

**Statement of Dr. Craig Morris
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Before the

**Subcommittee on Biotechnology, Horticulture, and Research
House Agriculture Committee**

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Chairman Davis, Ranking Member DelBene, and members of the subcommittee, thank you for the opportunity to testify on behalf of the U.S. Department of Agriculture (USDA) at today's hearing to discuss some of the management system audits offered by the Department in support of producer marketing programs. It is our hope that the information we provide will offer a better understanding of our current activities and our programs.

I serve as the Deputy Administrator, Livestock Poultry and Seed Program, for USDA's Agricultural Marketing Service (AMS). AMS' mission is to facilitate the efficient, fair marketing of U.S. agricultural products, including food, fiber, and specialty crops. Within AMS, there are a family of user-fee-funded, audit based third-party verification programs and services available to the agricultural industry under its Quality Systems Verification Programs (QSVP). The QSVP are designed to provide suppliers the opportunity to assure customers of their ability to provide consistent quality products or services. Under a QSVP, a supplier's documented quality management system is verified through independent third-party audits conducted by qualified AMS staff. There are a few audit programs within the umbrella of QSVP that I will cover today.

Processed Verified Program

One of these is the Process Verified Program (PVP) which provides agricultural businesses with third-party, objective verification of a particular standard or marketing claim. With today's label-conscious consumers, producers often rely on management system audits to support claims that help distinguish their products in the marketplace. USDA's PVP assures buyers that the producer's production processes that support specific marketing claims have been verified by an independent third-party audit conducted by AMS. Process verification based on an audit of company's quality management system is distinct from the testing and certification of a product to a specific standard. Only the latter can guarantee to the consumer that the product meets the

requirements, such as GE-free or hormone-free. Process verification can, however, provide confidence that the company's management supports such claims.

Companies with approved USDA PVPs make claims supported by their process verified points – these include age, source, feeding practices, or other raising and processing claims -- and market themselves as "USDA Process Verified" with use of the "USDA Process Verified" shield and term. All label claims that are associated with a PVP or not, must be approved by the Food Safety and Inspection Service (FSIS) to determine if they are truthful and not misleading when associated with meat, poultry, or egg products in commerce that were produced under Federal Inspection. Separately, the U.S. Food and Drug Administration (FDA) is responsible for ensuring that labels for food under its authority are truthful and not misleading. It is the company's responsibility to ensure labels for foods other than meat, poultry and egg products are truthful and not misleading under FDA's requirements. The USDA Process Verified Program does not relieve the company of meeting regulatory requirements issued by other Federal Departments or USDA Agencies.

Currently, AMS audits 51 different companies with PVP programs, which have approximately 190 different process verified points. Several companies with PVP programs have labels in the marketplace featuring various points with the USDA PVP shield. Examples of process points verified include: Perdue brand for cage free, tenderness guaranteed, no antibiotics ever, vegetarian fed, no animal byproduct fed chicken; Cargill's Shady Brook brand for "No antibiotics used for growth promotion – antibiotics only used for treatment and prevention of illness" turkey; and Tyson's no antibiotics ever chicken.

Transparency and the knowledge that AMS is the independent auditor are key aspects of the PVP. The company establishes the criteria that they want verified, writes a Quality Management System Program Manual, and then undergoes rigorous audits by AMS to ensure they are adhering to the standards they set for themselves. Some examples of the marketing claims supported by process verification today are "No antibiotics or hormones being fed or administered to animals" and "Source verified to the farm or ranch of origin". The two pillars of the PVP are that buyers and any interested party can come to the AMS website, required to be on any PVP consumer packaging, to see the specific details of the quality management system that serves as the basis of any PVP marketing claim and know that highly trained and independent employees are conducting the onsite audits of any approved PVP establishment.

AMS utilizes the International Organization for Standardization (ISO) 19011:2002 guidelines for quality management systems auditing. These internationally recognized guidelines provide a format for evaluating program documentation to ensure consistent auditing practices and ensure confidence in AMS as an independent third-party verifier. AMS auditors undergo extensive training in ISO and audit principles, as well as training specific to the industry, process, and/or

claims they are auditing. AMS is committed to the transparency of its auditing services. AMS posts online a list of suppliers and the claims AMS verifies for all Process Verified Programs.

The claims on food products associated with PVP's, like all food labeling claims, fall under the jurisdiction of either USDA's Food Safety and Inspection Service (FSIS) or the U.S. Food and Drug Administration (FDA). AMS's sole focus is auditing whether a subject firm followed the process it described in its PVP application. AMS approval of a PVP does not mean that the labeling of food produced using the process necessarily meets the regulatory requirements for food labeling enforced by FSIS and FDA.

Recently, AMS approved the first PVP for a company wishing to obtain third-part verification for its a marketing claim that its products meet its desired standard of 99.1 percent non-genetically engineered (content, which the company is using as a basis for labeling the product as comprised of "Non-GMO/GE Process Verified" material. Under this new program AMS verifies that the processes and procedures are in place to support a claim that food grade corn and soybeans sold under the program are at least 99.1 percent free of traits that indicate genetic engineering. This means that the company can use the USDA Process Verified Shield, after prior approval by AMS officials, on the product labels or marketing materials that they use on the food grade soybeans and corn coming from the approved facility. These foods will not themselves be labeled for or sold directly to consumers.

