

Proposed National Leafy Greens Marketing Agreement Summary Points

The following is an outline of significant discussion points regarding the proposed NLGMA and a summary of pertinent USDA recommended changes to the original proposal.

Voluntary and Sustainable Approach to Food Safety

- The NLGMA is a voluntary agreement which would establish a uniform, science-based food quality program accessible to all operations, regardless of size, location or agricultural practice. The program would seek to enhance the quality of leafy green vegetables available to the marketplace through the application of good agricultural production, handling and manufacturing practices; thus, improving consumer confidence.
- The NLGMA provides a governance structure for farmers, handlers, retailers and consumers to work together and develop a practical program so that all types of farming and handling operations can effectively and efficiently comply with food safety and quality requirements. A national agreement will ensure full representation of all interested parties, provide technical expertise and enforce the final provisions of the voluntary agreement.
- Participation in the NLGMA could in the long term reduce the complexity and excessive cost for all sizes of operations to manage multiple food safety and quality programs imposed on farmers and handlers by various market participants.

Industry Proposal

- Representatives of the produce industry submitted to USDA a proposed NLGMA in 2009.
- Under the authority of the Agricultural Marketing Agreement Act of 1937, USDA held 7 hearings across the country during 2009 and received over 5000 pages of testimony.
- The NLGMA proposal released by USDA reflects the many recommendations and comments offered by farmers, handlers, academia, retailers, and consumers during the 7 hearings.

Diverse and Representative Board

- The original proposal identified 5 administrative zones. USDA recommends that the production area be divided into 8 zones to recognize groupings of states with similar climates, production environments, crops, agricultural practices, and other factors.
- The 8 zones provide for diversity and representation among the managing members of the agreement, specifically acknowledging alternative farming practices (i.e. organic and diversified farms) and small businesses. All members would be selected and appointed by the Secretary.

- The original proposal did not take into consideration the number of farms in each state. USDA is recommending calculating handler and producer representation based on acreage and the number of farms producing leafy green vegetables in each state.
- The original proposal established an administrative body of 23 members, with producers having only six seats. USDA is recommending that membership be increased to 26 members, with producers having 10 seats.
- The Board would be responsible for recommendations to the Secretary for establishment of standards and revisions to the agreement; conducting enforcement; and other administrative matters pertaining to functioning of the agreement.

Co-management Approach to Development of Standards

- A Technical Review Committee (TRC) would assist the Board in developing standards. TRC members would represent production, handling, and food safety experts from each zone, as well as organic and small business interests.
- The TRC would also include experts from federal agencies including USDA's National Organic Program, Agricultural Research Service, Natural Resources Conservation Service, National Institute of Food and Agriculture, as well as the U.S. Environmental Protection Agency, FDA Center for Food Safety and Applied Nutrition, Department of Interior's Fish and Wildlife Service, or other agencies as recommended and approved by USDA.
- Authority for the TRC and the Board to work collaboratively with stakeholder interest groups, local, and state authorities through subcommittees would mitigate the development of conflicting regulatory requirements, and would promote scale and regionally appropriate production and handling standards
- USDA recommends replacing the originally proposed Market Review Board with a Research and Development Committee to support research and development activities and to conduct educational outreach and transition support, particularly among small producers and handlers, organic, sustainable, and diversified agriculture businesses.
- The NLGMA program standards would apply FDA produce food safety regulations and FDA guidelines.

Cooperative Strategy for Inspection and Compliance

- USDA-AMS Inspection Service would have the authority to accredit other entities and license their auditors to audit on its behalf, including NOP certified agents, FDA inspectors, and third party auditing services accredited by FDA. This presents the potential to streamline the audit process facing many farmers and handlers in today's market; thus improving operations and reducing costs. For example, the proposal would permit the

program to evolve whereby an organic operation could include the NLGMA program as a component of the overall organic system plan.

- Mandatory compliance by NLGMA signatories would be enforced through USDA verification audits conducted by the USDA-AMS Inspection Service or by any other accredited service. Product imported by signatories also would be subject to the requirements of the NLGMA.
- A signatory handler's compliance with the program would be signified by the use of a program certification mark on producer and handler sales transaction and shipping paperwork (bills of lading, manifests, etc.).

Financially Accountable to Industry

- Assessments would be recommended by the Board and approved by USDA.
- Assessments could not exceed \$0.05 per 24-pound carton equivalent of leafy green vegetables.
- Handler assessments would be based on volume and would cover the administrative costs of the program and verification audit fees for signatory first handlers and their producers.
- Verification audit fees paid by the Board out of total assessments collected would lessen the burden on small handlers. Large handlers would pay more assessments, thereby covering a larger portion than the small handlers of the overall national expense of audit verification fees.