

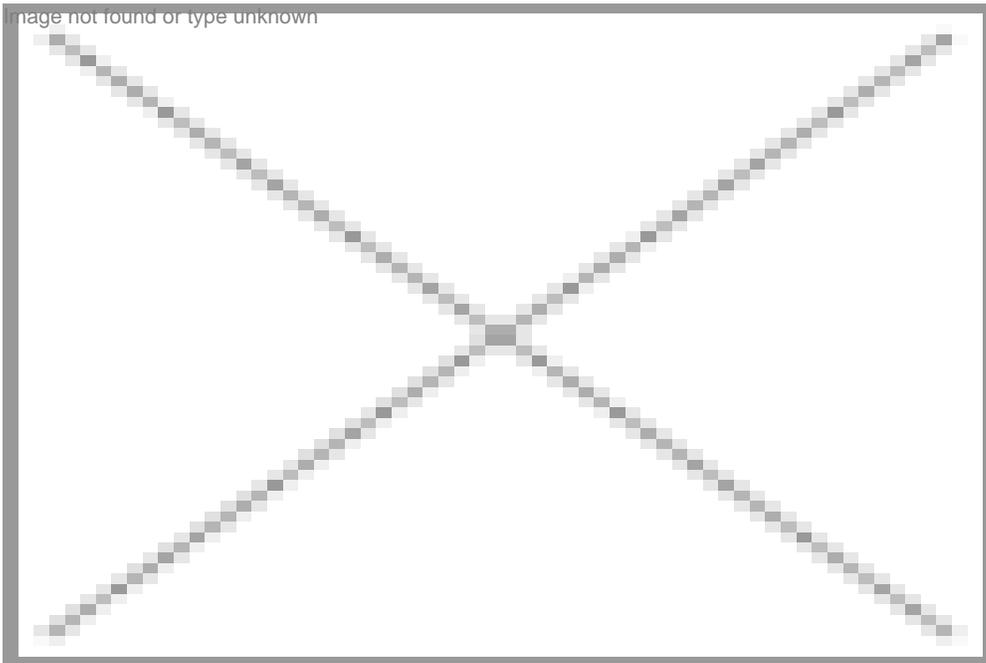
Organic farming picks up in India

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India has emerged as a major producer of organic food. The area under organic produce is likely to grow by 25-35 percent in the next few years



Organic agriculture has a very decisive role to play in the current world scenario, since food security and food safety are highly challenged. In its report, 'Organic Agriculture and Food Security', the United Nations Food and Agricultural Organization (FAO) has identified organic agriculture as a priority area for addressing challenges associated with both local and global food security. The FAO proclaims that organic farming is the single window solution for fighting hunger and food scarcity and tackling climate change, a venture which is beneficial for the farmers, the consumers and the environment alike.

The importance of organic agriculture and demand for organic products are increasing throughout the world at a phenomenal rate. In the past few years, the expanding global market for organic foods has seen an annual growth rate of 15 to 40 percent. This growth is more prominent in Europe, United States and Japan. Market appreciation of organic products has gone up tremendously, owing to the enhanced awareness for healthy food among consumers worldwide.

The demand for organic produce is increasing in India as well. A study done by the Morarka Foundation reveals that the issues of adulteration in food, growing incomes of middle class, evolution of modern retail formats, private sector initiatives in agribusiness, technological innovations in agriculture and food and growing awareness about organic products are creating a lot of demand for organic produce in urban India. The major domestic markets include, Bangalore, Chennai, Delhi, Hyderabad, Mumbai, Jaipur, Pune and Coimbatore.

“In these markets, there is 100 percent growth in the number of outlets such as - exclusive organic outlets (there has been an increase from 100 stores to 300 in the last one year), retail outlets (increase from 500 shops to 1,000 in the last one year) and farmer/producer owned outlets (doubled from about 1,000 to 2,000 in the last one year),” says Dr P V S M Gouri, advisor, Organic Products, Agricultural and Processed Food Products Export Development Authority (APEDA).

Business Opportunities

Organic adoption and Certification facilitation

Post harvest processing, storage and packaging

CO2 fumigation storage chambers

Value chain development and retailing

Input production

Organic seed production

Integrated community biogas and manure production units in villages with network of service and maintenance providing agencies

Organic Milk is a very attractive commodity and needs marketing links

Organic oil is another potential subject

Soybean by products (meal, oil and lecithin)

Herbal dyes and essential oils

The demand for green agricultural products stimulates the growth of the green input market as well. In other words, if there is demand in the market for organically produced farm products, it will encourage farmers to implement the organic farming practices and also to use green inputs into agriculture, such as bio-fertilizers, bio-pesticides, compost, farm yard manure (FYM) and green manure among others. Based on the gross cropped area in India and recommended doses of bio-fertilizers, there will be a potential demand for biofertilizers, such as rhizobium, azotobactors, azospirillum, BGA, and phosphate solubilizer.

With the ever increasing demand, the organic producers are finding it difficult to match up to the expectations. There are many initiatives and efforts that are being taken to augment organic agriculture at various levels and different places. However, most of these initiatives have failed to make their impact as they are scattered and isolated. The central government has been promoting the production and use of bio-fertilizers to make it popular. The government has initiated a project called the "National Project on Development and Use of Biofertilizers," for this purpose. The main objectives of this project include, production and distribution of bio fertilizers (BFs), developing standards for different BFs and quality control, releasing of grants for setting up BF units and training and publicity.

