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Five Strategic Variables For Promoting Organic Production



The development of organic production is considered incipient in most countries in Latin America and the Caribbean. This is so, in spite of the economic, social, and environmental benefits entailed, as well as the existence of clear international marketing opportunities for its products. In fact, the current dynamics worldwide have made this sector grow at a rate that varied between 20% and 30% in recent years. This has led to a world organic market worth 20 billion dollars.

Organic production is an alternate form of production, with clear technical and legal standards that regulate the activity, and with differentiated markets at the international level that recognize its benefits. The exact same variables come into play as when promoting and developing conventional agriculture. The fundamental difference between the two forms of production is the greater respect for natural resource management and the environment that correspond to organic production, which excludes the use of synthetic chemicals.

The problems in organic production are, also, the same ones that occur in conventional production. However, in the agricultural sector there is an overwhelming "chemical culture" promoted by the "green revolution". It has limited the propulsive capacity of both human and institutional players, which is needed to support an integral development of organic production.

Most of the productive experiences that exist in this regard in Latin America and the Caribbean have been carried out by individual economic agents motivated by varied goals and at their own cost and risk, who have been able in some cases to master the techniques and develop successful experiences for both domestic and international markets. One common characteristic in all these cases has generally been an absence of public sector support, since organic production, with very limited exceptions, is still not on governments' agendas.

In spite of the above, experiences in some countries show that it is possible to inject greater dynamism into the development of this activity by managing five strategic variables, which are not exclusive, but whose articulation would allow the foundation to be laid for a more ordered and accelerated development. Two of these variables are structural in nature: one is related to the need for establishing institutional and policy frameworks, which promote and support the activity; the other is linked to the establishment of legislation that regulates and backs it up. The other three variables (organization, training, and information) are cross-sectional variables, which must work together and be manageable at all levels of activity. Here follows a brief consideration on these five variables.

INSTITUTIONAL AND POLICY FRAMEWORKS

As was mentioned above, organic production presents generally the same requirements and demands for services as conventional production: technical assistance, research, acquisition of technology, laboratories, irrigation, training, information, financing, incentives, market development, access to and ownership of the land, just to mention a few.

Since it is impossible to duplicate existing institutional structures to respond to this activity, it is of utmost importance that countries establish at least national organic production

programs, or similar structures, which would become the bodies responsible for coordinating and facilitating the promotion of this activity.

These programs must be provided with resources and given authority, to favor coordination and/or implementation of institutional activities in the realms of the different services indicated. Special attention should be given to organizing growers, establishing information systems to support decision making processes, training of growers in all the manifestations that may be required of them and, most especially, professionals and technicians working in the sector.

In any case, national programs of such structures as may be established should propose policies, action plans, and strategies, which need to be drafted with the involvement of the players in the organic activity and supported by a perception of reality. These proposals, once they have been analyzed and approved by the decision-making level, shall be binding within the agricultural sectors of the countries, and will energize the development of the activity through coordination and facilitation of actions and services that the State offers in this arena.

LEGAL AND TECHNICAL FRAMEWORKS AND STANDARDS

Organic agriculture is an activity that is based on clear legislation, with technical and legal standards governing production, transformation, and marketing of its products. It considers standards for registration of economic agents within the sector, as well as certification, accreditation, and operation of certifying agencies, and processes for importing organic products, to mention only a few aspects.

Legislation that has been developed to date by some countries in the region, as well as that which is in process, are fundamentally consistent with those governing the activity in the European Union, since the latter was the first legislation to be issued, and has served as a model for other countries.

To facilitate direct access for products coming from third countries to their markets, European legislation requires recognition of the equivalence of the existing standards in the countries of origin. Thus the search for consistency with the legislation existing in those countries considered important trade partners, such as the European Union or the United States, for example, should be considered both by countries that already have produced legislation and by those that are still in the process of issuing it.

At this point in time, not many countries in the region have legislation on this issue, so that activities in the organic sector refer principally to international certifying agencies' standards, which are linked to those existing in the major international markets.

The lack of legislation in the countries has generated not only a certain degree of dependence on international certifying agencies, with the consequent rise in cost for the certification processes, but also has limited to a great extent the development of the activity and its markets. In fact, a great majority of the growers are unaware of the standards that govern organic production; a series of "bio" inputs has proliferated, which place at risk the development of the activity, and finally, local markets, when they exist, are not certified; so that they offer no guarantee to the consumers.

Establishing legislation and standards governing organic production constitutes a task that must not be delayed. To carry out this process, national commissions should be established in the countries to integrate representatives from the State and players in the organic movement. New legislations should maintain a balance between the aspects related to internal and external markets in their content. They should be drafted on a participatory basis with the players involved in the activity and should be backed by a prior effort at dissemination and discussion on the part of these players. Furthermore, an attempt should be

made to foster recognition among countries and their equivalency with the standards existing in the markets and major trade partners.

To implement these legislations, an institutional structure must be established which will have to be independent from the promotional structure, to guarantee its transparency. However, national programs must perform an active role in the process to develop proposals, providing spaces for these players to participate. This institutionalization will have, among other responsibilities, that of registering and accrediting certifying agencies, registering certified economic agents, follow-up and oversight of compliance with standards, as well as their dissemination among the economic agents related to this activity.

