DEADLINE REMINDER
As a reminder, all certified operations must submit their renewal paperwork each year by the renewal deadline in order to remain in compliance.

- June 15, 2023 is the final renewal deadline for all producers
- September 1, 2023 is the renewal deadline for Group B Handlers

IMPORTANT UPDATES ON NEW ORGANIC STANDARDS – SEE PAGE 2
PLEASE READ CLOSELY!

USDA RESTORES COST SHARE REIMBURSEMENT RATES! SEE PAGE 4
The USDA published a new rule in January, “Strengthening Organic Enforcement” (SOE). This rule took effect on March 20, 2023. It is the largest single change to National Organic Program (NOP) standards since they were originally published in 2000. SOE makes the organic program stronger. The focus of the rule is to improve the quality of the organic program and increase organic integrity and trust across the entire organic industry. SOE does several things: it reduces the number of uncertified businesses and increases oversight in the organic supply chain, tightens recordkeeping requirements for organic producers and handlers, clarifies and enhances training requirements for certifier staff and inspectors, and clarifies international trade practices. Operations and certifiers must fully comply with the rule by March 19, 2024. We at OEFFA are here to help you better understand and comply with SOE.

EXEMPT OPERATIONS

Operations that produce or handle organic products usually need to be certified under the National Organic Program. To “handle” broadly means to sell, process, or package agricultural products. Many brokers, traders, importers, distributors, retailers, private labelers/copackers, brand owners, and transporters previously exempt or excluded must become certified by March 19, 2024 if they wish to continue to handle organic products. Organic products handled by a non-exempt operation that is not certified after this date lose their organic status.

OEFFA has a new fact sheet called “Do I need to be certified? Handler Fact Sheet”, enclosed for all certified handlers, which should be used in two ways:

1. To see if any additional portions of your business require certification under SOE. If so, contact OEFFA for application information as soon as possible so that the certification process can be finished before March 19, 2024.
2. To determine if any of your suppliers who are not certified organic require certification under SOE. If so, reach out to these suppliers to discuss certification requirements and encourage them to contact a certifier. Non-exempt operations must be certified by March 19, 2024, in order for you to continue sourcing from them.

If you have any questions regarding whether the changes in exemptions apply to your business or suppliers, or to request a copy of this new fact sheet, please contact us.

NON-RETAIL LABELING REQUIREMENTS

SOE includes new requirements for non-retail (bulk or wholesale) labeling and traceability.

• Bulk or wholesale products must be labeled with the production lot number, shipping ID, or other unique information that links to production and handling “audit trail” records.
• Labels must identify the product as organic.
• Audit trail records, linked to the lot number or other unique ID, must span the time of purchase or acquisition, through production, to sale or transport and be traceable back to the last certified operation.

OEFFA’s Organic Labeling Fact Sheet was revised to reflect these changes. Please contact us if you’d like a copy of this updated fact sheet.

RECORDKEEPING REQUIREMENTS

Certified operations need to keep records tracing products back to the previous certified operation in the supply chain to show that organic integrity was maintained. If you are sourcing from an uncertified (exempt) operation, records must show how that operation, and any other uncertified operations who handled the product since the previous certified operation, maintained organic integrity. Audit trail documents (such as sales receipts, purchase records, and transport records) must also identify products as organic.

• Records must show the source, transfer of ownership, and transportation of products.
• “Internal” documents must also easily identify products as organic using explicit “organic”
identification, lot code, batch number or other designation that is clear and auditable.

- For imports, the first certified operation to receive an imported product needs to keep a copy of the NOP Import Certificate corresponding to each imported shipment. Importers enter data from Import Certificates into the Customs & Border Protection “ACE” system and must keep records showing that organic integrity was maintained (e.g. no fumigation or irradiation).

- Exempt operations must keep records for the audit trail (traceability, quantities, and identity) that will be passed along to their buyers.

**Fraud Prevention & Supply Chain Audits**

- There will be a new section in each Organic System Plan (OSP) for operations to describe how they ensure organic integrity in the products they purchase and the suppliers that they work with. You will be asked to fill out the new section during renewal.
  - Handlers with complex supply chains also must develop a Fraud Prevention Plan and describe it in their OSP.
  - Importers must describe their system to verify the integrity of imports.

- Under SOE, certifiers must conduct supply chain audits to investigate high-risk operations and commodities and to deter and detect organic fraud. OEFFA may contact you to request records related to a particular transaction that we, or another certifier, are tracing through the supply chain. Being contacted for an audit does not mean that you, your buyer, or your supplier are in trouble. However, you do need to submit the requested information to avoid a notice of noncompliance.

**Other Major Changes**

**Inspections**

A major change in SOE is requiring on-site inspections of certified operations once per calendar year rather than once per annual certification cycle, up to 18 months. This tightens the timeline for annual inspections and aims to prevent and more rapidly identify fraud. Certifiers must also conduct unannounced inspections for 5% of certified operations annually, in addition to collecting samples from 5% of operations. OEFFA was already meeting this requirement. Another important change is that unannounced inspections are now explicitly allowed to occur without an authorized representative present so long as the inspector is not trespassing.

**Organic Certificates and Data Reporting**

The Organic Integrity Database (OID, https://organic.ams.usda.gov/integrity/), USDA’s public database of certifiers and organic operations, plays a critical role in certification and fraud prevention. SOE has several requirements related to OID:

- Organic certificates must be generated on OID. This means most operations will now get two certificates: a general certificate from OID and a more specific addendum from their certifier. The addendum will contain details such as brands, international equivalences, and extra detail about certain products.

- Certifiers must update OID within 3 days of an operation surrendering certification or being suspended or revoked.

- NOP Import Certificates, generated on OID by the exporter’s certifier, must be used for all organic products imported to the US and exporters will be listed in OID. This is one of many new requirements for international equivalences, foreign products, importers and their certifiers.

**Personnel Training and Qualifications**

SOE formalizes many best practices from the organic industry. These include minimum training requirements for inspectors and certifier staff. This training takes place both before organic work begins and is ongoing.

**More Questions?**

Stay tuned for more details in our “Making Sense of the NOP” articles in the OEFFA newsletters this year! The full text of the new rule, including explanation and examples from NOP, can be found online at https://www.ams.usda.gov/rules-regulations/strengthening-organic-enforcement. If you have questions about how SOE applies to you, you can always contact us at 614-262-2022 or organic@oeffa.org. We are here to help!
ORGANIC CERTIFICATION COST SHARE PROGRAM

The Organic Certification Cost Share Program provides financial assistance to certified organic producers and handlers. We’re excited to share that the USDA has restored the 2023 reimbursement rates for this program. Certified operations may receive a reimbursement of up to 75% of certification fees, with a maximum of $750 per certified scope: crop, wild crop, livestock, and handler, for expenses incurred between Oct. 1, 2022, through Sept 30, 2023.

OEFFA anticipates continued partnership with the Ohio Department of Agriculture to administer Ohio’s cost share program. For any operation in Ohio, we will send cost share information and applications with paid invoices and certificates as soon as additional details are available. For operations outside of Ohio, we can provide cost share contacts for each state. All certified organic operations can apply for funding through a county Farm Service Agency (FSA) office. FSA cost share applications are due October 31, 2023.