

# USDA National Organic Program

April 2017

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USDA Agricultural Marketing Service  
National Organic Program





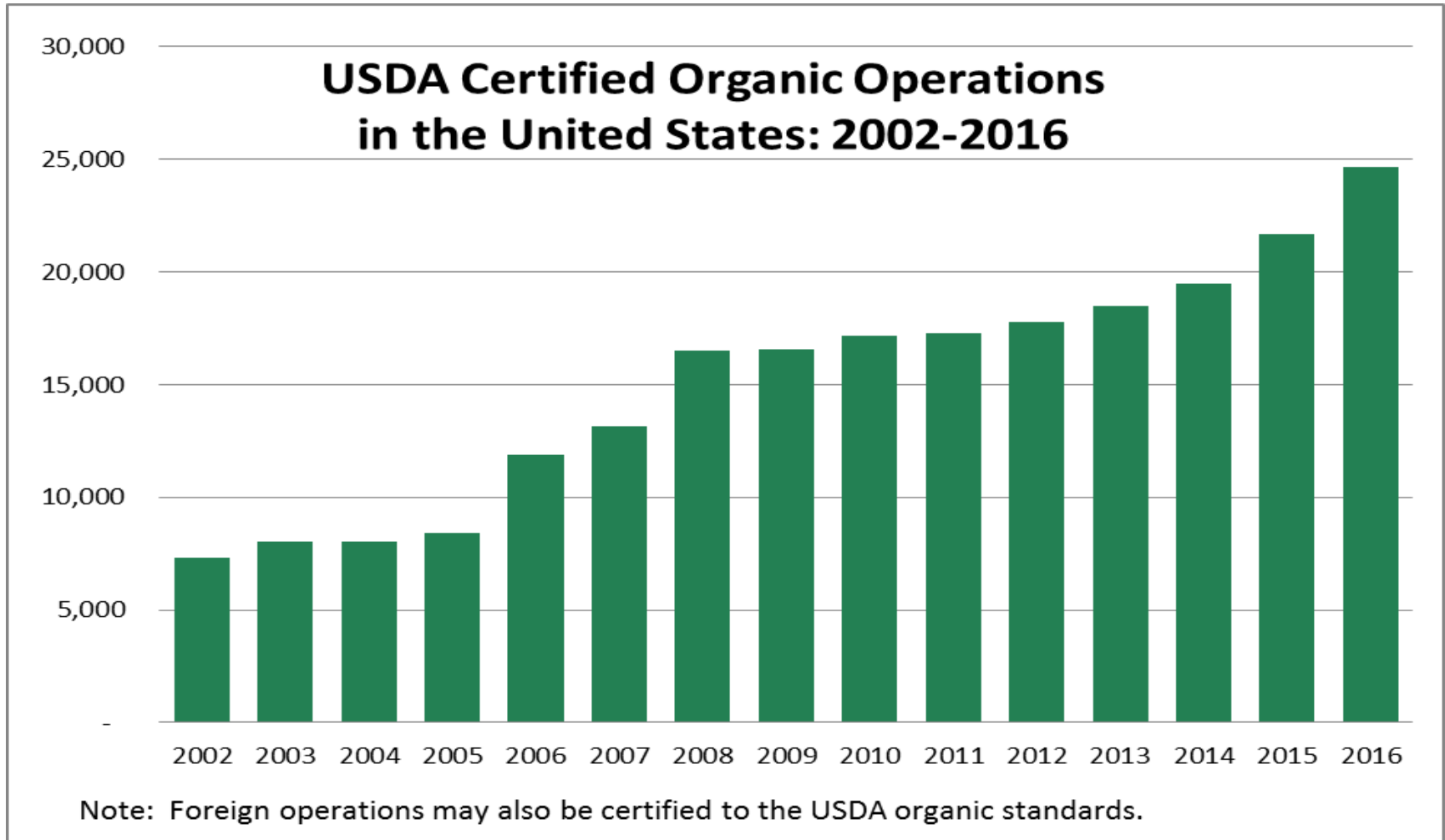
- **Accomplishments**
  - **Organic Livestock and Poultry Practices Final Rule**
  - **2016 Count of Certified Operations**
- **Organization Review: USDA, AMS, NOP**
- **NOP Strategic Goals and Activities**
- **Global Organic Control System**
- **AMS-NOP Priority Areas**

