
ORGANIC FRAUD PREVENTION PLANS

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Terms Defined

Organic Fraud: 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)).”

Organic Fraud Prevention Plan (OFPP): A company plan that documents the vulnerability assessment, mitigation measures and verification procedures that will be performed and maintained to verify that the plan is effectively implemented.

Organic Critical Control Points (OCCP): A step or procedure in the process flow or supply chain at which controls can be applied to prevent the organic integrity of an organic ingredient or product being compromised. Control points are essential components of an OSP and identify the places in a product process flow or the supply chain where the organic integrity of a product could be compromised

Mitigation Measure: Measure taken to decrease vulnerability to organic fraud in a given supply chain .

Mitigation Strategy: Selected set of mitigation measures aimed at preventing food fraud in a given supply chain that are incorporated into the Organic Fraud Prevention Plan.

Vulnerability Assessment (or Vulnerability Characterization): Within a food fraud management system, the step aimed at reviewing and assessing various factors that create vulnerabilities in a supply chain (i.e. weak points where fraud has greater chances to occur)



§ 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 operation's activities, scope, and complexity.



SOE Final Rule P. Supply Chain Traceability and Organic Fraud Prevention.

Certified organic operations must:

- Maintain records of their activities that span the time of purchase or acquisition, through production, to sale or transport;
- Maintain records that trace back to the last certified operations in their supply chain;
- Maintain audit trail documentation to facilitate supply chain traceability, including identification of agricultural products as organic on audit trail documents; and
- Describe in their organic system plan the monitoring practices and procedures used to prevent organic fraud and verify suppliers and organic product status.



Incorporation into the OSP

An Organic Fraud Prevention Plan 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. At the moment, each scope-specific OSP (**OGP 11 (a)(3); OLP 1 (c)(4); OHP 4 (e)(3)**) asks to describe the operation's efforts to prevent organic fraud. Process/handler clients are given the option to submit a stand-alone document.

Upon initial review, if an operation's description of their OFPP appears insufficient, QCS will request they fill out 1C3A09 **OSP09 Organic Fraud Prevention Plan**. QCS plans to eventually develop a more robust and universal OFPP section of the OSP while also allowing all producers to submit their own stand-alone document.



OGP11

OGP 11: ASSURANCE OF ORGANIC INTEGRITY

USDA Organic Regulations §205.201(a)(5); §205.202(c) and §205.272

A. MONITORING

1. How do you monitor for crop commingling and contamination?
 GMO testing photographs wind direction/speed data visual observation pesticide residue testing
 other (specify):
2. How often do you conduct commingling/contamination monitoring? weekly monthly annually as needed
 other (specify):
3. Describe your monitoring practices and procedures to prevent organic fraud.



OLP1

C. GENERAL DESCRIPTION

1. Please provide a general description of the organic livestock operation. [REDACTED]
2. Provide either a simple flow chart or brief narrative of your livestock operating system from birth/purchase of livestock to sale of livestock or livestock products: **Attached** [REDACTED]
3. Describe your livestock identification system: [REDACTED]
4. Describe your monitoring practices and procedures to prevent organic fraud.
[REDACTED]



OHP4

3. Describe your monitoring practices and procedures to prevent organic fraud. Check all that apply and attach details.
- Attached**
 - Implementation of fraud prevention plan such as GFSI Requirements, FSMA/FDA Traceability Requirements, OTA Organic Fraud Prevention Solutions, etc.
 - A dedicated fraud prevention person or team
 - Documented Organic Fraud Vulnerability assessment (including frequency) and measures to mitigate identified vulnerabilities
 - Organic supply chain map and/or inventory
 - Identification of organic supply chain critical control points
 - Internal traceability and mass balance audits (including frequency)
 - Organic fraud prevention training program for employees
 - Regular audits of contract service providers (storage facilities, contract processors, etc.)
 - Other, describe:



What's the purpose?

The purpose of an OFPP is to document how an 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/map all unique supply chains of certified organic items (products, ingredients, livestock, etc.) that are purchased or brought onto the operation. It must also 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.



