



December 2013

*Organic Integrity from Farm to Table, Consumers Trust the Organic Label.*

## What is the Agricultural Marketing Service?

### Table of Contents

- 1 **What is the Agricultural Marketing Service?**
- 4 **Secretary's Award for EU Organic Trade Partnership**  
**Organic at USDA.gov!**
- 5 **Japan: Opportunities for U.S. Organic Producers**
- 7 **Coming Soon: Organic Market News Survey**  
**NOP Peer Review**
- 8 **"Sunset 2013" Final Rule**
- 9 **"Sunset" Review + Renewal Process**
- 11 **Organic Integrity Update**
- 12 **NOSB Update**
- 13 **National List Update**  
**Appeals Update**
- 14 **Handbook + Web Update**
- 15 **Upcoming Training Opportunities**
- 16 **Staff Update**



The National Organic Program (NOP) is proud of its role in protecting the integrity of USDA certified organic agricultural products and facilitating organic trade throughout the world.

NOP is also proud to be one of the programs that make up a larger agency called the Agricultural Marketing Service (AMS). We have a deeply customer-focused mission: to facilitate the competitive and efficient marketing of all agricultural products. In this newsletter issue, I wanted to highlight several of our services, many of which directly support the growing organic sector.

### Market News

Looking for the regional and national prices of organic milk, chicken, or carrots? Our Market News reporters collect and publish these data daily, helping farmers get the best prices for their agricultural products. The Market News service ensures that all stakeholders have access to timely, accurate, unbiased market information at no cost. These data are fundamental to the critical business decisions that farmers, investors, processors, retailers, and other stakeholders make every day. AMS is working to make sure that this valuable information is also serving organic stakeholders. To help us optimize our services for this growing sector, organic farmers will be asked to complete a short survey in early 2014 about their market news experiences and needs (*see page 7*).

### Grading

Pima cotton, a USDA prime steak, and a "fancy" peach have one thing in common – they were all graded by AMS. Graded products provide consumers with an expected level of quality and often benefit from increased market access. Many exported products must be graded, and most imported agricultural products must meet minimum size, maturity, and quality standards (which are also administered by us) to ensure fair market competition.

Through our Process Verified and export verification programs, we also conduct audits that verify production practices and add value to commodities. In addition, we conduct Good Agricultural Practices and Good Handling Practices (GAP and GHP) audits, which focus on best agricultural practices to (*continued on page 2*)





## What is the Agricultural Marketing Service?, continued from page 1

verify that fruits and vegetables are produced, packed, handled, and stored in the safest manner possible to minimize risks of microbial food safety hazards. These services help farmers build trust with their consumers, distributors, and other portions of the retail chain.

### **Local and Regional Food**

Our National Farmers Market Directory now lists 8,144 farmers markets across the U.S., up from about 5,000 in 2008. We help producers and handlers respond to the increased desire for local and regional food in a wide variety of ways.

For example, we provide technical assistance to help farmers join or establish food hubs. These aggregation and distribution facilities increase the ability of smaller producers to access and sell to grocery stores and other larger volume markets. AMS also researches industry trends, assesses transportation-related barriers, and provides architectural support to establish and improve permanent food market facilities.

In addition to the Organic Certification Cost Share Program, three grant programs support local and regional systems:

- **Federal - State Marketing Improvement Program:** Provides matching funds to States on a competitive basis. Funds are used to explore barriers, challenges, and opportunities in marketing, transporting, and distributing agricultural products.
- **Specialty Crop Block Grant Program** Awards grants directly to State departments of agriculture. States award funds to a range of specialty crop stakeholders to enhance the competitiveness of specialty crops (fruits, vegetables, tree nuts, dried fruits, horticulture, nursery crops, floriculture), including locally grown and consumed specialty crops.
- **Farmers Market Promotion Program** Funds projects to improve and expand domestic farmers markets, roadside stands, community-supported agriculture programs, agri-tourism activities, and other direct producer-to-consumer marketing opportunities.