# Announcing the 2016 Count of Certified Organic Operations



- At the end of 2016:
  - 24,650 certified organic operations in the U.S.
  - 37,032 around the world
- 13% increase between the end of 2015 and 2016,
- Continues double digit growth of organic sector
- NOP supports growth through sound and sensible initiative, fact sheets, and interactive training
- The Organic Integrity Database allows us to announce the count much earlier than previously

# Growth Over Time



SECRETARY

Deputy Secretary

Director of Communications

Inspector General

General Counsel

Assistant Secretary for Congressional Relations

Assistant Secretary for Administration

Assistant Secretary for Civil Rights

Chief Information Officer

Chief Financial Officer

Executive Operations

Under Secretary for Natural Resources and Environment

- Forest Service
- Natural Resources Conservation Service

Under Secretary for Farm and Foreign Agricultural Services

- Farm Service Agency
- Foreign Agricultural Service
- Risk Management Agency

Under Secretary for Rural Development

- Rural Utilities Service
- Rural Housing Service
- Rural Business Cooperative Service

Under Secretary for Food, Nutrition, and Consumer Services

- Food and Nutrition Service
- Center for Nutrition Policy and Promotion

Under Secretary for Food Safety

- Food Safety and Inspection Service

Under Secretary for Research, Education and Economics

- Agricultural Research Service
- National Institute of Food and Agriculture
- Economic Research Service
- National Agricultural Library
- National Agricultural Statistics Service

Under Secretary for Marketing and Regulatory Programs

- Agricultural Marketing Service
- Animal and Plant Health Inspection Service
- Grain Inspection Packers and Stockyards Administration



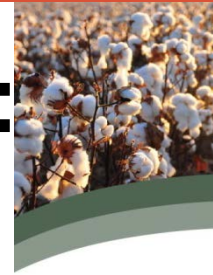
## AMS Programs:

- Dairy
- Specialty Crops
- Cotton & Tobacco
- National Organic Program
- Livestock, Poultry & Seed
- Transportation & Marketing
- Compliance and Analysis
- Science and Technology



## Example AMS Services:

- Standardization
- Grading
- Quality Verification
- Market News
- Commodity Procurement
- Research and Promotion
- Marketing Orders and Agreements
- National Organic Program
- Transportation Services
- Wholesale and Farmers Markets



