



STRENGTHENING ORGANIC ENFORCEMENT

PROPOSED RULE



USDA NATIONAL ORGANIC PROGRAM

Presentation Overview





What Is the Strengthening Organic Enforcement (SOE) Proposed Rule?

- An update to the USDA organic regulations (7 CFR Part 205).
- SOE revises the organic regulations to meet modern market needs and challenges.
- SOE implements several provisions of the 2018 Farm Bill and multiple recommendations by the National Organic Standards Board (NOSB).



Who Is Affected?



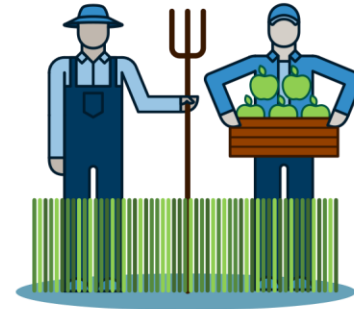
USDA-accredited certifiers



Organic inspectors



Brokers, traders, exporters, and importers who are not certified USDA organic



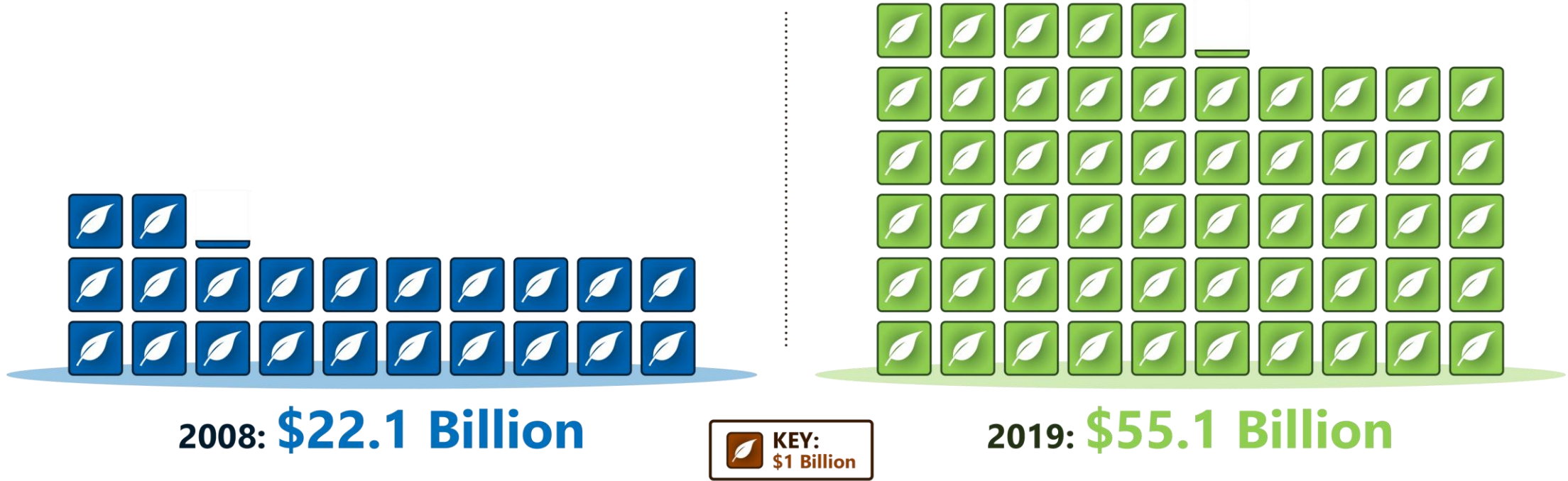
Farmers



Processors

Why Is SOE Needed Now?

