

The

ORGANIC INTEGRITY QUARTERLY

November 2014

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Organic Integrity from Farm to Table, Consumers Trust the Organic Label

Celebrating Organics!

Around the world, there are hundreds of thousands of people working in organic agriculture and trade. Organic farmers in Mexico are starting the coffee harvest. Organic farmers in Australia are preparing fields for planting. In the Pacific Northwest, organic fruit handlers are packing apples and pears. In the Midwest, organic dairies are ending the grazing season and ensuring they have enough organic feed for the winter months. Organic processors are baking bread, canning tomatoes, and making wine. Around the world, organic food is being grown and the harvest is coming in.



Let's give thanks for the dedication and care that organic farmers, ranchers, packers, processors and distributors put into growing, packing, and distributing organic food to markets and grocery stores. There are millions of consumers that buy organic products. They depend upon the quality and thoroughness of organic inspectors and certifying agents to verify the organic label. Organic inspectors and certifiers review Organic System Plans, sample and test products for prohibited substances, and conduct inspections and audits to ensure that organic standards are being met. Because of their work, consumers trust the USDA organic seal to indicate products comply with organic production and handling standards.

The organic agriculture community is a passionate bunch with diverse backgrounds and experience. Let's celebrate organics from the small farm to the large corporation – from local markets to international trade – all efforts that help to make the planet more sustainable for people and the environment.

I also want to give a special shout out to members of the National Organic Standards Board (NOSB). The fifteen board members volunteer their time and provide their expertise and perspective to make recommendations to USDA on organic standards. It's an incredible service they provide to the organic

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Celebrating Organics!

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community. They study technical reports, listen to thousands of public comments, develop proposals, and make recommendations to USDA. We appreciate their service to the organic community in supporting organic agriculture and the integrity of the USDA organic seal.

Four NOSB members are ending their 5-year terms in January 2015. Joe Dickson, organic retail representative from Whole Foods Markets, has provided his expertise on organic distribution and trade. Jay Feldman, environmental protection representative from Beyond Pesticides, has provided his expertise on pesticides, inert ingredients and many other substances. John Foster, organic handler representative from Earth Bound Farms, has provided his expertise on organic certification, production and handling. Wendy Fulwider, organic farmer representative from Wisconsin, has provided her expertise on animal welfare that led to the NOSB's final recommendations on animal welfare.

Let's both celebrate and thank them for their service to organic agriculture.

Sincerely,

Miles V. McEvoy
NOP Deputy Administrator



Oaxacan organic coffee farmer and Deputy Administrator McEvoy celebrating the harvest during a witness inspection.



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<http://bit.ly/NOPOrganicInsider>

NOP Planning Organic Integrity Database

The National Organic Program (NOP) is in the planning phase to build a modernized database to replace the existing once-a-year posting of certified organic operations. The modernized system is called the **Organic Integrity Database**; funding for the project was provided in the 2014 Farm Bill.

The Organic Integrity Database will be a modernized certified organic operations database that will:

- Deter fraud by providing real time accurate information about operations certified to use the USDA organic seal
- Reduce hundreds of phone calls from buyers, consumers, other certifiers to NOP and our 80 certifiers to confirm an operator's current certification status
- Enable market research and supply chain connections between buyers and sellers of organic goods
- Support international trading partner data needs: verification of operator status to support import/export certificates
- Establish technology connections with certifiers to facilitate the exchange of accurate and timely data
- Increase pressure on suspended and revoked operations to stop marketing as organic, and increase NOP's oversight reach over these operations

Certifier data will be the foundation of the new system, so the NOP wants to build a system that certifiers will want to use. Towards that goal, on November 6, NOP and the AMS Information Technology Service (ITS) held a "certifier user group" kickoff meeting. The certifier user group will actively participate in defining the requirements and design for the modernized database, and will help test the system

as we complete different software versions. Certifiers attending the call represented the full spectrum of certifier organizations: large and small, and U.S. and international.

In addition to starting the certifier user group, we are doing a market survey to learn about existing organic certification technology solutions. The Organic Integrity Database will not replace existing certification systems that certifiers like and that are working well. We plan to build a system that exchanges data with existing tools, so certifiers will want to use it to ensure that their clients' most current status is available to the trade and the public through the NOP.

