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Poland

Organic Products

Update

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Report Highlights:

Organic farming may be an alternative to farming GMO crops in Poland, where many localities are trying to create GMO-free zones. The government promotes this method of farming and has special subsidies for those who convert to organic farming. In fact, there are slightly over 2,000 farms certified as organic or in the transition period. The Ministry of Agriculture has a goal of converting 3-5 percent of all farms to organic in a short period of time.

Includes PSD Changes: No
Includes Trade Matrix: No
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Warsaw [PL1]
[PL]

Since May 1, 2004 a new amended act on organic farming dated April 20, 2004 regulates this part of agriculture. Originally the act on organic farming was introduced in Poland in March 2001, and in April 2004 it was adapted to the European Union legislation. There are also two other documents regulating use of fertilizers and plant protection agents:

- Minister of Agriculture and Rural Development regulation of July 1, 2004 about the organization/agency for selecting fertilizers and soil improvement agents for use in the organic farming, as well as keeping the record of such fertilizers and agents;
- Minister of Agriculture and Rural Development regulation of July 1, 2004 about the organization/agency for selecting plant protection agents for use in organic farming, as well as keeping records of such agents.

In addition, the following EU regulations are in force:

- Council regulation no 2092/91/EEC of June 24, 1991, on organic production of agricultural products and indications referring thereto on agricultural products and foodstuffs, *Official Journal L 198, 07/22/1991 P. 0001 - 0015*;
- Commission Regulation (EEC) No 94/92 of January 14, 1992 laying down detailed rules for implementing the arrangements for imports from third countries provided for in Regulation (EEC) No 2092/91 on organic production of agricultural products and indications referring thereto on agricultural products and foodstuffs
Official Journal L 011, 01/17/1992 P. 0014 - 0015
- Commission Regulation (EC) No 1788/2001 of September 7, 2001 laying down detailed rules for implementing the provisions concerning the certificate of inspection for imports from third countries under Article 11 of Council Regulation (EEC) No 2092/91 on organic production of agricultural products and indications referring thereto on agricultural products and foodstuffs
Official Journal L 243, 09/13/2001 P. 0003 - 0014
- Commission Regulation (EC) No 1452/2003 of August 14, 2003 maintaining the derogation provided for in Article 6(3)(a) of Council Regulation (EEC) No 2092/91 with regard to certain species of seed and vegetative propagating material and laying down procedural rules and criteria relating to that derogation
Official Journal L 206, 08/15/2003 P. 0017 - 0021

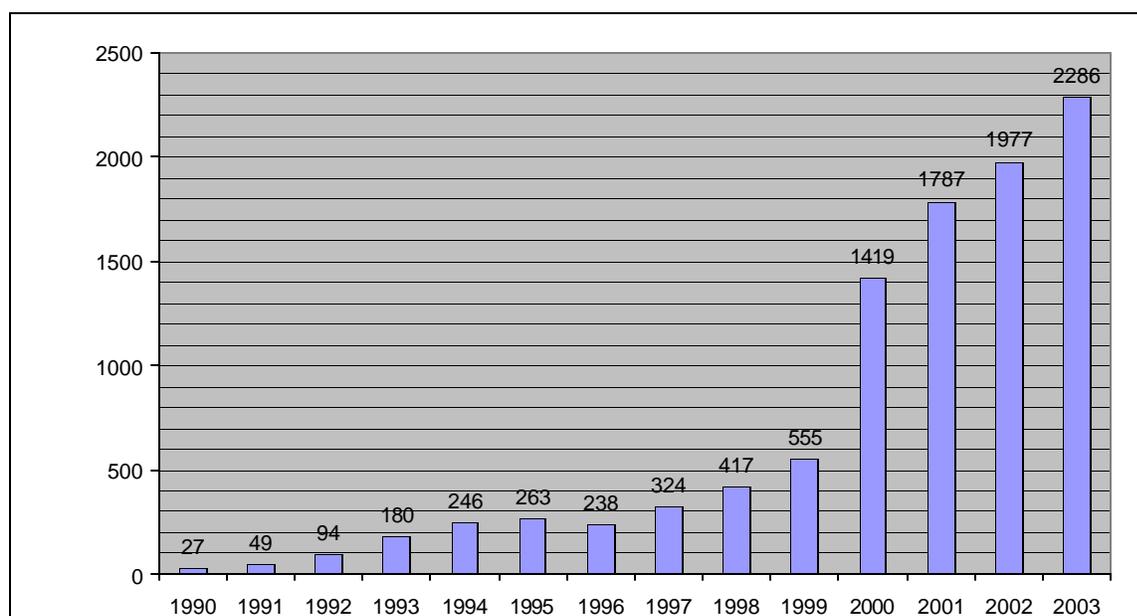
According to these regulations, the Minister of Agriculture, the Inspection Service for Commercial Quality of Agricultural and Food Products, as well as authorized certifying organizations are the authorities responsible for control and certification of organic farms and products in Poland.

