

Global statistics of the Organic Market



Brian McElroy

IFOAM Representative for the Ecological Farming Conference

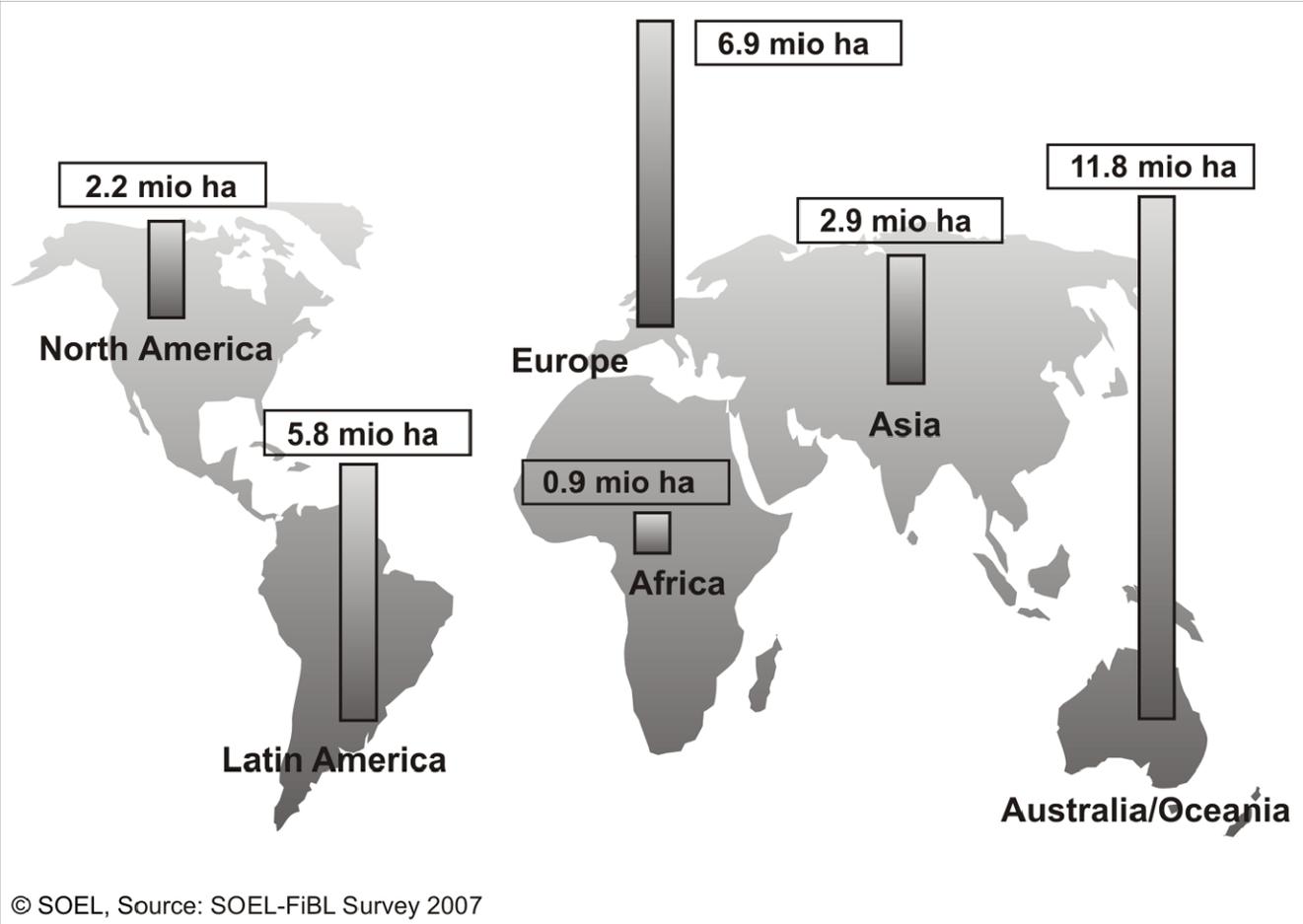
January 25th 2008

Pacific Grove, CA, USA

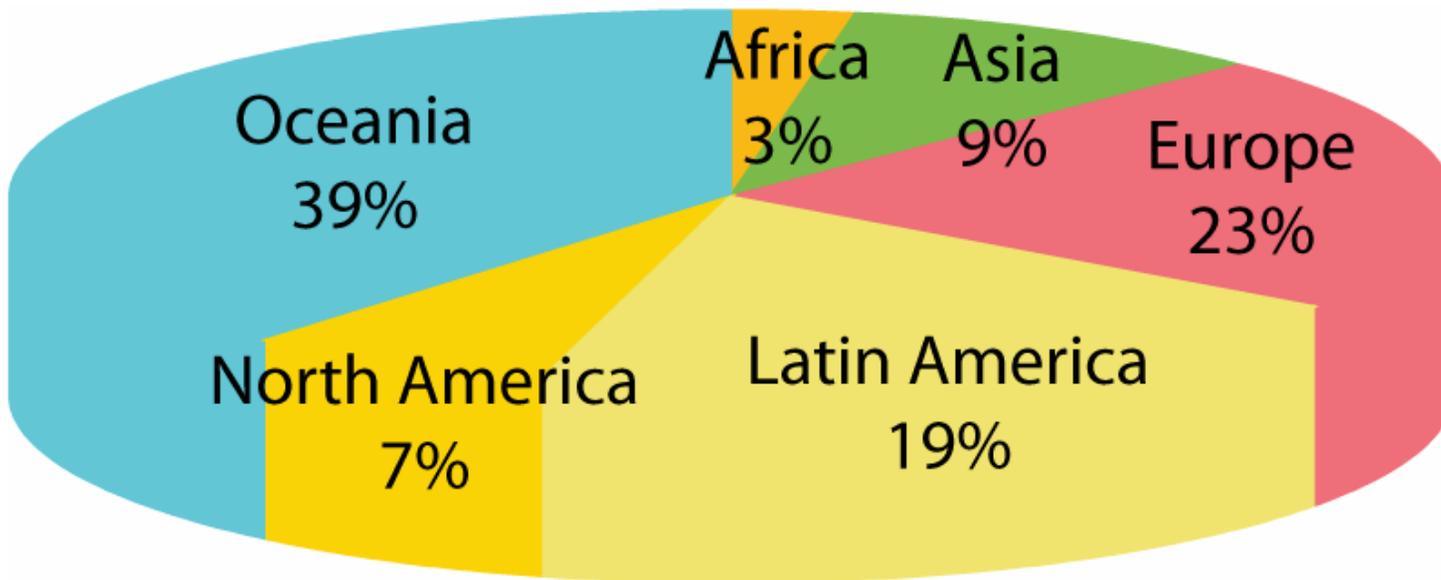
The IFOAM mission
is leading, uniting and assisting the organic
movement
in its full diversity.