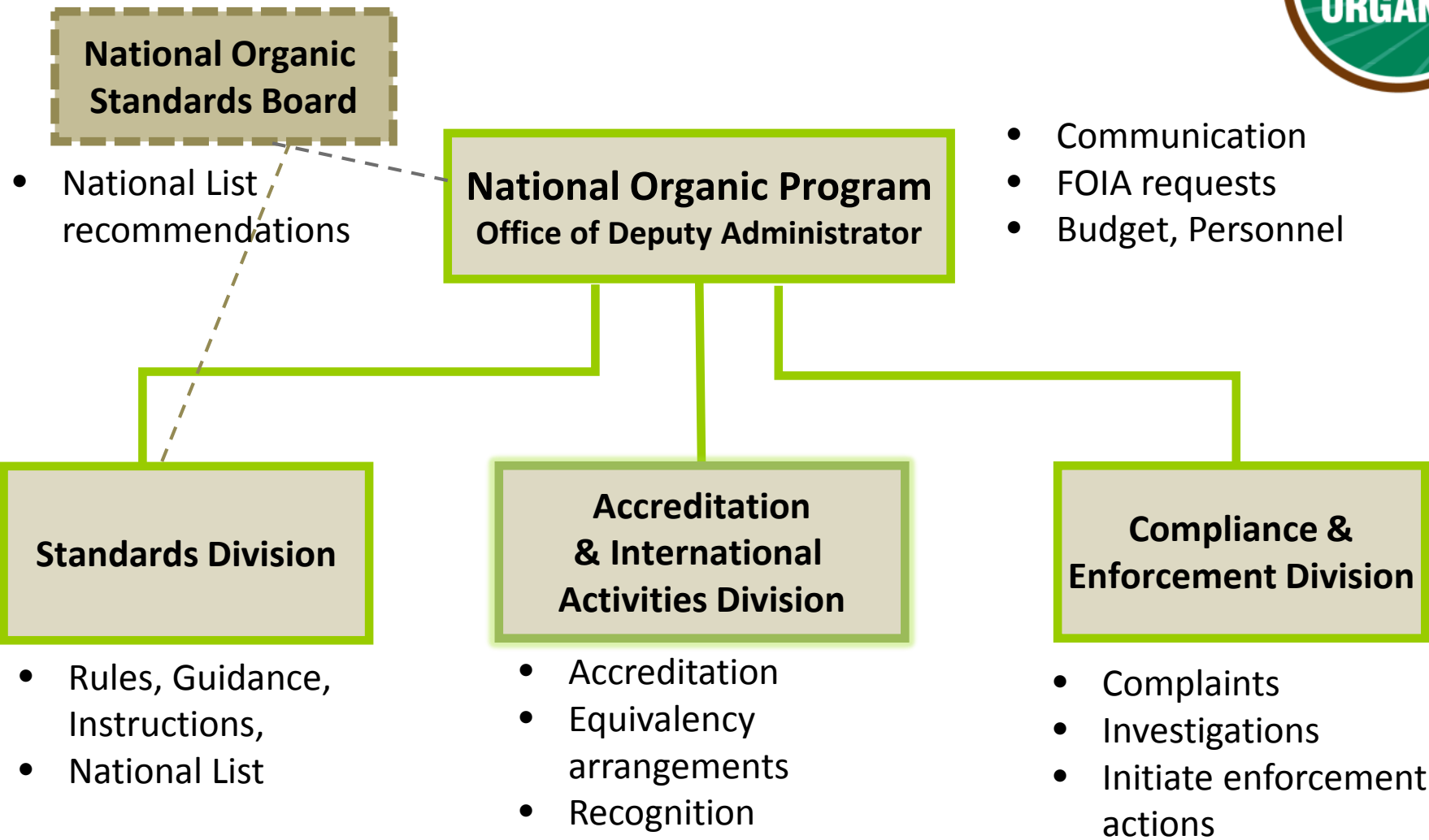
# The National Organic Program (NOP)



- **Mission:**  
Ensure the integrity of USDA organic products 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



# NOP Organization and Activities



# AMS National Organic Program



- AMS Acting Administrator Bruce Summers
  - AMS-NOP Deputy Administrator Miles McEvoy
    - AMS-NOP Associate Deputy Administrator Dr. Jennifer Tucker – (8 staff)
      - NOP Standards Director Dr. Paul Lewis (9 staff)
      - NOP Accreditation and International Activities Director Cheri Courtney (8 staff)
      - NOP Compliance and Enforcement Director Betsy Rakola (9 staff)
      - FOIA office (2 staff and 3 contractors)



People and  
Process

Protect  
Organic  
Integrity

Market Access:  
Local, Regional,  
International

Clear  
Standards

Build Technology that  
Advances Organic  
Integrity

# National Organic Program



**NOP Staffing:** 36 employees in four Divisions

## **NOP Budget:**

- FY 2012: \$6.919 million
- FY 2013: \$6.369 million
- FY 2014 - 2016: \$9 million
- FY 2017: Funding through April 28 at FY 2016 level
- FY 2018: ??????

