



How to obtain continuously growth in organics - the Danish way

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Agenda

1. Organic regulation and certification
2. Organic farming and production
3. Organic market and consumption
4. Organic companies and trade



Regulation on organic farming and production



The rules on organic farming and production in Denmark are the same as those in other EU member states – Council Regulation (EC) No. 834/2007

Danish farmers, companies and trade associations have introduced voluntary rules that are stricter than the EU rules, such as:

- The use of nitrite in processed foods is prohibited
- Total transportation time of live animals must not exceed 8 hours – direct from production unit to slaughterhouse
- Outdoor farrowing systems are mandatory and longer weaning period for piglets
- Pig feed must be 100% organic
- No export of calves younger than 3 months
- From 2019: systematic killing of newborn calves is prohibited
- Reduced input of fertilizers

Important elements in organic certification

- 100% state certification system since 1987 ensuring high consumer confidence
- All operators must be authorized by the Danish AgriFish Agency or the Veterinary and Food Administration
- All organic operators are inspected at least once a year
- Additional ad-hoc inspections
- All operators are listed on websites (www.fvst.dk and www.lfst.dk)
- Inspection reports of food companies on website → Good transparency
- Certification and inspections are 100% free for farmers and companies



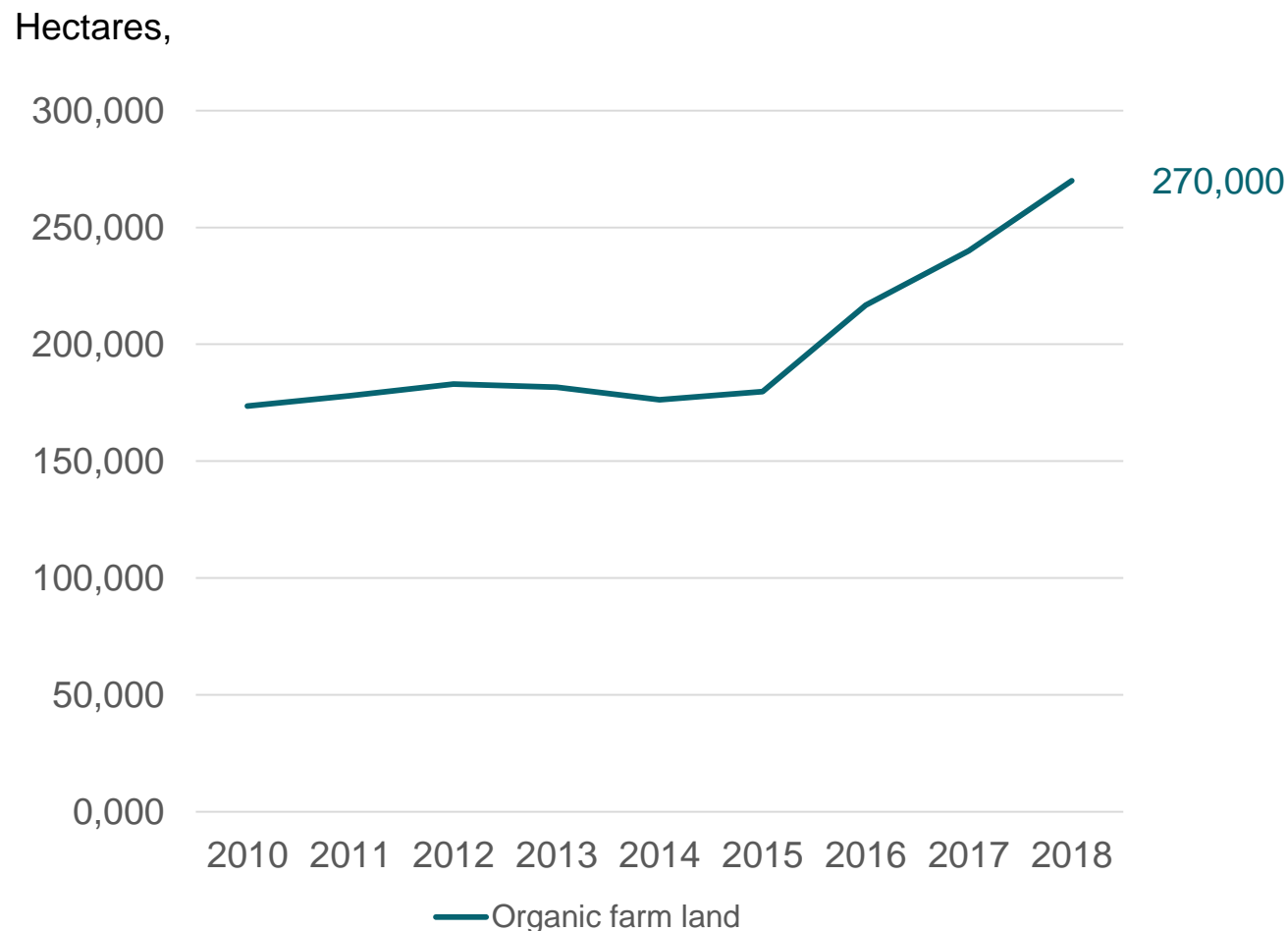


Organic farming and production

Farming and production 2017

Farming

- 9% of all farms are authorized organic (3,700 farms)
- 9,2% of all agricultural farm land is cultivated organically (240,000 hectares)
- The average size of an organic farm is 70 ha – compared with 66 ha for a conventional farm
- The dairy sector is the ‘driver’ for the organic development