Our goal is the **worldwide adoption** of ecologically,
socially and economically sound systems
that are based on the
Principles of
Organic Agriculture.

Organic Agriculture Worldwide

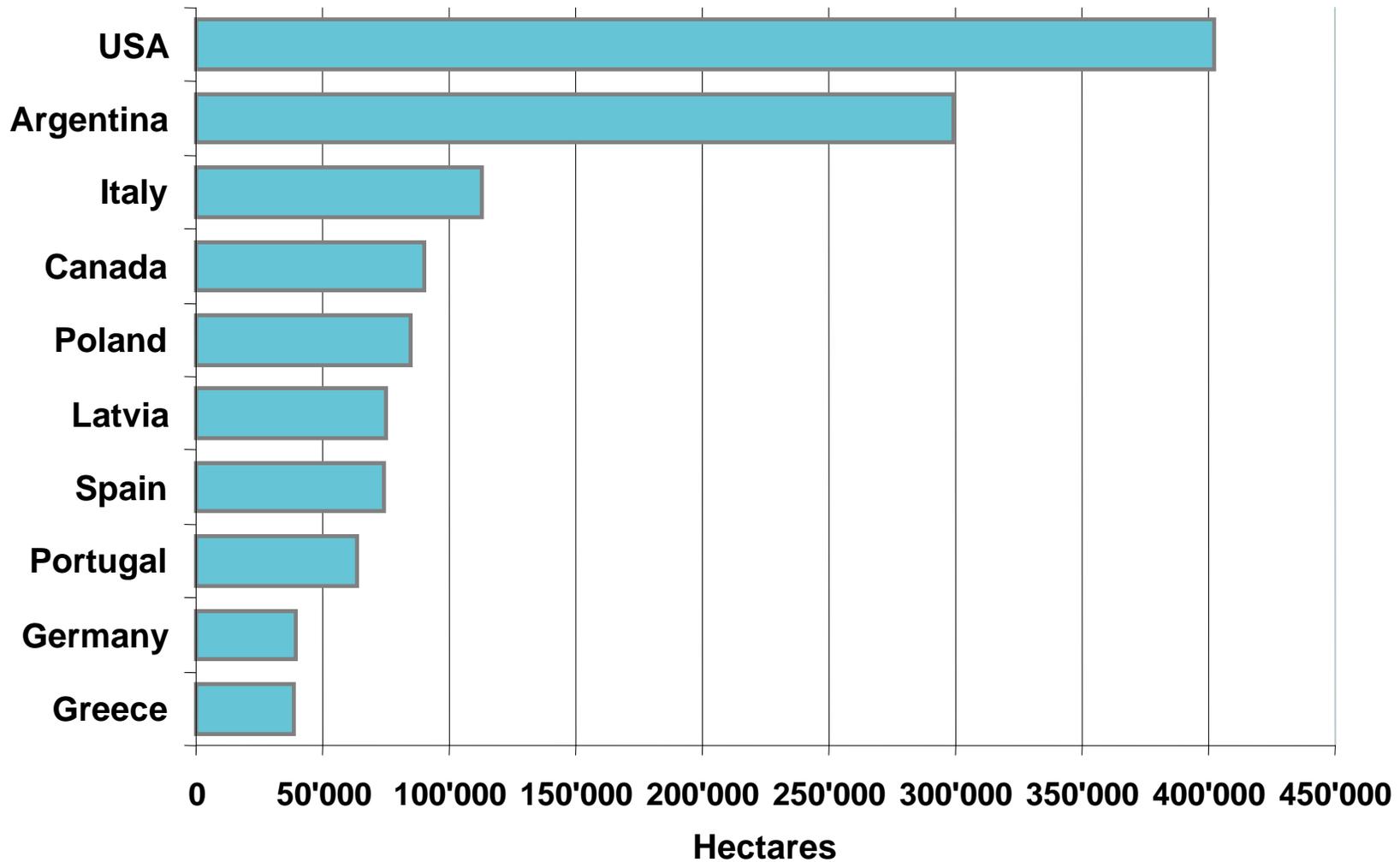


Distribution of global organic land by continent

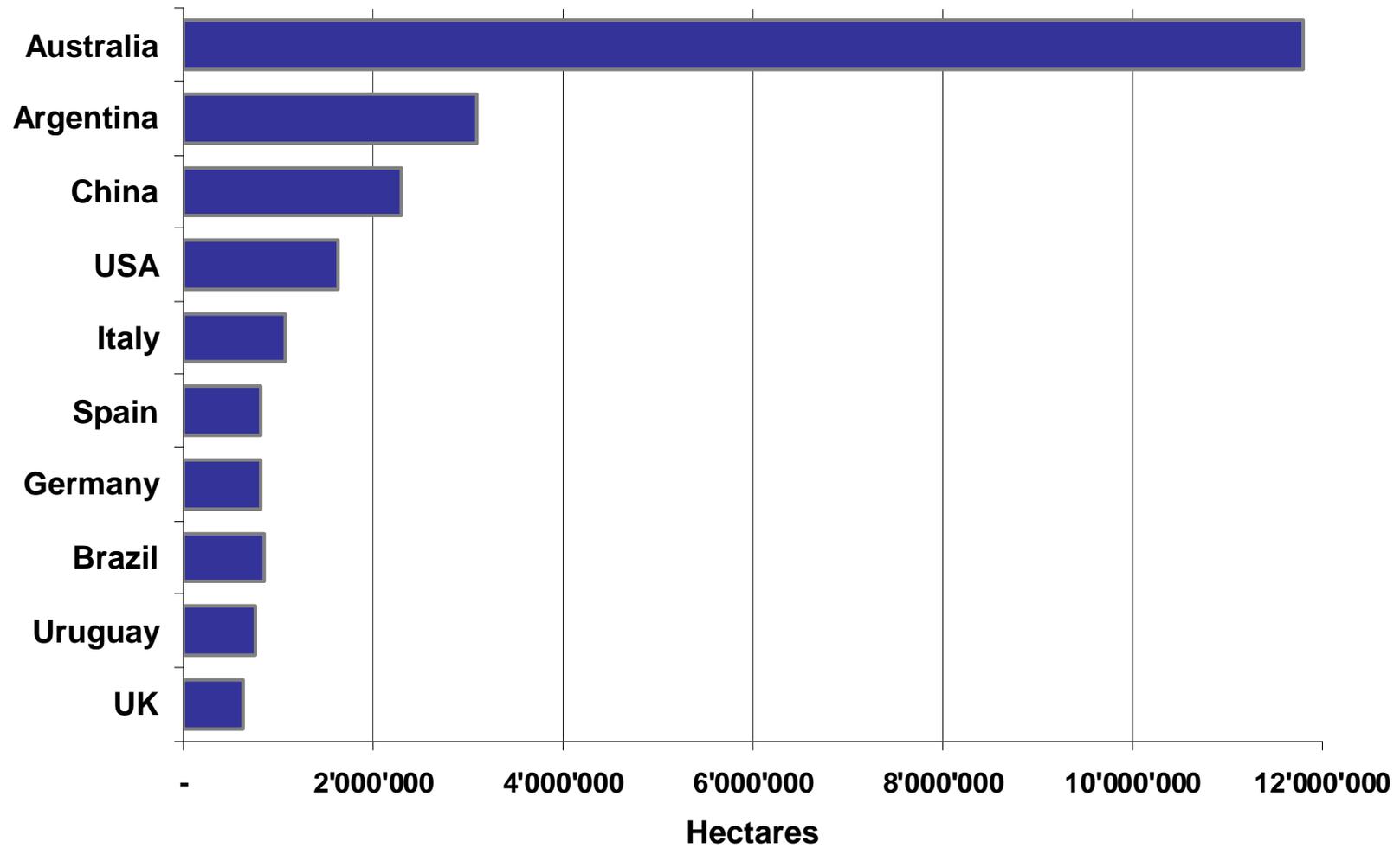


Source: SOEL& FiBL Survey 2007

The ten countries with the highest increase of organic land area (hectares) from 2004-2005

