

Report to the Governor From the Wisconsin Organic Task Force

What is Certified Organic?

Organic production is a system that is managed in accordance with the Organic Foods Production Act and the National Organic Standards, to respond to site-specific conditions by integrating cultural, biological, and mechanical practices that foster cycling of resources, promote ecological balance, and conserve biodiversity. Farms and processing facilities are inspected and reviewed annually to ensure that organic methods and management techniques are being practiced. Certified organic farmers and processors must keep detailed records of their practices. These records verify the organic methods and materials used in organic production, and the methods and materials used by organic processors to maintain the organic integrity of the product.

January 2005

EXECUTIVE SUMMARY

Under the direction set by Governor Doyle, for Wisconsin to "lead the nation in organic agriculture," the Wisconsin Organic Task Force developed a set of recommendations whose implementation will elevate Wisconsin to first place nationally in organic production and processing. A small but strategic investment can reap significant growth in the state's organic industry. Recognizing that there is no government infrastructure to support the growth of the organic industry in Wisconsin, the Task Force places as **TOP PRIORITY** the establishment of a minimal infrastructure made up of the following:

- A. **Wisconsin Organic Advisory Council:** This will be a permanent advisory council for the state of Wisconsin. It will be appointed by the Secretary of Agriculture and will counsel the Secretary, the Governor, the Legislature, and other state agencies on actions that will further the organic industry in the state.
- B. **Inter-Agency Implementation Team:** This team is comprised of the ex-officio agency members of the Organic Advisory Council. The Implementation Team will carry out the actions recommended by the Organic Advisory Council and suggest actions their agencies could complete in support of organic efforts in Wisconsin, and, in general, develop a basis for interagency coordination.
- C. **Organic Specialist at DATCP:** The specialist should be comprised of at least one full-time staff position.
- D. **Organic Specialist within the UW system:** This specialist could be a combination of a research/extension position, or a faculty cluster position

The above infrastructure is needed to carry out the Organic Agenda for the State of Wisconsin developed by the Task Force. The Organic Agenda is meant to be a "job description" for this infrastructure. The Agenda is included in Appendix D of this report, and includes the following **priorities**:

- An educational and promotional program for Wisconsin organic products. This program includes developing a Wisconsin organic identity locally, nationally and internationally, and developing a statewide informational and promotional campaign for Wisconsin organic products.
- Programs that facilitate networking among organic farmers for the purpose of producing and marketing their product.
- Coursework, degree programs and research in the UW system and at the state's technical college system on organic agriculture.
- Processing support that is pertinent to non-organic and organic operations. This includes developing or changing state processing regulations so they are appropriate to different-sized processing facilities and creating a framework in Wisconsin where small and medium sized processors can flourish.

Report to the Governor

From the Wisconsin Organic Task Force

The Wisconsin Organic Task Force was appointed by Governor Doyle in September 2004, following the Governor's Organic forum held March 15th, 2004. The Governor stated, as part of his "Grow Wisconsin" initiative, that one of his goals is to have Wisconsin "lead the nation in organic agriculture". The Task Force was asked to develop strategies for strengthening organic agriculture in Wisconsin, including ways to enhance cooperation among government agencies and between the public and private sectors.

Between October 2004 and January 2005, the Task Force met four times to develop the priorities and action plan for the infrastructure that Wisconsin needs to lead the organic industry in the U.S. The Task Force identified priorities in the areas of farm production, processing, and marketing of organic products. The list of task force members is included in Appendix E.

Background

Organic food sales in the U.S. have grown 20% or more annually throughout the last decade and remain strong. Though still a small part of the overall food sector, the continued growth is seen as a significant economic opportunity by many, including numerous large food corporations such as Dole, Dean Foods and General Mills. These national trends drive a strong and growing market for organic raw materials.

The organic industry in Wisconsin was founded by farmers and processors with a passion for producing food that is healthful and environmentally sound. These values continue to drive organic growth in Wisconsin.

