



United States Department of Agriculture

Agricultural Marketing Service

National Organic Program

NASAA Certified Organic

Stirling, South Australia, Australia

meets all the requirements prescribed in the USDA National Organic Program Regulations

7 CFR Part 205

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>

Certificate No: NP4135ZZA
Effective Date: October 10, 2012
Expiration Date: October 10, 2017



Miles V. McEvoy
Deputy Administrator
National Organic Program

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NATIONAL ORGANIC PROGRAM: CORRECTIVE ACTION REPORT

AUDIT AND REVIEW PROCESS

The National Organic Program (NOP) received the National Association for Sustainable Agriculture, Australia (NASAA) Certified Organic (NCO) accreditation renewal application to remain a U.S. Department of Agriculture (USDA) accredited certifier on March 27, 2014. The NOP has reviewed NCO's application, conducted an onsite audit, and reviewed the audit report to determine NCO's capability to operate as a USDA accredited certifier.

GENERAL INFORMATION

Applicant Name	NASAA Certified Organic (NCO)
Physical Address	Unit 7/3 Mount Barker Road, Stirling, SA 5152 Australia
Mailing Address	Unit 7/3 Mount Barker Road, Stirling, SA 5152 Australia
Contact & Title	Sachin Ayachit, Certification Manager Gita du Plessis, Quality Systems Officer
E-mail Address	Sachin.Ayachit@nasaa.com.au Gita.duPlessis@nasaa.com.au
Phone Number	61 8 8370 8455
Reviewer(s) & Auditor(s)	Penny Zuck, NOP Reviewer; Corey Gilbert, On-site Auditor.
Program	USDA National Organic Program (NOP)
Review & Audit Date(s)	Corrective Action review: June 9, 2015 NOP assessment review: February 5, 2015 Onsite audit: May 15-23, 2014
Audit Identifier	NP4135ZZA
Action Required	None
Audit & Review Type	Renewal Assessment
Audit Objective	To evaluate the conformance to the audit criteria; and to verify the implementation and effectiveness of NCO's certification
Audit & Determination Criteria	<i>7 CFR Part 205, National Organic Program as amended</i>
Audit & Review Scope	NCO's certification services in carrying out the audit criteria during the period: October 18, 2010 through October 23, 2014.

NCO is a fully-owned subsidiary of NASAA and provides independent certification services. NCO was initially accredited as a USDA National Organic Program (NOP) certifier on October 10, 2002 for crops, wild crops, livestock, and handling. NCO currently certifies 66 operations to the USDA regulations with 33 crop, 0 wild crop, 18 livestock, 35 handling, and 11 grower groups (crop and handling) with numerous operations being certified for multiple categories. A majority of NCO certified operations are located in Australia, with others located in Malaysia,

Nepal, Papua New Guinea, Samoa, and the Solomon Islands. All certification activities are carried out by personnel in the Stirling, South Australia office.

NOP DETERMINATION:

NOP reviewed the onsite audit results to determine whether NCO's corrective actions adequately addressed previous noncompliances. NOP also reviewed any corrective actions submitted as a result of noncompliances issued from accreditation renewal assessment.

Non-compliances from Prior Assessments and Since the Prior Assessment

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. 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.

NP0291EEA.NC1 – Cleared

NP0291EEA.NC2 – Cleared

NP0291EEA.NC4 – Cleared

NP0291EEA.NC5 – Cleared

NP0291EEA.NC6 – Cleared

NP0291EEA.NC7 – Cleared

NP0291EEA.NC8 – Cleared

NP0291EEA.NC9 – Cleared

NP0291EEA.NC3 – Accepted – 7 CFR §205.662 states, "(b) *Resolution*. When a certified operation demonstrates that each noncompliance has been resolved, the certifying agent or the State organic program's governing State official, as applicable, shall send the certified operation a written notification of noncompliance resolution. (c) *Proposed suspension or revocation*. When rebuttal is unsuccessful or correction of the noncompliance is not completed within the prescribed time period, the certifying agent or State organic program's governing State official shall send the certified operation a written notification of proposed suspension or revocation of certification of the entire operation or a portion of the operation, as applicable to the noncompliance. When correction of a noncompliance is not possible, the notification of noncompliance and the proposed suspension or revocation of certification may be combined in one notification. (e) *Suspension or revocation*. (1) If the certified operation fails to correct the noncompliance, to resolve the issue through rebuttal or mediation, or to file an appeal of the proposed suspension or revocation of certification, the certifying agent or State organic program's governing State official shall send the certified operation a written notification of suspension or revocation (2) A certifying agent or State organic program's governing State official must not send a notification of suspension or revocation to a certified operation that has requested mediation pursuant to §205.663 or filed an appeal pursuant to §205.681, while final resolution of either is pending." NOP § 205.501(a)(15)(i) requires that a private entity accredited as a certifying agent must submit to the Administrator a copy of any notice of denial of

