

Fourth Report
from
The National Steering Group for the Development
of the Organic Sector

September 2007

Foreword

This is my fourth occasion as Chairman in presenting the Progress Report from the National Steering Group for the Development of the Organic Sector. Once again, I would like to take this opportunity to thank all those who contributed to the further development of the sector throughout 2006. I met with the Minister for Agriculture, Fisheries and Food, Ms. Mary Coughlan TD early in 2006 and she was very supportive of the organic industry in general and wished to encourage it in any way that she could. At that stage, she gave the go ahead for the Steering Group and the two Sub-Groups to continue for a further three-year term. On behalf of the Steering Group, I would like to take this opportunity to thank the Minister for her interest in the organic sector and her further commitment to it's development over the coming years. Mr Brendan Smith TD, former Minister for Food and Horticulture, has also shown a keen interest in the sector and I look forward to working closely with his successor Mr. Trevor Sargent T.D.

I will begin by once again sincerely thanking all the members of the Steering Group for their dedication and endeavours in the promotion of the organic sector within the past 12 months. Progress continues to be made right across the Organic sector since the Steering Group was established but as I have stressed in previous reports, there remains a lot more to be done in future years. All members of the group must maintain their commitment to the process.

I must also convey my sincere appreciation to Teagasc for its commitment to the development of the sector in Ireland. In particular, I would like to thank Mr Ger Shortle of Teagasc, who has done sterling work both as a member of the National Steering Group and as Chairman of the Partnership Expert Working Group. I understand he is moving on to pastures new and wish him well in the future. Among Teagasc's greatest contribution to the sector has been the success of the Demonstration Farm programme, which it has run so effectively in conjunction with staff from the Organic Unit within the Department of Agriculture, Fisheries & Food. Mr Pat Barry was appointed as National Organic Advisor within Teagasc during 2006 and has shown a remarkable enthusiasm for his new position. I also welcome the appointment of Mr Gerry Scully as the new Teagasc Rural Development Program Leader in 2006. Thanks are also due to Dr Tom O'Dwyer, Chairperson of Teagasc and to the acting Director, Mr Tom Kirley, for their ongoing support.

I would also like to thank Bord Bia and in particular Mr Lorcan Bourke, Chairman of the Organic Market Development Group, for his enthusiasm and commitment to the sector. Bord Bia continues to play a major role in promoting Irish organic produce and once again was central in co-ordinating National Organic Week in 2006.

The staff within the Organic Unit of the Department of Agriculture, Fisheries & Food (DAFF) also deserve a special mention. They are most helpful to me and to the workings of the various organic committees at all times. On behalf of the Group, I would like to express thanks to Mr John Fox, Mr Michael O'Donovan, Mr Tony Reid, Mr Oliver Healy, Mr Jim Carew, Mr Niall Ryan, Mr William Murphy, Mr Eddie McAuliffe, Ms Kathleen Walsh and Mr. Gerry Naughton. I wish Oliver well in his retirement. I would also like to thank the three Organic Certification Bodies (OCBs) for their excellent work and dedication within the organic sector. The three OCBs work closely with the Organic Unit within the Department and have an excellent working relationship, through the Organic Forum, which I understand is working very well.

I look forward to the next 3 years and hope that we can continue our good work and strive for further progress and development into the future.

John Duggan
Chairperson

Background and Current Structures

The National Steering Group for the Development of the Organic Sector was established on foot of a recommendation in the Report of the Organic Development Committee, published in April 2002. The initial 3-year term of the group finished at the end of 2005. In early 2006, the Minister for Agriculture, Fisheries & Food, Ms Mary Coughlan TD, gave her approval for the National Steering Group to continue for a further 3-year period under the Chairmanship of Mr John Duggan.

The Group met five times in 2006, making a total of sixteen meetings since it was first established. The Steering Group has played a very significant part in ensuring the implementation of the main recommendations of the Organic Development Committee report. It continues to promote the implementation of the other recommendations from the report, including the medium and long-term goals.

The Minister also agreed to the re-appointment for a three-year period of the two additional sub-groups, the Partnership Expert Working Group (PEWG) and Organic Market Development Group (OMDG), which are chaired by Teagasc and Bord Bia respectively.

