Australian Organic Market Report 2026

Executive Snapshot

Australian Organic Sector At a Glance

Total Direct Market Value FY2024/25

Domestic		Exports		Annual Sales
AU$658m	+	AU$364m	=	AU$1.02b

Domestic Retail Sales

2023/24	2024/25	
AU$588m	AU$658m	↑ +11.9% from FY2023/24

Certified Organic Exports

VALUE	VOLUME	
AU$364m	42,833t	↓ -12.9% from FY2023/24

Top 3 Export Commodities by Value

Meat
AU$302m

Non-Prescribed Goods (NPG)
AU$39m

Wine
AU$12.5m

Top 3 Export Commodities by Volume

Meat
27,464 t (64.1%)

Non-Prescribed Goods (NPG)
9,680 t (22.6%)

Grain & seed
2,134 t (5.0%)

Top 5 Export Markets by Volume, FY2024/25





Where	USA	New Zealand	China	Singapore	South Korea
Tonnage	29,066	3,337	2,421	1,318	952
% of AU organic exports	67.9%	7.8%	5.7%	3.1%	2.2%

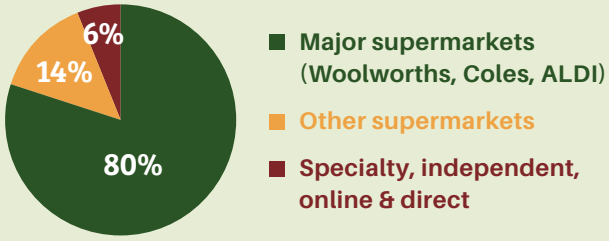
Top 3 Categories – Domestic Retail Sales

Longlife milk (incl. plant-based) **AU$46.4m**

Fresh vegetables AU$46.3m

Yoghurts (incl. plant-based) **AU$44m**

Where Shoppers Buy Organic



Why Consumers Buy Organic

1. Synthetic chemical-free
2. Environmentally friendly
3. Additive-free

Who Buys Organic

1. Female – 66%
2. Age 30-39 – 26%
3. Income AU$50-99k – 30%

Certified Organic Land

44,398,139 ha **49% of the global organic total** **~12% of national agricultural land**

