

# ISH Symposium Organic Greenhouse Horticulture

## Workshop 1: Market and Quality

11 April, 2016 Izmir-Turkey

### THE MULTIFUNCTIONALITY OF AGRICULTURE: CHALLENGES AND OPPORTUNITIES FOR NEW MARKET DEMANDS

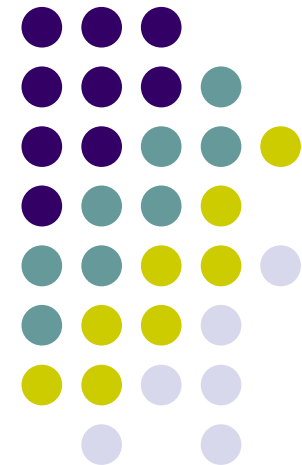
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# Content



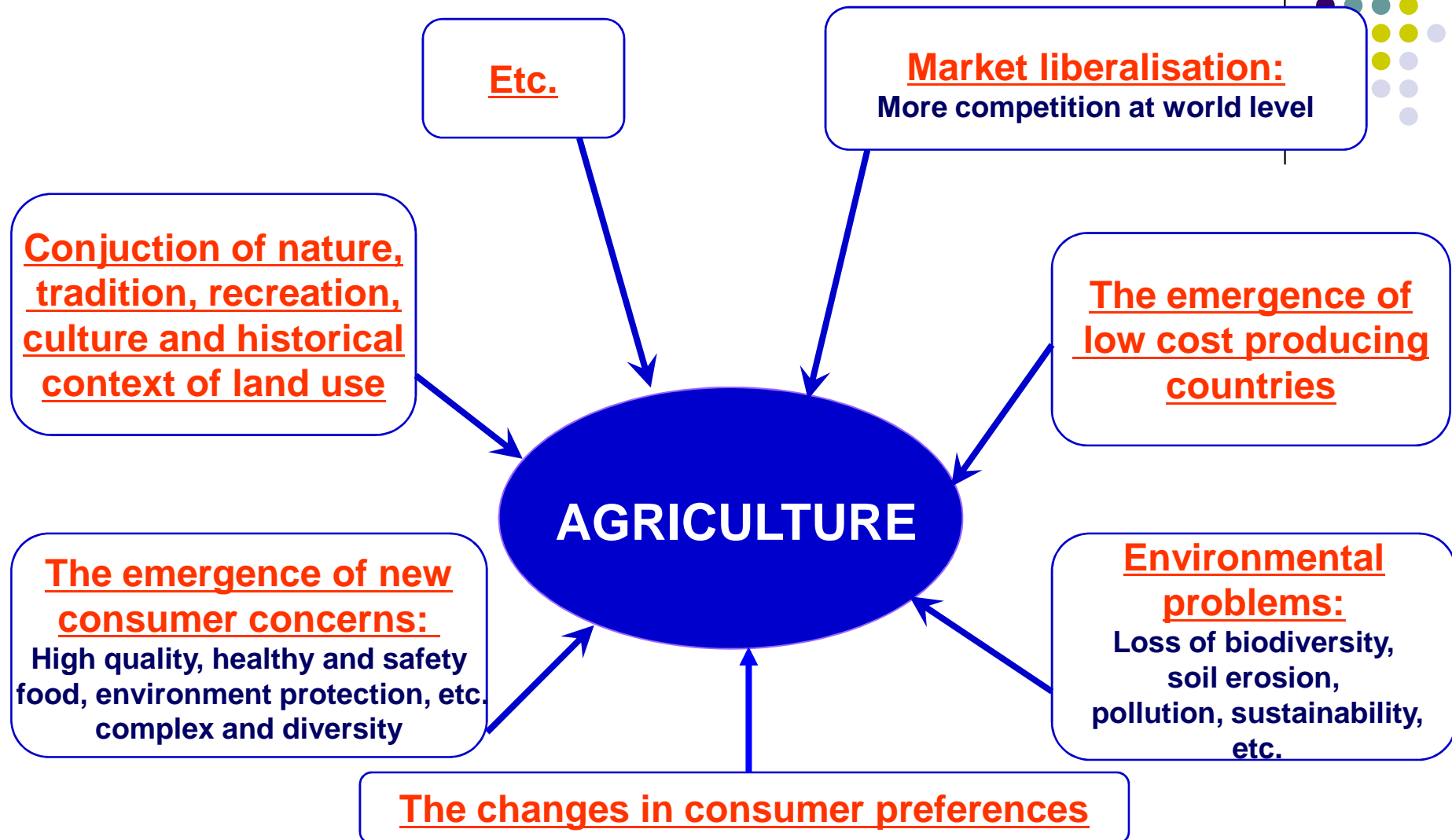
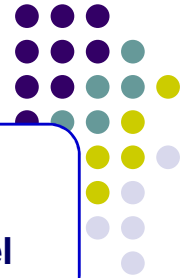
## Introduction

