WHY ORGANIC

CONTRIBUTING PRODUCTIVELY TO FUTURE FARMING AND FOOD POLICY

“It seems to me that our only real hope of creating a sustainable food system lies in diversity: both practical and ideological. A diverse system, in which there are lots of different ways to produce food is more flexible. My ideal Food-topia would contain organic farms as well as solar-powered high-rise greenhouses growing fruit and vegetables in cities; rewilded landscapes, as well as traditional upland farms.”

Henry Dimbleby, National Food Strategy, Part 1
1. Introduction

This English Organic Forum (EOF) paper outlines how organic land management could be integrated into England’s agricultural policy through the Agriculture Act and forthcoming Environment Act and the Environmental Land Management (ELM) scheme. It is consistent with the developing National Food Strategy.

The organic approach in principle and practice delivers on multiple objectives and provides multiple benefits in line with the ambition of these policy initiatives as explained in a recent paper by RSPB and the EOF. Based on four principles, and in line with “agroecological” and “regenerative” approaches, organic is by far the most developed and globally applicable systems-based standard for land management. Organic has a proven track record commercially and environmentally on a wide range of farms and in the marketplace. It is described and defined in law and is supported by a comprehensive inspection, certification and information system.

As such, it can realistically be a powerful pivot for system change, responding simultaneously both to the aspirations as well as the concerns of a significant proportion of consumers and citizens and the environmental challenges we collectively face.

Taking account of the UN Sustainable Development Goals and our commitments to COP26, achieving a sustainable and resilient food supply is a pledge that we must make, alongside other advanced economies. Consequently, we must ensure that the UK’s low ranking in the Economist Intelligence Unit’s Food Sustainability Index is urgently improved. Enabling organic is one way to contribute to this.
2. The organic landscape
- an overview

Organic production delivers multiple environmental public goods. The synergies arising from their simultaneous delivery is proven through numerous scientific studies in the UK and around the world; it is evidenced by the daily experience of organic land managers. Organic systems strive to operate within planetary boundaries.

- The environmental benefits arising from an organic system include improved soil quality, reduced climate change impact, greater biodiversity, protection of wildlife and reduced pollution.

- Organic is a systems-based method of farming and growing, which uses husbandry methods to ensure health and wellbeing of animals, and successful crop production without the use of synthetic pesticides and fertilisers. Organic husbandry typically involves both crop and livestock production and aims for a balance that operates within ‘natural’ limits. Its legally regulated organic standards guarantee robust environmental and animal welfare outcomes.

- According to latest Defra statistics (2019), 3.3% (300,600 ha) of land in England is managed organically by 3,788 organic farmers and growers. An organic systems approach to land management presents an opportunity both for Defra and for consumers and citizens who want to see more public goods provided by organic farmers and growers in England.

- There is widespread recognition that Government investment needs to be targeted at successful market-focused farming approaches, including organic, which provide environmental goods. The sustainability agenda further requires incentivising farmers to move to systems where their income from production also results in environmental public goods, rather than those in favour of taxpayers paying the full cost of environmental protection and clean up.

- Organic farmers and growers have pre-empted the resource, health and ethical challenges, now facing all farming. The organic sector has been a testbed for systems, techniques and technologies that are being adopted more widely across the agricultural sector. Organic can therefore offer a valuable source of systems innovation - crucial but unusual within farming.

- In the UK, in Europe and around the world organic is the most comprehensive, well-defined and regulated model for agroecology. Its global success speaks for itself. There is widespread recognition of the need for an agroecological transition, and organic is at the forefront of this.

- The trend for increasing consumer demand for organic food continues. Organic food sales through all channels account for 6% of the food market by value. More than 85% of the UK population buy some organic food each year. The sector’s influence in amplifying the importance of producing quality food that respects the environment and animal welfare is clear and has great potential.

- Despite the growing demand there is not a direct read through from market to land area. Thus, each £100 retail spend on organic food does not relate directly to a specific requirement for land area under organic management.

- Environmental and other organisations interested in achieving greater sustainability in farming and food wish to encourage more organically managed land in England. At present the organic opportunity is not being exploited sufficiently in England. The EU Commission’s Farm to Fork Strategy has set a target for 25% of Europe’s farmland to be organically managed by 2030. This is eight times the current area in England. In this paper we propose a lower target of 10%, representing a three-fold increase.
3. The organic market

The organic market is a business opportunity, but it is also a significant medium for information and education about environmental, biodiversity and animal welfare values. At a time when consumers are increasingly looking for ethical purchase options, organic represents the most highly developed “values” chain.

