



United States
Department of
Agriculture

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

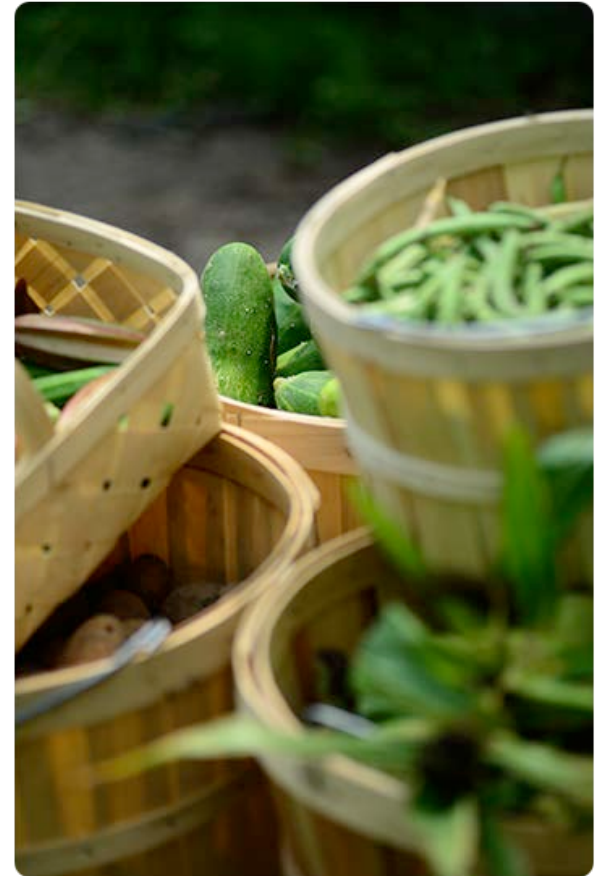
The Organic 101 module:

- 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?

- U.S. organic food sales have shown double-digit growth during most years since the 1990s and were estimated at over \$32 billion in 2013*
- Demand is expected to continue to grow steadily into the future: with nearly 11% growth during 2013, organic food outpaced the growth of total food sales*
- Certified organic cropland acreage more than doubled between 2004 and 2011**



*Organic Trade Association **USDA Economic Research Service

What Can Be Called USDA Organic?

- The USDA Agricultural Marketing Service oversees all agricultural products sold, labeled, or represented as organic in the United States
- Any food, feed, feed input, or fiber sold or labeled as organic in the U.S. must follow USDA organic procedures
- Organic certification has four categories:
 - 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 Rules for the USDA Organic Label?

- **The USDA's National Organic Program:**
 - Develops regulations or “standards” for organic crop, wild crop, and livestock production, as well as processing 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 USDA organic portal: usda.gov/organic**
- **View organic regulations: <http://www.gpo.gov/fdsys/pkg/CFR-2011-title7-vol3/pdf/CFR-2011-title7-vol3-part205.pdf>**



Farmer Profile

- **Lansink Organic Farms**
- Odebolt, Iowa
- 850 acres
- Organic corn, soybeans, barley, peas, and alfalfa

“With organic agriculture, in particular, productive, healthy crops begin in healthy soil.”



What Does It Mean to be an Organic Farmer?

- **Environmental stewardship:** Organic farmers must use practices that support the use of on-farm resources, promote ecological balance, and conserve biodiversity
- **Fertility and nutrient management:** Organic farmers work to develop soil health by relying on natural materials, such as cover crops, manure and compost
- **Pest management:** Organic farmers must use preventative measures and physical controls before using approved pesticides
- **Synthetic substances:** Organic farmers limit their use of synthetic fertilizers and pesticides to the few that are approved in organic regulations and do not use sewage sludge, irradiation, or genetic engineering



