

# *ORGANIC* IN THE 2007 FARM AND FOOD BILL

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## THE ORGANIC PARADIGM

“An organic farm, properly speaking is not one that uses certain substances and avoids others; it is a farm *whose structure is formed in imitation of the structure of a natural system*; it has the integrity, the independence, and the benign dependence of an organism.”

Wendell Berry

# “A New Agricultural Revolution”

Dr. David Montgomery, Chronicle of  
Higher Education, April 2007

“Agroecology...treats soil as a locally adapted biological system...It is just as scientific as the latest technologies— but based on biology and ecology rather than chemistry and genetics...It requires farming guided by locally adapted knowledge – farming with brains rather than by habit or convenience.”

# U.S. Organic Definition

“A production system that is managed ... to respond to site-specific conditions by integrating cultural, biological, and mechanical practices that foster cycling of resources, promote ecological balance, and conserve biodiversity.”

-USDA National Organic Regulation

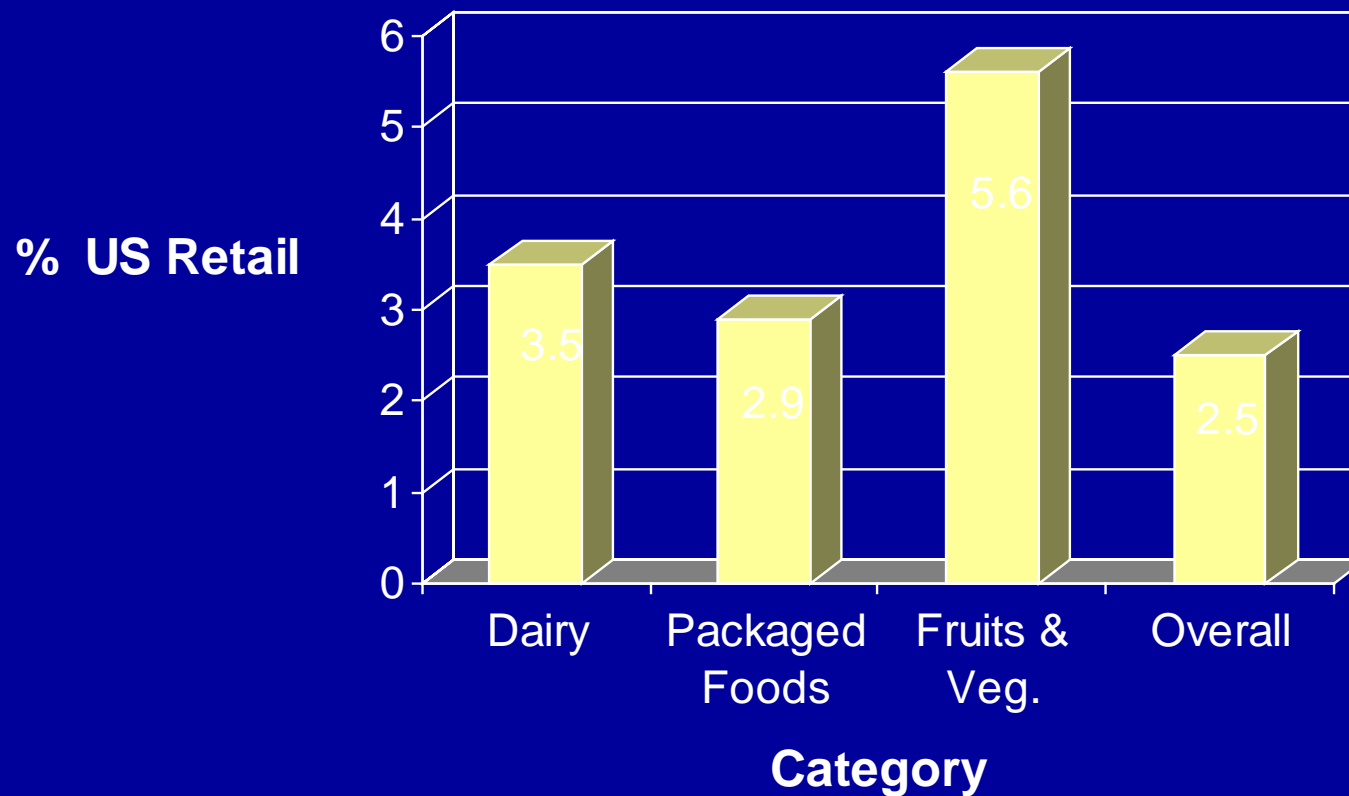
# Global Growth

- U.S., E.U. demand driving increased production.
- U.S. retail doubled in last five years, appx. \$15 Billion in 2006.
- “Mass Market” retail ~50% of all U.S. sales.

