

# Insight into Danish organics

## State of the art and the reasons behind.

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**Non-profit association**

**900 Farmers, 100 Companies, 3400 Consumers**

**Work on:**

**Lobby for organic farming  
market development  
information  
extension service  
newspaper and journal**



- working together for organic food and farming

# **Brief overview of the history**

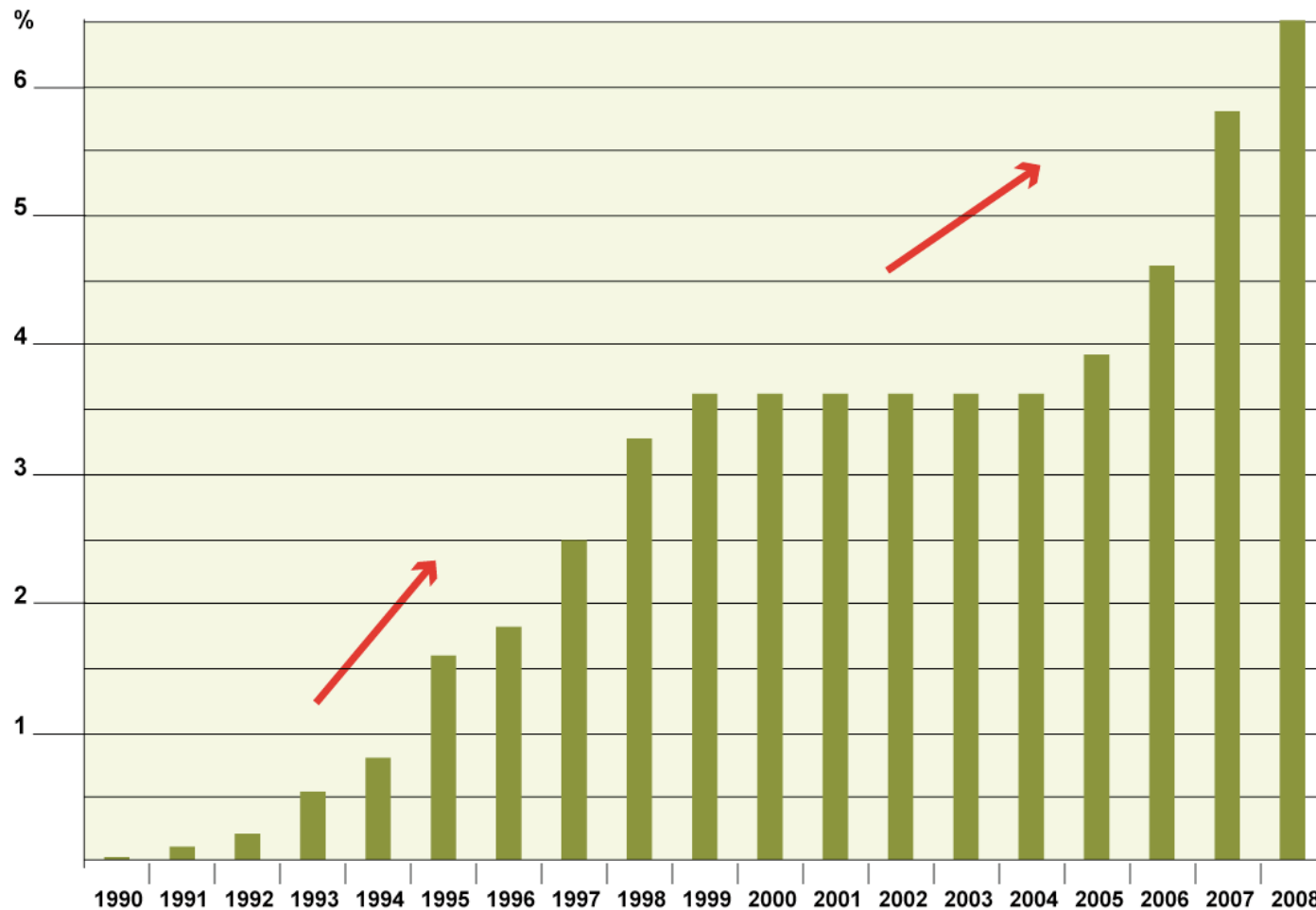
With focus on how and why

## **State of the art of Danish organic production and consumption**

## **Challenges for the future**

# Development in sales

Organic share of the total market



# History of DK organic farming

is characterized by:

