



## California's Organic Marketplace

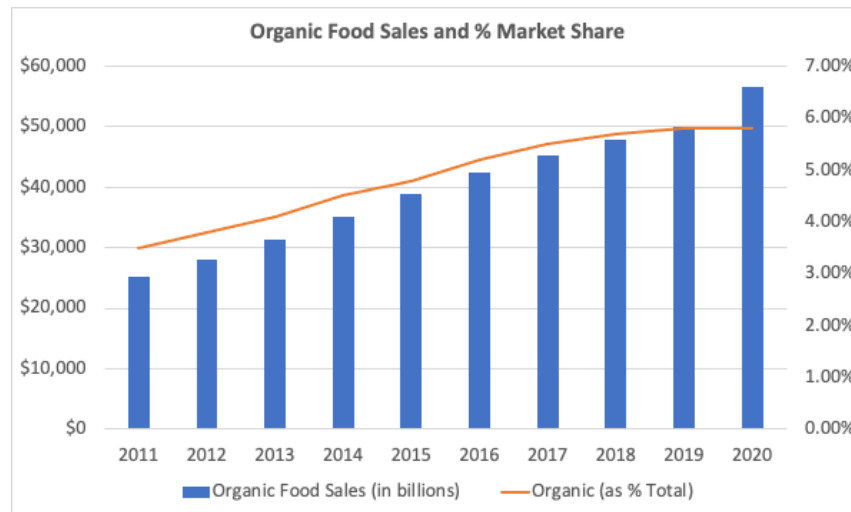


### What is Organic Agriculture?

Organic agriculture is an ecological method of growing food that is regulated by federal law and requires third-party certification for farms selling over \$5,000 in gross annual organic sales. Organic farmers and ranchers are required by the USDA National Organic Program to conserve or improve soil, water, wetlands, woodlands, and wildlife and are prohibited from using synthetic pesticides and fertilizers. Organic certification is a solution that helps underserved farmers and ranchers steward natural resources and stay in business by accessing new markets.

### Consumer Demand for Organic Food

- U.S. organic food sales rose 12.8% in 2020 to \$56.5 billion.
- Organic sales have increased and become a larger percent of total food sales every year since 2011.



- The U.S. is currently importing organic produce to meet U.S. consumer demand. For example, in 2021, the U.S. imported \$392 million worth of organic blueberries, strawberries, raspberries, and blackberries from Mexico, Peru, Ecuador, and Chile.
- According to the Organic Trade Association, 90% of California shoppers buy organic on a regular basis.

### Organic Agricultural Production in California

- There are about 4,000 certified organic farm operations in California.
- Organic production increased 44% from 1,796,080.49 acres in 2014 to 2,590,328.41 acres in 2019.
- California accounts for 40 percent of all organic production in the U.S.

- Organic agriculture comprised over 8% of California farm revenue in 2019 and equalled \$10.4 billion in sales.
- Organic agriculture provides approximately 700,000 jobs in California.

## Barriers to Expanding Organic Production

To become certified organic, farms must undergo a three year transition period where the farmer or rancher learns and invests in new agricultural practices and marketing strategies. The transition process requires taking on upfront costs and risk and can be a barrier to entry for limited-resource and socially-disadvantaged farmers. Many limited resource farmers and ranchers manage their businesses on thin margins that prevent them from assuming additional risk. Socially disadvantaged farmers and ranchers have faced historical discrimination, some of which still exists today, that limits access to resources and information to successfully run a farming business.

### What does socially disadvantaged mean?

The California Farmer Equity Act of 2017 defines socially disadvantaged farmers and ranchers as belonging to a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of a group without regard to their individual qualities. These groups include African Americans, Native Indians, Alaskan Natives, Hispanics, Asian Americans, and Native Hawaiians and Pacific Islanders.

## Solutions to Support California's Farmers and Ranchers

What do transitioning farmers and ranchers need?

- Organic research and technical assistance to help farmers and ranchers successfully adopt ecological methods of farming and ranching.
- Direct assistance to offset the economic risk of transitioning.
- Expansion of access to the organic market through market and supply chain development to meet the growing demand for organic.

## Sources

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