



Photo: Author

Dropping off produce at Horta e Arte for packaging.

More than profit: Horta e Arte

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Standing amid the cover crops of vetch and oats at the highest part of João Dias's farm, it is possible to see most of rural Verava. In this part of south-eastern Brazil, small agricultural valleys lie below lush tree-covered hillsides. Close to São Paulo, Verava is one of the few places with a covering of native forest. What is even more unusual is that almost all its farms have been certified organic. In fact, the entire watershed is largely free from agricultural chemicals.

João Dias, an innovative local farmer, was the first in Verava to go organic. About eight years ago, he volunteered his hilly property for use as a demonstration area for cover crops and other organic techniques in a project funded by the Kellogg Foundation. His success motivated others to follow his example. Today many changes have taken place in the way natural resources are being managed in the area, and agriculture has re-emerged as a viable livelihood. An important agent in this transformation has been *Horta e Arte*.

Unique business

Towards the end of the 1990s, a number of different organizations started to encourage farmers in Verava to convert to organic agriculture. *Horta e Arte* is now the main organization in the area and works with a core group of some 135 farmers who work about 900 hectares of land. Many of the farmers live in Verava close to *Horta e Arte*'s central warehouse and offices some two hours from São Paulo.

Horta e Arte is a for-profit business. It supports small-scale farmers in organic production, buys their produce, packages it and then re-sells it to the supermarkets. Over the years, *Horta e Arte* has provided farmers with the technical assistance they need to introduce organic agricultural practices, as well as the commercial and administrative infrastructures necessary for effective marketing and sales. *Horta e Arte* staff have also been

responsible for ensuring that supplies to shops and supermarkets are well coordinated and that quantity, quality and variety is sufficient to meet consumer demand. *Horta e Arte* agrees to sell as much of a farmer's produce as possible. What remains, the farmers have to sell themselves. However, a good deal of work goes into predicting consumer demand and directing the farmers they work with to plant accordingly. Crops are divided up amongst farmers in order to spread risk and ensure that farmers produce the amount of vegetables required. *Horta e Arte* also conducts awareness raising events about organic foods, targeting the consumers who shop at the supermarkets that sell their organic products. They also train shop assistants on the management and care of organic fruits and vegetables to ensure maximum quality and freshness.

Horta e Arte agronomists are the link between production and sales. In addition to organizing periodic group training sessions on particular management subjects, they also visit each farmer twice a month. During these visits they help farmers to work with organic technologies and guide them in record keeping – essential for the certification process. Independent inspectors need reliable and careful records of crops, soil preparation techniques, pest-management practices and the dates of planting and harvest in order to justify organic certification. In the case of *Horta e Arte*, the agronomists' detailed records provide certifiers with the information they need to justify certification. This means that certifiers need less time to inspect a farm and makes it possible to keep the cost of certification low.

After harvesting, farmers send their produce on designated farmers' trucks to the *Horta e Arte* warehouse, where it is packaged and labelled with the *Horta e Arte* brand name, the stamp of the certifying organization – the *Instituto Biodinâmico* (IBD) – and a small code indicating the name of the producers. The IBD stamp is important because it indicates that the product meets international standards.

What makes *Horta e Arte* unique is that, although it is the largest organic vegetable seller in Brazil, it works with small-scale farmers. It ships the farmers' produce to supermarkets hundreds of miles away in Rio de Janeiro and Brasilia. The *Horta e Arte* system enables vegetables produced by small-scale farmers to get on to the shelves of stores like the French-owned *Carrefour*, a global multinational and one of the world's three top food retailers.

In Brazil, three quarters of all food sales now come from supermarkets. But supermarkets do not just show up and sell their products according to local marketing structures and culture. They bring their own structures and business culture with them. They buy in bulk and not from individual farmers; they standardize the size, weight, and appearance of the produce

Alternative organic certification in Brazil

Experience in the USA and more recently in Brazil has shown that legal definitions of the term "organic" do not always correspond with the way the word was originally used in the alternative agriculture community. When the US government adopted one of the many definitions of organic agriculture, it fractured the organic community.