In 2004 there were 6 authorized certifying organizations:

- Agro Bio Test Sp. z o.o. in Warsaw,
- BIOEKSPERT Sp. z o.o. in Warsaw,
- COBICO Sp. z o.o. in Cracov,
- EKOGRANICJA PTRE Sp. z o.o. in Lublin,
- Unit of Certification of Organic Production PNG Sp.z o.o. in Zajaczkow,
- Polish Center for Research and Certification S.A. in Pila.

In 2003 the certifying organizations inspected 2,304 farms (16.6 percent more than in 2002) and 23 processing plants. The number of inspected farms and plants included those certified as organic and those in the process of shifting to organic farming. The overall area of inspected farms represented 61,236 hectares (14.4 percent increase compared with 2002 area), of which 49,928 hectares are planted area.

Number of organic farms in Poland since 1990



Source: Organic farming in 2003 report prepared by the Agency for Commercial Quality of Farm and Food Products

Of 2,286 farms registered as organic in 2003, only 1,287 farms (46 percent more than in 2002) with an area of 35,554 hectares were certified as compliant with organic farming philosophy.

2003 was the first year of transformation for 503 farms (10,793 hectares) and the second year of transition for 496 farms (14,888 hectares).

The Ministry of Agriculture estimates that by the end of 2004, there were about 4,000 organic farms at different levels of transition, including about 2,000 certified as organic.

Area planted in hectares	Crops	Meadows and pastures	Orchards	Berries plantations	Vegetable production	Total area in ha
Certified farms	14,139	6,117	370	595	549	21,770
Farms in the 2nd year of transition	4,529	5,693	133	196	85	10,636
Farms in the first year of transition	3,074	3,873	103	107	84	7,241
Total hectares	21,742	15,683	605	898	719	39,647

Source: Organic farming in 2003 report prepared by the Agency for Commercial Quality of Farm and Food Products

The table above clearly indicates that organic crops, as well as meadows and pastures, are the most popular and the largest, while orchards were the smallest farms. The highest subsidies are paid to farmers with orchards, the lowest – for crops. The higher costs and lower yields in orchards than in crop production in the transition period make these crops more popular. In addition, there are more farms certified for crops.

The table below represents farms based on area.

Total number of farms	up to 5 hectares	5-10 hectares	10-20 hectares	20-50 hectares	50-100 hectares	over 100 hectares
2,286	619	613	540	315	125	74

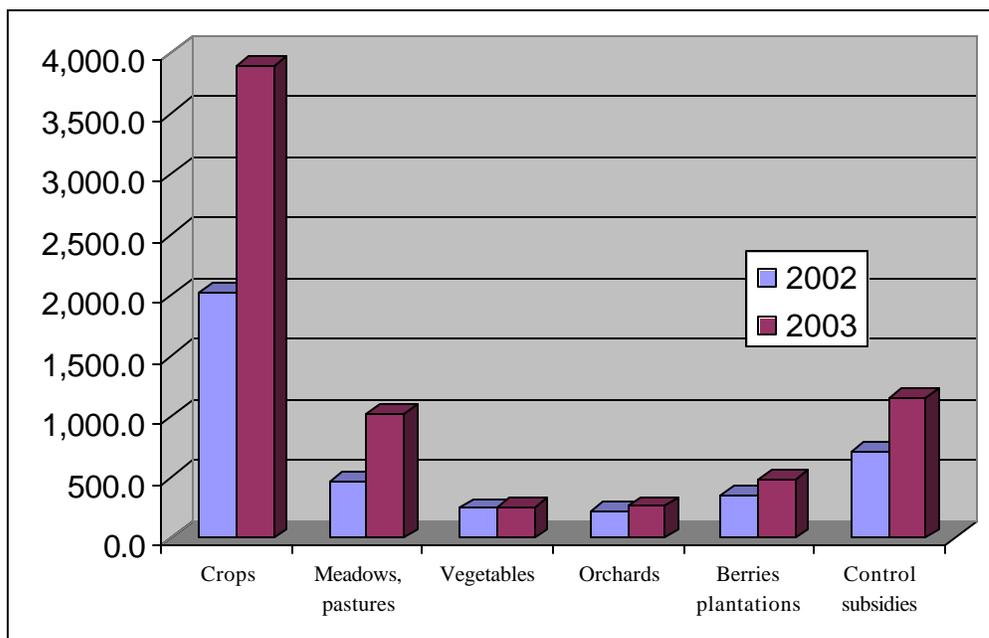
Source: Organic farming in 2003 report prepared by the Agency for Commercial Quality of Farm and Food Products