Continued funding of these programs will depend on Congress' ongoing Farm Bill negotiations. Currently, the Organic Certification Cost Share program, which reimburses organic farmers for *(continued on page 3)*



## What is the Agricultural Marketing Service?, continued from page 2

as much as 75 percent (up to \$750) of their certification costs, is only available in 16 states through the current fiscal year (2014). Other USDA agencies, however, do have funding available through conservation grants, traditional farm and micro loans, and rural development grants.

### *Laboratory Testing*

Did you know that AMS has a full service laboratory testing facility in Gastonia, North Carolina? In fact, our National Science Laboratory (NSL) played an important role in the strengthened residue testing requirements for organic products. In addition to conducting the pilot study involving 571 organic samples, NSL is currently conducting a wide variety of residue testing for several organic certifiers.

To serve the broader agricultural sector, our annual Pesticide Data Program report quantifies pesticide residues on agricultural commodities in the U.S. food supply. This information provides important insights into the actual levels of pesticide residues found on widely-consumed foods. Our Federal partners also use the data for dietary risk assessments to ensure that any pesticide residues in foods remain at safe levels.

### *Commodity-Specific Programs*

With grading services and Market News, AMS works across all commodities—from fruits and vegetables to dairy to livestock—to create opportunities for stakeholders. We also have commodity-specific programs and services that help meet each commodity's unique needs.

For example, we help settle disputes in the fruit and vegetable trade through our mandatory Perishable Agricultural Commodities Act (PACA) program. In the dairy industry, we support farmers by establishing minimum prices for established classes of Grade A milk. Additionally, our Plant Variety Protection Office provides legal intellectual property protection to

breeders of new varieties of sexually reproduced or tuber-propagated plants.

### *Selling to the Government*

USDA purchases and distributes food grown in the U.S. for Federal food and nutrition assistance programs, including the National School Lunch Program. AMS' Commodity Procurement staff makes the purchases on behalf of the Food and Nutrition Service. These purchases not only provide wholesome, nutritious food to millions of Americans, they also help stabilize prices in commodity markets by balancing supply and demand. We offer a variety of technical assistance to vendors that wish to sell their products to USDA, and often establish a set-aside to ensure that small farms and businesses are able to participate.

### *Research and Promotion Boards*

Research and promotion boards (also known as "check-off" programs) promote specific agricultural commodities. Such programs are authorized by Congress, funded and managed by the industry, and overseen by AMS. As you may know, Congress is debating an organic research and promotion program as part of its ongoing Farm Bill negotiations.

AMS is committed to supporting the continued growth of organic agriculture throughout its programs and services. Some of our services, such as organic certifier and foreign trade partner audits, are directly tied to the NOP's role of protecting the integrity of organic products. Other services help all farmers and businesses—including organic ones—better market their agricultural products.

I encourage everyone to visit [www.ams.usda.gov](http://www.ams.usda.gov) to learn more about how our programs can help you!

*Anne Alonzo*

Administrator, Agricultural Marketing Service



## Secretary's Award for EU Organic Trade Partnership

By reducing redundant certification requirements, the U.S.-EU organic equivalency arrangement has given U.S. organic farmers and businesses increased access to the second-largest organic market in the world. Secretary Vilsack recognized the importance of this arrangement for the continued growth and job-creation in the organic sector, and presented the team with a 2013 Secretary's Award. (*above photo, from left to right: Tom Vilsack, Secretary of Agriculture; Kelly Strzelecki, Senior Trade Advisor, Foreign Agricultural Service; Miles McEvoy, Deputy Administrator, NOP; Krista Harden, Deputy Secretary of Agriculture*). Trade partnership details: [www.ams.usda.gov/NOPTTradeEuropeanUnion](http://www.ams.usda.gov/NOPTTradeEuropeanUnion)

### History of Trade Negotiations

The U.S. and EU first attempted to reach an organic trade partnership in 2002, just after the USDA organic regulations came into effect. Due to a myriad of concerns, these negotiations were not successful. Over the next 10 years, AMS bolstered its fledgling National Organic Program into a highly visible global regulatory body responsible for the largest organic market in the world. In 2012, AMS protected the organic integrity of the \$35 billion U.S. organic sector with 32 employees.

