



# ORGANIC FARMING RESEARCH FOUNDATION

## INITIAL CONCEPTS FOR THE 2007 FARM BILL

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**WHO WE ARE:** The Organic Farming Research Foundation (OFRF) is a non-profit, charitable organization dedicated to the expansion and improvement of organic farming practices. Specifically, we sponsor research related to organic farming practices, disseminate research results to organic farmers and to growers interested in adopting organic production systems, and educate the public and decision-makers about organic farming issues. Since 1997 OFRF has provided recommendations on Farm Bill provisions for organic farming research and other areas of agricultural policy.

**OUR FARM BILL INTEREST:** Organic farming and ranching provide multiple benefits that contribute to all U.S. strategic goals for agriculture: a safe and secure food system; environmental protection; increased trade opportunities; improved human health and nutrition; and prosperous rural communities. USDA programs supporting organic agriculture should likewise be present in all agencies and mission areas. Despite gains made in the Farm Security and Rural Investment Act of 2002, organic producers still receive a disproportionately small share of USDA resources. It is important for Congress and the USDA to work together to strengthen public investment in organic research, extension, education and economics. These programs should receive a share of USDA resources that reflects the growth and opportunities of the organic sector. Programs and policies in other mission areas (natural resources, risk management, etc.) should be established that provide strategic support for the balanced growth of organic production. Specific recommendations are detailed below.

### RESEARCH TITLE

**RESEARCH:** Many organic producers find few information resources available to them to address production or marketing issues specific to organic. Federal agricultural research dollars dedicated to organic food and farming are disproportionately low in relation to the size of the organic industry. Only since 1998 has organic research been funded at all, and it currently receives far less than a proportionate share of federal agriculture research dollars. In 2004, 3.1% of the USDA gross outlays (\$2.5 B) was used to fund and research and education. Of this \$2.5 B, only about \$10 M (0.4%) went to organic specific research.

- ◆ **USDA ARS-** We are pleased to see a growing level of commitment at ARS to organic agriculture, as demonstrated by the first ARS "National Organic Agriculture Research Workshop" held January 2005 in Austin, TX. We believe it is important that

momentum gained at this meeting be continued. Organic research priorities developed at this meeting should be used as the basis for the development of an organic program within the USDA ARS with the oversight of a National Program Leader (NPL) for Organic Agriculture. As with other National Programs at ARS, the NPL would develop national priorities with input from a diverse team of NPLs and stakeholders.

Additionally, we believe a stronger fiscal commitment is essential to better serving the organic community. In 2004, USDA-ARS spent about \$3.5 million on organic-specific projects, or about 0.35% of ARS annual expenditures. A framework of "fair share" funding of organic agricultural research, based on the organic share of U.S. retail food sales, calls for at least a 5-fold increase in USDA-ARS resources explicitly allocated to organic. ARS should be directing devoting at least a 2% "fair share" (based on the organic share of US food markets) of their total resources to organic research, equivalent to approximately \$20 M per year.

We also believe that ARS needs to strengthen efforts to disseminate organic research results through the National Agriculture Library's Alternative Farming Systems Information Center (AFSIC). For example, funding should be provided to the USDA National Agriculture Library's Alternative Farming Systems Information Center (AFSIC) to manage the [www.OrganicAgInfo.org](http://www.OrganicAgInfo.org) website as a publicly available online database of research and extension information specific to organic production and marketing. Additionally, we would like to see a requirement for on-going reporting of USDA ARS organic specific activities.

#### ◆ **USDA CSREES**

- **Integrated Organic Program (IOP)** The Integrated Organic Program is a production-based competitive grants program managed under the CSREES Plant and Animals Systems division. The IOP, which is comprised of the Organic Research and Extension Initiative and the Organic Transitions Program, has been extremely successful. Because of the high level of interest in this program, only about 10% of qualified applicants have been able to receive funding (compared to 19%-29% of qualified applicants that receive funding in comparable grants programs at the USDA CSREES). We expect interest in this program to continue to grow. Accordingly, funding for the IOP should be increased to \$10 M mandatory per year. Expansion of this program should focus on a higher number of smaller grants. Also, it is important that this program keeps its own identity and not be incorporated into the National Research Initiative.

Marketing, policy, and economic research is very important to the organic community but is severely under-developed within the USDA. A new grant program within the USDA CSREES Marketing and Economic Systems section is needed. This should be a competitive grant program designed fund marketing, economic and policy-related research pertinent to the c

industry. Such a grants program would be part of the USDA CSREES Integrated Organic Program and fall under the oversight of the National Program Leader for Organic Agriculture.