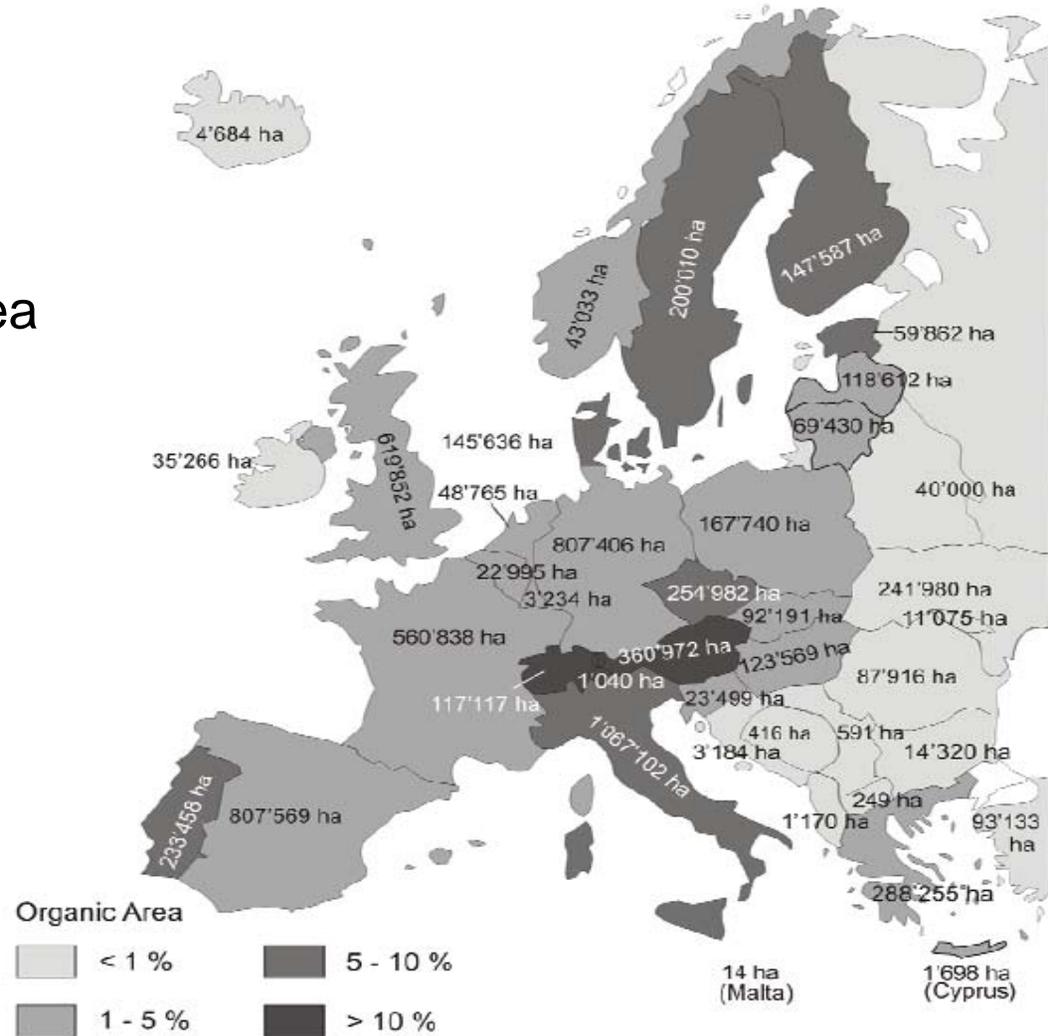


The Top Ten Countries

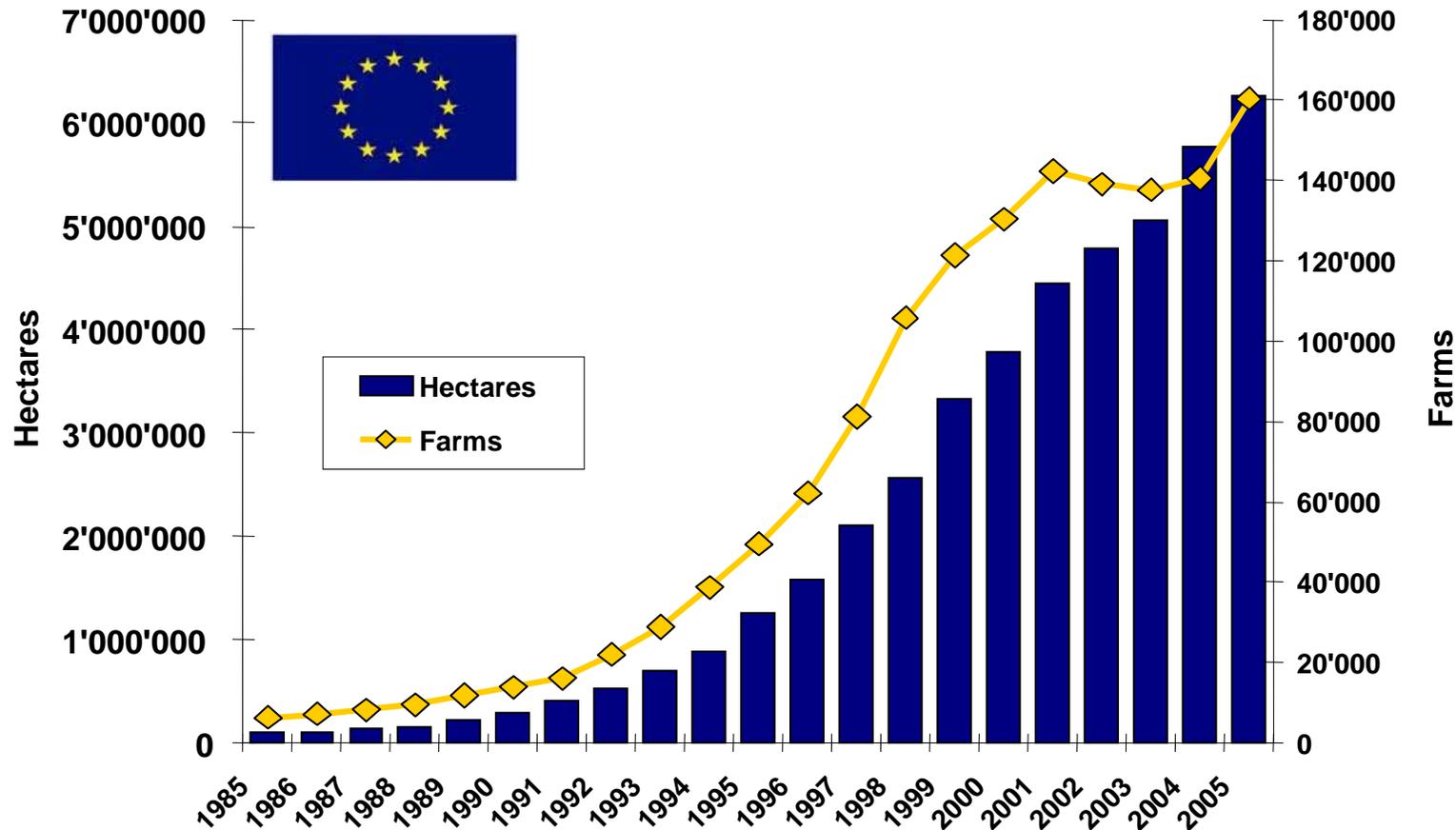


Organic Agriculture in Europe

- 690.000 hectares; 190.000 farms
- Italy has highest number of farms and largest organic area
- Organic land increased by almost 8%
- Biggest market is Germany, followed by Italy, and France
- Growth of the European market is around 10%

