Organic Farming in Portugal

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Introduction

Organic farming in Portugal has steadily increased in the past years. From only 73 producers in 1993, it rapidly grew to more than 1'500 in 2005. Today, more than 200'000 hectares are managed organically, which testifies to the prevailing dynamics.

The farmers’ sudden interest in organic agriculture clearly has to do with the financial support offered by the European Union and higher market prices. In some cases, such as the olive groves of the northern and central areas, traditional farming approximates organic farming methods, which eases conversion. With horticulture or orchards, the change is not so easy, and therefore there are not as many farmers converting.

The supply is still less than the demand, reflecting the fact that organic farming is still at an initial stage. The Portuguese are growing more conscious of health and the environment, which explains the rising interest in natural foods and fibres. Their increasing purchasing power encourages this development.

However, these positive factors for the expansion of organic production may not be enough to guarantee a continuous increase in the future, since several obstacles hinder the farmers’ performance.

General Information on the Situation of Agriculture in Portugal

Since its accession to the European Union in 1996, Portugal has faced one of its most difficult challenges. It has had to adapt its agricultural sector, which is mainly based on small family enterprises, to the needs of a demanding market flooded with products produced at a lower cost than those offered by Portuguese farmers. The farmers have to deal with higher bank interest rates, higher prices for fuel, inputs and machinery and unfavourable soils and climate in comparison to other European countries.

The latter point is obviously controversial, since Portuguese farmers save where others must spend money. They can save on greenhouses and heating for example, due to the longer growing season and the intensity of the sunlight throughout the year. However, for this same reason they need to invest in dams and expensive irrigation systems and pay for water, which is getting scarce and is decreasing in quality.

Only three percent of the Portuguese soils are class A (i.e. alluvium soils without constraints for agriculture), A and B soils account for only eleven percent of the arable surface, which limits the possibilities of...
competing with other European partners, at least in terms of quantity. Most of the best soils are located in the vicinity of important urban centres such as the Lisbon metropolitan area. In spite of instruments like the National Agrarian Reserve (RAN) and the National Ecological Reserve (REN), which should protect the best soils and the most important biotopes, experience has shown that real estate interests and deficient planning and surveying have allowed buildings and other infrastructure to occupy these areas.

Curiously, some of the most famous Portuguese exports (port wine, for instance) get their unique attributes from the poor soils where they are produced, which pleads for quality instead of quantity. Organic farming can be an excellent opportunity to add value to these products, helping to create wealth in poor areas and keep people in regions endangered by depopulation.

A study published by the Ministry of Agriculture in 1998 emphasises the changes in Portuguese agriculture made during the last decade in response to the enlarged European market: 443,000 farmers had to quit and look for some other job, 169,000 farms were sacrificed, and 180,000 hectares were afforested or left uncultivated. In general, only the largest units can survive. The victims were mainly small farmers, who were not eligible for financial support and could not compete with those who are in a position to supply large quantities regularly.

Co-operatives would be the ideal solution, as a way to pool efforts and capital, but several failed attempts show how difficult it is for the Portuguese to work together. Many initiatives did not succeed because the members did not feel that the co-operative was something which really belonged to them. Often co-operation ends in dispute, and small groups try to destroy what others are doing and vice versa. Organic farming is unfortunately no exception to this picture, and although it is presented as an alternative farming system, only a few farmers can really be considered as alternative. Thus what has been achieved is indeed only a small part of what could be obtained if people would get organised and stop losing opportunities.

This situation, of course, also has repercussions on the relationship between the representatives of the organic farmers' organisations and the organic movement at the regional and national levels.

Historical Overview

Compared to other countries in northern Europe, interest in organic farming has developed quite recently in Portugal. This is possibly due to the so-called "backwardness" of Portuguese agriculture. It did not easily utilise the new techniques aimed at the rapid increase of production based on chemical inputs and high technology, with the attendant consequences for the environment that are so lamented nowadays.

Lack of information, illiteracy and shortage of capital on the one side, and a good deal of wisdom on the other contributed to keeping traditional landscapes, balanced ecosystems and a healthy diet for a much longer time. Only now have pollution and disarray in the food industry started to threaten the daily life of the Portuguese. Organic farming appears to be something desirable, because it guarantees healthy products, protects the environment and is seen by a few as fashionable and a sign of social status.