**Multifunctionality of agriculture: relevance on society and market demands**

**Multifunctionality of organic (greenhouse) horticulture: examples and options**

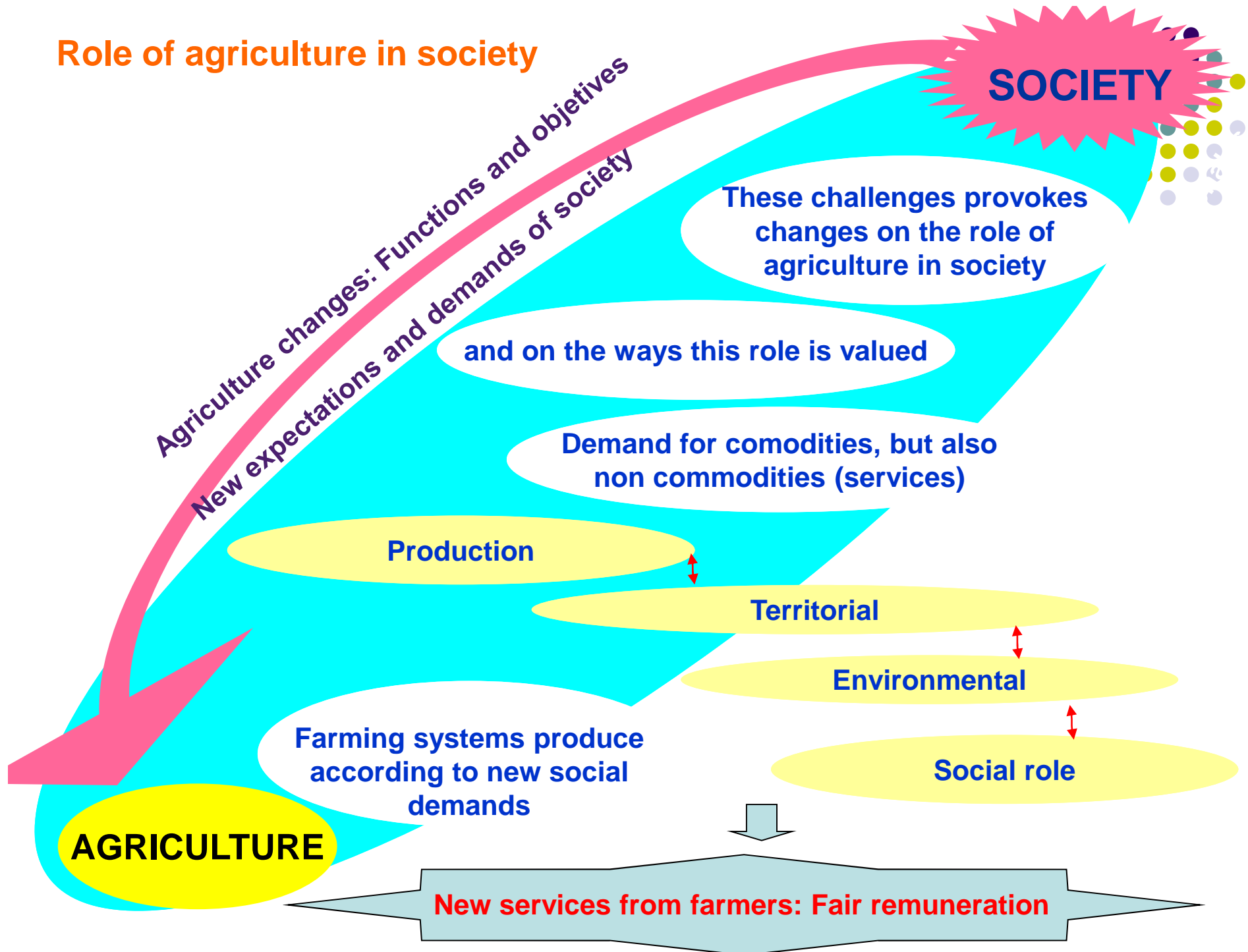
## Conclusion

# Challenges for agriculture



Rural areas: “Productive” and “Consumptive”

# Role of agriculture in society



# Multifunctionality of agriculture



## I. The existence of *multiple outputs that are jointly produced*:

Goods and services that can be sold in the existing market:

*COMMODITY OUTPUTS (MARKETABLE)*