Brazilians are now in the process of creating their own federal organic standards. The big producers, particularly those who export their goods, tend to support the full adoption of codes that match international standards. This path would regulate by law a process already largely defined by the demands of multinational food vendors and importing nations such as the USA, Japan, and the European Union. Because they want to engage in the global marketplace, Brazilians cannot simply create their own unique legislation on organic agriculture. Even so, a considerable section of the organic community in Brazil argues that adopting standard international procedures and criteria will limit local responses. They demand legislation that includes creative approaches to certification more appropriate to the Brazilian context. These approaches include the possibility of "participatory certification", which has already been successfully pioneered by farmers in southern Brazil, and "group certification". Both make it easier for farmers to enter the organic market by reducing or eliminating the heavy price of paying third-party inspectors to come look at their land. Such procedures are particularly relevant in countries like Brazil that have large populations of small-scale farmers who cannot afford the high cost of third-party certification.

In participatory certification, farmers form groups to certify their own properties on a collective and free basis. In group certification, an independent certifier works with a group of farmers. During the first year, the certifier inspects each property separately. If all of the farms in the group are in accordance with the certifier's standards, the group is awarded organic status. In subsequent inspections, the certifier inspects one of the group's farms at random. If that farm is found to be in violation of the standards, everyone in the group loses their organic status. This causes the group to internally monitor and support its members to ensure continuing use of the organic label to maintain higher prices for their food products.

At the moment, the proposals being made for Brazilian federal organic standards have made allowances for a degree of participatory certification. These alternative certification models will probably only be used locally or regionally where consumers know and have confidence in farmers. Independent, one-on-one certification remains the marketing structure most recognizable internationally, and is therefore the most successful at placing alternative agricultural products in a conventional marketing system.

they purchase; they have accounting systems that may delay payment to the seller for up to several months after the product has been delivered, and they negotiate prices and terms of business by phone, fax and e-mail. The whole interaction takes place in the "technified" world of the literate.

The leaders at *Horta e Arte* are taking an approach of social inclusion, trying to include small-scale farmers in the profits being made in an increasingly concentrated and unequal world. Their strategies have had considerable impact on the lives of many of the small-scale farmers associated with the organization. Profits from organic farming have enabled the farmers to build new houses, send their children to school, lease more land and invest in equipment and tools. This is particularly important at a time when large, corporate supermarket chains are quickly replacing corner stores and open-air markets as primary food vendors all over the world. It is in this world that *Horta e Arte* has negotiated a place for small-scale producers.

Organic conversion builds on existing relationships

Verava's conversion to organic production built upon pre-existing relationships in the area. For example, most farmers get their irrigation water from streams and natural springs. However, this water must be free of toxic contaminants in order for the farming that uses it to be eligible for organic certification. When one farmer wanted to become organic, he or she had to talk about the problems of polluted water with upstream farmers who might be using chemicals. Through these informal conversations people began to share information about the new production methods they were starting to use and to discuss how one person's actions affected their neighbours' livelihoods. In this way, the certification process built upon the ecological web of interrelatedness by strengthening the social fabric of the community as well.

The higher profits of organic farming compared to conventional farming played a key role in motivating farmers to convert to organic production. But many were pleased with the new system for other reasons. Some had suffered skin rashes and other health problems from the use of pesticides in the past, and were relieved to find a way out of dependence on agricultural chemicals. Others were able to come back to farming after long periods of unemployment and menial labour, necessitated by produce prices so low it didn't make sense to keep farming. Since conversion, some farmers have sought out training in the management of small-scale businesses or taken on additional roles as environmental leaders in the community. The whole area has seen a revival. Farmers have found a way to re-vitalize the livelihood they grew up with in a way that is profitable, safe and sustainable. ■

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For more information on *Horta e Arte*, see: <http://www.hortaearte.com.br>

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