



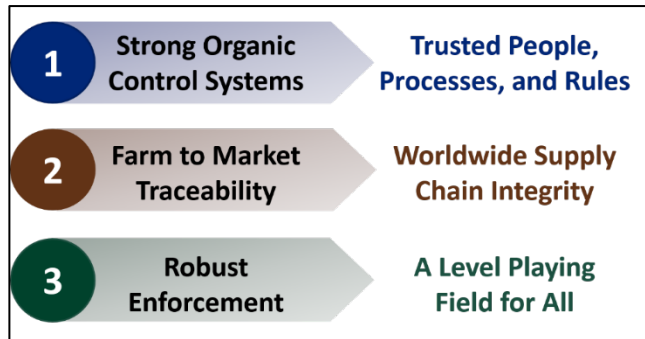
**Agricultural Marketing Service**

**Organic Oversight and Enforcement**  
 Summary of Activities and Overview Action Plan  
 May 2018

The USDA organic label offers consumers more choices in the marketplace. Organic agriculture is one of the fastest growing sectors within U.S. agriculture, creating jobs, expanding trade and promoting economic growth. Rapid organic growth also increases the complexity of supply chains that carry organic products from farm to table. The USDA Agricultural Marketing Service (AMS) that oversees the National Organic Program (NOP) continues to address new oversight challenges created by industry growth and increased market complexity.

In July 2017, NOP published a [summary of enforcement and oversight actions](#) in response to these challenges. This new report shares our most recent activities and successes, and our Enforcement Action Plan. The Action Plan outlines both practice changes and changes recommended for the organic standards to strengthen enforcement.

Keeping the organic industry strong means effectively managing three primary components: strong organic control systems, farm to market traceability, and robust enforcement.



**Organic Enforcement Activities and Successes**

**Strong Organic Control Systems**

Maintaining strong organic control systems is key to making sure the organic industry has trusted people, processes, and rules in place. USDA, certifiers, and organic businesses all have a shared role in protecting the integrity of the seal. Organic control systems provide the infrastructure to protect that integrity. NOP actions include:

- Implementing **enforceable standards** that help to protect consumers and create a level playing field for organic farmers, ranchers, and handlers;
- Ensuring robust **accreditation and oversight** of certifiers;
- Conducting **fair and consistent** certification of operations; and
- Developing systems for **levying penalties** when the rules are broken.



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NOP has taken a number of actions to strengthen organic control systems. These actions include:

- In fall 2017, NOP published a new interactive training on how to conduct an investigation. This self-guided video follows three certifiers participating in a complex complaint investigation. It is specifically designed for certifiers and inspectors – the person completing the training takes on roles and the choices they make determine whether fraud is detected or not.

[The Investigation: the Trail of Evidence](#)

- In October 2017, NOP published an [Interim Instruction on Organic Imports](#) for certifiers and has received public input that helped shape the Plan of Action below.

- In February 2018, NOP conducted face-to-face training with certifiers in both the U.S. and in Europe (photo). These trainings were designed to teach certifiers how to better track organic products throughout the supply chain, so they can better recognize and stop fraud. The training also clarified other areas of the organic standards, including pasture grazing rules, adverse action management, reinstatements, and appeals.



- In February 2018, NOP awarded its first Investing in Integrity **Data Quality Awards**, to recognize certifiers investing in data quality in the Organic Integrity Database.

- NOP also hosted an acreage working session webinar for certifiers to exchange best practices and barriers for reporting acreage to the Organic Integrity Database. These data support investigations and effective oversight.

- In August 2017, NOP asked the National Organic Standards Board (NOSB) to provide recommendations to improve the oversight of imported organic products. The NOP and NOSB hosted a series of panels to inform this work. The first panel in October 2017 focused on the Federal perspective. In April 2018, a nine-member Imports Integrity Panel of industry and trade experts, certifiers and an organic inspector offered a range of solutions for protecting organic integrity.

**“Investing in INTEGRITY” Winners!**

- CCOF: California Certified Organic Farmers
- County of Marin Organic Certified Agriculture
- New Jersey Department of Agriculture
- NOFA-NY - Northeast Organic Farming Association of New York
- One-Cert, Incorporated
- OTCO: Oregon Tilth Certified Organic



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### Farm to Market Traceability

Expanding farm to market traceability helps everyone across the organic control system increase supply chain integrity around the world. Recent actions include:

- NOP is collaborating with the Animal and Plant Health Inspection Service (APHIS), and Customs and Border Protection (CBP) on a number of oversight projects. APHIS provided valuable data related to **product fumigation**, allowing NOP to identify commodities from specific countries that are regularly fumigated as a condition of entry into the U.S. As a result, NOP has requested targeted investigations by certifiers. APHIS also led a training for organic certifiers on how to access APHIS fumigation rules and NOP is conducting data analysis to identify the commodities and countries most frequently involved.
- NOP and APHIS also met with CBP to find better ways to identify incoming products as organic, which is not possible now, and to provide NOP with data about those imports. NOP submitted a Request for Development to CBP for organic message sets – the mechanism that allows for the collection of organic import certificates – and is reviewing its current Memorandum of Agreement with CBP to request broader access to trade data.
- NOP increased the number of inspections and amount of testing that certifiers are performing in high-risk countries. NOP staff travel to conduct on-site audits of certifier offices around the world.

