Between 'back to the roots' and marketing orientation – an overview of organic 'fair-regional' initiatives in Germany

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Abstract: *The market for organic food is very dynamic: The entry of new powerful market partners like supermarkets and discounters has led to stable growth as well as a `conventionalisation´ of the sector. As a consequence of the increasing competition, several organic `fair-regional´ initiatives have been established, which try to link the idealistic roots of the organic movement with modern marketing activities. This paper compares German initiatives – by enterprises as well as associations – regarding their motives, the standards they want to live up to and the control procedures they have chosen. The approaches of the different initiatives and their experiences are presented and the chances for and challenges facing this movement are discussed.*

Keywords: *organic ´fair-regional´ initiatives, organic standards, quality food production, fairness*

Introduction

Over the past few years a new trend in organic food production and marketing has emerged: The development of new standards and guidelines for the production and trade of organic quality products. In Germany, this phenomenon is relatively new: the first organic 'fair-regional' initiative – the *Faire Partnerschaften* (Fair Partnerships) program of the Naturland association – was established in 2006. Since then, a couple of initiatives have been launched: some founded by enterprises from the organic food sector, others by organic farmers associations (Biokreis, 2007; Frühschütz, 2008; Michalzik, 2008; Schäfer et al., 2008a, b).

In Germany a discussion in 2004-05 about fair prices for farmers – in particular conventional dairy farmers – was the starting point of this development. Particularly organic farmers associations continued this discussion and broadened it, including claims for fair working conditions, fair prices and reliable trading relations for all partners along the value chain. (Agrarbündnis, 2007) During the last decade the market for organic food has been characterised by stable growth. This development was linked to the entry of new market partners and – more generally – the development of conventional structures of production and distribution. A consequence of growing competition and the loss of moral values and visions was the establishment of a number of initiatives that have been trying to revitalize the original ideals of the organic movement, while linking them with modern marketing activities.

This article gives an overview of the German initiatives and projects which are currently discussing social standards and fair relations along the value-added chain[1]. Our empirical analyses were carried out within the project "*Fairness entlang der Wertschöpfungskette*" (Fairness along the value-added chain), which is financed by the German Federal Ministry of Nutrition, Agriculture and Consumer Protection (BMELV). We want to highlight the origins of this current development as well as the motives and objectives of the participating enterprises. We also provide insight into the sets of standards which have been applied so far and the modes of controlling them. The empirical results are based on qualitative interviews with organizers and members of seven initiatives in Germany and

[1] In this article we refer to this type of initiative as a 'fair-regional' initiative, although they to some degree have different scopes.

Switzerland (altogether 33 interviews)[2]. The paper concludes with a discussion about the chances for and challenges facing this movement.

Background for the emergence of 'fair-regional'-initiatives

There are a number of reasons why 'fair-regional'-initiatives have emerged within the past few years. Some of these reasons are primarily market-driven, while others originate mainly in the desire to hold on to the ideals of the organic movement. Obviously the international fair trade movement is an important forerunner of these new initiatives. Both deal explicitly with fairness and social standards in the production of food. Despite the similarities, however, the differences are quite fundamental: While classical fair trade is directed against exploitative and inhuman working conditions and in favour of just trading structures for peasants in the South, 'domestic fair trade' deals with drawbacks and working conditions in the North which cannot be compared with those in the South (Eichert et al., 2009).

A still ongoing discussion in Germany about fair prices for producers, especially for dairy farmers, is another driving force for the appearance of such initiatives. While the sector as a whole has been flourishing, the majority of the farmers have not benefitted from this boom. On the contrary: Due to their weak market position many producers have been confronted with lower prices for their goods. Thus relations between market partners along the whole value-added chain have come into the focus of the debate (Agrarbündnis, 2007).