The National Steering Group, the Partnership Expert Working Group and the Organic Market Development Group comprise of a wide variety of stakeholders from the organic sector, along with DAFF, Teagasc and Bord Bia personnel. The partnership approach has proven to be a very successful element in the development of the sector in the past. All three Groups have been very active and have played their part in this development.

Action by various stakeholders to date

Prior to 2006 the achievements of the National Steering Group, the Partnership Expert Working Group and the Organic Market Development Group include:

- A National Organic Conference was held in Portumna in October 2003
- Bord Bia carried out research on consumer attitudes to organic food in 2003
- A National Production Census for 2002 was published in 2003. This was the first census of its kind undertaken for the organic sector and provided much needed data on the size of the individual sectors.
- The Demonstration Farm Project commenced on a pilot basis in 2004. The objective was to provide an opportunity for both existing and potential organic operators to visit first-class facilities and see production and management techniques at first hand. This Scheme has expanded year on year.
- There is now a dedicated organic section on the DAFF website where information on all aspects of organic food and farming is available - www.agriculture.gov.ie/organics
- Changes in the Rural Environment Protection Scheme (REPS) in 2004 were designed to encourage more farmers to enter the organic sector - partial conversion was introduced to encourage the expansion of the sector. Also it was made easier for farmers to maximise payments at the in-conversion stage.

- Statutory Instrument introduced in March 2004 gave DAFF officials powers of enforcement under the EU Regulations governing the organic sector
- An information leaflet was launched in September 2004. "*Your Guide to Organic Food and Farming*" was developed to address this information deficit and to inform consumers, in an easy-to-read format, about organic food and farming.
- Poultry Report published in May 2004
 - It was felt that research within the organic poultry area was a priority because of concerns with poultry nutrition. The objectives of this study were to compile a report detailing the problems facing the organic poultry sector and to make recommendations as to areas of research that could address and provide solutions for solving difficulties in the sector.
- Support for An t-Ionad Glas distance learning initiative
 - The ODC Report recommended the further development of existing advisory and information centres and that a full range of courses be established to meet the needs of the organic sector. Following discussions with an t-Ionad Glas and Limerick VEC, it was agreed that a feasibility study should first be carried out before consideration would be given to any funding options. As a result of the positive feedback from the study, DAFF agreed to provide grant assistance towards the costs of implementing a two-year pilot project on distance learning.
- Trials of barley, wheat and oats using commercial and older varieties carried out by DAFF
 - DAFF trials of modern and heritage varieties of cereals had their second year on a number of organic farms around the country. DAFF cereal variety trial staff are currently examining results before issuing a recommended list.
- Establishment of five-year organic beef and grassland research project at Johnstown Castle
 - The organic unit at Johnstown Castle Research Centre was enlarged by 25% to 60 hectares and a five-year organic beef and grassland research project was established there. A Walsh Fellowship Master's student is nearing completion of his trial work on clover establishment techniques for organic farms.
- Development of FETAC Organic Horticulture Course by Wexford Organic Centre and Teagasc in consultation with stakeholders
 - DAFF identified a gap in organic education and decided with the co-operation of industry stakeholders to address this deficiency, in partnership with Teagasc, An t-Ionad Glas, The Organic Centre and County Wexford Partnership. FETAC¹ have now decided to adopt the course on a pilot basis.
- A Market Channel Study was conducted. **The principle focus of this study was to examine the Organic market in Ireland from the trade/retail perspective.** A consultant company, Research Solutions presented details of the Market Channel Study to the National Steering Group.

¹ Further Education and Training Awards Council

Progress in 2006

In response to a demand from within the sector and in conjunction with Teagasc, the National Steering Group arranged for agronomy expertise for both the organic tillage and horticultural areas to be brought over from the UK during 2006. An expert from each of these sectors was recruited by Teagasc on a consultancy basis and each paid three separate visits to Ireland during 2006, spending a total of five days each giving advice to Teagasc personnel and organic producers. The format for each of the advisors was an initial 2-day visit followed up by further 2-day and 1-day visits later in the year. These visits comprised of seminars, farm walks and workshops. This initiative was deemed to be a major success and it is intended to make use of external expertise in other areas such as pigs and poultry in 2007.

