



NSW Agriculture

# Organic News

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## Introducing:

### *Organic News*

*Robyn Neeson, Editor*

Welcome to the New Year and the first edition of *Organic News*. The monthly newsletter aims to keep you informed about activities within NSW Agriculture that are relevant to the Australian organic industry as well as bringing you other items of interest from around the organic world.

The newsletter will feature the latest research findings, project updates, educational activities, new publications, field days, conferences, workshops, and policy developments. Also reported will be organic industry snippets including market trends, case studies, as well as other items of interest.

I hope you enjoy the first edition of *Organic News*. Suggestions on how the Newsletter could be improved are most welcome. Just contact me at Yanco on 02 6951 2735 or email: [robyn.neeson@agric.nsw.gov.au](mailto:robyn.neeson@agric.nsw.gov.au)

## National organic seed and seedling workshops

*Robyn Neeson, and Greg Howell, NSW Agriculture Yanco.*

Organic producers are now required to source organically raised propagation material for use in their production systems. However, industry has recognised that there is a long way to go before the full implementation of the Rule will be completed.



NSW Agriculture's Robyn Neeson and Greg Howell recently conducted a series of National workshops for the organic industry. The workshops are part of a RIRDC funded project to facilitate the implementation of a Rule that requires all organic producers to utilise organically raised propagation material in their production systems.

Adding to the urgency of the project is the imminent removal of a derogation which states that organic producers who are unable to source organic propagation material in sufficient quality and quantity, may use material not produced in accordance with organic Standards, **provided** they seek written approval from their approved certification organisation.

Whilst regulators in the European Union have agreed to retain the derogation until 2006 (the original deadline was January 1, 2004), the Australian organic industry can not afford complacency implementing the Rule if they wish to retain world market access for their products.

The workshops were held in six states from September 1 to September 8. A range of participants attended including certified organic growers, processors, input suppliers, certification agencies, research and extension providers, regulatory agencies (AQIS) and 'conventional' vegetable industry input suppliers.

Each workshop commenced with an introductory overview of the organic seed Rule presented by a representative from an organic certification organisation, followed by presentations on organic seed & seedling production and an overview of materials permitted as inputs into organic seed & seedling production.

The formal presentations completed, participants then discussed the implications of the seed / seedling Rule during an interactive group session.

The group discussions were structured as SWOT analysis sessions. The **SWOT** Analysis is a framework for analysing the **Strengths** and **Weaknesses**, and the **Opportunities** and **Threats** arising from the introduction of the Rule.

**Workshop outcomes**

*Strengths*

Participants identified that a major strength resulting from changes to the production rules could be an increase in the integrity of organic products and greater legitimacy to the certified organic label.

Workshop participants believed that mutual benefit could be gained by harnessing the high level of expertise that exists within the conventional crop breeding and nursery production industries.

The development of a database of seed, seedling and input providers was seen as a major advantage for those wishing to source organic vegetable seeds and seedling and organically acceptable inputs.

*Weaknesses*

By far the greatest weakness identified was insufficient knowledge about the lack of supply and demand for organic seed and seedlings. Lack of supply was currently inhibiting the production capabilities of existing organic producers, whilst lack of knowledge about market demand was restricting

investment in new organic seed and seedling production enterprises.

Added costs associated with redeveloping new or existing infrastructure in order to comply with organic standards were seen as an additional factor that could retard the establishment of enterprises.

Organic certifiers were seen as inconsistent in their implementation and interpretation of the derogation, which was causing industry confusion.

*Opportunities*

The greatest opportunities arising from the implementation of the Rule were seen as the potential for the development of small to medium



Above: Queensland organic seed / seedling workshop participants continue discussions during the lunch break.

Lack of knowledge of organic production systems and limited access to permitted inputs, were also perceived as impediments to industry development.

Due to the organic industries small size, some participants felt that only one or two businesses would be established and therefore there was a high potential that monopoly trading in organic seed/seedlings would occur.

Some workshop participants believed that the Rule went too far, and that over-regulation was occurring. Some felt that continued extension of the derogation beyond 2006 could erode consumer confidence in the organic certification system.

enterprises that focussed on organic seed/seedling production and new product development. These included

- Export of organic seed,
- Local and regional seed/seedling and seed saving enterprises, and specialist production states eg Tasmania.
- Marketing of organic seed and seedlings in 'conventional' nursery outlets and supermarkets, and
- Development of organically acceptable potting media, fertilisers, pest and disease control products.

