



Ministry of Agriculture
and Forestry of Finland

Organic 2.0 – Finland's National Programme for Organic Production 2030

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Organic 2.0 – Finland's National Programme for Organic Production 2030

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Ministry of Agriculture and Forestry

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Organic 2.0 – Finland's National Programme for Organic Production 2030

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Abstract

Objectives of the Programme for Organic Production 2030:

1. Growth in consumer demand for organic products – their market share to 5% by 2030. Consumer demand, export and production of organic products must be increased in a balanced way.
2. More organic products used in professional kitchens. The National Public Procurement Strategy sets the target for the use of organic products in professional kitchens at 25% by 2030.
3. Upgrading the processing of organic foods. Growth in the demand for organic products depends directly on upgrading the processing and bringing new products to the market.
4. Finland a major exporter of organic products. To promote exports, products suitable for each market area must be developed and the processing upgraded.
5. Growth in the production. Production must respond to the growing demand by producing enough organic products to the market.
6. Growth in the collection area of wild organic products. There is great demand for Finnish natural products and opportunities for growth especially in the export market.
7. Initiating organic aquaculture. There is demand for organic fish.
8. Enhancing competence and knowledge about organic production and products. The farmers' competence network AgriHub will be used to develop the expertise of farms and the whole chain. The Research Strategy of the Finnish Organic Research Institute 2021–2024 was published in the beginning of 2021.
9. Legislation and control. New EU and national legislation on organic production will enter into force in the beginning of 2022. The Finnish Food Authority will prepare new guidelines for the control.

Keywords organic food, organic products, organic farms, food sector

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Luomu 2.0 – Suomen kansallinen luomuohjelma vuoteen 2030

Maa- ja metsätalousministeriön julkaisuja 2023:9

Julkaisija	Maa- ja metsätalousministeriö		
Yhteisötekijä	Maa- ja metsätalousministeriö		
Kieli	englanti	Sivumäärä	32

Tiivistelmä

Luomuohjelman tavoitteet vuoteen 2030:

1. Luomun kulutusksyntä kasvaa – luomun markkinaosuus viiteen prosenttiin 2030. Luomutuotteiden kulutusksyntää, vientiä ja luomutuotantoa on kasvatettava tasapainoisesti.
2. Ammattikeittiöiden luomun käytön lisääminen. Suomen Kansallisessa hankintastrategiassa luomun käytön tavoitteeksi julkisissa keittiöissä on asetettu 25 prosenttia vuoteen 2030.
3. Luomuelintarvikkeiden jalostusaste nousee. Luomukysynnän kasvu on suoraan riippuvainen elintarvikkeiden jalostusasteen nostamisesta ja uusien tuotteiden saattamisesta markkinoille.
4. Suomesta merkittävä luomutuotteiden viejämaa. Vientiä varten on kehitettävä kullekin markkinalle soveltuvia tuotteita ja nostettava luomutuotteiden jalostusastetta.
5. Tuotannon lisääminen. Tuotannon on vastattava kysynnän kasvuun tuottamalla markkinoille riittävästi luomutuotteita
6. Luomukeruualueen kasvattaminen. Suomalaisten luonnontuotteiden kysyntä on suurta ja kysynnän kasvulle on mahdollisuuksia erityisesti vientimarkkinoilla.
7. Luomuvesiviljelyn käynnistäminen. Luomukalalle on kysyntää.
8. Luomuosaamisen ja tiedon lisääminen. AgriHubin avulla on tarkoitus kehittää mm. maatalojen ja koko ketjun luomuosaamista. Luomuinstituutin tutkimusstrategia 2021–2024 julkaistiin vuoden 2021 alussa.
9. Lainsäädäntö ja valvonnan kehittäminen. Vuoden 2022 alusta tulevat voimaan EU:n ja kansalliset uudet luomusäädökset. Ruokavirasto valmistelee uudet luomuvälvontaohjeet.

Asiasanat luomuruoka, luomutuotteet, luomutilat, elintarvikeala

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Luomu 2.0 – Finlands nationella ekostrategi för 2030

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Ekostrategins mål 2030:

1. Konsumtionsefterfrågan på ekologiska produkter ökar – ekologiska produkters marknadsandel stiger till fem procent 2030. Konsumtionsefterfrågan på, exporten av och produktionen av ekologiska produkter ska ökas på ett balanserat sätt.
2. Användningen av ekologiska livsmedel i storkök ökar. Målet för användning av ekologiska livsmedel i offentliga kök är 25 procent 2030 i Finlands nationella upphandlingsstrategi.
3. Förädlingsgraden av ekologiska livsmedel stiger. Ökningen i efterfrågan på ekologiska produkter är direkt beroende av att förädlingsgraden på livsmedel höjs och av att nya produkter kommer ut på marknaden.
4. Finland blir ett betydande exportland för ekologiska produkter. Det ska utvecklas lämpliga produkter för varje marknad för exportsyften och förädlingsgraden för ekologiska produkter ska höjas.
5. Produktionen ökar. Produktionen ska tillgodose den ökade efterfrågan genom att man tillverkar ett tillräckligt antal ekologiska produkter.
6. Området för ekologisk uppsamling utvidgas. Efterfrågan på finländska naturprodukter är stor och det är möjligt att den ökar särskilt på exportmarknaden.
7. Ekologiskt vattenbruk införs. Det finns efterfrågan på ekologiskt odlad fisk.
8. Den ekologiska kompetensen och kunskapen ökar. Avsikten är att med hjälp av kompetensnätverket AgriHub utveckla bland annat lantbruksföretagens och hela produktionskedjans ekologiska kompetens. Finska ekologiska forskningsinstitutets forskningsstrategi 2021–2024 publicerades i början av 2021.
9. Lagstiftningen och övervakningen utvecklas. EU:s nya nationella förordningar om ekologisk produktion träder i kraft i början av 2022. Livsmedelsverket bereder nya anvisningar för övervakningen av ekologisk produktion.

