

Organic Insights



Volume 2 No 3

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GATES OPENED WIDE FOR OPERATOR MARKET ACCESS INTO JAPAN AND USA

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UNITED STATES

During the early part of 2007 NASAA compiled and drew up its re-application to the United States Department of Agriculture which was due after five years of the US national Organic Program.

In early November NASAA received its USNOP audit both at its offices and out on site at selected operators' certified establishments.

NASAA awaits the USDA's findings in January with great interest. Generally, the audit went well with NASAA comparable with other USNOP certifiers worldwide.

One area where we are conscious of a need to strengthen the system is in relation to inputs and ingredients.

The USNOP is extremely stringent in its approach to absolutely every item a certified operator uses—each and every one must be directly USNOP certified or listed on the USDA 'National List' at <http://www.ams.usda.gov/nop/NOP/NOPhome.html>—a situation which differs from standards NASAA certification where such items must be compliant to be allowable but not directly certified. NASAA recommends that operators and would-be operators study the USNOP website www.ams.usda.gov/nop carefully to get acquainted with the rules governing access to organic markets in the United States.

JAPAN

NASAA's JAS program has continued to supply a market access service for a relatively small number of NASAA operators to enable them to export certified organic produce into Japan.

Under changes instituted by the Ministry of Food, Agriculture and Fisheries (MAFF) in Japan in February 2006 NASAA's JAS operators continue to have market access for their existing JAS certified product.

NASAA is making re-application to the Japanese authorities to ensure our operators' market access into Japan is assured in good time before MAFF's three-year deadline of February 2009.

NASAA will ensure that NASAA's JAS operators are guaranteed a seamless transition within JAS and NASAA counters any imputation that it is not continuing to offer JAS certification as this is simply not correct.

Meanwhile, and in compliance with the MAFF's JAS rules NASAA continues to manage and inspect its JAS operators and will continue to do so into the future.





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OPINION FROM THE NASAA CHAIR

.....”with a sense in the country that climate change issues are here to stay and are clamouring for attention and action, the times ahead for those of us in the organic industry will indeed be interesting.”

With the results of the federal election now in and with a sense in the country that climate change issues are here to stay and are clamouring for attention and action, the times ahead for those of us in the organic industry will indeed be interesting.

It was disappointing but unsurprising that NASAA received not a single response to our letters sent to political party leaders and their deputed agriculture representatives in November. We look forward to our peak body, Organic Federation of Australia, making headway with getting sustainable agriculture onto the political radar now that we are through the election.

A clear effect of climate change is the continuing drought in many areas of this brown land. If operators are doing it tough with little or no rain and need to discuss drought deferral or feed derogation options our staff are ready, willing and able to advise and assist.

The move by the State governments in VIC and NSW to remove their moratoria on GM was as unwelcome as it was unanticipated. NASAA made its views known to the various authorities and has been supporting GeneEthics in its campaign on this issue. NASAA is drawing up operational criteria for canola producers. Of course, the requirements of the Standards still apply and if GM is found in organic produce it cannot be sold as certified.

I attended a meeting during early December on developments taking place within IFOAM on its Standards. The pressures to harmonise IFOAM Standards with various government standards are having the effect of ‘dumbing’ down IFOAM Standards below levels which NASAA considers acceptable. NASAA has lodged a formal objection to IFOAM and questioned the validity of their apparent strategic position in going with the flow and diluting the Standards to a point where they are barely recognisable as organic.

In some ways IFOAM is relaxing its organic regulations. In others it errs on the side of excessive stringency. The latter situation applies where processors wish to use ingredients which are certified but not necessarily under an IFOAM-accredited body. To ease the burden for our processor operators and to give them the option of being under IFOAM surveillance or not NASAA has decided now to offer its operators the option of being simply under AQIS accreditation or, additionally and with stricter product acceptance rules, to opt to append the IFOAM Seal to their packaging. Our certification staff will be contacting all our processor operators in the New Year to discuss their needs with them.

