



CHAMBER OF  
COMMERCE AND  
INDUSTRY OF SERBIA



CENTRE FOR ORGANIC PRODUCTION

**ORGANIC  
PRODUCTION  
IN SERBIA**



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# ORGANIC PRODUCTION

## BASIC INFORMATION

„Organic agriculture is a production system that sustains the health of soils, ecosystems and people. It relies on ecological processes, biodiversity and cycles adapted to local conditions, rather than the use of inputs with adverse effects. Organic agriculture combines tradition, innovation and science to benefit the shared environment and promote fair relationships and a good quality of life for all involved.“

### IFOAM ORGANICS INTERNATIONAL

Organic production is a system of sustainable agriculture based on the biological balance of the system soil-plant-animal-human. It is based on the high respect for the ecological principles by rational use of natural resources, use of renewable energy sources, preservation of natural diversity and protection of the environment.

In organic farming, it is prohibited to use genetically modified organisms, synthetic agents for plant protection and nourishment, artificial colours, sweeteners, flavour enhancers, preservatives and ionizing radiation. The use of additives in processing and antibiotics in livestock production is restricted.

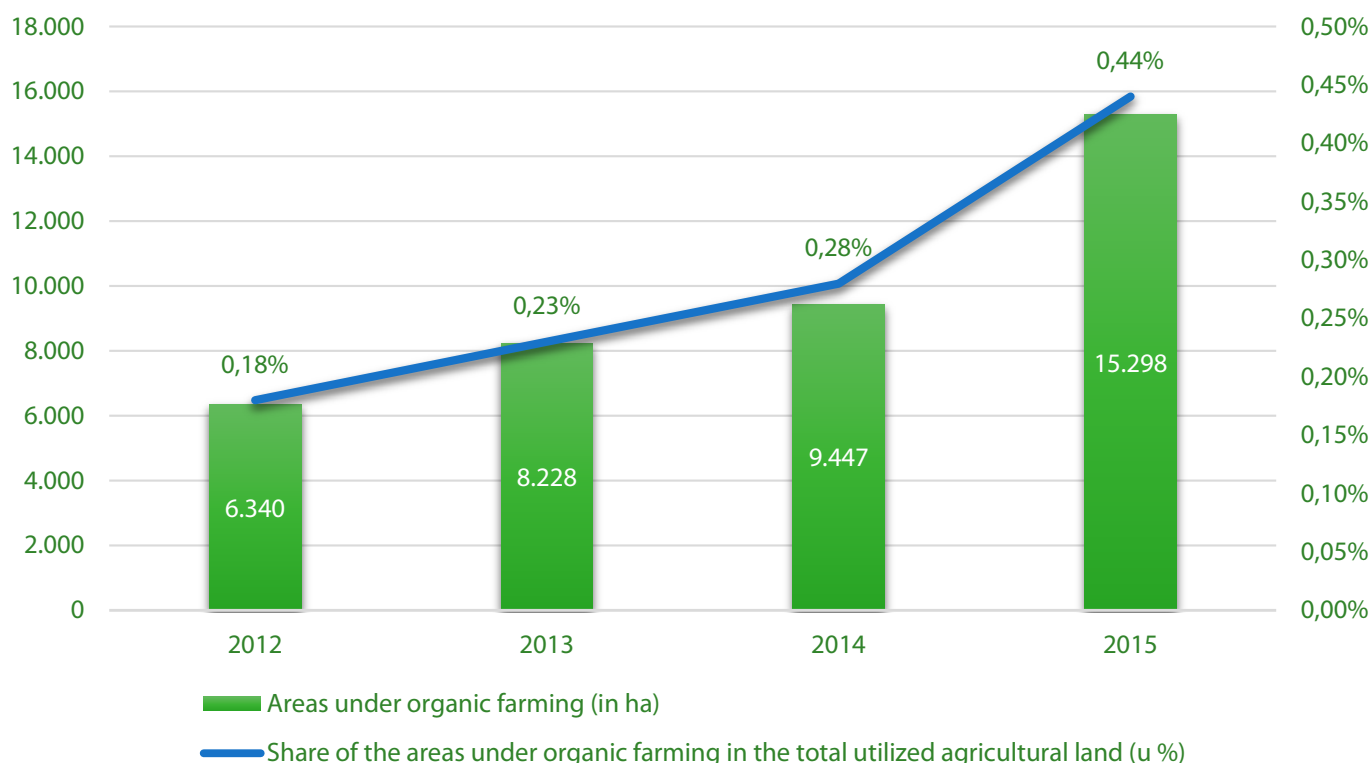
The basic principles on which organic production development is based are the following:

- Principle of health – Organic agriculture should sustain and enhance the health of soil, plant, animal, human and planet as one and indivisible. Health of all living organisms, from soil microorganisms to human beings, is interdependent – healthy crops from healthy soil foster the health of animals and people.
- Principle of ecology – Organic agriculture should be based on living ecological systems and cycles, work with them, emulate them and help sustain them. Production is based on ecological processes and circulation of the matter within agro-ecosystems, rather than external inputs of matter and energy. Those who are involved in organic agriculture should protect common environment, including habitats, climate, biodiversity, air and water.
- Principle of fairness – Organic agriculture should build on relationships that ensure fairness with regard to the common environment and life opportunities. Those involved in organic agriculture should ensure fairness at all levels to consumers, processors, distributors, traders and producers.
- Principle of care – Organic agriculture should be managed in a precautionary and responsible manner to protect the health and well-being of current and future generations and the environment.

# ORGANIC PRODUCTION IN SERBIA

Organic production is one of the fastest growing sectors. In the last five years, the areas under organic production have grown by almost 300%. In 2015, the percentage share of the areas under organic production in the total utilised agricultural land was 0.44%. In comparison, the average in the EU, according to the data from 2013, was about 5.4%. Some European countries, like Austria, have reached 20% share of organic production in the total utilised land, whereas some countries plan to become very organic in the coming decades.

## SHARE OF AREAS UNDER ORGANIC PRODUCTION



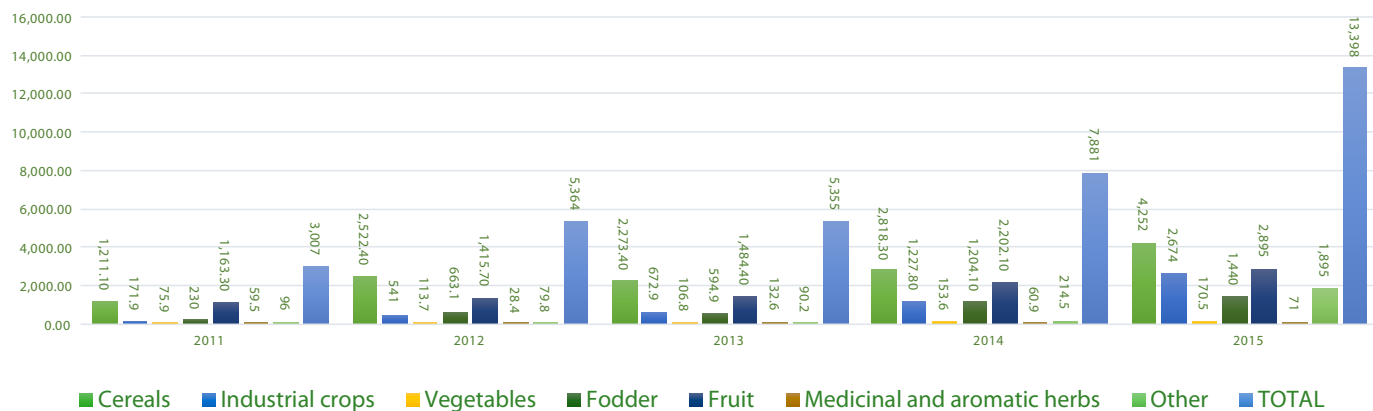
## ORGANIC PLANT PRODUCTION BY REGIONS IN 2015