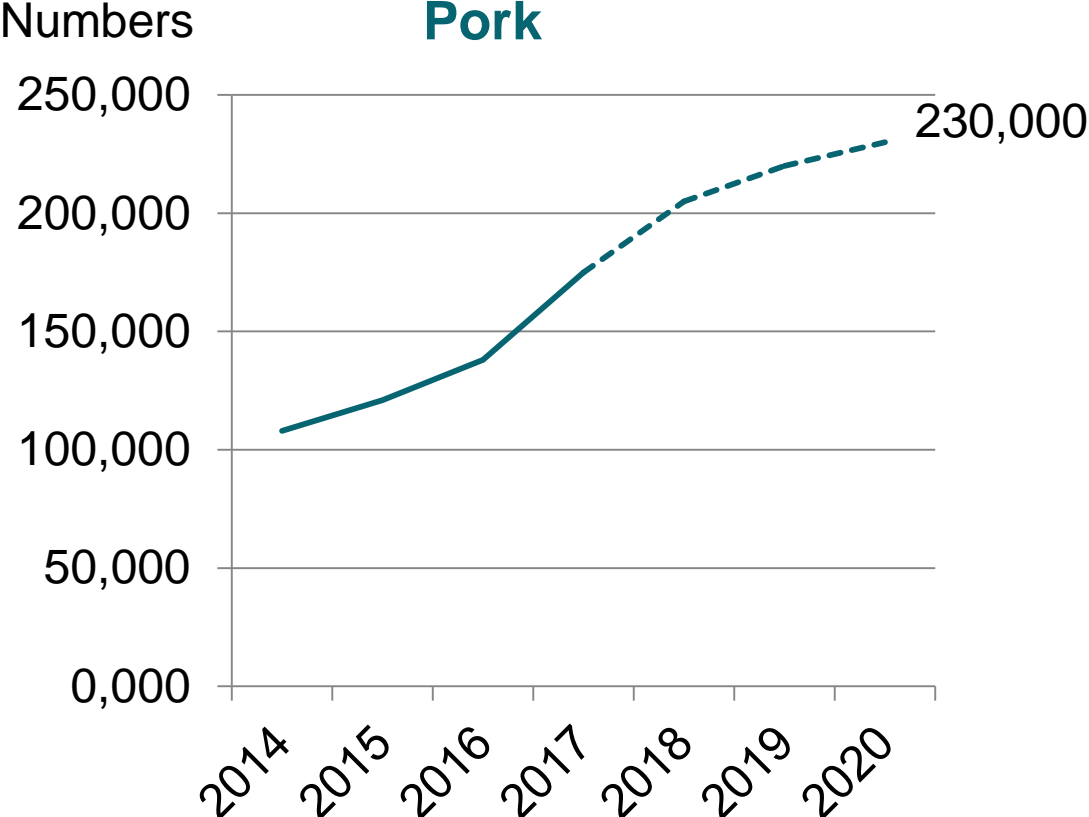
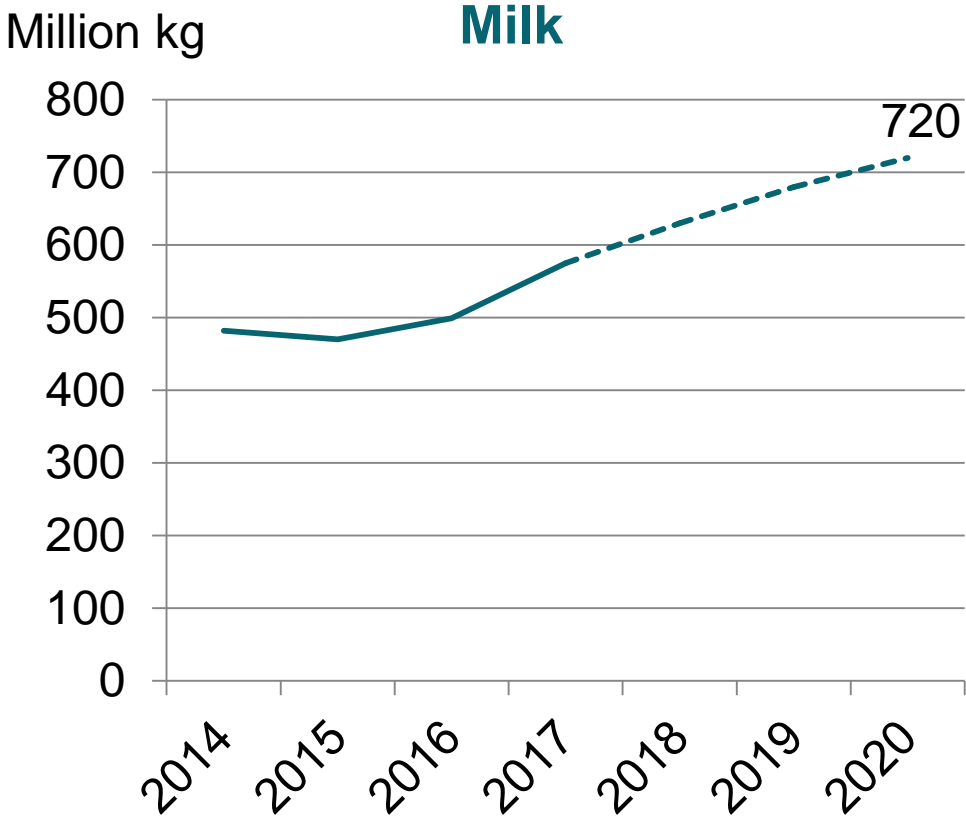
Farming and production 2017



Production

- 11% of all cow's milk production was organic – 594 million kg
- 1.0% of all pig production was organic – 168,000 pigs
- 0.8% of all broilers were organic – 1.3 million broilers
- 30% of all egg production was organic – 19.4 million kg
- 29% of all vegetables production was organic

