

THE STATE OF ORGANICS:

Federal-Provincial-Territorial
Performance Report 2017

Canada Organic Trade Association

July 2017



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The Canada Organic Trade Association is the membership-based trade association for the organic sector in Canada, representing growers, shippers, processors, certifiers, farmers' associations, distributors, importers, exporters, consultants, retailers and all points along the organic value chain.

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Acronyms

AAFC	Agriculture and Agri-Food Canada
ACORN	Atlantic Canada Organic Regional Network
AMS	Agricultural Marketing Service
B.C.	British Columbia
CARTV	Conseil des appellations réservées et des termes valorisants
CGSB	Canadian General Standards Board
COABC	Certified Organic Association of British Columbia
COR	Canadian Organic Regime
COTA	Canada Organic Trade Association
CFIA	Canadian Food Inspection Agency
E.U.	European Union
FPT	Federal-Provincial-Territorial
GF2	Growing Forward 2
GoOFY	Growers of Organic Food Yukon
IRDA	Institut de recherche et de développement en agroenvironnement
MAPAQ	Ministère de l'agriculture, pêcheries et alimentation du Québec
NOP	National Organic Program
OAPA	Organic Agricultural Products Act
OFEX	Ontario Food Exports
OIDP	Organic Industry Development Program
OMAFRA	Ontario Ministry of Agriculture, Food and Rural Affairs
OPR	Organic Product Regulations
OSC	Organic Science Cluster
OSDP	Organic Sector Development Program
OTA	Organic Trade Association
P.E.I.	Prince Edward Island
PODF	Prairie Organic Development Fund
POGI	Prairie Organic Grain Initiative
STEP	Saskatchewan Trade and Export Partnership
U.S.	United States of America
USDA	United States Department of Agriculture

Executive Summary

The Canadian organic industry is thriving with double-digit growth rates over the past decade. As the industry evolves, policy frameworks, consisting of governmental regulations, policies and programs, are required to support the expansion. This Report analyzes and tracks the existing organic policy frameworks at the federal, provincial and territorial (FPT) levels of government. The Report evaluates four categories of support: *Regulation and Enforcement*, *Production Supports*, *Market Supports* and *Data Collection*. Expert interviews and corresponding background research were used to score the FPT governments in each category. Each FPT government is given a distinct section where greater detail of specific initiatives in their jurisdiction is discussed.

The overall objective of the Report is to foster greater government support of the organic sector in Canada. By showcasing the patchwork of support across FPT governments, it is anticipated that this Report will begin a dialogue among those who seek to learn from the practices of other jurisdictions. It will outline the variety of approaches to support organic as a useful resource for creating more effective organic support. As the first report of its kind, the State of Organics: Federal-Provincial-Territorial Performance 2017 Report is a benchmark, demonstrating the current state of affairs. Annual reports will monitor progress and highlight successes year-to-year.

Highlights

Gaps in organic regulations persist in some jurisdictions | The Federal Government introduced national organic regulations in 2009. Manitoba, British Columbia, Nova Scotia and New Brunswick have adopted the national standards. Quebec has its own regulation, and the remainder of the provinces and territories do not have any regulation at all. This leaves significant gaps as provinces and territories without regulations cannot enforce or regulate intra-provincial/territorial organic claims.

Quebec is leading the way in government commitment to the organic sector | Quebec is a leader among the provinces and territories. It has the oldest organic regulations and extensive organic production support, market support and data collection.

Ontario is falling short despite being the largest market | Ontario is the largest organic market in Canada. Yet, there are no provincial regulations and provincial government support is limited and inconsistent.

Organic data collection systems are limited and inconsistently available | One of the greatest gaps in policy and programming is the limited amount of data collection for the organic sector. The lack of robust, consistent and timely data results in uninformed decision making, which poses a risk to the sector. Quebec and Manitoba have the most extensive data collection efforts across jurisdictions.

Recommendations

The Report concludes with three recommendations for FPT governments to ensure organic sector success. The first recommendation is to ensure that **all provinces and territories adopt organic regulations** that are equivalent to, or more robust than, the federal organic regulatory regime. The adoption of a consistent regulatory framework across jurisdictions is critical. The second recommendation is that the different orders of government should invest in **expanded and improved organic data collection systems**. This is important because businesses, organizations and policy makers rely on trustworthy data to make informed decisions. The final recommendation is for **increased organic policies and programs across jurisdictions**.



There are a variety of approaches used by FPT governments to support organic however the differentiation between programs and policies offered in different jurisdictions creates an unequal playing field between domestic jurisdictions and in the international market.

Introduction

The Canadian organic industry is thriving, with double digit growth rates over the past decade and there are no signs of slowing down. Over 55% of Canadian consumers purchase organic products on a weekly basis, and over 80% of these consumers have maintained or increased their organic purchases in the last year¹. The sector was estimated to be worth \$4.7 billion dollars in 2015, up from \$3.5 billion in 2013, representing one billion dollars in growth in just two years². Organic agriculture also benefits local communities. For example, a study in the United States (U.S.) found that areas with high concentrations of organic agriculture have lower poverty rates and higher median incomes than conventional agricultural hotspots³.

In addition to its economic potential, the organic sector promotes environmental sustainability and innovation, objectives clearly endorsed by the Federal Government. These objectives are integrated into the Advisory Council on Economic Growth report, “Unleashing the Growth Potential of Key Sectors” (otherwise known as the [‘Barton Report’](#)), the [Calgary Statement](#) for the Next Agricultural Policy Framework, and the themes behind the [National Food Policy](#).

As with any evolving industry, differing orders of government respond by developing regulation, policy and programs. Collectively, these initiatives form a policy framework that, if done correctly, can contribute to the success of the sector. If done incorrectly, sector growth may be hindered.

The State of Organics: Federal-Provincial-Territorial Performance Report 2017 (the Report) seeks to document and track the ways in which federal, provincial and territorial (FPT) governments are investing in organic regulations, policies and programs across the country. While every jurisdiction faces unique circumstances, this Report highlights positive examples of government initiatives that foster the growth of the sector. International examples of government policies and programs are included for consideration in the Canadian context.

The objective of this Report is to evaluate government support for organics and highlight key recommendations for improvement. By evaluating existing programs, the Report serves as a resource for those encouraging organic sector development in their home provinces and territories. This Report is the first pan-Canadian assessment of government support of the organic sector. It serves as a baseline for future analyses, which will be conducted annually, to compare how government support and action evolves year-to-year.

Methodology

FPT leaders in the organic sector were interviewed over an 18-month period to gain insight into the programs, supports and circumstances in their respective jurisdictions. The analysis covered four major areas that are critical for a strong organic sector: **Regulation and Enforcement**, **Production Support**, **Market Supports**, and **Data Collection**.