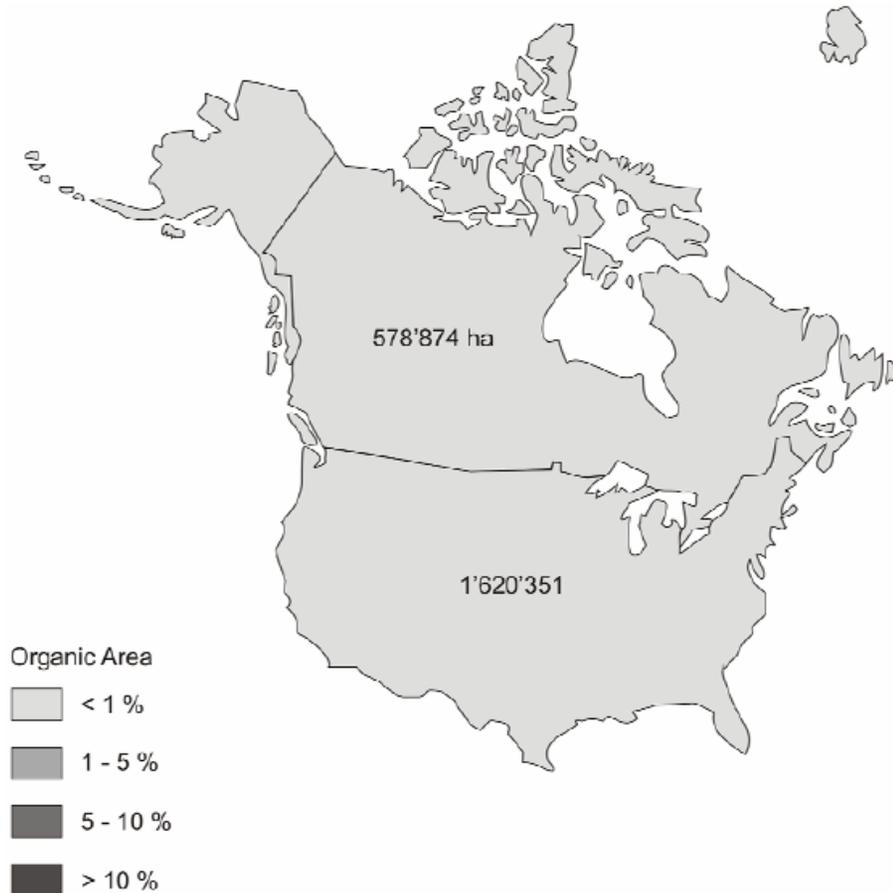


Development of organic farming in the European Union 1985-2005

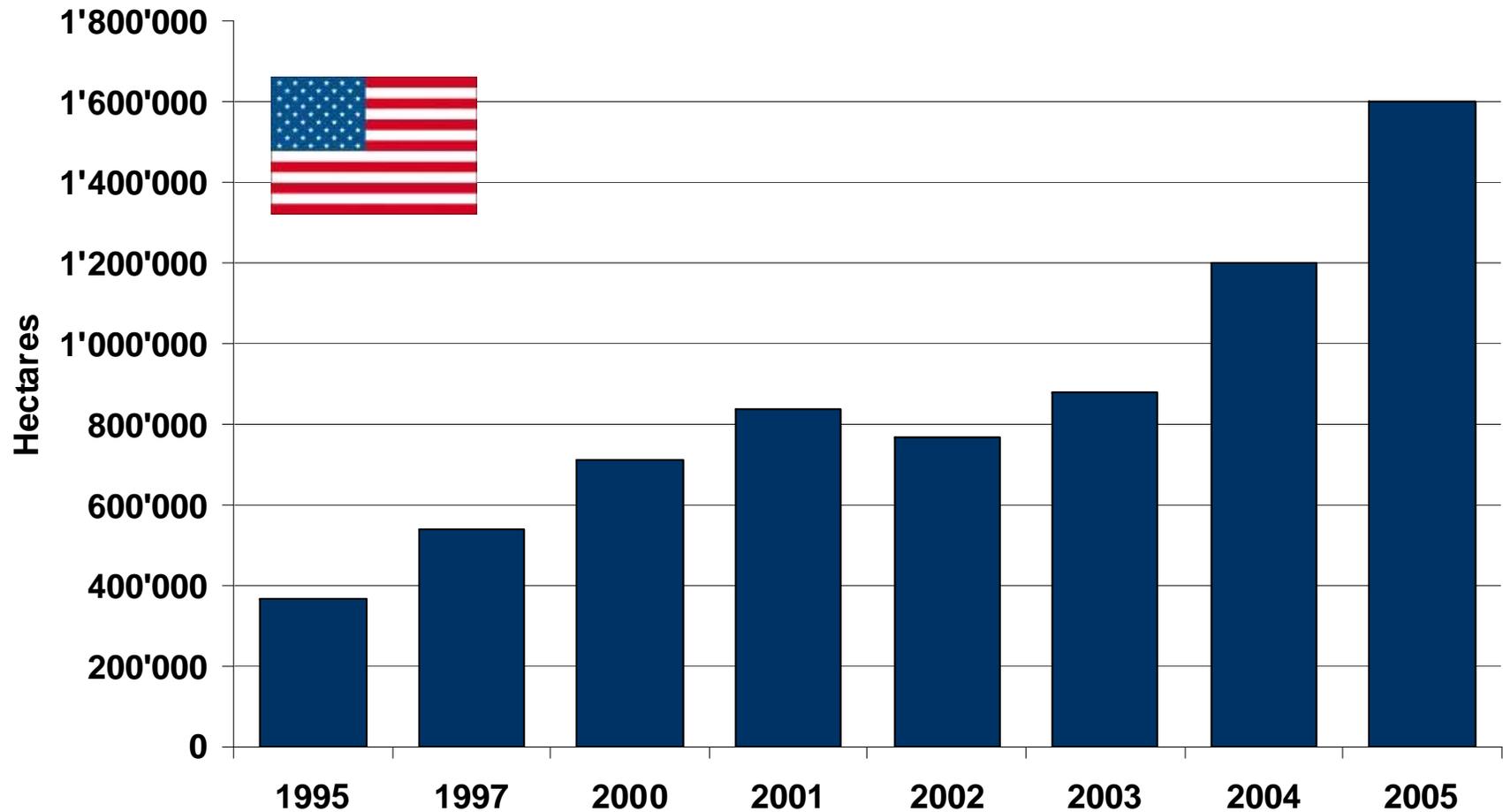


Organic Agriculture in North America

- 2200.000 hectares; 12.000 farms
- **Highest growth rate of organic land in the world (+30% per year)**
- Important growth factor: Growing consumer demand for healthy & nutritious foods + increasing distribution in conventional grocery channels



