

PRESS RELEASE

Healthy figures: consumers and producers choose organic / 'If we're going to achieve 30% organic by 2030, we need strong political support'

Consumer spending on organic food up 5.8%, every 7th farm now organic

Berlin, 15/02/2022. 'Consumers again spent more on organic food and beverages in 2021. Ever more farmers, food companies, and traders are going organic. And this despite the fact that government policy in recent years has been generally hostile to the sector,' says **Tina Andres, Chairwoman of the German Association of Organic Farmers, Food Processors, and Retailers (Bund Ökologische Lebensmittelwirtschaft [BÖLW])**, commenting on developments in the organic market last year:

'It is now time for government, and in particular Federal Minister Cem Özdemir, to do more than set a target of 30% of land under organic cultivation by 2030. We need to see a full range of policies dedicated to the transformation of our agricultural and food system. Organic farming is at the heart of this transformation, and will bring much-needed change to farms, companies, and the food industry. More organic means farms will have fewer animals but need more space for them. Fields should be home to biodiversity, not synthetic pesticides or fertilisers. Organic farms are farms that are ideally prepared for the future, and will make value chains more resilient. And with organic products in their shopping baskets, the food consumers eat will be more healthy, GMO-free, and better for the environment – whether at home or in kindergarten, school, or the canteen.'

Andres continues: 'We have the energy transition. Now we need a "food transition". Organic food is the renewable energy of the food and nutrition industry! Organic farming can achieve exactly what the German government has set out to do. Only a change to the system will alter its entire impact – just like the switch from coal power to solar power. And organic offers a system that already works economically and ecologically on thousands of farms, with a control system and labelling that includes all foods, from apples to bread to sausages. 30% organic by 2030 is achievable. If we tackle this now, we can get started on greening the other 70%'

Development of the organic market in figures

Agriculture: Every 7th farm operates organically; a total of 35,716 in Germany. 320 farms switched to organic in 2021; 13.6% of Germany's farms are organic operators. With 81,762 ha added in 2021, organic farming now covers an area of 1,784,002 ha. In the last six years, domestic organic farms converted over half a million hectares of agricultural land; the 4.8% increase in land area created a further 81,762 hectares of organic land in 2021. The areas cultivated by the organic association farms alone added up to 1,142,022 ha (+ 5.4%) and accounted for about two thirds of the total organic area.

Organic food production: Organic production also made good progress: 7% more organic food producers, packers, and restaurants/caterers boosted regional value chains. A total of 17,350

businesses in the sector ensured good, secure jobs and diverse food on plates. The number of businesses going into organic processing has increased 24% since 2015. At the same time, the number of mills, dairies, and meat processing companies in Germany continued to fall. A BÖLW survey indicates that organic producers are increasingly relying on locally-sourced ingredients and regional cooperation. Where others are cutting back, organic value creation and food culture are on the up.

Organic market development: In 2021, Germans spent €15.87 billion* (+ 5.8%, 2020: €14.99 billion) on organic food and beverages. Sales volumes grew by up to 5%. Following a record year 2020, the organic market is showing its strength in what is otherwise a stagnating food market.

Bestselling products: Demand for organic meat, milk alternatives, and butter saw particularly sharp rises, with sales growth rates of between 27% and 14.6% in 2021. The organic share of the overall market came to 62.4% for plant-based drinks, 26.6% for meat substitutes, just under 17% for eggs, and over 15% for flour. The share of organic products in the German food market increased to a provisional 6.8%.

Food retail trade: Customers bought organic products at all points of sale: in 2021, the food retail trade achieved organic sales of €9.88 billion and an organic market share of 62.3%. Full-range suppliers and discounters contributed to this market development to a similar extent. While discounters saw stronger growth in fresh products such as organic milk or vegetables, dry products such as flour or oil were in greater demand at full-range suppliers and drugstores. Branded organic products made significant gains

Other points of sale: Other points of sale** increased their turnover by a healthy 7.4%, to €2.41 billion. The market share of these businesses remained stable at 15.2%. Online sales of organic food remained buoyant, suggesting that changes in shopping habits are becoming permanent.

