

**USDA News Release:**

Release No. 0212.09 Contact: Justin DeJong (202) 720-4623 Billy Cox (202) 720-8998

**"AGRICULTURE DEPUTY SECRETARY MERRIGAN ANNOUNCES U.S. – CANADA AGREEMENT  
FOR ORGANIC TRADE EQUIVALENCE"**

**Trade Agreement Will Lead to Greater Market Opportunities, Economic Growth for Organic Industry  
Between Two North American Trading Partners**

CHICAGO, June 17, 2009 -- Agriculture Deputy Secretary Kathleen Merrigan today announced that a first-of-its-kind agreement has been reached between the United States and Canada that will expand opportunities for organic producers in both countries. 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. Merrigan made this announcement at the All Things Organic Trade Show and Conference in Chicago.

"The production of organic foods is a vibrant growth opportunity for American agriculture, and by agreeing on a common set of organic principles with Canada, we are expanding market opportunities for our producers to sell their products abroad," said Merrigan. "Today's agreement between the world's two largest organic trading partners is an important first step towards global harmonization of organic standards."

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.

Canada is the largest U.S. trade partner and largest estimated export market for U.S. organic products. USDA's Foreign Agricultural Service office in Ottawa estimates that more than 80 percent of Canada's organic consumption comes from imports, and approximately 75 percent of those imports come from the United States. Organic produce and processed foods are estimated to make up the majority of U.S. organic products exported to Canada. Estimates of the total market for organic products in Canada range from \$2.1 to \$2.6 billion; meanwhile sales of organic products in the United States totalled \$24.6 billion in 2008. Actual trade flows are difficult to track because the United States has not developed international harmonized system codes for organic products.

The two letters determining equivalence and Q & A's discussing the details of these actions can be found on the NOP website, under Today's News at [www.ams.usda.gov/nop](http://www.ams.usda.gov/nop).

Consumer demand for organic food has risen quickly over the past ten years, triggered in part by the development and success of USDA's organic regulatory program and label, according to a recent study by USDA's Economic Research Service. As consumer demand for organic products has widened, organic retail sales have spread far beyond the 'natural products' market niche in urban areas and college towns and into big-box stores across the country.

Since the late 1990's, U.S. organic production has more than doubled, but the consumer market has grown even faster. Organic food sales have more than quintupled, increasing from \$3.6 billion in 1997 to \$24.6 billion in 2008. More than two-thirds of U.S. consumers buy organic products at least occasionally, and 28 percent buy organic products weekly, according to the Organic Trade Association. "