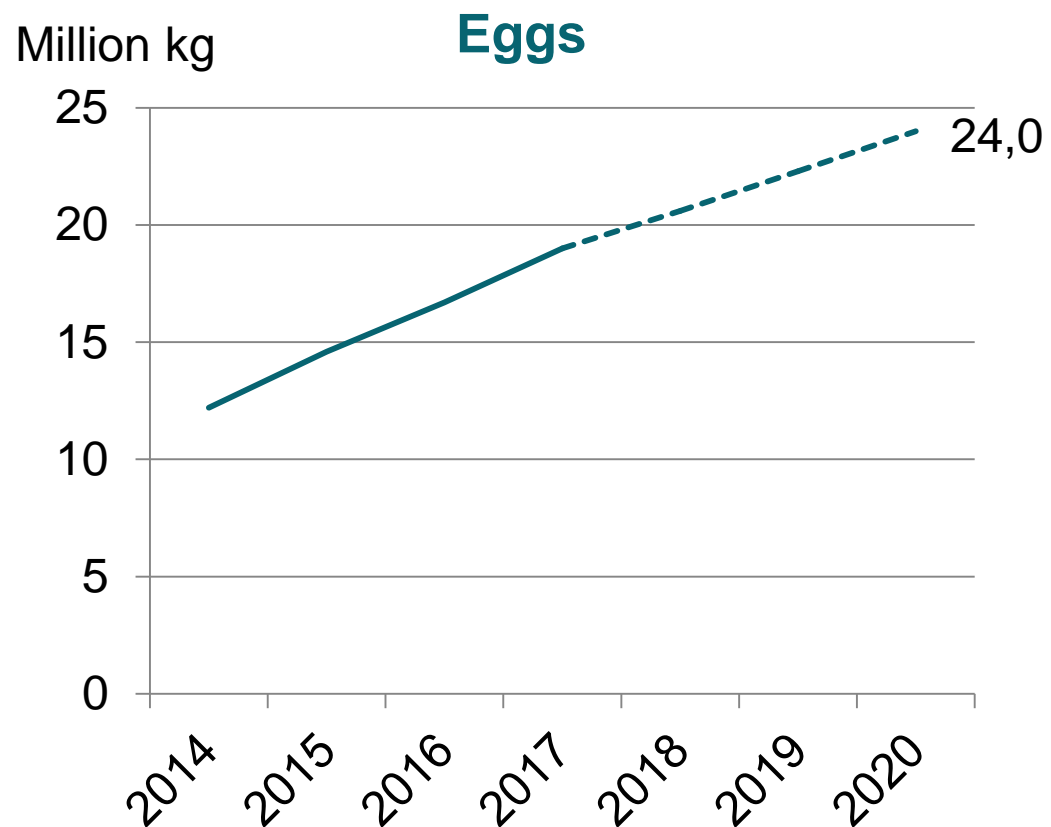
Organic production – 1



Source: Statistics Denmark.
Best estimates for 2018-2020



Organic production – 2



Organic market and consumption

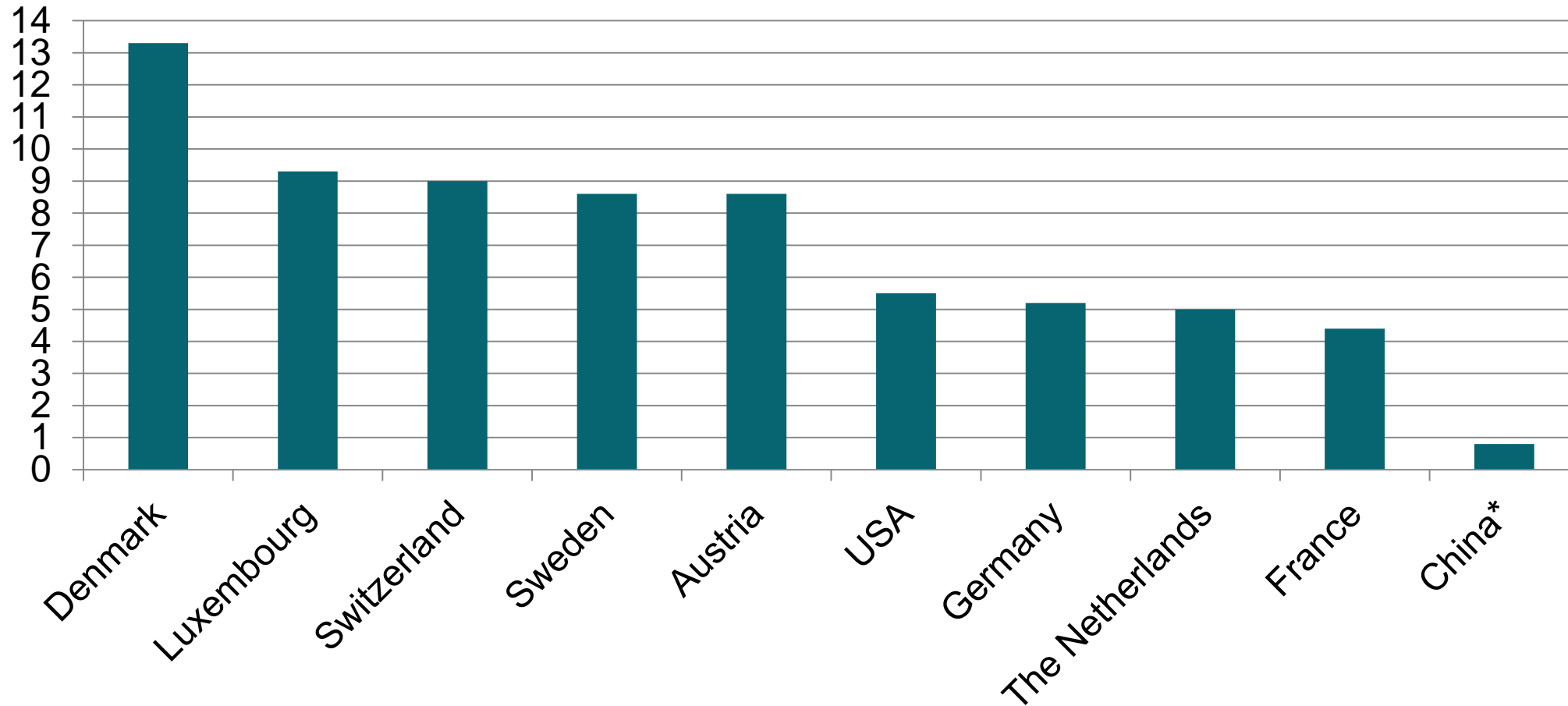
Denmark = World Champion in organic food

