The Organic Market British Columbia 2021

Canadian Agricultural Partnership

Canada Organic trade association / Association pour le commerce Biologique du Canada

British Columbia

Canada

The Canada Organic Trade Association (COTA) is the membership-based association for the organic sector in Canada, representing growers, processors, certifiers, provincial farmers' associations, retailers and others in the organic value chain. COTA's mission promotes and protects the organic sector and encourages the universal adoption of organic. Through our leadership and collaboration, COTA provides a strong voice for organic in Canada. COTA's vision is to promote and protect thriving, resilient communities and ecosystems that are rooted in organic's holistic principles and practices. With farming as the foundation of organic, COTA acts as a cultivator, connector and advocate for organic in Canada and abroad.

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List of Acronyms

BC: *British Columbia*

CAGR: *Compound Annual Growth Rate*

COR: *Canada Organic Regime*

COTA: *Canada Organic Trade Association*

CSA: *Community-Supported Agriculture*

HS Code: *Harmonized System Codes*

USDA: *United States Department of Agriculture*

Executive Summary

The organic industry in Canada continues to expand with double-digit growth. Canada is now the sixth largest organic market in the world and is home to more than 7600 certified organic operations.

British Columbia boasts the fourth largest number of organic operations in Canada (after Quebec, Ontario and Saskatchewan), and a fast-growing organic market. In 2020, British Columbia was home to approximately 11% of Canada's organic operations. In 2020, there were an estimated 525 primary producers operating on over 1.3 million acres, and 325 processors and handlers. British Columbia is also the province with the third largest number of organic livestock producers (133) and the province with the largest pasture acreage, making British Columbia the third largest market for fresh meats, poultry and seafood.

British Columbia consumers continue to show a strong commitment to organic food, with 68% of British Columbia grocery shoppers purchasing organic groceries weekly in 2020, slightly above the national average of 64%. Despite the global pandemic and a spike in food prices, consumers continued to choose organic products with 14% of British Columbians reporting that they purchased more organic products in 2020 than the same time last year. Shoppers in British Columbia reported the second highest level of trust in the Canada Organic certification amongst all provinces.

Trust in the label is mirrored in organic sales. In 2020, the market for organic food and beverages in British Columbia reached an estimated $508.1 million, showing 15.6% year-to-year growth since 2017 and accounts for 20.5% of organic grocery sales nationally. Fruits and vegetables are 41.6% of all organic food and beverage sales in British Columbia, while organic food destined for infants and young children continue to have by far the highest market share.

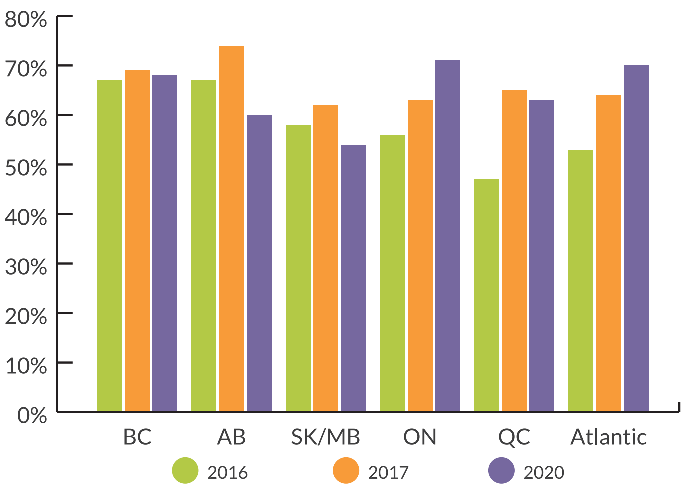
Trade data show that British Columbia has the second highest import figures in the country and the second highest per capita, while exports from British Columbia only account for 4.2% of total Canadian exports.

Section I: British Columbia Organic Consumers

Who are British Columbia's Organic Consumers?

British Columbia has one of the highest numbers of organic shoppers, ranking third nationally after Ontario and Atlantic Canada. An estimated 68% of BC grocery shoppers purchased organic groceries weekly in 2020, slightly above the national figure average of 64%. While other provinces witnessed important changes in their percentage of organic shoppers, numbers in BC remained stable since 2016.

Figure 1: Percentage of Grocery Shoppers that Purchase Organic Products by Province, 2016, 2017 & 2020



Source: COTA Consumer Ipsos Poll, 2016 & 2017; COTA Consumer Leger 360 Poll, 2020

Nationwide data shows the continued broadening of the demographics of organic food buyers across Canada. Increased purchasing across genders and generations, income levels, and education show that the organic market continues to broaden from the narrow demographic of its past – households with higher income and young children. Nonetheless, consumers that are younger, educated, or have children have a greater likelihood of being an organic purchaser.

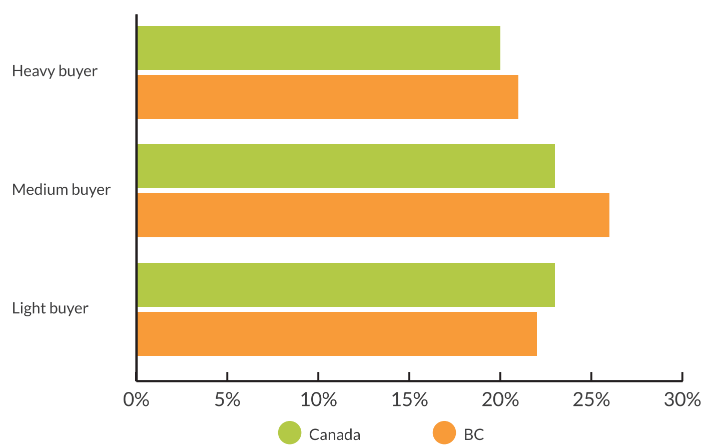
The last three consumer polls included consumers over 18. This allowed for an analysis of consumers aged 18 to 24 – a critical organic consumer group that was not included in COTA's 2013 National Market Report. Consumers aged 18 to 34 make up a large part of the organic market and were referred to collectively as Millennials in our 2017 report. Data from 2020 allows us to look more closely at the 18 to 24 sub-generation group, referred to as Centennials. Millennials are significantly more likely to purchase organics, with 75% of Millennial respondents identifying as organic consumers. This is much lower than the 2017 report, which showed approximately 83% of Millennials purchasing organics. However, a closer look at sub-generations highlights that Centennials are much more likely (83%) to purchase organics than Millennials (73%).

In contrast, 68% of Generation X (consumers aged 35 to 54) and 59% of Baby Boomers (consumers aged 55+) reported organic purchasing.

One way to measure the regional differences is to look at the types of organic purchasers. BC has a larger percentage of medium buyers (10 to 24% of weekly food budget spent on organic food products) than light buyers (1-9%) and heavy buyers (25-100%).

In BC, the ratios of medium and heavy buyers are higher than the national average. BC and Alberta rank first with the highest ratio of organic purchasers who are heavy buyers (26%). Although BC's ratio of light byers ranks third nationally (22%), it is well behind Alberta (28%) and Manitoba and Saskatchewan (27%).

Figure 2: Percentage of Grocery Shoppers that Purchase Organic Products in Canada, 2020



Source: COTA Consumer Leger 360 Poll, 2020

What are British Columbia Consumers Spending on Organics?

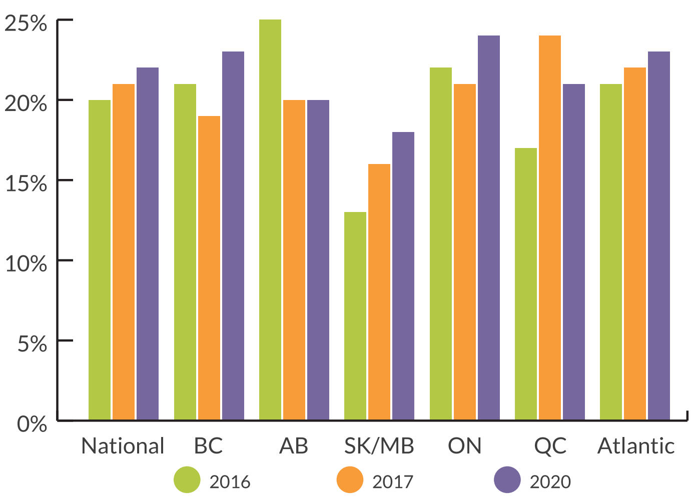
As part of the consumer poll, respondents were asked to report on their grocery spending. While self-reported spending is not as reliable as transactions tracked at the retail level, it does provide an indication of trends and differences between those who are buying organic food products and those who are not.

British Columbia Consumers Market Stable and Growing

On average, Canadians reported spending $158 per week on groceries, up $27 from $131 in 2017. On average, organic buyers spent $169 and non-organic buyers spent $135, a difference of $34.

Canada's organic consumers spend an average of 22% of their weekly food budget on organics. BC organic shoppers spend on average 23% of their weekly food budget on organic products – the second highest after Ontario. Saskatchewan and Manitoba organic purchasers continue to have the lowest average share of spending on organics at 16%.

