

## Organic Agriculture: Getting Started

*This factsheet will help producers and processors understand the key elements needed to manage a business. The factsheet also discusses some of the essential components used to develop a business plan and assess the profitability of a business venture.*

### What is “organic”?

The term “organic” refers to a method of agricultural production that respects the natural environment. Organic focuses on enhancing the health and vitality of the soil, preserving biodiversity, promoting animal welfare and preserving the ecological integrity of our environment. No synthetic fertilizers, synthetic pesticides or genetically modified organisms are permitted in organics.

Organic food products and livestock feed are inter-provincially and internationally regulated in Canada and must meet all requirements as set out in the Canadian Organic Standards.

#### Organic certification

Organic certification is the consumer’s guarantee that all food products and livestock feeds that use the term organic actually are as advertised.

To be certified as organic, all producers and processors must do four things:

- meet all requirements as set out in the Canadian Organic Standards
- apply to a Certification Body accredited by Canadian Food Inspection Agency (CFIA)
- be able to show complete traceability of their products
- be inspected by an independent third party



Once a business in Canada has product that is certified as compliant, it can use the term “organic” and use the Canadian Organic Logo on products or in communications. Products imported into Canada must also meet the Canadian Organic Standards to carry the organic designation within Canada.

#### Organic Products Regulations

The Organic Products Regulations are legislation passed by the Government of Canada that states for a food product to be deemed organic, it must meet the requirements as set out in the Canadian Organic Standards and the Permitted Substances Lists.

#### Canadian Organic Standard

The Canadian Organic Standard contains a set of criteria for all methods and practices for producing and handling crops, livestock and processed products.

#### Canada Organic Regime

The Canada Organic Regime is a partnership between the federal government, as represented by the Canadian Food Inspection Agency (CFIA) and the organic industry. This body oversees organics in Canada. The regime helps protect consumers from misleading labelling, reduces confusion about the definition of organic and facilitates development of organic markets.

### Certifying bodies

Only certifying bodies accredited under the regulations by the Canadian Food Inspection Agency may certify farms and processing facilities as organic for inter-provincial or

international trade (see the link <http://www.inspection.gc.ca/food/organic-products/certification-and-verification/certification-bodies/canada/eng/1327861534754/1327861629954>).

Certifying bodies certify organic farmers as organic according to a single set of national standards: the Canadian Organic Standards. These certifying bodies may also certify farmers and processors to the standards of other countries when their production is for export. A list of certifying bodies is also available on the Organic Alberta website.

### **Steps for individuals to obtain organic certification**

1. Contact a certification body and obtain copies of forms and fee schedule.
  - Certifying bodies accredited by CFIA will ensure you are meeting the Canadian Organic Standard.
  - Determine if your personal philosophy is compatible with the organic philosophy.
  - Assess whether your operation can become compliant with the Canadian Organic Standard.
2. Complete and submit all the necessary applications and paperwork to the certifying body.
  - Develop and implement a record-keeping system (a farm audit trail) in conjunction with your certifying body. This trail should include a farm map, field history records, input records, harvest records, storage records and sales records. The purpose of the audit trail is to have the ability to track the product and verify the crop has not been contaminated.
  - When dealing with multiple products, it must be demonstrated how the mixing of certified organic and conventional goods will be avoided.
  - Participate in training sessions hosted by your certifying body or other organizations to improve your understanding of organics and organic practices.
3. The certifying body will arrange a site inspection and evaluation.

The certification process generally includes a review of submitted documentation, on-site inspection and an assessment by the certifier to evaluate compliance with the established standards and determine if organic status is warranted.

### **Obtaining raw product to get started**

It is important for a producer to contact their certifying body for final approval of all inputs and raw products if their end product is to be considered organic.

### **Organic processors**

Processors must adhere to the Canadian Organic Standard and be certified by a certifying body for their products to be labeled organic. These standards cover the transportation and storage of raw material through to processing, packaging and labeling for processor certification. Some of these regulations include the following:

- Organic products cannot be mixed with non-organic products during storage and transportation.
- Only food additives and processing aids listed on the Permitted Substances Lists can be combined with the product during processing.
- Only pest control agents listed on the Permitted Substances Lists can be used on or near the product.
- A processed product can only be labeled as organic if at least 95 per cent of the ingredients, excluding added water or salt, are obtained from organic sources of production.

## **Is organics an option for me?**

Now that you know the steps to become certified organic, you need to decide if organic production or processing is a viable option for you.

Before you proceed to make any changes to your operation or proceed to develop a new product, do your homework and develop a solid plan. The following are some steps to help you build your plan:

- Market research – is there a need for your product? What are customers looking for? You can gather a lot of information by talking to other organic producers and processors, visiting farmers' markets and talking to retail owners to see what they need in the way of organic products.
- Profit – can you make money with your new venture? You need to know your cost of production and what the customer is willing to pay for your product.
- Marketing plan – knowing who your primary customer is will help in determining the best market channel for your product. Will you direct market your product from your farm or at the farmers' market, or sell to a chef or a retail store?
- Financial plan – how will you finance the changes to your operation?

- Time and skills – starting a new venture takes many hours and a lot of hard work. Be sure you have enough time and the right skills.
- Resources – evaluate the resources you have such as good soil or proximity to a large centre. These resources may help you decide if organics is a good venture for you.

## Tips to start in organics

- Determine the market potential and marketing strategies you will use to sell your organic products. Market research is an essential step before growing or producing any commodity.
- Talk to other organic farmers about their production systems. Learn from other people's successes and challenges.
- Become familiar with the organic standards, and choose a certifying body most appropriate for you.
- Start small and plan to increase the size of your operation over a three- to five- year period.
- Be prepared to learn as you go. Organic associations, certifying bodies and provincial and federal governments offer production and marketing assistance.
- Do your homework. There are several organic and alternative agriculture magazines, journals, newsletters and internet sites.

## Resources

### Websites

- Organic Alberta - [www.organicalberta.org/](http://www.organicalberta.org/)
- Organic Agriculture Centre of Canada - [www.organiccentre.ca/](http://www.organiccentre.ca/)
- Canadian Organic Growers (COG) - [www.cog.ca/](http://www.cog.ca/)
- Canadian Organic Trade Association - [ota.com/otacanada.html](http://ota.com/otacanada.html)
- Canadian Food Inspection Agency - Organic Products (<http://www.inspection.gc.ca/food/organic-products/eng/1300139461200/1300140373901>)
- Alberta Agriculture and Rural Development - [www.agriculture.alberta.ca](http://www.agriculture.alberta.ca)

## General business start-up publications

The following resources can be obtained from Alberta Agriculture and Rural Development's Publications Office by calling 1-800-292-5697 or by e-mailing publications.office@gov.ab.ca.

These publications are also available on line:

- Agdex 811-3 *Ag-Alternatives: Financial Feasibility - Can You Afford to Do It?* - [www1.agric.gov.ab.ca/\\$department/deptdocs.nsf/all/agdex3486](http://www1.agric.gov.ab.ca/$department/deptdocs.nsf/all/agdex3486)
- Agdex 811-4 *Ag-Alternatives: Production Requirements - Do You Have the Resources?* - [www1.agric.gov.ab.ca/\\$department/deptdocs.nsf/all/agdex1359](http://www1.agric.gov.ab.ca/$department/deptdocs.nsf/all/agdex1359)
- Agdex 811-5 *Ag-Alternatives: Decision Making - Will You Start a New Enterprise?* - [www1.agric.gov.ab.ca/\\$department/deptdocs.nsf/all/agdex3481](http://www1.agric.gov.ab.ca/$department/deptdocs.nsf/all/agdex3481)
- Agdex 811-6 *Ag-Alternatives: Profitability - Will it Make Money?* - [www1.agric.gov.ab.ca/\\$department/deptdocs.nsf/all/agdex1140](http://www1.agric.gov.ab.ca/$department/deptdocs.nsf/all/agdex1140)
- Agdex 848-5 *Ag-Alternatives: Marketing - Will it Sell?* - [www1.agric.gov.ab.ca/\\$department/deptdocs.nsf/all/agdex1132](http://www1.agric.gov.ab.ca/$department/deptdocs.nsf/all/agdex1132)

## For more information

Contact Alberta Agriculture and Rural Development's Ag-Info Centre toll-free at 310-FARM (3276)

Website: [www.agriculture.alberta.ca](http://www.agriculture.alberta.ca)