



**Livestock and Seed Program  
Audit, Review, and Compliance Branch  
Quality System Audit Report**

**AUDIT INFORMATION**

<b>Applicant Name:</b>	Bio Latina
<b>Est. Number:</b>	N/A
<b>Physical Address:</b>	Av. Arenales 645, Lima 1; Lima, Peru
<b>Mailing Address:</b>	Same
<b>Contact &amp; Title:</b>	Roxana Priego Flores, Managing Director
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<b>Phone Number:</b>	51-1-4232924
<b>Auditor(s):</b>	Martin Friesenhahn, Lead Auditor; Corey Gilbert, Second Auditor
<b>Program:</b>	USDA National Organic Program (NOP)
<b>Audit Date(s):</b>	June 12-15, 2006
<b>Audit Identifier:</b>	NP6163BBA
<b>Action Required:</b>	Yes
<b>Audit Type:</b>	On-site Audit
<b>Audit Objective:</b>	To verify continuing compliance to the audit criteria
<b>Audit Criteria:</b>	7 CFR Part 205 National Organic Program, Final Rule, dated December 21, 2000; Amended November 03, 2003
<b>Audit Scope:</b>	The company's NOP Quality Manual, including personnel, processes, certification procedures, facilities, and related records.
<b>Location(s) Audited:</b>	Bio Latina Office in Lima, Peru; Hacienda Chacra Blanca in Chilca, Peru; and Negrisa in Shangrila, Peru

Bio Latina was accredited as a certifying agent by the NOP on April 29, 2002 for crops and handling operations. Bio Latina has approximately 289 NOP certified operations with the majority for crops (199) and some for handling (90). The certified operations are in South America (Bolivia, Colombia, Ecuador, Venezuela, and Peru) and Central America (Honduras, El Salvador, Guatemala, Nicaragua, and Panama).

Bio Latina is also accredited as an ISO Guide 65 certification body and approved for EU 2092/91, CAQ, and JAS certifications (agreement signed with the Japanese organic certification body ICS Japan). The NOP certifications are usually conducted in conjunction with the EU 2092/91 organic certifications.

The observation of a crop and processor inspection (demonstration inspection) was completed at Hacienda Chacra Blanca, which produces and processes organic olives. The annual NOP and EU inspections were conducted at this facility on February 7, 2006. An actual NOP processing inspection was observed at Negrisa, which cleans and exports organic and conventional green coffee beans. This inspection was the renewal inspections for the NOP and EU certifications.



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**FINDINGS**

Observations made, interviews conducted, and procedures and records reviewed verified that Bio Latina is currently operating in compliance to the audit criteria except as noted in the non-compliances. The on-site audit identified two major and six minor non-compliances.

**NP6163BBA.NC1 - Major** – NOP §205.403 (c)(2) requires that the on-site inspection of an operation must verify: That the information, including the organic production or handling system plan, provided in accordance with §§ 205.401, 205.406, and 205.200, accurately reflects the practices used or to be used by the applicant for certification or by the certified operation. *The organic system plans were not provided to the inspectors for initial NOP organic inspections prior to the inspection. However, the organic system plans were submitted to the certifying agent by the clients and the inspectors completed the inspection checklist during the inspection.*

**NP6163BBA.NC2 - Major** – NOP §205.501(a)(11)(vi) requires that the certifying agent must ensure that the decision to certify an operation is made by a person different from those who conducted the review of documents and on-site inspection. *The on-site inspections and the certification decisions were made by the same person (the Managing Director) for five certification files (2 in Ecuador and 3 in Colombia). However, these files were reviewed by an additional preliminary reviewer before the final certification decision.*

**NP6163BBA.NC3 – Minor** – NOP §205.403 (c)(1) requires that the on-site inspection of an operation must verify: The operation’s compliance or capability to comply with the Act and the regulations in this part. *During the observation of the inspection at Negrisa, it was noted that the inspector did not check the proper use and labeling of the NOP labels and seals used on the coffee bags.*

**NP6163BBA.NC4 - Minor** – NOP §205.404 (b)(2) requires, “The certifying agent must issue a certificate of organic operation which specifies the effective date of certification.” *The Bio Latina NOP certificates did not include the effective date that the operation was first certified to the NOP.*

**NP6163BBA.NC5 - Minor** – NOP §205.406 (a)(1-4) Continuation of certification – To continue certification, a certified operation must annually....submit information to the certified agent including an updated organic production or handling system plan with additions, deletions, changes or updates on the correction of minor non-compliances as applicable. *The certified operations did not submit any updated information to the certifying agent in those instances when no changes were made from the previous year. Bio Latina indicated that this information was conveyed through telephone conversations with the clients. However, there was no written documentation from the certified operations in these instances indicating that there were no changes in the organic system plans.*

**NP6163BBA.NC6 - Minor** – NOP §205.662 (a)(2) requires that when an inspection, review, or investigation of a certified operation by a certifying agent....reveals any non-compliance with the Act or regulations in this part, a written notification of non-compliance shall be sent to the certified operation. Such notification shall provide: The facts upon which the non-compliance is based. *The non-compliances listed in the inspection reports (listed as sanctions) did not always include the facts upon which they were*



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*based and it was not always clear as to which standards the non-compliance referred to (i.e. EU, NOP or Bio Latina Standards).*

**NP6163BBA.NC7 - Minor** – NOP §205.662 (a)(3) requires that when an inspection, review, or investigation of a certified operation by a certifying agent.....reveals any non-compliance with the Act or regulations in this part, a written notification of non-compliance shall be sent to the certified operation. Such notification shall provide: The date by which the certified operation must rebut or correct each non-compliance and submit supporting documentation of each such correction when correction is possible. *The supporting documentation was not always submitted and verified by Bio Latina in the specified timeframes. In some cases the documentation was not submitted and verified until the surveillance inspection even though earlier timeframes were required.*

**NP6163BBA.NC8 - Minor** – NOP §205.670 (b) requires “...the certifying agent may require preharvest or postharvest testing of any agricultural input used..... Such tests must be conducted by the applicable State organic program’s governing State official or the certifying agent at the official’s or certifying agent’s own expense.” *The contract for Bio Latina’s clients states that the client pays for the test.*