Figure 3: Mean Percentage of Weekly Food Budget Spent on Organic Groceries for Organic Shoppers by Region (% of Total)

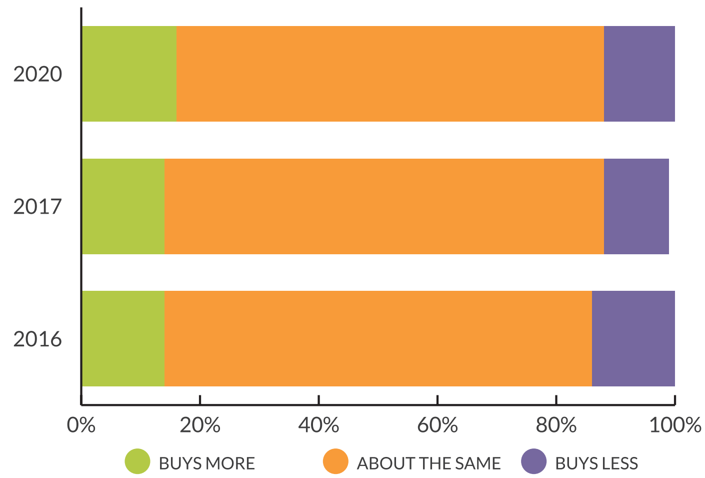


Source: COTA Consumer Ipsos Poll, 2016 & 2017; COTA Consumer Leger 360 Poll, 2020

Despite the spike in food prices in the last few years exacerbated recently by the global Covid-19 pandemic, the organic consumer market remained stable in 2020 with most organic shoppers either buying "about the same" amount (72%) or "buying more" (16%) organic products compared with last year. The national numbers have not changed since 2017, when 86% of respondents indicated that they had increased or maintained their organic spending. These findings are in line with other indicators that organic purchasing is on the rise.

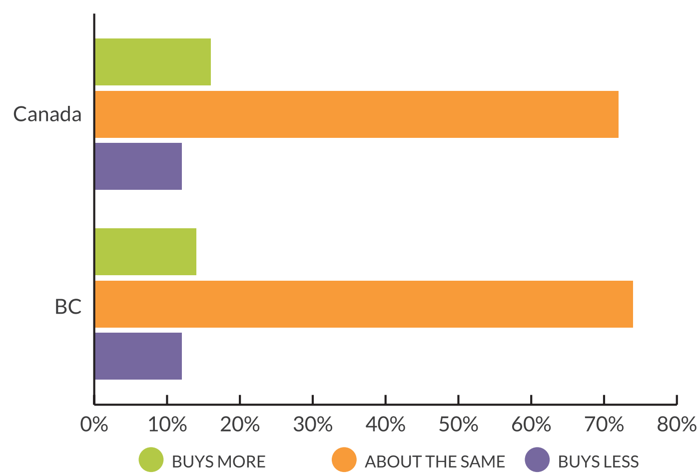
BC organic purchasing is growing fast, with over 16% of poll respondents reporting that they purchased more organic products in 2020 than the same time last year. Saskatchewan and Manitoba have the largest segment of consumers (14%) reporting that they bought fewer organic food and beverages compared to last year, while 12% of BC organic consumers reported buying less in 2020.

Figure 4: Reported Change in Organic Purchasing in the Last Year in canada, 2016, 2017, 2020



Source: COTA Consumer Ipsos Poll, 2016 & 2017; COTA Consumer Leger 360 Poll, 2020

Figure 5: Reported Change in Organic Purchasing in the Last Year in BC, 2020



Source: COTA Consumer Leger 360 Poll, 2020

Which Organic Foods are British Columbians Purchasing the Most?

Top Organic Food Categories

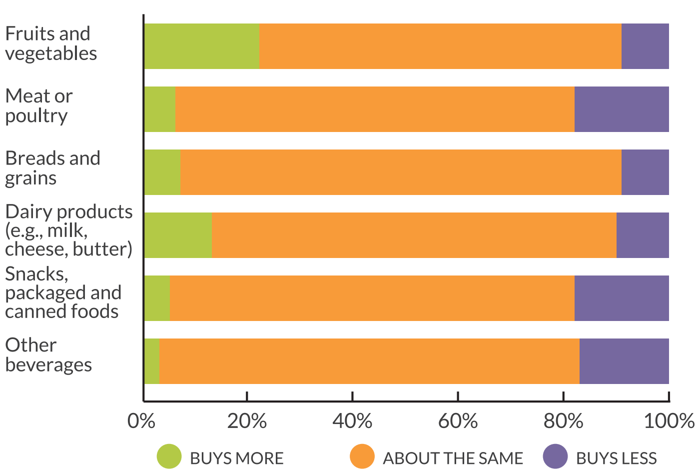
Nearly all (96%) Canadian organic purchasers reported buying organic fruit and vegetables in the six months prior to the poll. This was followed by bread and grains (80%) and meat and poultry (79%). Ninety-one percent of British Columbian consumers reported buying organic fruits and vegetables in the last 6 months, while 18% reported buying less organic meat, poultry and seafood. At the national level, 11% of consumers reported buying less organic meat, poultry and seafood.

Organic fruit and vegetables have long been the top organic food category. According to poll results, it's both the largest category and the fastest growing as 25% of those buyers report purchasing more organic fruit and vegetables in 2020 than in 2019. In BC, numbers are similar with 22% of organic shoppers reporting buying more fruits and vegetables.

Dairy products are the second largest category of organic purchasing in BC. Nationally, 12% of organic buyers report they are buying more in this category in 2020 than in 2019. That number reached 13% in BC.

In BC, bread and grains (7%), and meat and poultry (6%) rank at the same level in terms of the portion of organic buyers buying more in those categories in 2020 than in 2019. When looking at the frequency of purchasing, however, dairy ranks slightly higher than both the other categories.

Figure 6: Reported Change in Organic Purchasing by Product Category in the Last Year in British Columbia, 2020



Source: COTA Consumer Leger 360 Poll, 2020

Watching how categories shift over time lends insight into growing market segments. Based on these consumer statistics, organic fruit and vegetables remain the cornerstone of the organic market. It will be interesting to observe whether bread and grains, dairy, and meat and poultry catch up as the market continues to grow and expand in Canada generally and British Columbia specifically.

Where Do British Columbia Consumers Buy Their Organic Foods?

Regular Grocery Stores Remain Top Source of Organic Food and Beverages

Many shoppers use several grocery sources for their organic purchases, but supermarket chains continue to dominate the grocery landscape.

Table 1: Reported Locations of Organic Purchases at National Level, 2016, 2017 & 2020

	2016	2017	2020
NATURAL HEALTH STORES/ GROCERS	24%	24%	25%
REGULAR GROCERY STORES/SUPERMARKETS	75%	80%	82%
PHARMACY/DRUG STORES	7%	10%	12%
MASS RETAILERS (E.G. WALMART, COSTCO)	39%	39%	45%
DIRECT FROM AN ONLINE RETAILER	4%	4%	8%
DIRECT FROM FARMER (E.G. FARMERS' MARKET, VEGGIE BOX, COMMUNITY SHARED AGRICULTURE/CSA)	25%	23%	32%
OTHER	3%	3%	1%

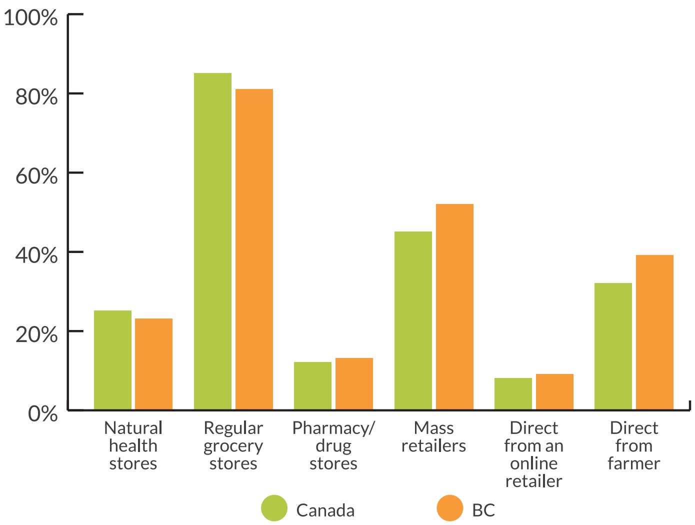
Source: COTA Consumer Ipsos Poll, 2016 & 2017; COTA Consumer Leger 360 Poll, 2020

Eighty-one percent of poll respondents in BC reported shopping at supermarket chains. However, there are notable regional differences in where organic buyers choose to make their organic purchases. Mass retailers, such as Walmart and Costco, provide organic options for 45% of shoppers nationwide and 52% of BC shoppers. Mass retailers continue to be a significant source of organic food for British Columbians, much more so than for consumers in other regions. While the popularity of mass retailers is widespread, they are more likely to be visited by women and young adults across Canada (54% of Centennials).

At a lower penetration level, direct-to-consumer channels (such as farmers' markets, Community Supported Agriculture [CSA], and farm stands) continue to grow significantly at the national level and provincial level with 32% and 39% of organic consumers respectively choosing these locations for their grocery shopping.

Natural health stores/grocers continue to attract nearly one in four Canadian shoppers, and 23% of BC shoppers. These locations of organic purchasing are particularly popular amongst women, Generation X, and those with higher levels of education. Along with Atlantic provinces, BC has the highest rate of shoppers purchasing organics at pharmacies and drug stores (13%).

Figure 7: Reported Locations of Organic Purchases in BC, 2020

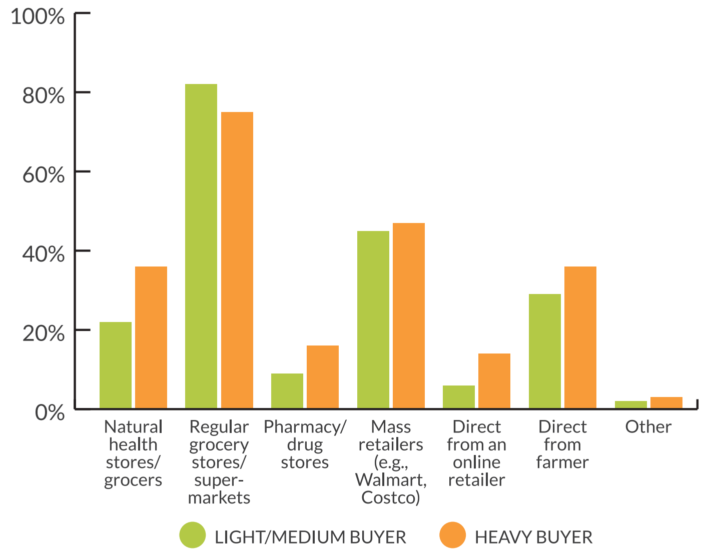


Source: COTA Consumer Leger 360 Poll, 2020

Shopping Location Related to Level of Organic Purchasing

Different retail locations attract different types of organic shoppers. Looking at the different purchasing locations by purchaser types indicates that heavy organic purchasers (25% or more of food budget spent on organics) have more diverse purchasing locations. There are differences in the portion of heavy buyers versus light/medium buyers for each purchasing location. These differences are significant in nearly every category of purchasing location, with the exception being regular mass retailers, where there is almost no more gap. This percentage of light/medium buyers shopping at regular mass retailers grew by ten percentage points between 2017 and 2020, while the number of heavy organic shoppers at regular grocery stores dropped by six percentage points in the same period. The percentage of both heavy and light-medium purchasers choosing online and direct from farmer shopping grew significantly. This could be a direct result of consumer behaviors shifting during the pandemic and making the choice of less crowded locations and local products to do their shopping. As well, farmers selling at local farmers markets in British Columbia had to pivot to online sale during the pandemic as pick up was only possible at the farmer markets.

