USDA Organic 101

What Does the Organic Label Mean?
How Does USDA Support It?
Topics

1. The Growing Interest in Organic
2. The Meaning of Organic
3. Organic Requirements
4. Organic Certification
5. Resources for USDA Customers
Learning Objectives

The Organic 101 module:

• Provides an overview of the USDA Organic label
• Explains the meaning of organic and the certification process
• Describes USDA resources for organic producers and others
How Big is the Organic Market?

• The organic industry is experiencing significant growth: in 2010, the organic industry grew to over $28.6 billion in U.S. retail sales*

• Demand is expected to continue to grow steadily into the future: with 7.7% growth during 2010, organic food outpaced the growth of total food sales*

• Organic farm acreage more than doubled from 1997 to 2005**

What Can Be Called USDA Organic?

- All agricultural products sold, labeled, or represented as organic in the United States fall under USDA jurisdiction.

- Any food, feed, feed input, or fiber sold or labeled as organic in the U.S. must follow USDA organic regulations.

- There are four categories of certification:
  - Crops
  - Wild Crops
  - Livestock
  - Handling (defined as selling, processing, or packaging)

How Do I Know if a Product is Organic?

Look at the label. If it has the USDA organic seal, the product is certified organic and has 95% or more organic content.

For multi-ingredient products, if the label lists specific organic ingredients, those ingredients have been certified organic.
Who Sets the Standards for the USDA Organic Label?

• The USDA National Organic Program (NOP):
  – Develops regulations or “standards” for organic crop, wild crop, and livestock production and handling
  – Ensures enforcement of the regulations
  – Is authorized by the Organic Foods Production Act of 1990
  – Is part of USDA’s Agricultural Marketing Service

• Visit the NOP! www.ams.usda.gov/nop

What Does It Mean to be an Organic Farmer?

- **Environmental stewardship:** Organic farmers must use practices that foster cycling of resources, promote ecological balance, and conserve biodiversity.

- **Synthetic substances:** Organic farmers limit their use of synthetic fertilizers and pesticides to those approved in organic regulations and do not use sewage sludge, irradiation, or genetic engineering.

- **Pest management:** Organic systems require preventative measures and physical controls before using approved pesticides.

- **Fertility and nutrient management:** Organic systems focus on developing soil in ways that rely on natural materials.
What Does It Mean to be an Organic Handler?

• Organic handlers process, package, or store organic agricultural products.

• Organic handlers modify agricultural products using methods that comply with organic regulations (such as: cooking, baking, curing, drying, mixing, grinding, churning, separating, distilling, extracting, slaughtering, fermenting, dehydrating, freezing, packaging, canning, etc.)

• Organic handlers must protect organic products from:
  
  – Contamination by prohibited substances
  – Commingling with nonorganic products
What Lands May Be Certified as Organic?

• To be eligible for certification:
  – Land must have been **free of prohibited substances** for **3 years**
  – If the land has been free of prohibited substances for at least 3 years, the operation may be eligible for immediate certification

• **Both conventional and organic production** may occur on the same farm

• **Buffer zones** may be required, if prohibited substances are used on adjacent lands

• **There are no size requirements**—both small and large farms are eligible for organic certification

**What is a Prohibited Substance?**

The USDA organic regulations specify which substances are allowed and prohibited in organic production and handling.

Producers and handlers should refer to the USDA organic regulations for specific information.
Who Certifies Organic Operations?

- The USDA NOP does not certify organic operations directly but instead, accredits third-party certifying agents to review, inspect, and approve organic producers and handlers.
- Certifying agents may be private entities, states, or foreign governments.
- All certifying agents are monitored by the USDA.
- Certifying agents verify that organic farms and processing facilities meet the USDA organic standards.
- There are over 90 certifying agents around the world, with more than 50 in the United States.
- Producers and handlers may work with any certifying agent they choose.
- Certifying agents grant organic certificates to compliant producers and handlers so that they can market and sell their products as organic.
How Do Producers and Handlers Apply for Certification?

*The Producer or Handler:*

1. **Selects a certifying agent** from a list on the National Organic Program website: [www.ams.usda.gov/nopacas](http://www.ams.usda.gov/nopacas)

2. **Prepares an application**, using instructions from the certifying agent

   — Applications include an *organic system plan* (OSP), which describes the type of operation and organic products produced, as well as practices and substances used in production

*For more information, see “5 Steps to Certification” In the NOP Program Handbook:*
How Does a Certifying Agent Approve Certification for Producers and Handlers?