A recent suggestion from the Australian Meat Industry Council (AMIC) that NASAA should espouse its animal welfare standards rather than those of Humane Society International (HSI) has been refuted by HSI which puts the very strong case that AMIC requires neither whole-of-life welfare regimes for livestock nor independent auditing as is required under Humane Choice. Factory farming practices and live export—both allowable under AMIC—are completely prohibited under Humane Choice, as of course under the NASAA Organic Standard. NASAA’s AGM in its 21st birthday year went smoothly and successfully in Melbourne recently and I refer you elsewhere to our AGM report.

I conclude by wishing all our valued stakeholders a safe festive season.

ROD MAY

CHRISTMAS & NEW YEAR OFFICE ARRANGEMENTS

As in previous years the NASAA Office will be closed for general business over the Christmas period.

Between COB Friday 21 December and Wednesday 2 January messages by fax will be fielded by a skeleton staff.

Please put in requests for Export Certificates and any other urgent needs by no later than 9.00am on 21 December. so that the office can deal with them during that day.



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AND THE WINNERS ARE.....



THE FOOD FOREST #505 I

***Peats Soil and Garden Supplies
Environmental Sustainability Award***

A family run business established at Gawler in 1983, The Food Forest was certified by NASAA in 1992. It has devised and promoted a model for sustainable land use in semi arid agricultural areas. The business offers organically certified foods both raw and value added, education services, and specialised education in permaculture and eco-tourism. The Food Forest has made environmental and social impacts through biodiversity, air quality, soil erosion and through awareness raising and empowerment.

The judges said that the Food Forest was" a thriving food business based on the principals of permaculture, The Food Forest's business practices and decisions are at all times guided by a sustainability ethic and integrated environmental practice. Sophisticated use of benchmarking, performance measures and assessment of performance trends over time demonstrated that their business manages environmental, social and economic aspects of their operations to ensure environmental sustainability and business viability for the future".

They also found evidence of resource management applied by the business throughout and beyond its boundaries, for instance: rehabilitation of adjacent public land, re-establishment of native fauna; and collaboration with other parties through mentoring and a variety of programmed educational events, marketing and supply chain connections.

2. LEMNOS 3655P and ORGANIC DAIRY FARMERS AUSTRALIA 3554P

Certified by NASAA early in 2007 Lemnos' Organic Cheese Range in association with Organic Dairy Farmers Australia has won the Gold Award for the recent Australian Packaging Awards for the best Australian packaging specifically designed and developed for the export market.

The packaging which features True Organic's distinctive logo attracted positive comments from the judges.

They said, "Australia's world-renowned clean, green credentials are subtly illustrated here in these bright, fresh packs from Lemnos. By reflecting a cleanliness of production, a purity and unadulterated simplicity, the pack designs transmit all the right aesthetic and quality messages to help these products succeed. Serving suggestions are expertly rendered in photographs and clearly illustrate the contents for easy comprehension in a variety of destination markets including Dubai, China, Indonesia and Brunei. Well branded, uncluttered labelling features easy check boxes for user suitability, where the much-prized organic status is clearly marked."



The Packaging Council of Australia is a national association of raw material suppliers, packaging manufacturers, users, retailers, designers and consultants.



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CARBON CONFERENCE REPORT

NASAA attended the inaugural Carbon Farming Conference in Mudgee NSW. The event was attended by approximately 400 people of whom 60-70% were primary producers. The remainder was well represented by a range of organizations from Catchment Management Authorities, Department of Primary Industry and scientists from various government departments.

PROFILING FARMING PRACTICES

A major part of the conference was the profiling of farming practices that sequester carbon focusing on the physical, cultural and psychological mindshift that is required to transition from conventional farming practices. In recognition of these model carbon farmers the inaugural Carbon Cocky award was announced for each of the farming regions in that area.