## **Oversight Responsibility:**

- 82 certifying agents worldwide
- Certified organic operations in over 120 countries
- Over \$43 billion in U.S. organic sales (2015)



- Internal Audit
- Management Review
- Peer Review - ANSI
- Assessments by foreign governments
- Office of Inspector General:  
Audit on organic equivalency arrangements

## Team Approach

- Internal communications team
- Import oversight team

# Protecting Organic Integrity





# Compliance & Enforcement: FY 2017



COMPLIANCE & ENFORCEMENT: OVERALL SUMMARY		
	Q1 (Oct 2016 - Dec 2016)	Q2 (Jan 2017 - Mar 2017)
Incoming Complaints	64	121
Completed Complaint Reviews and Investigations	21	48

SUMMARY OF INITIAL ACTIONS TAKEN		
Cease & Desist Orders	3	3
Notices of Warning	4	25
Investigation Referrals	3	15

SUMMARY OF DISPOSITIONS (All NOP)		
Total # of Settlement Agreements <sup>2</sup>	6	9
Total # of Consent Decisions	0	0
Total Amount Civil Penalties Levied <sup>3</sup>	\$45,000	\$38,250

# Adverse Action Appeals



Expedited appeals process within AMS

Certifier Actions -

- Proposed Suspension/Revocation of Certification
- Denial of Certification

NOP Actions

- Cease and Desist Notice
- Denial of Reinstatement
- Proposed Suspension or Revocation of Accreditation

Objective is to maintain average days of closure at less than 120 days.

APPEALS: OVERALL SUMMARY <sup>1</sup> (Refer to <a href="#">NOP 4011: Adverse Action Appeal Process</a> for more information)		
Number of Incoming	12	11
Appeals by Disposition	Q1 (Oct 2016 - Dec 2016)	Q2 (Jan 2017 - Mar 2017)
Decisions	1	0
Dismissals	0	0
Referrals	0	1
Closures	4	0

# Administrative Proceedings



- AMS may sustain or deny appeal, dismiss, or settle
- When AMS denies the appeal
  - Operation has right to request hearing with Administrative Law Judge
  - If operation requests hearing then USDA must file complaint against operation and prepare for hearing
  - Lengthy process: May lead to Consent Order or administrative hearing
  - NOP has a number of complaints/hearings in process

# Freedom of Information Act (FOIA)



Federal agencies are required to disclose any information requested under the FOIA unless it falls under one of nine exemptions which protect interests such as personal privacy and law enforcement.

- FOIA requests are processed within 20 business days.
- NOP staff responsible for identifying responsive records.
- Records must be reviewed to:
  - Ensure they are responsive records
  - Redact information that falls under the 9 FOIA exemptions
- Some FOIA requests are straightforward, many involve hundreds or thousands of pages, and years of records.
- 2 NOP FTE staff members and 3 full-time contractors are dedicated to FOIA. Additional staff support assists as needed.
- Currently 12 open FOIA requests, 2 appeals, and 7 under litigation
- Go to AMS FOIA reading room to see released records

# NOP Accreditation of Certifiers



- 5-year renewal audits, mid-term audits, compliance audits
- Witness inspections, review audits
- 82 NOP accredited certifiers
- 2017 Foreign audits – Brazil, Australia, Vanuatu, Haiti, Ukraine, Bolivia, Peru, Turkey, Germany, Holland, Canada, Mexico, Greece
- 2017 Domestic audits – California, Oregon, Washington, Nevada, Idaho, Montana, New Mexico, Texas, Nebraska, Iowa, Minnesota, Wisconsin, Ohio, Kentucky, Florida, Georgia, Maryland, Pennsylvania, New Jersey, New York, Vermont, New Hampshire

# Recognition and Equivalency



Recognition of foreign government accreditation

- India and Israel assessment in 2016
- New Zealand assessment in 2017

Equivalency of foreign government standards, accreditation, certification and enforcement

- Established arrangements with Canada, the European Union, Japan, Korea and Switzerland
- Equivalency discussions underway with Mexico and Taiwan
- Argentina has applied for equivalency