Nyckelord ekologisk mat, ekologiska produkter, ekologiska gårdar, livsmedelsbranschen

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FOREWORD

At the meeting of EU agriculture ministers in May, I pointed out that in Finland we are even more ambitious in terms of increasing the share of organic products in food services, because we see great potential in this. The growth in the demand for organic products must be met by placing more organic products on the market. Consumer confidence must also be earned, and we must take strong action to fight fraud. This does not mean that increasing the organic production area would not be important. Our objective is the same as that set by the EU in the Green Deal, i.e. that one quarter of our fields should be certified organic area by 2030. This is a tough goal and requires serious efforts to be achieved.

The programme lists a number of objectives to increase the proportion of organic products with respect to the production of and demand for organic products, food services, exports and organic products collected from the wild. In order to achieve the objectives, support payments to organic production play a major role. At the time when this foreword was written, the reform of the EU's new common agricultural policy was still in the negotiating phase, but organic production is certain to have a substantial role in the CAP Strategic Plan for 2023–2027. The aim is to support the development of food services through projects. A roadmap is being prepared to increase the collection area of wild organic products. The potential of organic production and products has been noted. Now we must tap on it.

The implementation of the programme has already started, but the work will gain momentum in the coming years. The role of the Ministry of Agriculture and Forestry is to coordinate the implementation of the programme, but the programme cannot reach its full potential without collaborative efforts and contributions from all actors in the organic production sector. I therefore appeal to you, stakeholders in the organic production sector – here, too, many hands make light work!

Helsinki, 22 June 2021

Jari Leppä

Minister of Agriculture and Forestry

1 Introduction

Organic production is an important part of the Finnish food system. It responds to consumer demand and offers solutions to many environmental and climate issues. Organic cultivation methods contribute to the achievement of many environmental objectives, such as reducing the use of pesticides and chemical fertilisers. The aim of the Government Programme is to increase the share of Finnish organic products in food production, food processing, domestic consumption and exports.

The European Green Deal and the Farm to Fork and Biodiversity Strategies of the European Commission have identified organic production as a key factor in the development of sustainable agriculture and food production.

In its recommendations to Finland concerning the CAP Strategic Plan the European Commission states that Finland must increase its organic production area in accordance with the Green Deal, while promoting the consumption of organic food and the introduction of organic farming, and strengthen innovation and research in support of organic production.

In the action plan on organic production published on 24 March 2021, the Commission focuses on increasing the demand for and confidence in organic food through traceability, especially in public food services. Increasing cooperation with restaurants, wholesalers and catering companies has been mentioned as one factor that promotes trust. The shift to organic products will be encouraged by increasing information-sharing on best practices, promoting market transparency and supporting market organisations and group certification. The Commission emphasises local food and the importance of small downstream companies, and wants to shorten food supply chains. The plan mentions the role of organic production in showing the way towards sustainable and adaptive agriculture. This is based on the health of the ecosystem.

Organic production must be developed through cooperation across the entire food system and in such a way that it is taken into account in all development and resource allocation of the food sector. Actions will be targeted at issues requiring development that have been specifically identified.

2 Experience from the previous programme

The Government's programme for the Finnish organic product sector and objectives to 2020 'More organic!' were approved as a Government Resolution in May 2013. In the Government Programme of that time, strong growth in the share of organic and local food was identified as a strategic aim for agricultural policy. The Government pledged to implement a development programme for the organic production sector. Since then, all Government Programmes have included a commitment to continuing the implementation of the programme for the organic product sector. The objective of the programme was to increase organic production, diversify the selection of Finnish organic foods and improve the supply of organic food both in retail trade and professional kitchens. The programme also aimed to ensure that by 2020 the share of organic farming in Finland would be 20 per cent. This objective was not quite achieved. The organic production area currently accounts for 14 per cent of Finland's agricultural area.

An external evaluation of the programme, commissioned by the Ministry of Agriculture and Forestry, was completed in autumn 2018. The Ministry considered it necessary to assess the outcomes of the programme and the needs for future development.

The evaluation found that the programme had succeeded in enhancing the visibility of organic products and in increasing cooperation between different stakeholders. It had boosted confidence and courage to engage in organic production. The evaluation report states that the programme had led the way in the development of the organic production sector and had been well positioned and able to support the development. The development also requires financial investments and extensive stakeholder participation in the joint development of the organic production sector.

The evaluation also found that there will be a need for this kind of development programme for the sector in future as well. The new programme should focus better on tackling the bottlenecks identified in the organic production sector.

The organic production sector needs stronger investments in research, production, processing, marketing and export efforts. According to the evaluation, development efforts have been cautious. Organic production has great potential, which has not been sufficiently utilised.

3 Environmental and climate impacts of organic production

The objective of organic production is to produce food in a manner that takes the environment, people and animal welfare into account.

Climate change and the rapid loss of biodiversity pose increasing challenges to the sustainability of food production. Organic production offers many ways to build a sustainable food system as part of a wider set of tools for the sustainability transformation.

Organic production is based on good soil management. Organic cultivation methods promote the accumulation of organic matter and carbon in the soil, which is a prerequisite for good growing conditions. At the same time, these methods promote nutrient recycling, reduce dependence on fossil energy and increase the nutrient self-sufficiency of farms.

When calculated for the production area, the climate impacts of organic production calculated as greenhouse gas emissions and taking different emission sources into account are typically smaller than in conventional production. Due to the lower average yield or output the climate impact per unit produced has in many studies been estimated to be, on average, about the same as in conventional production. The climate impact of organic production is also influenced by the use of green manure and livestock manure as supplementary fertiliser. Emissions from the manufacture and use of almost all recycled fertiliser products are lower than emissions from equivalent mineral fertilisers. Emissions from the use of recycled fertilisers are reduced by lower nitrous oxide (N₂O) emissions from organic fertilisers compared to the N₂O emissions of mineral fertilisers.

