USDA

CERTIFICATE OF ACCREDITATION

United States Department of Agriculture

Agricultural Marketing Service

National Organic Program

Indiana Certified Organic, LLC

Greenwood, Indiana, USA

meets all the requirements prescribed in the National Organic Program Regulations

7 CFR Part 205

(Updated March 15, 2012)

as an Accredited Certifying Agent

for the scope of

Crops, Wild Crops, Livestock and Handling Operations

This certificate is receivable by all officers of all courts of the United States as prima facie evidence of the truth of the statements therein contained. This certificate does not excuse failure to comply with any of the regulatory laws enforced by the U.S. Department of Agriculture .

Status of this accreditation may be verified at **http://www.ams.usda.gov**

12 OCT 2012

Certificate No: NP2121OOA
Effective Date: **April 12, 2012**
Expiration Date: **April 11, 2017**

Miles V. McEvoy
Deputy Administrator
National Organic Program

USDA ORGANIC

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USDA Agricultural Marketing Service

1400 Independence Avenue, SW.
Room 2646-S, STOP 0268
Washington, DC 20250-0201

NATIONAL ORGANIC PROGRAM: CORRECTIVE ACTION REPORT

AUDIT AND REVIEW PROCESS

The National Organic Program (NOP) conducted a mid-term assessment of Ecocert ICO, LLC. An onsite audit was conducted, and the audit report reviewed to determine Ecocert ICO, LLC's capability to continue operating as a USDA accredited certifying agent. This report provides the results of the mid-term assessment and review of Ecocert ICO, LLC's corrective actions.

GENERAL INFORMATION

Applicant Name	Ecocert ICO, LLC (ECO ICO)
Physical Address	201 W Main Street, 2nd Floor
Mailing Address	Plainfield, IN 46168
Contact & Title	Jeffry Evard, Certification Manager
E-mail Address	Jeffry.evard@ecocert.com
Phone Number	(888) 337-8246
Reviewer(s) & Auditor(s)	Robert Yang, NOP Reviewer; Patricia Heckart, Onsite Auditor
Program	USDA National Organic Program (NOP)
Review & Audit Date(s)	Corrective Action Review: December 8, 2015 through March 4, 2016 NOP assessment review: August 21, 2015 Onsite audit: June 15-19, 2015
Audit Identifier	NP5166NNA
Action Required	None
Audit & Review Type	Mid-Term Assessment
Audit Objective	To evaluate the conformance to the audit criteria; and to verify the implementation and effectiveness of ECO ICO's certification system.
Audit & Determination Criteria	*7 CFR Part 205, National Organic Program as amended*
Audit & Review Scope	ECO ICO's certification services in carrying out the audit criteria during the period: May 31, 2012 through June 19, 2015

Ecocert ICO, LLC (ECO ICO), formerly Indiana Certified Organic, LLC, is a for-profit organization that has been accredited by the USDA National Organic Program (NOP) since April 29, 2002 to certify crops, livestock, wild crops, and handling operations. Ecocert ICO, LLC is a subsidiary of Ecocert, INC, a wholly-owned subsidiary of Ecocert SA. All certification activities are conducted from ECO ICO's sole office in Plainfield, IN.

NOP DETERMINATION:

NOP reviewed the onsite audit results to determine whether ECO ICO's corrective actions adequately addressed previous noncompliances. NOP also reviewed any corrective actions submitted as a result of noncompliances issued from Findings identified during the onsite audit.

Non-compliances from Prior Assessments

Any noncompliance labeled as "**Cleared**," indicates that the corrective actions for the noncompliance are determined to be implemented and working effectively. Any noncompliance labeled as "**Outstanding**" indicates that either the auditor could not verify implementation of the corrective actions or that records reviewed and audit observations did not demonstrate compliance.

NP2121OOA.NC1 – Cleared

Non-compliances Identified during the Current Assessment

Any noncompliance labeled as "**Accepted**," indicates that the corrective actions for the noncompliance are accepted by the NOP and will be verified for implementation and effectiveness during the next onsite audit.

NP5166NNA.NC1 – Accepted. 7 CFR §205.403(e)(2) states, "A copy of … any test results will be sent to the inspected operation by the certifying agent."

2015 Comments: *For two of the three files reviewed for pesticide residue sampling ECO ICO did not send a copy of the test results to the operation.*

2015 Corrective Action: ECO ICO revised its *Procedure for Residue Testing (P11.v5.f)* to include procedures for administrative staff to mail a hard copy of the test results to operations that do not have an email address. Operations that communicate with ECO ICO via email will continue to receive an electronic copy of their test results. ECO ICO conducted certification and administrative staff training on the revised procedures on September 10, 2015.

