



National Organic Coalition

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NOC MEMBERS

Beyond Pesticides

Center for Food Safety

Consumers Union

Equal Exchange

Food & Water Watch

Maine Organic Farmers and Gardeners Association

Midwest Organic and Sustainable Education Services

National Cooperative Grocers Association

Northeast Organic Dairy Producers Alliance

Northeast Organic Farming Association - Interstate Council

Ohio Ecological Food and Farm Association

Organic Seed Alliance

Organically Grown Company

Rural Advancement Foundation International -USA

Union of Concerned Scientists

May 16, 2014

David Hancock
NASS Clearance Officer
U.S. Department of Agriculture
Room 5336, South Building
1400 Independence Avenue SW
Washington, DC 20250-2024

Re: Docket Number 0535-0249

Submitted via Email to: ombofficer@nass.usda.gov

The member organizations of the National Organic Coalition greatly appreciate the opportunity to comment on the draft 2014 Organic Survey, as proposed by the National Agricultural Statistics Service (NASS) and funded by the Risk Management Agency (RMA).

The National Organic Coalition (NOC) is a national alliance of organizations working to provide a "Washington voice" for farmers, ranchers, environmentalists, consumers and industry members involved in organic agriculture. NOC seeks to advance organic food and agriculture and ensure a united voice for organic integrity, which means strong, enforceable, and continuously improved standards to maximize the multiple health, environmental, and economic benefits that only organic agriculture affords. The coalition works to assure that policies are fair, equitable, and encourage diversity of participation and access.

Background and Timeline

Since NOC's inception in 2002, we have been very active in supporting efforts at USDA and in Congress to enhance the collection and analysis of segregated organic data. Since the inclusion of the Organic Production and Market Data Initiatives [aka the "Organic Data Initiative (ODI)"] in the 2002 Farm Bill, we have worked to include ODI funding in every annual appropriations bill and Farm Bill since.

The role of NASS in the overall ODI effort has been critical. This is why NOC worked to urge Congress to include organic data collection funding into the NASS base funding through the appropriations process, and to provide mandatory funding for NASS to step up its organic data collection efforts through the 2008 and 2014 Farm Bills.

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When NASS conducted the first-ever, full-scale Organic Production Survey (OPS), as a follow-on to the 2007 Census of Agriculture, we viewed this to be an extremely valuable data set providing a wealth of information for organic farmers, consumers, processors, as well as policy makers. But we also recognized that the true value of these data would be in tracking trends, which would require the OPS to be conducted every five years, as a follow-on to the Census of Agriculture, which follows the same five-year cycle. This regularity would not only provide ideal trend data for the organic community and policy makers on a wide variety of important questions, but would also allow NASS to have the most up-to-date list of organic producers as respondents identified through the Census of Agriculture survey the previous year.

Because of the great success of the 2008 OPS, NOC and our colleagues from the National Sustainable Agriculture Coalition (NSAC) and the Organic Trade Association (OTA) met with NASS leadership in 2011 to urge that another Organic Production Survey be conducted as a follow-on to the 2012 Census of Agriculture.

In 2011, NASS also conducted another survey of organic producers under contract with USDA's Risk Management Agency (RMA), with a more limited focus on data important to RMA's efforts to enhance crop insurance opportunities for organic producers. The survey provided important data, but the methodology and scope of the survey was different than that used for the 2008 OPS. For example, whereas the 2008 NASS OPS surveyed certified organic farmers as well as exempt organic farmers with less than \$5,000 in annual sales, the 2011 Certified Organic Production Survey (COPS) only surveyed certified organic farmers. These and other differences between the 2008 OPS and the 2011 COPS caused a great deal of confusion in the organic community and in media coverage. The media covering the 2011 COPS release announced the results as an example that organic production in the United States was stagnating. We hope and believe this analysis to be inaccurate and simply a misunderstanding of the differences in the two surveys, but without another full-scale OPS, using the same scope and methodology as the 2008 OPS, it is impossible to get an apple-to-apples comparison that would allow any real trend analysis. We appreciate that the draft 2014 Organic Survey does include a question about exempt organic production.