- Denmark has the highest market share (13.3% in 2017) in the world of organic food and beverages.
- Per capita consumption of organic food was 2,500 DKK in 2017 ~ 335 €
It is the second highest in the world.
- Over 2,500 canteens and restaurants (large scale kitchens) have 'eating-out' label → it means more than 30 % of the food are organic.
- Organic sales have grown every year in the past decade. Growth rate in retail was 14% in 2017 (provisional)
- 93% of all Danes buy organic products from time to time.
- 51% of all Danes bought organic food every single week in 2017



Top 10 organic share of retail sales in 2017

Percent



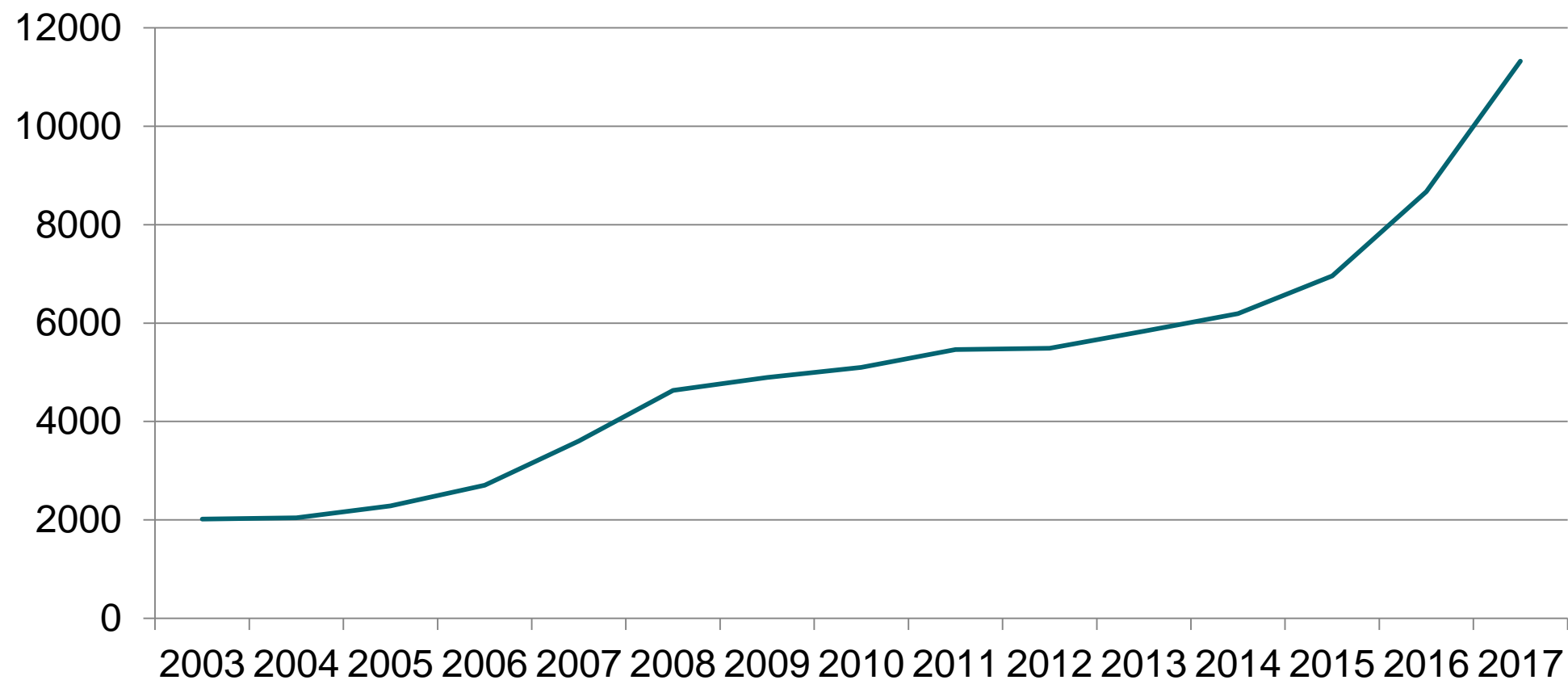
Source : National statistics (some figures are provisional)