- Active organic sector
- Close collaboration with the retail sector
- Close collaboration with the political level
- Stateinspection and control
- The danish Ø label
- Integration of organic in extension and research
- Creative conflict between actors
- Market orientation
- 

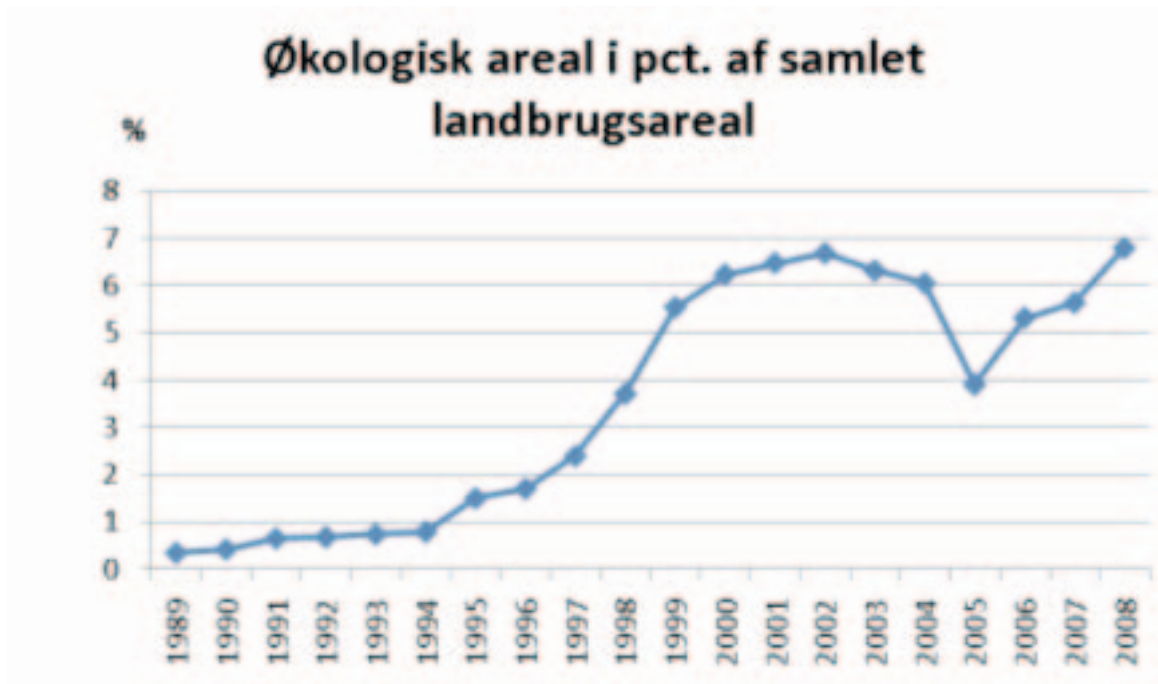


# Milestones

- 1981 Formation of the Danish Association for Organic Farming
- 1981 First organic products in the Danish Coop retail stores.
- 1985 First extension service
- 1987 First law on organic farming and support to organic farming -
- 1987 First actionplan for the aquatic environment
- 1987 The Council on Organic Farming
- 1988 Launching of the first organic milk
- 1990 launching of the state label
- 1992 support as a part of the EU agri-environmental scheme
- 1993 Cooperation with Coop to boost the sales by lower prices
- 1995 First Action Plan for Organic Farming
- 1995 DARCOF research center without walls
- 1998 Organic Denmark established today 40 employees -
- 1998 Second actionplan for the aquatic environment
- 1999 Second Organic actionplan
- 2001 Conference initiating an European Actionplan for Organic Farming
- 2003 Third actionplan for the aquatic environment
- 2005 Organic launched in the first discount chain
- 2008 DARCOF becomes ICROFS
- 2008 Knowledge synthesis; Development, Growth, and Integrity in the Danish Organic sector
- 2009 Green Growth, government strategy for agriculture.

