



Inter Press Service News Agency

THE STORY UNDERNEATH

Saturday, December 06, 2008 00:5

[Latest News](#)
[Contact Us](#)
[Readers' Opinions](#)
**DEVELOPMENT:****China and India Grow Organically****Sanjay Suri**

**LONDON, Jan 27 (IPS) - China and India are emerging as new giants in production of organic food, United Nations experts say.**

As European Union (EU) countries switch more to organic foods for value addition the two big developing countries, and also others in Latin America are beginning to catch up.

But it might be too soon to fear any agricultural trade wars now in organic produce.

"China and India have a huge potential to tap domestically to begin with," Mattia Prayer-Galletti, country programme manager for Asia with the International Fund for Agriculture and Development (IFAD) told IPS. The Rome-based organisation is a specialised agency of the United Nations dedicated to eradicating rural poverty in developing countries.

At the moment IFAD is trying to "increase the space for organic farming as much as possible," Prayer-Galletti said. Organic farming eliminates use of chemicals both by way of fertilisers and pesticides. That means largely a return to natural and traditional methods of farming.

Given the rapidly growing demand for organic food in Western markets, organically grown food which usually fetches a 20 to 40 percent premium over other produce, represents a new opportunity for small farmers for whom a lack of means to buy fertilisers and pesticides can now be turned into an advantage.

Difficulties arise, however, by way of certifying such produce and then marketing it, even within the domestic market in the developing countries. This is where IFAD is looking to promote organic produce.

One way to promote organic farming is by "carefully integrating the private sector to provide marketing services," an IFAD report on Asia says.

"Organic farming is running into technological, intellectual and cultural barriers," Prayer-Galletti said. "On the one hand you have biotechnology, and at the same time governments are committed to increasing production, neglecting the interests of small farmers," he said.

The primary IFAD objective in promoting organic farming is a means of lifting multitudes of small farmers out of poverty, now that their limitations have the potential of becoming an opportunity. "Many farming communities are producing organic food without being aware that they are," Prayer-Galletti said.

Organic farming could also create new jobs in rural areas and help reduce urban migration, IFAD says.

Such farming is now becoming more organised in India and China, "which together host more than half the world's farming households," an IFAD report says.

Apart from the smaller farmers, who cannot afford intensive farming methods, commercially-oriented farmers are seeing new market opportunities in certified organic products.

The value of Chinese exports grew from less than a million dollars in the mid-1990s to about 142 million dollars in 2003 with estimates for 2004 of nearly 200 million dollars, and more than 1,000 companies and farms certified, IFAD says.

"In China, organic farming offers the potential for sustainable poverty reduction," IFAD country programme manager in China Thomas Rath said in a statement. "IFAD will be supporting pilot programmes in China to refine this approach for further up-scaling in the future."

In India, there has also been remarkable growth, but primarily in the domestic markets, with about 2.5 million hectares now under organic certification and 332 new certifications issued during 2004.

Currently more than 26 million hectares of farmland are under organic management worldwide, but that is believed to be just one to two percent of all agricultural production.

It is a growing business. Global organic sales have achieved double-digit annual growth for more than a decade, and in several European countries organic farms are approaching or even exceeding 10 percent of total farmland, IFAD says.

In 2005, the estimated market value of organic products worldwide was close to 30 billion dollars, with the largest share being marketed in North America and Europe.

Developing farmland communities will be vital to developing the organics market, IFAD experts say. This will help reduce the cost of certification, and improve prospects of marketing, they say.

IFAD conducted a similar study between 2001-2 in six Latin American and Caribbean countries (Argentina, Costa Rica, Dominican Republic, El Salvador, Guatemala, and Mexico). IFAD is now supporting new programmes for the rural poor in the Pacific Islands and says it hopes to expand these activities. (END/2006)

**[Contact Us](#) | [About Us](#) | [Subscription](#) | [News in RSS](#) | [Email News](#) | [Mobile](#) | [Text Only](#)  
Copyright © 2008 IPS-Inter Press Service. All rights reserved.**