

Audit Based Nursery Certification Workshop - Summary
February 23 and 24, 2011
USDA Center - Riverdale, MD

(This document is a brief summary of meeting discussions and initial conclusions. PPT presentations are available from Ken Rauscher)

Workgroup Participants: Carl Schulze, Gray Huan, Carol Holko, Collin Wamsley, Dan Kenny, Stephen Schmidt, Gary McAninch, Mike Colvin, Aurelio Posadas , Ruth Welliver, Ken Rauscher

Workgroup members not able to participate in this meeting: Wayne Dixon

Contributors: Robert (Sam) Johnson, Mike Ward, Erich Rudyj, Dr. Walt Gould, Dr. Martin Lo, Terry DiLeone, Sarah Gettys, and Marc Tefteau

Workshop Goals

1. Define the concept of audit based nursery certification and develop a common understanding of this initiative.
2. Review recent survey results to gain an understanding of the current nursery certification process in US.
3. Review other 3rd party audit based certification systems to identify possible commonalities and potential avenues.
4. Develop the possible foundation blocks for an audit based nursery certification system considering size, scope and possible timetable for implementation.
5. Identify next steps.

Workshop presentations and discussion - generally follows the workshop agenda as attached.

Opening Comments and Agenda Review - Carl Schulze and Gray Haun provided opening comments and perspectives and reviewed the workshop agenda.

USDA White Paper - Ken Rauscher provided a review of the USDA White Paper relative to Section 10201 (d) 1 of the Farm Bill pertaining to Audit Based Nursery Certification. This paper provides a history of this initiative to date, Congressional direction, and a summary of Farm Bill funded projects to facilitate this initiative. The document describes USDA/NPB discussions to date regarding audit based nursery certification and Appendix 4 provides and listing of desirable components of an audit based nursery certification system.

NPB Nursery Survey - Carol Holko and Gary McAninch provided an overview of the Survey Summary of nursery certification and audit based certification opportunities as provided by NPB members as a part of an e-survey conducted in December, 2010. Survey highlights:

1. Generally (87.2% yes, 12.8% no) NPB members are willing to consider alternative certification (audit based) systems for interstate shipping and receiving with certain caveats, i.e. must be shown to be effective, science based, cost neutral, scalable for various size businesses, and must reduce risk of pest movement.
2. In many cases NPB members are not entirely sure how much they would have to revise their existing laws to implement an audit system.
3. Impediments to implementation were described as the need for increase resources, more training, and incentives for industry to support.
4. Some variability exists relative to certification for interstate shipping, but the majority of states inspect material one or two times per year.
5. Relative to training for audit based certification, the vast majority of states felt that the state regulatory agency should be a partner or sole provider of this training.
6. Fee structures supporting certification are extremely variable from state to state, are generally low, and reflect varying levels of general fund support and funding mechanisms.
7. Generally (about 2 to 1) respondents indicated that they were not knowledgeable enough to confidently discuss ABC with industry or other regulators.
8. Other general comments: must benefit all of the nursery industry, state regulators must maintain a high level of oversight, the nursery inspection system must change to allow us to move forward, the quality of the product is the primary concern, trust but verify, there must be incentives for nurseries to participate, ...

ISO Management Systems - Terry DiLone provided an overview (ppt) of ISO certification standards and potential applications. While these are excellent control and quality management systems, the participants generally agreed that ISO is probably much more expensive and labor intensive than the audit based system and industry can justify. However, many of the concepts and components such as risk analysis, quality manuals, and auditing procedures are applicable to the audit based certification discussion.

HAACP and ISPM 14 - Drs. Walt Gould and Martin Lo provided an overview (ppt) of ISPM 14, HAACP and the concept of Critical Control Points (CCP's). As we look at audit based or systems approaches, these concepts will be critical decision points as it relates to risk analysis, identification of best management practices and audit procedures. One of the critical aspects of HAACP and systems approaches is that as quality product cannot be achieved if we start with a "dirty" commodity. This clarifies the importance of clean plant networks and sources.

USDA Perspective - Sam Johnson and Mike Ward provided an overview (ppt) and perspective of the Canadian and US Nursery and Greenhouse Certification programs. Currently there are 5 Canadian nurseries participating in the audit based nursery certification program and approximately 235 producers participating in the audit based greenhouse certification program. Participants were generally less that impressed by the lack of participation on the part of Canadian international shippers. Sam provided a USDA perspective of audit based certification programs in place, an overview of the White Paper with emphasis on many of the projects currently underway to facilitate transition to audit based or quality systems approaches. He asked the committee to thoroughly review the White Paper and provide comments for

improvement. He described audit training being offered by USDA for both federal and state staff. He provided current updates available on the USDA website relative to education and outreach materials and studies. Sam reference the work of the Oregon Association of Nurserymen relative to a generic certification or quality manual. He also reviewed the NCPN programs delivered with the assistance of Section 10202 of the 2008 FB and noted the cooperation of NPB members in facilitating many of these clean plant network programs.

