A Roadmap for Sustainable Organic Production and Marketing in Wales
2015 - 2020

Options for developing the organic sector and building resilience to optimise its contribution to sustainable development in Wales.

August 2015
Acknowledgements

The Better Organic Business Links (BOBL) project, run by Organic Centre Wales, was a six year project designed to support the primary producer in Wales and grow the market for Welsh organic produce in a sustainable way.

The aim was to develop markets for organic produce whilst driving innovation and promoting sustainable behaviours at all levels within the supply chain, to increase consumer demand and thence markets for organic produce, especially in the home market, and to ensure that the primary producers are aware of market demands. The project provides valuable market information to primary producers and the organic sector in general.

Delivery of the project was divided into five main areas of work:

- Fostering innovation and improving supply chain linkages
- Consumer information and image development of organic food and farming in Wales
- Market development
- Providing market intelligence to improve the industry’s level of understanding of market trends and means of influencing consumer behaviour
- Addressing key structural problems within the sector.

In all elements of the work, the team focused on building capacity within the organic sector, to ensure that the project left a legacy of processors and primary producers with improved business and environmental skills, able to respond to changing market conditions, consumer demands and climate change.

The project was funded under the Rural Development Plan for Wales 2007-2014, in turn funded by the Welsh Government and the European Agricultural Fund for Rural Development
## Table of Contents

A Roadmap for Sustainable Organic Production and Marketing in Wales ........................................ 1
Acknowledgements ................................................................................................................................. 2
Preface – Why do we need an Organic Roadmap? ................................................................. 4

1 Introduction ................................................................................................................................. 5
   1.1 Why support Organic farming? ......................................................................................... 5
   1.2 Review of Organic Strategy I and II .................................................................................. 5
   1.3 Where are we now? ............................................................................................................. 5
   1.4 A vision for the Organic Supply Chain in Wales .............................................................. 6
   1.5 Objectives ............................................................................................................................ 6

2 The Organic Market in Wales .................................................................................................... 7
   2.1 Organic Production ............................................................................................................ 7
   2.2 The retail market .................................................................................................................. 8
   2.3 Sales outside supermarkets in Wales ................................................................................. 9
   2.4 Direct sales .......................................................................................................................... 9

3 Integration with key strategies ................................................................................................. 10
   3.1 Welsh Government Rural Development Plan 2020 ......................................................... 10
   3.2 Environment Strategy for Wales ....................................................................................... 11
   3.3 Food and drink development strategy .............................................................................. 12
   3.4 HCC Red Meat strategy .................................................................................................... 12
   3.5 Health and Social Inclusion ............................................................................................. 13

4 Review of BOBL achievements ............................................................................................... 13
   4.1 Communication ................................................................................................................. 13
   4.2 Developing a Sustainable Supply Chain ........................................................................... 14
   4.3 Food and the community ................................................................................................... 15

5 Delivery areas for 2015-2020 ................................................................................................. 16
   5.1 Communication ................................................................................................................. 16
   5.2 Developing a Sustainable Supply Chain ........................................................................... 17
   5.3 Food and the Community .................................................................................................. 20

6 Research, Innovation and Knowledge Exchange ...................................................................... 21

7 Action Plan ............................................................................................................................... 22
   7.1 Communications ............................................................................................................... 22
   7.2 Developing a Sustainable Supply Chain ......................................................................... 26
   7.3 Food and the Community ................................................................................................. 31

8 Relevant documents ................................................................................................................... 32
Preface – Why do we need an Organic Roadmap?

The organic sector in Wales is at a turning point in its development. After a period of retrenchment the market for organic products in the UK has returned to growth and is now on the upward trend enjoyed by many other countries over the same period. The environmental benefit that organic farming delivers has been recognised by the introduction of Glastir Organic by the Welsh Government. The scheme has successfully attracted over 500 farmers to commit to organic production for the next five years and stabilised the production base for organic products in Wales.

The engagement between the primary producer and end consumer that characterises the organic supply chain should enable the sector in Wales to capitalise on these positive trends in supply and demand. Market-led growth is beneficial in its own right and will support the Welsh Government’s investment in Glastir Organic. The engagement between consumers and organic supply chain businesses can also support and direct other delivery programmes of the Wales Rural Development Programme 2014-2020 (RDP 2014-2020) and has the potential to help the implementation of wider Welsh Government strategies. Strengthening the link between production and consumption can encourage more diversity in the crops grown and increase local food security by developing the skills required to produce and market it. Events with an organic food theme have been an effective tool for engaging with schools and community groups to promote education, food values and healthy living.

To realise these benefits an effective programme of activities is required to develop the sector and the market for organic products. This roadmap aims to deliver this by building on the achievements of the Welsh Government funded Supply Chain Efficiencies Scheme project, Better Organic Business Links (BOBL), and setting out a Roadmap for the organic sector in Wales to achieve its potential. It presents a vision of the sector in 2020 and identifies challenges, opportunities and priorities. It will identify areas where organic production is a direct benefit to Wales, and where it can act as a platform and facilitator to deliver wider objectives on safeguarding the environment, economic development and community development in Wales. The delivery of the roadmap will be integrated with other relevant organisations and activities, such as the Organic Trade Board consumer campaign.

With the ending of the Better Organic Business Links project, there is currently no agency or resources dedicated to the delivery of this roadmap. Instead this roadmap seeks to provide ideas and evidence that might be used to support new initiatives by various parties to help develop the organic sector in Wales as it rebuilds following the challenges of recent years.
1 Introduction

1.1 Why support Organic farming?
Organic food and farming has a great deal to offer Wales, environmentally, economically and socially. Strategic documents relating to the new RDP, CAP reform and the Food and Drink action plan, refer to the challenges of sustainable food production, climate change mitigation, food security, building resilience into our agriculture and food systems, protecting and enhancing biodiversity, protection and sustainable use of natural resources, resource efficiency and community development. The contribution that organic farming makes to these areas is widely accepted, and forms the basis on which governments across Europe and the world have invested significant resources into supporting organic systems.

The new Wales Rural Development Programme 2014-2020 will be implemented from 2015. Its overall strategic aims are consistent with those of organic food and farming, and its scope covers production, processing and retailing. The ‘European Innovation Partnerships’ and ‘Horizon 2020’ offer direction and funding for research and development, and present opportunities for organic and agro-ecological projects. For the first time since 2008 the UK organic market is back to growth, with opportunities emerging in terms of public procurement, catering, direct sales and community based food systems.

1.2 Review of Organic Strategy I and II.
There have been two previous organic action plans. The Welsh Organic Action Plan was published in 1999 and covered the period up to 2005. This first plan successfully established organic production as an integral part of Wales agri-environment and food policy, including the establishment of Organic Centre Wales and the Organic Conversion Information Service. The Second Organic Action Plan for Wales 2005 – 2010 set additional targets for the development of the organic sector including the area of land farmed organically and identified development areas on the marketing and supply side. This second plan oversaw a dramatic increase in the area of land farmed organically in Wales, to 8% at its peak, and the development areas identified were the foundation for a successful bid for EU funding by Organic Centre Wales under the Welsh Government Rural Development Plan 2007-2013.

The Better Organic Business Links (BOBL) project was set up to deliver the activities and outputs agreed under the Supply Chain Efficiencies Scheme programme and the delivery of the BOBL project has covered the period 2010 to 2015. Initially the project separated the work programmes it was committed to deliver into five strands: Innovation, Information & Image, Developing Markets, Intelligence and Structural Issues. As the project progressed the changes in the market for organic products and the need to ensure that BOBL activities were integrated with each other resulted in a change of emphasis and simplification of the activity areas. The activity streams were re-organised into three main areas: Communications, Supply Chain Development and Food & the Community. This simplified the presentation of project activities to businesses and stakeholders and differentiated the organic aspect of the work from other RDP projects.

1.3 Where are we now?
The period of 2005-2015 has seen a sea-change in the UK market for organic food and dramatic changes in the profitability of conventional farming. The platform for delivery of agri-environment schemes has also developed over this period.

The 2015 report on the Organic Market in Wales commissioned by the BOBL Project has confirmed that the market for organic products in Wales and the West\(^1\) has returned to growth for most categories. For the UK as a whole the market is now back to 2006 levels after a fall of 25\% from its peak in 2008. Conversely, in 2008 the profitability of conventional producers was at a low ebb due to the combination of poor commodity prices while the cost of oil caused a peak in input costs.

