



MOVING
MOUNTAIN VALORISATION THROUGH
INTERCONNECTEDNESS AND GREEN GROWTH

Policy Brief

BETIC SYSTEM | Organic Olive Oil



Photo credit: Antonio Zafra



This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No. 862739. The content of this document does not reflect the official opinion of the European Union. Responsibility for the information and views expressed therein lies entirely with the author(s).

Organic Olive Oil “Betic Systems”

1. Organic Olive Oil the driving force of a unique territory

The Organic Mountain Olive Oil Value Chain describes the activities from olive cultivation to processing, distribution, and marketing. It also involves soil maintenance, biodiversity, and creating by-products like compost and energy as part of the cultivation process having a direct impact on the local way of life in the area. The value chain analysis focuses on three municipalities in the Betic mountain ranges of Spain: Carcabuey, Priego de Córdoba (both in the Priego de Córdoba Olive Oil Designation of Origin), and Zuheros (in the Baena Olive Oil Designation of Origin). Andalusia, particularly the south of Cordoba and the Jaen province, are significant for organic olive farming. The mountain olive groves in our area, located on steep slopes (25-30% and up 35% in some cases) making accessibility and mechanization more complicated, and at high altitudes, face challenges from climate change, leading to reduced rainfall, temperature changes, and difficulties in managing traditional practices, which threaten biodiversity and the environment. These challenges are not only affecting the cultivation process but also the social and economic aspect as the aging population is increasing which leads to an inevitable abandonment of the crops and because the costs of production are not compensated by the market access and the organic certification. All of these problems lead to

severe depopulation trends especially in Zuheros and Carcabuey.

2. Value chain contribution to resilience and sustainability

To optimize the contributions of the Value Chain (VC) to the Mountain Reference Regions (MRR), several potentialities require attention. Key to preserving the unique environment of the Subbéticas Cordobesas is maintaining and improving environmental practices. Improved land-use and water management policies, coordinated by local and national authorities, can prevent soil erosion and help preserve scarce water resources, contributing to the preservation of biodiversity and ecosystems. Despite these benefits, some challenges, such as inconsistent policy application across territories, have led to varied compliance levels among farmers.

Economically, the diversification of the VC is crucial for local communities to create new opportunities. Market access and certification of mountain products are essential to enhancing profitability and competitiveness for smallholder farmers, who must navigate market fluctuations. Although these initiatives have bolstered economic resilience, obstacles like fluctuating market demands and the high costs associated with maintaining organic standards have limited broader involvement from local communities.

Socially, rural areas benefit from strong community ties that support collective decision-making, social cohesion, and cooperative structures. These facilitate environmental actions such as circular



strategies for by-product use and foster collaboration across the VC, reducing costs and enhancing mutual benefits. Such collaborative efforts can also empower young and women producers through capacity building and training resources implemented through CAP mechanisms.

Innovative solutions and collaborative approaches are essential for overcoming these barriers and fully exploiting the potential of the organic mountain olive oil sector in the Sierras Cordobesas. By implementing climate-smart practices and fostering economic diversification through collaborative and short-circuit collaborations, the VC can continue contributing to the resilience and sustainability of the Sierras Subbéticas Cordobesas.

3. Policy experiences

The Common Agricultural Policy (CAP) provides crucial subsidies to support financial stability for olive growers in Andalusia. These subsidies include direct payments, rural development programs, and market measures to enhance competitiveness and sustainability in agriculture. Additionally, Andalusia benefits from local and regional development funds, stimulating economic activities and improving infrastructures for local olive producers.

- Successful outcomes include increased financial security for olive producers through CAP payments and improved infrastructures from regional development programs, reducing post-harvest losses. However, heavy reliance on subsidies reduce innovation initiatives

and self-sufficiency among local producers, while administrative burdens can also limit access to funds for smaller producers.

- Social policies focus on rural development programs to enhance quality of life in rural areas, with impacts on social stability. At the EU level, CAP policies address social concerns such as gender equality, support for young farmers, and improving living conditions in rural areas.
- Environmental policies at the local level promote sustainable farming practices and biodiversity conservation, leading to increased biodiversity and soil preservation. However, resistance from farmers due to perceived higher costs of sustainable practices poses challenges. National environmental policies align with international commitments to combat climate change, resulting in reduced use of harmful chemicals and growth in the organic olive oil market.
- Policy changes could impact the olive grove value chain, such as reduced CAP funding potentially leading to job losses for smaller producers. Enhancing administrative efficiency and investing in education and health could improve outcomes. Overall, coordinated and well-implemented policies are crucial for long-term sustainability and prosperity in the olive sector; therefore, continuous monitoring, evaluation, and adaptation of policy measures are necessary to address the emerging and enduring challenges, ensuring resilience and sustainability of the MRR.

4. Recommendation for future policies

As described previously, there are some important leverage points that EU policy makers can act upon to foster sustainability and resilience for mountainous regions:

- First of all, there is an urgent need for policies enhancing organic practices in order to mitigate challenges due to climate change such as drought and erosion for example. As so, capacity building inducing innovation through training programs and organic-focused research should be supported by CAP policy adjustments in order for producers to be able to adapt to higher possible costs of soil maintenance including subsidies for water-saving technologies, soil conservation methods, and biodiversity preservation efforts.
- In terms of economic resilience, specifically for smallholders, there is a great need for the recognition of Optional Quality Term for mountain products, to ensure a specific mountainous certification and therefore a better recognition for smallholders and globally for mountain producers to be able to access the market in a more stable way. Provide financial incentives, such as subsidies and grants, to encourage the development of value-added products and diversification into tourism activities related to olive farming, helping to stabilize rural incomes is also of great importance.
- Furthermore, improving accessibility and mechanization in mountainous olive groves by investing in infrastructure

improvements, such as better road networks and advanced agricultural machinery designed for steep and challenging terrains would help farmers in the VC.

- On a local level, regional agencies need to implement continuous monitoring, evaluation, and adaptation of policy measures to address ongoing and emerging challenges, ensuring the long-term viability and prosperity of the region.
- Another potential recommendation would be to promote community engagement by funding community-led environmental projects and supporting local cooperatives through the development of cooperative structures and collective decision-making processes. As well as implementing continuous training programs on modern, sustainable agricultural practices, business management, and product development to empower farmers, particularly youth and women.
- Finally, establishing a robust system for monitoring and evaluation to assess the effectiveness of policies and practices, facilitating timely adaptations based on empirical data and emerging challenges in the sector.

These policy recommendations aim to address both the immediate and long-term challenges facing the VC, ensuring its growth and sustainability within the MRR.



Reference

WP6 – foresight exercise, Betic systems

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