¹ Canada Organic Trade Association. (2016). Consumer Ipsos Poll.

² International Federation of Organic Agriculture Movements. (2017). The World of Organic Agriculture: Statistics and Emerging Trends 2017.

³ Organic Trade Association. (2016). *U.S. Organic Hotspots and Their Benefit to Local Economics*. Executive Summary available at: https://ota.com/sites/default/files/indexed_files/OTA-HotSpotsWhitePaper-OnlineVersion.pdf

Regulations and Enforcement are the backbone of a credible organic sector. Government investment in organic-specific **Market Supports** help companies access organic markets domestically and abroad. **Production Support** can increase supply by supporting producers through financial assistance, research and extension. **Data Collection** is essential for informed decision-making and planning for businesses, supporting organizations and policy makers.

A scoring system for the FPT jurisdictions was established. Some regions have a longer organic regulatory history or more agricultural production than others. As such, in order to provide a fair comparison, each criterion was graded on a numerical scale of 1-10 with partial points being offered for limited services or programming, such as pilot programs or programs in development. Full points were awarded for completely executed organic-specific programs or services equivalent to those offered to conventional agriculture sectors.

The scores were averaged for each of the four major categories and are represented using a star system, and visualized using colour progression on choropleth maps. The stars represent an average score out of 10 for each major category (Table 1). The star system gives an overview of the scores, with details provided in the narrative of this Report both by category and region.

★ ★ ★ ★ ★	10
★ ★ ★ ★	7.5 - 9.9
★ ★ ★	5.0 - 7.4
★ ★	2.5 - 4.9
★	0 - 2.4

During the review process, an FPT Task Force led by the Canada Organic Trade Association (COTA) provided feedback on the findings and rankings in the Report. FPT Task Force members were invited to comment on a draft version of the Report and, where necessary, correspond with provincial government officials to ensure accuracy.

Results by Category

The analysis is organized by the major categories to highlight and compare the regulations, policies and programming between different regions. Each section includes a map showing the results across Canada and a description of the subcategories.

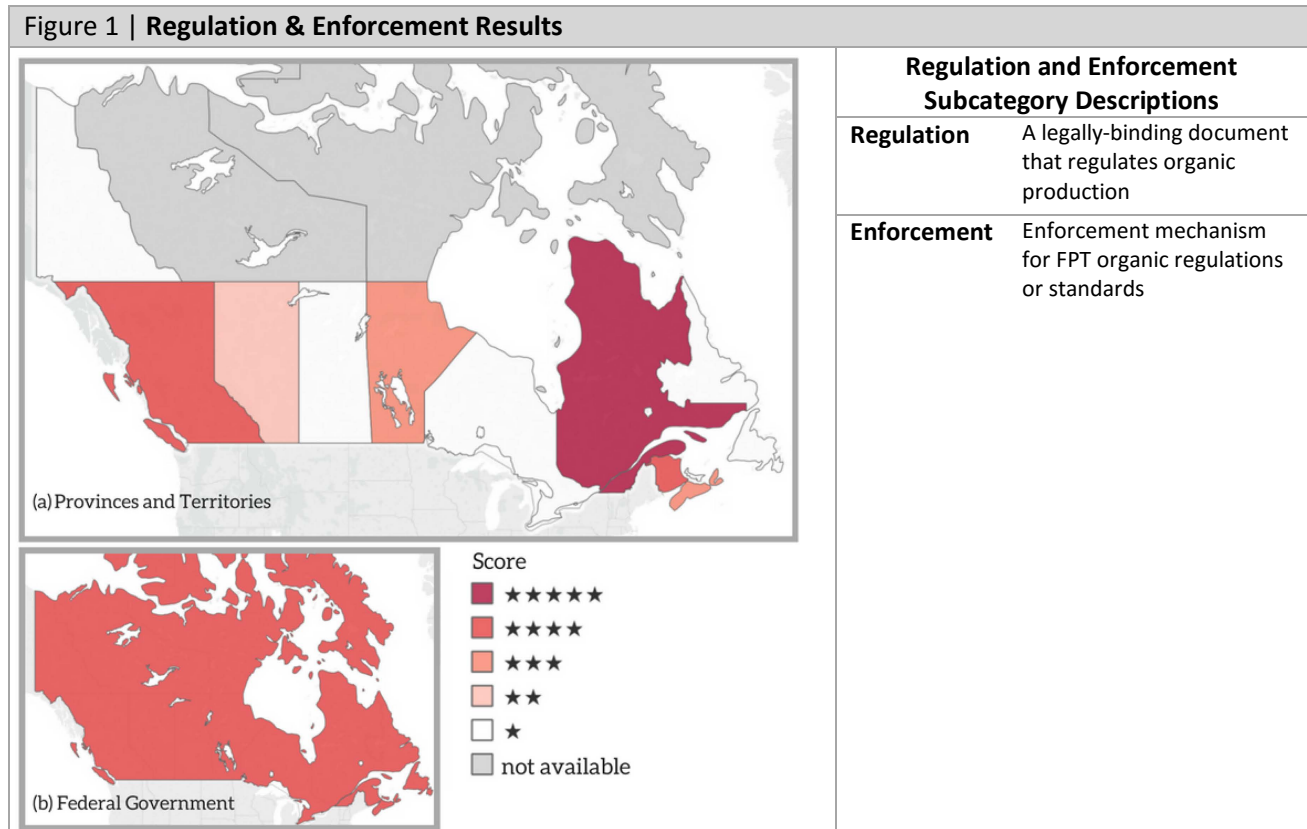
Regulation & Enforcement

Regulations provide the structure for the organic industry by instituting a set of rules that promote efficiency and fairness. Enforcement is a necessary compliment to regulation, ensuring compliance. As the industry grows, the need for effective regulation and enforcement mechanisms across all jurisdictions is necessary.

Canada’s principal source of organic sector regulation and enforcement is found at the federal level. In 2009, the Canadian Government implemented an organic-specific regulation, the *Organic Product Regulations* (OPR), which incorporates the Canada Organic Standards (the Standards) by reference, an associated enforcement mechanism and the Canada organic logo. These are collectively referred to as the Canadian Organic Regime (COR) and will be discussed in greater detail in the Federal Government section below.

The federal regulation and enforcement of organics is sophisticated, and is, overall, effective. As a result, the Federal Government receives high marks in the **Regulation and Enforcement** category. However, there

are shortcomings or areas of improvement. These include: the lack of regulation for product categories outside of food, feed and seed, limited federal resources dedicated to organic, and the need for a more robust enforcement system.



Currently, there are only five provinces that have their own organic regulations: B.C. (becoming mandatory in fall 2018), Manitoba, Quebec, Nova Scotia and New Brunswick.

