

Focus Organic Market: Canada



Organic Market Overview

Canada is a relatively small player in the the global organic market but demand for organic food and beverages is booming amongst Canadian consumers. Between 2017 and 2020, the value of organic sales increased by 33% to €4.35bn.

Fruit & vegetables account for 41% of organic sales. In addition, artisanal organic brands also perform well with 5.6% share.

Canada ranks 9th worldwide for per capita spend on organic; in 2019 spend was €93 per person.



Organic Channels

Supermarkets account for half of all organic food and beverage sales. Real Canadian Superstore is the most popular supermarket for organic products. Internet retailing however is also increasing. A number of companies have been gaining share through a local, sustainable and organic grocery offer often complemented by focused organic private label lines.



Drivers of Organic Growth

- COVID-19 has accelerated organic growth in Canada, with increased interest in where food has come from and how it is grown.
- Health and climate consciousness overlap and are a significant driver of growth; more consumers are looking to avoid pesticides and align with the values around animal welfare.
- Whilst there is growth in organic amongst all life stages and demographics, amongst young adults, organic accounts for up to 46% of their weekly shop.



Organic Production

As in the U.S., domestic organic supply is struggling to keep up with consumer demand. The market is reliant on imports, of which the most important is the U.S. Commodities such as coffee, as well as fresh fruit and vegetables are the main Canadian imports.

Canada does export however, indeed it is ranked 11th worldwide for organic exporters – the main products being cereals, oil seeds and processed products.



Regulatory Landscape

Canada requires mandatory certification for food, feed or seed products whether it is import, export or internal trade. Certification is to the revised Canadian Organic Standards overseen by the Canadian Organic Regime (COR). Local labelling requirements can also differ from UK rules (for example: additives considered in the non-organic allowance)

The UK has agreed on-going equivalency with Canada, but certain products / ingredients (e.g from aquaculture) and those not subject to final process in the UK may fall outside the agreement. Soil Association Certification may be able to offer COR certification for export of these products.



Future Prospects

- Sales of organic food are forecast to grow in Canada, set against a backdrop of a health-conscious population and stable economics.
- Support from Government and retailers is making organic more accessible as well as the number of brands, large and small, introducing organic offerings.



46%

of weekly shop
of Generation Z
adults is organic

+33%

Value of
organic sales
2017-2020

