

# Global Organic Produce Marketing

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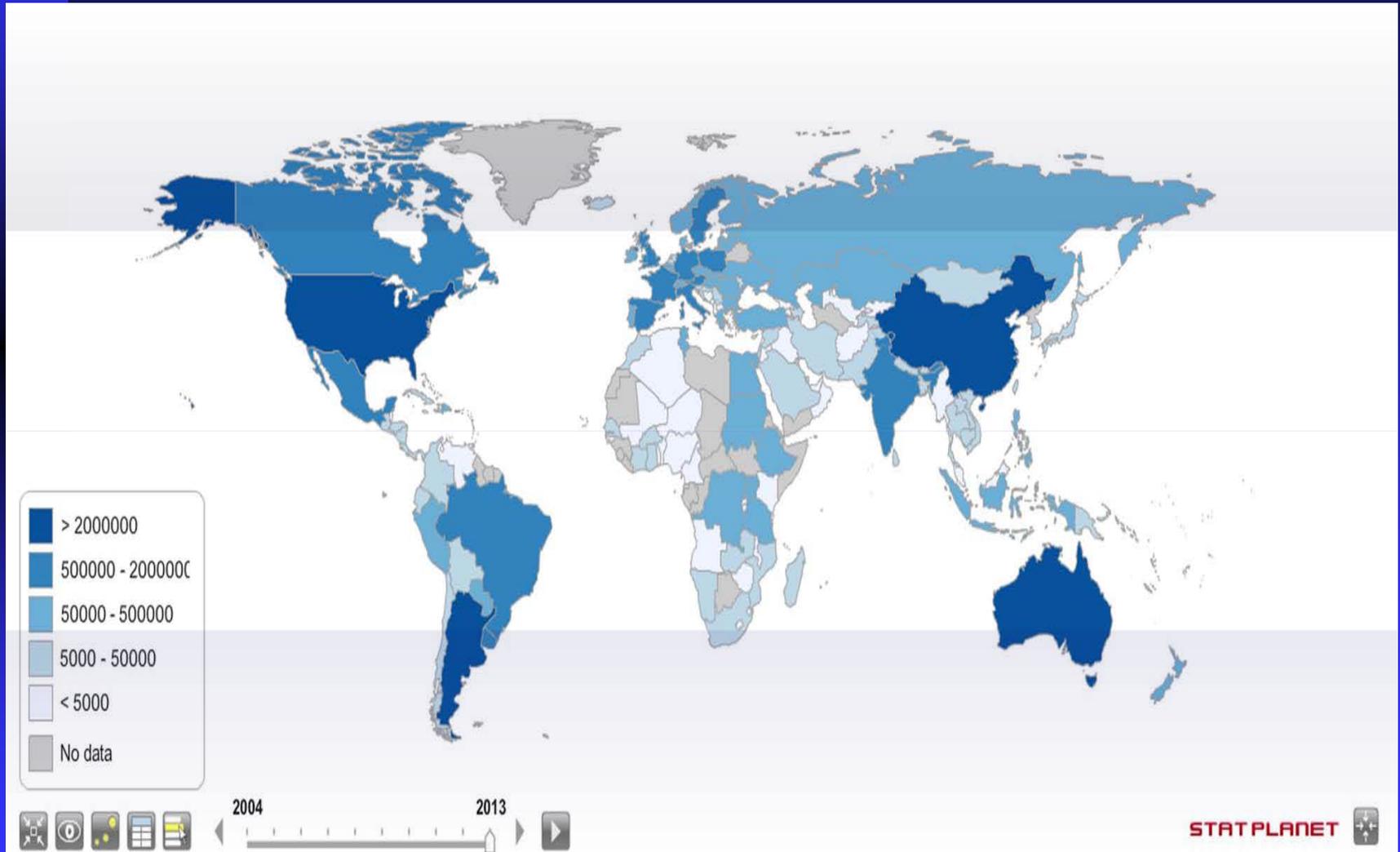
**Royal University of Agriculture  
Cambodia-March, 2016**

# INTRODUCTION

# Organic Agriculture: Key Production Indicators - 2013

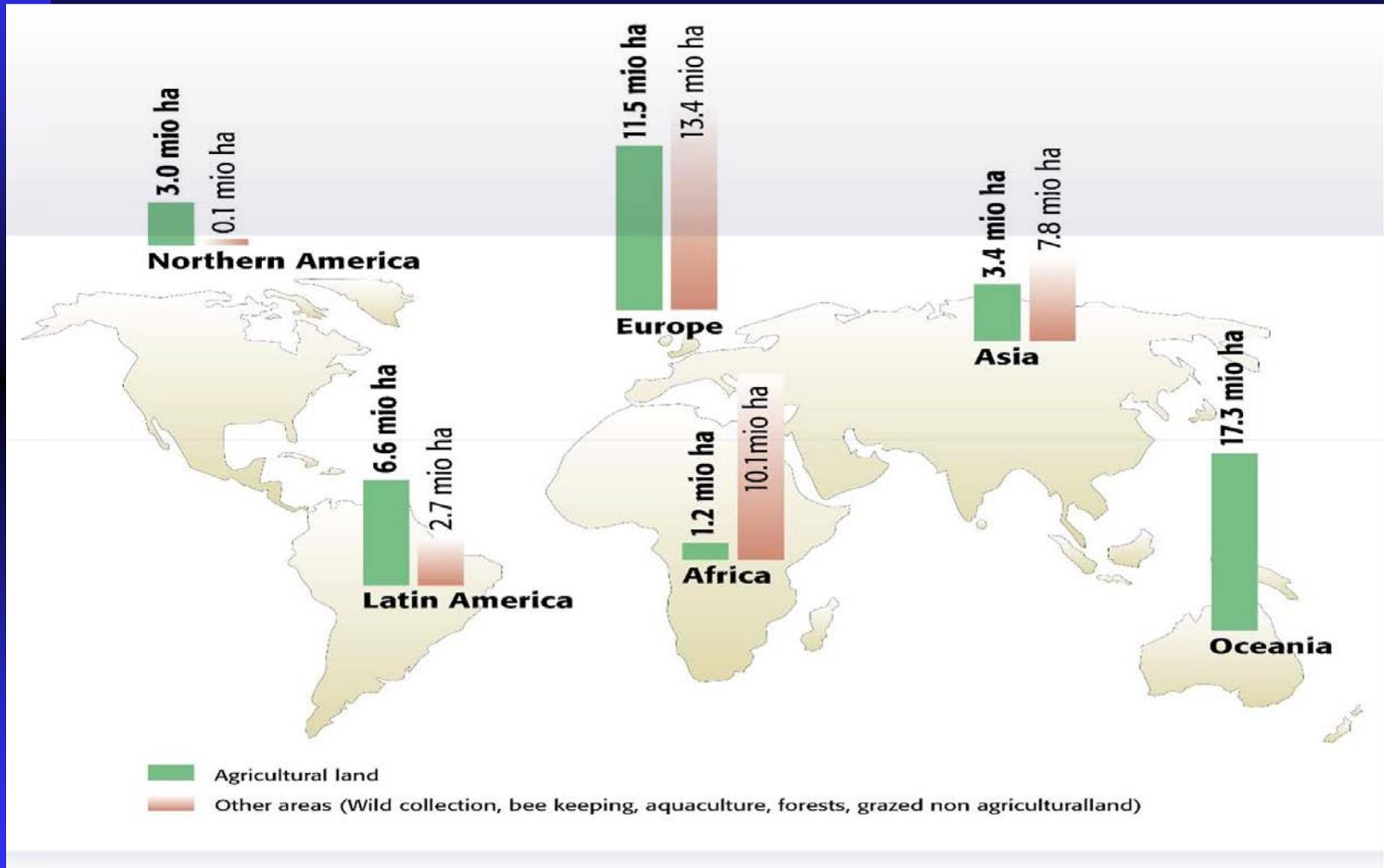
- ❖ 170 countries have data on organic agriculture – Cambodia?
- ❖ 43.1 million hectares of agricultural land are organic (including conversion areas).
- ❖ 1 percent of the agricultural land is organic.
- ❖ 11 countries have more than 10 percent organic agricultural land.
- ❖ 2 million producers were reported, more than three quarters are in developing countries

# Global Map-Organic Agriculture Area (Ha)



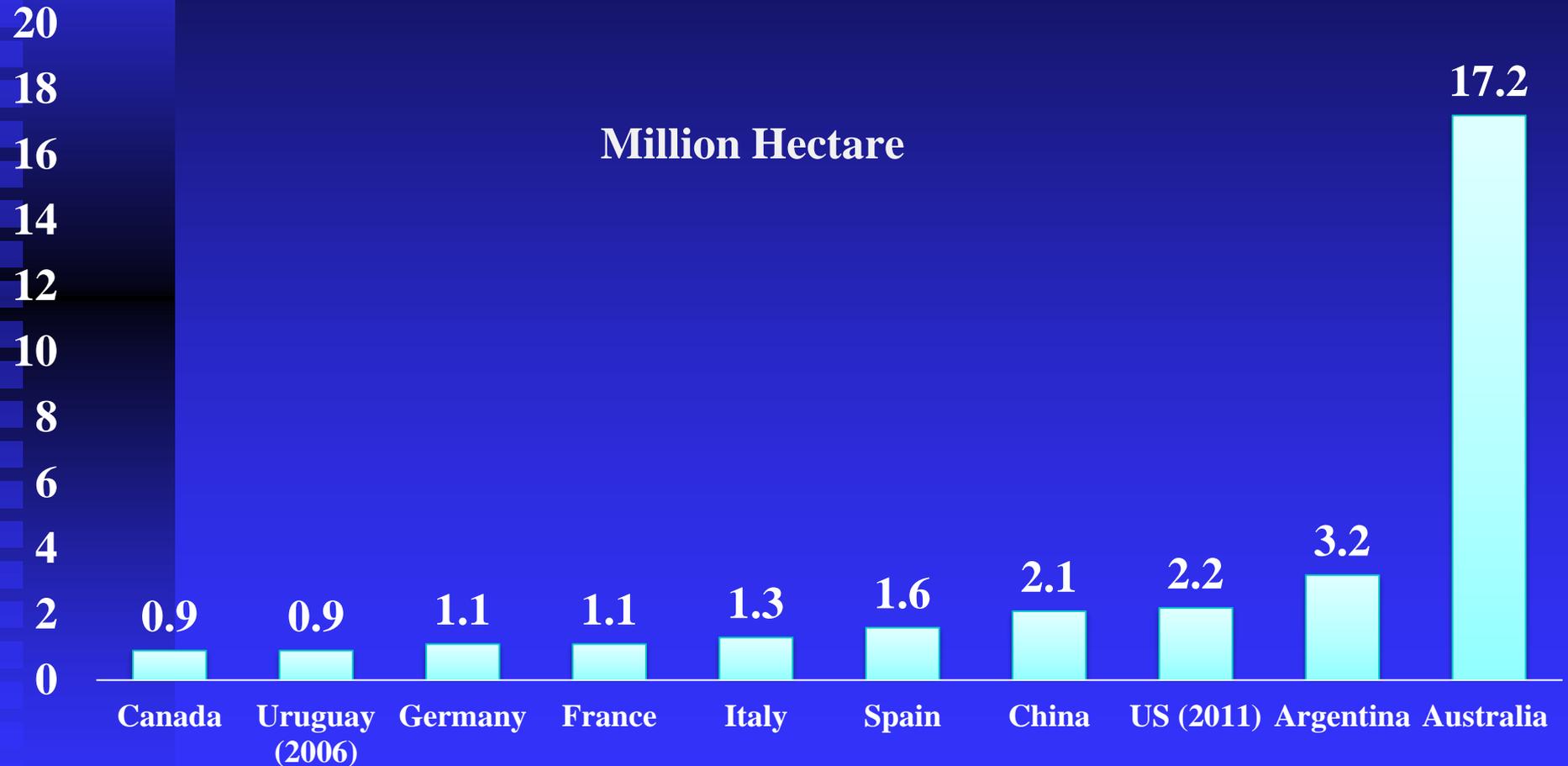
Source : [www.fibl.org](http://www.fibl.org)