---

\(^1\) Wales and the West covers the old HTV advertising area which extends into Bristol and the South West. It was not possible to obtain Wales-only data for major retailers.
prices. This combination of pull and push factors led to the area of organic land in Wales increasing from less than 4% in 2003 to 8.2% in 2011. As the economics of organic and non-organic production changed the financial advantages of certification declined and as farmers reached the end of their five year agreements the proportion of land in Wales under organic management has fallen and stabilised at around 5.2% at the end of 2014.

Organic certification requires that the whole farm is included and the benefits to the environment of this pioneering approach have been recognised by whole-farm schemes becoming a default requirement. This approach was applied to the Organic Farming Scheme when it was introduced in 1999 and Tir Cymen and Tir Gofal. The Glastir suite of agri-environment schemes encompass entire holdings and commit farmers to management prescriptions designed to deliver specific environmental benefits. The environmental benefits of organic farming are recognised by the automatic qualification of certified organic farmers for greening under the Basic Payment Scheme (BPS), implemented in 2015.

1.4 A vision for the Organic Supply Chain in Wales
The vision for the organic supply chain in Wales in 2020 driving this roadmap is a profitable network of businesses applying the three principles of sustainability to deliver a resilient supply chain between the primary producer and consumer. A resilient supply chain needs to be market led to achieve profitability, it must build on the natural productive capacity of the soil to achieve sustainability and must be ethical to realise its contribution to the community.

The recovery in the organic market will create the opportunity for innovative marketing and sales. This will leverage the Welsh Government’s investment in supporting organic production and the associated environmental benefits. It will also broaden the engagement of consumers with Welsh organic products. This engagement is already adding to the resilience of businesses by providing a foundation for the increase in direct selling. Such an engagement is a pre-requisite for the development of the strong branding required to help primary producers weather downward pressure on prices.

The positive attitude of consumers to organic production will also facilitate engagement between businesses and the wider community. Strengthening the link between consumers and the food they eat provides a platform for communication of food values. This would be delivered by educational farm visits by schools and inclusive community events based around everyone’s shared interest in food. It is a small step from discussing the food values inherent in a sustainable supply chain to communicating the behavioural changes required to reduce the carbon footprint of consumers and improve their health through diet and exercise.

A thriving organic community will contribute to economic development and food security. This is achieved by developing and retaining the local skills and resources required to grow and retail food. A shorter supply chain offering a greater variety of local produce will add to food security and support the development of entrepreneurial local businesses.

1.5 Objectives
The objectives of the organic sector in Wales for the five year period to 2020 could be:

General
- To support the development of the market for organic products and by doing so add value to Welsh primary production.
- To develop a resilient, sustainable organic supply chain in Wales
- To build on the inclusive nature of food and eating to engage with community groups to develop food themed projects that deliver wider strategies.
- To further improve on the environmental delivery, both on farm and in the supply chain

Demand side
- To communicate the benefits of organic production to consumers, business and public sector.
To realise the benefits of the EU legislation and independent certification when supplying public sector and commercial contracts.

To build on the potential of the organic food supply chain to support education and community involvement at all levels.

Supply side

To provide information for primary producers on the costs and benefits of organic farming so that they can make informed business decisions on whether or not to convert to organic production.

To identify and address structural issues which are impeding the development of viable supply chain businesses.

To build on organic producers’ shared interests to identify areas of common interest that will motivate the development of producer groups.

To promote a diverse and innovative organic sector that will create employment opportunities and improve the security of the food chain.

2 The Organic Market in Wales

Providing market intelligence for the organic sector in Wales has been a major focus of the BOBL project. Four reports on the organic market in Wales were commissioned and published between 2009 and 2011 for dairy, red meat, horticulture and pigs and poultry; and consumer research was carried out in 2010 and 2013. In 2015 these reports were supplemented with *The Organic Retail Market in Wales*. The Welsh Government also funds an annual producer survey conducted by Organic Centre Wales and the IBERS Farm Business Survey team.

2.1 Organic Production

The OCW Welsh Organic Producer Survey 2014 estimates that the land area under organic production in November 2014 was 77,000 Ha. Compared with the total land area in Wales, the organic share of land accounted for 6.5% of total land and was above average for forage (temporary and permanent grassland) and for horticulture and below average for arable and for other land at the end of 2013. The share of organic land in Wales is above the UK average of 3.3% (Defra, 2014).

2.1.1 Livestock

The main products sold by organic farms in Wales are presented in Table 1.

Table 1: Welsh organically managed livestock sales by enterprise and organic status

<table>
<thead>
<tr>
<th></th>
<th>Estimated number of livestock sold *</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Organic</td>
</tr>
<tr>
<td>Finished cattle</td>
<td>7600</td>
</tr>
<tr>
<td>Store cattle</td>
<td>3600</td>
</tr>
<tr>
<td>Finished lambs</td>
<td>67000</td>
</tr>
<tr>
<td>Store lambs</td>
<td>7000</td>
</tr>
<tr>
<td>Milk (thou' litres)</td>
<td>56000</td>
</tr>
<tr>
<td>Eggs (thou' doz.)</td>
<td>600</td>
</tr>
<tr>
<td>Pigs (all classes)</td>
<td>100</td>
</tr>
</tbody>
</table>

*Estimated total calculated with overall survey response rate of 73%*

The results indicate that in 2014 Welsh organic farms produced approximately 8,000 finished beef, 115,000 finished lambs and 56 million litres of milk. The proportion of livestock sold organically in 2014 was similar to the previous year, with 41% of fully organic finished lambs (46,000 lambs), 27% of store cattle (1300 head), and 74% of store lambs (20,000) sold into conventional supply.
chains due to a lack of organic market, low organic price premiums or livestock not meeting organic market requirements. Arable and horticulture

2.1.2 Arable and horticulture

Table 2 indicates that in 2014 the largest arable crop areas continued to be barley, oats and wheat, with the majority of barley and oats being produced for home-grown feed. Average prices obtained by producers were more variable than in 2013, with lower barley prices, but considerably higher oat prices, and are probably very dependent upon the marketing route chosen.

Table 2: Arable production, prices and marketing route (2014 harvest)

<table>
<thead>
<tr>
<th>Area (ha)</th>
<th>Total prod. (t)</th>
<th>Sales vol. (t)</th>
<th>Price (£/t)</th>
<th>Marketing routes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>2014</td>
<td>2013</td>
</tr>
<tr>
<td>Wheat</td>
<td>159</td>
<td>975</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Barley</td>
<td>342</td>
<td>1711</td>
<td>15</td>
<td>185</td>
</tr>
<tr>
<td>Oats</td>
<td>267</td>
<td>1055</td>
<td>193</td>
<td>331</td>
</tr>
<tr>
<td>Triticale</td>
<td>1</td>
<td>3</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Peas or beans</td>
<td>18</td>
<td>18</td>
<td>46</td>
<td>-</td>
</tr>
<tr>
<td>Cereal/legume</td>
<td>119</td>
<td>-</td>
<td>-</td>
<td>331</td>
</tr>
<tr>
<td>Other crops</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total/Average</td>
<td>913</td>
<td>4241</td>
<td>297</td>
<td>290</td>
</tr>
</tbody>
</table>

- data not shown due to small sample size

Table 3 indicates the areas of differing horticultural crop types and the average marketing route for that crop type. It was not possible to quantify output due to the high number of crops and varying scale of operations. Holdings producing mixed market crops and field vegetables were the most prevalent, with a high percentage of produce sold direct to the public though a significant percentage of potatoes and other crops were sold via wholesalers or in bulk.

Table 3: Horticulture production, prices and market split

<table>
<thead>
<tr>
<th>Area (ha)</th>
<th>Marketing routes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Direct to public</td>
</tr>
<tr>
<td>Mixed market garden</td>
<td>20.9</td>
</tr>
<tr>
<td>Potatoes</td>
<td>8.2</td>
</tr>
<tr>
<td>Field veg</td>
<td>27.5</td>
</tr>
<tr>
<td>Fruit</td>
<td>19.2</td>
</tr>
<tr>
<td>Other crops</td>
<td>28.0</td>
</tr>
<tr>
<td>Total</td>
<td>104</td>
</tr>
</tbody>
</table>

2.2 The retail market

The BOBL report on The Organic Retail Market in Wales combines data from three sources: Nielsen Scantrack which covers sales through major food and drink retailers (supermarkets) in Wales/West, surveys of Welsh organic businesses (independent retailers, processors, box schemes, farm shops and others) carried out by the Soil Association and data from the annual producer survey carried out by Organic Centre Wales. In addition, comments were invited from a number of industry experts.
Total organic food sales in Wales/West have been estimated to be in the range of £100 million to £140 million or approximately 5 to 7% of total organic retail sales in the UK\(^2\). This can be compared with the proportion of UK organic land (in-conversion and fully converted) that is in Wales: 17% of the UK total organic land based on the Defra organic statistics\(^3\) for 2013.