The use of chemical plant protection products is not permitted in organic production and the use of veterinary medicinal products is more restricted than in conventional production, which means that the low chemical load on the environment is a clear strength of organic production. In terms of emissions to waters, the advantage of organic production is the lower local nitrogen loading. More and more data from research is becoming available and shows quite consistently that organic production is more advantageous for farmland biodiversity than conventional production. The grazing practices of organic cattle have positive impacts on animal welfare and the diversity of the agricultural environment. Organic production is also more economically viable than conventional production as inputs are cheaper and producer prices and support payments are higher.

4 Objectives for organic production by 2030

1. Growth in consumer demand for organic products – the market share of organic products to 5% by 2030

The consumer demand, exports and production of organic food should increase in a balanced manner. In recent years, the demand has increased by almost 10% per year and the same trend is expected to continue in the coming years. However, the share of organic products in retail sales is only 2.6 per cent of the total revenue.

2. Increasing the use of organic products in professional kitchens

In Finland's national public procurement strategy, the target for the use of organic products in public kitchens is 25 per cent by 2030, which is the same as in the programme for organic production. According to the current estimate, the share of organic products in public kitchens is about 15%.

3. Upgrading the processing of organic food products

The growth of the demand for organic products is directly dependent on upgrading the processing of foodstuffs and the introduction of new products to the market. Professional kitchens need more organic food products suitable for them, with package sizes and characteristics suitable for their use.

4. Finland to become a significant exporter of organic products

Products suitable for individual export markets must be developed, and the added value of organic products must be increased. Organic picking products have particular export potential.

5. Increasing production volumes

Production must respond to the growing demand by producing sufficient volumes of organic products for the market. The EU's Farm to Fork strategy aims to increase the EU's organic arable area to 25% by 2030. Balance must be sought between crop farming and livestock production so that organic farms can ensure the necessary crop rotations and nutrient needs required for the production. Organic farming methods should also be developed to increase production. The aim is that farms which already practice organic cultivation or are in the process of converting their lands to organic production would also go organic in livestock production. Crop yields must be raised, work must be done on breeding and testing of new varieties and the share of certified organic seed must be increased. Increasing organic greenhouse production is also important to meet the growing demand.

6. Growth of the collection area of wild organic products

The demand for Finnish natural products is high, and there is potential for further growth especially in export markets. In practice, natural products cannot be marketed and exported before the product has been certified as organic. Finnish companies that process natural products are significant users of domestic natural products, and organic wild berries and, to an increasing extent, other natural products are important raw material for them.

7. Initiating organic aquaculture

The Farm to Fork strategy aims for growth in organic aquaculture. In practice, there is no organic fish farming in Finland as yet. However, there would be demand for organic fish, which is why the bottlenecks in organic fish farming should be investigated.

8. Enhancing competence and knowledge about organic production and products

The AgriHub farmers' competence network, launched at the beginning of the year to support the activities of farm enterprises, brings together advice, research and education and training in the sector. The aim of the network is to promote the competitiveness and renewal of farm enterprises. AgriHub seeks to develop the competence of farms and the entire chain related to organic production and products. The Finnish Organic Research Institute published its research strategy for 2021–2024 at the beginning of 2021. The

strategy provides the foundation for research on organic production in the coming years, where the opportunities offered by digitalisation must also be taken into account.

9. Legislation and development of control

New EU and national legislation on organic production will enter into force in 2022. The Finnish Food Authority is preparing new guidelines for the control of organic production. The control of organic production should be developed e.g. by developing electronic inspection methods. More effective control will promote consumer trust and help reduce food fraud.

5 Organic production in Finland and neighbouring countries

The organic cultivated area has increased by 115,799 hectares since the adoption of the previous programme for organic production in 2013. In 2013 the share of organic farms was 7.4 per cent, and by 2020 it had risen to 11.5 per cent. The average size of organic farms was 49 hectares in 2013 and in 2020 it was 62 hectares.

Table 1. Development of organic production by areas of the Centres for Economic Development, Transport and the Environment (Source: control statistics, Finnish Food Authority).

	Farms %		Arable land area %		Farm size x	
	2013	2020	2013	2020	2013	2020
Uusimaa	9.3	14.1	10.0	11.2	53.0	70.0
Southwest Finland	5.4	10.2	6.0	11.0	55.0	66.9
Satakunta	4.2	6.7	5.0	8.6	46.7	64.5
Häme	4.3	8.2	4.1	9.1	43.2	63.1
Pirkanmaa	10.0	14.8	11.5	17.1	44.1	53.4
Southeast Finland	6.0	11.0	8.5	16.1	55.0	72.8
South Savo	9.0	12.8	12.7	17.8	36.7	46.1
North Savo	8.5	12.6	9.4	13.6	40.5	51.4
North Karelia	13.5	26.4	19.8	27.9	53.5	63.0
Central Finland	5.5	8.2	6.9	11.5	39.1	53.5
South Ostrobothnia	5.6	9.4	7.9	12.7	54.7	66.9
Ostrobothnia	7.6	11.0	9.2	13.5	45.5	57.3
Northern Ostrobothnia	8.3	13.0	11.1	17.3	62.0	80.9
Kainuu	13.7	17.4	23.8	22.1	58.9	53.8
Lapland	3.2	3.9	7.6	8.2	64.4	79.2
Åland Islands	27.9	37.5	19.0	23.0	25.9	27.3

Table 2. Share of organic production in Finland and neighbouring areas in 2018 (Source: FiBL).

