

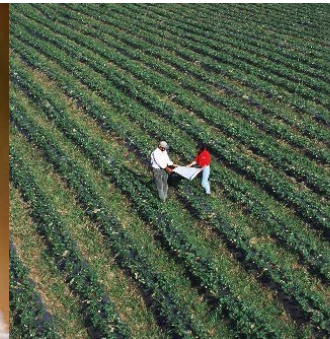


# Accreditation and Certification Update – Part 1

February 10, 2015

USDA Agricultural Marketing Service  
National Organic Program

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Activities Division





1. Peer Review of NOP
2. Noncompliance Review by NOP

# Peer Review of NOP





Act and regulation requiring peer review:

- Organic Foods Production Act, 7 USC 6516
- USDA Organic Regulations, 7 CFR 205.509



# Peer Reviews & Assessments



- Peer reviews by independent organizations
  - American National Standards Institute (ANSI) - 2014
  - National Institute of Standards and Technology (NIST) – 2011
- Peer reviews by foreign governments
  - Canada – 2013, 2011
  - European Commission – 2014, 2010;
  - Japan – 2013
  - South Korea – 2014
- USDA Office of Inspector General (OIG) assessments:
  - General audit of the NOP – 2010
  - Two audits on organic milk – 2013, 2012
  - Audit of the National List process – 2012

# 2014 Peer Review - Background



- 2014 Peer Review was conducted by American National Standards Institute (ANSI)
- Purpose:
  - Assess the NOP's accreditation program processes and procedures
  - Determine how well NOP accreditation program aligns with ISO/IEC 17011 (general requirements for accreditation bodies)

# 2014 Peer Review – ANSI’s Conclusions



- NOP is committed to implementing ISO/IEC 17011
- NOP staff and management understand the principles of ISO/IEC 17011
- 14 opportunities for improvement, including evidence that some NOP procedures need revisions or need to be created

# What is NOP doing in response?



## Developing procedures:

- To clarify how NOP handles complaints related to certifiers
- For extending NOP activities (e.g. aquaculture)
- To finalize its internal record retention and file disposition procedure



# What is NOP doing in response?



## Revising procedures:

- To clarify renewal assessment procedures of certifiers
- To clarify which NOP division is responsible for actions related to suspension, withdrawal, and reduction of accreditation, when AIA makes the decision
- To clarify the steps necessary to extend a certifier's scope of accreditation

# What is NOP doing in response?



- Revised its Terms of Accreditation to require certifiers to notify NOP immediately of changes that would affect accreditation
- Scheduling annual internal audit
  - NOP staff conducting internal audits are trained in ISO/IEC 17011 and 19011 (auditing management systems)



View complete Executive Summary at  
<http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5109185>

# Institutionalizing the Peer Review Process



- NOP peer review process (see memo to NOSB, November 2014)
  - Peer review panel: minimum three individuals with expertise in certification and accreditation
  - Review a sample of accreditation decisions
  - Review accreditation procedures
  - Panel creates final report
  - Report presented at next NOSB public meeting and on NOP website



Questions?

# NOP's Review of Noncompliances Issued to Certifiers





# Certifier Noncompliance Review



In FY2014, NOP analyzed 37 audits of certifiers and associated noncompliances.

# Averages



5.3  
noncompliances  
per certifier

96.7%  
compliance  
overall

# Areas For Improvement



- Noncompliance and adverse action (suspension, revocation) procedures for certified operations
- Conducting annual performance evaluations of all certification and inspection staff
- Following policies, instructions and guidances issued by the NOP
- Carefully following every requirement of 205.402 through .406, from application, through inspection, to issuing a certification decision



- Ensure compliance of certifiers' inspection process
- Focus on assessing performance evaluations of inspectors
- Conduct training on noncompliances, adverse actions, and appeals processes

# NOP 2015 Focus, continued



- Ensure certifiers' compliance with NOP guidance, instructions, and policy memos
- Ensure certifiers have complete quality systems in place



Questions?