certification, notification of noncompliance, and notice of noncompliance resolution sent pursuant to §205.662 simultaneously with its issuance.

Comments: *Six of the nine files reviewed contained Notices of Non-compliance to the certified operations. Also, eleven Notices of Noncompliance and one Notice of Suspension were recorded in the files. However, there were no official letters of resolution to the Notices of Non-compliance and the Notice of Suspension was not preceded by a Notice of Non-compliance and Notice of Proposed Suspension as required in this clause. None of the notices were provided to the NOP as required. It should be noted that NCO currently has a procedure and templates in place to ensure that this deficiency is resolved.*

Corrective Action: NCO acknowledged that sending resolution letters is a component of the noncompliance procedure, and submitted a copy of a “Notice of Noncompliance Resolution” issued to a NOP client in February 2011. NCO provided a copy of a Work Instruction document in the Quality Manual (WI1.1.13 Work Instruction – Noncompliances and Sanctions, Version 1.1) that demonstrates NASAA’s understanding of NOP’s required Issuance of Notices, as described in 7 CFR § 205.662b (noncompliance resolution) and 7 CFR § 205.662(c) (Notice of Noncompliance preceding Notice of Proposed Suspension). NCO also provided a copy of a “Notice of Proposed Suspension” template document. If effectively implemented, the corrective action response demonstrates NCO’s capability to comply with NOP accreditation requirements.

Verification of Corrective Action (2014): NCO copied the NOP on all Notices of Noncompliance (NoNC) except for one issued December 12, 2013, which was not sent to the NOP until April 17, 2014 (after it was identified as a noncompliance during NCO’s internal audit). NCO issued NoNC Resolution Letters in all cases where the noncompliances had been resolved; therefore, this portion of the noncompliance was cleared. However, NCO issued one Notification of Proposed Suspension on March 14, 2012 followed by a Notice of Suspension on July 16, 2012 for a certified handling operation without notifying the NOP. This failure to notify the NOP illustrates that the noncompliance was not fully addressed.

Corrective Action (2015): NCO submitted copies of adverse action templates, and the email used to submit these, for Notice of Noncompliance, Notice of Proposed Suspension, and Notice of Suspension. All templates have been revised to include “USDA-NOP” listed under cc: to be sent via email.

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.

NP4135ZZA.NC1 – Accepted. 7 CFR § 205.405(a) states, “When the certifying agent has reason to believe, based on a review of the information specified in §205.402 or §205.404, that an applicant for certification is not able to comply or is not in compliance with the requirements of this part, the certifying agent must provide a written notification of noncompliance to the applicant. When correction of a noncompliance is not possible, a notification of noncompliance and notification of denial of certification may be combined in one notification.”

Comments: *An applicant for NOP certification applied a prohibited substance (aluminum phosphide) in November 2012 to 5 of 21 pastures to control rabbits per a government mandate*

(the livestock were removed from the pastures during application and only returned after treatment was completed). The operation was granted initial NOP certification in December 2013. According to a letter from the Government of South Australia, South East Natural Resources Management Board, the European Rabbit on the operation's property is considered a pest per the regulations of the Natural Resources Management Act 2004, and the landowner is responsible for taking action to control or destroy the pest. Interviews with the Certification Manager, Certification Officer, and Quality Systems Officer indicated their confusion regarding the government-mandated emergency pest control order relative to the USDA organic regulations at 7 CFR § 205.672, which is only applicable to U.S. Federal or State emergency pest or treatment programs.