Total sales of all organic products in the United States



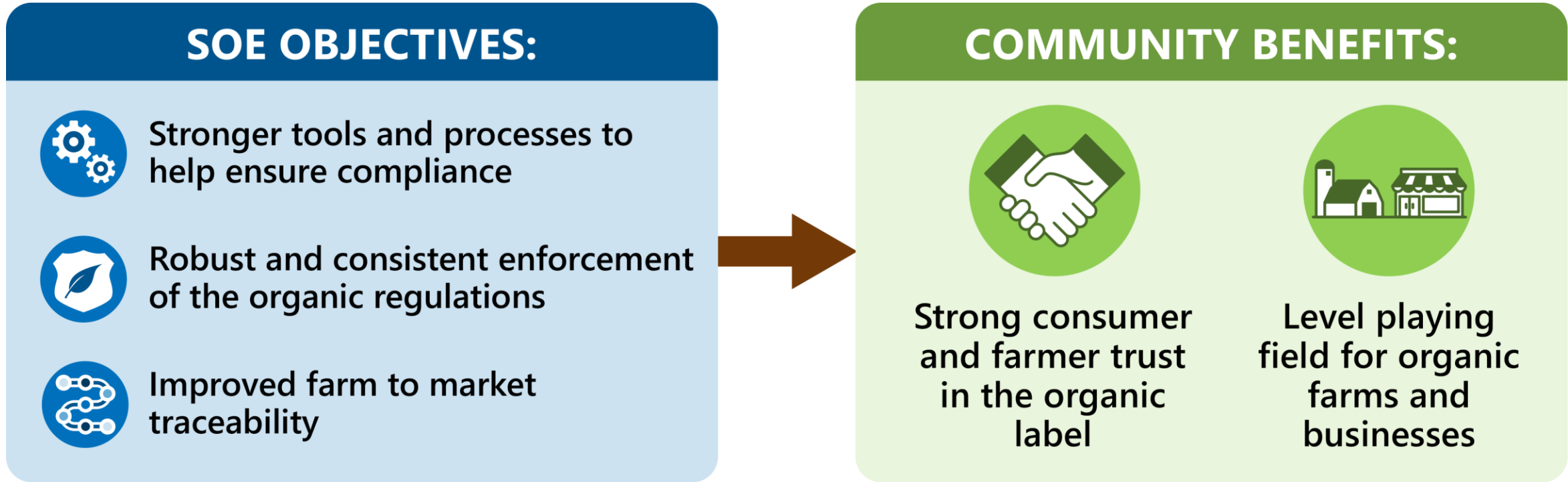
Data source: Organic Trade Association, Organic Industry Survey, 2018 and 2019.

Why Is SOE Needed Now?

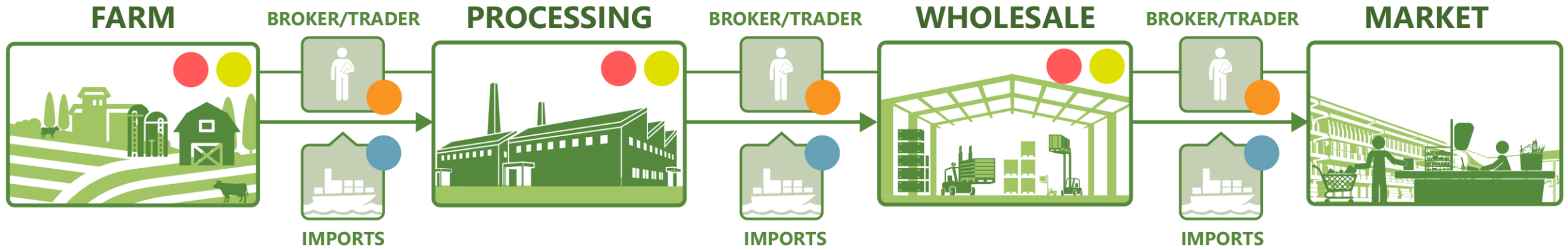


A changing organic market demands stronger enforcement to protect and uphold standards for organic products

How Does the Organic Community Benefit?



What Does the Rule Do?



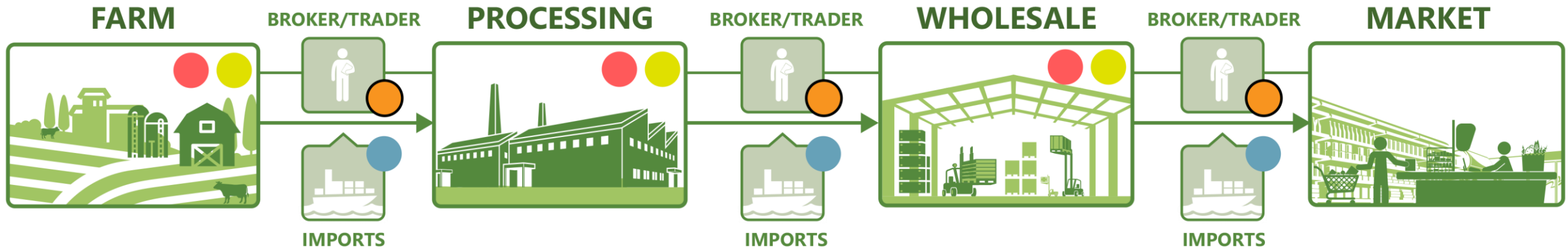
Reduce the types of businesses exempt from organic certification