The Certifying Agent:

1. Reviews the organic system plan to determine whether the operation can comply with the organic regulations
2. Sends an inspector to conduct an on-site inspection of the operation
3. Reviews the inspector’s report, along with the organic system plan
4. Issues an organic certificate to compliant operations
Are There Different Rules for Small Operations?

- There is an **exemption** to the certification requirements:
  - Operations grossing **less than $5,000 a year** from organic products do not have to be certified
  - These are called **exempt operations**

- Exempt operations **MUST follow all USDA organic production requirements** to represent their products as organic

- Exempt operations are **not required** to submit a written Organic Systems Plan for acceptance or approval, nor are they required to pay certification fees to a certifying agent
How Does a Certified Operator Stay Certified?

• Operators submit an **annual update** of their organic system plans and **pay annual certification fees**

• Certifying agents conduct **annual inspections** of each certified operation

• Certified operators keep certification-related **records** concerning the production, harvesting, and handling of organic products for 5 years

• **Intentional violations** of the NOP regulations can result in the loss of certification, and fines of up to $11,000 per violation

• Members of the public who suspect non-compliance may submit a **complaint** to the NOP: [www.ams.usda.gov/NOPFileaComplaint](http://www.ams.usda.gov/NOPFileaComplaint)
How Does the USDA Support Organic?

• Many USDA programs support organic producers and handlers

• Some are specifically targeted to organic agriculture

• Others are not targeted to organic agriculture, but **all USDA programs are open to organic producers and handlers**

The next four slides describe specific programs* that may benefit organic producers and handlers.

* As of June 2012.
How Does the USDA Support Organic?

The following USDA resources are grouped in categories that correspond with the USDA Organic Resource Guide.
What USDA Programs Directly Support Organic Producers?

• The NOP’s **Organic Cost Share Program** can help reimburse eligible producers and handlers for up to 75% of the cost of organic certification (up to $750).

• NRCS programs such as the **Environmental Quality Incentives Program Organic Initiative**, the **Conservation Stewardship Program**, and the **Agricultural Management Assistance Program** provide technical and financial assistance for producers to assist in implementing conservation practices, some of which can help meet organic certification requirements.

• Farm Service Agency programs such as the **Conservation Loan Program** and the **Transition Incentives Program** give priority to those planning to use organic or sustainable farming practices.

• The Risk Management Agency (RMA) offers **Organic Federal Crop Insurance** for all crops grown under the organic farming practice, provided they meet standard terms and conditions. RMA publishes separate **organic prices** for corn, cotton, processing tomatoes, soybeans and avocados, but for all other crops, the prices are the same as those grown using conventional means.

• USDA’s **Market News** (AMS) reports organic prices and movements at shipping points, wholesale terminals, and retail outlets for organic fruits & vegetables, dairy, grain & feedstuffs, and poultry & eggs.
Where Can I Find Information on Organic Agriculture?

• USDA’s National Agricultural Statistics Service (NASS) and Economic Research Service (ERS) collect and analyze data on organic production and management.

• USDA’s Agricultural Research Service (ARS) supports organic agricultural research around the country, particularly through its Natural Resources and Sustainable Agricultural Systems programs. Search ARS’s website to learn more about such projects and the scientists doing them.

• USDA’s National Agricultural Library is home to the Alternative Farming Systems Information Center, which provides information on many aspects of organic agriculture.

• The eOrganic online community of scientists and practitioners offers a wealth of information on organic agriculture, including articles, webinars, videos, and “Ask the Expert.”
Where Can I Find Funding for Organic Research and Education?

USDA’s National Institute of Food and Agriculture (NIFA) supports the following competitive grants:

- The **Organic Agricultural Research and Extension Initiative** and **Organic Transitions Program** fund research, extension, and education activities of organizations working on critical organic agriculture issues.

- **Sustainable Agricultural Research and Education (SARE)** grants are managed by regional councils to encourage site-specific experimentation that pushes the boundaries of current thinking. Many have focused primarily on organic production or marketing in the past. Unlike other NIFA grants, producers are among those eligible.