# State of the art

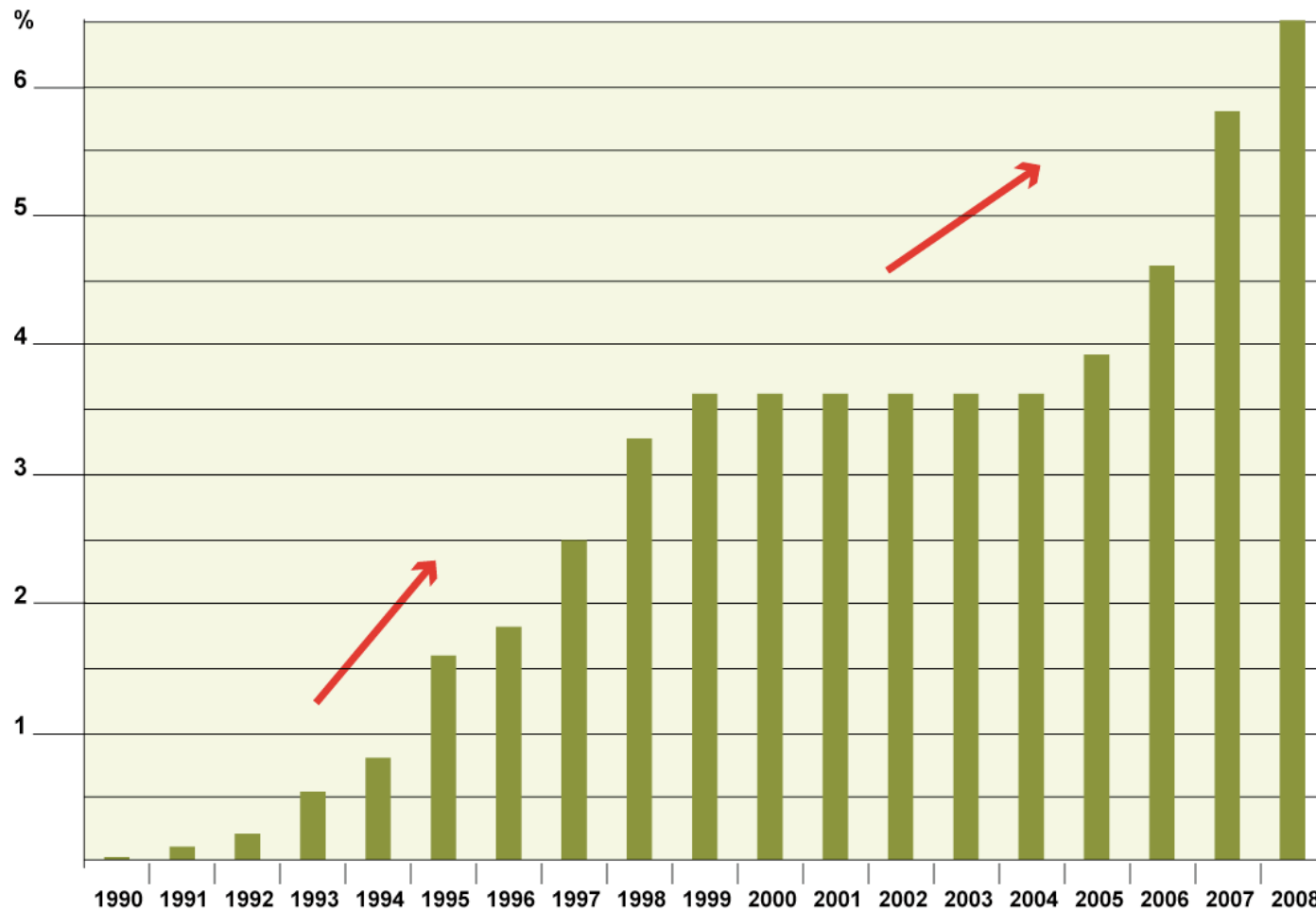




- Organic area in % of all agricultural area ([www.fvm.dk/Økologi\\_i\\_tal.aspx?ID=36728](http://www.fvm.dk/Økologi_i_tal.aspx?ID=36728))

# Development in sales

Organic share of the total market



# activities



# Products in the 90's

Basic organic



# Modern organic products



# Knowledge synthesis

## Development, growth and integrity in the Danish organic sector.

- Opportunities and barriers for a continued development and market-based growth in production, processing and sale of organic products.
- Requested for by the Minister for Food.
- Carried out by ICROFS
- Included update on research in all areas. A stakeholder process. A process and a workshop to explore future scenarios.
- Presentation of a whitebook with main results and recommendations.
- Final book.

# Four positive conditions for more organic in Denmark



## **Valuebased and growing market**

- The market opportunities for organic products are good
- Growth in the retailsector
- Megatrends for food; meaning, health and decent food support organic consumption
- A large segment of consumers trust organic products and organic farmers.