The UK organic market grew by 4% during 2014 reaching £1.86b\(^4\). Nielsen’s figures suggest that Wales/West underperforms in terms of organic share of food and drink sales in supermarkets by value. The Wales/West region contributes 8.3% of total food and drink sales in supermarkets within the UK, but this decreases to just 7.6% of the UK figure for organic food and drink sales in supermarkets. According to Nielsen, this gap in sales suggests an £8.3m retail opportunity.

### 2.3 Sales outside supermarkets in Wales

Sales outside supermarkets in Wales cover a number of different marketing channels, including independent retail, box schemes, online and mail order, farm shops and farmers markets as well as catering and food services. Many businesses use several routes to market and some are also processing as well as retailing.

38 organic businesses responded to surveys carried out by the Soil Association in early 2015 about the organic market in Wales in 2014, with turnovers ranging from £5k to over £5 million in the last year. Vegetables, meat and dairy products were named as the most important sales categories.

Asked about sales trends in the last 12 months, the majority of businesses reported some growth, with growth rates of 3% to more than 30% and averaging 14.6%, but some also reported declines. Looking into the future, many businesses were optimistic about the growth potential and reputation of Welsh organic products.

### 2.4 Direct sales

A trend identified in the OCW Organic Producer Survey and *The Organic Retail Market in Wales* is the growth in direct sales of organic products by primary producers. This is significant because of the value it adds to production and the increased engagement between the producer and consumer. Table 4 is a summary of the responses to the OCW Producer Survey in November 2014.

**Table 4: Direct sales changes during the previous 12 months**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>2012</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up by 10%+</td>
<td>11%</td>
<td>12%</td>
<td>20%</td>
<td>12%</td>
<td>7%</td>
</tr>
<tr>
<td>Up by 1-10%</td>
<td>24%</td>
<td>18%</td>
<td>13%</td>
<td>16%</td>
<td>14%</td>
</tr>
<tr>
<td>No change</td>
<td>54%</td>
<td>62%</td>
<td>50%</td>
<td>55%</td>
<td>67%</td>
</tr>
<tr>
<td>Down by 1-10%</td>
<td>6%</td>
<td>6%</td>
<td>9%</td>
<td>6%</td>
<td>5%</td>
</tr>
<tr>
<td>Down by 10%+</td>
<td>6%</td>
<td>3%</td>
<td>8%</td>
<td>12%</td>
<td>7%</td>
</tr>
<tr>
<td>(n)</td>
<td>54</td>
<td>34</td>
<td>51</td>
<td>58</td>
<td>64</td>
</tr>
</tbody>
</table>

---

\(^2\) The estimate is subject to some uncertainty. Figures for organic sales through multiple retailers (supermarkets) were only available for the Wales/West region which includes Bristol. Also, as the total number of the various businesses selling organic food in Wales (including all farm shops, whole food and independent shops etc.) is not known, so it is impossible to establish how representative the surveys were.


3 Integration with key strategies

A roadmap on behalf of the organic sector has to demonstrate how organic production can facilitate and help deliver other Welsh Government programmes and objectives. Primarily this will be by adding to and supporting the delivery mechanisms for the RDP 2020 which include the Glastir suite of agri-environment schemes, Farming Connect and the Leader programme. With an estimated market size of £100 to £140m the organic supply chain can help achieve the objectives of the Welsh Government Action Plan for the Food and Drink Industry 2014-2020 and HCC Strategic Action Plan for the Welsh Red Meat Industry. These are in addition to the contribution of better biodiversity and resource use to the objectives set down in the Environment Strategy for Wales published in 2006.

The overall strategic aims of the new Rural Development Plan for Wales are consistent with those of organic food and farming, and the scope covers production, processing and retailing. This offers opportunities to develop not only production but also the processing and retailing of organic food in Wales in the near future. The organic sector could also make a contribution to delivering some of the action points of the Food and Drink Action Plan, such as increase sales of Welsh produce to supermarkets (Action 43), collaborate with sector partners on joint market development and promotional activities (Action 33), sustainable jobs & “green growth” (Action 44), reduced ecological footprint (Action 46), national food and nutrition strategy (Action 39), and to the Levy hub with the aim of using levy money to the Welsh food industry’s best advantage (Action 15).

Organic farming fits well with strategies targeted at individuals and communities. The importance of food to all people and the shared experience of eating in public make communal meals a powerful facilitator for engaging with communities in an inclusive manner. This engagement has been used to underpin the delivery of a number of BOBL objectives and could also be used with delivery of health and social strategies.

The following sections review how the activities completed under the BOBL project have contributed to RDP 2020 priorities and seek to identify synergies with other Welsh Government strategies.

3.1 Welsh Government Rural Development Plan 2020

The outputs of the current BOBL project activities fit well with the six priorities identified in the Welsh Government Rural Development Plan 2020 (RDP 2020), these are:

1. “fostering knowledge transfer and innovation in agriculture, forestry, and rural areas
2. enhancing competitiveness of all types of agriculture and enhancing farm viability
3. promoting food chain organisation and risk management in agriculture
4. restoring, preserving and enhancing ecosystems dependent on agriculture and forestry
5. promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors
6. promoting social inclusion, poverty reduction and economic development in rural areas.”

The relevance of organic production to these priorities are considered below.

3.1.1 “fostering knowledge transfer and innovation…”

Making the best use of on-farm resources while restricting the use of bought-in inputs has required organic farmers to acquire new skills and develop innovative approaches to the challenges presented by farming. This has made organic farms a reservoir of exemplar farms for the skills and technology required for successful mixed farming and grassland management. Such a reservoir should be a valuable asset for the Farming Connect programme. This attribute is already recognised as one in the Welsh Government Action Plan for the Food and Drink industry which notes “The nature of the organic supply chain may fit more easily with a green economy model and there may be an opportunity for exemplars of best practice with potential carryover to conventional production.” (6.22), a point also relevant to Section 3.1.5.
3.1.2 *enhancing competitiveness of all types of agriculture*…

The premium payable for organic products effectively means that the market is leveraging the Welsh Government’s delivery of environmental priorities, in that premium prices for organic products reduce the income foregone needing to be compensated by policy support. Communicating the principles and values of organic production to consumers will support this leveraging.

3.1.3 *promoting food chain organisation and risk management in agriculture*

The organic sector, including Wales, is characterised by businesses and individuals with shared beliefs and a track record of commitment to learn about issues beyond the farm gate. Organic conferences are well attended and provide a platform for businesses to learn from each other and leading experts in their field. This combination of forward thinking and opportunities to identify others with shared values is a pre-requisite for the formation of the formal and informal networks required to realise the benefits of co-operative working.

The restricted use of pesticides and fertilizer reduce the risk from environmental hazards on organic farms. Organic standards aim to maintain and raise animal health and welfare through holistic management. This is based on developing systems that complement natural animal behaviour and the use of health plans based that combine best practice and the use of testing to identify or confirm the need for treatment.

The organic ethos extends beyond production standards to encompass ‘fairness and care’, considered in more detail in Section 3.5. This emphasis on the ethical aspects of farming reduces the reputation risk to both individual businesses and Welsh agri-business as a whole.

3.1.4 *restoring, preserving and enhancing ecosystems*…

Glastir Organic is an integral part of the Glastir suite of schemes delivering environmental benefits. The environmental benefit of certified organic production is also recognised under the Basic Payment Scheme as organic farmers qualify automatically for the ‘Greening’ element of the payment.

3.1.5 *promoting resource efficiency*… *low carbon and climate resilient*…

Achieving organic production requires farmers to make best use of on-farm resources while restricting the use of bought-in inputs. This approach to developing farming systems will help the profitability of all farmers, whether organic or not and is a resource for the research and development required to identify practices that deliver a low carbon and climate resilient economy.

3.1.6 *social inclusion, poverty reduction and economic development*…

Engaging with community groups has been an important part of the BOBL programme. This has underpinned the delivery of Farm Visits, Sustainable Food Communities, Growing in Schools and Food Values activities. The common and communal nature of food combined with the resonance that organic production enjoys with consumers has helped the BOBL project engage with communities. This model will support the development of other projects which are dependent on such engagement. These include the growing debate over food poverty and the price barrier. The consumer perception of organic food as good for the environment, healthy and ethical will underpin the communication of similar messages to community groups.

3.2 *Environment Strategy for Wales*

The Welsh Government’s [Environment Strategy for Wales](#) published in 2006 is the long term strategy for the environment of Wales, setting the strategic direction for the next 20 years. It provides the framework within which to achieve the vision for the environment of Wales and has five main environmental themes:

- addressing climate change
- sustainable resource use
- distinctive biodiversity, landscapes and seascapes
- our local environment
- environmental hazards.