Item No.	Region	Arable land (in ha)	Sharee (in %)
1.	Belgrade	60	0,5
2.	Šumadija and West Serbia	1.427	10,6
3.	South and East Serbia	1.748	13
4.	Vojvodina	10.163	75,8
Total arable land (ha)		13.398	100

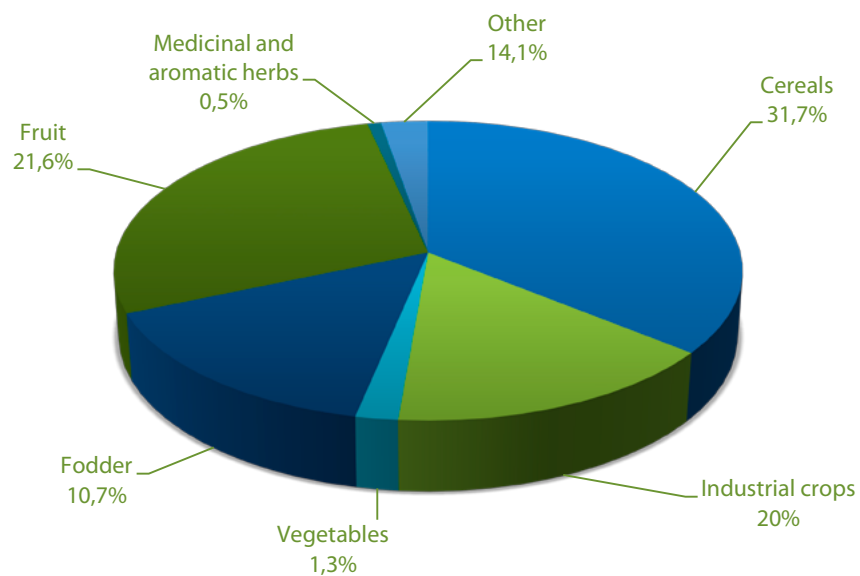


These data also include producers that are currently in the conversion process. Due to the lack of an official methodology, the data on the areas used for picking wild berries, mushrooms, and medicinal herbs are not included. This could give substantial contribution to overall organic production. In addition, the total utilised land does not include meadows and pastures.