During the informational briefing regarding the release of the 2011 COPS, NASS officials were asked about plans for another full-scale OPS as a follow-on to the 2012 Census of Agriculture. The response from NASS was that the agency had a "placeholder" for another full-scale OPS, but no final decision had been made to proceed with such a survey.

NOC also urged Congressional appropriators to include language in the Fiscal Year 2013 Agriculture Appropriations bill, to express clear Congressional support for another full-scale OPS, as a follow-on to the Census of Agriculture. This resulted in language in the Senate Fiscal Year 2013 Agriculture Appropriations bill as follows:

Organic Production Survey- In 2008, NASS conducted the first-ever comprehensive Organic Production Survey as a follow-on survey to the 2007 Census of Agriculture. Published in February 2010, the survey has provided information vital to the organic sector's growth. The Committee believes the Organic Production Survey should be conducted on a regular basis to properly assess the characteristics, trends, and changes in the sector.

In January of 2013, members of the National Organic Coalition also met with Secretary Vilsack as part of our annual policy fly-in to Washington DC. The need for another full-scale NASS OPS was one of our top priority topics discussed with the Secretary at the meeting. The Secretary's follow-up response on that topic indicated that the ability to conduct another full-scale OPS was dependent on Congressional funding. In the face of shrinking budgets, NASS officials also expressed concerns about the lack of funding to conduct another full-scale OPS.

Based on these concerns, NOC and our colleagues at NSAC and OTA petitioned Congressional appropriators to provide the necessary funding for NASS to conduct another full-scale OPS, as a follow-on to the 2012 Census of Agriculture. This resulted in the following language in the Senate report accompanying the Fiscal Year 2014 Agriculture Appropriations bill, which amplifies the FY 2013 Senate language and provides a funding increase to cover the additional cost:

Organic Production Survey- In 2008, NASS conducted the first-ever comprehensive Organic Production Survey as a follow-on survey to the 2007 Census of Agriculture. Published in 2010, the survey has provided information vital to the organic sector's growth. The Committee believes the Organic Production Survey should be conducted on a regular basis to properly assess the characteristics, trends and changes in the sector, and recommends an increase of \$2,250,000 within the Census of Agriculture for an Organic Production Survey.

Given the funding and clear direction from Congress, it was NOC's expectation that plans were underway within NASS to proceed with another full-scale OPS as a follow-on to the 2012 Census of Agriculture. So it was a surprise when we, along with our colleagues at NSAC and OTA, met with NASS leadership in April of 2014 and learned that the agency had no plans to conduct another OPS, and was instead proceeding with a more limited RMA-funded survey focused on data needs for crop insurance purposes.

Without question, NOC strongly endorses the efforts of RMA to gather the necessary data to enhance crop insurance options for organic producers, consistent with Congressional directives in the 2014 Farm Bill. However, it would have been our strong preference that the agency use the additional funding from RMA to add new questions to 2008 OPS survey instrument in order to meet the needs for on-going trend data as well as the data needs of RMA, instead of ignoring the Congressional direction and funding provided through the FY 2014 appropriations process.

In our view, the 2008 OPS model, as a follow-on to the Census of Agriculture every five years, is the gold standard for NASS organic surveys. The reason we have included such detailed background on the timeline and legislative history on this topic is to demonstrate the importance of this issue to the organic community and the years of work that the organic community has invested in securing necessary funds and Congressional support for NASS to continue its excellent work with regard to the OPS.

Given the current situation, where NASS has already decided to proceed with an RMA-focused survey and is seeking comment on that more limited survey instrument, NOC makes the following recommendations, *in order of preference*:

- 1) Expand the draft 2014 Organic Survey to include questions from the 2008 NASS Organic Production Survey, to include the full scope of the 2008 OPS as well as the RMA priority questions; and to make the responses mandatory to maximize the response rate**

Attachment A at the end of this document is an excellent analysis by our colleagues at the National Sustainable Agriculture Coalition (NSAC) itemizing all of the questions from the 2008 Organic Production Survey which are not included in draft 2014 Organic Survey. All of these questions are critical and including them in the final 2014 survey instrument would provide valuable trend data for the entire organic community, as well as policy makers. It is our strong recommendation that all of these questions be added to the final 2014 Organic Survey, so that the final 2014 survey instrument meets the immediate needs of RMA as well as the long-term needs of the organic community.