The emergence of \`fair-regional´-initiatives can be seen as a combination of different, but nevertheless linked issues: the growing market power of discounters and supermarkets, which has led to increasing competition; structural changes for farms as well as for (small) organic retailers; a subsequent crisis of moral values, qualities and philosophies, prompting a search for an equitable allocation of value added (Frühschütz, 2008; Schäfer et al., 2008a, b; Zander and Hamm, 2008). The organic food sector in general is faced with a highly ambiguous development. While the market for organic foods and products in the last decade has been characterised by the entry of new market partners like supermarkets and discounters and – as a consequence – has exhibited stable growth, this increase of market shares came along with an intensified \`conventionalisation´ of the organic food market (Darnhofer, 2006). There is a tendency towards a division of the market for organic products into two parts: a market for high-quality products, often produced according to standards of organic farmers associations on the one hand, and a market for organic food which is produced in accordance with the basic standards of EU-Regulation (EC) 834/2007. Or – as some authors have put it – there is a differentiation in terms of an organic 'mass market' and an 'organic plus' market (Zander and Hamm, 2008; Padel and Gössinger, 2008; Padel et al., 2008). The increased presence of this basic standard market has been putting pressure on those enterprises which are more ambitious and committed to higher standards.

The establishment of 'fair-regional' initiatives is a reaction to this growing competition. Enterprises and associations are seeking strategies to assure their higher standards of production as well as guarantee compliance with social standards. The development of 'fair-regional' initiatives can be considered as an attempt to link the idealistic roots and values of the organic movement with the marketing activities of modern businesses in highly competitive conditions. From their perspective, if products and services are no longer distinguishable in terms of price and quality, then ethics will become increasingly important. Values-based management can be an important feature for differentiation (Wieland, 2004). Besides these motives, which can be seen as a reaction to recent developments in the sector, there is a more general international trend towards "Corporate Social Responsiblity" (CSR) which can be seen as another frame for efforts in the direction described (Padel and Gössinger, 2008). Certainly, the integration of values into entrepreneurial rationality needs to be

[2] Besides the ones we describe in this article, we have also analysed the discussion process of Demeter Germany. We also included two initiatives with a slightly different focus: the Regionalwert AG (a citizens share company) in the German Kaiserstuhl region and the RegioFair iniative in central Switzerland, which is still in development (www.regionalwert-ag.de, www.regiofair.ch).

authentic and consistent and not a simple marketing strategy to increase market shares. Discrepancies between claimed values and the real performance of enterprises will lead to a loss of credibility and – in the end – a decrease in turnover (Jahn et al., 2006).

This debate and discursive background is by no way specifically German, as similar initiatives and discussions have arisen in other countries as well. In Austria and Switzerland, for example, two countries with relatively high rates of organically cultivated agricultural area and numbers of producers[3], a couple of projects have been developed or are still under development. One of these, "*Zurück zum Ursprung*" (Back to the Roots), is a brand of high-quality organic products from the discounter Hofer which are produced in compliance with eight basic ethical values. The social charter for "Fair economy" of the Demeter association is an attempt to define social standards in terms of bio-dynamic philosophy. As such, it is more a general concept than an obligatory directive. Demeter Germany and Switzerland are discussing steps for the implementation of the charter in a more binding way. Furthermore, Bio Suisse is currently working on a code of conduct for fair and domestic production standards (Schumacher, 2009).

In the US, the Agricultural Justice Project (AJP) is a non-profit initiative which supports fairness in the food system through the development of social standards for organic agriculture, aiming at the creation of universal social standards, based on the principles of IFOAM, FAO and ILO[4] (Henderson, 2004; Henderson et al., 2002).

Finally, the German *Bundesverband Naturkost Naturwaren Herstellung und Handel (BNN)* (Organic Processors and Traders Association) has launched a codex which formulates a binding self concept for the members (processors and traders) and principles for trading with each other. The launch of the codex has been accompanied by a public relations campaign providing information about the benefits of organic-quality products and specialized organic trade.