B.C. is in the midst of moving from a voluntary standard to an enforceable regulation, which will come into force in the fall 2018. In 2013, Manitoba passed the *Organic Agricultural Products Act* and the *Organic Agricultural Products Regulation* which states that the national Standards be incorporated by reference. New Brunswick recently adopted provincial organic regulations that allow for an enforcement mechanism to be enacted, Nova Scotia was quick to follow. All the provinces that have organic regulation incorporate the federal OPR and Standards by reference.

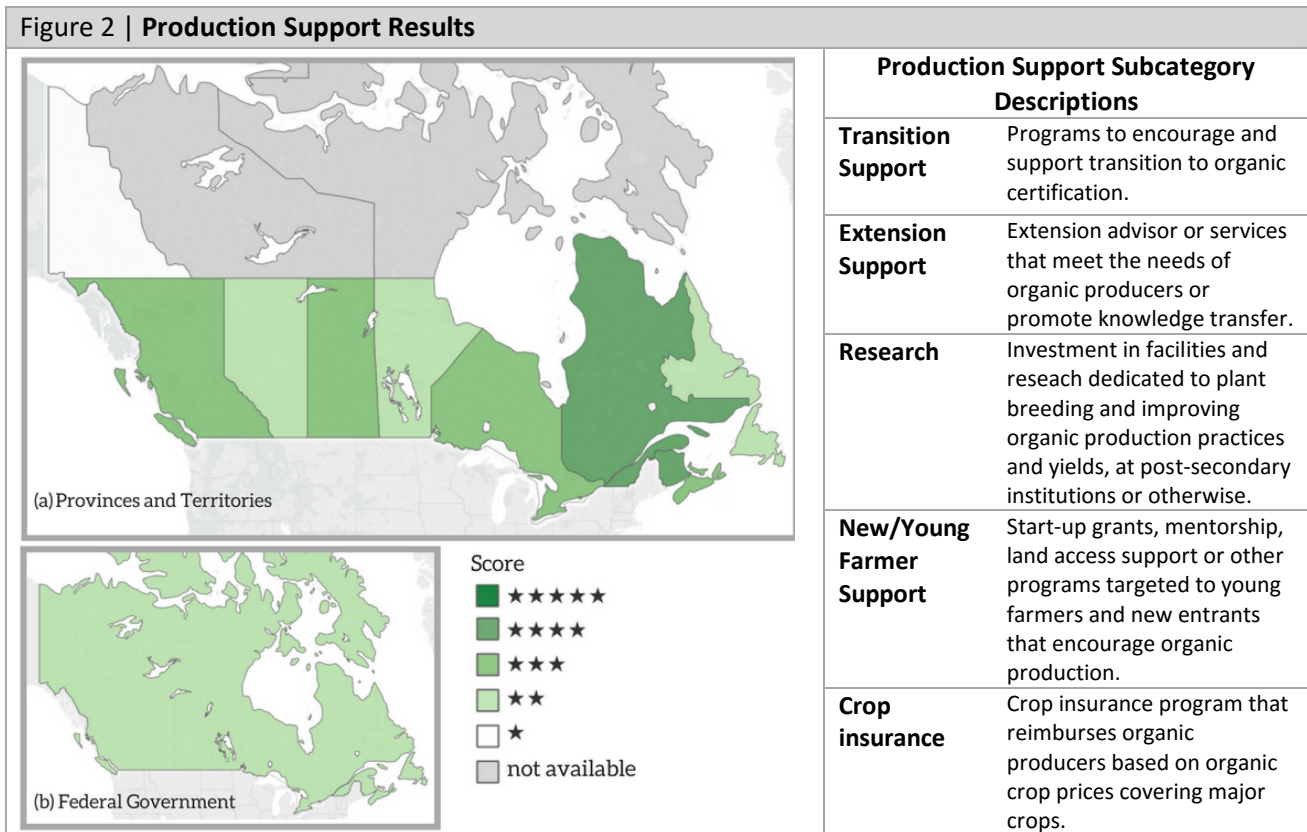
Quebec is notably ahead of other regions on regulation and enforcement. Quebec’s regulation of the organic sector has been in place for longer than the national standards, the province began regulating the term ‘organic’ in 2000. While the Province incorporates the Standards, its regulations go beyond the national Standards. For example, Quebec requires retailer certification, whereas the federal Standards do not.

The most glaring outlier in this category is Ontario. Easily Canada’s largest market for organic products, it remains surprising that Ontario lacks a provincial regulation. This will be a key province to monitor in future reports.

The regulatory framework across Canada is a patchwork ranging from non-existent to rigorous. It is imperative for all jurisdictions to adopt organic regulations and enforcement mechanisms equal to, or more stringent than, those provided for by the COR. This will ensure a solid foundation for organic sector growth.

Supporting Organic Production

Programs that support organic producers, and encourage others to transition⁴ to organic are necessary for domestic supply to meet demand – a key challenge for Canada’s organic sector. These supports can include transition or certification assistance (financial or technical), organic-specific extension services, funding for organic science and research or crop insurance that recognizes organic price premiums in its coverage plan.



There are federal funding programs that the organic sector has been able to access but barriers exist in the industry matching component. For example, a key federal program is the [Organic Science Cluster](#) (OSC). It has provided funding for organic science research since 2009. The first round of funding was \$6.5 million (OSCI), followed by a second funding round of \$8 million (OSCI 2013-2018). These have been successful in boosting organic science research. However, at times the funds are not used if matching industry funding is unavailable. The Federal Government needs to solicit, or partner with industry organizations to solicit, private-sector resources.

⁴ The Standards require that land undergo a transition period for 3 years prior to being eligible for organic certification. The transition must be done in accordance with the Standards. This allows time for any prohibited substances (e.g. pesticides) to recede from the soil. Transition assistance refers to various forms of support producers can access while their land is converted.

The United States Department of Agriculture (USDA) has two notable programs that support organic operators along the supply chain. The USDA [Organic Cost Share Program](#) provides financial support to organic producers and handlers for certification costs. The [Organic Literacy Initiative](#) trains USDA employees on the organic standards and certification process as well as publishing guides for organic producers and processors. Having less federal support than our largest trading partner places Canada at a competitive disadvantage.

At the regional level in Canada, organic production supports are diverse with some provinces and regions having more consistent and reliable assistance than others. Quebec is leading the way with a variety of government programs aimed directly at increasing organic production and supporting new farmers. Quebec's [Stratégie de croissance du secteur biologique](#) (Organic Growth Strategy) contains numerous support programs, including start-up grants and low cost loans to support new entrants to agriculture and young farmers. The [Appui financier à la relève agricole](#) invests in young farmers (18-40 years of age) taking over an existing farm operation or creating a new one. Another notable program is the [Prairie Organic Grain Initiative](#) (POGI), which encourages conventional grain and oilseed growers to transition to organic production. POGI funding is used for initiatives in Alberta, Saskatchewan, Manitoba and parts of British Columbia. It operates using government funds along with matching private capital from organic manufacturers.