NP5166NNA.NC2 – Accepted. 7 CFR §205.403(c)(1) – (3) states, "The on-site inspection of an operation must verify: The operation's compliance or capability to comply with the Act and the regulations in this part; That the information, including the organic production or handling system plan, provided in accordance with §§205.401, 205.406, and 205.200, accurately reflects the practices used or to be used by the applicant for certification or by the certified operation; That prohibited substances have not been and are not being applied to the operation through means which, at the discretion of the certifying agent, may include the collection and testing of soil; water; waste; seeds; plant tissue; and plant, animal, and processed products samples."

2015 Comments: *ECO ICO's inspection report template "Section 1. Conclusions of the Inspection" instructs the inspector to describe improvements, strengths, special attention items, and on-site conditions of the inspection. Additionally, the inspection report template has no section for the inspector to describe verification of corrective actions resulting from prior noncompliances.*

2015 Corrective Action: ECO ICO developed instructions on the use of Section 1. The instructions include examples of information that the inspector may record in the section, and clarify that the information noted in the section should not include issues of concern or advice to the operator. ECO ICO provided its certification staff and inspectors with training on the instructions via email on March 1, 2016, and has scheduled additional group training to take place on March 15, 2016. ECO ICO additionally submitted its revised inspection report summary template, *Inspection Findings*, which it plans to begin using on April 15, 2016. The template includes a statement that the implementation of corrective actions resulting from prior noncompliances was verified by the inspector. The details of the verification are to be documented by the inspector in Ecert. As a result, ECO ICO revised its *P05 Procedure for Conducting Inspections* and *P07 Procedure of Certification* documents to include instructions for the inspector to document the verification in Ecert and certification staff to verify whether the verification has been documented. ECO ICO provided its certification staff and inspectors with training on the revised template and instructions via email on February 27, 2016.

NP5166NNA.NC3 – Accepted. 7 CFR § 205.501(a)(1) states, "A private or governmental entity accredited as a certifying agent under this subpart must: Have sufficient expertise in organic production or handling techniques to fully comply with and implement the terms and conditions of the organic certification program established under the Act and the regulations in this part; …."

2015 Comments: *Below are four examples identified during the onsite audit in which certification staff referenced the incorrect USDA organic regulation or made an incorrect certification determination:*

- *The review of an exit interview form indicated that the inspector noted that there was "no list of pest control and cleaner and sanitizer inputs included with the OSP and hence the inputs were not reviewed by office staff." The inspector referenced §205.271 (Facility pest management practice) even though the issue was an incomplete organic system plan/ annual update. The certification determination letter ECO ICO subsequently issued to the operation also referenced §205.271.*
- *The review of a certification determination letter ECO ICO issued indicated that ECO ICO had determined that "erosion was evident" at the operation, and that the operator had stated that oats could have been planted to prevent the erosion. ECO ICO did not issue the operation a notification of noncompliance for not complying with §205.203(a), which requires the implementation of cultivation practices that minimize soil erosion.*
- *The review of a Notice of Noncompliance ECO ICO issued to a new applicant for nonpayment of fees incorrectly referenced §205.405(Denial of Certification) and §205.642(Fees).*

- *The review of a label determination letter ECO ICO issued to an operation indicated that ECO ICO informed the operation that the processed product could be labeled as "100% organic" even though the product only qualified for the "organic" labeling category.*

2015 Corrective Actions:

- ECO ICO updated its Ecert database with the appropriate references for incomplete OSP's and provided its inspectors with instructions on verifying an operation's compliance with §205.271 and §205.201 Organic Production and Handling System Plan via email.
- ECO ICO clarified that the operation's issue with erosion was addressed in the certification determination letter as a minor issue instead of a noncompliance because the certification reviewer had determined that appropriate cultivation practices to minimize soil conversion were in place, and that the wind erosion would be resolved through planting of the next crop.
- ECO ICO revised its Notice of Noncompliance template for nonpayment of fees with the correct, applicable regulation. ECO ICO conducted staff training on the revised template on September 29, 2015.
- ECO ICO clarified that auditor was mistakenly provided with an incorrect, draft label determination letter. ECO ICO submitted the correct approval letter, which indicated that the operation's products were approved to be labeled as "organic."

NP5166NNA.NC4 – Accepted. 7 CFR §205.501(a)(21) states, "A private or governmental entity accredited as a certifying agent under this subpart must comply with, implement, and carry out any other terms and conditions determined by the Administrator to be necessary."