# Organic Agricultural Land and Other Areas 2013



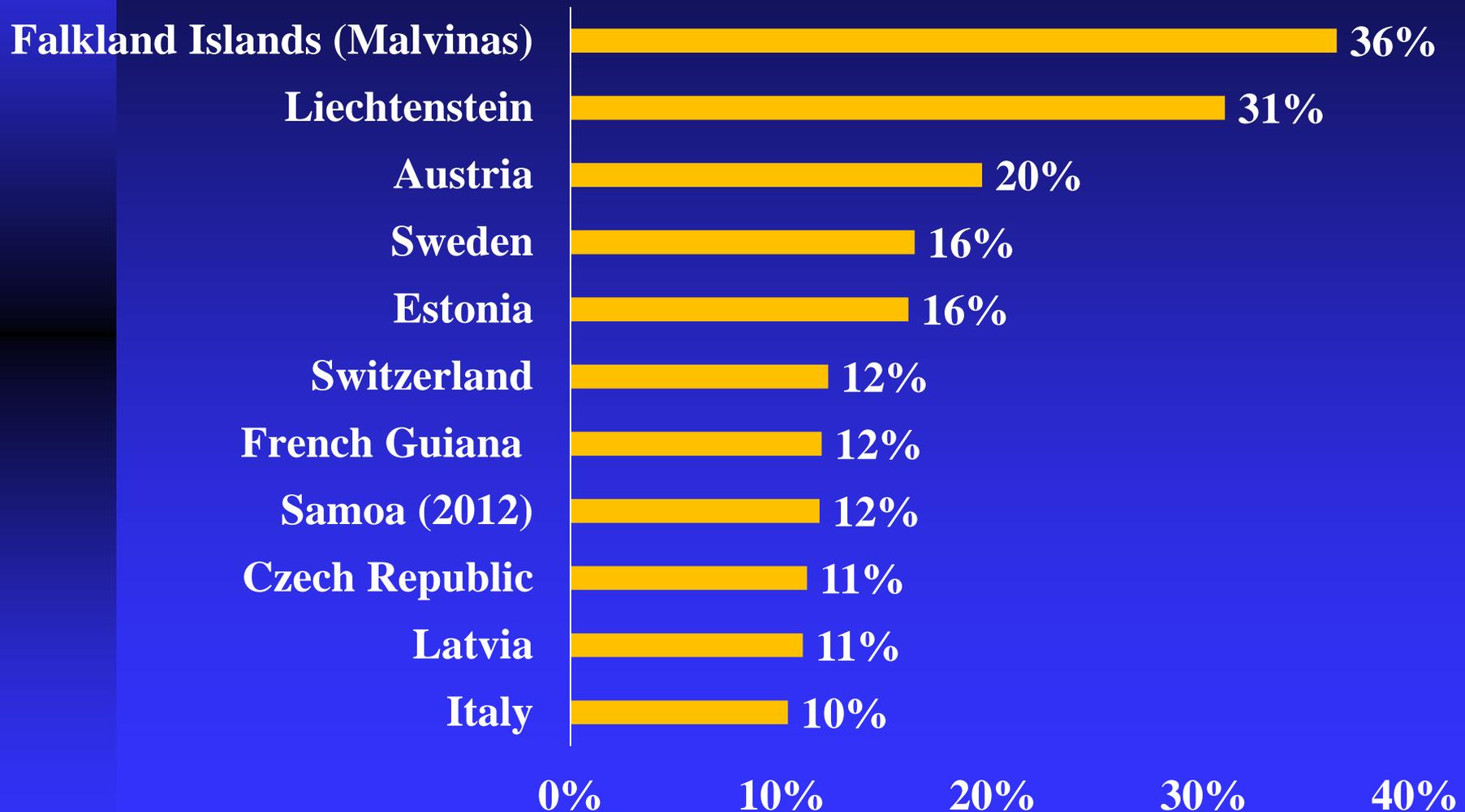
Source: FiBL-IFOAM Survey 2015, based on data from governments, the private sector and certifiers.

# Top Ten Countries With the Largest Areas of Organic Agricultural Land 2013



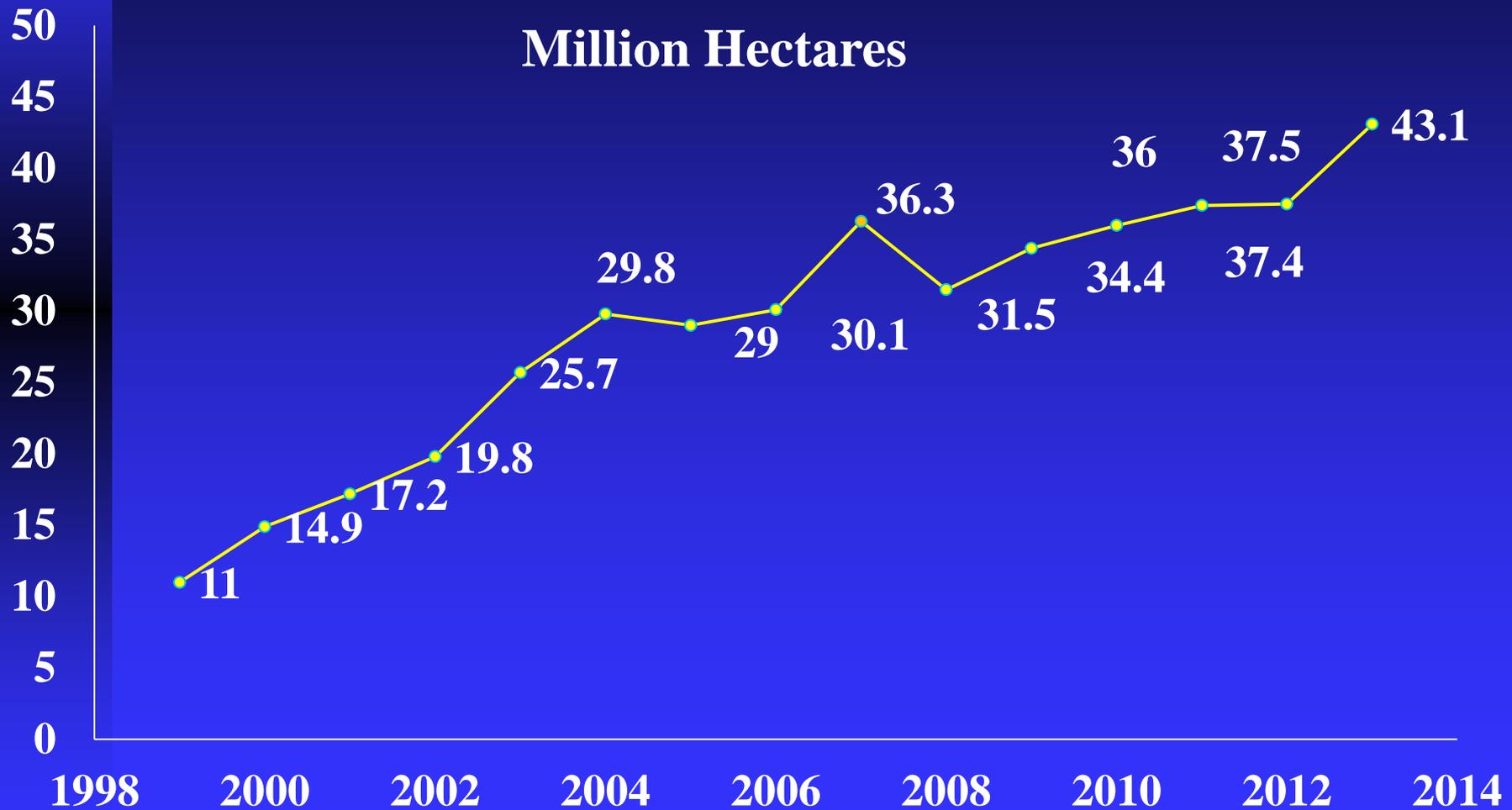
Source: FiBL-IFOAM Survey 2015

# Countries With More than 10 Percent of Organic Agricultural Land



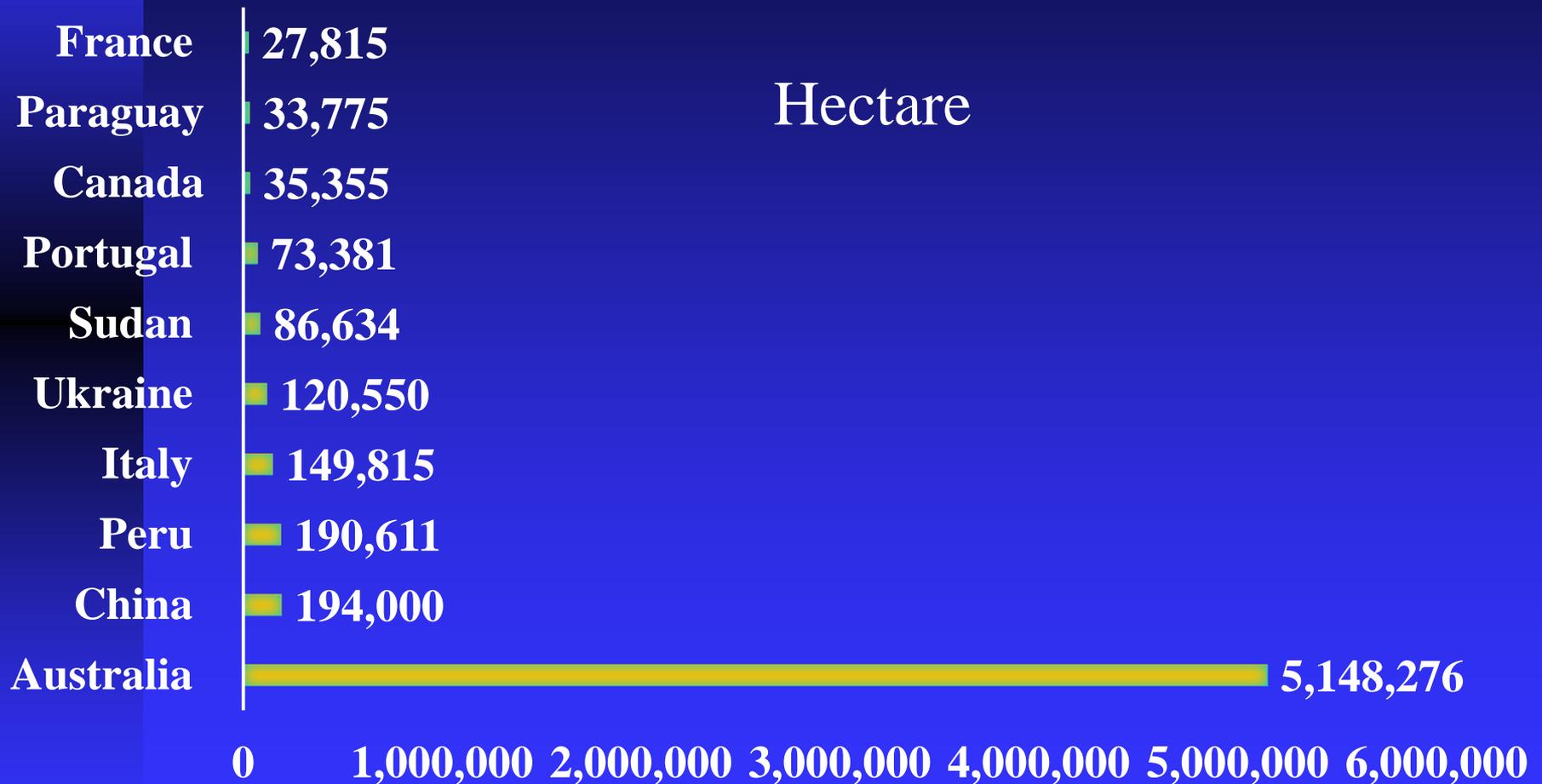
Source: FiBL-IFOAM Survey 2015

# Growth of the Organic Agricultural Land 1999-2013



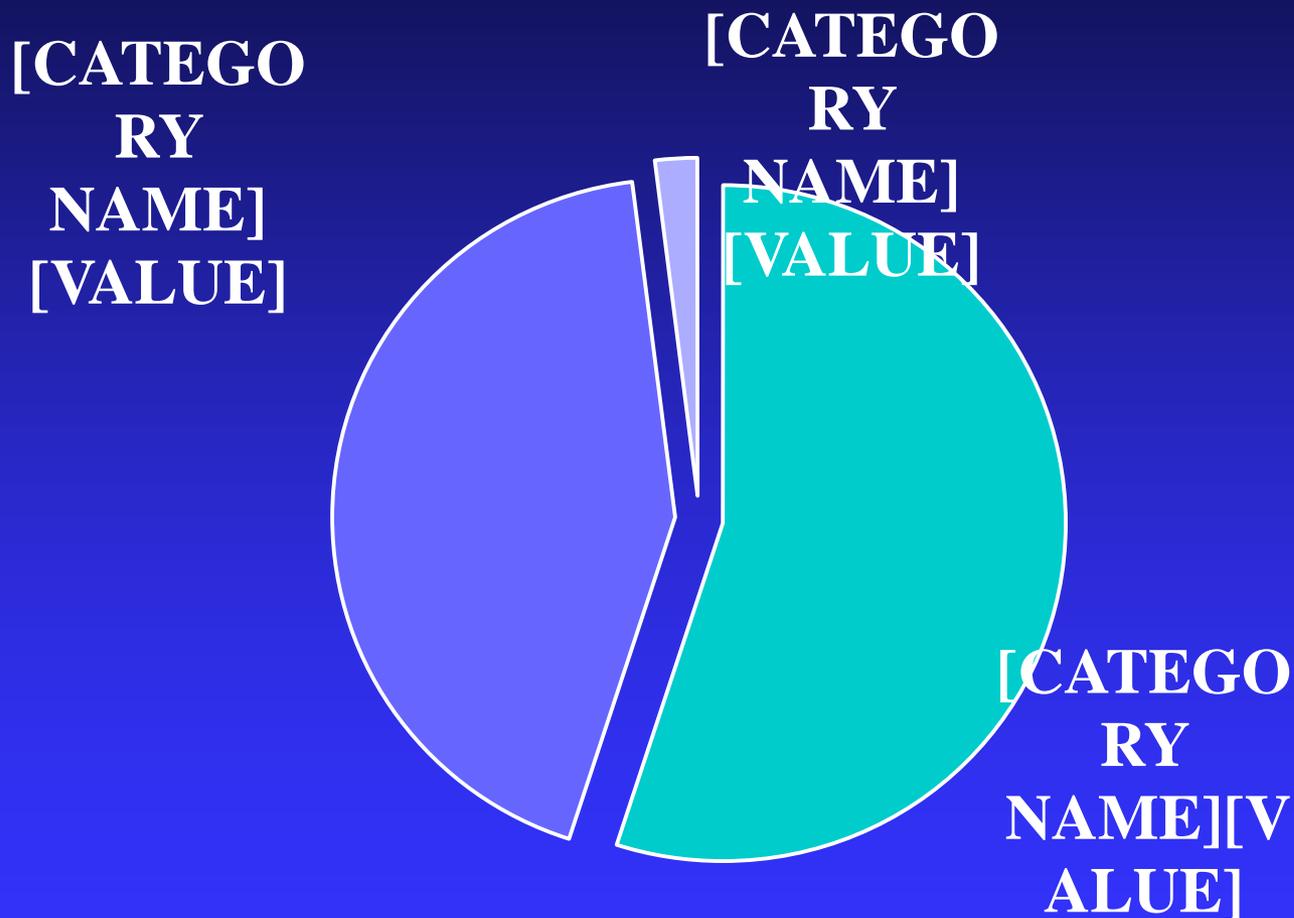
Source: FiBL-IFOAM-SOEL-Surveys 1999-2015