In 2001, Wisconsin had over 460 certified organic farmers who manage more than 78,000 acres of land in organic production. Based on data collected by the USDA Economic Reporting Service, Wisconsin can claim "number one" status in the U.S. for numbers of organic milk cows and numbers of organic livestock. However, Wisconsin is currently far from being the national leader in organic food production and feed and other inputs are brought in from outside the state. In addition, Wisconsin's vegetable and fruit processing capacities are underused by the organic sector.

The largest farmer-owned organic cooperative in the nation, Organic Valley, is based in Wisconsin, and has driven much of the state's organic growth. The map in Appendix C illustrates the presence of organic production by county in the U.S. Wisconsin shows significant organic production in the southern and western portions of the state, much of it due to the farm families supplying Organic Valley.

Wisconsin has great potential for realizing significant gains in organic production that can place it in a position of leading the nation in organic agriculture. The state must continue to develop its organic dairy and livestock capabilities, while broadening its organic presence into human and animal foodstuffs.

Top Organic Priority in Wisconsin

As our top priority, the Wisconsin Organic Task Force recommends the establishment of a minimal state infrastructure to support the growth of the states organic industry. We consider **the establishment of this infrastructure a necessary first step and our highest priority.** We believe that some focused attention by the state on the organic industry can result in growth occurring at a rate far surpassing the quantity of support received.

The Task Force has identified the following action steps in order to create this infrastructure. We believe the state organic agenda can be accomplished through the establishment of the following infrastructure and that works in concert with Wisconsin non-profit organizations whose missions incorporates organic agriculture. The Task Force has developed a detailed and prioritized Organic Agenda that is a "job description" for the above infrastructure once it has been established. The details of this Agenda can be found in Appendix D.

- A. Create a permanent **Wisconsin Organic Advisory Council** that will counsel the Secretary of Agriculture, the Governor, the Legislature, and other state agencies on actions that can be taken to further the Wisconsin organic industry.
 1. Council Structure
 - Industry members will be appointed by the Secretary of Agriculture from the organic business sector (including farmers, processors, distributors, retailers and consumer representatives), plus representatives from MOSES, organic inspectors, and MOSA or another state headquartered certification agency. The task force suggests staggered 3-year terms, and that the council is of an effective size and all-inclusive.
 - Ex-officio members of the Council will be comprised of representatives from existing staff positions in the University (extension and research) and tech college systems, DATCP, DNR, DOC, FSA, CALS, and USDA-NRCS.
 2. Priority Actions
 - Establish an organic action plan for the state, including measurable goals such as acreage numbers for both human and animal foods, amount of transitioning acreage, and number of transitioning farmers.
 - Produce a biannual report for the Governor and the Legislature on the status of organic agriculture in Wisconsin.
 3. Monitor the National Organic Program's implementation of the 1990 Organic Food Production Act and the National Organic Standards in order to ensure the integrity of the organic label in Wisconsin
 4. Develop and send customized resolutions to all university deans and governmental agencies concerning support of organic agriculture in the state.

5. Formally request that DATCP
 - Create a register of organic certifying agencies operating in Wisconsin.
 - Seek involvement from the organic industry in its administrative rule-making, and in other advisory councils, such as the Wisconsin Fertilizer Research Council