*China has been included for comparison



Retail sale of organic products

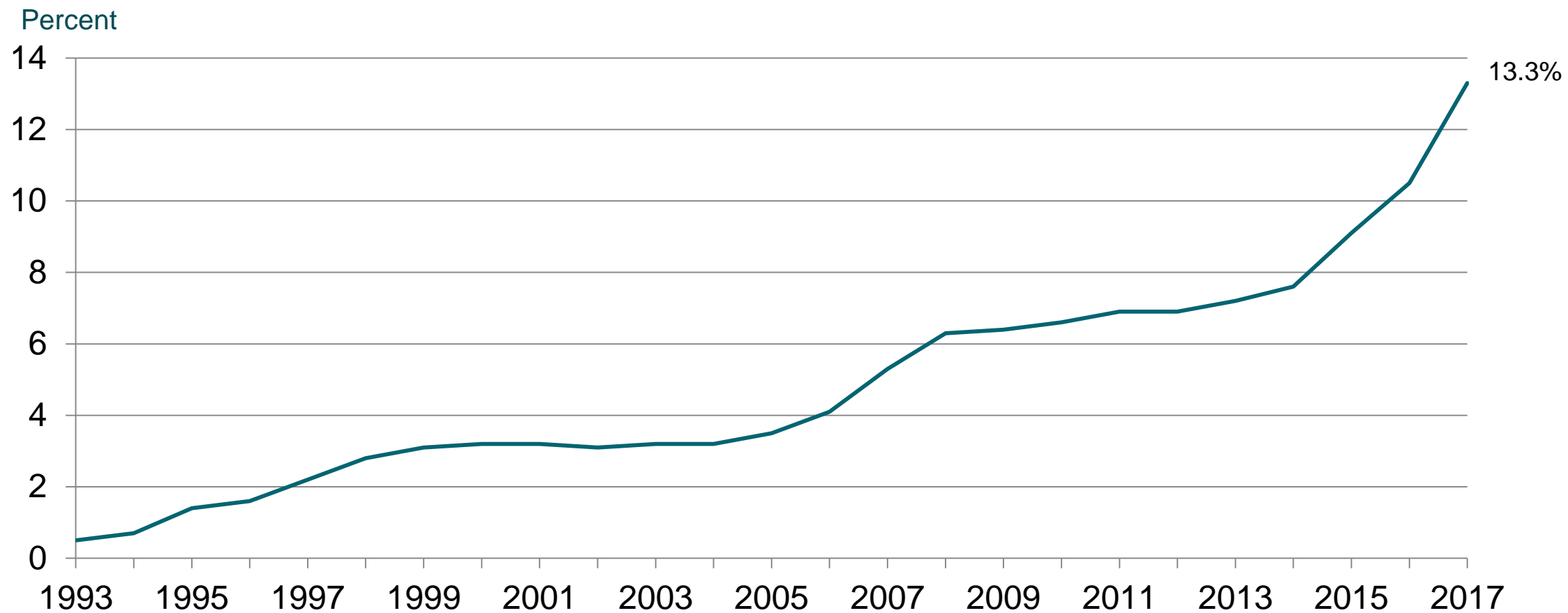
DKK
million



Source: Statistics Denmark. 2017 incl. onlinesale



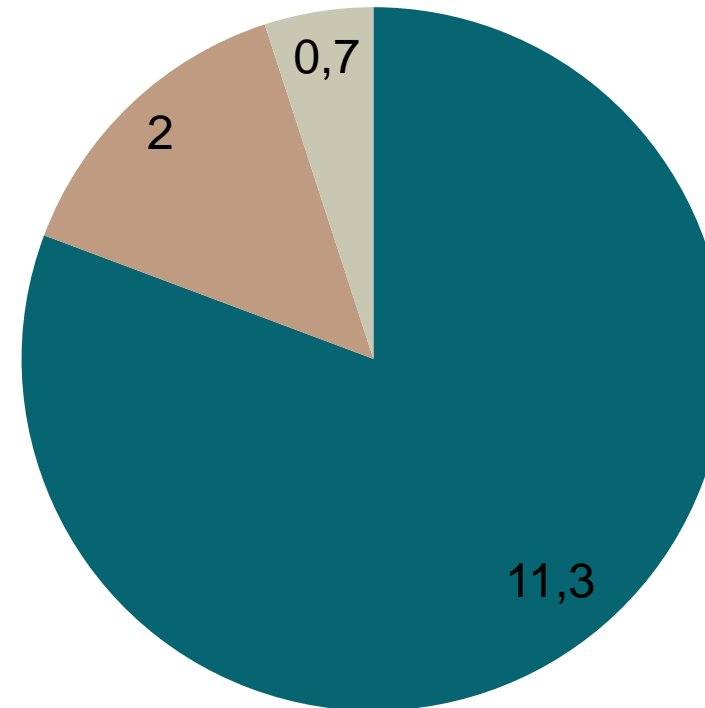
Organic share of the retail market



Source: Statistics Denmark. 2017 incl. onlinesale.