Soil carbon measurement and an introduction to soil carbon calculators revealed the complexities of measuring soil carbon and the need for more research to establish a soil carbon monitoring protocol that would include a framework for dealing with the spatial variation of soil types through Australia. In addition, the selection and use of a single carbon calculator that incorporates all carbon fractions is required. This relates directly to the number one critical issue for the trading of soil carbon credits which is the verification and accuracy of the soil carbon sequestration.

"Soil organic carbon is the largest reservoir in interaction with the atmosphere." (United Nations Food & Agriculture Organization) -

Soil carbon trading was introduced via a live feed from the Chicago Climate Exchange (CCX), which is the only voluntary, legally binding soil carbon trading system in the world. The system is an indirect measurement system based on derived averages of soil carbon bulk density. This has been mapped based on a combination of continuous conservation and regional areas of the US. From this system farmers can expect to receive 0.6T/per acre/per year of baseline carbon credits when under a contract for a period of 5 years.

ACCREDITATION OF SOIL CARBON FARMERS and CARBON LABELS

John Lawrie the Catchment Co-ordinator from the Central West Catchment Management Authority (CMA) and one of the key organisers of the conference delivered a presentation exploring the next steps in accrediting soil carbon farmers. Using the credo 'Best management practice is sequestering carbon', the CMA wants to develop a pilot program for accreditation with the aim of accrediting 150 farmers in the Mudgee region and validating the sequestration of carbon through the various systems and soil types. The accreditation program would consist of a 5 year management agreement, an established Environmental Management System (EMS) that includes forward management for 5 years, a Farm plan with soils map and soil tests of major nutrients, pH and bulk carbon density. The items would be incorporated into the checklist that was used to judge the 'Carbon Cocky' of the year award.

Louisa Kiely, the main convenor of the conference, presented a brief overview of their private label CarbonCredited™ which they have applied to wool produced on their property. They have undertaken the process of voluntarily participating in the Australian Greenhouse office program – Greenhouse Friendly. They are intending to develop this label under the brand of Carbon Farmers that will provide sales marketing and aggregation of carbon credits as a pool for trading.

The conference provided best management practice for sequestering soil carbon and highlighted the complexities and challenges of measuring and verifying soil carbon through either direct measurement or imputed carbon. It provided a forum to unite farmers and scientists to produce a productive relationship through understanding each others' world view. The conference explored the mechanisms of carbon trading highlighting that verification underpinned by strong science is required for integrity.



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CARBON CONFERENCE cont'd

Looking to the future, the delegates voted unanimously for the Government to provide \$10 million for more research in soil carbon and for every farmer to have their soil carbon tests done at no cost to encourage them to join the 'carbon farming' movement and start absorbing more CO₂.

OPTIONS FOR NASAA OPERATORS

In the wake of the federal election outcome and the priority placed upon climate change by the incoming government NASAA anticipates that the concept of farming carbon and deriving market advantage from so doing will become ever more central in the minds of consumers, operators and policy-makers. Within that context NASAA is exploring ways in which it can offer an additional optional label as "carbon accredited" and hopes to report on developments in the New Year.

CARBON FACTS

- The terrestrial biosphere currently sequesters 2 billion metric tons of carbon annually. (*US Department of Agriculture*)
- Soils contain 82% of terrestrial carbon.
- "Enhancing the natural processes that remove CO₂ from the atmosphere is thought to be the most cost-effective means of reducing atmospheric levels of CO₂." (*US Department of Energy*)
- "Soil organic carbon is the largest reservoir in interaction with the atmosphere." (*United Nations Food & Agriculture Organisation*) - Vegetation 650 gigatons, atmosphere 750 gigatons, soil 1500 gigatons
- The carbon sink capacity of the world's agricultural and degraded soils is 50% to 66% of the historic carbon loss of 42 to 78 gigatons of carbon.
- Grazing land comprises more than half the total land surface
- An acre of pasture can sequester more carbon than an acre of forest.
- "Soil represents the largest carbon sink over which we have control. Improvements in soil carbon levels could be made in all rural areas, whereas the regions suited to carbon sequestration in plantation timber are limited." (*Dr Christine Jones*)



...." Capturing more carbon in agricultural soils will mean water is used where it falls, leading to cleaner waterways and less silting".
Carbon Coalition against Global Warming



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ORGANIC WOOL UPDATE

The Dubbo-based wool broker Lanoc Wool recently partnered TM Organics in a four-day Transition to Organics course for wool-growing operators. NASAA's Brad Nott (Certification and Business Development Officer) attended the last day of training of the group to give a presentation on the procedures for proceeding to organic certification and NASAA looks forward to welcoming this enthusiastic group of operators into NASAA certification during 2008.

