General News

Sustainable Farming Incentive and Countryside Stewardship for Organic Farmers

OF&G have recently published a technical guide outlining how the Sustainable Farming Incentive (SFI) and Countryside Stewardship (CS) payments can be combined to deliver increased payments of up to 50% to organic farmers when compared to historic BPS rates. From the analysis, produced by William Waterfield of the Farm Consultancy Group, there appears to be a robust argument for farmers considering converting to organic to take that positive step and full advantage of the new schemes. The study is calculated on two farm case studies (one predominantly arable, the other mostly livestock) of 210 hectares, the average size of organic farms certified by OF&G.

The technical leaflet shows the income comparison between old BPS and the combined CS and SFI payments. It reveals an increase from £48,510 to £68,671 for the livestock farm. On the arable farm rates would rise even more, from £48,510 to £73,061.

OF&G anticipates a significant divergence overall in the way English farms are managed following the roll out of Defra’s environmentally driven policies. There will be many farmers both, organic and non-organic, who will wholeheartedly embrace the new schemes and their approach while others will reject the environmental principles and opt for intensification and forego the schemes. Choosing the second route of increasingly intensive farming practices, which may produce higher yields in the short-term, will come at a huge environmental and societal cost and undermine the very basis of production and long-term food security.

The technical leaflet can be downloaded from the OF&G website here: https://ofgorganic.org/useful-info/downloads

Defra announced that farmers can apply for SFI payments from 18 September 2023.

SAVE THE DATE

Defra SFI for Organics webinar
13th October 12 - 1 pm

During the webinar Defra will give an introduction to the SFI and the RPA will explain how to make an application. There will be an opportunity for Q&A.

Details of the Eventbrite / Zoom link will be provided soon.
The Wales Real Food & Farming Conference - 1-2 November 2023

Sponsored by OF&G the fifth WRFFC will be held at Coleg Cambria Llysfasi, Ruthin 1 - 2 November 2023.

Llysfasi is one of Wales’ leading centres of land-based education. We are very much looking forward to visiting the college – and bringing the Conference to North East Wales.

Opening the first day will be Sarah Dickins, organic farmer and former BBC economics correspondent, now working with Wales Net Zero 2035. Other speakers will cover topics such as food security, food production and wildlife, orchards, local food trading, diversity, food partnerships and water management. The full programme will be available in early October. Tickets are now on sale.

https://wrffc.wales/cynhadledd-2023-conference/tocynnau-tickets/

Welsh Government and Farm Payments

The Welsh Organic Forum (WOF) brings together people working within the organic sector and represents organic businesses operating across Wales.

In July the Welsh Organic Forum learned of the Welsh Government’s decision to cease all Glastir schemes at the end of 2023. Instead the government intends to introduce a scheme aiming to encourage only wildlife habitats and only for one year.

We have been told that the reasons for this dramatic shift is due to tighter than expected budget constraints, leaving the Welsh Government with a £900m shortfall. They have decided to reduce agri-environment scheme support and to focus only on habitats for 2024. The intention is for the new interim scheme to offer Welsh farmers some support to continue delivering environmental benefits.

The Sustainable Farming Scheme, which is due to be in place in a little over a year’s time, is not yet fully published (SFS detail in outline only).

The Welsh Organic Forum wrote to Agriculture Minister, Lesley Griffiths and to First Minister, Mark Drakeford to express the very grave concerns this decision has generated across the Welsh organic sector.

Excerpt from the Welsh Organic Forum letter to Welsh Government:

A withdrawal of support for organic farming will have serious economic and environmental consequences in Wales. The decision poses an existential risk to the Welsh food and farming sector’s ability to deliver to our climate, nature and food security obligations. It is likely to precipitate a mass exodus of organic farmers, inflicting long lasting damage on the sector.

Scientists and economists agree that organic farming is a highly effective system for delivering public benefits - climate, nature and social. On average organic farms hold 50% more wildlife than non-organic. Organic agriculture emits less greenhouse gases per hectare by not relying on fossil fuel derived fertilisers and chemical pesticides.

We are shocked that Welsh Government looks set to reject a globally recognised and scientifically evidenced beacon of sustainable farming. Such a decision would undermine Wales’s credentials internationally as an environmentally sustainable country at a time when other nations are investing heavily in supporting their own organic supply chains and would be more than happy to supply our markets. Organic certification is an internationally recognised benchmark and as such, a passport to value added export markets; throwing that away also throws away that opportunity for Welsh quality exports.