Distribution of organic sales in Denmark, 2017



- Retail and online
- Food service
- Other*

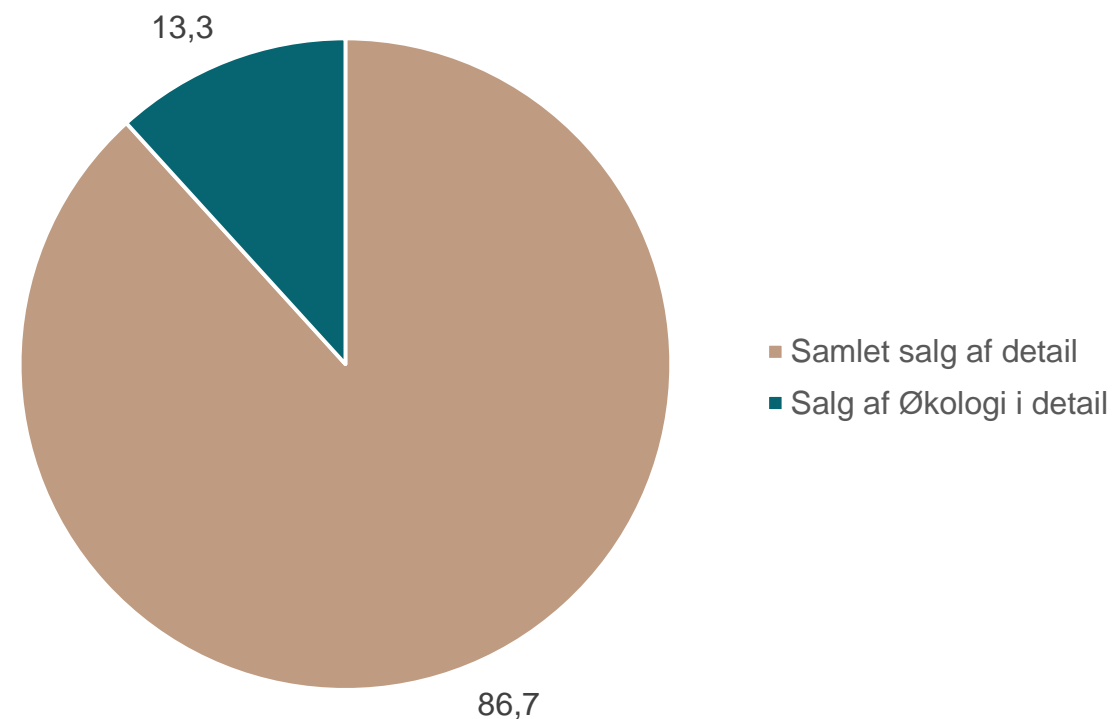
Total sales estimated at DKK 14.0 billion ~ 1.88 billion €

* Food markets, farm shops, etc.

Organic products in Denmark

- Food boxes and online groceries have been recorded for the first time
- 6 % of households get food boxes - healthy meals and less food waste through customized solutions
- Young consumers are leading in online groceries
- 23 % of all households have bought their groceries online at least once in 2017

13,3 %
organic products in retailers

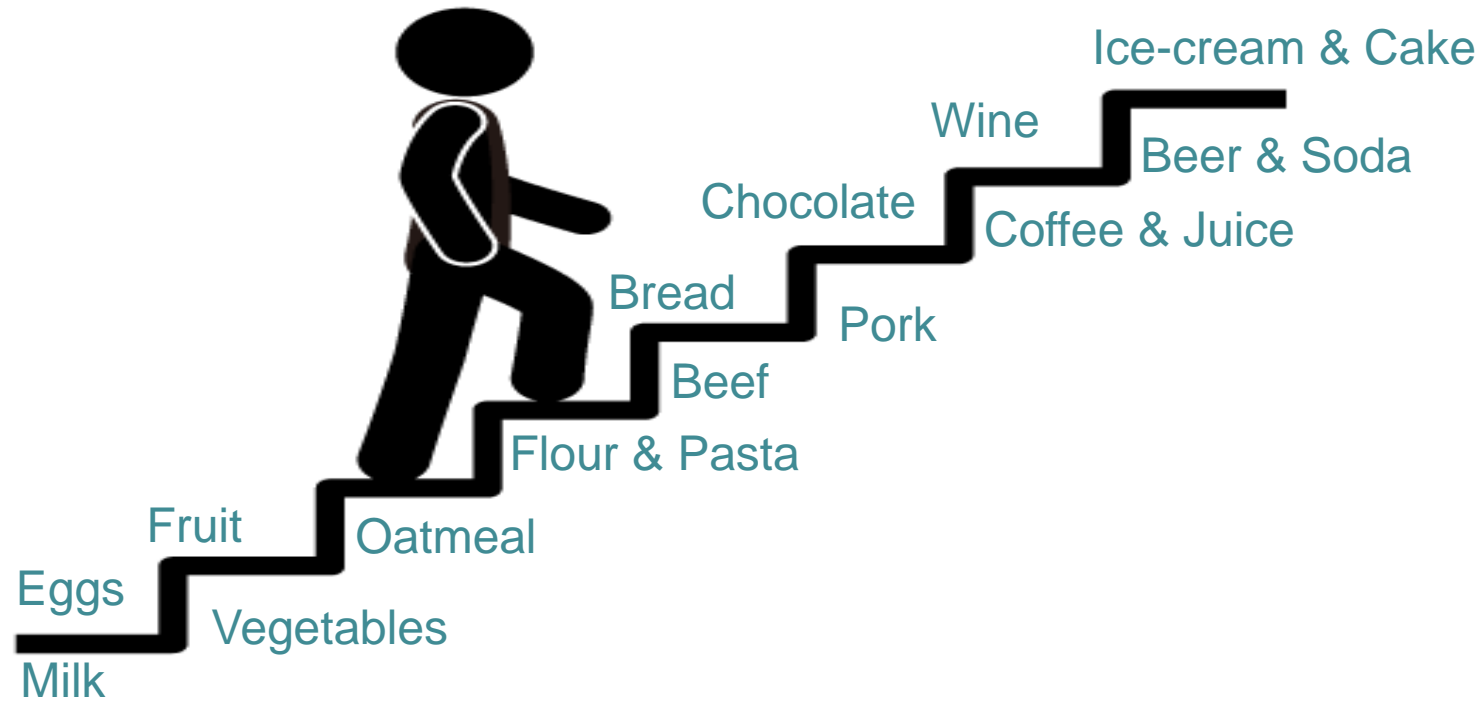


Source: Statistics Denmark, retailer revenue from organic products, 7th May 2017

Noget at leve af. Noget at leve for.



