Egypt, Israel, Argentina, South Africa and Central America. Some 70% of organic foods are imported. The import share for organic beverages (incl. wine and spirits) figures 90%, for fruits, vegetables and herbs 82%, for cereals, bakery products and baby food 70%, for juices 50% and for dairy products 40%. Tea and coffee are 100% imported.

Organic fresh fruits and vegetables have the strongest demand in the UK. Most organic imports in this sector come from EU and a group of well-established third countries. British consumers place very high demands upon the external appearance of these fresh products. They are mainly distributed by supermarket chains and box schemes. Excellent market perspectives exist for processed fruits and vegetables particularly dried, frozen and canned products. Demand for baby food and convenience products is growing rapidly too.

Meat, meat products and eggs are supplied mainly by domestic producers. Half of the domestic demand for cereal and cereal products is met by imports coming mainly from the EU and the USA. Growth is expected in the area of animal feeds due to rising demand for organic poultry, meat and eggs. Price differentials of 80 to 100% compared to conventional feedstuff cereals are (still) commonplace. Cereals for bakery products tend to be bought direct by the millers.

Supply systems are complex with much inter trading between suppliers for dried fruits and nuts. In many cases dried fruits though produced organically cannot be sold as organic products because producers are not certified.

Fair Trade organisations are not always able to sell tea and coffee with an additional organic label despite these having been cultivated organically because a part of the certification chain is missing. The future market prospects of this product group depend above all upon the commitment of the supermarket chains.

### 3.8.3 Market access provisions

The market access for organic products is regulated by EU Regulation 2092/91 on organic farming (see Chapter 2). The following additional provisions apply in the United Kingdom:

In 1987, the United Kingdom government designated UKROFS (United Kingdom Register of Organic Food Standards) as an executive body to oversee and approve the private certification organisations in the UK. Although UKROFS could operate as a certifying body (UK1), it only approved and monitored the activities of the private certifying bodies (e.g. interviewing and registering inspectors trained by certification bodies).

**Table 12: Import of organic agricultural food products in The United Kingdom**

Product group	Imports	
	Total quantity – (t)	Main countries of origin
<b>Cereals</b>	160,000	AT, AU, CN, Eastern Europe, FR
<b>Oilseeds</b>	Very small	
<b>Potatoes</b>	20,000	EG, ES, IT, IL, NL, DE, FR, BE
<b>Vegetables</b>	74,000	NL, ES, IL, IT AR, W. Africa, Chile, DK
<b>Fruit (incl. nuts)</b>	30,000	US, S. America, ES, NL, FR, EG, IS, GR, IT, CL, AR, NZ ZA, MX, GL
<b>Milk and milk products</b>	22,000	AT, DK
<b>Beef (incl. Veal)</b>	496	AR, DE, SW, DK
<b>Sheep meat (incl. Lamb)</b>	18	NZ, DE, SE
<b>Pork</b>	750	DE, SW, NL, DK
<b>Poultry</b>	700	DK, FR
<b>Eggs (million pieces)</b>	5	FR

Source: Omiard unpublished results, 2003

UKROFS had produced a set of official national standards and established an independent certification and inspection scheme for organic producers. UKROFS standards are based on EU standards with additional UK regulations.

In 2001, a review of UKROFS was conducted which resulted in this body being dissolved with effect from July 2003. The executive functions previously undertaken by UKROFS (e.g. approval and monitoring of organic certifiers, issue of import authorisation etc.) are now undertaken directly by the Department for Environment, Food and Rural Affairs (DEFRA), in consultation with the devolved administrations in the other countries of the United Kingdom: Scotland, Wales and Northern Ireland.

There are currently 12 private sector bodies approved and monitored by UKROFS/DEFRA in the United Kingdom. These include OF&G (Organic Farmers and Growers Ltd, UK2), Scottish Organic Producers Association (UK3), OFF (Organic Food Federation, UK4), SACert (Soil Association Certification Ltd, UK5), the Bio-dynamic Agricultural Association (UK6), Irish Organic Farmers and Grower Association (UK7) and others. Some of the certification bodies certify only to the official national standards, others developed additional private standards.

The oversight and approval of the certification bodies is now undertaken by UKAS (United Kingdom Accreditation Service). UKAS is the sole national accreditation body recognised by government to assess, against internationally agreed standards, organisations that provide certification, testing, and inspection and calibration services.

There is no national label for organic products in the United Kingdom. British supermarket chains dominate the organic market. They are known for their high quality and service standards and are widely trusted by their customers. Therefore, the word "organic" in combination with the supermarket's brand name like Marks & Spencer Organic, Waitrose Organic, Sainsbury Organic, Tesco Organic or ASDA Organic are used in marketing. The certification service sometimes appears only with their official code-number (e.g. Organic Certification: UK4), sometimes with the certifier's logo. Consumers accept any UKROFS/DEFRA accredited UK certification service. Supermarkets are working with various certification services depending on product and country of origin.

In the market place and by the consumer, the symbol of SACert is presently the best known and SACert labelled products currently occupy about a third of the UK organic market.