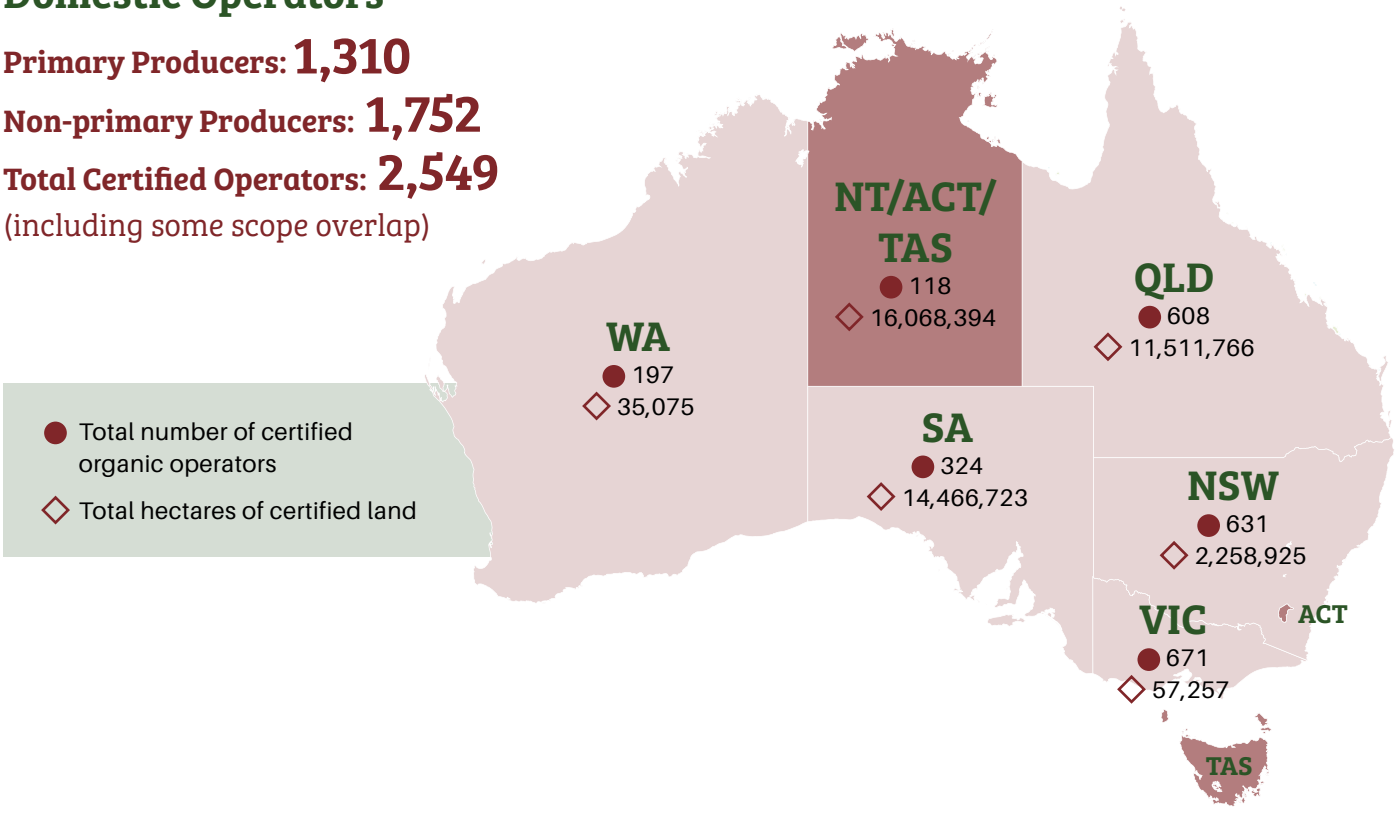
Domestic Operators

Primary Producers: 1,310

Non-primary Producers: 1,752

Total Certified Operators: 2,549

(including some scope overlap)



Resilience in the Face of Cost Pressures

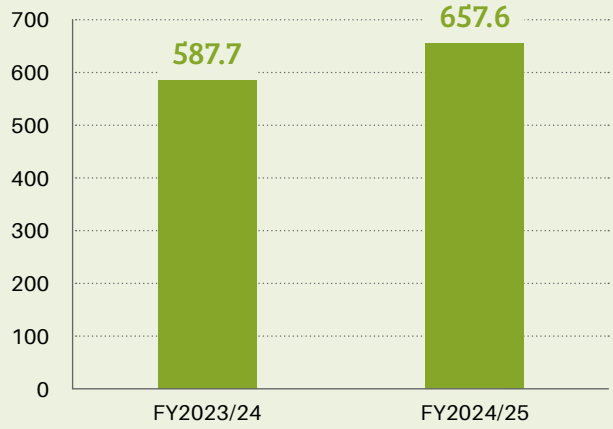
Australia's certified organic sector demonstrated its resilience in FY2024/25, a year in which cost-of-living pressure tested consumer spending across the economy as a whole.

The direct value of the sector, including domestic retail sales and certified organic exports, is estimated at more than AU$1 billion. Domestic retail sales rose 11.9% to AU$657.6 million, driven primarily by price, with the average retail price per kilogram of organic products increasing by 9.2%, approximately three times the overall inflation rate for food and non-alcoholic beverages.

Certified organic exports, by contrast, declined by 12.9%, to an (upper range) estimated value of AU$364 million.

These figures are derived according to a revised methodology based on official data sourced from the Department of Agriculture, Fisheries and Forestry (DAFF). As of June 2026, DAFF records show Australia as holding 44.4 million hectares of certified organic land and 2,549 certified organic operators. While these figures represent a substantial downward revision, they provide a reliable data-derived baseline against which the sector's future growth can be measured.

Total Certified Organic Retail Value (AU$m)



