



Does the valorisation of mountain production depend on the organic method or do we have to search for alternative solutions ?



Main differences between various pilot areas.

The comparison between the various production realities, interested in w.p.5 and w.p.6, has highlighted the following differences:

- **degree of development of organic farming:**
 - a) Liezen district (Stiria) : about 35% (14.700 on 42.000) of cattle and cultivated area is managed with organic method; a national organic logo is already expanded; G.D.O. and farmers associations have been promoting organic food marketing (G.D.O. delivers the 66% of the whole organic production)
 - b) considered italian districts: organic farming is generally little developed (only few farms);
- **reception of european regulations** : EU Council regulation n. 1804/99 (es. derogations about animal keeping and livestock impact)
- **technical details of farms** : prevailing kind of production, breed etc.
- **State advantages to organic farms.**

Meat production : costs analysis

- Production costs overcome returns in conventional farming systems ;
- In organic farming, returns overcome costs, only by mean of public advantages ;
- Organic meat prices are substantially equal to those from conventional farming. The reality of a developed organic market is not visible. It is very unusual to find situations in which organic price is higher than conventional .
- Production costs analysis realized in Liezen district shows higher returns for light calves (kg. 350 live weight) than for high input systems (kg. 550 – 600 live weight).

Milk production : costs analysis

- In the studied realities, production costs overcome returns;
- Market price is higher for milk used for typical cheese production; (e.g. fontina VDA);
- Slight profit in organic method for farms with productivity level not bigger than q.40 / head of cattle. The role of premium milk price proves to be essential for higher productive levels (BAL study);
- A study implemented by I.N.E.A. on behalf of VDA region, based on simulation, highlights convenience in the conversion of dairy farms of the pilot area, with return improvements worth of the 10-20% (higher milk price).

Production costs analysis : general considerations

- Structural problems all over the involved areas, together with very high unit costs;
- Essential role of State support;
- Higher convenience in adopting extensive methods with low inputs: negative relation between productive level and farm resources utilization (e.g. grazing).

Market survey : results

	Organic knowledge	Certificated knowledge	Interest in the organic business	Interest in the certificated business	Availability to face higher prices
Consumers	High	Medium h.			Medium l.
Butcheries GDO	High	High	Medium	Medium h.	Medium l.
Catering	High		Medium		

Market survey : considerations

The survey shows:

- Good knowledge of organic farming in all the analyzed compartments of the market;
- Knowledge of the certificated product altogether good and higher in the GDO than in the individual consume;
- Larger interest of GDO to the certificated product;
- Great significance for the origin of the product, in terms of linkage with territory;

Bibliographic references about organic farming in mountain

In many studies, organic farming is described as:

- suitable for mountain regions because of the naturally technics utilized in those lands;
- able to enhance the quality of the local production for the safety of the productive process and the low environmental impact;
- able to encourage tourism development and natural resources conservation.

Bibliographic references about organic market

- The market for organic products rapidly growth, but statistics on the overall size of the market are still limited. Several member states have developed national plan in order to the best method of promoting organic farming.
- At the day of today consumers are more and more interested to the quality of products : perception that organic product is healthier and better for environmental safeguard is spreading.
- Consumers seem to be ready to pay higher prices for organic food.

Observations about organic meat marketing.

- Results shown in previous works about economic analysis don't seem to confirm these indications .
- A number of implemented experiences prove that market prices of organic beef, in different sale solutions (e.g.direct delivery in farm) is basically equal or even lower than conventional.
- Eventually, economic result of organic meat, much expensive for the producer, currently is not sure.

Observation about organic milk marketing.

- Returns of dairy farms depend on milk prices fixed in national or regional contracts in which mountain farming difficulties are not taken into account.
- On the other hand better results can be expected for the production of milk utilized in the processing of typical cheese .

Conclusions

The experiences we have done prove that:

- farmers are little interested in the conversion because it requires relevant changes in production methods;
- there is a lack of request, specially with regard to the offer of the local farms.
- conversion is possible only with public supports, and if a better organisation is developed along the productive chain.

Alternative possibility of valorisation

What it's mean for valorisation :

- Economic operation that require to find market exit, to program commercial strategy and the respect for an essential requirement : quality.
- **Certification by laws**
- E.u council reg. 2092/91: organic farming;
- E.u council reg. 2081 / 92 – 2082/92: products with strong link with territory (DOP , IGP, STG).
- **Voluntary certification** (e.g. traceability, integrated production sistem)
- Reg. Ce 1760 / 2000

Proposals

To promote support policies which are conceived and structured in an interdisciplinary way for the activities of the territory (agriculture, tourism and soil protection).

To armonize the support policies of neighbouring regions in order to grant correct market policies.

To use certification and traceability methods which highlight the relationship Between products and territory, and point out their production methods and their healthiness.