



ORGANIC PRODUCE WHOLESALERS COALITION

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National Organic Program USDA–AMS–NOP
1400 Independence Ave. SW.
Room 2646—So.
Ag Stop 0268
Washington, DC 20250–0268

The Organic Produce Wholesalers Coalition (OPWC) is comprised of 10 businesses that distribute fresh, organic produce to retail stores, restaurants, and other customers located across the United States and internationally. Many of our businesses were early participants in the organic community and we have continued to play an active role in shaping the infrastructure of the organic industry. Our combined annual sales in 2011 were \$453,338,078, and in 2012 exceeded \$550,000,000.

Crops Subcommittee Petitioned Material Proposal on Streptomycin

A Significant Decision

Collectively, the OPWC purchased approximately \$39,148,938 of organic apples and pears in 2011. Of that total, about 66% of total organic apple¹ purchases, and 79% of total organic pear purchases will likely be affected by a prohibition of antibiotics for control of fire blight.

In accordance with organic principles, we support a phase out of the use of antibiotics in organic fruit tree production. That said, we firmly acknowledge that organic growers need field-tested, commercially available, reliable methods for controlling fire blight because the disease can be so devastating. We assert that the policies used for a phase out should be directly linked to the availability of practical and reliable methods for fire blight control to assure that these orchards remain in organic production.

NOSB Crops Subcommittee Recommendation on Streptomycin

We are neutral (neither in favor or opposed) on the petition to extend the use of streptomycin. We recognize that there are particular issues associated with streptomycin that are different from tetracycline including the resistance of the fire blight bacterium to streptomycin in the Western U.S., and recorded instances of detectable residues of streptomycin in the fruit and seeds of apple trees treated

¹ Specifically, Apples: Fuji, Gala, Granny Smith, and Pink Lady, and Pears: Bartlett, D'Anjou, Comice, and Bosc.

with this antibiotic. At the same time we know that growers in the Midwest and Eastern U.S. continue to utilize streptomycin as a critical tool for fighting fire blight in their orchards.

At the Spring NOSB meeting, OPWC spoke out in favor of the “Centrist Proposal” on tetracycline--a short, limited use, extension of tetracycline until 2016 or 2017 with a concise annotation dealing with the specific disease management hierarchy to be followed and instructions about oversight from both NOP and certifiers.

As the NOSB considers the use of antibiotics in tree fruit and the future of *other* production materials, we urge the Board to carefully consider the implications of these decisions on farms and the marketplace. We believe that NOSB should not take away production tools before development of viable, workable alternatives, less we risk crippling important segments of the organic industry which can take years to rebuild.

In order to successfully continue to grow the organic movement and trade, regulations must be designed to keep pushing towards the highest organic principles, while at the same time recognizing the production challenges that growers face. NOSB members must always be aware that the decisions they make in meeting rooms have a very large on-the-ground impact on the growers, handlers, processors who bring organic food to market. For this reason we commit to continue to come before this Board to report back on how these decisions play out in the organic produce trade.

Research Priorities

We advocate that one of the NOSB Research Priorities be support of an analysis of the impacts of the decisions on both antibiotics in the marketplace. It could explore questions such as:

- What alternative management practices and materials did growers employ?
- To what extent were these alternatives successful in managing fire blight under different levels of disease pressure?
- Did some organic orchardists decide to drop organic certification due to the change in policies related to the use of antibiotics?
- Was the organic marketplace impacted by a shift in suppliers (e.g. more overseas), varieties, and/or pricing?
- What was the economic impact to organic growers, distributors, processors and retailers?

- How were consumers impacted by organic apple and pear availability and pricing?

Sound & Sensible Initiative

The OPWC appreciates the work that both NOSB and NOP are doing on the Sound and Sensible Initiative. We believe that the organic regulatory system would be improved by reducing the adversarial atmosphere that currently exists, and we believe that the goals of streamlining procedures and clarifying regulations will play an important role in creating a better system. We see these goals as foundational to the Sound and Sensible Initiative.

Top Priority: A “Real Time” NOP Operator Database

As wholesalers, OPWC members need to be 100% confident that our vendors and the products they are providing to us are certified to be in compliance with the NOP. Currently, OPWC members cannot rely upon the NOP Operator Database; a lot of the information is "stale" and hence unreliable when trying to verify a certificate. As a result, all of the OPWC members are burdened with the task of maintaining our own complex databases to track the status of grower certificates. To us, verifying growers' certification status creates a significant overhead expense which requires staff to track down growers and contact certifiers to verify information on certificates that is unclear, and inconsistent or missing. Real time information on operator's certification status and accurate product lists on certificates is the #1 change that would make the regulatory environment in which the OPWC members operate both more sound and more sensible. This change would save time, money, ensure integrity, and allow the organic marketplace to flow in a more predictable and efficient matter.

Single, Standard Format for Certificates

Currently, each organic certifier uses its own format for its certificate. Despite NOP's 2011 guidance concerning Organic Certificates (NOP 2603), certifiers continue to use different date references on their certificates (e.g. issuance, expiration, inspection, anniversary), and they define these dates differently. OPWC members rely upon these certificates as an integral part of our organic integrity programs, so we would like all ambiguity eliminated from the interpretation of a certificate's validity.