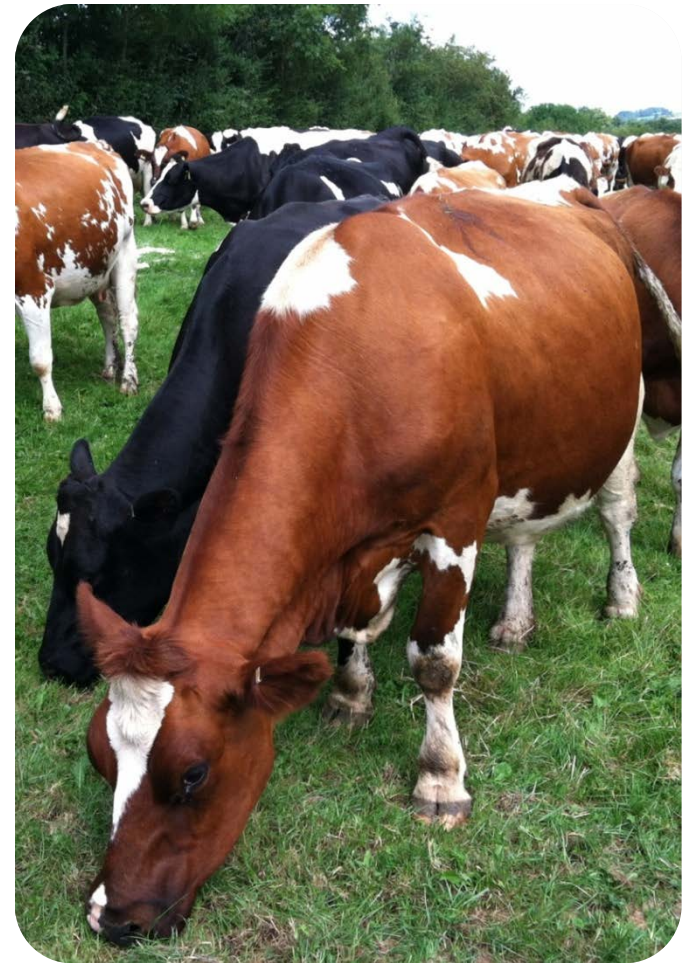
What are Common Organic Farming Practices?

- **Building fertility and soil health** with
 - Slow-release sources of crop nutrients such as **manure** and **compost**
 - **Crop rotations** to manage nutrients and control erosion
- **Controlling pests** through
 - Beneficial habitats to **harbor predators** of crop pests
 - Diverse crop rotations to **disrupt pest and disease cycles**
 - Cover crop plantings to **suppress weeds**
- **Protecting natural resources** by
 - Planting field borders with flowering plants to provide **pollinator habitat**
 - Establishing buffer strips or tree rows to **filter runoff water**



What are Common Organic Livestock Practices?

- **Organic Feed**
 - Organic livestock must consume only certified **organic feed**
 - Ruminants must have **access to pasture** during the grazing season
- **Living Conditions**
 - Animals must have **access to the outdoors**, shade, shelter, space for exercise, clean water, and more
- **Animal Health**
 - Organic healthcare emphasizes **preventative practices**
 - Organic animals may **not** receive **antibiotics** or **growth hormones**



What Does It Mean to be an Organic Handler?

- Organic handlers process, package, or store organic agricultural products
- Organic handlers may cook, bake, cure, dry, mix, grind, churn, separate, distill, extract, slaughter, ferment, dehydrate, freeze, package, can, or otherwise modify organic agricultural products
- Organic handlers must use methods that comply with the USDA organic regulations
- Organic handlers must protect organic products from:
 - Contact with prohibited substances
 - Commingling with nonorganic products

Who Are Organic Farmers?

The USDA 2012 Census of Agriculture showed that:

- Organic producers are typically **younger** and more likely to be **beginning farmers** than non-organic producers
- Organic farms were more likely than other farms to participate in **direct sales markets**
- Many organic products come from farms producing **both organic and non-organic products**
- Organic farms were more likely than other farms to invest in **on-farm renewable energy** producing systems, such as solar panels and wind turbines



Farmer Profile

- **Mustard Seed Farms**
- St Paul, Oregon
- 80 acres
- Diverse mix of organic vegetables

“Being organic we are trying to do things as naturally as possible and take care of the soil and have it maintained so that you can grow good crops; we use natural methods as much as possible.”



What Lands May Be Certified as Organic?

