

The Organic Industry

What's New, What's Coming: Growth, Regulations & Opportunities

Moderator

Bill Wolf, CEO and Founder, Wolf & Associates

Thriving organic agriculture sector

Globally

237 million acres

\$145 billion market

United States

5.1 million acres

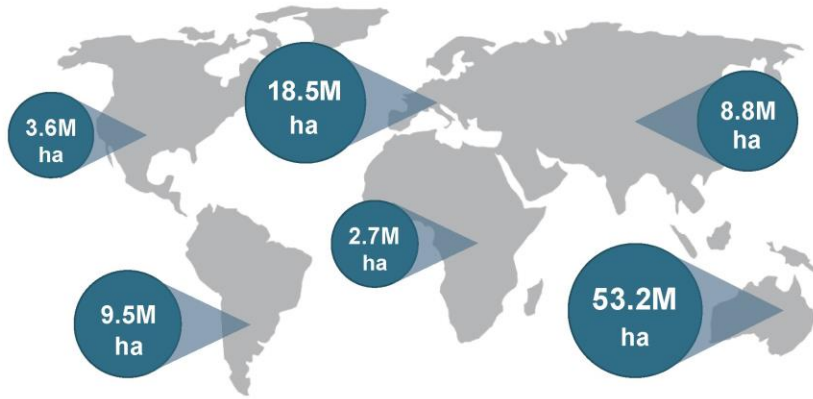
\$67 billion in sales



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Organic Agriculture Worldwide 2022

Organic Farmland



96.4M
ha

Organic farmland in
million (M) hectares
(ha)

26.6%

Growth 2021/2022

188

Countries with organic farming

Organic Producers

The number of organic producers
is increasing

4.5M

Organic
farmers
(million)