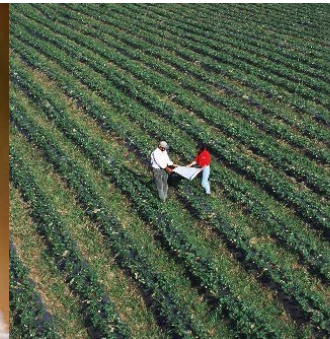


# Accreditation and Certification Update – Part 2

Lars Crail

February 10, 2015

USDA Agricultural Marketing Service  
National Organic Program





1. Organic in the Brand or Company Name
2. Private Labels
3. Inspector Qualifications and Evaluations

# Organic in the Brand or Company Name



# Organic in the Brand or Company Name



- This is not a new policy
- NOP Compliance and Enforcement Division (C & E) has handled a number of complaints involving companies using “organic” in the brand name or the company name
- C & E has taken enforcement actions on operations that misrepresent products as 100% Organic or Organic.
- NOP will continue to review label complaints on a case-by-case basis



# Organic in the Brand or Company Name - Background



- August 2014: NOP issued instruction (NOP 4012) and memo explaining when operations can use the word, “organic,” in a brand or company name on product labels
- Purpose:
  - Provide label review principles to certifiers
  - Promote consistency among certifier label decisions.
  - Provide guidance on previously approved labels



When can “organic” in a brand or company name appear on a product label?





# Organic in the Brand or Company Name can be...



Certified as:

- 100% Organic
- Organic

Anywhere on the labeling



Certified as:

- Made with Organic

Other than the Principal Display Panel



# Organic in the Brand or Company Name



For “Made with Organic ... specified ingredients or food groups,”



“Organic” in the company name may be displayed to indicate the manufacturer, packer, or distributor and listed on the information panel.

# Organic in the Brand or Company Name



- May not be displayed in such a manner that falsely implies claims that are not compliant with USDA organic regulations.
- Product labels must still comply with all labeling requirements.



What about labels that were previously approved?



# What about old labels?



- During an operation's annual review, certifiers must identify those previously approved labels.
- Certifiers should work with the operation to bring their labels into alignment with the instruction.

# Reminders - Label Review and Verification



## Certifier Review:

- Review and approve all unique retail labels before use
- Nonretail labels must be clear enough to maintain an audit trail

## Onsite Verification:

- The **inspector** verifies a representative sample of product labels
- The **inspector** verifies all input materials



# Private Labels





# Private Labels



- A “private label” operation is a company that does not produce or handle products, but has organic products packed and labeled for them under contract.
- Certification is optional – an excluded operation.
- Private label operations may contract with certified handlers (co-packers) to handle organic products.
- Co-packers must be certified organic operations.

# Private Labels – Background



NOSB Recommendation (October 2001):

- The handler or distributor of the product listed on a label must be certified.
- Changes to sections 205.303, 205.304, and 205.306:

*On the information panel, below the information identifying certified handler or distributor of the product and preceded by the statement, “Certified organic by \*\*\*,”...*

# Private Labels – Background



NOSB Recommendation to the NOP  
(November 2006):

- Further clarification and support that the label should state the final certified handler and its certifying agent.


NOP Policy Memo 11-7 (Issued June 2008  
and amended January 2011):

- Clarification that the certifier listed on the label must be able to address any inquiries about the product.

# Private Labels



Consistent with NOSB Recommendations and NOP Policy, the final certified handler should be stated on the label:

	Certification	Who is the final handler?	Listed name of the manufacturer, packer, or distributor?	“Certified Organic by ....” indicates ....
Private Label Operation	Yes	Private Label Operation	Private Label Operation	Private Label Operation’s certifier
Private Label Operation	No	Certified Co-packer	Certified Co-packer	Co-packer’s certifier

# Private Labels



## PRIVATE LABEL OPERATION

CERTIFIED

UNCERTIFIED

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PRIVATE LABEL COMPANY**

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**CERTIFIED ORGANIC BY  
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# Private Labels - Summary



- The final certified handler should be listed on the label.
- All operations that produce or handle organic products for private label operations are required to be certified



## Scenario: Certified Private Label Operation

- Certifier of the Private Label operation
- Certified Co-packer
- Certifier of the Co-packer



# Private Labels - Who does what?



## Certifier of the Private Label Operation must:

- Review and approve the OSP
- Review private label contract w/co-packer(s)
- Review and approve all formulas and labels
- Ensure all co-packers are certified for products produced/handled by the private label operation
- Conduct reconciliation audits of organic products produced/handled by co-packers
- Provide information to the co-packer's certifier the number and description of distinct labels and products contracted for handling.



