## Policy Memorandum

| To: | Stakeholders and Interested Parties |
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| From: | Miles McEvoy, Deputy Administrator |
| Subject: | Retained Memo: "Calculating the Percentage of Organically Produced <br> Ingredients" |
| Date: | Original Issue Date - January 31, 2011 |

Attached is the "Calculating the Percentage of Organically Produced Ingredients" memo issued by the National Organic Program (NOP) on August 23, 2002. This memo is being retained by the NOP as a new policy memo and remains in effect. This document has been assigned the control number "PM 11-9".

Enclosure: "Calculating the Percentage of Organically Produced Ingredients" August 23, 2002 memo

## Calculating the Percentage of Organically Produced Ingredients

## Reference: Subpart D, Labeling, 7 CFR 205.302(a).

Section 205.302(a) requires a handler to exclude added water and salt from the weight and/or fluid volume of organic ingredients at formulation and to exclude salt and water from the total net weight of the finished product when calculating the percentage of organically produced ingredients in a product. The National Organic Program (NOP) has received a number of questions regarding the protocol to be used by handlers in determining compliance with these requirements.

The NOP does not preempt Food and Drug Administration (FDA) regulations. Food to which water has been added unnecessarily or in excessive amounts is considered adulterated in accordance with section 402(b)(4) of the Federal Food, Drug, and Cosmetic Act. Water added to a food for which a standard of identity has been established, unless the standard provides for added water, violates that standard. Such food also is considered adulterated in accordance with section 402(b)(4) of the act and misbranded in accordance with section 403(g)(1). Exclusion of water as discussed in this policy statement is solely for calculating the percentage of organic ingredients contained in a multi-ingredient food product.
Q. I use an FDA recognized standardized food as an organic ingredient in the formulation of a multi-ingredient product. Do I have to exclude the water found in this ingredient when calculating the percentage of organically produced ingredients in the final product?
A. No. When water is listed as an ingredient of an FDA recognized standardized food and that product is used as an ingredient in a multi-ingredient food, the water does not have to be excluded when calculating the percentage of organically produced ingredients.
Q. I use a product not recognized by FDA as a standardized food as an organic ingredient in the formulation of a multi-ingredient product. Do I have to exclude the water found in this ingredient when calculating the percentage of organically produced ingredients in the final product?
A. Yes. When water is listed as an ingredient of a product not recognized by FDA as a standardized food and that product is used as an ingredient in a multi-ingredient food, the water must be excluded when calculating the percentage of organically produced ingredients.
Q. Do I have to exclude water added during the formulation of an organic multiingredient product when calculating the percentage of organically produced ingredients?
A. Water used as an ingredient in a multi-ingredient food, including water used to reconstitute a dehydrate (e.g. tomato powder, carrot dice, or celery powder), must be excluded when calculating the percentage of organically produced ingredients. However, water used to reconstitute a concentrate to single-strength is not excluded when calculating the percentage of organically produced ingredients.
Q. As a handler, do I exclude naturally occurring water from the fluid volume of a finished organic product that is not made from concentrate or dehydrate (e.g. singlestrength orange juice, grape juice, or milk) to calculate the percentage of organic ingredients in the finished organic product?
A. No. Naturally occurring water does not have to be excluded when calculating the percentage of organic ingredients in a finished organic product.

August 23, 2002