# ORGANIC PLANT PRODUCTION BY YEARS, 2011 – 2015

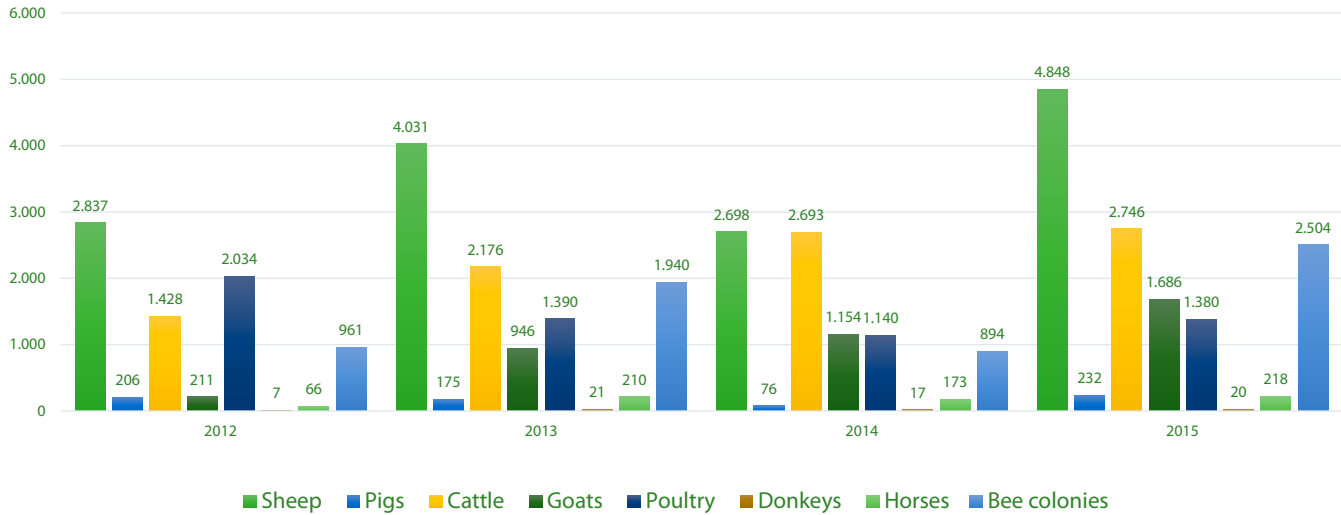


## PLANT PRODUCTION STRUCTURE IN 2015



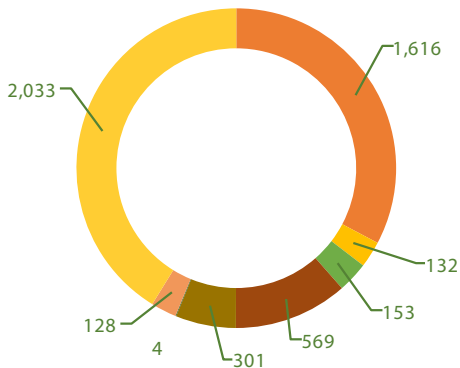


# ORGANIC LIVESTOCK PRODUCTION BY YEARS

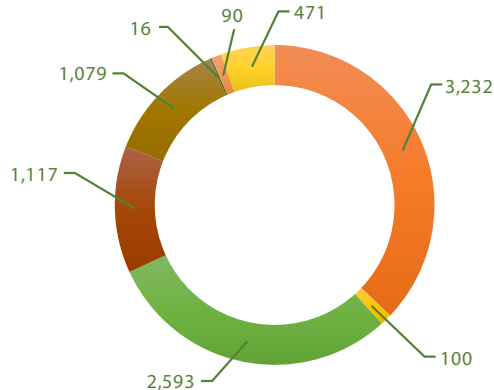


# STRUCTURE OF ORGANIC LIVESTOCK PRODUCTION IN 2015

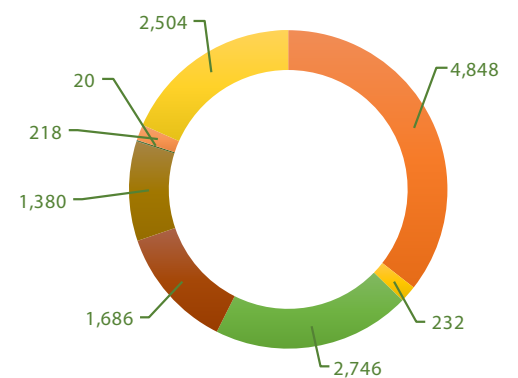
Number of heads/pieces conversion period



Number of heads/pieces organic status



Total



■ Sheep 
 ■ Pigs 
 ■ Cattle 
 ■ Goats 
 ■ Poultry 
 ■ Donkeys 
 ■ Horses 
 ■ Bee colonies

## ORGANIC LIVESTOCK PRODUCTION BY REGIONS IN ORGANIC STATUS



Animal type	Sheep	Pigs	Cattle	Goats	Poultry	Donkeys	Horses	Bee colonies
Region								
City of Belgrade	-	-	-	-	98	-	-	115
Šumadija and West Serbia	-	-	-	55	-	-	-	153
South and East Serbia	939	10	298	38	50	16	90	203
Vojvodina	2.293	90	2.295	1024	931	-	-	-
Total	3.232	100	2.593	1.117	1.079	16	90	471

# REGULATIONS

## a. Laws and regulations

With coming into force of the new EU regulations on organic production, the Law on organic production was passed in Serbia (Official Gazette of the RS, No. 30/10), and its enforcement started on 1 January 2011.

Everything relating to the organic production methods, technological procedures in processing, storage, transport, control and certification, management of records kept by controlling organizations, and use of the national mark on organic products is stipulated in the Rules on control and certification in organic production and methods of organic production (Official Gazette of the RS, No. 48/11).