Public support for organic remains strong even as the sector is under acute pressure from the cost-of-living crisis and escalating farm costs. The recent announcement regarding the Interim Agri-environment Scheme prompted widespread frustration and deep disappointment amongst producers and processors.

We urge you to commit budget to organic support in the new schemes; this provides an overwhelmingly clear return on investment for Wales. To withdraw support now could become an error of historic proportions and a massive political misjudgement, placing Wales’s pioneering organic farmers and growers at a disadvantage within the UK and elsewhere.

You can read the letter in full online.

UPDATE SEPTEMBER 2023

The Welsh Organic Forum has since met with Mark Alexander, deputy director of agriculture at the sustainable development division at Welsh Government, to discuss the Forum’s concerns, the enormous challenges that organic farmers will face and to look at possible solutions. Following the meeting the Forum sent supporting information across to Mark’s office. It is understood that the Welsh Government is reviewing their position in light of the work of WOF, but sadly that doesn’t guarantee a change in policy. Unfortunately the most recent announcements neglect to mention organic.

Further updates from the Welsh Government:

- Written Statement: Habitat Wales Scheme 2024/25
- Habitat Wales Scheme: outline
The Food Standards Agency and Precision Bred Organisms

The Food Standards Agency is the body that must now consider how to review the safety of organisms designated as ‘Precision Bred Organisms’ (PBOs) for food and feed use. The Genetic Technology Act 2023 became law in England on 23 March 2023. The legislation allows genetic engineering known as ‘editing’, which uses tools such as CRISPR-Cas where an organism can be altered by insertion, deletion and replacement of DNA.

The Act doesn’t only remove regulatory control from ‘Precision Bred’ plants and animals but also removes such control from almost all types of genetically engineered crops and foods, including those resulting from the insertion of foreign genetic material. The Act has attracted significant criticism from many in the scientific community. The government’s scientific advisors have so far refused to heed warnings from scientists around the world; ministers have ignored calls for traceability and have begun a process to introduce an untested technology onto an unwitting UK market.

With the Act in place it will become legal to market products that could contain such biological material, referred to in the Act as ‘Precision Bred Organisms’ (PBOs).

Throughout the legislative process, from the initial Defra consultation, to the committee hearings in the House of Commons, from parliamentary debates, to FSA workshops, OF&G has expressed our very serious concerns. We believe that the government has failed to acknowledge the very serious risks of negative outcomes and have not acted responsibly to protect the natural environment or businesses operating non-Genetically Modified Organism (GMO) and non-PBO supply chains.

Defra have stated that ‘Precision Bred’ crops will still be regulated as GMOs for the purposes of the organic regulations. This means that ‘Precision Bred crops’ cannot be classed as organic. However, Defra has also said they will not insist on PBO product labelling.

Recently the FSA declared that they do not believe that current testing methods would be able to detect when PBOs are present, although this in direct conflict with the Literature review commissioned by the FSA that states it can be possible to detect PBOs.

Should sufficient information be known regarding a sequence alteration and confidence can be attributed to this being specific to a PBO line, then detection, identification and quantification can potentially be achieved.

OF&G have been engaging in close dialogue with Food Standards Agency staff and with members of the FSA board in their role to ensure food safety and to protect the public interest. We very much hope that we can help them understand what is required in organic and other non-GMO supply lines to maintain supply chain integrity and to protect the wider environment.

Dan Crossley, Executive Director at the Food Ethics Council, and OF&G’s business development manager Steven Jacobs put a series of questions to the FSA board ahead of their meeting in March, to which they have responded. Steven has submitted further questions and attended the FSA Board meeting on 20 September joined by Lucia Monje-Jellis from the Soil Association.

The FSA Board were asked to respond to an internal report: https://www.food.gov.uk/board-papers/genetic-technology-precision-breading

There are several areas we would have reason to question sections of this report.

For example, in section 2.2 there is a statement that makes an assumption many do not believe is not accurate, ‘advice has stated that it has seen ‘no evidence that PBOs are intrinsically more hazardous than traditionally bred organisms (TBOs).’ It is very difficult to gauge risk when the history of the new technology is so short and markets have yet to mature. But where there is evidence of unexpected and very serious negative consequences these must surely be acknowledged. Unfortunately there have been incidents where mistakes could have resulted in serious breaches of food safety. In one particular example US Food and Drug Administration (FDA) researchers re-examined the DNA of genetically dehorned calves and found that the DNA of both calves contained two antibiotic resistance genes, along with various other gene sequences of bacterial origin. The presence of the previously undetected antibiotic resistance genes in gene-edited cattle raises issues of biosafety given that there is a strong global push to limit the spread of genes conferring antibiotic resistance.

