

# The Organic Specialists

#### **APRIL 2016 NEWS**

#### In this issue:

Regulatory Updates

NOP Proposed Rules for Livestock and Poultry
NOP – Other News and Announcements
Europe
News and Notices
Tradeshows and Conferences



"We must never relinquish the vision of a humane society and a humane world." Kjell Magne Bondevik

#### PRESIDENT'S MESSAGE

Wow! A lot of news to check out! US organic acreage hasn't grown as fast as demand over the last decade, resulting in huge imports of organic ingredients. This imbalance may begin to turn around. New data shows the largest increase in certified farms in the U.S. in years, and new initiatives to finance transitioning to organic are in the works.

I hope the <u>just released proposed livestock welfare standards</u> won't slow this progress. Some producers are threatening to withdraw from organic because of how prescriptive and unwieldy these rules would be. Long awaited and debated, the proposed rules are extremely detailed and continue to push organic regulations away from being a process standard open to certifier interpretation. Organic blogs are hot with criticism.

<u>Constructive comments from you now</u> will help to make the final rule work. There are several challenges that will need to be considered and balanced: Keeping common sense in the equation so there can be continuous improvement toward the most environmentally sustainable ways to produce the best quality food and fiber; allowing for regional differences; educating consumers about the challenges and real benefits of organic production. As they say, if you want an organic omelet, you'll have to break some eggs. Right now it may just be scrambled. If you need help sorting this out, let us know.

Although not on the agenda, the livestock standards will be a hot topic at the spring meeting of the National Organic Standards Board next week. I look forward to seeing some of you in Washington on Monday.

# Bill Wolf President

\*Wolf, DiMatteo + Associates delivers the strategic expertise to help organic, socially, and Environmentally responsible products and projects reach their full potential—and flourish.

# **REGULATORY UPDATES**

#### **National Organic Program**

# Proposed livestock standards emphasize humane treatment practices Comment on proposed rules for livestock and poultry by June 13

Proposed rules for organic livestock and poultry address health care, transport, slaughter and living conditions for organic livestock, including mammals and birds. Designed to clarify existing regulations, the proposal:

- 1. Clarifies how producers and handlers must treat livestock and poultry to ensure their health and wellbeing.
- 2. Clarifies when and how certain physical alterations may be performed on organic livestock and poultry in order to minimize stress. Additionally, some forms of physical alterations would be prohibited.
- 3. Sets maximum indoor and outdoor stocking density for avian species, which would vary depending on the type of production and stage of life.
- 4. Defines outdoor access to exclude the use of structures with solid roofing for outdoor access and require livestock and poultry to have contact with soil.
- 5. Adds new requirements for transporting livestock and poultry to sale or slaughter.
- 6. Clarifies how USDA Food Safety and Inspection Service (FSIS) requirements apply to the handling and slaughter of livestock and poultry and provides for the enforcement of USDA organic regulations based on FSIS inspection findings.

Proposed implementation dates would be one year after publication of the final rule, except for avian outdoor space requirements:

- Non-certified poultry houses or facilities would need to comply within three years of the final
  publication date in order to obtain certification. This would include facilities that are not
  certified at the three-year mark, but subsequently become part of a certified operation. The
  three-year period would allow producers to transition the outdoor space to organic production.
- All poultry houses and facilities certified prior to the three-year mark would need to comply within five years of the publication of the final rule.

New sections for transport and slaughter are broken out into sections for mammals and birds. In some cases, slaughter facilities fall outside the jurisdiction of the Food Safety Inspection Service, such as facilities inspected by state rather than federal inspectors. AMS seeks comment on how they should regulate livestock slaughter conducted at certified operations inspected by State inspection programs and by certified operations in foreign countries, and poultry slaughter at certified operations exempt from FSIS inspection.

Additional requests for comment include comment on the assumptions used to establish the suggested implementation period for avian outdoor space requirements, especially the age of poultry houses used. In addition, AMS made some assumptions about organic egg production to reach the proposed stocking densities and requests comments on: Are most organic eggs brown? Are most organic laying hens from the ISA Brown strain? Is the mature weight of an ISA Brown hen 4.5 pounds under organic condition? What other avian species are used for organic egg production?

Other requested comments include impacts of the proposed requirements concerning mammalian health care and living conditions sections, transportation, or slaughter provisions, and economic impacts, both costs and benefits, of this action on the industry, especially assumptions about available outdoor space, and more precise estimates of the number and size of egg layer and broiler operations that may be affected by this action.

