

# Organic Strategy Forum

## Progress Update for Minister Hackett

December 2022

### Introduction

The establishment of the Organic Strategy Forum in April 2022 marked an important milestone in guiding the future direction of the Organic Sector in Ireland. Bringing together 23 organisations spanning the supply chain from farm through to market, The Forum offers a platform to identify and agree critical actions needed to drive growth.

The scale of ambition for the sector is clear with the target of 7.5% of land being farmed organically in Ireland by 2030 relative to 2% in 2021. This ambition is being backed up by a fivefold increase in funding for the Organic Farming Scheme under the new CAP at €256 million. This is positively reflected in the almost 2,200 applications received for the Organic Farming Scheme in December 2022.

The ambition outlined for The Forum at our first meeting focused on the following areas:

- Proactively shape the future direction of the organic sector
- Tackle the challenges facing the sector
- Guide the supports available to pursue market opportunities.

The main focus for The Forum in 2022 was to establish real momentum, set clear actions, bring accountability to delivering on agreed actions and establish a sense of collective responsibility to ensure that all members proactively contribute.

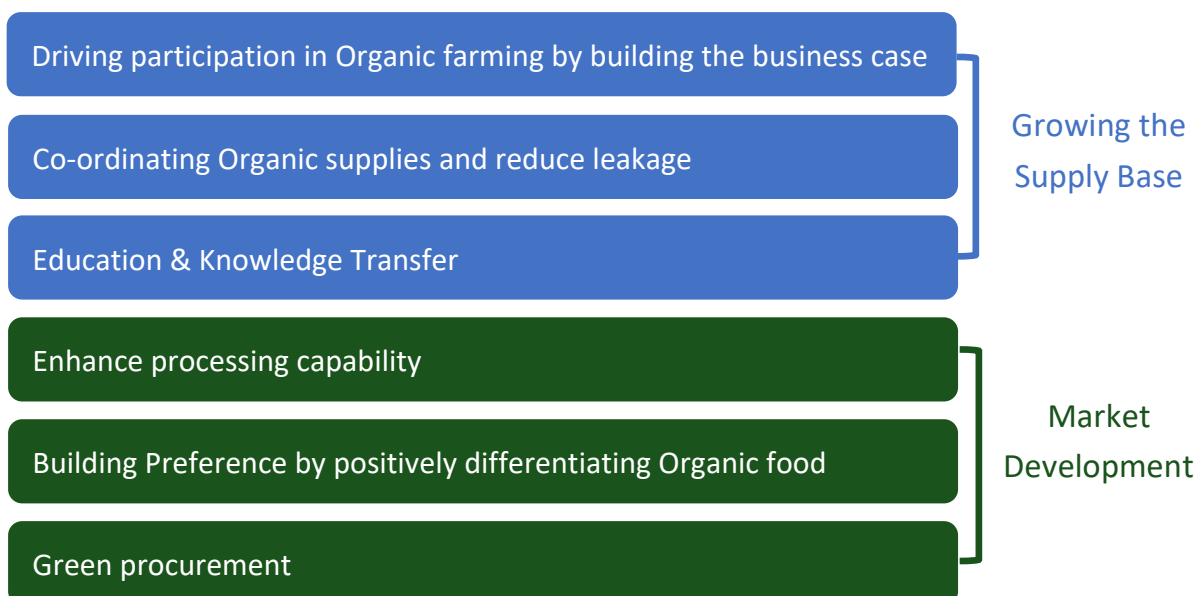
During the course of 2022 The Forum met on five occasions in April, May, June, September and November and established a number of sub-groups to drive progress in relation to a digital Organic Hub to help co-ordinate supplies and the development of a value proposition for Irish organic food.

Forum meetings saw constructive engagement from all members, which helped prioritise areas for immediate focus and deliver a number of strong initiatives. As we finish 2022, The Forum is working well and has a strong work programme for 2023. Delivering on this will require all stakeholders working constructively together to help optimise the growth potential of the sector as a significant increase in the area dedicated to organic farming emerges, which will hopefully lead to strong growth in availability of Irish organic food in the years ahead.

## Forum Priorities

The first meeting of The Forum focused on agreeing immediate priorities in order to shape our work programme while staying true to the objectives outlined in the National Organic Food Strategy 2019 - 2025.