Components of the Organic Fraud Prevention Plan

- Names and Roles of the Organic Fraud Prevention Team (including designated lead)
- Vulnerability Assessment
- Organic Mitigation Measures
- Monitoring Procedures
- Verification Activities (testing, supplier audits, specification management, block chain)
- Internal Audits
- Incident Management Procedures
- Communication and Training Strategy
- Description of Record Keeping
- Management Review and Sign Off
- Integration into the Organic System Plan (or attach as an addendum)



General Approach To Preventing Organic Fraud

- Conduct a vulnerability assessment, including:
 - Know your products and risks (history, economic and geographical factors)
 - Know your suppliers (manufacturer, broker, certified/uncertified, history, relationship length)
 - Know your supply chain (length, complexity, supply and demand)
 - Know your existing verification measures and identify the gaps
- Design and implement internal mitigation measures including a robust supplier approval program that involves internal audits and second-party supplier audits
- Ensure practices are effective through monitoring practices and verification tools such as internal audits and control testing
- Document the vulnerability assessment, mitigation measures and monitoring practices in an Organic Fraud Prevention Plan
- Integrate mitigation measures into the Organic System Plan (OSP)

Components of an Organic Fraud Prevention Plan





A. Establish Organic Fraud Prevention Team

The OFP team is responsible for:

- Creating and maintaining the OFPP
- Training all applicable staff
- Ensuring implementation of the plan
- Monitoring the effectiveness of the plan and on-going management
- Updating the plan as needed
- Reporting suspected cases of fraud

Note: The team should be appropriate for the size and scope of the operation. More complex operations will ideally have a team that is multi-disciplinary



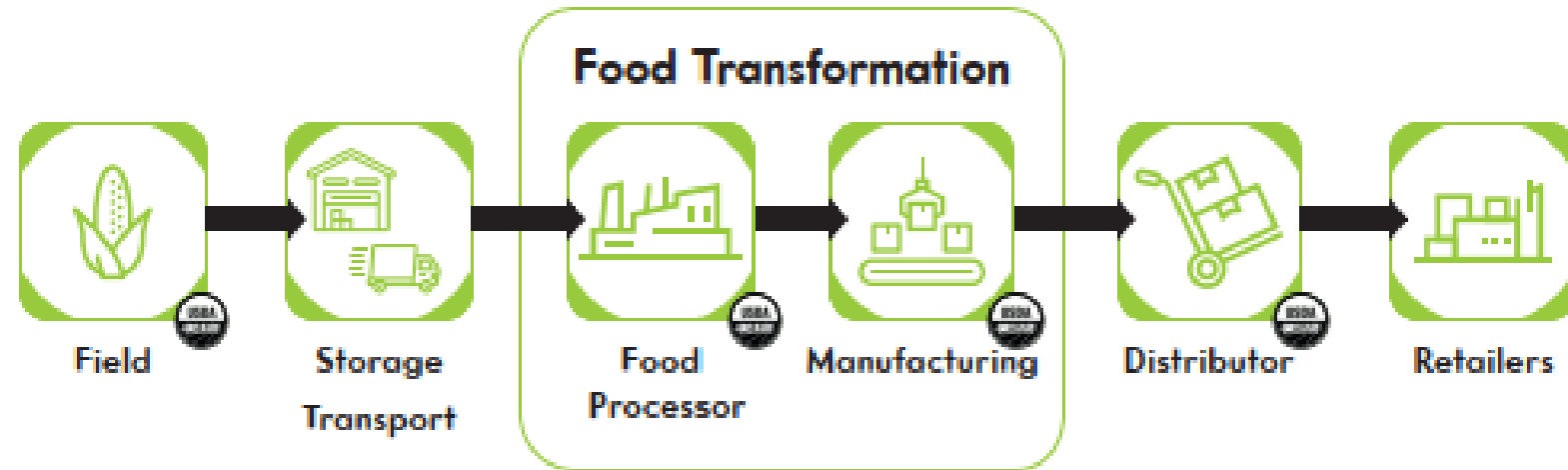
B. Supply Chain Mapping & Critical Control Points