# Comment by June 13 on <u>Docket Number NOP-15-06PR</u> at <u>www.federalregister.gov</u>

Among the highlights, the proposed rule:

- Adds additional definitions: Beak trimming, caponization, cattle wattling, de-beaking, de-snooding, dubbing, indoors, mulesing, outdoors, perch, pullet, roost, soil, stocking density and toe clipping. All the newly defined animal alterations would be prohibited: Beak trimming (after 10 days of age), caponization, cattle wattling, de-beaking, de-snooding, dubbing, mulesing, and toe clipping (except for turkeys under specific conditions).
- Definition of 'outdoors': "Any area in the open air with at least 50 percent soil, outside a
  building or shelter where there are no solid walls or solid roof attached to the indoor living
  space structure. Fencing or netting that does not block sunlight or rain may be used as
  necessary." This definition would exclude porches and other structures attached to the indoor
  living space as outdoor areas.
- Clarifies that all hormones, unless used to treat an illness, are prohibited in organic production.
- Prohibits organic livestock producers from withholding treatment designed to minimize pain
  and suffering for injured, diseased, or sick animals. Injured, diseased, or sick animals may be
  treated with any allowed natural substance or synthetic medication which appears on the
  National List. If no appropriate medication is allowed for organic production, organic livestock
  producers would be required to administer treatments, even if the animals would lose their
  organic status. Euthanasia could be an acceptable practice for minimizing pain and suffering.
- Introduces new sections of the regulations to cover mammalian living conditions separately from avian living conditions.
- Emphasizes livestock producers must keep animals clean during all stages of life with the use of appropriate, clean, dry bedding.
- Requires shelter with sufficient space for the animals to lie down, stand up, and fully stretch their limbs without touching other animals or the sides of the shelter.
- Adds a new requirement for outdoor access. Organic livestock are required to have unencumbered access to the outdoors at all times, unless temporary confinement is justified under a specific reason described in the regulations (e.g., nighttime confinement for protection from predators). As part of the definition of the outdoors, livestock must have access to the soil in a manner that maintains or improves the natural resources of the farm, and does not degrade soil or water quality. To make access to soil meaningful, at least 50 percent of all the outdoor access area must be comprised of soil.
- Requires that birds have year-round access to the outdoors, soil, shade, shelter, exercise areas, fresh air, direct sunlight, clean water for drinking, materials for dust bathing, and adequate space to escape both predators and aggressive behaviors, in a manner that is suitable to the species, the stage of life, and the environment. There are exceptions for outdoor temperatures below 40 degrees F. And above 90 degrees F.

- Requires ventilation suitable to prevent ammonia in excessive concentrations in the indoor space for birds, which means ammonia concentrations must be monitored regularly.
- Clarifies the lighting requirements for organic poultry. Organic producers may use artificial light to prolong the daylight up to 16 hours. No artificial light could be used to prolong the day if natural darkness was 8 hours or less. Artificial light must be lowered gradually to encourage hens to move to perches or otherwise settle for the night.
- Describe the types of flooring that may be used in all types of indoor poultry houses provided for avian species.
- Specifies conditions for adequate access to the outdoors for birds, including placement and size of doors.
- Determines the space density requirements by housing type based on weight of birds by
  housing type. AMS is proposing that pasture housing have a maximum of 4.5 pounds per square
  foot; aviary housing have a maximum of 4.5 pounds per square foot; slatted/mesh floor have a
  maximum of 3.75 pounds per square foot; and floor litter housing have a maximum of 3.0
  pounds per square foot. AMS is proposing to use pounds of laying hen per square foot to
  measure indoor space per laying hen, in order to have consistent application of this
  requirement for different avian species/varieties.
- Requires indoor space, whether stationary or mobile to have scratch areas which allow all birds
  access. In addition, the indoor housing must be sufficiently spacious to allow all birds to move
  freely, stand normally, stretch their wings and engage in natural behaviors.

# National Organic Program – News and Announcements

#### Comment on organic information collection requirements by May 27, 2016

As part of seeking approval to continue the currently approved information collection and reporting requirements for the National Organic Program, the Agricultural Marketing Service seeks comments on: (1) Whether the proposed collection of information is necessary (2) the agency's estimate of the burden of the proposed collection of information is accurate (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) ways to minimize the burden of the collection of information on those who are to respond. Comments are due on <a href="Docket Number AMS-NOP-16-0010">Docket Number AMS-NOP-16-0010</a> at <a href="www.federalregister.gov">www.federalregister.gov</a> by May 27, 2016. <a href="Details">Details</a>.

# Nominate someone for the National Organic Standards Board Submit before June 3

Five positions on the National Organic Standards Board will be open for nominations:

Organic producer who owns or operates an organic operation;

Individual with expertise in areas of environmental protection and resource conservation;

Representative of a public or consumer interest group;

Organic handler or processor who owns or operates an organic handling operation; and Scientist (toxicology, ecology or biochemistry).

