

Stakeholder Meeting on Organic Cotton in India

Friday, 30.11.2007, 10.00 – 14.00 h at ICAR NASC Complex, New Delhi,

within the framework of the

India Organic 2007 Trade Fair

Minutes (Prabha Nagarajan, Frank Eyhorn)

1 Topics proposed for discussion

Farm income	Farming practices	Extension & ICS	Contract farming	Certification & Integrity	Markets
What means "organic cotton"?	fine-tuning of package of practices	organisation of extension and ICS	+ and – of contract farming	Reducing the costs of certification	Supply – demand gap in 5 years?
Low yields and income during conversion	organic inputs for increasing productivity	minimum technical qualification of project staff	cotton selling, prices, premiums	Recognition of different certifiers	Market for organic in conversion?
Is organic farming beneficial for farmers?	pest and disease control practices	ID-cards for organic farmers?	Immediate payments to farmers when selling	Fairtrade certification	Market for organic + fair-trade?
Organic cotton and food security	organic seeds		Pre-financing of the crop	Global organic textile standard	Market promotion of organic cotton
Labour costs of picking	medicinal plants as rotational crop			Organic integrity of cotton in boom-phase	Domestic market + local processing?
	Threat of GM cotton				

2 Topics discussed

2.1 Farming practices

Seeds:

- There are several issues related to cotton seeds:
 - unavailability of organically multiplied seeds → possibly to use conventional non-treated seeds
 - availability of untreated seeds → projects need to book sufficient quantities of suitable varieties in advance
 - availability of suitable cotton varieties (composite: sufficient staple length? which hybrid varieties?)
 - threat of genetically modified varieties (Bt-cotton) being used → random sampling of leaves, GMO-testing with test kits
 - long-term objective: Indian breeding programme for organic cotton varieties and seed multiplication
 - organic cotton projects should jointly lobby with seed companies to provide organic cotton seeds
- ⇒ Forming a working group/task force on cotton seeds

Organic inputs (plant nutrition):

- Focus on in-situ (on-farm) production of organic manures instead of external inputs!
- Using the different available options: compost, farmyard manure, liquid manures (amruth pani etc.)
- Crop rotation (with legumes!) is to improve soil fertility
- Commercial inputs to complement: using certified inputs, quality testing
- Community-based production of organic manures as an income-generating activity

Pest & disease management:

- Is not considered as a major problem in organic cotton (available measures are sufficient to keep pests within acceptable limits)
- Commercial preparations are effective, but costly
- Importance of on-farm production of preparations

2.2 Certification & IntegrityPARTICIPATORY GAURANTEE SYSTEM (PGS) -PROS AND CONS

PROS	CONS.
Transparency	Possible conflict of interest.
Ownership by farmer	Less professional knowledge.
Lower Cost	Higher chances of bias. , owing to cultural, political or personal factors.
Awareness of need to scale comes from within the group.	Less structured.
More sustainable.	Not recognized by distant markets.
More farmers can be recognized as Organic.	
Easier program to implement.	

3rd PARTY CERTIFICATION - PROS AND CONS

PROS	CONS.
International Recognition.	High costs.
Access to distant markets	Alien standards and requirements. Sometimes removed from Indian Reality.
Access to good processors.	Difficulties in implementation.
Unbiased and Professional	Insufficient inspection.
More structured.	Differences between certifiers and their standards.

WHAT IS NEEDED /ISSUES TO BE ADDRESSED

- Costs of Certification to be borne by buyer without affecting farmers premium.
- Parity of certifiers, so that producers /farmers are not pushed to a particular certifier.
- Standardisation of ICS Systems for all certifiers.
- Scientific basis for different standards.
- Number of inspections should be 3 (partly random?) rather than 2, at the same cost level
- Dedicated and competent inspectors
- Certifiers must be located in all Geographical locations.
- Proportion of inspectors to projects should be adequate.
- Initial inspections should be done earlier than as is being done now.
- More efficiency in issuing TC's
- Deficiencies in administrative set-up have to be plugged.
- Costs of TC's high – only 20 free at present. Needs to be reduced.
- Transparency in issuance of TC's needed.
- Role of APEDA to be larger and enhanced. For example information to customers when a certifier gets de-accredited, does APEDA have any responsibility to the Indian customers and farm groups to providing information other than putting it on the APEDA website.

INTEGRITY ISSUES

- Clear distinction between gm and organic.
- More knowledge on tests For GM
- Where to do tests, labs names
- Info on CICR GM kit
- Farmers should be taken in Organic for genuine reasons.
- Growth should be gradual.
- Develop good ICS systems.

2.3 Markets

- Market demand is growing strongly and is likely to continue to grow
- Production of organic cotton is increasing tremendously, in India and in other countries (China, Turkey, Syria, Africa)
- It is likely that production will soon outpace demand
- Long-term partnerships between producer organisations and buyers can ensure smooth up-scaling
- If the organic integrity is not assured, this can strongly affect the market for (Indian) organic cotton
- Some companies / buyers are ready to pay a higher price for in-conversion cotton, especially when a long-term partnership is sought
- It is important not to solely focus on cotton, but also develop rotation crops and markets for them
- There is a potential for local, community-based processing of cotton and rotation crops for value addition

3 Points for follow-up**# What?**

- 1 Task force on seed issues
- 2 Workshop on social issues within Organic Exchange India Annual Meeting
- 3 Standardized structure / model of ICS
- 4 Models how to integrate certification costs
- 5 Strategy to share practices and information à Community of Practices (CoP)
- 6 More transparency in accreditation
- 7 Increased efficiency in certification
- 8 Identify ways to reduce certification costs

Who?

- Organic Exchange
Organic Exchange
OE / Helvetas
OE / Helvetas
OE / Helvetas
APEDA (forwarded by OE)
APEDA/certification bodies (forwarded by OE)
Initiative for participatory certification