

QUALITY GRAIN FOR COMMODITY EXPORTS

A look at services available through the
Association of Official Seed Certifying Agencies (AOSCA)

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September 17, 2007

Larry Svajgr, Executive Director of the Indiana Crop Improvement Association, will be making this presentation on behalf of AOSCA, the Association of Official Seed Certifying Agencies. Mr. Svajgr recently completed a term as President of the AOSCA Board of Directors and has been working in seed certification for over thirty years.

Topics in this presentation will include:

- the history of seed certification and services offered by AOSCA and seed certification agencies
- how seed certification skills are used to support production and marketing of quality grain
- AOSCA “Quality Assurance” and “Identity Preserved” programs
- a new approach developed by AOSCA, known as the “Quality Plus” Management Standard and how it will add value to benefit producers

It is helpful to understand what services seed certification agencies provide to the agricultural industry. Seed certification began in the early 1900’s as a way of assuring farmers that they were receiving varietal purity and quality in the seeds that they were purchasing. During that time, many new crop varieties were being developed and released to the public. However, due to a lack of standardized seed production and handling practices, the value of the new varieties was quickly lost soon after introduction, as they were intermingled and crossed with other varieties.

The principals of seed certification begin when new varieties are developed by plant breeders. Once new varieties are developed, they move into the certification system, in which a standardized and consistent set of principals is applied to the seed as it is increased in quantity for sale to growers. At each step of the seed certification process, agencies provide credible third-party inspections and audits which provide documented proof that seed producers are following seed certification standards. For generations, farmers have recognized the value of the familiar Certified “blue tag” which is attached to each container of certified seed. This provides a way of assuring that the seed in the container has met all of the requirements to earn the Certified seed tag.

At each step of the process, seed certification agencies play an important role by providing field inspections, seed testing for germination, purity and other seed traits,

and inspecting seed processing plants which ultimately condition the seed before it is sold to farmers.

In 1919, seed certification agencies from across the United States and Canada came together to form an organization which would represent their interests. The original organization, known as the International Crop Improvement Association, has evolved into the AOSCA of today. The membership of AOSCA is comprised of agencies which have been granted the official authority in each of their jurisdictions to certify seed. The current membership of AOSCA includes these agencies from across the United State and in other countries including Canada, Argentina, Chile, Australia, and New Zealand. Seed certification agencies that belong to AOSCA provide certification activities under a common set of standards used by all agencies. Through the years, standards have been developed for over sixty major crop types grown around the world. Certified seed that is grown and processed in one AOSCA jurisdiction, may move into another area or jurisdiction by carrying the AOSCA tag. This tag provides assurances that the seed was produced following rigid and consistent certification standards.

In the United States, there are three types of agencies that belong to AOSCA, depending upon how the authority was granted by the individual state legislatures. In over half the States, independent Crop Improvement Associations provide certification services. These not-for-profit organizations are directed by the seed industry and other interested parties that make use of the services provided by the Associations. In some of the states, this authority has been granted to a unit of the state department of agriculture, and in the remainder of states, a department within the land grant university is responsible for these activities.

Two AOSCA member agencies have played an active role in the Midwest Specialty Grains Conference and Trade Show. They are good examples of how AOSCA member agencies are structured and the services they offer. The Minnesota Crop Improvement Association was founded in 1903 and continues to provide traditional certification services to Minnesota seed growers. Over the years, MCIA has expanded its offerings and currently provides organic certification, an active program related to native seed production, and a forage and mulch certification program, all of which have been requested in order to support the ag industry in Minnesota. Gary Beil, serves as the President and CEO of Minnesota Crop Improvement Association.

The Indiana Crop Improvement Association was founded in 1900 to provide services to the Indiana seed industry. ICIA is an ISO-9001 registered organization. Besides offering traditional seed certification services, Indiana Crop also provides services through its genetics laboratory and provides a number of testing services to the seed industry. Larry Svajgr serves as its Executive Director.

