POLICY SUMMARY: PLANNING POLICIES FOR THE ORGANIC SECTOR

OVERVIEW

This policy summary provides rationale and guidelines for developing a strategic plan for supporting the organic sector. Such plans put organic support measures in a broader context of policy objectives and demonstrate the links between objectives and specific measures. The summary outlines steps to be taken and key factors for developing an effective strategic plan.

BACKGROUND

Many governments have developed approaches to supporting organic agriculture, which are variously called policies, strategies, plans or action plans. In this policy summary, the term *policy* is used flexibly, but mainly with reference to the general pathways in which governments translate their visions and broad goals into legislations, programs, and budget allocation. Except for certain political declarations, these approaches are the result of a planning process. Some governments have issued broadly stated organic agriculture policies, leaving the planning of concrete actions for subsequent policy processes. It is a matter of governance style and tradition if the policies themselves will include detailed actions or if the policy is more general and concrete actions are formulated in an action plan, policy decrees or other instruments. It also relates to the decision-making processes involved. If the policies are set in parliament, it is likely to be better to have the action plan separate and approved by the relevant Ministry or the Government.

WHY DEVELOP A STRATEGIC PLAN FOR THE ORGANIC SECTOR?

Choosing the right mix of appropriate, cost-effective policy measures in a given context requires a strategic planning exercise, of which the organic action plan is the outcome. Strategic plans provide an objectives-based framework for organizing and integrating measures to support organic sector development, particularly in the context of multiple policy arenas (such as agriculture, environment, trade).

Developing a comprehensive national /regional organic action plan takes time (several months to a couple of years) and some resources. However, it is a worthwhile exercise because it:

- creates and catalyzes a positive dynamic around organic agriculture development;
- encourages an analytical starting point, looking at and addressing the current situation of the domestic organic sector, rather than trying to replicate policy blueprints of other countries;
- encourages policy makers and the sector to adopt a more

comprehensive and strategic approach to organic support, rather than discussing single policy measures in isolation;

- provides the framework for a constructive public-private cooperation and organized stakeholder involvement in policy formulation;

- constitutes a clear government-supported statement and long-term commitment in favor of organic farming, which motivates private investments.

It is often not too difficult for developing countries to secure resources to conduct such a planning process. Several developing countries financed the development of their national organic action plan in the context of a development cooperation project. However, it is important that there is solid political support for this process. If the process is externally funded, the risk increases for that the plan will sit on the shelf.

HOW TO DEVELOP AN ORGANIC PLAN

Initiation and Cooperation

The impetus to develop an organic action plan may either come from the government (top-down) or from the sector (bottom-up). Stakeholder involvement is a crucial condition to the development of a good organic action plan. The process should be inclusive and represent a balance of interests. Stakeholder involvement is more likely to be successful if it uses several methods and runs throughout the cycle of an organic plan (design, policy formulation, decision making, implementation and evaluation). One government agency (often the Ministry of Agriculture) should serve as the lead agency on the planning and representatives from other relevant agencies should be assigned to the process.

Planning Steps

Analyzing the current situation of the organic sector and development needs

Accurate data and deep understanding of the current situation of the organic sector and its context is essential before engaging into a strategic planning process. An in-depth analysis of the following elements is recommended:

- The status of organic production, markets and other aspects relevant to the sector;
- The various stakeholders;
- The relevant bottlenecks for further development in a region or country (on both production side and demand side);
- The specific economic, environmental and societal potentials of organic farming,
- The interplay of existing different organic support policies;

- An analysis of the current national policies in relevant sectors (agriculture, rural development, environment, public health, trade, etc.), the goals they define, and how organic agriculture support can be strategically positioned as contributing to these goals;
- The extent of prior policy initiatives in support of organic food and farming (if any) - including the outcome of completed evaluations;
- The impact, both positive and negative, of other policies and related measures on the organic sector.

Experts can be engaged to prepare a study of the organic sector's situation and potential, including reviews of existing policies, data collection and key interviews.