All regions, except Nova Scotia, New Brunswick, Newfoundland and the Territories, provide organic-specific crop insurance. Organic crop insurance is important as it compensates farmers in a manner that reflects organic price premiums. Saskatchewan has the most extensive program with insurance covering all major field crops. B.C. offers some organic crop insurance for fruit-tree growers. Ontario's Agricorp offers organic crop insurance for a limited selection of crops including corn, soy and winter wheat, though it is not well advertised or accessed by farmers.

In contrast to the experience in most Canadian regions, organic crop insurance in the U.S. is much more accessible. Since 2011, the number of crops offering [organic price premiums](#) across the U.S. expanded from 4 to 79 crops. There is increased complexity of administering crop insurance in Canada because it is a provincial/territorial responsibility whereas crop insurance is administered federally in the U.S. Nevertheless, expanded offerings in all jurisdictions is warranted.

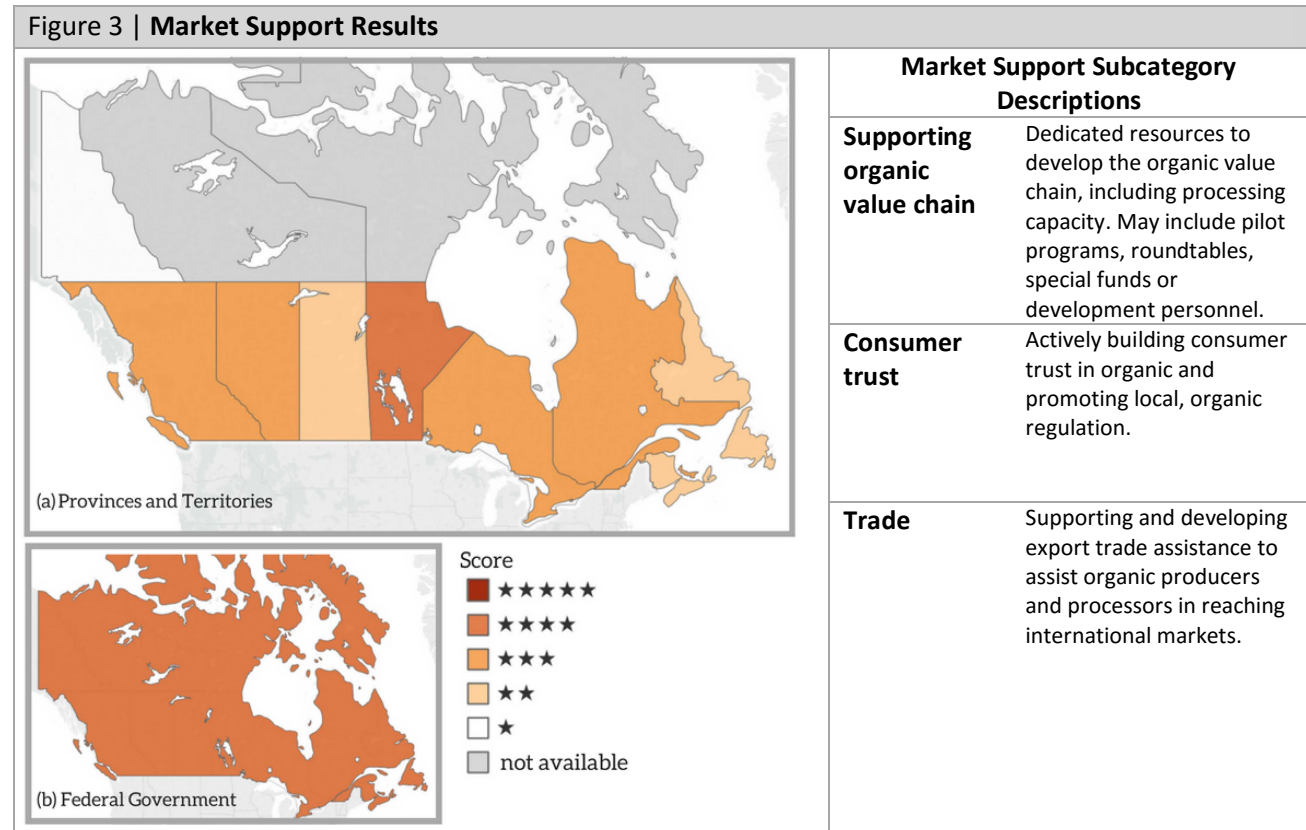
Currently organic demand outpaces supply across the country. Government investment can increase supply by providing programs and policies that reducing barriers to, and facilitating expansion of, organic production.

Building the Organic Market

Investing in local marketing, promoting international opportunities for export, supporting increased capacity in the organic production supply chain are all important for encouraging organic product sales.

B.C., Manitoba and Quebec received the highest scores for market support. B.C.'s buy-local program is not organic-specific but has synergies that elicit strong participation from organic producers. Manitoba is delegating staff resources for the development of the organic value chain and supporting producers and processors through data collection, research and programming. Quebec and P.E.I. also have organic-specific funding programs to support and develop the organic market as will be discussed below.

The Federal Government has top scores for both its commitment to strengthening the domestic organic market through a [national consumer campaign](#) and support for organic export development. Initiatives like developing the Canada Organic logo and funding the [Organics Value Chain Round Table \(OVCRT\)](#) demonstrate the Federal Government’s commitment to the Canadian Organic brand.



