

# National Organic Program Report

National Organic Standards  
Board meeting  
Louisville, Kentucky  
October 28, 2014





# The National Organic Program (NOP)

- **Mission:**  
Ensure the integrity of USDA organic products in the United States and throughout the world
- **Vision:**  
Organic Integrity from Farm to Table,  
Consumers Trust the Organic Label
- **Core Role:**  
Implement the Organic Foods Production Act and  
the USDA organic regulations



# USDA National Organic Program

## Implement Organic Foods Production Act:

- **USDA Organic Regulations**  
Crops, livestock, handling, wild crops, labeling, certification, accreditation, National List
- **Accreditation and Oversight**  
~80 authorized certifying agents worldwide  
25,000 certified organic operations
- **Compliance and Enforcement**  
Complaints, investigations, civil penalties, appeals
- **National Organic Standards Board**



# Quick Facts About NOP

## Staffing:

- 43 employees in three Divisions and the Office of the Deputy Administrator
- New staff include Chief of Staff, Cost Share Manager, three new compliance officers, 3 new accreditation managers, new assistant director of Accreditation, and additional administrative staff
- **Budget:**
  - FY 2012: \$6.919 million
  - FY 2013: \$6.369 million
  - FY 2014: \$9.04 million



# NOP's Strategic Plan

Clear  
Standards

Consumer  
Protection

Market  
Access

Information  
Technology



# 10 Points of Organic Integrity

1. Clear/enforceable standards
2. Communication
3. Transparency
4. Certification
5. Complaints
6. Penalties
7. Market surveillance
8. Unannounced inspections
9. Periodic residue testing
10. Continual improvement



# 1. Clear/Enforceable Standards

- Publish clear standards
- Address gray areas
- Continue to collaborate with National Organic Standards Board
- Implement NOSB recommendations



# 1. Clear/Enforceable Standards

- FDA proposed produce food safety rules + organic standards
- The use of brand or company names containing the word “organic”
- “Made with organic” Labeling category final guidance





# 2015 Rule Priorities

## In Clearance

- Origin of Livestock Proposed Rule
- Aquaculture Proposed Rule
- Pet Food Proposed Rule

## Other rules in progress:

- Sodium nitrate
- Animal Welfare
- Apiculture



# Other standards projects

## Final Guidance

- Classification of Materials
- Materials for Organic Crop Production
- Post Harvest Handling

## Draft Guidance, Policy

- Responding to pesticide drift
- Nanotechnology
- Material Clarifications
- Materials for Organic Livestock Production



## 2. Communication

- Organic Literacy Initiative
- Organic Integrity Newsletter
- NOP Organic Insider
- Fact Sheets (GMOs, Labeling at Farmers Markets, Sunset)
- NOP website improvements
- Presentations and conferences



## 3. Transparency

- List of certified operations now includes updated list of suspended + revoked operations
- Posting fraudulent certificates
- Certifiers audits and corrective action reports
- NOSB subcommittee notes
- In FY15 plan to post adverse actions (cease and desist notices, settlements, etc.)



# 4. Certification

## Quality Verification Process

- Organic system plans {thorough, complete}
- Inspections {sales and yield audits, feed audits}
- Inspection of non-organic areas of operation
- Timely notices by certifier
- Continual monitoring