2015 Comments: *A review of TM-11 export certificates ECO ICO issued in February and April 2015 indicated that the certificates did not include the following compliance statement in the Remarks section: "Organic agricultural products and organic processed products, accompanied by this certificate, were produced or processed using zero prohibited substances*."

2015 Corrective Action: ECO ICO updated its *P16 Issuance of Export or Import Certificate for Organic Certified Products under Equivalency Agreements* procedure with the compliance statement that must be included in documentation accompanying products exported to Taiwan. ECO ICO conducted certification and administrative staff training on the updated procedure on September 29, 2015.

NP5166NNA. NC5 – Accepted. 7 CFR §205.642 states, **"** The certifying agent shall provide each applicant with an estimate of the total cost of certification and an estimate of the annual cost of updating the certification."

2015 Comments: *ECO ICO does not provide a fee estimate for the total cost of certification. A fee estimate is provided only if the operation requests one.*

2015 Corrective Action: ECO ICO revised its *PO1 Procedure for Initial Application and Renewal* with instructions to provide new applicants with an estimate for the total cost of certification and certified operations with an estimate of the annual cost of updating certification

based on the previous year's certified products/site list. ECO ICO conducted certification and administrative staff training on the revised procedure on September 29, 2015.

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1400 Independence Avenue, SW.
Room 2646-S, STOP 0268
Washington, DC 20250-0201

Applicant Name:	Indiana Certified Organic, LLC (ICO)
Est. Number:	N/A
Physical Address:	3914 Clarks Creek Road, Plainfield, IN 46168
Mailing Address:	3914 Clarks Creek Road, Plainfield, IN 46168
Contact & Title:	Vincent Morel, Managing Director
E-mail Address:	vincent.morel@ecocert.com
Phone Number:	(317) 839-9700
Auditor(s):	Meg Kuhn, RAM – East Region
Program:	USDA National Organic Program (NOP)
Audit Date(s):	August 1 – 22, 2012
Audit Identifier:	NP2121OOA
Action Required:	No
Audit Type:	Corrective Action
Audit Objective:	To verify review and approve corrective actions addressing the non-compliances identified during the Renewal Assessment Audit.
Audit Criteria:	*7 CFR Part 205, National Organic Program; Final Rule*, dated December 21, 2000; revised February 17, 2010.
Audit Scope:	ICO's August 1, 2012 response letter to the Mid Term Audit non-compliance report
Location(s) Audited:	Desk

AUDIT INFORMATION

During the Renewal Assessment audit, the corrective actions for the non-compliances identified during the Follow-up Surveillance audit were verified and found to be implemented and effective and the non-compliances were cleared. There was one (1) non-compliance identified during this audit. ICO was notified of this finding in a notice from the NOP on July 23, 2010. A response was received from ICO on August 1, 2012.

FINDINGS

Observations made, interviews conducted, and procedures and records reviewed verified that ICO is currently operating in compliance to the requirements of the audit criteria, except as identified below. The corrective actions for the noncompliance identified during the Follow-up Surveillance Audit were verified and found to be implemented and effective and the noncompliance was cleared. There was one noncompliance identified during the renewal assessment.

NP8280OOA.NC1 - Cleared

NP2121OOA.NC1 – Adequately Addressed: NOP §205.501 (a)(2) states, "A private or governmental entity accredited as a certifying agent under this subpart must: Demonstrate the ability to fully comply with the requirements for accreditation set forth in this subpart." *The following issues were found in 2 of the 10 case files reviewed (these were the only files*

with a retail label):

- *There were 8 labels reviewed for which the "Certified organic by ***" statement was not in compliance with §205.303(b)(2). The labels did not include the word "organic" in the statement;* and
- *There were 9 labels reviewed where the "certified organic by…" statement was not located below the information identifying the handler or distributor of the product as required in §205.303(b)(2).*

Corrective Action: ICO responded to this non-compliance indicating policies would be updated, staff would be trained, and the training would be documented. ICO submitted objective evidence supporting the response to the non-compliance; specifically, the Guidance for Handling and Labeling procedure (TS08) was revised to indicate that "certified by…" is not an acceptable phrase to "certified organic by…" and also that the "certified organic by…" statement must appear below the information identifying the final handler or distributor of the product. ICO also notified all staff of this issue and required staff to acknowledge and read the changes to the labeling procedure. All staff responded affirmatively to the changes and confirmed reading the new policy via email submissions to the Certification Director, copies of which were provided in ICO's response. Review of the response and corresponding objective evidence demonstrates ICO is capable of remaining in compliance with the National Organic Program regulations as an accredited certifier.