Development of Organic Farming in the US, 1995-2005

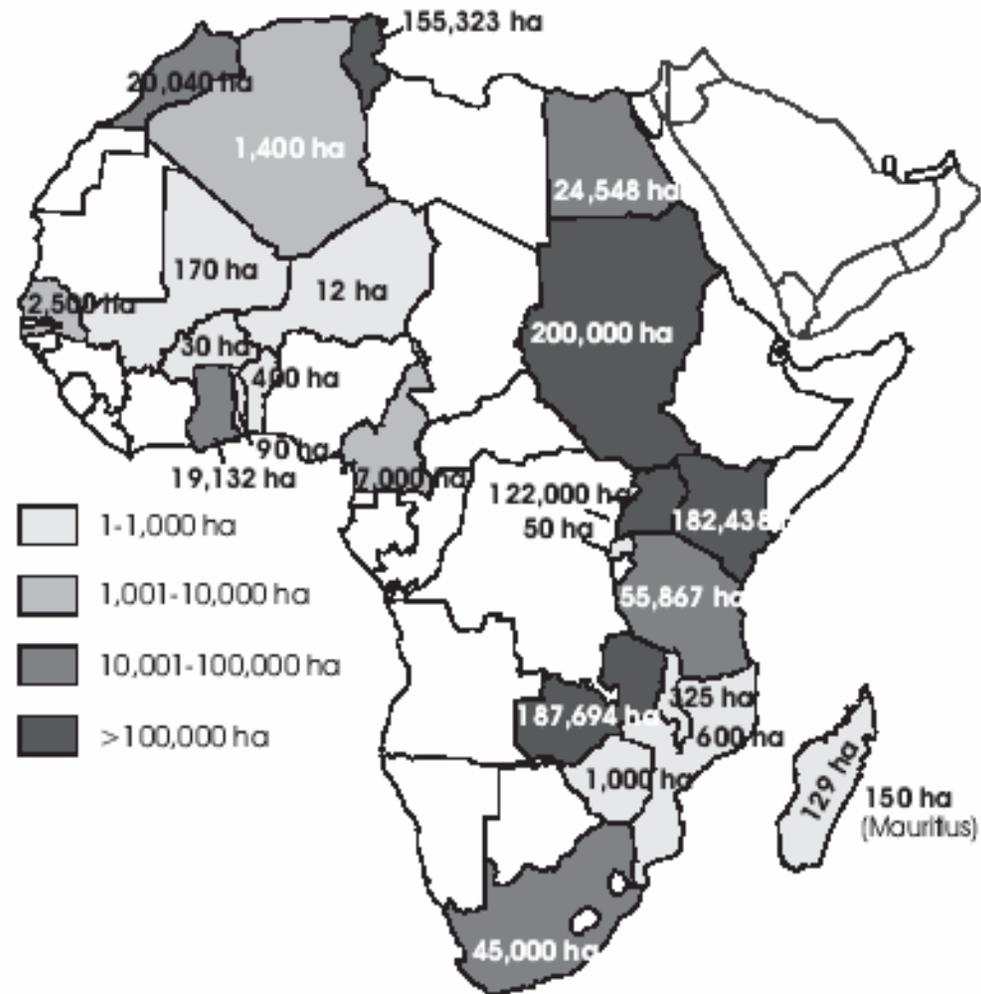


Organic Agriculture in Africa

- 435.000 hectares; 118.000 farms
- **Organic farming is increasing**, especially in the Southern countries
- Important growth factor: demand for organic products in industrialized countries
- The **African market for organic products is small** (exceptions: Egypt, South Africa). Reasons: low income levels, underdeveloped infrastructure for inspection and certification
- Tunisia and Egypt have an organic regulatory system; the East African countries have since mid 2007 a regional organic regulation and Madagascar is making progress in developing regulatory measures

Organic Agriculture in Africa

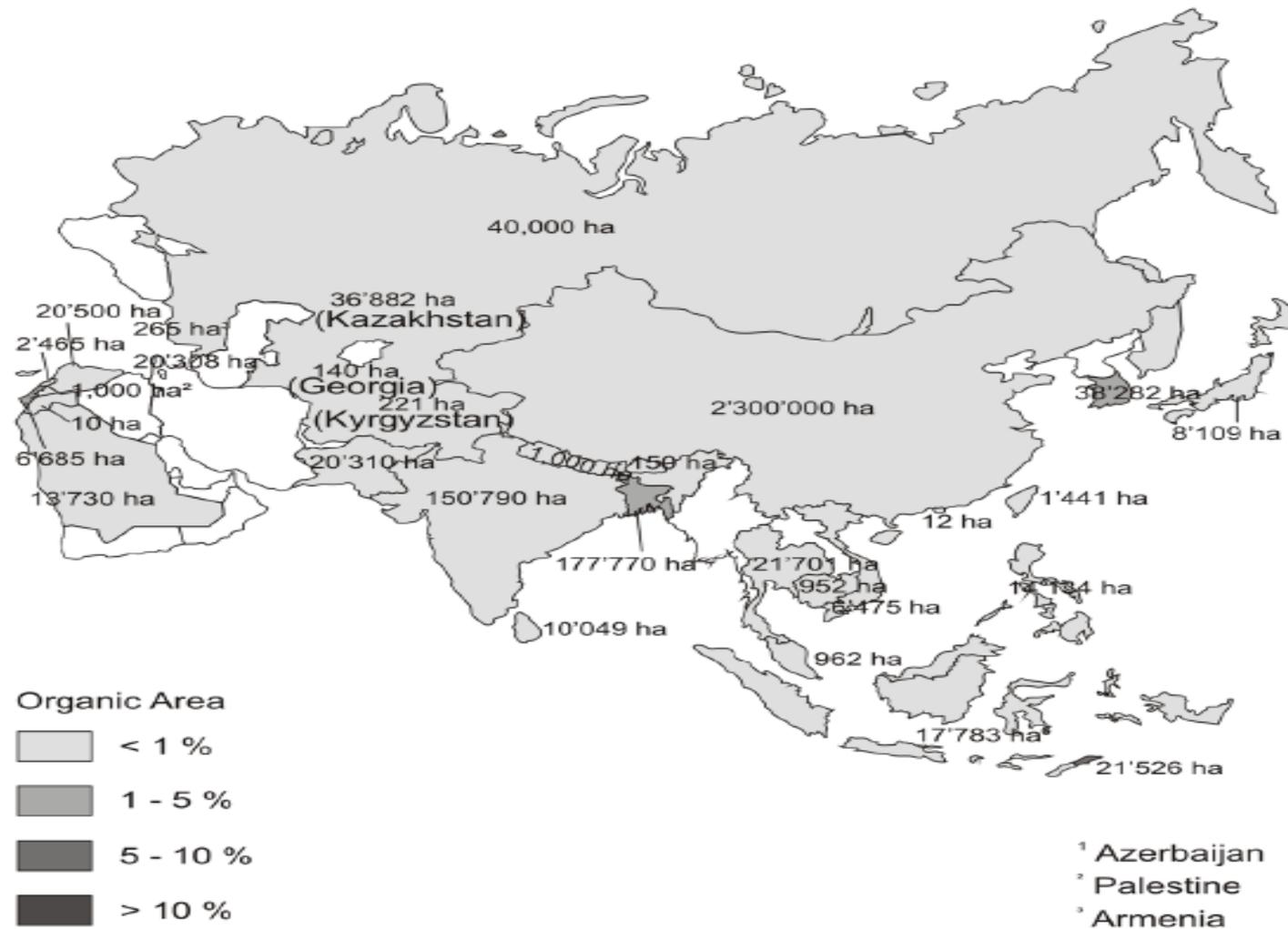
- Uganda 122,000 hectares
- Kenya 90,000 hectares
- Tanzania 56,000 hectares
- South Africa 45,000 hectares
- Tunisia 33,500 hectares