The areas highlighted by members covered two broad headings as follows:



Given the breadth of the topics raised it was agreed that future meetings of the Forum would focus on one core topic in order to allow sufficient time for discussion and agree next steps. On that basis, the following three topics were identified as immediate priorities:

- Driving participation in Organic farming
- Enhancing co-ordination of organic supplies and inputs
- Developing the market for Irish organic food

## Progress made in 2022

Good progress has been made in each of the priority areas highlighted above. The following pages outline the key initiatives and actions delivered under each.

### Driving participation in organic farming

A number of challenges to growing participation in organic farming were identified in the results of a survey of members completed by the Agricultural Consultants Association (ACA) in May 2022. Some of the key challenges identified included an absence of additional

funding, lack of market certainty, the length/requirements of the conversion process and the perception of organic farming among peers.

In advance of the Organic Farming Scheme reopening in autumn 2022, The Forum developed a Roadmap of activities to boost awareness and understanding of organic farming among farmers to help them make an informed decision.

Some of the key activities delivered under this priority included the following:

- 18 farm walks on organic farms attended by an estimated 2,000 farmers
- National Organic Open Day attended by over 1,200 farmers
- Recruitment of an Organic specialist and 5 advisors by Teagasc
- Appointment of an organic specialist by ACA
- ‘Train the trainer’ sessions organised for existing advisors by Teagasc and ACA
- Organic Village at the National Ploughing Championships
- 4 farms walks and information meetings organised by IFA,
- Information meetings organised by ICSA and INHFA
- Helpdesks and 16 workshops/clinics as well as a series of farm walks organised by Organic certification bodies
- Over 1,500 attendees at organic training courses in 2022
- Five organic farms within the Teagasc Signpost programme
- Irish Organic Association podcast series

The importance of peer to peer knowledge transfer was highlighted by Forum members with the extensive number of Farm Walks helping to facilitate this development. A point to note ahead of 2023 is the varying needs of farmers attending walks. The requirements of farmers considering organics and existing farmers that are seeking advice/ideas to improve their systems are very different.

The strengthening engagement by farm organisations in organising events with their members is to be welcomed and has a key role to play in addressing lingering negative perceptions among some farmers in relation to organic.

There is a need to be able to present a strong business case for organic to farmers considering conversion. Teagasc are currently working on building a series of case studies focusing on the economic performance of organic farms and this will be followed by a more extensive economic analysis of different organic systems in 2023 based on National Farm survey data. In addition, the extended scope of the Organic Capital Investment Scheme represents a positive development in supporting farmers converting to organic.

Farmers need reassurance on the market demand for organic food in Ireland and overseas to help them confidently switch to organic. Bord Bia have increased their investment in organic market insights to address this need while processors have also committed to additional engagement with farmers in this regard.

A strong communication plan will be required in 2023 to ensure that the output of the work planned by Teagasc and Bord Bia reaches farmers with agricultural media having a key role to play.

### Co-ordinating organic supplies and reducing leakage

The level of leakage of livestock from the organic sector remains stubbornly high with over 70% of lambs and 30% of cattle lost on an annual basis. As a result, the sector is not optimising output from existing organic farms, leading to market opportunities being lost. A number of contributing factors have been listed including a lack of data, distance to market, relative price premium, an absence of finishers and the cost/availability of organic feed.

The Forum discussed the issue at length and highlighted that in addition to livestock, considerable challenges exist in source organic inputs, particularly feed. It was clear from our discussions that links between organic farmers are currently weak. Addressing this challenge is critical to maximise existing production and facilitate new entrants in optimising their organic output.

There was a positive response by The Forum to the proposed development of a digital Organic Hub to address this challenge. A number of key success factors were highlighted by members:

- Digital Hub needs to be user friendly and ideally App based
- Critical function is to make it easier to create linkages between farmers
- Important to include mechanism for notifying farmers in the same region through alerts
- Need to retain company with relevant experience to deliver project
- Avoid duplication of systems

A Forum sub group was established to explore potential options. At our November meeting it was agreed to proceed to brief and specification development for the first phase of the Hub, which will focus on offering a platform linking farmers to buy and sell key organic inputs. The brief and specification are due to be completed before year end and will include an indication on budget.