Require electronic NOP Import Certificates for all organic products entering the United States

Clarify recordkeeping and fraud prevention procedures to improve supply chain traceability

Standardize requirements for on-site inspection of organic operations to strengthen oversight

What Does the Rule Do?



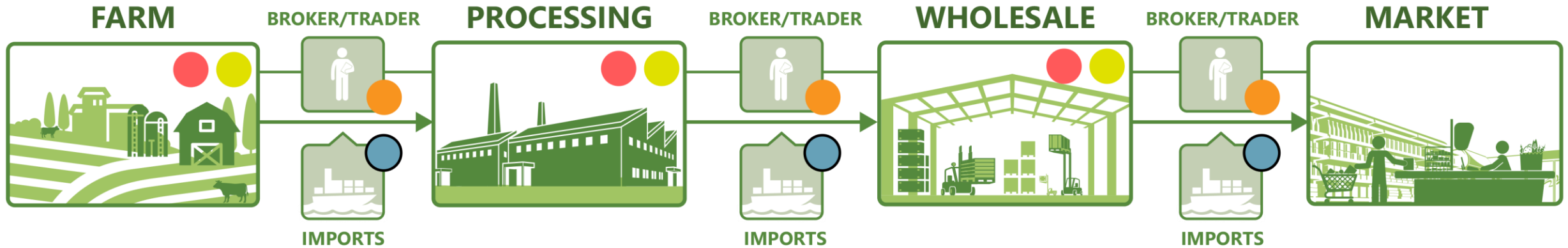
Reduce the types of businesses exempt from organic certification

The proposed rule requires organic certification of businesses that:

- Buy or sell organic products
- Negotiate sales of organic products between buyers and sellers

Businesses that may need organic certification include brokers, traders, importers, and exporters. Some businesses in the organic supply chain, such as retailers and transporters, may not need organic certification.

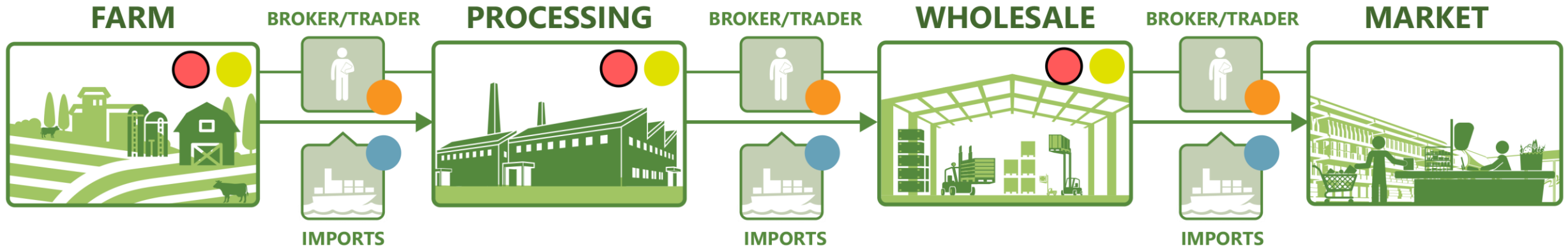
What Does the Rule Do?



Require electronic NOP Import Certificates for all organic products entering the United States

- Each shipment requires an NOP Import Certificate
- Data from the NOP Import Certificate must be uploaded into the U.S. Customs and Border Protection’s Automated Commercial Environment (ACE)
- Provides traceability to the port of entry and ensures an auditable record trail

What Does the Rule Do?