- To be eligible for certification:
 - Land must have been **free of prohibited substances** for **3 years**
 - Applicants should **document the last date** on which prohibited substances were applied to the land
- **Both conventional and organic production** may occur on the same farm
- **Buffer zones** may be required, if prohibited substances are used on adjacent parcels or neighboring lands
- **There are no size requirements**—both small and large farms may be certified organic

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.

How Do Organic Farmers Get Started?

The first step in transitioning to organic practices is **ending the use of all prohibited substances.**

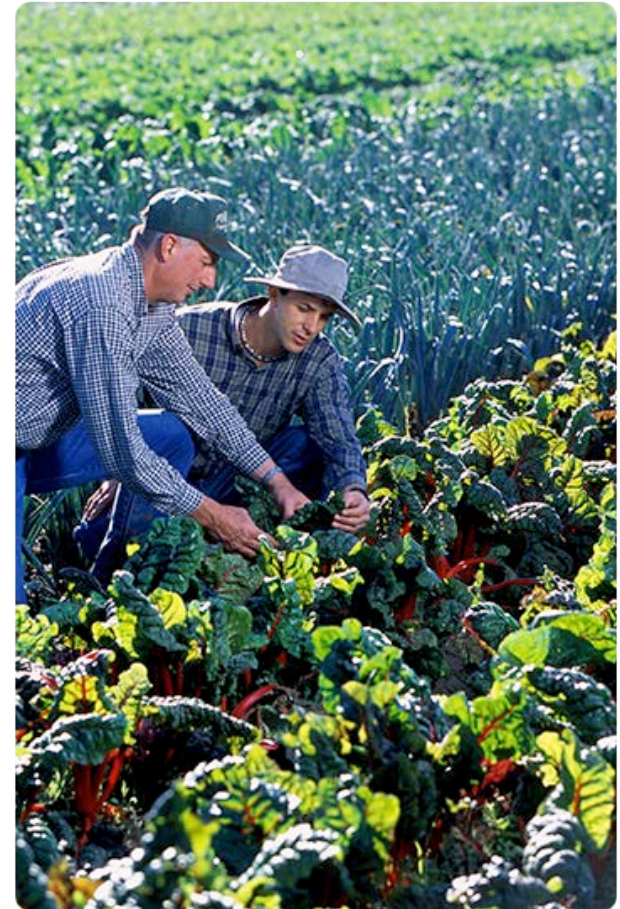
There are many ways to start using organic practices on a farm. Some farmers choose to transition their land to organic management gradually. Options include:

- Transitioning small parcels of a farm to organic, then adding more parcels each year
- Leasing or buying land that was not in production (fallow land) for immediate organic certification



Who Certifies Organic Operations?

- The USDA does not certify organic operations directly but instead, **accredits third-party certifying agents, or certifiers**, to inspect and approve organic producers and handlers
- Certifiers grant **organic certificates** to compliant producers and handlers so that they can market and sell their products as organic
- **Certifiers verify** that organic farms and processing facilities meet the USDA organic regulations
- Certifiers may be **private entities, states, or foreign governments**
- There are about **80 certifiers** around the world, with about 50 in the United States
- Producers and handlers may **work with any certifying agent**
- **USDA oversees** the work of all certifiers



How Do Producers and Handlers Apply for Certification?

The Producer or Handler:

1. **Selects a certifying agent** from a list on the Agricultural Marketing Service's website:
www.ams.usda.gov/nopacas
2. **Prepares an application**, using instructions from the certifier
 - Applications include an **organic system plan**
 - **Organic system plans** describe the products the operation produces or processes, production or handling practices, and any substances used

For more information, see “The Certification Process” in the USDA’s Organic Program Handbook:

www.ams.usda.gov/NOPProgramHandbook



How Does a Certified Operator Stay Certified?

- Operators submit an **annual update** of their organic system plan and **pay annual certification fees**
- Certifiers 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 USDA organic regulations can result in the loss of certification, and fines of up to \$11,000 per violation



Are There Different Rules for Small Operations?