## *A snapshot of organic farming worldwide*

**Organic farming is practised in approximately 100 countries around the world. World-wide there is around 23 million hectares managed organically and 398,804 organic farms.**

### **European Union**

The EU has more than 5 million hectares under organic management.

### **North America**

In North America more than 1.5 million hectares are managed organically (0.25% of total agricultural land) and there are more than 45,000 organic farms.

### **Latin America**

Organic farming is growing rapidly in Latin America. The total area managed organically is 4.7 million hectares.

### **Asia**

In Asia the total organic area is almost 600,000 hectares. In comparison to other nations organic agriculture is progressing slowly, with no country yet reaching 1% of production. China is perhaps the 'sleeping giant' amongst organic nations and is predicted to have the most rapid growth potential.

### **Australia**

The largest production area in the world is Australia with 10.5 million hectares certified for organic farming. Most of this area is extensive grazing land. In Australia, around 2,100 farms are certified organic.

*Source: "The World of Organic Agriculture 2003 – Statistics and Future Prospects", IFOAM 2003.*

It was felt that there could be an opportunity to capitalise on Australia's geographical isolation and (relative) GMO-free status (compared to other World producers) due to the Rule's introduction.

Participants felt there was also an opportunity for R&D into organic seed/seedling production. The development of 'organic' plant-breeding lines could be promoted as offering benefits such as reduced fertiliser usage and increased seed/seedling vigour. R&D providers could be approached to provide funds to develop organic nursery production standards, promoted on the basis that organic production techniques could confer greater environmental

stewardship to conventional nursery enterprises.

### *Threats*

The full implementation of the Rule (ie complete removal of the derogation) was seen as potentially discouraging organic conversion, resulting in some producers leaving the industry.

Removal of the derogation could also result in an inability to source sufficient organic seed or seedlings, or producers being limited to using crop varieties that are of inferior quality or not a market preferred variety. Most participants felt that continued access to hybrids was critical. It was also felt that the full implementation of the Rule could lead to an overall decrease in genetic diversity within organic systems or that available varieties could have inferior

performance in an organic management regime.

Conversely, if the derogation was extended *ad-infinitum* this may lead to a loss of integrity and consumer confidence in organic products. It was feared that an "ethic of complacency" could develop within the industry as producers may constantly resort to evoking the derogation. Participants felt that it was critical for organic certification organisations to agree on a consistent interpretation of the derogation.

Uncertainty regarding demand volumes, costs of production, production techniques and associated risks (eg pests and diseases) were perceived as threats to the emergence of viable organic seed and seedling businesses.

All groups were very concerned by the threat from genetically engineered species, which could have the potential to contaminate organic seed supplies.

### **Conclusion**

The National organic seed/seedling workshops provided an opportunity to identify a number of important issues relevant to the entire organic industry and its suppliers in relation to changes to the organic seed/seedling production Rule and the consequences if the derogation is removed.

The workshops highlighted the need for consistency in the interpretation and implementation of the derogation allowing for the use of non-certified material in organic production systems.

Whilst workshop participants were largely enthusiastic about the adoption of the seed/seedling Rule, uncertainty regarding supply and demand was currently inhibiting production. The development of a comprehensive database of seed/seedling and input suppliers and the provision of technical material outlining production requirements and quality control

procedures should increase producer and investor confidence.

Maintenance of an adequate genetic resource base is a major challenge for the industry. Ideally cultivars would need to exhibit traits that are desirable for use in organic production systems such as pest and disease resistance, seedling vigour, whilst also satisfying market preferences for cultivars. As there are few vegetable breeding or selection programs currently operating in Australia it is imperative that the organic industry use this opportunity to create a solution to their needs. \*

## Trees on dairy farms for shade and shelter

*Dhyan Blore Trees on Farms Coordinator NSW Agriculture*

Organic farmers plant windbreaks and shelter belts as buffers to protect against the risk of spray drift from adjoining non-organic neighbours and to enhance on-farm bio-diversity. Careful consideration of where to locate these plantings can offer additional benefits to livestock and production.

NSW Agriculture trees adviser Dhyan Blore says dairy farms can significantly lift milk yields with shade trees to help cows stay in their temperature 'comfort zone'.

Dhyan says planting trees to reduce heat stress can also improve milk quality and herd health.

Trees covering just one per cent of a farm can significantly increase milk yield. Trees can line lane ways or paddock boundaries, or provide in-paddock shade havens.