 6. Work toward resolving several long-term issues as on-going tasks (GMO contamination of organic crops, on-farm labor, development of public breeding programs for seeds and breeds suitable for organic production, disappearance of untreated foundation stock for seeds)
- B. Establish an **Inter-Agency Implementation Team** that will accomplish the actions agreed to by the Organic Advisory Council, recommend actions their agencies could complete in support of organic efforts in Wisconsin, and in general, develop a basis for interagency coordination, interaction and communication relevant to organic agriculture and commerce.
1. Implementation Team Structure
 - Comprised of the ex-officio members (agencies listed above) of the Organic Advisory Council.
 2. Priority Actions
 - Institute a clearinghouse for organic information in the state, possibly through a website or other electronic media.
 3. Develop memorandums of understanding among the agencies to document each agency's commitment and purview.
 4. Spearhead internal audits within each agency that identify programs that could further organic agriculture:
 - a) Assess their effectiveness, availability, usefulness.
 - b) Determine whether these programs are being properly promoted and supported by staff.
 - c) Determine if additional programs for the organic community would be beneficial.
- C. Establish a dedicated **Organic Specialist at DATCP** comprised of at least one full-time staff position.
- D. Establish an **Organic Specialist within the UW system** that could be a combination of a research/extension position or a cluster hire position.

Appendix A

Development of Measurable Goals

As a first step in supporting the Governor's goal of state leadership in the national organic industry, the Task Force believes that detailed measurable goals need to be set that can aid the state in tracking its movement toward the overall goal of national leadership as it implements the state organic agenda. The brief tenure of the Task Force did not allow for detailed development of these goals. Each quantified goal, the means for tracking it, and several stages for each goal (x amount by 2008, y by 2010) should be researched and established by the Wisconsin Organic Advisory Council. These goals include, but are not limited to those outlined below.

- Increases in number of acres farmed organically
- Increases in number of organic farmers (track dairy and non-dairy separately)
- Increases in number of organic processors (track dairy and non-dairy separately)
- Increases of total organic sales at farmgate (track dairy, livestock feed, and other non-dairy separately)
- Increases of total sales of processed organic product
- Increases in consumption of Wisconsin organic product both inside and outside of Wisconsin, driven by state information programs increasing demand, and industry programs increasing supply
- Track Wisconsin's Organic status using state-by-state organic production and sales information from the USDA.

Appendix B

Funding

The Task Force understands that there is a difficult budget situation within state government, and discussed ways in which our recommendations could be funded.

We feel strongly that the two organic specialist positions can leverage funds to fund both themselves and additional portions of the state organic agenda. The sources would be federal and private grants, as well as leveraging from the organic business community.

Other possibilities for base funding are:

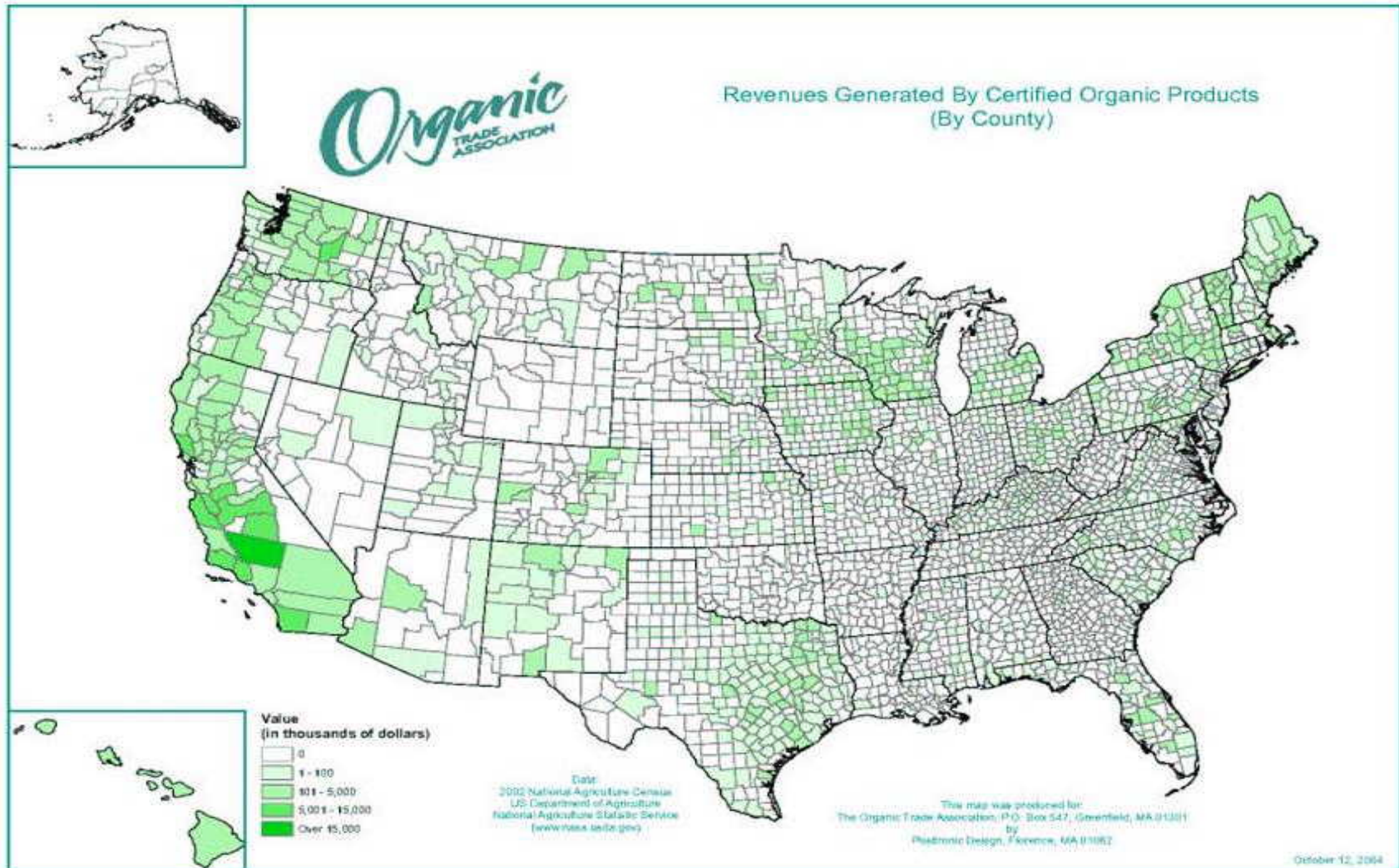
- A check-off for a Wisconsin Organic Marketing Board. This could be achieved through a small percentage increase in fees collected through the certification agencies operating in Wisconsin. It is expected that initially this sum could be used as seed money or matching funds in order to obtain more funding.
- Seek existing check-off money provided by organic producers in Wisconsin to a Wisconsin Organic Marketing Board.
- Utilizing some specialty crop and risk management money for an organic funding pool.
- Working with federal legislators to establish a federal organic funding pool that can be accessed by states.
- Tax surcharge on synthetic pesticides, fertilizers and GMO seeds
- Matching funds from private foundations
- Tax breaks or economic incentives for organic sales from farm to retail.

On an individual project basis, priorities favoring organic submittals could be put in place in the following existing funding pools:

- DATCP and DNR's conservation (land & water) funding
- Entrepreneurial grants
- DOC's economic development grants
- DATCP's Agriculture Development and Diversification (ADD) Program
- DATCP's Value Added Dairy Initiative grants for farmers transitioning to Organic or Grazing operations.

The Task Force also suggests, state government cultivate a structure that ensures organic producers are aware of such programs as the EQIP program supporting transition to organic production, and the Conservation Security Program "green payments".

Appendix C



Appendix D

Organic Agenda for the State of Wisconsin

The Organic Agenda is structured to identify individual **ISSUES** faced by Wisconsin's organic industry, followed by **RESPONSES** the Task Force members recommends as possible solutions to the identified issue. During the four meetings, the Task Force also developed a set of “**Optional Actions**” corresponding to each issue, which are not included in this report. The Task Force members request these action items be forwarded to the Organic Advisory Council for consideration and review once it has been established. The **ISSUE/RESPONSES** are listed in priority order as determined by the Task Force. All **ISSUE/RESPONSES** are believed by the Task Force to be of adequate importance to be included in the Organic Agenda.