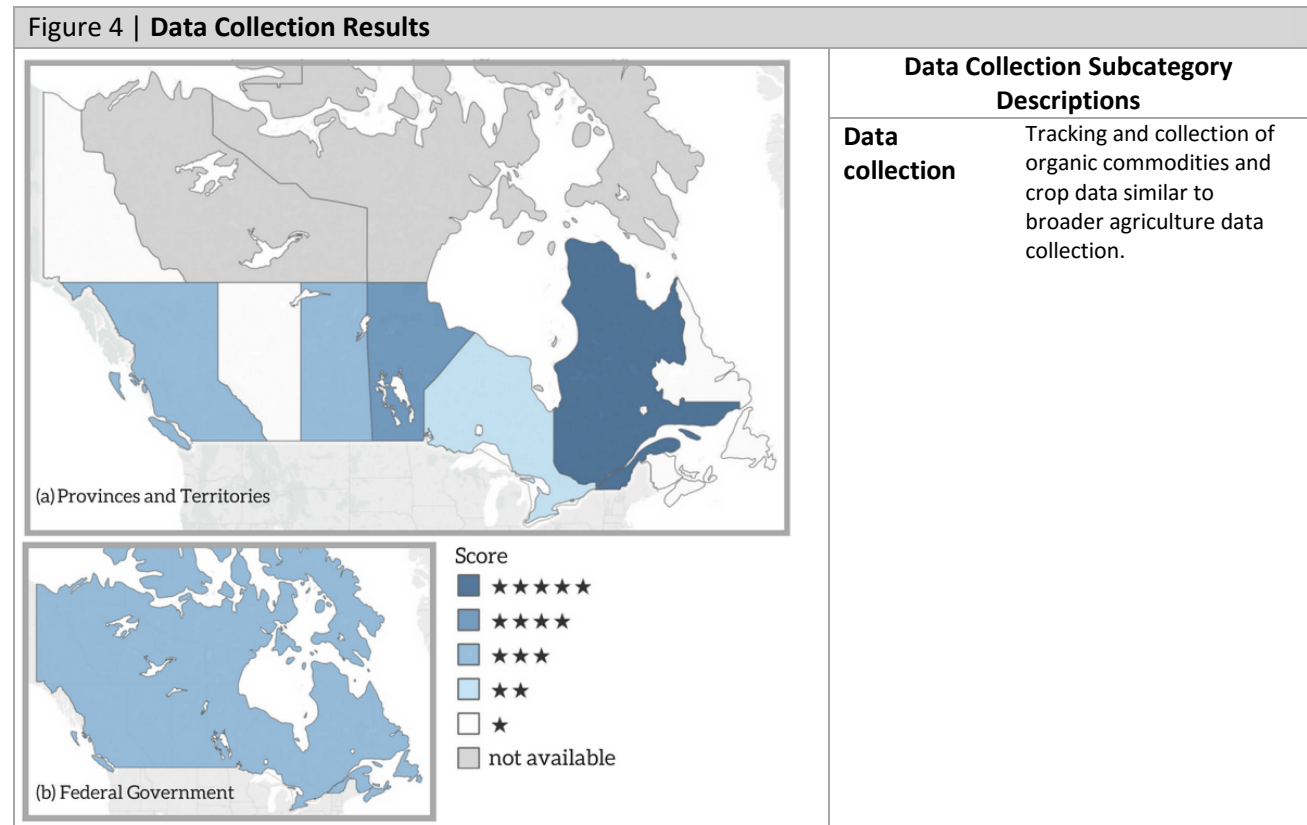
The Common Agricultural Policy (CAP) in the European Union (E.U.) promotes organic consumer awareness and education. The European Commission, the governing body of the CAP, conducts surveys to evaluate consumer awareness of the E.U. organic logo, as well as trust and understanding of the E.U. organic farming system. Similar initiatives to educate the public on the benefits of organic are found across E.U. countries. For example, the intent of Austria’s [Organic Farming Action Programme](#) (2008-2013) was to inform the public about the environmental services provided by organic farming, as well as increase knowledge of organic farming in agricultural schools. Similarly, France’s [Ambition Bio 2017](#) sought to work with the Ministry of Education to increase awareness among schoolchildren about organic farming and food.

Most provincial and territorial governments have export programs for food and agricultural commodities, such as Ontario Food Exports (OFEX) and Groupe Export. However, support for organic-specific exports among provinces and territories is not very strong.

Building capacity along the organic value chain, enhancing consumer trust and developing export opportunities are key for the health of Canada’s organic sector.

Data Collection

Many stakeholders would agree that the lack of organic-specific data, be it related to sales, production, consumption or otherwise, is a risk to the sector. The lack of data impedes the ability of Canadian farmers, processors and importers/exporters to adjust their business operations in response to new opportunities or risks. Data can be used to understand sector growth and market trends, assess production capacity and determine supply challenges. Reliable and consistent data is also valuable for government stakeholders in creating and modifying government programs that correspond to the sector’s needs.



Unfortunately, the availability of organic-specific data in Canada is minimal, fragmented and often collected privately. Since privately funded data collection may be inaccessible or inconsistent year-to-year, government-led data collection systems are crucial for informing businesses, organizations and policymakers alike. Governments regularly collect data on the broader agricultural sector, but in most cases, these data collection systems do not distinguish between conventional and certified organic operators or products. Harmonized Sales (HS) codes, which are used to classify and track traded commodities, are an example. As compared to non-organic agriculture, there are limited HS codes for organic products.

Quebec has the most extensive organic data tracking in the country. For Example, [Portail Bio](#), a tool funded partially by the province of Quebec, is a centralized database of all certified organic operators in the Province. Their data collection includes details such as acreage and crop/product categories. Manitoba has been improving data collection by tracking prices, production and operations. However, these initiatives are incomplete and unendorsed, driven mostly by individual staff efforts.

In April 2017, the E.U. announced a new electronic import tracking system that will improve traceability and reliability of trade data within its member states. The Federal Government currently tracks 65 organic imports and 14 organic exports using HS codes, representing only a small sub-set of Canada’s organic trade. HS codes are crucial for understanding the international demand for Canada organic products, as such more are needed. The 2016 Agricultural Census included two questions on organics. These two questions are helpful for the industry. However, it is a step backward since the 2011 Agricultural Census included an additional question about the types of organic products for sale, which was removed in the 2016 Agricultural Census.

Data collection systems in the U.S. are exemplary, and Canada should look to model their efforts. [The Organic Integrity Database](#) is a public database displaying all certified operators, their certifiers, locations, products and certification type. It is operated by the USDA’s Agricultural Marketing Service (AMS). In addition to the database, the AMS tracks and publishes extensive data on price, volume and other related information for certified organic commodities and products. It produces [Organic Reports](#) which have included market insights on cotton, dairy, organic retail sales, as well as data on pricing and production.

Overall, the data collection category had the weakest cumulative results for all jurisdictions. The Federal Government should take the lead on differentiating organic data in tools like the Agricultural Census, Farm Financial Survey and HS code tracking.

Results by Region

This section provides a jurisdiction-by-jurisdiction breakdown of organic support. This offers a more detailed account of the histories, current state and trajectories of each region. The intention is to highlight the leaders, and identify important gaps in support to be addressed.

Federal Government

Regulation & Enforcement ★★★★	Production Supports ★★	Market Supports ★★★★	Data Collection ★★★
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The Federal Government leads the way in the *Regulation & Enforcement* category as well as in the *Market Supports* category for funding the national consumer campaign, organic science cluster and programs for organic export development.

National organic regulation and enforcement is key to sector development and the Federal Government’s success in implementing the COR is to be applauded. In 2009, the OPR came into force and effect. The OPR applies to a food, livestock feed or seed product that has an organic claim on the label and is being sold between provinces or territories, is being imported, or is displaying the Canada organic logo (Figure 2). These regulations omit certification procedures for products that are not food, feed, or seed. This places the Canadian organic sector at a disadvantage to other countries who do certify a broader product spectrum. Organic textiles (e.g., clothing, sheets) and body care products (e.g., creams, shampoo) are two important organic good types that have no regulation in Canada.

