

# Use of Non-certified Processors as Sub-contractors

## What is a non-certified sub-contractor?

The organic Regulations require that all stages of organic production and processing must be subject to inspection and certification by one of the UK certification bodies.

However, there is one clause which permits some relaxation of this rule in certain circumstances. This is specified in Annex IIID of the Defra Compendium of UK Organic Standards (see Section 8.13 of the SOPA Processing Standards)

*(Annex III D) Units involved in the production, preparation or import of products referred to in Provision 1(1) and which have contracted out to third parties in part or in total the actual operations concerned.*

### 1. Initial inspection

1.1 With regard to the operations, which are contracted out to third parties, the full description referred to in paragraph 3 of the General Provisions shall include:

- a list of the subcontractors with a description of their activities and the inspection bodies to which they are subject; these subcontractors must have agreed to have their holding being subject to the inspection regime of Provision 9, in accordance with the relevant sections of Annex III;
- all the practical measures, including inter alia an appropriate system of documentary accounts, to be taken at the level of the unit to ensure that the products the operator places on the market can be traced to their suppliers, and, where different, their sellers, as well as to their consignees and, where different, their buyers.

The above Standard enables an organic producer or small-scale processor to have some simple processing operations done off site by a subcontractor who may not wish to go through the inconvenience and cost of certification. Examples of these simple processing operations can include:

- slaughtering own animals at a local abattoir rather than sending stock long distances to a certified abattoir
- butchering & packing own meat at a local butcher for farmers market or farm shop
- smoking cheese
- crop storage such as potatoes or chilled vegetable store
- seed dressing
- grain cleaning
- grass/Lucerne drying

To ensure that the arrangement is properly controlled and the organic integrity is maintained, the UK certification bodies and Defra have agreed a number of conditions that all the parties concerned must abide by.

## What is Simple Processing?

Simple Processing is defined in the SOPA Standards - 5.04 as;

Where raw materials are processed in such a way that traceability and mass balance are not difficult to follow for an Inspector qualified to producer level e.g.:

1. cleaning;
2. peeling, chopping and slicing;
3. packing (including bought in certified products e.g. box schemes);
4. blending (including bought in certified products) where nature is not changed e.g. muesli;
5. processing of single organic ingredient where nature is not changed e.g. flour milling; simple butchery.

The mass balance is the reconciliation of inputs and outputs done by the inspector at each inspection. A simple process inspection can normally be done by a farm inspector rather than by a processing inspector.

### **What must I do to take advantage of such an arrangement?**

If you wish to use a non-certified subcontractor you must:

- Make an application to SOPA/SFQC using the 'Application Form for Organic Certification for Processors, Importers and Animal Feed Compounders' (obtainable from the office or SOPA website), giving details of the subcontractor, the type of operation and the expected frequency or days when this will take place.
- Draw up and sign an agreement with the subcontractor defining the obligations of both parties. The pro-forma Record Sheet 5 – Subcontractor's Agreement or an equivalent document can be used for this purpose and a copy must be supplied to SOPA/SFQC.
- Supply a copy of Section 8 of the processing standards to the subcontractor and explain the basic requirements to ensure the integrity of the organic products.
- Once SOPA/SFQC has approved the arrangement and issued a new Certificate, the subcontractor must be supplied annually with an up-to-date copy of your Certificate to demonstrate to the Environmental Health or Trading Standards Officers that the arrangement is legal and above board.
- Ensure that each time the subcontractor carries out the process; it is done under the direct supervision of yourself or a competent representative (not an employee of the subcontractor) who has been trained to be familiar with the requirements of the processing standards. This will involve delivering the raw materials or seeing them into or out of store, checking the site for cleanliness and separation of organic and non-organic products to avoid contamination, supplying the labels and/or meat stamp, recording the operation and taking the product away.
- Ensure that on each occasion, a record of the attendance of both parties, the product delivered, the quantities processed and the products taken away, is kept. The Record Sheet 6 – Subcontractor Monitoring Record or an equivalent document must be used for this purpose. The records must be made available for the SOPA/SFQC inspector to verify at the subsequent inspections.
- Keep full responsibility for the subcontracted operations and their compliance with the Standards. Any failings on the part of the subcontractor to maintain the organic integrity will be considered to be non-compliances against your certification.
- Retain title to or ownership of the products, raw materials and sales. The subcontractor must not be allowed to sell your products under their own name as organic.
- Supply the relevant labels and packaging to the SOPA/SFQC office where appropriate to ensure compliance with the organic labelling standards.
- In the case of an abattoir, you must maintain control of the organic meat stamp and ensure that it is applied only to your carcasses. It must not be left with the abattoir between the slaughter operations. A numbered meat stamp is available from the SOPA/SFQC office at a cost of £64.00 & VAT, and an 'agreement to issue and use an Organic meat stamp' form must be signed. The meat stamp remains the property of SOPA/SFQC and must be returned if the arrangement ceases or is terminated for any reason.

### **What will SOPA/SFQC do?**

The arrangement will only be certified if it meets the criteria established by Defra and the other UK certification bodies.

It will normally be limited to two or three organic operators per subcontractor. Any more and the subcontractor would be expected to become certified in their own right.

### **A fee of £60.00 will be charged per subcontracted arrangement.**

Details of the arrangement will be specified on your certificate.

The subcontractor will be inspected annually as part of your annual inspection and additional spot inspections may be done at any time at the discretion of the certification officer or Technical Advisory Committee.