Extended Abstract

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Paper/Poster Title	Policy support for organic farming in the European Union – past achievements and future challenges

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Abstract	***200 words max***
Organic farming has been supported in almost all EU Member States since the early 1990s by means of an EU-wide legal definition, agri-environmental conversion and maintenance payments, rural development marketing and processing grants, promotion funding, public procurement and research and information initiatives. Often the support has been combined in organic action plans, designed to integrate supply push and demand-pull measures. The latest CAP round (2023-2027) has delegated responsibility for setting organic farming policy to Member States, but with an EU Farm to Fork Strategy target of 25% of agricultural land area to be managed organically by 2030, and an expectation that Member States will implement policies and action plans for organic farming to help deliver this. This paper charts the development of organic farming in the EU since the 1990s, the motivations for policy support, and the types and levels of support implemented in the 2010-2020 period. It analyses how Member State plans for policy in the next five years compare with previous periods and whether they are able to meet the challenge of the 25% target.	

Keywords	Agri-environment policy, rural development policy, organic farming policy, European Union, Common Agricultural Policy, Farm to Fork Strategy
JEL Code	**Q180** Agricultural Policy; Food Policy; Animal Welfare Policy see: www.aeaweb.org/jel/guide/jel.php?class=Q)

Introduction	***100 – 250 words***
Organic farming has existed conceptually for more than 100 years, but the sector has only experienced substantial growth since the 1990s, as a result of a combination of policy initiatives and market demand. These can be attributed to the increasing evidence and recognition of the environmental benefits that organic farming can deliver, and consumer demand for food produced organically due to health, nutritional and food quality concerns. By 2020, organic farming in the EU accounted for 15 million hectares (9.2%) of agricultural land on 350,000 farms, with a retail sales value of 45 billion € annually (Willer et al. 2022). The growth in the sector has been consistent over the last 30 years, and the sector is expected to grow by at least a similar rate to 2030, maybe reaching 15% of EU agriculture based on past trends. However, EU policy-makers have set a much more ambitious target, for 25% of EU farmland to be organic by 2030, as part of the Green Deal Farm to Fork and Biodiversity Strategies. Member States are expected to reflect this in their CAP Strategic Plans and organic farming policies Three separate studies have analysed the policy support given to organic farming in the 2010-2020 period, the provisions	

for organic farming included in the 2023-2027 CAP strategic plans, and the potential environmental and production impacts of achieving the 25% targets. Aspects of these studies are reviewed here to provide an understanding of future challenges and opportunities for the sector, and the policy responses that might be involved.

Methodology	***100 – 250 words***

Statistical data on the development of the organic sector in Europe is readily available from published sources including Eurostat and FIBL Statistics. These have been supplemented by data collected from individual Member States on the levels of support given to organic farming, including per hectare conversion and maintenance grants, in the CAP programming periods for 2007-2013 and 2014-2020, now extended to 2022. Using a combination of data sourced from Member States and from EU-level databases, the total expenditure on organic farming payments in 2018 has been estimated, and the supported areas compared with certified areas. Eurostat data has also been used to undertake a modelling exercise to estimate production impacts, reductions in nitrogen use, and the associated impacts on greenhouse gas and ammonia emissions for the organic land in 2020 and projections for 2030 if the 25% target is achieved. This is intended as a preliminary assessment ahead of more in-depth modelling in a future project. Published CAP Strategic Plans and organic action plans for all Member States were analysed to compare planned policies for 2023-2027 with the previous periods and to assess the likely impacts on the development of the organic sector in the period to 2027 and beyond.

Results	***100 – 250 words***

Achieving the 25% target would increase organic land area in the EU to 40 Mha, the quantity of organic crops produced from 20 to more than 80 Mt and the number of livestock from 5 to 15 MLU. While reduced yields would reduce total EU crop output by 5-10%, this would be mitigated by reduced demand for livestock feed due to 18% reduction in total numbers of livestock produced. This reduction is consistent with consumer trends to reduced meat and dairy consumption, in particular among organic consumers, indicating only limited potential impacts on food security and leakage of environmental benefits such as greenhouse gas emissions. Substantial reductions in nitrogen fertiliser use, and increased use of temporary grass-clover leys in organic rotations, combined with the livestock reductions, could potentially deliver a 15% reduction in total EU agricultural greenhouse gas emissions if the 25% land area target were to be achieved (equivalent to over 1.5t CO_2e/ha organic land). Current policy proposals in the CAP Strategic plans appear to be unlikely to achieve more than ‘business as usual’ growth leading to 14-15% of land managed organically by 2027. Member States have budgeted for about 3 billion € in support payments for organic farming annually for 2023-27, which compares with the just under 2 billion € spent in 2018.

Discussion and Conclusion	***100 – 250 words***

Despite the substantial environmental benefits that 25% organic farming could deliver, with more limited impacts on food security than many critics have claimed, Member States plans fall well short of the aspirations of EU policy-makers. Delivering 25% would require a major increase in planned policy expenditure, as well substantial market developments if the market is to carry part of the burden. But there is also a major challenge due to the tripling of the number of producers to more than 1 million, with access to information (advice, training and research), certification and other services to be delivered. This is a transformational change that requires more than an incremental development of previous policies. It remains to be seen how far policy-makers will be willing to take this as Europe rebuilds in the aftermath of the Ukraine conflict.