25.6%

From 2021

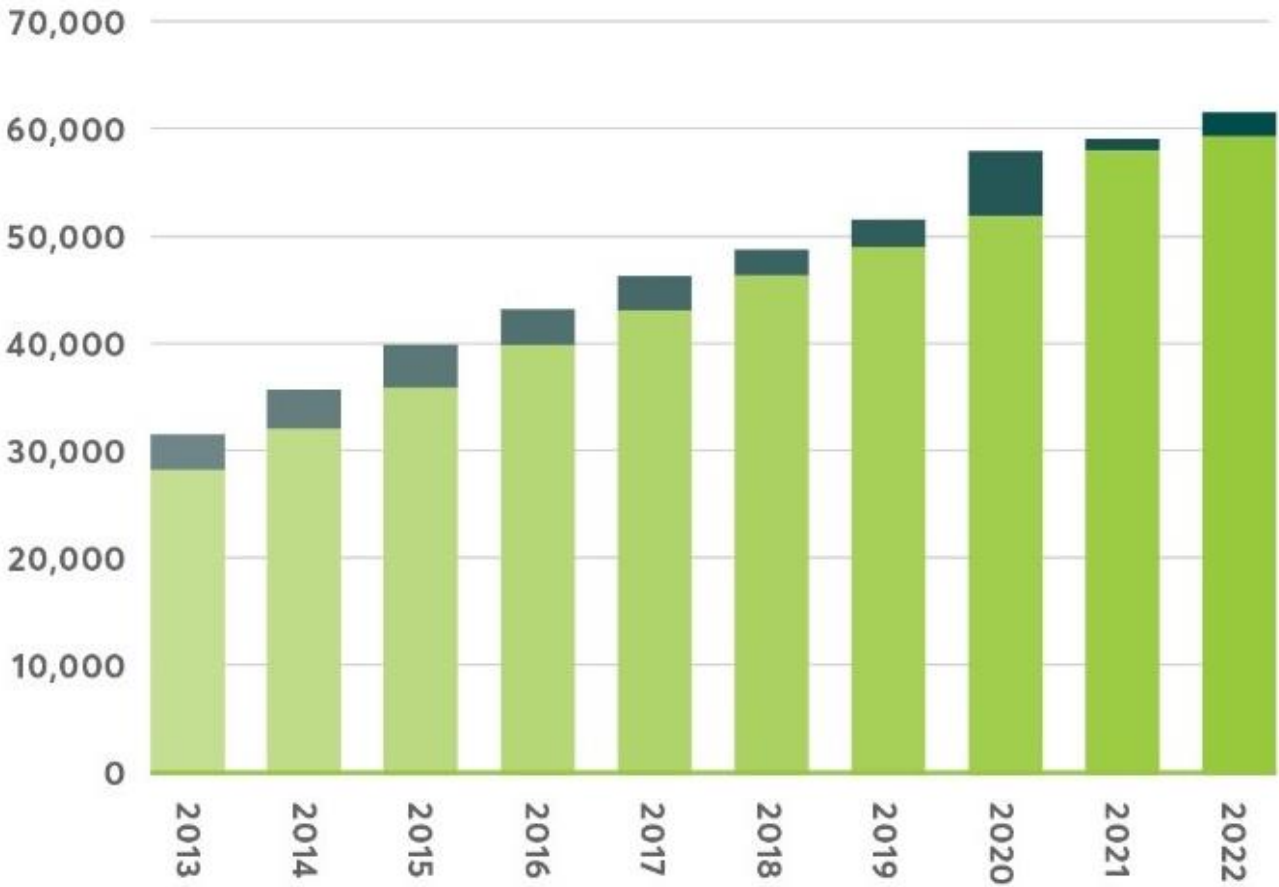
FiBL

Source: FiBL survey © 2024
More information: www.organic-world.net - statistics.fibl.org

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U.S. Organic Food Sales and Incremental Growth, 2013–2022



Source: Organic Trade Association's 2023 Organic Industry Survey conducted 1/13/2023–4/1/2023 (\$mil., consumer sales).

■ Sales ■ Incremental Growth

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Most Common US Organic Crops*

- Grass
- Wheat
- Hay
- Corn
- Soybeans
- Alfalfa
- Seed/Pod Vegetables
- Leaf Vegetables
- Fruit—Berries
- Tuber/Root Vegetables
- Fruit Vegetables

*Based on acreage reported in the Organic Integrity Database, excluding forage and pasture



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Top Pest Challenges for US Organic Farmers

Weeds, especially perennial weeds

Bindweed, Canadian thistle, giant ragweed, foxtail, nutsedge, pigweed/amaranth, wild sunflower, cocklebur

Insects

Spotted wing drosophila, flea beetles, Mexican bean beetle, brown marmorated stinkbug, spotted lanternfly, swede midge, leek moth, corn rootworm beetle, cutworms and others

Diseases

- Vegetables—Early blight, late blight, downy mildews
- Fruits—Citrus greening, apple scab, fire blight, peach leaf curl, little cherry disease, X-disease, grape botrytis

Panel Focus:

Organic Regs Affecting BPIA Members

- How Organic Farm & Processor Inputs Are Regulated
- What is the National List of Allowed & Prohibited Substances?
- What Inert Ingredients Are Allowed
- The Roles of the USDA, NOSB, Certifiers, and OMRI
- What does OMRI & Other MROs Do
- New Residue Testing Mandates
- Strengthening Organic Enforcement Rules

Our Expert Panelists



Jared Clark

Standards Division Interim Assistant Director
USDA National Organic Program



Orsi Dézsi

Executive Director/CEO
Organic Materials Review Institute (OMRI)



Kyla Smith

Certification Policy Advisor at PCO,
Chair & Certifier Rep on National Organic Standards Board

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The Organic Mascot



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www.organicspecialists.com

Wolf & Associates' mission is to deliver strategic expertise to help organic, socially- and environmentally-responsible products and projects reach their full potential — and flourish.

