Presentation Overview

What is SOE? → Who is affected? → Why is SOE needed now? → What does SOE do? → What are the costs and benefits? → How you can get involved
What Is the Strengthening Organic Enforcement (SOE) Proposed Rule?

- An update to the USDA organic regulations (7 CFR Part 205).
- SOE revises the organic regulations to meet modern market needs and challenges.
- SOE implements several provisions of the 2018 Farm Bill and multiple recommendations by the National Organic Standards Board (NOSB).
Who Is Affected?

- USDA-accredited certifiers
- Organic inspectors
- Brokers, traders, exporters, and importers who are not certified USDA organic
- Farmers
- Processors
Why Is SOE Needed Now?

Total sales of all organic products in the United States

2008: $22.1 Billion

2019: $55.1 Billion

A changing organic market demands stronger enforcement to protect and uphold standards for organic products.
How Does the Organic Community Benefit?

**SOE OBJECTIVES:**
- Stronger tools and processes to help ensure compliance
- Robust and consistent enforcement of the organic regulations
- Improved farm to market traceability

**COMMUNITY BENEFITS:**
- Strong consumer and farmer trust in the organic label
- Level playing field for organic farms and businesses
What Does the Rule Do?

- **Reduce** the types of businesses exempt from organic certification
- **Require** electronic NOP Import Certificates for all organic products entering the United States
- **Clarify** recordkeeping and fraud prevention procedures to improve supply chain traceability
- **Standardize** requirements for on-site inspection of organic operations to strengthen oversight
What Does the Rule Do?

Reduce the types of businesses exempt from organic certification

The proposed rule requires organic certification of businesses that:

- Buy or sell organic products
- Negotiate sales of organic products between buyers and sellers

Businesses that may need organic certification include brokers, traders, importers, and exporters. Some businesses in the organic supply chain, such as retailers and transporters, may not need organic certification.
What Does the Rule Do?

Require electronic NOP Import Certificates for all organic products entering the United States

- Each shipment requires an NOP Import Certificate
- Data from the NOP Import Certificate must be uploaded into the U.S. Customs and Border Protection’s Automated Commercial Environment (ACE)
- Provides traceability to the port of entry and ensures an auditable record trail
Clarify recordkeeping and fraud prevention procedures to improve supply chain traceability

The proposed rule ensures certified organic operations:
- Maintain records that document a product’s source and chain of custody across the supply chain
- Clearly identify products as organic on all records and labels
- Document the monitoring practices used to prevent fraud and verify suppliers and products
What Does the Rule Do?

Clarify recordkeeping and fraud prevention procedures to improve supply chain traceability

The proposed rule ensures USDA-accredited certifiers:

- Describe the procedures they use to identify operations and products at high risk of organic fraud
- Conduct supply chain audits to verify the origin and chain of custody of high-risk products
- Share compliance-related information about certified operations with other certifiers
What Does the Rule Do?

**Standardize requirements for on-site inspection of organic operations to strengthen oversight**

**The proposed rule ensures USDA-accredited certifiers:**

- Conduct unannounced inspections of at least 5% of the operations they certify annually
- Conduct mass-balance and trace-back audits during on-site inspections
- Use inspectors that meet minimum training, experience, and education requirements
- Implement consistent practices to inspect grower groups
SOE INCLUDES ADDITIONAL CHANGES ADDRESSING:

- Organic equivalence determinations
- Clarified mediation procedures
- Standardized organic certificates
- Multiple offices operated by a single certifier

PLEASE SEE THE PROPOSED RULE FOR A FULL LIST OF TOPICS AND CHANGES
Estimated Cost and Benefit

COST

$7.3 Million (Annualized)

BENEFIT

$85 Million (Annualized)

KEY: $1 Million
Estimated Cost Per Business

**ACCREDITED CERTIFIERS**
- First-Year Cost: $15,100
- Number Affected: 46

**NEW HANDLERS**
- First-Year Cost: $4,900
- Number Affected: ~1,000

**CERTIFIED OPERATIONS**
- First-Year Cost: $60
- Number Affected: ~25,000
From Proposed to Final Rule: Make Your Voice Heard

The SOE proposed rule will be published soon

Available at regulations.gov; search for AMS-NOP-17-0065

60 day public comment period

All comments will be considered in development of a final rule

Implementation date: one year after publication of a final rule
How to Submit an Effective Comment

Sample Comment Format

Express your support or dissent for the rule

Describe how you or your community would be affected by the rule

Identify the specific parts of the rule on which you are commenting

Offer alternatives, explaining why they are a better option

Suggest specific language where appropriate

To whom it may concern:

RE: Comments on Proposed Rule

I am submitting this comment in support of [XXX]. I have extensive experience on this topic, such as [XXX].

The proposed rule has several benefits including [XXX].

While I support the rule, I do have a few recommendations:

1. Section [X] of the proposed rule states “[XXX].” However, based on personal experience and research, [XXX]. This would impact me and my community in the following way: [XXX]. Therefore, a better solution is to [XXX] because [XXX].

2. Section [X] of the proposed rule states “[XXX].” To improve accuracy, the sentence could be rewritten as “[XXX].”

Sincerely,
How to Submit an Effective Comment

How to Send Comments

**Online** through the Federal eRulemaking portal at
[https://www.regulations.gov/](https://www.regulations.gov/).
Search for document number AMS-NOP-17-0065.

**Deadline:** 60 days from date of publication
More Information About Organic Certification and the National Organic Program

Access a recording of this webinar:

https://www.zoomgov.com/rec/play/7sZ8le-q-m83HlDAsASDV_59W9S5K6ys1SNl8qVbxrgBXVMwGnNLBBY7OimVQIfc4YtNCGWx7VfSQ?continueMode=true

USDA National Organic Program:
http://www.ams.usda.gov/Organic

How to become certified organic:

Finding a USDA-accredited certifying agent: