

National Organic Standards Board Meeting

Jacksonville, Florida

October 31 – November 2, 2017

by Dave Colson, Agricultural Services Director

The National Organic Standards Board (NOSB), an advisory board on organic regulations for the USDA National Organic Program (NOP), held its biannual meeting in Jacksonville, Florida at the beginning of November. Additionally, the National Organic Coalition (NOC) held its regular pre-NOSB meeting on October 30. The following are highlights from these meetings.

National Organic Coalition (NOC) Pre-NOSB Meeting

NOC is made up of a variety of stakeholders that support organic standards and, through activity on national issues, seek to influence organic policy at the NOP. The coalition is made up of farm organizations, environmental groups, and consumer and industry organizations. MOFGA was a founding member of NOC and participates in regular meetings of the group throughout the year. To learn more about NOC visit: nationalorganiccoalition.org/

The daylong pre-meeting, facilitated by NOC, was open to all interested organizations and attended by approximately 100 participants. Participants were provided with an agenda, and presented with an outline for facilitation and process. The meeting began with farmer updates from around the country. Themes included unfair competition in the market from large hydroponic operations; fraudulent grain imports; and the pressure to lower prices at the farm gate for organic products. Additionally, farmers spoke of competition from questionable dairy operations, and the unfair advantage of these operations in the milk market; genetic contamination; pesticide drift; the influx of multiple labels in the marketplace; the saturation, and even shrinkage, of direct market outlets; labor and immigration issues; and access to land for new farmers and those who wish to expand existing farms and ranches.

Following the updates, a panel consisting of representatives from the Organic Trade Association (OTA), OFARM, and the Accredited Certifiers Association (ACA) discussed stakeholder strategies

for strengthening organic enforcement domestically and internationally. Gwendolyn Wayard of the OTA reported they are preparing a "best practice" guide for assessing fraudulent organic products. Jenny Cruse reported that the ACA is working on assessing organic product paper trails all along the supply chain. Certifiers expressed concern about uncertified handlers in the marketplace; poor and/or fraudulent labeling; inconsistent auditing by the NOP; lack of uniform information collected by certifiers; and the amount of documentation required by certifiers on overseas products. They also mentioned the need for increased information-sharing among certifying agents.

John Bobbe, of OFARM, a regional marketing cooperative representing thousands of acres of organic grain produced primarily in the West and Midwest, reported on OFARM's work to identify and draw attention to recent fraudulent grain imports as reported in the Washington Post. OFARM recommends that US grain buyers follow European Union Commission guidelines requiring the transfer of organic documentation before a cargo is loaded. Research for the Washington Post story indicated that the NOP doesn't track ships coming into the US (more on this in the NOSB report) and that US grain farmers have lost an estimated \$400,000,000 in grain sales in the last two years due to fraudulent grain imports.

An update on a proposal recommendation from the NOSB followed the panel discussion. The topic was "Excluded Operations in the Supply Chain." Operations that are not required to be certified include transportation companies that move products such as hay, grain, milk, or livestock from a certified farm to a certified organic buyer or processing facility; wholesale distributors, brokers or traders that sell boxed or sealed containers and do not open, re-pack, trim, or re-label certified organic products. The NOSB Compliance, Accreditation and Certification Subcommittee suggested redefining *enclosed in a container* to mean "impermeable with a tamper proof seal." Additionally, the proposal recommended that handlers that take ownership of

certified organic products should also be certified, and that the addition of an organic handling plan would allow certifying agents to evaluate compliance. This proposal is still in the development stage and will be discussed in future NOSB meetings.

The final presentation at the meeting centered on the Rodale Institute/National Science Foundation Regenerative Organic Certified Label. Some highlights of this add-on label proposal include: Soil Health (no/low tillage, building of organic matter, no soilless systems) Animal Welfare (no CAFOs, suitable shelter, grass fed/pasture raised), and Social Fairness (living wages, maximum working hours, fair pricing for buyers/farmers). The label is envisioned to have three levels of compliance with farm operations required to move to the highest level over time. There is currently an open comment period for the label until the end of November. To learn more go to: <https://rodaleinstitute.org/regenerativeorganic/> Or you can download a PDF of the full standard at: http://standards.nsf.org/apps/group_public/download.php/39305/ROC%20Standard%20Framework%20%289%2012%2017%29.pdf

National Organic Standards Board (NOSB) Meeting

The NOSB meeting opened with a report on the NOP by Dr. Jenny Tucker filling in for new interim Deputy Administrator, Dr. Ruihong Guo, who had not yet begun in her role. Below are some highlights from Dr. Tucker's presentation:

- The NOP completed a record number of 462 complaint reviews/investigations.
- 75% of complaints were about uncertified operations representing themselves as organic.
- The NOP has posted a new searchable spreadsheet of fraudulent certificates.
- This winter, in-person certifier training conducted by the NOP will focus on training certifiers on enforcement for imports.
- The NOP is exploring options for standards-based initiatives to

*(NOSB Board Meeting
Continued from Page 6)*

address import issues. It is also supporting the NOSB's work to address problems with imports, including getting better data in the organic integrity database to tackle some of the enforcement issues and tracking.