For more information, contact NOP Associate Deputy Administrator Jennifer Tucker at Jennifer.Tucker@ams.usda.gov. We are particularly interested in hearing from you if:

- (1) you are a certifier representative that wants to join the certifier user group (no consultants or outside firms please; certifier employees only);
- (2) you want to refer us to an information technology firm with experience in developing organic certification systems. In this phase of planning, we will speak with any interested vendor, and welcome your suggestions!

The NOP has issued a "Sources Sought Notice" to hear from vendors with capabilities to support system development. Visit www.fbo.gov, and search for solicitation AG-4740-S-15-0002A. Deadline: December 5, 2014.

National List Update

Recent Technical Reports

The following new technical reports have been posted on the NOP website and sent to the NOSB for review:

Hydrogen chloride, § 205.601 (Sunset 2016)
Tetrasodium pyrophosphate (TSPP), § 205.605 (Sunset 2016)
Microorganisms, § 205.605 (Sunset 2016)
Yeast, § 205.605 (Sunset 2017)
Waxes - Carnauba wax, § 205.605 (Sunset 2017)
Waxes - Wood resin, § 205.605 (Sunset 2017)
Orange shellac, § 205.606 (Sunset 2017)

Petitions

The following new petitions have been posted on the NOP website and sent to the NOSB for review:

Sodium bisulfate, § 205.603
Zinc sulfate, § 205.603
Calcium sulfate, § 205.601

View petitions and technical reports:
www.ams.usda.gov/NOPNationalList



NOP Appeals: Update and Tips

Any operation or certifier that receives an adverse action notice related to organic certification or accreditation may appeal that adverse action. Examples of adverse actions include a Notice of Proposed Suspension or Revocation, a Denial of Certification or Accreditation, a Denial of Reinstatement, or a Cease and Desist Notice.

The National Organic Program (NOP) Appeals Team and the Agricultural Marketing Service (AMS) Office of the Administrator implement the NOP appeal process using the U.S. Department of Agriculture (USDA) organic regulations sections 205.680 and 205.681.

Here's an update on appeals cases that we received and worked on in the government's fiscal year (FY) 2014 (October 1, 2013 through September 30, 2014).

- During the 2014 fiscal year, we received 40 appeals. This is fewer than in FY 2013, when we received 48 appeals; and FY 2012, when we received 44 appeals.
- We completed action on 44 appeals; there were four types of outcomes on these appeals. There was one (1) appeal that was dismissed because it was untimely. A total of twenty (20) were Closed without a Decision, which is done when the issue has been fully resolved, if the operator has been suspended or reinstated under a different action, or if an adverse action is withdrawn. There were nine (9) cases where AMS issued an Administrator's Decision denying the appeal; this is done when AMS upholds an adverse action as valid and correct. Finally, fourteen (14) cases were resolved through a settlement agreement, where the

appellant agrees to take certain actions to resolve and close the adverse action.

- The 44 appeals resolved in FY 2014 were resolved in an average of 140 days. This is a faster average timeline than in 2013, when the average days to closure was 194, and far faster than in 2012 when the average was 294 days.
- As of October 31, the Appeals Team has 15 open appeals cases, open an average of 73 days.

Tips for certified organic operators:

- Read ALL communication from your certifier, the National Organic Program, or a State organic program carefully and thoroughly.
- Do not ignore letters and notices. Make sure you understand if you need to take an action, and if so, what options are being given to you.
- Make sure you meet any response deadline.
- If you have a question about what a notice means, or its possible impact, ASK! Contact the person who sent you the notice.
- If you appeal an adverse action, and your appeal is acknowledged, take the opportunity to provide any additional information that supports your appeal.
- Maintain a compliant recordkeeping system. Records are evidence and are important in the appeal process.
- Consider requesting mediation with your certifier if you receive a proposed notice. Sometimes, mediation can result in a settlement agreement that will allow you to come into compliance quickly, without being suspended or revoked.

2014 Organic Integrity Update: Compliance and Enforcement, and Accreditation and International Activities - Year in Review Summary



2014 Compliance and Enforcement

The NOP is committed to protecting the integrity of organic products and creating a level playing field for certified operations. To accomplish these goals, the NOP enforces the USDA organic regulations to the fullest extent possible, while protecting compliant operations from undue harm.

In FY14 (October 1, 2013 through September 30, 2014), NOP accomplished more with improved efficiency. We initiated over 200 investigative and enforcement actions. These included notices of warning, cease-and-desist notices, and referrals for investigation by certifiers, state, federal, and foreign agencies.

