



Foreign Agricultural Service

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## Portugal

## Organic Products

# Portugal's Organic Products Market 2003

Approved by:

**Leslie O'Connor**

**U.S. Embassy Madrid**

Prepared by:

Maria do Monte Gomes

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### Report Highlights:

**Organic farming in Portugal has been experiencing tremendous growth. However, area planted is still limited to 86,000 HA and 1,059 registered producers in 2002.**

**Consumption of organic products remains relatively small, accounting for less than one percent of the total food market. Best prospects for U.S. organic food products are value-added products as well as meat and meat products, eggs and dairy products. However, imports of organic food products are quite small.**

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Includes PSD changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Madrid [SP1], PO

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## **Executive Summary**

According to the Portuguese Ministry of Agriculture the total agricultural area devoted to organic farming in Portugal in 2002 was estimated at 85,912 hectares (ha), compared to only 2,799 ha in 1993. Since 1998, organic farming area has nearly tripled.

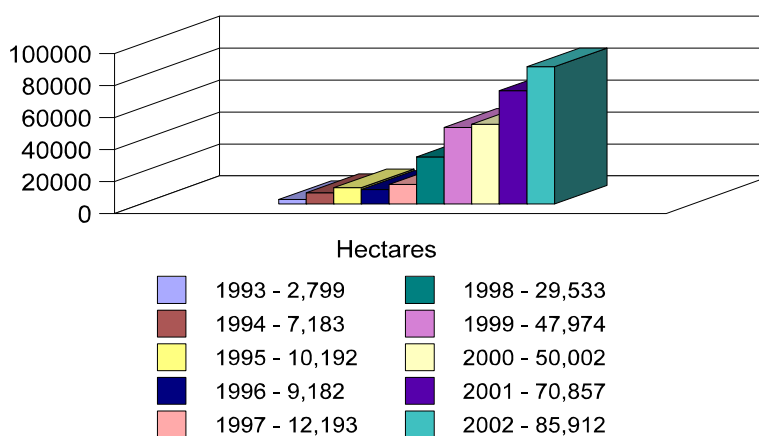
Olive trees, pastures, cereals and vineyards account for the majority of organic crops. Main production areas are The Alentejo (in the Southeast), Beira Interior (Center-east) and Tras-os-Montes (Northeast). These regions are located in the interior taking advantage of the fact that these are less developed and less polluted areas compared with the regions along the coast.

Portuguese consumer awareness of food safety and environmental issues has increased significantly in the last few years. However, consumption of organic products in Portugal remains relatively limited, with organic foods estimated to account for less than one percent of the total food market.

## Production

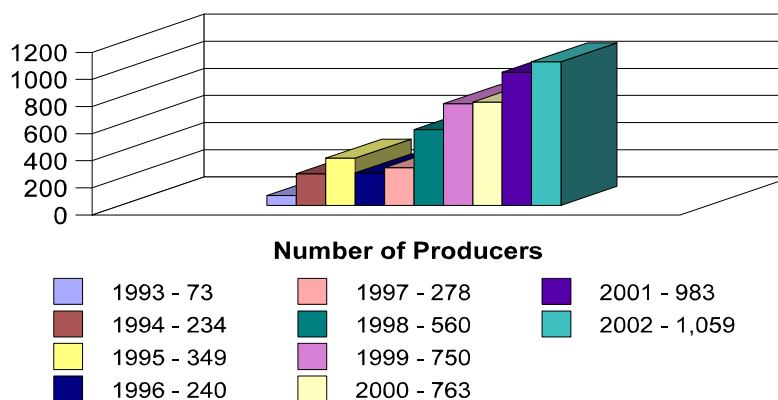
Portuguese organic farming started in the late 80's with less than 40 producers. However, since 1993, organic farming in Portugal has experienced tremendous growth with 73 registered producers in 1993, increasing to 1,059 in 2002. Area devoted to organic farming has also increased tremendously from 2,800 HA in 1993 to 85,912 HA in 2002. Organic food products have also been diversifying: pastures, olive products (olives and oil), cereals, dried fruits are leading organic farming products in Portugal.