Organic production can contribute directly to the success of the strategy with regard to climate change, sustainable resource use and biodiversity.

3.3 Food and drink development strategy
The Welsh Government Action Plan for the Food and Drink industry recognises the role of the organic sector in the delivery of a green economy and as ‘exemplars of best practice with potential to carry over to conventional production’ (6.22). The Action Plan identifies the strengths of the food sector which can be exploited, examples of these strengths are provenance (par 3.4), high quality raw materials (par 5.2) and resource efficiency (par 6.15) amongst others. These are all integral to Organic production. The Beaufort Research reports identified that over three quarters of shoppers purchase organic food in over a third of the 14 categories identified in the survey. This wide reach in a growing market provides a platform for engaging with consumers and businesses and communicating the attributes of food and drink sourced in Wales. The contribution of Wales in general and West Wales in particular to the historic development of the UK organic sector has the potential to strengthen the marketing of a high quality, distinctive, local and sustainable food experience, the very definition of Food Tourism (par 5.34).

The surveys conducted by Beaufort Research on behalf of the BOBL project show that organic food continued to resonate strongly with consumers even during the trough in sales. This resonance can help innovative companies engage with customers and find markets for new products. It also has the potential to strengthen Wales Tourism offer. The Welsh Government Food Tourism Action Plan 2015 – 2020 reports that in Scotland visitors spend around 20% of their holiday budget on eating and drinking. Wales, particularly West Wales, has played a significant role in the development of the UK’s organic sector and the combination of heritage with sustainable production of high quality food provides a strong vehicle for promoting provenance and other key messages.

Organic primary production is already adding to the resilience of businesses by supporting engagement with customers as the foundation of direct selling. Discussion with key informants suggest that organic production has strengthened the dairy supply chain by helping primary producers weather the downward pressure on prices experienced over the last 12 months. The price achieved by organic dairy farmers during this period is difficult to report due to commercial confidentiality, but conventional UK farm gate dairy prices have fallen from 34ppl to 27ppl5. The Organic red meat sector is currently in a state of flux. Key people in the organic supply chain report that matching supply and demand of organic lamb is challenging but that a small premium has been payable for long periods during 2014. Organic beef has consistently attracted a premium, particularly during the horsemeat scandal, but at the time of writing is in oversupply. The independent inspection and certification required for organic production adds to the credibility of new businesses in this sector.

3.4 HCC Red Meat strategy
In the draft Strategic Action Plan for the Welsh Red Meat industry HCC recognises the potential of differentiation to increase market share and of import substitution to create opportunities to supply domestic markets including the public sector. This should open up levy support to allow organic production to capitalise on its existing engagement with customers, independent certification and status as a scheme backed by EU legislation. This is what differentiates organic production from niche schemes and puts it on a par with PGI status Welsh Lamb and Welsh Beef. In a growing export market the well understood status of organic certification should strengthen the promotion of Welsh PGI red meat. This has the potential to make a significant contribution to the 34% increase in sales revenue in Welsh red meat, 5% increase of Welsh Agricultural Output and 14% increase in turnover set out in the Draft Strategic Action Plan.

5 Source DairyCo.
3.5 **Health and Social Inclusion**

The importance of food to all people and the shared experience of eating in public make communal meals a powerful facilitator for engaging with communities in an inclusive manner. This engagement has been used to underpin the delivery of a number of BOBL objectives and could be used to facilitate delivery of wider health and social strategies.

The organic sector has a tradition of leadership in the area of social inclusion and health, based as it is around core principles of health, ecology, fairness and care. Examples of the application of these principles include the Better Organic Business Links projects *Sustainable Food Communities*, Community Supported Agriculture, and Garden Organic’s Master Gardeners mentoring scheme. Such programmes have pioneered new models of integrating food systems and society and contribute to addressing the issues arising from food poverty.

4 **Review of BOBL achievements**

The following section reviews the structure, activities and achievement of the BOBL project in the context of three main themes, communication, supply chain development and food in the community. In practice individual BOBL activities have been relevant to both or all of these areas. Events developed through the supply chain and community work have been used to communicate and illuminate organic principles, conversely the knowledge gained on communication has enabled consistent and effective presentation of other activities.

4.1 **Communication**

To analyse the market for organic production Beaufort Research were commissioned to review the available literature and purchased market data before conducting a quantitative survey of consumers’ knowledge of and attitudes to organic products.

The Beaufort Research survey confirmed that purchases of organic food are driven to a large extent by what farmers and processors don’t do, rather than what they do do. These include the prohibition of Nitrogen fertilisers and GM inputs and the restriction of pesticide usage. These attributes are viewed as beneficial to themselves and their close family as individuals. Organic farming aims to avoid animal health and welfare issues arising through holistic management and the use of flock/herd health plans. This approach minimises the use of medicines and avoids resistance to the limited number of treatments available. The environmental benefits accruing from nutrient management and mixed farming systems include increased biodiversity, and better water quality. However the ‘deeper’ messages arising from these benefits such as long term soil health, resource use efficiency, efficient nutrient cycling and the contribution to long term food security are less clearly understood by most consumers.

Campaigns and initiatives developed to communicate the benefits of organic production to consumers, including the BOBL Project, have followed the research findings and focused on the benefits to individuals and their immediate circle. Such campaigns seek to engage these ‘personal’ values (i.e. how does organic food and farming benefit me and my family).

In order to grow the market and develop a greater degree of commitment to organic products the benefits to wider society and the environment also need to be communicated. This would strengthen the commitment of consumers to organic production by improving their understanding of the impact of their choices on other people, the economy and the environment.

The BOBL project has worked with the Organic Trade Board UK campaign to develop key messages and these have been tested in Wales using focus groups. The resulting campaigns have had a distinctive Welsh theme and the messages conveyed have been consistent across both projects. The BOBL project has sought to strengthen the link between producers and consumers by providing training in broadcast and social media so that businesses can improve

---

their use of these valuable tools. A toolkit has been published to the OCW website as an online resource for all businesses.

The Organic Champions campaign in 2014 built on this by identifying individuals who together were representative of the organic sector in Wales and raising their profile. This was achieved using materials at events, press coverage, social media and advertising. An evaluation of the campaign was published as a tool to enable businesses to evaluate the cost-effectiveness of the tools used for their own business.

The food values work conducted the BOBL project with support from Aberystwyth University has included an evaluation of some of the communication materials produced by the BOBL project in the context of a values framework. The initial work has suggested new directions for the development of communication materials and a formal assessment is being commissioned. The results of the assessment are likely to have implications for the messaging and delivery of future communication campaigns.

Given the limited resources available, communicating the key messages that arise from the benefits of organic production need to be targeted at specific groups. Where resources allow, schools and colleges are very receptive to engaging with organic farmers and businesses. The farm visits, mini-farmers markets and food events delivered by the BOBL project have helped primary, secondary and tertiary education achieve their own objectives. There is a need to extend this and identify other target groups, for example students who are making independent food choices on leaving home.

4.2 Developing a Sustainable Supply Chain

One of the prime objectives of the BOBL project during its first two years was to gather detailed information on the organic market in Wales. To achieve this a number of reports were commissioned to look at production, processing post farm-gate and the consumers of Wales' organic production. The reports on production delivered four market reviews on dairy, red meat, horticulture and arable with intensive livestock. The post farm-gate supply chain was explored via a business dialogue for which field officers visited or talked to over a hundred organic businesses and gathered data on their current and development needs.

This information was used to identify the best approach to deliver the activities agreed with Welsh Government and identify additional needs. The project approached delivery from three different angles:

- Helping businesses benchmark their performance in terms of the three principles of sustainability, financial, environmental and social, and develop action plans for improvement
- Addressing specific supply chain issues, both known and newly identified.
- Identifying new opportunities and building relationships within and between different parts of the supply chain to realise those opportunities

4.2.1 Benchmarking performance

For primary producers a ‘Farming Guide to Environmental Footprinting’ was commissioned which helped farmers understand the basis of footprint calculators and select the best tool for their business. The needs of supply chain businesses were addressed through the development of a ‘Sustainability toolkit’ and following an open tender procedure Weir Total Supply Chain Services were contracted to deliver the activity. Initially they worked with a cross section of supply chain businesses and followed this up in more detail with 27 Welsh organic businesses to establish their economic, environmental and social performance. The results of the activity were used to produce a Sustainability Toolkit which provides guidance on drawing up an action plan and, to ensure the business benefits from their investment, includes advice on communicating achievements to customers. The toolkit encompasses the entire supply chain from primary production through to the consumer.
4.2.2 Addressing specific supply chain issues
This part of the project responded to specific issues and barriers identified by supply chain businesses and generated a number of small, focussed projects. Examples include addressing a shortage of store cattle in the organic beef supply chain; a need for organic pullets in the poultry supply chain; improving access to certified killing, packing and cutting facilities for red meat producers selling direct, and decreasing the reliance of poultry producers on imported ingredients, including and especially soya. The project also responded to ad hoc requests such as finding suppliers of organic fruit for energy bars, eggs suppliers for mayonnaise producers and rhubarb for yoghurt producers.