	% of agricultural area	% of bovine animals	% of pigs	% of poultry	% of sheep
Finland	13	7.9	0.4	4.9	24.6
Estonia	21.9	16.9	-	1.7	42.8
Sweden	19.9	22.1	2.5	16.8	21.1
Denmark	9.8	13.7	4.0*	23.9	7.3
Germany	9.1	15.8	0.9	7.5	12.1

Table 3. Organic sales in Finland and neighbouring areas in 2018 (Source: FiBL).

	% of retail trade	retail value, EUR million	exports, EUR million	no. of importers	no. of exporters
Finland	2.4	336	28	63	20
Estonia	2.7	42	27	33	16
Sweden	9.6	2,301	117	89	10
Denmark	11.5	1,807	390	78	80
Germany	5.3	10,910	-	1,723	1,208

6 Development measures for organic production until 2030

1. Growth in consumption – the market share of organic products to 5% by 2030

The demand for organic products in retail trade has increased by almost 10% in recent years, and it seems that this trend will continue. In 2020, retail sales of organic products totalled EUR 409 million and had increased by 9.7% from the previous year. However, despite the considerable growth, the sales of organic products accounted for only 2.6% of total retail sales. In Denmark, which is the leading consumer of organic products in Europe, the market share is around 9%. However, there is high variation between product groups. The shares of the sales in the best-performing product groups were: 24% for baby foods, 21% for eggs, 18% for vegetable oils, 14% for flakes and groats, 9.5% for flours. The highest-selling organic products were bananas, eggs, milk, coffee and minced meat. Fruit and vegetables, milk and liquid dairy products account for a third of the sales. The reason for the low proportion of organic products is their small supply in high-volume groups such as meat and bakery products.

Trade has been a driving force for the growth of organic production in many EU countries, and organic own label products that offer consumers a more affordable alternative have also contributed to the growth in the sales of organic products. Although most of the organic food is purchased from retail stores, short supply chains have an important role in the supply of organic products. Farm shops, buyers' clubs, local food networks (REKO) and community-supported agriculture initiatives are particularly important for active consumers of organic products.

The visibility of organic production has been successfully enhanced through communication. However, there is still work to be done as consumers often confuse organic food with local or wild food. According to the consumer barometer concerning organic products (Finnish Organic Food Association 2019), the best known organic label is the national "Sun" label, which is recognized by 60% of citizens. The national "Ladybird" label is recognised by 40% of citizens. Awareness of the "Euro Leaf" label has increased, and it was recognised by about half of Finns.

In tourism and food services organic food can be offered to domestic and foreign tourists. Tourists can be introduced to organic food through organic agri-tourism destinations and

routes, organic food offered in accommodation facilities and restaurants, collection sites of wild organic products and other activities relating to organic food.

Since organic products are more expensive than non-organic products, it is important to strengthen consumers' trust in the benefits of organic production. The sustainability benefits should be highlighted. It is also important to combat food fraud and to further develop the controls and traceability.

In order to obtain a more comprehensive picture of organic consumption, it should also be possible to monitor it through channels other than the retail sector and to find information about the consumption of Finnish organic products in terms of both value and volume.

Measures to increase demand (responsible parties in brackets)

- Increased consumer awareness through communication and campaigns (organic associations, businesses; processors and trade),
- Sharing information about the organic label and organic production in regional and national projects (project actors),
- More lessons learned from other countries on the marketing and branding of organic products (Finnish Organic Food Association, businesses),
- Use of EU sales promotion funds (Ministry of Agriculture and Forestry, Finnish Food Authority, actors in the sector),
- Clarification of the sustainability benefits of using organic products (Finnish Organic Research Institute, actors in the organic sector),
- Development of organic agri-tourism services (ECEAT Finland, other actors in the sector).

2. Increasing the use of organic products in professional kitchens

The national public procurement strategy published in autumn 2020 sets the target for the use of organic products in public professional kitchens at 25 per cent of actual food purchases (kg) by 2030. This is also the target set in the programme for organic production.

In Finland, the use of organic products in public professional kitchens is estimated to be about 15 per cent of the raw material (kg), and the volume increases every year. The main obstacle to increasing the share of organic products in public professional kitchens is the

high price. On the other hand, calculations show that increased use of organic products is not necessarily more expensive, if the increase is taken into account in planning the menus. The availability of Finnish organic products is a challenge, and many catering services favour Finnish products over imported organic products. The first step to increase the share of organic products is a decision by local governments and other public bodies to increase the use of organic products. Commitment to organic products also helps to further develop the domestic organic production.

Professional kitchens are generally not satisfied with the current processing practices, product range and packaging sizes of organic products. Availability is not always guaranteed.

Professional kitchens may not want to have many contracts with different suppliers; instead they prefer to have just one supply contract. Producers are not familiar with the wholesale business, and there is little cooperation between them. The processing of organic products should be upgraded, and their availability from food wholesalers should be improved.

Resources are also needed for improving knowledge about organic products among public decision-makers, procurement units and professional kitchens. Competence in organic procurement should be developed and utilised through e.g. dialogue between the market parties, testing and product development, and theme weeks. The Act on Public Procurement and Concession Contracts includes some rarely used procurement procedures, such as the dynamic purchasing systems and innovative procurement partnership. In future, these should also be utilised in the procurement of organic food.

The municipalities can present themselves as ecologically sustainable municipalities that favour organic food in public catering services. The use of organic products in public professional kitchens should be promoted by encouraging local governments to draw up pro-organic food strategies that would make it easier to include organic production in the procurement criteria.

In public and private professional kitchens, organic production must be a viable option. In the school scheme (school fruit and vegetables and school milk), it is important to continue paying higher financial support for organic products and increase the proportion of organic products.

If all milk in public kitchens were organic, the share of organic raw materials in these kitchens would rise to almost 20%. The Commission's proposal on the reform of the EU's school scheme is expected in 2023. The aim of the reform is to increase the share of

organic food. The application procedures of the scheme should encourage to applying for support.

