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Organic seed & seedling project highlights need for industry action

Wishing all Organic News readers a



The recently completed RIRDC project “Organic Vegetable Seed and Seedling Production” highlighted the need for the organic industry to unite and take immediate action if farmers and suppliers of organic seed and seedlings are to confidently employ the new organic Rule which requires the use of organically raised plant propagation material.

From January 1 2004, in recognition of a Rule imposed by European Union (EU) organic regulators and in order to maintain market access for Australian organic produce, Australia’s National Standard for Organic and Bio-Dynamic Produce required that Australian certified organic growers source planting material from certified sources. However to comply with Article 6(3) of Council Regulation (EEC) No.2092/91, the National Standard set out Derogation that permitted the use in organic production of non-organic seed, provided farmers were unable to find the organic seed they required locally.

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The project, conducted by NSW Department of Primary Industry researchers Robyn Neeson and Greg Howell, was commissioned by the RIRDC Organic Subcommittee to increase awareness amongst conventional and organic seedling providers to the requirements of the Rule and the requirements for organic production of plant propagation material.

In addition, the project investigated:

- The situation regarding the supply and demand for organic vegetable seed and seedlings in Australia, and
- issues impacting on supply and demand.

To meet the project objectives a number of activities were undertaken:

- A series of National information workshops – Sydney, Brisbane, Melbourne, Launceston, Adelaide and Perth
- A telephone survey to determine supply and demand for organic vegetable seed and seedlings and to examine industry preparedness and ability to implement changes brought about by the Rule
- Development of a National database of organic vegetable seed and seedling producers
- Development of technical notes for organic producers outlining regulatory and production requirements for organic seed and seedlings, and

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- A report that:
 - outlines the strength, weaknesses, opportunities and threats impacting on demand and supply of organically produced seeds and seedlings and the capacity of current and future suppliers to meet new organic certification requirements for seed and seedling production
 - and which identifies issues likely to impact on supply and demand of organically produced seeds and seedlings in Australia

The workshops

A number of significant issues were highlighted during the workshops. Lack of industry preparedness to implement the Rule, mainly due to the unavailability or inconsistent supply of organic vegetable seed and seedlings, was a major concern for producers. Producers noted a lack of consistency amongst certifiers in interpretation of the Derogation. Most producers agreed that the quality of some currently available organic seed and seedlings is poor. Quality issues were related to germination and keep-ability of seed. Producers were concerned that lack of market choice – varieties and price – could lead to monopoly trading.

Suppliers of seed and seedlings identified the lack of concise guidelines for organic nursery production and permitted inputs as areas of concern. Organic Standards were considered vague when it came to interpreting what was permitted in the production of organic seed and seedlings and there was poor availability and lack of evaluation of permitted inputs for use in organic nursery production. Many businesses were discouraged from developing organic production due to the small and infrequent orders they received for organic seed and seedlings. In addition, they believed that the existence of the Derogation ad infinitum would prevent investment in organic production systems. Those that had supplied organic producers believed that the producers needed to plan further ahead to provide adequate time for nurseries to meet orders.

There was a general concern amongst workshop participants that some certified organic producers may exit the industry or de-certify as a result of the difficulties associated with implementing the Rule.

The surveys

The project estimated supply and demand profiles for organic seed and seedlings utilising two different methods:

- By survey - using lists compiled from organic certifiers (NASAA and ACO) and other industry sources
- By using National horticulture industry production statistics and calculating organic production as a proportion of this data.

Whilst neither of these methods could be said to have provided conclusive results, it became obvious from discussions with producers (most of whom had experienced difficulties obtaining certified organic plant propagation material) and through discussions with suppliers (who were in-the-main reluctant to supply this market) that a shortfall in specific varieties of organic material could significantly disadvantage Australian organic producers, particularly those supplying the supermarket trade or contemplating export production. However, this would largely depend on the extent to which Australia's trading partners enforced the requirements of the Rule for imported organic products.

Less affected by these shortfalls will be the smaller organic vegetable producer whose markets may accept a greater diversity of varieties, particularly open-pollinated and heirloom varieties. Suppliers of these varieties currently dominate the production of certified organic seed and seedlings.

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Suppliers of imported organic seed reported negligible sales and this should be of concern to industry. Poor sales are adding to the disincentive of these companies to supply the Australian market, and could severely disadvantage Australian organic producers place on the world stage in the future. Most of these suppliers saw the complete removal, or a tightening of the Derogation, as a solution to the problem. However, certifiers may be apprehensive to make these changes fearing that producers may be disadvantaged and that some may chose to abandon their organic certification.

In addition to the issues raised above, the surveys identified some other constraints affecting the supply and demand of organic vegetable seeds and seedlings. These included:

- The fragmented and small-scale nature of this sector of the industry
- The lack of transparent and harmonised records of organic production
- Inferior quality and increased production risks associated with organic production of seed and seedlings
- The lack of defined quality standards for seed production
- The difficulties associated with organic production of some species as a source of propagation material (for example, strawberries), and
- The difficulty of forecasting the demand and supply for organic seed and seedlings (unreliable or incomplete industry statistics)

What can industry do?