Characteristics of the organic 'fair-regional' initiatives in Germany

The first German `fair-regional´-initiative was the *Faire Partnerschaften* program of the Naturland association (Naturland, 2007). Since Naturland operates worldwide, it was inspired by the international debate on fair trade to have a closer look at the conditions of domestic fair-trade in Germany. The program was initiated in 2006. So far, three outstanding members of the Naturland association have been awarded for their social and regional dedication by the association. Recently Naturland released new fair certification standards, which Naturland partners can adhere to on a voluntary basis in order to become certified.[5]

The *regional & fair initiative* was founded in 2007 by the Biokreis association in Bavaria. Currently, 14 members of the association are partners of the programme, most of them processors, some caterers and wholesalers. The initiative was also designed as an award to be given for members who are regionally committed in a specific way (Biokreis, 2009).

The *fair & regional initiative of Berlin Brandenburg* is the first initiative in Germany which was founded by enterprises in 2007 after a two-year discussion. Many of the participants had been trading partners before the initiative started. Companies from all stages of the value chain – farmers, processors, as well as retailers – committed themselves to the *fair & regional* charter. Currently 23 enterprises are affiliated with the initiative (www.fair-regional.de).

The *BioFairVerein* (Fair Organic Association), founded in 2008 by processors, has 29 members throughout Germany; 15 of them are certified (www.biofairverein.de). All certified members are inspected annually by an external auditing organisation. The initiative and its auditing concept currently concentrate on processors; an additional auditing concept for retailers is planned

[3] http://www.organic-world.net/statistics-europe-land-producers.html

[4] International Federation of Organic Agriculture movements (IFOAM), Food and Agriculture Organisation of the United Nations (FAO), International Labour Organisation (ILO)

[5] Since there is no information published yet on the new certification process we cannot refer to it in detail here.

(Biofairverein, 2008). In contrast with the other initiatives of our survey, which are only active on a regional level, the BioFairVerein has a national focus.

All examined initiatives do have something in common: they try to define new standards of social commitment and fair partnership along the entire value chain. All of them are oriented towards high-quality organic food production beyond the standards of EU-Regulation (EC) 834/2007, produced within regional or – in the case of the *BioFairVerein* – domestic partnerships of small and medium-sized companies. Table 1 summarizes the main characteristics of the initiatives which were part of the analysis.

Table 1. Characteristics of several ´fair-regional´-initiatives in Germany.

Characteristics	***Faire Partnerschaften***	***regional & fair***	***fair & regional***	***BioFairVerein***
Founded in	2006	2007	2007	2008
Founded by	Naturland association	Biokreis association	Farmers, processors, retailers from the Berlin-Brandenburg region	German Processors
Initiator	Association	Association	Enterprises	Enterprises
Modes of inspection	Award for outstanding enterprises, nonrecurring, internal inspections	Award for outstanding enterprises, annual external inspections, certification	Annual 'farm visits' with mutual interviews, reporting at general meeting, external board for complaints	Annual external inspections, certification
Structures	Internal workgroup	Annual meetings of processors	Voluntary engagement of enterprises, annual meeting, board of complaints	Executive board, general meeting, advisory board
Financing	Public grants (Ministry)	Public Grants (Ministry)	Private (fees)	Mixed public-private (Ministry and fees)
Logo	No	Yes	Yes	Yes
Regional focus	Currently only enterprises from Bavaria	Currently only enterprises from Bavaria	Enterprises only from Berlin-Brandenburg	No regional focus, but rather nationwide
Number of members	3	14	24	27 (currently 15 with certification)
Self-image	Award for outstanding enterprises and their engagement	Award for outstanding enterprises and their engagement	Initiative which defines standards for fair partnership	Association with external audit, which defines fairness in a comprehensive way

In the following subsections we concentrate on four initiatives under analysis within our research project in more detail. We have taken a closer look at the commonalities and differences among them and found a couple of aspects which seem to be appropriate for grouping and differentiating them, in order to get a more precise picture of the 'fair-regional' scene in Germany.