# Top Ten Countries With the Highest Increases of Organic Land 2013

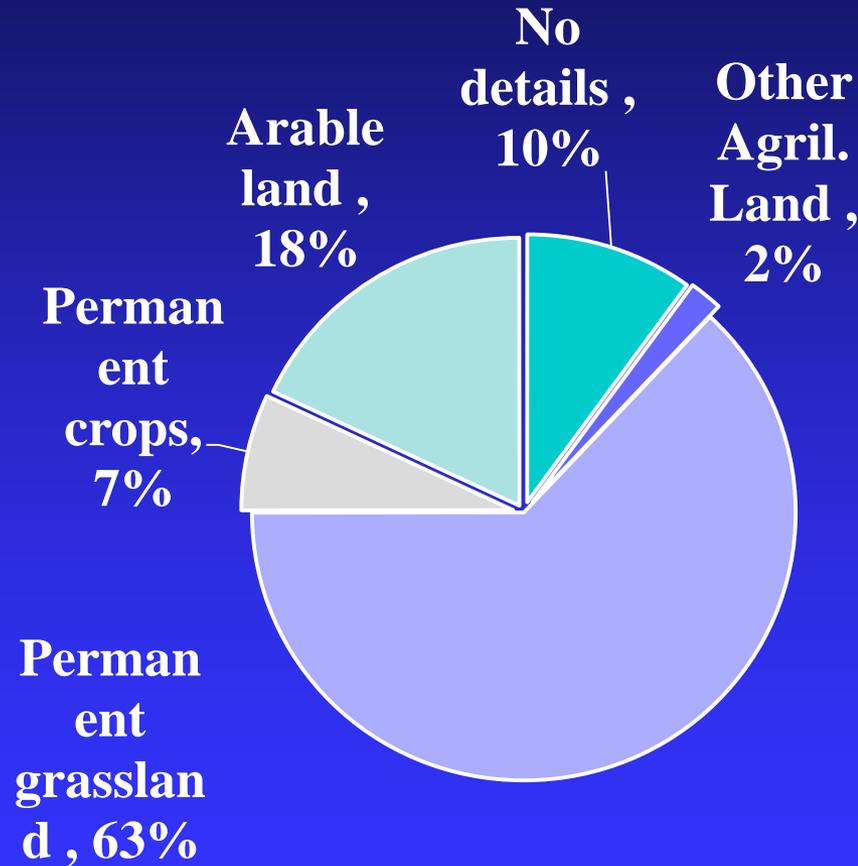


Source: FiBL-IFOAM Survey 2015

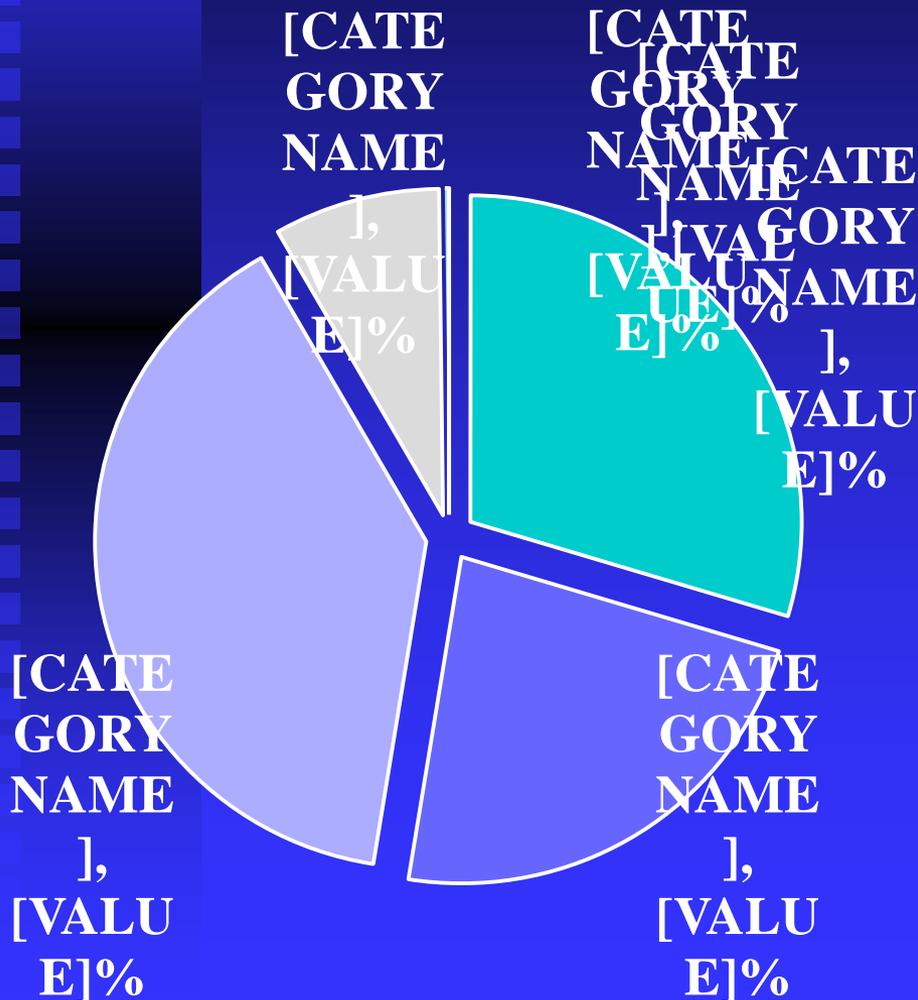
# Distribution of All Organic Areas in 2013



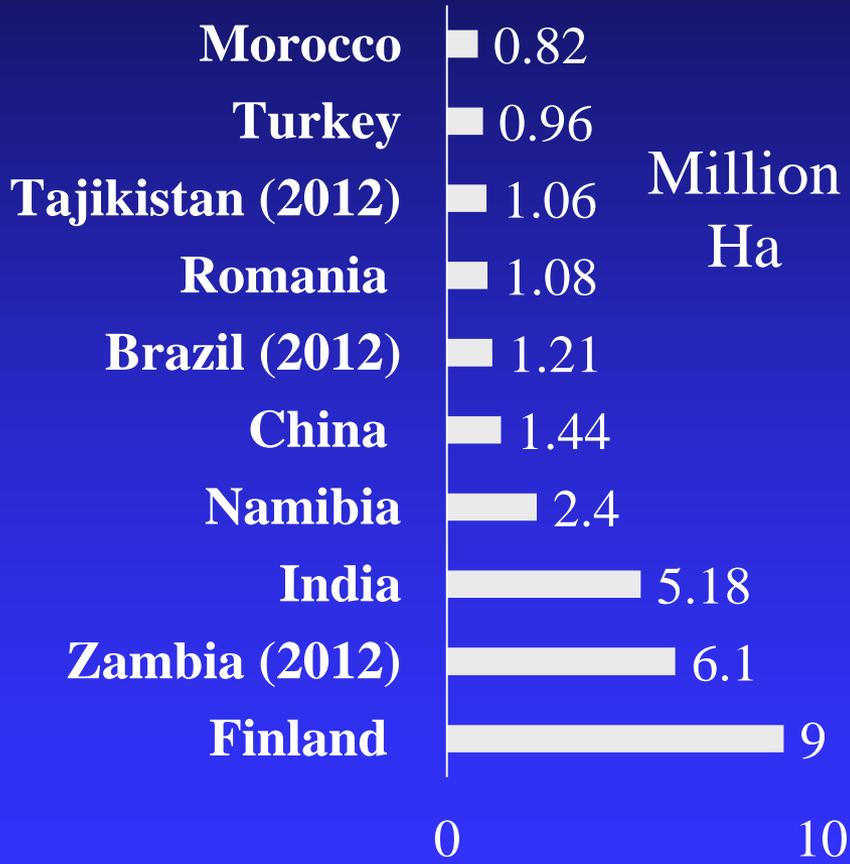
# Distribution of Global Use of Organic Agricultural Land in 2013 (Total: 43.1 Million Hectares)



