ORGANIC FRAUD PREVENTION PLAN (OFPP) RESOURCE GUIDE

What is organic fraud?

- 205.2 defines Organic Fraud as the deceptive representation, sale, or labeling of nonorganic agricultural products or ingredients as “100 percent organic,” “organic,” or “made with organic (specified ingredients or food group(s)).”

What does this mean for organic producers?

Organic fraud prevention plans are required for all certified operations under the SOE regulation update.

- 205.201 Organic production and handling system plan.

(a)(3) A description of the monitoring practices and procedures to be performed and maintained, including the frequency with which they will be performed, to verify that the plan is effectively implemented. **This must include a description of the monitoring practices and procedures to verify suppliers in the supply chain and organic status of agricultural products received, and to prevent organic fraud, as appropriate to the certified operations activities, scope, and complexity;**

By the implementation date of Strengthening Organic Enforcement (SOE) on March 19th, 2024:

All certified or applying operations need to have:

1. Assessed their supply chains
2. Identified critical control points or potential areas where fraud may occur
3. Developed a plan to mitigate or eliminate those areas
4. Created monitoring procedures to evaluate the effectiveness of their mitigation plans

This is done through completing the GCIAOCP Organic Fraud Prevention Plan (OFPP) Organic System Plan (OSP) module. The purpose of this Resources Guide is to provide additional guidance in filling out the OFPP.

Why is fraud prevention important in the organic market?

Key elements as to why fraud plans are crucial include:

- **Maintaining consumer trust and meeting expectations** – Consumers that choose to purchase organic products have the expectation that organic products were produced in accordance with organic principles. Fraud undermines this trust and can erode confidence in the entire organic industry. Fraud prevention plans ensure the consumer expectation is being met and that the organic label remains meaningful.

- **Preserving market integrity** – Fraudulent practices can distort the market and create unfair competition. Organic fraud prevention helps maintain the integrity of the organic market.

- **Protecting farmers and businesses** – Organic farms and businesses invest considerable time and resources in adhering to organic standards. Fraud can lead to unfair competition and thus losses for those that follow the rules.

- **Ensuring environmental sustainability** – Organic principles are designed to promote environmental sustainability whereas, fraudulent practices that deviate from these standards can contribute to environmental harm

- **Verifying compliance with regulations** – Fraud prevention plans are built to help producers comply with existing organic regulations

- **Ensuring compliance with global trade** – Having robust fraud prevention plans is crucial for meeting the diverse regulatory requirements for different countries and ensures a smooth flow of organic products in the global market

An ***Organic Fraud Prevention Plan*** **(or OFPP)** is the plan or document that producers develop as part of their OSP to outline the vulnerabilities and mitigation strategies for preventing organic fraud in their supply chain. The OFPP is a separate OSP document that is submitted by all operations. The goal of an OFPP is to document how each operation ensures only compliant suppliers and organic products are used and details the steps taken to prevent instances of organic fraud.

The plan must evaluate all certified organic items (products, ingredients, livestock, etc.) that are purchased or brought onto the operation. It also must describe how the suppliers are verified as being compliant, as well as how the actual products are verified to retain their organic status from the supplier to the operation.

Examples of what needs to be included in the OFPP by certification scope (Crop, Livestock and Handling):

- **CROP:** A crop operation may purchase certified organic seedlings and with that being the only certified organic agricultural product purchased, that would be the only product that would need to be reflected in their OFPP.

- **LIVESTOCK:** A livestock operation may purchase certified organic livestock, organic bedding (if it's roughage), and organic feed (such as grain or hay). For this kind of operation, each of those certified organic products the operation purchases and brings on-site needs to be included in the OFPP.

- **HANDLING:** A handling operation needs to include all organic ingredients that are purchased and brought on-site in order to produce processed and/or packaged products. The OFPP must also include activities where an operation is facilitating the sale of organic ingredients or products where there may or may not be physical possession of the ingredients or products.

NOTE

Non-organic materials or inputs, like fertilizers, pesticides, and cleaners, are **not** included in the products that are included in an OFPP. These products are reviewed and approved for organic use but are not necessarily certified organic – and therefore do not need to be included in an OFPP.

When an operation is assessing their supply chain, consideration must be given to all activities tracing back to the last certified entity. This includes storage or transport events that occur between the supplier and the operation.

What are the components of the OFPP?

GCIAOCP has organized the OFPP into five distinct sections, each one detailed below.