HRI/George Washington University Review of USNCP - Marc Tefteau provided an executive summary of the findings of this George Washington University review. The complete report will be delivered to USDA on March 9th. Generally the review indicated that the USNCP start up costs for nurseries are high, but the benefits to the industry and environment could be great. Information available suggests that a systems approach to certification could prevent pest infestations that end-point inspection systems would not. The report suggests that the USNCP could be streamlined and improved to increase the benefits to all stakeholders. It also suggests that the USNCP and programs like it are excessively costly for average to small nurseries. Finally the report states that lack of data about this audit based approach make it extremely difficult to say that the USNCP is the best approach to concerns about existing certification programs.

Marc indicated that much of the industry does not understand the concept of audit based certification. He feels that there will always be a segment of the industry that will prefer the traditional shipping point inspection. However, Marc indicated that the industry as a whole is interested in improvements to the production and certification systems as they have no desire to ship or receive plant material that is infested or infected with pests. Finally, the industry finds the term “audit based” to have negative connotations, and suggests that perhaps terms such as “systems approach” or “risk based quality management” would be more palatable.

Unified Audit Based Nursery Industry Certification Framework Review as hosted by the Northeast-Midwest Institute - Carol Holko, a participant of this review provided an overview (ppt) of the final document. This meeting of traditional and non-traditional stakeholders to explore the areas of agreement and concern relative to the nursery industry and its role as a pathway for movement of invasive pests was supported by Farm Bill funding. Discussion by participants utilized extensively Appendix 4- Feasibility of Audit Based Certification of the USDA White Paper and the National Plant Board’s Plant Quarantine, Nursery Inspection and Certification Guidelines - Appendix L. The recommendations of this report depend heavily on these two references. The report proposes to further utilize the energy and interest of participants to further pursue this framework. The workgroup members have taken the recommendations of this report under consideration and have reviewed the content and recommendations of NPB PQNIC Guidelines - Appendix L.

Current or Developing Certification Systems utilizing a Systems Approach

1. US/Canadian Greenhouse Certification Program - Dan Kenny provide an overview of the history and components of the US/Canadian Greenhouse Program. A compliance agreement sets out the certification criteria, templates for documents are available,

the process manual is on EXCERPT, and zero tolerances have been established for quarantine pests. The agreement requires 4 monitoring inspections per year, an annual audit inspection, and spells out roles and responsibilities.

2. Virus Tested Deciduous Fruit Tree Program - Sara Gettys provided an overview (ppt) of the current document draft and its components. This program utilizes the products from the NCPN clean plant networks to increase this material for orchard utilization. The current draft utilizes the work of approximately 10 previous “virus-free” programs and reshapes it into a harmonized minimum standard, incorporating a systems approach, for G3 production. Three states, Pennsylvania, Oregon and Michigan are currently piloting this certification concept.

3. US Nursery Certification Program - Mike Colvin provided a review and a few perspectives of the USNCP. This program was developed using the Canadian NCP as a model to facilitate international shipping by utilizing an audit based approach to eliminate load by load inspection requirements and place greater responsibility on the producer. Currently there are 7 firms participating in this program. The USNCP is resource intensive for producers and along with the current economic picture it has limited the participation. Marketing of this program in a number of states has not produced a significant number of producers willing to invest in the process. Industry has indicated that streamlining the process and making it less redundant would improve its effectiveness and utilization.

4. Comparison of Three Certification Schemes - Gary McAninch provided an overview (ppt) of an Oregon Dept. of Agriculture study examining the benefits of three certification schemes to mitigate pest risk in nursery stock. The study seeks to compare pest risk and risk management associated with the USNCP, the Grower Assisted Inspection Program (GAIP), and the traditional shipping point inspection program. Results are very preliminary at this point and sample collection has not been completed for the shipping point portion of the comparison. There is general agreement that efficacy data is critical for industry and certification agencies to support risk based - systems approaches.

5. Certification Program for Spruce, Fir, and Douglas Fir - Ken Rauscher provided a summary of a proposed systems approach for certification of spruce, fir, and Douglas fir utilizing compliance agreements, to replace load by load certification in response to gypsy moth, and Japanese beetle regulations. The program provides a template for identification of critical control points and development of best management practices to minimize the risk of transporting these pests in this commodity. This compliance agreement based system is designed to improve grower participation in the risk management process, reduce costs, and improve overall effectiveness.