Figure 8: Reported Locations of Organic Purchases by Purchaser Type in Canada, 2020



Source: COTA Consumer Leger 360 Poll, 2020

What Factors Affect Organic Purchasing?

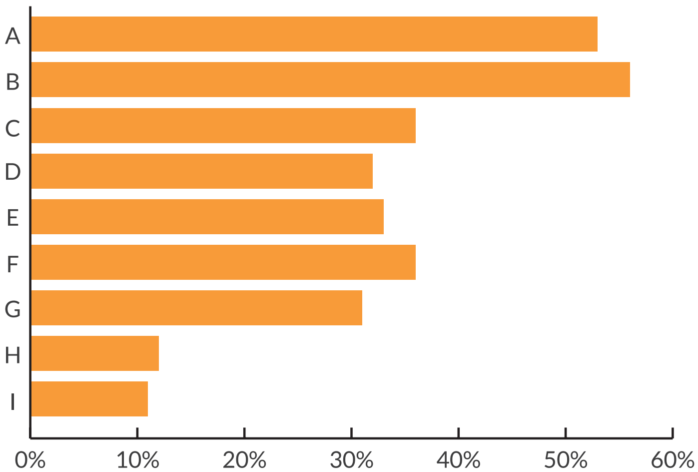
Understanding why consumers choose or do not choose organics is critical for understanding how the market could shift. Consumers make decisions based on internal motivations as well as external influences and constraints. Motivations are the personal reasons or justifications for a purchasing decision. Influences and barriers are the external factors (whether positive or negative) that change a consumer's spending patterns. Collectively these three types of factors play a central role in consumer behaviour. Understanding how they affect Canadian consumers can help the organic sector evolve and attract more organic buyers.

Human Health Remains Top Motivation for Purchasing Organic

Motivations shift over time, reflecting the values and priorities of consumers. In the COTA poll, organic consumers were asked to provide the reasons, or motivations, behind their organic purchasing. Responses from British Columbians go in line with the national tendency of choosing organic as part of choosing a healthy lifestyle. The top three responses from British Columbians were in fact health-related: avoiding processed or artificial ingredients (53%) and avoiding pesticides or other chemicals (56%).

While organic purchasing remains largely driven by health benefits, purchasing is also motivated by environmentally-conscious consumers who want to thrive in a healthy environment by supporting environmental sustainability within the agri-food sector. This is reflected in the third most common poll response by British Columbians, which connected organics with supporting environmental health (36%). At the national level, this response reached 42% and was most given by Centennials (60%).

Figure 9: Percentage of BC Organic Consumers Reporting the Following Motivations for Purchasing Organic, 2020



A To avoid highly processed foods and artificial ingredients
B Organic food does not contain harmful pesticides or other chemicals
C Organic food is better for a healthy environment
D To avoid genetically modified foods
E To support thriving farms and rural communities
F Organic food is better for you/more nutritious
G They taste better
H They are reliably inspected and certified
I A friend or health practitioner recommended them

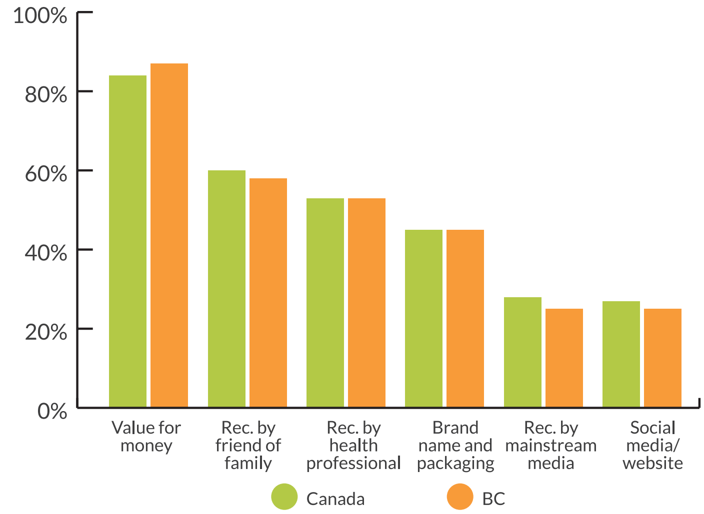
Source: COTA Consumer Leger 360 Poll, 2020

Monetary Factors Rank High in Organic Purchasing Decisions

Getting value for money remains the top influence on organic consumption across all Canadian regions (84% nationally). This is consistent with COTA's 2017 report which similarly found value for money as the top influence on organic purchasing nationally. Value for money is particularly influential in Quebec and British Columbia where it reached 87%. This means that although income levels are not strongly correlated with purchasing of organics, consumers are still driven by value.

Money matters, but so do the opinions of friends, family, and doctors. After value, recommendations made by these individuals have the greatest influence on organic purchasing. Recommendations from health professionals had the greatest increase in influence (up 12 points nationally from 2016) of all the categories. Brand names and packaging also saw an increase, and remain important for 43% of organic consumers, indicating that getting your brand established and recognized amongst consumers is vital to success in the market. Despite the popularity of social media platforms, social media remains low on the list of influences on organics purchasing.

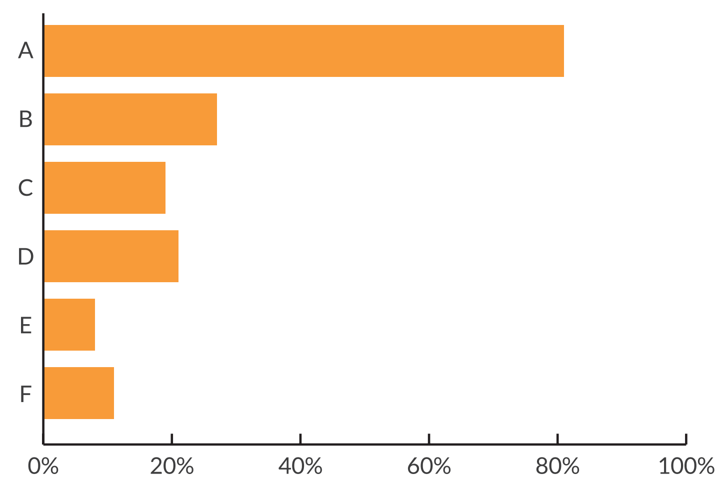
Figure 10: Percentage of BC Organic Consumers Reporting the Following Influences on Their Organic Purchasing, 2020



Source: COTA Consumer Leger 360 Poll, 2020

Cost is the top perceived barrier to organic purchasing in BC. In 2020, 81% of survey respondents in British Columbia identified cost as a reason for not buying organic products. This ties into the tendency for shoppers to be influenced by getting value for their money. Cost is more likely to be a barrier for women nationally (83%, compared to 75% for men).

Figure 11: Reasons Why BC Respondents Do Not (or Would Not) Purchase Organic Foods and Beverages, 2020



A Cost/ too expensive
B Local food is as good or better than organic food
C I don't care/it doesn't matter to me
D Natural food is as good or better than organic food
E I don't know enough about organic food to bother
F Not available where I shop

Source: COTA Consumer Leger 360 Poll, 2020

Price differential remains important. It does exist for certain products and even if it doesn't, consumers may expect it to. Consequently, consumers might not seek out organic products if they believe these products might be overpriced. Perceived barriers can play as strong a role in decision-making as actual barriers.

Only 11% of respondents in BC identified availability as a barrier to organic purchasing. This makes sense since organic products are becoming more mainstream and are increasingly available at a variety of grocery stores, mass retailers, online retailers across the province, and through direct sales.

Confused Consumers: Organic vs. Local vs. Natural?

As a consumer, it can be confusing to navigate the variety of claims attached to food and beverages. Nearly 21% of BC consumers said that 'natural' products are as good or better than organic products. Twenty-seven percent of consumers said the same of 'local' products.

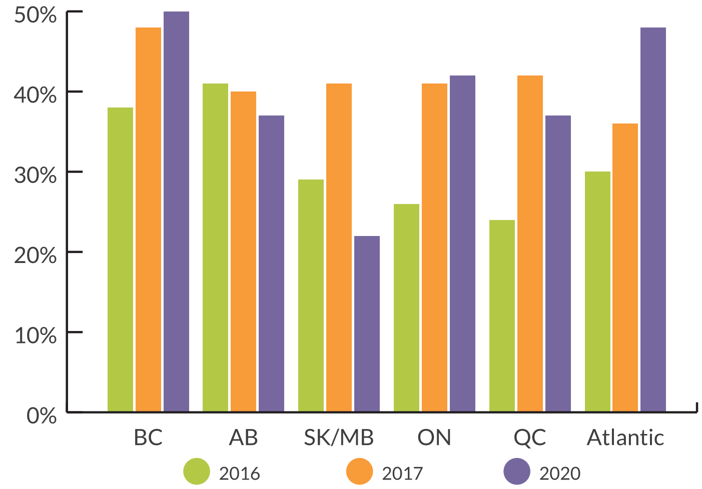
There are synergies between the organic movement and local food movements. Promoting made-in-Canada organic can create connections between the demand for organic products and the demand for local food products. There are also overlaps in the organic movement and the local food movement. It is important to differentiate the claims of each movement so that consumers can make informed purchasing decisions. Consumer campaigns, such as Organic Week and Think Canada Organic, highlight the rigour within the regulated organic industry in Canada and inform consumers about the differences between some of the claims they see on their food labels.