NOP further completed 285 complaint investigations, exceeding the FY13 total of 260. The program also publicized 13 fraudulent organic certificates, and levied nine civil penalties for \$81,500 via settlement agreements for willful violations of the Organic Food Production Act. In FY14, 181 investigations were closed in an average of 81 days, exceeding the target of 180 days.

Certifying Agent Audits

The NOP audits certifying agents to ensure they apply the USDA organic regulations appropriately, fairly and consistently. In FY14 NOP conducted 56 audits of accredited certifiers, assessing an average of 115 accreditation requirements per certifier. Initial analyses indicate that certifiers were in full compliance with 96.7% of the requirements. Noncompliances are being corrected, and NOP auditors will follow up on future audits.

Reinstatement Requests from Suspended Operations

The NOP also considered reinstatement requests from 62 suspended operations; reinstating more than 90% of applicants after verifying full correction of non-compliances.

International Activities

As the lead for AMS, NOP provided expertise in the negotiations for an organic equivalency arrangement with Korea, resulting in a trade agreement with estimated \$35 million per year in market value. This agreement became effective on July 1, 2014.

The NOP also completed two international peer reviews: one in Korea to establish the new arrangement, and another in the European Union (EU) to maintain the existing equivalency arrangement. We further led the AMS team in wine equivalency discussion with the EU. The NOP also conducted activities to maintain recognition agreements with India, Israel, and New Zealand.

The NOP also continues to support greater global standards harmonization. In September 2014, NOP attended the Inter-American Commission on Organic Agriculture meetings in Panama. This work supports greater harmonization of organic standards and improved control systems in Latin America.



Update From National Organic Standards Board Meeting

Front Row: Wendy Fulwider, Zea Sonnabend, Jean Richardson, Michelle Arsenault, and Carmela Beck

Back Row: Colehour Bondera, Jennifer Taylor, Mac Stone, Jay Feldman, Francis Thicke, Joe Dickson, Calvin Walker, Tracy Favre, John Foster, Harold Austin, Nick Maravell, Miles McEvoy

On October 28-30, 2014, the National Organic Standards Board (NOSB) held its biannual public meeting in Louisville, Kentucky. Over the course of three days, the NOSB, under the leadership of NOSB Chair Dr. Jean Richardson, evaluated 28 proposals, discussion documents, and reports, and reviewed 2015/2016 sunset materials. The Board also heard oral testimony from approximately 90 members of the public on a wide range of issues. The NOSB had received approximately 1,000 written public comments before the meeting, which were discussed and considered as part of NOSB deliberations. Miles McEvoy, Deputy Administrator and Designated Federal Officer, also presented a report on the National Organic Program's (NOP) strategic priorities, and updates on standards, accreditation and compliance related activities. The USDA provided updates on the National List, and on the implementation of Secretary Vilsack's Guidance on Organic Agriculture. A summary of the NOSB's recommendations and actions is provided below. The final recommendations from the Louisville meeting will be posted at www.ams.usda.gov/NOSBMeetings.

Note: NOSB is an advisory body to the Secretary of Agriculture. NOSB recommendations are not NOP policy unless the NOP issues final rules, final guidance, final instructions, or a policy memorandum that adopts the NOSB recommendations. They are not part of the USDA organic regulations unless such action is taken.

Petitioned Substances. The NOSB reviewed two petitions to amend the National List of Allowed and Prohibited Substances (National List). This section of the USDA organic regulations identifies exemptions to the following general rule in organic crop and livestock production: synthetic substances are prohibited unless specifically allowed and natural substances are allowed unless specifically prohibited. In organic processed products, all non-organic ingredients must be specifically allowed. "Motion failed" indicates that less than two thirds of the NOSB members voted to make the change in question, meaning that the NOSB did not provide a recommendation to amend the USDA organic regulations for that substance.