Audit Based Nursery Certification - Discussion of the concept of Audit Based Nursery Certification, our current certification processes, and other systems approaches.

An extensive discussion of the concepts previously presented was facilitated by Aurelio P. and led the committee to a number of broad conclusions:

1. The Nursery Survey results indicate that NPB members are interested in considering alternative certification approaches but with concerns that include; resources and costs, better management of risk, scientific data to support improved effectiveness, scalability, training, and benefit to the nursery industry as a whole.

2. The industry is interested in reducing the risk of shipping and receiving invasive pests. Like regulatory agencies they are concerned about resources demands, training and quality of their products. They are supportive of a system that is efficient and not onerous and are concerned about the use of terms like “audit based”. Perhaps the term risk based quality management would be a better choice to describe this approach.

3. USDA is clearly concerned about movement of quarantine pests and the lack of harmony or consistency relative to current state by state programs. They have stated that they believe at least some of the nursery stock produced under the current system is contaminated with regulated insects and disease. USDA representatives have suggested audit based systems similar to the USNCP as a means to increase documented responsibility with producers, incorporate risk analysis, identify critical control points and implement best management practices. Additionally, they have pointed to NPB Certification Guidelines - Appendix L as a means to achieve greater uniformity.

Appendix L:

The workgroup spent time reviewing this document which was produced in 1992, as it relates to the role and limitations of nursery certification in the management of plant pests. The workgroup found that this document is still relevant and applicable. This document recognizes the need for traditional nursery certification programs as a baseline for interstate movement of plant material. However, it also documents limitations connected with this baseline certification process, including varying state standards, visual symptoms, training deficiencies, stock acquired from outside sources, and resource limitations. The document also recognizes that for special pest problems often addressed by state or federal quarantines, a higher level of assurance and documentation such as a phytosanitary certificate or certificate of quarantine compliance is needed to facilitate trade.

Achieving Uniformity - The workgroup believes that generally the current interstate certification systems are not broken either for baseline certification or meeting quarantine pest requirements. However, there is a need to achieve greater uniformity in both areas. This Appendix suggests that the NPB could work to develop a model inspection program for the Board itself or for promulgation by USDA as a federal voluntary program with a special “national” certificate that could be used by participating states. This may be an appropriate approach to assist with uniformity at some time in the future, but the workgroup does not see this as an appropriate system at this time.

The Way Forward - Workgroup Recommendations

After considerable discussion the workgroup developed the following conclusions and recommendations relative to audit based or risk based quality management systems:

1. ISO certification and strict HACCP systems are not appropriate or applicable in their entirety for the nursery industry. Many of the concepts such as risk analysis, identification of critical control points and development of BMP's, audit provisions, training, documentation, roles and responsibility identification are very important to any certification system. These concepts should be incorporated into baseline and quarantine certification systems where ever possible.

2. The current baseline and quarantine compliance certification systems for nursery certification are sound, but can be improved to make them more uniform and effective. The baseline certification system can be improved by implementation of the following measures:

A. Incorporation of Risk Analysis to assist in identification of Critical Control Points (CCP's) and development of Best Management Practices (BMP's) where possible and appropriate.

B. Providing uniform training for both regulatory officials and the nursery industry. This training should include short courses in such areas as auditing, pest risk analysis, pest identification, and compliance agreements, CCP, and BMP development, etc. Opportunities exist for collaborative development of training materials between industry, the land grants, USDA, NPB, and HIS members.

C. Updating the NPB Model Nursery Bill. The original model law was crafted to provide a framework for comparison and potential harmonization of state laws. It should now be updated to incorporate language that would facilitate risk based, systems approaches to certification.

D. Development of Education and Outreach materials for both regulatory agencies and industry. This material would describe the components and benefits of the certification system, systems approaches, value of CCP's and BMP's, etc. This education piece is critical to dispelling the contaminated stock hypothesis.

3. The Quarantine Compliance Certification system provides that higher level of assurance is required to meet state and federal quarantine pest concerns. There is an opportunity to reduce pest risk and improve assurances by utilization of audit based or system approach techniques in a step by step fashion over time. This can be accomplished by:

A. Transitioning to audit based/risk based quality management systems utilizing such tools as compliance agreements, which include risk analyses, CCP's, BMP's, responsibility identification, and auditing for verification. Certification systems for gypsy moth, Japanese

beetle, *P. ramorum*, and LBAM which already exist or are in stages of development, provide excellent opportunities for implementation of these audit based technology.