# Distribution of Organic Wild Collection Areas by Region 2013

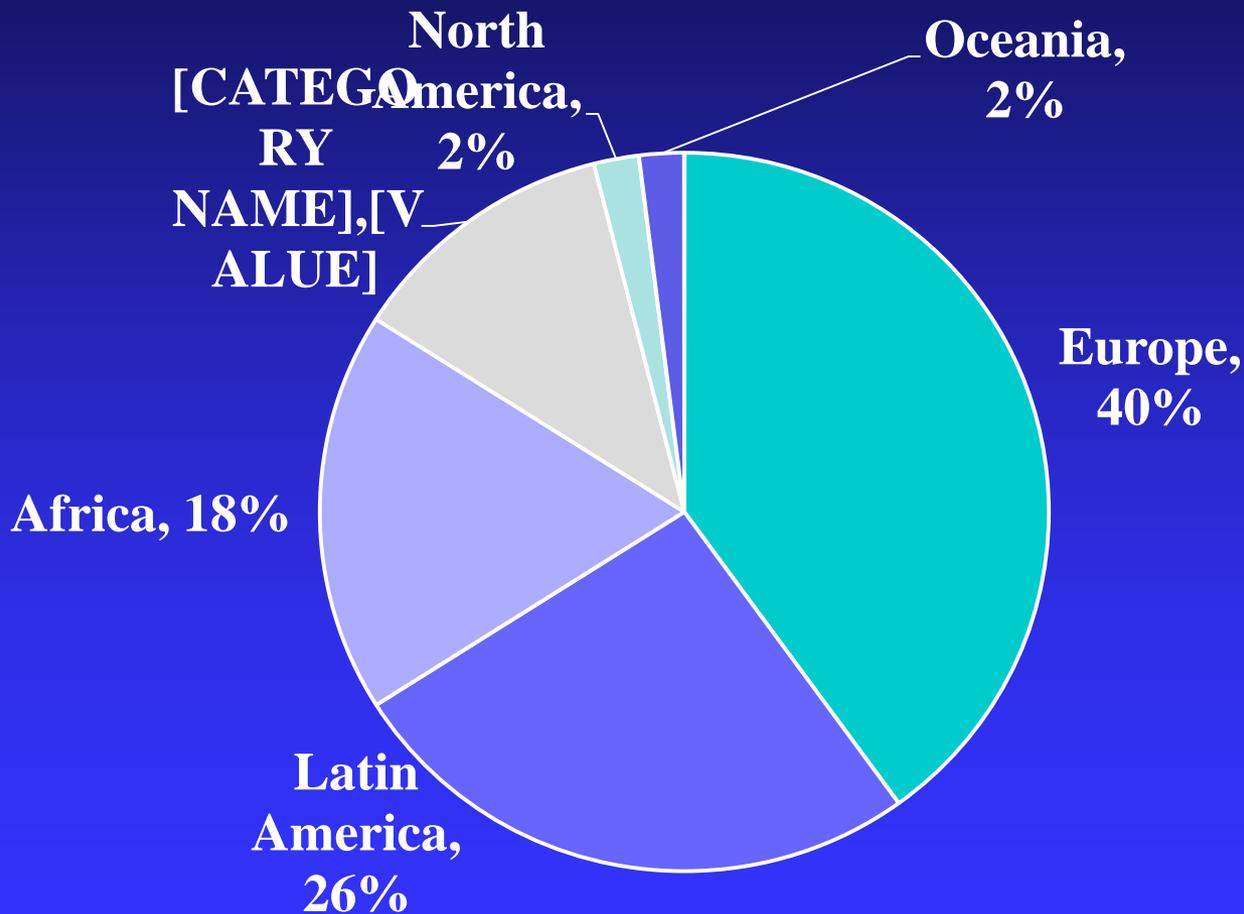


# The Ten Countries With the Largest Wild Collection Areas 2013



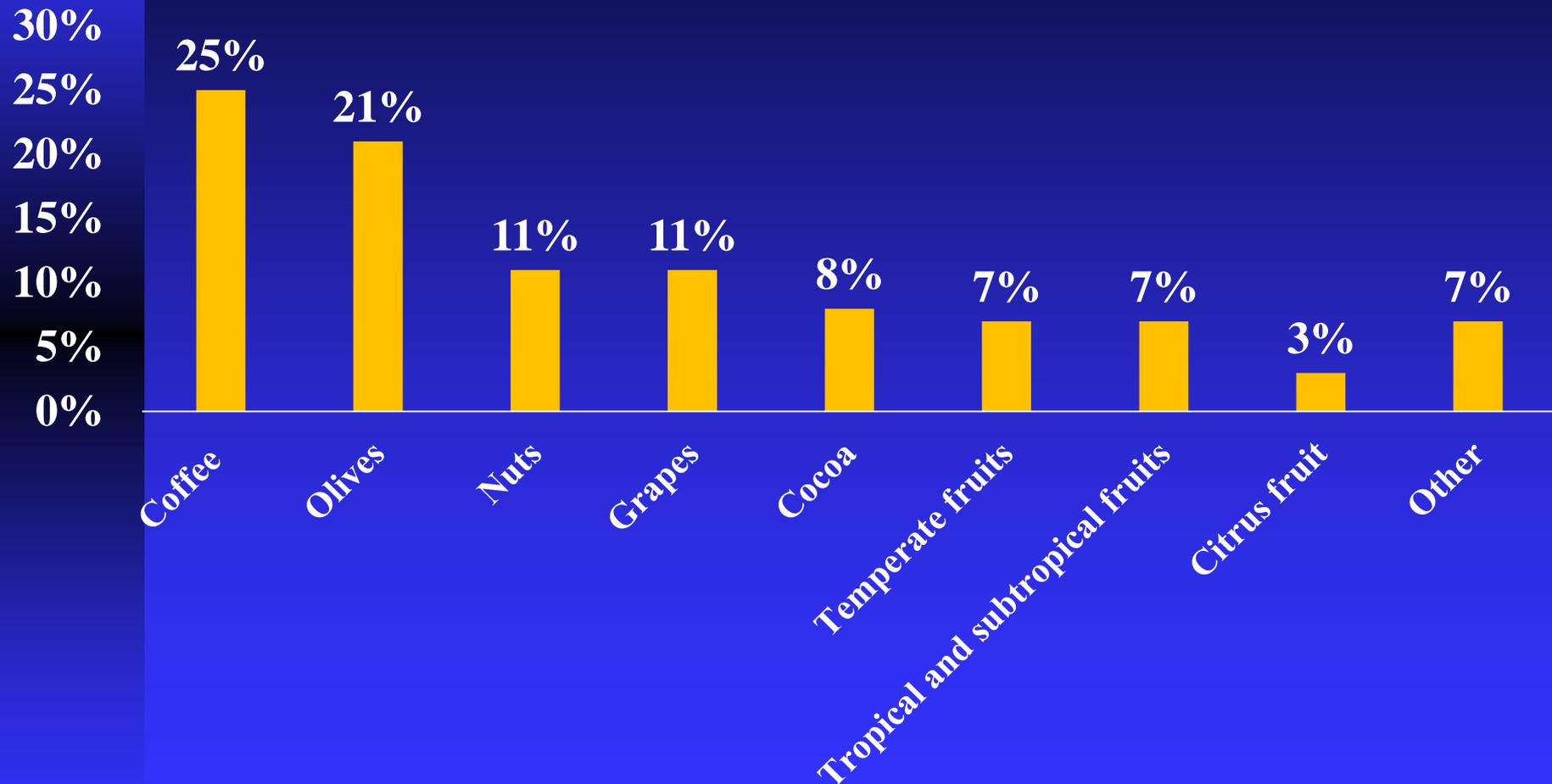
Source: FiBL-IFOAM Survey 2015

# Distribution of Organic Permanent Cropland by Region 2013



Source: FiBL-IFOAM Survey 2015

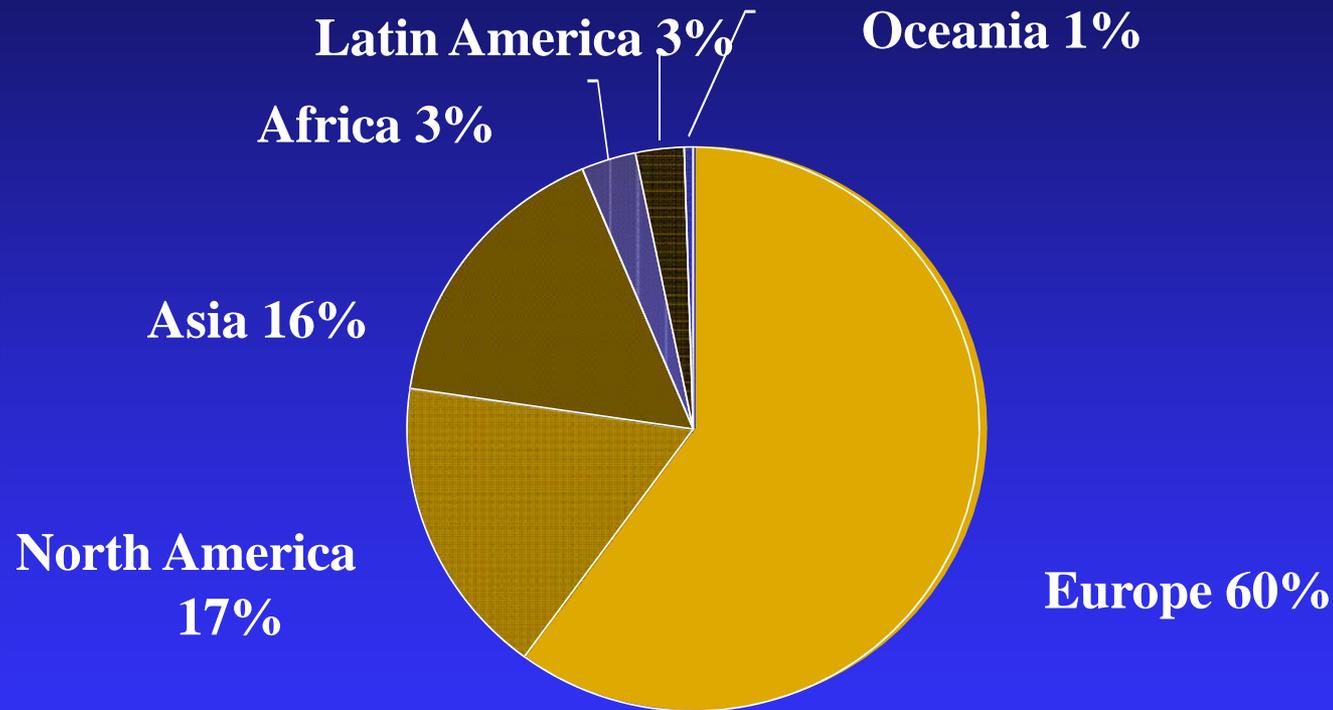
# Use of Permanent Cropland by Crop Group 2013



Source: FiBL-IFOAM survey 2015; in total for 42 countries data were available

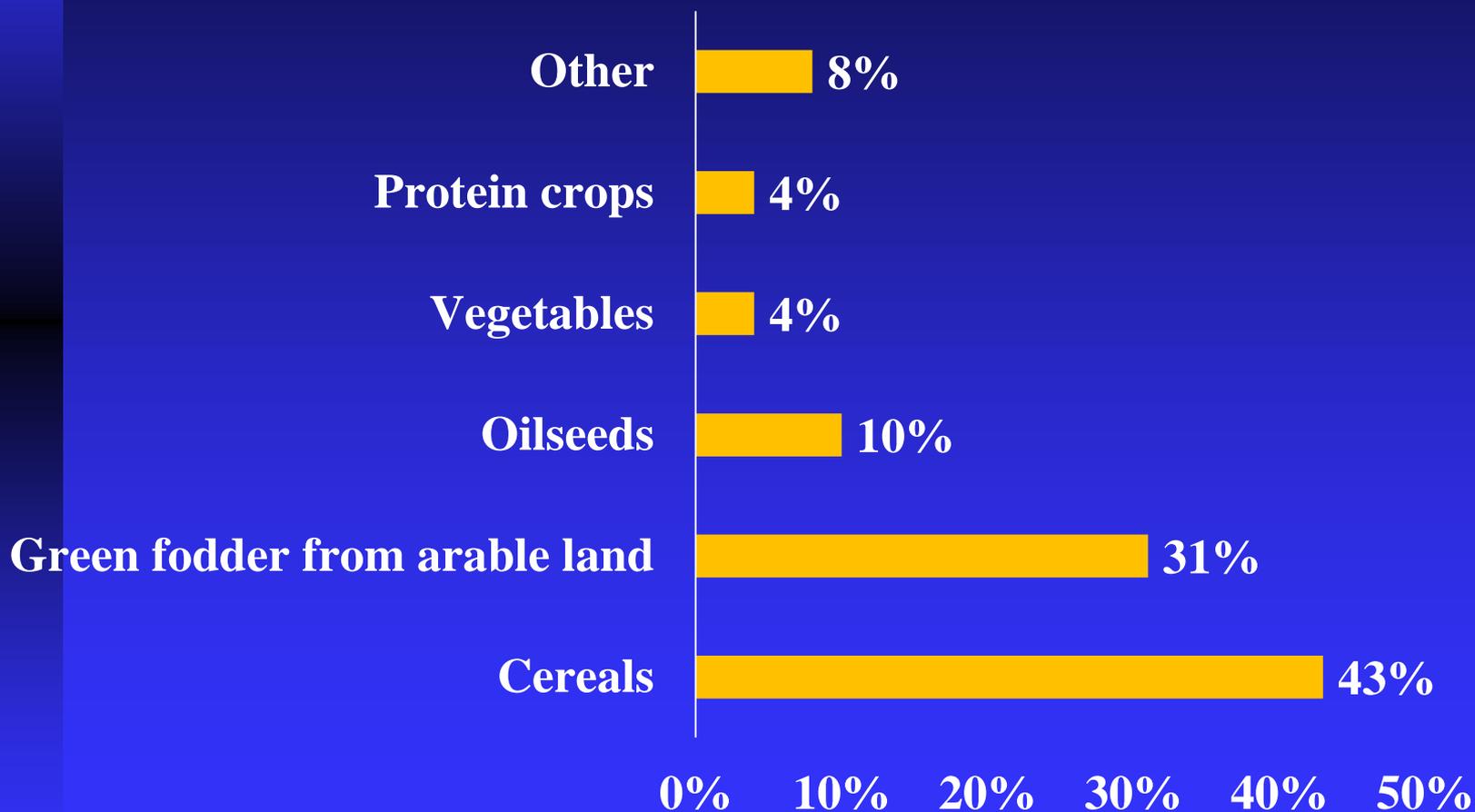
# Distribution of Organic Arable Cropland by Region 2013

(Total 7.7 Million Hectares)



Source: FiBL-IFOAM Survey 2015

# Use of Organic Arable Cropland by Crop Group 2013



Source: FiBL-IFOAM Survey 2015

# Organic Export Values of Top Ten Countries 2013



Source: FiBL-IFOAM survey 2015; in total for 42 countries data were available

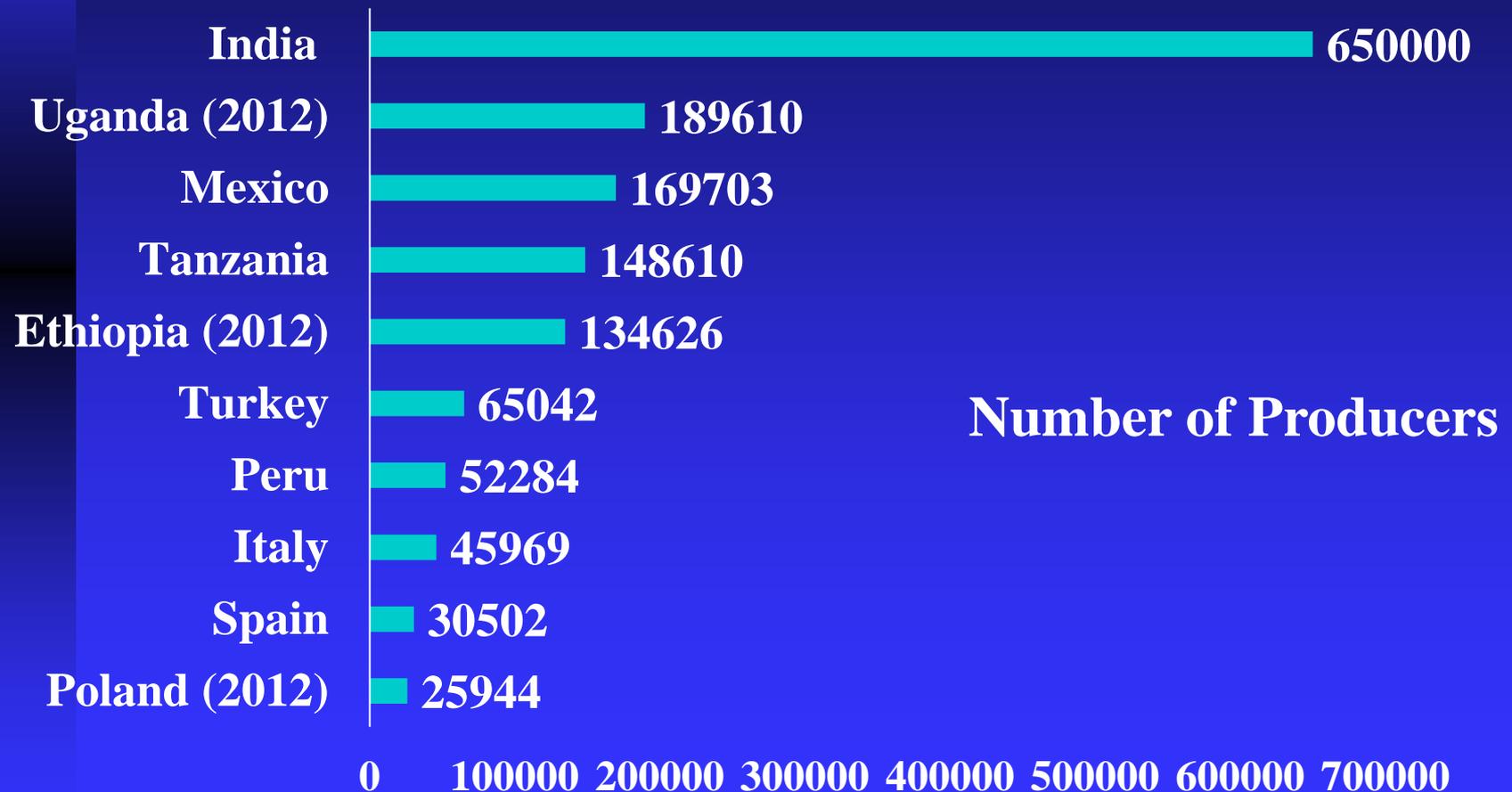
# Top Ten Countries With the Largest Markets for Organic Food 2013