The issues identified during the workshops and through the surveys highlight the urgent need for a national approach to identify and prioritise strategies to help address supply and demand issues. As a result of their investigations, the project coordinators recommended that the organic industry consider the following strategies:

- Convene a National Organic Industry Forum bringing together key stakeholders to discuss issues associated with the Rule for organic plant propagation material and the development of a harmonised approach to facilitate the supply and demand for this material within Australia
- As a matter of urgency, industry should determine a clear, concise and harmonised interpretation of the Rule and derogation, including a time frame for full implementation (i.e. removal of the derogation or sufficiently defining it and structuring it in such a way that it leads to a genuinely supportive environment for the development of organic seed and seedlings.)
- The development of an interactive web-based National Database for listing of suppliers of certified organic varieties of seed and seedlings, which in addition, contains a listing of those species for which, as yet, no organic material is available. The database should aim to satisfy all the requirements of EEC Regulation (EEC) No 1452/2003
- Investigate opportunities and threats posed by the implementation of a national organic crop breeding program

In order to minimise the impact of the Rule and its requirements on organic producers it is recommended that producers:

- Where appropriate, organise into cooperatives to facilitate the supply and purchase of organic seed and seedlings
- Consider on-farm production for their requirements of organic seed and seedlings
- Form alliances with larger 'commercial' suppliers of seed and seedlings to provide mutual benefits with the facilitation of supply and demand

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- Determine the annual requirements for organic seed and seedlings well in advance of the production season

In order to minimise the impact of the Rule and its requirements on suppliers of organic plant propagation material it is recommended that they:

- Investigate alternative markets for organic seed and seedlings (eg Green Life and Allied Products horticultural segments)
- Identify and establish market alliances with key producers, certifiers and other relevant users of organic seed and seedlings
- Identify export opportunities for 'out of season' supply of organic seed

For more information on the project contact Robyn Neeson, NSW DPI on (02) 6951 2735 or Email: robyn.neeson@agric.nsw.gov.au

New organic e-mail discussion group

Organic producers are invited to join a new organic industry email discussion group. The discussion group has been created to give organic producers and processors a quick and simple way of discussing issues and exchanging information relevant to their industry.

It is free and fully moderated by the Mid North Coast Regional Development Board as part of a joint collaboration of the Area Consultative Committee, the Department of State and Regional Development and the Department of Transport and Regional Services to assist regional producers in the exploration of business partnerships that can grow their industry and agricultural business.

Subscribers to the email discussion group can ask questions and share information with other industry members. It is a quick and easy way for organic farmers to use their computer to tap into a wide range of expertise and experience and a great opportunity to enhance industry networking and information sharing.

Once subscribed you simply post messages to one address and those messages are then distributed by email to all other subscribers on the list. If an item of interest is being discussed you simply reply to the email if you want to contribute.

The group is taking subscriptions now and we expect it to be operational with discussion from about February 2005. We encourage all organic producers to add their email address to the group list. Linking farmers together on the Mid North Coast has worked well by improving information flow. This discussion group is the next initiative to help enhance information exchange.

To subscribe you simply send an email to list@organicagriculture.org.au with the following text in the body of the email message;

subscribe discussion-group

Leave the subject line blank and do not include any other words or symbols in the message, as it is an automated system. You will then receive a welcome message with information on how to post to the list. You will also begin to receive emails from anyone that posts to the discussion group list. For further information contact Lyndell Stone 02 6583 5647 or fip@betterbusiness.nsw.gov.au

National Landcare Program funds awarded to Upper Clarence organic beef project

Upper Clarence Combined Landcare Inc has been successful in obtaining a grant through the Federal Government's National Landcare Program.

The Australian Government is providing more than \$1.2 million from the Natural Resource Innovation Grants Program - part of the Government's \$39 million National Landcare Program (2004-05 funding) for 20 projects to encourage the use of new innovative and sustainable agriculture practices. The 20 projects that have been successful in the 2004-05 round of funding were chosen by an independent panel, and will receive individual grants ranging from \$5,000 to \$128,600.

The Upper Clarence Combined Landcare Inc project titled '*Planning and Demonstrating Organic Beef Production within the context of an enterprise Environmental Management System, and Property Native Vegetation Management Planning*' will receive a total of \$109,750 to provide help to six beef cattle grazing enterprises to develop environmental management systems that incorporate property vegetation management planning. The enterprises are planning to change from conventional to organic beef production, and the project will look at some of the constraints to making this change. The project will also help land managers become more involved in sustainable natural resource management.

Other collaborators in the project include NSW DPI, Southern Cross University, Organic Growers of Australia Inc., organic beef processor Green Mountain Trading Company, Northern Cooperative Meat Company and the Northern Rivers Beef Plan Group.

For further information about the project contact: Terry Moody, Upper Clarence Combined Landcare Inc, NSW (02) 6665 3133



Do you have any 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: Electronic format is preferred. Text - Times New Roman 11 point.

