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Organic Products

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Report Highlights:

With the growing availability of industry data, and given the significant growth in imports between 2007 and 2008, it is estimated that the retail value of organic food in the Canadian market reached C$2.1 – 2.6 billion in 2008. The main categories of organic food sales in supermarkets are: fresh fruits and vegetables at 41%, beverages at 17% and prepared foods at 14% with much of the remainder made up of packaged organic foods. The market is reportedly growing at 15-20% per year with domestic production increasing at an estimated 4%. With this, by some estimates, up to 80% of organic fresh produce consumed in Canada is imported. The vast majority of Canada's imported organic produce comes from the United States, which accounts for approximately 74% of total organic imports. New organic products regulations will make certification in accordance with the National Standard for Organic Agriculture mandatory for all organic products as of June 30, 2009. Although Canada has had this organic standard since 1999, it had been voluntary and not supported by regulation. Now new mandatory standards are in place. On June 17, 2009, the United States and Canada jointly announced that the two countries had reached an organics equivalency agreement, the first one of its kind. The equivalency agreement follows a review by both nations of the other's organic certification program and a determination that products meeting the standard in the United States can be sold as organic in Canada, and vice versa.

Executive Summary:

There are no official estimates on the retail value of the organic food market in Canada.

However, with the growing availability of industry data, and given the significant growth in imports between 2007 and 2008, it is estimated that the retail value of organic food in the Canadian market reached C$2.1 - 2.6 billion in 2008. It is however, important to note that these figures are not based on actual point-of-sales data but on estimations from industry sources.

Mainstream supermarket chains have responded to consumer demand and are now estimated to sell over 40% of all organic food in Canada. Total 2008 organic sales at supermarkets are valued at approximately C$1.0 billion and represent nearly 2% of all retail food sales. Other channels include natural food stores, farmers markets and food service.

The main categories by organic food sales in supermarkets are: fresh fruits and vegetables at 41%, beverages at 17%, and prepared foods at an estimated 14%. Although data are not available for the other sales channels, it is estimated that they have a much higher proportion of fruits and vegetables. The premium for organic produce varies by product, but averages 25% in supermarkets and 50% in health food stores as estimated by industry sources.

In Canada, domestic supply growth rates are slower than demand growth. The market is reportedly growing at 15-20% per year with production increasing at an estimated 4%. With this, by some estimates, up to 80% of organic fresh produce consumed in Canada is imported.

Organic farms now represent about 1.6% of all farms in Canada and just under 1% of the total area of farms. Production is relatively strong in grains and oilseeds, and gaining strength in vegetable and livestock production. The percentage of domestic consumption met by domestic production is estimated to be approximately 20%.

A significant amount of current Canadian production is exported, particularly in grains and oilseeds. Given market immaturity, there is some concern that goods suitable for domestic markets are being exported, even though domestic prices and quality requirements may be comparable.

Note: Average Exchange Rate in 2008 = 1.066 CAD/USD

CANADIAN MARKET OVERVIEW SUMMARY	
Advantages	**Challenges**
15-20% annual industry growth rate	Competition from Buy Local Programs
Negative perception of genetically modified organisms (GMO) act to spur demand for organics	Organic imports from countries other than the U.S.
Organic farming seen as environmentally and animal friendly	Higher cost to consumers

Perceived health benefits; less pesticide and herbicide use	Relatively low number of organic buyers
Limited growing season in Canada provides excellent opportunities for U.S. organic produce growers and processors	Tariff rate quotas for certain products
Organic food perceived as safer and healthier	Bilingual (English & French) labeling
Organic food is mainstream in retail grocery stores; retail stores increasing shelf space dedicated to organic products	Differences in standard package sizes
Organic processors require organic products in quantities that Canadian organic producers cannot meet at this time	
Educated, younger generation is interested in environmentally friendly and healthy food choices	
Private label opportunities in organic products	
Organic ingredients for use in further processing	

General Information:

Other Regulations and Requirements:

Organic standards

New organic products regulations (OPR) will make certification in accordance with the National Standard for Organic Agriculture mandatory for all organic products as of June 30, 2009. These regulations will fall under the authority of the Canada Agricultural Product Act which will regulate the use of the Canada Organic Label. Requirements and regulations for methods of production comply with the most recent edition of the CAN/CGSB-32.310 Organic Production Systems General Principles and Management Standards.
Under this regime, in order to market a product as organic in Canada, the product will need to be certified by a certification body accredited by a Conformity Verification Body (CVB) recognized by the Canadian Food Inspection Agency (CFIA).
Canada has updated their Organic Products Page to include links to the proposed OPR 2009, the Draft Stream of Commerce Enforcement Policy, the list of CVBs that have applied CFIA as well as other information documents relative to the Organic Regime. The links to CFIA organic products page can be found below.
http://www.inspection.gc.ca/english/fssa/orgbio/orgbioe.shtml

Although Canada has had this organic standard since 1999, it had been voluntary and not supported by regulation. Now, new mandatory standards are in place.

Organic claims are required to be printed in English and French. A government logo bearing the official program name "Canada Organic Regime" will be available to indicate organic compliance to the Canadian regulation. Use of the seal will be voluntary. The new version of the regulations also allows CFIA to enter into equivalency agreements with other countries.

The import and sale of organic food products in Canada are governed by the same rules and regulations that apply to non-organic food products. No distinction is made between organic and non-organic food with regard to import requirements. Currently, all Canadian packaging and labeling, grade, and inspection regulations apply equally to organic and non-organic foods.

Other Specific Standards:

On June 17, 2009, the United States and Canada jointly announced that the two countries had reached an organics equivalency agreement, the first one of its kind. The equivalency agreement follows a review by both nations of the other's organic certification program and a determination that products meeting the standard in the United States can be sold as organic in Canada, and vice versa.

Under a determination of equivalence, producers and processors that are certified to the National Organic Program (NOP) standards by a U.S. Department of Agriculture accredited certifying agent do not have to become certified to the Canada Organic Product Regulation (COPR) standards in order for their products to be represented as organic in Canada. Likewise, Canadian organic products certified to COPR standards may be sold or labeled in the United States as organically produced. Both the USDA Organic seal and the Canada Organic Biologique logo may be used on certified products from both countries. The COPR goes into effect on June 30, 2009. The equivalency agreement is expected to lead to greater market opportunities for organic producers in both countries.