Source: NielsenIQ Homescan, MAT to 29 June 2025

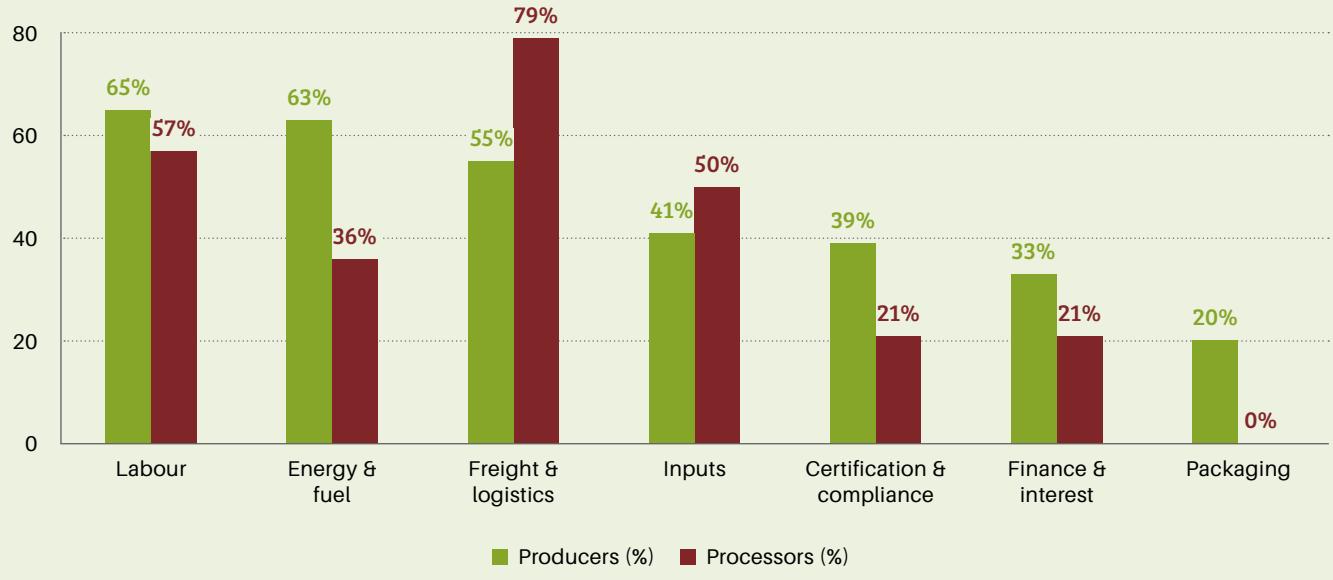
It should also be noted that the AU$657.6 million value of the domestic organic market can be considered conservative, as it captures only take-home grocery purchasing. The value of organic consumption in sectors such as food service and hospitality is excluded, as is out-of-home consumption.

Producers and Processors: Margins Under Pressure, but Still Investing

The certified organic operator base in Australia is well established, but increasingly finds itself coming under costs pressure. Organic producers identified labour, energy and fuel, and freight and logistics as their primary cost pressures.

Processors cited freight and logistics as their leading cost pressure, a shift from 2022, when labour was the dominant concern for both producers and processors.

Main Cost Pressures (%)



Source: Australian Organic Limited, Certified Organic Producer and Processor Surveys 2026; producers n=49 and processors n=14, indicative.

Farm gate organic premiums have not kept pace with cost increases in these and other inputs, leaving the margins of many operators under growing pressure.

A shortage of certified organic processing capacity, in particular abattoir capacity, is a further constraint for organic producers. Such processing capacity shortages can force producers to sell organically grown livestock into conventional channels at conventional prices, thereby sacrificing organic premiums.

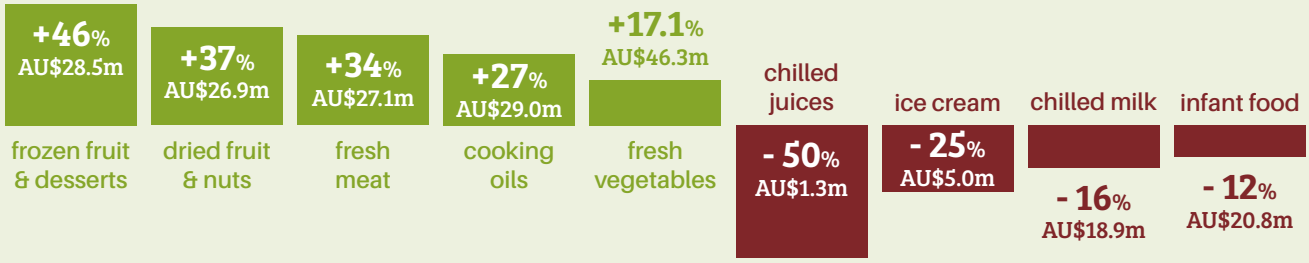
Despite these headwinds, sentiment across the operator base remains cautiously positive. More businesses are planning to expand their organic operations and investment than to contract them. Significant numbers are also expressing an intention to either start exporting their products, or increase their levels of export activity – 30% for organic producers and 32% for processors.