The livestock database developed by DAFM in conjunction with Fibl will provide the foundation for the Hub in order to avoid duplication of systems.

The sub-group highlighted the need to incorporate project management and ongoing technical support as part of the brief. In addition, a communications programme will be required to encourage farmers to engage with the Hub.

The sub group also recommended a phased approach to extending the range of content available through the Hub and this will be explored further during the initial development of the Hub to ensure it is future proofed to the greatest extent possible.

DAFM will assume ownership of the Hub for a three year period initially and is currently engaging with industry on a co-funding model.

In addition to the Digital Hub the potential role of Producer Groups to help co-ordinate supplies was highlighted by members.

### Developing the market for Irish Organic Food

Developing the market for Irish Organic food on domestic and key export markets was highlighted as a key priority by the Forum. Our discussions highlighted a number of jobs to be done, including:

- Increase the visibility and profile of organic food in Ireland
- Build a stronger consumer understanding of the attributes of Irish organic food
- Positively differentiate Irish organic food in selected export markets
- Strengthen the branding of Irish organic food

The job to be done varies by market with consumer focused initiatives required on the Irish market to build consumer understanding and preference while a trade buyer focused approach is required with customers in export markets where organic is now part of the mainstream product offering.

During the course of 2022, Bord Bia recruited a Sector Manager dedicated to organic while also extending resources available across the organisation. The organic food Ministerial Trade Mission organised by Bord Bia in conjunction with DAFM to coincide with the Biofach trade show in Germany clearly demonstrated the strength of demand for organic food, the interest in Ireland as a potential supplier and the existing strong reputation of Ireland as a food producer.

On the domestic market, growing interest was evident among retailers in organic with a number actively participating in Bord Bia's retail pilot marketing campaign during the second half of 2022 while also increasing efforts to boost the visibility of organic products in store. The National Organic Awards organised by Bord Bia recognised the achievements of eight farmers, growers, producers and retailers. The associated social media campaign helped to boost the profile of finalists and winners.

The key challenge identified by The Forum was the absence of an agreed value proposition for Irish Organic food. This can impact on confidence in the sector and result in the lack of a consistent, robust foundation for communicating the benefits of Irish organic food. It concluded that a value proposition needs to be developed for two distinct audiences, namely Irish consumers and trade buyers overseas and should incorporate all attributes of organic farming systems from a sustainability perspective to help premiumise the product offering.

It was agreed to form a sub-group, chaired by Bord Bia, to guide the development of a value proposition for Irish consumers initially with a view to evolving into a trade buyer version. The sub group had its first meeting in November and is working towards having a draft proposition ready for testing with consumers by year end.

The proposition is being built to clearly articulate the functional and emotional benefits of Irish organic food and will be supported by verifiable facts to ensure credibility with Irish consumers. The version developed for export markets will seek to utilise synergies with existing Food Brand Ireland messaging in order to lean into the existing reputation for Irish food and drink products.

Once agreed, the proposition will form the basis for promotional and marketing campaigns in Ireland and overseas. The delivery of promotional activities and branding of Irish Organic food informed by the agreed value proposition will be a key focus for the Forum in 2023.

## **Priorities for 2023**

As we approach the end of 2022, I'm glad to be able to report that The Forum has made positive progress on a number of fronts and is working constructively to address the challenges facing the sector.

At our last meeting we focused on our priorities for 2023. The seven priorities identified by the group can be summarised as follows:

### **Driving participation in organic farming**

The increased level of events and activities undertaken by Teagasc, ACA, Organic Bodies, IFA, ICSA and INHFA to engage with farmers considering converting to Organic proved very successful in 2022. These events were boosted by the increased participation by Bord Bia and processors to explain the market demand for organic. This level of activity will need to be repeated in 2023.

The Forum will also consider the need for an increased number of standalone events for in-conversion and existing organic farmers to help them optimise their production system and ensure the delivery of high quality organic output in the years ahead.

A major focus for the Forum in 2023 will be the articulation of the business case for organic through the dissemination of greater financial information, ongoing updates in terms of market developments and increased levels of price reporting.

This will be supported by a communications programme to ensure the information reaches as many farmers as possible.

### Co-ordinating organic supplies and reducing leakage

A key priority for The Forum in the first half of 2023 will be the development of the first phase of the digital Organic Hub.