Luis Alberto Vilar was one of the initial propagators of a more respectful agriculture towards the environment and people. He founded a "Fraternal Union of Farmers" (União Fraternal dos Agricultores) back in the 1950s.
years later only seven out of 40 associated producers were recognised as organic farmers. The year 1992, when the "Agri-Environmental Measures" were implemented, represents a milestone in the history of the movement, not only in terms of the number of farmers but also of consumers, teachers, advisors and students, who numbered 685 altogether in 1993.

Certification and Technical Support

a) Inspection and Certification

Until 1995 AGROBIO was responsible both for technical support and for certification.

Recently, another inspection body called SATIVA was established in Lisbon.

b) Technical Support

The lack of qualified advisors constitutes one of the worst hindrances to a more effective organic farming practice, since the few specialised advisors are not able to cover the whole country and respond to the needs of the farmers in time. Although Portugal is a small country, it is rather long, and the organic farms are quite scattered. Thus the several regional organic farming associations have been trying to engage a permanent advisor to help their members, but lack of money seems to be a problem.

These are

ARABBI - Beira Interior

SALVA - Alentejo and Algarve

NATURA - Azores Islands)
BIO-ANA is a recent association of organic farmers at the national level, which in the future can also contribute to giving support to the farmers.

One of the first qualified technicians, who recently co-ordinated the publication of a "Manual on Organic Farming" (FERREIRA, J. 1999), has created a consultancy firm to provide technical support to organic farmers.

Another advisor who owns BIOSANI, a firm specialising in biological pest control, also gives advice, although most of his clients practice integrated production. Many organic farmers must be self-taught and face the problems completely alone.

Development of Organic Farming in Portugal

The increase in the number of certified organic farmers has been particularly strong in the districts along the Spanish border (Trás-os-Montes, Beira Interior and Alentejo; where the effects of pollution are not yet as noticeable and where the traditional farming systems and crops are perfectly adapted to the regions, allowing for relatively easy pest control. Thus the conversion to organic farming is broadly accepted there, particularly among the youngest generation of farmers.

Along the coastline, where there is a higher population density, the number of organic farms is not so high, and the average farm size is smaller.

These differences are due to physical factors (orography and the availability of water) and to the kind of crops grown in the respective regions: greenhouse crops along the coastline supply the urban fringe, and dry farming along the border produces cereals and olives, which need larger areas (see map 1).

Map: Total Area and Crops in Organic Agriculture by Regional Agricultural Directions (31.12.2005)
Source: Ministry of agriculture

Organic farming continues to grow spectacularly. Compared to the organic land in 2004, there was an increase of 37 percent in just one year.

Implementation of EU Regulations and State Support

Today it is generally accepted that the EU policy implemented before 1994 did not suit Portuguese agriculture, which has specificities and fragilities that need to be taken into account in order to avoid the severe social and environmental impacts caused by models and technologies which are not appropriate for agricultural scenarios that depend more on the exquisite quality and uniqueness of the product than on quantity.

The "Agri-environmental Measures" better suit the characteristics of the country for several reasons, including:

- control of the polluting effects of agriculture;
- support for traditional agricultural systems;
- the maintenance of resources and traditional landscapes of great cultural interest; and
- training (DGDR, 1998).
An analysis of the socio-economic impact of the "Agri-environmental Measures", published by the Ministry of Agriculture in 1997, shows that this programme only minimally contributed to agricultural incomes between 1994 and 1996. Only 1.4 percent of the incomes came from subsidies under the agri-environmental programmes, compared to 16.3 percent from direct subsidies for production.

Still, this programme has a special meaning since it is tailored to benefit a significant number of farmers (150,000 out of a total of 550,000), especially the small farmers, the less competitive ones and/or those living in unfavourable areas, which in Portugal represent 75.6 percent of the agricultural area (51.9 percent are unfavourable due to depopulation, 19.5 percent are mountainous areas and 4.2 percent are affected by specific problems).

This study shows that although organic agriculture is an innovation, which evokes suspicion, the farmers responded in large numbers, exceeding the participation rate initially expected. Due to the good quality of the products and the growing interest of the farmers, "a reinforced action in this field is suggested for the future." (MINISTÉRIO da AGRICULTURA, 1997, p. 110).

Beyond Council Regulation (EEC) No. 2092/91, organic farmers benefit from the other general agri-environmental measures and supports given to farmers, organic or not, who wish to improve the efficiency of their farms (Council Regulation (EEC) No. 2328/91).