ORGANIZATION OF THE DIFFERENT LEVELS OF ORGANIC PRODUCTION

In Latin America and the Caribbean, organic sector development is characterized by a reduced organizational capacity among the players involved. This is a common trait with very few, but outstanding exceptions. This explains why existing organizations will probably be found to have limited entrepreneurial perspective, as well as insufficient managerial capacity.

This absence of strong organizational structures and entrepreneurial capacities that are well founded within the organizations constitutes a severe restriction to organic productive development. This is so, not only from a productive and commercial viewpoint, but also because it limits their possibility to receive services, exchange experiences, consolidate production, and obtain economies of scale in different activities. Furthermore, there are no legitimate structures representing organic production in the different realms of their competency, defining plans and strategies to be followed, and negotiating with authorities to develop policies and search for solutions to such problems as may arise.

Although organizational vacuums demand different types of organizational structures as an immediate response, it is important to favor the development of at least three different types of organizations at the country level:

- The first, operational in nature, where organization and integration are fostered among growers in first and second degree structures to favor reception of services provided by the State and the private sector, and to draw together and homogenize production in order to market it directly on both the local and international markets.
- The second, of a representative nature, where national integration is favored for all players in organic production (growers, transformers, marketers, researchers, the government, NGOs, supermarkets, consumers, etc.), in a legitimized structure of the organic movement, which supports promotion of the activity by coordinating initiatives, represents its interests, and unifies criteria and long-term strategies.
- The third allows consumers of organic products to be grouped into a national organization, to favor the development of local markets by

Obviously, to carry out any of the proposed initiatives it will be necessary to rely on a responsible body to simplify the processes, and it is here where the national organic production promotion programs are called on to play a predominant role. Similarly, it should be noted that in any case where the organization of those involved is promoted, whether these be growers, transformers, marketers, consumers, or others, it is important to establish a management training process, which will allow the organizational structure to be consolidated.

INFORMATION SYSTEMS

When available, in all realms of organic activity, information is a scarce, disperse, and difficult to access input. This limits its utilization in decision-making processes. It can be found in the hands of the growers, researchers, marketers, NGOs, technicians, inspectors,

and certifying agencies, all of which will occasionally share it. However, in most cases, it is not sufficiently disseminated to promote greater dynamism in this activity.

Although efforts exist in Latin America and the Caribbean to establish informational databases concentrating information on this topic, and they are significant contributions, the fact remains that these achievements pose limitations for access to the data by those players without access to this technology. Consumers, who are significant agents for developing the activity, have been left out of these processes as well.

From this viewpoint, it is clear that a national initiative on this topic should result in information systematization, concentration, and diffusion processes, and designate an institution clearly responsible for carrying them out. These systems must be easily accessible to the different users and allow interaction among the players.

The systems to be established must contain useful information for the different realms of organic production, transformation, marketing, national and international markets, and existing regulations, as well as all the information related to the activity, of a technical, legal, service, or other nature, which may be of interest for the different users, and especially for the consumers.

The initiative must be accompanied by mass media information and education programs, which would allow promotion of organic products for public opinion as well as the benefits that they represent, having a bearing on the growth and consolidation of their demand. These actions must be accompanied by a strategy that involves the agents of these media in the activities carried out by the organic movement.

In order to achieve a greater multiplier effect for the activity, one complementary strategic element should be the design of information and education programs aimed at elementary and high school students, who constitute the

TRAINING

Organic production is an activity that is being rediscovered and updated in recent years. As a consequence, knowledge gaps are many and occur frequently.

In spite of technological advances achieved by the growers, demand for training in this sector is ample and surpasses the capacity of the institutional response, although many of these demands are practically the same that exist for conventional production. Consequently, a national training program for this activity must also be established immediately.

In addition to confronting limitations found in the institutional response for conventional agriculture, organic production presents a complicating factor, the scant capacity of sectorial institutions to meet demand, especially in the production area, for which their technicians and professionals have not been trained. For this reason, the principal efforts for a national training program, at least at the outset, should concentrate on training professional and technical personnel providing services in the agricultural sector, so that they train the trainers and agents of change.

Demand for training on the part of growers indicates that actions should be centered particularly on processes transforming the farms, including, but not limited to entrepreneurial management, production, and agro-industrial activity planning. Furthermore, training programs related to trade should be aimed at acquainting growers with regard to market operations, and the standards that govern them, as well as emphasizing aspects arising directly from marketing and markets, such as quality, healthiness, post-harvest handling, packing, transportation, and contractual relations, among others, as well as aspects referring to marketing organization and management.

It will be very useful to identify, systematize, and take advantage of successful experiences carried out by the economic agents involved in organic production, as a support for the training processes. Insofar as resources are available, horizontal training programs should be promoted with experiences carried out in other countries, which would broaden the knowledge horizon.

Finally, in order to guarantee a sustained future supply of technical assistance in organic production by professionals and technicians within the sector, the curricula of the Agricultural Schools of Higher Education must be modified and enriched, by incorporating courses, and establishing majors that favor the development of organic production wherever possible.