Factors Associated with Deregistration among Organic Farmers in California

To certify organic produce in California, a California producer must register with both state and federal agencies. Although not designed for this purpose, California's unique state-level registration process provides a database of organic producers operating within the state, allowing for analysis of trends in the organic sector. Registration data indicates an approximate 20 percent turnover rate among registered organic producers each year. The study answered questions on why organic producers deregister and what would keep them farming organically in the first place. Researchers surveyed 104 deregistered farmers via mail surveys and interviewed 21 producers in in-depth telephone conversations.

Key Findings:

- Of deregistered farmers, 35 percent had stopped farming completely and 63 percent were still farming. Of those still farming, 60 percent switched to conventional farming while 40 percent were still farming organically.
- The reasons offered for discontinuing organic registration or production were organic regulatory issues (45%); issues unrelated to organic production (26%); production issues (16%); market issues (16%); management issues (8%); and price issues (8%).
- Of the respondents who switched from organic to conventional farming, almost all (87%) cited reasons related to organic farming for discontinuing organic registration, with regulatory issues being the single most important factor (63%). Regulatory problems were an issue for 74 percent of current organic growers, compared to 55 percent of those who had reverted to conventional production.
- The findings indicate that paperwork and record keeping was rated as the biggest regulatory issue among deregistered producers. Fully 50 percent of all respondents cited paperwork and record keeping as severe concerns, followed by certification costs (44%).
- The percentage of respondents citing management challenges as serious concerns was higher than market access, price, and even production problems. Time requirements associated with organic farming ranked as a "serious concern" by 36 percent of respondents.

- Twice as many (35%) farmers with less than 10 years total farming experience listed 'production' as their main challenge, compared with only 16% of farmers with more than 15 years experience.
- Growers who had adopted organic farming practices primarily for economic reasons, rather than a philosophical commitment to organic, were more likely to revert to conventional production with changing economic circumstances.

Study Recommendations:

- Programs and policies to help organic farmers continue farming organically should include
 efforts to assist with the paperwork associated with organic farming to help farmers pay for
 certification costs. The California Organic Program (COP) should consider a state-run cost share
 program to assist farmers in paying COP registration fees. The COP should also consider
 restructuring its fee schedule to assist low-income farmers.
- Technical assistance to farmers considering adopting organic methods should include explanations of paperwork and record-keeping, certification costs, the higher cost of organic inputs, and greater time requirements associated with organic production.
- Technical and financial assistance for organic farmers should target growers grossing less than \$100,000 per year and farming less than 50 acres.

More Information:

Visit the California Institute of Rural Studies Web site at <u>www.cirsinc.org</u> to read the full report.

Contact Information:

Luis Sierra Cooperative Development Specialist California Institute for Rural Studies 221 G Street, Suite 204 Davis, CA 95616

Telephone: 530.756.6555 FAX: 530.756.7429

Email: <u>lsierra@cccd.coop</u>

Citation:

Sierra, Luis; Karen Klonsky; Ron Strochlic; Sonja Brody; and Richard Molinar. (2008) Factors Associated with Deregistration among Organic Farmers in California. Davis, CA: Sustainable Agriculture Research and Education Program



