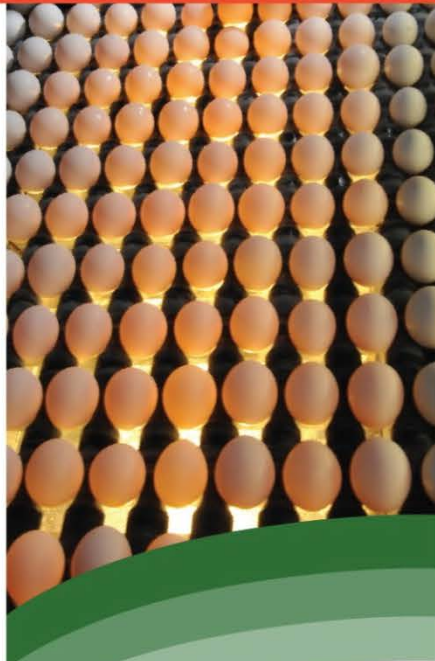




United States Department of Agriculture

Agricultural Marketing Service

Creating Opportunities for American Farmers and Businesses



Agricultural Marketing Service

Creating Opportunities for American Farmers and Businesses

Specialty Crops Inspection Division Audit Programs Update

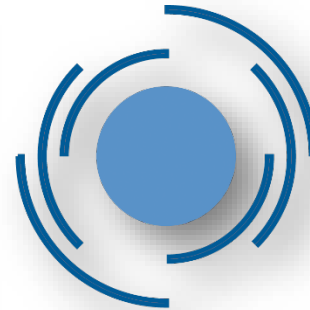
**Fruit and Vegetable Industry Advisory Committee
May 9, 2017**



Global Food Safety Initiative Update



The Consumer Goods
FORUM



GFSI
Global Food
Safety Initiative

Global Food Safety Initiative

Background

- **AMS Specialty Crops Inspection Division (SCI) engaged with GFSI for past 5 years to gain of recognition of the USDA GAP&GHP Program**
- **Significant challenges for government-owned certification programs due incompatibility of requirements**



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Background

- **June 2015 - GFSI formed task force to develop recommendation for recognizing government-based programs (e.g., China's HACCP)**
- **Early 2016 - “Technical Equivalence for Government Certification Programs” was drafted**
- **GFSI Board of Directors incorporated technical equivalence into major revision of its Benchmarking Document version 7**

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Current Status

- **March 2017 – GFSI released Technical Equivalence for Government Certification Programs at its annual conference in Houston, Texas**



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Technical Equivalence Process

- **Requirements similar to those used by current certification program owners (CPO) such as GlobalGAP and SQF**
- **Major difference - technical equivalency only assesses a government program's food safety standard**
 - **Does not address operational management or governance of the certification program**

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Technical Equivalence Process

- **Buyers may choose to recognize technical equivalence (or not) in their supplier requirements**



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Next Steps for AMS

- **Gaps analysis to determine comparability of USDA Harmonized GAP Standard to the Key Elements in Part III of the GSFI Benchmarking Document**
 - **Identify missing elements and develop plan to incorporate any into USDA Harmonized Standard**
- **Gain AMS approval to proceed with applying for technical equivalency**

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Applying for Technical Equivalency

- **Submit formal application to GFSI**
- **GFSI posts application on its website for public comment**
- **AMS signs MOU with GFSI**
- **GFSI expert panel reviews application**
 - **Opportunity for corrections based an analysis**
- **Panel recommends approval to GFSI Board of Directors**

Financial Update

USDA Good Agricultural Practices (GAP) Program

Advisory Committee Recommendation September 2015

“AMS should amend the fee structure for the USDA GAP&GHP/food safety audit programs to fully recover the costs associated with providing these services. AMS is incurring significant costs as it works to meet a 300 percent increase in requests for service in recent years, to align the USDA GAP&GHP Program with FSMA requirements, to meet GFSI requirements, and to prepare for accreditation to the ISO 17065 standard by the American National Standards Institute. AMS cannot sustain the USDA GAPs Program without a modification of the fee structure, which has not occurred since 2008.”

Proposed Fee Structure

- Using the AMS Fee Formula (published in *Federal Register* in November 2014), the Agency is increasing the hourly rate for SCI audit services to \$108 (a 17% increase) effective FY 2018
- To recover SCI expenses for post-audit activities, AMS plans to implement a 4-hour charge in addition to any pre-audit and onsite audit activities



Proposed Fee Structure

- **The combination of the \$108 hourly rate and the 4- hour charge will allow SCI to fully recover the costs of delivering and overseeing the USDA GAP Program**
- **AMS, in conjunction with states, will distribute information about the change in the fee structure, highlighting the need and value of the USDA GAP Program, e.g., market access and alignment with FSMA requirements**



Questions?

www.ams.usda.gov/gapghp
www.ams.usda.gov/groupgap

202-720-5021
SCI Audit Services Branch