NSW Agriculture says there's a simple reason why cows are happiest, healthiest and most productive when the temperature is below 27 degrees.

Most dairy breeds are derived from northern European ancestors, and thus are particularly susceptible to heat stress.

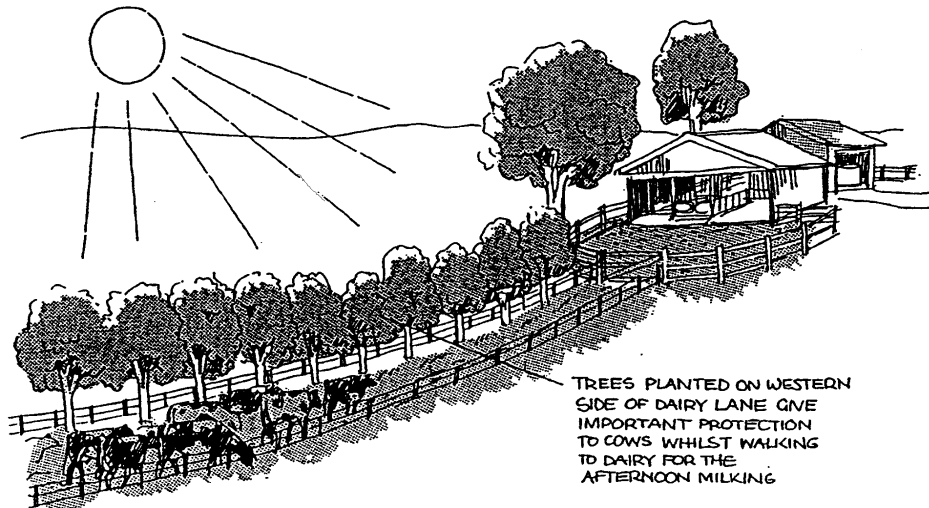
'All livestock have what is known as a "comfort zone" where growth and metabolism are optimised,' says Ray Johnston, NSW Agriculture's Taree dairy officer. 'Outside this, animals use significant amounts of energy to either stay cool or keep warm.'

'Heat stress can also cut milk quality, reducing fat percentages and milk protein levels,' Ray says. 'It can also contribute to herd health problems such as mastitis, and reduce fertility.'

Dhyan says high humidity increases heat stress, making it more difficult for moist air to dissipate heat from a cow's skin.

'Encouraging cool breezes to pass under shade plantings is recommended in high-humidity areas such as the mid and far north coast of NSW,' she says.

'Effective tree shade can halve radiant heat loads.'



The main impact of heat stress is reduced appetite. 'This reduces or stops rumination, reducing live-weight gains,' Ray says.

The impacts of heat stress vary depending on breed, coat colour, general health and whether the animal is in calf or lactating.

Research has indicated that prolonged exposure to temperatures above 27 degrees can reduce milk production by as much as 15 per cent.

'Cows can experience severe heat stress when walking to the dairy for the afternoon milking, and trees are a cost effective way of shading laneways.'

'Shade trees are one of the most effective ways farmers can help cows keep cool,' she says.

For more information contact Trees on Farms Advisory Officer, Dhyan Blore ph 02 63913905. \*

## Rainbow Region Organic Markets celebrated their 4th birthday at Lismore on 9 December.

*Rebecca-Lines Kelly, Environmental Extension Specialist, Wollongbar Agricultural Institute*

To celebrate the markets invited their loyal customers to showcase their interests. As a result the market almost doubled in size. Along with the traditional fresh produce and food products there were food tastings, displays on blacksmithing, massage, meditation, herb growing, recycled farm implements, and information about bio-diesel, and



Above: Dave Roby one of the founders of the Lismore Organic Markets inspects some of the wide variety of produce offered for sale during the market's recent birthday. Pic: Pauline Robv

environmental issues among others. NSW Agriculture supported the markets with a display of information about soils, acid sulfate soils and sustainable food.

The markets lived up to their motto, 'socialise while you shop for nutritious food'. The air was alive with the buzz of conversation and laughter as friends ran into each other, and customers gossiped with

their favourite stall-holders. One child was heard to say to her mother, 'This is more fun than the supermarket'. The coffee stall was on overdrive, and the organic cheesecakes sold out.

In their four years the markets have established strong connections among growers and customers, building trust and networks, two of the hallmarks of social capital. Another characteristic of social capital is reciprocity, giving and giving back.