The Organic Trade Association (OTA) in Canada has published an unofficial list of certifiers operating in Canada. Additions to this list, as well as details on certifiers active outside of Canada are expected in *the coming year. To view this information, visit:* *http://www.ota.com/otacanada/abcb.html*

For more information about the Canadian government's Organic Product Regulations and about the organic agriculture industry in Canada, go to the following websites:

Organic Products Regulations, 2009
http://gazette.gc.ca/rp-pr/p1/2009/2009-02-14/html/reg1-eng.html

Canadian Food Inspection Agency:
http://www.inspection.gc.ca/english/fssa/orgbio/otfgtspbe.shtml

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Agriculture & Agri-Food Canada: http://www4.agr.gc.ca/AAFC-AAC/display-afficher.do?id=1183748510661&LANG=3

Organic Production Standards

The definitions of Canada's production methods for organic agriculture and the substances used (i.e., permitted substances list) are laid out in the Canadian General Standards Board's (CGSB) publications entitled the Organic Production Systems General Principles and Management Standards and the Organic Production Systems Permitted Substances List. These documents are available on the following CGSB webpage:

http://www.pwgsc.gc.ca/cgsb/on_the_net/organic/index-e.html

Production:

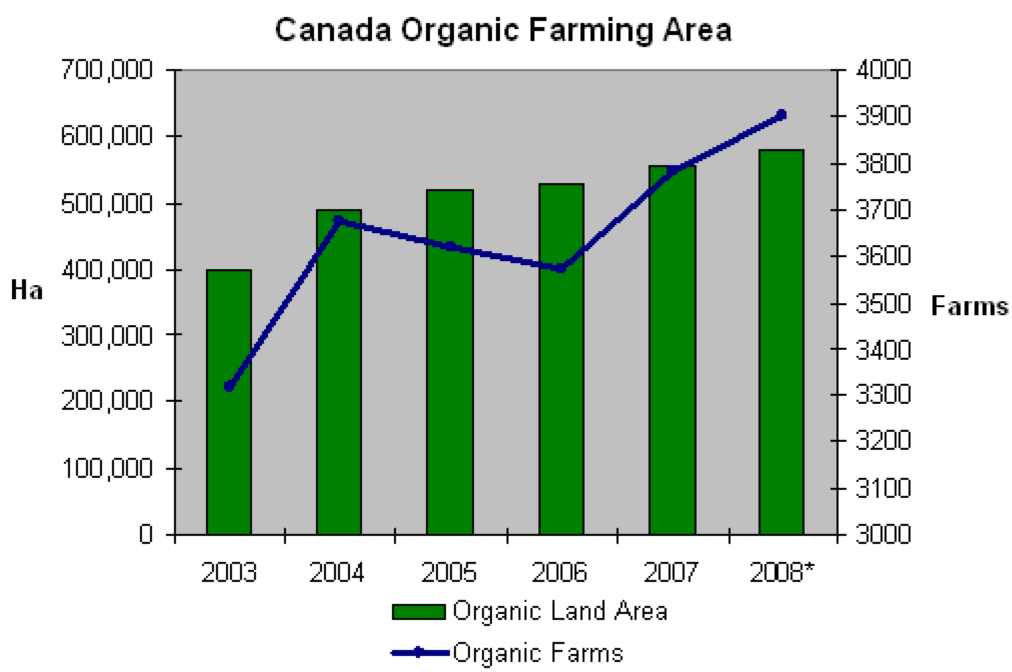
The latest data available from COG show that in 2007 Canada had 3,782 certified organic farms, an increase of over 200 from the previous year, and the highest number on record. For 2008, it is estimated that there are 3900 organic farms over an area of over 578,000 hectares with and additional 352,000 hectares in wild lands. The main products are field crops, vegetables, livestock and maple syrup.

Land dedicated to organic production in Canada comprises less than one-percent of the total 68 million hectares of land in agricultural production in Canada. Organic farms represent 1.7 percent of the 229,000 total Canadian farms.

Although the Canadian market for organic products is growing an estimated 15-20% per year, production growth is still limited, at about 4% per year. With final regulations just published and increased demand by producers for certification training sessions, growth rates of Canadian organic production are expected to increase in the future.

Year	Organic Land Area (Ha)	Organic Farms
2003	400,000	3317
2004	490,000	3673
2005	520,000	3618
2006	530,000	3571
2007	556,273	3782
2008*	578,523	3900

Source: COG *Estimated



Source: COG *Estimated

Organic Farming by Province, 2007

Province	Certified Farmers	Certified Processors	Hectares
British Columbia	455	201	13,439
Alberta	231	64	160,765
Saskatchewan	1,104	105	264,734
Manitoba	181	49	36,962
Ontario	669	90	40,763
Quebec	988	485	35,963

New Brunswick	46	8	2,023
Nova Scotia	57	6	931
Prince Edward Island	43	3	693
Newfoundland	5		
Yukon	3	1	

Source: COG

Organic crop production varies by province and region in Canada. Organic wheat is produced primarily in Saskatchewan and is Canada's largest organic crop, with an estimated 76,000 ha of production.

