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U.S. Organic Exports Continue to Expand

The Organic Trade Association (OTA) estimates U.S. exports of all organic products at \$1.7 billion in 2009, up 5 percent from the previous year, and are expected to continue to grow. Official U.S. data is currently limited due to the lack of trade codes for organic products. Thus far, Canada and the United States are the only countries that have trade codes for selected organic products. Canada began using them in 2007, while the United States established them in January 2011.

The *Nutrition Business Journal* estimates U.S. domestic organic retail food sales at \$23 billion in 2009. According to the USDA's National Agricultural Statistics Service, U.S. gross value of sales of organic crops, livestock and poultry, and their products reached over \$3 billion in 2008 (latest available). The leading categories were livestock products at \$906 million, vegetables (\$690 million), field crops (\$527 million), fruits and tree nuts (\$445 million), livestock (\$316 million), floriculture/bedding (\$180 million), and berries (\$83 million). Additionally, certified organic cropland, pasture, and rangeland were 4.1 million acres and accounted for less than 1 percent of U.S. total farmland in 2008. The crops with the most area were hay, wheat, corn, vegetables, and soybeans.

The USDA's Agricultural Marketing Service administers the National Organic Program (NOP). In 2002, the U.S. organic rules were fully implemented, which streamlined import procedures. Over 40 foreign certifiers are currently accredited to certify organic products to U.S. standards. Many domestic USDA accredited certifiers also certify U.S. organic products to foreign standards. In May 2009, the United States and Canada signed an equivalency agreement, which is the first equivalence agreement under the NOP. The agreement allows NOP-certified organic products to be sold in Canada, and Canadian Organic Product Regulation-certified organic products to be sold in the United States, as long as they are produced according to the variances in the agreement. The United States and the European Union are currently discussing a potential equivalency agreement. Several other countries have also expressed interest in equivalency agreements with the United States, including Australia, Chile, China, Japan, New Zealand, Taiwan, and Thailand. Additionally, the United States has six "recognition agreements" on organic imports (Denmark, India, Israel, Japan, New Zealand, and the United Kingdom) and two "export arrangements" (Japan and Taiwan). The "recognition agreements" are not reciprocal and only allow these countries to accredit certifiers to certify products to U.S. organic standards for export to the United States. The "export arrangements" with Japan and Taiwan allow U.S. NOP certified products to be exported with an export certificate.

USDA's Market Access Program (MAP) and Technical Assistance for Specialty Crops Program (TASC) provide partial matching funds on a reimbursable basis to OTA to conduct a wide range of activities, including international market research, consumer promotion, trade servicing, capacity building, and market access support. The OTA participates in these programs and were awarded \$371,235 for MAP in fiscal year 2010 and more than \$1.6 million over five years for TASC.