Formal Recommendation by the National Organic Standards Board (NOSB) to the National Organic Program (NOP)

Date: October 28, 2010

Subject: Response to Hops Petition

Chair: Daniel G. Giacomini

The NOSB hereby recommends to the NOP the following:

Rulemaking Action X

Statement of the Recommendation (Including Recount of Vote):

In response to a petition to remove Hops (*Humulus lupus*) from section 205.606 from the National List, the NOSB recommends removal of Hops (*Humulus Lupus*) from Section 205.606 of the National List on January 1, 2013. The NOSB vote on this recommendation was 14 Yes, 0 No, 0 Abstentions, 0 Absent, and 0 Recusals.

Rationale Supporting Recommendation (including consistency with OFPA and NOP):

OFPA and the NOP mandate the NOSB board to add or remove materials on the National List. The compromise removal date was acceptable to the petitioner and a large majority of the industry.

NOSB Vote:

Moved: Joe Smillie	Second: Jennifer Hall
Yes: 14 No: 0	Abstain: 0 Absent: 0 Recusal: 0

National Organic Standards Board Handling Committee Response to Petition to remove Hops (*Humulus luplus*) from § 205.606

Revised Committee Decision Discussion October 8, 2010

List:

National Organic Program Subpart G: The National List of Allowed and Prohibited Substances. § 205.606

Nonorganically produced agricultural products allowed as ingredients in or on processed products labeled as "organic."

Hops (Humulus luplus)

Committee Summary

Petition is for removing Hops (Humulus luplus) from § 205.606

The petitioner requested that Hops be removed from § 205.606 because the production of organic hops has increased significantly since the petition to place them on § 205.606, and subsequent listing on the National List. There was no date specified for removal. The form, quantity, and quality of organic hops are addressed in the petition. The petition cites support from credible brewers, hop associations, and hop growers to the increased quantity of organic hops available. The petitioner claims differences in quality between cultivars of hops are not an issue. Public comment has been received objecting to the removal of hops from 205.606.

Four members of the committee had conversations with 12 or more brewers, three certification organizations, and multiple hop producers and organizations about the availability of organic hops and the cultivars of hops needed for different brews. Several microbrew makers in the Pacific Northwest, New England, and a college chemistry professor, known to one of the Committee members as being proficient in the art and science of beer-making, vehemently attested to the unique properties provided by individual hop cultivars. They claimed that substantial differences in character are discernable between hop cultivars. Beyond that, they attested that these differences are discernable from year to year for a single cultivar from the same grower, and moreover that varietal differences are discernable from grower to grower an identical. This is consistent with generally accepted expectations of other perennial crops such as nuts, grapes and berries, as well as annual crops such as grains and legumes. Vital characteristics of a crop vary from place to place, grower to grower, and year to year; this is not a novel concept and is generally accepted in the agricultural community as valid and correct. No commenter's have provided analyses demonstrating that hops should be viewed differently than other perennial crops in this regard.

The question at issue is whether these variations constitute a sufficient rationale to justify some breweries' use of non-organic hops in some circumstances. The Handling Committee asserts that this case by case evaluation is appropriately done at the level of organic certification, since only the ACA's have access to the product formulation details, product specifications, and specific market data that each brewery should be providing in defense of their organic system plans. In order to be used in an organic product in conventional form, a given crop must not only appear on 205.606; the producer must also demonstrate to the certifier that the variety needed is not commercially available in organic form at the time of inspection.

The difference in opinion between the petitioner and some of these commenter's lies in the area of cultivars and form (dry, fresh, pelletized, pressed etc). The petitioner makes the argument that there are so many cultivars of hops that it is unjust to burden the organic hop industry with making every cultivar available organically and that there are enough cultivars available so that substitution would not be a hardship for organic brewers. It is of concern that the petitioner states that organic hops that are available are not being sold. However, a large number of recent commenter's have expressed their opinion best summarized by the comment "organic beer should be made with organic hops." While the Committee agrees with this comment completely in principle, and believes such expectations are genuine and important, such comments do not provide any novel information that is helpful in determining the fate of Hops on § 205.606.

