

ANALYSIS OF EFFICIENCY IN ORGANIC VINE-GROWING FARMS USING ITALIAN F.A.D.N. DATASET

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ABSTRACT

In the recent years there has been in Europe and in Italy also a growth of organic farms with positive effects in increasing the level of income to many Italian farmers as a consequence of an higher price than conventional food which customers are willing to pay and secondly as effect of a direct commercialization of products throughout farmer's market and Internet. The analysis has used a dataset of Italian organic viticultural farms belonging to the Farm Accountancy Data Network (FADN) with the purpose of investigating their levels of technical, economic and allocative efficiency. The FADN is a standardized sample of European farms aimed at assessing the income of agricultural holdings in each member states of the European Union and some impacts of the Common Agricultural Policy towards them. The main findings of this quantitative analysis have pointed out a lower level of efficiency in vine-growing farms able to produce certified quality products than conventional wine ones and a good level of technical efficiency in organic farms. Organic high certified quality farms, producing the Protected Designation of Origin (PDO) wine, have had the poorest level of technical efficiency. Some reasons of this imbalance about the levels of efficiency can be imputed by a low level of agrarian capital and labor force compared to conventional ones which have influenced the level of economic and allocative efficiency on organic high certified quality farms. Same levels of efficiency have been pointed out comparing organic to conventional farms and their products.

Keywords: Farm Accountancy Data Network, economic efficiency, organic farms, Italy, rural districts.