The Domestic Shopper: Resilient Demand, Persistent Barriers

Household organic demand proved resilient in the face of increasing prices. The number of households buying certified organic products grew by 1.8% to 8.3 million, only marginally below the national rate of household formation. This meant that household organic purchasing declined only slightly, from 77.2% to 76.8%. Average annual spend per buying household rose 9.9%, from AU$72.06 to AU$79.22, primarily reflecting increased engagement on the part of committed organic buyers, rather than any significant broadening of the buyer base.

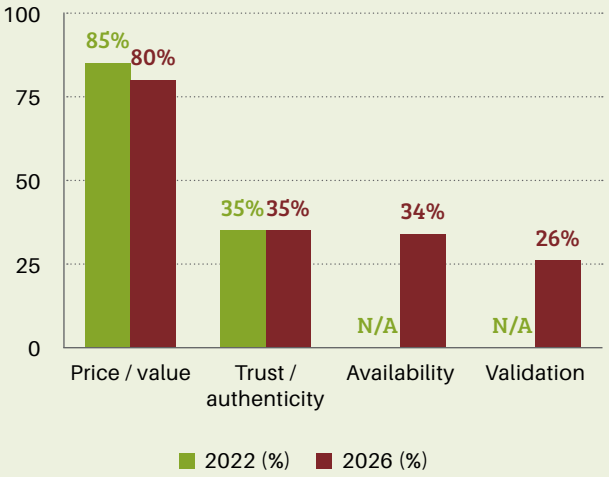
In FY2024/25, the three largest product categories purchased by value were longlife milk (AU$46.4 million), fresh vegetables (AU$46.3 million) and yoghurts (AU$44.0 million).[1] The segment that showed the highest growth was frozen fruit and desserts (up AU$9.0 million or 46% to AU$28.5 million).

Category Movers



Source: NielsenIQ Homescan, MAT to 29 June 2025.

Barriers to Greater Organic Purchasing, 2022 vs 2026 (%)



Source: Mobium Group, Organic Consumer Research, March 2026.

Fresh produce was identified as the first product category into which new organic consumers enter, and also the final category from which financially constrained consumers withdraw.

Organic buyers were identified as primarily female, between the ages of 30 and 39, and having an annual household income of AU$50-100,000. In terms of the shopping habits of organic buyers, the major supermarkets accounted for 80% of total organic purchases, followed by other supermarkets at 14%, with the remaining 6% of buying taking place through an aggregated channel consisting of speciality, independent, and online or direct-to-consumer channels.

Health considerations were a key motivator for organic shoppers, grounded in concern about agrichemical use – 68% of surveyed shoppers cited the (synthetic) chemical-free nature of organic products as a motivation for their purchase.

Price remains the dominant constraint on future growth. More than nine out of ten organic non-buyers cited price as a barrier to purchase, with trust in organic products the second-most cited barrier. This issue of trust remains a persistent one, with one in three organic buyers reporting having bought a product they believed to be organic, only to

1 The longlife milk category includes plant-based milks such as soy, coconut, oat and almond, in which certified organic products hold a high share. The yoghurt category similarly includes coconut and soy yoghurts.

later discover it was not. More than eight out of ten shoppers say a single, recognisable organic mark would make certified products easier to identify, while 74% say it would increase their confidence that a product is genuinely organic, and 69% say government backing would make that mark more credible.