Last year in the severe drought that devastated the north coast, many stall-holders had to pull out as they had no water and hence nothing to sell, and the markets dwindled in size.

Customers assured the remaining stall-holders they would continue to buy from them as they did not want the markets to die.

The markets are held every Tuesday, 8-11 am, undercover at Lismore Showgrounds. To find out more contact David Roby at

[robvalst@nrg.com.au](mailto:robvalst@nrg.com.au) . \*

**Editors note:** Read David Roby's article 'Integrity can't be photographed' in the current edition of *Gardening Australia's The Organic Gardener* (Summer 2003/2004).

## New publications

### **NSW Agriculture publications**

'NSW Agriculture and organic farming' (Agnote DPI-461, 1st edn)

<http://www.agric.nsw.gov.au/reader/about-organic/nsw-ag-organic-farming.htm>

'NSW Agriculture and recycled organics' (Agnote DPI-462, 2nd edn)

<http://www.agric.nsw.gov.au/reader/ro-about/rec-org-ag.htm>

'NSW Agriculture and soil health' (Agnote DPI-464, 1st edn)

<http://www.agric.nsw.gov.au/reader/soil-about/nsw-ag-soil-health.htm>

### **Coming soon.....**

'Organic pumpkin production' (Agfact, H8.3.7)

'Organic asparagus production' (Agfact)

'Organic processing tomato production' (Agfact)

### **International publications**

Haring, A. M. (2003). 'An Interactive Approach To Policy Impact Assessment for Organic Farms in Europe'. For further details of this and other volumes in the series see: <http://www.uni-hohenheim.de/~i410a/ofeurope/>

Biao X, & Xiaorong, W. (2003). *Organic Agriculture in China*. In: Outlook on AGRICULTURE Vol 32, No 3, 2003, pp 161-164.

### **Events calendar**

16 April 2004

**Organic Workshop**  
SYDNEY, NSW

17 April 2004

**Organic Workshop**  
DUBBO, NSW

18 April 2004

**Organic Workshop**  
LISMORE, NSW

Registrations:

[http://www.bfa.com.au/Downloads/Forms/BFA\\_Training\\_Registration.doc](http://www.bfa.com.au/Downloads/Forms/BFA_Training_Registration.doc) [BOOKING FORM](#)

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## *Latest Growth Statistics for Organic Agriculture*

### **World snapshot**

Estimated world retail sales in 16 European countries, USA and Japan were US\$10 billion in 1997, US\$16 billion in 2000, US\$19 billion in 2001. In 2003, retail sales for organic products in these countries are forecast to be around US\$23-25 billion, and US\$29-31 billion in 2005.

Overall growth expectations for the short to medium term have been reduced somewhat compared with 2002 figures, although they are still high compared to most other food categories traded internationally.

The USA is the worlds biggest organic market with sales of about US\$9.5 billion in 2001. In 2003 retail sales in the US are expected to reach US\$11-13 billion. Annual growth rates are expected between 15-20% over the next few years.

The Japanese market for organic food was US\$250 million in 2000. In 2003, retail sales are estimated to reach US\$350-450 million with the long term potential being much greater.

China, the 'sleeping giant' of organic producing nations, provides the majority of its 95% exports to Japan, EU countries and North America. It is estimated that the sales volumes of organic foods in China might rise from one to two percent of the entire food sales in China (FAO, 2002).

### **Australian production**

Australian Certified Organic (ACO, 2003) reported Australian farm gate value for organic products to be estimated at A\$90 million in 2002, exports (possibly down due to drought) at some A\$40 million and domestic market value at retail level A\$250 million. Organic products account for 0.2% of the current Australian domestic market for food products.

In Australia, important products include fruit and vegetables, dairy products (rapidly expanding sector), rice, wool, herbs, wine, beef and sheep meat. Australia's main export markets are UK, Germany, Japan, New Zealand, Singapore and the USA. The main export products are wheat, other grain, oilseeds and beef. ACO reported that industry growth continued at between 10-30% PA depending on the sector. Beef is leading export growth whilst horticulture leads domestic market growth.

Sources: "The World of Organic Agriculture 2003 – Statistics and Future Prospects, IFOAM 2003. ACO

## *Wanted: News items for Organic News*

Do you have any research results, field day reports or other information that may be of relevance to organic agriculture?

If so, let us hear about it!

Send your contributions to

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Note: Editorial copy to be received by the first Tuesday each month. Electronic copy preferable, Word format, Times New Roman, 10 point, no column formatting is necessary.