

Canada'sAgriculture, Food and Beverage INDUSTRY

Canada's Organic Industry

Organic agriculture is a holistic system of production with a principle goal to develop productive enterprises that are suitable and harmonious with the environment. Organic foods are produced without the use of chemical fertilizers or synthetic pesticides, processed without the use of irradiation, and are not derived through genetic engineering.



Canada is an ideal country for producing organic food because of its large and varied land base and its cooler climate, which reduces pest and disease problems. Canadian farmers' support for the organic way of life is growing. In 2004, 3,670 producers working on 485,288 hectares of land produced certified organic products. This accounted for approximately 1.5 per cent of the total number of farms in Canada. There are 30 certifying bodies and 742 processors and handlers in Canada. Despite its small size, very few other sectors in Canada can claim the double digit annual growth in retail sales that this sector demonstrated over the past decade. While organic grain production is the largest sector, and also represents by far the largest export commodity, organic production in Canada is very diversified with significant expansion in all commodities.

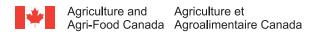
Worldwide sales of organic products are

estimated at US\$28 billion. Most of Canada's organic production is exported, primarily to the United States, the European Union and Japan. The Canadian organic sector is positioning itself to increase and diversify its market share in these and other markets.

Canada has recently revised its national organic standard (see useful links below to access) and federal regulations are expected to be in place in 2006. The regulations will require that organic products be certified to the national standard as well as provide for certification of Canadian products to international standards.

Additional Information

- Regional organic farming organization exists across Canada and a national grower organization, Canadian Organic Growers (COG), represents grower interests at a national level. The Canadian Organic Regulatory Council is currently being formed to advise government on regulatory matters.
- The Organic Agriculture Centre for Canada was created in June 2001 to provide broad support for organic farmers and those in transition, through the dissemination of information and the development of new research programs and courses.
- While accurate statistics are very difficult to obtain, it is estimated that Canada exports approximately \$65 million in organic foods each year. Wheat is the largest export crop with a value of about \$14 million.
- The industry has as a goal to increase its market share to 10 per cent of the Canadian retail market by 2010.







70 to 80 per cent of Canada's organic consumption is satisfied by imported products. This is due in large part to the fact that some of the most popular commodities, such as bananas and citrus fruits are not grown in Canada.

The Canadian organic sector is diversifying and expanding into new markets. With the impending implementation of an organic regulation, the Canadian organic industry is expected to continue its impressive growth well into the future.



For More Detailed Information

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Useful Links:

Canadian Organic Growers www.cog.ca

Standards Council of Canada www.scc.ca

Canadian General (Canadian Organic Standard)

www.pwgsc.gc.ca/cgsb/on_the_net/032_0 310/standard-e.html

Canadian Food Inspection Agency www.inspection.gc.ca

Education

Organic Agriculture Centre of Canada www.organicagcentre.ca

McGill University www.mcgill.ca

University of Guelph www.uoguelph.ca

information Further on products. suppliers and investment opportunities in the Canadian agri-food industry is available on the Agri-Food Trade Service web site at: www.ats.agr.gc.ca

Canada's food and agricultural products reflect our dedication to excellence, and our deep commitment to safety, quality, environmental responsibility, innovation and service.

In every facet of our industry, we seek to earn the trust of our customers by answering their needs and exceeding their expectations. Those values along with our belief in building strong relationships, have given Canadian agriculture and food products an international reputation for excellence. Customers around the world know that they can trust the goodness of Canada.