Canadians are More Familiar and Trusting of Canada Organic Certification

The Canada Organic logo, introduced in 2009, continues to build a presence amongst Canadians. Since 2016, the number of Canadians reporting to have at least some familiarity with the logo has risen from 62% to 75%. British Columbians have become more and more familiar with the logo over time as the percentage of those reporting they are very or somewhat familiar with it has increased from 38% in 2016 to 50% in 2020.

British Columbians are most likely to be familiar with the logo, though other regions are not far behind. Millennials (52%) and food shoppers with higher levels of education (50%) registered the greatest levels of logo awareness. As might be expected, organic food consumers are more aware of this important Canadian symbol than those who don't favour organic products (15%).

Figure 12: Percentage of Canadians Reporting They are Very or Somewhat Familiar with the Canada Organic Logo, by Region, 2016, 2017 & 2020

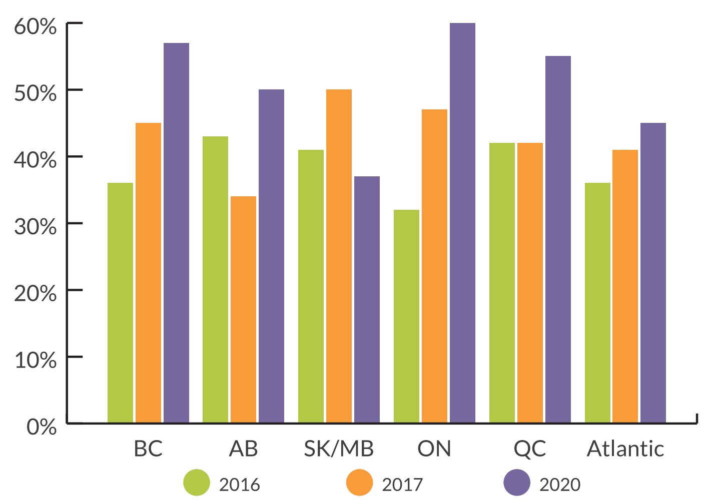


Source: COTA Consumer Ipsos Poll, 2016 & 2017; COTA Consumer Leger 360 Poll, 2020

As familiarity has increased, so has trust in the Canada Organic label. Nationally, 55% of Canadians believe Canada Organic certification is trustworthy, up eleven points from 2017. Shoppers in British Columbia reported the second highest level of trust in the certification amongst all provinces (57%) after Ontario (60%). Consumers in Saskatchewan and Manitoba are the most skeptical (37%).

Trust ratings vary depending on gender and age. Nationally, women (59%) have more trust in the label than men (51%) and Centennials (64%) have more trust in the label than older generations (51-56%).

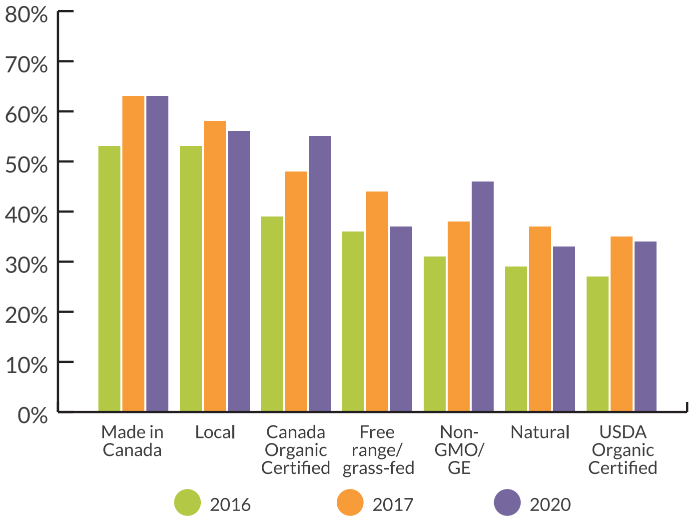
Figure 13: Percentage of Canadians Reporting that Canada Organic Certified is Trustworthy by Region, 2016, 2017 & 2020



Source: COTA Consumer Ipsos Poll, 2016 & 2017; COTA Consumer Leger 360 Poll, 2020

Like COTA's 2017 report, claims of "local" and "made in Canada" attracted the highest trust scores at the national level. These claims remain ahead of "Canada Organic certified" in most provinces, except in Ontario where the "Canada Organic certified" claim topped the "local claim". There are other claims that garnered lower ratings, including free range/grass-fed, natural/all-natural, non-GMO, and, and the lowest point, Regenerative Organic Certified.

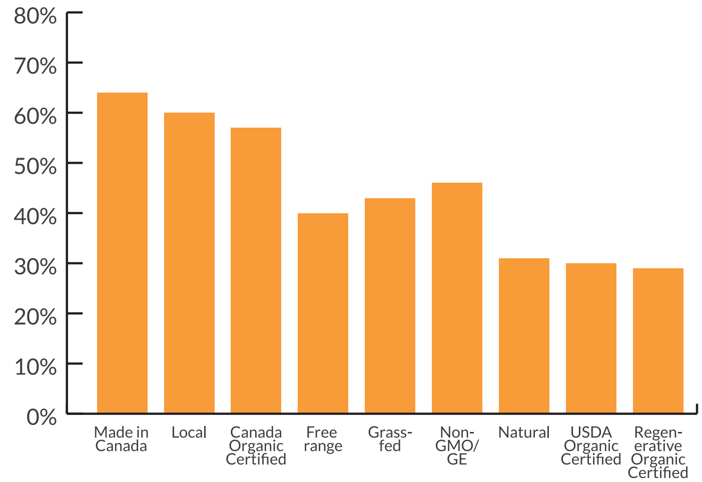
Figure 14: Percentage of Canadians Reporting the Following Claims are Trustworthy, 2016, 2017 & 2020



Source: COTA Consumer Ipsos Poll, 2016 & 2017; COTA Consumer Leger 360 Poll, 2020

Those who do not buy organic groceries are more likely to trust "made in Canada" and "local" claims than those who do purchase organic. This presents an opportunity for the organic sector to expand the availability of Canadian organic products in order meet the demand for local and made-in-Canada items that are also organic. This synergistic promotion of multiple trusted claims could provide a boost to the Canadian organic industry.

Figure 15: Percentage of British Columbians Reporting the Following Claims are Trustworthy, 2020



Source: COTA Consumer Leger 360 Poll, 2020

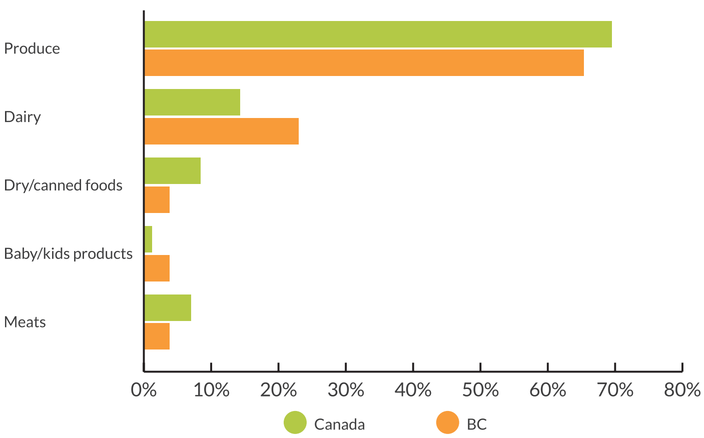
The poll asked consumers what they tend to associate with the Canada Organic certified logo, in an effort to gauge their level of understanding of what organic means. 48% of British Columbians associate the Canada Organic label with food that is free from pesticides and 33% felt that organic has beneficial environmental outcomes.

Choosing Organic During a Pandemic

In Canada, a survey conducted in March 2021 by COTA explored consumer priorities and shopping habits during the COVID-19 pandemic. When asked about the impact of the pandemic on their shopping habits, 19% of respondents reported buying more organic products than before. While the number of consumers buying organic products from mass retailers and supermarkets remains the same as prior to the pandemic, 67% of respondents said they regularly purchase organic products directly from farmers, an increase from prior years. Similarly, 22% of respondents said they are regularly purchasing organic products online in 2021, an increase of 14 percentage points from 2020. Younger generations especially are purchasing organics because of health and environmental concerns, an indication that these consumers will continue to support the organic market as they grow older. A Canadian Covid-19 update by NielsenIQ published in December 2021 shows that in 2021, 26% of Canadians are buying better quality food and beverages and 34% are buying more healthy food. Moreover, 27 % of Canadians are buying more local organic products from farmers and markets.

In times of a global pandemic, consumers all over Canada have been trying to limit the time they spend at the grocery stores. NielsenIQ data shows that 53% of Canadians try to get everything they need from the same store. Moreover, COTA's survey highlights that 27% of BC respondents have not been able to find all their organic favorites during the pandemic, while 11.5% have not been able to find most of their usual organic grocery items. With less time to spend at the grocery store and less items available, 65.4% of organic shoppers in British Columbia have been prioritizing produce items over other categories, slightly below the national average of 69.5%. Interestingly, 23% of organic shoppers in BC said they were prioritizing dairy items, a number that is well above the national average of 14%.