4.2.3 Creating new opportunities
This was a particularly important part of BOBL’s remit, particularly during the depth of the recession, when businesses had to change and adapt to difficult economic conditions. In essence, the need was to search out opportunities (growth areas or gaps in the market) and then build the business-to-business relationships necessary to capitalise on those opportunities. Specific examples include:

- Helping businesses access the growing public procurement market, through building relationships between caterers and organic supply chain businesses and preparing strategic reports on the size of the opportunity in Wales
- Helping to establish the links between farmers, millers, maltsters, bakers, brewers, distillers and thatchers to reinvigorate Wales’ local grain economy
- Establishing a supply chain from fleece to finished product for Organic Welsh wool
- The feasibility and profitability of producing thatching straw
- Assessing the opportunities to grow organic herbage seed for Wales in Wales

This area of work was underpinned by continuous interaction between project staff and Welsh organic businesses throughout the life of the project. This was achieved both through concerted efforts to visits/ interview to all key businesses in Wales (in 2010 and 2012), and ad-hoc dialogue during events or conversation.

4.3 Food and the community
The BOBL project has been very active in this area. As well as trialling a wide range of different activities, from school farm visits to community gardening sessions, it looked at how such events could be grouped together and serve a greater purpose, allowing synergies to develop and new ideas to emerge. This involved extensive partnership working, with local authorities, NGOs, schools, Transition Town groups, and many others.

One organizing principle that developed over the course of the project was that of Sustainable Food Cities. This was an approach developed by the Soil Association in partnership with BOBL, and it resulted in the development of Food Charters for Gwynedd and Bangor. These charters, agreed by the local community and owned by the Gwynedd Food Forum and Food Cardiff, respectively, set an agenda and provided a rallying point for local food organizations to pool their efforts and work together. Besides funding the initial development work, with launches of the charters in 2012, BOBL went on to fund further mini-conferences in Cardiff and Bangor in 2013 and also supported community food events in each area as part of Food Values. Cardiff is now a Sustainable Food City with a fulltime food officer and food activities are proliferating.

Another principle was the Food for Life model developed by the Soil Association. Wales does not have a Food for Life programme as such, so the project set out to see what could be done with existing structures. Working with Jeanette Orrey, initially in Monmouthshire and then in Flintshire
(which holds the Food for Life Catering Mark), BOBL either funded or delivered the following elements: training for school cooks, demonstration meals with local and organic produce, school visits to farms, food mapping workshops and a community meal (with Transition groups), schoolyard farmers markets and a pop-up restaurant (with the Mid Wales Food and Land Trust), improvements to school garden facilities, events to engage local volunteers in school gardens (with Garden Organic) and participation by children in food festivals.

A further important theme was the linking of farms with the public. Besides encouraging the public to visit an organic farm as part of Open Farm Sunday, and school visits, BOBL supported the growing Community Supported Agriculture movement in Wales which allows the public to form a closer relationship with food production, working with Tyfu Pobl to run promotional and networking events for individual projects in Pembrokeshire and Flintshire, and for the Wales network.

Finally, BOBL has delivered a series of events which convened a group of people to talk about food over a shared meal. These were held in various contexts: community activists in Cardiff; staff and students at Aberystwyth University and the University of South Wales; schoolchildren and pensioners in a café in rural Gwynedd; a primary school in Abergavenny. This process culminated in the Food Values project which set out to record some of the conversations and examine the values and attitudes that were being expressed, with a view to informing practitioners in education, policy and community leadership.

5 Delivery areas for 2015-2020

The three themes reviewed in Section 4 are used below to consider the actions required to deliver the objectives of this roadmap. On 4 February 2015 the BOBL Project held a Stakeholder Conference in Cardiff which brought together key representatives from organic supply chain businesses in Wales. The following section draws on the input from the supply chain businesses represented at this conference along with input from the BOBL closing conference held in Builth Wells on 21 May. It also draws on the results of other consultations including the development of Glastir Organic in 2013/14 and the BOBL Project Business Dialogues held in 2010 and 2013.

5.1 Communication

The work done on key messages by the BOBL project and the Organic Trade Board prior to developing campaigns to promote organic have served to underline the complexity of the concepts which need to be communicated. The effectiveness of the messages have been tested using focus groups and these have resulted in a focus on the ‘natural’ nature of organic food and products. The Beaufort Research reports conducted in 2010 and reprised in 2013 did not identify significant changes in the attitudes of consumers to organic food, but the market over that period declined by 25%. This suggests that as the economy continues to improve and consumers’ real income increases the organic market has the potential to continue its recovery and upward trend. Over the same time period there has been more analysis of what drives choice and the values and messages which achieve a constructive change in people’s attitudes and subsequent behaviour.

In summary there are changes in the knowledge base which underpins communication and there is an increasing need to change life-time behaviour in order to achieve real environmental benefits. These changes will encompass development of messages, development of materials and delivery. The proposed future activities required to achieve this are:

Messages

- Review of key messages and target audiences developed as part of the BOBL project.
- Review the materials produced in the context of values and behaviour change.
- Identify target audiences for engagement including consumers, the public and pupils and students.

Materials

- Consult with supply chain businesses on the generic marketing materials which would help them engage with their customers.
• Produce a suite of materials designed to engage with target audiences on a personal level and on the value they attach to wider benefits, such as the community and the environment.
• Consult with Welsh Government to ensure the materials are consistent with and re-inforce messages being communicated through other activities.
• Review the effectiveness of materials with focus groups representative of the target audiences prior to publication and use.

Delivery
• Identify communication channels for the delivery of key messages
• Develop a campaign to engage with target audiences and communicate key messages
• Review the effectiveness of selected channels with focus groups representative of the target audiences
• Work with the OTB to develop a bid for EU funding for a separate campaign.

5.2 Developing a Sustainable Supply Chain
Based on the Stakeholder and Closing conferences along with the Glastir Organic consultation this document identifies the priority areas for the development of a resilient organic supply chain in Wales, these are:

• Growing the organic market
• Diversifying the markets for organic food in Wales
• Diversifying the production base in Wales
• Balancing supply and demand
• Ensuring market requirements are met
• Extending co-operation between organic businesses
• Improving understanding of costs, prices and premiums

Most of these areas are consistent with the needs of all Wales’ farmers and the organic sector will need to work closely with Farming Connect and other RDP projects. The best organic farms should be able to act as exemplars of best practice and demonstrate how the application of agro ecological principles can support the effective use of on-farm resources and minimise the use of bought-in inputs.

5.2.1 Growing the domestic organic market
Sustainable growth in the UK market for organic food underpins the development of the sector in Wales. Over the last 20 years, the UK market grew from less than £0.5m in 1995 to a peak of £2.1bn in 2008 before falling by 24% between 2008 and 2012 due to the recession. The market is now back in growth and has recovered to £1.86bn in 2014 compared to £1.64bn at the low point in 2012. The market is broad based with 75% of consumers buying organic food in over a third of the main categories but is over-dependent on a relatively small, but loyal group with approximately 20% of consumers accounting for 80% of purchases. The reach and pattern of organic purchases suggest there is potential to increase the market for organic products and therefore the benefits of supporting an organic supply chain. The Organic Retail Market in Wales indicates that compared to the UK as a whole the Wales/West area is slightly underperforming in organic relative to its overall sales of food and drink through supermarkets. This represents an opportunity of £8.3m sales.

Growing the organic market for Wales’ main commodities of milk and red meat will add value to the gross output of Welsh agriculture and support the image of Welsh produce as sustainable. The brand values associated with organic products fit well with most of Welsh livestock production and could play an important part in the brand development of all Welsh products.
5.2.2 Diversifying markets

The retail marketing of organic products in the UK, as with non-organic, is dominated by the major retailers with around 70% passing through this supply chain. The domestic retail market is undergoing a period of change, with major supermarket chains seeing unprecedented declines in total sales. World markets are also changing as the balance of the global economy moves from West to East and concerns over the supply of raw materials and water increase. These changes can be viewed as a threat or an opportunity and both interpretations highlight the advantages of moving away from over-reliance on a small number of outlets. The actions required to benefit from these changes include:

- The development of export markets, building on the achievements of Wales existing organic businesses. Developing the export markets for organic red meat and dairy businesses will add value directly and help businesses weather downward pressure on prices by providing alternative outlets.
- Developing and promoting equivalence between UK/ EU organic certification systems and third countries especially the USA and the Far East.