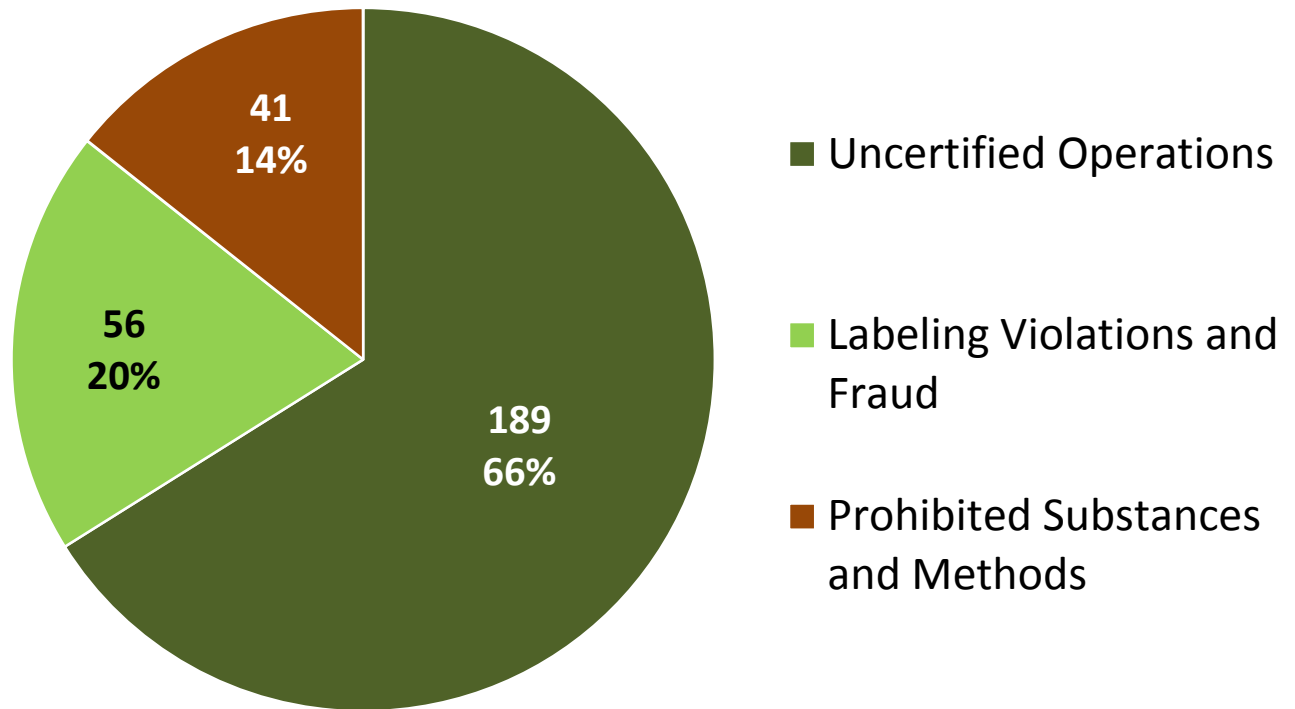


# Certification

- NOP Accreditation and International Activities Division oversees the work of more than 80 certifying agents
  - Audits, audit report reviews, notices of noncompliance, corrective action reviews
- In FY 2014, certifiers were in full compliance with 95% of the accreditation criteria, and have implemented corrective actions for all deficiencies.

# 5. Complaints

FY14 Incoming Complaints by Type





## In FY 2014, NOP

- Closed 285 complaint investigations.
- Received 411 complaints (a new record).
- Initiated 162 initial enforcement actions, including 66 Notices of Warning, 29 Notices to Cease and Desist and 54 investigation referrals.





## 6. Penalties

- In FY14, the NOP levied of nine civil penalties for \$81,000.
- On October 9, 2014, an Administrative Law Judge (ALJ) upheld an AMS decision to revoke the organic certification of a Pennsylvania operation.

# 7. Market Surveillance

- Residue testing surveillance in progress
- 2011 residue testing of six organic commodities





# 8. Unannounced Inspections

NOSB

2011 NOSB recommendation on unannounced inspections

- NOP 2609 Unannounced Inspection Instruction: 5 percent of certified operations have unannounced inspections
- Unannounced inspection requirement implemented by certifiers in 2013



## 9. Periodic Residue Testing

- Final rule implemented in 2013
- 5% of operations tested each year.
- Has led to enforcement actions for violations of organic standards.
- NOP provides instructions and training on responding to positive residues, selecting labs, targeted prohibited pesticides list.



# 10. Continual Improvement

- Accreditation audits
  - Auditor evaluations
  - Certifier feedback
  - Annual review of accreditation audits
- Internal Audit
- Management Review



# 10. Continual Improvement

- Peer Review
- OFPA Section 2117
- National Institute of Standards and Technology (NIST) conducted peer review in 2011
- American National Standards Institute (ANSI) completed peer review in 2014
- NOP drafting peer review process – will collaborate with NOSB



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# Market Access - International



- The United States has trade arrangements with several nations to facilitate the exchange of organic products and provide market opportunities for organic producers.
- **Equivalency Agreements:**
  - U.S.-Canada – Launched in 2009
  - U.S.-European Union – Launched in June 2012
  - Japan – Effective in January 2014
  - South Korea – Effective July 2014
- **Recognition Agreements:**
  - India, Israel, New Zealand
- NOP works closely with the Foreign Agricultural Service (FAS) and the U.S. Trade Representative (USTR).



