**Economic Policy**

Millions of pounds of apparently fake 'organic' grains convince the food industry there may be a problem

By [Peter Whoriskey](#)

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The organic industry is creating an anti-fraud task force in the wake of a Washington Post report that millions of pounds of "USDA Organic" soybeans and corn imported through Turkey appear to have been fraudulent.

Organized by the Organic Trade Association, the task force would develop methods for companies to ensure that imports of organic products are actually organic.

"There is a strong desire on the part of industry to stop the incidence of fraud in organic," said Laura Batcha, director of the association. "The consumer expects that organic products are verified back to the farm. The industry takes that contract with the consumer very seriously."

Last month, The Post [reported](#) that three enormous shipments of "organic" corn and soybeans - large enough to constitute a meaningful proportion of the U.S. supply of those commodities - had reached the U.S.

Documents and interviews indicated that the shipments were not really organic - in fact, some had been treated with pesticides en route to the U.S. All three shipments hailed from Turkey, one of the largest exporters of organic products to the United States, according to Foreign Agricultural Service statistics. With the "USDA Organic" designation, the value of the shipments rose by millions of dollars.

The report confirmed the suspicions of many U.S. farmers, who have seen prices drop by as much as a third as the volume of imports of organic corn and soybeans have climbed rapidly in recent years.

After the story appeared, one of the nation's largest organic inspection agencies, CCOF, issued a notice to its clients indicating that it "lacks confidence in the organic status of foreign grain." The agency instituted rules requiring that organic grain shipments be traceable back to growers.

One of the Turkish exporters involved in the shipments described by The Post, Beyaz Agro, has been “decertified” as an organic company by the USDA.

Now comes news of the task force. Some U.S. farmers look skeptically at the effort because, they say, they have been waiting for two years for protection from cheap - and fraudulent - organic imports.

John Bobbe, executive director of the Organic Farmers’ Agency for Relationship Marketing, or OFARM, a farmer cooperative, declared that he was “amused” by the industry effort. He noted that many members of the Organic Trade Association have benefited from the lower prices on organic corn and soybeans.

The three shipments examined by The Post represent roughly 7 percent of annual organic corn imports and 4 percent of organic soybean imports.

“It remains to be seen whether this effort is serious or not,” Bobbe said “The OTA has been strangely quiet about this issue. It seems they have been looking the other way - the ‘see no evil’ scenario. But I guess they can’t ignore it now. I think the fire is burning enough that the flames can't be stamped out.”


The USDA has been far too lax - and slow - in ferreting out fraudulent imports, U.S. organic farmers have complained. For months, the agency has said it has been investigating fraudulent grain imports.

If the anti-fraud efforts go no farther than publishing a set of “best practices,” Bobbe suggested, little is likely to change. A list of ethical practices, he said, will not stop an importer intent on the quick profits that can come from relabelling conventional grains as “USDA Organic.”

But Batcha said that the industry is working on more than a set of best practices. It is also lobbying to give the USDA broader enforcement powers in the next farm bill, she said. The association is also pushing Congress for new technology to trace organic products all the way back to the farm. It will also ask that the USDA’s National Organic Program submit to Congress an annual report on enforcement actions.

“We’re going to Congress - we want to close the loopholes,” Batcha said. “The task force’s work is important but it’s not the only thing we’re doing.”

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Peter Whoriskey is a staff writer for The Washington Post whose investigative work focuses on American business and the economy. Previously, he worked at the Miami Herald, where he contributed to the paper's coverage of Hurricane Andrew, which was awarded a Pulitzer Prize for public service. **Follow** 

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