**Build Technology  
that Enhances  
Organic Integrity**



# The Organic *INTEGRITY* Database



**Modernized certified organic operations database:**

•Contains  
up-to-date  
accurate  
information

Increases  
supply chain  
transparency

Enhances  
integrity of  
organic  
control  
system

# Advanced Search



United States Department of Agriculture  
Agricultural Marketing Service

**ORGANIC INTEGRITY DATABASE**

Contact Us About

Home Search Reports

**Advanced Search**

Search  Reset

Certifier

Certifier

Search for a Certifier

Operation Information

Operation Name

NOP Operation ID

Certifier Client ID

Contact Name (First Last)

Street Address

City

State/Province

Enter One or More State/Province

ZIP/Postal Code

Country/Territory

- Check All
- Afghanistan
- Åland Islands
- Albania
- Algeria
- American Samoa

Certificate Information

Certificate Number

Operation Status ?

Operation Certification Status

- Check All
- Certified
- Surrendered
- Suspended

United States Department of Agriculture  
Agricultural Marketing Service

**ORGANIC INTEGRITY DATABASE**

Contact Us About

Home Search Reports

**Advanced Search**

Search  Reset

**Search Summary** Search Tips

**Certifier:** All **Operation Status:** Certified

[Export To Excel](#)

Operation	Certifier	Info	Status	City	State	Country	Certified Products
" VERHNESEROGOZSKIY MPZ " LTD.	[ECO] EcoCert S.A.	<span style="color: green;">i</span>	Certified	KHERSON		Ukraine	<b>HANDLING:</b> Other: Sunflower expeller, oil
"EBA" Empresa Boliviana De La Almendra Y Derivados	[CERES] Certification of Environmental Standards - GmbH (Ltd.)	<span style="color: green;">i</span>	Certified	La Paz	La Paz	Bolivia (Plurinational State of)	<b>HANDLING:</b> Other: brazil nut kernels
010 Ranch	[ISDA] Idaho State Department Of Agriculture	<span style="color: green;">i</span>	Certified	Fairfield	Idaho	United States of America	<b>CROPS:</b> Other: Alfalfa Hay, Barley, Grass Hay
1,2,3, Safran SARL	[ECO] EcoCert S.A.	<span style="color: green;">i</span>	Certified	Agadir		Morocco	<b>CROPS:</b> Other: Saffron - Local <b>HANDLING:</b> Other: Dried Stigmates Of Saffron, Saffron Bulbs
100 (Por Cento) Amazônia Exportação E Representação Ltda	[IBD] IBD Certifications, Ltd.	<span style="color: green;">i</span>	Certified	Belem	Para	Brazil	<b>HANDLING:</b> Other: Acai Clarified and Concentrated... More
100. YIL Ä#AY PAKETLEME FABRIKASI	[BAC] BioAgriCert	<span style="color: green;">i</span>	Certified	HEMSIN	--	Turkey	<b>HANDLING:</b> Other: Tea
1000 Stone Farm	[VOF] Vermont Organic Farmers, LLC	<span style="color: green;">i</span>	Certified	Brookfield	Vermont	United States of America	<b>CROPS:</b> Other: Arugula, Basil... More
1008 Farm	[QCS] Quality Certification Services	<span style="color: green;">i</span>	Certified	Ashland	Ohio	United States of America	<b>CROPS:</b> Other: Pasture
101 Tea Co., Ltd.	[ONE] OneCert, Inc.	<span style="color: green;">i</span>	Certified	Mae Fah Luang	Chiang Rai	Thailand	<b>CROPS:</b> Other: Four Seasons Tea... More
102 West	[QAI] Quality Assurance International	<span style="color: green;">i</span>	Certified	Woodland	California	United States of America	<b>HANDLING:</b> Other: Barley, Brown Rice- Long Grain... More