In testimony presented at the June 2010 NOSB meeting, OPWC commented that a clear distinction between expiration of the certification and expiration of a certification certificate would provide a mechanism for greatly increased clarity in the marketplace. Now that the NOSB is looking for ideas for making organic regulatory systems more sound and sensible, we offer this idea again. Specifically, we suggest that NOP require a “valid until” date on certificates, a change which would not only assist greatly in the marketplace, it would encourage certifiers to honor annual certification cycles, which we understand to

be important to the soundness of the entire regulatory system. We know that more certainty about the validity of certificates would take away a large burden in the marketplace, especially in the fast-moving fresh produce trade.

We also urge the NOP to eliminate certifiers' use of "letters of good standing" as a method of extending the validity of a certificate in cases in which the certifier is not able to complete the certification process within one year.

Finally, we recommend that certification numbers be assigned to each certified party and remain constant, so that it can serve as a permanent reference for all of the information related to the operation over time. This would greatly reduce the time and effort needed to link certificates issued to the same operation from one year to the next. The certification number could be part of an operation's record in the NOP Operator Database and could then be used for easily locating all current and historical information on that producer such as product lists (which are referenced in the process of verifying information needed before purchasing product).

Making Investigations more Sound and Sensible

Wholesalers closely scrutinize certificates before buying a product, as a result they are in a prime position to find and report suspected cases of fraud and noncompliance. Unfortunately, when OPWC members have made formal complaints to the NOP about compliance problems, we have found that the current process of handling compliance investigation is slow and lacks transparency. Long time frames for resolving complaints and other enforcement issues significantly impact commerce in the fresh product industry because buy-sell decisions are put in limbo for extended periods of time. Fresh produce has a very limited shelf life so the products we market are either spoiled or enter the market through another channel before NOP's compliance system take effect. OPWC appreciates the NOP's recent efforts to reduce the time needed to close enforcement actions and we urge the agency to continue to monitor and report on the activities of the NOP's Compliance and Enforcement Division so that timeframes for enforcement activities can be further shortened, thus making them more relevant to the workings of the organic marketplace.

NOP Instruction 2603 "Organic Certificates"

OPWC applauds NOP's recent revisions to NOP 2603, Instruction on "Organic Certificates". We strongly support inclusion of the reference to §205.501.a.21, which requires mandatory implementation of the elements of the Instruction by certifiers. However, we feel the NOP's use of the terms, "should" and "must" need clarification; we are concerned that framing some of the points as "shoulds" as opposed to "musts" will allow an opening for certifiers to claim that these points are not subject to mandatory implementation. OPWC urges full implementation of NOP 2603 as an enforceable rule and urges the NOP to include this new instruction in its annual training for Accredited Certifying Agents

(ACA) in order to ensure that all ACAs implement the changes as soon as possible.

Response to CACS's Questions in the Sound and Sensible Discussion Document:

Question #6: *When is visual verification satisfactory and when must documents be sent to the ACA?*

If the NOP Operator Database were more robust and up-to-date, it could be used as a central reference for the majority of the documentation that we currently send (electronically or hard copy) to certifiers to document our business' compliance during the certification process. Improvement of the agency's database would provide an opportunity to eliminate submission of paperwork of each of our members and the processing of this paperwork by multiple certifiers.

In OPWC's experience, the ability to submit, update and reference Organic System Plans (OSP) through our certifiers' electronic certification systems has been very effective in helping to make the certification of our businesses more efficient. Some features of electronic certification that we find useful are the ability to update our OSP and, the ease with which we can view and check and update the complex product listings on our certificates that we need in order to move product into the marketplace. We applaud the efforts of ACAs to move in this direction, as we acknowledge that the transition requires an investment of both time and financial resources. From our perspective, this change makes the organic marketplace both more sound and more sensible.

Question #9: *How should a peer review process for the NOP itself function? Who should be on that committee?*

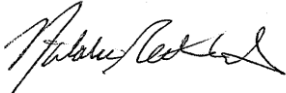
OPWC members agree that the Peer Review Panel is very important to improving the way that NOP operates. For example, we believe that more oversight of the NOP's compliance actions would result in more timely action against fraudulent or noncompliant actions. We support the ideas about the need for continuous oversight that the National Organic Coalition presents in its comments on the Sound and Sensible Initiative.

Question #10: *How should approved materials lists be shared among certifiers and to the operators themselves?*

Our members are certified by a range of certifiers and we know that we are submitting the same material for review by these different certifiers. At best, this system wastes a lot of time and effort because the results of the certifiers' reviews are not made public. A less favorable outcome occurs when our certifiers make different rulings on the same material. To improve efficiency and accuracy, the OPWC supports the centralization of the materials review system through Organic Materials Review Institute (OMRI) and in the meantime, that NOP maintain a public list of all materials reviewed by all ACAs.

The Organic Produce Wholesalers Coalition appreciates the opportunity to comment on the recommendations of the NOSB. Please feel free to contact us if you would like any additional information on the points raised in these comments.

Respectfully Submitted,



Natalie Reitman-White

Coordinator, Organic Produce Wholesalers Coalition

This comment is submitted on behalf of the following members Organic Produce Wholesalers Coalition:

- ◆ Charlie's Produce, Seattle, WA
- ◆ Co-op Partners Warehouse, St Paul, MN
- ◆ Earl's Organic Produce, San Francisco, CA
- ◆ Eastern Carolina Organics, Durham, NC
- ◆ Global Organic Specialty Source, Sarasota, FL
- ◆ Goodness Greenness, Chicago, IL
- ◆ Heath & Lejeune, Los Angeles, CA
- ◆ Organically Grown Company, Eugene, Oregon
- ◆ Veritable Vegetable, San Francisco, CA