The UK legislation allows an application to gain approval for a ‘Precision Bred Organism’ only by self-assessment which could be reviewed by the Advisory Committee on Releases to the Environment, (ACRE). We believe this approach is insufficient to the task and will result in a significantly elevated risk of food crime being committed and potentially to go undetected.

ACRE’s view is that an organism produced by gene-editing or another genetic technology would not pose a greater safety risk than a traditionally bred or naturally occurring version of that organism, as a result of how it was produced. However, the government decided to remove the terms natural and naturally from the final Act.

The FSA state that they ‘work closely with the UK Government, and the governments in Wales and Northern Ireland and with Food Standards Scotland, who advise the Scottish Government. We are committed to joint decision-making as set out in the Provisional Food and Feed Safety and Hygiene (FFSH) Common Framework.’

A critical point of contention with the UK government’s position is that products can be traded across the borders of devolved nations under the terms of the UK Internal Markets Act, even if those products contain organisms such as ‘PBOs’ which the governments of Wales and Scotland would otherwise not allow within their borders. The UK
parliament appears to have passed legislation that could directly conflict with the devolution settlement and could compromise the role of the FSA in its mandate to the devolved nations.

OF&G’s role as a government approved body is to maintain supply chain integrity by ensuring operator compliance under our legal mandate across the UK for all organic food and feed products. With regard to the Genetic Technology Act we are offering our insight to Defra and to the FSA. We are asking them to consider the risks as described above, and to look at where Secondary Legislation would deliver positive outcomes, ensuring traceability all along the food and feed supply lines.

If you would like to discuss any of the issues raised here, including the safety record of genetic engineering, jurisdiction and responsibilities of governance, and the legislative process, please contact our business development manager, Steven Jacobs:

steven@ofgorganic.org

Further reading:

Organic sector letter to FSA Board September 2023
Letter to DEFRA: the Genetic Technology (Precision Breeding) Bill 2022
OF&G letter to the Lords’ Secondary Legislation Scrutiny Committee

**OF&G and Organics in the News**

**Loss of organic support in Wales poses ‘existential threat’**


In an open letter to the first minister Mark Drakeford, the Welsh Organic Forum criticises Welsh government plans to withdraw £3.1m of support.

“We are shocked that the Welsh government looks set to reject a globally recognised beacon of sustainable farming. A withdrawal of support for organic farming will have serious economic and environmental consequences in Wales”.

**Organic grower tackles weeds with cereal/legume intercrop mix**


The Davies family have had their Slade Organic Farm certified with OF&G for many years. Polly Davies spoke to Farmers Weekly recently to describe how her organic approach to farming has helped the family move forward with the farm business. Polly feels that many of her contemporaries are stuck with an over-reliance on chemical inputs to solve issues on-farm.

Polly talks about the key role that legumes play in an arable rotation, fixing nitrogen from the atmosphere to build both crop and soil health.

**OF&G’s press release, ‘Report raises a ‘red flag’ to GE’s regenerative greenwashing’**

https://naturalnewsdesk.co.uk/2023/09/05/barefaced-regenerative-greenwashing-organic-group-warns-over-march-of-ge-microbes/

Organic Farmers & Growers (OF&G) is urging farmers to heed warnings contained in a new Friends of the Earth report that highlights an aggressive push by biotech and agrochemical companies to commercialise genetically engineered (GE) soil microbes for agriculture.

The OF&G press release is available to read on the OF&G website online. Here is an excerpt:

The passing of the Genetic Technology (Precision Breeding) Bill 2022 earlier this year gave a green light to pesticide and biotech companies to develop and release genetically edited microbes, such as bacteria, viruses and fungi found in soil, with the claim of enhancing agricultural capabilities.

Already being commercially used across farmland in the US, OF&G’s chief executive, Roger Kerr, believes the emergence of a genetic editing (GE) approach to altering essential biology raises huge practical and ethical concerns under the guise of what he describes as ‘regenerative greenwashing’.

“We’re all now well versed in the damage caused by traditional pesticides and fertilisers that were marketed as ‘completely safe’. The same level of corporate involvement in promoting these new genetically edited (GE) so called ‘precision-bred organisms’ (PBOs) is frankly terrifying,” he says.

“We must be extremely circumspect about their use given pesticide businesses’ have a reputation for turning a blind eye to environmental and health impacts, resisting regulation, and monopolising agricultural practices.”