- There is a **very small farm 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 System Plan or pay fees to a certifier
- Exempt operations **may not use the USDA organic seal** to market their products



Farmer Profile

- **Grinnell Heritage Farm**
- Grinnell, Iowa
- 22 acres
- Diverse mix of organic vegetables

“We are certified organic and that is something that our customers really like. They like to know there is at least a set number of criteria and our farm is meeting that. We have a very open door policy, our customers can come out and they can walk around the farm whenever they want to.”



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 section describes specific programs* that may benefit organic producers and handlers

* As of December 2014

What USDA Programs Directly Support Organic Producers?

- The USDA Agricultural Marketing Service's **Organic Cost Share Program** can reimburse eligible producers and handlers for up to 75% of the cost of organic certification (up to \$750 per year, each year).
- USDA's Natural Resources Conservation Service programs such as the **Environmental Quality Incentives Program Organic Initiative** and the **Conservation Stewardship Program** provide technical and financial assistance for producers implementing conservation practices, some of which can help meet organic certification requirements.
- USDA's Farm Service Agency programs such as the **Transition Incentives Program** give priority to those planning to use organic or sustainable farming practices.

What USDA Programs Directly Support Organic Producers? (continued)

- 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 several crops and regions.
- 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 Agricultural Research Service (ARS) supports organic agricultural research around the country, particularly through its **Natural Resources and Sustainable Agricultural Systems** programs.
- 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." eOrganic is an excellent source of information on specific crops and production practices.

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 (OREI)** and **Organic Transitions Program (ORG)** 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 Farmers and Ranchers Development Program (BFRDP)** 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 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 Foreign Agricultural Service 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**.

How Can I Fund Organic Marketing & Infrastructure?

(cont'd)

- USDA's **Agricultural Marketing Service** offers:
 - The **Farmers Market Promotion Grants** offer funds 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.
 - The **Local Food Promotion Program (LFPP)** offers grant funds with a 25% match to support the development and expansion of local and regional food business enterprises to increase domestic consumption of, and access to, locally and regionally produced agricultural products, and to develop new market opportunities for farm and ranch operations serving local markets through planning and implementation grants.
 - The **Specialty Crop Block Grants** offer funds 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.
 - The **Federal-State Marketing Improvement Program (FSMIP)** offer matching funds to State Departments of Agriculture and other appropriate State agencies, including State universities and colleges, on a competitive basis to explore new market opportunities for food and agricultural products, and to encourage research and innovation aimed at improving the efficiency and performance of the marketing system.

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 soils erosion, promote soil health, plant cover crops and buffers, increase pollinator & wildlife habitat, mulching and more!
- Visit **USDA's Local Food Directories** to either list or locate farmers markets, on-farm markets, community supported agriculture, and food hubs.

What Other USDA Resources Should Organic Producers Know About?

- 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 - Friday, 8 am - 4 pm, EST.
- 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: USDA Organic Resources For the Public

- **USDA Organic Portal**

- One-stop shop of information on programs and services across the USDA for certified producers and handlers, and those who are transitioning to organic
 - » www.usda.gov/organic

- **USDA AMS Organic Program Website**

- Outreach materials and public information about organic regulations
- National List of Approved Substances and Petitioned Substances
- List of certifiers and certified operations
 - » www.ams.usda.gov

- **Alternative Farming Systems Information Center** at the National Agricultural Library

- Resources about sustainable food systems and practices
 - » afsic.nal.usda.gov/organic-production

- **The USDA Organic Insider Newsletter**

- Regular e-mail service with updates and news on organic agriculture
 - » <http://bit.ly/NOPOrganicInsider>

Beyond USDA: Additional Resources

- **National Sustainable Agriculture Information Service (ATTRA-NCAT):**
 - Offers guidance in preparing for certification and in production methods for a range of organic crops and livestock, both through the web and via phone at a 1-800 number
 - » attra.ncat.org/organic.html
- **eOrganic**
 - Provides information through an extension online community dedicated to organic production
 - » http://www.extension.org/organic_production



Support for Organic Across USDA



Organic agriculture is important to USDA's mission. Each agency of USDA has a role in working with organic farmers and ranchers, and those who are considering organic.

Thank you for taking the opportunity to learn this information, and for putting it to good use. Please visit our website to view Organic 201, an in-depth look at organic practices and certification requirements.