• The organic market continues to grow in the UK (worth £2.45 billion in 2019), in Europe (£34 billion in 2018) and globally (worth £90 billion in 2018)\(^7\). UK Sales in 2020 are estimated to be over £2.6 billion (9.2% year on year growth to the 3rd October 2020\(^8\)) with sales of organic food growing by 13% year on year in September on the back of the Organic Trade Board and Soil Association Organic September Campaign\(^9\).

• Increasingly consumers and citizens recognise the need for change, buying organic products helps them to ‘be the change’, annual inspection and verification of organic standards reinforce the trust and guarantee the impact of that change.

• Through the organic market, box schemes, Community Supported Agriculture, and major brands such as Yeo Valley and Riverford - consumers reconnect with farming and how their food is produced. Organic helps consumers and citizens understand why and how the production method matters and see organic as one way to address environmental challenges, buy healthy food, and increase wellbeing. It is in government’s (and NGO’s) interest to build on this well-developed engagement as well as through public procurement initiatives in schools and other institutions.

4. Trade

Organic products from England deliver public goods in England. As much of the organic food consumed in England should be produced here. This will ensure consumers, citizens and our environment reap the benefits of the public goods arising in this country as much as possible. With respect to imported organic foods, consumers can be assured that they are produced to the same rigorous standards and thus provide public goods and other benefits in the country of production.

• Organic trade delivers public goods and should be a key part of the new green economy both to meet increasing demand for organic and local food post-Covid at home\(^10\) and to take advantage of the export potential resulting from the worldwide demand for organic products. Minister Victoria Prentis stated that the Government would set an ambitious new course for the organic sector.\(^11\) These ambitions must be matched by the inclusion of organic in ELM and the new agriculture policy.

• Strengthening SME and short chain business opportunities will help contribute to maximising local food security.

• There is a strong link between the local and organic food movements. Governments around the world are setting ambitious targets for organic agriculture. Britain is already falling significantly behind many leading countries where organic farm production, processing and retailing has flourished, supported by policy, investment and public procurement. British businesses are at a significant disadvantage on the global stage in what is now the fastest growing segment of the food industry. Current policies are thwarting British organic businesses from competing. Resolving these fundamental barriers is important.

• Trade in organic products depends, in part, on the equivalence agreements between UK, EU and other international organic standards. These have been resolved through UK organic agreements with the EU and 22 other countries\(^12\), however parity will need to be maintained to ensure continued organic trade and Defra’s wish for expansion of organic exports.
5. Organic delivers public goods & benefits

Organic contributes to a dynamic and economically vibrant agricultural sector, ensuring a high standard of environmentally friendly management. Investing in organic therefore provides a basis for incentivising British farmers to supply quality food to consumers and so bring benefits including those defined as public goods.

There are key environmental public goods provided by organic production. The evidence for these public benefits is provided in a detailed accompanying paper. In summary, 1 million hectares of organic land (approximately 10% of England's agricultural land) could deliver, in England:

- Diverse cropping and mixed farming systems that contribute to greater biodiversity, particularly of soil micro-organisms, wild plants, insects, mammals and birds.
- More than 9.4 million tonnes CO₂ equivalent fewer greenhouse gas emissions and increased carbon sequestration annually worth over £188 million in carbon permit trading terms. This is the result of eliminating artificial nitrogen fertiliser use, reduced livestock numbers, increased temporary grassland on crop land and increased soil organic carbon from organic matter recycling.
- 50,000 tonne reduction in nitrogen surpluses and related losses to water courses, potentially saving up to £100 million in water treatment costs.
- Lower phosphorus use and losses reduce eutrophication (nutrient enrichment of water resulting in excessive algal growth).
- 5% reduction in total antibiotic use.
- 1,700 tonne reduction in application of pesticide active ingredient applications, with an associated 25% increase in biodiversity on the one million hectares.
- The simultaneous delivery of other benefits for animal welfare, soil, landscape, public health and well being.
6. Organic land management today

Although there continues to be growth in the organic market, the land area has remained largely static over the last few years in England. This highlights a policy gap that this paper sets out to address.

- There are several ‘macro-economic’ and policy issues that discourage uptake of organic land management to satisfy the available market opportunities. Policies do not currently sufficiently reward organic production and there is a lack of government and institutional recognition of the public goods and other benefits that arise from organic land management in England. This is in sharp contrast to Europe’s approach as seen in the European Farm to Fork Strategy that targets 25% of European land to be organically managed.

- Compared with English agriculture overall, there is a higher proportion of organic grassland (that supports organic livestock production) and insufficient organic arable, vegetable and fruit production, so imports are drawn in.