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USDA Agricultural Marketing Service (AMS) National Organic Program (NOP)

BPIA Organic Panel

Jared Clark, NOP National List Manager and Acting
Assistant Director of the Standards Division
March 2024





NOP Team: 88 People in Fall 2023

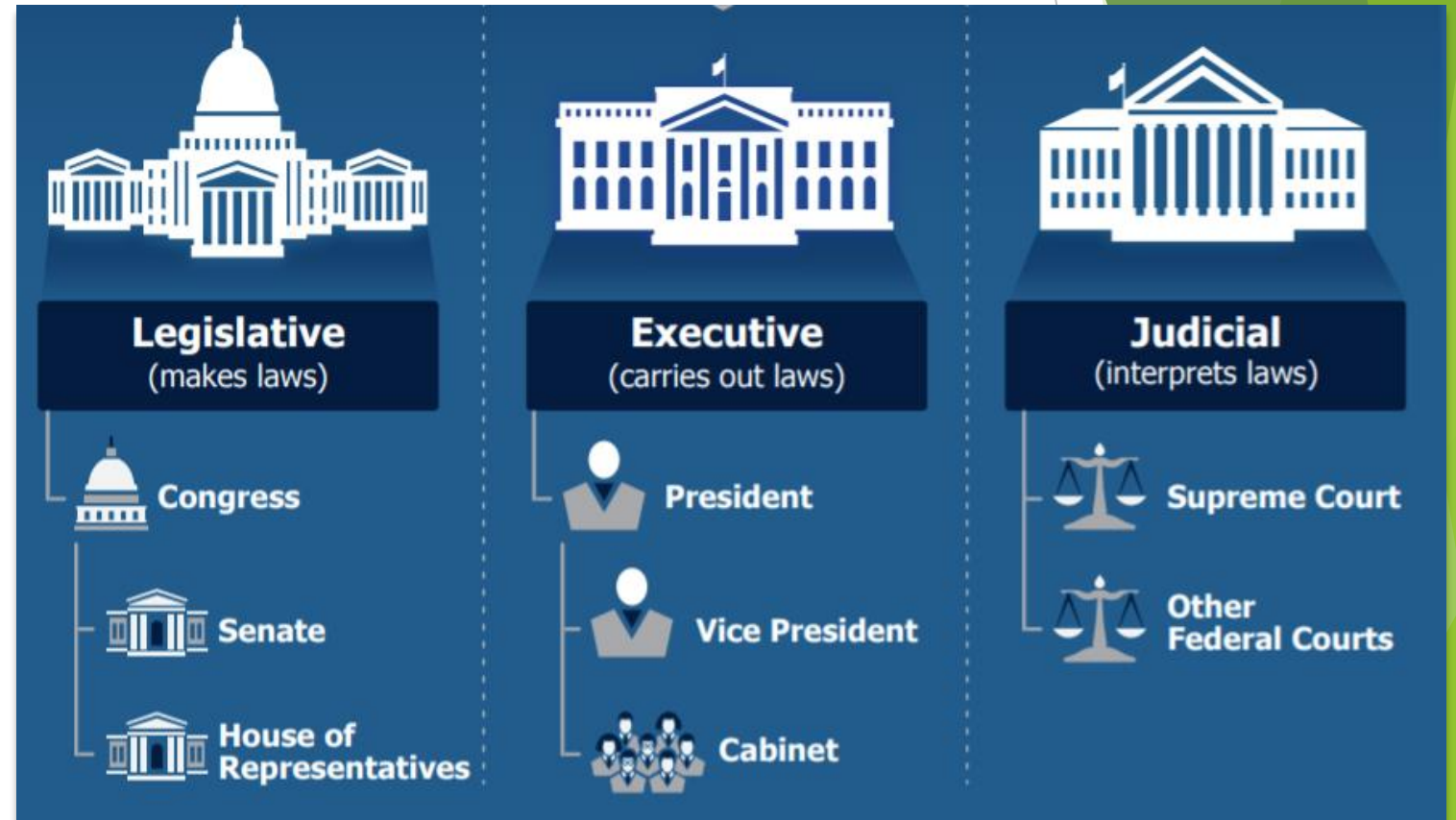
Standards, Accreditation, Compliance & Enforcement, Trade Activities, Office of Deputy Administrator



USDA Agricultural Marketing Service | National Organic Program

Civics Refresher

- www.usa.gov



What is the Purpose of OFPA?