Measures to increase the share of organic products in professional kitchens

- Enhancing the visibility of the added value and ecological benefits of organic production. The benefits of organic production in reducing environmental and climate impacts and improving animal welfare will be highlighted. (Finnish Organic Research Institute, organic associations),
- Organic products and recipes suitable for professional kitchens. Sufficient supply of organic products on the market in packaging suitable for industrial kitchens. (catering services, producers, food businesses, project actors),
- Increasing dialogue across the entire chain to develop domestic organic primary production and products for the needs of catering services. Increasing understanding of public sector procurement cycles and contracts among wholesalers and food manufacturers. (entire food chain),
- Improving the selection of organic products of wholesalers and increasing communication about the supply. Encouraging manufacturers and wholesalers to better communicate about organic products and market them and include organic products from SMEs in the selection of wholesalers to improve their availability. (wholesalers, food businesses),
- Increasing the share of organic products in the school scheme by simplifying the scheme, increasing the product range and reviewing the amount of the support (Ministry of Agriculture and Forestry, Finnish Food Authority),
- Exploring the possibilities to develop the Portaati luomuun ('Steps towards Organic') programme into a certified system for professional kitchens (professional kitchens, educational institutions, organic associations),
- Developing cooperation with municipalities and procurement competence to take organic into account in food, local government and procurement strategies (local governments, procurement organisations, organic associations),
- Regional and municipal objectives for the use of organic products and increasing the use of local organic products in professional kitchens (local governments, joint municipal authorities, regional councils, organic associations)

3. Upgrading the processing and increasing the selection of organic food products

Inadequate further processing of organic products has been identified as a development target. A large production area does not guarantee access to organic products for consumers. Organic product sales will grow when the product range improves, as will the share of organic products in professional kitchens. Starting processing operations presents a risk to small manufacturers because organic products do not yet have an established status e.g. in professional kitchens. Large food manufacturers do not wait long enough for professional kitchens to discover new products, and the marketing of the products is inadequate. Long supply contracts in catering services do not allow for rapid uptake of new products into the selection.

The processing must be upgraded both on the domestic market and in exports. Both large businesses and SMEs should invest in product development and testing. Product development should be increased, especially for products intended for professional kitchens, because their requirements differ from household products. Cooperation with procurement organisations and catering services is needed. Packaging should also be designed for the needs of the target segment and be environmentally friendly.

Research and development on organic food processing is also needed. Important measures to develop organic production include consumer studies and research in food processing to serve the needs of businesses, and the dissemination of information.

Measures to upgrade processing

- Increasing contract-based production (Finnish Cereal Committee VyR, businesses, producer associations, food industry, producer organisations),
- Facilitating contacts between food businesses, procurement organisations and catering services in market dialogue, procurements and product development (food industry, procurement organisations, producer associations, catering services),
- Processing of organic foods is taken into account in advice and training (advisory organisations, project actors),
- Increasing research on the processing of organic foods (Finnish Organic Research Institute, universities, food industry),
- Organic products in food processing are taken into account in regional strategies (local governments, regional councils, organic associations).

4. Finland to become a significant exporter of organic products

As the organic product market is still relatively small in Finland, producing and processing organic products for export can offer new growth opportunities to the sector. Increasing exports requires investments and cooperation among operators in the organic sector. Finnish food companies are small and they have limited resources. Increasing the added value of export products is the clearest route to increased value of exports. Both large businesses and SMEs should invest in innovation, product development and testing.

Competitiveness is high in Finland and the opportunities for growth in exports are good. Environmental perspectives will very likely increase the demand for organic products around the world. In the global market, the difference between organic and non-organic products is seen as greater than in Finland. Products suitable for specific export markets should be developed. It is important to aim for continuous upgrading of the processing, and for selling products that are increasingly ready to use to consumers and professional kitchens.

According to an export report published by the Finnish Organic Food Association in April 2021, the value of organic exports was about EUR 50 million in 2020, while in 2018 it was about EUR 25–30 million. The value of exports almost doubled in two years. Most of the products exported were semi-processed products. Raw materials and branded products each accounted for just over 15%. The target for the value of exports is EUR 100 million by 2030.

The main product groups in exports are milled products, bread, dairy products, natural products and sweets. Organic milled products accounted for almost one third of the total Finnish exports of flour and milled products. Organic products collected from the wild have particular export potential. Germany has been the most important destination for exports. Other important destinations include Sweden and other Nordic countries, and countries in Central and Southern Europe.

Exporters of organic products believe in the growth of exports, as long as Finnish products remain competitive in the market.

Measures to double exports to EUR 100 million

- Increasing the added value of organic raw materials in exports and increasing cooperation among food businesses (entire food chain),
- Actions to develop export promotion measures (Finnish Food Authority, Ministry of Agriculture and Forestry, food businesses, Business Finland / Food

from Finland programme, Finnish Organic Food Association, Arctic Flavours Association),

- Even closer cooperation between the actors in the sector, active participation by the Finnish Organic Food Association and other actors in the development of export operations,
- Systematic and collaborative (in particular the Food from Finland programme and the Finnish Organic Food Association) participation in key international events in the organic production sector, such as the BioFach fair in Germany each year in February; identification of other major events,
- Export promotion events and measures implemented specifically for organic products and businesses, joint planning and resourcing for events (Food from Finland and Finnish Organic Food Association),
- Establishing groups of businesses to facilitate export operations: business clusters and the development and financing of new ecosystems (food businesses),
- Increasing expertise in exports and sales (Business Finland / Food from Finland and Finnish Organic Food Association),
- Exploring the possibilities for cost-effective certification in accordance with international organic standards, e.g. BioSwiss (Finnish Food Authority).