Corrective Action: NCO submitted a training log verifying the attendance of certification staff at a training that took place on this regulation, January 9, 2015. NCO will publish this regulation in the next operator technical bulletin that is published every 3-4 months and the inspector's bulletin. NCO plans to include this regulation on the agenda of external training by IOIA for future trainings and in-house staff training. NCO submitted copies of Notice of Noncompliance issued to the operation and Noncompliance Resolution along with documentation to verify the affected paddocks of the operation have been removed from certification.

NP4135ZZA.NC2 – Accepted. 7 CFR § 205.501(a)(18) states, “A private or governmental entity accredited as a certifying agent under this subpart must: ...notify the inspector of its decision regarding certification of the production or handling operation site inspected by the inspector and any requirements for the correction of minor non-compliances.”

Comments: *NCO does not inform inspectors of the decision regarding certification and any requirements for the correction of minor noncompliances after inspections. The three inspectors interviewed stated they are not provided this information after the certification decision and they only receive it the following year if they are assigned the same inspection again.*

Corrective Action: NCO added the following statement to the Certification Decision procedure in the Quality Manual and trained Certification Officers on the new procedure: “*Inform the outcome of the Certification decision including any requirements for the correction of minor noncompliances to the inspector.*” NCO submitted certification staff training records, a copy of the work instruction to include the notification of certification decision to inspector, and a copy of the notification to the inspector that was recently completed.

Applicant Name:	NASAA Limited Trading as NASAA Certified Organic Pty. Ltd. (NCO)
Est. Number:	N/A
Physical Address:	Unit 7/3 Mount Baker Rd., Stirling, South Australia 5152
Mailing Address:	PO Box 768, Stirling, South Australia 5151
Contact & Title:	Stephanie Goldfinch, Executive Officer
E-mail Address:	technical@nasaa.com.au
Phone Number:	+61 8 8379 8455
Auditor(s):	Meg Kuhn, RAM – East Region
Program:	USDA National Organic Program (NOP)
Audit Date(s):	March 22 – May 18, 2011
Audit Identifier:	NP0291EEA
Action Required:	No
Audit Type:	Corrective Action Audit
Audit Objective:	To verify review and approve corrective actions addressing the non-compliances identified during the Mid-Term Audit.
Audit Criteria:	7 CFR Part 205, National Organic Program; Final Rule, dated December 21, 2000; revised February 17, 2010.
Audit Scope:	NCO's Feb 22 and 24, 2011 response letters to the Mid Term Audit non-compliance report
Location(s) Audited:	Desk

AUDIT INFORMATION

During the Mid Term audit (October 18-22, 2010), the corrective actions for the 9 (nine) non-compliances identified during the Surveillance-Accreditation Renewal audit (Audit Identifier: NP7172MMA) were verified and found to be implemented and effective and the non-compliances were cleared. There were 9 (nine) new non-compliances identified during the Mid-Term audit. NCO was notified of this finding in a notice from the NOP on January 4, 2011. Two responses were received from NCO, via email, on February 22 and 24, 2011. Additional corrective actions were requested on April 8, 2011; responses were received April 22 and 27, 2011. Corrective action responses adequately addressed all non-compliances and demonstrate NCO's capability to comply with NOP accreditation requirements.

FINDINGS

NP0291EEA.NC1 – Adequately Addressed: NOP §205.501(a)(16) states, “A private or governmental entity accredited as a certifying agent under this subpart must: Charge applicants for certification and certified production and handling operations only those fees and charges for certification activities that it has filed with the Administrator.” *A review of the current fee schedule indicated that the fee schedule was updated in June 2010 to be effective on July 1, 2010. Since that time, NASAA has been invoicing based on that schedule but the new schedule is not on file with the Administrator. Records indicated that the previous fee schedule dated June 12, 2009, was also not filed with the Administrator.* **Corrective Action:** NCO submitted a

NP0291EEA Corrective Action Audit NASAA Stirling, South Australia

current copy of the fee schedule. The schedule now includes a requirement to forward the schedule to the NOP Administrator by a certain date, documented on the schedule form. Corrective action response demonstrates NCO's capability to comply with NOP accreditation requirements.

