CONFEDERATION OF ORGANIC FOOD PRODUCERS & MARKETING AGENCIES

ANNUAL REPORT

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FROM THE CHAIRMAN'S DESK

Organic farming, evolved on the basic theoretical expositions of Rodale in the United States (US), Lady Balfour in England and Sir Albert Howard in INDIA in the 1940s, has progressed to cover about 23 million hectares of land all over the world.

It is estimated that more than 60% of India's arable land is under traditional agriculture, where no synthetic inputs are being used. Although, the products grown under such systems have so far not been defined as organic products but by all mean they are genuine organic products. In view of their wide availability, there is an urgent need to ensure premium prices for their produce grown in these regions. Unfortunately, these farmers are so involved in their struggle for survival that they have no time to figure out what is organic and what is not. These organic products are sold to the middleman and are being marketed along with other chemically grown products. It is simply the lack of awareness among the consumers in our country that some time the chemically grown products which look healthy and attractive, in spite of having alarmingly high level of pesticides residue fetches higher prices than the poorly looking organic products.

There is neither adequate subsidy for organic cultivators nor the incentives to practice organic cultivation. There are many areas in India where crop residues, manures, and legumes are being used to grow their crops. They rely on crop rotation and inter-planting, to do their job. These farmers practice, farming through organic inputs. The Confederation of Organic Food Producers & Marketing Agencies (COFPMA), an apex body of organic industry, is playing an effective role to classify these practices accordingly. The Confederation is of the view that this will go a long way in alleviating poverty and raising the living standards of the poor villagers. Most of the agriculture in backward and tribal areas especially in the hills of northern, eastern and northeastern region could be safely classified as organic.

Unfortunately, the organic industry is not well connected with the international organic market. For example, in the EU, Germany is a leading country in terms of organic production; followed by Italy and France. The European Union (EU) and the United States (US) are approximately at the same level of organic production, between 4 to 6 billion Euros per year, with Japan at the third place. In respect of worldwide organic food consumption, Denmark and Austria lead the way with 37.3 and 34 Euro per capita consumption per year. The average consumption of organics in EU and USA is approximately 16 Euro per capita per year. The worldwide market share for organic products is between 0.5 to 3%, but it is hard to determine, as some countries do not certify their products.

It may be mentioned that organic farming process is more eco-friendly than conventional farming. Organic farming keeps soil healthy and maintains environment integrity thereby, promoting the health of consumers. Moreover, the organic produce market is now fastest growing market all over the world including India. Thus, the organic farming is a holistic production management system that promotes and enhances agro-ecosystem health, including biodiversity, biological cycles, and soil biological activity is hence important. It has been adequately revealed by a number of studies that organic farming methods can produce even higher yields than conventional methods. Overall, organic agriculture appears to perform better than conventional farming and provides important environmental advantages such as halting the use of harmful chemicals and their spread in the environment and along the tropical chain, reducing water use, as well as reducing carbon and ecological footprints.

Organic farming can be up to 35% more profitable than conventional agriculture, when farmers charge a premium that certifies the products. The organic industry, between 2002 and 2011, increased by 170%, and continues to grow exponentially. Also, organic food production requires a greater work force, since parasites management is carried out mechanically, and this represents on the one hand a cost, on the other hand it contributes to revitalize rural economies, providing an added economic advantage. Currently, one of the main criticisms linked to organic farming is products' high price, but there are more and more consumers are willing to pay more for quality products. However, once the organic agriculture continues to grow, prices may start to fall.

While the Sikkim State of India is the first State to become Organic State, Estonia is the first Organic Country in the world. Madhya Pradesh happens to be the largest producer of organic products in India. The production is not limited to the edible sector but also produces organic cotton fibre, functional food products, etc. among different States, Madhya Pradesh is the largest producer followed by Maharashtra, Karnataka, Uttar Pradesh and Rajasthan.

Dear Members, I would like to acknowledge through these columns the unstinted support provided to the Confederation by the Centre and State Governments, Organic Institutions, all the stakeholders, and media in taking further the organic farming. We re-assure you all that our efforts will continue in this respect.

(Dr D S Rawat)
Chairman

COFPMA ACTIVITIES

Awareness-cum-Promotional Activities

India is a country that is bestowed with indigenous skills and potentiality for growth in organic agriculture. Although, India was far behind in the adoption of organic farming due to several reasons, presently it has achieved rapid growth in organic agriculture and now becomes one of the largest largest producers in the world. Needless to mention, organic farming has a greater impact on the health of a nation like India by ensuring sustainable development.

Therefore, COFPMA organized various Inter-active Sessions with Centre & State concerned officials, and other stakeholders, exhibitions, trade fairs etc. the mention of them will be in the subsequent paragraphs of this report.