Combining the 2008 OPS approach with the 2011 COPS approach will maximize the use of scarce federal dollars, minimize the burden on the organic farmers responding to the survey, and meet the needs of all stakeholders.

In addition, in order to boost the response rate to the survey, we urge that the expanded 2014 Organic Survey be mandatory, as was the 2008 OPS.

This approach is our top priority. All other approaches are significantly less desirable, and should only be considered as a last resort. We include the other options below because of the time limit on the relevant comment period, and the limited timeframe to influence this important process.

- 2) IF NASS is unable to make the necessary changes to the draft 2014 Organic Survey to include all of the 2008 OPS questions, then the Agency should use the funding provided by Congress through the appropriations process and the 2014 Farm Bill to undertake a full-scale Organic Production Survey in 2015, as a follow-on to the 2012 Census of Agriculture.**

As NASS leadership pointed out during our April 2014 meeting, this approach is not ideal because it would require going back to the same or similar universe of respondents two years in a row, which could cause survey confusion and fatigue. This is why we argue that our proposal #1 is far preferable.

In addition, having the OPS conducted as soon as possible after the 2012 Census maximizes the effectiveness of the OPS, because the respondent pool will be nearly identical. Waiting even one year risks the possibility of excluding some new organic producers who did not respond the Census of Agriculture.

- 3) If NASS is not able to include all of the 2008 OPS Questions in the 2014 Organic Survey nor conduct a separate Full-Scale OPS in 2015, a number of high priority questions should be added to the 2014 Organic Survey**

If NASS is unable to fully expand the 2014 Organic Survey to add all of the 2008 OPS questions not addressed in the current draft, nor conduct a second follow-on survey in 2015, then our final

(and by far least desirable) recommendation would be for NASS to include a number of high-priority data questions from the 2008 OPS in the 2014 survey. These would include:

- A. **Production Practices** – This information is extremely valuable in demonstrating what specific practices organic farmers are implementing on their farms to control pests, weeds, and diseases; build soil fertility; conserve soil and water; and manage livestock. For the 2014 (or 2015) survey, we would urge that “green or animal manures” be broken out into two separate categories (as they represent two distinct sources of nutrients with markedly different impacts on the soil and cropping system), and the addition of crop rotations (including length of rotation), use of cover crops, and whether the producer integrates crops and livestock on their farm. Since a green manure is simply a cover crop tilled into the soil, we recommend that “cover crops and green manures” be shown as one practice, and “animal manures” as a separate practice.
- B. **Production Challenges** – This data is important to understand the barriers that may be impeding the growth or expansion of existing organic farms (such as high costs of certification or low yields) where technical assistance, financial assistance, or more research may be needed to address these challenges. Additionally, this data would be more useful to the organic community if the production challenges were broken down by specific barriers such as soil quality problems, nutrient management, invertebrate pests, vertebrate pests, crop diseases, weeds, livestock health problems, and weather extremes.
- C. **Production Costs** – This data is extremely important in understanding which specific expenses (i.e. fertilizers, seeds, labor, feed) are higher or lower for organic versus conventional production. The organic community regularly uses this information in order to analyze the long-term profitability and future trends of the organic sector as input costs changes.
- D. **Input Availability** – This information is critical in understanding whether organic farmers have sufficient access to organic inputs, including certified organic seed (a pressing research issue) and organic feedstock required for organic livestock products, including meat, dairy, and eggs. Additionally, it would be useful to know how much certified feedstock is self-produced, the amount sourced off-farm, and how far farmers travel to access organic feedstock.
- E. **Federal Crop insurance Enrollment** – In order to track the increased participation of organic farmers in federal crop insurance programs, it is vital that the organic community and policymakers have another data point to evaluate this trend since the last Census was conducted, especially since many hurdles have been removed to make organic crop insurance more feasible and attractive for organic producers.
- F. **Transitional Cropland, Pastureland and Rangeland** – In analyzing the growth of the organic sector, it is helpful to know which types of agricultural lands are transitioning from conventional to organic production to better understand the growth trends of the sector. It would also be useful to better understand if third-year transitioning land is used as certified feedstock.

