

1400 Independence Ave. SW Room 2642 - South, STOP 0268 Washington, D.C. 20250

Settlement Agreement

THIS SETTLEMENT AGREEMENT is entered into by the United States Department of Agriculture (USDA) Agricultural Marketing Service (AMS), and Ecological Farming Control Organization (ETKO).

USDA, AMS, the National Organic Program (NOP), and ETKO have decided to compromise and settle the issues among them related to alleged violations of the Organic Foods Production Act of 1990 (7 U.S.C. §§ 6501 et seq.) (OFPA) and the USDA organic regulations (7 CFR Section 205).

Accordingly, the parties agree to the following:

- 1. The Secretary of Agriculture has jurisdiction in this matter.
- USDA, AMS agrees not to issue a formal Administrator's Decision charging ETKO with alleged violations of the OFPA and the USDA organic regulations for any actions disclosed by the investigation which gave rise to this agreement.
- 3. USDA, AMS and ETKO admit to the following:
 - A. NOP issued a December 22, 2015 Notice of Proposed Suspension of Accreditation to ETKO in Bornova, Izmir, Turkey. ETKO was given the opportunity to appeal the Notice, and this Settlement addresses this Notice.
 - B. ETKO has been given the opportunity to consult with legal counsel regarding this Settlement, is executing this agreement of its own free will, and understands and accepts the terms of this Settlement.
 - C. No alteration or variation of the terms of this Settlement shall be valid unless made in writing and signed by both parties.
- 4. USDA, AMS, NOP agrees to the following actions:
 - A. NOP agrees to withdraw its Notice of Proposed Suspension of Accreditation.
 - B. Upon execution of this settlement, the NOP agrees to accept ETKO's corrective and preventive actions submitted in response to the NOP's May 13, 2015 Notice of Noncompliance.
- 5. ETKO agrees to the following actions:
 - A. ETKO agrees to a site-evaluation at ETKO's expense, in accordance with 7 CFR Parts 205.508(b) and 205.640(a), within twelve (12) months of signing this settlement agreement.

- a. ETKO agrees that the site-evaluation will focus on verifying implementation of the corrective and preventive actions that ETKO submitted in response to the NOP's May 13, 2015 Notice of Noncompliance.
- b. ETKO agrees that the site-evaluation will also review nonconformances issued by international accreditation bodies that resulted in the conditional losses of accreditation to the ISO 17065 Standard, the Canadian Food Inspection Agency's Canada Organic Regime, and the European Union Commission's 3rd country recognition as a certifying body, as well as corresponding corrective and preventive actions implemented to address nonconformances.
- B. ETKO agrees that any noncompliance identified at the site-evaluation may result in future adverse action from USDA, AMS, NOP.
- C. ETKO agrees that failure to meet settlement terms above may result in future noncompliance procedures and possible adverse action from USDA, AMS, NOP.

This agreement will become & upon the appellant's signature below.

Dr. Mustafa

ETKO

Deputy Administrator, National Organic Program

USDA, AMS

Date: 6 April 2016