Since organic farming and food processing practices are wide-ranging and necessitate the development of socially, ecologically, and economically sustainable food production system, the International Federation of Organic Agriculture Movements (IFOAM) has suggested the basic four principles of organic farming, i.e. the principle of Health, Ecology, Fairness and Care. The main principles and practices of organic food production are to inspire and enhance biological cycles in the farming system, keep and enhance deep-rooted soil fertility, reduce all types of pollution, evade the application of pesticides and synthetic fertilizers, conserve genetic diversity in food, consider the vast socio-ecological impact of food production, and produce high-quality food in sufficient quantity.

USDA Organic Food Production Act

According to the National Organic Programme implemented by USDA Organic Food Production Act (OFPA, 1990), agriculture needs specific pre-requisites for both crop cultivation and animal husbandry. To be acceptable as organic, crops should be cultivated in lands without any synthetic pesticides, chemical fertilizers, and herbicides for 3 (three) years before harvesting with enough buffer zone to lower contamination from the adjacent farms.

Genetically engineered products, sewage sludge and ionizing radiation are strictly prohibited. Fertility and nutrient content of soil are managed primarily by farming practices, with crop rotation, and using cover crops that are boosted with animal and plant waste manures. Pests, diseases, and weeds are mainly controlled with the adaptation of physical and biological control systems without using herbicides and synthetic pesticides. Organic livestock should be reared devoid of scheduled application of growth hormones or antibiotics and they should be provided with enough access to the outdoor. Preventive health practices such as routine vaccination, vitamins and minerals supplementation are also needed (OFPA, 1990).

Socio-Economic Impact

Organic cultivation requires the higher level of labour, hence produces more income-generating jobs per farm. According to Winter and Davis (2006) , an organic product typically costs 10%–40% more than the similar conventionally crops and it depends on multiple factors both in the input and the output arms. On the input side, factors that enhance the price of organic foods include the high cost of obtaining the organic certification, the high cost of manpower in the field, lack of subsidies on organics in India, unlike chemical inputs. But consumers are willing to pay a high price as there is increasing health awareness. Some organic products also have short supply against high demand with a resultant increase in cost (Mukherjee et al., 2018).

Biofertilizers and pesticides can be produced locally, so yearly inputs invested by the farmers are also low (Lobley et al., 2005). As the labours working in organic farms are less likely to be exposed to agricultural chemicals, their occupational health is improved (Thompson and Kidwell, 1998). Organic food has a longer shelf life than conventional foods due to lesser nitrates and greater antioxidants. Nitrates hasten food spoilage, whereas antioxidants help to enhance the shelf life of foods (Shreck et al., 2006). Organic farming is now an expanding economic sector as a result of the profit incurred by organic produce and thereby leading to a growing inclination towards organic agriculture by the farmers.

INDIA BACK TO GANDHI; RURAL BUSINESS SUMMIT & TRADE FAIR

The Confederation jointly with the MSME Export Promotion Council MSME EPC) organized a 5-day long Rural Business Summit & Trade Fair from 2-6 October 2019 at the Indira Gandhi National Centre for the Arts, Janpath, New Delhi. The event was supported by a number of Ministries and over 235 stalls were exhibited. The UP Government was the State Partner through ODOP. The Mega event was supported by various Central Ministries such as MSME, Drinking Water & Sanitation, Ayush, Animal Husbandry and Dairying, Skill Development & Entrepreneurship, Agriculture & Farmers Welfare, Social Justice and Empowerment, etc. the States who actively participated other than the Partner State Uttar Pradesh included Telangana, J&K, Rajasthan, North Eastern Region (Assam, Tripura, Meghalaya, Sikkim, Arunachal Pradesh, Nagaland, Mizoram and Manipur), Tamil Nadu, Maharashtra, Gujarat, West Bengal, Chhattisgarh, Uttarakhand, Madhya Pradesh, etc.

The Honble Prime Minister Shri Narendra Modi sent his good wishes saying “The Business Summit & Trade Fair will help spur the growth of village-based industries and encourage the people living in our villages to showcase environment-friendly products and promote a more sustainable lifestyle. The involvement of Panchayats is critical to the success of such endeavours”.

"Let us all collectively work with dedication and commitment to ensure that our villages become equal partners in the march towards progress".

In addition to the number of Central Ministers and Ministers from States, large number of foreign and Indian dignitaries had attended. It was highly satisfying that the exhibitors went back with significant good counter-sale and booking orders, establishing business contacts with buying agents for foreign companies.

The summit was addressed by various prominent dignitaries from Ministries, Diplomatic Missions, Central Ministries, State Governments, Government officials and Parliamentarians.

