



Left: A typical wood-burning stove for cooking coconut flower nectar. People in Kokap use firewood for cooking as it is cheap and still relatively abundant in the area. Photo courtesy of Dimas D. Laksmana.



Above: An elderly woman crushing lumps of granule coconut sugar using copra. Photo courtesy of Dimas D. Laksmana.



Right: The silhouette hanging from the tree branches is a coconut farmer still collecting coconut flower nectar as dusk is falling. Photo courtesy of Dimas D. Laksmana.

## Between 'green lies' in Germany and organic agriculture in Indonesia

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Germany and other countries of the Global North import a variety of organic products from Indonesia, such as organic rice, coffee and coconut sugar. The Indonesian National Standard was formulated by the Indonesian government to ensure the quality standard of organic produce in order to protect consumers and producers. However, certification is negatively perceived by some Indonesians as simply privileging large-scale profitable projects, thereby ignoring issues such as food security and environmental integrity; and farmers who are certified face numerous challenges once they are integrated into the global market.

### The organic movement in Germany

The 'Organic Movement' is a generic term that refers to individuals and organizations involved in the promotion of sustainable agriculture through organic farming practices. As part of this international movement, Germany has played a considerable role both as a wealthy importer of organic products and as an influential member of the community. Many German actors share the movement's aims to promote and expand organic agriculture, and to develop it from a small niche to a broader, more mainstream market by establishing detailed regulations and efficient yet fair certification and control systems. The International Federation of Organic Agriculture Movements (IFOAM) based in Bonn, Germany, was established in 1980 to provide the first international guidelines for organic agriculture, and in 1991 the European directive for organic agriculture (EU Verordnung Ökologischer Landbau) was implemented.<sup>1</sup> Currently, more than 1000 affiliates in over 120 countries are members of IFOAM.

With these achievements, the overall objective of a transparent and sustainable global market for organic products appears more feasible. A growing number of countries worldwide accept and implement national and international regulations, and what constitutes 'organic' is increasingly defined

by law. A survey conducted by Research Institute of Organic Agriculture (FiBL) in 2018 shows that 87 countries have national organic regulations.<sup>2</sup>

However, regulations and certification systems for organic agriculture, and the growing international market for organic products, are not unproblematic, especially for producers and producing countries. In many cases, local farmers do not have access to the organic market since they often encounter difficulties in fulfilling the international regulations or requirements for certification, and applying for organic certification poses significant financial burden to farmers. Furthermore, organic products are often targeted for wealthy importing countries of the Global North, in which the organic industry partly develops contrary to the initial objectives of transparency, economic, social and environmental sustainability.

### The German bio-fetish, green-washing and 'green lies'

The main finding of the recent consumer research 'GfK Consumer Index 2017' suggests that in Germany, organic products have already reached the mainstream consumer market.<sup>3</sup> People can purchase organic products at various places, for instance at small organic and health food stores, but also

at large-scale organic supermarket chains. In addition, the major supermarket chains and discounters provide a range of organic products or have even introduced their own organic brands. The report conducted by the Society for Consumer Research (Gesellschaft für Konsumforschung, GfK) further shows that in the last ten years, the market share of organic food products in Germany has doubled (from 2.6 to 5.7%) in 2017, and the percentage of German households "with a high affinity for healthy, sustainable food" has reached more than 30%.

These figures, however, present an incomplete picture on the overall achievement of the sustainability and transparency aims pursued by the organic movement. The problem with organic brands or 'bio-brands' in Germany is that they contribute to the "fetishization of everything 'bio'".<sup>4</sup> That means, they create market demand and represent a profitable line of business without providing sufficient information about the producers. Many people in Germany buy products that are labeled 'bio', without knowing its meaning and background. For a comprehensive understanding of the organic markets, it is necessary to consider financial and economic structures, but also productive and immaterial labor as well as producers' perspectives and life worlds. Only by assuming ethical, social and environmental

responsibility can the objective of a sustainable global market for organic products be achieved.

Unfortunately, recent cases of green-washing are a perversion of the initial objectives and efforts of the organic movement. Those are enterprises that offer products or services (or obtain raw materials) in a clearly environmental unsustainable or socially unjust framework, but try to establish a positive public image as sustainable, eco-friendly, and fair. The journalist Kathrin Hartmann<sup>5</sup> illustrates a prime example of such 'green lies' and negative effects of the bio-fetish in Germany with the case of palm oil production in Indonesia. It is promoted as a sustainable and eco-friendly product, though in reality it has devastating effects on rainforest biodiversity and labor living conditions.

In the last few years, public awareness about green lies of sustainable palm oil from Indonesia has gradually been raised by media reports. The *Süddeutsche Zeitung* featured a report titled 'Rainforest clearings for the supermarket',<sup>6</sup> and *Der Spiegel* reported on 'The dirty business of palm oil producers'.<sup>7</sup> Yet, ultimately the main responsibility lies with the importers and consumers of presumably organic products. Responsible consumers and supporters of the organic movement in Germany must look beyond bio-brands and green lies, and consider mechanisms of the organic market on the production side.