- 1.**
To establish **national standards** governing the marketing of certain agricultural products as organically produced products
- 2.**
To assure consumers that organically produced **products meet a consistent standard**
- 3.**
To facilitate **interstate commerce** in fresh and processed food that is organically produced

OFPA Basics

Instructs USDA **to establish NOSB**

Gives USDA **authority to develop regulations** to implement the purposes and intent of the law

Establishes framework for certification and basic tenets of organic production and handling

Gives NOSB and USDA **specific direction** in terms of responsibilities and criteria **for evaluating National List substances/ingredients**

USDA Organic Regulations



Electronic Code of Federal Regulations (eCFR.gov)

- Entire, up to date, organic regulations

Welcome to the new eCFR! Check out our [Getting Started](#) guide to make the most of the new site.

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Code of Federal Regulations

A point in time eCFR system

Title 7

Displaying title 7, up to date as of 1/14/2022. Title 7 was last amended 1/06/2022. [view historical versions](#)

Go to CFR Reference Go

Title 7 / Subtitle B / Chapter I / Subchapter M / Part 205 [View Full Text](#) [Previous](#) / [Next](#) / [Top](#)

ECFR CONTENT

▼ Title 7 Agriculture	Part / Section
▼ Subtitle B Regulations of the Department of Agriculture	27 – 5099
▼ Chapter I Agricultural Marketing Service (Standards, Inspections, Marketing Practices), Department of Agriculture	27 – 209
▼ Subchapter M Organic Foods Production Act Provisions	205 – 209
▼ Part 205 National Organic Program	205.1 – 205.699

Timeline
Go to Date
Search

Federal Register: Daily Journal of the U.S. Government

- Search page for associated rulemaking (Notices, ANPRs, PRs, FRs)

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PUBLICATION DATE DOCUMENTS FOUND 175

Past 365 days 9

RELEVANT **NEWEST** OLDEST

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TYPE

Proposed Rule	63
Notice	56
Rule	56

PR National Organic Program; National List of Allowed and Prohibited Substances (2022 Sunset) by the Agricultural Marketing Service on 08/24/2021.

document number AMS-NOP-19-0106. Comments may also be sent to Jared Clark,

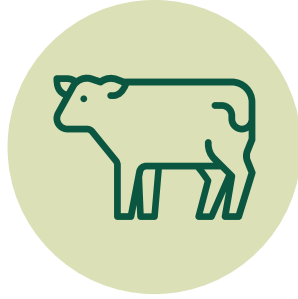
National List Structure



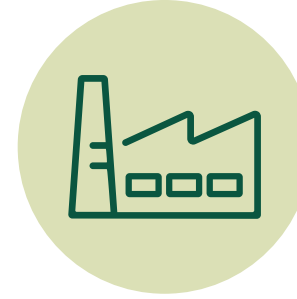
Scopes



Crops



Livestock



Handling
(processing)

Uses include

Disinfectants, pesticides, livestock health care uses, processing aids,
among many others