The OPR states that organic products must be certified according to the Standards. The Standards include two national standards, CAN/CGSB 32.310, Principles and Management Standards, and CAN/CGSB 32.311, Permitted Substances List. The Standards are owned by the Canadian General Standards Board (CGSB), a Federal Government organization, and are developed in conjunction with a representative board of industry stakeholders. Under the current structure, the industry is required to fund, yet does not own, the Standards. This is problematic because standards maintenance is an expensive undertaking for an emerging industry without adequate government assistance.

The Canadian Food Inspection Agency (CFIA) oversees, monitors and enforces the requirements of the Standards and the OPR, using third-party certification bodies to carry out the work. The CFIA accredits and audits the certification bodies. The CFIA monitors operations whose organic status has been suspended or cancelled, posting a list of de-certified operations on the [CFIA website](#). It would be prudent to also have a positive list, such as the Organic Integrity Database in the US, so the industry and public may benefit from transparent knowledge of those operations that are currently certified.

Beyond certification body oversight, the CFIA investigates complaints for organic claims that are false or misleading. As the Standards only cover food, feed and seed, there are limitations on the CFIA’s ability to enforce false or misleading claims on products that fall outside of this scope. This leaves products such as cosmetics and body care unregulated in Canada.

The CFIA also regulates the use of the Canada organic logo (Figure 5). It is permitted on products that have 95% or greater organic content and that have been certified according to the Standards. The organic logo is a success story; in the past eight years, the logo has achieved high levels of trust and recognition across Canada.

There is no department or group dedicated to organics at the federal level. This is in contrast to the U.S., whose [National Organic Program](#) (NOP), is housed within the USDA. NOP funds are used to review the national standards, accredit certifying bodies, facilitate organic trade policies and much more. Organic sector specialists exist within CFIA and Agriculture and Agri-Food Canada (AAFC), however, an identifiable inter-departmental team is needed to adequately support the growth that is expected for the industry.

Figure 5 | Canada Organic logo



Although provinces and territories lead much of the direct investment into production support and market support, these have often been funded through [Growing Forward 2 \(GF2\)](#)⁵. The program operates under a 60:40 (60% federal, 40% provincial/territorial) funding arrangement. Many of the programs mentioned in the following sections are made possible by federal funding.

British Columbia

Regulation & Enforcement ★★★★	Production Supports ★★★	Market Supports ★★★	Data Collection ★★★
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With one of the longer histories of organic production and consumption, it is no surprise that B.C. has strong market supports and production supports for organic. In 1993, B.C. introduced voluntary [organic](#)

⁵ Growing Forward 2 is the national policy framework for the agriculture and agri-food sector from 2014-2018. It represents a \$3 billion-dollar investment by FPT governments for agricultural programs and services.



[standards](#) via the *Agri-Food Choice and Quality Act* and the accompanying *Organic Agricultural Products Certification Regulation*. The voluntary certification process is administered by the Certified Organic Associations of British Columbia (COABC). Those wishing to use the B.C. Certified Organic logo (Figure 6) must become a member of COABC and be certified by a COABC-authorized certifier.

The Ministry of Agriculture has announced that the standards referred to above will become mandatory in 2018, making B.C. the 5th province in the country to have provincial regulations. Once the new regulation is in effect, all food and beverage products marketed within the province as ‘organic’ must be certified through an accredited federal or provincial certifier.

The establishment of the B.C. organic logo has been a successful marketing campaign, having gained recognition province-wide. There is an established ‘[Buy Local](#)’ program in B.C. that can be leveraged by organic organizations and operations. However, the Buy Local program is not specific to organics.

COABC has a database of the organic operations that are members of COABC certifying bodies. The database is a valuable resource for identifying organic operators and the products they offer in the region. In preparation for the 2018 regulatory change, GF2 is funding the creation of a high functioning database to provide more accurate data on the B.C. organic sector. Outside of this initiative, there is little government funding for organic production, sales or acreage data projects.

In the past, there was some organic-specific support from the Province through the [Organic Sector Development Project](#) (OSDP). This program supported research and projects such as pest control for organics, carrot variety trials, a Digital Farmer Resource Map, as well as COTA’s 2013 National Market Report and the British Columbia Market Report. However, the funding has not been re-issued, creating a gap in organic program support.

Organic crop insurance is available for some sub-sectors, like organic tree fruit, but is not widespread.

Prairies

Each Prairie province has distinct organic sector supports and priorities, but initiatives like the Prairie Organic Development Fund (PODF) and POGI transcend provincial borders for Prairie-wide organic funding and programming.

POGI is a significant project for the organic sector in the Prairies, including stakeholders from the Prairie provinces, B.C. and national organic organizations. The main goal of POGI is to increase the quantity and quality of organic field crop production across the Prairie provinces. 70% of POGI’s operational funding is derived from the national and provincial governments. POGI also benefits from industry funding from PODF.

POGI’s [Pivot & Grow](#) program offers resources to support organic transition, production, market access and research across the Prairies. This initiative has been successful in bringing together stakeholders in the Prairie organic grain sector. It can serve as an example of how governments can target important regional sub-sectors of the organic industry to improve capacity and awareness.

Figure 6 | B.C. Certified Organic logo



Alberta

Regulation & Enforcement ★★	Production Supports ★★	Market Supports ★★★	Data Collection ★
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Alberta’s support for organic production is fairly limited with little specific transition support or extension. However, there are ongoing discussions regarding organic measures such as crop insurance programs and a provincial regulation that would strengthen organic assistance in the province.

Alberta has a strong agricultural marketing program that is accessed by organic operations, but is not organic-specific. This also applies to support for processors which is not organic specific but which some organic operations do benefit from. These present an opportunity for sector development, but illustrate the lack of organic-specific measures and programming needed to drive growth in the sector. There are policy gaps related to data collection systems and export development opportunities.

Saskatchewan

Regulation & Enforcement ★	Production Supports ★★★	Market Supports ★★	Data Collection ★★★
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Saskatchewan has some strong initiatives (PODF, Organic Connections Conference and Trade Show) which contrast with the identified gaps in support (regulations, marketing). PODF is an industry association initiative with no government funding. However, the concept was developed by the Ministry of Agriculture, thus meriting mention.

Saskatchewan stands out for its [organic crop insurance program](#), offered through the Saskatchewan Crop Insurance Corporation (SCIC). This program covers all the major field crops, including barley, canola, various wheats and lentils. It is heralded as the best across the country for the extent of its coverage.