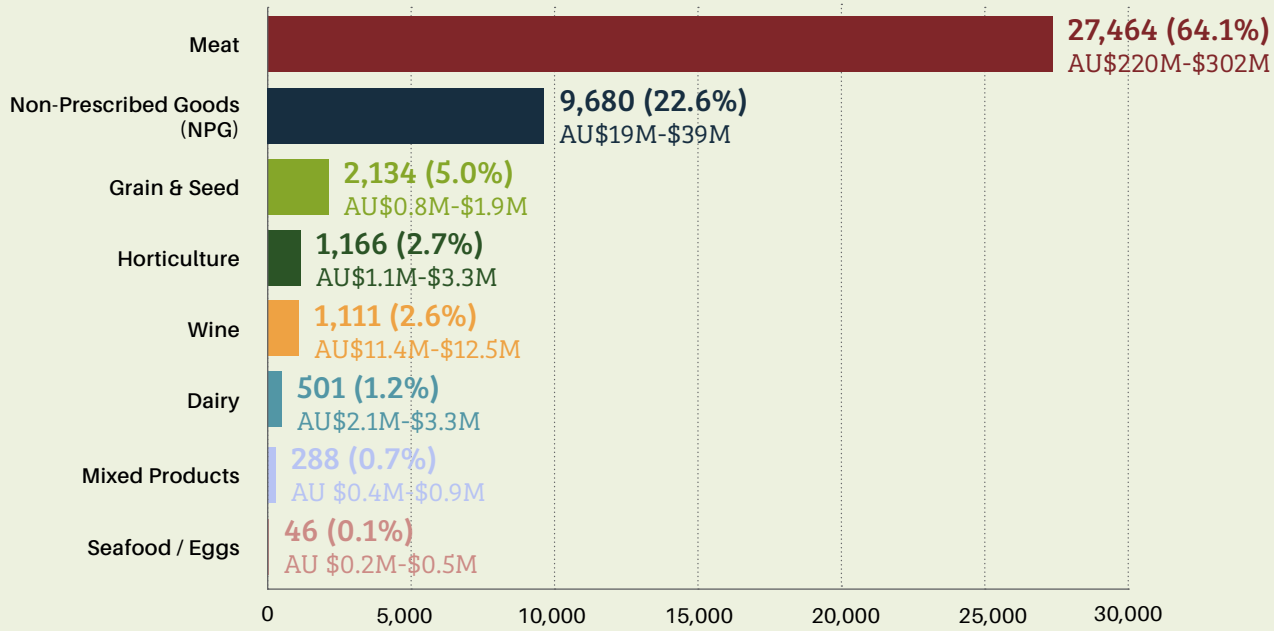
This is particularly relevant in light of the growth in the non-certified organic segment of the domestic retail market. In FY2024/25, this segment grew by 15.4% to AU$102.6 million, faster than the 11.9% growth rate in the certified organic retail market. This means that more than one dollar in every eight spent on organic-labelled goods went to a non-certified organic product.

The Export Opportunity Remains Under-Realised

The global organic market was estimated at US$260-280 billion in 2025, and over the next decade is forecast to grow at a CAGR of 11-13%, to a value of more than US$800 billion in 2035. This growth is driven primarily by rising health consciousness, premiumisation trends, and the rapid expansion of a middle class in Asia with both the purchasing power and the inclination to source certified organic products.

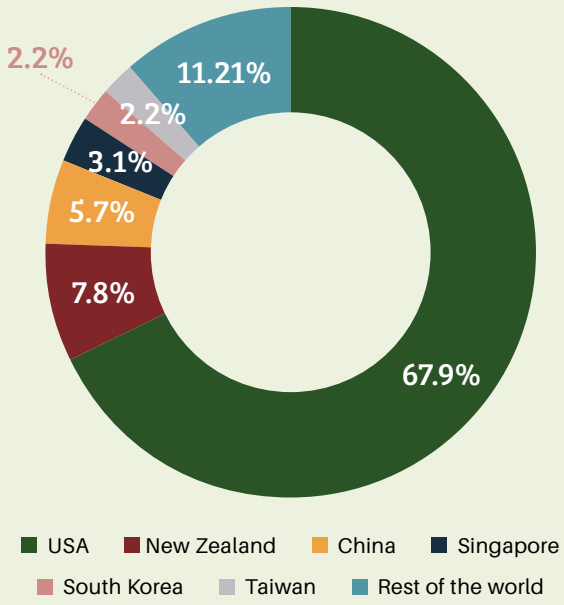
Despite Australia's large organic land base and proximity to the fastest growing organic market in the Asia-Pacific region, only 13% of producers and 14% of processors exported in FY2024/25. Export volumes contracted 12.9% year on year. Close to two-thirds of export volume came from a single commodity, meat and meat products, sold to a single market, the United States.

Certified Organic Exports by Commodity Group, FY2024/25 (tonnes)



Source: Department of Agriculture, Fisheries and Forestry. FY2024/25.

Top 6 Export Destinations, FY2024/25



Source: Department of Agriculture, Fisheries and Forestry. FY2024/25.

The principal barrier cited by exporters to growing their levels of activity is the cost and administrative burden of obtaining separate, destination-market certification for nearly every export market. This requirement exists because Australia lacks the government-to-government equivalency arrangements that allow its organic certification to be recognised by the destination country. Only 3.4% of Australia's certified organic exports currently take place under such an arrangement. In the majority of instances, the Australian government's trade negotiators are unable to even begin equivalency negotiations, because Australia has no domestic organic standard to negotiate from.

While Australia does maintain a mandatory organic standard for exports, in the form of the National Standard for Organic and Bio-Dynamic Produce, the lack of a comparable standard in the domestic market is a key barrier to negotiating equivalency arrangements in key export markets. As an example, in the United States, the National Organic Program (NOP) explicitly requires domestic regulation as a prerequisite for equivalency.

