

## NATIONAL ORGANIC PROGRAM RESPONSE TO 2018 PEER REVIEW

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**SUBJECT:** National Organic Program Corrective Actions:  
Response to 2018 Peer Review Audit

### **Background**

The peer review process is a vital component of the U.S. Department of Agriculture (USDA) Agricultural Marketing Service National Organic Program's (NOP) commitment to continuous improvement. The peer review process is described in [NOP 1031 "Peer Review of the National Organic Program \(NOP\) Accreditation."](#) For its 2018 peer review, the NOP contracted with the American National Standards Institute (ANSI). The 2018 ANSI Peer Review Panel evaluated NOP's compliance with NOP accreditation procedures and decisions, and with ISO/IEC 17011, a quality standard. Consistent with the NOP's priorities in introducing risk-based oversight approaches, the program asked ANSI for specific feedback related to this area.

Overall, the ANSI auditors found that NOP and its staff are in compliance with NOP's own policies and procedures, and ISO/IEC 17011.

### **Opportunities for Improvement**

ANSI recommended ten areas for improvement as NOP introduces more risk-based oversight approaches.

#### *Personnel*

1. The NOP Organizational Chart does not show the Quality Manager position.
2. The NOP does not have a sufficient number of auditors.
3. Satellite offices of certifiers are not audited on a frequent enough basis to reduce risk and prevent potential fraud.
4. There is insufficient NOP personnel to handle the number of complaints and enforcement actions required of the C&E division.

#### *Process Improvement*

5. Procedures for residue sampling are not clearly understood or followed by international certifiers.
6. NOP should establish stronger quantitative objectives and key performance indicators to effectively measure and monitor the program's progress towards goals.
7. Several documents were found to be out of compliance with the document control procedure.

8. There is an opportunity for NOP to provide further protections for its USDA Organic seal.

#### *Recordkeeping*

9. The accreditation certificate does not identify all premises from which one or more key activities are performed and covered by the accreditation and the physical addresses associated with the certification body.
10. There is no documentation for the relationships between the NOP and related bodies; and no evidence of the participation of the interested parties.

#### **NOP Corrective Actions**

Since the 2018 Peer Review was completed, NOP has focused significant resources on improving processes, addressing personnel needs, and developing training. In response to the ten ANSI findings, the NOP is implementing the following corrective actions:

#### *Personnel*

1. **NOP Organizational Chart.** The NOP hired a Quality Manager in May of 2019, and updated NOP 1001 “Organizational Chart.” The updated organizational chart includes the Quality Manager position, as well as other personnel changes made during 2019.
2. **Insufficient Number of Auditors.** The NOP received approval to hire full time auditors to increase the program’s capacity. In April of 2019, the NOP advertised a job announcement for the new position and intends to hire up to four full time auditors. The NOP will also advertise job announcements for additional Accreditation Managers in 2019.
3. **Frequency of Satellite Office Auditing.** As noted above, NOP is hiring full time auditors to begin in 2019. This will increase its capacity to conduct audits, including audits of certifier satellite offices. NOP has developed a new quarterly risk assessment approach; this tool will be used as an input to evolve towards a risk-informed approach to audit scheduling by late 2019, so certifier satellite offices with increased risk will be a higher priority for assessment.
4. **Insufficient NOP Personnel to Handle Complaints.** The Compliance and Enforcement (C&E) Division has increased its capacity to address complaints by partnering with a contractor team. This work began in September 2018 and added additional people to review and analyze complaints. The bulk of the complaints processed by C&E concern uncertified operations and simple labeling violations, which are now handled by the contractor. This change has allowed C&E investigators to concentrate their work on more complex complaints. NOP has also advertised a job announcement for Livestock Compliance specialists to support complex complaints related to this scope.

#### *Process Improvement*

5. **Residue Sampling.** In April 2019, the NOP launched the Organic Integrity Learning Center, to provide free online training for organic professionals, including certification staff, inspectors, and reviewers. NOP plans to develop and launch training on sampling and testing in the Learning Center in 2019-2020.

The NOP also plans to conduct training on NOP 2613 “Responding to Results from Pesticide Residue Testing” during the 2020 BioFach International Auditor’s Training in Germany. In 2020 the NOP will include a presentation on residue sampling in the agenda to increase international certifiers’ understanding of how to respond to residue test results.

6. **Stronger Quantitative Objectives and Key Performance Indicators.** The NOP developed four primary goals for 2019, with quantitative objectives and indicators associated with each goal. The goals are aligned with agency wide goals and include specifics that are tracked on a monthly basis. These goals are also reflected as target performance measures in manager and staff performance plans.
7. **Document Control Procedure.** The NOP’s quality management system document NOP 1010 describes the process by which documents are reviewed and cleared for public distribution. All Guidance documents, Policy Memos, and Instructions undergo Office of General Counsel review as part of the review process. The NOP is reviewing its procedures in the 4000 quality management series, which focuses on Compliance and Enforcement topics. NOP plans to officially incorporate the revised procedures into the internal quality manual in 2019. The NOP will also continue to maintain an updated NOP 1006 (master list of NOP quality system documents). The new Quality Manager will help NOP continue to improve its oversight and active facilitation of the quality management system.
8. **Protections for USDA Organic Seal.** ANSI provided the NOP with feedback related to certifier control of the USDA organic seal, noting the opportunity to highlight certifier responsibilities for protecting the seal in the Terms of Accreditation. In response to this, the program notes there are significantly higher risks associated with the use of the seal by uncertified or suspended operations, or those who have surrendered certification. These operations are not under the control of certifiers. NOP has not identified any systemic concerns with respect to certifier control of the organic seal. As such, the program would prefer to focus its Terms of Accreditation on the items of highest impact, and not adopt this recommendation. Instead, we will focus efforts on continuing to pursue complaint cases where there is clear evidence of seal misuse by companies not under the jurisdiction of a certifier.

### *Recordkeeping*

9. **Accreditation Certificate.** Future accreditation postings on the AMS website will include the address of satellite offices conducting key certification activities. This may be done through a certificate addendum or listings in the Organic Integrity Database. NOP will implement this approach by Fall 2019.
10. **Documentation of NOP Relationships.** The NOP follows many rules and policies that effectively identify and manage possible conflicts of interest with external parties. The NOP will consolidate those policies into a summary of the measures it takes to avoid conflicts of interest. That summary will be shared at the fall 2019 National Organic Standards Board (NOSB) meeting and will be posted as part of the meeting’s NOP update presentation.

### *Recommendations*

ANSI provided the NOP with two recommendations regarding training for auditors and certification staff, including inspectors. ANSI noted that by providing centralized training materials with easy access, the NOP could assist the certifier community in delivering high quality and consistent inspections across all certifiers.

The NOP held a Risk-Based Audit training for auditors in fall 2018 and launched the Organic Integrity Learning Center in May of 2019. The Learning Center is a formal Learning Management System, that supports the professional development and continuing education of professionals working to protect organic integrity. The NOP sent a memo to all certifiers notifying them of the new Learning Center, and the trainings available for certification staff and inspectors. The Learning Center already has over 700 registered users, and the NOP will be adding additional training courses on Dairy Compliance, Materials Review, Certification Administration, and Residue Sampling and Testing in 2019-2020.

### **Next Steps**

The NOP values the constructive feedback from ANSI. We take continuous improvement seriously, and will continue to evolve our records management practices, address personnel needs, and conduct regular training for auditors and certifiers. With a focus on quality accreditation processes, NOP continues to support the organic community and maintain organic integrity for all.