The Organic Retail Market in Wales report shows that direct sales including independent retailers, farm shops, internet sales and box schemes have enjoyed strong growth over the last two years. The challenges to be addressed to deliver continued growth include transport infra-structure and the shortage of the relatively low number of certified processors in Wales, including organically certified killing, cutting and packaging services for red meat. There is a need for more market intelligence on the potential demand for these services from organic producers. Such information would enable existing processors to make informed decisions on the value of investing in organic certification.

The Organic Retail Market in Wales identifies the catering and hospitality market, including public procurement, as an opportunity for organic supply chain in Wales. This market grew by 13% between 2013 and 2014, driven largely by the success of the Food for Life Catering Mark. The success of the Mark has created an opportunity to forecast likely demand for local and organic produce, and transform the vicious circle of ‘we don’t produce because there’s no market – we don’t buy because there’s no production’ into a virtuous one.

Local markets should continue to be supported as farmers’ markets provide an opportunity for producers to diversify and add value to their production. This can provide an important opportunity for smaller farmers to add value to their output and adds to the character of an area. This will feed into the delivery of the activities listed in the Welsh Government Food Tourism Action Plan 2015 – 2020 designed to improve visitor experience and encourage the use of local produce.

5.2.3 Diversifying the production and processing base

Wales’ main organic crop is grass and the red meat and dairy sectors that depend on it, but historically a variety of arable and horticulture crops were grown. Re-introducing this tradition and increasing the diversification of Welsh agriculture would have many benefits including:

- financial resilience
- biodiversity
- improving food security by diversifying the skills base and producing a greater variety of crops.

The potential of organic food crops to deliver diversification lies with developing existing horticulture businesses, extending field-scale horticulture to new farms and re-building the supply chain for products of arable crops.

5.2.4 Horticulture

The organic horticulture sector in Wales is characterised by small, diverse businesses, with most selling direct or through independent retailers. There are opportunities for larger scale operations to work through wholesalers, who have indicated they would be in a position to commit to cropping
programmes. Specialist medium scale horticultural operations occupy a difficult territory in economic terms because of the skill requirements, high fixed costs and access to labour and machinery. Encouraging organic livestock farmers to work with existing horticultural producers and share expertise and capital may help to address these issues. The gains include improving nutrient cycling, resource use efficiency, resilience and profitability of Welsh organic farms.

5.2.5 Arable

There are opportunities to rebuild a Welsh grain economy, working with bakers, brewers, distillers and maltsters to produce artisan products from Welsh grain. Central to this is a small but growing number of these businesses that are interested in, and able to, adapting their systems and techniques to grain produced in Wales. Barriers include access to storage, drying and specialist production machinery. Co-operation within and between different parts of the supply chain will play a key role in rebuilding these supply chains and piloting the re-introduction of traditional products.

5.2.6 Agro-forestry

The purposeful integration of trees within farming systems has significant potential to enhance productivity and provide other benefits to crops, livestock and the environment, including shelter, improved nutrient cycling and soil and water protection. There are a variety models that can be adopted, from shelter belts to parkland arrangements with individual trees, but many variants operate on an alley cropping approach where crops are grown between rows of trees, allowing systems to still be mechanised effectively. Tree species can be utilised for woodchip, fruit, nut and timber production, and can be integrated with most farm enterprises from horticultural crops to livestock including cattle and poultry. Research such as the EU-funded Agforward project, and practical experiences such as at Pontbren, documented recently by the Woodland Trust, are generating useful practical experiences, but there is a need for more widespread sharing of the information between producers, and effective support for the establishment costs.

5.2.7 Balancing supply and demand

Balancing supply and demand is a challenge in the organic sector. Its small size in the context of the overall food market means that relatively small changes in volumes have a disproportionately large impact with consequences for prices for producers. Responding to market signals is governed by the organic conversion period, which effectively introduces a two or three year time lag, and the need for farmers to commit to organic farming for five years in order to gain access to support payments. Supply businesses need more information at the right time to help them make decisions. Information provided by organisations such OCW (through the Organic Producer Survey) and the Soil Association (Organic Market Reports) are useful, but are by their nature retrospective. Businesses need more comprehensive, real time data that enable them react in the immediate and short term.

The OCW Producer Survey figures show that there are still significant numbers of livestock leaving the organic supply chain and being sold on the conventional market. Addressing the issues necessary to balance supply and demand is likely to reduce this loss and add to the gross value of livestock production in Wales.

5.2.8 Improving co-operation

A recurrent theme in addressing the challenges identified in this section is the need to improve co-operation, both within and between different parts of the supply chain. Achieving this would provide a platform to address many of the issues considered above including:

- More effective knowledge transfer and skills development
- Identifying constraints including research and innovation requirements
- Accessing new markets (export and catering)
- Improving access to processing facilities
- Improving cost effective access to machinery, storage and cleaning facilities and labour
• Improving the quality and flow of supply chain information and technical knowledge and experience.

Promoting food chain organisation requires bringing together groups of people with shared interests and values. The more layers of common interest, the better the opportunity for developing such groups. These layers would encompass the product and specification of farm produce, proximity and community, common markets and shared interests and others. Organic producers are characterised by shared values and a commitment to sustainable food production. This layer of common interest has the potential to help improve food chain organisation by facilitating co-operation.

A range of structures already exist, including producer groups, co-operatives, machinery rings and other. The priority is to support and strengthen the existing organisations and, where they do not currently exist for example in the Wales grain supply chain, to facilitate their establishment.

5.2.9 Strengthening financial data and benchmarking

The BOBL project has purchased commercial data from TNS Worldpanel and Nielsen Scantrack during the course of the project. This has enabled businesses, stakeholders and policy makers to gain an accurate snapshot of how the organic sector in Wales is developing in a wider context. This enables actions to be developed with the confidence that they are consistent with the development of the market and prioritised according to where the greatest potential lies.

Benchmarking identifies where improvements can be made in a farm business by comparing individual operational elements (costs and performance data) against similar farms. By comparing or ‘benchmarking’ a farm’s performance, potential areas of strengths and weaknesses within the farming operation can be exploited or addressed. Although benchmarking systems are available, they are not widely used, and the understanding of cost structures in some sectors is relatively poor. This is a constraint on improving the financial performance of farming businesses.

The above applies equally to food and processing businesses that could benefit significantly from benchmarking using, for example the Sustainability Tool Kit developed under the BOBL project. The principle can also be used to address external factors such as costs related to the infrastructure in Wales compared with other areas of the UK.

5.3 Food and the Community

In April this year, the Welsh Government and Public Health Wales convened a Food Poverty Think Tank in response to reports that usage of food banks is higher in Wales than in the rest of the UK. From the discussions at the event it was clear that short-term solutions are not enough and that deep systemic change was required. It was recognized for instance that cheap food and supermarket discounts are not the answer, because food producers also need to earn a living wage.

In fact the solutions proposed were the same as those that the organic sector and other progressive movements have always proposed: a food system based on values of sustainability and social justice, the teaching of food growing and cooking in schools, community projects involving growing, cooking and eating together, and socially responsible action from the corporate sector.

The Welsh Government’s 2010 food strategy Food for Wales, Food from Wales 2010-2020 identifies food culture (meaning public engagement) as an important driver for change, alongside the integration of food policy across all areas of government, including health, rural regeneration and sustainability. The action plan that followed this, Towards Sustainable Growth: an Action Plan for the Food and Drink Industry 2014-2020 places more emphasis on the industry but still includes mention of community and school initiatives.

Linking farmers with the public has the benefits of shortening supply chains, regenerating local food systems and increasing mutual understanding. These actions build trust and create a space within which creative new projects can arise. This is an important public good, and it needs a
certain amount of public support to nurture it, alongside the goodwill and voluntary effort of farmers and members of the public.

There are some excellent models which support this aim of shortening and humanizing the food chain, including the Soil Association’s Food for Life, which integrates procurement, education and community engagement, and the Sustainable Food Cities approach of which Cardiff is an example. Such schemes, functioning at a high level of integration, allow activities such as a school visit to a farm to be far more effective than they would be on their own, putting them in a wider context and helping build food community.