Organic Agriculture in Asia

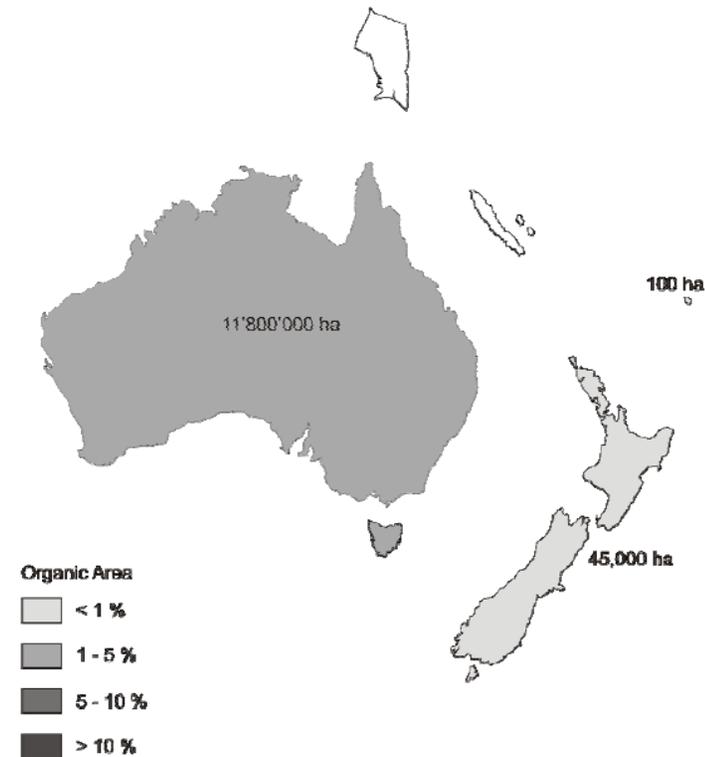
- 2900.000 hectare; 130.00 farms
- Most important countries regarding organic land: China, India, Bangladesh, Sri Lanka, Korea and Thailand
- Largest market: Japan
- Emerging market: China, Malaysia, Singapore and Thailand
- Certification generally by foreign organizations; China, Japan, Thailand and Israel do the control and the certification themselves
- China, India, Philippines, Thailand and Malaysia are working on setting up their legal framework legislation, or recently did so.

Organic Agriculture in Asia



Organic Agriculture in Australia / Oceania

- 11.900.000 hectares; 2.700 farms
- Most of this area is pastoral land for low intensity grazing in Australia
- The European Union accounts for over 70% of Australian organic export
- The EU accepted Australia as a “third country“



Organic Agriculture in Latin America

- 5.800.000 hectares; 180.000 farms
- **Extraordinary growth rate** in the previous years
- Countries with the highest **proportion of organic land** are Uruguay, Mexico and Argentina
- Trade of organic produce has been mostly **export-oriented** towards foreign markets
- **Little government support**, with exception of Brazil, Bolivia, Costa Rica (research and education) and Argentina and Chile (export)
- **Large support from international donor organizations** for extension and association building.

Organic Agriculture in Latin America



What Organic means to consumer ?

- Less pesticide exposure
- Higher nutrients and antioxidants
- Reduces consumption of antibiotics and hormones
- Organic food is tasty
- Organic agriculture is sustainable
- Non-GMO
- Animal welfare