# Netto 2005

## One year with organic activities

**Du bli'r hvad du spiser**

Økologiske produkter er produceret helt uden foruretnings- og kunstige smagsstærkere. Kort sagt: Økologi er kontrollert i alle led fra jord til bord. Velkomne!

Green Valley Rapsvovl 200 g  
Green Valley Rapsvovl 500 g  
Green Valley Rapsvovl 1 l  
Green Valley Rapsvovl 2 l  
Green Valley Rapsvovl 5 l  
Green Valley Rapsvovl 10 l  
Green Valley Rapsvovl 20 l  
Green Valley Rapsvovl 50 l  
Green Valley Rapsvovl 100 l  
Green Valley Rapsvovl 200 l  
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Green Valley Rapsvovl 1000 l

**Øko start!**

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**EN HUND EFTER ØKOLOGI!**

Læs mere på [okologi.dk](http://okologi.dk)

Økologiske produkter er produceret helt uden foruretnings- og kunstige smagsstærkere. Kort sagt: Økologi er kontrollert i alle led fra jord til bord. Velkomne!

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Green Valley Rapsvovl 1000 l

**En god smag i munden**

Økologi giver en god smag i munden.

- Du får en bedre smag ved at spise mere naturligt - ingen kunstige smagsstoffer eller smagsstærkere
- Et mindre indhold af sukker, fedt og salt
- Bedre smag - ingen kemiske sprøfter eller sødesmidde
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**ØKOLOGI er sagen - hele dagen!**

Økologiske produkter er produceret helt uden foruretnings- og kunstige smagsstærkere. Kort sagt: Økologi er kontrollert i alle led fra jord til bord. Velkomne!

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# Fresh fruit and vegetables



# Premium visibility



# Premium visibility



# Good economy on organic farms

- Organic production pay better than conventional both plants, dairy and pig production.
- Processors and retail ask for more products.
- Limited conversion since 2004.



# **There is area for more organic production in DK**

- Room for a quadrupling of the organic dairy production and more plantproduction
- Still unbalance between the plantproducers mainly in the eastern part of DK and dairy in the west.

# Good for nature and environment

- Organic farming enhances biodiversity
- Protects the aquatic environment
- New possibilities to combine bioenergy with semi-nature areas and green manure
- 



# Knowledge synthesis 2008

## Recommendations for future efforts

- *More new products on the shelves* - Continued and strengthened effort to ensure innovation and diversity in processing and sale.
- *Increased production of organic produce* - Targeted long term effort to increase conversion and develop new forms of organic operations.
- *Consumer confidence and credibility* - Open communication with the consumers and a dynamic development of farming and processing based on the organic principles.
- *Synergy between organics and the society* - Create synergy between the organic production and the societal objectives.
- *Research in strategically important areas* - To advance the development of organic food production and food systems as well as the sector's contribution to society

# Financial crisis also for organic?

- The valuebased approach continues for a large consumer segment.
- Still a growing market for organic products but the growth rate has slowed down and there is a strong pricepressure especially for daily used products as milk and carrots.
- Growth rates at 30% are now 20%
- Expectations for the coming years are 12-18% per year.
- So the organic market growth is still quite stable, but only if more farmers convert to organic.

# Reasons for continued market growth.

- There are still newcomming organic consumers especially families with small children.
- Organic products becomes more available, with more different products and more interest broadly in DK not only Copenhagen and big cities.
- Focus on health continues and the link between organic products and health becomes more and more convincing and documented.
- New quality products comes from the organic sector.
- **Organic Denmark believes we will reach a marketshare for organic products of 10% in 2013.**

# Challenges for the future

First of all to make more farmers convert. The market is ready but at the same time the strong price pressure and other consequences of the financial crisis are making the outcome from farming worse also for organic farmers

To continue to be innovative and find the right prices for the marketplace

To keep organic the right choice for all ethical buying decisions - and still affordable -

To let the multicriteriel public good be valued the right way in public discussions, compared to single elements - especially in the climate discussion-

# Thank you for listening

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- The Danish homepage for organic Denmark
- [www.okologi.dk](http://www.okologi.dk)
  
- Homepage where you can download the English translation of the knowledge syntesis and read the Danish chapters and about the process.
- <http://ecowiki.org/OekologiskUdvikling/HomePage>