Petitioned Substance	Section	Action Considered by NOSB	NOSB Recommendation
Whole Algal Flour	§205.606	Motion to list Whole Algal Flour at 205.606	The proposal was referred back to the Handling Subcommittee
Glycerin	§205.605(b)	Motions to reclassify, remove from 205.605, and list at 205.606 (3 motions)	The proposal was referred back to the Handling Subcommittee

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Update From National Organic Standards Board Meeting

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2015 Sunset Substance Review

Substance	Section	Action Considered by NOSB	NOSB Recommendation
Sulfurous Acid	§205.601(j)	Motion to remove from the National List	The motion failed. The NOSB completed the sunset review
Sodium Carbonate Peroxyhydrate	§205.601(a)	Motion to remove from the National List	The motion failed. The NOSB completed the sunset review
Aqueous Potassium Silicate	§205.601(e) and (i)	Motion to remove from the National List	The motion failed. The NOSB completed the sunset review
Marsala	§205.606(g)	Motion to remove from the National List	The motion passed. The NOSB recommended removal of Marsala from the National List
Sherry	§205.606(g)	Motion to remove from the National List	The motion passed. The NOSB recommended
Gellan gum	§205.605(a)	Motion to remove from the National List	The motion failed. The NOSB completed the
Tragacanth Gum	§205.606(x)	Motion to remove from the National List	The motion failed. The NOSB completed the sunset review

2016 Sunset Substance Review

The NOSB provided an overview of the following twelve substances due for sunset review by 2016:

- Substances currently allowed in organic crop production (along with any restrictive annotations):
 - Ferric Phosphate (§205.601(h))
 - Hydrogen Chloride (§205.601(n))
- Substances currently allowed in organic handling (along with any restrictive annotations):
 - Egg White Lysozyme (§205.605(a))
 - L-Malic Acid (§205.605)
 - Microorganisms (§205.605)
 - Activated Charcoal (§205.605(b))
 - Peracetic Acid (§205.605(b))
 - Cyclohexylamine (§205.605(b))
 - Diethylaminoethanol (§205.605(b))
 - Octadecylamine (§205.605(b))
 - Sodium Acid Pyrophosphate (§205.605(b))
 - Tetrasodium Pyrophosphate (TSPP) (§205.605(b))



Update From National Organic Standards Board Meeting

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As part of its discussion on these substances, the NOSB also summarized the public comments about whether these substances continue to meet the OFPA criteria for allowance in organic production and handling. The Handling Subcommittee noted that all public comments support removal of the listings for the boiler chemicals cyclohexylamine, diethylaminoethanol, and octadecylamine, and that most comments support the removal of the food additive tetrasodium pyrophosphate as well. The NOSB will consider public comment, technical information, and its discussion from the fall 2014 meeting to complete its review of these substances at the spring 2015 meeting, including any proposals to remove the substances from the National List.

Other Recommendations

Research Priorities

The NOSB submitted a current list of research priorities that would support the organic sector. Priorities on this list include but are not limited to: Alternatives to Bisphenol A (BPA), Plant Disease Management, Soil Building Practices, Mitigation Measures for Residues in Compost, Seed Purity from GMO Research Needs, and several livestock topics including Mastitis, Parasitism, Pneumonia, Herd Health, and Plant Extracts.

Vaccines from Excluded Methods

The NOSB recommended that this document be forwarded to the NOP for future work.

Other Business

Discussion Documents

The NOSB discussed three discussion documents at this meeting: Excluded Methods Terminology, Assessment of Soil Conservation Practices, and Contamination Issues in Farm Inputs Literature Review.

Updates & Reports

Aquaculture Review History. The NOSB Livestock Subcommittee provided an update on the review of aquaculture petitions. The NOP provided an update about the Inerts Working Group and its ongoing work to implement a process for review of inert substances in pesticide formulations.

For additional information about the meeting, please visit www.ams.usda.gov/NOSBMeetings.

Organic Community Thanks Outgoing Board Members



Outgoing Board Members: Joe Dickson, Jay Feldman, Wendy Fulwider, John Foster

The National Organic Standards Board (NOSB) plays a critical role in advising the USDA about the national organic standards and implementation of the Organic Foods Production Act (OFPA). Much of the organic industry's and NOP's success is due to the expertise and personal dedication of current and past NOSB members. The NOP thanks retiring board members Joe Dickson, Jay Feldman, Wendy Fulwider, and John Foster for their service and thoughtful guidance. Over the past five years, they demonstrated a commitment to the Board's role in reflecting the needs of organic stakeholders. Their work supports both organic integrity and a thriving organic sector.



The NOP celebrated its twentieth installment of the [Organic 101](#) blog series that explores different aspects of the [USDA organic regulations](#). To mark the 20th milestone, USDA invited Dr. Jean Richardson, Chair of the National Organic Standards Board (NOSB), to be a guest author. To read all of the blogs go to: <http://blogs.usda.gov/tag/organic-101/>