

Natasha DANILOSKA*)

Katerina HADZINAUMOVA-MIHAJLOVSKA**)

CONTRIBUTION OF ORGANIC AGRICULTURE FOR BALKAN REGIONAL COOPERATION

Abstract

Economic transition in the countries of Balkan Region caused rather drastic changes of agricultural sector and resulted with large price disparity between the agricultural outputs and agricultural inputs. Low-input traditional systems and small-scale labour intensive farming are the main attributes of the agricultural production in the Balkans. Low-input farming refers to reduction of external agricultural inputs (typically fertilizers, herbicides and pesticides) or refrains from using them altogether. This simple reduction of agro-chemical inputs should be considered as the consequence of a socio-political evolution from central planned to market economy and not as the result of a designed agricultural policy. Only because the low-input traditional systems are organic by default, that is, those do not use synthetic external agricultural inputs, not necessarily leads to an organic and environmentally friendly production. Quite contrary, currently, the majority of agricultural production in the Balkans is far away from being sustainable and organic, either from economic or environmental aspect.

Potential specific contribution of organic farming to some of the key agricultural policy objectives in each of the Balkan economies, such as competitiveness of agriculture, farm income, food supply, food quality aspects and minimization of negative environmental impact of agricultural production, needs to be discussed on regional level. These issues should be the main drives raising the Balkan policy makers' interest in organic agriculture and its benefits that are relevant for policymaking and sustainable regional development.

*) Ph.D, Institute of Economics-Skopje E-mail:natasha.daniloska@ek-inst.ukim.edu.mk

***) M.Sc. Institute of Economics-Skopje E-mail:katerina@ek-inst.ukim.edu.mk

Currently, on the Balkans there are EU-member countries Greece, Slovenia and Bulgaria where organic agriculture is rapidly developing and the supporting institutions structure (regulation, inspection, certification, market, research and education) are established and the activities are completely performed under EU regulation for organic farming (Council Regulation (EC) No 834/2007). Then, there are Balkan EU-candidate-Macedonia and Croatia, where organic production and marketing, as well as regulations, inspection, certification and education system is still not properly functioning, but is emerging. At the end, there are Balkan EU potential candidate countries-Montenegro, Serbia, Bosnia and Herzegovina, Albania, Kosovo under EU Council Resolution 1244, where organic agriculture is still at a relatively low level and where any help and experience are welcomed. In such a situation, it is more than obvious what benefit will bring exchange of experience and regional co-operation.

Key words: organic agriculture; Balkan region; regional co-operation; sustainable regional development; environmental sustainability.

Introduction

According to the natural climate and soil characteristics as well as to tradition and the level of development, agriculture is a key factor in the Balkan countries, of primary importance in every sphere-economic, social and political. In the Balkan countries even after a decade of widespread political and economic changes, there is still requirement for comprehensive agricultural development strategies, related policy instruments, education and effective institutional arrangements that comply with the requirements of sustainable development. Organic agriculture could be a tool on the way to achieve these goals through coordinated regional co-operation. In the same time, there is an intensive pressure from the local NGOs', EU accession process and market opportunities to incubate organic production as a main concept for further development of Balkan agricultural sector. The enforcement of a regional co-operation trough organic agriculture, in order to harmonize, co-ordinate and enhance the respective policies of the Balkan countries, could be a good start.

In the new market economies of the Balkan countries, specific common opportunities are influencing the further development of organic agriculture and the possibility of exploring its potentials of making strong synergy between multifunctional objectives. Generally speaking, those opportunities can be seen in relatively extensive agriculture, cheap labor and land, large areas with good agricultural land and high biodiversity values.

Beside the opportunities, there are always common constraints. In all Balkan countries organic agriculture is still relatively low at the political and other agendas and is not seen as a political option for problem solving. Agriculture production in the region is characterized by low-external inputs and it is not at all profitable occupation. Furthermore, little attention is given to proper education as a powerful vehicle between human and natural potentials and possibilities to take their advantages.

Development of organic agriculture is strongly affected by the above-mentioned issues. The idea is that if the strategy for overcoming this constraints is decussated on regional level, they can easily be transformed into opportunities and strengthen the organic agriculture in the Balkans. Finally, if the aim is sustainable development of the region, than for sure organic agriculture is a highly relevant tool, which contains the

potential to participate in solving simultaneously a range of problems related to agricultural production, environment and rural development.

Therefore, for the Balkans it is important organic agriculture not to be seen as static and strictly national but as a dynamic process, serving as an innovator for benefiting the whole region.