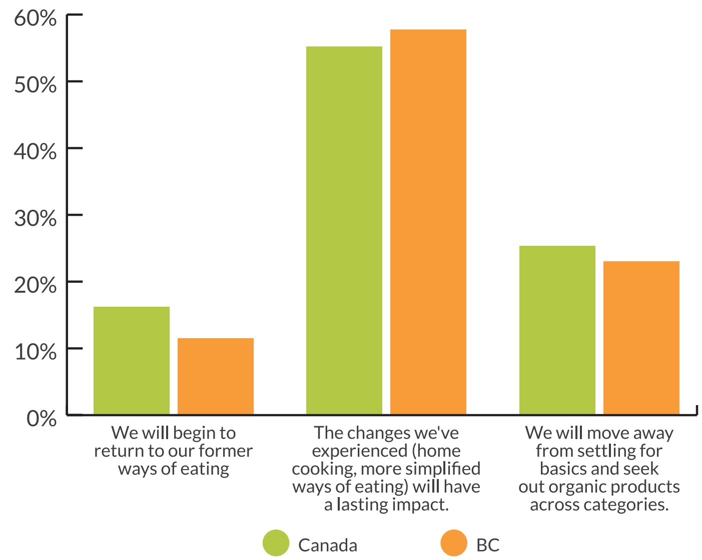
Figure 16: With Less Time in The Grocery Store and Less Selection on the Shelves, in Which Category Do You Prioritize Organic Purchases?



Source, "COVID-19 Grocery Habits Survey", COTA 2021

While consumers' changing shopping habits are largely due to the effects of the pandemic, organic food sales are expected to stay on a growth trajectory for the foreseeable future. The Covid-19 crisis has increased consumer awareness of the importance of health and nutrition — values that shoppers associate with organic foods. In British Columbia, 73% of respondents consider organic to be more important than ever for the health of their family and the planet when food shopping during the pandemic, while 57.7% believe that the pandemic engendered a positive and long-lasting impact in their experience with cooking with organic products. In fact, 25% of BC respondents are ready to expand their experience by trying new organic products, a challenge for organic consumers who might not always find their favorite products on the shelves in times of pandemic and restrictions. While consumers still want to hear from brands about the measures they are taking to ensure accessibility of their products, most respondents say they are on information overload and do not what want to hear from brands at all for the time being (38.4% in BC).

Figure 17: How do you anticipate your family's organic shopping habits will change in the next 3-6 months?



Source, "COVID-19 Grocery Habits Survey", COTA 2021

Section II: British Columbia Mainstream Organic Sales and Growth

Organic Sales in British Columbia Continue to Grow

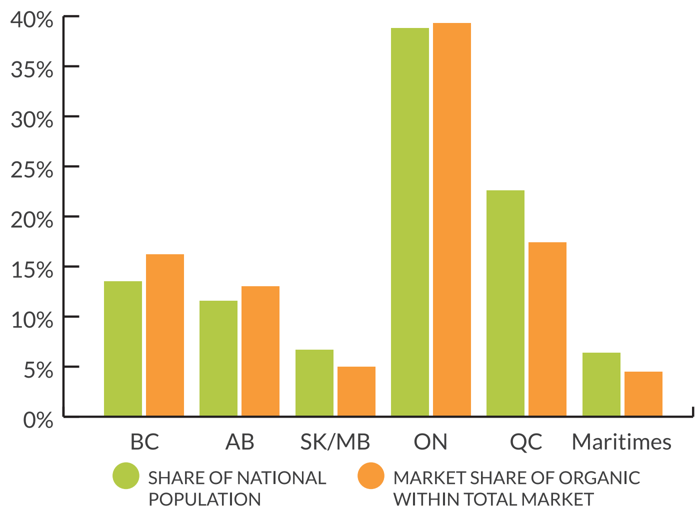
Growth continues to be the major trend in organic food sales across Canada. From 2012 to 2017, the value of organic fresh produce and meat more than doubled in mainstream retail. Pre-packaged organic products grew significantly nationally, with categories such as baby food and snack foods more than tripling in value in six years.

Mainstream retailers – grocery banners, mass merchandisers, and drug stores – continue to be where Canadians primarily purchase their groceries. With the introduction of more and more organic products on these retailer's shelves, retailer sales volumes earn this channel the title of being the single largest distribution channel for organic products. Due to extensive tracking of sales amongst mainstream retailers, this data is the most accessible across all distribution channels due to Nielsen tracking. Data from the Nielsen Company from 2006, 2012, 2017 and 2020 provides a picture of how sales have grown over the last decade. Since 2012, the Compound Annual Growth Rate (CAGR) for mainstream organic sales has remained in the double digits at 13.2%

In British Columbia, total sales of organic food and beverages through mainstream channels have compared to its population since 2017. In 2017, British Columbia's population represented 13.1% of Canada's total population, while organic sales accounted for 21.5% of national organic grocery sales. Based on 2020 sales figures, organic grocery sales in British Columbia have dropped compared to the national population ratio, reaching 16.2% of organic sales for 13.5% of the Canadian population.

Figure 18: Share of Population and Mainstream Retail Organic Sales by Region, 2020

Grocery banners, mass merchandisers and drug stores



Source: Nielsen, 2020

As growth continues, organic market share is climbing nationwide. The market share for organic sales nearly doubled between 2006 and 2012 to 1.7%. Data for 2020 show a market share of 4% for all organic groceries, an increase by 54% since 2017.

Over the last three years, pre-packaged organic products have grown significantly with over 18% annual growth in mainstream retailers in British Columbia. The growth in packaged goods was followed by a similar important growth in the fresh produce category where fresh vegetable sales grew by 14.6% annually in BC retailers, just a little bit under the 17% annual growth in this category seen nationally within the same period.

Table 2: Organic Category Growth in Mainstream Retail in British Columbia, 2017 & 2020 (million CAD)

Grocery banners, mass merchandisers and drug stores

	2017	2020	CAGR 2017-2020
PRE-PACKAGED GROCERY PRODUCTS	201.1	331.7	18.2%
FRESH FRUIT	50.4	62.4	7.4%
FRESH VEGETABLES*	68.0	102.3	14.6%
FRESH MEAT, POULTRY & SEAFOOD	9.7	11.7	6.4%
TOTAL TRACKED ORGANIC PRODUCTS	329.2	508.1	15.6%

* Includes pre-packaged salads/greens

Source: Nielsen, 2017 & 2020

Looking at the dollar value captured by organic products in mainstream retail, the market share by dollar value in British Columbia is higher than the national average in every category. The share of total organic products in British Columbia increased by 22% between 2017 and 2020.

Table 3: Organic Market Share by Category, 2017 & 2020 (Organic Market Share of Total Market)

Grocery banners, mass merchandisers and drug stores

	CANADA		BRITISH COLUMBIA	
	2017	2020	2017	2020
PRE-PACKAGED GROCERY PRODUCTS	2.2%	3.1%	3.9%	5.1%
FRESH FRUIT	5.2%	6.1%	7.7%	8.2%
FRESH VEGETABLES*	4.5%	5.9%	7.1%	7.4%
FRESH MEAT, POULTRY & SEAFOOD	0.7%	0.7%	1.2%	1.1%
TOTAL TRACKED ORGANIC PRODUCTS	2.6%	4.0%	4.1%	5.0%

* Includes pre-packaged salads/greens

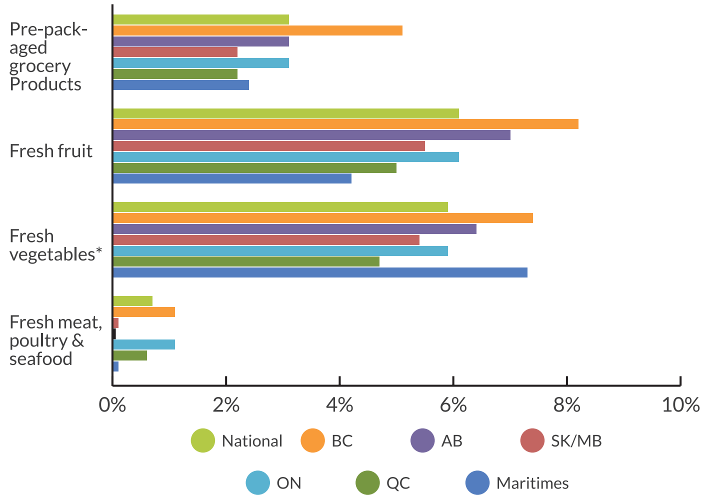
Source: Nielsen, 2017 & 2020

Regionally, BC continues to lead in organic market penetration with the highest market shares in the country. Organic products accounted for an estimated 5.1 % of total pre-packaged grocery sales in BC. This is followed by Alberta and Ontario, both provinces at 3.1% market share.

Organic fresh fruit in BC has the highest market share, coming in at 8.2 % of total fresh fruits sales, followed by Alberta at 7%. BC also has the highest market share of organic fresh vegetables (7.4% of total sales), tightly followed by the Atlantic provinces (7.3% of total sales).

Figure 19: Organic Market Share by Category, 2017 & 2020 (Organic Market Share of Total Market)

Grocery banners, mass merchandisers and drug stores



Source: Nielsen, 2020

Patterns of consumption

The patterns of consumption in British Columbia vary from the rest of the country when looking at sales by category. Just above 41% of organic food and beverage sales are in the fruit and vegetable category, which is consistent with national trends.

