

Organic Industry Considers GRO Organic Proposal

BY NATIONAL CO+OP GROCERS

Retail food co-ops have a vested interest in the continued success of organics. Many co-op leaders participated in the pioneering creation of the National Organic Program, and countless others have worked in their communities to build strong distribution systems that bring organic food to market. Decades of hard work later, the organic industry has become a viable alternative to conventional food systems, with more Americans than ever—nearly 80 percent of households—choosing to buy at least some organic food.

Yet the organic industry is experiencing significant growing pains. Despite increased demand, consumer confusion persists. Many consumers mistakenly view unregulated labels (e.g., “natural”) as equal or superior to the USDA Certified Organic label. Also troubling, a mere one percent of U.S. farmland is organic, and over the past three years that acreage has been shrinking. As a result, the U.S. is fast approaching a tipping point at which we will be importing more organic food than we grow domestically. Many believe that if organic is to be both accessible and sustainable, the industry will need to increase domestic production and help consumers better understand organic’s value.

Recently, the Organic Trade Association submitted a proposal to USDA for a new organic research and promotions program, GRO Organic, which aims to address these challenges. Using the federal framework known as a “check-off” program (think the Cotton Board, which produces the “Fabric of our Lives” campaign), the GRO Organic proposal offers the entire industry an opportunity to unite in the effort to fund organic research and promotions. These industry-wide, collective funds would be used to:

- Educate consumers about the benefits of organic, and distinguish the USDA organic label from unregulated claims such as “natural”;
- Confirm the science behind the environmental and public health benefits of organic;
- Research solutions to problems such as invasive pests and weed control;
- Bring new farmers into organic production through information and technical assistance.

In order to ensure that a sound, inclusive process was used to develop the GRO Organic proposal, National Co+op Grocers CEO Robynn Shrader has served on the GRO Organic steering committee for several years. As part of the process, the committee first scrutinized all of the existing check-off programs, which in many cases have not benefitted farmers, to make sure that the GRO Organic proposal would improve upon those often-controversial conventional programs. One key difference incorporated into GRO Organic is that the program would be funded by the entire organic supply chain—not only farmers, but manufacturers and handlers, too. Importers would also be required to pay into GRO Organic, and those dollars would be used to promote organic and provide research to U.S. farms and ranches.

The steering committee also conducted multiple rounds of outreach over a three-year period, including hosting several townhall-style meetings, to solicit input and feedback from the organic community. The final GRO Organic proposal, which was submitted to the USDA in May, recommends a framework for programming, governance, and assessment that is based upon the insights gained from key stakeholders through that process. In addition to industry-wide funding, the final proposal includes a

provision that allows small farmers with revenue below \$250,000 per year to choose whether or not to participate in the program. All other organic certificate holders would be required to pay into GRO Organic in an assessment that is proportional to their organic sales.

At this point, the committee’s work is done, and it is up to organic stakeholders to determine whether GRO Organic will become a reality. Although the timeline is at the USDA’s discretion, the agency will likely review the proposal this year, then open a formal comment period to solicit additional feedback. Ultimately, the USDA will put the GRO Organic proposal to a public referendum in which organic certificate holders (i.e., anyone who is certified to sell products bearing the USDA Certified Organic label and would be assessed under the program) will have the opportunity to vote to determine whether or not GRO Organic should be established. If successful, the program would generate an estimated \$30 million annually to support organic research and promotions.

NCG is optimistic about the opportunity that GRO Organic presents, and encourages stakeholders to read the proposal and learn more at www.GROorganic.net, then make their voices heard. □

ORGANIC CHECK-OFF: QUESTIONS REMAIN

Editor’s note:

Find the Organic Trade Association report on GRO Organic at <https://ota.com/what-ota-does/organic-check>. Find a description of the GRO Organic Core Committee at <http://groorganic.net/core-committee-2/>.

Although the proposal is the result of three years of discussion and debate, many farmers and organic advocates continue to oppose the organic check-off. While details of the proposal submitted to the USDA do respond to some previous objections, the organic check-off debate is still very much alive.

A recent summary of reasons why many organic farmers and advocates oppose the check-off was published by longtime advocate Liana Hooded, formerly with the National Organic Coalition: <http://noorganiccheckoff.com/organic-checkoff-whats-the-beef/>. One set of producer voices in opposition to the check-off can be found at <http://noorganiccheckoff.com/what-are-farmers-saying-about-the-organic-check-off-proposal/>.

At the Cornucopia Institute, an early 2015 report summarized much of the opposition to the check-off: <http://www.cornucopia.org/2015/03/organic-farmers-neither-want-nor-need-an-organic-checkoff/>.