Small farms are located mostly in Central and Southern Poland, larger farms are located in the lake areas of Eastern and Northern Poland and along the Western border of the country.

Since 2002 Poland has subsidized organic farming, by covering costs of inspection. In 2003 there were 2,254 applications approved to receive inspection subsidies (18 percent more than in 2002). In 2003 subsidies for organic farming were PLN 7,081,584 (\$ 2 million) double the value of 2002 subsidies. In 2004, the Ministry of Agriculture is expected to spend PLN 7.5 million for organic farm inspection. The final number will be known by the end of the first quarter of 2005. About PLN 6 million (\$ 2 million due to the lower exchange rate) allocated for organic farming in the Ministry of Agriculture 2005 budget.

As subsidies are designed to help small and medium size farmers, the amount of help is decreasing as quickly as the farm area is increasing. Farms over 300 hectares are not eligible for such a support.

Subsidies for the cost of inspection of different types of organic farming in 2002-2003 (in thousand PLN)



Source: Organic farming in 2003 report prepared by the Agency for Commercial Quality of Farm and Food Products

The EU also subsidizes organic farming on a per hectare basis. Polish organic farmers will be paid by the Agency of Modernization and Restructuring of Agriculture.

In cases when there is plant and animal production, the subsidies will be increased by 20 percent. Applications were accepted during September. There were 3,600 applications received for 2004 totaling about 46 million PLN (\$14 million). Farmers will receive payments at the beginning of 2005. Only farms under 300 hectares qualify for these subsidies.

EU subsidies to organic farms	
	PLN per hectare per year
Farms without certificate*	680
Farms with certificate	600
Meadows, pastures without certificate*	330
Meadows, pastures with certificate	260
Vegetables production without certificate*	980
Vegetables production with certificate	940
Special production (orchards, berries) without certificate*	1800
Special production (orchards, berries) with certificate	1540

Source: the Agency for Modernization and Restructuring of Agriculture

* Farm in the first or second year of transition from conventional to organic farming and not yet certified as organic.

Farmers will receive 100 percent of subsidies for first 100 hectares of their farm, 50 percent for additional 200 hectares and 10 percent for each hectare above 300. In spite of a large promotion of the benefits of organic farming, interest to shift from conventional to organic farming is not as high among Polish farmers as the Polish Ministry of Agriculture anticipated. However, the Ministry is still very optimistic and hopes that the number of organic farms increases up to 3-5 percent of all farms within next few years. Currently, one of the most important tasks is to intensify research in organic agriculture and expand the scope of organic agriculture extension program, including promotion of organic products among farmers and customers.

The demand for organic products in Poland is very low compared with conventional products, mostly due to a lack of information and higher prices. Poland's EU accession opened a larger EU market for Polish farmers. Since May 1, 2004, the demand for Polish products, organic or conventional on the EU market is equally high. This does not motivate farmers to switch to organic farming, however.