### Area Planted to Organic Grown Crops

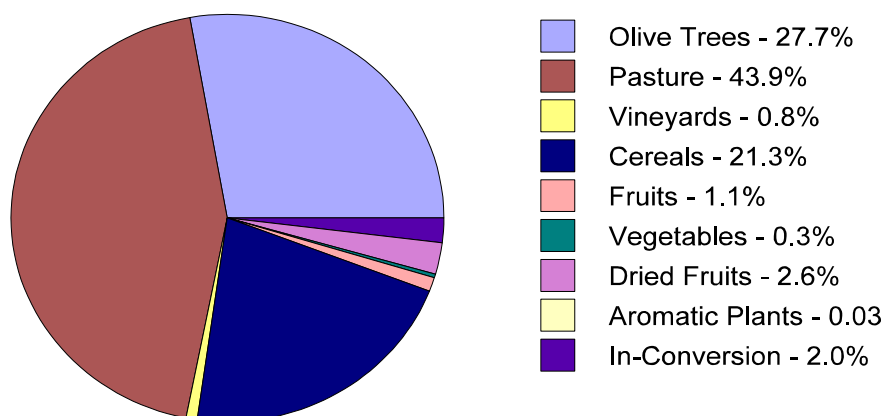


### Organic Farming Certified Producers

1993-2002



## Organic Farming Main Crops 2002



### Organic Farming by Agricultural Region (HA) - 2002

	Alentejo	Algarve	Beira Interior	Beira Litoral	Entre Douro e Minho	Ribatejo e Oeste	Trás os Montes	TOTAL
<b>Certified Producers</b>	502	26	177	16	15	63	260	1,059
<b>Olive Trees</b>	16,113	15	3,420	3	0	55	4,191	23,802
<b>Pastures</b>	16,950	560	12,616	8	192	3,983	3,482	37,791
<b>Vineyards</b>	37	36	280	33	43	51	250	730
<b>Cereals</b>	7,530	170	9,989	18	1	342	256	18,306
<b>Fruits</b>	184	179	259	16	13	41	272	964
<b>Vegetables</b>	53	42	49	11	15	64	32	268
<b>Dried Fruits</b>	294	137	157	0	4	27	1,660	2,278
<b>Aromatic Products</b>	13	1	3	8	0	3	2	29
<b>In-Conversion</b>	504	328	660	13	9	93	139	1,744
<b>TOTAL</b>	41,678	1,468	27,437	09	77	4,658	10,285	85,912

	Agricultural Regions
	Number of Certified Producers
	Type of Product
	Hectares Planted by Type of Product and by Agricultural Region
	Total Hectares Planted by Type of Product and by Agricultural Region

### Organic Livestock Production by Agricultural Region - 2002

	Alentejo	Algarve	Beira Interior	Beira Litoral	Entre Douro e Minho	Ribatejo e Oeste	Trás os Montes	TOTAL
Certified Producers	39	1	58			15	19	132
Apiculture						7		7
Poultry	100					5,682		5,782
Bovines	4,202	74	1,566			788		6,630
Caprine	183		273			2	900	1,358
Equines	28					15		43
Sheep	9,042		17,758			44	1,901	8,745
Swine	1,037		85			1,300		2,422
TOTAL	14,592	74	19,682			7,838	2,801	44,987

	Agricultural Regions
	Number of Certified Producers
	Main Species
	Number of Herd
	Total Number of Herd by Species and by Agricultural Region

### Regulations and Policy

EC Regulation 2092/91 lays down the main principles for organic farming and the rules that must be applied for the production, processing and imports of organic products in all the EU countries, including Portugal. However, EC Regulation 2092/91 did not include any standards for livestock and for that reason it was supplemented by EC Regulation 1804/99 to include livestock production. This new regulation establishes rules of production for the main domestic species: bovine, sheep, caprine, equine and poultry. Each producer, processors or importer must register its activity with the official competent authority; in the case of Portugal, this is the Agriculture Ministry's Instituto de Desenvolvimento Rural e Hidráulica (IDRH). IDRH is responsible for any subject related to organic farming, including making sure that the EU Regulations are adequately applied. IDRH may be contacted at:

Ministério da Agricultura  
 Instituto de Desenvolvimento Rural e Hidráulica  
 Av. Afonso Costa, 3  
 1949-002 Lisboa  
 Tel. 351-213184382; Fax: 351-213521346  
 WebPage: [www.idrha.min-agricultura.pt](http://www.idrha.min-agricultura.pt)

Also, producers, processors and importers of organic products must be certified as "organic certified" by the competent authority. In Portugal, there are two organic certification bodies:

**SOCERT-PORTUGAL-Certificação Ecológica, Lda.**

Rua Alexandre Herculano, 68-1º Esq.