NP0291EEA.NC2 – Adequately Addressed: NOP §205.642 states, "Fees charged by a certifying agent must be reasonable, and a certifying agent shall charge applicants for certification and certified production and handling operations only those fees and charges that it has filed with the Administrator. The certifying agent shall provide each applicant with an estimate of the total cost of certification." Additionally, NASAA Certified Organic Procedure S.1.1.8 Providing Cost Estimates for NOP Applicants states, "3.3.1 – NCO shall provide each applicant with: 1. An application packet including application form, OSP, some information about NCO and the fee schedule; 2. Estimated cost of NOP certification at application stage, and 3. An estimate of the annual cost of updating the certification." *Records reviewed and interviews conducted with the financial officer for NASAA indicated that no estimates of the total cost of certification have been or are currently being provided to new clients or existing clients. The company only provides the fee schedule, which is a flat fee based schedule.* **Corrective Action:** NCO developed a new estimates spreadsheet to complete for all categories of NOP application and certification renewal. This will be sent to applicants and renewal operators prior to the inspection occurring. A copy of the "estimate" document was attached. If effectively implemented, corrective action response demonstrates NCO's capability to comply with NOP accreditation requirements.

NP0291EEA.NC3 – Adequately Addressed: NOP §205.662 states, "(b) *Resolution.* When a certified operation demonstrates that each noncompliance has been resolved, the certifying agent or the State organic program's governing State official, as applicable, shall send the certified operation a written notification of noncompliance resolution. (c) *Proposed suspension or revocation.* When rebuttal is unsuccessful or correction of the noncompliance is not completed within the prescribed time period, the certifying agent or State organic program's governing State official shall send the certified operation a written notification of proposed suspension or revocation of certification of the entire operation or a portion of the operation, as applicable to the noncompliance. When correction of a noncompliance is not possible, the notification of noncompliance and the proposed suspension or revocation of certification may be combined in one notification. (e) *Suspension or revocation.* (1) If the certified operation fails to correct the noncompliance, to resolve the issue through rebuttal or mediation, or to file an appeal of the proposed suspension or revocation of certification, the certifying agent or State organic program's governing State official shall send the certified operation a written notification of suspension or revocation (2) A certifying agent or State organic program's governing State official must not send a notification of suspension or revocation to a certified operation that has requested mediation pursuant to §205.663 or filed an appeal pursuant to §205.681, while final resolution of either is pending." NOP § 205.501(a)(15)(i) requires that a private entity accredited as a certifying agent must submit to the Administrator a copy of any notice of denial of certification, notification of noncompliance, and notice of noncompliance resolution sent pursuant to §205.662 simultaneously with its issuance. *Six of the nine files reviewed contained Notices of Non-compliance to the certified operations. Also, eleven Notices of Noncompliance and one Notice of Suspension were observed and recorded in the files. However, there were no*

official letters of resolution to the Notices of Non-compliance and the Notice of Suspension was not preceded by a Notice of Non-compliance and Notice of Proposed Suspension as required in this clause. None of the notices were provided to the NOP as required. It should be noted that the certifier currently has a procedure and templates in place to ensure that this deficiency is resolved. **Corrective Action:** NCO acknowledged that sending resolution letters is a component of the Non-compliance procedure, and submitted a copy of a “Notice of Noncompliance Resolution” issued to a NOP client in February 2011. NCO provided a copy of a Work Instruction document in the Quality Manual (obj evi: WI1.1.13 Work Instruction – Noncompliances and Sanctions, Version 1.1) that demonstrates NCO’s understanding of NOP’s required Issuance of Notices, as described in NOP§205.662b (non-compliance resolution) and NOP §205.662(c) (NoNC preceding Notice of Proposed Suspension). NCO also provided a copy of a “Notice of Proposed Suspension” template document. If effectively implemented, the corrective action response demonstrates NCO’s capability to comply with NOP accreditation requirements.

NP0291EEA.NC4 – Adequately Addressed: NOP §205.501(a)(6) states, “A private or governmental entity accredited as a certifying agent under this subpart must: Conduct an annual performance evaluation of all persons who review applications for certification, perform on-site inspections, review certification documents, evaluate qualifications for certification, make recommendations concerning certification, or make certification decisions and implement measures to correct any deficiencies in certification services.” *Of the 5 staff personnel files and 5 inspector files reviewed; 3 staff members and all 5 inspectors required an annual performance evaluation. Of those 8 personnel, only 1 had an annual performance evaluation conducted in the previous two years; and that one was conducted April 2009.* **Corrective Action:** NCO developed a performance plan schedule for all staff, showing when performance evaluations were due for each employee. NCO also developed templates for NCO staff and inspector evaluation reviews. If implemented effectively, NCO’s response demonstrates capability to comply with NOP accreditation requirements.

