Organic Outlook

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Primer: Organic Agriculture

• What is organic agriculture?
  – Strict organic standards overseen by authorized certifying agent
  – Produced without excluded or prohibited methods
  – Soil fertility managed through tillage and required cultivation practices
  – Physical, mechanical, and biological practices for pest control

• Who is the organic consumer?
  – Diverse population of all incomes, ages, races, and ethnicities
  – Consumers purchase organic to avoid pesticide residue, and beliefs about environment and health benefits

• Why organic agriculture?
  – High-value market opportunity and climate smart
  – Recent regulation aligns practices with consumer expectations
Organic retail sales stable

Consumer sales, billion dollars (inflation adjusted to 2023 dollars)

For more information see the USDA-ERS Organic Topic Page
Fruit and vegetable lead organic sales

Consumer sales, billion dollars (inflation adjusted to 2023 dollars)

Traditional food stores continue to gain share of organic retail market

Number of operations fell between 2017 and 2022

California has the highest number of organic operations.

California has the highest number of transitioning operations

Organic products are imported to meet domestic demand

Selected import codes added in 2023
- Organic dates, fresh or dried
- Lentils, red
- Basmati rice, husked (brown)
- Flaxseed (linseed), whether or not broken
- Maple syrup
- Wheat gluten
- Tart cherry juice concentrate

Value of organic tracked exports declined in 2023

Federal funding of organic research grants has grown

Grant payments (million of dollars)

Source: USDA, Economic Research Service using data from USDA, National Institute of Food and Agriculture.
For more information see ERS Amber Waves “Rising Consumer Demand Reshapes Landscape for U.S. Organic Farmers.”
Organic acreage covered by Federal crop insurance expanded for many specialty crops

For more information see ERS Amber Waves “With Expanded Options, Organic Producers of Specialty Crops Increase Use of Federal Risk Management Products.”
New Federal programs to assist organic growers

1. **Farm Service Agency**
   - Organic and Transitional Education and Certification Program (OTECP), FY2021, $20 million
   - Organic Dairy Marketing Assistance Program (ODMAP), $104 million

2. **Risk Management Agency**
   - Transitional and Organic Grower Assistance Program (TOGA), FY2022, $25 million

3. **Agricultural Marketing Service**
   - Organic Market Development Grant Program, FY2023, $75 million
   - Transition to Organic Partnership Program (TOPP), FY2022, $100 million

4. **Natural Resources Conservation Service**
   - Organic Transition Initiative Environmental Quality Incentives Program (OTI-EQIP), FY2023, $70 million
   - NRCS Training, FY2023, $5 million
Visit the ERS Organic Topic Page

USDA-ERS Organic Topic Page
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