Retail sales in Million Euros



Source: FiBL-IFOAM survey 2015; in total for 42 countries data were available

# Top Ten Countries With the Largest Numbers of Organic Producers 2013



Source: FiBL-IFOAM Survey 2015

# **UNITED STATES ORGANIC MARKET**

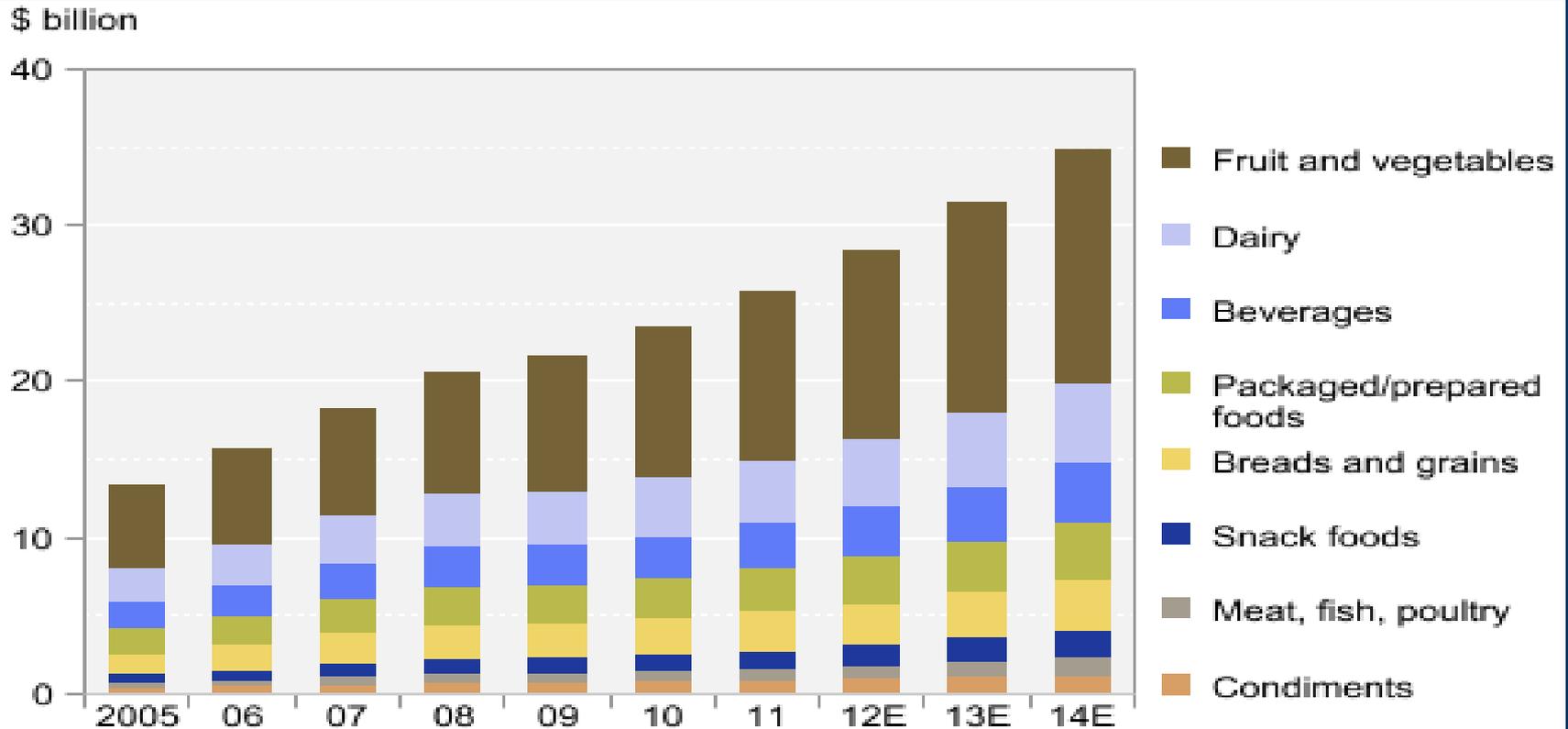
# US Organic Farming- An Overview

- ◆ Organic products are now available in nearly 20,000 natural food stores and nearly 3 out of 4 conventional grocery stores.
- ◆ Organic sales account for over 4 percent of total U.S. food sales, according to recent industry statistics.
- ◆ U.S. sales of organic products were an estimated \$28.4 billion in 2012—over 4 percent of total food sales—and will reach an estimated \$35 billion in 2014



# U.S. Organic Food Sales by Category, 2005-14E

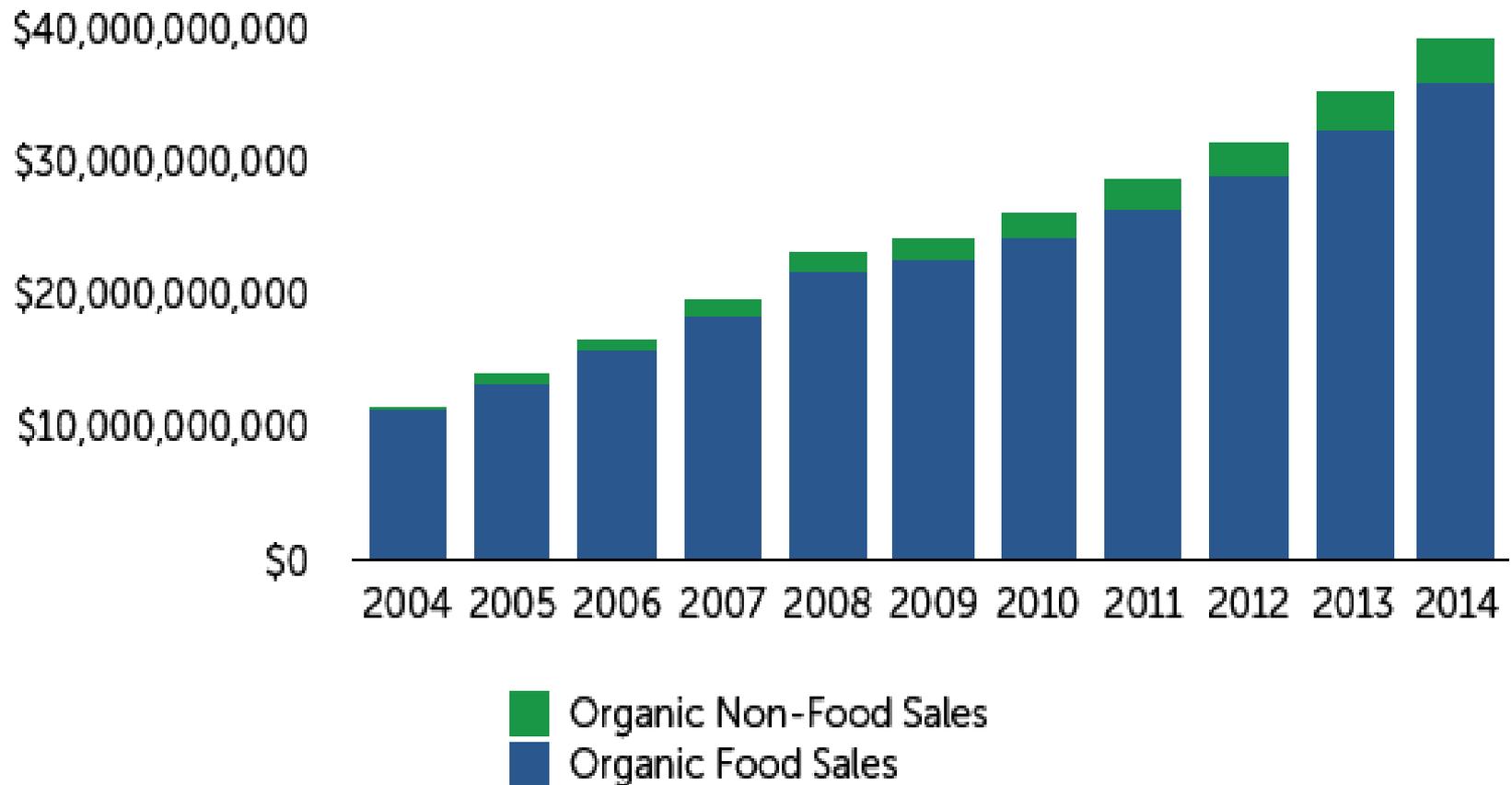
U.S. organic food sales by category, 2005-14E



Note: E=estimate.

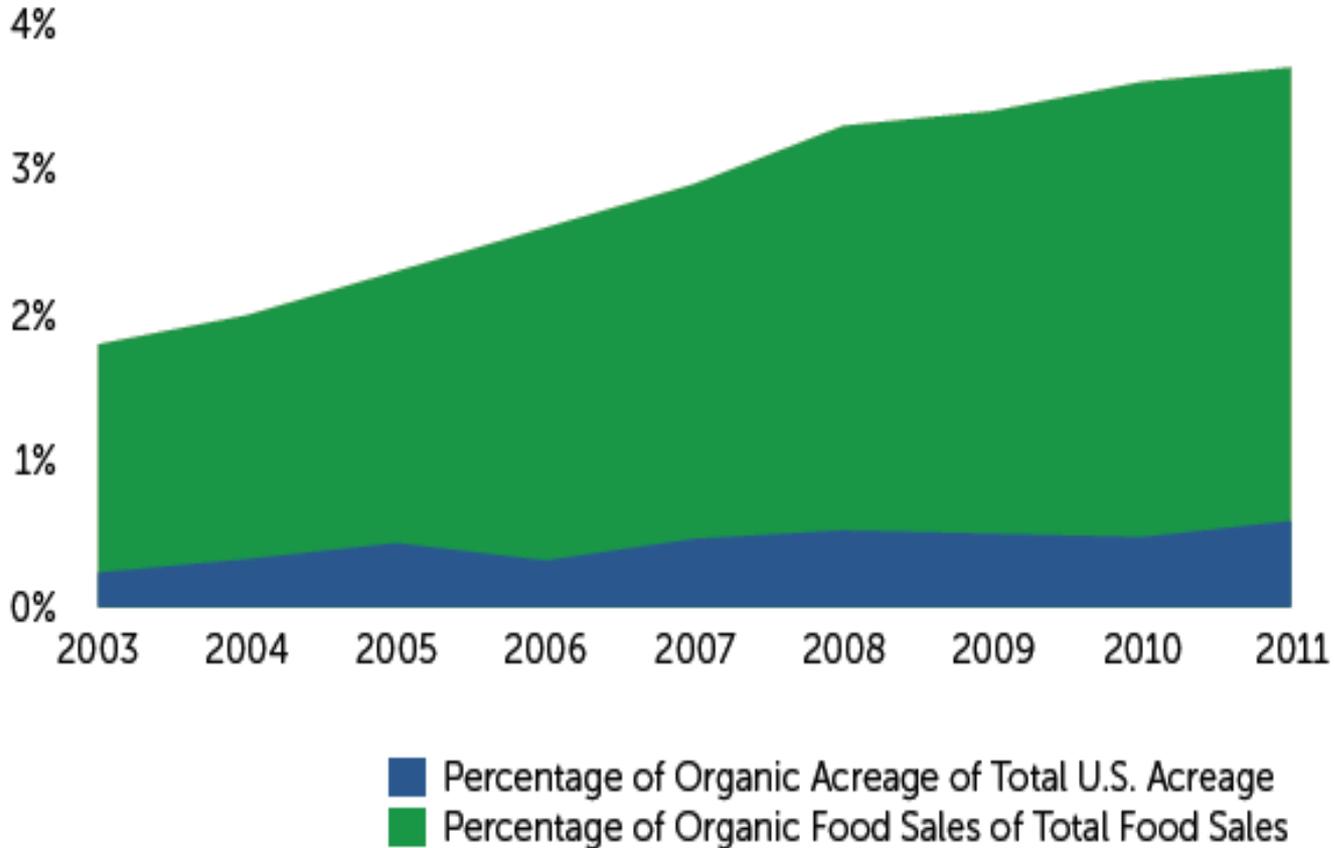
Source: USDA, Economic Research Service using data from Nutrition Business Journal.