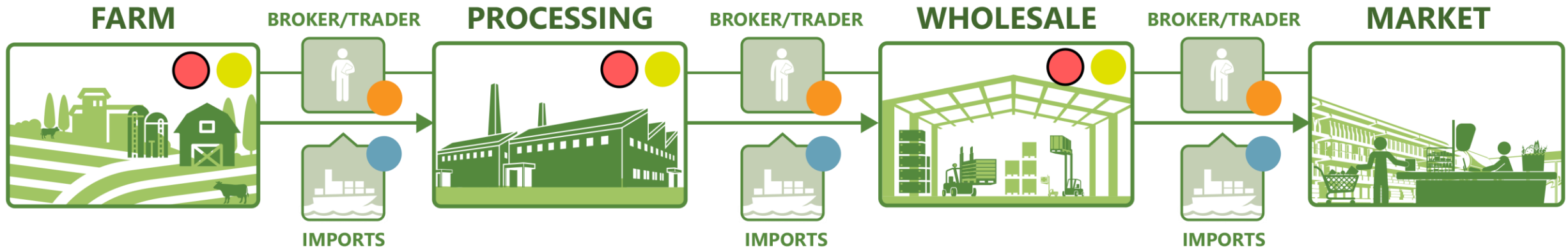


Clarify recordkeeping and fraud prevention procedures to improve supply chain traceability

The proposed rule ensures **certified organic operations**:

- Maintain records that document a product’s source and chain of custody across the supply chain
- Clearly identify products as organic on all records and labels
- Document the monitoring practices used to prevent fraud and verify suppliers and products

What Does the Rule Do?

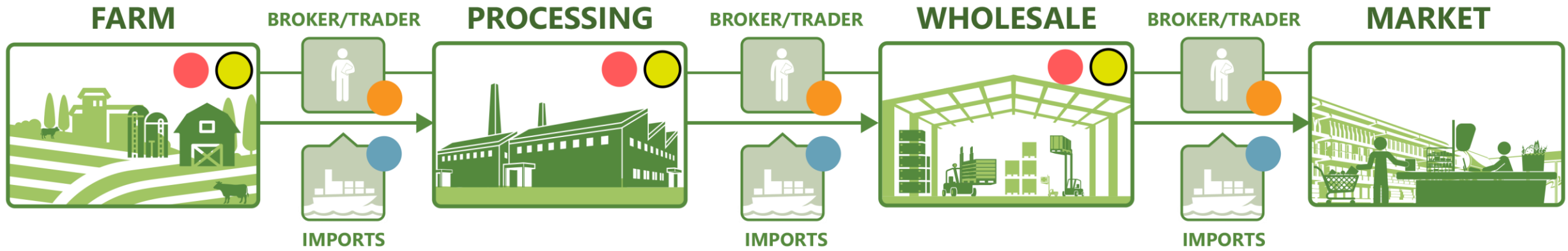


Clarify recordkeeping and fraud prevention procedures to improve supply chain traceability

The proposed rule ensures **USDA-accredited certifiers:**

- Describe the procedures they use to identify operations and products at high risk of organic fraud
- Conduct supply chain audits to verify the origin and chain of custody of high-risk products
- Share compliance-related information about certified operations with other certifiers

What Does the Rule Do?



Standardize requirements for on-site inspection of organic operations to strengthen oversight

The proposed rule ensures USDA-accredited certifiers:

- Conduct unannounced inspections of at least 5% of the operations they certify annually
- Conduct mass-balance and trace-back audits during on-site inspections
- Use inspectors that meet minimum training, experience, and education requirements
- Implement consistent practices to inspect grower groups



SOE INCLUDES ADDITIONAL CHANGES ADDRESSING:

- Organic equivalence determinations
- Clarified mediation procedures
- Standardized organic certificates
- Multiple offices operated by a single certifier



