



CBTF

UNEP-UNCTAD Capacity Building Task Force
on Trade, Environment and Development

**Policy Dialogue on Promoting
Production and Trading Opportunities
for Organic Agricultural Products**

Brussels, 21-22 February 2002



Objectives of Meeting

- Provide a platform for discussion on
 1. Benefits and constraints developing countries face when promoting production and trade in organic products and,
 2. To explore measures aimed at improving market access for such products, especially with regard to the European markets



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Overview of Meeting

- Day One
 - AM
 - Overview of Organic Markets and Opportunities for Developing Countries
 - Production of Organic Agricultural Products
 - PM
 - Trade in Organic Products
 - » Market Access
 - » Government Regulations
 - » Marketing Issues



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Overview of Meeting – cont.

- Day Two
 - AM
 - Role of Organic Standards and Certification, harmonization
 - National Initiatives, CBTF
 - PM
 - Recommendations for further work (EC, UNEP, UNCTAD)



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Speakers

- Day One
 - DG Environment
 - ITC
 - GTZ
 - India
 - Kenya
 - Uganda
 - Zambia



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Speakers

- Day Two
 - DG Environment and Trade
 - Resource Protection Ltd, EU Inspection Body
 - Cambodia
 - Costa Rica
 - China
 - Haiti
 - Peru



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Trends in Sales of OA Products

- World market in 2000: \$17.5bn - equivalent to world coffee market
- Major world markets expected to grow at an average annual rate of 15-20% in the medium term
- Short-term supply-demand gaps exist in major markets



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7

Production and Export Constraints

- Lack of awareness of organic farming systems
- Limited access to:
 - International markets
 - Information
 - Finance
- Transition costs and risks in shifting methods
- Inability to capture economies of scale
- High certification costs/long conversion periods



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8

Organic Agriculture: Opportunities

- Income effects (saleability, price premiums)
- Natural resource conservation (soil fertility, prevention of soil erosion, water quality, biodiversity preservation etc.)
- Social effects (rural employment generation, lower urban migration, improved household nutrition, local food security, higher self-reliance)



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9

Organic Products: some examples

Brazil	Soybeans, sugar, orange juice, coffee
Costa Rica	Bananas, coffee, vegetables
India	Tea, coffee, spices, rice
Philippines	Fruits, vegetables, herbs, rice, spices, sugar, soybeans
South Africa	Sugar, vegetables, herbs
Tanzania	Coffee, spices, tea
Tunisia	Vegetables
Uganda	Cotton, coffee, avocado, dried fruit, bananas, pineapple



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10

Possible issues for discussion – item 1

- What are the benefits of OA for developing countries?
- What are the main challenges facing developing countries?
- What are the trading opportunities for developing countries?
- How can OA create win-win-win scenarios for trade, environment and development, in particular for developing countries?



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11

Possible issues for discussion – item 2

- What are the production constraints developing countries face?
- What can be done to overcome these constraints?
- What supportive domestic policy frameworks can be put in place in developing countries?
- What is the role of governments, OA associations, NGOs, etc?



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12

Possible issues for discussion – item 3

- What is the impact consumer groups and retailers have on the demand for organic products, in particular in Europe?
- What are the EU policies and regulations concerning imports from developing countries?
- What are the experiences in developing countries with marketing of OA products?



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13

Possible issues for discussion – item 3

- How is market information obtained?
- What are the information requirements?
- Are there monopolistic tendencies in OA markets?
- What are the developing country experiences with finding markets for their OA products?



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14

Possible issues for discussion – item 3

- What can be done to improve developing country market access?
- What are the opportunities for preferential market access?
- How can the EU and developing countries cooperate?
- How can public-private and international partnerships be promoted to seize export opportunities in organic markets?



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15

Possible issues for discussion – item 4

- How is certification of farms taking place in the developed and developing world?
- What are the main issues relating to standards, harmonization and certification for developing countries?
- How can certification costs in developing countries be reduced?
- What lessons can be learned from various approaches to smallholder and local certification in developing countries?



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16

Possible issues for discussion – item 4

- What is the current focus of work on International harmonisation and equivalence in organic agriculture?
- What are the key issues concerning harmonisation and equivalence in the context of Codex Alimentarius?
- What are country experiences on harmonization and what can be learned with regard to harmonization of organic standards and inspection requirements at int. level?



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17

Possible issues for discussion: recommendations for further work

- How can developing countries improve market access to the EU and how can both, the EU and developing countries cooperate in this regard?
- What can the UNEP-UNCTAD CBTF do to support organic initiatives in developing countries?
- What initiatives could be taken at the national, regional and international levels?



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18