# U.S. Organic Sales and Growth, 2004-2014



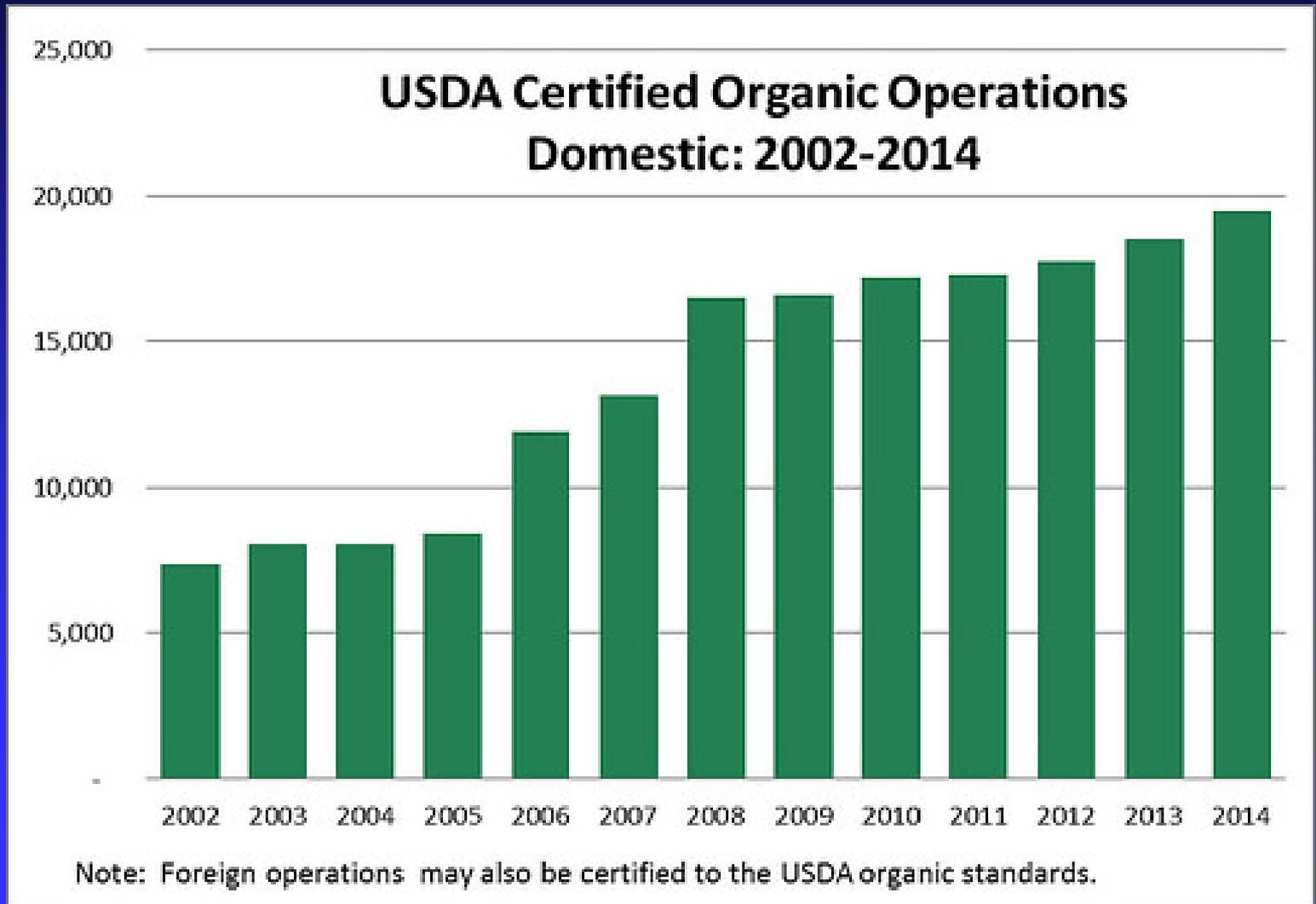
Source : USDA,ERS (2015)

# Organic Acreage Vs Organic Food Sales 2003 to 2011



Source : USDA,ERS (2015)

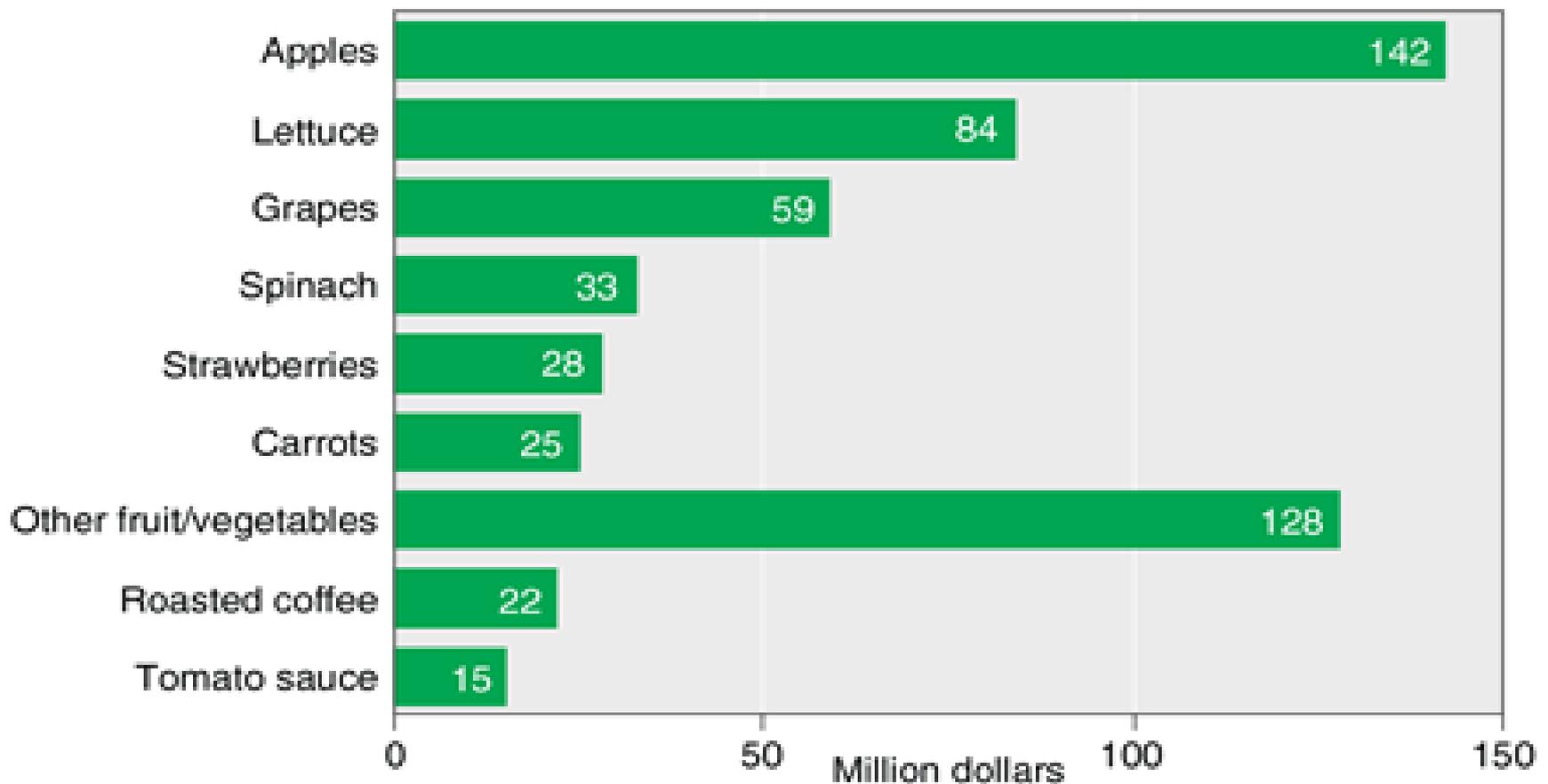
# USDA Certified Organic Operations



Source : USDA,ERS (2015)

# US Organic Exports 2013

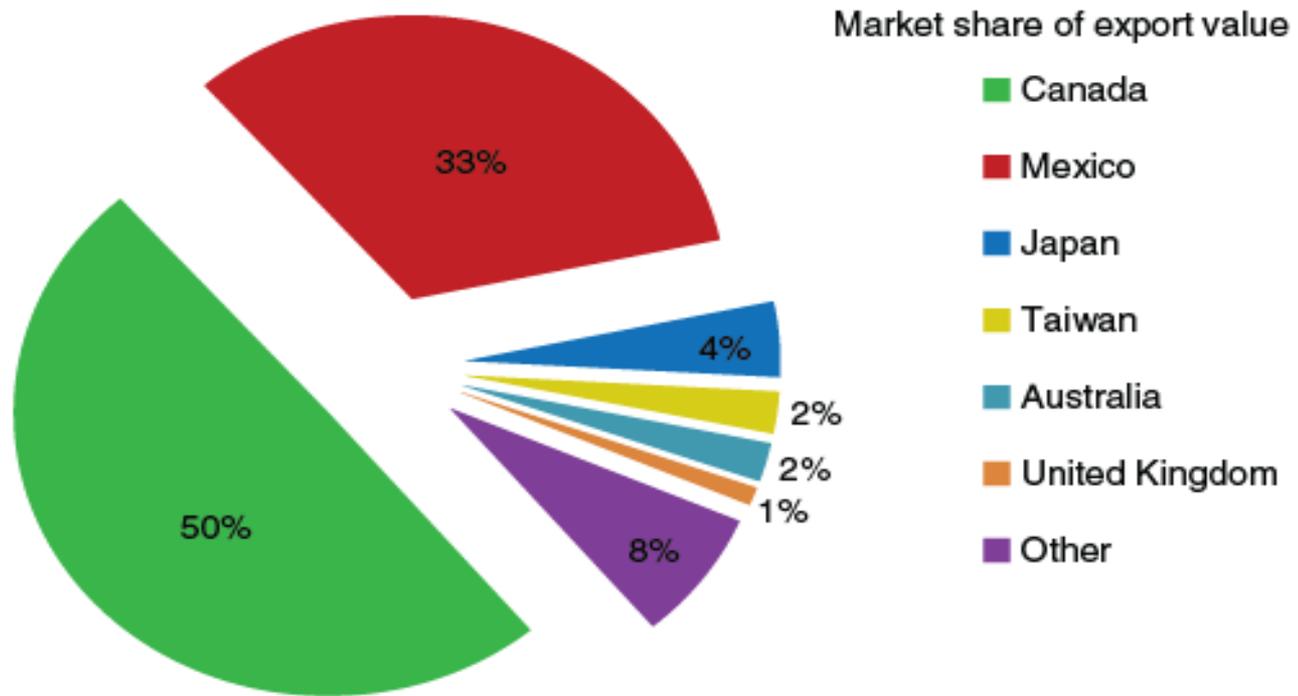
Value of U.S. organic exports (tracked products only), 2013



Note: The organic exports tracked by the Department of Commerce include only products that have a relatively high traded value and numerous exporters.

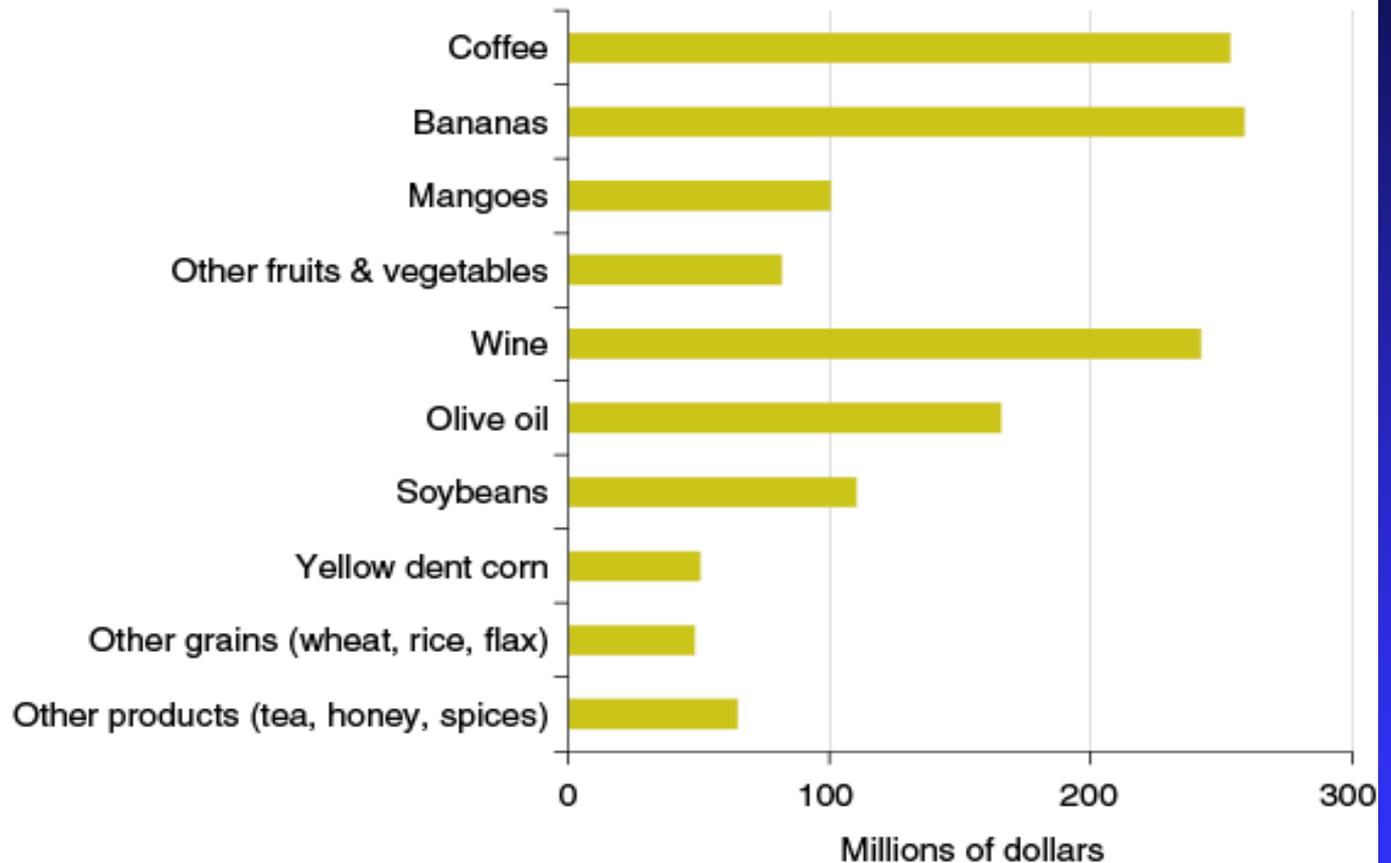
Source: USDA, Economic Research Service using U.S. Census Bureau trade data available through USDA, Foreign Agricultural Service, Global Agricultural Trade System Online.