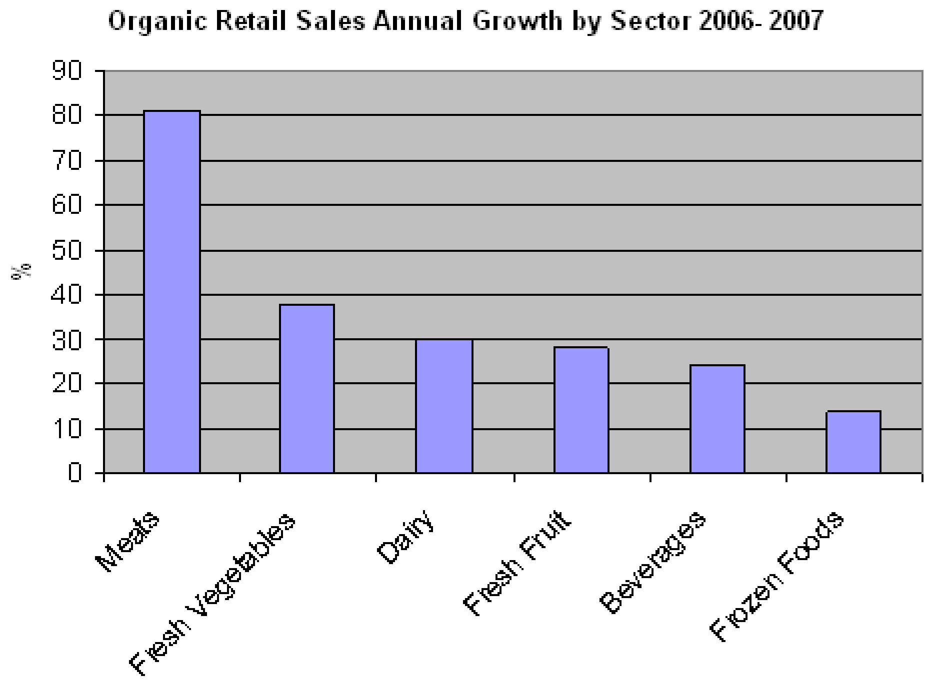
Atlantic Canada is reported to produce organic vegetables on small scale farms and to export a portion thereof to the Northeastern United States. Quebec is a major producer of organic maple syrup. Ontario and Central Canada produce a mix of organic vegetables and field crops. The Prairie Provinces (Alberta, Saskatchewan and Manitoba) are the largest producers of organic field crops and export to the United States, European Union and Japan. British Columbia is Canada’s largest producer of organic vegetables and exports to the Pacific Northwest of the United States.

Consumption:

Canada Organic Foods Market

Total Canadian retail sales of organic products through all market channels are estimated to be $2.1–2.6 billion in 2008 with 15–20% annual growth. It is estimated that 80% of organic food consumption is imported. Notable exceptions to this include milk, fresh meat, jams, jellies, yogurt flour and tofu which are primarily sourced in Canada.

Annual growth rates of retail sales are also very strong. The latest data from 2007 shows meats leading with over 80% retail growth, followed by growth in fresh vegetable sales at 38%.



Source: The Nielson Company

British Columbia leads the country in consumption per capita. With 13% of the country's population, the province consumed 26% of organic food sold in Canada in 2006.

1. Retail

Entry Strategy

Market entry strategy for organic retail foods does not differ greatly from the entry strategy for non-organic retail foods. While there are many similarities between Canada and the United States, regulations, demographics and consumption patterns differ between the two countries. For more information, refer to the Canada Exporters Guide, CA9012

Food brokers often play a critical role in market development for new products in Canada. It is important to find a broker that has strong relationships in the targeted channels and experience with marketing U.S. food products in the Canadian market. More information on the role of food brokers is available in the Canada Food Brokers Guide.

Market Summary

Industry sources estimate the size of the Canadian retail market for organic foods to be approximately C$2.1 – $2.6 billion and growing at 15 – 20% per year.

Although traditional supermarkets account for a significant amount of retail sales of organic products, it is estimated that more than half of all sales are through alternative channels. Following are estimates of 2008 organic food sales by channel, as based on 2006 data and estimated market growth rates.

Channel	**2008 ($M)**	**Share (%)**
Mainstream Supermarkets	1037.2	41.1
Natural Food Stores	831.1	32.9
Other Conventional Retail	440.2	17.5
Box Delivery	50.4	2.0
Farmers Markets	126.0	5.0
Food Service	25.2	1.0
Co-ops/Clubs	12.6	0.5
Est. Total	2522.8	100.0

Estimates based on Nielson 2006

While complete official data is not available on Canadian organic production and imports, industry sources estimate that 80% of the retail market for organic food products is supplied by imports.

Below are the largest food retail groups in Canada. Many operate retail stores under multiple banners, which differ with geographic region.

Retailer Name and Outlet Type	Store Type	2008 Food Sales C$ Billions	No. of Outlets	Locations	Purchasing Agent Type
Loblaws Supermarket	Supermarket	31.7	1036	throughout Canada	Head Office
Sobeys Supermarket	Supermarket	15.6	1317	throughout Canada	Regional Offices
Couche-Tard	Convenience	15.3	2100	E. Canada*, ON,* W. Canada	
Metro Supermarket	Supermarket	11.9	1479	QC, ON	Head Office
Canada *Safeway*	Supermarket	6.8	223	BC, AB, SK, MB, ON	Corporate Merchandising, (Calgary)
Costco	Club	5.0	76	throughout Canada	Regional Offices
Wal-Mart	Mass	3.3	304	throughout	Section Teams

	Merchandise			Canada	
Overwaitea	Supermarket	2.7	115	BC, AB	Head Office
Shoppers Drug Mart	Drug	1.21/	1230	throughout Canada	Head Office

Source: Canadian Grocer Who's Who 2009, 1/ Food Sales

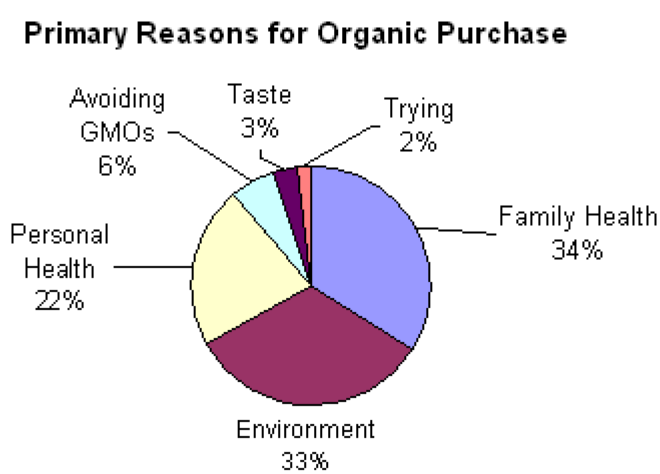
BC=British Columbia, AB=Alberta, SK=Saskatchewan, MB= Manitoba, On=Ontario, QC=Quebec

Trends

A recent report on Canada from Health Focus International indicates that 57% of consumers purchase organic food products on a regular basis. Other industry sources indicate that organic consumers tend to be under 55 years of age and have household incomes of over $80,000. Urban consumers have a higher tendency to consume organics than those in rural areas and consumers of organics tend to be university educated.