SECTION ONE: ORGANIC FRAUD PREVENTION TEAM

The organic fraud prevention team are the persons that are responsible for:

- Creating and maintaining the overall fraud plan
- Making sure it gets implemented by their team
- Ensuring all applicable persons are trained
- Monitoring the effectiveness of the stated plan

This may be a site manager, the quality assurance department, or designated to a single person at the operation.

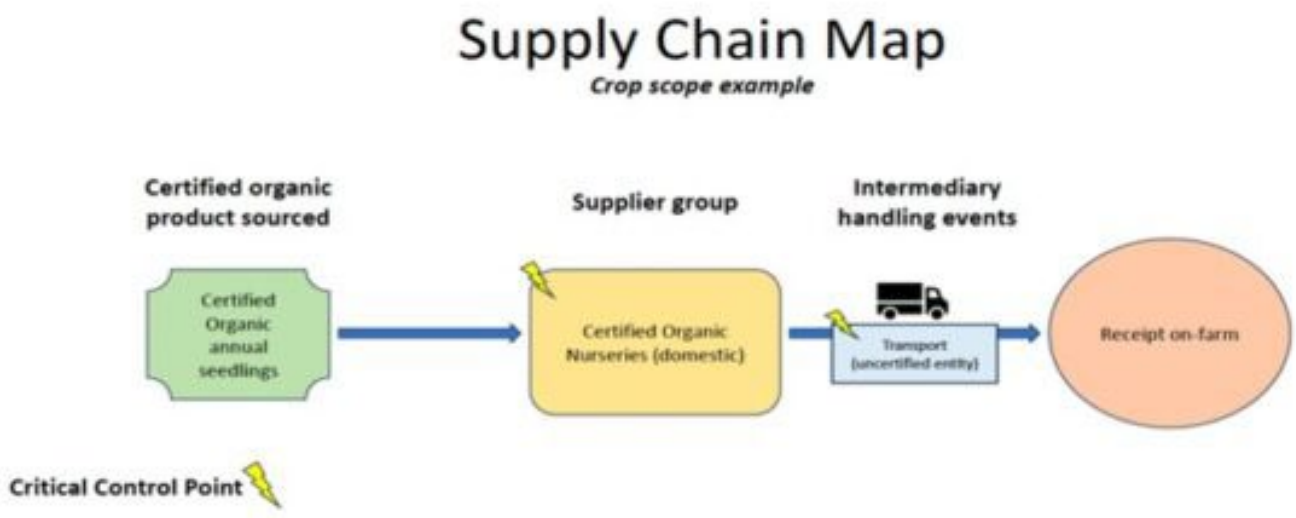
SECTION TWO: SUPPLY CHAIN MAP & CRITICAL CONTROL POINTS

The *Supply Chain Map* must illustrate all received/incoming organic items. The complexity of the supply chain map depends on the complexity of the operation. Examples may include: a hand drawn flowchart, a typed spreadsheet, or a more complex illustration created through mapping software. There is no wrong way to provide this information as long as it illustrates all organic items received by the operation and all intermediary handling events, such as storage or transport.

In the examples below, the supply chain maps are simple flow charts. Supply chain maps **do not** have to include every individual supplier of every organic ingredient, but must include one listing for a particular ingredient group. If the system is more complex, the suppliers must be broken into smaller groupings.