5. Increasing organic production

Organic production has developed in different ways in different regions of Finland. Many regions have drawn up reports on the development of organic production, and some regions have adopted a regional development plan. There is interest in organic production across the board, but it does not yet have a significant role in regional development strategies.

Measures will be needed to increase the organic production area from the current 14% by 11% (to 25%) by 2030. In order to achieve a diverse range of organic food products, the production needs to increase in different production sectors, both in plant and livestock products. Increasing the availability of marketable products is essential for increasing the volume of organic foods.

Currently about 60% of the organic arable land is grassland. A large grassland area is characteristic to organic production because it is needed for green manure and reduces the use and manufacture of nitrogen fertilisers. Grasslands have an important role in the feeding of organic cattle and sheep as well. The cultivation of perennial grasses reduces tilling and the release of carbon into the atmosphere. It is particularly important on peatlands. Grass plays an important role in preventing nutrient loading of water bodies

and erosion of arable lands during winter. However, it is also necessary to develop organic crop rotations from the perspective of increasing production. There are problematic issues related to production factors in vegetable and greenhouse production and in the supply of organic seed as well.

Increasing the organic production volumes requires improving farmers' competence and systematic selection of plant species with a view to the market. Potential exists especially in livestock products and in the production of organic oats and proteins. Crop yields per hectare must be improved by developing the cultivation methods, but development work is also needed on organic seed production, plant breeding and testing and on recycled fertilisers and plant protection solutions that can be used in organic production.

The conditions for support payments to organic production will emphasise the role of education and training and the production of organic raw materials. A requirement of 30% of plants for sale will be set to all arable lands that have passed the conversion to organic production and, after the transition period, farm animals must be reared in compliance with the conditions concerning organic production. The key aim is to enable the increase of the volume of organic raw material production in situations where it is not possible to impose a harvesting requirement as a condition for payments to organic production.

Organic crop farming will continue to be eligible for payments to organic production, and the payments for outdoor vegetable production will be higher due to the higher production costs. Payments to organic farm animals will be based on the number of livestock units. Payments to organic honey production should be even higher because the production costs are the highest.

The guidelines for organic greenhouse production under the Organic Regulation that will enter into force in the beginning of 2022 will facilitate year-round greenhouse production. The target must be to double the organic greenhouse area by 2030.

The aim of the new EU Organic Regulation is to use only organic seed for organic production. On Finnish farms between 60 and 70 per cent of seeds used is produced organically. If no organic seed is available, farmers may use regular untreated seed by way of derogation until the new Organic Regulation enters into force. The aim is that by 2030 at least half of the seed used by organic farms is certified as organic or at least organic seed produced on the farm.

Cooperation among farmers in marketing and in the procurement of inputs must be increased. Producer organisations and other associations can improve the market access of organic raw materials. It is difficult for individual producers to have their products selected by wholesalers and major food service providers.

Table 4. Area covered by commitments to organic production and number of commitments in 2015–2019.

	2015	2016	2017	2018	2019
Total organic production area and no. of commitments					
Total commitment area, hectares	208,867	223,515	245,353	282,704	278,489
Total number of organic commitments	3,857	4,030	4,244	4,648	4,606
Number of organic commitments by type					
Commitment to organic production, no.	3,045	3,163	3,326	3,691	3,615
Commitment limited to organic outdoor vegetable production*, no.	9	10	9	9	7
Commitment to organic livestock production, no.	803	857	909	948	983

* Commitments apply to part of the farm. Outdoor vegetable area under other commitments is also eligible for payments to outdoor vegetables.

In 2020 about EUR 60 million in support was paid under the measure concerning organic production. During the forthcoming programming period, the payments for organic production are expected to increase to EUR 397 million, which means that the payments per year would be EUR 70–78 million.

Organic beekeeping is an important organic production sector, which could contribute to increasing the market share of domestic honey production. The legislative changes concerning organic production will lead to major difficulties related to pollination services. Production costs are higher than in conventional production due to e.g. the high price of organic sugar used in winter feeding and of the organic wax foundation, and the requirement concerning wooden structures.

Table 5. Share of organic beekeepers and colonies in 2020 (Source: Finnish Beekeepers' Association).

	all	organic	share of organic %
beekeepers	3,100	75	2.4
bee colonies	70,000	6,190	8.8

Measures to increase production volumes:

- Payment for organic production to farmers encourages to produce organic raw materials for the market in accordance with the CAP Strategic Plan (Ministry of Agriculture and Forestry),
- Funding of the payment to organic production in line with the objective included in the CAP Strategic Plan (Ministry of Agriculture and Forestry),
- Development of cultivation practices and increasing farmers' competence and collaboration through research, education and advice (advisory organisations, producer associations, Finnish Organic Research Institute),
- Study of bottlenecks in outdoor and greenhouse production, especially with regard to the growing media in greenhouses and plant protection/ nutrient issues in outdoor cultivation (Natural Resources Institute Finland),
- Doubling the production of organic seed and seedlings. Launching trials on organic varieties. (Finnish Food Authority, Natural Resources Institute Finland),
- Development of recycled fertilisers suitable for organic production (actors in the sector),
- Raising awareness of the new EU legislation on organic production (Finnish Food Authority, Ministry of Agriculture and Forestry, Centres for Economic Development, Transport and the Environment),
- Encouraging the establishment of producer organisations (Ministry of Agriculture and Forestry, Finnish Food Authority),
- Developing cooperation among farms, e.g. producer organisations (Ministry of Agriculture and Forestry, organic and advisory organisations),
- Motivating farmers to use organic seed (advisory services, producer and organic associations),
- Promoting organic beekeeping through advice and research, especially in areas that are naturally suitable for it (Ministry of Agriculture and Forestry, Natural Resources Institute Finland, Finnish Beekeepers' Association, advisory services, producer and organic associations),
- Increasing the support payment per hive to organic beekeepers (Ministry of Agriculture and Forestry).