Below: Taman Nasional Kalibiru (or Blue River National Park), one of the main tourist attractions in the area. With the opening of the new Yogyakarta International Airport within a 30-minute drive, and other related infrastructure plans, the area will likely undergo a massive transformation in the next 10-15 years. Photo courtesy of Dimas D. Laksmana.

Above: Women employed by their neighbour to help make organic coconut sugar. Photo courtesy of Dimas D. Laksmana.



## Organic agriculture in Indonesia

Germany and other countries of the Global North import a variety of organic products from Indonesia, such as rice, coffee, and coconut sugar. In response to the gradual expansion of the market for organic produce in the course of the 1990s, an Indonesian National Standard (SNI) was formulated by the Indonesian government. It defines organic agriculture as a production management system that increases and develops the health of the agro-ecosystem, avoids the use of synthetic fertilizer and pesticides, and applies site-specific management practices adapted to local environmental conditions.

The objective of the SNI is to ensure the quality standard of organic produce in order to protect consumers and producers. Its major role is to provide a guarantee system for the organic value chain, to develop nationally and internationally recognized certification for export and import purposes, and to contribute to environmental protection efforts at the local and global level.<sup>8</sup> The increased state regulation through the SNI, however, has embedded organic farming into a national agro-economic framework predicated on a productivist logic and neoliberal ideas of market expansion. The legally-enforceable certification as promoted by the SNI defines access to the market and thus implies (further) production constraints on producers, particularly in the case of marginalized small-scale farmers who do not have the means to afford certification.

For some Indonesian producers and consumers, organic certification is perceived as privileging large-scale, export-oriented, and highly profitable projects, and are thus rejected. However, organic agriculture in Indonesia can also be understood as a social movement and socio-ecological endeavor that

seeks to achieve diverse yet often interlinked issues, such as healthy diets, sustained livelihoods, social justice, food security, and environmental integrity. Organic farming is not simply a variety of agricultural practices that refrain from using petrochemical pesticides and fertilizers as well as genetically modified seeds. Therefore, certification based on particular standards, technical rules, and political procedures (as a result of institutionalization) is not a suitable means for achieving sustainability.

In the early 1990s, the Farmer and Fisherman Association World Food Day (SPTNHPS), one of the first pioneers of organic agriculture in Java, was formed in Central Java. This organization advocates 4 principles in sustainable agriculture: ecologically sound, economically feasible, culturally adapted, and socially just. While organic agriculture started off as a social movement driven by environmental concern, it has developed into a more market-oriented sector. "At the early stage, we mainly focused on teaching farmers how to grow food without using artificial pesticide and fertilizer, how to care for our nature", says one of the founders of SPTNHPS. "We didn't think about marketing, but now things have changed. Now marketing is everything, especially after the government passed SNI on organic farming. Our organization is starting to look for potential market access".<sup>9</sup> Even farmers who focus on selling certified organic products as premium goods are experiencing numerous challenges once they are integrated into the global market.

## Organic coconut sugar

Picture a lean man with a honed sickle by his side, carrying cylindrical containers made from cut-bamboo stems filled with coconut flower nectar. The containers are tied to a pole which balances on his right shoulder, and they create a 'tock, tock, tock' sound as the

man traverses the uneven terrain of Menoreh Hill, to the west of Yogyakarta, Central Java. This sound signals the beginning and end of a day for many coconut farmers [penderes]. The routine is followed by smoke spewing out of houses as the women prepare fires to cook the coconut flower nectar collected by the men. Together they are the preservers and backbone of the traditional coconut sugar making, which relies on human ingenuity and adaptation to the environment.

In Kokap District, Yogyakarta, coconut sugar has always been produced with a clear division of labor. Every morning and afternoon, the men climb coconut trees with nothing but their bare hands and a small knife or sickle to make incisions in the flowers, allowing for the nectar to drip into the bamboo containers [bungbung]. The women then cook the nectar for a couple of hours on a wood-burning stove, until the liquid reaches the right consistency and is ready to be molded on copras (dried coconut shells). The only additives are coconut milk or grated coconut to prevent the boiling liquid from overflowing, and a mixture of limestone water and mangosteen sap, which is the yellowish crust formed on the skin of the fruit. All the ingredients are naturally abundant in the area. "I don't know who invented this recipe, but as far as I know even my grandmother produced coconut sugar this way", says a retired teacher and coconut sugar maker. "It is truly natural and the molded coconut sugar has different shapes depending on the makers' preferences. Some like it small, some like it big. It depends on the copras too".

"So we invented organic granule coconut sugar for the export market to increase the income level of coconut farmers here in Kokap", says a member of Jatirogo cooperative, the pioneer of this product. Today, the export of organic coconut sugar has developed into a profitable business sector for local farmers. "In the past, the price of granule coconut sugar was 7000 Rupiah per kilo (about €0.40) and coconut sugar was 3000 Rupiah per kilo, and since then the price of coconut sugar has reached up to 13000 Rupiah when the price of granule coconut sugar was 16000 Rupiah", says a coconut farmer. This account is repeated and confirmed by other people in the region; coconut sugar production provides a stable income, whereas other job opportunities are scarce and youth unemployment is common.

