



Accredited Certifiers Association
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September 30, 2021

Ms. Michelle Arsenault, Advisory Committee Specialist
National Organic Standard Board
USDA-AMS-NOP 1400 Independence Ave. SW.,
Room 2642-S, Mail Stop 0268
Washington, DC 20250-0268

Re: Docket Number: AMS-NOP-21-0038
Compliance, Accreditation, & Certification Subcommittee (CACS): Oversight Improvements to
Deter Fraud: Modernization of Organic Traceability Infrastructure Discussion Document

Dear Ms. Arsenault:

Thank you for the opportunity to provide comments to the National Organic Standards Board (NOSB) Compliance, Accreditation, & Certification Subcommittee (CACS) on the discussion document on Oversight improvements to deter fraud: Modernization of organic traceability infrastructure. The Accredited Certifiers Association (ACA) is a 501(c)(3) nonprofit educational organization created to benefit the organic certifier community and the organic industry. The ACA strives to ensure consistent implementation of the USDA Organic Regulations through collaboration and education of accredited certification agencies. We are committed to upholding organic integrity and maintaining stakeholder trust to facilitate the growth of the organic industry. Our organization is made up of 61 USDA NOP accredited certifying agencies worldwide, which includes 46 accredited certifiers headquartered in the United States. We are the frontline decision-makers for the effective implementation of the National Organic Program.

We appreciate the Compliance, Accreditation, & Certification Subcommittee's discussion document on oversight improvements to deter fraud. The ACA absolutely supports the prevention and detection of fraud in the organic industry, as fraud undermines certification and costs all stakeholders, from producers and processors to certifiers and consumers. The ACA supports the objective of this proposal; however, we are concerned that the cost of this proposal will outweigh the benefits. Requiring the tracking of the sale of every crop, livestock, or processed product will likely be extremely burdensome for producers, handlers, and certifiers. The subcommittee states that they do not want to burden farmers, certifiers, or



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inspectors with additional paperwork. We would like to advocate for not burdening any organic producers or handlers with additional paperwork. The operations in an organic supply chain that this proposal applies to will bear a heavy burden if required to report all of the information requested for every single transaction. In fact, it seems unrealistic to require this information for every single transaction. This discussion document also alludes to an initial upload of information from certifiers, with annual maintenance. The ACA requests more information about this annual requirement, as without this, we cannot comment on the feasibility or burden of this proposed requirement.

In addition, developing an electronic OLS for this purpose is exclusionary to many types of operations who do not utilize technology, either by choice or due to a lack of access. For example, many Amish producers and processors do not use technology by choice, and there are certified operations in the US and other countries that do not have access to reliable internet. Will certifiers then be charged with inputting data into the system? That would be extremely burdensome for the certifiers that have many operators that do not utilize technology.

In addition, the ACA is concerned that an electronic fraud prevention system may not detect the types of large-scale fraud that we have seen in recent years. For example, recent fraud in the grain industry may not have been detected by an electronic system, because these operations don't have access to or use this type of technology. Similarly, we are concerned that an OLS may be more easily manipulated than paper records. Certifiers and inspectors can often more easily see physical alterations of a paper document rather than changes to electronic documents. An electronic system is also vulnerable to what's entered into the system at the initial stage. Granted, this is a weak link in both paper and electronic systems, but an electronic system may not improve our detection abilities.

Rather than a technology-based Organic Link System, the ACA supports the development of a mechanism for certifiers to readily share information for cross-checks. This type of system could be easily adopted by certifiers, all of whom use technology, and sharing information only as needed would lessen the burden. Certifiers could use a risk-based approach to identifying operations for cross-checks, and information shared via the mechanism could be available only to the certification agencies involved.



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Similarly, the National Organic Program could also do cross-checks proactively, in addition to enforcement based on complaints. This more proactive approach could help prevent and identify fraud.

Please see our answers to the specific questions posed by the CACS below.

1. How can technology efficiently and effectively be deployed to enhance supply chain traceability?

If technology is deployed to enhance supply chain traceability, the ACA supports the deployment of technology already in use, such as the Organic Integrity Database (OID). If this system will be used for generating certificates and storing acreage and other operator data, as outlined in the Strengthening Organic Enforcement proposed rule, it may also be beneficial to use this system to store additional information related to supply chain traceability, provided that the system is reasonable and practical. Storing additional information in OID may be more efficient than adopting a new system, although it will likely make OID more cumbersome.