### Looking Ahead: U.S. - EU Agricultural Trade

The U.S.-EU organic trade partnership is an important step towards future agricultural trade between these global agricultural leaders. USDA is confident that this arrangement will facilitate and boost broader agricultural trade between the U.S. and EU, leading to more jobs in this important sector for both America and Europe. Hopefully, the ongoing collaborations and success of this arrangement will facilitate future negotiations for U.S. organic products.

## Organic at USDA.gov!

Looking for USDA programs and services that support the growing organic sector? USDA has created a centralized web resource center at USDA.gov for all the programs, services, and data we have that support organic agriculture:

- Conservation programs, flexible microloans, and other financial resources for farmers and ranchers
- Organic price reports, cost/revenue comparisons, and other economic and market data
- Improved crop and livestock insurance and other programs tailored to the organic sector
- Production and conservation assistance and research on organic agriculture
- Benefits of organic certification and how to get certified
- Field office contacts and much more!

As the organic sector continues to grow, so does USDA's commitment to meeting the needs of organic operators. The new organic web resource center at USDA.gov reflects that commitment and the growing menu of services we provide.

Visit (and bookmark!)  
<http://bit.ly/organic-usda>



Anne L. Alonzo, USDA Agricultural Marketing Service Administrator  
Satoshi Kunii, Director of Labeling and Standards Division, Japanese  
Ministry of Agriculture, Forestry and Fisheries  
Ambassador Islam A. Siddiqui, Chief Agricultural Negotiator, U.S.  
Trade Representative (from left to right)

## Japan: Opportunities for U.S. Organic Producers

Beginning January 1, 2014, organic products certified in Japan or in the U.S. may be sold as organic in either country. The announcement took place on September 26, 2013 at the Natural Products Expo East, one of the largest trade shows for organic products in the U.S.

This partnership between two significant organic markets will streamline U.S. farmers' and processors' access to the growing Japanese organic market, benefiting the rapidly growing organic industry and supporting job creation and business development on a global scale. The organics sector in the U.S. and Japan is valued at more than \$36 billion combined, and rising every year.

"This partnership reflects the strength of the USDA organic standards, allowing American organic farmers, ranchers, and businesses to access Asia's largest organic market," said U.S. Agriculture Secretary Vilsack. "It is a win for the American economy and sets the foundation for additional organic agricultural trade agreements in Asia. This partnership provides economic opportunities for farmers and small businesses, resulting in good jobs for Americans across the organic supply chain."

"[This] agreement will streamline access to the growing Japanese organic market for U.S. farmers and processors and eliminate significant barriers for small and medium organic producers, benefiting America's thriving organic industry," added U.S. Trade Representative Michael Froman. "This represents another key step in strengthening our economic relationship with Japan by boosting agriculture trade between Japan and the U.S., leading to more jobs and economic benefits for American farmers and businesses in this important sector."

Leading up to this historic announcement, U.S. and Japanese technical experts conducted thorough on-site audits to ensure that their programs' regulations, quality control measures, certification requirements, and labeling practices were compatible. Both parties individually determined that their programs were "equivalent" with no restrictions for organic plant and plant products. This means that—for the first time—certified organic farmers and businesses in the U.S. don't have to prove that they didn't use a specific substance or production method to gain access to the Japanese organic market. This partnership streamlines the export certificate process, which also reduces the paperwork burden for farmers and businesses.

Both parties are committed to ensuring that all traded organic products meet the terms of the partnership, retaining their organic integrity from farm to market. Japan's Ministry of Agriculture, Forestry, and Fisheries and the USDA National Organic Program (NOP)—which oversee organic products in their respective countries—will both take on key oversight roles.

The U.S. and Japan will continue to have regular discussions and will review each other's programs periodically to verify that the terms of the partnership are being met. This arrangement only covers products exported from and certified in the U.S. or Japan. [www.ams.usda.gov/NOPTradeJapan](http://www.ams.usda.gov/NOPTradeJapan)



## Exporting Organic Products to Japan

USDA organic plants, fungi, and plant-based processed products (such as grape juice or corn meal) can be sold as organic in Japan (effective January 1, 2014).

Products must be either produced or have had final processing or packaging occur within the U.S.

**TERMS OF THE ARRANGEMENT.** To trade plants, fungi, and plant-based products under the partnership, certified operations must:

Ship products with an export certificate (TM-11), completed by a USDA-authorized certifier.