As a component of this recommendation, the Handling Committee, would like to reiterate its hope that the November 30^{th,} 2007, NOSB recommendation " **Further Guidance on the Establishment of Commercial Availability Criteria**" will soon be fully implemented by the NOP. Additionally, the Handling Committee would like to emphasize again that irrespective of that recommendation's implementation, ACA's *must* play an essential role in evaluating on a case by case basis the organic system plans provided by their clients who produce organic beer. Unquestionably, it is an ACA's responsibility to assess the immediately salient characteristics of hops' supply, demand, quality, quantity, and form relative to an operator's formulations, intended products, and target markets. Their action (or inaction) contributes substantially to the degree of functionality of commercial availability perceived by industry and the public at large.

While many necessary cultivars of hops are available in an organic form, the argument that hops cultivars can be acceptably substituted for one another in all cases is not fully supported by the history and practice of beer brewing, along with the feedback of several craft beer producers, as noted above. The Committee is hesitant to remove hops from § 205.606 at this time, but also recognizes that the listing of hops on 205.606 should be limited, in order to support the development of a truly sufficient organic hop market.

The committee proposes the removal hops from § 205.606 by January 1 2013. This time interval formally recognizes the growth of organic hops' availability and yet allows brewers two growing seasons to secure their organic hops through forward contracting, making adjustments to future product formulations and specifications, and preparing

their customers and consumers for the product changes anticipated, if any. If they so choose, brewers may also begin the process of petitioning to the National List specific hop cultivars and forms of cultivars they feel to be inadequately available in organic form. Those cultivars and forms petitioned will identify specific needs for hop growers to provide for. In short, we believe that this approach charts a course that will facilitate the growth and development of the organic hop market without the potentially catastrophic effects that immediate removal of hops from § 205.606 would cause.

The comment made by one of the hop growers, Patrick Smith, on his blog of September 15th was especially insightful " ...what we really want is for a clear roadmap to a day when all organic beer is brewed with 100% organic hops. A transition period that allows brewers and growers to work together to secure organic hop sourcing would provide the environment for an orderly conversion." The NOSB would like nothing more than to provide the roadmap and herein provides a recommendation that does so.

This recommendation will also provide immediate encouragement and market demand for those organic suppliers who claim to have unsold organic hops in storage. Additionally, this will provide producers the certainty to continue or expand existing hop yards in anticipation of future markets or to begin the production or organic transition of the most needed cultivars. The Handling Committee's expectation and hope is that this compromise will provide a fertile ground for fruitful dialogue and continued measured growth of the organic marketplace. The Handling Committee is looking forward to hearing additional opinion of brewers, barley growers, malt producers, and hop growers on this issue.

Updated Committee Recommendation

Hops (Humulus Luplus) be removed from 205.606 on January 1, 2013

Motion: Joe Smillie				Second: John Foster		
Yes:	6	No:	0	Abstain: 0 Absent: 1		

National Organic Standards Board Handling Committee Sunset Recommendation – 2012 Hops (*Humulus luplus*)

August 30, 2010

List: 205.606 Nonorganically produced agricultural products allowed as ingredients in or on processed products labeled as "organic."

Hops (Humulus luplus)

Committee Summary

Federal register notice of the sunset of this material elicited public comments against re-listing.

Review of the original recommendation, historical documents, and public comments does not reveal unacceptable risks to the environment, human or animal health as a result of the use or manufacture of this material. There is new information contradicting the original recommendation which was the basis for the previous NOSB decision to list this material. This information contained in a petition cites the increased production of organic hops. The petition calls for the removal of Hops from 205.606 . The Handling committee has examined this and issued a recommendation. As a 205.606 listed material, it is subject to commercial availability scrutiny for use in organic products.

Committee Recommendation(s)

The handling committee recommends the renewal of the following substance in this use category as published in the final rule:

Hops (Humulus luplus)

Committee Vote:

Motion: Jo	e Smillie	Second: Steve DeMuri		
Yes: 6	No: 0	Abstain: 0	Absent: 1	