PLEASE SEE THE PROPOSED RULE FOR A FULL LIST OF TOPICS AND CHANGES

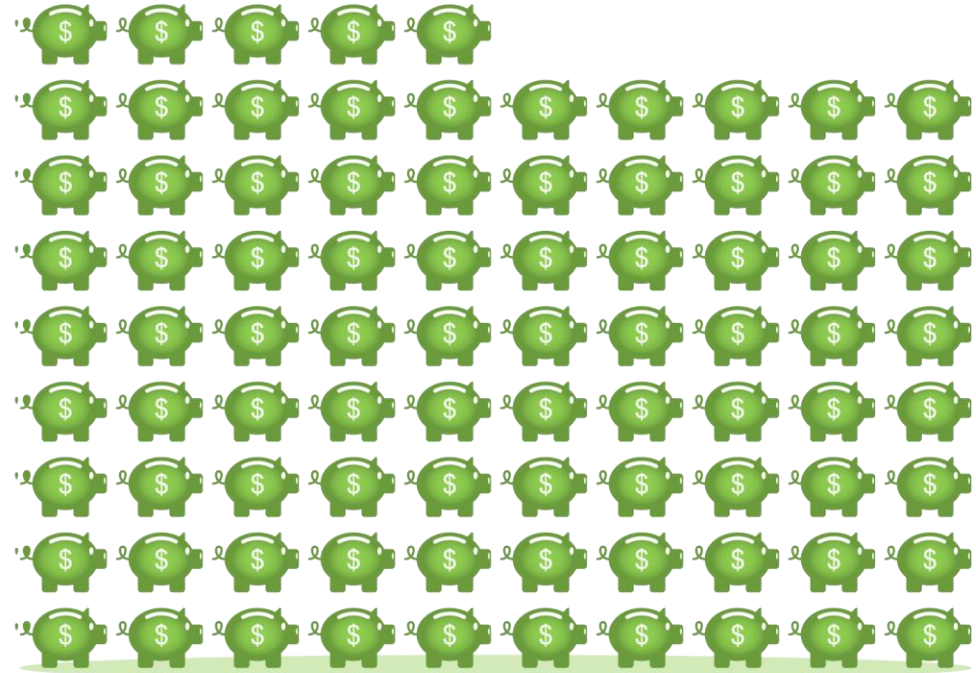
Estimated Cost and Benefit

COST



\$7.3 Million
(Annualized)

BENEFIT

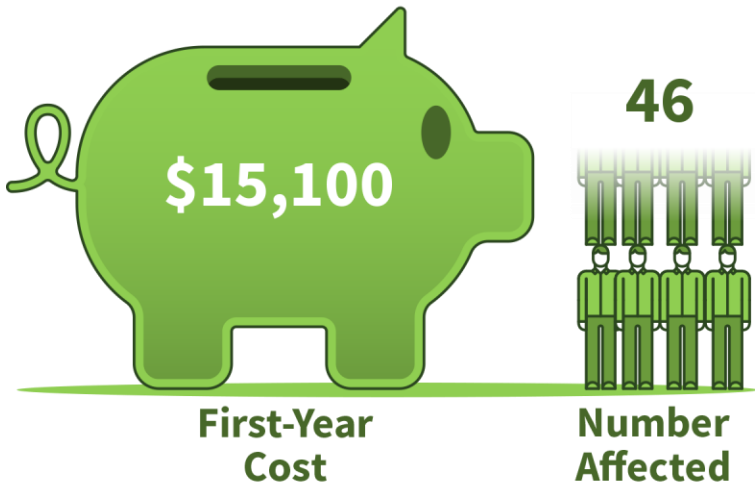


\$85 Million
(Annualized)