USDA Agricultural Marketing Service | National Organic Program

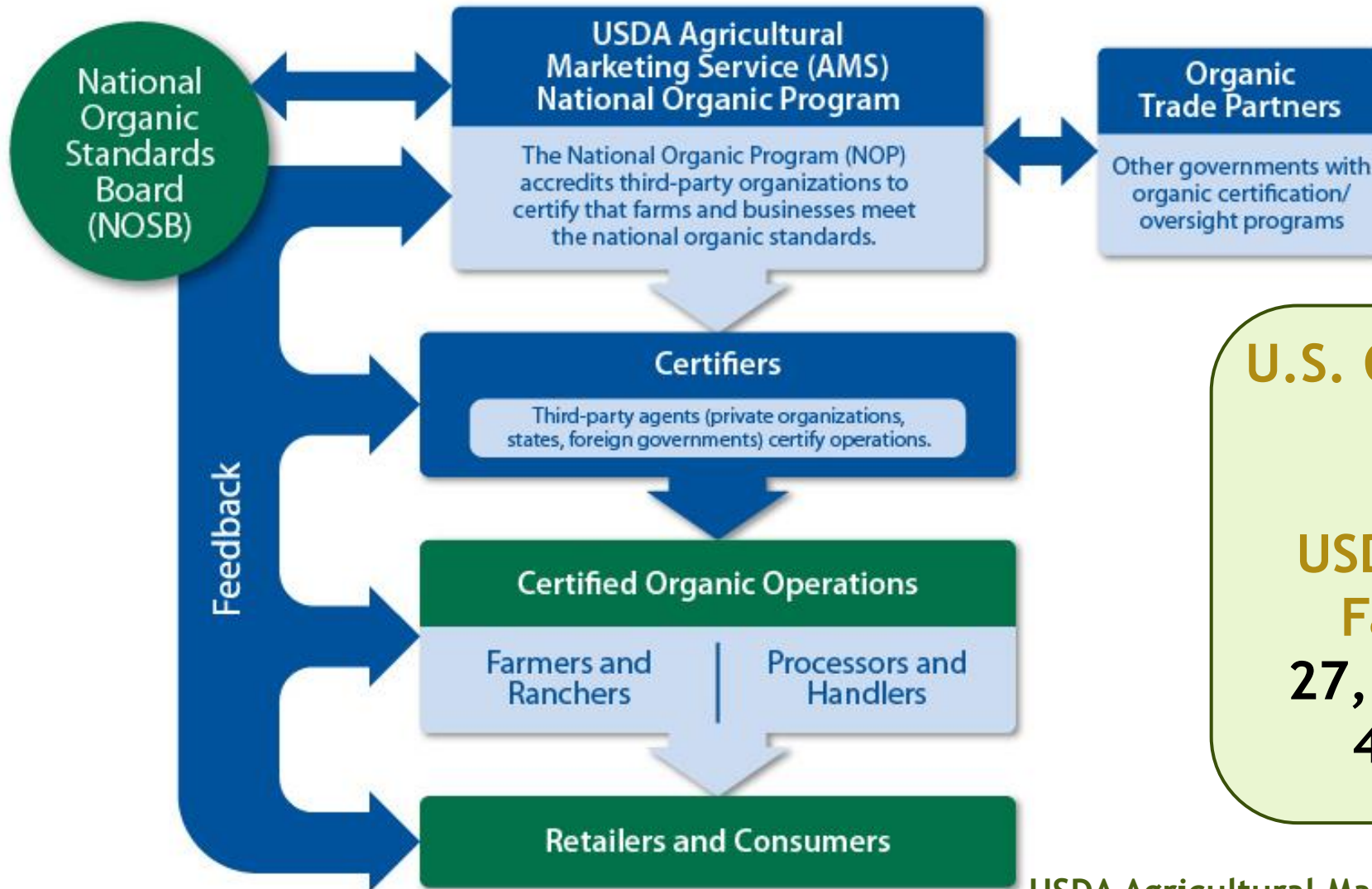
In general:

- ✓ Natural substances are allowed for organic crop and livestock production
- ✗ Synthetic substances are prohibited for organic crop and livestock production
- ✓ Ingredients in processed products must be certified organic

The National List identifies:

- ✓ Synthetic substances that *may be used* in organic crop and livestock production
- ✗ Natural (non-synthetic) substances that *may not be used* in organic crop and livestock production
- ✓ A limited number of non-organic substances that may be used in or on processed organic products

The Organic Public-Private Partnership



U.S. Organic Sales in 2022:
\$66-billion

**USDA Certified Organic
Farms and Business**
27,100 In United States
45,600 Worldwide

USDA Agricultural Marketing Service | National Organic Program

BPIA Organic Panel

Orsi Dézsi Executive Director/CEO
Organic Material Review Institute (OMRI)



Who is OMRI?

OMRI is a 501(c)(3) nonprofit that reviews input materials such as fertilizers, feed additives and processing aids to determine whether they meet the organic standards for inputs.



browse products, materials, standards and more at:

www.omri.org

Is an OMRI listed input considered Certified?