Table 4: Estimated Value of Organic Food and Beverage Sales (Excluding Alcohol) by Category, 2017 - 2012

Grocery banners, mass merchandisers and drug stores

	CANADA			BRITISH COLUMBIA		
	SALES 2020 (MILLION CAD)	MARKET SHARE 2020	SALES 2017 (MILLION CAD)	SALES 2020 (MILLION CAD)	MARKET SHARE 2020	SALES 2017 (MILLION CAD)
FRUITS & VEGETABLES*	1013.10	40.8%	128.95	183.5	41.6%	12%
BEVERAGES	339.00	13.6%	25.48	73.3	8.2%	42%
DAIRY & EGGS	261.60	10.5%	43.4	69.2	14.0%	17%
PACKAGED/PREPARED FOODS	336.50	13.5%	37.29	70	12.0%	23%
BREAD & GRAINS	218.40	8.8%	37.09	49.4	12.0%	10%
CONDIMENTS	111.80	4.5%	10.97	23.6	3.5%	29%
SNACK FOODS	132.40	5.3%	17.18	27	5.5%	16%
MEAT, POULTRY & SEAFOOD	71.30	2.9%	9.75	12.1	3.1%	7%
TOTAL TRACKED ORGANIC PRODUCTS	2484.10		310.11	508.1		

* Includes pre-packaged salads/greens

Source: Nielsen, 2017 & 2020

Percentage of organic dairy and eggs market sales is higher in BC than the national percentage

Sales of organic milk are driving half of the performance in the category, making organic milk one of the most consumed segments in the pre-packaged grocery products sales. While organic milk is the top seller, organic eggs and organic yogurt are also multi-million-dollar segments.

In the bread and grains category, ready-to-eat cereals are the largest segment for organic sales, followed by prepackaged breads. Baby food and soup are the top segments in the packaged and prepared foods category.

Organic beverages are the second highest category in terms of sales in British Columbia. Sales of ground and roasted coffee are the highest in the country and make more than 10% of total prepackaged grocery products sales in the province.

Condiments, snack foods and meat, poultry and seafood exhibit similar trends to elsewhere in the country with similar segments making the top five in each category. Salty snacks make 43% of all snack food sales in BC amount to 17% of total national sales in the same category, far behind Ontario that registered 51.5 % of total sales.

Table 5: Top Five Organic Performers by Sales Value in Each Product Category in British Columbia, 2020 (million CAD)

Grocery banners, mass merchandisers and drug stores

FRUIT & VEGETABLES		222.0
	FRESH VEGETABLES (EXCL. PRE-PACKAGED SALADS/GREENS)	62.40
	FRESH FRUITS	63.80
	PRE-PACKAGED SALADS & GREENS	38.50
	FRUITS - FROZEN	4.00
	VEGETABLES - DRY	3.10
BEVERAGES		73.30
	COFFEE - ROAST & GROUND	34.50
	JUICES & DRINKS - REFRIGERATED	11.10
	SOYA & RICE & ALTERNATIVE BEVERAGES	10.10
	TEA	7.10
	JUICES & DRINKS - SHELF STABLE	6.50
DAIRY & EGGS		69.20
	MILK	23.50
	EGGS	18.20
	YOGURT PRODUCTS - REFRIGERATED	16.80
	BUTTER & DAIRY SPREADS	2.00
	NATURAL CHEESE	1.60
BREAD & GRAINS		49.40
	READY-TO-EAT CEREALS	14.40
	BREAD - PREPACKAGED	11.40
	HOT CEREALS	4.00
	PASTA - DRY	3.90
	CRACKERS	3.20
PACKAGED/PREPARED FOODS		70.0
	BABY FOOD	11.90
	SOUP	11.40
	ENERGY AND NUTRITION PRODUCTS	5.20
	NUTRITIOUS PORTABLE FOODS	3.50
	DINNERS AND ENTREES - FROZEN	3.20
CONDIMENTS		23.60
	COOKING OILS	7.70
	SPICES	4.60
	VINEGAR	3.00
	MAPLE SYRUP	2.50
	ORIENTAL SAUCES	1.30
SNACK FOODS		27.0
	SALTY SNACKS	11.60
	CHOCOLATE	5.00
	INFANTS AND TODDLERS' SNACKS	4.30
	SNACKING FRUITS, NUTS & SEEDS	3.30
	MARSHMALLOW TREATS	0.70
MEAT, POULTRY & SEAFOOD		12.10
	FRESH MEAT, POULTRY & SEAFOOD	11.7
	SAUSAGES	0.14
	SEAFOOD - FROZEN	0.10
	LUNCHEON MEAT	0.07
	MEAT AND SEAFOOD SAUCES	0.03

Source: Nielsen, 2020

Category segments

The category segments with the largest year-over-year sales growth from 2017 to 2020 were seen in energy and nutrition products, followed by milk and side dishes. Important growth was seen in frozen fruits, roasted coffee, refrigerated drinks and cooking oils. British Columbia top 20 grocery items by sales value include side dishes, a category that is not part of the national ranking.

Roasted coffee remains the largest sales category segment in BC after fresh produce, followed by milk and eggs. BC registered the highest year-over-year growth in milk between 2017 to 2021 amongst all provinces (35.7%). In BC, all top grocery products have a positive growth between 2017 and 2020.

Snack food category segments also experienced growth, including salty snacks (16.7% CAGR) and infants and toddler snacks (21.5% CAGR).

Table 6: Top 20 Organic Grocery Category Segments by Value in British Columbia, 2020 (million CAD)

Grocery banners, mass merchandisers and drug stores

	2017	2020	CAGR 2017-2020
FRESH VEGETABLES (EXCL. PRE-PACKAGED SALADS/ GREENS)	44.4	62.4	12.0%
FRESH FRUITS	50.4	63.8	8.2%
PRE-PACKAGED SALADS/ GREENS	23.5	38.5	17.9%
COFFEE - ROAST & GROUND	19	34.5	22.0%
MILK	13.3	33.2	35.7%
EGGS	17.2	26.9	16.1%
YOGURT PRODUCTS-REFRIGERATED	15.2	16.8	3.4%
READY-TO-EAT CEREALS	11.1	14.4	9.1%
BABY FOOD	10.2	11.9	5.3%
FRESH MEAT, POULTRY & SEAFOOD	9.7	11.7	6.4%
SALTY SNACKS	7.3	11.6	16.7%
SOUP	8.5	11.4	10.3%
BREAD-PREPACKAGED	10.8	11.4	1.8%
JUICES & DRINKS - REFRIGERATED	5.3	11.1	27.9%
SOYA & RICE & ALTERNATIVE BEVERAGES	7.6	10.1	9.9%
COOKING OILS	4.3	7.7	21.4%
TEA	6.5	7.1	3.0%
JUICES & DRINKS - SHELF STABLE	6.3	6.5	1.0%
ENERGY AND NUTRITIOUS PRODUCTS	1.3	5.2	58.7%
SIDE DISHES	2	5.2	37.5%

Source: Nielsen, 2017 & 2020

Table 7: Top 10 Organic Pre-Packaged Grocery Category Segments by Market Share of Total Food Market in British Columbia, 2020 (Percentage of Total Sales)

Grocery banners, mass merchandisers and drug stores

GROCERY CATEGORY	ORGANIC MARKET SHARE OF TOTAL MARKET
BABY FOOD	89.0%
INFANT AND TODDLER SNACKS	54.2%
COUSCOUS	46.0%
INFANT CEREALS	40.0%
BROAD LEAF VEGETABLES-BAGGED	39.7%
TEA	22.6%
VEGETABLES-DRY	22.3%
VINEGAR	21.5%
MARSHMALLOW TREATS	20.4%
BEANS	20.1%

Source: Nielsen, 2020

The market share of organic products by category segment provides insight into how much profile organic products have in each segment. In BC, similar to most provinces, organic food destined for infants and young children have by far the highest market share. Couscous and bagged leafy vegetables have over a quarter of the market share.

Organic fruit and vegetable sales in BC grew at a strong 42.3% rate between 2017 and 2020. This growth however is significantly lower than the national average of 59.3%.

Organic fresh produce accounts for 75.5% of all organic fruit and vegetable sales and for 33% of all organic food sales in mainstream shops. Increased interest in plant-based foods has helped to drive sales in all varieties of vegetables and fruits, including dried beans and dried fruits and vegetables. A desire for convenience continues to drive sales in salad mixes and packaged pre-washed items that account for 32% of organic fruits and vegetables sales. These convenience offerings and medleys are also sought in frozen fruits and vegetables, reaching a year over year growth of 20% in BC since 2017.

Organic poultry sales accounts for 77% of total fresh meat poultry and seafood sales in the province, a number that is consistent with national poultry sales (75%). Organic beef sales in British Columbia reached 20% of total sales in the fresh meat poultry and seafood category, way above the national market share of 5%.

Table 8: Top Five Organic Fresh Fruits and Vegetables by Sales Value in Each Product Category in British Columbia, 2020

Grocery banners, mass merchandisers and drug stores

		SALES VALUE 2020 (MILLIONS CAD)	WITHIN CATEGORY MARKET SHARE (2020)
FRUITS		63.8	-
	BANANAS	13.4	21.0%
	APPLES	12.6	19.7%
	STRAWBERRIES	7.9	12.4%
	BLUEBERRIES	4.8	7.5%
	AVOCADOS	4.7	7.5%
VEGETABLES*		100.9	-
	PRE-PACKAGED SALADS/GREENS	38.5	38.2%
	MUSHROOMS	16.5	16.4%
	CARROTS	9.9	9.8%
	TOMATOES	4.6	4.6%
	POTATOES	4.2	4.2%

Source: Nielsen 2020

Table 9: Organic Fresh Meats, Poultry and Seafoods by Sales Value in British Columbia, 2020 (million CAD)

Grocery banners, mass merchandisers and drug stores

	SALES VALUE 2020	WITHIN CATEGORY MARKET SHARE
CHICKEN	9	77%
FRESH SEAFOODS	0.07	1%
BEEF	2.3	20%
PORK	0.007	0%
TURKEY	0.1	1%
FRESH MEATS	0.1	1%
VEAL	0	0%
LAMB	0	0%

Source: Nielsen 2020

Section III: British Columbia Organic Trade

In 2007, Canada began to track trade data on organic products by adding specific organic codes to the broader Harmonized Commodity Description and Coding System (HS). The HS code system is used by more than 200 countries to track volumes of trade data in selected commodities.