6. Growth of the collection area of wild organic products

According to the external evaluation of the previous programme for organic production, the collection of organic products was overlooked in the programme. Organic berries, mushrooms and herbs and tree sap have significant potential that is largely untapped, including in exports. Organic products collected from the wild could be part of Finland's country brand. A roadmap for increasing the collection area of organic products is currently under preparation.

The demand for Finnish natural products is high, and further growth is possible especially in export markets. In practice, natural products cannot be marketed and exported before the product has been certified as organic. Domestic manufacturing industries are significant users of Finnish natural products such as organic berries and, increasingly, other organic natural products are important raw materials. Professional kitchens are also a good marketing channel for organic products collected from the wild, and there is particular demand for Finnish products collected from the wild in professional kitchens.

Organic products collected from the wild come from designated and controlled collection areas. The collection of organic products and related controls are based on the EU's Organic Regulation, and the Finnish Food Authority is responsible for producing guidelines for the collection. Basic requirements include ensuring the identification and traceability of the origin of products. The EU Regulation 834/2007 on organic production and the new Organic Regulation 2018/848, which will enter into force at the beginning of 2022, both require collection areas to be designated as organic in advance. According to the statistics of the Finnish Food Authority, a total of 4.5 million hectares of collection areas had been verified and certified as organic in 2019. In 2020, this area was 5.5 million hectares. The area increased by 22 per cent, which is an excellent result.

However, not all woodland in Finland is suitable for the collection of organic products. Woodlands are fertilised and stumps are treated with (urea) substances that are not permitted in organic production. In addition, forest ownership is fragmented especially in southern Finland and it is difficult, or sometimes impossible, to designate larger collection areas. In 2019 the Finnish Forest Centre and the Ministry of Agriculture and Forestry have introduced an option for forest owners to express their willingness to have their woodland area certified as organic via the Metsään.fi online service. However, the service needs further development, and awareness among forest owners about organic certification needs to be increased. Cooperation between forest owners and businesses selling natural products needs to be developed as well. The use of organic products collected from the wild will increase when the organic food product selection grows.

The Marsi statistics indicate the volume of berries and mushrooms placed on the market and their purchase prices, but there is very little other data on processed products or sales. Statistics on the collection of organic products should be developed.

Table 6. Share of organic berries of berries placed on the market 2015–2019

	2015	2016	2017	2018	2019
bilberry	18.1	59.3	22.8	57.8	11.6
lingonberry	6.9	13	5.6	4.7	8.0
cloudberry	66.3	38.1	58.6	57.7	-

Measures to increase the collection area of wild organic products:

- Investigating the possibilities and most cost-effective means to compile information based on the forest data standard from various forest ownership databases for organic certification (actors in the sector),
- Communication and marketing measures to increase awareness among forest owners about organic production and the opportunities it offers (Lume project on organic products from forests),
- Strengthening and developing cooperation among authorities, landowners and actors in the collection and processing sectors (actors in the sector, Finnish Food Authority),
- Guidelines for the collection of organic products based on the new Organic Regulation (Finnish Food Authority, actors in the sector),
- Development of certification. Investigating the possibilities of group certification to establish sets of collection areas (Finnish Food Authority),
- Amending the Metsään.fi service to facilitate the registration to organic control, and making more extensive use of forest data in connection with this (Ministry of Agriculture and Forestry, Finnish Forest Centres, Finnish Food Authority, Centres for Economic Development, Transport and the Environment),
- Developing statistics on the collection of organic products (Natural Resources Institute Finland, Finnish Food Authority, actors).

7. Initiating organic aquaculture

The European Commission has set a target to significantly increase organic aquaculture by 2030. Numerous obstacles to the development of organic aquaculture in Finland have been identified. EU legislation does not allow organic production in recirculating aquaculture systems, fish fry needed for organic production are not available in Finland, and importing live material involves a disease risk. In addition, national environmental regulation concerning fish farming limits the nutrient content of feed and the specific load caused (nutrient load / kg of fish produced), and thus do not allow the use of organic feed currently available. The Ministry of Agriculture and Forestry and the Ministry of the Environment have proposed changing the environmental permits of fish farming into emission-based permits. This would provide an incentive to introduce environmental innovations and enable conversion into organic fish farming. There is significant potential in the use of e.g. algae for food and feed. Some research on the use of algae as feed has been carried out in Finland as well. Very little organic fish is being sold in Finland due to the limited supply, but demand is clearly increasing. In addition to the domestic market, the export potential of organic aquaculture products should also be investigated.

Measures for initiating organic aquaculture

- Mapping the possibilities for initiating organic aquaculture and creating conditions for the production (Ministry of Agriculture and Forestry, Ministry of the Environment, Natural Resources Institute Finland, actors in the sector)
- Researchers should be encouraged to apply for EU Horizon research and innovation funding (Natural Resources Institute Finland, Finnish Organic Research Institute).

8. Developing organic research and competence and increasing the provision of advice and information

Competence building starts with education. Basic knowledge on organic production should be included in the upper secondary and higher education curricula. Training for new employees in the food processing sector should include an introduction to the specific requirements of organic products. More cooperation between the administrative branches of agriculture and education is needed.

Traditional advisory services are not adequate for the needs of actors in the organic production sectors as they have to lead the way in developing organic production

methods. Organic producers prefer mentoring and counselling in small groups. Field visits, demonstrations and other peer-learning events are popular ways of disseminating new information. A comprehensive range of advisory services must be made available across the country and extended to also cover food processors and organic natural products.

The AgriHub farmers' competence network that brings together advisory services, research and education and training in the sector was launched in the beginning of 2021 to support farm enterprises. The aim of the network is to promote the competitiveness and renewal of farm enterprises. It can be used to put information that can help farm enterprises succeed to practice. The network also increases cooperation between the administrative branches of agriculture and education. The opportunities offered by digitalisation must be taken into account.