Once the situation analysis has been prepared, a workshop or similar event involving stakeholders can be conducted to discuss and build upon the study's results. A facilitation process can be used to collectively investigate the strengths and weaknesses of the organic sector and the opportunities and threats for the sector – i.e. to make a SWOT analysis.

Establishing aims/goals and objectives

When the needs and potentials for developing the organic sector have been defined, the aims of the organic plan can be established. Aims (goals) identify broad ends that the government and the sector want to achieve. From a policy-maker's perspective, the development of the organic sector is more a means to an end in pursuit of societal level objectives, not an end in itself; whereas organic sector stakeholders are more likely (but not exclusively) to see the development of the organic sector as an end in itself. Thus, reconciling the interests of different stakeholder groups is central to the development of organic plans. Two sets of aims may be included in the action plan:

1. Overview of broader policy goals to which growth and improvement of the organic sector will make a positive contribution and

2. Aims for the development (growth and improvement) of the organic sector, which usually includes quantitative targets in a given time period (such as number of producers, organic land area, export values, and domestic market size and share). These targets should be realistic.

Objectives describe what should change in order to achieve the aims for the organic sector. A reasonable criterion for selecting objectives is that they should respond to the needs – as defined by weaknesses (internal to the sector) and the threats (external

to the sector). They should also attempt to exploit the potentials – as defined by the strengths (internal to the sector) and the opportunities (external to the sector). The number and nature of the objectives should be proportionate to the capacity for implementation and the timeline. Therefore, they may need to be prioritized.

Example of aims/goals and objectives in an organic action plan (hypothetical)

Aims/goals of support for the organic action plan

1. Contribute to environmental protection and sustainability in agriculture on the national territory by increasing agricultural land under organic management by 25% during the period of the plan.

2. Develop market opportunities for the nation's farmers and businesses by increasing organic exports by 20% and the domestic market share by 15% during the period of the plan.

3. Improve the nutrition and health of the nation's people by increasing the national market share of organic food sales by 15% during the period of the plan.

Objectives
(Based on SWOT outcomes, these could also be expressed as quantitative targets):

1. ll farmers can receive advice on organic agriculture systems and practices.
2. Farmers have financial incentives for converting to organic agriculture.
3. Crop insurance programs are equitable for organic farmers.
4. Research on organic agriculture is equitably supported.
5. There are disincentives to use of conventional pesticides and fertilizers.
6. Organic businesses are supported for export marketing.
7. Regulation of the organic sector is suitable for establishing equivalence discussions with trade partners.
8. Consumer awareness about organic food and agriculture is increased.
9. Children can access organic food in the school meal system.
10. Data on organic agriculture and markets is available.

Identifying appropriate policy measures to address the objectives

Specific measures (actions) can then be proposed under each of the objectives/strategies. However, identifying measures for individual objectives may leave out possible synergies and systemic effects. An alternative is to develop a system map in which key levers are identified. The solution to achieve a mix of policy

objectives may then be a combination of single-target policy measures and multi-target policy measures.

Deciding on the measures and allocating budgets

The challenge at this stage is that a very long list of possible actions may have been prepared. A "pruning" exercise will likely be necessary in order to match potential actions with available means. This step therefore consists in selecting and prioritizing relevant measures. Decisions required concern the alignment with the objectives, resource availability and prioritization, implementation requirements (processes and organization), desired outcomes and methods of evaluation. Effective decision-making requires planning, participation and transparency (openness).

After agreement has been found on the various measures to be implemented, budget allocation might need to be done, which may involve splitting a given overall amount into the various objectives and measures, or estimating what each measure would require, to calculate the total needed budget. The availability of financial resources is always a critical point. In many cases, organic plans do not directly involve financial allocations and instead are indicative for future budget planning processes.

POLICY IMPLEMENTATION

Three general aspects are particularly critical for a successful implementation of organic action plans:

- Effective communication of the action plan is important for its future success. It is a strong positive policy signal to the organic market and investors.
- The institutional framework for implementing the organic action plan is important. One government agency should have a leading role. A council including stakeholders and relevant public ministries and institutions can also advise on the plan's implementation.
- Evaluation should be built into the implementation scheme.

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