**LABELING REQUIREMENTS.** For packaged retail products, labels or stickers must state the name of the USDA-authorized certifier and may use the USDA organic seal. Use of the Japanese organic logo is required on plant and plant based products, and requires a Japanese Agricultural Standards (JAS)-authorized importer.

**OTHER PRODUCTS.** Organic products not regulated by the JAS law—such as meat, dairy products, and alcoholic beverages—may also be exported to Japan. These products do not require an export certificate and may be labeled with the USDA organic seal (but not the Japanese organic logo).



## Importing Organic Products from Japan

Products certified to the Japanese Agricultural Standards (JAS) can be sold as organic in the U.S. Plants, including fungi, and plant-based processed products (such as grape juice or corn meal) are eligible for JAS certification (effective January 1, 2014).

Products must be either produced or have had final processing or packaging occur within Japan.

**TERMS OF THE ARRANGEMENT.** To trade products under the partnership, certified operations must:

Ship imports with an NOP import certificate, completed by a JAS-authorized certifier.

**LABELING REQUIREMENTS.** For packaged retail products, labels or stickers must state the name of the JAS certifier and may use the USDA organic seal and/or the Japanese organic logo.

**OTHER PRODUCTS.** Organic products regulated by the JAS law may be imported to the U.S. if they are certified to the USDA organic regulations. Examples of such non-plant-based products include meat, dairy products, and alcoholic beverages. These products do not require an NOP import certificate.





## Coming Soon: Organic Market News Survey

How do you use organic Market News reports? AMS Market News provides reports on prices, volume, quality, condition, and other market data on organic and conventional farm products in specific markets and marketing areas. We are partnering with the National Agricultural Statistics Service (NASS) to conduct a direct survey of self-identified organic producers. The survey is an effort by AMS to more clearly understand how organic producers obtain market information, how they price and market their products, and their familiarity with current information made publicly available by Market News. <http://bit.ly/ams-market-news>

The survey results will help AMS build better tools to serve the information needs of the organic sector. The approximately 12,000 self-identified organic producers fall into three broad categories: currently certified as organic, small enough to be exempt from certification, and those in the “other organic” category, which includes those transitioning into organic production.

**Organic farmers: look for your survey in early 2014!**

In February, USDA will mail the surveys and an introductory letter from Administrator Alonzo. In two weeks, those who have not responded will receive a reminder post card. The entire process will take 45 days, ending on March 15th.

NASS will aggregate the survey results and provide them to AMS after the survey period. AMS Market News will make the results public, and use the data to enhance organic market coverage for the benefit of organic producers, handlers and consumers nationwide. For additional information or questions about the survey, please contact Terry Long, Director of Fruit and Vegetable Market News at 202 720-2175 or [terry.long@ams.usda.gov](mailto:terry.long@ams.usda.gov).

## NOP Peer Review

In September 2013, the American National Standards Institute (ANSI) began a peer review of NOP’s accreditation program. Peer reviews allow Federal agencies or private organizations with similar accreditation and oversight functions to assess our policies and procedures. USDA implemented several process improvements as a result of its 2011 peer review with the National Institute of Standards and Technology.

The scope of this review is focused on the NOP’s accreditation and oversight of its 84 accredited certifiers. The review will include a review of the NOP’s accreditation procedures, files, and auditing activities. For example, ANSI is currently reviewing the NOP’s documented procedures to determine if they are comprehensive and consistent. During the assessment, ANSI will use various standards from the International Organization for Standardization, including ISO/IEC Guide 65 and ISO 17011.

In the spring, the auditors will spend a week on-site at the NOP office in Washington, D.C. to interview staff and review files. The ANSI auditors will also spend about a week observing the NOP auditors during accreditation audits and witness inspections at organic farms and businesses. ANSI’s peer review will be completed by September 2014 and a summary will be announced on NOP’s website. The NOP will then have an opportunity to submit corrective actions to ANSI in response to its assessment.



## “Sunset 2013” Final Rule

On October 3rd, the Sunset 2013 final rule was published in the Federal Register. This action became effective on November 3, 2013.