Those that are supplied without any monetary compensation for farmers:

*NON-COMMODITY OUTPUTS: (NON-MARKETABLE)*





## Examples of joint production:

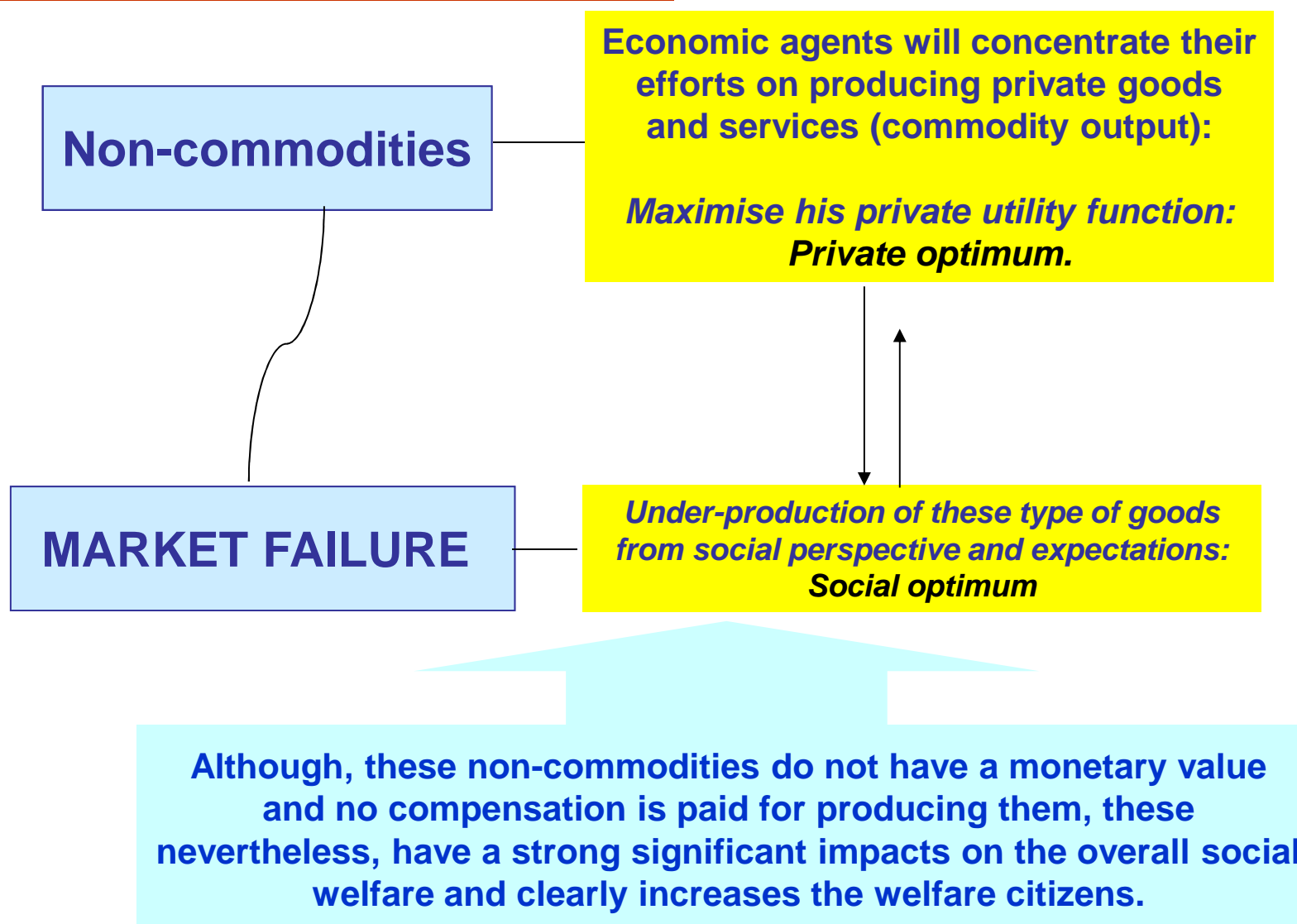
*Commodities* (e.g.: horticultural products) and *non-commodities* (e.g.: landscape: may depend on farming systems; biodiversity: may depend on level of fertilisation; environmental protection: e.g.: soil erosion protection; maintenance of rural population, local cultural and knowledge, patrimony; agro-tourism; etc.