Currently, Canada tracks the value, volume, and country of origin of 85 organic products (68 imports and 17 exports) — tracked products include coffee, tea, fresh fruit and vegetables, and dairy products — which marks a slight increase of tracked trade data since 2017 when only 82 organic products were included in the system (65 imports and 17 exports).

According to the HS code data, Canada imported $832 million worth of organic products in 2020. Without a greater number of HS codes covering broader sections of the organic market, it is impossible to estimate the organic trade balance deficit solely on tracked imported and exported commodities.

Organic Imports

Canada imported $832 million worth of the 68 tracked organic imports in 2020. This number represents a 5% increase from 2019 and a 70% increase from 2009, despite the slight drop of imports from $652 million in 2015 to $637 million in 2016. The volume of organic imports of the tracked commodities was 244 million kilograms in 2020, marking the highest volume recorded since the introduction of organic HS codes.

British Columbia accounted for 28% of all Canadian imports by value in 2020. Total imports were valued at $232 million and weighed in at 62 million kilograms. While the share of Canadian imports entering through British Colombia by value has been increasing over time, the share of imports by volume has remained stagnant.

Table 10: Value of Certified Organic Imports in British Columbia and Canada, 2012-2017 (million CAD)

	2017	2018	2019	2020	CAGR 2017-2020
BC	209.30	222.10	213.20	232.30	4%
CANADA	685.92	742.31	789.10	832.11	7%
BC AS % OF CDN TOTAL	30.5%	29.9%	27.0%	27.9%	

Source: Calculated by the Canada Organic Trade Association using Statistics Canada and CATSNET Analytics, 2020

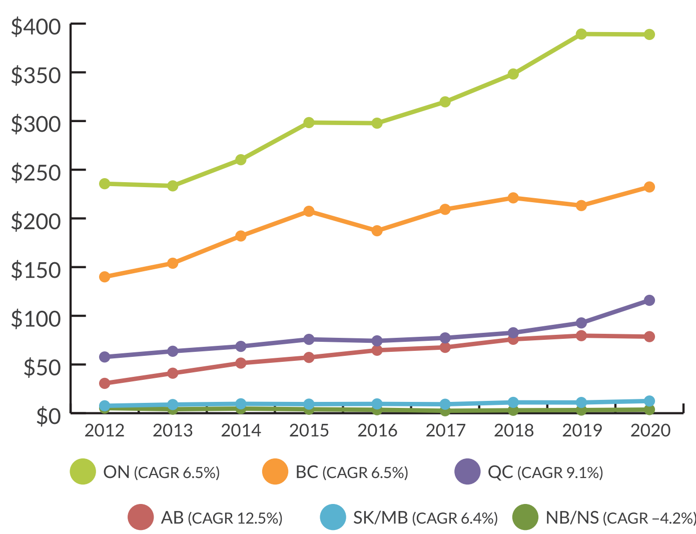
Table 11: Volume of Certified Organic Imports in British Columbia and Canada, 2017-2020 (million kg)

	2017	2018	2019	2020	CAGR 2017-2020
BC	209.30	222.10	213.20	232.30	4%
CANADA	685.92	742.31	789.10	832.11	7%
BC AS % OF CDN TOTAL	30.5%	29.9%	27.0%	27.9%	

Source: Calculated by the Canada Organic Trade Association using Statistics Canada and CATSNET Analytics, 2020

When compared to other provinces, British Columbia has the second highest import figures in the country, after Ontario. British Columbia also has the highest per capita import ranking. While these numbers reflect the considerable size of the organic market in British Columbia, they could also reflect a trend for imports to enter through British Columbia that hosts the main port in the country and where there are many distribution company headquarters. Thus, these figures represent movement into Canada at the points of entry and not necessarily in the region of consumption. Nonetheless, when looking at per-capita organic imports, British Columbia accounts for the largest share. In 2020, British Columbia experienced per-capita imports of $45.10, compared to Ontario at $26.40.

Figure 20: Value of Certified Organic Imports to Canada by Region 2017-2020 (millions CAD)



Source: Calculated by the Canada Organic Trade Association using Statistics Canada and CATSNET Analytics, 2020

Countries of Origin

In 2020, Canada imported organic products from 112 countries. The top 10 importing countries accounted for over 89% of the value of $832 million of organic imports in 2020. The United States remains the top trading nation with Canada, supplying nearly one half (47.8%) of Canadian organic imports in 2020. Mexico has maintained in 2020 its ranking as the second-largest import country followed by Peru, and Colombia, which held the third spot in 2018. In 2020, Tunisia joined the top five importers of organic products.

For British Columbia, the United States provides the most imported goods, followed by Mexico and Peru. The dominance of the United States is virtually all spinach, strawberries, and lettuce which are amongst the top imported products into the province. Sixty-one percent of all organic unroasted coffee imports into the province are from Peru. With the largest decaffeination company, Swiss Water, being located in British Columbia along with many other large organic coffee companies, the large volume of coffee imports makes sense. British Columbia imports from the United States account for 45% of all its imports, while at the national level imports from the United States account for 48% of all import volumes into Canada.

Table 12: Value of Imported Products to British Columbia by Top 5 Countries of Origin/Year (Share of Total/Millions CAD)

Source: Calculated by the Canada Organic Trade Association using

	2017	2018	2019	2020
UNITED STATES OF AMERICA	47%	48%	47%	45%
MEXICO	13%	13%	13%	13%
PERU	11%	12%	11%	11%
HONDURAS	4%	3%	3%	4%
INDONESIA	3%	2%	2%	3%

Statistics Canada and CATSNET Analytics, 2020

Organic Imports by Product

Nationally, the top 20 tracked organic imports accounted for $675 million (81.1%) of the total value of all 68 tracked organic imports in 2020. Topping the list were unroasted coffee, bananas, and olive oil, which cumulatively were valued at $266.2 million for the same year. Unroasted coffee accounted for a staggering 17% of all tracked organic imports, despite a slight decline between 2015 and 2016. Bananas and olive oil are on a steady incline, with a Cumulative Annual Growth Rate (CAGR) of 11% and 19.5%, respectively, between 2009 and 2020.

British Columbia organic imports grew by a modest 11% between 2017 and 2020, with a compound annual growth of 4% in the same period. While unroasted coffee imports have been declining significantly nationally, they grew by 15% in British Columbia in the last three years. The greatest annual growth since 2017 amongst top imported goods was recorded for cabbage (+24%).

Table 13: Top 20 Certified Organic Imported Products to British Columbia by Value, 2009-2020 (millions CAD)

	2017	2018	2019	2020	CAGR 2017-2020
COFFEE, NOT ROASTED	61.2	62.2	60.3	70.60	5%
APPLES	12.0	12.5	13.6	16.70	12%
BANANAS	16.1	16.9	16.7	16.00	0%
LETTUCE	16.7	16.3	15.3	15.00	-4%
SPINACH	12.7	12.9	12.3	12.60	0%
STRAWBERRIES	9.6	10.3	9.9	11.00	5%
OLIVE OIL	7.0	7.7	5.6	9.90	12%
GRAPES	6.0	6.8	6.5	6.90	5%
BLUEBERRIES	4.8	6.9	6.4	6.50	11%
CARROTS	5.9	6.3	6.3	6.30	2%
CAULIFLOWERS	4.8	5.9	4.9	5.70	6%
RASPBERRIES & LOGANBERRIES	4.0	4.7	4.0	5.40	11%
TOMATO SAUCES	4.3	5.0	4.3	4.4	1%
ORANGES	4.0	3.8	3.2	4.0	0%
ONIONS	4.4	4.8	4.0	3.4	-8%
LEMONS	4.3	3.2	2.8	3.5	-7%
TOMATOES	2.6	3.4	2.9	3.2	7%
CELERY	2.5	2.4	3.9	3.1	7%
CABBAGE	1.3	1.8	2.4	2.5	24%
PEARS	2.0	2.2	2.3	2.3	5%

Source: Calculated by the Canada Organic Trade Association using Statistics Canada and CATSNET Analytics, 2020

Fruits and Vegetables

Nationally, organic vegetable imports have been on a steady increase since 2009 with an annual growth rate of 5.3%. The top vegetable imports are lettuce, spinach, and olive oil.

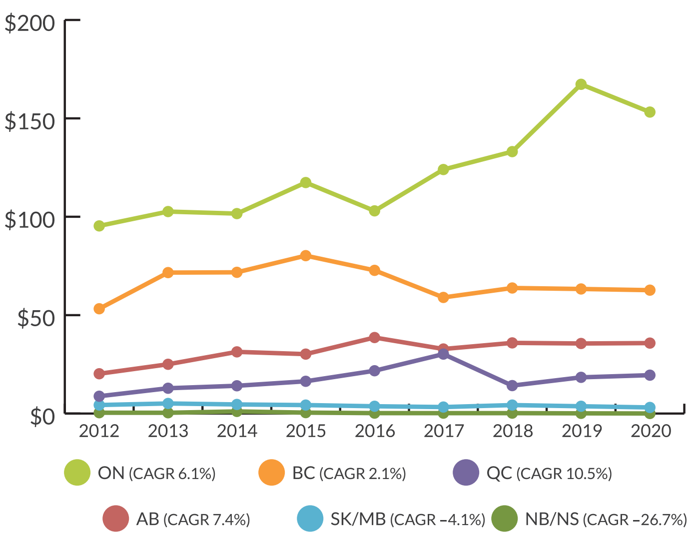
British Columbia's organic vegetable imports have slightly increased by 5.7% between 2019 and 2020, reaching $72.3 million in 2020. Nonetheless, vegetable imports to British Columbia are on a steady incline with a year-to-year growth of 3% between 2017 and 2020. Brussel sprouts and eggplants have the highest year-to year growth since 2017 with 44% and 26% respectively.