Within these over-arching schemes activities such as farm visits, school gardens and cookery lessons each contribute to a coherent vision of a sustainable food system. Organic farmers and processors are in a natural position to show leadership here, as part of their social responsibility, and are likely to be willing to take part in such schemes if there is external support, such as training and management of relationships. Producer networks can help here by circulating details of opportunities to their members.

Strengthening the link between consumers and the food they eat provides a platform for communication of food values. This would be delivered by educational farm visits by schools and inclusive community events based around everyone’s shared interest in food. It is a small step from discussing the food values inherent in a sustainable supply chain to communicating the behavioural changes required to reduce the carbon footprint of consumers and improve their health through diet and exercise.

To summarize, the willingness of farmers and businesses to contribute to public understanding of food, and especially organic food, needs to be matched by publicly supported programmes to link schools, hospitals, care homes and the wider community to the business of growing food. Neither will get far without the other. Activities and schemes which will help realise the potential of organic businesses to contribute to a wider food community are listed below. The list is not exhaustive.

- Enable the organic sector to contribute to cross-sectoral discussions to help develop a Welsh food system built on principles of care for nature and social justice.
- Engage with the National Procurement Service and support their work as they take responsibility for public sector food procurement in Wales.
- Support integrated school meals and education projects along the lines of Food for Life
- Support mentoring schemes such as Garden Organic’s Master Gardener scheme, which trains volunteers to share their gardening skills in schools, hospitals, care homes and prisons.
- Support for schemes which shorten the supply chain between organic producers and customers, such as Community Supported Agriculture which are based on subscription in return for weekly food boxes. Food may be bought-in to supplement what is grown and surpluses may be sold in local markets.
- Promote school and public visits to organic farms, with training for farmers and financial support.
- Promotion at agricultural shows, Organic September to give examples
- Support care farming (use of farming activities for therapeutic purposes).

6 Research, Innovation and Knowledge Exchange

This section looks at the potential contribution of the organic sector to knowledge exchange with an agroecological focus on ecological intensification. Recent UK policy on agricultural innovation has focused on technological solutions and the businesses responsible for their development, rather than on farmers’ needs and farmer-led solutions. The agroecological approaches that underpin organic farming also require a shift in focus, to reliance on knowledge and management rather than technology as a primary route to innovation. A new report on the ‘Role of Agroecology in Sustainable Intensification’, to be published by Scottish Natural Heritage in June 2015, documents
the potential of agroecological approaches to deliver both productivity and environmental improvements.

While many agroecological approaches do not require certification, organic farming is one such approach that does, both to provide financial rewards to farmers through the market place, and to qualify for policy support under Glastir Organic. Organic certification restricts the access of farmers to some modern technologies and requires them more than others to innovate and draw on other production and management techniques to maximise profitability. This requirement combined with an interest in the broader principles of organic has led to the sector acting as both a reservoir of skills and a source of ideas for addressing new challenges. The need to identify management and technical solutions to address issues which are faced by all farmers can be harnessed for knowledge transfer and as a means of identifying new research topics.

Efficient use of on-farm resources and reducing dependence on bought-in inputs is important to the profitability of all farmers. Knowledge exchange has and will play a key role improving efficiency and the common interest of organic farmers and growers can be used to develop groups that are receptive to improving their farm system and new technologies. By acting as an exemplar these groups can support the translational process required to bridge the gap between research and impact. This will also complete the circle which includes identifying research needs.

Under the new Wales RDP, there needs to be more effective use of Farming Connect knowledge transfer activities to support agroecological approaches, including organic farming and agroforestry, with mentors and advisers trained and accredited for competence in this field.

There is also the potential to support further development of practical solutions through the EIP-Agri operational groups, which are intended to bring farmers, advisers, researchers and other businesses together to support research and innovation. These groups will still need access to research funding, and while some may be derived from EU sources, there will also be a need for UK research agendas, including Defra, BUS and the Research Councils, to become for focused on developing the potential of agroecological approaches to deliver sustainable intensification.

7 Action Plan
The following Action Plan sets out the issues, opportunities and actions that need to be addressed to realise the potential of the organic sector in Wales. The activities identified would be delivered by a combination of core staff and selected partners, where possible these potential partners have been identified. The overall objective is to build on the strength and commitment of the existing organic sector and market to both develop the supply chain itself and realise its potential contribution to the sustainable development of Wales.

7.1 Communications
<table>
<thead>
<tr>
<th>Issues and barriers</th>
<th>Opportunities</th>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ensuring relevant people and organisations are aware of the work underway to develop the organic sector in Wales</td>
<td>Ensuring project work complements other activities.</td>
<td>Stakeholder mapping. Regular schedule of e-bulletins complemented by hard copy newsletters. Identify strategically important partners and meet with them.</td>
</tr>
<tr>
<td><strong>Target audiences</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ensuring that communications work is achieving best value.</td>
<td>Engaging with a greater number of people. Improving the effectiveness of businesses at engaging with their customers.</td>
<td>Review audiences targeted to date. Identify target audiences and review in a values framework. Provide training to businesses.</td>
</tr>
<tr>
<td>Are the right people being targeted at the right age?</td>
<td>Engagement with audiences. Best value for money in achieving positive changes in people’s lifetime behaviour.</td>
<td>Identify target audiences for engagement including consumers, the public and pupils and students</td>
</tr>
<tr>
<td><strong>Key messages</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Are the correct messages being communicated</td>
<td>Engagement with audiences.</td>
<td>Review current key messages.</td>
</tr>
<tr>
<td>Has existing material given people the information they need to support their decisions?</td>
<td>More effective marketing material.</td>
<td>Review the materials produced in the context of values and behaviour change.</td>
</tr>
<tr>
<td>Ensuring the most effective use is being made of communication media.</td>
<td>Achieving positive behaviour change.</td>
<td>Use of focus groups to test campaign messages. Analysis of statistics from social media. Set up database of events attended, material distributed and people engaged with.</td>
</tr>
<tr>
<td><strong>Materials</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ensure generic marketing materials are contemporary.</td>
<td>Ensuring the image of organic products and principles are presented in an up to date and relevant manner</td>
<td>Review current brand guidelines.</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>What materials are required by businesses to improve their engagement with customers?</td>
<td>Cost effective engagement with a receptive audience. Strengthening consumers commitment to organic production. Better recognition of the organic ‘brand’ based on positive messages.</td>
<td>Consult with supply chain businesses on the generic marketing materials which would help them engage with their customers. Produce a suite of generic marketing materials.</td>
</tr>
<tr>
<td>What materials are required to engage with other target audiences?</td>
<td>Consistent messaging that supports business engagement with its customer base. A stronger platform to facilitate engagement with the community and develop other projects with a food theme. (For example community supported agriculture, community growing allotments, farm visits and schools farmers’ markets.)</td>
<td>Produce a suite of materials designed to engage with target audiences on a personal level and on the value they attach to wider benefits, such as the community and the environment.</td>
</tr>
<tr>
<td>Competing messages on issues which are connected in the public mind.</td>
<td>Continued engagement with issues and associated behaviour change.</td>
<td>Consult with Welsh Government to ensure the materials are consistent with and re-inforce messages being communicated through other activities.</td>
</tr>
<tr>
<td>Are the materials effective?</td>
<td>Best value for money in achieving positive changes in people’s behaviour.</td>
<td>Review the effectiveness of materials with focus groups representative of the target audiences prior to publication and use.</td>
</tr>
</tbody>
</table>

**Delivery**

<p>| Engaging with people. | Best value for money in communicating | Identify communication channels for the delivery of key messages |</p>
<table>
<thead>
<tr>
<th>Engaging with as many people as possible.</th>
<th>messages to priority target audiences.</th>
<th>Develop a campaign to engage with target audiences and communicate key messages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resourcing campaigns</td>
<td>Engagement with business to provide match funding and direction for a campaign. Increase sales of organic food. Add value to organic food.</td>
<td>Work with the Organic Trade Board to identify private funding and obtain EU funding for a Wales campaign in partnership with other member states.</td>
</tr>
</tbody>
</table>
### 7.2 Developing a Sustainable Supply Chain