B. Transitioning away from load by load shipping point inspections. These inspections are a drain on agency resources and provide only a snap shot in time to support certification decisions. It is suggested that as much as possible, audit based techniques such as risk analysis, CCP's, BMP's, etc., be incorporated in to these traditional inspection protocols.

4. Certification for international shipping may, for the near future, continue to utilize:

A. United States Nursery Certification Program (USNCP) with its full audit based provisions or,

B. Phytosanitary certification utilizing load by load inspections. Again, it is desirable, where possible, to incorporate audit based techniques to help reduce pest risk.

5. USDA White Paper - Based on a quick review of this document, the committee has some philosophical and practical concerns in certain areas of this document. It is the intent of this committee to gather comments based on our current direction on audit based certification as noted in this document.

6. The terms Audit Based Nursery Certification seem onerous to some. Perhaps terms like Risk Based Quality Management or the like would be better choice to describe this approach.

Development of Talking Points and Next Steps: In preparation for a meeting with USDA and ANLA representatives, the workgroup prepared a list of talking points and identified a set of next steps for this initiative.

The workgroup adjourned at 2:30 pm, Thursday, February 24th.

Meeting with USDA and ANLA representatives: At 3:00 pm, February 24th, Carl Schulze, Gray Haun, Aurelio Posadas and Ken Rauscher met with Marc Teffeau, Robert (Sam) Johnson, Eric Rudyj, Mike Simon and Mike Ward to share the significant outcomes of the workshop and provide a draft of perceived next steps. A copy of the talking points and list of Next Steps is attached.

K. Rauscher

**TALKING POINTS DEVELOPED AT THE ABC MEETING
FEBRUARY 24, 2011**

- 1 NPB Nursery Survey was conducted
 - Members were willing to consider an audit based nursery certification system.
 - With caveats
 - Need to “rebrand”. The term “Audits” has a negative connotation to all.
 - Needs to be scalable

- 2 NPB Plant Quarantine, Nursery Inspection and Certification Guidelines, Appendix L - Nursery Stock Certification: Its Role and Limitation
 - Is still valid
 - States and Industry feel current Nursery System is not broken
 - Current Nursery System can be improved upon (see Ruth and Carol’s sub-committee report for more details)
 - Risk Based CCP’s/BMP’s
 - Training
 - Update the Nursery Model Bill
 - Outreach

- 3 Quarantines
 - Look at Audit Based approaches to quarantine compliance
 - Opportunities with JB, GM, PR, LBAM
 - Industry benefits (Examples GM, PSB)

- 4 Shipping Point Inspections
 - Transition away from “load by load” inspections where appropriate
 - Encourage the use of CCP’s/BMP’s

- 5 ISO Certification and HACCP are not applicable in their entirety to the Nursery Industry.
 - Some concepts maybe useable

- 6 USDA White Paper on Audit Based Certification
 - Based on a quick read the committee has some concerns
 - Committee will reevaluate based on the direction we have identified at this point.

**NEXT STEPS IDENTIFIED AT THE ABC MEETING
FEBRUARY 24, 2011**

1. Review the USDA White Paper and provide comments to Ken and Gray.
Who: Committee Members.
Due: March 4, 2011
2. Prepare and provide an ABC presentation on committee work at each Regional Plant Board Business Meeting.
Who: Ken, Gray, Carl and Aurelio
Due: By March 4, 2011
3. Write up summary for ABC February 23-24 Meeting
Who: Ken, Gray, Carl and Aurelio.
Due: By March 4, 2011 or sooner
4. Professionalize the NPB Nursery Survey
Who: Carol and Gary.
Due March 4, 2011
5. Identify a Training sub-committee (training should include short course on audits, pest risk analysis, CCP's/BMP's, and?)
Who: Carl and Gray
Due: ?
6. Identify sub-committee to review and rewrite NPB Model Nursery Bill
Who: To be identified by Carl and Gray
Due: ?
7. Identify a sub-committee to develop Compliance agreement templates. (Generic, JB, GM, LBAM, Pram - to include CCP's/BMP's)
Who: Carl and Gray
Due: ?
8. Identify a sub-committee to develop Out Reach Materials. (Significance of CCP's/BMP's, Systems approach, harmonization, etc.)
Who: Ken, Gray, Carl and Aurelio
Due:?
9. Put Committee members/purpose and meeting information/materials on NPB Website.
Who: Carol and Aurelio
Due: ?

10. Notify/remind all members of next ABC Conference Call Scheduled for **March 16, 2011**
at 3pm ET.

Who: Aurelio

Due: March 3, 2011