2520 Peniche

Tel. 351-262785117

Fax 351-262787171

E-mail: socert@mail.telepac.pt

**SATIVA-Desenvolvimento Rural, Lda.**

Av. Visconde Valmor, 11-3º

1000-289 Lisboa

Tel. 351-217991100

Fax. 351-217991119

email: [sativa@sativa.pt](mailto:sativa@sativa.pt)

WebPage: [www.sativa.pt](http://www.sativa.pt)

Organic products are clearly identified by specific labeling rules intended to provide the consumer with a guarantee of origin, production, processing and packaging. In Portugal, organic products are known as "Agricultura Biológica - Sistema de Controlo CEE". Labeling should also include:

- . certifying body stamp
- . EU accredited registration number
- . name of product/brand
- . name and address of producer/distributor
- . country of origin
- . use by date
- . weight (in metric)
- . ingredients listing

For further information on labeling products for the Portuguese market see the Food and Agricultural Import Regulations report - FAIRS at [www.fas.usda.gov](http://www.fas.usda.gov) under Attache Reports.

## Consumption

The increased consumer awareness of food safety issues and environmental concerns has contributed to the growth in organic farming over the last decade (1993-2002). However, consumption of organic products in Portugal remains relatively limited, with organic foods estimated to account for less than one percent of total food sales. This is mainly due to lack of awareness on the part of consumers on organic food products as marketing initiatives are almost nil. Also, high prices are a constraint to higher consumption as is the perishability of some fresh products. However, there is a growing "niche market" for organic food products as a growing number of people are opposed to the use of chemical inputs in intensive agriculture.

Organic food products may be found at supermarkets and hypermarkets where the products are clearly identified as "organic", in a separate area within the fruits and vegetables section. Organic products may also be found at specialized "natural" food shops where consumers may find a full range of such products. Fresh produce markets, home delivery or directly from the producer are also points of sale that are becoming more and more popular within the consumer of organic food products. However, the market structure is still not well developed and a lack of adequate distribution channels for organic food products prevents widespread consumer familiarity.

## Trade

In order to import U.S. organic food products, Portuguese importers must work through the competent Portuguese authority - the Portuguese Ministry of Agriculture, Instituto de Desenvolvimento Rural e Hidráulica to obtain an import authorization. These authorizations are granted on a case-by-case basis, subject to the review of two main elements:

- The organic standards and inspection measures applied by the certifier of the product; and
- The certifier's compliance with EN 45011 or ISO 65.

The importer must demonstrate that the product was produced according to standards equivalent to the EU standard. In addition, the importer must provide evidence that the certifier of the product has been accredited to EN 45011 or ISO 65 by an authority recognized by the Portuguese authorities. In the U.S., USDA/AMS (U.S. Department of Agriculture, Agricultural Marketing Service) has been designated as the competent authority to accredit U.S. organic certifiers for compliance with ISO 65.

There are some imports of organic food products from other EU countries. The imports are basically high-value food products, meat and meat products, dairy products and eggs. However, imports of these organic products are hard to quantify since trade data does not separate imports of organic and non-organic products.

U.S. organic food products with the best prospects for Portugal include high-value products: pasta, breakfast cereal and cereals in general, sauces, etc. Also, dairy products, meat and eggs have good prospects.

Portugal exports some of its organic food production mainly to the rest of the EU. Products exported include wine, olive oil, dried fruits and horticultural products. Reportedly, some organic olive oil is exported to the United States. Again, lack of data on imports and exports of organic products make it impossible to accurately quantify Portuguese organic food exports.

## Marketing

AGROBIO is the pioneer association aimed at promoting organic farming. Created in 1985, AGROBIO was responsible for both technical support and certification until 1995. AGROBIO has developed a label - a ladybug - to be used by their member associates, composed of producers and consumers. The ladybug has become a symbol of an organic product of quality, with no pesticides and environment friendly. In 1997, AGROBIO organized the first annual show, TERRA SA, in Lisbon.

### TERRA SA 2003

October 2003

AGROBIO-Associação Portuguesa de Agricultura Biológica

Calçada da Tapada, 39-r/c Dto.

1300-545 Lisboa

Tel. 351-213641354; Fax 351-213623586

E-mail: [agrobio@agrobio.pt](mailto:agrobio@agrobio.pt) ; WebPage: [www.agrobio.pt](http://www.agrobio.pt)