# Market Access – Sound and Sensible



How to maintain organic integrity in a sound and sensible manner. Certification that is Affordable, Accessible and Attainable for all operations.

- **Affordable** – Reasonable fees, reasonable compliance costs
- **Accessible** – Certifiers and technical assistance available locally
- **Attainable** – Clear and understandable standards, plain language, reasonable record keeping requirements

# Sound and Sensible Certification Projects



- **Purpose:** Encourage the initiation and roll-out of new organic certification approaches, training, technical assistance, and outreach programs and materials.
- **These projects will:**
  - Help USDA and all certifiers develop and implement sound and sensible organic certification processes
  - Provide training modules, technical assistance, or outreach programs concerning different aspects of organic agriculture or organic certification

# About the Projects Awarded



- **Awards:** 14 projects were awarded to 13 organizations
- **Total value of awarded projects:** \$1,516,562
- **Geographic coverage of projects:** Southeast/Gulf States; New England; Northwest; California; Mid-Atlantic
- **Awards have a lot of diversity:** certification tools (producers and inspectors), training and outreach, technology development, technical assistance, inspector mentoring
- **Timing:** Projects will be completed between now and September 2015; work products will be available through NOP website and other public websites for use by all.

<b>ALBA</b>	Streamlining the Interface of Organic and Food Safety Practices Requirements
<b>CCOF</b>	Build Effective and Replicable Tools to Increase Organic Certification
<b>Florida Certified Organic Growers and Consumers</b>	Increase Direct Market Farmer's Likelihood, Success, and Benefit from Becoming Certified Organic
<b>IOIA</b>	Toolbox for Change: Expanding the Learning Opportunities for Sound and Sensible Organic Certification Models and Outreach
<b>Massachusetts Independent Certification Inc.</b>	Information Barriers Preventing Organic Certification
<b>NCAT</b>	Educate Farmers and Ranchers in the Gulf States Region; Develop Easier and Efficient Guidance Publications on Organic Transition Certification Process
<b>NOFA-VT</b>	Major Barriers to Organic Certification
<b>OEFFA</b>	Address Obstacles to Certification Faced by Plain Farmers
<b>Oregon Tilth</b>	Growing Organic: Helping Farmers Choose and Succeed with Organic Certification
<b>Organic Services</b>	Development of a Guidance Manual for Setting-up, Administering, and Managing Internal Controls
<b>PCO 2</b>	Sound and Sensible Certification System to Eliminate Excessive and Redundant Recordkeeping for Certified Operations and Certified Agents
<b>WILL Interactive</b>	Organic Farming: Reducing Process-Related Barriers To Organic Certification
<b>WSDA</b>	Achieve Higher Levels of Understanding of, and Participation in, Organic Certification for Direct Marketing Farmers



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# Current Certified Organic Operations List



- One of our popular tools for the public is our list of **certified organic operations**.
- Updated once a year with data provided by certifying agents:
  - Out of date as soon as it is posted
  - Flat spreadsheet format with poorly structured/validated data elements
- **Key constraints:** Variable data on Excel sheets from 80+ certifying agents, regulatory text about data fields, and frequency of collection

# The Organic Integrity Database



- The 2014 Farm Bill provided \$5-million funding for technology investments for the National Organic Program.
- We have launched the project planning phase to build a modernized **Organic Integrity Database**:
  - Hired a full-time IT project manager
  - Convening a certifier user group to be engaged throughout development process (15 diverse certifiers have volunteered)
  - Developing a list of key requirements, project timeline, and contracting strategy

# Key Capabilities for a New System



- Capture all elements in the current list of operations
- Track operations and changes in certification status over time
- Enable certifying agents to update data manually, in batch uploads, or in real time
- Permissions management to allow NOP staff, certifying agents, and the public to appropriately see and edit data
- Standard structured fields for commodities
- Mapping capabilities to locate operations
- Reporting capabilities to support trend analysis, supply chain research
- OPTIONAL certificate generation module



# Farm Bill



# Farm Bill – NOP provisions



- Improved enforcement authority for the NOP to conduct investigations.
- \$5 million for a technology upgrade of the National Organic Program;
- \$11.5 million annually for certification cost-share assistance

**NOSB**



Joe Dickson, Jay  
Feldman, John Foster,  
and Wendy Fulwider –  
THANK YOU!!!

Corn Steep  
Liquor



# Thank You

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