ORGANIC AGRICULTURE IN THE BALKANS

The story of organic agriculture in Balkan countries started in the late 80^{es} of the last century and was promoted mostly by weekend gardeners, environmentalists, people interested in natural healing methods and those who simply wanted to follow a reformed way of life. As the organic agriculture grew in developed countries, it became clear that it offers an interesting contribution in solving economic, social and environmental problems. Shortly after, more organizations were founded, mainly in Slovenia and Bulgaria and a proper legislation started being adopted, as shown in Table 1.

Table 1

Historic review of adoption of organic legislation in Balkan countries

Country	Year
Albania	n a
Bosnia and Herzegovina	in progress
Bulgaria	2001
Croatia	2001
Greece	1998
Macedonia	2006
Montenegro	2004
Slovenia	1998
Srbia*	2006

Source: <http://www.organic-world.net/statistics-europe-production.html?&L=2>

* Incorporated data for Kosovo

Regarding data on surface under organic agriculture in Balkan countries, it has to be taken with caution. Due to the dynamic development of the sector and the calculation methodology, reliable data for some countries is difficult to obtain. We should also bear in mind that some statistics include only certified land, while others include in-conversion land, as well. The situation becomes more complicated if we know that a significant percentage of the area under organic agriculture (mainly for export to the EU) has been certified by foreign certified bodies. That figure is difficult to obtain too. An additional problem is that the growth of the sector brought to the scene some local certifying organizations with quite liberal and questionable certification schemes.

Table 2**Estimation of certified organic land in Balkan countries**

Country	Hectares	In %
Albania	280	0
Bosnia and Herzegovina	580	0.03
Bulgaria	16633	0.55
Croatia	14194	1.10
Macedonia	988	0.09
Slovenia	29388	6.01
Serbia*	8661	0.17
Montenegro	4600	0.09

Source: IFOAM, Reports on Organic Agriculture Worldwide, 2009

** Incorporated data for Kosovo*

LOW-EXTERNAL INPUTS-MAIN ATTRIBUTE OF THE AGRICULTURE IN THE BALKANS

It has often been said that agricultural production on the Balkans is “organic” or “ecological” since the low-external input is one of its main characteristics. Unfortunately the simple reduction of agro-chemical inputs, unless followed by better management does not necessarily lead to organic (ecological) production. Besides, it needs to be mentioned that this low-external input agriculture in the Balkans is rather “forced” decision than free, individual choice because it should be considered as the consequence of a socio-political evolution from central planned to market economy and not as the result of a designed agricultural policy.

Namely, during the transition process from central planned to market economy the price of agricultural inputs increased substantially higher than the price of agricultural products. Since the price of the inputs was very high and the cheap agricultural products couldn't cover the investments, Balkan farmers opted for reduction of external agricultural inputs (typically fertilizers, herbicides and pesticides) or refrain from using them altogether. In Macedonia for instance, in the last decade the use of synthetic fertilizer dropped for some 45%, in Bulgaria for nearly 60% and the price of agricultural products increased for more or less the same percentage in comparison with the increase of the synthetic fertilizer price¹⁾. Therefore, the organic production has become a tempting alternative for many Balkan farmers and all advantages of this situation must be taken.

AGRI-ENVIRONMENTAL POLICIES IN THE BALKANS

Agricultural production affects both quantity and quality of nature and environment. It is most probably the unique case that in the same time is the source of

¹⁾ IFOAM, Reports on Organic Agriculture Worldwide, 2009.

environmental degradations and a victim of environmental problems, but it is always an important factor in preserving natural resources and biodiversity.

As far as organic agriculture is concerned, it is well known that it gives great contribution to the conservation of the regenerative and reproductive capacity of the natural resource base. From the other hand, present and future policy development for organic agriculture will always have multiple objectives: income generation, natural resource conservation, food self-reliance and rural development-but with different levels of emphasis.

For instance, in the European Union (EU) the demand for organic agriculture, represent a perfect match to governments' priorities to reduce surplus food and to solve the environmental problems caused by the production of that food. In fact, EU organic agriculture policy reconciles agricultural and environmental policies as it represents a viable option for extension and an alternative to lend set-aside. In developing countries, policies for organic agriculture seek to earn, trough exports, foreign exchange for other domestic needs. A diversity of development visions as well as a diversity of concepts how to implement those visions characterizes the agricultural policies of the Balkan countries. Unfortunately, organic agriculture for the sake of the environment is not their prime preoccupation.