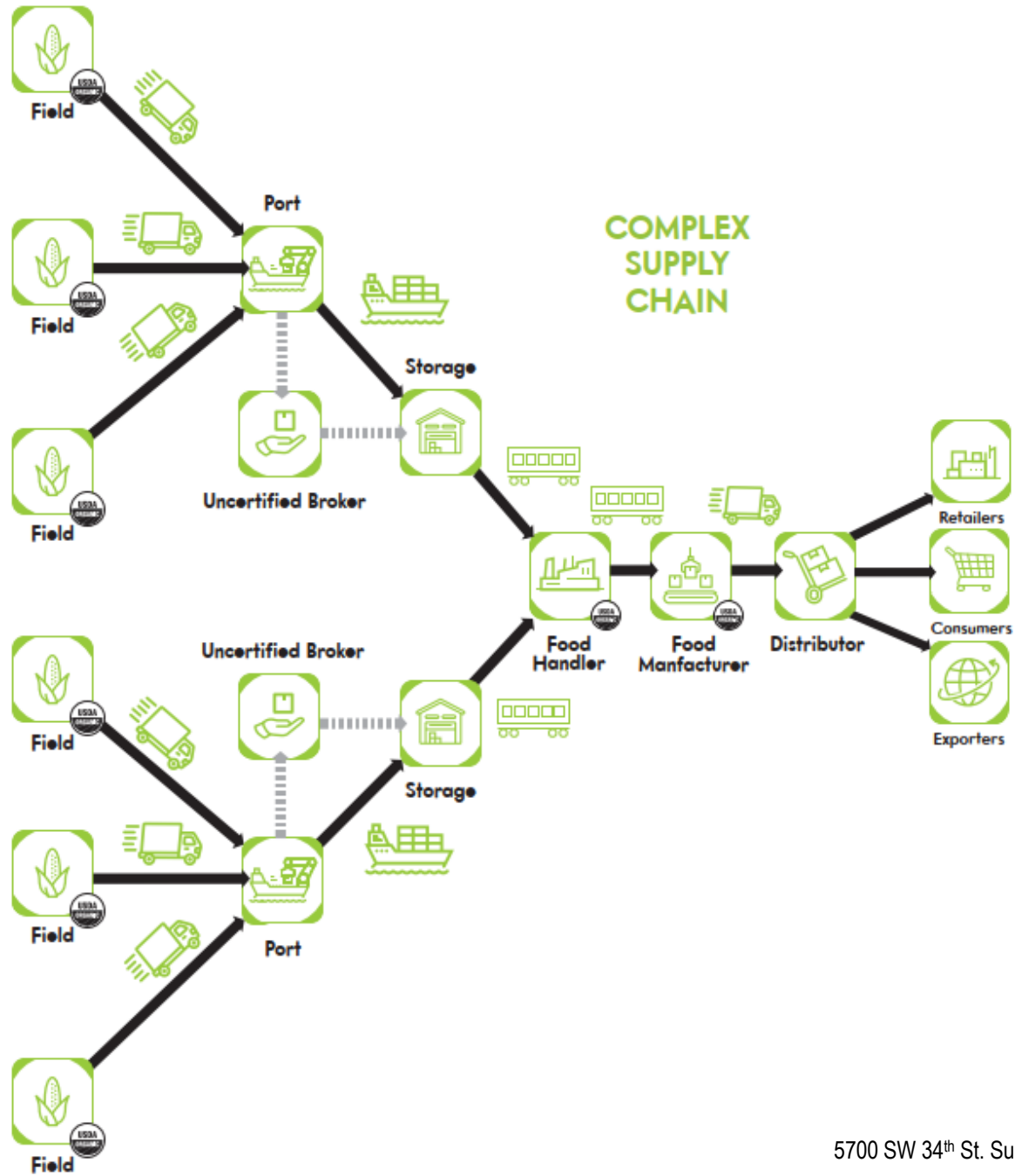
A Supply Chain Map should be created for all received/incoming organic products. The complexity of the map depends on the complexity of the operation or the nature of the products. Supply Chain Maps do not need to include every supplier or every organic product but do need to include a listing for each unique product or ingredient group. This allows for product grouping. More complex systems may need to be broken into smaller groupings. A map can come in many forms (drawn flowcharts, spreadsheets, mapping software, etc.)

The purpose of the map is to identify potential risk factors for organic fraud or stages where an organic product could potentially lose its organic status (ex. Intermediary handling events such as storage, brokers, transportation, etc.). The goal is increased visibility of the supply chain.

Critical Control Points (CCPs) are specific points in the supply chain where control measures can be applied to prevent or mitigate the risk of the organic integrity of a product being compromised. GFSI Guidance Document stresses the importance of *prevention*.

