

FINAL REPORT – May 12, 2015

USDA REVIEW OF THE SWISS ORGANIC PROGRAM

USDA Agricultural Marketing Service (AMS) National Organic Program's (NOP) follow-up Peer Review of the Switzerland's Federal Office for Agriculture Organic Program.

DATES OF PEER REVIEW – March 23-24, 2015

1. INTRODUCTION

1.1. The U.S. Department of Agriculture (USDA) is engaged in ongoing discussions with representatives of the Federal Office for Agriculture (FOAG) of Switzerland to explore a possible equivalency agreement to recognize each other's organic production and handling standards for the purpose of international trade. To further inform these discussions, in September 2013, USDA conducted and observed onsite reviews of Switzerland's organic accreditation, certification, and organic production and handling systems. The 2013 review noted four observations to which FOAG provided responses. This review was conducted to follow-up on the responses to the observations reported in the USDA's September 3, 2014 Final Report.

1.2. On March 23-24, representatives of the USDA Agricultural Marketing Service (AMS) reviewed the organic accreditation and certification activities in Switzerland. A representative from the State Department attended as an observer and a translator. This report is an account of those activities and findings of the review.

1.3. The Review team was comprised of:

1.3.1. Cheri Courtney, Lead Auditor, Director, Accreditation and International Activities Division, AMS, NOP

1.3.2. Robert Yang, Second Auditor, Accreditation Manager, Accreditation and International Activities Division, AMS, NOP

1.3.3. Raphael Vogel, Observer/Translator, Political & Economic Affairs, State Department

2. OBJECTIVES OF REVIEW

2.1. The objective of the review was to evaluate and verify the status of FOAG's responses to the four observations chronicled in USDA's September 3, 2014, Final Peer Review Report.

3. LEGAL BASIS FOR THE REVIEW

3.1. The review was conducted as part of the ongoing equivalency process and was not part of a legal or regulatory enforcement function of the USDA.

3.2. The following statutes, regulations, and standards were considered in the review:

3.2.1. U.S. Organic Foods Production Act of 1990

3.2.2. 7 U.S. Code of Federal Regulations (CFR) Part 205, National Organic Program

3.2.3. ISO/IEC 17011:2004(E) Conformity assessment — General requirements for accreditation bodies accrediting conformity assessment bodies.

3.2.4. ISO/IEC 17065 Conformity assessment – Requirements for bodies certifying products, processes and services.

3.2.5. Swiss regulations – Switzerland Ordinance on Organic Farming and the Labeling of Organically Produced Products and Foodstuffs (Organic Farming Ordinance); Document #910.18.

3.2.6. EAER Ordinance on Organic Farming; Document #910.181.

4. PROTOCOL

4.1. The review was accomplished by reviews of the Swiss accreditation system, a Certification Body (CB), and two (2) certified organic operations. There are four (4) CBs operating in Switzerland. The review team selected one (1) CB that is certifying a broad base of operations. The review team identified production and handling systems for review including a crop and livestock operation, and processing operation.

4.2. At the CB office the team reviewed files and interviewed staff. The review team observed procedures relating to the certification of organic operations and reviewed staff qualifications to determine compliance as it relates to the revised Organic Farming Ordinance and EAER Ordinance on Organic Farming.

4.3. The team visited two (2) organic production and handling operations. A witness audit and a review audit were conducted to determine the level of competency of the

inspectors and the CB oversight of organic operations. The team reviewed files and interviewed farmers and other responsible parties.

- 4.4. The review team was accompanied by representatives of FOAG throughout the review. At each of the certified organic operations the team was also accompanied by a representative of the CB.

5. OVERVIEW OF ONSITE REVIEW

5.1. Witness Inspection

- 5.1.1. Organic processing operation: The operation produced both organic and nonorganic chocolate products. The operation was certified organic under the Swiss Organic Legislation and Bio Suisse. The inspection was an announced annual inspection. No organic production was taking place at the time of the audit. Prior to a walk-around of the facility, the inspector conducted a review of documentation and record-keeping with a representative of the operation. The review included a verification of cleaning procedures between organic and non-organic runs, pest control practices, and product composition. Current organic certificates for ingredients used in organic production, along with supplier information, were additionally verified. The inspector also conducted a traceback and in/out balance as part of the review of purchasing, inventory, production, sales, and shipping records. The inspector inspected all aspects of the production process – from incoming ingredients and ingredient storage, to production, packaging, and finished product storage. The inspector concluded the inspection with a closing meeting during which the representative was informed of noncompliances resulting from the inspection.