“Regenerative farming is not regulated and is wide-open to unscrupulous commercialisation, with pesticide companies now claiming leadership while indicating that these GE microbes (or ‘biologicals’ as they prefer to call them) are in fact just add-ons rather than replacements to their other environmentally damaging products.”

**Organic farmers ‘better off’ under SFI and CS**

The CEO of Organic Farmers & Growers believed organic growers could receive up to a 50 per cent increase compared to historic BPS rates. This article features Roger Kerr who talks about the study OF&G commissioned and that calculated two farm case studies. One is predominantly arable, the other is a livestock enterprise, each of 210 hectares, and showed the income comparison between old BPS and the combined CS and SFI payments.

The full article is available to read online in the Farmer’s Guardian here.

If you are involved in an event please let Steven know and we can add it to our list to share via the newsletter and online at ofgorganic.org

steven@ofgorganic.org

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For your Organic Business
### OF&G policy activity - what we have been up to

SJ - Steven Jacobs / CS - Christopher Stopes

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### The Dean Organic Fund - interest free loans

**for organic/ecological farmers, producers and food businesses.**

To date loan sizes have been between £5,000 and £25,000, repayable in instalments up to 5 years. We are able to lend companies, sole traders, community/social enterprises or charity owned businesses, including ones that are not certified organic but operate on principles closely aligned with organic principles.

Grain Prices: Courtesy of Andrew Trump, Organic Arable

It has been a challenging season and harvest for arable producers. Although autumn crops went into good conditions in 2022 the same was not true for the spring drilled crops. A very wet March delayed planting and then newly established crops faced a very dry spell of weather which hampered development. Finally the weather turned wet for harvest making it a challenging harvest and affecting grain quality.

As every year harvest throws a range of results with some reporting good yields and as ever very different yields within farms in seemingly similar situations. Combine yield meters achieving 8-9 t per ha for area of fields but unfortunately across the whole field! Getting greater consistency needs to be the focus.

We are seeing high protein levels in spring wheats with conditions in 2022 the same was not true for the spring drilled crops. A very wet March delayed planting and then newly established crops faced a very dry spell of weather which hampered development. Finally the weather turned wet for harvest making it a challenging harvest and affecting grain quality.

Unfortunately we are seeing high protein levels in spring wheats with some of the higher protein samples having poor bushel and needing cleaning prior to marketing. Milling wheat premiums for these samples at around £70 per tonne support doing so.

Milling oat samples are similarly lower in bushel weight. After a fantastic crop in 2022 this year’s oats are less good with lower bushel weight and higher screenings but conditioning will produce some reasonable milling samples. Milling oats are around £280 ex farm depending on quality. The market has reversed from the extraordinary highs of last year with feed grains trading at around £280 ex farm for wheat and with barley and oats below this level. Feed barley has little demand in the East and growers in the East will have to bear a discount to access markets in the West.

see https://www.organicarable.co.uk/arable for more information.

Please keep an eye on our blog www.organicarable.co.uk/blog

For your Organic Business

Organic Livestock Trends: OLMC

Organic STORE REPORT

Organic producers up and down the country are finishing the summer with more than adequate supplies of forage to sustain the months ahead. Corn prices now look more subdued which will not help arable producers but will help livestock farmers with cheaper concentrate.

The first of the spring-born calves are now starting to be booked in for sale in October, November and December. The most striking thing at this time of the year is the price differential between good, well bred cattle, and poorer quality cattle. It is hard to put a price on cattle because there are many variables to take into account, but as a ball park estimate, there can, and regularly is, a difference of £400 - £500 between the mediocre and the best of the spring born calves and this reflects in the life time of the cattle. When you consider that the cost of production, other than the breeding stock values, are virtually the same, I can only ask the rhetorical question, “why would anyone breed poor cattle?” If you are wanting to improve your breeding herd and need replacements we can help. We can also offer advice (free of charge) on the type of cattle to buy.

Demand for store cattle remains strong as we head into the Autumn/Winter. I’m expecting the strong trade of the last twelve months to continue. We are well into the store lamb trading season and returns for producers have been better than last year. Strong demand reflects confidence in the market and the surplus of grass currently in the fields is encouraging graziers to buy increased numbers of lambs. The favourable growing conditions are likely to bring lambs to finishing weights earlier than last year, so a shortage of hogs post Christmas looks likely. Organic Store lambs are trading at £40 - £50 for the poorest hill lambs, £70 - £80 for cross bred long keep lambs and £80 - £100 for short keep quality lambs. As I write this we are very short of suppliers and require more lambs.