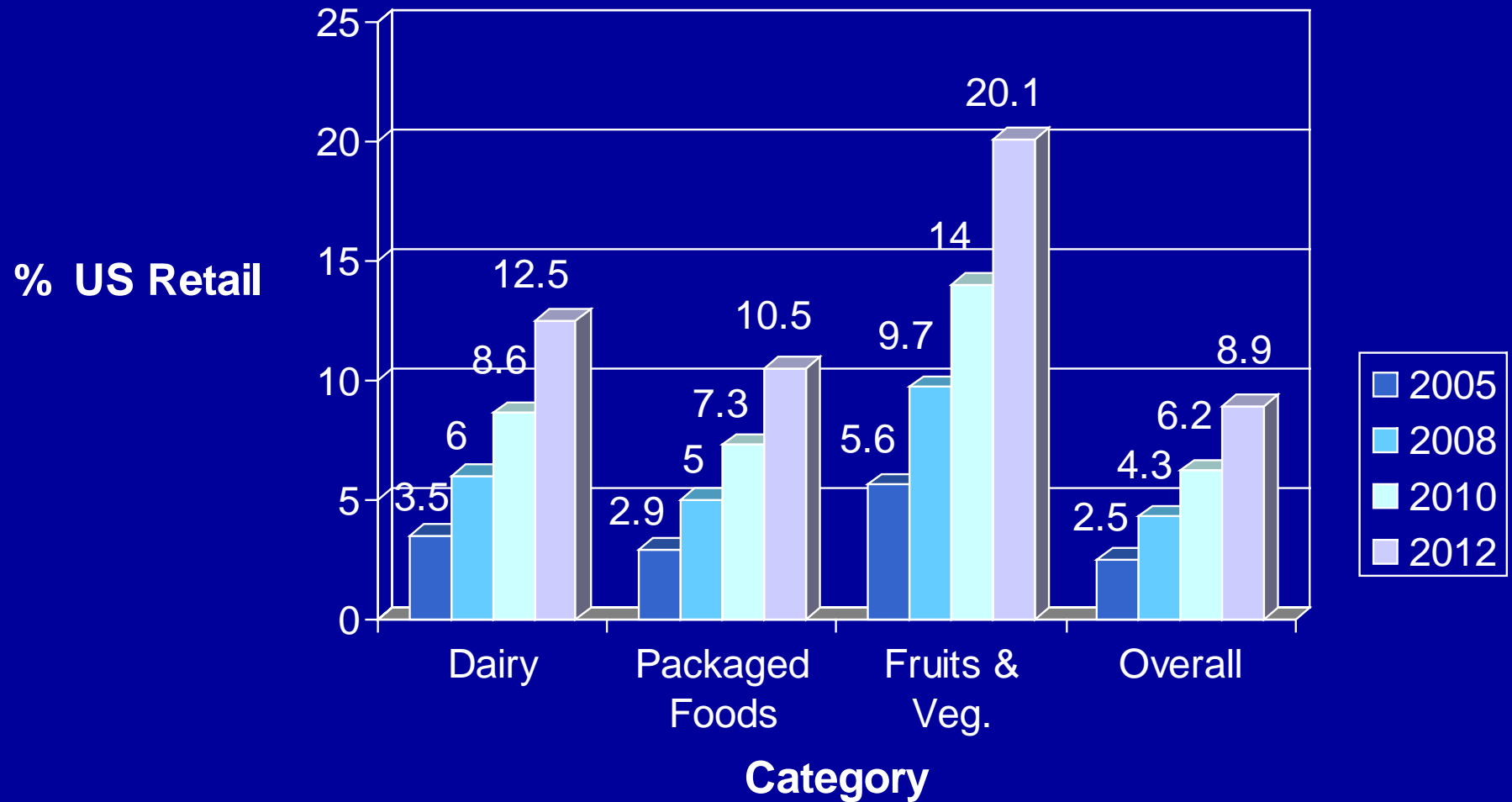
-Nutrition Business Journal, March 2006

# 2005 Organic Share of U.S. Retail \$

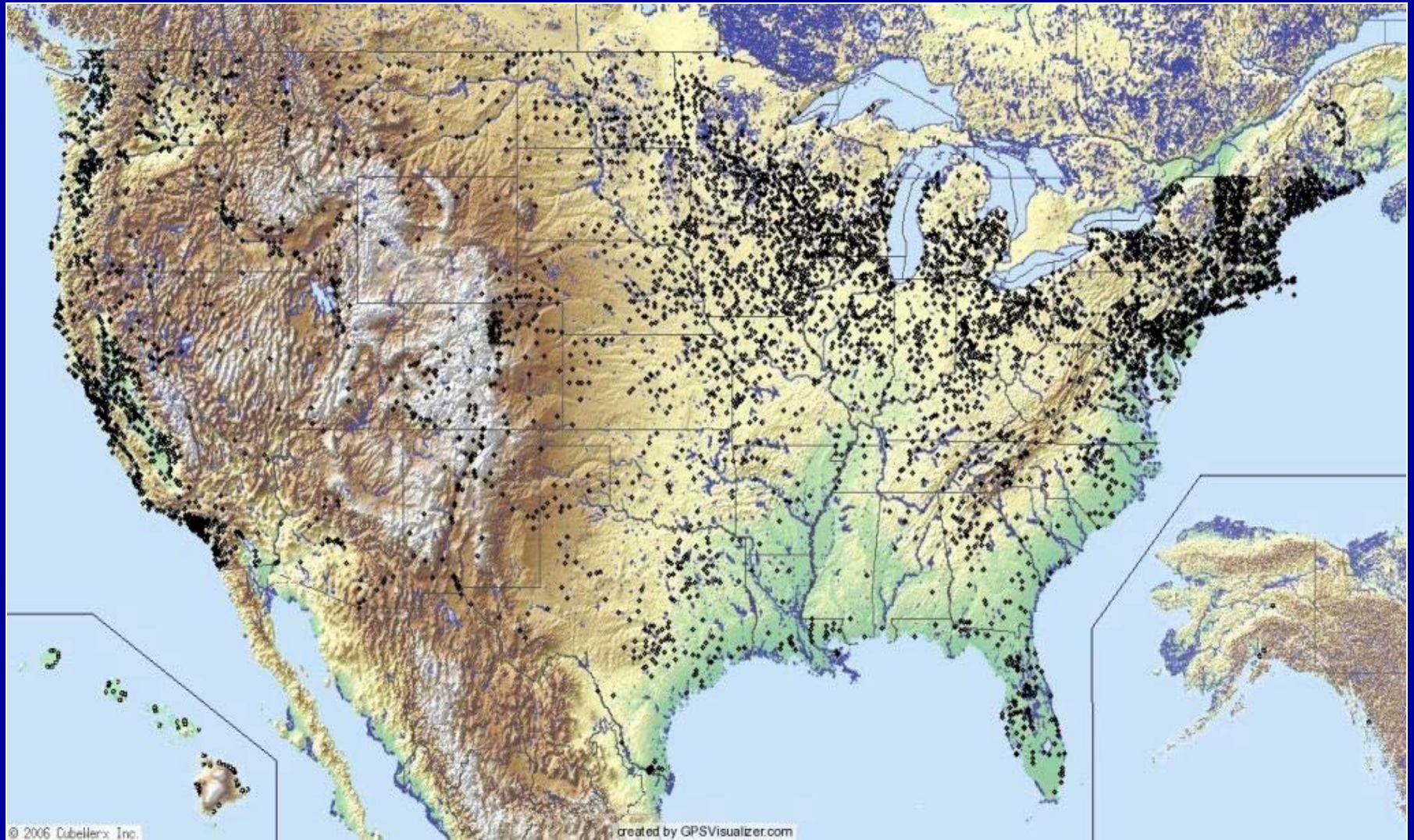
From Nutr. Bus. J. March '06



# Organic Share Growth @ 20%/yr Thru Term of '07 Farm Bill



# U. S. Organic Farms (2004)





ter 37°31'59.50" N 94°15'59.29" W

Streaming ||||| 100%

Eye alt 2473.33

# Organic Ag in the Farm Bill

- Research, Education , Extension
- Conservation Programs
- Conversion support
- Certification support
- Market data & analysis
- Crop Insurance & credit
- Marketing Orders
- Agency leadership & coordination
- OFPA amendments