The “Sunset 2013” final rule implements recommendations from the National Organic Standards Board (NOSB) to address 13 listings on the National List of Allowed and Prohibited Substances.

This action affects the crops and processing sections of the National List, renewing 12 listings for five years and removing one listing. This rule takes the following actions:

**1. Renews the existing allowance for the following substances for 5 years:**

Copper sulfate (two listings)  
Ozone gas  
EPA List 3 Inerts  
Calcium chloride

Agar-agar  
Animal enzymes  
Calcium sulfate  
Carrageenan

Glucono Delta-Lactone  
Tartaric acid (made from grape wine)  
Cellulose

**2. Removes the allowance for the following substance, prohibiting its use in organic processed food production:**

Tartaric acid (made from malic acid)

Per the Organic Foods Production Act, the NOSB must review all listings on the National List every 5 years. The NOSB is a citizen advisory board that makes recommendations to the USDA about which substances should be allowed and prohibited in organic agriculture.



## **“Sunset” Review and Renewal Process**

The Organic Foods Production Act (OFPA) designates the NOSB to advise USDA on which substances should be allowed or prohibited in organic farming and processing. At any time, an individual or organization may submit a petition to add or change the allowance of a substance based on OFPA criteria. This process involves NOSB’s review, multiple public comment opportunities, and rulemaking by the NOP. Once a substance is added to the National List, the listing is valid for five years. Before the five years is over, the NOSB must review the substance. This process is referred to as the “sunset review.”

On September 16, we announced an updated and streamlined Sunset process, which implements the following changes on an ongoing basis:

### ***Method of notification***

Previously, USDA published an “Advanced Notice of Proposed Rulemaking” in the Federal Register, which would (1) identify all substances scheduled for review in a given year, and (2) request public comments.

The current process accomplishes the same two goals, but with a simpler Federal Register notice.

### ***More opportunities for the public and the NOSB to consider substances against OFPA criteria***

Previously, the NOSB typically evaluated a substance over the course of one public meeting.

The current process allows public comments to be submitted across two public meetings, allowing additional assessments, transparency, and public engagement.

### ***No changes during sunset***

From 2005-2010, the sunset review process only allowed a substance to be renewed or removed from the National List during the sunset process.

In 2011, the sunset review process was modified so that the NOSB could recommend additional clarifications or restrictions to the allowance of a substance during the sunset process. (For example, restricting the use of



## “Sunset” Review Process, continued from page 9

an approved substance to very specific applications or for very specific food categories.) USDA experienced a number of difficulties making changes to the allowance of a substance during the sunset process. These difficulties included inadequate public notification, and difficulties completing the rulemaking process before the sunset date.

The current process returns to the pre-2011 model, which only allows a substance to be renewed or removed from the National List during the sunset process, based on the NOSB’s review. The NOSB will evaluate changes to existing listings using the well-established petition process.

### *Streamlined rulemaking*

Previously, USDA addressed all listings—removals and renewals—through rulemaking.

Amending the USDA organic regulations (e.g. deleting a substance from the National List) requires rulemaking. The current process will only involve rulemaking if two-thirds of the NOSB votes to remove a substance from the National List. For all other substances, USDA would simply announce that the substance will remain on the National List without change for five years (announced via USDA Organic Insider and Federal Register).

### *NOSB Sunset Voting Procedure*

Previously, the NOSB could vote on a motion to renew a substance on the National List during the sunset review process. If more than one-third of the NOSB members voted not to renew, the NOSB would recommend that the substance be removed from the National List. This voting process conflicted with the petition process, which requires a two-thirds majority to both add and remove a substance from the National List.

The current process requires the NOSB to review all substances. If justified based on OFPA criteria, NOSB can vote to remove a substance. If the vote to remove doesn’t reach the required two-thirds majority, USDA may announce that the substance is renewed. This model aligns the sunset process with the petition process, which also requires a two-thirds majority to add or remove a substance to/from the National List.

If NOSB members or the public would like to remove or further restrict the allowance of the substance, these actions can be proposed and evaluated through the petition process.

View the Federal Register notice, questions and answers, and more at [www.ams.usda.gov/NOPSunset](http://www.ams.usda.gov/NOPSunset).