Lanoc Wool had seen market interest in organic wool and had proactively contacted clients and had organized the Transition to Organics workshop. Members of the organic wool group had been encouraged by two recent Lanoc Wool sales by private tender. In both these sales more than eight companies had tendered for the wool and the outcome was that NASAA certified operator Fletcher International and Lempiere on behalf of the Merino Company purchased all the organic wool.

"The 15 lines of wool reached clean prices of 74c/kg and 250c/kg above the day's market price for non-organic wool, with an average price premium of 13.3% or \$166 per bale" said Mr Don Macdonald, Managing Director of Lanoc.

Mr Macdonald said that with more than 137,00ha of land and 1300 bales of wool under their management, the growers who completed the TM Organics course are looking forward to supplying the market with organic wool.



MINUTES OF NASAA'S AGM

Reproduced below are the minutes of the reports given by NASAA Chair, Rod May and NASAA Treasurer, Jim Rossiter, at NASAA's recent AGM.

CHAIR'S REPORT

Rod May emphasized that in NASAA's 21st year of operations that NASA remains the most trusted and respected certification organisation in Australia. The keynotes of NASAA's operations were consistency, reliability, independence and transparency and these qualities had in part uncovered and lead to the recent successful prosecution of GO Drew by the ACCC in the Federal Court.

At this point Rod May paused to reflect upon the enormous contribution made over the past year and many before that of retiring chairman George Devrell. George had taken on the big issues within NASAA with skill and determination and his sudden retirement owing to health reasons had been regretted and his presence sorely missed.

Operationally, Rod May said that the Board was aware of the potential for the ongoing drought to impact on NASAA's operations and was preparing for a period of austerity through efficiency gains and logistics improvements. He referred to NASAA's multiple accreditations and a recent decision to go beyond previous arrangements to apply for independent direct accreditation for JAS which will be progressed early in 2008 thus permitting a seamless transition for existing operators prior to JAS governmental changes in early 2009.

He underlined the importance of eCert in managing NASAA's certification operations and foresaw further developments in 07-08 as eCert is rolled out and as NASAA investigates similar compatible developments such as carbon accounting.

The Chair recognized the significant workload undertaken by NASAA inspectors in the field



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AGM REPORT cont'd

and thanked them for their input and their diligence in the field. He extended especial thanks to Kathe Purvis and Doune Couttie for the work they did in inspector training courses during the year. He recognized and thanked NASAA staff for their hard work in implementing new systems and maintaining existing operations with rigour and attention to detail. He thanked Lyn Austin for her greater contribution in recent times and her input to staff training and skills transfer in ever complex accreditation matters. At this juncture he reflected upon the demands of the increasingly complex accreditation arena and that this framework simply does not enable NASAA to slim and simplify its certification procedures too far. Rod May referred to NASAA's main competitors, ACO and OFC, recognized their activity in the marketplace but considered that NASAA occupies a strong and validated niche as a quality certification provider.

He acknowledged and thanked his fellow Directors, Phil Rowe for his technical and governance skills and Jim Rossiter for his financial oversight. In addition he thanked Jan Denham as Chair of NASAA's Certification Committee for her work and input throughout the year. Last but certainly not least, he thanked NASAA's operators and members for their ongoing determination and hard work in growing and developing the organic sector.