Furthermore, in the Balkan EU-members countries (Greece, Slovenia, Bulgaria) as well as in the Balkan EU-candidate and potential candidate countries (Macedonia, Croatia, Bosnia and Herzegovina, Albania, Kosovo, Montenegro, Serbia) the accession process puts tremendous pressure on policy makers and their policies always fails at the environmental questions. Environmentally friendly (organic) agriculture has to be seen as a serious political option for the Balkans.

Finally, it is true that ecological problems don't stop at the borders, so the work on sustainable development cannot be carried out inside borders in an isolate way. Regional co-operation is required which will give to all of us opportunity to work together on policies, discussing of strategies and developing actions for a sustainable Balkan agriculture. In this context, the principle of crossing borders in the widest sense should be one of the leading ideas.

STANDARDS, INSPECTIONS AND CERTIFICATIONS

It is clear that standards, inspection and certification are crucial elements in the guaranteed system of organic agriculture. The standard settings is an important tool in organic agriculture, not only as a set of rules, but also as the meeting place for farmers, consumers, processors, retailers and policy makers of the region, where the idea of organic agriculture and sustainable development can be defined and developed.

Even if the most Balkan countries have already adopted the regulation on organic agriculture (or it is in procedure), the system of inspection and certification that is in place in the Balkan is rather vague and liberal. This is especially true if we bear in

mind that these regulations are more the government's response on the pressure to harmonize their own regulation with that of EU than a product of real interest in organic agriculture by the Balkan policy makers.

However, the final aim of each Balkan country should be to set up a national body, accredited according to the EU standards and with responsibility for control and certification of organically produced goods that will fit international standards.²⁾ Unfortunately, the accreditation process is quite expensive and takes considerable time and involvement to carry through.

Since all Balkan countries are more or less at the very beginning with setting standards and legislation for organic agriculture, they should help to each other by firstly setting the regional rules.

For that aim, it is very important to have a good balance between detailed rules and the possibility for regional implementation, which will bring a continuing process of developing new areas of regulations. This has to be built on practice, so before becoming legislation, standards can be used and developed on the basis of a set of regional principles.

STATE SUPPORT TO ORGANIC AGRICULTURE

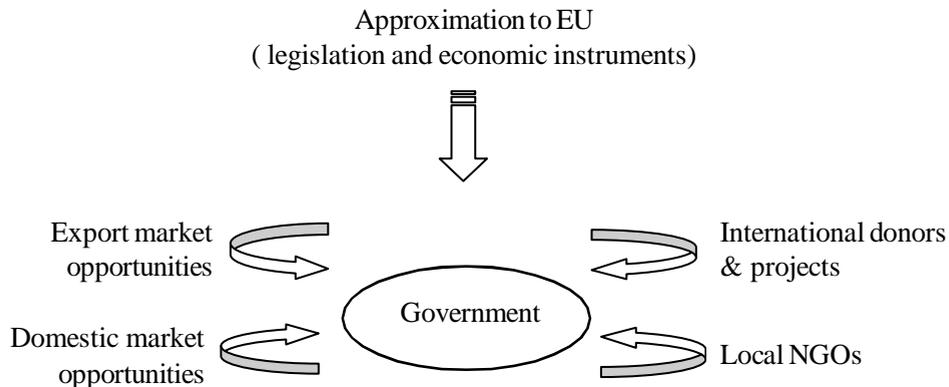
No doubt that organic agriculture on the Balkans need guidance and support systems. A number of constraints have to be exceeded, such as (un/under)developed national policies, unclear situation of land ownership, lack of management skills, lack of investment capital, lack of institutional development, lack of knowledge. From the other side, the market already reacts on the organic agriculture as a challenge and explores the potentials. Without the facilitating and controlling role of the Balkan countries governments the good prospects for regional co-operation cannot be realized.

Other than this, active government support to inspection and certification for organic agricultural products is necessary in order to provide equal opportunities. In particular, development of organic agriculture can be facilitated if technical problems and certification cost are decreased. Government policies can play a key role in this respect. Namely, a legislative framework that provides definitions, standards and accreditation to certifiers is needed to protect responsible producers. If this condition fails, organic agriculture (production and distribution) risks becoming a business that only large farm, or highly organized group of small farms, can afford.

Finally, it is of great importance to raise governments interest in organic agriculture, since together with the local NGOs, the EU accession process and international

²⁾ IFOAM basic standards and/or relevant EU 834/2007 that should act as a minimum criteria standard for the standards drawn up by organic agriculture organizations.

Figure 1. The Balkan countries governments and organic agriculture: field-forces analysis ³⁾.



donors, the market opportunities (both export and domestic), it will accelerate the regional co-operation on the Balkan .