They can also receive support for processing and marketing their goods (EU Reg. 866/90), although this is not specifically for organic farmers. In addition, there are programmes to promote agricultural and rural development like LEADER that can also be of interest to the organic farmer.

The Market

One of the challenges facing organic farming in Portugal is marketing, since the sector is not yet organised enough to bring the producers in contact with the demand, although this has been achieved in other countries.

Most of the processed organic products consumed are imported, although there are good possibilities for producing some of them in Portugal if this is justified by the demand. The fact that Portugal has only ten million inhabitants is often a hindrance to investments in new products, even on the conventional market.

According to a survey of 90 organic farmers in 1998 (GEOIDEIA, 1999, p. ix), 41 percent of those interviewed sold their production at conventional markets, 20 percent directly from the farm, 30 percent to distributors, 30 percent to industry and 18 percent to consumers' cooperatives.

This study also stresses that marketing is the greatest limiting factor for their activity, either because the demand is still small (mentioned by 42 percent), the distribution network is weak (66 percent), or there is not enough information about the markets (63 percent).

Without a doubt, the most important processed item is olive oil, which can be found in the big supermarkets and is exported, but figures are not available. The olive oil producers are generally small-scale. Among the 90 farmers interviewed in the study mentioned above, 41 percent had a total capacity of less than 1000 litres per year, and 87 percent had a total capacity of less than 5000 litres per year (GEOIDEIA, 1998, p. 34). Olives are also available, but in very small quantities.

Wine is the second most important organic product. However, due to
the fact that potassium metasulphite is used during processing, it is not considered by IVV, the Institute for Wine and Vineyards, as organic wine but as a wine produced with organic grapes. In the aforementioned study, twelve percent of the interviewed farmers produced an average of more than 20'000 hectolitres of wine per year. Some farms produce five times more, and mainly for export (the Quinta da Comenda, for instance). The wine sector may see some development in the future, since many farmers are trying to register their wines to get an added value. Some also produce raisins, which are sold to supermarkets (i.e. Pingo Doce).

Some organic specialities are available sporadically, mainly from the farms where they are produced or during big fairs like Terra Sã (organised once a year in Lisbon and Porto by AGROBIO). There one can find a wide range of products such as marchpane (marzipan) or jams, which rapidly sell out.

Other organic products available are; pepper paste, carob flour, dried fruit, herbs, cereals, cabbages and salads (including flowers and miniature carrots to decorate salads, which is quite fashionable in the most expensive restaurants at the moment), potatoes, onions and fresh fruit.

Training

AGROBIO (http://www.agrobio.pt) has offered training from the beginning, and continues to organise courses for advisors and farmers. It also organises conferences, at least once a year, with the participation of Portuguese and foreign experts. It publishes a bulletin for farmers (Infobio) and a magazine (A Joaninha, "The Ladybug"). The Ministry of Agriculture offers some courses on organic farming. There are always many candidates interested in attending these courses, which are obligatory for those wishing to become organic farmers. Recently, a group of farmers in North Portugal organised some courses on bio-dynamic farming with the participation of international experts. Other initiatives are occasionally organised at farms.

At the secondary level of education, organic farming has become a very popular subject, and students in some schools often visit organic farms or study the fundamentals of this production system as an example of sustainable activity and environmental education.

At higher levels of education, organic farming is also becoming more accepted, and the opinions expressed nowadays are much more favourable than they were in 1987, when this topic was included in the "Rural Geography" curriculum at the New University of Lisbon, Department of Geography and Regional Planning (FIRMINGO, 1998).

Interest in organic farming is visible in new courses just emerging such as "Engineering of Biological Production", a 5-year BA programme starting this academic year (2000 / 2001) at the College of Biotechnology in Caldas da Rainha, and "Biotechnology of Natural Products", a 4-year BA programme organised by the Independent University in Lisbon, which includes a course on organic farming during the third semester. This is also the case with the "Agricultural Engineering" programme taught at the College of Castelo Branco. Many other programmes include courses that deal more or less intensively with organic farming.

The same dynamics are not yet to be seen in research, which keeps ignoring this field. Work specifically done on organic farming is very rare and generally shows results obtained from occasional trials (for instance: FRESCATA et al, 1995 on strawberry cultivation). Several demonstration fields funded by the agri-environmental measures are active and are often visited by students.

