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2025 ORGANIC PROGRAMMATIC GAP ANALYSIS



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2025 Organic Programmatic Gap Analysis

The Southeast Transition to Organic Partnership Program (TOPP) has made significant advances in providing technical support for producers. However, despite robust mentorship and agronomic resources, the region's organic acreage continues to lag behind national averages.¹ This analysis identifies three primary organic programmatic gaps: the Financial Uncertainty Gap regarding federal cost-share reliability, the Administrative Friction Gap created by recordkeeping burdens, and the Infrastructure/Supply Chain Gap that leaves mid-sized producers without viable processing or distribution hubs. This analysis also examines the growing value proposition question, where small and mid-sized operations find the USDA Organic seal increasingly redundant in local, relationship-based markets.

The Cost-Share Problem: Financial Support vs. Financial Security

The Organic Certification Cost Share Program (OCCSP) is frequently cited by Southeast farmers as the single most important federal incentive for certification.² However, a gap exists between participation in the program and its ongoing perceived reliability.

The Reliability Gap

While the 2018 Farm Bill stabilized OCCSP funding, the program's recent history is one of fluctuation. In 2020, for example, reimbursement rates were reduced due to funding shortfalls, leaving many farmers to cover 50% of costs rather than the promised 75%. Funding and authorization lapsed following a 2024 delayed extension of the Farm Bill and, as of December 2025, the recent round of OCCSP reimbursements have not been processed.

For a Southeast producer operating on thin margins, especially during the 36-month transition period when they face organic costs without organic premiums, this uncertainty is a deterrent. Survey data suggests that farmers do not view the cost-share as a permanent fixture of their business model, but as a variable grant. When the cost of certification, inclusive of inspection fees, travel for inspectors, and administrative time, exceeds the potential reimbursement, the "financial bridge" to organic becomes a liability.

Administrative Friction

The USDA National Organic Program (NOP) requires a full disclosure audit trail. For the diverse, multi-crop specialty farms common in the Southeast, this requirement translates to an immense volume of paperwork.

Small-to-mid-sized operations in the Southeast are often lean in terms of labor. Unlike large-scale monoculture operations in the Midwest that may track only three or four inputs across thousands of acres, a five-acre vegetable farm may manage 30 different crops with staggered planting dates, unique pest pressures, and dozens of OMRI-listed inputs.

A current programmatic gap lies in administrative technical assistance. While TOPP has successfully developed resources instructing farmers how to manage pests and weeds organically, there is a lack of resources teaching them how to document that management efficiently. As documented in current TOPP research, farmers are frustrated by the detail required for split-operation tracking (preventing commingling), input verification (maintaining current OMRI/WSDA certificates), and harvest and sales reconciliation.

Without simplified, localized recordkeeping tools, the paperwork requirements will likely continue to be a prohibitive burden on many producers, often cited as a primary reason for lapse in certification.⁴

Infrastructure Gaps

In the Southeast, there is a documented shortage⁵ of:

1. *Certified organic grain elevators and mills*: Forging a path for organic livestock or row crops is nearly impossible if the nearest certified mill is 300 miles away.
2. *Certified meat processing*: Small-scale organic livestock producers often struggle to find processors who are willing to maintain organic protocols.
3. *Cold storage and distribution hubs*: Most regional food hubs in the Southeast are "organic friendly" but not "organic certified," meaning the chain of custody is broken the moment the product leaves the farm.

This lack of infrastructure creates a "chicken and egg" problem. Processors won't certify because there aren't enough organic farmers, and producers won't certify because there are no local processors. This creates a ceiling for "mid-sized" operations that are too big for farmers markets, but too small to manage the logistics required for national organic supply chains.

In 2023, USDA launched the Local Meat Capacity Grant program, which supported independently owned meat and poultry processing businesses with smaller-dollar grant funds to provide more and better processing options for local livestock producers by modernizing,

increasing and decentralizing livestock processing capacity. A similar program targeted at organic infrastructure would likely make a huge impact on organic supply chains.

The Value Proposition Question: Small Farm Apathy

The most complex programmatic gap is the declining interest in certification among the very farmers TOPP is designed to assist. For many small-to-mid-sized producers, the process of attaining organic certification is not passing a cost-benefit analysis.

“Functionally Organic”

As the cost-share program faces an uncertain political future and the paperwork burden has increased, "local" has become a competitive marketing term with "organic." Farmers who sell through direct-to-consumer (such as CSAs and farmers markets) and agritourism models find that their customers prioritize relationship-based trust. If a farmer can explain their "functionally organic" practices face-to-face, they can often capture the organic price premium without the certification costs and accompanying paperwork.

As surveys have illustrated, this can create a programmatic apathy. If the USDA Organic seal does not open new markets that are otherwise inaccessible, the small and mid-sized farmer view it as a bureaucratic hurdle rather than a value-add. A potential policy package could provide new market channels (such as institutional procurement or hospital Food as Medicine programs) that encourage the seal, as well as including a subsidy or other incentive to encourage adoption, providing an onramp for certification similar to the Local Food Purchase Assistance program.

Future Policy Focus

To address these gaps, organic stakeholders in 2026 and beyond should focus on addressing several key areas.

1) Market-linked certification

Instead of encouraging certification in a vacuum, organic stakeholders may explore partnering with regional buyers (grocery chains, universities, and distributors) to create "Preferred Procurement" programs specifically for newly certified organic farms. This addresses the Value Proposition Gap by providing a guaranteed market similar to the recent Local Food Purchase Assistance program.

2) Administrative simplification

Develop and distribute a "Paperwork Survival Kit" model of recordkeeping. Programmatic support should move toward administrative coaching, where partners assist farmers in setting up digital filing systems that minimize daily friction.

3) Organic supply chain "mini-grants"

Organic stakeholders should explore additional small-scale infrastructure upgrades (such as certified mobile processing units or shared cold storage) that allow organic producers to maintain the chain of custody without massive capital investment. Similar grants could also allow certain commercial kitchens to achieve organic certification, diffusing the cost of certification across a broader community.

4) Cost-Share Preservation and Backstops

Stakeholders could explore partnering with state departments of agriculture to create safety net funds that guarantee the 75% reimbursement rate independent of potential federal fluctuations, providing the financial peace of mind many producers currently lack.

Summary

The transition to organic production in the Southeast is not simply a biological or agronomic challenge; it is an administrative and infrastructure one. While current TOPP efforts have successfully built a community of practice through mentorship and education, systematic change should be undertaken to entice functionally-organic production operations to take the leap into certification.

If the USDA Organic seal is to remain an attractive certification for producers in the Southeast, it must be made more valuable to the small-scale farmer and more accessible to the mid-sized producer. By narrowing the gap between certification requirements and market conditions, organic operations in the Southeast can grow beyond local specialty farms to a resilient, interconnected food system.

Notes

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