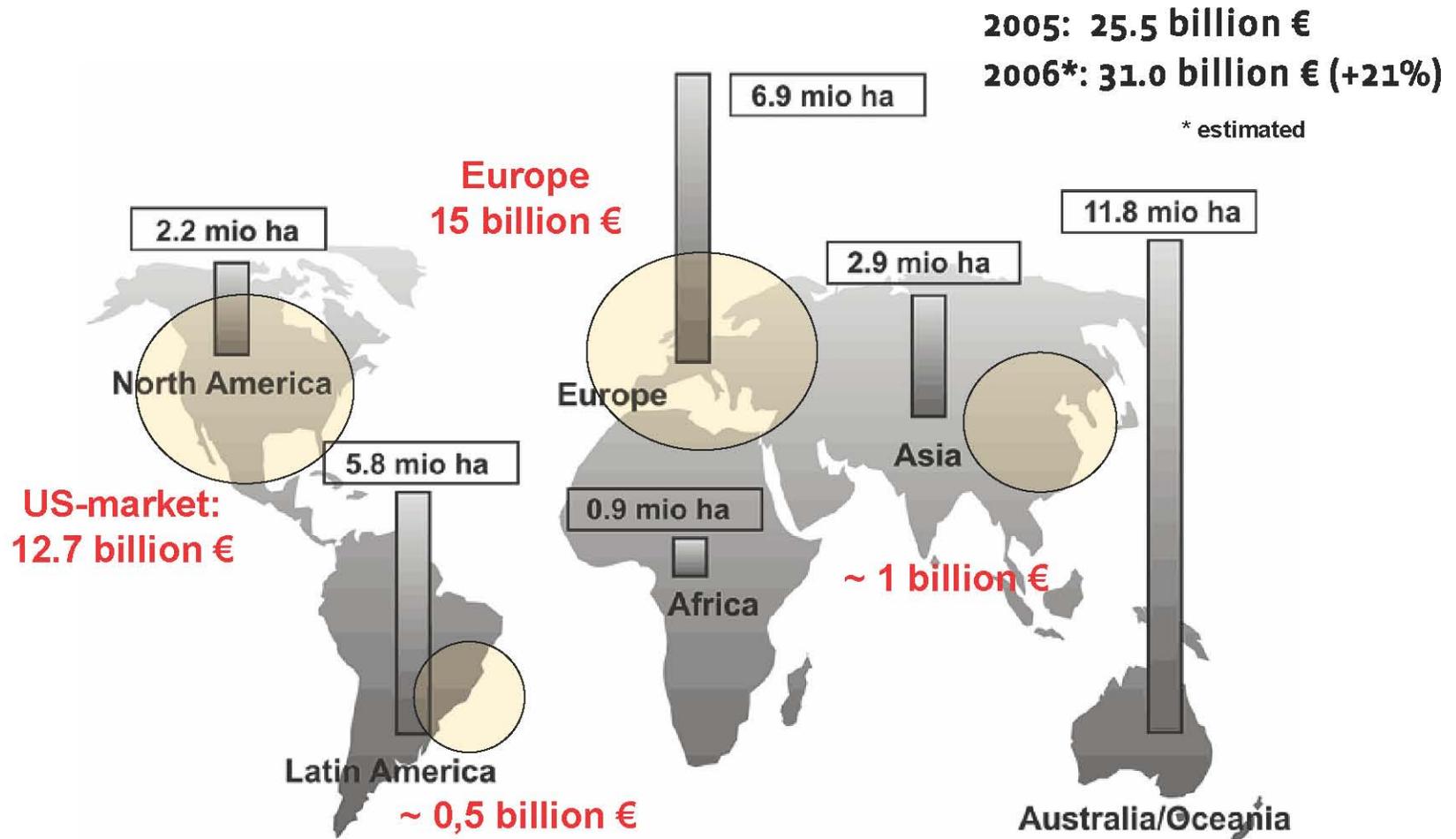
Global consumer trends

- Regional products: geographical indications, regional labels
- Fair trade
- Ethic standards- Ethical food production
- Animal welfare
- Biodiversity
- Sustainable food production -Carbon neutrality and response to climate change

Global organic product sourcing

- Organic integrity (plus social criteria)
- Impact on domestic organic agriculture
- Food mileage and global warming
- Climate change and natural hazards
- Limited/ declining agricultural resources
- Competition domestic – foreign markets
- Competition food – non food (e.g. biofuel)

Global turnover of organic food and beverages



© SOEL, Source: SOEL-FiBL Survey 2007

Market of Organic Food and Drink

- Global sales of organic food and drink **have increased by 43% between 2002 and 2005**
- Demand remains concentrated in Europe and North America
- The two regions are experiencing undersupply because production is not meeting demand

Organic Non-Food Sales in the US 2005

	\$ Mil	growth	total
Fiber	160	44%	0.1%
Personal Care	282	28%	0.5%
Supplements	238	29%	1.1%
Flowers	16	50%	
Pet Food	30	46%	
Household cleaner	19	29%	

Source: OTA's 2006 Manufacturer survey



Ecological Farming

Conclusion

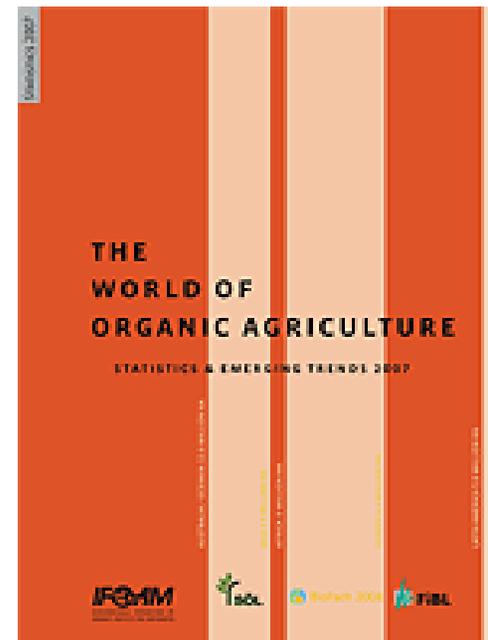
- Demand continues to outpace supply, ensuring long-term benefits for farmers transitioning to organic
- Wild production can easily be transitioned to organic
