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What Drives Organic Decertification? The Case of Certified Fruit and Vegetable Farmers

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What Drives Organic Decertification? The Case of Certified Fruit and Vegetable Farmers

Motivation

While sales of certified organic foods have increased double digits for the last decade, the latest USDA organic survey reports the number of farms and farmland have decreased. Most of the literature has focused on understanding what motivates farmers to certify. While organic initiatives are crucial to support the adoption of organic certification, understanding why farmers decertify can help maintain those farmers certified.

Little is known on what drives farmers to drop out the certification program. Studies based on California found that market, production, and regulatory barriers drove farmers to revert to conventional agriculture, while issues not related to organic farming were the main decertification motivators among farmers that remain using organic practices (Sierra et al., 2008).

Programs and policies aiming to increase organic certification can use these results to lower decertification rates, which may be as effective as recruiting new farmers to become certified.

Objectives

We answered **two questions**:

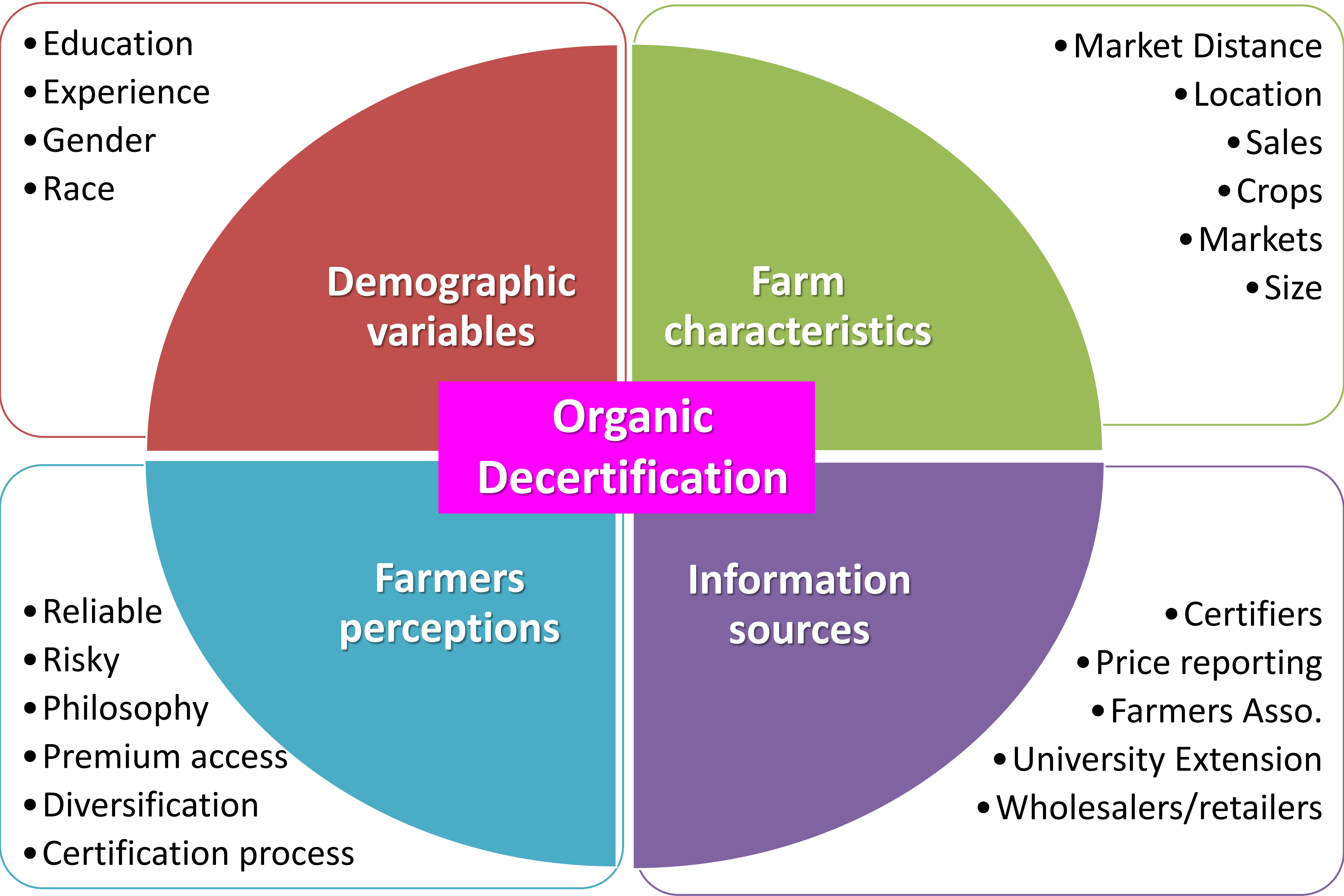
1. What are the main factors driving organic decertification among certified fruit and vegetable farmers in the US
2. What are the farming practices adopted by decertified farmers

Methodology

Data from a web-based survey to 1,559 fruit and vegetable farmers in 16 states was used to investigate the drivers of organic decertification. A subsample of 234 certified (64%) and decertified (36%) farmers was used in a standard probit regression. Robust estimates are reported in the results section.

The model

$$\begin{aligned} \Pr(\text{decert} = 1|X) &= \Phi(X\beta) \\ &= \Phi(\beta_0 + \text{dem}\beta_1 + \text{farm}\beta_2 + \text{info}\beta_3 + \text{percep}\beta_4) \end{aligned}$$



Acknowledgments

USDA-NIFA Organic Research and Extension Initiative (OREI)

Results

Factors **DECREASING** the probability to decertify

- **Female** farmers (16%)
- **Selling directly to consumers** (58%)
- **Price reporting services** information (27%)
 - Information from **certifiers** (14%)
- Perceptions **organic as reliable** (29%)

Factors **INCREASING** the probability to decertify

- **No-white** farmers (38%)
- Farmers in the **Midwest** (14%)
- **Vegetable** farms (30%)
- **Larger** farms
- The **certification process** (26%)

Conclusions

Strong **farmers-buyers linkages** are necessary to help farmers remain certified. Having access to wholesale markets and pricing information can help the sustainability of the organic industry.

The lack of **high-value high-volume urban markets** in the Midwest may be driving certified farmers to drop the program.

The **certification process** has a negative effect on farmers decision to continue certified. Loss of freedom, paperwork, costs, and interaction with the certifier seem to be harming the organic certification program.

Most decertified farmers remain using organic practices and selling directly to consumers. This is especially true for smaller operations. It is likely that **locally- and organically-grown** markets offer farmers enough economic incentives to drop the USDA certified label.