5.2. Review Audit

- 5.2.1. Organic crop and livestock operator: The dedicated organic livestock operation was certified organic under the Swiss Organic Legislation and Bio Suisse for various milk and meat products, eggs, fruits, and vegetables. The operation operated a small, on-site store from which it marketed its certified products. A majority of the milk was being sold to a local certified organic milk processor. Certified land

included 40 hectares, of which 17 hectares were being used as pasture. Certified organic livestock included dairy cows, bull calves, and layers. The operation's grazing season was from mid-April to mid-November, on average 210 days. The only off-farm feed purchased was hay; the cows were fed silage and dry hay during the winter. The operation used homeopathic remedies for animal health management. The last reported use of antibiotics was in 2005. Production areas, including pasture and the orchard, as well as all the milk parlor, animal housing and feed storage areas, were inspected and found to be compliant. Products marketed in the on-site store were inspected and also found to be compliant. A review of record-keeping – herd health records, outdoor access, feed purchases, field activity, seed and seedling purchases – maintained by the operator was conducted, and found to be sufficient. An interview with the operator regarding the last annual inspection confirmed that the inspector visited all production sites, conducted an audit of record-keeping, and concluded the inspection with an exit interview. The operation had received a noncompliance from the last certification cycle for improper labeling. The revised product label was reviewed and verified to be compliant.

5.3. Certification Body: The CB certifies to a variety of private and public Standards including the Swiss Organic Legislation. It employs fulltime and contract inspectors, and its training program, which includes both classroom and on the job training, is robust. The staff was well informed and knowledgeable in regard to Switzerland's Ordinance on Organic Farming and EAER Ordinance on Organic Farming and the recent revisions.

6. SUMMARY OF PREVIOUS REVIEW

USDA conducted and observed an onsite review of Switzerland's organic accreditation, certification, and organic production and handling systems in September 2013. There were four (4) onsite review observations to which FOAG provided responses as reported in USDA's September 3, 2014, Final Peer Review Report.

- 6.1.1. Observation 1. The revised Swiss organic program requires the type or range of product to be included on the certificates for agricultural producers. On November 11, 2013, the FOAG instructed its CBs to adapt certificates for agricultural producers to include a type or range of product on the certificate. On July 1, 2014 the CBs began revising certificates. The certificates reviewed at the CB and certified operations listed the types of products.
- 6.1.2. Observation 2. The Swiss organic program was revised to include a surveillance audit that includes a review of the CB's staff qualifications. Article 28(2) of the revised Organic Farming Ordinance (effective January 1, 2015) describes the requirements for CB's to have a sufficient number of employees who have expertise and knowledge of the elements affecting the organic status of products. Additionally, it states that CBs must ensure that employees have the necessary qualifications, education, and experience in the area of organic production and the provisions of the Organic Farming Ordinance.
- The Organic Farming Ordinance (Article 32) was revised to clearly define the surveillance responsibilities of FOAG. The FOAG verifies during the surveillance audit that the CB has a sufficient number of suitable qualified and experienced staff and that a systematic training scheme with regard to risks that might affect the organic status of products has been implemented. As a result of this revision, FOAG began conducting surveillance audits and developed a comprehensive checklist that is used during surveillance audits which includes a review of personnel qualifications.
- Interviews with the CB and inspectors, as well as file reviews show that personnel are adequately trained. The CB has an extensive training program which includes a regular training schedule, field training, mentoring, and onsite reviews to ensure that staff is qualified and adequately trained.
- The inspector observed during the witness inspection conducted a thorough inspection including the performing of a traceback audit and in/out balance as part of the review of purchasing, inventory, production, sales, and shipping records.

6.2. Observation 3. The Swiss organic program was revised to more clearly define FOAG's role and supervisory oversight of the CBs. The revised Swiss Organic Farming Ordinance defines the surveillance tasks of the FOAG: 1) Article 28(2) describes the requirements the CBs have to fulfill, and the mandatory standard procedures for inspection and certification by CBs, the requirements for the number and training level of the personnel, a concept for measures in the case of irregularities etc.; 2) Article 32 defines the surveillance tasks of the FOAG, which include the verification of compliance with Article 28(2). 3) Article 32(4) of the revised ordinance provides a new provision that allows FOAG to request suspension or revocation of a CB's accreditation by the SAS.

The FOAG conducted its first independent surveillance assessment of a CB on March 3, 2015. Additionally, the FOAG and SAS are in regular contact as they work together to ensure that thorough surveillance audit is performed on all the CBs.

6.2.1. Observation 4: The Federal Food Law's, new provision in Article 60 explicitly requires the Cantonal Food Inspection Services to exchange all relevant data for the implementation of the Organic Farming Ordinance and the EAER Organic Farming Ordinance (SR 918.181) with the competent federal authority and the CBs. The amendment of the Federal Food Law will be effective in 2016.

7. CLOSING MEETING

7.1. The review team conducted a closing meeting with FOAG officials in Bern, Switzerland on March 24, 2015. At the meeting, the review team provided a complete summary and discussion of the findings in this report.

8. GENERAL OBSERVATIONS AND NEXT STEPS

General Observations:

- 8.1. The staff of FOAG is knowledgeable, dedicated and professional;
- 8.2. All personnel involved in the review were cooperative, responsive, and accommodating to the team's requests, both prior to and during the peer review.

Next Steps

8.3. U.S. Department of Agriculture and the Federal Office for Agriculture (FOAG) of

Switzerland will continue with final discussions regarding an equivalency arrangement.

9. END OF REPORT.