<table>
<thead>
<tr>
<th>Issues and barriers</th>
<th>Opportunities</th>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Growing the Organic Market</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The need for better understanding in the market place of the values and benefits of organic production.</td>
<td>Increased sales of organic products and more commitment for on-going purchases.</td>
<td>Work with business to develop and deliver an effective communication programme.</td>
</tr>
<tr>
<td>The need to ensure the values and benefits of organic production are understood by major retailers.</td>
<td></td>
<td>Work with retailers to promote and explain the values and benefits of organic production.</td>
</tr>
<tr>
<td><strong>Diversifying the market</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transport infrastructure is a constraint on marketing and distribution.</td>
<td>Improve access to markets at a reasonable cost and minimise environmental impact.</td>
<td>Identify and support potential solutions to this issue.</td>
</tr>
<tr>
<td>Over-reliance on the small number of major UK retailers.</td>
<td>Improve resilience by supplying a wider range of customers.</td>
<td>Support the development of sales through alternative channels including export markets, direct sales and independent retailers.</td>
</tr>
<tr>
<td>Need to offer new and innovative products</td>
<td>Grow and diversify the organic market.</td>
<td>Identify supply chain constraints and work with groups of suppliers to address and resolve issues.</td>
</tr>
<tr>
<td>The growth in the number of commercial and institutional restaurants certified by the Soil Association <em>Food for Life</em> scheme.</td>
<td>Increasing demand for organic and local produce.</td>
<td>Support producers wishing to co-operate in order to supply the market.</td>
</tr>
<tr>
<td><strong>Products - Horticulture</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Historical uncertainty in organic horticulture market made it difficult to commit to</td>
<td>Increase business profitability and resilience by improving market</td>
<td>Support the development of sales through different channels including export markets, direct sales and independent retailers.</td>
</tr>
<tr>
<td>Growing programmes</td>
<td>Stability</td>
<td></td>
</tr>
<tr>
<td>-------------------</td>
<td>-----------</td>
<td></td>
</tr>
<tr>
<td><strong>Seasonal nature of horticultural production</strong>&lt;br&gt;Grow the market by supplying markets in the public sector when prices are at their lowest.</td>
<td><strong>Development of innovative and processed products.</strong>&lt;br&gt;Identify alternative crops to extend the growing season.&lt;br&gt;Support the extension and development of box schemes, farmers markets and direct sales.&lt;br&gt;Improve access to catering/public procurement markets to match with seasonal availability.</td>
<td></td>
</tr>
<tr>
<td><strong>No medium size growers for medium size wholesalers – mismatch between market and supply base.</strong></td>
<td><strong>Horticultural production as part of a mixed farming system &amp; smaller producers wanting to scale up.</strong>&lt;br&gt;Work with farmers to identify crops which can be grown on a field scale.&lt;br&gt;Support relationships between specialist horticulture suppliers and organic farmers with the objective of growing more vegetables on a field scale.&lt;br&gt;Support business relationships between primary producers and wholesalers.</td>
<td></td>
</tr>
</tbody>
</table>

### Products - Grain

<p>| Seed legislation for growers wishing to use heritage varieties. | Improved supply of seed.&lt;br&gt;Diversified crop production.&lt;br&gt;Improved biodiversity. | Provide technical information on what is possible.&lt;br&gt;Support the development of business relationships between growers and purchasers. |</p>
<table>
<thead>
<tr>
<th>A potential market for local and artisan grain products is under-developed.</th>
<th>Develop and grow a supply chain for local artisan grain products.</th>
<th>Identify technical constraints such as access to drying/storing/cleaning facilities.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weak/fractured relationships between different parts of the grain supply chain.</td>
<td>To develop a co-operative approach to a new supply chain for Wales.</td>
<td>Identify business constraints such as the absence of a supplier group or poor networking.</td>
</tr>
<tr>
<td>Access to drying/storing/cleaning facilities.</td>
<td>Build skills base to create new jobs and new professionals</td>
<td>Support or set up groups of potential partners.</td>
</tr>
<tr>
<td>Lack of vision, skills and knowledge.</td>
<td></td>
<td>Organise events and training.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Support study tours to support the vision of a new supply chain.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Develop generic materials to promote the market sector.</td>
</tr>
<tr>
<td>Shortage of feed for organic livestock.</td>
<td>To provide farmers with profitable additional crops.</td>
<td>Address skill requirements to increase the variety of crops grown.</td>
</tr>
<tr>
<td>Shortage of protein crops for organic livestock.</td>
<td>Supply organic farmers with better value feeds for extensive an intensive livestock.</td>
<td>Identify crops which are practicable to grow and for which there is a ready market.</td>
</tr>
<tr>
<td></td>
<td>Increase the use of crop rotations in soil fertility management.</td>
<td>Identify cultivation techniques which are cost-effective.</td>
</tr>
<tr>
<td></td>
<td>Improve biodiversity.</td>
<td>Support the development of business relationships between growers and purchasers.</td>
</tr>
</tbody>
</table>
### Balancing supply and demand

<table>
<thead>
<tr>
<th>In the short term relatively small changes in volume from week to week have a disproportionate impact on price and the premium payable.</th>
<th>The potential benefits will motivate the development of producer groups. Identifying technical solutions to seasonality will help the supply chain focus on the research needs of farming. Developing more transparent supply chains will facilitate improved branding of products. Improving the balance of supply and demand will strengthen the links within the supply chain and improve the profitability and resilience of businesses.</th>
<th>Encourage more co-operation and group working. Disseminate and, if needed, add to data collected for producer survey to improve information on in-conversion product and long term intentions. Develop systems to share real time data that communicates up and down the supply chain. Knowledge Transfer on skills and technology to manage seasonality.</th>
</tr>
</thead>
<tbody>
<tr>
<td>In the medium term the two year conversion period introduces a ‘time lag’ which adds to the challenge of balancing supply and demand. Market information is often retrospective and produces are limited in real-time data on marketing patterns. Organic production is more closely geared to seasonal production than conventional farming.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Understanding costs and premiums

<table>
<thead>
<tr>
<th>Need better understanding of costs, premiums. Additional costs of marketing product from Wales. Challenges for small producers.</th>
<th>Producers and businesses will be able to benchmark their own performance and identify areas for improvement.</th>
<th>Strengthen benchmarking and other financial data Develop recording systems &amp; publish data more appropriate for small producers (dairy and horticulture).</th>
</tr>
</thead>
</table>

### Knowledge Transfer and Research

| Engaging farmers with the potential of Agroecology. | Better use of on-farm resources. Improved profitability through less reliance on inputs. Increased biodiversity through mixed farming. | Identify exemplar farms. Farming Connect discussion groups. On-farm trials and research. |
| The need for a more integrated approach to the development of research strategies. | Directing the delivery of research relevant to the organic supply chain. | Identify specific research needs. Set up appropriate Operational Groups. |

**Research**

<table>
<thead>
<tr>
<th><strong>What</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Extend Food Values project to investigate attitudes and relationships in the supply chain, to find sticking points and new connections</td>
</tr>
<tr>
<td>Action research programme to work on public procurement</td>
</tr>
<tr>
<td>Role of soil fungi in improving fertility</td>
</tr>
<tr>
<td>Rush management</td>
</tr>
<tr>
<td>Improving quality and supply of home grown protein for animal feed</td>
</tr>
</tbody>
</table>
### 7.3 Food and the Community

<table>
<thead>
<tr>
<th>Issues and barriers</th>
<th>Opportunities</th>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Availability of organic food for people to buy, and especially affordable food</td>
<td>Developing Community Supported Agriculture, work with Food Coops, farmers markets, public procurement</td>
<td>Promote good practice, investigate solutions, try out new approaches e.g. dual pricing</td>
</tr>
<tr>
<td>Loss of skills and food awareness</td>
<td>Develop new programmes for disseminating food skills in the community, especially in schools</td>
<td>Integrated procurement/education programme for schools, Master Gardeners (mentoring) programme</td>
</tr>
<tr>
<td>Loss of social cohesion, food poverty</td>
<td>Support a movement towards using food to rebuild community, based in original organic principles</td>
<td>Develop partnerships with civic society, using the Sustainable Food Cities movement as framework</td>
</tr>
<tr>
<td>Disconnect between farming and the public</td>
<td>Programmes to reconnect them</td>
<td>CSA, Open Farm Sunday, school farmers markets, farming presence at food festivals, use community gardens as a bridge</td>
</tr>
</tbody>
</table>

#### Research

**What**

Investigate how food skills (growing, cooking, eating) spread in the population – what educational methods are effective, what routes do they follow (e.g. child to parent, peer to peer) and what leads to behaviour change
8 Relevant documents

Organic Futures: An Action Plan for organic food and farming in Scotland


BOBL Evaluation Reports: Year 1, internal; Interim Report 1 Miller Research; Interim Report 2 Miller Research.

Welsh Government RDP Final Proposals
Soil Association: The Road to 2020
UK strategy for agricultural technologies
Horizon 2020
European Innovation Partnerships

WG Action Plan for Food 2020

HCC Strategic Action Plan for the Welsh Red Meat Industry

The 7 Areas of Learning under the Foundation Phase for 3 to 7 year olds in Wales.

Wellbeing of Future Generations(Wales) Bill.