BUILD UP A FIRM KNOWLEDGE-BASIS

Organic agriculture in the Balkans is a sector in development. Therefore, it is important to build up a firm knowledge basis. Traditional knowledge must be improved through selective introduction of results of modern science in areas such as energy flows, biotic and abiotic factors that regulate plant development, renewable energy technologies and management techniques.

On the Balkans, in all parts of the organic production further research and development of knowledge is needed in all its segments. There is little attention on the market for organic products, and hardly any to social issues related to organic farming. Organic agriculture needs a full place in the curricula of agricultural education.

Research in agricultural centers and universities is vital for further development of agricultural methods which are sustainable in agronomic terms and which meet the quality standards. Current conventional research on how to handle organic products, production methods and the environment is not responding to farmers' need.

Also, an awareness rising of consumers is lacking too. A better understanding of consumers' behavior, their perception of product quality and their knowledge of the benefits of organic products is essential in order to develop successful communication between consumers and producer, as a crucial precondition for further growth of organic agriculture in the Balkans.

³⁾ Mr. Znaor Darko, Organic Food and Farming-Towards Partnership and Action in Europe, Copenhagen, Denmark, 2001,p.4.

In order to be successful, the development of the organic agriculture in the Balkans should be based on an interactive process between farmers, consumers and research institutions and universities. That's why there has to be education and training of producers, consumers and respective authorities at all levels and continuously.

Conclusions

Balkan countries are quite diverse from a geographic, economic, ethnic and cultural point of view. Yet, they do have one major factor to their advantage, which is the great agro-potential of the region.

The turbulent political climate in the Balkan countries, frequent political changes and replacement of the key policy makers make it difficult to set up and implement mid or long term policy. Still, since the Balkans other than common opportunities and constraints, have also many common needs, the regional co-operation at all levels and each field should be top priority for any government.

Regarding organic agriculture common specific needs of the Balkan region are:

- Develop and harmonize legislation and certification
- Close the gap between regulations and their enforcement
- Institutional strengthening (in particular of organic farmers organizations)
- Establishing and strengthening of international networks on different levels, aiming to exchange experiences within Balkans and between Balkans and EU
- Information (research and education, consumer awareness)
- Financing opportunities (meager state budgets and lack of private capital)
- Specific financing instruments/investment schemes for the organic market chain
- International support facility for policy and technical assistance
- Development of both internal and export markets, the latter with proper access to the EU
- Promote social context of sustainable rural development

The specific situation calls for a Regional Sustainable Development on the Balkans. That means common action, in good partnership between all countries of the Balkan Region. Of course, this co-operation needs to receive specific support from international financing institutions and programs as well as bilateral programs and national budgets.

Finally, organic agriculture is hardly the only solution for the future sustainable development of the Balkan region but it is certainly an important part of a whole.

References

- Congress of ecologist of the Republic of Macedonia-proceedings, Ohrid, 1998.
- IFOAM, Reports on Organic Agriculture Worldwide, 2010.
- IFOAM, Factors influencing organic agriculture policies with a focus on developing countries, 2000.
- International conference on the organic sector development in Central/Eastern Europe and Central Asian countries, 2008
- European Action Plan for Organic Food and Farming, Commission Staff Working Document, 2004
- Fowler S., Factors Affecting the Profitability of Organic Farms, Welsh Intitute of Rural Studies, 1999.
- Johannsen J., Mertineit A., Wilhem B., Buntzel-Cano R., Schone F., Fleckenstein M., „Organic farming – A contribution to sustainable poverty alleviation in developing countries“, German NGO Forum Environment and Development, Bonne, 2005
- Organic Food and Farming-Towards Partnership an Action in Europe, Conference proceedings, Copenhagen, Denmark, 2001
- Strmsnik I., Jevsevar J., Strategy for Economic Development of Slovenia until 2000, Ljubljana, 1997.
- Sustainable Development in the Balkans, Conference proceedings, Struga, Macedonia, 2000.
- United Nations, World Commodity Survey, 1999-2000.
- Willer H., Yussefi M., “The current status of organic farming in the world – Focus on developing”, www.ifoam.org
- Znaor, D., What future for sustainable agriculture? Danube Watch, Vol. 3 No.2, Littlebury, 1999.
- Znaor Darko, Organic Food and Farming-Towards Partnership and Action in Europe, Copenhagen, Denmark, 2001
- <http://www.organic-world.net/statistics-europe-production.html?&L=2>