The "organic stairs" in Denmark



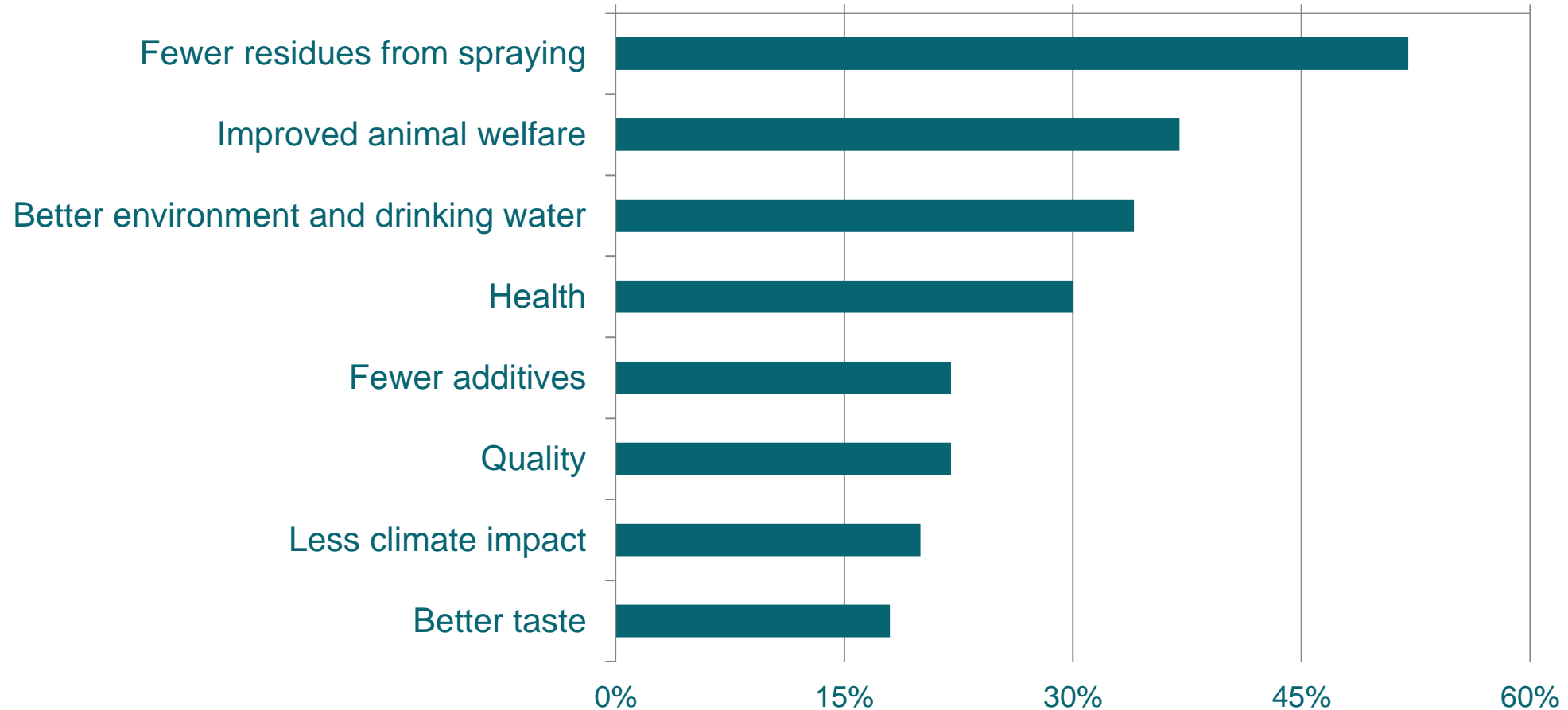
What do the Danes eat?

Market shares for organic food in 2017

Product	Share	Product	Share
Oatmeal	52.3%	Orange	27.7%
Carrots	42.3%	Tomatoes	14.0%
Eggs	32.6%	Beef	8.6%
Milk, liquid	31.6%	Coffee	7.0%
Bananas	30.6%	Chicken	4.1%
Wheat flour	30.1%	Pork	3.5%



Main reasons for buying organic food



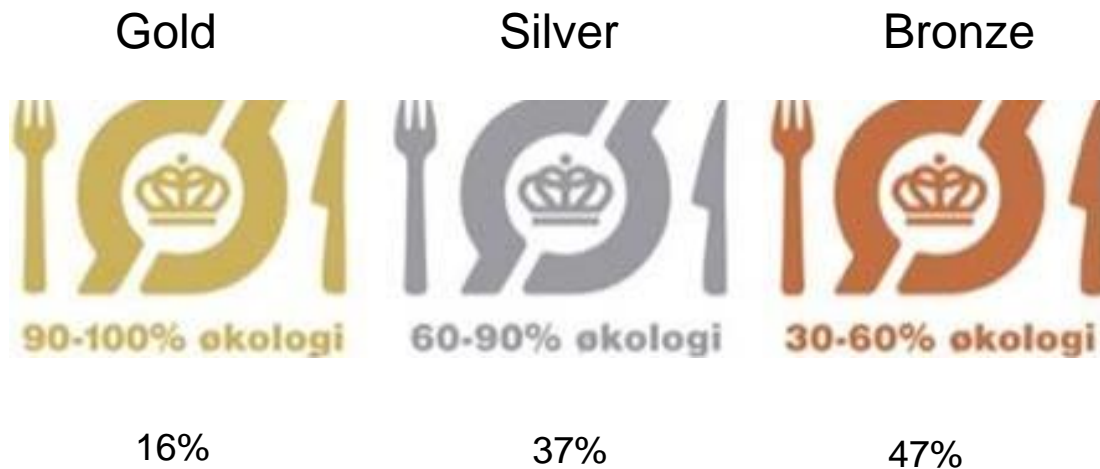
Source: Interviews and analyses, L&F 2017



The Organic Cuisine Labels ('eating-out')

Danish certification system for large-scale kitchens (restaurants, school kitchens, catering etc.)

