

USDA AGRICULTURAL OUTLOOK FORUM

Preventing Fraud and Protecting the Integrity of the Organic Seal

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Presented by

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Organic Trade Association

Organic
trade association™
SINCE 1985





Founded in 1985, the Organic Trade Association works to create a strong, valued, and equitable organic brand by protecting the USDA Organic seal and developing a marketplace where our diverse members can flourish.

TODAY, OTA IS THE VOICE OF THE \$63+ BILLION ORGANIC INDUSTRY, REPRESENTING MORE THAN 10,000 BUSINESSES ACROSS 50 STATES THROUGH MEMBERSHIP AND OUR FARMERS ADVISORY COUNCIL.

Our priorities are the critical priorities for the organic industry.

CONSUMER TRUST

Organic's most valuable asset

The organic sector's sustained growth over the past 20 years is a result of a straightforward premise: the marketplace rewarding and confirming the value of producers and processors using organic methods and practices.



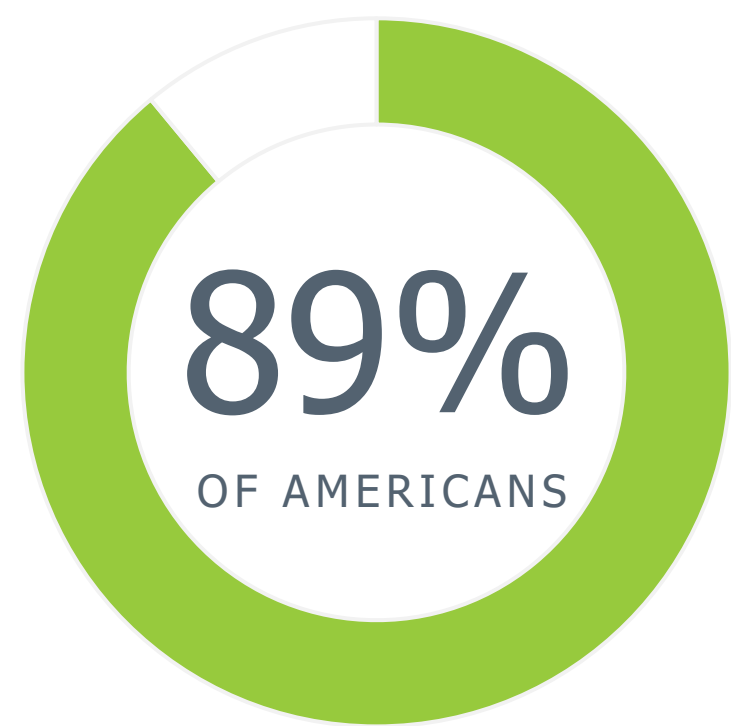
**\$63 billion
in annual sales**



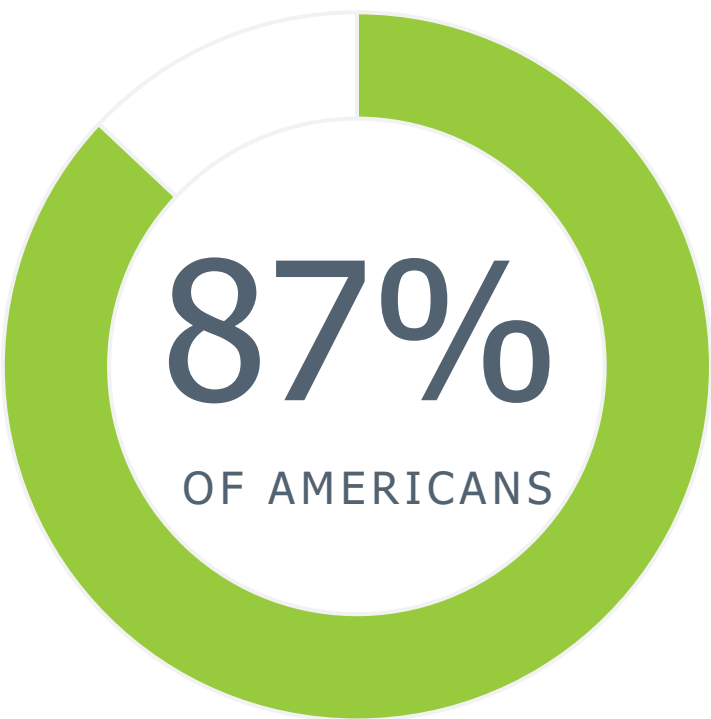
CONSUMER TRUST

Americans’ expectation is that the organic standards are regularly updated to reflect evolving knowledge about human and planetary health.

Perceptions of Government Oversight of Organics Industry—US Gen Pop
(Shown: % Top 2 Agree)



Say that the USDA should review and **update the organic standards** periodically



Expect organic standards to be updated to **reflect evolving understandings** about soil, climate, toxicology, animal welfare, etc.

Q15: To what extent do you agree or disagree with the following statements regarding government oversight of the organics industry?
Base sizes: US Gen Pop n=2000

STRENGTHENING ORGANIC ENFORCEMENT (SOE) FINAL RULE

What?

- LARGEST regulatory change since the organic regulations were published in 2000

Why?

- To address organic fraud, strengthen enforcement, ensure organic integrity and protect consumer trust

When?

- Operations and certifying agents must comply with new requirements by **March 19, 2024**

Who is impacted?

- **Everyone in the global organic supply chain**



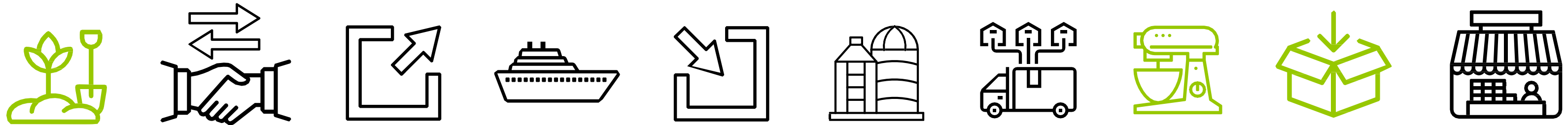
STRENGTHENING ORGANIC ENFORCEMENT (SOE)

The organic market is one of the fastest growing agriculture sectors with increasingly complex global supply chains. SOE closes gaps and reduces the number of uncertified entities in the organic supply chain.



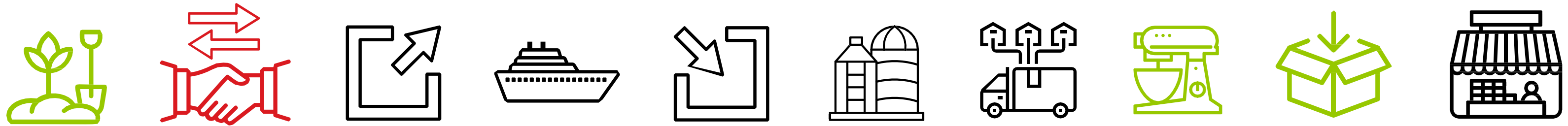
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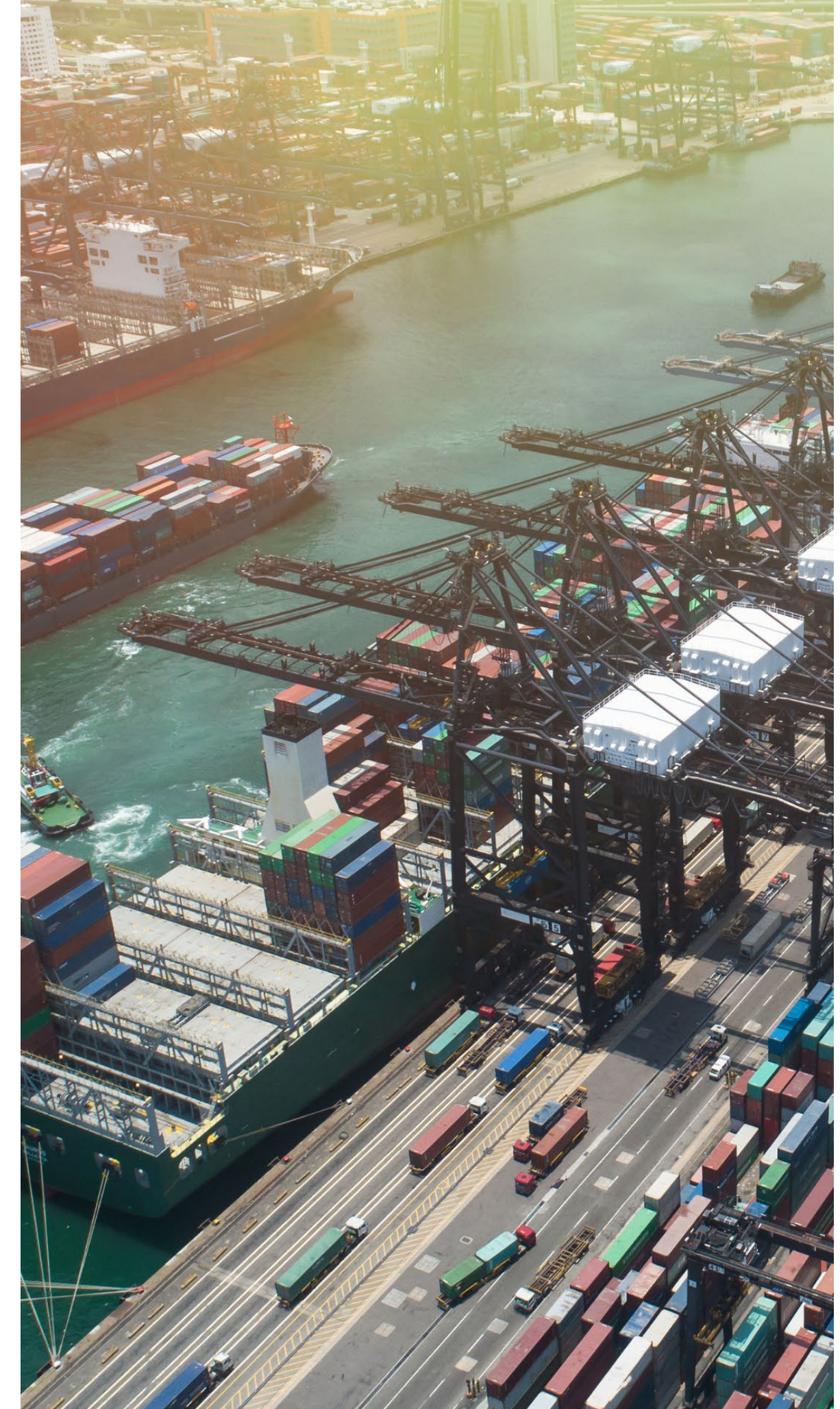
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TRACEABILITY & FRAUD PREVENTION

Certified operations must include in their OSP practices to prevent organic fraud (“**fraud prevention plans**”)

- **Fraud Plans** must be appropriate to an operation’s scope & complexity
- **The operator's OSP** must describe monitoring practices and procedures used to verify suppliers, verify products received and **prevent organic fraud**
- An **organic fraud prevention plan** may include:
 - Map of the operations’ supply chain
 - ID of critical control points
 - Vulnerability assessment
 - Fraud mitigation measures
 - Complaint submission procedures



STRENGTHENING ORGANIC ENFORCEMENT (SOE)



Major facets of the rule

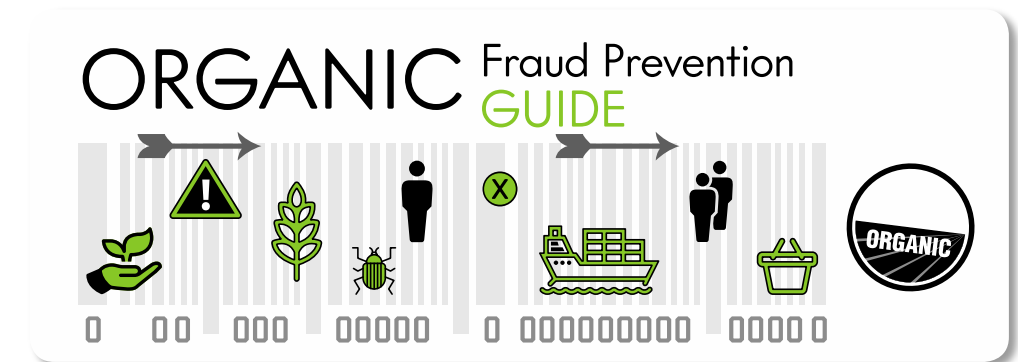
- Exempt Operations – who must be certified?
- Import Certificates
- Traceability and Fraud Prevention
- Personnel Training and Qualifications
- Organic Certificates & Data Reporting
- Producer Group Operations
- Labeling of Nonretail Containers
- On-site & Unannounced Inspections
- Oversight of Certification Activities



FRAUD PREVENTION PLAN

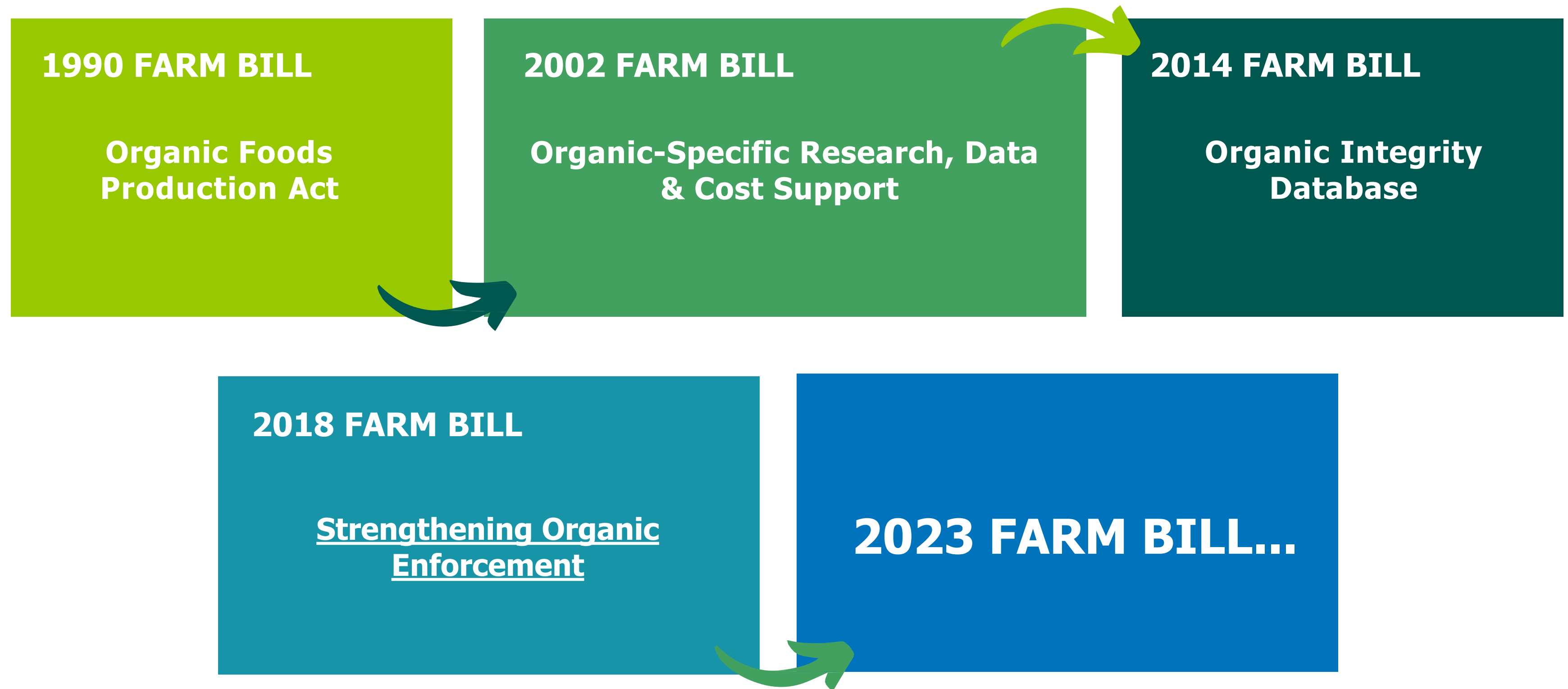


-  Includes a risk-based process for developing organic fraud mitigation measures
-  Based on globally recognized and leading effort to prevent food fraud



An Organic Trade Association Resource

HISTORY OF ORGANIC FARM BILL WINS



2023 FARM BILL

Organic Policy Priorities

- ✓ Increase funding for NOP by 10% each year to keep pace with organic industry growth and continue mandatory funding of \$5 million for NOP to upgrade and maintain technology systems
- ✓ Increase mandatory funding for the Organic Data Initiative
- ✓ Strengthen NOP's authority to take enforcement actions against false or misleading organic claims on all agricultural products, including non-foods
- ✓ Establish a preplanned, predictable timeline (no less than once every five years) to review and update the organic standards to meet consumer expectations in the evolving marketplace



THANK YOU



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