I think it is important to point out what this program does not do. First, this does not establish an approved claim for food safety nor does it establish a standard for food safety. Second, this is not a USDA marketing claim standard. USDA has not established a standard for what merits a marketing claim concerning the presence or absence of genetically engineered components in food regulated by USDA. Moreover, such a food labeling claim for plant-derived foods would fall within the regulatory purview of the FDA. In this case, the company established their own standard, terminology, and logo for the claim they wished to make and AMS simply verified that processes were in place and operational such that the firm could meet its own established standard. Such verification does not necessarily mean that any food labeling associated with the claim meets regulatory requirements enforced by FSIS or FDA. Third, the PVP is not a truth in food labeling program. Within the U.S. Government, the U.S. Food and Drug Administration (FDA), USDA's Food Safety and Inspection Service, and other agencies, and not AMS, are charged with ensuring that all food labeling claims are truthful and not misleading.

And, finally, AMS did not create a "Non-GMO/GE" logo for this program. Logos that may begin to appear in commerce identifying products produced under a PVP are those developed by the specific establishments themselves. Those logos are the responsibility of the good producer and are subject to copyright by Federal agencies other than AMS. The only official, AMS-

authorized mark on a product produced under any PVP will be the PVP Shield associated with the PVP website associated with the specific marketing claim.

Quality System Assessment Program

A second audit service provided is the USDA Quality System Assessment (QSA) Program which provides companies that supply agricultural products and services the opportunity to assure customers of their ability to provide consistent quality products or services. It is limited to programs or portions of programs where specified product requirements are supported by a documented quality management system. The specified product requirements may be identified by the company or may be those outlined in a USDA Export Verification (EV) Program. To operate an approved QSA Program, a company must submit a documented program that meets the program requirements as outlined by AMS.

One such QSA Program is our export verification (EV) program for pork products. EV Programs ensure that the specified product requirements are supported by a documented quality management system and are verified through independent, third-party audits conducted by AMS. For example, our EV Program for Pork to the Russian Federation ensures that:

- Pork is free of tetracycline group antibiotics.
- Slaughter facilities have implemented a tetracycline group antibiotics testing program.
- Facilities approved for export to the Russian Federation have implemented a microbiological testing program for generic Salmonella, Listeria monocytogenes, and total plate count testing.

Certified Responsible Antibiotic Use Standard

A final example of an AMS audit-based marketing program is the Certified Responsible Antibiotic Use (CRAU) Standard developed by School Food FOCUS (FOCUS) and The Pew Charitable Trusts (Pew). FOCUS and Pew sought to minimize the use of veterinary antibiotics that are identical or closely related to drugs used in human medicine and to offer schools a viable way to put poultry raised with responsible antibiotic use on menus. Poultry producers in conformance with CRAU are prohibited from using antibiotics with analogues in human medicine routinely or without clear medical justification. Use of antibiotics with analogues in human medicine must be rare, well documented, and prescribed by a veterinarian. Antibiotics that do not have analogues in human medicine have no further restrictions in this standard.

The scope of the CRAU verification includes a comprehensive farm-to-package review of relevant processes and facilities that include hatcheries, feed mills, farms/barns and processing/packaging sites. The audit must document systems for proper identification and

segregation of CRAU product from farm to package. To meet the requirements of the CRAU standard, a poultry company must be audited by AMS.

National Organic Program

We have seen and heard of some confusion in the press and elsewhere regarding these audit-based marketing claims and AMS' National Organic Program (NOP). Therefore, I would like to offer some background differentiating the two programs.

The NOP is a regulatory program housed within AMS responsible for developing national standards for producing agricultural products labeled as "organic". These standards assure consumers that the production process for products carrying the USDA organic seal meet consistent, uniform standards. NOP regulations do not address food safety, nutrition or health.

The Organic Foods Production Act of 1990 provided the authority for USDA to set these national standards for the production, handling, and processing of organically grown agricultural products. Statutory authority was also provided to enforce compliance with these standards, to accredit certifying agents, and to collect fees for accreditation services.

NOP regulates the labeling of all organic crops, livestock, and agricultural products certified to USDA organic standards. Organic certification bodies inspect and certify that the production, processing and handling practices of farmers, ranchers, distributors, processors, and traders comply with the USDA organic regulations. USDA conducts audits and otherwise ensures that the more than 90 organic certification bodies operating around the world are properly certifying the production, processing and handling of products labeled as organic. In addition, USDA conducts investigations and enforcement activities to ensure the integrity of the products bearing the organic label. In order to sell, label, or represent their products as organic, operations must follow the specifications set out by the USDA organic regulations.

Conclusion

Audit-based services support the ability of producers to make specific claims or to assure customers of their ability to provide consistent quality products or services. These claims can cover raising, feeding, handling, processing, labeling practices, or other practices and processes that differentiate a product. They do not establish that the claim is in conformance with applicable labeling requirements, nor do they establish any food safety standards. I hope that this testimony and subsequent questions will help this subcommittee better understand current AMS activities and the many marketing programs offered by the agency. Again, thank you for the opportunity to testify today.