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### **Sweden**

## **Organic Products**

# Ambitious Goal for Organic Farming in Sweden

## 2006

#### Approved by:

Margaret Thursland, Agricultural Counselor U.S. Embassy Stockholm

#### Prepared by:

Asa Lexmon, Agricultural Specialist

#### **Report Highlights:**

The Swedish government has set an ambitious goal of having 20% of agricultural land under certified organic production by 2010. In order to reach that goal, the government plans to increase public sector consumption of organic food.

Includes PSD Changes: No Includes Trade Matrix: No Unscheduled Report Stockholm [SW1] The Swedish government recently presented its ambitious plans for the organic sector in Sweden. In late March, the Swedish Minister of Agriculture, Food and Consumer Affairs, Ann-Christin Nykvist, announced the government's goal of tripling Swedish agricultural land under organic production by 2010. In order to reach that goal, the government plans to increase the consumption of organic food in the public sector.

#### **Swedish Goal: Triple Certified Organic Land by 2010**

The government's goal is to have 20% of total agricultural land in Sweden under certified organic production by 2010. In 2005, organic crops were actually cultivated on about 19% of total agricultural land in Sweden, or 510,000 hectares – close to the stated goal. However, only 7% of total land is currently certified organic. Hence, to reach the goal of 20%, the certified area must be tripled.

Products that are not certified organic according to rules of either the EU or a Swedish certifying body may not be sold as organic on the Swedish market. Since only 35% of Sweden's organic production is certified, 65% of Sweden's organic production is consequently sold as conventional products.

There are two organizations in Sweden that are recognized by the National Food Administration to carry out inspection and certification, KRAV and SMAK AB. The most significant of these two is KRAV. KRAV standards are based on the International Federation of Organic Agriculture Movement (IFOAM) standards for organic production and are also compatible with EU regulations. KRAV is so well known that marketing an organic product in Sweden without this label would be difficult.

### **Support for Organic Production**

Swedish farmers received SEK 700 million (USD 90 million) in support for organic production from the Rural Development Fund (co-financed by the EU) in 2005. Under this program, all organic production is eligible for support, certified or not. In order to increase the certification rate, a government subsidy covering the certification cost was imposed in the spring of 2005. Nevertheless, Sweden's certified organic area decreased for the first time in 2005 by 3%.

The current Rural Development Fund program runs out this year. The Swedish government has not yet announced the new program for 2007-2013. It has stated, however, that the new program will reflect the government's goal of more certified organic production. New provisions might include increased certification requirements.

#### **Higher Public Consumption of Organic Food**

The Swedish government sees increased consumption of organic food as the crucial factor for reaching its ambitious goal. Today, there are about 4,000 certified organic food products on the Swedish market. About 2-3% of total Swedish food consumption is organic. To increase these figures, the government wants 25% of public consumption of food in schools, hospitals and other institutions to be organic in 2010.