# US Organic Export Partners 2013



Source: USDA, Foreign Agricultural Service Trade Database and U.S. Department of Commerce, U.S. Census Bureau.

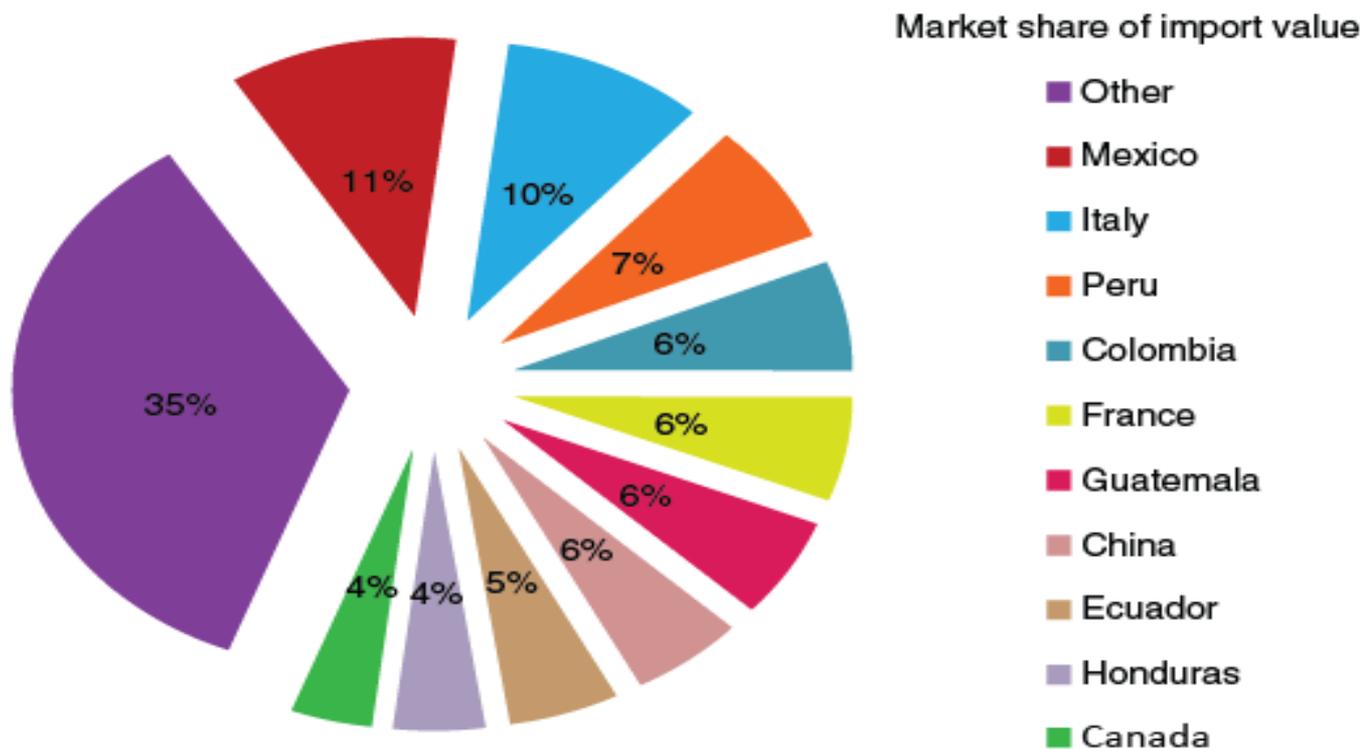
# US Organic Imports 2013



Source: USDA, Foreign Agricultural Service Trade Database and U.S. Department of Commerce, U.S. Census Bureau.

# US Organic Import Partners 2013

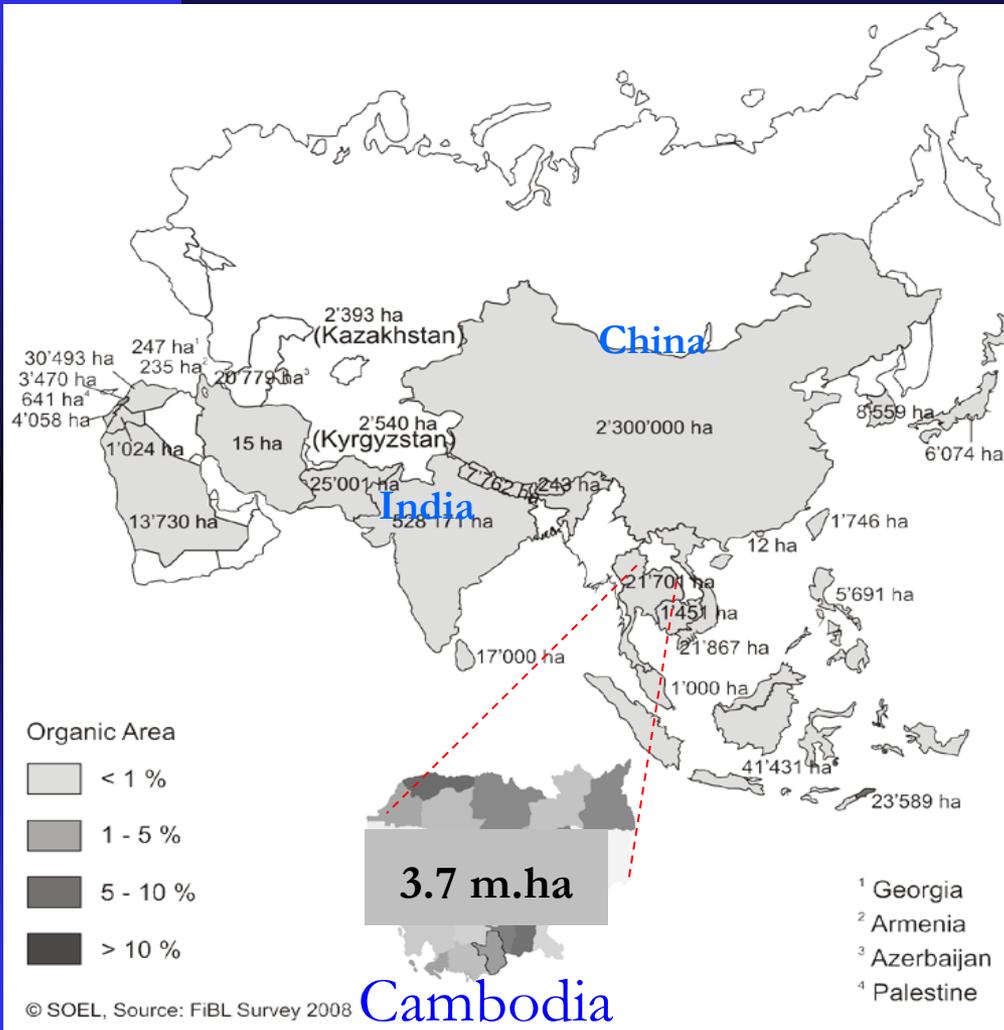
Many countries supplied the United States with organic products in 2013



Source: USDA, Foreign Agricultural Service Trade Database and U.S. Department of Commerce, U.S. Census Bureau.

# **Cambodian Organic Agriculture**

# Cambodian Agriculture at a Glance-2013



- Agriculture **GDP 37** percent and employed about **67 percent** of the workforce in 2012.
- Most of the Cambodian farmers are smallholders with less than **2 hectares** per household.

# Cambodian Agriculture at a Glance-2013

- ❖ The country's agricultural resources consist primarily of **3.7 million hectares** of cultivated.
- ❖ Land - **75 percent** is devoted to rice, and **25 percent** to other food and industrial crops, primarily rubber.
- ❖ In 2013, Cambodia **exported** a record level of **1.2 million tones of rice**, accounting for more than **3 percent** of the total worldwide rice exports.

# Cambodian Agriculture at a Glance-2013

S.No	Particulars	2012
1.	GDP (current billion US\$)*	14
2.	GDP per capita (US\$) *	944
3.	Agricultural value added (% of GDP)*	36
4.	Total population (thousand)	14 865
5.	Rural population (% of total)	79.9
6.	Agricultural labor force (% of total labor force)	65
7.	Human Development Index **	0.543 (ranking 138)
8.	Per capita cultivated land (ha)	0.29
9.	Total cultivated land (ha)	3.7 million
10.	Area equipped for irrigation (ha)	354 000 (9.6%)
11.	Value of total agriculture production (current million US\$)	7 905 (2011)
12.	Top 3 commodities available for consumption	Rice, Maize , Pig meat

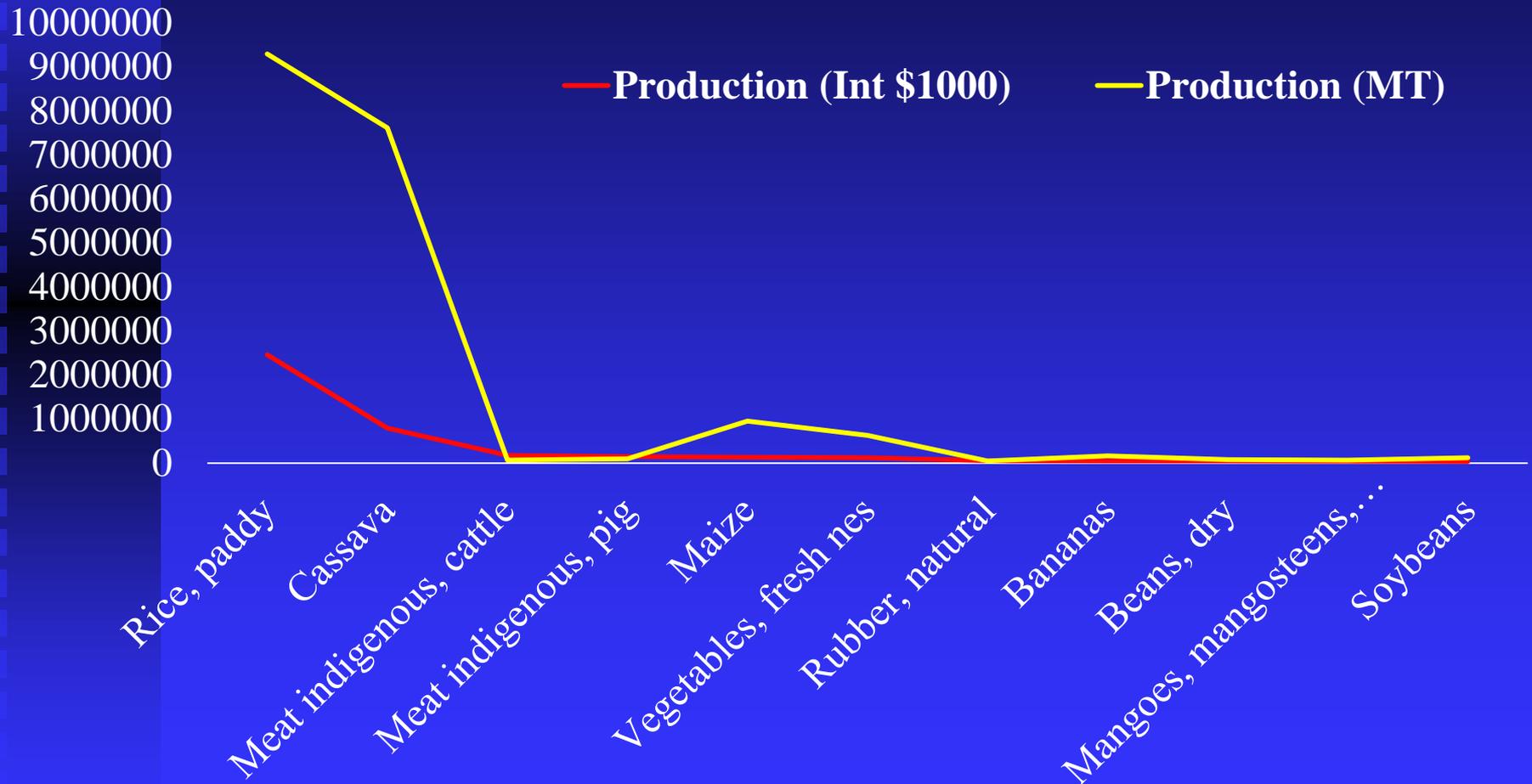
Sources: FAOSTAT; \*WB; \*\*UNDP (2014)

# Cambodian Agriculture at a Glance-2013

<u>Particulars</u>	<u>Top 3 Commodities</u>
Production quantity	Rice paddy, Cassava, Maize (2012)
Production value	Rice paddy, Cassava, Meat indigenous (2012)
Import quantity	Food wastes, Veg prod for feed, Malt (2011)
Import value	Cigarettes, Food wastes, Veg prod for feed (2011)
Export quantity	Rubber, Sugar raw centrifugal, Palm oil (2011)
Export value	Rubber, Palm oil, Sugar raw centrifugal (2011)
<u>Import &amp; Export</u>	<u>Top 3 Trading Partners</u>
Import value	Indonesia, Thailand, Viet Nam (2011)
Export value	Viet Nam, China, China Mainland (2011)