- Nope

Does an OMRI Listing mean a product is organic?

- Nope

Does an OMRI Listed input mean you can use it however you want in organic food production?

- Nope

Is OMRI a regulatory body?

- Nope

Does an OMRI listing mean the product has been evaluated for efficacy and claims?

- Nope

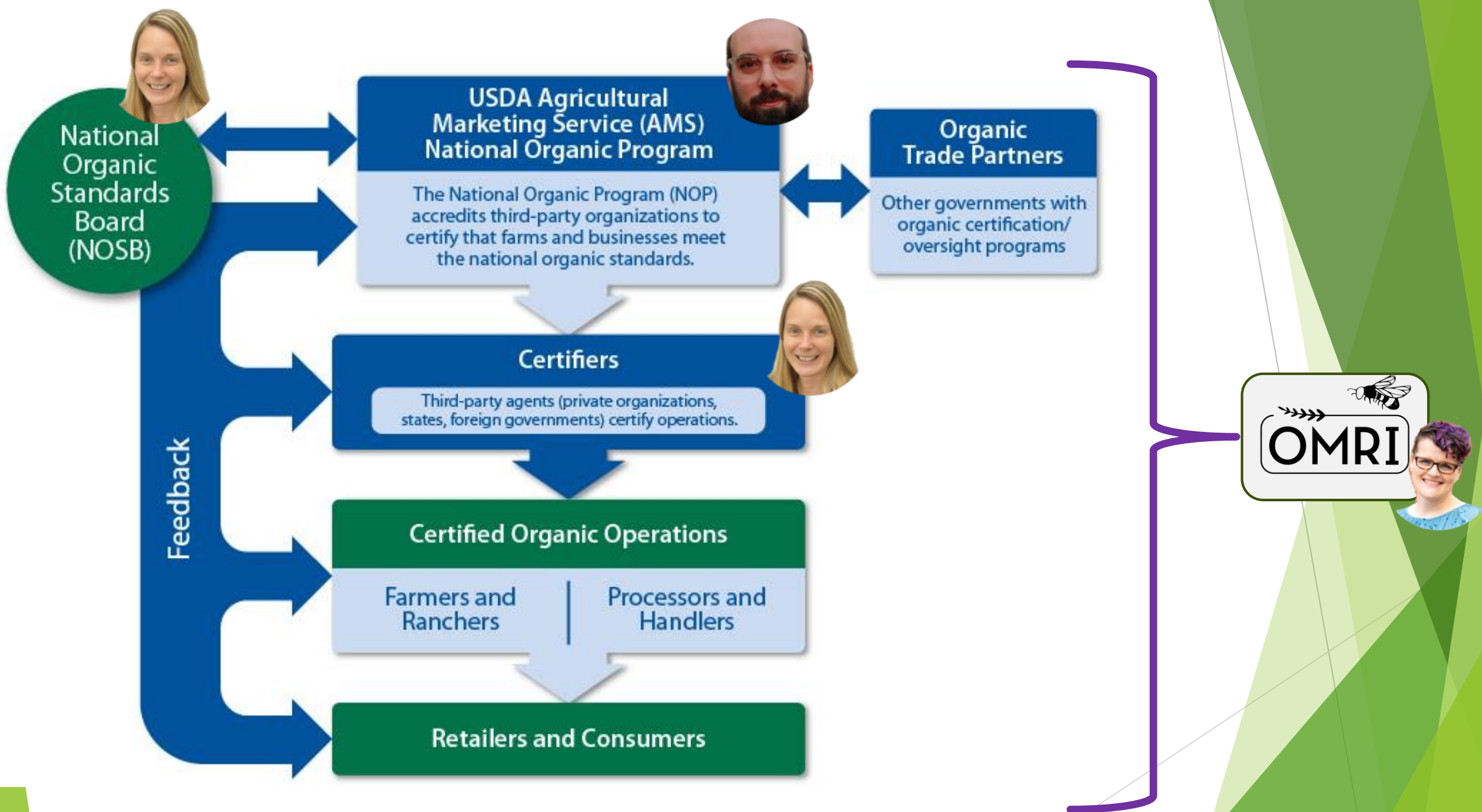


What does an OMRI Listing mean?