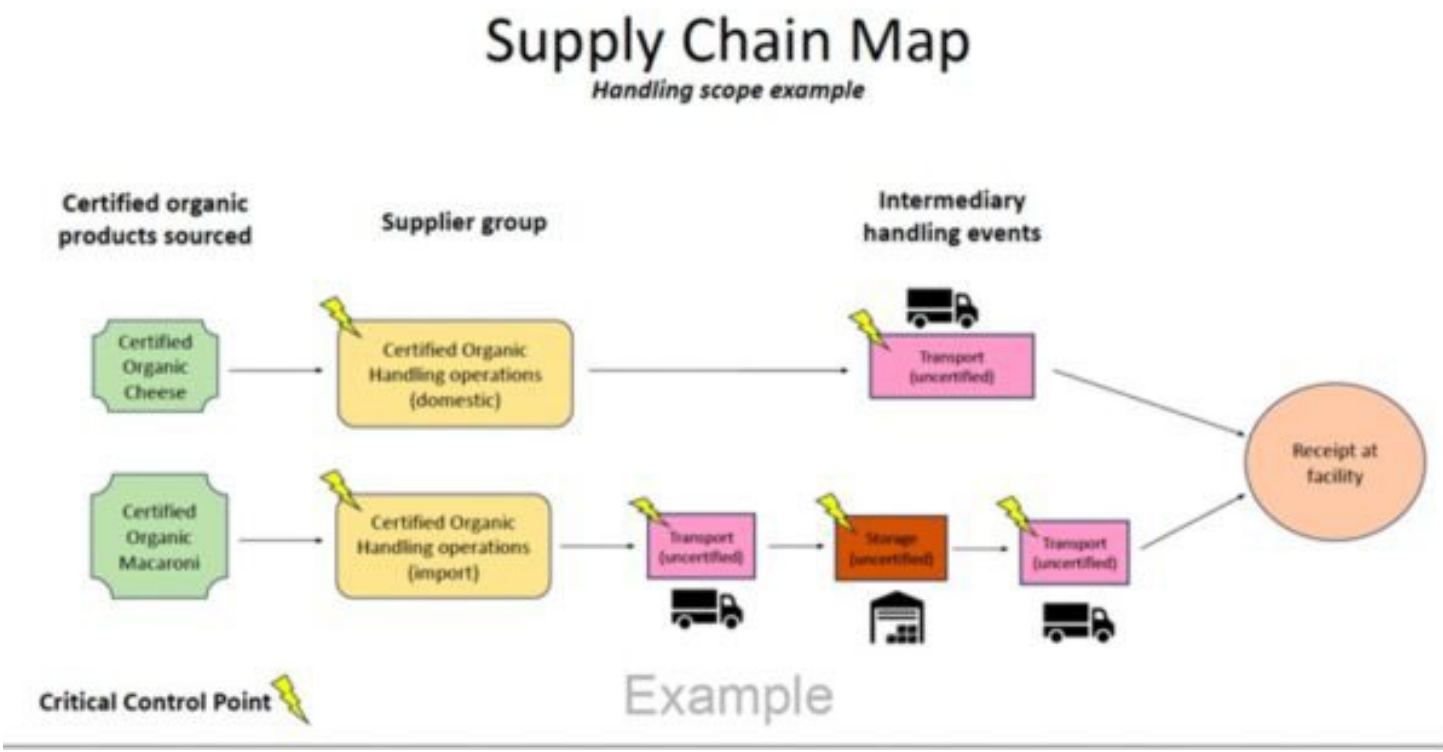
Supply Chain Map examples by certification scope (Crop, Livestock and Handling):

- **CROP:** One reference to domestic organic seed suppliers and another reference to international seed suppliers.



