



Your Operation and NEW Organic Regulations

How will your operation be affected? Use this assessment to find out!

The Strengthening Organic Enforcement (SOE) rule made several changes to the USDA Organic Regulations that must be implemented by March 19, 2024. These changes increase oversight of the organic supply chain to reduce fraud and build trust in the USDA organic label. All farms and handling operations are affected.

PCO is working with partners across the organic industry on implementing new requirements and aims to have clear guidance by late summer. Updated forms and requests for additional information will be communicated to you by early fall, but don't wait until then to prepare.

This assessment is intended to help you prepare for compliance by March 19, 2024. It is not a comprehensive list of all new requirements. Review the following items to check if they apply to your operation. This form is for your records and does not need to be submitted to PCO.

Requirements for all operations:

1. Audit trail documentation (including purchase, transportation, and sales records) must identify products as "100% organic," "organic," or "made with organic..." or similar terms.

- Yes, my recordkeeping meets this requirement.
- No, my recordkeeping does not identify products in this way.
 - If you answered No,
 - Update recordkeeping to identify organic products.

2. Procedures to prevent organic fraud, verify suppliers, and verify the organic status of products received must be included in your OSP.

- Yes, my OSP meets this requirement.
- No, my OSP does not meet this requirement.
 - If you answered No,
 - Complete new PCO OSP when available this Fall.
 - Consider enrolling in the Organic Trade Association (OTA) Organic Fraud Prevention Solutions program. Contact PCO or visit our website to find out more:
<https://paorganic.org/certification/get-started/additional-programs/organic-fraud-prevention-partnership/>

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Additional requirements that may apply to your operation:

- 3. Nonretail containers to ship or store organic products must identify the product within the container as organic and include a production lot code or other unique info that links the container to audit trail documentation. Additionally, audit trail documentation (including purchase, transportation, and sales records) for nonretail containers must identify the last certified operation that handled the product.**

Examples of nonretail containers include: produce boxes, totes, bulk containers, harvest crates, master cases, trailers, tanks, railcars, shipping containers, vessels, cargo holds, freighters, barges, grain elevators, silos, grain bins, etc.).

- Yes, my nonretail container and audit trail documentation meet this requirement.
- No, my nonretail container labels and audit trail documentation do not meet this requirement.
- If you answered No,
 Update nonretail container labeling and audit trail documentation.

- 4. If you work with uncertified operations in the organic supply chain, most operations in the organic supply chain must become certified by March 19, 2024, unless they are exempt from certification. Exemptions are now limited to:**

- **Operations grossing less than \$5000 annually.**
- **Retail establishments that do not process organic products.**
- **Retail establishments that process at the point of final sale (e.g. at the same location).**
- **Operations handling products containing less than 70% organic ingredients.**
- **Handling operations that only receive, store and/or prepare for shipment but do not otherwise handle organic products in sealed, tamper-evident packaging (e.g. storage facilities or warehouses).**
- **Handling operations that only buy, sell, receive, store and/or prepare for shipment but do not otherwise handle organic products in sealed, tamper-evident packaging already labeled for retail sale (e.g. distributors).**
- **Customs brokers that only conduct customs business.**
- **Operations that only arrange for the shipping, storing, transport or movement of organic products (e.g. logistics brokers).**

Yes, all my suppliers are certified organic or exempt according to the above bullets. IF suppliers are claiming an exemption, they must complete an Uncertified Handler Declaration, which you will need to submit to PCO.

No, I use suppliers that are uncertified.

- If you answered No,
 I will encourage uncertified handlers in my supply chain to get certified by March 19, 2024.
 I understand that after March 19, 2024, I must discontinue working with all non-exempt operations that handle organic products.

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**** See information on the cover letter or on the PCO's SOE page regarding the incentives being offered. ****

5. All operations exporting and importing into the U.S. must become certified.

- Yes, all organic products I receive are from organic importers.
- No, I receive organic products from uncertified importers.
- If you answered No,
 - I will encourage uncertified importers in my supply chain to get certified by March 19, 2024.
 - I understand that after March 19, 2024, I must discontinue working with all non-exempt operations that import organic products.

6. Imported organic products must be accompanied by an NOP Import Certificate generated through the Organic Integrity Database. All import documents must clearly identify products as organic. Additionally, importers must:

- **Enter data from the NOP Import Certificate into ACE**
 - **Ensure that an NOP Import Certificate is associated with all product received**
 - **Ensure that imported organic product hasn't been treated with prohibited substances and have an organic control system that documents how this verification is conducted to protect the organic integrity of imported products**
- Yes, all organic products I import, and my procedures meet these requirements.
- No, all organic products I import, and my procedures do not meet these requirements.
- If you answered No,
 - I will update my OSP later this year when sent by PCO to ensure the above requirements are met.

7. PCO must update its Product Profile forms to demonstrate the organic content of each ingredient. We are making additional updates to these forms that will allow you to more easily calculate organic percentages, update suppliers/ingredients, and identify uncertified operations in your supply chain. If you certify organic products under the Handling scope, you will be required to submit new Product Profile forms for all products.

- Yes, I have organic products certified under the Handling scope.
- If you answered Yes,
 - I will complete the revised forms when PCO sends them to me to meet the above requirements.
- No, I do not have organic products certified under the Handling scope.

8. SOE clarifies that organic content must be calculated based on weight or volume of ingredients at formulation. Water and salt added as ingredients at formulation are excluded from the calculation. If you certify products under the Handling scope that contain non-organic ingredients, you may need to provide documentation confirming

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the specific organic content of each organic ingredient to demonstrate that your final product contains the minimum required organic content for the applicable labeling category (ex: "organic" products must contain at least 95% organic content).

Yes, I have organic products certified under the Handling scope that contain non-organic ingredients.

- If you answered Yes,

I will complete and submit the revised forms when PCO sends them to me to meet the above requirements.

No, I do not have organic products certified under the Handling scope that contain non-organic ingredients.

What's Next?

- Use this assessment to help you prepare for compliance by March 19, 2024. It does not need to be submitted to PCO.
- Contact your Certification Specialist if you have questions about how this impacts your operation.
- If you have questions as to whether certification is required for one of your suppliers, contact the PCO Client Service Team at cst@paorganic.org or 814-422-0251.
- Refer uncertified operations in your supply chain to receive up to \$2,000 in credit towards your certification fees.
- Visit the NOP's Strengthening Organic Enforcement webpage at <https://www.ams.usda.gov/rules-regulations/strengthening-organic-enforcement> for additional resources, such as a side-by-side comparison of the current regulations and the final rule.
- Look for reminders and updates in our monthly E-News and quarterly Organic Matters newsletter.
- Pay close attention to additional communications from PCO in the coming months that will contain important updates and instructions on required information you need to submit.

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