Orientation and focus of the initiatives, motivation of their members

All examined initiatives are characterised by a high level of intrinsic motivation of their members. The initiatives have defined standards and criteria which appear to correspond to a great extent with the self-image of their members. "That`s what we live" is a typical comment in the interviews. Almost all interviewed entrepreneurs referred to the basic values and ideals of the organic movement. Many of them were in fact among the organic pioneers. Interviewees often pointed out that they are highly committed to the values of their respective initiatives: particularly a fair and regional economy, social commitment and environmental protection. Intrinsic motivation seems to be the most important source for the participation in such initiatives. Furthermore, most members stressed that participation in an initiative didn't change much in terms of how they ran their everyday business – not because of the low standards of the initiative, but because of the enterprise's already high level of commitment.

Beyond these general similarities, what differences can be observed? One central motive for the participation of many entrepreneurs is the desire for differentiation and profiling as a strategy against conventionalisation and growing competition. Nonetheless, the initiatives do vary concerning their priorities for profiling and differentiation. While marketing motives seem to be central for members of the *BioFairVerein*, this is not as clearly the case for the partners of the *regional & fair initiative* of Biokreis. From their point of view the initiative is primarily an acknowledgement of their commitment to regional and fair trade relations. Due to its specific character, the Naturland *Faire Partnerschaften* initiative is understood by its members as an award and means of recognition for their entrepreneurial commitment. Meanwhile, members of the Berlin-Brandenburg initiative are characterized by highly differing notions: while some emphasize the internal character of the initiative – as a kind of negotiated agreement – others underline differentiation and profiling as their most important objectives.

Regional orientation

Another way to differentiate existing initiatives is to look at their regional orientation: Does the initiative promote regional value chains, and is it a regional initiative? Both questions are relevant, as there are initiatives which support regional economies without being limited to a specific region. Others are characterised by both: the support of regional value chains as well as regional orientation and organisation. The latter are generated by an existing regional network. In such cases, close economic linkages exist between the partners, independently of the initiative. The Berlin-Brandenburg initiative is a good example for this type of orientation.

Table 2. Different understandings of 'region'.

Name of the initiative	Definition and criteria
Faire Partnerschaften	- A minimum of 80 % agricultural products of regional origin (if available). - No specific definition of 'region' - Currently only enterprises from Bavaria
regional & fair	- Supply with agricultural products mainly from within the region (if available in appropriate quality) - Definition of region: Radius of 200 km around the place of production - Priority for regional distribution of products
fair & regional Berlin-Brandenburg	- Up to 20 % of the main ingredient of a product can be produced outside the region (if not available in appropriate quality within the region) - Definition of region: the federal states of Berlin and Brandenburg - Enterprises near the borders of Berlin/Brandenburg can join the initiative on request
BioFairVerein	- A minimum of 60 % of raw materials must be produced within Germany (in border regions, within a radius of 200 km) if available in appropriate quality

Regarding those initiatives which are founded by organic associations, the main connector is the association – all enterprises are members of the respective association. Both are characterised by a relatively narrow understanding of region and the ambition to support the regional economy. The *BioFairVerein* represents the second type of initiative, which is characterised by a broad definition of region. Furthermore its members are located throughout Germany; therefore, they usually are not directly economically linked. Figure 1 summarizes the position of the initiatives regarding their degree of marketing and regional orientation.

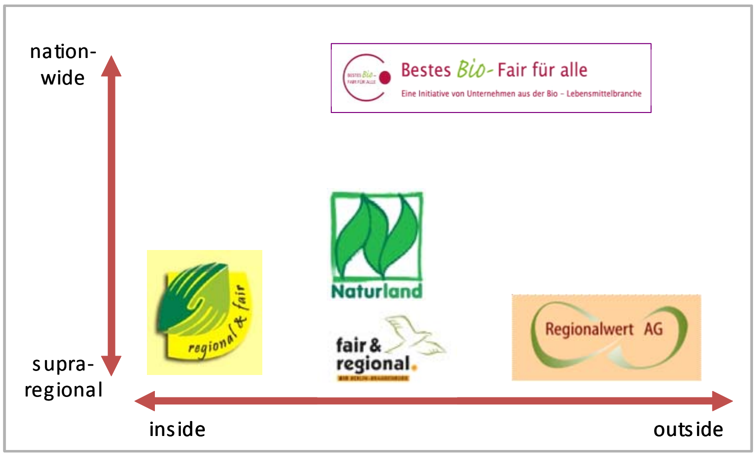

Figure 1. Regional orientation and focus of ´fair-regional´ initiatives.