- G. Organic Sales as a Percentage of Market Value of all Agricultural Sales – This is important to understand because it brings to light whether producers are pursuing organic certification for all of their agricultural products or just a percentage.
- H. Percentage of Organic Sales from Value-Added Products – This data set is useful in understanding how important value-added production is to organic farmers, especially in comparison to non-organic farmers.
- I. Production Contracts – The 2008 OPS included questions about the use of production contracts, as a percent overall organic production of the farm. This information is useful in understanding how organic producers are marketing their products in order to better understand how organic products are bought, sold and distributed within the agricultural economy. In addition, with the increase in USDA attention to contracting practices in the agriculture sector, and the producer and public policy implications of production contracting trends, this data set is incredibly important and timely, but is not addressed in the draft 2014 Organic Survey.
- J. Net Household Income from Organic Sales – With this information, it is easier to understand the percentage of organic farmers who are full-time growers and the viability of organic agriculture as a sole source of income.
- K. Direct to Retail/Consumer and Wholesale Market Sales – The draft 2014 Organic Survey does not collect detailed information on the types of direct to consumer markets (on-site, farmers market, CSA), retail markets (natural foods stores, conventional grocers, restaurants, institutions), and wholesale markets (natural grocer vs. conventional grocer buyer, processor, distributor) that organic producers use to market and sell their products. This detailed marketing data is very useful to understand the specific marketing venues where organic producers can succeed in selling their products and also where consumers are most likely able to find and purchase organically produced products.
- L. Additional Organic Crops that Need to be Addressed – Trend data for crops such as floriculture and bedding crops, food crops grown under protection, mushrooms, nursery crops, propagative materials, Christmas trees and mohair are very important. These should be addressed in the 2014 Organic Survey
- M. Five-year production plan, focusing on whether producers plan to scale-up, scale-down or keep production levels constant – Having this information assists in understanding the needs of farmers, and make projections on future production levels.

Additional Comments about the Questions Already Included in the draft 2014 Organic Survey

In addition to the above process recommendations regarding survey timing, scope, and methodology, we also have the following specific recommendations to questions already included in the draft 2014 Organic Survey:

- 1) Modify Section 6 to INCLUDE expenses for preventative measures and crop testing associated with GMO contamination in organic crops

The current draft question regarding "GMO presence in Organic Crops" explicitly directs respondents to exclude "preventative measures and testing for your crop."

The costs that organic farmers incur with preventative measures and testing can be very significant, and should be included in order to get an accurate picture of the economic impact of GMO contamination for organic farmers.

- 2) Re-phrase Section 9 to breakout CSA sales separately

It would be very helpful to be able to track CSA sales growth individually. By including CSA sales in a long list of other "consumer direct sales," we lose that opportunity. We appreciate that Section 9 asks the question regarding the percentage of gross organic sales coming from direct sales to consumers, but we recommend that CSA sales be broken out as a distinct subcategory.

In closing, as stated above, we view the scope and methodology used for the 2008 OPS, as a regular follow-on to the Census of Agriculture, to be the gold standard for NASS organic surveys. Therefore, we strongly urge that NASS include the full-scale OPS follow-on survey in its planning for the future. We look forward to working with NASS in any way needed to facilitate that process.

Thank you for your consideration of these comments and suggestions.

Sincerely,



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Attachment A: Contrast between the Proposed 2014 NASS Organic Survey (OS) and 2008 Organic Production Survey (OPS)

Data that is not currently included in the 2014 OS as proposed (but included in the 2008 OPS), which NSAC and NOC urge to be included:

1. Transitioning cropland, pastureland, rangeland

a. The 2012 Census and proposed 2014 Organic Survey collects data on total acres transitioning into USDA NOP organic production, but does not disaggregate this into transitioning cropland vs. transitioning pastureland vs. transitioning rangeland.

b. In analyzing the growth of the organic sector, it is helpful to know which types of agricultural lands are transitioning from conventional to organic production to better understand the growth trends of the sector.

2. Floriculture and bedding crops, food crops grown under protection, mushrooms, nursery crops, propagative materials, Christmas trees, mohair

a. The 2012 Census collects data on acres and value for all of these crops, and does not disaggregate organic sales or acreage from non-organic. Without further data collection, we will lack trend data that is necessary to understand whether these sectors are growing, declining, or remaining stable, and how these sectors are performing in various regions.