This will involve the completion of a tender process to identify a service provider to develop, manage and support the Hub. It will also focus on ensuring the Hub is built in a way that utilises the livestock database and ensures no duplication of effort while delivering a user friendly final version. It will be accompanied by a strong communication campaign to boost awareness and usage among farmers.

The Forum will also explore the potential for Producer Groups to help bring greater coordination of existing and future organic supplies.

### Developing the market for Irish Organic Food

The immediate priority in relation to market development in 2023 is the finalisation of the value proposition for Irish Organic food.

Bord Bia will put the draft value proposition agreed by The Forum sub group through consumer testing in the first quarter of 2023. The results will be used to refine and finalise the value proposition with the aim of The Forum signing off the final value proposition in April 2023.

Once the value proposition is agreed, Bord Bia will work in partnership with organic companies and retailers to develop promotional messaging for the domestic market. This messaging will form the basis of agreed consumer campaigns to build awareness and understanding of Irish organic food during the second half of 2023.

The value proposition will be tweaked for export markets to ensure it reflects the attributes of most interest to trade buyers and positively differentiates Irish organic food. Promotional activity will be undertaken with key customers by suppliers and Bord Bia.

Reviewing the current branding of Irish organic food will also be explored by The Forum in 2023.

These activities will be supported by a Bord Bia led application for EU Promotional funding for organic in April 2023 for a proposed three year campaign commencing in 2024. This is a significant first for the Irish organic sector and Bord Bia.

### Green Procurement

Exploring the potential for organic food in public procurement will be a priority in 2023. A discussion at our November 2022 meeting highlighted a number of challenges to be overcome, particularly in relation to maintaining supply through strong distribution systems.

It was agreed that a pilot programme involving DAFM and the Office of Government Procurement will be initiated in early 2023 for the canteen facilities in DAFM offices Johnstown Castle Wexford. The purpose of the pilot is to build a stronger understanding of serving the channel. The learning's from the pilot will be captured to develop an approach to encouraging an increased presence of organic ingredients within the most relevant segments of public procurement.

The pilot will involve building engagement between service providers, organic food suppliers and chefs to ensure that menus avail of available organic ingredients.

### Education

The Forum will focus on encouraging ongoing investment in education at farm and supply chain level. There have been a number of positive developments including the SETU announcement of a full time third level degree in organic agriculture from September 2023, which will represent the first level 8 degree to be offered either in the UK or Ireland.

In addition, strong progress has been made in terms of participation in organic production principles courses as well as sector specific training courses. The Forum will review the current education offering to identify any potential gaps.

At farm level strong, ongoing knowledge transfer activities will be critical in ensuring that farmers are equipped with the right skills as they convert or as they look to improve existing farming systems. The Forum will monitor the level of resources dedicated to knowledge transfer and farmer uptake during 2023 with a view to ensuring farmers are able to easily access ongoing support.

### Infrastructure

An issue raised by Forum members in 2022 was the importance of having the right processing infrastructure in place to ensure that value from organic produce is optimised. The Forum will explore current infrastructure gaps with a view to informing a plan that can



address the enhancement of existing infrastructure and support the development of new infrastructure, including the potential for shared facilities.

## Data

To bring greater certainty to the organic supply pipeline enhanced data collection systems are needed to allow the publication of information on potential availability for each sector. With the substantial increase in the number of farmers converting to organic it is important that existing and potential processors are able to plan for an increase in supply in good time rather than looking for additional market outlets when the product/ingredient is ready to market.

The Forum will explore potential data needs as part of its priorities in 2023.

## Thank You

It would be remiss of me to finish this progress report without acknowledging the considerable contribution of DAFM, particularly the Organic Unit in managing The Forum and bringing real momentum to growing the scale of the organic sector.

The team led by Colm Hayes and Jack Nolan and ably assisted by Kevin McGeever, Seamus Barron, Vincent O'Byrne, Laura Nolan and Aine Frizelle have always been on hand to help build my understanding of different topics. I'd like to thank each of them for their patience and positive approach to all our meetings.

Thank you, Minister, for your active involvement in The Forum, which has provided a vital signal to the group that it has an important role to play in helping the organic sector develop strongly in the period ahead.