Mr May invited questions from the floor. In response Jim Rossiter noted that NASAA's profile has been enhanced by particular individuals contributing to NASAA at national and international levels and that those individuals were Jan Denham, George Devrell and Rod May. He reflected upon the fact that many of the industry issues previously undertaken by NASAA were now being looked after by the Organic Federation of Australia and he noted the importance of NASAA's input via Rod May in the Standards Australia process. On behalf of the meeting Jim Rossiter thanked Rod May for his ongoing work for NASAA which was supported by those present.

TREASURER'S REPORT

Jim Rossiter talked to the Financial Statements for the year ending June 30th 2006. He noted that George Devrell in his previous role as Chair and Treasurer had been responsible for NASAA for the whole year in question and he formally recognized that contribution as indeed also that of Debra Arnold, previous General Manager.

Jim Rossiter said that the result of the year's trading had produced a satisfactory outcome despite earlier concerns that drought and its possible impact on incoming levies. In his opinion this was a fitting result for George Devrell's final year and it reflected NASAA's philosophy of managing its financials safely but without making undue profit which would not be fitting for a not-for-profit company. The bottom line showed a \$37K profit with retained profits of \$79K. He noted that it was the Board's intention to increase the latter level to \$100K or so as a buffer to enable the company to weather difficult years. He reported that there had been significant increases on both sides of the balance sheet: on the assets side the investment in eCert and on the liabilities side NASAA was being somewhat tougher in obtaining inspection deposits upfront and these were reflected there.

Jim Rossiter concluded by saying that he had seen nothing in NASAA's trading in 2007-2008 which brought the veracity of the accounts for 2006/2007 into question.

In reply to a question from the floor Jim Rossiter confirmed that the net effect of monies received from the ACCC in relation to the GO Drew matter would have a neutral effect on the accounts in 07-08.

FULL ANNUAL REPORT

This is being drawn up currently and will be pasted onto NASAA's website www.nasaa.com.au early in January 2008.



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THE REAL DIRT ON FARMER JOHN: a story of loss and reinvention



The Farmer John movie has acquired cult status around the traps. To whet the appetite and encourage opportunities to catch it as it tours regional Australia we reproduce below a couple of critics' reviews of this timely commentary on our industry:

The New York Times:

What do you do when nothing is left?" is the question that drives ["The Real Dirt on Farmer John."](#) Taggart Siegel's fascinating documentary about loss and reinvention. If you're John Peterson, the progressive Illinois farmer whom Mr. Siegel filmed through 25 years of friendship and multiple crises, you pick yourself up and start again — with the camera running, of course.

An amiable rebel who likes to taste his soil and drive his tractor while wearing a feather boa, Mr. Peterson — who also wrote and narrates the film — has always lived in front of a lens. From the home movies shot by his mother to Mr. Siegel's epic attentions, the wildly fluctuating fortunes of the Peterson family farm provide the backdrop to a life driven as much by art as by agriculture.

And as 1960s wiener roasts give way to frolicking '70s hippies and the farm auctions of the '80s (captured in Mr. Siegel's first documentary, ["Bitter Harvest"](#)), the movie becomes a palimpsest of images depicting the struggle between tradition and modernity.

Firmly anchored by its protagonist's love of the land, "The Real Dirt on Farmer John" offers one man's extraordinary life as a gateway to a larger history of tragedy and transition. It's an unflinching account of what farming takes — and, more important, what it gives back.

AND.....

3.5 out of 4 stars. A loving, moving, inspiring, quirky documentary. ”

~ Roger Ebert, *Chicago Sun-Times* ~

“ Unbelievably special...a real and gripping story with insight and humor. ”

~ Al Gore, former Vice-President ~

“ “[The Real Dirt] offers one man's extraordinary life as a gateway to a larger history of tragedy and transition. It's an unflinching account of what farming takes — and, more important, what it gives back... ”

~ Jeannette Catsoulis, *The New York Times* ~

“ The film evolves into a deeply moving metaphor for the struggles of an entire generation. His triumphant story is essential for all of us city folk who have found ourselves despairing for the Earth and what has seemed like our inevitable alienation from it. ”



OPPORTUNITY TO EXHIBIT AT BIOFACH 2008



Nowhere is the ground so well prepared for success as at the world's leading exhibition BioFach. **Over 45,500 trade visitors (22 % more than the year before!)** from 112 countries met to experience the unique variety of the organic industry in 2007. They found the freshest ideas and the most popular new products on the stands of 2,565 exhibitors (BioFach and Vivanes together): organic food of certified quality, natural personal care and natural products.