Table 14: Top 20 Certified Organic Vegetable Imports to British Columbia, 2017-2020 (million CAD)

	2017	2018	2019	2020	CAGR 2017-2020
LETTUCE	16.7	16.3	15.3	15.00	-4%
SPINACH	12.7	12.9	12.3	12.60	0%
OLIVE OIL	7.0	7.7	5.6	9.90	12%
CARROTS	5.9	6.3	6.3	6.30	2%
CAULIFLOWERS	4.8	5.9	4.9	5.70	6%
TOMATOES	2.6	3.4	2.9	3.2	7%
CELERY	2.5	2.4	3.9	3.1	7%
PEPPERS	1.7	2.6	3.2	2.8	18%
BABY CARROTS	2.1	3.1	2.9	2.9	11%
ONIONS	4.4	4.8	4.0	3.4	-8%
CUCUMBERS	1.1	0.7	1.1	1.4	8%
BROCCOLI	0.8	0.9	0.7	0.4	-21%
CABBAGE	1.3	1.8	2.4	2.5	24%
ASPARAGUS	0.5	0.7	0.5	0.7	12%
POTATOES	0.8	0.7	0.8	0.6	-9%
BRUSSEL SPROUTS	0.2	0.3	0.4	0.6	44%
BEETS	0.6	0.6	0.6	0.6	0%
EGGPLANTS	0.1	0.1	0.1	0.2	26%
RADISHES	0.2	0.2	0.2	0.2	0%
PEAS	0.2	0.2	0.3	0.2	0%
TOTAL VEGETABLE IMPORTS TO BC	66.2	71.6	68.4	72.3	3%

Source: Calculated by the Canada Organic Trade Association using Statistics Canada and CATSNET Analytics, 2020

Figure 21: Certified Organic Vegetable Imports by Region, 2012-2020 (millions CAD)



Source: Statistics Canada and CATSNET Analytics, 2020

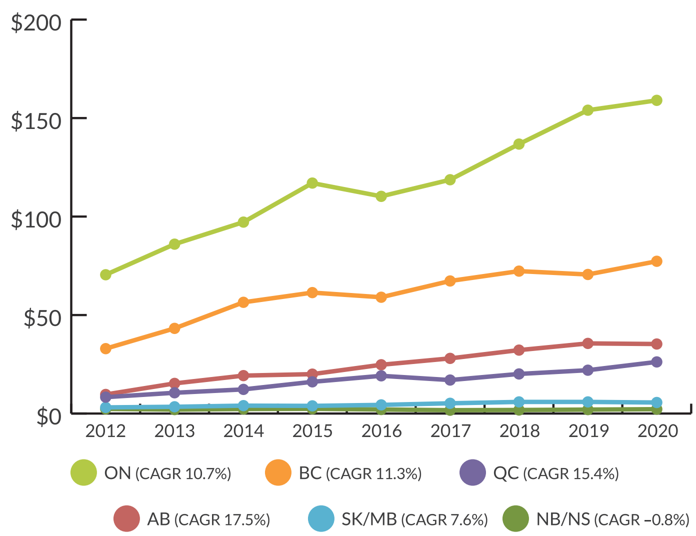
Organic fruit imports in Canada have been increasing steadily following a decline in 2016, with a year-to-year growth of 7.6% between 2009 and 2020. British Columbia's fruit imports account for 25% of the national total and have increased by 16% between 2017 and 2020. In British Columbia, apples, bananas and strawberries dominate in the fruit category accounting for 57% of all fruit imports to British Columbia.

Table 15: Certified Organic Fruit Imports to British Columbia 2009-2020 (million CAD)

	2017	2018	2019	2020	CAGR 2017-2020
APPLES	12.0	12.5	13.6	16.70	12%
BANANAS	16.1	16.9	16.7	16.00	0%
STRAWBERRIES	9.6	10.3	9.9	11.00	5%
GRAPES	6.0	6.8	6.5	6.90	5%
BLUEBERRIES	4.8	6.9	6.4	6.50	11%
RASPBERRIES & LOGANBERRIES	4.0	4.7	4.0	5.40	11%
ORANGES	4.0	3.8	3.2	4.0	0%
LEMONS	4.3	3.2	2.8	3.5	-7%
PEARS	2.0	2.2	2.3	2.3	5%
CHERRIES	1.1	1.4	1.6	1.3	6%
WATERMELONS	0.7	0.7	0.8	1.0	13%
LIMES	0.4	0.6	0.6	0.8	26%
GRAPEFRUIT	0.8	1.1	0.7	0.7	-4%
PEACHES	0.4	0.2	0.4	0.6	14%
CRANBERRIES	0.04	0.1	0.3	0.08	26%
PAPAWS	0.08	0.08	0.2	0.01	-50%
TOTAL FRUIT IMPORTS	66.3	71.5	70.0	76.8	5%

Source: Calculated by the Canada Organic Trade Association using Statistics Canada and CATSNET Analytics, 2020

Figure 22: Certified Organic Fruit Imports by Region, 2012-2020 (millions CAD)



Source: Statistics Canada and CATSNET Analytics, 2020

Coffee and Tea

In 2020, Canada imported $162 million worth of organic coffee, representing nearly 20% of all organic imports in the country. Unroasted coffee remains the largest segment of the imported organic coffee market ($146.5 million in 2020), while roasted coffee has increased again to $15.5 million in 2020 after seeing a decline from $33.5 million to $7.3 million between 2012 and 2019. Between 2009 and 2020, all organic tea imports registered a negative CAGR.

British Columbia's coffee imports account for 45% of the national total, making it the province with the highest organic coffee import numbers. Between 2017 and 2020, imports of unroasted coffee to British Columbia increased by 15%, while roasted coffee imports declined by 8.5% year-over-year. All organic tea imports declined between 2017 and 2020, with the most significant year-over-year decrease noticed in herbal teas (-14.5%).

Table 16: Certified Organic Coffee & Tea Imports to British Columbia 2017-2020 (million CAD)

	2017	2018	2019	2020	CAGR 2017-2020
COFFEE, NOT ROASTED	61.2	62.2	60.3	70.60	4.9%
GREEN TEA	3.00	2.80	2.10	2.30	-8.5%
BLACK TEA	2.80	2.50	3.00	2.00	-10.6%
COFFEE, ROASTED	3.00	3.70	2.90	2.30	-8.5%
HERBAL TEA	0.80	0.90	1.00	0.50	-14.5%
TOTAL	70.80	72.10	69.30	77.70	3.1%

Source: Calculated by the Canada Organic Trade Association using Statistics Canada and CATSNET Analytics, 2020

Dairy Products

The value and volume of tracked organic dairy imports has decreased over time. In 2009, organic dairy imports totalled $13.3 million. This dropped to $2.99 million in 2020 primarily because of a CAGR decrease of 17.6% in infant formula imports between 2009 and 2020. Imports for all three tracked organic dairy products, however, increased between 2019 and 2020.

In British Columbia, infant formula and milk beverages have decreased significantly since 2017, while yogurt imports have increased year-over-year by 32.6% between 2017 and 2020.

Table 17: Certified Organic Dairy Imports to British Columbia, 2017-2020 (CAD)

	2017	2018	2019	2020	CAGR 2017-2020
YOGURT	40,307	14,507	9,910	93,967	32.6%
INFANT FORMULA	3,328	2,618	7,411	$381	-51.4%
MILK BEVERAGES	115,685	173,916	850	0	-100.0%
TOTAL	159,320	191,041	18,171	94,348	-16.0%

Source: Calculated by the Canada Organic Trade Association using Statistics Canada and CATSNET Analytics, 2020

Organic Exports

Canada has been tracking organic imports since 2007 using the HS code system. Yet it was only in January 2017 that export codes for 17 organic products were created to track export volumes and values of a select amount of Canadian organic export categories. These export codes include field crops such as lentils and wheat, and fresh produce. Roasted coffee is the only processed or pre-packaged item currently being tracked for export trade by an HS code. This small group of HS codes cover only a fraction of organic trade, and actual exports of organic products are likely much higher than reported data.

The 17 tracked organic exports from British Colombia amounted to $25.5 million in 2020, and while British Columbia and Ontario attract most of imports into Canada, exports from British Columbia only account for 4% of total Canadian exports. Over half of tracked organic exports originated in Saskatchewan, while maple syrup, which is the second largest category of tracked exports, mainly originates from Quebec. Roasted coffee accounts for over 93% of exported organic products from British Columbia.

Table 18: Certified Organic Dairy Exports from British Columbia, 2017-2020 (CAD)

	2017	2018	2019	2020	CAGR 2017-2020
RED SPRING WHEAT	0.06	0.1	0.09	0.3	1.2%
MAPLE SYRUP	0.2	0.1	0.0	0.6	2.4%
YELLOW PEAS, DRIED	3.7	0.05	1.0	0.0	0.0%
COFFEE, ROASTED	15.1	12.7	11.7	23.8	93.3%
OAT	0.2	0.2	0.3	0.3	1.2%
WHEAT & MESLIN, OTHER	0.006	0.0	0.0	0.006	0.0%
BARLEY	0.0	0.0	0.0	0.1	0.2%
TOMATOES, GREENHOUSE	0.02	0.03	0.04	0.04	0.2%
LENTILS, OTHER	0.0	0.0	0.0	0.0	0.0%
TOMATOES, EXCLUDING GREENHOUSE	2.1	3.00	2.1	0.8	3.1%
TOTAL	24.00	16.30	15.70	25.50	

Source: Calculated by the Canada Organic Trade Association using Statistics Canada and CATSNET Analytics, 2020

There are, however, still many organic food commodities and products that are not tracked through the Government of Canada HS code system therefore a large amount of export volumes and values are not adequately captured. Additionally, the codes only track the point of entry and not the movement of products within Canada. The aggregate figures presented in this section, therefore, capture only a portion of Canadian organic imports. COTA is working closely with industry and government to expand the number of organic import and export data available in order to obtain more robust trade figures for the Canadian organic market.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