GLIMPSES

DON'T
JUDGE ME
I WAS
BORN

NAY AYI
PANKAJ PATHAK

ORGANIC FARMI

D S RAWAT

ORGANIC NORTH EAST: ADVANTAGE FARMERS - SUMMIT & TRADE FAIR

The Confederation of Organic Industry of India (COII) organized a 3-Day long Summit & Trade Fair on Organic North East: Advantage Farmers from 17-19 January 2020 at Guwahati. For the first time, the North East Region hosted the presence of 25 international dignitaries representing 15 countries. The Union Minister of State for Food Processing Industries Shri Rameshwar Teli inaugurated the Summit. The Mega event was supported by the Ministries of Animal Husbandry & Dairying, Tourism, Ayush, Niti Aayog and the State Governments of Assam, Mizoram, Manipur and Tripura.

Horticulture

Horticulture production in India has more than doubled approximately from 146 million tons in 2001-02 to 314 million tons in 2018-19 whereas the production of food-grain increased from 213 million tons to 285 million tons during the same period. The horticulture crops perform a vital role in the Indian economy by generating employment, providing raw-material to various food processing industries, and higher farm profitability due to higher production and export earnings from foreign exchange.

Therefore, the COFPMA undertook the State-wise studies and decided to create Start-Ups in this industry. Steps have already been taken by the Confederation in Bihar, Uttar Pradesh, Haryana, Madhya Pradesh, Maharashtra, and north eastern region. States like Tamil Nadu, Kerala, West Bengal, Madhya Pradesh and Mizoram are fast emerging the front States where horticulture is practiced the most. The area under horticulture crops has increased to 25.49 million hectares in 2018-19 from 25.43 million hectares in 2017-18. It is found that horticulture crops, fruits are more resilient to change in weather conditions and the vegetables augment the income of small and marginal farmers. Moreover, the sector enables the population to eat a diverse and balanced diet for a healthy lifestyle.

Food Processing

The key sub-segments of the food processing industry in India are dairy, fruits & vegetables, poultry & meat processing, fisheries, food retail, etc. the food processing industry is of enormous significance as it provides vital linkages that it promotes between the two pillars of the economy, i.e. agriculture and industry. It provides direct and indirect employment opportunities, and in light of rise in demand for agri-products there will be commensurate rise in the price paid to the farmers, can reduce the nutritional gap in the population when fortified with vitamins and minerals.

It may be stated that the NITI Aayog estimated annual post-harvest losses of close to Rs 90,000 crores. With greater thrust

on proper sorting and grading close to the farm-gate, and diverting extra produce to food processing industry, this wastage could be reduced, leading to better price realization for farmers and could become source of foreign exchange.

The COFPMA has initiated action in this regard in some States such as AP, MP, UP, and Maharashtra.

AYUSH

COFPMA has decided to be actively working with AYUSH Ministry and various State Governments by developing education, research and propagation of indigenous alternative medicine systems in India. In fact, considering the popularity of alternative treatments in India, various health insurance companies have started offering AYUSH benefits to their policy holders. Studies have estimated that AYUSH market currently stands at a whopping $10 bn and is projected to touch an impressive 50% increase over the course of the next five years. Having no foreign direct investment (FDI) limits, this sector has massive potential for exponential growth, especially in times of public health crises.

India is the world's second largest exporter of Ayurveda and alternative medicine in the world and is continually promoting its export interests. Given India's incumbent ancient knowledge and well developed distribution channels, this export market will only continue to grow due to an increase in demand from international markets.

COVID-19

The World Health Organization (WHO), ILO, FAO, and IFAD in a joint statement on 13 October 2020 stated that the COVID-19 pandemic has led to a dramatic loss of human-life worldwide and presents an unprecedented challenge to public health, food systems and the world of work. The economic and social disruption caused by the pandemic is devastating: tens of millions of people are at risk of falling into extreme poverty, while the number of undernourished people, currently estimated at nearly 690 million, could increase up to 132 million by the end of the year.

Millions of enterprises face an existential threat. Nearly half of the world's 3.3 billion global work- force, are at risk of losing their livelihoods. Informal economy workers are particularly vulnerable because the majority lacks social protection and access to quality health care and have lost access to productive assets. Without the means to earn income during lockdowns, many are unable to feed themselves and their families. For most, no income means no food, or, at best, less food and less nutritious food.

In such a scenario, the COII has prepared a road-map for it-self to be addressing the issues related to sustainable livelihoods, employment generation particularly in rural India and help them in providing backward and forward linkages. The Confederation has already signed a Memorandum of Understanding (MOU) with the Foundation for Millennium Sustainable Development Goals.

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