An expert and independent verification of inputs against organic regulations (NOP, COR & LPO).

Organic Certification Bodies (CB's) still review how the input is used in organic food production.

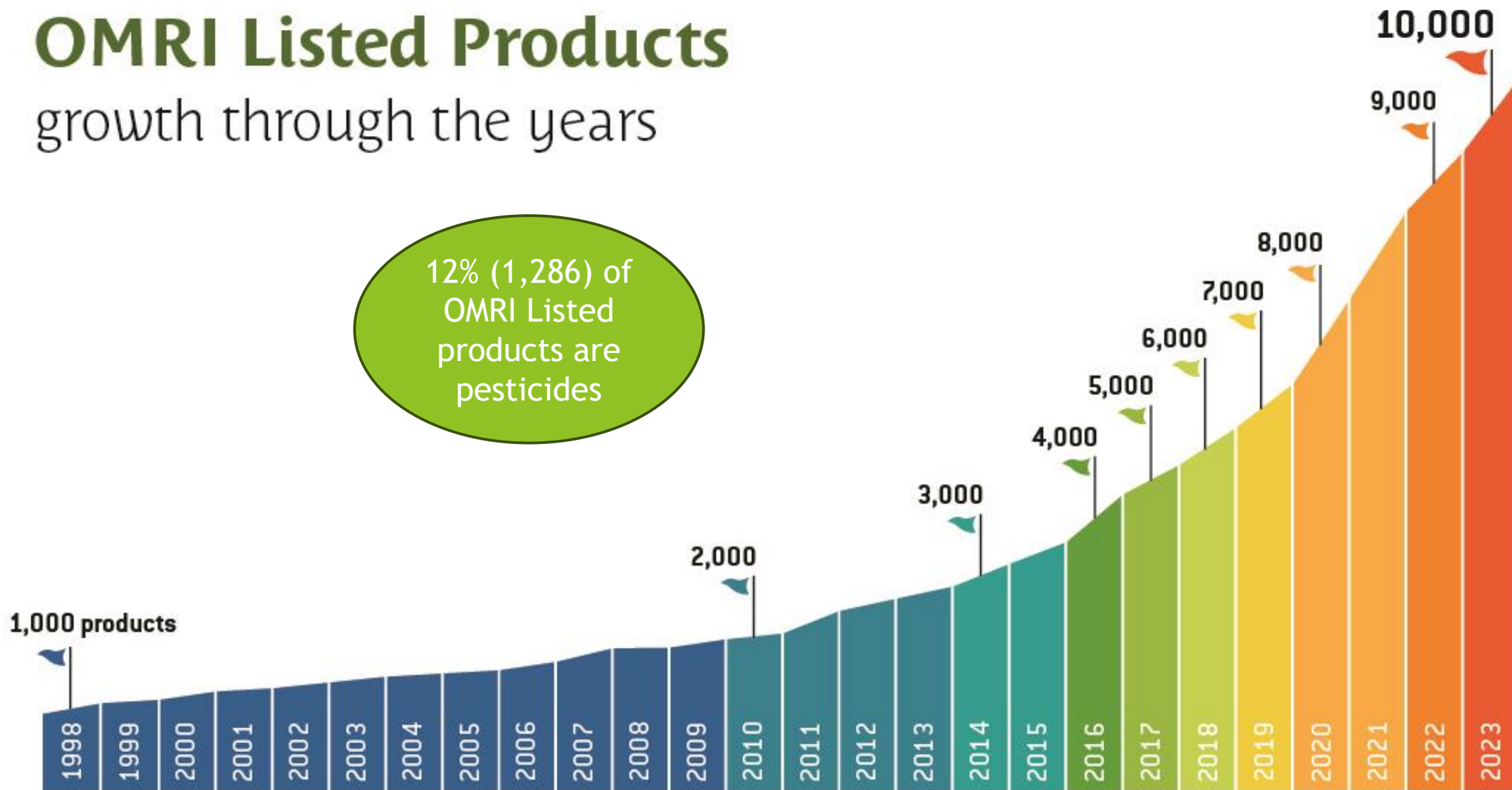
CB's have the final say, an OMRI listing just makes it easier.