The demonstration farm project continued to attract further interest in 2006 and was expanded to a total of 15 farms. After careful consideration between DAFF and Teagasc personnel, some new farms were introduced into the programme and there was a greater geographical spread of farms than before. Attendances were up once again on the previous year. The programme will be expanded further in 2007 when there will be scope for more follow up after each of the farm walks as three additional specialised organic personnel will be appointed within Teagasc in 2007.

Once again, the major project of the year was National Organic Week, which ran from 6th to 12th November 2006 and was again co-ordinated by Bord Bia. The flagship event during the course of the week was a National Organic Conference, staged by Atlantic Organics Ltd. and held in Carrick-on-Shannon, Co. Leitrim. This conference was a very well attended affair with many prominent speakers from both the Irish and UK organic sectors. The objective of National Organic Week was to raise awareness among consumers as to what is meant by organic food, its benefits and where to buy it. Bord Bia organised a media campaign to heighten awareness of the event and it received widespread coverage through the national and local media, with advertising and competitions running throughout the week.

Bord Bia developed a new Organic Marketing Plan for 2006 - 2009 and this was approved by the Minister in 2006. A total budget of €1.5m has been set aside for this plan over a 3-year period. The objective of the organic marketing plan is to develop the organic sector in Ireland for existing suppliers and new entrants, and assist them to develop their market potential. The tasks addressed by the Plan include dealing with consumer confusion about what organic food is and stimulating demand for organic food among consumers. It will also put in place key market development initiatives for the most promising categories identified from the Organic Market Channel Study and finally research other potential EU markets for Irish organic produce.

2006 saw increases both in land areas and in the numbers of organic operators registered with DAFF. The total area in conversion or with full organic status rose to 37,466 hectares in 2006, and the number of organic operators went from 1,090 to 1,270.

Appendix 1

Terms of Reference for National Steering Group for the Development for the Organic Sector

1. Constitution

- The National Steering Group (NSG) is a committee appointed by the Minister for Agriculture, Fisheries and Food

2. Scope

- The NSG will provide a forum for discussion on issues that substantially impact on the organic sector.

3. Objectives

- Increase awareness among consumers of organic food and farming
- Increase the production base in Ireland, with a view to increasing the home market share of Irish organic produce
- Seek to develop sustainable export markets for Irish produce as supplies become available

4. Specific Actions

- Provide a framework for partnership between the organic sector and the other principal essential interests
- Offer advice to the Minister for Agriculture, Fisheries and Food on policy matters relating to the development of the organic sector
- Review progress on the recommendations contained in the Report of the Organic Development Committee

5. Membership/Procedures

- The group shall consist of members appointed by the Minister of Agriculture, Fisheries and Food, to include a Chairperson and representatives of the various stakeholders.
- The Chairperson shall report annually to the Minister.
- The Group will remain in place for 3 years from June 2006
- The group will agree Terms of Reference for the two sub-groups, the Partnership Expert Working Group and the Organic Market Development Group and for any working group that may be appointed from time to time
- The Chairpersons of the sub-groups will provide the NSG with regular updates on progress.
- The Department of Agriculture, Fisheries and Food will provide the Secretariat for the NSG, i.e. produce agendas in consultation with the Chairperson, take minutes for each meeting and circulate all relevant papers to the NSG.
- The Chairperson may arrange for the attendance of a non-member for a specific item on the agenda.

6. Frequency of meetings

- Meetings to be held quarterly where possible

Appendix 2

Review of Expenditure 2005 V 2006

	2005	2006
Total REPS payments to organic farmers	€ 5,893,999	€ 7,167,611
(REPS Supplementary Measure 6 ² payment only)	(€ 2,202,805)	(€ 2,517,893)
Grant Scheme	€ 468,176	€ 195,718
Inspection Costs	€ 138,182	€ 130,680
ODC Costs ³	€ 232,231	€ 343,640
2006 Total	€ 6,732,588	€ 7,837,649
Total no. of organic operators	1,090	1,270
Total no of producers in REPS	619	773

² Supplementary Measure 6 of REPS is the undertaking related to organic farming, for which the farmer gets a special payment.

³ Implementing the Recommendations contained in the Report of the Organic Development Committee (ODC)