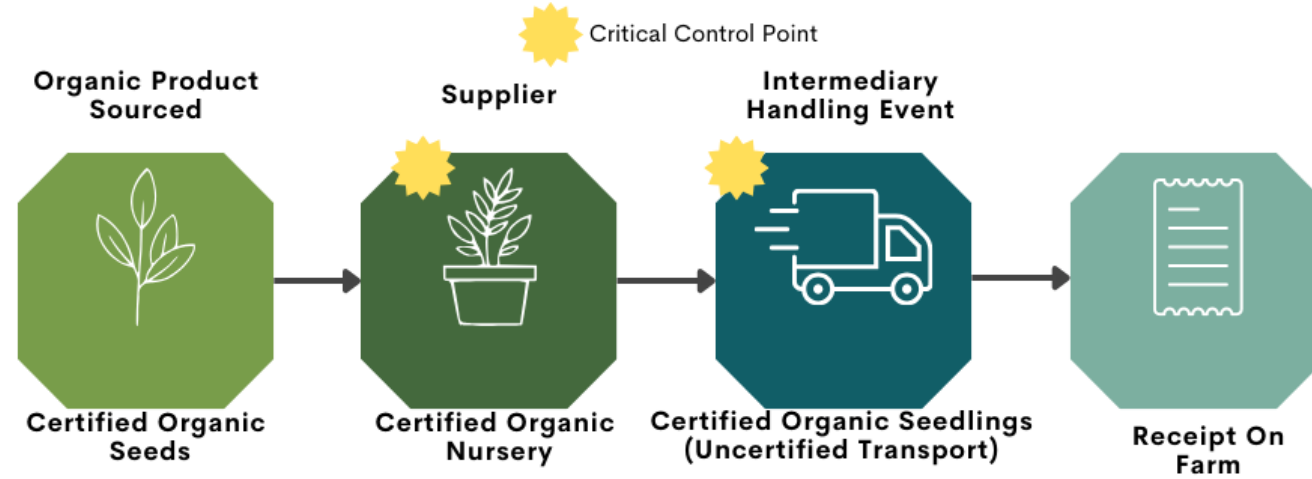
**SIMPLE
SUPPLY
CHAIN**





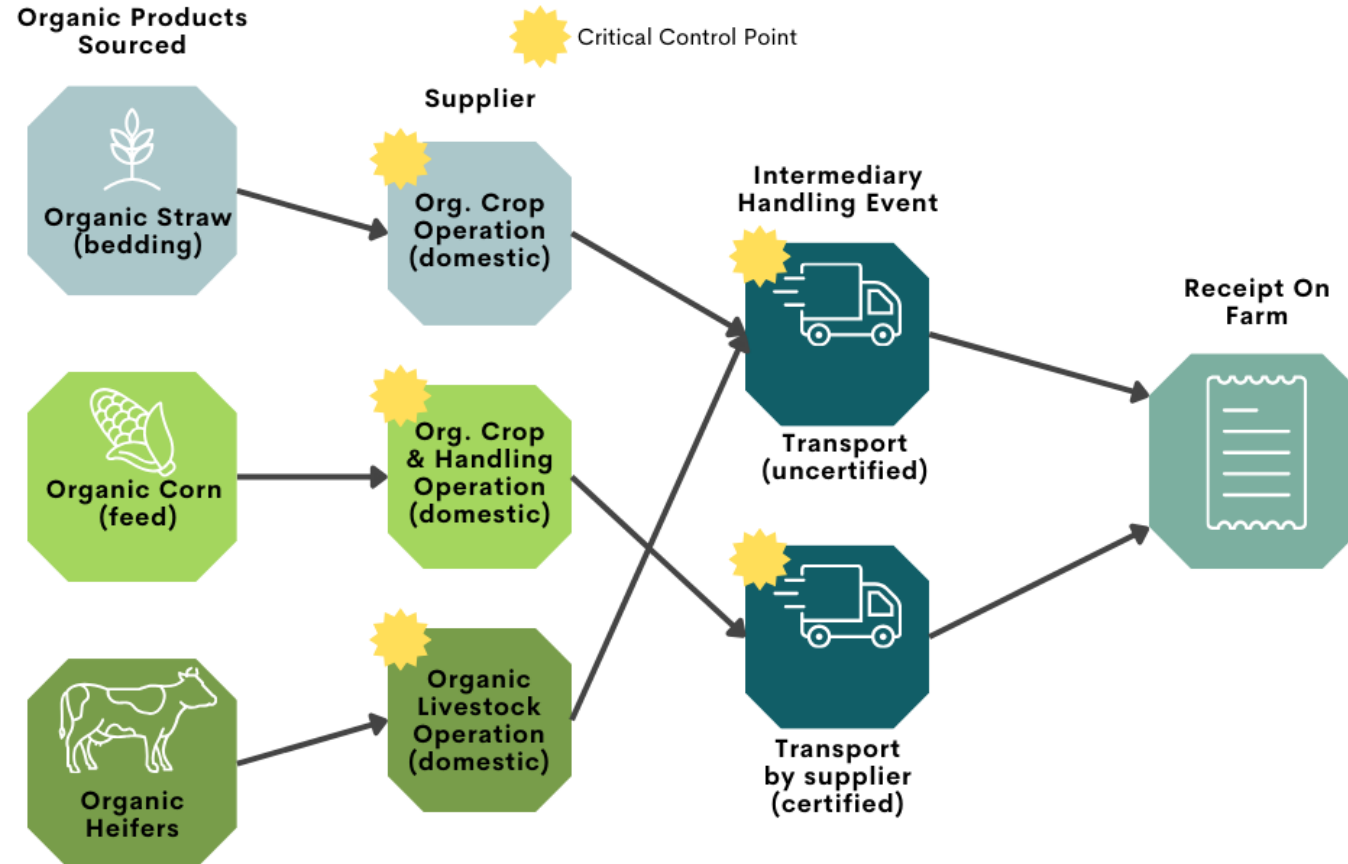
Supply Chain Map

EXAMPLE: CROP SCOPE



Supply Chain Map

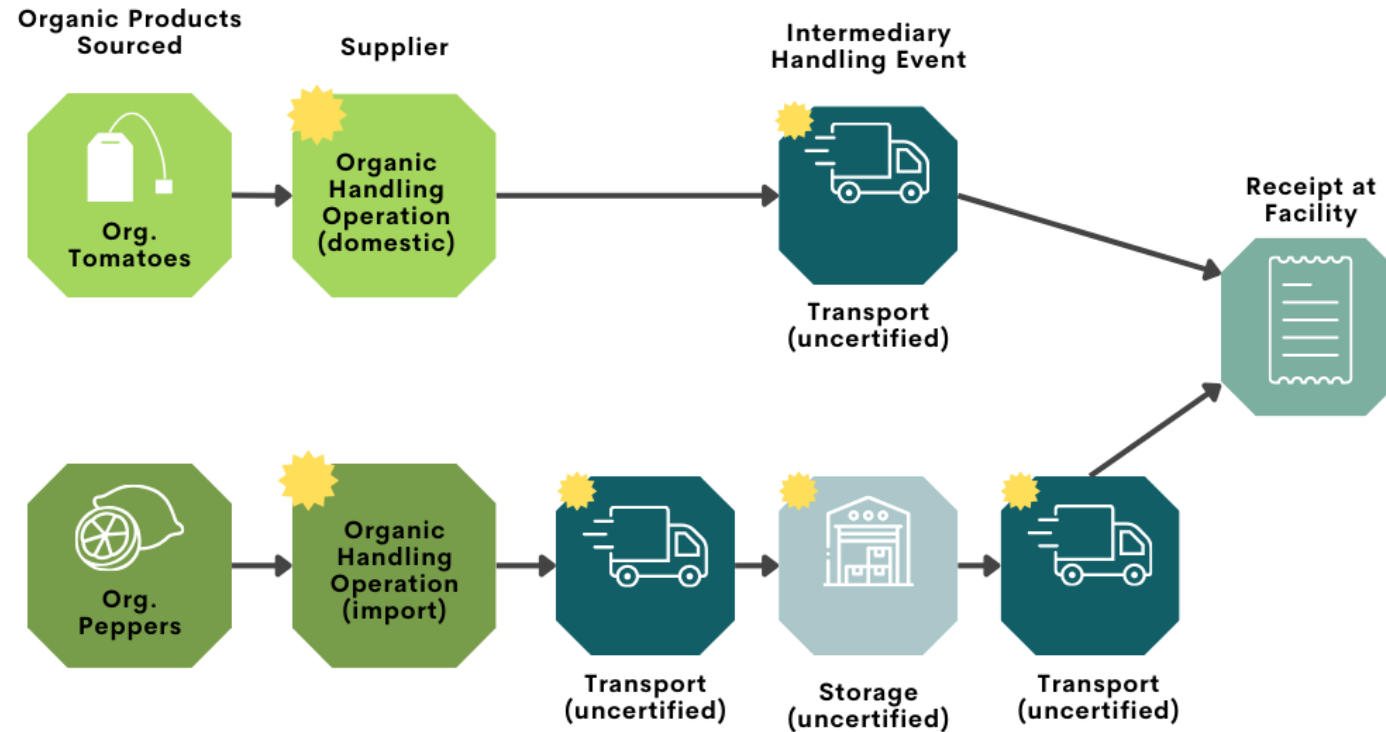
EXAMPLE: LIVESTOCK SCOPE



Supply Chain Map

EXAMPLE: HANDLING SCOPE

 Critical Control Point





C. Vulnerability Assessment & Mitigation Strategies

Once the supply chain is mapped, and potential risks and OCPPs identified, a vulnerability assessment can be performed. The assessment allows for evaluation of the system and the development of effective strategies for prevention and mitigation. (See OTA Organic Fraud Prevention Plan Guidance Appendix B: Organic Fraud Vulnerability Assessment Tool)

It is important to note that every vulnerability identified will not automatically be determined to be significant and will not automatically be required to be addressed by a mitigation measure. It is important to identify as many vulnerabilities as possible, so they can be assessed. It is also important to note that such a vulnerability assessment is not a one-time activity but a dynamic process, which needs to be maintained regarding new information and external pressures .



C. Vulnerability Assessment & Mitigation Strategies

To characterize the vulnerability of an ingredient, product or input to organic fraud, the following three aspects must be assessed:

