

# Organic Perspectives

## Special Edition: Review and Update

Volume 8, Issue 3

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### Next Newsletter in July 2005

This edition is dedicated to recent news on the international organic issues and markets. For further information, contact Angela Thomas, (202) 720-1533, [Angela.Thomas@fas.usda.gov](mailto:Angela.Thomas@fas.usda.gov).

### Estimate of U.S. Organic Trade Reported

The United States is the world's largest market for organic food products, and sales have shown strong growth for several years. In response to this large and growing market, the USDA/FAS Processed Products Division published a report, "U.S. Market Profile for Organic Food Products," on the Internet in February. The report draws from a variety of sources to describe U.S. organic production, consumption, consumer trends, policy, and for the first time, trade. Despite the lack of reliable trade statistics from U.S. Customs, analysis suggests that the United States currently has a significant organic trade deficit, importing between \$1.0 billion and \$1.5 billion while exporting between \$125 million to \$250 million in 2002. Important export markets include Canada, Japan, the European Union, Taiwan, South Korea, New Zealand and Australia. Full text of the report is available at:

<http://www.fas.usda.gov/agx/organics/USMarketProfileOrganicFoodFeb2005.pdf>

### Upcoming Vacancies on National Organic Standards Board

The U.S. Department of Agriculture is seeking nominations to fill six upcoming vacancies on the National Organic Standards Board (NOSB). Secretary of Agriculture Mike Johanns will appoint persons to serve five-year terms of office to commence January 24, 2006, and run until January 24, 2011.

The NOSB is a 15-member board responsible for developing and recommending to the Secretary a proposed National List of Approved and Prohibited Substances, as required by the Organic Foods Production Act of 1990. The National List identifies synthetic substances that may be used, and the nonsynthetic substances that cannot be used, in organic production and handling operations. The NOSB also advises the Secretary on other aspects of the National Organic program.

USDA is asking for nominations to fill the following six upcoming NOSB vacancies: organic producer (two positions), consumer/public interest (three positions), and USDA accredited certifying agent (one position). USDA will follow equal opportunity practices in all appointments to the NOSB.

Written nominations, accompanied by resumes, must be postmarked on or before July 15, 2005, and be sent to Katherine E. Benham, Advisory Board Specialist, National Organic Program, USDA-AMS-TMP-NOP, 1400 Independence Ave., SW, Room 4008-S, Mail Stop 0268, Washington, DC 20250.

For more information contact Katherine Benham at (202) 205-7806; e-mail: [Katherine.Benham@usda.gov](mailto:Katherine.Benham@usda.gov); or fax: (202) 205-7808.

Source: <http://www.ams.usda.gov/news/080-05.htm>

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## China Makes Strides in Organic Food Industry

China is poised to become an emerging power in the organic foods industry. Although home to a fifth of the world's population, China has just 11 percent of global farmland. The country is however making large strides by becoming a leading organic food exporter.

China leads Asia in certified organic farmland with roughly 300,000 hectares. Much of this is used to produce organic vegetables, beans, cereals, grains and seeds for export markets. The importance of exports has led to a large number of international agencies to provide certification services in the country. Organic crops are grown according to American, European and Japanese standards. With the Chinese government pledging more support for the organic food industry, production of organic crops is expected to rise. Greater demand is likely from the domestic market as standards of living and purchasing power of Chinese consumers rise. However, most certified organic foods will continue to be produced for the export market as long as they continue to generate hard currency for the emerging economic power.

Source: <http://www.organicmonitor.com/r1803.htm>

## Brazil Second Largest Organic Producer

On March 8 this year, Brazil's Agriculture Ministry said Brazil currently ranks as the world's second largest organic producer, with 6.5 million hectares of land for organic products cultivation, surpassed by Australia alone. In 2004, Brazil ranked 34<sup>th</sup> organic products maker in the world, the agriculture ministry said. The jump in the ranking was due to the considering of the native plants, used for sustainable plant gatherings as part of the Brazilian organic agriculture area. The main organic goods produced in Brazil are pineapples, bananas, coffee, honey, milk, meat, soybeans, heart of palm, sugar, chickens, and vegetables.

Source: <http://www.organicmonitor.com/row.htm>

## Korea: Organic Market Update

The U.S. Agricultural Trade Office (ATO), Seoul, Korea has prepared a report on the organic market in Korea. This reports states that the nascent Korean market for organic products is small, but local industry sources project a growth rate of 30 percent per year.

Domestically produced organic products consist mainly of fresh vegetables, some fruits, and rice. While imported organic ingredients are used to manufacture some processed organic products, such as tofu and baby food, most processed organic products are imported. The size of the retail market is estimated to be \$1 billion for environmentally-friendly agricultural products including fresh produce and imported/domestic processed food, of which organic products are a subset.

Full text of the report is available at:

<http://www.fas.usda.gov/gainfiles/200503/146119185.pdf>

## Highlights from Natural Products Expo West

Natural Products Expo West was held March 17-20 in Anaheim, California. The organics community had opportunities to participate in seminars and anniversary celebrations, wine tastings and show floor booths. The positive statistics at the packed tradeshow broke historical records with more than 2,590 exhibits and 38,000 attendees from 83 countries. Organic Farming Research Foundation was preparing to celebrate turning 15 years old in April. The Organic Trade Association celebrated their 20th anniversary and announced that their 2005 fund-raising campaign netted more than \$510,000 for organics marketing and public policy work. Part of the money will go toward launching OTA Canada. The U.S. Department of Commerce, the Foreign Agriculture Service and the Department of Agriculture staffed the International Business Center, offering advice to companies interested in importing and exporting natural and organic foods and products. Industry consultants were also available to answer questions about regulatory issues.

Source: <http://www.expowest.com>



## USDA News

### FAS Organic Products Web Site

The FAS Organic Products Web site at <http://www.fas.usda.gov/agx/organics/organics.html> offer constant updates in the "Hot Markets" section. Visit the page frequently for the latest news!

The most recent FAS international reports on organics markets and issues includes:

- [Bosnia-Herzegovina: Organic Products, Agricultural Situation and Market Update](#)
- [EU-25: Organic Products, Is the CAP reform a boost for organic production?](#)
- [Korea, Republic of: Organic Products, Zero Tolerance for GM Content in Organic Products](#)
- [Austria: Agricultural Situation, What's new in central Europe 2005](#)
- [Korea, Republic of: Organic Products, Organic Market Update](#)
- [Spain: New Labeling](#)
- [Portugal: Organic Products, New Labeling](#)

FAS will continue to gather useful and informative data on these markets and will keep you informed as it becomes available.



## Upcoming Events

For a complete list of events, visit the FAS Organic Products Web site '[Calendar of Events for the Organic Industry](#)'.

### International

- **May 7-10, 2005** – International Organics and Agroecological Products Fair. Sao Paulo, Brazil. For more information visit <http://www.francal.com.br>.
- **May 18-20, 2005** – SIAL China. Shanghai, China. For more information visit <http://www.sialchina.com/>.
- **June 28-30, 2005** – Natural Products-Organic Asia 2005. Singapore. For more information visit <http://www.npoasia.com/>.

### Domestic

- No shows reported

## Additional Resources:

- ❑ FAS, **AgExport Services Division's Organic Page** <http://www.fas.usda.gov/agx/organics/organics.html>
- ❑ **National Organic Program** Web site - <http://www.ams.usda.gov/nop>

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