At the very beginning of organic production in Serbia, customs records on import and export of organic products were not kept. However, on the initiative of the Ministry of Agriculture, the Ministry of Finance amended the Rules on the form, content, the manner of submission and filling out of the declaration and other forms in the customs procedure (Official Gazette of the RS, No. 29/2010) which ensured monitoring of organic products export.

## b. Ministry of Agriculture

Within the Ministry of Agriculture, the competent body and authority in charge of the work of controlling organizations and organic production methods is the Group for Organic Production, within the Directorate for national reference laboratories. The Group has the following tasks:

- Prepares the professional basis for drafting the regulations in the area of organic production;
- Collects annual statements of the controlling organizations;
- Cumulative records on organic production;
- Keeping the list of authorised controlling organizations;
- Decisions on fulfilment of conditions for performing control and certification;
- Approval of deviations from the methods of organic plant and livestock production and the processing rules in organic production;
- Approval of the use of reproduction material from conventional production after the period of conversion;
- Shortening or extension of the period of conversion

Within the Department for agricultural policy of the Ministry, the Group for quality, labelling and marking of food proposes the agrarian policy measures, participates in the preparation of measures and programmes for use of budget funds to encourage organic agriculture development. The group also participates in elaboration of strategic documents and preparation of professional basis for elaboration of regulations on organic production, coordinates the work of the Professional Council for organic production, and cooperates with the international and domestic professional organizations.

Inspection control of enforcement of the Law on organic production, and implementation of the regulations adopted thereunder, is carried out by Inspectors for organic production.

# CONTROL AND CERTIFICATION

Every year, the Ministry of Agriculture and Environmental Protection authorizes controlling organizations that have fulfilled the conditions for performing control and certification in organic production. For 2016, authorized organizations are the following:

„TMC CEE“ – Belgrade

„ORGANIC CONTROL SYSTEM“ – Subotica \*from 2013 are the only domestic control organization given license for certification of organic products for direct export from Serbia to EU market without any additional documents and licenses by EZ.

„ETKO PANONIJA“ – Novi Sad

„CONTROL UNION DANUBE d.o.o.“ – Belgrade (Dutch certification body)

„EKOCERT BALKAN“ – Belgrade (French certification body)

„ECOVIVENDI“ – Belgrade (Italian certification body)

„CENTRE FOR ANALYSIS OF FOODSTUFF“ – Belgrade

## What is the process of certification?

The procedure of certification starts when producer applies for certification to authorized controlling organization and signs a contract on control and certification in organic production.

Producers can make contract directly with controlling organization and bear costs of control and certification alone. Also, producer can make a contract on cooperation with other producers (contract farmers) performing similar production in the same geographical area. In that case, all contract farmers with whom producers have made a contract are listed, and the producer covers the costs of a group certificate, and is obliged to put in place internal system of control. Person appointed by producer is in charge of control (internal inspector), while efficiency of this internal system of control is checked by the inspector of the authorized controlling organization.

Group certification has proved to be very effective, and the biggest exporters of organic products have this system in place. Some of the numerous advantages of group certification are lower expenses, but also the possibility of engagement of producers in rural areas that are cultivating smaller plots.

All controlling organizations have to be authorized by the Ministry of Agriculture in order to be able to receive subsidies and valid certificate.

## How to recognize organic products?

According to the Law on organic production, certified organic products are labelled with the mark “Organic product”, the code of authorized controlling organization and the national logo. Only products containing at least 95% of ingredients of agricultural origin deriving from organic production can be labelled this way.

All other marks that would imply organic product (BIO, ECO etc.) are not distinguished as organic products and there are no guarantees that organic product is in question.