There is still a big interest in organic. According to Organic Monitor, **the worldwide turnover of organic products is growing by over 5 billion dollars a year.**

Venue:
Exhibition Centre, Nuremberg

Dates:
Thursday 21—Sunday 24 February 2008



The Organic Federation of Australia is co-ordinating the Australian Organic Products Stand at Biofach 2008 in Germany in February 2008.

Biofach is the world's largest exhibition of organic goods and services. It is an excellent opportunity to sell Australian products to buyers from all over the world.

For those organic operators unable to attend in person the OFA is organising a representation service for "co-exhibitors", details as follows:

CO-EXHIBITOR OPTIONS:

1. 1 square metre of space at the stand (comprising 2.5sq m wallspace and 1sq m floorspace): AUD\$1000 if unmanned or AUD\$700 if manned and contributing to the manning rota.
2. Option for listing by name and product as a Co-Exhibitor in the official catalogue requires payment of a fixed Co-Exhibitor fee of \$315 Euro + VAT (equal to around AUD\$600)
3. Option for co-exhibitor to hire at co-exhibitor's expense display shelving and/or freestanding cabinet.

DISPLAY OF LITERATURE ONLY

1. OFA to display literature in the booth at a cost of \$250 (Listing in catalogue not included).

Space available on a first come, first served basis!

If you are interested please contact:

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TEN GOOD REASONS TO CHOOSE NASAA AS YOUR CERTIFICATION PROVIDER

1. AUSTRALIA'S FIRST CERTIFIER OF ORGANIC

NASAA celebrates its 21st birthday in 2007—not only Australia's oldest organic certifier, it is seen as a leader in the world of organics (being the first along with KRAV to ever receive global IFOAM accreditation).

2. WORLDWIDE RECOGNITION — YOUR EXPORT PASSPORT TO THE ORGANIC MARKET

NASAA's Labels are well known throughout the world to regulators, the marketplace and, importantly, the consumer.

3. WHERE INTEGRITY COUNTS: ONE LABEL—ONE MEANING

Certification is offered on the basis of published standards applicable for export and the domestic market. All NASAA's input, production and processing certification is accredited — not just selected items.

4. SERVICING CLIENTS EQUALLY WHATEVER THEIR SIZE

NASAA values its clients whether they are small, medium or large. Our family of operators come from all walks of life and are serviced equally.

5. SUPPORTED BY STATE-OF-THE-ART eCERT SYSTEM

eCert underpins all NASAA's operations providing efficiency, accountability and traceability.

6. SMALL PRODUCER CERTIFICATION COMPLIANT WITH THE NATIONAL STANDARD

All NASAA producers must be inspected annually in line with market and consumer expectations both here and abroad.

7. THE QUIET ACHIEVER

NASAA quietly goes about its certification work without spending its members' money on chest beating. We recognise that the effort needs to be put into securing technical and quality recognition.

8. SUPPORTING THE ROLE OF THE OFA

NASAA has no desire to dominate the organic industry. It supports the OFA's role as the peak industry body to represent our industry publicly and in government circles allowing us to focus on our core job —certification.

9. SUPPORTING THE STANDARDS AUSTRALIA PROCESS

A new National Standard under Standards Australia will apply to all operators whether they are selling domestically or exporting. One standard — one level playing field and no qualifications.

10. AN INSTITUTION WITH INTEGRITY

NASAA has a proven not for profit structure. Its values are competence, independence and transparency with equal access to all and the same rules for all. That's why your buyers trust us!