### Robust Enforcement

Protecting organic integrity requires robust enforcement of the organic standards. This creates a level playing field for all organic market participants – in the U.S. and abroad. Some recent NOP enforcement activities include:

- In cases of fraud, NOP **revokes the organic certificates** of businesses involved, taking away their ability to use the organic label. In some cases businesses voluntarily surrendered their certifications and are no longer in the organic market. For example, of the organic operations in Ukraine, Kazakhstan, Russia, and Turkey, 96 (13 percent of the certified operations in those countries) have surrendered certification, and 30 more have been suspended or revoked by certifiers since 2016.
- NOP has also significantly deepened its relationships with APHIS and CBP. The agencies have worked closely to investigate incoming grain shipments. As a result, three recent shipments have been blocked from entering the United States – including a shipment of chickpeas and about 39 thousand metric tons of corn, valued at approximately \$14.5-million dollars.

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Trade data suggests that increased enforcement actions are having a significant impact. From 2016 to 2017, the quantity of organic corn imports from Turkey declined 35% and organic soybean imports declined 15%.

### Organic Enforcement Plan of Action

#### Strong Organic Control Systems

Improvements underway to strengthen certification and enforcement processes include:

- Development of additional training for certifiers, inspectors and reviewers with an increased emphasis on key regulatory requirements for the oversight of complex domestic operations;
- Increased certifier training on the use of traceback and mass balance audits to improve supply chain traceability; and
- Research into risk-based certification models and their applicability to NOP accreditation and certifier oversight.

Changes under consideration to further strengthen organic certification control systems include:

- Introduction of a federated organic certificate;
- Implementation of the National Organic Standards Board’s recommendation for certification expiration dates;
- A requirement of separate accreditation for certifier satellite offices;
- Clarification of grower group requirements; and
- Specification of inspector and reviewer qualification and training requirements.

#### Farm to Market Traceability

Practice changes initiated in 2018 include:

- Defining how electronic import and export certificates are used for products moving across the U.S. border, and identify requirements for the future;
- Increasing collaboration with APHIS and CBP on import oversight initiatives;
- Improving data quality by encouraging increased reporting to the Organic Integrity Database by certifiers;
- Exploring new technology to better manage data and verify product movement across international supply chains.

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Other changes to the organic standards needed to strengthen worldwide supply chain integrity include:

- Modifying the current exclusion for uncertified handlers so that organizations such as importers and brokers must be certified;
- Requiring import certificates for incoming shipments to improve organic import oversight;
- Updating regulatory requirements for trade arrangements; and
- Improving the ability to confirm the authenticity of organic imports before they cross the U.S. border.

### Robust Enforcement

Improvements started in 2018 include:

- Increased reporting of enforcement actions;
- Increased use of risk assessments when examining incoming complaints so that program resources are invested where the market needs us the most;
- Increased number of announced and unannounced inspections of complex organic businesses;
- Initiation of a pasture surveillance project, where USDA conducts unannounced visits with high risk dairies to assess compliance with the pasture standards; and
- Leveraging of NOP's relationships with other USDA offices to:
  - Increase internal investigative capabilities and staffing;
  - Expedite administrative proceedings to suspend or revoke an operation; and
  - Establish processes for referring complaints to the AMS Perishable Agricultural Commodities Act (PACA) group, when appropriate.

Changes to the organic standards that would support improved enforcement include:

- Institutionalization of unannounced inspections by certifiers and USDA staff, focused on the highest risk areas;
- Revision of the noncompliance, adverse action and appeals process to bring violators to justice faster while preserving due process; and
- Exploration of options for instituting hold-product authority.



## Agricultural Marketing Service

### Conclusion

USDA is committed to setting a level playing field that will allow U.S. producers and international businesses to compete fairly and continue to develop the organic industry.

Trust is the key to building and maintaining successful brands, organizations and partnerships. For the organic industry, the USDA organic label creates the foundation for that trust. Our top priority is protecting the value of the organic label – a value that is directly related to our collective ability to effectively trace products across the supply chain, ensure the integrity of organic products and take rigorous enforcement actions to deter fraud.

USDA is an equal opportunity provider, employer and lender.