Page size: 10 33731 records in 3374 pages

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# Sample Certificate



CERTIFIER  
LOGO

ORGANIC CERTIFICATE



## ***Certifier Name***

Phone – Email  
[Website](#)

Street 1  
Street 2  
City, State/Province ZIP/Postal Code

certifies that

## ***Organic Operation Name***

Phone – Email  
[Website](#)

Street 1  
Street 2  
City, State/Province ZIP/Postal Code  
Country

is certified to the USDA organic regulations, 7 CFR Part 205, for the categories of

### **Crops, Wild Crops, Livestock, Handling/Processing**

Once certified, a production or handling operation's organic certification continues in effect until surrendered, suspended, or revoked. Status of this certification and specific certified organic products covered may be verified at

<https://apps.ams.usda.gov/integrity/CP/OPP.aspx?cid=0&nopid=000005358>

Certifier Client ID: 5358  
Certificate Number(s): C005, WC007, L013, HP009  
NOP Operation ID: 000005358  
Effective Date: October 18, 2007  
Anniversary Date: October 18, 2016  
Issue Date: September 26, 2016



**Clear Standards**





## Rules

- Organic Livestock and Poultry Practices – Effective date delayed until May 19, 2017
- Sunset 2017 Proposed Rule – Proposed to remove 11 substances from National List – Comment period closes April 19

## Guidance

- Calculating the Percentage of Organic Ingredients in Multi-Ingredient Products – Comment period closed April 7



# Instructions



- Organic Import Instructions
- Organic Integrity in the Supply Chain – Short Video
- Grower Group Instructions
  - NOSB recommendations from 2002 and 2008

# Control Systems Accreditation, Certification Oversight



# Background



- Organic trade expanding
- U.S. and EU organic market over \$80 billion
- Many governments have established organic standards and control systems
- Fraudulent certificates continue to be identified
- Alleged violations in foreign countries can be complex and challenging to investigate and enforce.

# Organic Control System



- Organic standards
- Certifiers verify that organic farmers and handlers comply with organic standards
- Accreditation body ensures that certifiers are conducting thorough and complete inspections, have qualified personnel, and are meeting all aspects of their responsibilities as certifiers
- Certifiers enforce the standards under their authority (Notice of Noncompliance, Notices of Suspension/Revocation)
- Competent authorities (governments) provide oversight and enforcement.



# USDA, Certifiers & Operations All Support the Organic Control System



## Inspecting an Organic Grain and Rice Operation



# Certifiers Are Central to Organic Control



**What certifiers do:**



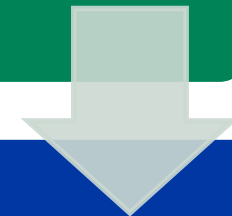
Ensure compliance of existing regulations

# Core Certifier Activities



## Review Operation Organic System Plans

- Inputs, Materials
- Recordkeeping Systems
- Practices



## Conduct Annual Inspections

- Verify effective implementation of OSP
- Review and audit records to ensure traceability