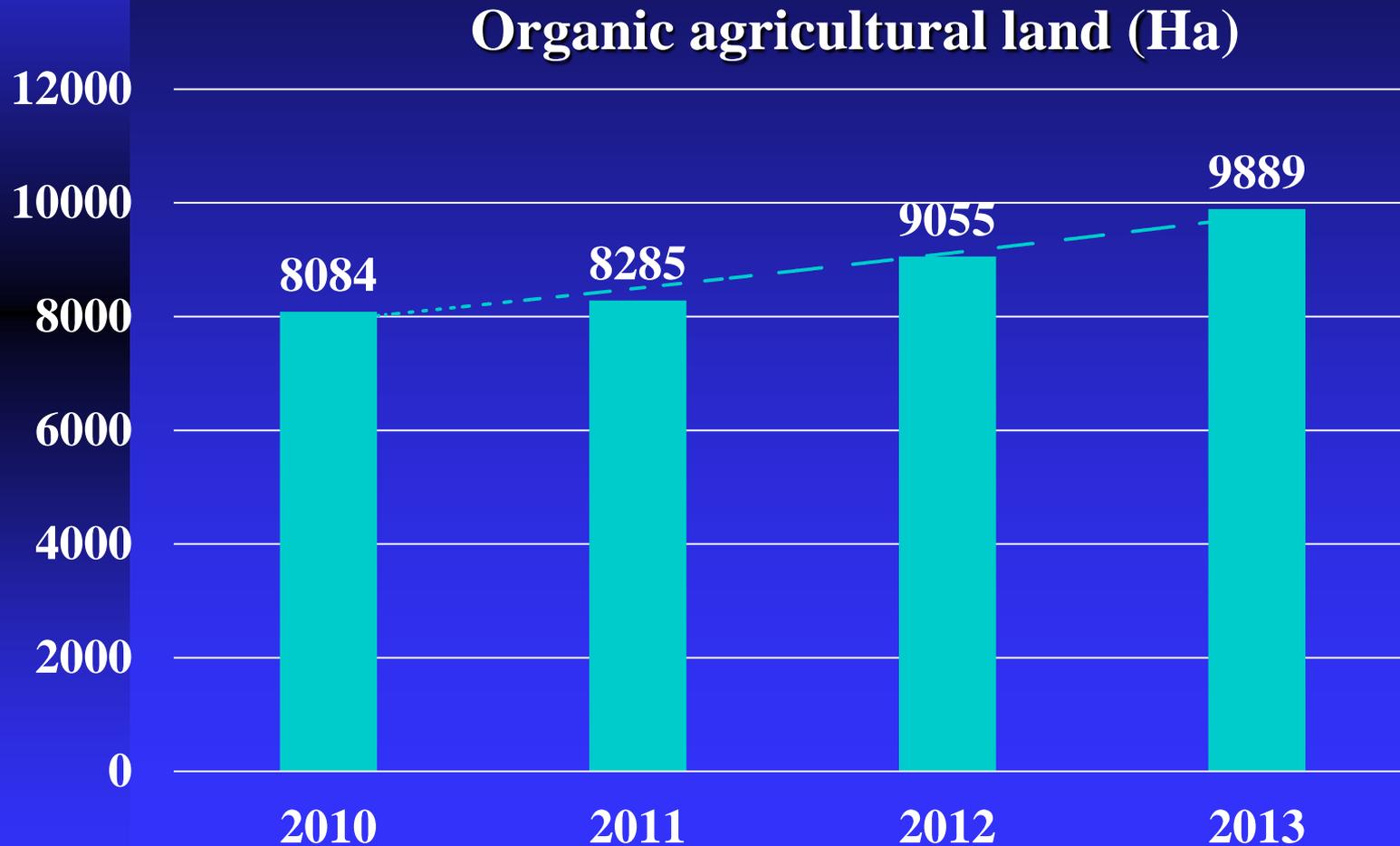
Sources: FAOSTAT (2014)

# Cambodia Top 10 Produce-2012



Sources: FAOSTAT (2014)

# Cambodian Organic Agriculture at a Glance-2013



Source: FiBL-IFOAM Survey 2015

# Cambodian Organic Agriculture at a Glance-2013

Particulars	Total Hectare	Global share
Land conversion of organic agriculture (2012/2013)	835	9.2%
Organic cereal area	2,964	0.1%
Organic tropical and subtropical fruits	122	0.3%
Organic vegetables	38	0.03%

# Imported Vegetables and other Food to Cambodia

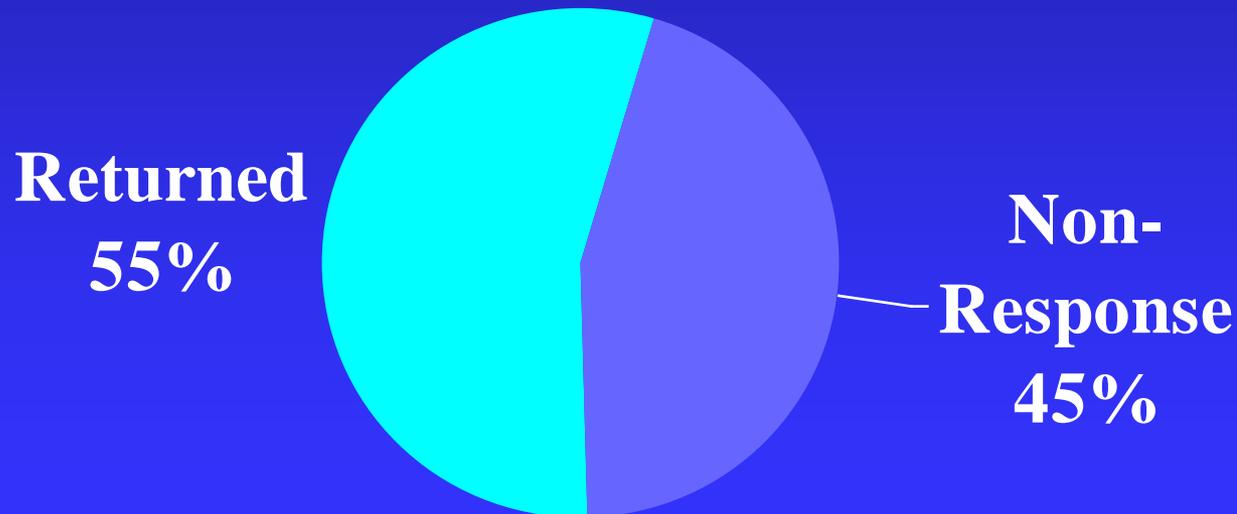
- Most come from Vietnam
- Pesticide residue is unknown
- Need for a market driven study
- Start with a demand study

**CONSUMER SURVEY  
&  
DESCRIPTIVE STATISTICS**

# Methodology

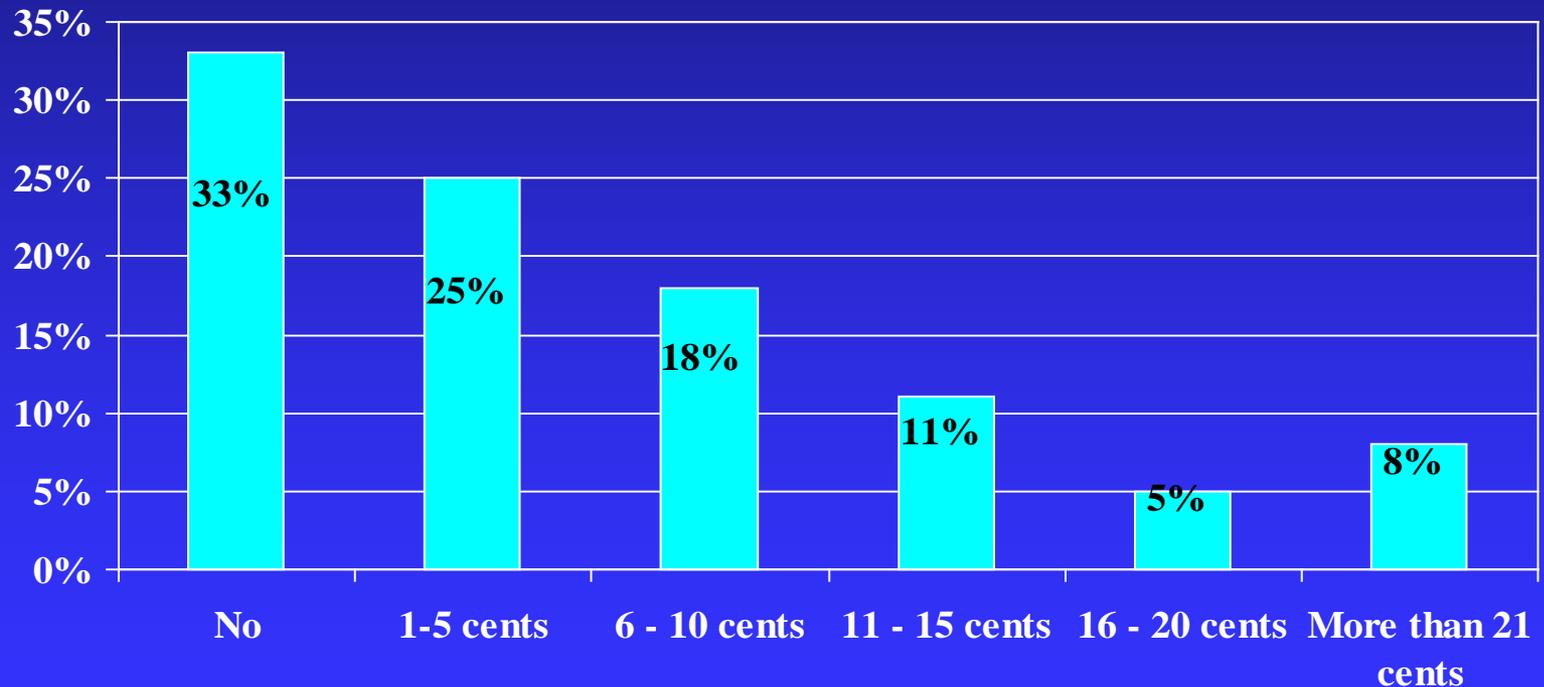
## ◆ Consumer Survey

- ◆ 1097 mail surveys sent to NJ, NY, and PA consumers in 2000
- ◆ 606 completed surveys were returned
- ◆ 55% response rate (\$1 incentive)



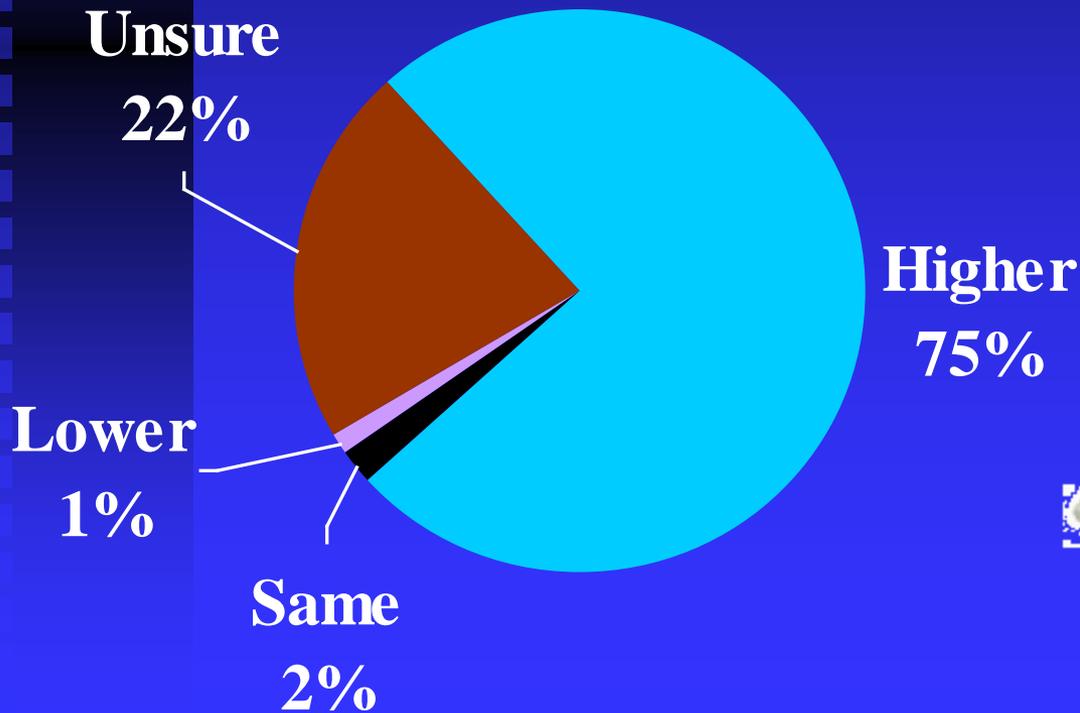
# Consumer Descriptive Statistics

Suppose your favorite fresh vegetable that you purchase regularly costs \$1 per pound. Would you pay slightly more for organic certified produce?



# Consumer Descriptive Statistics

How do you think organically grown produce compares to conventionally grown produce in supermarkets and other retail facilities, in terms of *prices*?





# SUMMARY

# Summary

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- ◆ **Frequent buyers of organic produce**
  - ❖ **Those who read labels**
  - ❖ **Those who think country of origin is important**
  - ❖ **Those who think absence of pesticide is important**
  - ❖ **Those who say quality of produce is important**
  - ❖ **Household with more than 3 members**
  - ❖ **Female shoppers**

Thank you.

Questions....?

For further information and suggestions  
contact Ramu Govindasamy

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<http://www.dafre.rutgers.edu/documents/ramu/agmkt.htm>