NP0291EEA.NC5 – Adequately Addressed: NOP §205.510(a)(1) states, “An accredited certifying agent must submit annually to the Administrator, on or before the anniversary date of the issuance of the notification of accreditation, the following report and fees: A complete and accurate update of information submitted pursuant to §§205.503 and 205.504.” *NASAA Certified Organic submitted the 2008 Annual Report on December 31, 2008; and, to date, has not submitted the 2009 Annual Report or the 2010 Annual Report. The required annual report date (accreditation date) for NASAA Certified Organic is due by October 10th of each year.* **Corrective Action:** NCO submitted proof that the 2009 Annual Update was submitted to the NOP on October 20, 2010. Operations are not required to submit an annual update during audit years; as such the submission of a 2010 Annual Update is not required. NCO’s response demonstrates capability to comply with NOP accreditation requirements.

NP0291EEA.NC6 - Adequately Addressed: NOP §205.201 states, “(a) The producer or handler of a production or handling operation, except as exempt or excluded under §205.101, intending to sell, label, or represent agricultural products as “100 percent organic,” “organic,” or “made with organic (specified ingredients or food group(s))” must develop an organic production or handling system plan that is agreed to by the producer or handler and an accredited certifying

agent. An organic system plan must meet the requirements set forth in this section for organic production or handling. An organic production or handling system plan must include: (1) A description of practices and procedures to be performed and maintained, including the frequency with which they will be performed; (2) A list of each substance to be used as a production or handling input, indicating its composition, source, location(s) where it will be used, and documentation of commercial availability, as applicable; (3) A description of the monitoring practices and procedures to be performed and maintained, including the frequency with which they will be performed, to verify that the plan is effectively implemented; (4) A description of the recordkeeping system implemented to comply with the requirements established in §205.103; (5) A description of the management practices and physical barriers established to prevent commingling of organic and nonorganic products on a split operation and to prevent contact of organic production and handling operations and products with prohibited substances; and (6) Additional information deemed necessary by the certifying agent to evaluate compliance with the regulations. (b) A producer may substitute a plan prepared to meet the requirements of another Federal, State, or local government regulatory program for the organic system plan: *Provided, That, the submitted plan meets all the requirements of this subpart.*” *A review of 9 files found that in each case the Organic System Plan or Organic Handling Plan was updated annually as required; however, the update and the original Organic System Plan did not contain enough information to determine the ability of the operation to comply fully with the requirements of the Rule. Livestock files reviewed did not include the identification protocols for organic livestock, did not include the documents used to transfer organic livestock, did not include descriptions of handling facilities, animal health, and other requirements of the Rule. For forage production, there was no description of buffer zones or justification for their exclusion and no evidence that the need for buffers was verified during inspections. There was no description of planting, equipment used, inputs, rotation practices, and post-harvest handling. The OSP and OSP updates for Group certifications did not contain information required by the NOSB Guidelines for Grower Groups nor did the information in the OSP’s meet the requirements of NASAA procedures. Corrective Action:* NCO indicates in their response that “we are a work item in place to revise all Organic System Plans, all OHPs and Updates and we had already identified that improvements were needed. This was not completed at the audit. New forms are under development and will be implemented next month.” In order to close this NC, NCO must provide the objective evidence demonstrating the corrective action plan. Email request to NCO on 04/08/11 requesting these form updates prior to closure of this audit. All updated OSP documents were submitted on 04/22/11. NCO also provided a template letter for renewal NOP clients, indicating that a new OSP must be completed prior to inspection for the next certification year. If effectively implemented, the corrective action response demonstrates NCO’s capability to comply with NOP accreditation requirements.