- A more balanced ‘organic estate’ in England would see a greater proportion of organic arable cropping (cereals and pulses), vegetable and fruit production. This would reduce imports of cereals and pulses, vegetables and fruit as well as of livestock feed. These organic crops can be produced in England, and during longer seasons.

- The polluter pays principle, highlighted in the Natural Environment White Paper* is now acknowledged as a major concern, one that requires an appropriate mind shift. The current premium paid by consumers for organic quality food is a symptom of the status quo where land managers who pollute (or cause other negative environmental consequences) don’t pay for this impact. If the full environmental cost of food production were reflected at the till, the price differential between organic and non-organic would be more equitable and fairer to all.

- In the new policy that we hope will reward public goods with public money, organic farmers and growers will expect to be paid according to the extent of the delivery of these through organic land management. This, in turn, will create a more level playing field, thus enabling more citizens and consumers to access and afford organic food if they choose, and for society as a whole to reap the benefits that the organic systems approach delivers.
7. Research, development & advice

Compared with R&D for non-organic approaches, there has been persistently low investment in R&D for organic and agroecological techniques over the last 70 years. Despite this, there are exciting and innovative organic research projects ongoing in the UK and around the world which point to the potential for improvement in organic practices. Targeted research into key aspects of organic production - for example in soil biome science, the development of crop varieties appropriate to organic systems and better understanding of soil, plant and animal interactions - are all essential.

- The outcome of this research would also be of benefit for all farmers transitioning to sustainable farming. Increasing organic research will deliver good returns, help optimise organic crop yield and quality and close the productivity gap between organic and non-organic production.
- This opportunity is not reflected in Defra’s future farming policy, which focuses only on high technology, precision and input based approaches to increasing yield. Consequently they ignore the opportunity presented by organic and agroecological approaches to improve productivity and efficiency, whilst delivering environmental public goods and other benefits. Defra seems to be limiting the diversity of solutions that farmers can adopt.
- Aligned to research and development is the need for increased advisory resources to enable a transition to sustainable farming. Organic farming does not necessarily require inputs that can be sold at a profit. Much of the advice available to farmers and growers is provided ‘free’ by agro-chemical input company agronomists. They may give good advice, but ultimately depend on making a sale. In many cases, the knowledge intensive organic system does not require inputs that can be purchased, and this results in a block in the provision of advice to organic land managers.
8. What would an organic public goods option offer to ELM?

A diversity of approaches, including organic, will be required if the Environmental Land Management scheme is to succeed. Environmental organisations acknowledge the benefits that increased organic land management will bring; Defra sees the opportunity but have yet to identify the way it can be exploited.

The Agriculture Act sets the framework for this. It states that financial assistance may be given for the following:

(a) managing land or water in a way that protects or improves the environment;
(b) supporting public access to and enjoyment of the countryside, farmland or woodland and better understanding of the environment;
(c) managing land or water in a way that maintains, restores or enhances cultural or natural heritage;
(d) managing land, water or livestock in a way that mitigates or adapts to climate change;
(e) managing land or water in a way that prevents, reduces or protects from environmental hazards;
(f) protecting or improving the health or welfare of livestock;
(g) conserving native livestock, native equines or genetic resources relating to any such animal;
(h) protecting or improving the health of plants;
(i) conserving plants grown or used in carrying on an agricultural, horticultural or forestry activity, their wild relatives or genetic resources relating to any such plant;
(j) protecting or improving the quality of soil.

The Environmental Land Management scheme refers to six public goods:

- clean air
- clean and plentiful water
- thriving plants and wildlife
- protection from environmental hazards
- beauty, heritage and engagement with the environment
- reduction of and adaptation to climate change

These ‘public goods’ will be paid for with public money from the taxpayer. They can be (and in most cases are) successfully delivered by organic production systems. Several additional direct and indirect public benefits are delivered by the organic farming and food system include resilience, social and cultural values of agricultural communities, rural vitality and human health.