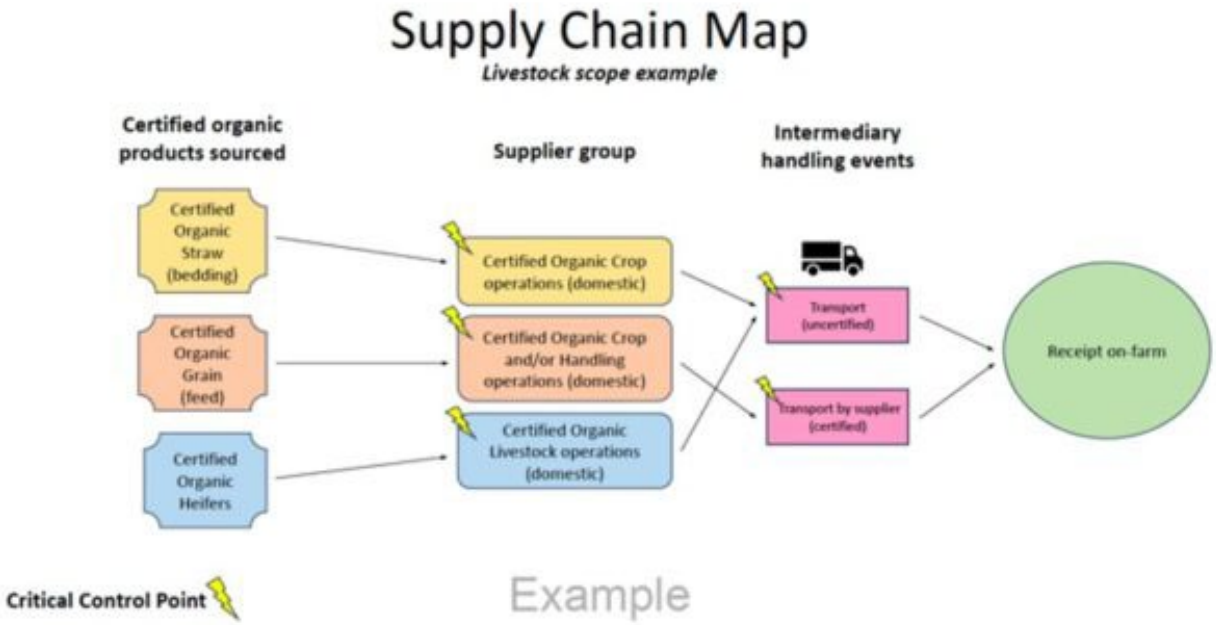
Example

- **HANDLING:** One reference to all domestic suppliers and another reference to international suppliers. A more complex system is broken down into smaller categories to separate out suppliers of bulk or unpackaged ingredients.



- A comprehensive list of individual suppliers is required to be maintained as part of your OSP, but not on this map. The purpose of this map is to identify potential risk factors for organic fraud based on the type or category of ingredients or products received.
- The illustration includes all intermediary handling activities that occur between the last certified entity and receipt of that ingredient at the operation.
    - Examples of intermediary handling events may include: storage locations, brokers, transportation activities, etc.

- **LIVESTOCK:** One reference for organic animals received and another reference to domestic organic feed suppliers. If applicable, a separate reference to international organic feed suppliers is needed because the risks for organic fraud are increased for all imported goods.



Critical Control Points (CCPs) are specific stages in a process where control measures are applied to prevent, eliminate, or reduce risk to an acceptable level, ensuring the integrity and quality of a product. Operations must evaluate their supply chain and identify areas where there is potential for fraud to occur and for a product/ingredient to lose its organic status. The supply chain map must include identification of critical control points. In the supply chain map examples above, CCPs are identified with lightning bolts.

- **Examples of CCPs may include but are not limited to:**
    - The use of any supplier – Even if a supplier is certified organic, their certification status and product details still pose a potential risk where fraud may occur. Verification that the supplier is currently certified and to the appropriate scope for the product being purchased and that the product being purchased is listed on the current organic certificate, is essential.
        - An example would be a farm operation that purchases dehydrated apples or cinnamon from a certified orchard that does not have dehydrated apples or cinnamon listed on their certificate, but only raw apples.
    - Intermediary handling events
        - Examples would be any transport event from the supplier to the operation, such as by railcar or truck; the use of a broker, even when no physical custody occurs; or the use of any storage facility prior to receipt of the product at the operation.

SECTION THREE: VULNERABILITY ASSESSMENT

A *vulnerability assessment* is a systematic evaluation that identifies and analyzes weaknesses or susceptibilities in a system, process, or organization, helping to anticipate potential risks and develop effective strategies for prevention and mitigation.

This assessment is a critical step in an organic fraud prevention plan. The OFPP asks operations to include a description of the steps taken when evaluating risk through the vulnerability assessment, the factors that were considered when identifying the CCPs and determining the prevention and mitigation strategies that are employed.

Below are examples of possible factors that may be considered when evaluating risk of a supply chain:

- An operation's relationship with the supplier – e.g. suppliers used frequently by an operation may pose less of a risk for potential fraud to occur.
- Certification status of the suppliers/service providers used – e.g. uncertified entities may pose a greater risk for fraud to occur because they do not undergo the same certifier oversight.
- Location of suppliers (domestic vs. international/import) – e.g. international trade and use of imports are always high risk due to the complexity of the supply chains in foreign trade.
- Supplier practices (supplier of only one organic ingredient or supplier of multiple ingredients – some of which are organic and some of which are conventional) – e.g. suppliers that produce both organic and conventional products may pose a higher risk for potential fraud to occur.
- Economic factors (ingredient demand or lack of availability in the organic marketplace) – e.g. products that are generally scarce in the organic market may pose a higher risk potential for fraud to occur.

The next step in the vulnerability assessment is to determine what mitigation or prevention strategies are employed to reduce the potential for fraud to occur at each identified CCP. The assessment of the supply chain components and the associated risk level of each CCP determines the complexity of the mitigation and prevention strategy and monitoring practices. Those that hold more risk need to have more robust prevention strategies and need to be monitored more stringently and more frequently.