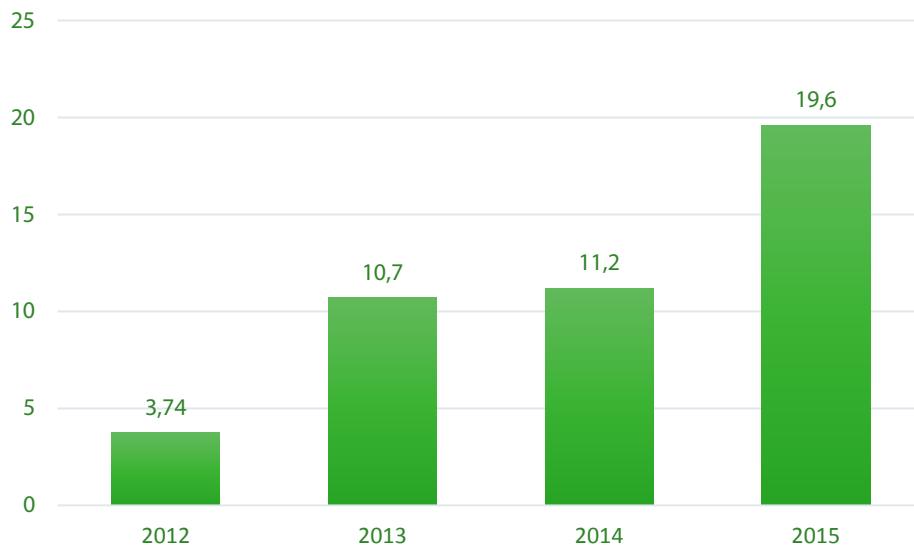
# OPPORTUNITIES

Organic products are among the biggest Serbian export potentials. In the period from 2012 until now, export has increased approximately by 500% and it continues to grow. A growth, though less dramatic, has been recorded also on domestic market, and it is not possible to meet the demand by the domestic production at this moment.

As expected, the majority of exported products account for minimally processed products, mostly frozen fruit and purees, and fresh vegetables. In order to become more competitive on foreign market, investments are needed in products with added value, i.e. higher level of processing.

The sector of organic production offers a great opportunity for integration and development of small agricultural households, with an average size of 5.4 ha. Within the group certification, but also through projects which would stimulate certification of several farms according to regional principle, with a careful choice of crops, it would be possible to consider organic production as the future core branch of the Serbian agricultural industry.

## EXPORT VALUE OF ORGANIC PRODUCTS IN MIL. EUR



# INCENTIVES

The Government of Republic of Serbia adopted the Decision on distribution of incentives in agriculture and rural development in 2016 ("RS Official Gazette", No. 8/16) where 92000.000 dinars were allocated to organic production.

Organic production receives minimally 40% more than it is foreseen for the conventional production (through premiums, subsidies for production, subsidies and incentives for fertilizers). Incentives in organic production are stipulated by the Law on organic production.

The Rules on the use of incentives for organic production stipulates the following incentives:

1. basic incentives in crop production in the amount of 2.800 din/ha
2. premium for milk in the amount of 9,8 din/l
3. subsidy for plant protection products and soil enhancers in the amount of 14 din/l/kg, max 2.800 din/ha
4. high quality breeding dairy cows in the amount of 35.000 din/head
5. high quality fattening cows in the amount of 35.000 din/head
6. high quality breeding sheep and goats in the amount of 9.800 din/head
7. high quality breeding sows in the amount of 9.800 din/head
8. parent chickens heavy breed in the amount of 84 din/head
9. parent chickens light breed in the amount of 140 din/kg
10. parent turkeys in the amount of 420 din/head
11. high quality carp breeding parent fish in the amount of 700 din/head
12. high quality trout breeding parent fish in the amount of 700 din/head
13. fattening beef cattle in the amount of RSD 14,000/ head
14. fattening lamb in the amount of RSD 2.800/ head
15. fattening pigs in the amount of RSD 1.400/ head
16. fattening kid in the amount of RSD 2,800 / head
17. milking cows in the amount of 28.000 din/head
18. bee hives in the amount of 840 din/hive

# CHALLENGES IN ORGANIC PRODUCTION

With production on little bit more than 15,000 ha, Serbia is barely recognized on foreign markets. Organic products are mainly sold as raw materials on the domestic market or exported as frozen organic produces. Areas under organic production record a slow growth, and producers are still reluctant to enter OP due to specific technological requirements they are not able to cope with, especially in the very beginning of introducing organic production in systems that are dealing with mixed production.