Submit a cover letter, resume, and an <u>AD-755 Application Form</u> to be considered for a five-year term or to be in the pool of potential replacements should a vacancy unexpectedly occur mid-term. <u>More</u>.

#### Certified organic operations up 12 percent in US

The updated Organic Integrity Database revealed that the number of domestic certified organic operations increased to 21,781, up almost 12 percent between 2014 and 2015. The figures represent the highest growth rate since 2008 and an increase of nearly 300 percent since the count began in 2002. The total retail market for organic products is now valued at more than \$39 billion in the United States and over \$75 billion worldwide.

#### **USDA Briefs:**

- Instructions for organic certifiers in <u>conducting annual personnel performance evaluations</u> have been updated.
- See a narrated slide show about USDA's 'Sound and Sensible' resources and objectives.
- Need learn about the barriers and opportunities for producers interested in organic certification? See the webinar.

### **Europe**

#### EU and Chile negotiate equivalence agreement

The European Union and Chile have agreed to mutually recognize their organic production rules and control system. Products produced and controlled according to EU rules would be allowed to be directly placed on the Chilean market and vice versa. This is EU's first bilateral organic recognition agreement with a Latin American country.

### Europe and Canada expand scope of equivalence agreement

Organic product businesses in Canada have additional opportunities to reach the European market, thanks to an expansion of the organic equivalence agreement between Canada and the EU. Organic wine certified to the EU or Canada organic standards will now be allowed to be sold and labeled as organic in both markets. Furthermore, Canadian organic processed products certified to Canadian organic standards and imported into the EU can now contain organic ingredients from third countries. More.

#### Fertilizer regulations may soon apply to bio-waste

In order to encourage fertilizer products made from nutrients or organic matter from bio-waste (including sewage sludge and manure), the European commission is considering bringing fertilizers made from organic materials under the scope of the Fertilizers Regulation, including conformity (CE) marking. The revised proposal applies to the entire catalogue of fertilizing products: organic, organomineral and inorganic fertilizers, liming materials, soil improvers, growing media, agronomic additives, plant bio-stimulants and fertilizing product blends. The proposal will not apply to raw waste products, to unprocessed animal by-products nor to plant protection products. The proposal also applies to fertilizing products containing animal by-products if they are processed in accordance with the Animal by-products Regulation to mitigate the animal and public health risk. Raw manure is not regulated by the proposal, but dried manures or digested manures (i.e. processed manure) fall within its scope. The requirements will only apply to finalized CE marked fertilizing products, including those imported into the EU and sold in the single market. The rules will not apply to imported raw materials (e.g. phosphate rock). More.

# **European Parliament Environment Committee wants to stop glyphosate renewal**

In a non-binding resolution on March 22, the Environment Committee of the European Parliament urged the European Commission not to renew authorization for the herbicide glyphosate. The committee also requested release of the studies used in the proposal to renew glyphosate for 15 years, the longest time available, despite concerns about the carcinogenicity and endocrine disruptive properties of glyphosate. Voting on glyphosate's renewal is expected in May. More.

# **NEWS AND NOTICES**

# Comments on definition of 'natural' due May 10

The Food and Drug Administration is seeking input as the result of citizen petitions requesting definition of 'natural' as it is used on food labels. In particular, comments about whether the term should be defined via rulemaking, or its use prohibited entirely, and when, if ever, the use of the term is false or misleading. In addition, FDA is seeking data about consumers understanding (or not) of 'natural' and 'organic,' and if they confuse those terms. Comment at <a href="https://www.federalregister.gov">www.federalregister.gov</a> on <a href="https://www.federalregister.gov">Docket Number FDA-2014-N-1207</a> by May 10, 2016.

#### Vermont's GMO labeling law takes effect July 1

Food products sold at retail in Vermont will need to comply with <u>Vermont Act 120</u> by July 1. The labeling law applies to food produced entirely or in part from genetic engineering, and would require the use of the statement "produced with genetic engineering," except for:

- Food consisting entirely of or derived entirely from an animal which has not itself been produced with genetic engineering, regardless of whether the animal has been fed or injected with any food, drug, or other substance produced with genetic engineering.
- Any processed food which would be subject to subsection 3043(a) of this title solely because it includes one or more processing aids or enzymes produced with genetic engineering.
- Any processed food that would be subject to subsection 3043(a) of this title solely because it
  includes one or more materials that have been produced with genetic engineering, provided
  that the genetically engineered materials in the aggregate do not account for more than 0.9
  percent of the total weight of the processed food.