## **Certified Co-packer must:**

- Complete and maintain an Organic System Plan
- Maintain product formulas and labels
- Maintain complete information on all ingredients and processing aids
- Maintain private label contract, receiving, production, inventory, and shipping records

# Private Labels - Who does what?



## Certifier of the Co-packer must:

- Review and approve Organic System Plan
- Review and approve all formulas and labels for all private label products
- Review Private Label contracts
- Review and verify that all ingredients, processing aids, and inputs comply with USDA organic regulations
- Conduct reconciliation audits for organic products handled by the co-packer including private label products.
- Communicate with the Private Label Operation's certifier if label issues of concern are identified



# Inspector Qualifications and Evaluations



# Personnel Performance Evaluations



- NOP 2027, Instruction – Personnel Performance Evaluations (August 2013)
- Clarifies and standardizes procedures to be followed by certifiers when conducting personnel performance evaluations
- 7 CFR §205.501(a)(6) states that certifiers “Conduct an annual performance evaluation...[of certification staff]...and implement measures to correct any deficiencies...”

# Importance of Inspector Qualifications



- Properly conducted inspections are critical to organic integrity
- Highly qualified and skilled inspectors are essential for effective inspections:
  - Point of contact that most farmers and businesses see most often
  - Responsible for verifying compliance in the real world, across diverse operations, and environments
- Certifiers must select qualified and skilled inspectors





## Basic entry criteria

- ✓ **Education** – Degree in an agricultural or food science OR
- ✓ **Work Experience** – 3 years experience in agricultural or food science related field
- ✓ **Skills and Attributes** – Demonstrated and learned skill sets to be an effective inspector



# Exercise: Skills and Attributes



- The next slide lists several skills and attributes that are important for inspectors.
- In groups of 4-5, agree on a combination of the **Top 5** most important.
- You can add an unlisted item skill or attribute to your list, but include **no more than 5 total**.

# Skills and Attributes: Your TOP 5?



## Skills

- Data gathering and observation skills
- Analysis skills (e.g., ability to see relationships between topics, and identify root causes)
- Audit coordination skills
- Verbal communication skills
- Written communication skills

## Attributes

- Ethical
- Open-minded
- Diplomatic
- Observant
- Perceptive
- Versatile
- Tenacious
- Decisive
- Self-reliant
- Open to improvement
- Culturally sensitive
- Collaborative

# Initial Inspector Training



- USDA organic regulations training
- Course in sample collection for testing
- Training on certifier procedures and forms
- Training in conducting inspections:
  - ✓ inspection scheduling
  - ✓ report writing
  - ✓ inspection flow process
  - ✓ interviewing
  - ✓ reconciliation audits (e.g. trace-back, mass balance).

# Maintaining Qualifications



- Maintain inspector qualifications by:
  - ✓ Conduct a minimum number of inspections per year (e.g. USDA audit program requirements vary from 3 to 10 audits per year).
  - ✓ Continuing professional development (e.g. courses or classes on inspection methods or agriculture and/or handling operations).
  - ✓ Required inspector refresher training of certifier procedures, forms, etc...
  - ✓ Required USDA organic training to maintain current knowledge of regulations and policies.

# Performance Evaluation Requirements



- Evaluate personnel's performance
  - ✓ Knowledge, Skills, and Abilities
  - ✓ Personal Attributes
  - ✓ Responsibilities
- Certifiers should conduct annual field evaluations (shadow inspections)
- Performance evaluations are to be conducted by a supervisor or peer

# How NOP Assesses Inspector Qualifications and Performance?



- Has the certifier confirmed annually that all personnel meet established qualification and performance criteria?
- If performance criteria are not met, did the certifier implement measures to correct any deficiencies?
- Assessment methods used by the NOP: witness audits, inspector interviews, personnel file review, and inspection report review.

# Questions?