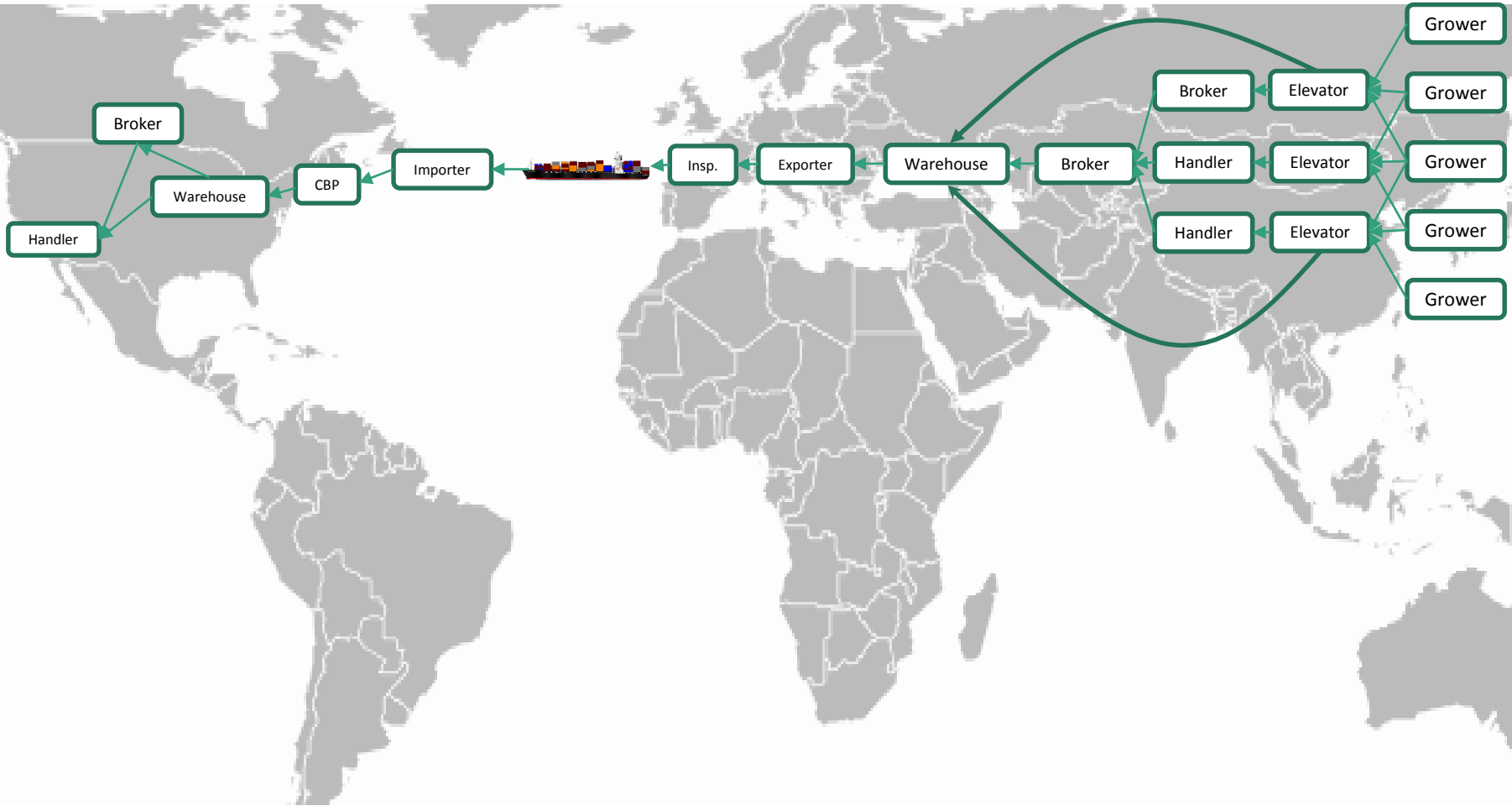


## Issue Certificates

- Annual Certificates
- Transaction/Import Certificates
- Attestation Statements



# Product Movement





A certified operation must maintain records concerning the production, harvesting, and handling of agricultural products that are sold, labeled, or represented as organic

Such records must:

- (1) Be adapted to the particular business
- (2) fully disclose all activities and transactions of the certified operation in sufficient detail as to be readily understood and audited