- Defra must ensure that the various policy schemes outlined in the Agriculture Act, including ELM, the productivity scheme and the animal health and welfare pathway, are developed in an integrated way, to include flourishing organic approaches.
- Multiple benefits arise from synergies in the organic system. Bundling environmental and animal welfare friendly practices together through organic land management is an example of a win-win approach, that delivers consistency of return and builds in resilience.
- Systems-based organic land management avoids the need for farmers and growers to choose from a menu of narrow options, as proposed in the standards for Component 1 of ELM - the Sustainable Farming Incentive (SFI). They are also relevant in Component 2 of ELM - Local Nature Recovery.
- The annual organic inspection and certification of farms, required in legislation, would monitor compliance and demonstrate the delivery of public goods and other benefits whilst providing important consumer assurance and guarantees.
- Paying an organic ‘systems premium’ would be the most efficient way to meet the additional costs of managing the diversity on organic holdings inherent in the systems-based organic approach.
- Diversity is the cornerstone of delivering the many positive outcomes from organic land management, which in turn helps support climate change resilience and biodiversity.
- Many of the cumulative environmental gains achieved by organic producers will be lost if they revert to non-organic production. Ensuring ELM provides a suitable framework to support existing organic producers will be essential to avoid this reversion. ELM must also enable increased organic conversion. Maintaining existing and securing more organic farmers will deliver public goods and benefits.
- Increasing organic production through ELM will supply domestic markets and boost local food security. It will also provide increased export opportunities for organic products from England, building on the green credentials of this country.
9. What’s Next?

Establishing organic, systems-based land management results in the delivery of public goods that benefit all of society. Costs involved in the conversion to and continuity of organic production need specific recognition and must be included in the new ‘public money for public goods’ policy via the Environmental Land Management scheme. Their integration into sustainable financial business models that ensure “value is given to values.”

- It is necessary to ensure that, as this new policy is developed, it does not disrupt or limit the contribution organic farming can make towards the delivery of the Government’s environmental objectives.
- To take advantage of the benefits and ‘values added’ business opportunities the organic market offers, complementary policies, notably by Defra but including other government departments (e.g. those responsible for public procurement, SME development, and trade) will be required.
- This new policy will mean that organic land managers will be paid with public money for the environmental public goods provided by their organic production system.
- Going forward, emerging economic principles that encourage integrated, sustainable business approaches will be essential to maximise the public goods and other benefits from the organic sector.
- Integrating information, advice and research with the practical needs of organic land managers is essential to achieve this vision.

10. Recommendations

At present, organic does not feature in Defra policy proposals. There is the promise from Defra that it will be. The English Organic Forum makes the following specific recommendations:

1. Include organic in ELM, in tandem with the productivity scheme and Animal Health and Welfare Pathway.
2. Develop an appropriate scheme in partnership with the English Organic Forum and exploit their extensive experience to facilitate a speedy outcome and deliver objectives aligned with Government vision and policies.
3. Fair payment for delivery of the six public goods by organic farmers and growers that adequately reflects their value and the investment required.
4. Through Component 1 - Sustainable Farming Incentive: bundle actions in such a way to enable land managers (whether farmers or growers) to transition to organic through providing Organic Conversion payments whilst also providing ongoing Organic Public Goods payments.
5. Do not disadvantage land managers who choose an organic systems-based approach compared with non-organic farmers who pick from a menu of actions in an ‘a la carte menu’ approach. Offer a systems-based premium that reflects a whole farm systems approach.
7. Through Component 3 - Landscape Recovery: maximise opportunities for landscape scale projects involving conversion to organic, enabling connected organic farms to ‘boost’ and ‘super charge’ improved environmental outcomes and provide biodiversity corridors.
8. Provide advice and guidance for organic farming, including signposting and free advice working with Natural England. The former Organic Conversion Information Service supported farmers’ organic conversion in an effective way. Advice can also be offered as a commercial service.
9. Through professional adviser accreditation ensure that sufficiently knowledgeable and experienced organic advisers are available.
English Organic Forum

The English Organic Forum represents organic sector organisations and businesses. In England 3,000 farmers and growers work 300,000 Ha of organically farmed land. Organic production enables nature recovery, delivers public benefits and supplies an organic market in the UK that is worth £2.45 billion per year (market growth of +4.5% in 2019).

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Acknowledgements

Thanks to members of the EOF for the compilation of this document. It has drawn on the extensive experience and expertise of many people.

Production has been supported by Organic Farmers & Growers and the Soil Association along with contributions of member organisations.

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Soil Association
Soil Association Certification
South Devon Organic Producers
Sustain
Triodos
United Kingdom Organic Certifiers Group
ORGANIC FARMING AND GROWING DELIVERS PUBLIC GOODS BY ‘LAND SHARING’

1. Diversity and crop rotations
2. Recycling nutrients, soil health and fertility, and building soil carbon
3. Grass-based animal production
4. High animal welfare
5. Unimproved grassland
6. Hedges and field margins for wildlife
7. Reduced pollution and GHG emissions per acre
8. Trees and permanent crops
9. Connecting consumers with their food
10. Increased employment and vibrant rural communities

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See also: RSPB & English Organic Forum Food Farming and Nature - getting the right balance from our land. November 2020