Each CCP identified on the supply chain map must be outlined in the vulnerability assessment table of the OFPP. Specific mitigation or prevention strategies need to be outlined for each CCP based on evaluated risk. These strategies are the steps the operation takes to ensure the product/ingredient that is purchased is in fact certified organic and how an operation ensures it maintains its organic integrity and status upon arrival at the operation. The mitigation or prevention strategies need to also include the steps the operation takes to ensure only compliant suppliers are being used.

Once those strategies have been determined, the monitoring practices need to be defined. Monitoring practices outline how an operation ensures their mitigation or prevention plan for each critical point is evaluated for effectiveness and how often monitoring takes place. Remember, higher risk CCPs may require more frequent monitoring to ensure their associated prevention strategies are working.

The full outcome of this vulnerability assessment must be outlined in the table of the OFPP module.

NOTE

Please note that all operations will have a different vulnerability assessment which is determined based on risk.

Vulnerability Assessment examples:

- Example 1

Section 3. VULNERABILITY ASSESSMENT

A vulnerability assessment is a systematic evaluation that identifies and analyzes weaknesses or susceptibilities in a system, process, or organization, helping to anticipate potential risks and develop effective strategies for prevention and mitigation.

1) Explain your process of performing a vulnerability assessment, including the actions you took and the factors you considered. These factors could involve the supplier's certification status, where they are located (imported or domestic), economic aspects (like ingredient scarcity or high demand), agronomic factors (such as vulnerability to pests or diseases), supply chain details (including handling of organic and conventional products), or the nature of your relationship with the supplier (existence of a supplier approval program.)

Purchase of each organic product:

- First I evaluated all purchases I make for the farm and then identified which of those products are certified organic – straw for bedding, grain for feed, replacement heifers
- Next I put together lists of all suppliers that are used to purchase those products
- Evaluated the certification status of each supplier and the products purchased from them; this in turn becomes the Supplier approval protocol: Search each supplier in the NOP OID to verify current certification status. Next ensure the product(s) purchased are listed on their certificate as shown in the OID. If approved, add printouts of each record to the Approved Supplier Binder.

Transport of each product:

- Reviewed previous purchases to determine which products and suppliers use certified or uncertified transporters: Straw and Heifers may be transported by uncertified operations; Our certified grain supplier provides transport
- Considered the potential of contamination and co-mingling events during transport for each product and identified practices that the transporter could provide to reduce that concern

Lastly, a purchase and sales log was created which is hanging in the barn office and will be signed off on my the farm manager for each purchase and sale to ensure all records have been received.

2) Complete the table below, or attach a separate table, describing the outcome of the vulnerability assessment. This should include the following:
   a) All identified critical control points where there is a potential risk of fraud.
   b) Fraud mitigation or prevention strategies that will be employed.
   c) Monitoring practices that will be conducted to ensure the fraud prevention strategies are effective.

Critical Control Point	Mitigation or Prevention Strategies	Monitoring Practices
Uncertified transport events	At the time of purchase, verify clean truck protocols with shipper and ensure verification will be included with receiving records. Ensure all purchased product is listed as 'organic' in all traceability records.	Clean truck affidavit & 'organic' identifier of received product to be verified prior to products being offloaded from transporter; at every receiving event.
Use of certified transporters	Ensure all purchased product is listed as 'organic' in all traceability records.	Verify traceability records prior to products being offloaded from transporter; at every receiving event.
Use of Certified suppliers	Supplier approval protocol: collect most current supplier certificate prior to purchase, verify supplier is listed as current in the NOP OID & is certified to the appropriate scope depending on the purchased crop/livestock and that the appropriate product (straw or slaughter eligible dairy cattle for example) is outlined. If approved, add to the Approved Supplier binder. Ensure all purchased products are listed as 'organic' in all traceability records.	Supplier approval protocol to be completed prior to every roughage bedding or livestock purchase. Supplier binder to be updated at every supplier approval event.

Vulnerability Assessment examples:

- Example 2

Section 3. VULNERABILITY ASSESSMENT

A vulnerability assessment is a systematic evaluation that identifies and analyzes weaknesses or susceptibilities in a system, process, or organization, helping to anticipate potential risks and develop effective strategies for prevention and mitigation.

1) Explain your process of performing a vulnerability assessment, including the actions you took and the factors you considered. These factors could involve the supplier's certification status, where they are located (imported or domestic), economic aspects (like ingredient scarcity or high demand), agronomic factors (such as vulnerability to pests or diseases), supply chain details (including handling of organic and conventional products), or the nature of your relationship with the supplier (existence of a supplier approval program.)