News, Publications, Commentaries and Events

Organic CRC final interview heldit's now a waiting game

It's now a waiting game to see if the CRC for Australian Organic Food and Farming Technologies will become a reality. The CRC bid interview team reported a positive hearing at their final interview held in Sydney in late November. The final decision is now in the hands of the CRC selectors and the Federal Governments Department of Education, Science and Training. The announcement of successful CRC's is expected prior to Christmas or early in the New Year. Keep posted direct at the CRC Website: <https://www.crc.gov.au/Information/default.aspx>

New report now available: The Australian Organic Industry – A Summary

This new publication summarises the key findings of a study conducted in 2003 and 2004 that provides a snapshot of the organic industry at this time. It is designed to provide general information to current and prospective producers, processors, distributors, exporters, retailers, consumers, certifying organisations, industry associations and others interested in the organic industry. The Australian Government Department of Agriculture, Fisheries and Forestry commissioned the study to help remedy the lack of data available on the organic industry. Copies of the summary are available at: <http://www.daff.gov.au/content/publications.cfm?Category=Food&ObjectID=DEE84DC4-7B56-43B8-8340BF99DF0A9B61>

OFA restructure document now available for comment

Following an industry roundtable meeting on August 16, 2004, which determined that the Organic Federation of Australia structure required review, an Industry Working Group (IWG) was formed to investigate proposals for changes to the OFA organisation.

The IWG has now released a discussion paper which is available for comment to all organic industry participants. The IWG is allowing two months for feedback on the document after which the group will review the comments and make their final recommendations.

The IWG believe that the proposed model has many advantages and will be a good vehicle for the growing organic industry.

One of the major problems the group had to grapple with is how to have in place a system which encourages as many people as possible to participate, but one that does not become too top heavy with an unmanageable board. The IWG believe they have overcome this by recommending a two tiered board system.

The first tier will consist of a Board of Directors. The OFA Board of Directors will be restricted to 9, with their prime responsibility being the role of governance consistent with Corporations Law.

After much debate the IWG determined that the second tier would comprise 5 Advisory Boards. It will be their role to address most of the policy issues and priorities will be done at the Advisory Board level with the final responsibility resting with the Board of Directors.

It is proposed that the 5 Advisory Board groups will be:

- Producers
- Traders
- Consumers
- Certifiers (all AQIS accredited certifiers will have a member on this board) Two positions on the Board of Directors.
- Individuals and related Organisations (such as Gene Ethics, Network of Concerned Farmers, ACF, Green Peace, FOE, Australian Consumers Association, the Retail Grocers etc.) One position on the Board of Directors.

Each Advisory Board will be limited to 7 members. The IWG believes this will be workable size which will allow each Board to focus on the issues relevant to their sector.

The IWG determined that the right of individuals to join the OFA should be retained however they will only be able to vote to elect directors onto the fifth Advisory Board.

The OFA Discussion Paper is available from:

Andre Leu
PO Box 800 Mossman Qld 4873
Phone: (07) 4098 7610
Email: leu@austarnet.com.au

IFOAM / FAO organic seeds conference report & proceedings available on-line

The report and proceedings for the First World Conference on Organic Seed - Challenges and opportunities for the organic agriculture and the seed industry (July 2004) is now available on-line at the FAO website:
<http://www.fao.org/organicag/frame2-e.htm>



International Events

BioFach International presents the follow events:

November 16-18, 2005 **BioFach America Latina** International Organic Trade Fair and Conference Rio de Janeiro, Brasilien
September 21-23, 2005 **BioFach Japan** International Organic Trade Fair Tokyo, Japan
September 16-18, 2005 **BioFach America** Organic Products Expo Washington, D.C., USA
February 24-27, 2005 **BioFach** Nuremberg, Germany

Further information about BioFach worldwide:

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Messezentrum
D-90471 Nürnberg
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<http://www.nuernbergglobalfairs.com/>
www.ifoam.org/conf/

All Things Organic™ Conference and Trade Show

Discover what's new in the organic industry. America's organic consumer market is over 90 million strong and growing, with U.S. retail sales expected to reach \$20 billion by 2007. All Things Organic™ is growing with this market. The Organic Trade Association's All Things Organic™ Conference and Trade Show is North America's ONLY all-organic event, featuring over 400 booths of organic products, inspiring and thought-provoking education sessions, networking activities and special events. In 2005, All Things Organic™ will again co-locate with The FMI Show, The Fancy Food Show, The United Produce Expo & Conference, and The US Food Export Showcase. Exhibitors at All Things Organic™ will have access to over 30,000 buyers attending the show. Conference: April 30 - May 3, 2005 Exhibits: May 1 - 3, 2005 McCormick Place, Chicago, Illinois. Exhibit Sales Manager: Lisa Murray, Email: lmurray@divcom.com; Website: <http://www.organicexpo.com/>

DISCLAIMERS

The information contained in this publication is based on knowledge and understanding at the time of writing. However, because of advances in knowledge, users are reminded of the need to ensure that information upon which they rely is up to date and to check currency of the information with the appropriate officer of New South Wales Department of Primary Industries or the user's independent adviser.

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