This is certainly an area which deserves more attention, since
Researchers have preferred to invest in integrated production rather than in organic farming. An award for the most relevant work would probably be a good incentive for research in this area.

**Challenges and Outlook**

Organic farming constitutes a challenge to humanity, since it involves working very closely with nature in order to achieve the favourable environmental conditions (soil, water, air, balanced ecosystems, biodiversity, etc.) that are fundamental to good crops. It is also a technical challenge, demanding an ever better understanding of nature and how it works, as well as respect for the basic rules of the organic farming practice. Organic farming controls the pollution generated by agriculture, creates landscape harmony and produces better quality food in a sustainable way, i.e. without endangering species or wasting resources, by using alternative sources of energy and less fossil fuels, and it contributes to better public health through nutritious food without traces of chemicals (FIRMINO 1999).

However, there are some impending threats to organic farming, namely urban sprawl and the levels of pollution generated by conventional farming and other sources.

Due to its characteristics, organic farming may play an important role in the revival of the rural areas, as it usually demands more labour, thus acting as a job generator. It allows people to settle in rural areas, particularly young people. Obviously, this is only possible if conditions such as accessibility, water supply, sewage, schools, health care, etc. which encourage people to stay are created simultaneously.

From an economic perspective, organic farming can also be rewarding, at least at present, due to the higher prices and growing demand, although it serves a niche market that can easily become saturated and is quite influenced by "fashion". For instance, although young Portuguese generally express themselves in favour of the environment, they definitely prefer to eat "junk food" rather than "bio food" due to the massive advertising by fast-food chains like McDonalds, which are contributing to a drastic change in the diet of the population.

The future depends on the younger generations. It is thus essential to make them understand that a balanced and healthy diet is important for their physical and mental development. It does not make sense for people to adopt deficient dietary patterns when they were brought up in a Mediterranean culture, which is prized for its gastronomic wisdom and which is diversified and flavourful.

On the "Open Day of Organic Agriculture", which was organised in April 1999 at the New University of Lisbon (FCSH) in collaboration with ARABBI, the regional association of organic farmers for Beira Interior, organic products were freely distributed to the students during lunch at the canteen. This initiative was a result of criticism lodged by a group of geography students. The students had complained that they are taught what organic farming is, but are not given the opportunity to taste organic products. Such initiatives can constitute a first step towards a future preference for organic food.

The success of organic agriculture can still be quite improved if the producers get organised into co-operatives or "groups of farmers" to rationalise their activities and create marketing networks of their own, so that the prices are not influenced by the high profit margins obtained by middlemen and large supermarkets. As stated in a study published by GEOIDEIA (1999, p. 41), "many producers experience difficulties in marketing their goods due to the lack of organisation in distribution and marketing."

The creation of a registered label for wine or olive oil can add value to these products and avoid the incorporation of organic products into...
conventional production. This is often the case with olives, and the farmers receive no better price for their production. Many farmers, however, may find the subsidies so rewarding, that they do not seek solutions that involve much bureaucracy and a good deal of uncertainty.

Organic production may bring better profits to the farmer due to current marketing opportunities, especially with regard to exports. Export figures for Portugal are not known, but exports may constitute a valid opportunity.

The institutions representing the organic movement play a decisive role in organising production and supporting the organic farmers. At the same time, they are a privileged vehicle of communication with political representatives, and can call their attention to the specific problems affecting the rural world.

Rivalry among representatives of the various organic farming associations can only weaken their strategy and give a degrading image of the movement.

Political institutions are expected to pay more attention to the organic production system, defend the sector in negotiations with the EU and avoid oversights in the future such as the one which kept the organic farmers of the Azores Islands from receiving the subsidy granted under the EU Regulation 2092/91 for several years, because they had been forgotten!

Political institutions can also contribute to overcoming the problems resulting from the scarcity of qualified technicians by promoting more courses and research in this area. Only through investigation and demonstration will it be possible to fight ignorance and negative biases towards an alternative farming system which can raise the value of Portuguese food production and contribute to the sustainable development of the rural world.

References

- DGDR (1997) Desenvolvimento Rural: novas realidades e perspectivas, Colecção, Estudos e Análises, Lisboa

Links

- FAO Country Information Portugal
- Wikipedia: Portugal