

Department of Agriculture, Trade and Consumer Protection
Division of Marketing
Agricultural Development & Diversification Program (ADD)

2001 Grant Project Final Report

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Grant Project Title: MOSA's USDA Accreditation Project Proposal

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Final Project Progress Report
for
MOSA's USDA Accreditation Project Proposal

December 1, 2001

A. Brief description of the original intent/benefit of the project to WI agriculture

The USDA's National Organic Program (NOP) Final Rule was published on December 21, 2000, stipulating that all certification agencies be accredited by the NOP by April 21, 2002. The Midwest Organic Services Association (MOSA) began working on putting a Quality System together in early 1999. An ADD grant was applied for in 1999 and 2000 (unsuccessfully) and again in 2001 to help MOSA accomplish the relatively monumental task of creating a Quality System from scratch, as MOSA had no previous experience or documented background for the task. In 2001, the present ADD grant was awarded to help MOSA finish the job of creating and implementing an ISO 65 Quality System in order to be able to comply with and attain accreditation by the USDA's NOP.

Since MOSA presently certifies approximately 300 Wisconsin producers and processors, and approximately 60 other producers and processors in nearby states doing business in Wisconsin, the benefit to these operators from having a Wisconsin-based, NOP accredited certification agency is significant. The organic industry tends to provide a much higher rate of return on investment than conventional ag enterprises, and since certification by an accredited agency is a requirement, the accreditation of MOSA by the NOP will allow Wisconsin producers and processors to tap into the organic marketplace with relative ease and surety that their efforts are being supported and complimented on the regulatory side by MOSA and its NOP compliant services.

B. Specific areas where the project created or achieved economic or other benefits

1. Job creation:

When MOSA began operations in March, 1999, there were 2 people working in the MOSA office, There are now 6 full time employees, a parttime bookkeeper and one other parttime employee. Current projections show approximately 8 - 10 full time equivalent (FTE) positions at MOSA within 2-4 years, following accreditation and as the demand for organic certification grows in Wisconsin and the Upper Midwest.

2. Place in role of expanding organic marketplace

The organic marketplace has been growing at more than 20% per year since 1990, with most recent figures showing a 35% growth projected for 2001. As stated above, the NOP Final Rule requires certification by a NOP accredited agency in order to sell organic produce. MOSA is one of approximately 10 different certification agencies that operates in Wisconsin, but it certifies over half of the currently certified operators in Wisconsin. In addition, the WI Chapter OCIA#1,

to whom MOSA provides administrative services, certifies approximately one half of the balance of certified operators in Wisconsin. Thus MOSA is providing a critical, timely service for a large majority of all certified operators in Wisconsin.

3. Improving competitive position of ag products in Wisconsin

Due to the proximity, quality and timeliness of the certification services provided by MOSA to Wisconsin organic operators, MOSA's presence means organic operators have access to organic certification services from which all certified products will enjoy a distinct competitive advantage in the overall organic marketplace. Wisconsin ranks third in the US in number of certified operators, reflecting a strong effort on the part of Wisconsin producers and processors to compete.

4.. How the project addressed: Sustainability, efficiency, enhanced economic returns

As referenced above, the organic industry is entering a new phase of regulatory oversight with the implementation of the NOP in 2002, requiring all use of the word 'organic' to be substantiated with a certification by a USDA accredited agency. Also referenced above, the organic industry has a 12-year track record of 20%+ growth each year since 1990. These two facts, coupled with the increasingly sophisticated ability of organic production agriculture to address long-standing cultural problems created by conventional agriculture such as water quality, soil erosion, long-term soil health, animal health without recourse to drugs and overall quality of food grown have all combined to position organic agriculture to be a key player worldwide as part of the agricultural scene. In other words, organic agriculture is sustainable, it is efficient and it does provide enhanced economic returns. The role in this picture of MOSA as a NOP accredited certification agency is pivotal, has already contributed significantly to the growth of the organic industry in Wisconsin since its inception in 1999, and MOSA will continue to be a supportive and contributive factor in Wisconsin's organic agricultural scene.

C. Evaluating results/benefits, including meeting original expectations

The original expectation was to put together an ISO 65 Quality System, and this has been done. As intimated above in B.4., the results and benefits of MOSA being a NOP accredited certification agency are quite easily stated, though perhaps less easily quantified, other than by extension, as done in the original grant proposal. The main point here to consider is the organic marketplace and the ability of Wisconsin producers to access that marketplace to their benefit. MOSA provides a baseline, supportive role in this situation, by offering a local, high quality, sensible, accredited organic certification service.

D. Materials developed during the project

An ISO 65 Quality System was developed during the course of the project, consisting of a Quality Manual, A Program Manual and an Administrative Manual. As well, various supporting documents (forms, lists, explanations) were addressed and will be upgraded and/or created new.

E. Future projections resulting from grant funds

As delineated above, the future projections for MOSA and its place in the organic certification industry and the concomitant support given to Wisconsin producers in the worldwide organic marketplace are positive. Since the certification of producers and processors occurs annually, as does the accreditation for MOSA and all NOP accredited agencies, as long as MOSA is able to maintain a competitive edge in providing high quality, sensible certification services, the results from these initial grant funds will accrue indefinitely. In short, these grant funds are the catalyst for MOSA to reach a level of operation and consistency that will be self-sustaining and benefitting Wisconsin's organic scene for years to come.

F. In sum....

These grant funds have been critical in MOSA's ability to attain USDA accreditation. Indeed, the original amount asked for--\$29,950--could have been used and then some, as MOSA has basically invested close to \$50,000 in this accreditation exercise since April of 1999. The indicators above, then, of MOSA's role in the burgeoning organic ag scene in Wisconsin and the world bode well for MOSA. The MOSA USDA Accreditation Project has been successful to this point and will--with further hard work, effort and dedication to the spirit of organics--continue to be successful.