NP0291EEA.NC7 - Adequately Addressed: NOSB Recommendation - Adopted October 20, 2002 - Criteria for Certification of Grower Groups and NCO International Operator/Grower Group Policy P3.7 dated 16/10/09 states, “...The ICS must provide relevant (abridged if necessary) standards to all grower group members in a language of their local tongue. A) The group must supply a translation of this outline to be approved by NCO. 2.2.10 The Internal Control System must be effective and documented and shall include: ii) a protocol for assessing and managing risks associated with the group including conflicts of interest; iv) a system whereby non-compliances are managed and sanctions against non-compliant group members are

implemented and recorded for verification by NCO; v) a system for accepting new members into the group; vi) and a group training regimen. Additionally, viii) the group shall have in place comprehensive record-keeping system similar to that which is required of any NCO farm operator and covering the following areas: fertility purchases and use, rotations, pest/disease controls purchases and use, brought in feed, harvest, storage, any on-farm or post-harvest processing records of sales.” *The review of three grower group files indicated that neither the original Organic System Plan nor the ICS outline contained information or procedures pertaining to managing risk within the ICS and or conflicts of interest that may exist within the group. The information available did not contain procedures for accepting new members into the group, for group training and frequency, and the recordkeeping systems were not explained. The review of inspection reports for these groups indicated that recordkeeping was deficient throughout the grower base and in some cases not available at all.* **Corrective Action:** NCO submitted the following documents in response to this NC:

- P3.7 International Grower Group Certification – program requirements from the NCO Quality Manual (updated; now includes risk analysis within the ICS (section 10), assessing conflicts of interest (sec 4 – 6), procedures for accepting new members to a group (sec 9.4), and handling deficient recordkeeping systems within the group (sec8))
- AF1.1 Grower Group Application Form
- F2.1.03 NASAA & NOP Organic Management System Plan Questionnaire (Grower Group)
- NCO International Grower Group Certification Check Sheet (for use during application, inspection, and inspection report review processes)

If effectively implemented, the corrective action response and corresponding objective evidence documents demonstrates NCO’s capability to comply with NOP accreditation requirements.

NP0291EEA.NC8 – Adequately Addressed: NOP §205.501(a) states, “A private or governmental entity accredited as a certifying agent under this subpart must: (1) 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; (5) Ensure that its responsibly connected persons, employees, and contractors with inspection, analysis, and decision-making responsibilities have sufficient expertise in organic production or handling techniques to successfully perform the duties assigned.” *Records showed that certification decisions in 2009 for some, if not all, of the 13 certified livestock operations were made by a certification officer that had not received NOP livestock training until August of 2010. Records also showed that two livestock inspections were performed in 2009 by an inspector who does not have credentials for performing livestock inspections and is not listed on the NASAA 2010 profile for inspector’s that lists the types of inspections for which they are approved.* **Corrective Action:** NCO stated, “NCO conducted a review of inspectors’ livestock experience and qualifications and updated the Inspector Capacity Spreadsheet accordingly. In addition, the NOP review staff have been re-assessed and approved for conducting livestock assessments.” The Inspector Capacity Spreadsheet was submitted as objective evidence, along with IOIA training materials for Basic Livestock training and current IOIA Basic Livestock completion certificates for identified / applicable staff. If effectively implemented, the corrective action response demonstrates NCO’s capability to comply with NOP accreditation requirements.

NP0291EEA.NC9 – Adequately Addressed: NOP §205.504(b)(1) states, “A private or governmental entity seeking accreditation as a certifying agent must submit... (1) A copy of the procedures to be used to evaluate certification applicants, make certification decisions, and issue certification certificates.” *NASAA does not have NOP procedures in place for label or material reviews. The review of the labels from two certified operations (one retail wine label and one wholesale tea label) were found to have been through an approval process but the labels were not compliant to the NOP. Additionally, interviews indicated that there are no records associated with a material review other than an approval stamp on the technical sheet or the request form. A review for concentrate pellet found that the reviewer stated: allowed the use but “conditions have to be met”. The conditions of use were not specified and there is no indication that a review of all ingredients was performed.* **Corrective Action:** NCO updated the material review process system, demonstrated by submitting the following objective evidence documents: NCO NOP Labeling Policy, NF4.1 NOP Wine Label Review Sheet, NF12.1 NOP Input Assessment Form, NF12.1 NOP GE, Ionizing Radiation & Sewage Sludge Declaration, GreenGuard NOP Material Review Sheet (specific material review for NOP production), and S1.1.1 NOP Procedure for Approval of Alcohol Labels. If effectively implemented, improvements made to the material and label review procedure demonstrates NCO’s capability to comply with NOP accreditation requirements.