There is one full-time specialist within the Ministry of Agriculture who provides technical advice to organic producers regarding agronomic best practices to ensure they have access to the latest research, product information and Ministry services. Support for transitioning or new farmers is harder to find.

The [Saskatchewan Trade and Export Partnership](#) (STEP) is 75% funded by the provincial government. Although it is not only for agriculture and certainly not only organic agriculture, STEP is accessed by many organic exporters.

There are indications that marketing and consumer trust building campaigns for food and agriculture do not profile organics effectively. Finding ways to integrate organic into marketing campaigns, or better yet, have organic-specific marketing campaigns, would be beneficial. Provincial organic regulations do not exist and are not being discussed by the Saskatchewan Government. This is a recommended area of improvement.

Manitoba

Regulation & Enforcement ★★★	Production Supports ★★	Market Supports ★★★★	Data Collection ★★★★
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Manitoba received high scores for several categories and obtained the second highest overall score. In 2013, the [Organic Agricultural Products Act](#) (OAPA) and associated regulations came into force and effect. The OAPA adopts the federal definition of ‘organic’, references the federal Standards and relies on the same system of federally-accredited certification bodies to ensure that operators comply with organic standards. The OAPA applies to all food products grown or processed and sold in Manitoba that claim to be organic. Similar to the federal system, Manitoba’s approach to enforcement will be complaint-based. Currently, enforcement mechanisms within the OAPA are under-employed because of insufficient funds.

In the past, Manitoba had an Organic Marketing Specialist and a provincial organic marketing program. While the marketing program is still in operation, staff support has shifted to sector development. The Organic Sector Development Specialist (OSDS)’s primary role is to identify obstacles to sector growth and create projects/programs to overcome the obstacles. It is largely as a result of this position that Manitoba is leading the way on provincial data tracking. The OSDS tracks organic production, processing, handling, crops planted and keeps a list of organic buyers, input suppliers, seed cleaners, abattoirs, and more. This is the most extensive provincial data collection in the country.

Manitoba also receives recognition for the implementation of an organic crop insurance program. The Manitoba Agricultural Services Corporation’s [Organic Insurance Program](#) offers organic crop insurance for all the major field crops. However, there are concerns that the program is not extensive or effective enough.

From GF2 funds, Manitoba hired a team of organic industry specialists to work with the provincial organic sector to develop strategic objectives. These were laid out in the 2013 [Manitoba Organic Action Plan](#), the report being jointly delivered by the Manitoba Organic Alliance and the Manitoba Agriculture, Food and Rural Initiatives. GF2 funds were also used to replace field equipment used by the University of Manitoba’s organic research program. Additionally, there has been support for business to business buyer channels and for increased organic grain exports from the Province. These activities are creating depth and capacity in Manitoba’s organic supply chain.

Ontario

Regulation & Enforcement	Production Supports	Market Supports	Data Collection
★	★★★	★★★	★★

Despite being the largest organic market in Canada, Ontario does not have a provincial standard. Thus, any organic products made and sold within Provincial borders lack regulation and enforcement. Enacting provincial regulations or adopting the national regulations at the provincial level would improve the integrity of organic products within the Province.

There is no dedicated funding for organic production in Ontario. Organic producers have the same access to GF2 and other funding streams as all Ontario producers. In order to be eligible for the GF2 funds, a proponent must apply. Funding will be granted where there is 50% industry-matching funds and where the applicant demonstrates that they meet the criteria.

In regards to institutional support, the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) divides the organic portfolio among staff. There is not a group of staff dedicated to supporting the organic sector.

Ontario’s crop insurance provider, [Agricorp](#), offers specialized organic crop insurance plans for crops such as soybeans, corn, winter spelt, winter wheat, fresh market carrots and fresh market cabbage. The availability of these plans is encouraging, but they are not visible nor advertised widely. Estimates suggest that uptake is very low at a subscription rate of 25-30% due to issues with promotion, management and high levels of claim denials.

Ontario Food Exports (OFEX), a branch of OMAFRA, offers export strategies for the ‘natural food products’ file. This file includes, but is not specifically focused on, organic products and commodities.

In 2011, Foodland Ontario, OMAFRA’s buy local program, introduced a marketing strategy for Ontario organic products including voluntary use of the [Foodland Ontario Organic](#) logo. This logo is a branding tool and not a provincially regulated designation. It may be used where the product meets the national organic Standards and the Foodland Ontario Standards.

Quebec

Regulation & Enforcement ★★★★★	Production Supports ★★★★	Market Supports ★★★	Data Collection ★★★★★
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Quebec has the strongest government support systems for the organic sector in the country. In 1996, Quebec passed the *Loi sur les appellations réservées* (the *Act Respecting Reserved Designations*) which came into force in 2000. This made Quebec the first to regulate organics with its own standard. The standards are enforced by the [Conseil des appellations réservées et des termes valorisants](#) (CARTV), an independent public authority partially funded (55%) by the Quebec Ministry of Agriculture. In 2006, the Act was amended to the [Loi sur les appellations réservées et les termes valorisants](#) (the *Act Respecting Reserved Designations and Value Added Claims*) in order to capture certain reserved designations such as the Agneau de Charlevoix. In 2012, Quebec adopted the national Standards which are referred to in addition to Quebec-specific requirements for regulating organics. Similar to B.C., Quebec has a provincially regulated organic logo (Figure 7).



Provincial regulations are rigorously enforced with public databases showing both certified and de-certified lists of all operation types, products, location and business name, as well as housing data on organic acreage. This system serves as an example for other regions in Canada looking to create stronger regulatory, enforcement and data tracking mechanisms.

Quebec also leads the way in government programming and financing for the organic sector. This is shown with the commitment of \$9 million to the sector through the [Stratégie de croissance du secteur biologique](#) (Quebec Organic Growth Strategy - 2015-2018). A key piece of this strategy is the [Programme d’appui pour la conversion à l’agriculture biologique](#) (2015-2022). It is an ambitious plan to encourage farmers to transition to organic production. The program offers two forms of assistance (up to a maximum of \$40,000 per business):

- Grants of up to \$20,000 for the transition of vegetable, maple and apiculture operations; and
- Grants of up to \$20,000 to cover 50% of expenses related to construction or modification of livestock facilities that are required to meet organic standards.

Additional supports related to extension, crop insurance and research make Quebec organic farmers some of the most well supported in the country. Quebec takes a unique approach to extension services where organic farmers or those in transition can apply to have 85% of agrologist consultant fees reimbursed. The Province has organic crop insurance programs in development (e.g., maple and grain). Quebec’s *Institut de recherche et de développement en agroenvironnement* (IRDA) is a not-for profit research corporation supported by the Quebec and federal government through GF2. This institute is dedicated to sustainable agro-environment research in Quebec’s agricultural sector, which includes a significant amount of research applicable to organic production.