To have a better sense of the priorities for Canadian consumers purchasing organic products, OTA in Canada and the Canadian Organic Growers (COG) partnered on a basic Canadian consumer survey in December 2008. The survey was conducted by online polling, and provides a reassuring picture of the commitment Canadian core consumers have to organic. It also sheds some promise on "new entrants" to the organic market.

Health concerns ranked highest (with "family health" identified as the most significant reason, at 34 %, and "personal health" coming at 22 %). The respondents also cited concern for the environment as the top reason for 33 % of those polled. Other reasons, such as the avoidance of GMOs, taste, or curiosity ranked significantly lower.



Source: OTA, COG

Industry sources indicated that while supermarkets have tried to expand into additional organic sectors, fresh fruits and vegetables remain the core of the organic food market in Canada. While organic share of total supermarket food sales is estimated to be between 1-2%, organic share of the retail fresh produce market ranges between 3-5%, and as high as 6-7% during high season. Supermarkets are beginning to integrate fresh organic produce alongside conventional produce, whereas previously the two categories were merchandised separately.

According to industry sources, the premium for organic produce varies by product, but averages approximately 25% in supermarkets and 50% in health food stores.

It is reported that consumers bind perceptions of "organic" with "fresh produce" and it has been difficult for supermarkets to grow other sectors of the organic market.

Sectors that have been successful include packaged goods that are compliments to or associated with fresh produce, and everyday foods. These include organic salad dressings, dips, fruit juices, pasta sauces, pasta, and breakfast cereals.

There is consumer interest in organic beef, but supermarkets report prices which are 50–100% higher than prices of conventional products. Non-conventional product substitutes in early stages of marketing include "free from" products, which claim to be free from antibiotics, animal *byproducts or other additives that consumers may be looking to avoid.*

Organic dairy products and organic eggs have been successfully marketed in Canada, but opportunities for U.S. exporters are limited due to quotas on eggs and imported dairy products.

Food Service

Use of organics in food service is not non-existent, but is reported to be minimal. Organics in food service is primarily limited to consumption of organic produce in independent restaurants looking to differentiate through use of organic ingredients.
The Canadian Restaurant and Foodservice Association (CRFA) reports that organic products displayed at the annual trade show were promoted as "local".

Organics in foodservice institutions are used at a minimum, and are generally not consumed over conventional products. Industry sources report that food service institutions seek to minimize input costs and are not prepared to invest in organic ingredients.

Food Ingredients

Direct industry sources indicate that use of organic food products in mainstream, high volume food processing in Canada is very limited. Interest from major food processors is low as the investment into organic ingredients is perceived to be high and return is perceived to be low. There is relatively less overlap between consumers of organic foods, and consumers that are less health conscious and are open to foods that are highly processed and contain additives and preservatives.

Much of the processed organic foods market is addressed by small stores which are owner or producer driven.   There are however, a few products in mainstream supermarkets which carry the organic label. Industry sources report that while there was growth in the number of organic SKUs from 2001 until 2005, growth has been flat over the last 2-3 years.

Processed organic products found in mainstream supermarkets in Canada include the following.

Mainstream Supermarkets, Selected Organic Products

Apple Juice	Hummus	Quick Oats
Apple Sauce	Maple Syrup	Raisin Bran
Balsamic Vinaigrette	Mozzarella Cheese	Ranch Dressing
Bartlette Pear Plu	Muesli Flakes	Raspberry Jam
Blueberry Waffles	Multigrain Squares	Salted Butter
Canola Oil	Orange Juice	Soy Beverage
Cheddar Cheese	Pasta Sauce	Strawberry Jam
Diced Plum Tomatoes	Peanut Butter	Tomato Ketchup
Fruit Snacks	Pickles	Unsalted Butter
Grape Juice	Plain Yogurt	Whole Plum
Granola Cereal	Portabella Mushrooms	Tomatoes

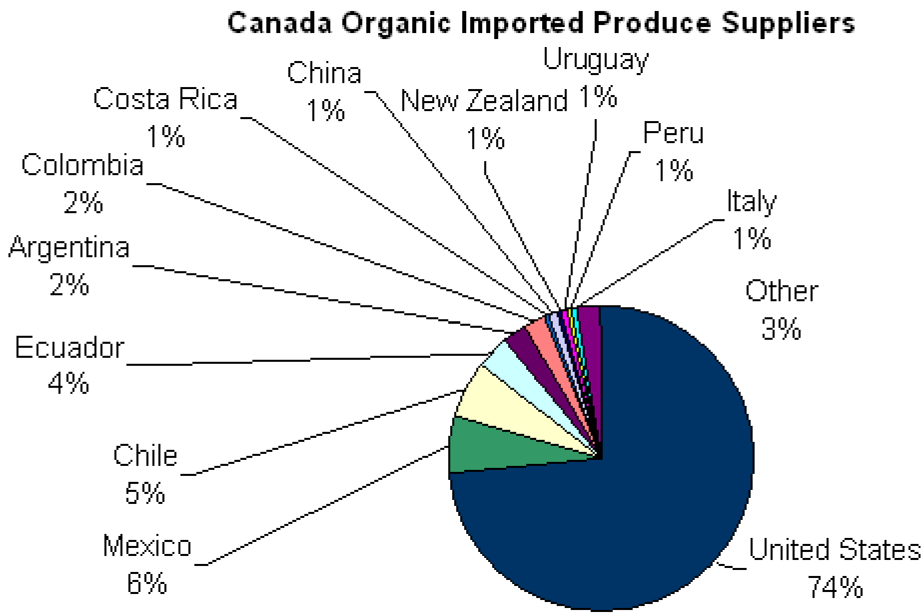
Source: Sobeys

Trade:

Import Value

The majority of tracked organic imports - or an estimated 87% - are fruits and vegetables. Other notable categories include tea, food preparations and sauces. Canadian imports of certified organic agriculture produce in 2008 are estimated to be well in excess of C$300 million. To be certified organic, an imported product must be certified under a system that meets the standards and procedures established by the Canadian Organic Products Regulations made under the Canada Agricultural Products Act.