The majority of organic producers started to produce in organic way due to economic reasons. Most of them are more or less content with results of organic production. However, they have experienced and detected some obstacles and problems while producing against organic principles, such as:

- lack of registered inputs for organic production (plant protection products, veterinary medicine) – non compliant legislative framework to the needs of organic producers,
- unpredictable agrarian policy, lack of strategy for development of organic sector,
- insufficient activity diversification on organic farms,
- lack of practical knowledge on organic technology,
- lack of processed products,
- lack of qualified labour,
- lack of marketing and business skills (agricultural households mostly do not keep records on incomes and expenses),
- lack of cooperation and networking,
- lack of organic raw material on domestic market,
- profound cooperation needed with domestic retail chains,
- lack of information on subsidies, market opportunities among farmers,
- youth migration to cities,
- lack of awareness among consumers,
- more cooperation is needed between MAEP and Ministry of education in harmonization of educational profiles and situation on the field.



# ORGANIC PRODUCERS AND PROCESSORS

Organic products processed in Serbia are mostly minimally processed products, frozen and dried organic fruit and vegetables.

Food processing activity serves as the last step for products intended for the market. Processing into teas and milling into flour in small facilities serve to add additional value but to prolong the shelf life as well.

The majority of producers are primary producers, and raw material is mostly exported to the countries of the EU, USA, Japan. The most significant organic producers currently are:

- Budimka, office@budimka.rs
- Imlek, info@imlek.rs
- All Natural Foods, office@allnaturalfoods.rs
- Awiss, irina.avdalovic@gmail.com
- Berry frost, berryfrost@info.net
- Bio Mons, biomons.rs@gmail.com
- BMD, office@bmd.co.rs
- Conimex, organic@conimext.co.rs
- Eco Mele, mladen@ecomele.com
- Ecoagri Serbia, office@ecoagri.rs
- Elixir Food, office@elixirfood.rs
- Fine Food Line, info@finefoodline.com
- Flory, flory@flory.rs
- Forest Food, office@forestfood.rs
- Frikos, office@frikos.rs
- Fungo jug, fungogroup@gmail.com
- Global seed, global.seed@globalseed.info
- Jovanjica, info@jovanjica.com
- Menex, info@menex.rs
- MIDI Organic, midi.org@gmail.com
- Mondi Lamex, office@mondiserbia.co.rs
- Pamin, office@pamin.rs
- Strela, office@strelafunghi.com
- Suncokret, ivan@suncokret.rs
- Univerexport export-import, adbacka@adbacka.rs
- Van Drunen Farms, info@vandrunen.rs
- Voće produkt, voceproduktb@yahoo.com
- Zadrugar, office@fruit.rs
- Zdravo Organic, office@zdravo.rs
- Žuč voće, zuc.vocezuc@gmail.com

## ASSOCIATIONS

The number of active organic associations is increasing as organic production develops.

National association for development of organic production Serbia Organica, [www.serbiaorganica.org](http://www.serbiaorganica.org), [office@serbiaorganica.org](mailto:office@serbiaorganica.org)

Terra's, [www.terras.org.rs](http://www.terras.org.rs), [terras@terras.org.rs](mailto:terras@terras.org.rs)

Green Network of Vojvodina, [www.zelenamreza.org](http://www.zelenamreza.org), [office@zelenamreza.org](mailto:office@zelenamreza.org)

Vojvodina's cluster of organic agriculture, [vok.org.rs](http://vok.org.rs), [organskiklaster@gmail.com](mailto:organskiklaster@gmail.com)

Centre for organic production Selenca, [organiccentar.rs](http://organiccentar.rs), [organic.jg@gmail.com](mailto:organic.jg@gmail.com)

Centre for organic production Užice, [udruzenje.cop@gmail.com](mailto:udruzenje.cop@gmail.com)

Association for production of organic food, Eco-Energy, [upohecoenergy@gmail.com](mailto:upohecoenergy@gmail.com)





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