Understanding of fairness

As ‘fairness’ is the central category in all initiatives which are part of the survey, it´s worthwhile to have a closer look at the operationalisation of fairness in the different initiatives.

We identified two levels of fairness within the new standards: 1. fairness concerning relations to the employees in the enterprise itself (internal) and 2. fairness concerning relations to other enterprises along the value-added chain – particularly between farms and processors or retailers (external). The indicators we found can also be differentiated into two groups: 1. core indicators, which are part of the definition of most of the initiatives and 2. additional indicators, which are only listed by few of them (see Table 4 and 5 for details).

Table 3. Indicators for Internal Fairness.

Core indicators	Initiative	Additional indicators	Initiative
Social standards for employment (like minimum or standards wages, social security)	All	Creation of apprenticeship training positions	*BioFairVerein*
(Regular) offers for further education and training	All but *regional & fair*	Preference of regional applicants	*regional & fair*

At the second level, standards for external fairness are defined. A core indicator for external fairness is agreement on and payment of fair prices for suppliers. So far, a couple of definitions of “fair prices” exist, but there is no generally accepted one. Furthermore, as of yet a feasible method for the objective determination of a fair price – which considers different products from different farm types – does not exist.

All initiatives agree that fair prices should assure the long-term existence of all partners of the respective value chain. Most of the initiatives have integrated a direct procedure into their standards: partners are asked to come to an agreement about mutually acceptable prices. The initiatives which were initiated by enterprises chose the following wording: ‘prices in the upper third of usual market prices’.

Table 4. Indicators for External Fairness.

Core indicators	Initiative	Additional indicators	Initiative
Fair prices and corresponding agreements	All	Preference for direct supply from the producer Preference for selling within the region	*regional & fair*
Intensive, personal cooperation of partners along the whole value chain (e.g. meetings)	All but *Faire Partnerschaften*, *BioFairVerein*	Preference for fair trade products regarding international products	*regional & fair*, *BioFairVerein*
Membership in an organic association	All but *regional & fair*, *RWAG*	Aid in emergency situations	*fair & regional*
Common planning, long-term contracts	All but *BioFairVerein, RWAG*		
Only quality-oriented retailers and wholesalers	All but *Faire Partnerschaften*, *RWAG*		
Social / civic engagement within the region	All but *regional & fair*		

Specific criteria

Some of the examined initiatives have specifically defined extra criteria that they adhere to, especially regarding environmental protection and ecology. The *BioFairVerein* and *fair & regional* ask their members to use and support renewable energies and environmentally friendly packaging materials. Furthermore, the *BioFairVerein* motivates its members to invest in measures for energy and resource efficiency.

Modes of control

All initiatives have established systems and procedures for the control of their standards. We found different modes of control, some of them are more qualitative while others are highly standardised. Table 1 gives an overview of the different modes of control.

For their annual external control and certification, the *BioFairVerein* and *regional & fair* have developed a certification concept, based on the guidelines of the respective association. Members of each association are annually audited by an ecological inspection board. The *BioFairVerein* has defined three disqualifying criteria for member products: less than 50 % made using products from organic farmers associations, less than 60 % domestic raw material and selling certified products to discounters. Other issues – e.g. support of local initiatives and long-term relationships – are scored. For certification, an enterprise has to get a certain percentage of the maximum score. For the *regional & fair* audit, the inspection board also checks the \`hard facts´ – particularly regional and direct supply of raw materials, actual prices as well as the design of contracts. The other issues are considered as fields of development, where enterprises can put an individual focus (Frühschütz, 2008).