# Multifunctionality of agriculture



## II. The risk of *market failure*





## **Multifunctionality of organic (greenhouse) horticulture: examples and options**



# Functions generated by organic (greenhouse) horticulture for society



## ***Economic function***

O(G)H can adequately address, through its economic functions, consumer demands towards:

### **Examples:**

- High quality organic horticultural products
- High nutritional values
- Safety and healthy products
- Supply organic horticultural products over a longer time period of the year. Therefore, consumer have the opportunities to eat healthy of season
- Allow some direct marketing initiatives and short commercial channels.
- Etc.

# Functions generated by organic (greenhouse) horticulture for society



## *Environmental function*

O(G)H has a clear environmental function and meets the expectations of society regarding:

### **Examples:**

- Environmental protection
- Greater biodiversity
- Natural resources conservation
- Less soil and water pollution,
- Minimise impact in soil and water
- Maintain and improve soil fertility
- Higher soil biological activities
- Less carbon dioxide emissions
- Etc.

## Functions generated by organic (greenhouse) horticulture for society



### ***Socio-cultural function***

O(G)H is a potential contributor to local and regional economic growth and diversification:

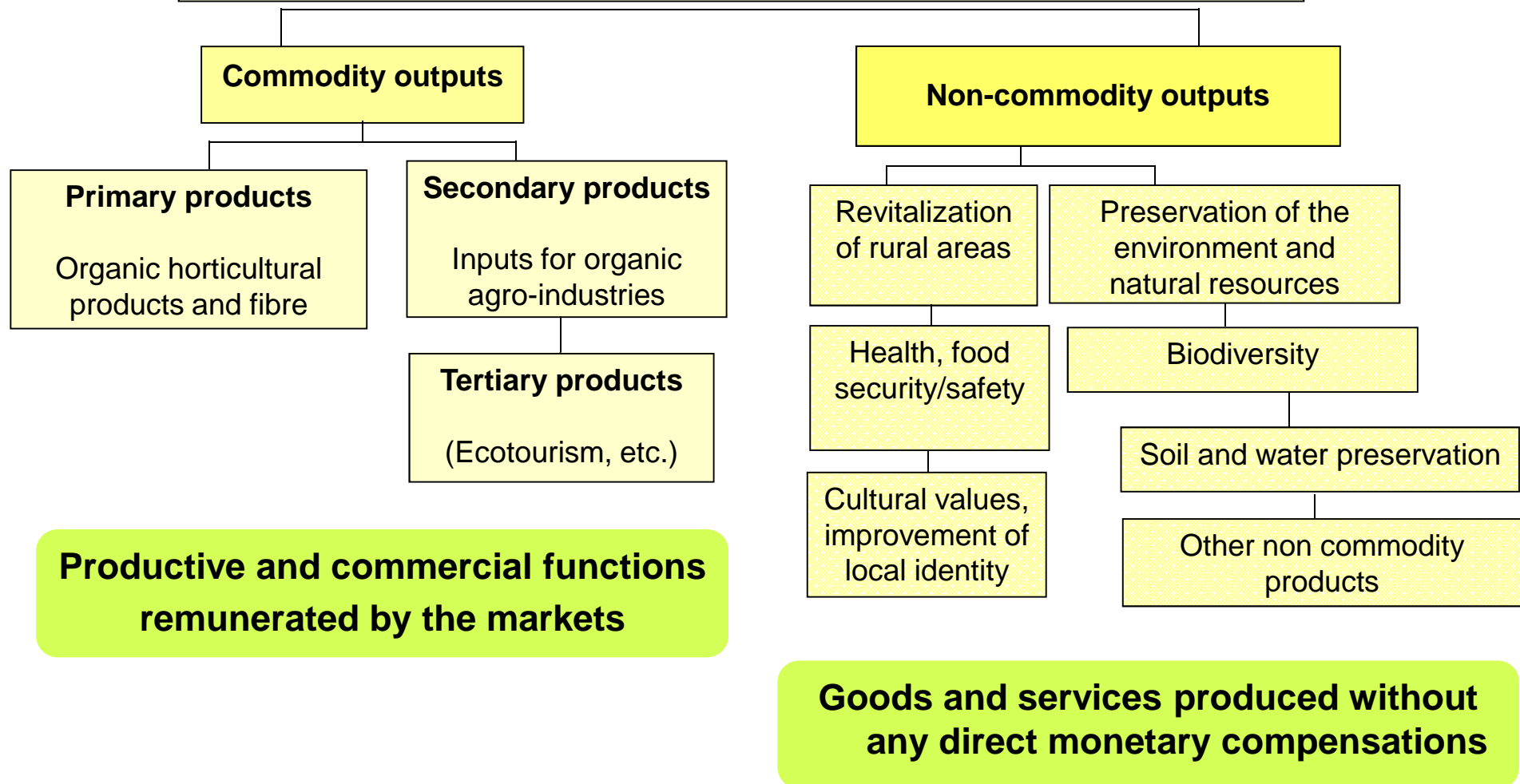
#### **Examples:**

- Revenue production
- Contribute by more and healthy employment
- Cultural production (lifestyle)
- Local knowledge
- Well-being of producers, consumers and rural communities
- Sustainable development without compromising long term sustainability and intergenerational equity
- Etc.

