

Food Safety Certification Key to Future Marketability of California Avocados

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The Food Safety Modernization Act (FSMA), signed into law in 2011 and effective on January 26, 2016, was created in response to several food safety incidents during the previous decade related to the consumption of fresh produce. FSMA mandates that *most* growers demonstrate compliance with specific food safety practices. (Specific information on “Exemptions” and “Compliance Dates” may be found in the sidebar at the end of this article.)

In response to the FSMA, the California Avocado Commission (CAC) introduced a Good Agricultural Practices (GAP) program for growers in August 2011. Adherence to a GAP program mitigates the risk of microbial contamination on fruit by following scientific-based policies, practices and procedures. Over the last five years a majority of California avocado growers have implemented GAPs and completed annual certification.

While the Food and Drug Administration (FDA) was developing the FSMA requirements, retailers and foodservice companies were concurrently creating their own food safety certification demands. Over time, these divergent buyer requirements created a very difficult market environment. One buyer would accept the United States Department of Agriculture’s (USDA) GAP audit while another would only accept the Primus Ranch audit. Due to diminishing acceptance of the USDA GAP audit from buyers, the Commission’s initial GAP program – which was built around the USDA GAP audit – was modified in 2014 to support the Primus Ranch audit.

During the past few years, multiple commodity organizations (including CAC) have worked to identify one audit scheme that would be universally accepted by all (or the

majority) of buyers. In 2000, a group of the world’s leading retailers formed the Global Food Safety Initiative (GFSI) to collaborate on the development of consistent requirements throughout the supply chain. Since that time, GFSI has become well respected for its role in creating a benchmarking model that provides credibility in determining equivalency between food safety schemes. GFSI doesn’t conduct audits or own an audit scheme. Rather, GFSI determines that audit schemes meet certain benchmarks at which point those audit schemes are verified in alignment with GFSI standards. This allows for more flexibility and choice in the marketplace, with the common goal of “once certified, accepted everywhere.”

Buyer demands, in most instances, are greater than those required under FSMA. Recently, Walmart announced that by January 1, 2018, the following requirement will be in place:

“All Avocado Suppliers for Walmart and Sam’s Club must align with GFSI and recognized benchmarked schemes for their entire operation including their packinghouses, storage and distribution centers, and growers/fields. Suppliers who still have growers/fields which have not yet achieved certification should provide to the Walmart Food Safety & Health a commitment letter indicating the date when all these sites will meet our requirements. **We expect all fields to be certified no later than the end of 2017. Should this process not be adhered to, we will reconsider our relationship with your firm.**”

Consider that on average a large customer like Walmart may purchase more than 10 percent of California’s volume in a season. With total U.S. domestic consumption surpassing 2.5 billion pounds, as we all know, there is no lack

of supply options for retail and food service customers. If California fruit doesn't meet with a prospective buyer's food safety requirements, the time will come when they will look for another supplier.

Since the Commission launched the GAP program, some industry members have continued to question the need for GAP certification. Some say avocados are not at risk for microbial contamination while others argue that we shouldn't do anything until all the countries exporting avocados to the United States are certified (and verified). Not only are those positions indefensible, they significantly hinder the future marketability of California avocados and our progress as an industry. We know from FDA's recently-completed microbial sampling assignment on avocados that there were positive finds for bacteria on domestically-grown avocados. We also know that the primary offshore producers are working on food safety certification. In fact many of their groves are Global GAP certified, a more stringent audit required for shipments to Europe.

Over the next couple of years as food safety requirement deadlines are enforced, increasing pressure will be placed on handlers to supply buyers with certified fruit. If they are unable to do so they run the risk of losing that customer. Handlers already have to separate GAP-certified fruit from non-certified fruit, which is less than ideal. There will come a point in time when non-certified fruit will be difficult to

sell through normal market channels.

While you may not like that food safety certification is important to your business, or agree with its need, that doesn't make it any less real. The time to debate the importance of GAP certification in the California avocado industry is over. If California-grown avocados do not meet the level of food safety standards required from buyers how can we expect a premium price? Let's go a step further. Food safety certification is no longer considered an "added value," but the expected norm. In all likelihood, probably sooner rather than later, if your fruit is not GAP certified it will be below market standards and result in below market prices.

To assist growers who want to remain competitive, the Commission is in the process of modifying the GAP manual to support the Primus GFS audit. For those of you who have previously been GAP certified, the majority of changes involve additional record keeping. Many of the handlers are involved in this effort and stand ready to work with growers who would like to become GFS certified. The Commission will conduct another series of GAP workshops in early 2017. In the meantime, if you would like to learn more about GAP certification additional information can be found here: californiaavocadogrowers.com/growing/gap.

If you have any questions please give me a call at (949) 341-1955 or send an email to kmelban@avocado.org. 🥑

FSMA Exemptions:

The Standards for Produce Safety Rule does not apply to:

- Farms that have an average annual value of produce sold during the previous three-year period of \$25,000 or less.
- The Rule also provides a qualified exemption and modified requirements for certain farms.
- To be eligible for a qualified exemption, the farm must meet two requirements:
 - The farm must have food sales averaging less than \$500,000 per year during the previous three years; and
 - The farm's sales to qualified end-users must exceed sales to all others combined during the previous three years. A qualified end-user is either (a) the consumer of the food; or (b) a restaurant or retail food establishment that is located in the same state or the same Indian reservation as the farm or not more than 275 miles away.

FSMA Compliance Dates:

Most avocado farms will not have to show compliance for two or more years following its inception, based on the following criteria:

- Very small businesses, those with more than \$25,000 but no more than \$250,000 in average annual produce sales during the previous three year period: Four years (January 26, 2020).
- Small businesses, those with more than \$250,000 but no more than \$500,000 in average annual produce sales during the previous three year period: Three years (January 26, 2019).
- All other farms: Two years (January 26, 2018).
- The compliance dates for certain aspects of the water quality standards, and related testing and recordkeeping provisions, allow an additional two years beyond each of these compliance dates for the rest of the Rule.