- **IPM Centers-** The USDA CSREES Integrated Pest Management Centers should have a role in expanding the USDA organic portfolio. The development of “Strategic Plans for Organic Best Management Practices” is a potential way these centers could better serve the organic sector.
- **National Research Initiative (NRI)-** Organic plant and animal breeding should become a priority area within existing NRI germplasm programs
- ◆ **Land Grant Universities.** Is there a way that we can offer amendments to the Hatch Act to direct the land-grant system to spend an increased % of agriculture research dollars on organic? (Or maybe to Section 8 of the Smith-Lever Act).

#### EXTENSION

- ◆ **USDA CSREES Integrated Organic Program:** The extension component of the Integrated Organic Program should be refined and strengthened.
- ◆ **Cooperative Extension System:** Amendments to the Smith-Lever Act to direct the Cooperative Extension to spend an increased percentage of agriculture extension dollars on organic should be considered.
- ◆ **USDA National Agriculture Library:** Fund the USDA National Agriculture Library’s Alternative Farming Systems Information Center (AFSIC) to manage the [www.OrganicAgInfo.org](http://www.OrganicAgInfo.org) website as a publicly available online database of research and extension information specific to organic production and marketing.
- ◆ **USDA Current Research Information System (CRIS):** Create organic as an activity code within the USDA CRIS system. This will allow increased access and search-ability of organic research.

**DATA COLLECTION:** The **Organic Production and Marketing Data Initiatives (Sec. 7404 in the 2002 Farm Bill)** reads: *“Secretary shall ensure that segregated data on the production and marketing of organic agricultural products is included in the ongoing baseline of data collection regarding agricultural production and marketing.”* This initiative should be reauthorized. Expanded data on the organic sector is essential to better understanding the organic industry’s growth and trends. This initiative from the 2002 Farm bill should be reauthorized and should receive mandatory funding.. Specifically:

- ◆ **Agricultural Marketing Service (AMS)-** Within the USDA AMS we would like to see Fruit and Vegetable Market News provide regular nationwide reporting of organic prices.

Currently, such information is only gathered regularly at the San Francisco and Boston wholesale markets. Price reporting- \$2 M/year.

- ◆ **Economic Research Service (ERS)**- The USDA ERS has done an impressive job of collecting data on the organic sector (including farm financial indicators and market trends among handlers and processors of organic products,) and we hope these efforts are continued and expanded. \$3 M/yr is needed to continue and expand collection of farm financial indicators for the organic sector.
- ◆ **National Agriculture Statistics Service (NASS)**- Authorization for specific surveys and data sets for the organic sector, including census (or census-type) data and farm gate price reporting are needed.
- ◆ **International Organic Research Collaboration (Sec. 7408 in the 2002 Farm Bill)**- This should be authorized at \$5m.

## CONSERVATION TITLE

In 2004, 10% (\$8.1 Billion) of USDA gross outlays were used for natural resource and conservation programs. It is still unclear how much went to organic growers (OFRF is currently researching organic growers use of CSP and EQIP programs). Stronger NRCS leadership and oversight of how their programs serve organic producers should emerge from this Farm Bill.

- ◆ **Conservation Security Program (CSP)**- Language should be added to the authorization to ensure that the program serves the organic community. For example, basic organic practices such as cover cropping and crop rotations should be prioritized. Also, organic farm plans should be accepted as proof of compliance with the highest tier (III) of conservation.
- ◆ **Environmental Quality Incentives (EQIP)** - Transition payments for transition to organic production should be added to EQIP's nation priorities.
- ◆ **Technical Assistance Providers**- Funding and programmatic direction is needed for technical assistance providers specific to organic.

## MISCELLANEOUS PROVISIONS

### INCENTIVE PROGRAMS

- ◆ **Certification cost share** (Sec. 10606 from 2002 farm bill) - This program should receive a mandatory \$2 M per year. In order to improve the effectiveness of this program, management should be either moved to the AMS Federal State marketing Improvement Program (FSMIP), Farm Service Agency, or managed through organic certification agencies. Accreditation cost share- this could be an alternative or supplement to certification cost-share. Additionally, standardized reporting should be required for both allocations to states and actual disbursement to producers and handlers.

- ◆ **Beginning Organic Farmer/Rancher Program-** Such a program would offer training to those wanting to begin farming or ranching organically.
- ◆ Tax breaks and other financial incentives for transitioning to organic

**RISK MANAGEMENT AGENCY/CROP INSURANCE PROGRAM**

- ◆ Organic farmers should not have to pay the 5% additional fee surcharge they currently must pay to be covered by a crop insurance program.
- ◆ When an organic producer incurs a loss they should be reimbursed at the price their organic product would have received.
- ◆ The Adjusted Gross Revenue program should be expanded to be offered nationally.