Recently the Berlin-Brandenburg initiative agreed on an internal control procedure. Annually, each member of the initiative is visited by two other members. During this 'farm visit' a questionnaire has to be completed, which covers all issues that are part of the initiative's charter. In cooperation with his or her visitors, each entrepreneur documents the status quo concerning compliance with the organization's standards and formulates objectives for the following year. The results of the visit are reported annually at the initiative's general meeting.

In our interviews we found that the interviewees usually consider the control process as not being critical – regardless of whether it is qualitative or more standardized, nonrecurring or repeating. They regard them rather as being a \`necessary nuisance´, one which is at least manageable. Nonetheless, all initiatives have intensively discussed arguments in favour and against internal or external control. Obviously, a more standardized procedure is much easier to communicate – particularly to consumers and the wider public – and it seems to be a clear, objective and transparent method. All the supporters of this procedure highlighted these aspects in the interviews. Yet, in reality, the procedures are not at all that transparent. The concrete procedures of control, particularly the operationalisation of the standards are not made public. Interested consumers (and researchers) therefore are not enabled to understand the concrete steps of audit and certification.

As we mentioned before, there are a few central criteria for the standards which have not been defined sufficiently, e.g. fair prices. External audits and certifications give the impression of thorough control, but these can hardly be put in practice by the respective initiatives. Furthermore, the interviews gave the impression that, in some cases, the external procedure is handled not as strictly as claimed.

External, standardized control procedures are faced with a series of difficulties about which we want to elaborate briefly:

- It is even more difficult to standardize and control social behaviour than environmental standards. Being “fair” can hardly be “prescribed” externally if there is no internal motivation to live up to this expectation.
- Quantitative indicators are often compromises at a relatively low level.
- External control generates costs.

Finally, a general question occurs when thinking about the most appropriate procedure: Do customers really attach great importance to formalized procedures? This is a general question which we cannot answer from the results of our study, but it seems worth being investigated in the future.

It seems obvious that qualitative and less standardized procedures demand more intensive communication processes – as are being currently tested by the Berlin-Brandenburg initiative. As an example this initiative is applying a participatory audit (´farm visits`) which is understood as a tool to increase mutual understanding between the partners of the value-added chain. The talks enable the entrepreneurs to get better insights into the structures and constraints of business partners and get a feeling for their potentials and limits with regard to social and environmental activities. With an individual audit, it is possible to agree on objectives which are appropriate for the specific enterprise.

However, there are also cons to internal procedures: Internal controls can be misunderstood as a tool for spying – this depends very much on the design of the instruments and the level of trust between the entrepreneurs. Applying such instruments also requires a lot of soft skills and social competence as well as the willingness to invest time resources. Additionally, there might be a certain danger that ‘buddies’ attest to each other’s social and fair commitment without taking the procedure seriously. However, this risk can be overcome by an exact definition of the auditing procedure and the creation of an external board which can critically appraise it.

The main argument against internal controls and self commitment is that it is difficult to communicate towards the consumers – in particular if the processing of products is relatively complex and several steps are involved. While this might be an important argument if the products are sold on a national market, it seems possible to find adequate forms of communication on a regional scale.

Market success of the initiatives

In order to get an idea of the market chances and the interest of consumers in organic ‘fair-regional’ products, two of the initiatives launched their products in autumn 2009. The *BioFairVerein* and the *fair & regional initiative* tested the acceptance of their products in selected organic stores and accompanied the market launch with promotional activities. To be able to evaluate the results it has to be taken into consideration that the product assortment for this market test was rather small: eight *fair & regional* products and eleven products of the *BioFairVerein* were tested. Besides an analysis of the turnover for 'fair-regional' products in the selected stores[6], qualitative interviews with consumers and retailers concerning their interest in these initiatives were carried out.