PRIORITY # 1

ISSUE: *Consumers do not adequately understand what the term " organic" means or why they should consider purchasing organic products. The task of educating the public is insurmountable for individual Wisconsin farmers or processors. Efforts are necessary to educate consumers about the definition, value, and benefits of certified organic products. Information should focus on the benefits to the environment, human health, and rural communities.*

RESPONSE: Develop an educational and promotional program for Wisconsin organic products. This program would focus on overall market development for the Wisconsin organic industry, not on the marketing of individual products.

PRIORITY # 2

ISSUE A: *Smaller organic farmers, particularly those who are growing fresh produce, have difficulty getting their products to market and finding markets for non-vegetable crops grown in rotation. Smaller grain/corn/soybean farmers have difficulty putting together semi-loads so they can ship to the best markets.*

RESPONSE: Develop public or private programs that facilitate networking among organic farmers for the purpose of producing and marketing their product.

ISSUE B: *The institutions of higher education in Wisconsin do not adequately support students in their endeavor to learn about organic agriculture and processing. The same institutions do not provide the research support required to significantly grow the organic industry within the state.*

RESPONSE: Establish coursework, degree programs and research at the University of Wisconsin and at the state's technical college system on organic agriculture and processing.

PRIORITY # 3

ISSUE A: *Wisconsin processing regulations make it difficult for small and medium-sized processing plants, especially those producing specialty products, to exist because the regulations are attuned to the regulatory needs of large processing plants.*

RESPONSE: Develop or change state processing regulations so that they are appropriate to different sized processing facilities, improve the facilities' competitiveness, reduce barriers, and improve the environment for collaborations.

ISSUE B: *There is inadequate small processing capacity in Wisconsin for dairy, meat, vegetables and fruit.*

RESPONSE: Create an institutional and regulatory framework in Wisconsin where small & medium processors can flourish.

PRIORITY # 4

ISSUE: *There is inadequate exchange of information among existing organic farmers, and between transitioning or aspiring organic farmers and existing farmers.*

RESPONSE: Establish public or private programs that connect new, transitioning, and established organic farmers.

PRIORITY # 5

ISSUE A: *Transitioning to organic requires the new organic farmer to have a substantial and different knowledge base than is required in conventional farming. Established farmers also find that some part of their operations is often in some stage of transition, requiring continuous learning.*

RESPONSE: Establish public or private support systems for farmers' transitioning too organic and established organic farmers as they transition more land or operations.

ISSUE B: *GMO's in neighboring fields contaminate organic crops, resulting in the loss of the organic premium.*

RESPONSE: Develop a policy response to GMO contamination that reflects the manner in which other forms of contamination are handled, such as chemical contamination.

ISSUE C: *Products are being labeled or sold as organic in Wisconsin that are not certified organic, or inappropriate procedures are being followed that may decertify the product.*

RESPONSE: Enlist DATCP to help enforce USDA “Organic Labeling” laws or Wisconsin state labeling and “truth in advertising” laws with regard to organic product claims.

PRIORITY # 6

ISSUE A: *Farmers are sometimes confused as to whether specific materials are allowed in certified organic production.*

RESPONSE: Develop public or private systems to educate farmers and farm product suppliers concerning allowable materials in organic production under the NOP rule.

ISSUE B: *Processors, contemplating organic certification, experience difficulty finding the information they need to determine the requirements for certification; and existing organic processors have difficulty keeping apprised of changes in the organic regulations.*

RESPONSE: Make information on and regulations of organic processing more accessible for processors and state inspectors.

ISSUE C: *The complexities of organic marketing are difficult for producers or processors wishing to market organically.*

RESPONSE: Provide a public or private system of quality information and training programs to Wisconsin organic marketers on the intricacies of marketing in the organic industry. These programs will build the marketing capacity of private sector entities engaged in organic-based industries.