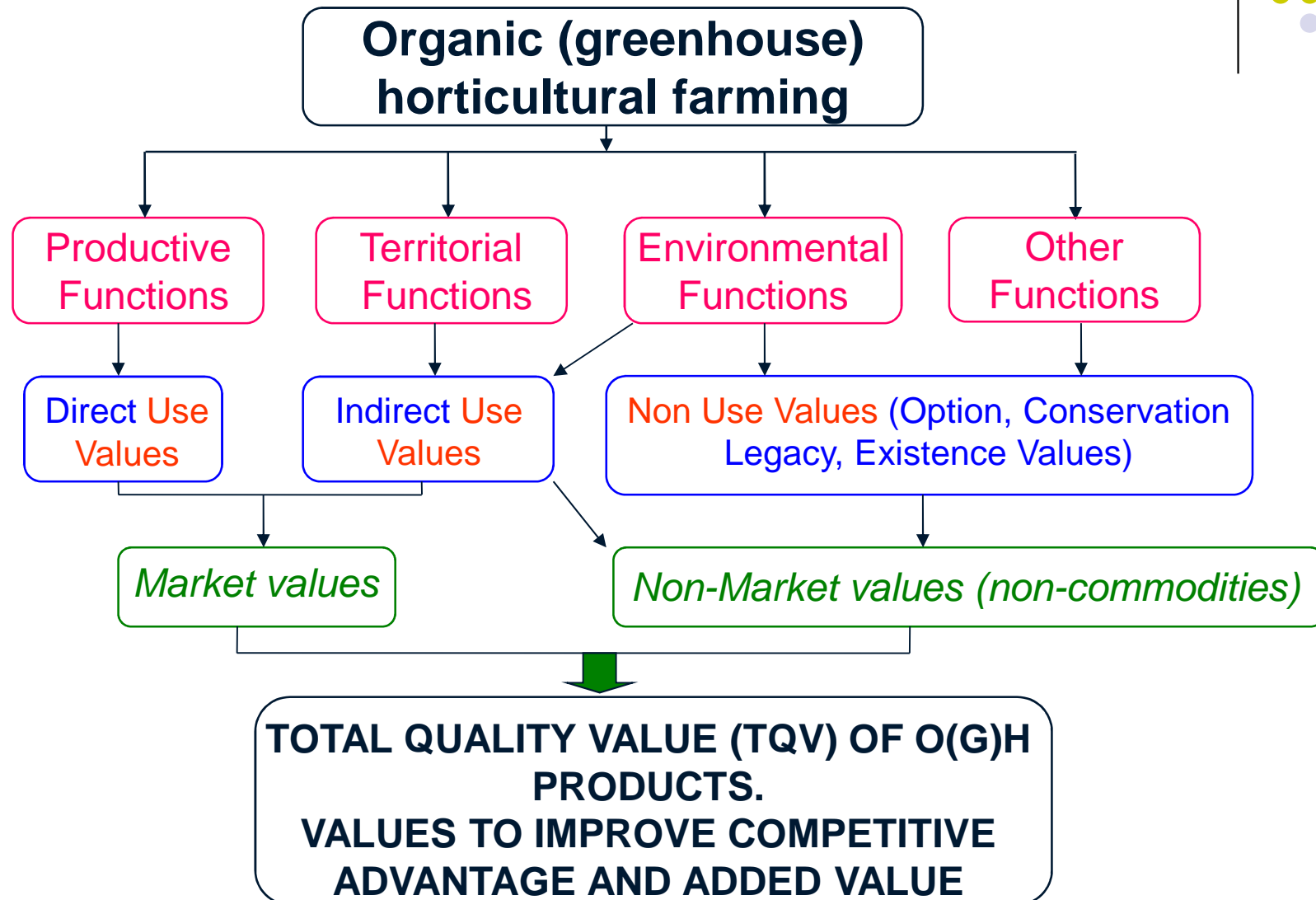
# Jointness production of organic (greenhouse) horticulture



## Examples of commodities and non-commodities of organic (greenhouse) horticultural farming



# Values of organic horticultural farming and products



# Opportunities for horticultural market value chain and marketing strategies



**Differentiation of horticultural organic products**

**Economic quality attribute values**

**Environmental quality attribute values**

**Socio-cultural quality attribute values**

**Segmentation of the market**

**Better understanding of the market**

**Consumer's Socio-demographic characteristics**

**Lifestyle, preferences, perceptions, etc.**

**To develop market demands and meet consumer's expectations**



## CONCLUSION



Organic (greenhouse) horticulture is a working model and essential tool of the multifunctional agriculture.

Multifunctional organic (greenhouse) horticulture enhances the quality and quantity of benefits provided by agriculture to society.

Organic (greenhouse) horticulture translate better new social demands and expectations into a fine balance of multiple functions providing, by joint production, different kind of goods and services and covering a wide range of society's demands towards agriculture and rural areas.

The social value of organic (greenhouse) horticulture is multidimensional. It has much broader significance for society than the provision of marketable organic products. It provides also other functions and values for society such as environmental and social, such as food healthy, safety and security, environmental protection, conservation of biodiversity, etc. that constitute the Total Quality Value of the organic horticultural products.

## CONCLUSION



Those values are very interesting quality attributes to improve competitive advantage for organic horticultural products by differentiation and market segmentation to take full advantages of market opportunities, to satisfy new social demands and to increase farmer benefits.

Organic (greenhouse) horticultural farming is also a model of rural development that combines preservation of the environment, the natural resources and the protection of biodiversity, maintaining the productivity and competitiveness, without compromising long-term sustainability and intergenerational equity.

Therefore, multifunctionality of organic (greenhouse) horticulture is essential to keep society support or licence to produce (legitimacy).

# ***THANK YOU***



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