The vast majority of Canada's imported organic produce comes from the United States, which accounts for approximately 74% of total organic imports.



2008: Est. C$300 million

Source: World Trade Atlas

Additional codes to track imports of more organic products are expected in the future, but the Canadian government stipulates that C$5 million in import value per commodity is needed to create any new import code. Currently the leading imported products by value include cabbage, raspberries, sauces, carrots and bananas.

Description	Total		Total from U.S.		US Share
	2008 C$000	1 yr chg.* (%)	2008 C$000	1 yr chg.* (%)	2008 (%)
Apples	**10,668.8**	**25.0**	**7,616.5**	**21.1**	**71.4**
golden delicious	1,759.9	136.8	1,759.9	136.8	100.0
red delicious	1,066.2	(18.5)	1,064.5	(17.8)	99.8
granny smith	1,261.8	(32.8)	896.6	(42.6)	71.1
Gala	3,357.9	23.9	2,047.3	32.4	61.0

nes	3,223.1	69.8	1,848.2	61.3	57.3
Asparagus	**599.3**	**39.2**	**243.3**	**(6.7)**	**40.6**
Asparagus	599.3	39.2	243.3	(6.7)	40.6
Bananas	**19,268.5**	**28.9**	**282.1**	**16.3**	**1.5**
Bananas	19,268.5	28.9	282.1	16.3	1.5
Beets and Radishes	**684.0**	**19.8**	**605.6**	**13.2**	**88.5**
Beets	458.5	23.3	421.7	14.0	92.0
Radishes	225.5	13.4	183.9	11.3	81.6
Berries	**45,935.4**	**30.7**	**26,654.3**	**44.9**	**58.0**
Raspberries+Loganberries	8,824.5		8,147.2		92.3
Cranberries*	1,280.4		1,280.4		100.0
Blueberries	35,830.5	2.0	17,226.7	(6.4)	48.1
Brussels Sprouts	**76.3**	**49.8**	**65.0**	**49.6**	**85.2**
Brussels Sprouts	76.3	49.8	65.0	49.6	85.2
Cabbage	**3,257.5**	**(23.0)**	**3,070.6**	**(23.5)**	**94.3**
Broccoli	2,295.8	(34.8)	2,145.9	(35.8)	93.5
Cabbage	726.7	39.7	700.6	37.5	96.4
Chinese Cabbage	235.1	25.6	224.1	42.5	95.3
Carrots	**23,047.0**	**203.0**	**22,958.5**	**205.5**	**99.6**
Baby Carrots, <1kg	7,678.9		7,662.1		99.8
Baby Carrots, >1kg	5,746.8		5,734.2		99.8
Carrots, nes	9,621.3	26.5	9,562.2	27.3	99.4
Cauliflower+Broccoli	**3,772.5**	**71.3**	**3,663.3**	**70.5**	**97.1**
Cauliflower and Broccoli	3,772.5	71.3	3,663.3	70.5	97.1
Celery	**3,408.5**	**(0.1)**	**2,770.8**	**3.6**	**81.3**
Celery, excl celeriac	3,408.5	(0.1)	2,770.8	3.6	81.3
Cherries	**5,340.6**		**3,154.9**		
Cherries	5340.6		3154.9		
Corn	**134.9**	**(0.2)**	**134.6**	**0.0**	**99.8**
Sweet corn-on-the-cob, nes	134.9	(0.2)	134.6	0.0	99.8
Cucumbers+Gherkins	**1,118.5**	**29.1**	**226.8**	**34.1**	**20.3**
non-greenhouse,	1,118.5	29.1	226.8	34.1	20.3
Eggplants	**450.9**	**45.2**	**37.1**	**6.3**	**8.2**
Eggplant	450.9	45.2	37.1	6.3	8.2
Food Preps	**10,159.7**		**10,157.7**		**100.0**
Food prep, infant >10% dry wt mlk*	10,159.7		10,157.7		100.0
Grapefruit	**1,754.8**	**46.1**	**1,379.6**	**69.0**	**78.6**
Grapefruit	1,754.8	46.1	1,379.6	69.0	78.6
Lemons+Limes	**18,202.5**	**(28.5)**	**10,872.0**	**(12.1)**	**59.7**
Lemons	12,973.0	(22.9)	10,673.4	(11.4)	82.3
Limes	5,229.5	(39.4)	198.6	(37.0)	3.8
Lettuce	**62,355.6**	**19.3**	**61,445.0**	**19.8**	**98.5**
Cabbage type, n/grnhse	2,321.5	35.0	2,315.2	34.7	99.7
Lettuce	60,034.1	18.8	59,129.8	19.2	98.5
Milk Beverages	**5,159.6**	**269.9**	**5,149.2**	**269.2**	**99.8**
Milk beverages	5,159.6	269.9	5,149.2	269.2	99.8
Olive Oil	**3,630.0**		**217.2**		**6.0**
Olive oil, virgin, <18kg	3,630.0		217.2		6.0
Onions and Shallots	**2,639.7**	**1.9**	**1,616.8**	**(10.5)**	**61.3**
Green	1,355.7	22.0	411.9	(3.0)	30.4
Onions	1,283.9	(13.3)	1,205.0	(12.8)	93.8
Oranges	**3,161.4**	**(43.1)**	**3,004.6**	**(0.6)**	**95.0**
Oranges, ex temple	3,161.4	(43.1)	3,004.6	(0.6)	95.0
Papayas	**94.8**	**(38.1)**	**81.7**	**88.3**	**86.1**
Papayas	94.8	(38.1)	81.7	88.3	86.1
Peaches and Nectarines	**653.9**	**52.7**	**634.9**	**73.6**	**97.1**
Peaches, excl nectarines	653.9	52.7	634.9	73.6	97.1
Pears	**2,557.4**	**(5.8)**	**1,914.2**	**(0.4)**	**74.8**
Pears	2,557.4	(5.8)	1,914.2	(0.4)	74.8
Peas	**651.0**		**14.2**		**2.2**
Peas*	651.0		14.2		2.2
Peppers	**3,458.6**	**(3.7)**	**1,091.0**	**(38.2)**	**31.5**