It is no surprise that agriculture, both in the United States and abroad, is facing major changes. Agricultural grains and commodities are traded freely worldwide, and many of these expanding markets are placing additional requirements for quality and documentation from the products they buy. Advancements in information

technology have allowed buyers and producers of agricultural crops to capture and share information freely and nearly instantaneously. Genetically-enhanced crops have provided both opportunities and challenges in traditional ag commodity supply chains. Finally, customers world wide have an increased focus on food safety and food security.

Regardless of where they may be located, consumers have higher expectations today for food quality, safety, and documentation. This puts an increased responsibility on the growers and handlers of basic commodities to meet consumer expectations.

For over a century in some areas, seed certification has been providing credible third-party inspections and audits to validate the purity and quality of seed. The same processes used in seed certification can easily support other quality systems that have evolved in today's agriculture. Seed certification requires documentation of field history and cropping practices used to produce commodities. Providing credible, third party inspections is a key component of certification. Throughout the process, trained agronomists and laboratory personnel inspect and test seed and crop materials. Seed certification agencies inspect seed processing plants and audit the processing systems used in seed conditioning. Finally, follow-up audits and inspections are used to grow-out seed crops, validating that seed certification standards meet the demands of the marketplace and are showing consistent effectiveness.

Producing commodities for today's supply chains requires the same attention to details. Credible systems must provide documentation at each step in the supply chain.

Recognizing the need for expanded services, AOSCA and its member seed certification agencies developed two programs over ten years ago to meet changing market demands. The AOSCA "Identity Preserved" program allows supplies to develop product-specific requirements to meet customer demands. AOSCA "IP" systems are frequently focused on traits that the end user or customer finds valuable in the commodity.

Using the AOSCA "Quality Assurance" program, producers are able to insure the integrity of traits found in their products. In many cases, AOSCA "QA" programs are used to support regulatory compliance requirements as new crop traits are being developed. In both of these cases, companies wishing to make use of the AOSCA IP and QA programs develop their quality systems and provide them to AOSCA for a review. Once the programs have been approved by AOSCA, the applicants begin using them in their production process, while seed certification agencies inspect and audit to insure compliance with the programs. Organizations that successfully implement and carryout programs approved and audited by AOSCA, may use the AOSCA "IP" and "QA" trademarks as they promote their products.

A recent example of how AOSCA agencies can offer services to expand market opportunities is the "Japan Positive List Compliance Program". Japan enacted its

testing program in May 2006, for agricultural commodities that enter the Japanese market. Commodities now face residue testing for any of up to 800 chemical residues. The Minnesota Crop Improvement Association recognized the need for an approach that could provide third-party oversight to validate grower training, chemical applications, and field histories, then track the commodities from seed to final shipping. The program brings together Minnesota Crop, AOSCA, and the TRAC consortium, a provider of laboratory services.

AOSCA approved the “Japan Positive” program and offers its recognized IP trademark to companies that successfully implement the program.

This program offers producers of all sizes a tool to help them manage risk and build customer confidence in the export market of quality grain. If you have an interest in this program, contact Minnesota Crop or AOSCA for more details.

For several years, businesses have been successfully using these expanded AOSCA programs. More recently, AOSCA recognized the need to evolve and provide additional services and began developing the “Quality Plus Management Standard”. “Quality Plus” offers a new approach designed to help commodity producers improve their businesses and expand their markets.

The concept behind “Quality Plus” was to develop a credible quality management system which could be reviewed and recognized by the United States Department of Agriculture. Many markets recognize the value of commodities produced under some type of USDA-recognized program. AOSCA collaborated with two other partners in the development of the “Quality Plus Management Standard”. Novecta, a joint venture of the Illinois and Iowa Corn Growers Association, is focused on adding value to commodity markets through grower training and certification. Dennis Strayer and Associates brings many years of value-added crop production experience and training to the collaboration and served as the principal author of the “Quality Plus Management Standard”. “Quality Plus” is designed to be used by commodity growers, either as individual producers, or producer groups who wish to become part of a larger quality-focused supply chain. The United States Department of Agriculture has clearly defined program for reviewing and recognizing quality management standards. “Quality Plus” was written with this type of USDA recognition in mind. After being drafted, “Quality Plus” was submitted to USDA for review and it was recently recognized as a USDA-approved management standard. Growers may use this management standard and the recognition they receive as a means of promoting their businesses in the marketplace.