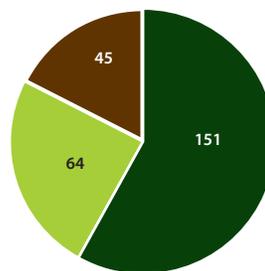


## 2013 Organic Integrity Update

AMS is committed to protecting the integrity of USDA organic products and creating a level playing field for certified operations. To accomplish these goals, we enforce the USDA organic regulations to the fullest extent possible to protect consumers and compliant operations.

### 2013 Compliance and Enforcement Actions

From October 1, 2012 to September 30, 2013, AMS issued 18 penalties to willful violators totaling over \$78,500. We also opened 209 complaint cases received from members of the public and closed 260 cases of suspected regulatory violations, taking enforcement action when the complaint was validated. The distribution of closed case types is shown to the right.



#### Case Distribution

- Uncertified operations
- Labeling violations and fraud
- Prohibited substances and methods

### Certifying Agent Audits

AMS audits certifying agents around the world to ensure they are applying the USDA organic regulations in an appropriate, fair, and consistent manner. Since August 2013, USDA staff audited the following certifying agents in the indicated location, requiring corrective actions where appropriate:

- Kentucky Department of Agriculture – Frankfort, Kentucky
- Global Culture – Pacifica, California
- One Cert – Lincoln, Nebraska
- Primus Labs

Additionally, we audited two of our trade partners:

#### **Agricultural and Processed Food Products Export Development Authority – India**

India is currently authorized to accredit certifiers based in India to the USDA organic standards. To ensure that organic products traded under this “recognition” agreement are meeting all requirements in the USDA organic regulations, AMS audited the Indian certification system and conducted witness inspections.

#### **Swiss Federal Office for Agriculture**

In conjunction with the European Union Foods and Veterinary Office, AMS audited the Swiss organic certification system as part of negotiations towards a potential organic equivalency arrangement. This included site visits to organic farms certified to the Swiss organic standards.

### Help Us Protect Organic Integrity!

Suspended/revoked organic operations  
<http://bit.ly/suspended-revoked>

Fraudulent organic certificates  
<http://bit.ly/fraud-certs>

Suspected violation complaints  
[NOPCompliance@ams.usda.gov](mailto:NOPCompliance@ams.usda.gov)



## NOSB Update

### When is the next NOSB meeting?

April 29 - May 1, 2014  
St. Anthony Hotel

300 East Travis Street  
San Antonio, Texas

**Reserve a room!**

<http://bit.ly/nosb-texas>  
or call 210.354.9283

### What will be on the agenda?

The NOSB will likely cover the items planned for the fall 2013 meeting, which was cancelled. Additional items may be added based on Board work over the coming 4-5 months. This fall, the Board subcommittees will be reviewing the written comments submitted by the public during the fall 2013 comment period, and may decide to modify posted discussion documents and proposals based on those comments. The subcommittees will also be working on new work plan items.

### How will the NOSB handle public comments from the fall 2013 meeting?

- If a subcommittee decides to modify a previously posted discussion document or proposal as a result of fall 2013 public comment, that revision will be posted for another round of public comments before the spring 2014 meeting.
- If a subcommittee decides not to modify a previously posted document, it will also be reposted with the others in advance of the spring 2014 meeting. While any new comments to these unchanged documents will be welcome, commenters who previously submitted comments to the unchanged document will not need to resubmit their previous comments.
- Any new discussion documents and proposals that are added to the spring 2014 agenda will be posted for public comment as usual.
- Anyone who signed up to give an oral public comment for the fall 2013 meeting will need to sign up again to make an oral public comment in the spring (*continued on page 13*).

### Will the NOSB meet prior to the meeting?

In addition to preparing for the spring 2014 meeting, the Board may convene in Washington D.C. for a training session before the next public meeting. Training topics for this meeting might include:

Annual ethics and conflict of interest training.  
Training on how to develop effective proposals and recommendations.

Training on the Federal Advisory Committee Act (FACA).  
Training on the rulemaking process.

Consistent with FACA requirements, if this training is held, the Board will not vote or provide advice to AMS or the Secretary on any matter.

## National List Update

### Petitions

The following petition to amend the National List of Allowed and Prohibited Substances was recently sent to the NOSB for review:

*Whole algal flour, petitioned to 205.606 (handling)*

### Recent Technical Reports

Vinasse, petitioned to 205.601 (crops, limited scope)

**View petitions and technical reports:**  
[www.ams.usda.gov/NOPNationalList](http://www.ams.usda.gov/NOPNationalList)

## Appeals Update

When an organic business or certifier receives an adverse action notice (such as a Notice of Proposed Suspension, Proposed Revocation, or Denial of Certification), and the business or certifier wants an independent party to evaluate the action, the operation can submit an appeal to AMS. The Appeals Team objectively considers both sides of the case: arguments from the organization that issued the adverse action notice (usually a certifier or the NOP) and arguments from the recipient of the adverse action notice (the appellant - usually an organic operation, and occasionally a certifier).

In the past, appeals cases have taken up to two years to consider and resolve, with approximately 40 open at a time. However, in April 2013, the Appeals Team took significant steps to improve the appeals management process. These improvements included:

- Streamlining the team's approach to case intake and analysis.
- Increasing the use of settlement agreements for cases where alternative dispute resolution is appropriate.
- Encouraging certifiers and operators to resolve conflicts and non-compliances early in the adverse action process before the issue reaches the appeals stage.

As a result of these improvements, appeals are now being considered and resolved more quickly, leading to less uncertainty for both certifiers and operators. As of early December 2013, the Appeals Team has only 11 open appeals cases; these 11 have been open an average of 184 days. From January – November 2013, the Appeals Team received 42 appeals cases, and completed work on 62 cases. The Appeals Team's goal for the upcoming year is to complete its work on the vast majority of appeals within 180 days. The improvements in efficiency and timeliness, as well as the increased use of settlement agreements, have allowed USDA to come closer to the vision of an expedited appeals process, and have received positive feedback from the stakeholders involved in open appeals.



## National Organic Program Handbook + Web Updates

**Program Handbook.** The National Organic Program Handbook provides a wide variety of policy materials and other resources to help organic farms and businesses comply with the USDA organic regulations. In the past several months, AMS has updated several of these resources, which are available at [www.ams.usda.gov/NOPProgramHandbook](http://www.ams.usda.gov/NOPProgramHandbook).

**Updated List of Sunset Dates.** On November 6, 2013, we updated NOP 5611, National List Sunset Dates. This resource identifies when a National List substance is up for Sunset review or is going to expire.

**Submitting Annual Lists of Certified Operations.** Every January, each organic certifier submits its list of certified operations to be included in USDA's official directory. On October 21, 2013, USDA issued updated instructions to certifiers (NOP 2026) to guide this process. A key change this year is that USDA will be combining the list of certified operations with the list of suspended and revoked operations. Starting in spring 2014, organic stakeholders will be able to learn if an operation is "active," "suspended," or "revoked" by visiting the main list.

**Organic System Plans.** This new instruction (NOP 2615) helps an organic operation develop its initial organic system plan (OSP) per the USDA organic regulations and submit updates to continue its certification (doesn't require a full OSP).

NOP 2601 (for certifiers) and 2615 (for operations) describe simplified requirements related to organic certification. This streamlined approach supports our Sound and Sensible initiative to make organic certification accessible, affordable, and attainable for all operations.

**Organic Certification Process.** This updated instruction (NOP 2601) provides instructions for organic certifiers to increase consistency and implement best practices throughout the certification process.

**Humic Acid.** This new policy memo (PM 13-2) clarifies which materials are allowed for humic acid extraction under the USDA organic regulations.

**Trade fact sheets.** AMS published two fact sheets to support organic trade. The first summarizes current trade opportunities for organic farms and businesses based in the U.S. The second describes the requirements for foreign organic products to be sold in the U.S. market. [www.ams.usda.gov/NOPFactSheets](http://www.ams.usda.gov/NOPFactSheets)

**NOSB memos.** On December 11, 2013, AMS sent two memos to the NOSB: [www.ams.usda.gov/NOPCorrespondence](http://www.ams.usda.gov/NOPCorrespondence)

**Substances in personal care products.** Due to the absence of Federal standards for organic personal care products, AMS will no longer accept petitions to add substances to the National List when the requested use is limited to personal care products. Personal care products include cosmetics and body care products that are regulated by the U.S. Food and Drug Administration. Organic personal care products that are comprised of agricultural ingredients and meet the USDA organic regulations remain eligible for certification. Personal care product manufacturers can use substances on the processed product sections of the National List.

**Phosphoric acid in aquatic plants.** AMS requested that the NOSB review a petition from 2002 regarding the use of phosphoric acid for pH adjustment of aquatic plants. NOSB action is needed to resolve ongoing differences in interpretation on this issue among material evaluation programs and accredited certifying agents.



## Upcoming Training Opportunities

### Organic Certifier Training

February 19 - 21, 2014  
Wyndham Hotel Bayside  
San Diego, California  
<http://bit.ly/2013-aca>

In partnership with the Accredited Certifiers Association, AMS will hold its annual certifier training on February 19, 2014. This training is restricted to USDA-accredited organic certifiers only. Following the one-day training provided by National Organic Program staff, the Accredited Certifiers Association will hold its annual professional development training February 20 - 21, 2014.

### Organic Certifier + Inspector Training (in Spanish)

March 18 - 19, 2014  
Tilajari Hotel  
Ciudad Quesada, Costa Rica  
<http://www.ioia.net/AGM.html>

To better serve our Spanish-speaking stakeholders, AMS is partnering with the International Organic Inspectors Association (IOIA) to provide a two-day training in Spanish. AMS will provide the training, and IOIA will manage logistics. The training is open to certifiers, inspectors, and Government agency personnel. IOIA will provide on-site bilingual logistical support, but not English translation.



**Want to become an organic insider?**  
Sign up to receive email updates from the NOP  
<http://bit.ly/USDAOrganicInsider>

# Staff Updates

## 2013 Natural Products Expo East

In September, AMS attended Natural Products Expo East, a large natural products trade show. Administrator Alonzo and Deputy Administrator Miles McEvoy participated in several panel discussions and met with key stakeholders. Additionally, staff provided printed resources and answered questions at our booth, providing information to current and prospective organic operations and certifiers. During Expo East, Administrator Alonzo announced the organic trade partnership with Japan, creating new opportunities for American organic operations (see page 5).



## Welcoming AMS Staff to the NOP

Over time, an AMS program's workload can change, allowing its staff to diversify their skills and explore new areas of the agricultural sector. Join us in welcoming the following AMS staff to the National Organic Program team!



### Jason Goitia

Jason received his law degree from the University of Chicago Law school, where he was editor-in-chief of the law school's newspaper. After specializing in finance and securities law at an international law firm and starting his own e-lawyering practice, he then moved to Washington, D.C., and became an ethics specialist for the USDA at its headquarters. Jason served as Diplomat of the Business Law Section of the American Bar Association, a position created to ensure that people with disabilities are given a substantive role. He currently serves as chair of the Lawyers with Disabilities Involvement subcommittee of the Section's Diversity Committee, succeeding the General Counsel of the Federal government's National Council on Disability. During his first month with the NOP, Jason has supported several special projects and is excited to learn more about organic agriculture.

### Lynnea Schurkamp

Lynnea has been working on NOP appeals for 3 years. After obtaining a law degree from the Thomas M. Cooley Law School and a Masters of Laws degree in Environmental Law from the George Washington University Law School, she interned with the D.C. Attorney General's Office in the District Department of the Environment. Originally from Rochester, New York, Lynnea enjoys exploring D.C., working out, and continually learning about sustainable agriculture, the environment, food, and nutrition. In addition to her appeals work, Lynnea also supports a variety of other NOP projects, including a draft guidance on natural resources conservation currently in development.



### Gilda Villela

Originally from Tegucigalpa, Honduras, Gilda has been with AMS for about 3 years. She started as an intern with AMS' Country of Origin Labeling program, which requires that certain commodities' packaging identifies the country where it was produced. Since then, she has been working with NOP appeals and supporting other projects at the NOP. Gilda received her law degree from the Washington College of Law at American University, where she focused on tax, labor, and unemployment issues. She is also the Virginia representative for the National Conference of State Societies, which runs the Cherry Blossom Princess program.