capsicum&pimenta, ngrnhse	3,458.6	(3.7)	1,091.0	(38.2)	31.5
Pineapple	**1,715.6**	**(13.8)**	**176.9**	**94.8**	**10.3**
Pineapple	1,715.6	(13.8)	176.9	94.8	10.3
Potatoes	**1,928.8**	**18.9**	**1,882.3**	**16.0**	**97.6**
Potatoes	1,928.8	18.9	1,882.3	16.0	97.6
Sauce	**29,728.4**		**29,447.1**		**99.1**
Tomato sauces	29,728.4		29,447.1		99.1
Spinach	**12,196.1**		**13,029.0**		**106.8**
Spinach, NZ & Orache <500g*	8,770.1		9,461.6		107.9
Spinach, NZ & Orache >500g*	863.5		942.0		109.1
Spinach, nes	2,562.5		2,625.5		102.5
Strawberries	**14,916.3**		**14,359.2**		**96.3**
Strawberries	14,916.3		14,359.2		96.3
Tea	**7,484.4**		**2,011.2**		**26.9**
Green tea, bags	1,226.4		413.9		33.7
Green tea, packages <3kg	1,859.8		179.4		9.6
Green tea, packages >3kg	1,140.5		97.6		8.6
Black tea, bags	1,819.1		585.2		32.2
Black tea, packages <3kg	424.3		145.9		34.4
Herbal tea, nes*	1,014.3		589.2		58.1
Tomatoes	**5,339.9**	**27.8**	**2,101.4**	**14.0**	**39.4**
Tomatoes, Cherry	1,722.1	(7.3)	445.7	0.9	25.9
Tomatoes Roma	1,319.8	14.2	1,021.6	11.3	77.4
Tomatoes, nes	2,298.1	97.5	634.1	31.1	27.6
Watermelons	**651.4**	**(29.5)**	**343.9**	**(47.2)**	**52.8**
Watermelons	651.4	(29.5)	343.9	(47.2)	52.8
Yogourt	**237.9**	**(0.9)**	**236.1**	**0.1**	**99.2**
Yogourt, w/a	237.7	0.7	236.1	0.1	99.3
Yogourt, o/a	0.2	(95.7)			
TOTAL REGISTERED CERTIFIED	**306,440.6**		**232,648.7**		**75.9**

Source: Statistics Canada
*if tracked in 2007 by Statistics Canada

Import Volume

Of those organic food products for which CBSA has designated tariff codes, over 150,000 metric tons (MT) were imported into Canada in 2008. However, industry sources indicate that a more accurate figure is 200,000 MT, as this would include organic products which do not currently have any assigned tariff codes.

Of the imported 150,000 MT which are tracked, the United States supplied over 73%. Top imports by total volume were tomato sauces, bananas, carrots and lettuce.

Description	Total		Total from U.S.		U.S. Share
	2008	1yr chg.*	2008	1yr chg.*	2008
	MT	(%)	MT	(%)	(%)
Apples	**5,962.8**	**24.0**	**4,346.5**	**18.3**	**72.9**
Golden delicious	1,012.7	147.6	1,012.7	147.6	100.0
Red delicious	693.0	(23.4)	691.9	(22.5)	99.9
Granny Smith	714.7	(37.2)	520.7	(45.9)	72.9

Gala	1,806.5	30.3	1,090.9	34.3	60.4
nes	1,736.0	78.6	1,030.2	72.9	59.3
Asparagus	**146.7**	**71.4**	**54.5**	**14.3**	**37.1**
Asparagus	146.7	71.4	54.5	14.3	37.1
Bananas	**18,968.4**	**10.1**	**268.2**	**(9.8)**	**1.4**
Bananas	18,968.4	10.1	268.2	(9.8)	1.4
Beets+Radishes	**388.6**	**19.8**	**339.4**	**17.8**	**87.3**
Beets	254.8	43.0	237.1	33.6	93.0
Radishes	133.8	(8.4)	102.3	(7.6)	76.5
Berries	**9,875.7**	**86.1**	**7,288.1**	**104.6**	**73.8**
Raspberries & Loganberries	1,666.0		1,575.8		94.6
Cranberries	571.8		571.8		100.0
Blueberries (Cert)	7,637.9	44.0	5,140.6	44.3	67.3
Brussels Sprouts	**17.3**	**43.3**	**14.9**	**46.0**	**86.0**
Brussels Sprouts	17.3	43.3	14.9	46.0	86.0
Cabbage	**3,436.6**	**(22.2)**	**3,194.5**	**(24.0)**	**93.0**
Broccoli	2,293.1	(37.2)	2,088.6	(40.1)	91.1
Cabbage	952.8	54.3	923.1	53.8	96.9
Chinese Cabbage	190.8	30.4	182.8	57.8	95.8
Carrots	**15,891.3**	**143.2**	**15,832.3**	**144.7**	**99.6**
Baby Carrots, <1kg	3,830.9		3,823.7		99.8
Baby Carrots, >1kg	3,793.1		3,787.3		99.8
Carrots, nes,	8,267.3	26.5	8,221.3	27.1	99.4
Cauliflower and Broccoli	**3,047.9**	**63.1**	**2,944.2**	**61.3**	**96.6**
Cauliflower& Broccoli	3,047.9	63.1	2,944.2	61.3	96.6
Celery	**2,432.7**	**(10.4)**	**1,964.7**	**(10.3)**	**80.8**
Celery, excl celeriac	2,432.7	(10.4)	1,964.7	(10.3)	80.8
Cherries					
Cherries	1,003.9		658.9		65.6
Corn	**67.1**	**45.8**	**66.9**	**45.9**	**99.6**
(KGM) Sweet corn-on-the-cob, nes	67.1	45.8	66.9	45.9	99.6
Cucumbers and Gherkins	**811.9**	**54.9**	**187.8**	**38.4**	**23.1**
non-greenhouse,	811.9	54.9	187.8	38.4	23.1
Eggplants	**623.6**	**85.2**	**27.4**	**39.2**	**4.4**
Eggplant	623.6	85.2	27.4	39.2	4.4
Food Preps	**2,172.5**		**2,172.2**		**100.0**
Food prep, infant >10% dry wt mlk	2,172.5		2,172.2		100.0
Grapefruit	**2,668.3**	**142.8**	**2,288.1**	**237.3**	**85.7**
Grapefruit	2,668.3	142.8	2,288.1	237.3	85.7
Lemons+Limes	**12,948.3**	**(39.2)**	**6,199.6**	**(26.3)**	**47.9**
Lemons	7,701.1	(42.0)	6,042.3	(26.0)	78.5
Limes	5,247.2	(34.6)	157.3	(36.1)	3.0
Lettuce	**15,335.4**	**25.6**	**14,989.6**	**26.3**	**97.7**
Cabbage Lettuce, non-greenhouse	1,939.4	31.2	1,936.3	31.0	99.8
Lettuce	13,396.0	24.8	13,053.3	25.7	97.4
Milk Beverages	**7,580.0**	**75.7**	**7,189.6**	**82.2**	**94.9**
Milk beverages	7,580.0	75.7	7,189.6	82.2	94.9
Olive Oil	**608.3**		**38.8**		**6.4**
Olive oil, virgin, <18kg	608.3		38.8		6.4
Onions and Shallots	**2,263.8**	**28.1**	**1,898.4**	**31.7**	**83.9**
Green	454.6	15.7	180.1	2.4	39.6
Onions	1,809.2	31.6	1,718.3	35.7	95.0
Oranges	**2,865.7**	**(36.4)**	**2,698.8**	**18.1**	**94.2**
Oranges, excl temple	2,865.7	(36.4)	2,698.8	18.1	94.2
Papayas	**36.1**	**(31.3)**	**25.7**	**68.9**	**71.3**
Papayas	36.1	(31.3)	25.7	68.9	71.3