“Quality Plus” was developed with several goals in mind. First, it needed to be user-friendly so that it could be easily adapted to the unique management practices of commodity farming operations. It needed to be flexible so that it could be applied to a wide variety of crops and agricultural products. “Quality Plus” is based on recognized ISO quality management principals, as markets and businesses around the world recognize the value of ISO’s structure. AOSCA and its partners also recognized the fact that a quality management system needs to be economical as growers implement and annually audit their quality system. “Quality Plus” is written

so that it is applicable to both large and small businesses. Finally, “Quality Plus” encourages a team approach as farm operations work with their suppliers and markets to carryout the provisions of the “Quality Plus Management Standard.”

“Quality Plus” has five primary program areas:

- Quality is addressed in a manner similar to the approach found in ISO9001:2000 quality management plans
- Traceability is important throughout the standard, as it documents inputs and production activities at all phases of the farm operation
- “Quality Plus” takes into account the environmental impacts of the farm business and addresses these in a manner similar to ISO14000 environmental plans
- Worker and farm visitor safety is addressed in “Quality Plus” systems and identifies the risks on the farm and how they may be managed
- Security, both on the farm and for the final product, is addressed to meet consumer demands for food safety and food quality

The “Quality Plus approach” includes several objectives intended to assist the farm business. “Quality Plus” provides the basics of an ISO9001:2000 quality management system. However, it is written in a way that will reduce or eliminate the complex requirements of ISO registration that may not apply at the farm level.

“Quality Plus” develops a quality management system that can grow into a more complex and detailed system in the future, if required. “Quality Plus” management plans align easily with both suppliers to the farming operation and its customers. Finally, “Quality Plus” and the related documents provided with it provide credible documentation designed to be audited in an efficient manner and to provide long term records for the organization.

Producers who want to learn more about the “Quality Plus” Management Standard or to determine how they could get started on their own may contact AOSCA for details, as well as either of the other two partners collaborating on the project. To contact AOSCA, visit its web site at www.aosca.org or contact its Chief Executive Officer, Chet Boruff, as 309.736.0120.

Farm operators who may be considering a quality management system like “Quality Plus” should determine how their business would benefit internally, as well as from access to expanded markets. AOSCA and its partners have developed a “Quality Plus” implementation manual which producers may find helpful in developing their quality management system. Also, AOSCA agencies and the project partners may offer assistance to growers as they develop their “Quality Plus” plans.

Auditing is a key component of any quality management system and this has been taken into consideration during the development of “Quality Plus”. USDA has reviewed and approved the Quality Plus Management Standard. As it has with other standards, USDA has developed a system making use of ISO Guide 65 principals, that recognize external auditors to review and approve quality management plans. AOSCA will provide this type of auditing, and this provides an economical solution for providing well-trained auditors who are familiar with production agriculture in their

specific regions. Once the “Quality Plus” management plans are developed, producers will contact AOSCA for the initial quality management system audit. After they have been successfully audited, producers will maintain their “Quality Plus” systems, as they will be audited on an annual basis.

Agricultural producers will enjoy many benefits from implementing the Quality Plus Management Standard in their operation. Internally, the business will benefit from a more formalized decision-making process and will allow it to manage its inputs and risks more efficiently.

The business will benefit externally by exceeding customer expectations, gaining recognition as a reliable supplier, and building upon its success to access new and expanded markets. We encourage anyone interested in learning more about the Quality Plus Management Standard to contact AOSCA or its project partners for more details.

“Quality Plus” provides another key element in the foundation of building a successful business to enter into expanded markets for quality grains and products.