OMRI Listed Products

growth through the years

12% (1,286) of
OMRI Listed
products are
pesticides



How to get on the OMRI Product List?



- Formulation
- Manufacturing Process
- Product Label
- Excluded Methods Declaration
- Lab Analyses
- Other info as needed

Technical
Review

- Inspections
- Use of applicable national regulations (FDA, EPA, USDA)

Decision by
Review Panel

- Internal Review Panel
- Advisory Council
- Board
- NOP

Certificate/
Listing



- Allowed
- Restricted
- Prohibited

Ongoing
Compliance

- Ongoing Compliance Review
- Product Change Review
- Limited Re-Review
- Inspections
- Investigations

BPIA Organic Panel

Kyla Smith Certification Policy Advisor at PCO,
Chair & Certifier Rep on National Organic Standards
Board

Material Review

Certifier Perspective

- Operation's OSP must include information pertaining to the substances to be used including the input's composition, source, location where and frequency of use
- OSP must also demonstrate that substances are used according to their regulatory restriction (if applicable)

Certifier Responsibility:

1. Evaluating brand name materials against the National List
2. Evaluating an operations use of a substance is compliant in the context of their OSP



NOSB Agenda – Spring 2024

Inerts

Current regulations:

- §205.601(m) As synthetic inert ingredients as classified by the Environmental Protection Agency (EPA), for use with nonsynthetic substances or synthetic substances listed in this section and used as an active pesticide ingredient in accordance with any limitations on the use of such substances.
 - (1) EPA List 4—Inerts of Minimal Concern.
 - (2) EPA List 3—Inerts of unknown toxicity—for use only in passive pheromone dispensers.

Issue:

- The EPA hasn't updated these lists since 2004



NOSB Agenda – Spring 2024

Inerts

NOSB Discussion Document: <Comments due April 3, 2024>

- Result of NOP Memo to NOSB which outlined the issue and described 4 options NOP is considered
 1. Allow inert ingredients in EPA-registered pesticides without further review
 2. Reference a subset of EPA regulations for allowed inert ingredients
 3. Develop a single, external list of allowed inert ingredients (to be referenced by the National List)
 4. List allowed inert ingredients individually on the National List
- Stakeholders seemed to garner the most support for #2 and #4 leading up to the Fall 2023 meeting
- NOSB is seeking feedback specifically on the spreadsheet (Appendix A) that will be used to comprehend the practical impact of each option



NOSB Agenda – Spring 2024

Residue Testing

§205.273(d) Importer requirements

- Importer must verify that the shipment has had no contact with prohibited substances since export

§205.670 Inspection and testing of agricultural products

- Certifiers must conduct residue sampling and testing on 5% of the operations it certifies on an annual basis

NOSB Discussion Document: <Comments due April 3, 2024>

- Focuses on getting feedback on the foundational documents used by certifiers:
 - NOP 2610: Instruction Sampling Procedures for Residue Testing
 - NOP 2611: Instruction Laboratory Selection Criteria
 - NOP 2611-1: Prohibited Pesticides for NOP Residue Testing
 - NOP 2613: Instruction Responding to Results from Residue Testing



Strengthening Organic Enforcement

Implementation Date = March 19, 2024

- Largest regulatory update since the final rule was published in 2002
- NOP and Certifiers taking a risk-based approach toward enforcement
- Priorities:
 1. Uncertified Handlers/Exemptions
 2. Importing into the US (NOP Import Certificates)
 3. Supply Chain Fraud Prevention > Organic Fraud Prevention Plans and Supply Chain Traceability Audits
 4. Certificate of Organic Operations
 5. Inspector and Certification Review Staff Qualifications and Training
 6. Nonretail Container Labeling
 7. Producer Group Certification