In other words, animal products from animals fed GMO feed are not considered genetically engineered; and enzymes and processing aids are exempt if they comprise less than 0.9% of the TOTAL product, even if the aids might have been derived from a GMO crop.

One potential pitfall could be for 'natural' products, since a strict interpretation of the new labeling law could mean that any use of GMOs, including those exempted from labeling, would be prohibited for products described as natural. In addition, some products in the 'made with organic' category may also need to be labeled as "produced with genetic engineering" under Vermont's law, depending on the type and amount of processing aids used.

Although Vermont's law may overlap with the requirements of some private standards, such as Non-GMO Project or the True North standards, Vermont's law does not take into account what animals have been fed or if enzymes and processing aids are genetically engineered.

## Building healthy soil helps the world

The United Nations report Status of the World's Soil Resources from November 2015 highlights the importance of sustainably managing soil to protect the world's biodiversity and to provide essential ecosystem services concerning global climate and water regulation. Although rehabilitation degraded soil is possible, minimizing or eliminating soil degradation is more cost-effective. <u>Full report</u>.

#### Swiss consumers spend more per capita on organic

In 2015, Swiss consumers spent approximately \$293 (CHF280) per person on organic products, the highest in the world, according to Swissinfo.ch. Nearly three quarters (72 percent) buy organic products several times per month, and nearly half (46 percent) buy organic products weekly. Organic product sales were up 5.2 percent in 2015, primarily driven by increased organic sales in large retailers, bringing organic product's market share to 7.7 percent. Popular organic products include eggs, fresh bread and vegetables.

#### New Zealand organic market keeps growing

Supermarket sales of organic groceries are up 127 percent since 2012, according to the 2016 New Zealand Organic Market Report from Organics Aotearoa New Zealand (OANZ). Overall, the domestic market there is valued at approximately NZ\$217 million (UD\$147.7 million). Two out of three New Zealanders are buying organic products, including imports and non-foods, at least some of the time. Although sustainable purchasing is expected to continue increasing, especially among Millennials/Gen Y, seven in ten consumers cannot name a brand or organization they consider a leader in sustainability.

### **Legal actions protect GOTS textile label**

The Global Organic Textile Standards (GOTS) won a civil action on March 21 which prevents Serta Simmons Bedding, Delta Enterprises Corporation, and Dreamwell, Ltd., from unauthorized uses of the GOTS certification trademark on sleeping mattresses, particularly infant mattresses.

A week later, GOTS filed a complaint with the US Federal Trade Commission (FTC) documenting the widespread inaccurate and misleading use of the term "organic" by US companies and marketers in connection with textile products. GOTS requests the agency make clear to marketers that, in the absence of government organic textile standards, private and globally applicable standards with third-party certifications have been developed that are recognized by certain federal agencies. In addition, GOTS urged FTC to expressly acknowledge GOTS, refer to National Organic Program's Policy Memorandum on Textiles, and monitor and enforce use of the term "organic" on textiles that are not certified under either NOP or GOTS.

#### Textile Exchange to update standards for recycled content

Beginning this year, Textile Exchange will work with stakeholders to update and improve their standards for using recycled content in textile products. The group is hosting webinars about the standards revisions May 3, at two different times. Register.

# Grant programs encourage conservation, local markets

- Conservation Innovation Grants (CIG) are competitive grants that stimulate the development
  and adoption of innovative approaches and technologies for conservation on agricultural lands.
  The CIG focus for Fiscal Year (FY) 2016 is Water Quality and Conservation Finance. Applications
  are due May 10, 2016. Learn more during a free call-in-session April 26 form 2-3 p.m. EDT.
  Details.
- Farmers Market and Local Food Promotion Programs support direct producer-to-consumer
  marketing projects such as farmers markets, community-supported agriculture programs,
  roadside stands, and agritourism and projects that develop, improve, and expand local and
  regional food business intermediary supply chain activities, including processing, distribution,
  aggregation, and storage of locally- or regionally-produced food products. Applications are due
  May 12, 2016. Details.

# **Canada Organic Trade Association appoints new Executive Director**

Tia Loftsgard, formerly the Chief Operating Officer at Fairtrade America and co-founders of Camino (La Siemba Co-operative), will serve as Canada Organic Trade Association's (COTA) new executive director.

# WHERE TO FIND WOLF, DIMATTEO + ASSOCIATES

April 25-28, 2016: NOSB meeting, Washington, DC. Bill Wolf to attend.

May 6-13, 2016: Codex Committee on Food Labeling, Ottawa, Canada. Katherine DiMatteo to attend.

May 24-26, 2016: OTA Policy Conference and Hill Visit Days, Washington, DC. WDA staff to attend.