Each purchased product was assessed for 3 vulnerability categories:

1- Domestic vs International suppliers where international/imports were considered higher risk
2- Certified vs Uncertified operations where uncertified operations are higher risk
3- How often the product is purchased and how often we use that supplier where if it is purchased often from the same supplier, mitigation practices would be the same but the monitoring needed would be less

2) Complete the table below, or attach a separate table, describing the outcome of the vulnerability assessment. This should include the following:
   a) All identified critical control points where there is a potential risk of fraud.
   b) Fraud mitigation or prevention strategies that will be employed.
   c) Monitoring practices that will be conducted to ensure the fraud prevention strategies are effective.

Critical Control Point	Mitigation or Prevention Strategies	Monitoring Practices
Uncertified transport	At the time of purchase, verify clean truck protocols with shipper and ensure verification will be included with receiving records. Ensure all purchased product is listed as 'organic' in all traceability records.	Clean truck affidavit & 'organic' identifier of received product to be verified prior to products being offloaded from transporter; at every receiving event.
Certified transporters	Ensure all purchased product is listed as 'organic' in all traceability records.	Verify traceability records prior to products being offloaded from transporter; at every receiving event.
Domestic Certified suppliers	Supplier approval protocol: collect most current supplier certificate annually, verify supplier and cheese are listed in the NOP OID. If approved, add to the Approved Supplier spreadsheet/MIL. Ensure all purchased product is listed as 'organic' in all traceability records.	Review Approved Supplier binder and audit records for all purchases annually.
International Certified suppliers	Supplier approval protocol: collect most current supplier certificate annually, verify supplier and macaroni are listed in the Trade Partners tab of the NOP OID. If approved, add to the Approved Supplier spreadsheet/MIL. Ensure all purchased product is listed as 'organic' in all traceability records.	Review Approved Supplier binder and audit records for all purchases annually. Verify that an NOP import certificate has been received that matches the shipment prior to products being offloaded from transporter; at every receiving event.
Uncertified storage	At the time of purchase, verify independent storage protocols with supplier and ensure verification (such as an Independent & Off-site Storage form) will be included with receiving records.	Ensure that products are received in sealed and tamper evident packages and that the tamper evident feature (tape, glue, etc) remains intact prior to products being offloaded from transporter; at every receiving event.

SECTION FOUR: TRAINING AND REPORTING

Each operation must outline how they train relevant employees to ensure the OFPP is followed. This plan must also include how ongoing training is achieved as updates are made to the OFPP. Employee training ensures the entire operation, whether it is 1 or 1001 employees, are aware of their role in preventing organic fraud.

Operations must also have a plan or a process outlined for reporting suspected cases of fraud to their certifier as well as to the NOP. An operation can notify the NOP either through the NOP Online Complaint Portal located on the NOP complaints webpage or by mail to the NOP Compliance and Enforcement Branch and including relevant evidence.

USDA AMS – How to file a Complaint on Organic Regulations

https://www.ams.usda.gov/services/enforcement/organic/file-complaint

NOP Online Complaint Portal

Email: NOPCompliance@usda.gov
Phone: 202-720-3252
Fax: 202-205-7808

Mail: NOP Compliance and Enforcement Branch
Agricultural Marketing Service
United States Department of Agriculture
1400 Independence Avenue, S.W.
Mail Stop 0268, Room 2642-S
Washington, D.C. 20250-026

SECTION FIVE: MONITORING

The OFPP, like other OSP modules, must be reviewed to ensure they remain effective at preventing fraud and updated as needed. Any changes made to an OFPP must be submitted to GCIAOCP for review and approval. The CCPs must also be monitored on an ongoing basis and updated accordingly when there are changes to supply chains.

Each operation must outline how they intend to monitor the effectiveness of the OFPP as a whole. Such monitoring must include:

- The frequency at which the plan will be evaluated,
- How the operation is determining the plan's effectiveness
- Any other information to fully describe monitoring systems in place

#Additional Electronic Resources

- **USDA Strengthening Organic Enforcement webpage**
  https://www.ams.usda.gov/rules-regulations/strengthening-organic-enforcement
- **USDA Organic Complaint webpage**
  https://www.ams.usda.gov/services/enforcement/organic/file-complaint
- **Federal Register NOP SOE Preamble**
  https://www.federalregister.gov/documents/2023/01/19/2023-00702/national-organic-program-nop-strengthening-organic-enforcement
- **NOP Organic Integrity Database (OID)**
  https://organic.ams.usda.gov/integrity