Share of organic raw material used in the kitchen, measured by cost or weight:



As at September 2018, a total of 2,500 large-scale kitchens have the Organic Cuisine label
Organic share in foodservice was 9.3% in 2017



Organic companies and trade



Danish Agriculture & Food Council

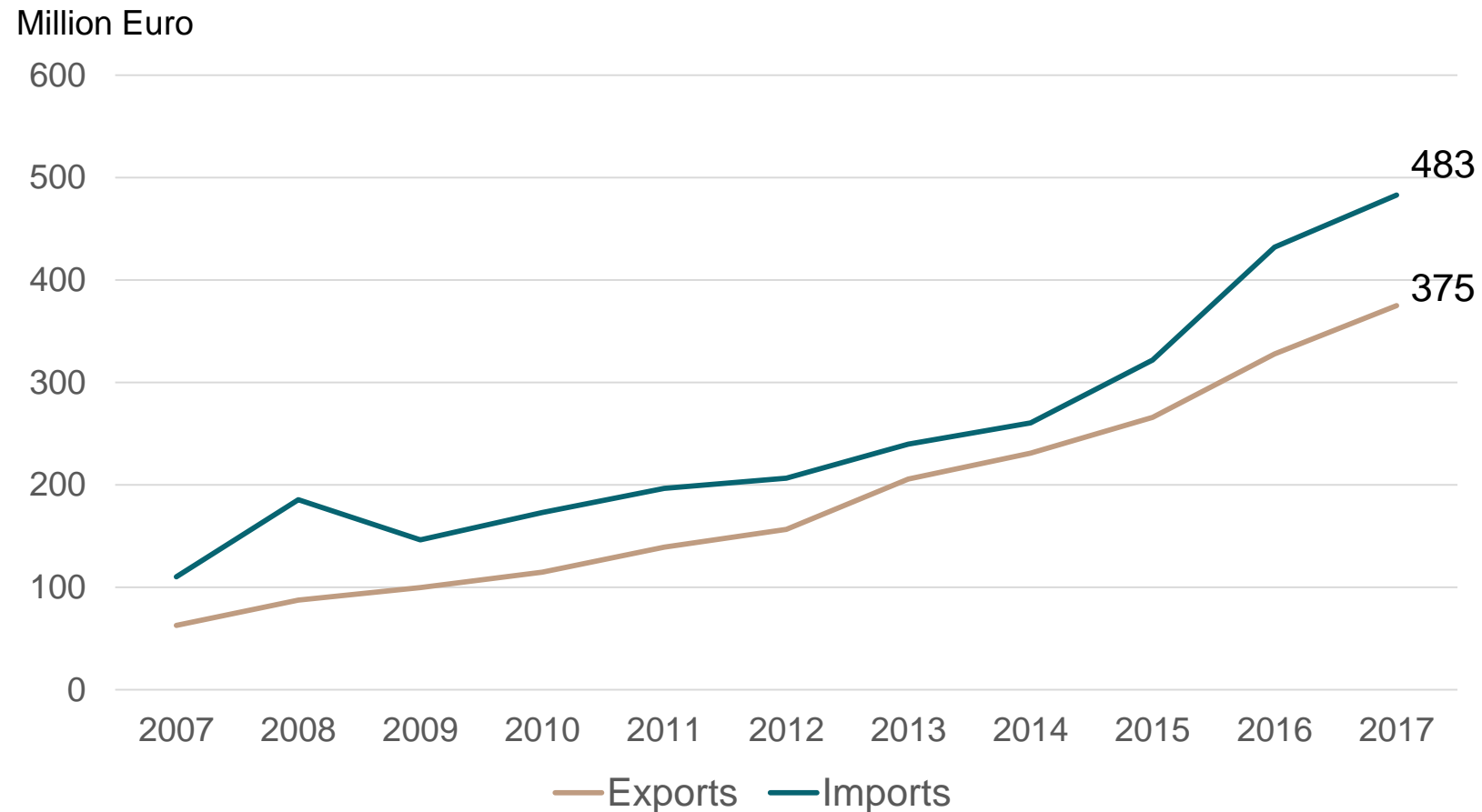


Organic products and companies

- World-leading organic companies as well as very small companies for local demand
- High priority and innovation → broad range of organic products
- Companies with strong export activities, such as:
 - Dairy products – organic baby formula, UHT-milk, cheese, butter (dairy = the export ‘driver’)
 - Pork, beef and meat products
 - Some frozen and fresh vegetables, including carrots and lettuce
 - Duck, poultry and eggs
 - Cereals, flour and oatmeal
 - Aquaculture, fish
 - Seeds
- Focus on exports to the EU and 3rd countries



Danish organic trade



2017

Germany and Sweden:
57 % of total exports

Asia: 13% of total exports

Germany and Netherlands:
40% of imports

Asia: 8% of total import

Source: Statistics Denmark
2017 are best estimates.

Why is organic food and farming so 'hot' in Denmark?



- Danish governments have supported the organic development, including more 'Organic Actions plans' since 1987:
 - Free organic certification and state inspection
 - Subsidy for organic farming and 'organic conversion checks'
 - Subsidy for marketing and information campaigns in Denmark and 'conversion of public kitchens from conventional to organic food'
 - Subsidy for export promotion and organic research
- The National organic label is very famous – from 1989. The common EU label in 2010
- The Danish retail sector has had focus on organic food – both supermarkets and discount
- Good cooperation: governments – organizations - businesses - retail

A wide-angle photograph of a lush green grain field, likely wheat or barley, stretching to the horizon. In the background, a farm with a red-roofed barn and two silos is visible under a cloudy sky. The text "Thank you for your attention !" is overlaid in white, sans-serif font in the center of the image.

Thank you for your attention !