2. What form does an organic link system (OLS) must take to be non-burdensome for organic stakeholders, including certifiers, inspectors, handlers, operations, importers, etc.?

As stated above, the ACA is concerned that an organic link system, as described in this discussion document, will likely always be burdensome. It will be extremely difficult to design a single, centralized system that will be adaptable to and adopted by every single certified organic operation in the world. Right now, record keeping systems vary widely across production and handling operations, with systems often specifically suited to the type of operation. Choosing any one system for all operators to adopt will inevitably be more or less burdensome for each operator depending on a host of variables.

Regardless, a system that is as non-burdensome as possible would need to use existing technology or labeling, such as a barcode. In addition, applying the OLS to the sale of every single organic commodity, and requiring the date, NOP certificate number, year the product was grown, the quantity of organic goods exchanged, and possibly more, will be extremely burdensome. ACA would support limiting the application of the OLS by some criteria.



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Ultimately, the ACA encourages the CACS to do a cost-benefit analysis for any proposed system, as the cost of developing and using a system that requires transaction information for the sale of every single crop, animal product, and processed product may outweigh the benefits.

3. What challenges exist with the implementation of an organic link system (OLS)?

Again, the primary challenges include developing one single system that is appropriate for all users and requiring the adoption of technology for folks who choose not to use technology or don't have access to it. In addition, the costs associated with the labor required to enter every transaction into the system may be extremely high for some operators (or certifiers, if they were responsible for data entry) and in some cases, prohibitive.

4. Is there value in AMS, certifiers, and inspectors getting more granular with transaction-level detail to gain transparency throughout the complex supply chain?

It is unclear whether getting more granular with transaction-level detail will lead to transparency, and therefore prevention and detection of fraud, in complex organic supply chains. If an OLS is to be used to collect this kind of information, the ACA strongly recommends a thorough plan documenting what specific data points will be collected and how exactly those data points will be used by organic certifiers and inspectors.

The ACA also has concerns about collecting operation-level proprietary data, which would presumably be available to hundreds of certifier staff and inspectors.

5. What other methods exist for enhancing transparency?

The ACA supports increased transparency in the organic supply chain. One possible method for increased transparency could be a requirement that the identity of the manufacturer or packer of a product be listed on the label. Currently, private labeling leads to inconsistencies in labeling and a lack of traceability back to the farm level for organic products. Meat and milk products have a code listed on the label to identify where it was bottled or processed; the organic industry could use this model for product



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traceability. However, the ACA is not sure whether this is a requirement that can be placed in the organic regulations alone or if it would require a change to OFPA or some other mechanisms.

6. Are there additional areas that need to be considered for improvement to prevent fraud or react to fraud?

Yes! As stated above, rather than taking the broad approach proposed in this discussion document with an OLS, the ACA would support a more targeted, risk-based approach. Certifiers currently perform cross-checks, but developing requirements and a mechanism for this would be extremely beneficial. Certifiers occasionally find that requests for information from other certifiers during a cross-check go unanswered. A requirement in the regulations for certifiers to share information requested within a reasonable timeframe would allow cross-checks to be completed more expeditiously. In addition, the development of some sort of mechanism, such as a central database, for the sharing of data between certifiers as needed for the purpose of cross-checks would further expedite the process. Regardless of whether all information is shared in an OLS or some information is shared between certifiers for the purpose of cross-checking, a risk-based approach could be developed for identification of which types of supply chains to audit.

Also stated above, the ACA supports NOP led cross-checks as a proactive approach to identify fraud.

7. Should the industry require the registration of land 36 months before certification?

The ACA would like additional background information about this question, which seems to be unrelated to the other questions without any references or explanation. While requiring registration of land 36 months prior to certification would help with verification that the land has been free from prohibited substances during that period, it would also be very limiting to require every organic field to be registered in advance of certification. Many operators buy land and/or move to new land that was previously certified organic, for example, and a three-year waiting period for certification of land that can be verified to be eligible for organic certification seems unnecessary. Therefore,



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the ACA would like to better understand the benefits of this requirement prior to supporting it.

Thank you for your work on this topic and for your commitment to preventing and detecting fraud in the industry.

Sincerely,

Jennifer Berkebile
ACA Board of Directors Vice Chair
Accredited certifiers Association, Inc.