As for EU organic products, there are no barriers to them being exported/imported within the EU without additional certification. If a farmer/producer goes through a certification process and is qualified as keeping all standards required for organic farming/processing, the following labels can be used:

ES: Agricultura Ecológica -- Sistema de control CE

CS: Ekologické zemědělství – kontrolní systém ES

DA: økologisk Jordbrug -- EF-kontrolordning

DE: Ökologischer Landbau -- EG-Kontrollsystem or Biologische Landwirtschaft -- EG-Kontrollsystem

ET: Mahepollumajandus-EU Kontrollisüsteem lub Okoloogiline põllumajandus-

EL: Βιολογική γεωργία - Σύστημα ελέγχου ΕΚ

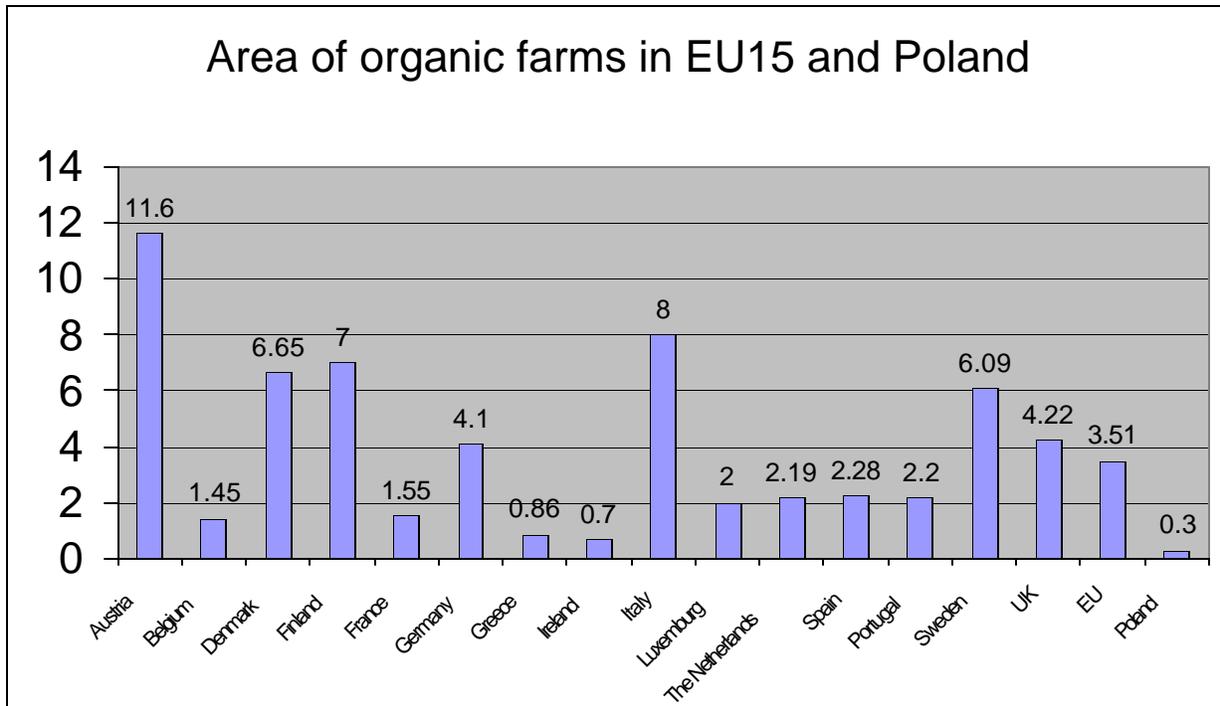
EN: Organic Farming -- EC Control System

FR: Agriculture biologique -- Systeme de contrôle CE
 IT: Agricoltura Biologica -- Regime di controllo CE
 LV: Biologiska lauksaimnieciba-EK kontroles sistema
 LT: Ekologinis zemes ukis-EB kontroles sistema
 HU: Ökológiai gazdalkodás-EK ellenőrzési rendszer
 MT: Agrikultura Organika – Sistema ta Kontroll tal-KE
 NL: Biologische landbouw -- EG-controlesysteem
 PL: Rolnictwo ekologiczne -- System kontroli WE
 PT: Agricultura Biológica -- Sistema de Controlo CE
 SK: Ekologické poľnohospodárstvo-kontrolný systém ES
 SL: Ekolosko kmetijstvo – Kontrolni sistem ES
 FI: Luonnonmukainen maataloustuotanto -- EY:n valvontajärjestelmä
 SV: Ekologiskt jordbruk -- EG-kontrollsystem