Please do not hesitate to contact myself or David Bostock to discuss the best way to sell your cattle and store lambs.
It has been a difficult year or so for the organic dairy sector, with many farmers suffering from significant unprofitability woes as costs increased, but their farm gate milk price didn’t.

Now, though, while difficulties remain there are at least some positives in the mix to celebrate for some farmers. Muller and OMSCO - now renamed the organic herd - have held their prices in the very high 40ppl range, although Arla, which had been paying a high price, is languishing below 40p. OMSCO has also been through its difficulties, with discontent amongst the membership over performance and falling milk volumes. But now it looks as if it is putting those woes behind it and has ambitiously rebranded itself as the Organic Herd, while introducing some consumer facing brands and some quite neat, attractive packaging. The rebranding “will support Organic Herd’s vision to be recognised as the sustainable organic dairy farmers cooperative,” says the company.

“The distinctive new Organic Herd name; vibrant, more contemporary, visual identity, and complementary brand values will provide a powerful platform from which to build its reputation as a producer of the highest quality organic milk and dairy products, as well as being a leader in championing the intrinsic benefits of organic dairy,” it says. “The new name and identity will also be a catalyst for the launch of an eponymously named Organic Herd range of premium branded organic products, which will showcase the very best of organic dairy and set it apart from conventional dairy offerings,” it adds. The brand will be aimed at specialist retailers, delis and farm shops across the UK, and the vibrantly packaged Organic Herd range will include cheddar, butters and flavoured butters, soft cheeses, organic chocolate and two luxurious milk drinking chocolates. If you want to know more about the name change and new brand, The Organic Herd’s CEO Martyn Anthony appeared on The Kite podcast at www.kiteconsulting.com/podcasts/101 so go have a listen! I wish its rebrand and product sales well for the future. However, a new sign over the door will not change the fortunes of it, or the sector overnight. There is a LOT of work still to be done on organic to make the sector economically sustainable for the future. And that, to me, starts with trying to convert more consumers to organic products – not least milk. But that is not going to be easy. According to the latest data from NIQ Scantrack, the cost of conventional milk was up 18ppl and 26.4% in the year to 84ppl. The price of organic milk was 20ppl and 21.5% higher at £1.14 per litre, hence some significant trading out of organic. In fact, organic milk has lost 15% of volumes compared to only 3.3% for conventional cow’s milk, according to NIQ.

Another data set on milk prices compiled by industry analyst Chris Walkland (and which looks mainly at four pint and two litre pack sizes, as opposed to all milk sizes in the above NIQ data set) puts conventional milk up 23% from January 2022, to an average of 64ppl now. It is down 11% and 9p from its January 2023 peak, though. Generic own label organic milk is up 33% from January 2022 to 95ppl, and down hardly anything from its April 2023 peak of 97ppl. In terms of current four-pint prices conventional milk is priced at £1.45 in most of the main multiples and organic is £2.15 – a differential of 70p for exactly the same volume of milk. Back in 2022 four pints of conventional was £1.15 and organic averaged £1.70, a differential of 55p. In 2021 the differential was 45p.

Now I’m no expert on retailing or pricing policies, but I’m not sure we’re going to win back consumers with this sort of a differential in this market place during this cost-of-living crisis. Would dropping the retail sale price result in greater sales of organic milk and more income to the sector? I have no idea! But it’s a question I’ll be seeking views on over the next few months, so if you’ve got any let me know. 01327 264962 / 07815 741547 rob@daykinpartnership.co.uk

ORC latest - Organic Farm Management Handbook

The Organic Farm Management Handbook is the only source of information on the costs and performance of organic farming. Thanks to your support and that of our many sponsors, a new edition is on its way!

Organic farming offers solutions to addressing the increasingly urgent problems of climate change, biodiversity loss and deteriorating human health facing the world. With clearly evidenced environmental and social benefits, the UK is well placed to benefit from an expansion of the organic sector. Changes in the support schemes, such as the new Sustainable Farming Initiative in England, indicate opportunities. However, one of the key barriers to further uptake is the lack of current information on the business performance of organic farms and related management issues that this handbook aims to provide. Good decisions need to be based on more than back of the envelope calculations that may only consider headline prices. The sensitivity analyses provided for each enterprise allows for the selection of prices and yields that may be applicable to the particular circumstances of an individual farm.

Buy the Handbook

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Contact The Farming Community Network to speak in confidence with a sympathetic person who understands farming life.

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(Helpline open 7am-11pm, 365 days of the year)