- Specialty products hold an enormous growth potential
- Distribution systems need to integrate diverse local and regional products
- Certification and regulatory infrastructure, are key to the global expansion of organic production

Information about the study

The World of Organic Agriculture.
 Statistics and Emerging Trends 2007.
 IFOAM and FiBL;
 Helga Willer & Minou Youssefi (Eds.)

available at:

www.ifoam.org





16TH **IFOAM**
ORGANIC WORLD
CONGRESS

MODENA, JUNE 2008

**CULTIVATE
THE FUTURE.**

The whole of the Modena community will welcome its guests at the end of June 2008.

The program will allow participants not only to attend conferences and modules of interest, but also view how local production and food systems work. The congress will have several venues, with parallel themed conferences held in locations related to local production.

The congress will be structured around the Principles of Organic Agriculture, and will address a wide range of issues, including animal production, vegetable crops, cereals and organic seeds, training, rural development, GMOs, viticulture, textiles, development policies, markets, bio-energy, cosmetics and body care.



Provincia di Modena

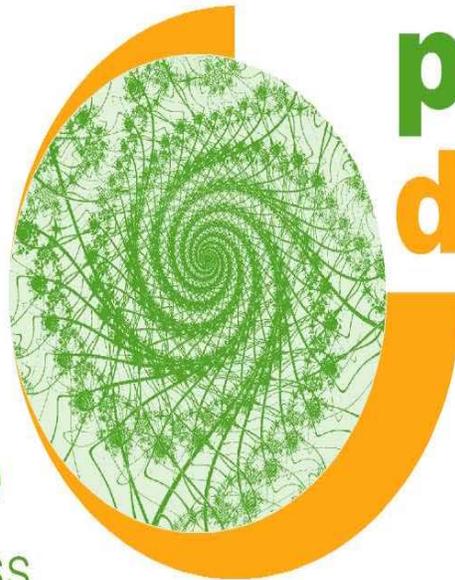


Emilia Romagna

Planet Diversity

**local
diverse
gmo-free**

WORLD CONGRESS
ON THE FUTURE OF FOOD AND AGRICULTURE
BONN 12 -16 MAY 2008



**planet
diversity**

Be part of the solution