With respect to consumers' and retailers' perceptions, both market launches are characterized by similar results:

1. Most of the retailers supported the respective initiative. From their point of view, a part of organic consumers are interested in so called "organic plus products". While some of them are sceptical about future trends, others assume that the market for `fair-regional´ products will grow within the next years.
2. Most of the customers were interested in the initiatives and their values. We identified a tendency towards a self-evident `fair-regional´ image for organic products: a couple of the interviewees associate organic products with fair and regional production standards per se. Of course, this positive image is a challenge for enterprises and initiatives which want to differentiate themselves through extra standards.
3. Sales of the products have so far not been very successful. A couple of reasons can be identified:
   - First, the selection of products released thus far does not seem to be very attractive; it should be revised and extended. Due to the small assortment, the visibility of the products in stores was rather low.
   - Second, till today the concept of fairness is strongly linked to the classical fair-trade of products from developing countries. Domestic fair trade and 'fair-regional' has until now remained a very abstract and vague concept, one which was not understood immediately by many of the interviewed persons.
   - Third, consumers of organic food – as other consumers, too – are characterized by well-established patterns of behaviour; patience is necessary for a launch of new products. In general, consumers as well as retailers demand reasonably priced, professionally designed products for everyday consumption.

Discussion and conclusion

'Fair-regional'-initiatives are a reaction to changing market conditions and increasingly intensified competition. Especially small and medium-sized companies are trying to enhance their public profile and communicate their specific benefits and values to consumers through their membership in these initiatives. Regarding the definition and formulation of new standards, the examined initiatives concentrate on issues of regional orientation, fair prices and fair cooperation as well as social working conditions. Depending on their particular foci, different definitions of 'region' have been chosen by the initiatives. Furthermore, almost all initiatives ask their members to be active in terms of regional civic and social engagement. Fairness is often defined as an agreement on adequate prices for all partners of the value-added chain (allowing long-term existence and investments) and procedures to achieve consensus. The challenges of defining "fair prices" have not been solved satisfactory by any of the initiatives; the definitions presently used are auxiliary constructs.

With regard to the several existing modes of control, we can summarize that defining social behaviour and specifying indicators for fair cooperation are still a challenge. The standards can be seen as work in process. The definition of quantitative indicators necessarily implies a reduction of complexity; standardisation of diversity and individual solutions are per se limited.

At this point, it is not possible to come to a final conclusion about which mode of control is the best. The intentions and foci of each initiative are crucial factors: If marketing aspects are central for the

[6] The quantitative analyses have been conducted by Prof. Dr. Hamm of the University of Kassel. Due to the specific conditions of the analysis, only products with scannable price tags could be considered, which is one of the reasons for the small assortment.

initiative, an external audit seems more appropriate. If the initiative primarily aims at the adjustment of internal processes, standards and behaviour, a less standardised procedure might be adequate.

The experiences of two of the examined initiatives on the market reveal a differentiated picture: While both customers and retailers support these kinds of initiatives verbally, the launch of the products has so far not been very successful. While the regional origin of the products seems to be a well-established term for some of the customers, fairness and its implications for regional or domestic trade seem to be too vague and unclear. Both initiatives have also only released a relatively small selection of products, which makes it difficult to draw them to a customer’s attention.

Obviously there are some constraints which impede the establishment of these new standards: a highly competitive environment, limited resources, and unclear market opportunities. The discussion about fair prices and regionality, as well as the search for appropriate modes of control, has only just started.

From our point of view a central future challenge is the continuity of the initiatives as well as their degree of professionalisation. As their memberships are still relatively small and – as a result – their resources are relatively limited, their long-term existence is uncertain. It seems to be quite necessary to sustain enthusiasm and commitment, of which there is an abundance at the very beginning, over time.

From its very beginning the actors of the organic movement have been pioneers in agenda setting and asking critical questions, often with far-reaching consequences for agriculture and society. It often takes a long time to gain attention for such basic questions. From our point of view, the new ‘fair-regional’ initiatives ask the right questions at the right time. More general trends in society and businesses – CSR, fair trade and value-based management approaches – show the relevance and necessity of a (re-)orientation of business relations and business policy. Furthermore, a trend towards ethical consumerism is evident: Small and medium-sized organic enterprises could benefit from this general trend by being trendsetters. Finally, these initiatives represent `field tests´ for new standards of organic farming and processing, beyond established production standards.

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