To build a green agricultural input market in India, it is not sufficient to incentivize production but there is also a need to focus on the demand. Collaborative and concerted efforts between input producers, farmers, the agriculture scientific community, government officials and traders at different level i.e., at the central government, state government, district and village level could give the required strategic attention to organic agriculture. Only collaborative efforts would create avenues for marketing organic produce internally and expedite the necessary linkages for enhancing India's presence in the organic products market.

Indian Organic Vital Stats
 Total organic area-1,06,500 hectares
 Total projects-2099
 Number of grower groups-909
 Total organic farmers-548,045
 Total certified production-17,11 lakh tons
 Present of prices zone-127
 Total export-58,408 tons
 Value of export-\$112 mn (INR 525.49 crore) (type unknown)

Mr Sarvadaman Patel, president, Organic Farming Association of India (OFAI), while sharing the activities of his association in promoting organic farming, says, "Currently, we are having 2,500-3,000 members involved in organic produce that represents various zones in the country. Besides focusing on the practical side of organic farming, we are also promoting marketing of the products. We hold conventions from time to time for getting innovative ideas. We ask farmers to bring these products and we help them with the expertise."

OFAI has been set up by the organic farming community, environmentalists and social activists in order to promote organic farming, lobby for its official adoption by the Indian government and assist farmers who are dependent on chemicals to convert to organic systems. OFAI aims to help organize farm-households and families, who are engaged in organic farming and other connected activities, into a recognizable entity that will effectively represent their interests at the local, state, regional and national levels.

Source: National Centre of Organic Farming
 Similarly, Mumbai-based Institute of Natural Organic Agriculture (INORA), has been actively playing a key role in research, development and promotion of organic farm management and manufacturing of permitted organic farming inputs, organic farming certification systems, earthworm vermitech for biological solid and in liquid waste composting, treatment and recycling. INORA has its own clientele and has also opened stores to cater to their needs.

Challenges
 Government schemes for promoting organic farming, Ms Manjushree Tadvalkar, CEO, INORA says, "The schemes by the government are related to the promotion of biopesticides, biofertilizers, production of vermicompost, liquid manure and irrigation. Besides that, there is a subsidy on green manure, biofertilizers and pesticides. We try to act as the connecting link between the farmers and the government on this."

Demand for Supply
 "Organic farming holds tremendous importance in the ecology. Organically made food has wider perspective, wider environmental use, and that too without disturbing the ecological balance of nature. As in the last 50 years, soil fertility has decreased by a huge extent, it is high time to realize the importance of organic farming," adds Ms Manjushree.

Source: Agricultural and Processed Food Products Export Development Authority (APEDA)
Market scenario
 India is best known as an exporter of organic tea and also has great export potential for many other products like litchi, fruits, cotton, healthcare, skincare and lifestyle products among others. This holds promise for organic producers and industries to tap the market, which is growing steadily in the domestic market as compared to the export market.

India has about 3.95 million hectares of land (0.96 million hectares cultivable land and the remaining forest area) under organic farming and ranks 33 in world, in terms of area under organic farming, and is placed at 88 position, in terms of the ratio of agricultural land under organic crop to total farming area. "Madhya Pradesh has the highest area under organic farming with 1.1 million hectares (52 percent) followed by Maharashtra with 0.96 million hectares (33.6 percent), Orissa at third with 0.67 million hectares (9.7 percent) followed by Utrakhhand and Sikkim," said Prof M K Salooja, director, School of

Agriculture, Indira Gandhi National Open University (IGNOU), while speaking at 'Organic Conclave' organized by ASSOCHAM in December, last year.

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Organic Farming, "About 5.5 lakh farmers (over 900 groups) are actively involved in organic farming throughout the country. India has over 400 processors with certified production capacity of over 17 lakh tons. India has internally established acclaimed certification systems both for the export and the domestic market. Currently, the country has 20 certification bodies to choose from. Apart from this, India also has a new farmer-centric certification system known as the Participatory Guarantee System. Organic farming in India has grown 25-fold in the past seven years because of combined efforts of farmers, NGOs, government interventions and push from other market forces."

Good practices in all the areas of organic farming, certification, accreditation of agencies, traceability, food safety, quality management, safe processing and product development will further strengthen organic food production and its safety.

In addition to catering to the domestic market, India exports 70 percent of its organic products to Europe, followed by the US (20 percent), South-East Asian countries (five percent), Japan (3-5 percent). India exported 135 organic products under 15 categories during 2009 valued at \$112 million (525.49 crore). Among the products exported, cotton is at the top followed by basmati rice and honey. The demand for Indian organic products is increasing in Europe. There are 294 organic exporters in India.

To provide a boost to the organic products' exports, the government has decided to launch an awareness program amongst farmers and offer subsidies. APEDA will be launching a drive of 100 percent organic products exports from the current level of 530 crore per annum to 1,000 crore by 2012. APEDA is offering subsidies to encourage the marginal and poor farmers' community to undergo an extensive change from existing chemical farming to organic farming. Some of the other efforts towards promotion of organic exports include, attempts to collaborate with all the major organic products importing countries.

The initiatives from various government agencies, active participation of farmers' group and NGOs at different levels and awareness about the advantages of using organic produce will create a huge market potential for organic farming in India.

Narayan Kulkarni in Bangalore
(Inputs from Rahul Koul)