3. Organic sales as percentage of market value of all agricultural sales

a. This is important to understand because it brings to light whether producers are pursuing organic certification for all of their agricultural products or just a percentage.

4. Percent of organic sales from value-added products

a. This is useful in understanding how important value-added production is to organic farmers, especially in comparison to non-organic farmers

b. This may be able to be calculated if both total gross sales from organic products and total gross sales from value-added organic products are collected in the proposed 2014 OS or 2012 Census.

5. Organic production costs

a. Total production expenses (i.e., average per farm, organic certification expenses, fertilizer, agricultural chemicals, fuel, seeds, hired labor, livestock, feed, interest, property taxes, rent, custom work, repairs, and utilities) are collected in 2012 Census.

b. Percentage of production expenses for organic production is not collected in either 2012 Census or the proposed 2014 Organic Survey. It is important to understand which production costs are higher or lower for organic production, which is needed to analyze long-term profitability and future trends as input costs change.

6. Organic production practices

- a. This is useful information to show what production practices organic farmers are implementing on their farms to control pests (biological pest management, beneficial insects/organisms, pest resistant varieties, crop rotation), weeds and soil fertility (no till, low till, compost, mulch, crop rotation, cover crops and green manures, animal manures), conserve water (buffer strips) and manage livestock (rotational grazing, free-range).
- b. The 2012 Census does collect data on the number of farms using rotational or management-intensive grazing and no-till and the number of acres in no-till or conservation tillage.

7. Production contracts, which includes percent of total production under contract in 2008 OPS

- a. The 2012 Census includes data on total production contracts per agricultural commodity, but does not disaggregate for organic commodities.
- b. This information is useful in understanding how organic producers are marketing their products in order to better understand how organic products are bought, sold and distributed within the agricultural economy.

8. Direct to retail/consumer and wholesale market sales

- a. The proposed 2014 Organic Survey does not collect detailed information on the types of direct to consumer markets (on-site, farmers market, CSA), retail markets (natural foods stores, conventional grocers, restaurants, institutions), and wholesale markets (natural grocer vs. conventional grocer buyer, processor, distributor) that organic producers use to market and sell their products.
- b. This detailed marketing data is very useful to understand the specific marketing venues where organic producers can succeed in selling their products and also where consumers are most likely able to find and purchase organically produced products.
- c. The 2012 Census does collect data on the number of farms that sell through a CSA, and it's possible that some of these questions may be able to be included in a follow-on survey related to local and regional food sales.

9. Local and Regional Sales

- a. The 2008 OPS collects data on the first point of sale for organic commodities (local, regional, national, international), which is extremely useful in understanding how organic producers market their products and what supply chains are necessary in which parts of the country to support these market channels.
- b. Some of these questions may be able to be included in a follow-on survey related to local and regional food sales.

10. Primary production challenge

- a. The 2008 OPS collects a wealth of information on the primary challenges facing organic producers (regulatory problems, price issues, production problems, market

access, management issues). This data is important to understand the barriers that may be impeding the growth or expansion of existing organic farms, such as high costs of certification or low yields, where financial assistance or more research would be needed to address these challenges.

b. Other specific data that was collected in the 2008 OPS include whether or not organic farmers had sufficient access to organic seed (a pressing research issue) and whether organic inputs were available (such as organic feed for organic dairy products).

11. Organic Crop Insurance Enrollment

a. In order to track the increased participation of organic farmers in federal crop insurance programs, it is vital that we have another data point to evaluate this trend since the last Census was conducted (especially since many hurdles have been removed to make organic crop insurance more feasible and attractive for organic producers).

b. The 2012 Census does collect data on the total number of acres enrolled in federal crop insurance, but does not disaggregate this information by organic acreage.

12. Years involved in organic agricultural production

a. This category helps to illustrate the number of beginning farmers and ranchers that are getting into organic agriculture each year.

b. This data is collected in the 2012 Census of Agriculture and can be cross tabulated with organic producers.

13. Five-year production plan, which focuses on whether producers plan to scale-up, scale-down or keep production levels constant

a. Having this information assists in understanding the needs of farmers, and to make projections about future production levels.

14. Net household income from organic sales

a. With this information it is easier to understand the percentage of organic farmers that are full time growers and how viable organic agriculture is as a sole means of income.