- Vulnerability driven by factors inherent to the ingredient (ingredient market price, fraud history, composition and physical state)
- Vulnerability driven by factors impacting the business (business pressure, demand for a specific ingredient (volume), price fluctuation, availability, geopolitical considerations)
- Vulnerability driven by factors under the control of the buyer (suppliers, supply chain complexity and visibility, supplier history or relationship/frequency of use, certification status)



C. Vulnerability Assessment & Mitigation Strategies

The next step is to determine what mitigation or prevention strategies are employed to reduce the potential for fraud to occur at each identified CCP. Products with higher risk need to have more robust prevention or mitigation strategies and need to be monitored more frequently. The goal is to move higher risks to a lower vulnerability level.

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.

C. Vulnerability Assessment & Mitigation Strategies

CRITICAL ACTIONS THAT CAN REDUCE VULNERABILITY.

GOAL: INCREASE SUPPLY CHAIN TRANSPARENCY AS MUCH AS POSSIBLE.

- Create a robust Supplier Verification Approval Program
 - Map and simplify your supply chain
 - Make sure you have full traceability back to the raw material source
 - Make sure all suppliers have current and valid organic certificates
- Establish heightened scrutiny and surveillance for high-risk ingredients
- Establish best practices for receiving and verifying organic status of ingredients
- Cross-reference (link) incoming product with organic certificates, approved supplier lists and all receiving documents and associated records (invoices, BOLs, shipping manifest, lot numbers, etc.)
- Require product labels include organic status, lot number and certification agent.
- Require record of any fumigation activity (phytosanitary certificates)



D. Training & Reporting

The OFPP must describe how relevant employees are trained to ensure the practices outlined in the plan are followed. Training should be an ongoing process as updates are made to the OFPP. Operations must have a process for reporting suspected cases of fraud to QCS and the NOP.

USDA AMS - How to file a Complaint on Organic Regulations

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



D. Training & Reporting

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



E. Monitoring, Verification, & Updates.

The OFPP must be reviewed and updated just as any other portion of the Organic System Plan. Updates must be submitted to QCS for review and approval.

A system for monitoring and verifying the OFPP's effectiveness at preventing organic fraud needs to be outlined and updated, as needed. The criteria for determining the plan's effectiveness, including the frequency in which it is monitored, should also be described.



Thank you!