

Current organic market trends and emerging policy environment impact on meeting Millenium Development Goals (MDGs)

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by

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The Issue

- “Trade not Aid”
- Global Trading Platform
- Mega multinationals
- 2nd phase of “Trade Colonialism”?
- Different norms for the 21st Century?
- African providers AND masters of their trade

Export Promotion of Organic Products from Africa (EPOPA)

- Sida programme started in mid 1990's
- Organic production linking small-holders, exporters and premium markets
- “Development through Trade”
- Implemented by Agro Eco (NL) and Grolink (Se)
- Over 10 years of operation worked with 30 companies and 80,000+ farmers who earned an extra \$5m/year



Eradicate Extreme Hunger and Poverty – MDG 1

- Fed by others, feeding yourself, buying food....?
- African small-holders prefer to grow their own food and mix in cash crops
- Biodiversity is a good foundation for organic agriculture
- Marketing of certified organic crops led to more income – average \$100/hh/yr

Value Chain Approach

- Market opportunity drove value chain selection
- During duration EPOPA supported; cotton, coffee, cocoa, vanilla, herbs and spices, tropical fruits, sesame, Cashew nuts, fish and honey
- Growing demand for organic products globally – Sida identified 15 yrs ago and continuing

Organic Products need to be Marketed

- Clear and growing market DOESN'T equal an immediate sell
- Professional marketing needed – especially when the product comes from Africa – EPOPA had special support dept
- Africa has a bad supply name based on experiences of unpredictable quality and unreliable supply
- Unknown products – vanilla IS from Madagascar, pineapples from Ghana, etc

Shaking hands or kissing cheeks?!

- Variation in marketing culture and business etiquette
- US, Japan, Europe are all different, but even the countries within Europe vary
- One way to deal with this is a **trading partnership** – intimate link
 - African dealing with supply issues
 - Developed country dealing with market demands

Global Partnership for Development – MDG 8

- Organic strengthens cross border interactions through partnerships and...
- Certification and membership organisations e.g. Naturland and Soil Association
- A production story benefitting individuals, households and communities
- Small-holder group certification and internal control systems which include farmer identification and traceability

Environmental Sustainability

– MDG 7

- Organic has a concern for the environment
- Drought, starvation and lions... Is that it to Africa?.... Or rather the last stronghold of the “**natural environment**”
- Organic seeks to preserve this environment in a way that livelihoods can also be sustained
- Small-holder farmers caring for their environment is an attractive marketing story

Opening and Closing Doors

- Great products, strong partnerships, an attractive story.... and yet African organic products can be difficult to market
- Organic products benefit as conventional from open boarder policies for developing country products both in EU and AGOA in US – tax free imports!
- The door is opened, but then slammed shut due to stringent phytosanitary measures, etc
- Food miles, air-freight and carbon footprint – the new trade barriers

Organic IS Africa's Future

- “Colonial marketing march on Africa continues with the private sector leading the way...again!
- Africa could be the bread-basket of the world
- Africa needs to control its own destiny and settings its own rules
- Organic agriculture experiences show the opportunity of mobilising many small-holder farmers towards a common goal
- Organic agriculture and African development are closely linked

Thank you!



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