Specialist organic traders: The organic food trade share of sales in 2021 was significantly above the pre-pandemic level of 2019, at 13%, but down marginally on 2020. In total, specialist organic traders sold €3.58 billion** of organic food and beverages in 2021, with their stores achieving a market share of 22.6%.

Political assessment of the organic sector: how to achieve 30%

Andres: 'It's great that many new farmers have taken the opportunity to go organic. And the fact that so many consumers are buying organic shows that an increasing share of our society wants to help lastingly change agriculture and the way we eat.'

20% of farmers – more than ever before – want to switch over to organic, according to a recent survey. However, too few farms are currently choosing organic methods for Europe or Germany to achieve their organic targets (25% and 30% respectively) by 2030. For 30% of agriculture to become organic, we need to see a 12% increase in organically-operated land by 2030. And we need to make sure that the goods produced their find their way into consumers' shopping baskets.

Peter Röhrig, Executive Director of BÖLW, addresses a number of specific policy challenges: 'At national level, it is important that EU agricultural policy (CAP) is designed to ensure the success of the 30% organic target. Instead of providing support, however, the plans being put together at present place organic farms at a huge disadvantage. Farmers are counting on the CAP to adequately reward the environmental services they provide through their organic operations.'

Another important area in which Röhrig expects to see government action is the restructuring of animal husbandry. Here, too, organic must be the heart and goal of the transformation – both in planned husbandry labelling and in the financing of the husbandry transformation. Organic products must be clearly indicated as such on the planned labelling, in the just the same way as consumers know from egg labels.

Röhrig concludes: 'For this transformation, the German government needs to consider the entire food chain, in particular organic processing. Only an adequate infrastructure can enable a full-scale transformation and the availability of good, locally-produced organic food and beverages. And issues relating to organic products and nutrition must also find their way into research and education – from kindergarten to general and vocational schools, all the way to university and institutes.'

* Organic turnover calculations by the Organic Market Working Group. The Organic Market Working Group includes: Agrarmarkt Informations-Gesellschaft (AMI), BioVista, Bundesverband Naturkost Naturwaren (BNN), Bund Ökologische Lebensmittelwirtschaft (BÖLW), Gesellschaft für Konsumforschung (GfK), Professor Katrin Zander (University of Kassel), Klaus Braun (Klaus Braun Kommunikationsberatung), Professor Paul Michels (Weihenstephan-Triesdorf University of Applied Sciences), and Nielsen.

** Other businesses: bakeries, butcher's shops, fruit and vegetable shops, market stalls, farm shops, subscription boxes, mail order, petrol stations, health food shops Turnover for other businesses is based on the values determined on the BÖLN project 'Organic Market Estimate'.

*** without non-food

All sector statistics can be found in the brochure 'Branchenreport 2022 – Ökologische Lebensmittelwirtschaft,' available online at www.boelw.de/biobranche2022.

For the English version of the press release, go to www.boelw.de/organicreport2022.

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7.498 characters, publication free of charge, a copy is requested; contact: Joyce Moewius, Press Officer, presse@boelw.de, tel. +49 30 28482-307. Photos of Tina Andres and Peter Röhrig are available for publication in connection with this press release at <https://www.boelw.de/service/mediathek/personen/>.

The BÖLW is the umbrella organisation of German producers, processors, and traders of organic food and represents the interests of the organic farming and food sector in Germany. Some 52,000 organic farms generate €15.87 billion in annual sales of organic food and beverages. The BÖLW members are: Assoziation ökologischer Lebensmittelhersteller, Biokreis, Bioland, Biopark, Bundesverband Naturkost Naturwaren, Demeter, Deutscher Tee und Kräutertee Verband, Ecoland, ECOVIN, GÄA, Interessensgemeinschaft der Biomärkte, Naturland, Arbeitsgemeinschaft der Ökologisch engagierten Lebensmittelhändler und Drogisten, Reformhaus®eG, and Verbund Ökohöfe. Who we are:
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