Trade-access status	Tonnes	Share	What and where it went
Under equivalency / MRA	1,447	3.4%	Taiwan 915t (grain and seed, dairy, NPG) Japan 480t (horticulture, NPG, meat, grain and seed, wine) Netherlands 52t (NPG, horticulture)
Certifier conformity	30,018	70.1%	US 28,957t (beef 26,483t, NPG 2,474t) Korea 952t (horticulture, grain and seeds, meat)
No arrangement*	9,833	23.0%	New Zealand 3,318t (NPG, grain and seed) China 2,421t (NPG, dairy, wine) Singapore 1,313t (NPG, horticulture, grain and seed, dairy, meat) Malaysia 710 t (Grain and seed, NPG, horticulture, wine, dairy)
Arrangement exists, commodity excluded	1,046	2.4%	UK 366t, Sweden 213t, France 160t, Finland 56t – all wine, not included in equivalency arrangements
Total (disclosed)	42,344	98.9%	Balance is undisclosed, below 20t threshold

Source: Department of Agriculture, Fisheries and Forestry. FY2024/25.
*Some key markets, such as New Zealand, Singapore, and Malaysia, do not require formal equivalency agreements or arrangements.

Constraints & Opportunities

CONSTRAINTS

- Processing access – shortage of certified organic processing capacity, abattoirs above all; certified livestock sold at conventional prices.
- Premium fragility – premiums under pressure from the additional costs of organic production (indicative; dedicated AOL project to follow).
- The equivalency gap – 96.6% of exports take place without a government-to-government equivalency arrangement covering their commodity; duplicated certification for nearly every market.
- Trust and the multi-mark problem – one in three organic buyers report unknowingly buying non-organic products; only 13% understand what organic marks mean; AU$1 in every AU$8 is spent on organic-labelled goods now goes to non-certified products.
- Ingredient supply – processors are dependent on imported certified organic ingredients (indicative).

OPPORTUNITIES

- Expansion intent – ~40% of operators plan to grow; export intention is significant.
- Buyer commitment is increasing – a net +30% of buyers are increasing rather than decreasing their organic spend; multi-channel loyalty with buyers accessing an average of 5.8 outlets.
- A price-constrained lapsed buyer cohort – price or value is the dominant barrier amongst non-buyers open to organics (92%), rather than disinterest.
- The Asia-Pacific opportunity – organic demand in the Asia-Pacific region is forecast to more than triple to US$94.7 billion by 2035.
- A generational tailwind – Gen Z and Gen Y are over-represented among organic buyers, a positive sign as their spending power grows.

The Case for a National Standard

As the only OECD economy without a domestic organic standard, Australia lags behind many of its key trading partners, and its major competitors in these markets, most notably New Zealand, in the global organic sector.

The absence of such a standard holds significant implications across all aspects of the organic sector. In the domestic organic market, consumers are currently unable to reliably distinguish genuinely certified organic products from uncertified ones trading on organic claims.

In organic production, certified operators are required to absorb the cost of multiple domestic and offshore certification processes, while at the same time competing in the domestic market against uncertified businesses that carry none of these costs.

Finally, Australia's organic exporters are for the most part unable to benefit from equivalency arrangements that would significantly reduce the compliance costs associated with accessing key high-growth international markets.

A mandatory, government-backed national organic standard, anchored by a single recognised mark, is the critical measure that addresses all three these constraints at once. It is not, on its own, a solution to every constraint facing the sector. Price will remain the primary barrier to broader consumer participation, and a standard will not reduce the cost of organic production. It is, however, the foundational, structural reform on which the sector's next phase of growth depends.

Conclusion: Three Interests, One Measure

Consumers need confidence that organic labels are not merely claims, but are instead verified credentials.

Certified organic operators need protection against uncertified competitors in the domestic market, and an increase in processing capacity, to keep organic products in organic supply chains.

Exporters need enhanced levels of international equivalency as a matter of urgency, before competitor nations secure preferred-supplier status in key export markets that Australia is well-placed to supply.

Each of these interests is best served by the same measure. A mandatory national domestic organic standard, backed by a recognised, government-backed organic mark, will protect both consumers and certified organic operators, strengthen the technical integrity of the organic sector, and enhance Australia's international competitiveness by enabling greater access to organic equivalency arrangements.