Quebec also invests in the development of strong local organic markets. For example, *la Ministère de l’agriculture, pêcheries et alimentation (MAPAQ)* provides funding to the *Cooperative pour une agriculture de proximité et écologique (CAPÉ)* with particular respect to organic products.

Atlantic Provinces

	Regulation & Enforcement	Production Supports	Market Supports	Data Collection
New Brunswick	★★★★	★★★★	★★	★
Nova Scotia	★★★	★★★	★★	★
P.E.I.	★	★★★	★★★	★
Newfoundland	★	★★	★★	★

While the Atlantic provinces may have smaller markets, they have a vibrant network of organic operations and organizations. The Atlantic Canada Organic Regional Network (ACORN) provides critical cross-jurisdictional support that is often funded by provincial governments.

Of the four maritime provinces, only New Brunswick (2014) and Nova Scotia (2015) have adopted provincial organic regulations. Respectively, the *Organic Grade Regulations* under the *Natural Products Act* and the *Organic Grade Regulations* under the *Agriculture and Marketing Act*. New Brunswick has since implemented an operational complaints-based enforcement system, whereas in Nova Scotia implementation of the enforcement system is delayed as a result of discussions regarding where responsibilities will be held.

New Brunswick is also a frontrunner in creating a comprehensive [strategic plan](#) for the organic sector. The plan focuses on four key areas: consumer education, sector capacity, certification and regulations, and market access and distribution. Considering that most jurisdictions, including the Federal Government, lack a strategic organic plan, New Brunswick is a model for creating and implementing organic-specific goals and actions.

New Brunswick and P.E.I. have the strongest government programming for organic production. This includes programs for transition, extension services, research and for new farmers in the Atlantic provinces. Dedicated programming for new farmers in New Brunswick ([Agriculture by Choice](#)), Nova Scotia ([ThinkFarm](#)), and P.E.I. ([Future Farmer](#)) are accessible to organic farmers. However, these programs are not targeted or catered to organic producers.

Newfoundland has a very small organic sector, reflective of its population and agricultural production in general. However, it has some supports for transition and new farmers, which can be the foundation of a growing industry.

Using GF2 funding, the [Organic Industry Development Program](#) (OIDP) in P.E.I. seeks to develop the Province’s organic sector. This program offers financial support for organic-specific activities, including purchasing technology or equipment, coaching and technical advisory services, funding for organic transition, building relationships along the value-chain, and implementing strategic initiatives to advance the sector.

The three Maritime provinces each have their own local food promotion initiatives, and some funding programs to support these efforts, but there are no organic-specific initiatives. New Brunswick partnered with ACORN on an educational and promotional strategy after the launch of its provincial organic regulation, and each Maritime province has contributed some support to ACORN’s consumer education projects.

The volume of organic exports from the Atlantic provinces remains small, and there is no organic-specific support for exports.

Territories

	Regulation & Enforcement	Production Supports	Market Supports	Data Collection
Yukon	★	★	★	★
Northwest Territories	-	-	-	-
Nunavut	-	-	-	-

Organic farming and processing is a fairly new sector in the Yukon, Northwest Territories and Nunavut (collectively, the ‘Territories’). According to COTA’s most recent data collection, there were only 5 organic producers in the Yukon in 2015; the largest concentration of organic operations in Canada’s north. The Territories have a limited capacity for agricultural production because of their climate and because their geography limits the competitiveness of processing or manufacturing. As a result, there are no organic standards in the Territories.

In 2006, the Yukon government released a 40-page agricultural policy, which dedicated a half a page to discussing organic production support. Despite being a small portion of the report the goals were ambitious and clear and included support for extension, training, information, marketing and finances.

While much of these intentions did not translate into actionable programming, some supports have surfaced in the last decade. The [Growers of Organic Food Yukon](#) (GoOFY) received funding to cover membership costs for the Organic Federation of Canada, a national body that coordinates federal-provincial-territorial representatives. Members of GoOFY have received stipends for travel to organic-related events and conferences. The Yukon government has also supported organic training workshops, marketing materials for farmers’ markets and some of GoOFY’s advocacy work. These contributions may appear small in comparison to other regional governments, but they reflect a growing relationship between the government and the relatively small organic farming community.

There are insufficient details to include an analysis of the Northwest Territories or Nunavut. In part, this is due to few (Northwest Territories) or no (Nunavut) certified organic operations within these territories. Progress will continue to be monitored in future reports.

Recommendations

This Report seeks to stimulate greater government support for organics. There are three key recommendations for where the focus for support should begin:

Ensure that each province and territory adopts its own organic regulations | Organic regulations are the foundation of a strong and reliable organic sector. Canada’s regulatory environment across Canada is a patchwork ranging from non-existent to rigorous. The lack of regulation or legislation is particularly problematic in Ontario, as it is a large organic market. Without a regulation, there is the potential for false or misleading claims, which compromises the integrity of the Canada organic brand. The universal adoption of the Canada Organic Regime or a similarly robust system in each jurisdiction is critical to safeguarding the integrity of organic certification and ensuring that the industry thrives.

Expand organic data collection systems | Organic-specific data is limited, inconsistent and not always publicly available. Businesses, organizations and policy makers rely on consistent and robust data to make informed decisions. Governments should invest in expanding and improving data collection systems in collaboration with industry. The Federal Government should take the lead on differentiating organic data within tools like the Agricultural Census, Farm Financial Survey and HS code system. Across all jurisdictions, increased data collection and associated research capacities will lead to better decision making and planning within the organic sector.

Increase organic-specific policies and programs across jurisdictions | As the content of this Report demonstrates, there are a variety of approaches to supporting the organic sector. While each jurisdiction has specific needs, the diversity of programs between jurisdictions creates an unequal playing field for operators, both between domestic jurisdictions and internationally. The expansion and integration of programs within regions or commodity types is a critical leverage point for ensuring greater accessibility and quality of programs. For example, supporting transition to organic will help increase the number of operators, addressing organic supply shortages. Other opportunities such as accessing export markets will further strengthen Canada’s organic sector.

Each jurisdiction in Canada must do its part to support the organic sector, in order to capitalize on the potential this sector has to contribute to the economy, health, and environmental welfare of the country. The Canada organic brand is an asset to the Government of Canada and, as trends show, will be an increasingly important component of the Canadian economy and agricultural landscape. Consumer preferences demonstrate that environmental, social and health concerns are increasingly integrated into their purchasing decisions - three themes that organic production methods embody. Canada has the fifth largest organic market in the world and faces increasing competition from other international organic sectors. Government support can make the difference between Canada being a world-leader in this innovative and sustainable sector, or a country that is left behind.



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