# Examples of Records: Reported in OSP, Checked During Inspections



Records verifying that incoming product is organic, with amounts

Organic certificate for all incoming organic products, ingredients

Invoices, purchase orders, bills of lading, scale tickets

Handler organic certificates and contracts

Certificates of Analyses; Product Specification Sheets

Raw product inventory reports and records

Weigh tickets, receipts, and tags

Clean truck affidavits for bulk product

# Records for Non-Certified Operations

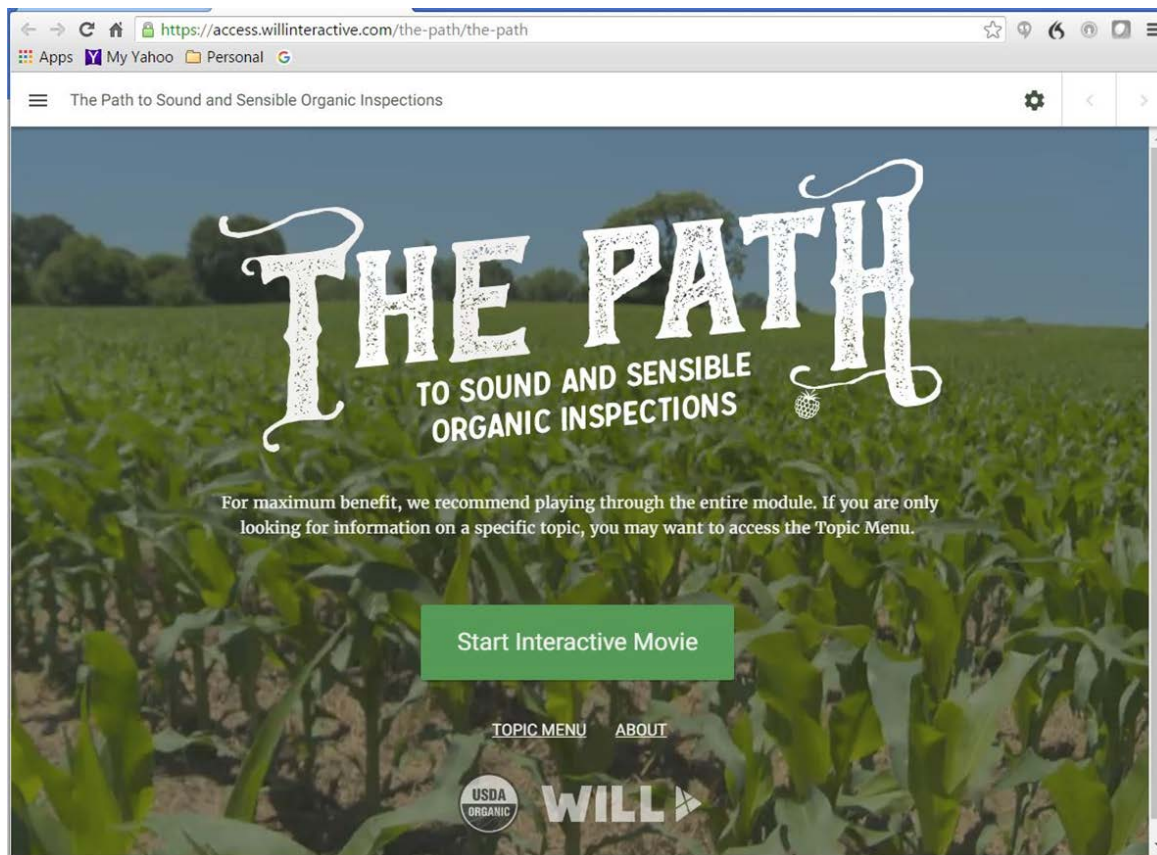


- Who keeps records for organic products, if the supplier is **not certified**?
- The **records must be kept by the certified operations** responsible for the product (buyer or seller)
  - Records must have enough detail
  - Records must maintain traceability, demonstrated through an audit trail
  - Records must document prevention of contamination and commingling
  - Records must be available for inspection

# Interactive Training for Certifiers



- The Path to Sound and Sensible Organic Inspections



# Priorities



- Organic Integrity in the Supply Chain
- Training certifiers and handlers
- Implementing better oversight system for imports
- Auditing certifiers and ensuring adequate controls for long supply chains, especially those involving imports





United States Department of Agriculture



# Agricultural Marketing Service

Creating Opportunities for American Farmers and Businesses

[www.ams.usda.gov/nop](http://www.ams.usda.gov/nop)