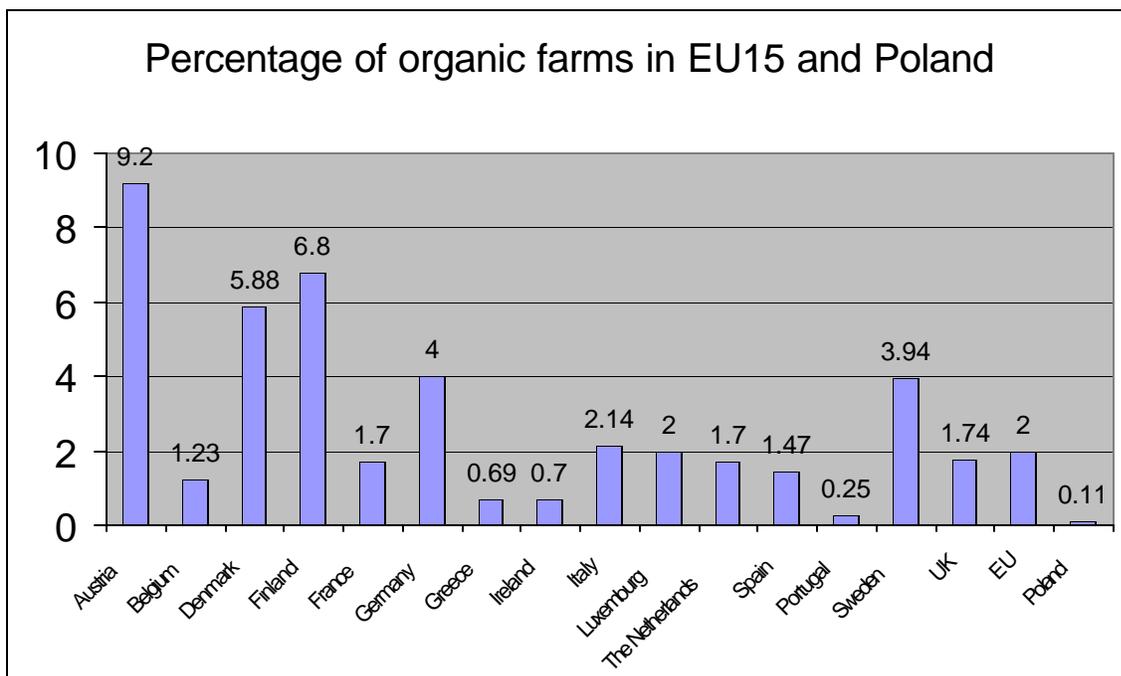
Farmers may also use the EU logo with organic farming designation in the local language, such as the Polish version of the EU logo below:



ES: AGRICULTURA ECOLÓGICA
 CS: EKOLOGICKE ZEMEDĚLSTVÍ
 DA: ØKOLOGISK JORDBRUG
 DE: BIOLOGISCHE LANDWIRTSCHAFT Iub ÖKOLOGISCHER
 LANDBAU
 ET: MAHEPOLLUMAJANDUS VOI ÖKOLOOGILINE POLLUMAJANDUS
 EL: ΒΙΟΛΟΓΙΚΗ ΓΕΩΡΓΙΑ
 EN: ORGANIC FARMING
 FR: AGRICULTURE BIOLOGIQUE
 HU: ÖKOLÓGIAI GAZDALKODÁS
 IT: AGRICOLTURA BIOLOGICA
 LT: EKOLGINIS ZEMES UKIS
 LV: BIOLOGISKA LAUKSAIMNIECIBA
 MT: AGRIKULTURA ORGANIKA
 NL: BIOLOGISCHE LANDBOUW
 PL: ROLNICTWO EKOLOGICZNE
 PT: AGRICULTURA BIOLÓGICA
 SK: EKOLOGICKE POLNOHOSPODARSTVO
 SL: EKOLOSKO KMETIJSTVO
 FI: LUONNONMUKAINEN MAATALOUSTUOTANTO
 SV: EKOLOGISKT JORDBRUK



Source: Organic farming in 2003 report prepared by the Agency for Commercial Quality of Farm and Food Products



Source: Organic farming in 2003 report prepared by the Agency for Commercial Quality of Farm and Food Products