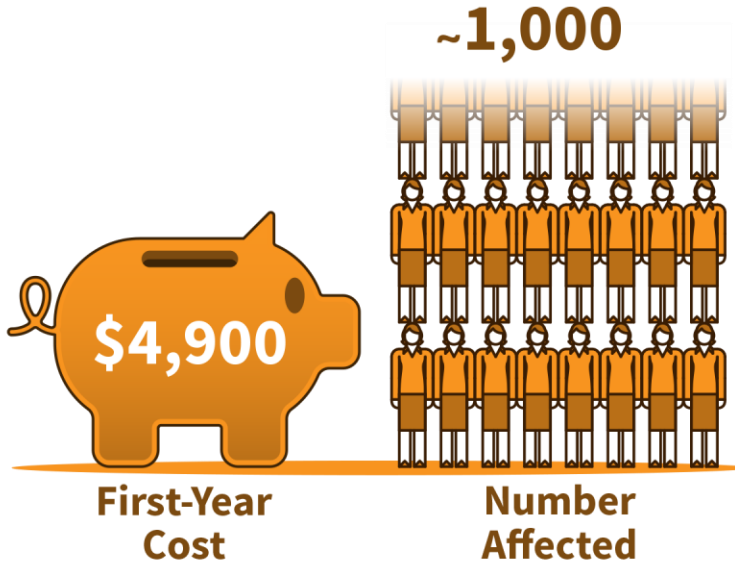


Estimated Cost Per Business

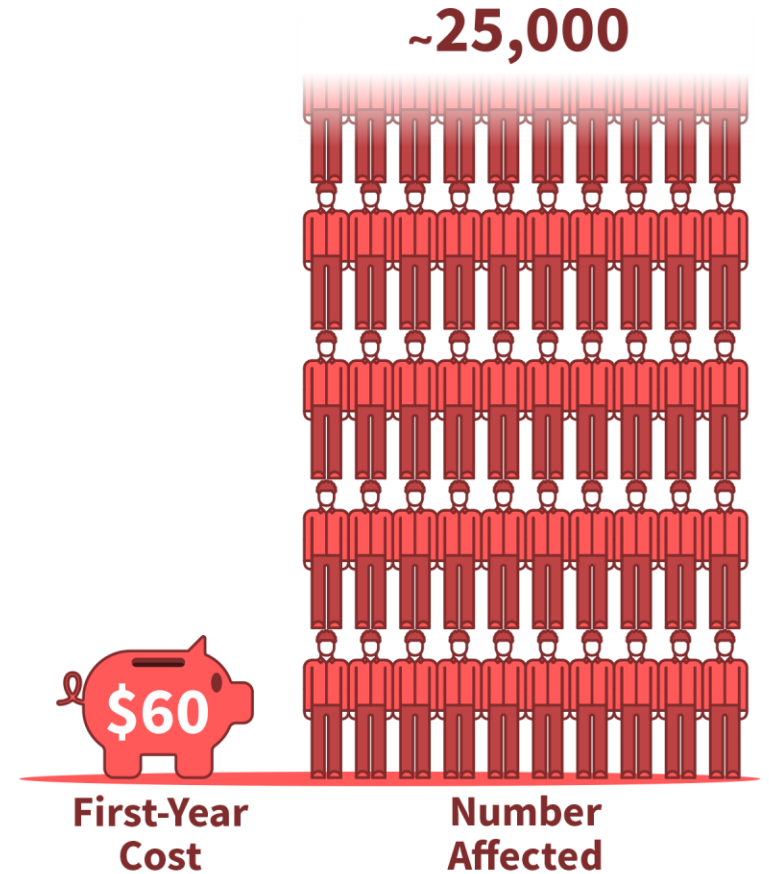
ACCREDITED CERTIFIERS



NEW HANDLERS



CERTIFIED OPERATIONS





From Proposed to Final Rule: Make Your Voice Heard



The SOE proposed rule will be published soon



Available at *regulations.gov*; search for *AMS-NOP-17-0065*



60 day public comment period



All comments will be considered in development of a final rule



Implementation date: one year after publication of a final rule

How to Submit an Effective Comment

Sample Comment Format

Express your support or dissent for the rule

Describe how you or your community would be affected by the rule

Identify the specific parts of the rule on which you are commenting

Offer alternatives, explaining why they are a better option

Suggest specific language where appropriate

To whom it may concern:

RE: Comments on Proposed Rule

I am submitting this comment in support of [XXX]. I have extensive experience on this topic, such as [XXX].

The proposed rule has several benefits including [XXX].

While I support the rule, I do have a few recommendations:

- Section [X] of the proposed rule states that “[XXX].” However, based on personal experience and research, [XXX]. This would impact me and my community in the following way: [XXX]. Therefore, a better solution is to [XXX] because [XXX].
- Section [X] of the proposed rule states “[XXX].” To improve accuracy, the sentence could be rewritten as “[XXX].”

Sincerely,

How to Submit an Effective Comment

How to Send Comments



Online through the Federal eRulemaking portal at <https://www.regulations.gov/>.
Search for document number AMS-NOP-17-0065.



Deadline: 60 days from date of publication



More Information About Organic Certification and the National Organic Program

Access a recording of this webinar:

https://www.zoomgov.com/rec/play/7sZ8le-q-m83HIDAsASDV_59W9S5K6ys1SNI8qVbzxrgBXNVMwGnNLBBY7OimVVQiFc4YtNCGWx7VfSQ?continueMode=true

USDA National Organic Program:

<http://www.ams.usda.gov/Organic>

How to become certified organic:

<https://www.ams.usda.gov/services/organic-certification/becoming-certified>

Finding a USDA-accredited certifying agent:

<https://www.ams.usda.gov/resources/organic-certifying-agents>