Peaches and Nectarines	**325.7**	**94.7**	**316.2**	**120.0**	**97.1**
Peaches, excl nectarines	325.7	94.7	316.2	120.0	97.1
Pears	**1,278.9**	**(18.5)**	**942.7**	**(16.2)**	**73.7**
Pears	1,278.9	(18.5)	942.7	(16.2)	73.7
Peas	**258.7**	**-**	**3.4**	**-**	**1.3**
Peas	258.7		3.4		1.3
Peppers	**1,547.5**	**(23.1)**	**770.1**	**(46.7)**	**49.8**
capsicum/pimenta, n/greenhouse	1,547.5	(23.1)	770.1	(46.7)	49.8
Pineapple	**1,335.1**	**(19.2)**	**76.4**	**93.3**	**5.7**
Pineapple	1,335.1	(19.2)	76.4	93.3	5.7
Potatoes	**2,094.0**	**15.9**	**2,047.0**	**13.3**	**97.8**
Potatoes	2,094.0	15.9	2,047.0	13.3	97.8
Sauce	**24,425.0**		**24,228.7**		**99.2**
Tomato sauces	24,425.0		24,228.7		99.2
Spinach	**2,102.0**		**1,944.6**		**92.5**
Spinach, NZ & Orache <500g	1,184.2		1,147.0		96.9
Spinach, NZ & Orache >500g	171.0		171.0		100.0
Spinach, nes	746.7		626.6		83.9
Strawberries	**3,756.1**		**3,685.6**		**98.1**
Strawberries	3,756.1		3,685.6		98.1
Tea	**457.9**		**116.9**		**25.5**
Green tea, bags	84.7		33.5		39.5
Green tea, pakg <3kg	141.5		7.1		5.0
Green tea, pakg >3kg	81.9		6.9		8.5
Black tea, bags	63.5		24.1		37.9
Black tea, pakg<3kg	33.4		6.5		19.5
Herbal tea, nes	53.0		38.8		73.3
Tomatoes	**2,515.7**	**34.8**	**1,254.6**	**8.8**	**49.9**
Tomatoes, Cherry	432.5	(7.2)	98.9	(27.9)	22.9
Tomatoes Roma	1,111.8	27.0	937.8	27.6	84.3
Tomatoes, nes	971.4	85.0	217.9	(22.5)	22.4
Watermelons	**1,088.9**	**(47.1)**	**652.7**	**(57.8)**	**59.9**
Watermelons	1,088.9	(47.1)	652.7	(57.8)	59.9
Yogourt	**89.3**	**(3.6)**	**88.8**	**(2.0)**	**99.4**
Yogourt, w/a	89.2	(1.6)	88.8	(2.0)	99.5
Yogourt, o/a	0.1	(95.7)			
TOTAL REGISTERED CERTIFIED	**150,427.8**		**110,817.0**		**73.7**

Source: Statistics Canada

*if tracked in 2007 by Statistics Canada

Import Prices

In most cases, prices of imported organic produce and food products are at a premium to non organic products. Following is a list of selected imported organic products and the prices of equivalent non-organic shipments. The highest premiums were paid for organic sweet corn-on-the-cob, brussels sprouts, black tea and celery.

Description	**World Avg.**			**US Avg**		
	Cert	**Non**	**Premium**	**Cert**	**Non**	**Premium**
	$/kg	$/kg	%	$/kg	$/kg	%