Despite this economic benefit, unfortunately, the creation of organic granule coconut sugar, which is specifically designed to fulfill international market demands, poses unprecedented problems. Firstly, the long value chain of the product is subject to international market fluctuation and creates uncertainties for farmers. When demand stops, farmers cannot sell the granule coconut sugar that they produce on a daily basis. There is also low demand at the local market, as in Indonesia people usually consume coconut sugar, but not in the granule form. During low demand periods, piles of granule coconut sugar packed in transparent plastic can be found in the corners of farmers' houses. In comparison, regular coconut sugar can be sold regularly at the local market.

Secondly, the costs of organic certificates create financial barriers for farmers, hindering them from enjoying the economic benefits of being organic farmers. For instance, the cost of applying for an organic certificate for the European market is 200 million Rupiah (about €12.000) and another 70 million should be paid annually for recertification. These numbers are beyond the reach of many landless farmers whose monthly expenditure is below 5 million Rupiah (about €300) according to the Statistic Publication of Indonesia in 2015.

Thirdly, the financial prospect of being organic farmers still does not appeal to young people given the challenges above. In this area, the aging generation of coconut farmers can hardly find successors to continue collecting coconut flower nectar as the young people tend to emigrate to neighboring cities to find more promising and prestigious occupations. The present example of organic granule coconut sugar for the export market illustrates challenges faced by farmers when their products are intended for consumers thousands of miles away.

## Conclusions: from bio-fetish to sustainability

Departing from the global organic movement and its aim to promote sustainable agriculture through organic farming practices, we have shown that the organic industry partly developed contrary to this aim. Organic products have clearly reached the mainstream consumer market in Germany, but without adequately taking the perspectives and life worlds of producers into consideration. On the contrary, 'green lies' about supposedly sustainable and eco-friendly organic products conceal perilous working conditions and devastating environmental effects at production sites.

The case of organic coconut sugar production in Indonesia illustrates the obstacles and pitfalls organic farmers are facing, especially when aspiring to reach the global organic market. Although organic granule coconut sugar has proven to be a profitable export commodity, international market fluctuation, financial barriers of organic certificates, and uncertain future prospects (concerning the younger generation) put its sustainability into question.

Indonesia, as an exporting country, needs cross-sectoral integration between the government and producers to sustain the development of organic agriculture. In importing countries like Germany, responsible consumers must try to look beyond organic brands, and demand that providers of organic products follow ethical guidelines that include concerns of the producers. Only if both producer and consumer sides translate those guidelines into concrete measures can the objectives of transparency, economic, social and environmental sustainability be achieved.

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### Notes

- 1 Ministerium für Klimaschutz, Umwelt, Landwirtschaft, Natur- und Verbraucherschutz des Landes Nordrhein-Westfalen. 2013. 'EU-Verordnung Ökologischer Landbau. Eine einführende Erläuterung mit Beispielen'; <https://tinyurl.com/euvero> (accessed 21 August 2018).
- 2 Willer, H. & Lernoud, J. 2018. 'The World of Organic Agriculture Statistics and Emerging Trends 2018'. Research Institute of Organic Agriculture (FiBL), Frick, and IFOAM – Organics International, Bonn.
- 3 Gesellschaft für Konsumforschung (GfK) 2017. 'Bio' kommt im Mainstream an. Consumer Index 07/2017; <https://tinyurl.com/gfkbio> (accessed 21 August 2018).
- 4 Birch, K. & Tyfield, D. 2012. 'Theorizing the Bioeconomy: Biovalue, Biocapital, Bioeconomics or ...What?', *Science, Technology, & Human Values* 38(3): 299-327, p.299.
- 5 Hartmann, K. 2018. *Die Grüne Lüge. Weltrettung als profitables Geschäftsmodell*. München: Karl Blessing Verlag.
- 6 Hennemann, L. 2012 (6 Sept.). 'Regenwald-Rodungen für den Supermarkt', *Süddeutsche Zeitung*; <https://tinyurl.com/szregenwald> (accessed 20 August 2018).
- 7 Hartmann, K. 2015 (7 Mar.). 'Das schmutzige Geschäft der Palmöl-Produzenten', *Der Spiegel*; <https://tinyurl.com/spiegelpalm> (accessed 20 August 2018).
- 8 Standar Nasional Indonesia (SNI) 2002. 'Sistem Pangan Organik. Badan Standardisasi Nasional Indonesia'; <https://tinyurl.com/snisistem> (accessed 21 August 2018).
- 9 Sekretariat Pelayanan Petani dan Nelayan - Hari Pangan Sedunia STPNHPS (n.d.) FO Profile Indonesia STPNHPS; <https://tinyurl.com/SNIprofiledoc> (Google Doc).