Research on organic production and products is needed to support the development of the sector and increase consumers' awareness of the requirements and methods of organic production in support of informed consumer choices. The research strategy of the Finnish Organic Research Institute for 2021–2024 'Knowledge from research and solutions to support the development of the Finnish organic production sector' was published at the beginning of 2021. The theme of the strategy that cuts across different fields of science is organic production of the future. The other topics studied are organic primary production, environmental impact of organic production, organic food and nutrition, and organic production and products in society and markets. The aim is to carry out interdisciplinary research. Follow-up studies on the effectiveness of CAP should also include studies on the environmental and climate impacts of organic production. The Finnish Organic Research Institute encourages farmers and businesses to participate in research projects to strengthen organic production as part of the food system and make the findings available to businesses. Cooperation with advisory services on organic production is important to ensure extensive use of research information.

Measures to develop research and competence and increase the provision of advice and information

- Basic information about organic production and products included in the curricula of upper secondary vocational education and higher education institutions (vocational and higher education institutions),
- Increasing cooperation between the administrative branches of agriculture and education (AgriHub, Ministry of Agriculture and Forestry, Ministry of Education and Culture, educational institutions),
- Research findings on organic production quickly into use by farms and businesses (Natural Resources Institute Finland, Finnish Organic Research Institute),

- Research findings quickly into use through pilots and experiments (Natural Resources Institute Finland, advisory organisations, educational institutions),
- More requirements concerning education and training related to support payments for organic production (Ministry of Agriculture and Forestry),
- Ensuring high-quality advice on organic production and products, including in advisory services for businesses (advisory organisations),
- Expanding advisory services to cover food manufacturing and collection of organic products (advisory organisations),
- Enhancing the competence of small organic food businesses and increasing advice on product development (advisory organisations),
- Sharing of good practices and examples, producer narratives, successes (entire food chain),
- Use of EU research and innovation funds and EIB Agri funds (Finnish Organic Research Institute, universities, project actors).

9. Legislation and development of control

EU legislation on organic production has been reformed, and the EU regulations on production rules and controls will apply from 1 January 2022. Production rules have been amended e.g. with respect to greenhouse and livestock production. Provisions on the control and certification of organic production contain entirely new elements, such as group certification for small operators, the monitoring of low-risk operators and the certification requirement for certain retailers. The Act on the Supervision of Organic Production (294/2015) will be amended to meet the requirements of the new EU Organic Regulation. A government proposal on the amendment will be submitted in autumn 2021.

On the basis of the new EU Organic Regulation, the Finnish Food Authority will formulate new conditions for organic production for operators, including the minimum requirements and control procedures. Representatives of primary production and food processing industries and authorities involved in the control chain will have the opportunity to participate in the drafting of the guidelines. The aim is to make the conditions easier to read and less open to interpretation in terms of compliance.

Control measures will be developed to meet the requirements of the legislation on organic production and the EU Control Regulation. They enable some new procedures in the organisation of controls and division of tasks. At the same time, the use of electronic communication tools for control tasks in the administrative sector will be developed, and the aim is to enable customers to interact with the authorities through electronic applications. The Finnish Food Authority will continue to cooperate closely with the Centres for Economic Development, Transport and the Environment and train organic

production inspectors to harmonise the implementation of the conditions concerning the controls. The Finnish Food Authority audits businesses and organic production inspectors.

Organic food is an attractive target for fraudulent activities due to branding and the varying supply of raw materials. Labelling products falsely as organic is an increasingly common form of food fraud. The advancement of the organic production sector relies on consumer confidence in organic production. It is therefore important to find effective ways to prevent fraud related to organic production and products. EU legislation on organic production requires Member States to take the necessary measures and provide for sanctions to prevent fraudulent use of organic product labelling. Cooperation between authorities is vital in combating fraud. In this cooperation it is important to use data from various sources, share information and identify fraudulent activities.

Compliance checks and the traceability of products play an important role in the development of the organic production sector. Data processing is an increasingly vital part of reliable organic production. Efficient collection, compilation and transfer of data across the organic production chain is important. Enhanced data processing by using e.g. data-compiling software and mobile GPS-based applications and augmented reality applications could provide tools to reduce workload, target controls on the basis of risk and support the development of a remote control system.

Measures:

- Developing control in the organisation of controls and quality assurance (Ministry of Agriculture and Forestry, Finnish Food Authority),
- Group certification (Ministry of Agriculture and Forestry, Finnish Food Authority),
- Developing electronic methods and increasing their use in control (Finnish Food Authority, Centres for Economic Development, Transport and the Environment, authorised inspectors),
- Authorities cooperate with actors in the sector in drafting the guidelines for organic production (Guidelines of the Finnish Food Authority) (Finnish Food Authority, Centres for Economic Development, Transport and the Environment),
- Implementing a programme to prevent fraud related to organic products (Ministry of Agriculture and Forestry, Finnish Food Authority),
- Investigating the needs related to data processing in the organic production sector. Targeting development and innovation funds to improve the efficiency of data processing in organic production from farm to fork (Ministry of Agriculture and Forestry).

10. A detailed action plan, indicators and monitoring

The programme for organic production will be implemented within the framework of central government spending-limit decisions and budgets by allocating resources in accordance with these.

A detailed action plan with more detailed measures and indicators for the coming years and cost estimates for achieving the objectives will be drawn up in autumn 2021 in cooperation with the organic production sector. At the same time, interim targets for 2027 will be set. The Ministry of Agriculture and Forestry coordinates the implementation of the action plan.

The indicators will be used to regularly monitor the achievement of the objectives. Every two years, a seminar will be organised for the administration and actors in the organic production sector to review the progress made towards each objective. If necessary, the measures will be adjusted to better support the achievement of the objectives.

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