Apples, Gala	1.86	1.36	37.0	1.88	1.43	30.8
Apples, golden delicious	1.74	1.37	27.1	1.74	1.37	27.1
Apples, granny smith	1.77	1.34	31.9	1.72	1.35	27.8
Apples, nes	1.86	1.31	41.8	1.79	1.31	36.8
Apples, red delicious	1.54	1.38	11.8	1.54	1.38	11.7
Asparagus	4.08	3.35	22.0	4.47	3.04	47.1
Baby Carrots, <1kg	2.00	1.47	36.7	2.00	1.46	37.3
Baby Carrots, >1kg	1.52	1.88	(19.2)	1.51	1.93	(21.5)
Bananas	1.02	0.68	48.7	1.05	1.30	(18.8)
Beets	1.80	1.38	30.5	1.78	1.34	32.6
Black tea, bags	28.66	15.87	80.6	24.31	9.75	149.4
Black tea, packages <3kg	12.71	7.02	81.1	22.45	8.22	173.1
Blueberries	4.69	5.02	(6.5)	3.35	4.16	(19.4)
Broccoli	1.00	1.03	(2.3)	1.03	0.99	3.3
Brussels Sprouts	4.40	1.81	142.4	4.36	1.54	183.1
Cabbage	0.76	0.80	(5.2)	0.76	0.81	(5.9)
Cabbage Lettuce, non-greenhouse	1.20	0.77	54.5	1.20	0.78	53.4
Carrots, nes,	1.16	0.85	36.2	1.16	0.88	31.6
Cauliflower+Broccoli	1.24	0.94	32.1	1.24	0.94	32.9
Celery, excl celeriac	1.40	0.55	155.1	1.41	0.55	157.3
Chinese Cabbage	1.23	0.87	41.9	1.23	0.78	58.1
Cranberries	2.24	2.43	(7.9)	2.24	2.37	(5.6)
Cucumbers&Gerkins	1.38	0.99	39.5	1.21	0.86	39.8
Eggplant	0.72	1.17	(38.4)	1.36	1.14	18.8
Food prep, infant >10% dry wt mlk	4.68	4.71	(0.8)	4.68	4.27	9.5
Grapefruit*	0.66	0.66	0.1	1.20	0.61	96.9
Green Onions	2.98	1.50	98.8	2.29	1.49	53.5
Green tea, bags	14.48	17.25	(16.0)	12.37	13.57	(8.9)
Green tea, packages <3kg	13.14	9.38	40.2	25.13	12.93	94.4
Green tea, packages >3kg	13.93	7.16	94.5	14.11	9.03	56.3
Herbal tea, nes	19.14	13.56	41.2	15.18	11.07	37.1
KGM Lettuce, Salad Cut Mix, <1kg,	8.02	3.40	135.6	8.02	3.40	135.6
KGM Lettuce, Salad Cut Mix, >1kg	3.06	2.82	8.5	3.05	2.82	8.2
Lemons	1.68	1.43	17.5	1.77	1.51	16.6
Limes	1.00	0.90	10.5	1.26	1.06	18.7
Olive oil, virgin, <18kg	5.97	5.39	10.7	5.60	6.55	(14.5)
Onions	0.71	0.52	36.7	0.70	0.50	41.1
Oranges, excl temple	1.10	0.76	46.1	1.11	0.66	68.2
Papayas	2.62	1.39	88.2	3.17	2.61	21.4
Peaches, excl nectarines	2.01	1.48	35.8	2.01	1.41	42.8
Pears	2.00	1.22	63.9	2.03	1.19	70.9
Peas	2.52	3.63	(30.7)	4.15	5.06	(17.9)
Peppers non greenhouse	2.23	1.59	40.3	1.42	1.47	(3.5)
Pineapples	1.28	0.96	33.7	2.32	1.10	109.9
Potatoes	0.92	0.60	54.0	0.92	0.60	53.8
Radishes	1.69	0.74	127.3	1.80	0.79	127.5
Raspberries & Loganberries	5.30	6.21	(14.8)	5.17	6.08	(15.0)
Spinach, nes	3.74	1.95	92.3	4.19	1.97	112.3
Spinach, NZ & Orache <500g	8.08	3.19	153.3	8.25	3.21	156.8
Spinach, NZ & Orache >500g	5.51	2.38	131.4	5.51	2.38	131.3
Strawberries	3.97	2.93	35.4	3.90	2.89	34.7

Sweet corn-on-the-cob, nes	2.01	0.62	224.2	2.01	0.59	240.3
Tomato sauces	1.22	1.21	0.3	1.22	1.19	2.2
Tomatoes	3.98	2.32	71.8	4.50	2.32	94.2
Watermelons	0.60	0.46	29.0	0.53	0.44	19.3
Yogourt, w/a	2.66	3.06	(12.9)	2.66	3.11	(14.5)

EXPORTS

Canada documents commodity exports based upon import data supplied by destination countries. Because no other country – including the United States – tracks imports of organic foods, there is no official export data available.

However, industry sources maintain that a significant amount of current Canadian production is exported, particularly in grains and oilseeds. There is some concern in Canada that goods suitable for domestic markets are being exported, even though domestic prices and quality requirements may be comparable.

Although there is no official data, based on growth rates and past studies, total organic exports from Canada are estimated at approximately C$100 million for 2008. Industry sources indicate that organic wheat is the most significant export. However, exports of oats, flax, barley, lentils, peas, spelt, hemp, soybeans, corn, sunflowers, and other grains and oilseeds are also significant.

According to the Canadian Wheat Board, over 71,000 MT of Western Canadian certified organic wheat, durum, and barley were sold in 2005, with over 50% exported to the United States. Sources indicate that in 2008, 55,000 MT of organic wheat were exported to the United States alone and it can be estimated that the total exports have grown considerably since the last data was released in 2005.

Other Canadian organic exports include maple syrup, apples and various fresh vegetables. Organic tomato exports in 2008 were valued at C$5 million.

Marketing:

PROMOTIONAL ACTIVITIES

USDA/Foreign Agricultural Service endorses and organizes a U.S. pavilion at the annual retail report SIAL Montreal. The 2009 show took place April 1-3 at Palais de Congress in Montreal. Information on the show is available on their web site: http://www.sialmontreal.com/home.ch2. For information on the USA Pavilion contact Kelly

Wheatley, IMAX Management, Inc. kellyw@imexmgt.com or Sharon Cook, Overseas Trade Support Branch, USDA/FAS. Sharon.cook@usda.gov

USDA/FAS also endorses the Canadian Restaurant and Foodservice Association Show (CRFA Show), formerly The Canadian Food & Beverage Show and HostEx, which have now joined forces. This show took place March 8-10, 2009. Web Site: http://www.crfa.ca/tradeshows/crfashow/. For information on the USA Pavilion contact Edwin Cabural, Exhibits Manager, Canadian Restaurant and Foodservices Association, ecabural@crfa.ca or Sharon Cook, Overseas Trade Support Branch, USDA/FAS. Sharon.cook@usda.gov

Ethnic and Specialty Food Show/ All Things Organic
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