# USDA Organic REE FY2006

- USDA-CSREES Integrated Organic Program @ \$5 Million comp. grants.
- USDA-ARS explicit organic projects appx. \$5 Million.
- USDA-SARE appx. \$2-3 Million.
- USDA-Economic Research Service @ \$500K.
- Natnl. Rsch. Initiative appx. \$1-2 Million?
- TOTAL ~\$15M, 0.7% of USDA-REE

# Farm Bill Goals for Organic REE

“Fair Share” Policy Target of 6%=\$120M/yr  
Splits diff. between organic market share in  
2007 and 2012 projection.

1/3 (\$40M) annual mandatory

1/3 (\$40M) additional annual discretionary

1/3 (\$40M) competing in other programs  
(IFAFS, SARE, NRI, “NIFA”, etc)

# Critical O-REE Objectives

- Establish permanent scientific and administrative leadership.
- Significant scale-up of the existing successful CSREES competitive organic grants program (the Integrated Organic Program).
- Establish long-term core capacities within each region of USDA-ARS.
- Permanent information management infrastructure at the National Agriculture Library (ARS-AFSIC).
- Provide capacity for state and multi-state organic extension services, especially targeted to new and socially disadvantaged producers.
- Enhance the organic data collection program efforts.
- Train Natural Resource Conservation Service personnel and Technical Service Providers in organic principles and practices.

# Organic Systems Research

- Whole-System Measurement
- Organic Matter Management
- Applied Agroecology
- Germplasm Adapted for Organic Systems
- Systemic Biocontrol
- Integrated Livestock Systems
- Product Quality Outcomes
- Market Versatility & Infrastructure

# Conservation Program Integration

- Cons. Security program “cross-walk” & practices scoring.
- EQIP organic conversion practice standard.
- Other cost-share programs.
- Training of NRCS personnel.
- Organic Technical Service Providers.

# Organic Conversion Support

- Limited analysis to date of limiting factors.
- Need for regionalized approaches.
- Information, education and mentoring must be first priority (50% of spending).
- Production info and market/business info equally important.
- Financial support harder to justify (both for efficacy and fairness).
- Some existing models in states EQIP programs.

# Certification Support

- Certification cost-share renewal and streamlining.
- Higher cap (\$750/yr).
- Sufficiency through 2012.
- Has support in Administration's proposal.
- Support for smaller certifiers.

# Market Data and Analysis

- Price collection – needs new model to capture organic market complexity.
- Price reporting – how to ensure fairness and objectivity.

# Crop Insurance, Disaster and Credit

- Eliminate 5% premium penalty for organic producers.
- Requires accurate collection and reporting of organic farm-gate prices and validation of equivalence in risk patterns.
- Remove statutory prohibition on disaster payments at diff. value for organic crops.

# Marketing Orders

- Eliminate 100% organic operation trigger to qualify for exemption.
- Consider stand-alone organic market order?

# USDA Leadership and Coordination

- Comprehensive departmental policy supporting organic.
- Designated leadership office(s) and role(s) for organic.
- These are highly desirable but may have dubious effect if imposed by Congress.

# Org. Foods Production Act???

- Statute is approaching 20 years age.
- Key aspects still not implemented.
- High political sensitivity to amendments.
- Slowness of regulatory process makes legislation look more desirable.
- Laws of Unintended Consequences make legislation look less desirable.

# A NEW DAWN?

- Both House and Senate Ag Committees have organic subcommittee roles!
- Organic Caucus has fresh life (but lost Rs).
- Administration has made specific Farm Bill proposals for organic.
- Organic in platforms of sustainable ag and environmental coalitions.
- Organic business lobbies active.
- Convergence among organic advocates.