

**STATEMENT OF GRACE MARROQUIN, PRESIDENT
MARROQUIN INTERNATIONAL ORGANIC COMMODITIES SERVICES, INC.
BEFORE NATIONAL ORGANIC STANDARDS BOARD,
ARLINGTON, VIRGINIA, NOVEMBER 28, 2007**

**YEAST SHOULD BE RECLASSIFIED ON THE NATIONAL LIST
AS AN “AGRICULTURAL PRODUCT” UNDER SECTION 205.606**

My name is Grace Marroquin, and I am President of Marroquin International Organic Commodities Services, Inc. My company is based in Santa Cruz, California. We import organic ingredients for the natural products industry.

I am here once again to support the classification of yeast on the National List as an “agricultural product.”

This change would raise organic standards. Organic processors are not required to use organic yeast because yeast is not listed as “agricultural.” This change would make it a requirement that organic foods use organic yeast instead of conventional yeast.

Organic yeast is unique. It is the only commercially available organic ingredient that processors do not have to use. We want to make it clear to the Board that this is a loophole in the organic standards.

Organic yeast is far superior to conventional yeast for organic products. Organic yeast is grown on a substrate of organically produced grains. Furthermore, there are no chemicals like the ones used to make conventional yeast: no ammonia (NH³), no sulfuric acid, no caustic soda lye, no synthetic vitamins and no synthetic anti-foaming agent. In conventional yeast production, the wastewater must be treated before disposal to avoid pollution. In organic yeast, the wastewater is a raw material available for further production.

Because of the chemicals used in making conventional yeast, the organic movement in Europe realized that conventional yeast was not compatible with organic farming or food processing. In 1980 a German manufacturer, Agrano, began to develop an organic production method for yeast. In 1995 Agrano began marketing Bioreal® organically produced yeast. Our firm began importing Bioreal® in 2002.

So our position is that yeast should move from the “nonagricultural” to the “agricultural” column, so that under the NOP, organic yeast can be a preferred organic ingredient, subject to commercial availability.

We have been pursuing our position with the Board for 3 ½ years. We first brought this request to the Board in the summer of 2004. The Board first wants to have an overall policy to decide which materials should be “agricultural” as opposed to “non-agricultural.”

One year ago, after much hard work, the Handling and Materials Committees offered a joint proposal for the October 2006 meeting of the Board. As part of this proposal, both committees voted unanimously that yeast was an “agricultural product” and thus should be listed on Section 205.606.

There was public comment urging the Board to go slow. The Board voted to postpone further action so that it could study the points raised. There were two principal points raised.

One was that there were no standards for organic production of yeast.

The other was that making yeast an “agricultural product” may have an effect on yeast used in organic livestock feed.

The Board said it was going to study both points, so that it could then revisit the basic proposal, the one that both the Handling and Materials Committees had already approved. It’s right there in the transcript of the October 2006 meeting, on October 19, pages 75-77.

With regard to organic yeast, the “Discussion Document” falls short. The “Discussion Document:” does not make any reference to the work that the Handling and Materials Committees produced in October 2006. The “Discussion Document” does not return to the agenda that the Board laid out in October 2006.

The “Discussion Document” is still a work in progress. Back in October 2006 we thought we had a clear answer. Now we have a “Discussion Document” that goes far beyond the “ag/non-ag” area into the “synthetic/nonsynthetic” area. This means it is moving away from the question of yeast.

Since the “Discussion Document” has expanded the topic so much, we feel it would be appropriate to deal with yeast separately, because the rest of the “Discussion Document” does not relate to the yeast question.

Now I want to leave the Board with two important points.

The New EU Regulation. On June 28 the EU adopted Council Regulation (EC) No 834/2007. It gives full express recognition to yeast, in food and in feed, as eligible for organic certification. It provides general rules for the production of organic yeast.

These are standards that apply to processing, not livestock. The certifiers that want to certify yeast operations have been asking for processing standards. Now we have them in the EU regulation.

With this EU action, the organic world is moving toward yeast as an organic ingredient. Today there are many organic food products exported from the U.S. to the EU that contain yeast. If the U.S. organic standards continue to allow conventional yeast in organic products, this will set up another trade barrier for U.S. products exported to the EU.

Livestock Feed. We have researched this, and if organic yeast becomes a requirement for livestock feed, we do not think there will be disruption. There will be much lead time and the yeast industry will adapt and bring out the supply. There are 10 yeast feed supplement products already listed with OMRI. This shows that manufacturers will be interested in switching over to certified organic yeast to serve the organic market when the time comes.

We have already had one U.S. organic distributor, Midwest Bio Ag in Wisconsin, introduce certified organic yeast for livestock feed a number of years ago, called Y Gain. It went out of production because of this regulatory problem. Once we fix the problem, there will be a new opportunity for organic yeast in livestock feed. We expect that Midwest Bio Ag will resume production of Y Gain, and many other yeast suppliers will grasp the same opportunity.

Thank you for your interest, and I will be happy to take questions.