- Temporary Administrator Tucker went through, in detail, the Office of Inspector General (OIG) report findings and recommendations on equivalency agreements and imports.
- The Agricultural Marketing Service (AMS), the department at the USDA that houses the NOP, has a Memorandum of Understanding with Customs and Border Protection (CBP) and supports expanding the MOU. However, the CBP has limited capacity and no current authority to review import certificates for organic products, a problem that may need to be addressed through legislation.
- An American National Standards Institute (ANSI) peer review was conducted of the National Organic Program in 2017. No major noncompliance issues were identified. However, audits of accredited certifiers need to occur more frequently and the NOP does not currently have the resources to do more frequent audits.

NOSB Import Panel

The NOSB hosted a panel of government offices that track and inspect imports and ports of entry to better understand how tracking of organic imports can be improved. Offices on the panel included the USDA Marketing Orders and Agreements Division; the USDA (Animal and Plant Health Inspection Service) APHIS/Plant Protection and Quarantine; U.S. Customs and Border Protection; and the USDA National Organic Program (NOP). These offices (minus the NOP) worked with a government program under the Obama administration to update and modernize the reporting of imports among 46 different government agencies tasked with tracking, inspecting and reporting on imports of goods into the US. Not all of these agencies deal with food imports and some only collect data on imports for informational purposes.

Two major issues were identified by the panel: 1) the NOP had no role in the updating process and current tracking regime, and 2) instances of fumigation treatments of organic food imports are not required to be reported to the NOP. The general feeling of the representative of APHIS was that, in order for the NOP to access the tracking of imports, it would take a legal (statutory) change to the law. The law would need to provide agencies with the authority to participate in the national import database. This appears to be a major hole in the current inspection and tracking of organic imports, and has been a major hurdle in addressing organic import fraud. In the fifteen years the NOP has existed, no process has ever existed for tracking and verifying organic imports.

Hydroponics

Reported by Abby Youngblood, Executive Director, NOC

The Jacksonville meeting was a particularly challenging meeting—the discussion over hydroponic production revealed that we are a community deeply divided over the most appropriate way to regulate these types of operations. NOC (and MOFGA) has long called on the NOP to establish clear and consistent standards before allowing certifiers to certify hydroponic, aeroponic, and aquaponic operations. We believe this consistency in standards across certifying bodies is fundamental to the integrity of the seal and are dismayed that the USDA has allowed certification of more than fifty hydroponic and aquaponic operations without this clarity.

NOC was in support of the Crops Subcommittee recommendations to prohibit hydroponic, aeroponic, and aquaponic production. And we urged the NOSB to support the Crops Subcommittee recommendation on container production as a compromise solution that allows container growing to continue when it is founded on the principle of feeding the soil, not the crop. We note that highly soluble crop nutrients (which the hydroponics industry and many container systems are heavily reliant on) have been thought of as inappropriate for organic farming right from the start. This is discussed in the preamble to the NOP Final Rule. The

failed Crops Subcommittee proposal on container production would have placed a restriction that is consistent with the intent of the final rule and founding principles of the organic movement, and also with how other highly soluble nutrients, such as Chilean nitrate, have been regulated.

With the exception of the proposal to prohibit aeroponic production in organic (which passed with 14 NOSB members in support and 1 abstention), the proposals to prohibit hydroponic and aquaponic, and a proposal to impose limitations on container production failed with only 7 NOSB members in favor and 8 opposing (10 votes, a 2/3 majority was required to pass these proposals).

This vote was accompanied by a strong sense of betrayal from some sectors of the organic community.

So where do we go from here? In Jacksonville, NOSB members discussed the possibility of a label for “hydroponic organic” products—this is something we might see on the NOSB's work agenda for the upcoming Tucson meeting next spring.

NOC and MOFGA recognize the critical importance of continued and sustained efforts to preserve and strengthen the integrity of the USDA organic seal. We've come too far to relinquish what started as a grassroots, movement-led program at the USDA and has turned into a nearly \$50 billion industry. We will continue to contribute to, and support the work of, the NOSB. The board plays a critical regulatory role and their work should lay the foundation to address challenges we are facing within the organic sector on multiple fronts.