- **Beginning Farmer Rancher Development Program** funds organizations who train, educate, and provide technical assistance to beginning farmers.
How Can I Fund Organic Marketing & Infrastructure?

• Visit a nearby USDA Rural Development (RD) office for information on grants and loans such as:
  – **Value-Added Producer Grants** for planning activities or working capital to market value-added agricultural products.
  – **Business & Industry Guaranteed Loans** to improve, develop, or finance business, industry, and employment, and improve the economic and environmental climate in rural communities. This purpose is achieved by bolstering the existing private credit structure through the guarantee of quality loans.

• USDA’s Agricultural Marketing Service (AMS) offers:
  – **Farmers Market Promotion Grants** to organizations to improve and expand farmers’ markets, roadside stands, community-supported agriculture (CSA) programs, agri-tourism activities, and other producer-to-consumer market options.
  – **Specialty Crop Block Grants** to State Departments of Agriculture, who then grant funds to others to enhance the competitiveness of fruits, vegetables, tree nuts, dried fruits, horticulture, and nursery crops in their state.

• USDA’s Foreign Agricultural Service (FAS) helps U.S. producers (including organic), exporters, private companies, and other trade organizations finance promotional activities for U.S. agricultural products through the **Market Access Program**.
What Other USDA Resources Should Organic Producers Know About?

• Visit a nearby USDA Farm Service Agency (FSA) office for the following:
  – **Farm loans and loan guarantees** for purchases related to farm operation or ownership.
  – **Disaster assistance programs** help producers recover from losses.
  – **Conservation Programs** help landowners protect eligible fragile croplands and grazing lands using rental contracts, cost-share and incentive payments, or conservation easements.

• Visit a nearby USDA Natural Resources Conservation Service (NRCS) office for a wide range of **conservation programs** that can help producers reduce soil erosion and build soil quality, plant cover crops and field borders, increase pollinator & wildlife habitat, mulching and more!

• USDA’s Food Safety and Inspection Service (FSIS):
  – Regulates meat, poultry, and egg products processing and product labeling, including the use of the organic label.
  – Runs the **Small Plant Help Desk**, where small meat, poultry, and egg product establishments can ask questions about agency regulations and obtain information about other food safety resources: InfoSource@fsis.usda.gov or 1-877-FSISHelp (1-877-374-7435). The Small Plant Help Desk is staffed Monday through Friday, 8 am to 4 pm, ET.

• USDA’s Animal and Plant Health Inspection Service (APHIS) is responsible for preventing the introduction and spread of agricultural pests. APHIS strives to use a variety of methods, including those that can be used without impacting the status of organic products.
Learn More: Internal Resources for USDA Employees

- **AgLearn Organic Training**
  
  [https://aglearn.usda.gov](https://aglearn.usda.gov)
  
  - **Organic 201** provides a deeper overview of organic certification, including Organic System Plans, the National List of Allowed and Prohibited Substances

  
  - For USDA employees only. Organic Community Page contains answers to FAQs, links to helpful resources, and discussion boards
Learn More: USDA Organic Resources For the Public

- **USDA Organic Resource Guide**
  - Provides information on USDA programs available to organic producers and handlers

- **National Organic Program Website**
  - Outreach materials and public information about organic regulations
  - National List of Approved Substances and Petitioned Substances
  - List of certifying agents and certified operations
    » [www.ams.usda.gov/nop](http://www.ams.usda.gov/nop)

- **Alternative Farming Systems Information Center** at the National Agricultural Library
  - Provides resources about sustainable food systems and practices

- **The NOP Organic Insider Newsletter**
  - NOP’s regular e-mail service with updates and news on organic agriculture
Beyond USDA: Additional Resources

- **National Sustainable Agriculture Information Service (ATTRA-NCAT):** an online and phone resource, offering guidance in preparing for certification and in production methods for a range of organic crops and livestock

- **eOrganic:** an extension online community dedicated to organic production
  [eorganic.info](http://eorganic.info)
Support for Organic Across USDA

“Organic agriculture is an important part of what we do at USDA. Every part of USDA has some responsibility for supporting organic farmers and ranchers. Thank you for taking the opportunity to learn this information, and for putting it to good use.”

- Deputy Secretary Kathleen Merrigan