

On March 20, 2023, the USDA organic regulation was updated. The changes, known as the **Strengthening Organic Enforcement (SOE) Rule**, include the most significant updates to the federal regulation since its creation over 20 years ago. The rule is intended to safeguard confidence in organic products and minimize fraud throughout the organic supply chain.

Operations producing and handling organic crops and products must be in compliance with the changes to the regulation by March 19, 2024. The updates outlined in the SOE rule are mainly focused on handlers, processors, and uncertified operations within organic supply chains, but certified organic producers or farmers are impacted as well.

What should certified operations expect from the new SOE Rule?

Below is a summary of the key impacts SOE will have on producers and handlers of organic products. WSDA Organic Program will request updates to your practices and Organic System Plan as we identify areas where improvements are needed to maintain compliance.

1. Your nonretail labels and records may need updating.

Nonretail containers have new labeling requirements under SOE. A **nonretail container** is any storage or shipping container not used in the retail display of products, including:

- Produce boxes, totes, bulk bags, and bins;
- Wholesale boxes, and master cases of packaged products; or
- Trailers, tanks, railcars, grain elevators, silos, or other methods of bulk transport or storage.

All nonretail containers must:

- a. Clearly identify the product's organic status;
 - Easily understood abbreviations are acceptable.
 - Master cases of retail-packaged products are exempt from this requirement.
- b. Display a lot number or shipping identification that links to audit trail documentation.

In addition to updating your labeling practices, you may need to improve your recordkeeping system.

Audit trail records accompanying nonretail containers must:

- a. Include the unique identifier displayed on the nonretail container;
- b. Identify the product as "100% organic", "organic", or "made with organic ***";
- c. Identify the last certified operation that handled the product.



2. Handlers in your supply chain likely need certification.

SOE requires many operations that were previously exempt from certification to now be certified. Portions of your own business may no longer be exempt and updates will be needed to your organic system plan and certificate.

The following handling activities require certification:

- Selling, brokering, or trading nonretail organic products, including seed and feed. This also includes brand owners sourcing organic ingredients for co-manufacturers.
- Exporting or importing organic products to the U.S.
- Storing organic products that are not sealed in tamper-evident containers.
- Loading, unloading, splitting, or combining loads of bulk, unpackaged organic products.

Ensure your supply chain, and all of your own organic handling activities, are certified to avoid any delays in sourcing or selling your organic products.

3. Businesses in your network may have new requirements.

Exemptions for storage warehouses and traders are now based on whether product is sealed, in **tamper-evident packaging**. Your customers may ask you to implement tamper-evident seals to meet the new requirements.

Exempt operations will be asked to demonstrate their status and provide complete audit trail records to their customers. Exempt operations may seek certification to streamline compliance.

Tamper-evident means the contents are sealed in a manner where an attempt to break the seal, access the contents, or reclose the package would be obvious. Examples include:

- Heat sealed or sewn bags
- Clamshells or pouches with tear-off seals
- Security tape across box flaps

4. You must take steps to prevent fraud.

SOE requires all operations to develop monitoring **practices focused on fraud prevention**.

1. Adequate controls must be in place to verify suppliers and the organic status of any crops or products received or otherwise acquired.
2. Certified operations must implement monitoring practices to ensure these critical verification steps are effective, and monitor their supply chains for indicators of fraud.
3. Each import of organic products into the U.S. must be associated with a valid NOP Import Certificate. The importer is responsible for filing the Import Certificate in the U.S. Customs and Border Protection (CBP)'s Automated Commercial Environment (ACE) system.

Find more information on USDA's SOE webpage:

<https://www.ams.usda.gov/rules-regulations/strengthening-organic-enforcement>