

# Agricultural Marketing Service

Creating Opportunities for American Farmers and Businesses

## USDA AMS Dairy Program Update



National Association of Dairy Regulatory Officials

Franklin, TN

July 12, 2022



United States  
Department of Agriculture

Chris Thompson Chief, Dairy Standardization Branch

# Today's Updates

- **AMS Dairy Program**
- **Dairy Grading & Standardization Division**
- **Dairy Trade**



# Dairy Donation Program (DDP)

## Authorized by the Consolidated Appropriations Act of 2021

- Encourage dairy donations to non-profits
- Reduce food waste

More at:

[Dairy Donations Program](#)

[DDP@usda.gov](mailto:DDP@usda.gov)



**USDA Provides Notice of Retroactive Reimbursements Under the Dairy Donation Program, Encourages Donation of Surplus Dairy Products**

HOME • USDA PROVIDES NOTICE OF RETROACTIVE REIMBURSEMENTS UNDER THE DAIRY DONATION PROGRAM, ENCOURAGES DONATION OF SURPLUS DAIRY PRODUCTS

**Date:** April 13, 2021

The U.S. Department of Agriculture (USDA) will soon implement the Dairy Donation Program (DDP) as established in the Consolidated Appropriations Act of 2021. The program will facilitate the timely donation of dairy products to nonprofit organizations who distribute food to persons in need and prevent and minimize food waste. Because the statute allows retroactive reimbursements of donations made before donation and distribution plans are approved, USDA is providing advance notice of the minimum provisions to be included in the program to encourage the dairy industry to process and donate surplus milk supplies as it moves through the spring surplus milk production season.

Although the DDP regulations have not yet been published, the following are the minimum key program requirements included in the statute: 1) a donation and distribution plan must be submitted and approved by USDA; 2) the reimbursement will be at least equivalent to the minimum classified value of milk used to make the donated product on the date of manufacturing; 3) records related to donating and receiving products must be maintained and available for review and/or audit; 4) eligibility is open to dairy farmer cooperatives and processors who “account to” a Federal milk marketing order (FMMO) and donate dairy products to any private or public nonprofit food distribution entity.

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Commodity Procurement

## Pandemic Market Volatility Assistance Program (PMVAP)

- Pandemic assistance payments to dairy farmer who received a lower value due to market abnormalities caused by the pandemic and ensuing Federal policies.
- Payments may not exceed \$350 million.
- Reimbursements: 80 percent of the revenue difference per month, up to 5 million pounds of milk marketed from July through December 2020.

[pmvap@usda.gov](mailto:pmvap@usda.gov)

## Dairy Grading and Standardization Division

Dairy Standardization Branch	Dairy Grading Branch
Policy Oriented and Program Development	Operations and Program Implementation
Domestic Dairy Standards & Spec. Development, Model Requirements – Milk for Manufacturing, Technical Consultation	Dairy Grading 
International Standards Development, International Trade Items	Plant Surveys and Inspections
Quality Management System, Training Program Development, Program reviews	Dairy Equipment Review
Outreach activities, liaison with other agencies	Dairy Export Certification
Collaborate with other Agencies	

## Modernization Activities

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# Different Types of Domestic Dairy Standards

## Standards of Identity

**§133.113 Cheddar cheese.**

(a) Description: (1) Cheddar cheese is the food prepared by the procedure set forth in paragraph (a)(3) of this section, or by any other procedure which produces a finished cheese having the same physical and chemical properties. The minimum milkfat content is 50 percent by weight of the solids, and the maximum moisture content is 39 percent by weight, as determined by the methods described in §133.5. If the dairy ingredients used are not pasteurized, the cheese is cured at a temperature of not less than 35 °F for at least 60 days.

(2) If pasteurized dairy ingredients are used, the phenol equivalent value of 0.25 gram of cheddar cheese is not more than 3 micrograms as determined by the method described in §133.5.

(3) One or more of the dairy ingredients specified in paragraph (b)(1) of this section may be warmed, treated with hydrogen peroxide/diacetate, and is subjected to the action of a lactic acid-producing bacterial culture. One or more of the clotting enzymes specified in paragraph (b)(2) of this section is added to set the dairy ingredients to a semisolid mass. The mass is so cut, stirred, and heated with continued stirring, as to promote and regulate the separation of whey and curd. The whey is drained off, and the curd is matted into a cohesive mass. The mass is cut into slabs, which are so piled and handled as to promote the drainage of whey and the development of acidity. The slabs are then cut into pieces, which may be moved by spreading or pouring water over them, with free and continuous drainage, but the duration of such moving is so limited that only the whey on the surface of such pieces is removed. The curd is salted, stirred, further drained, and pressed into forms. One or more of the other optional procedures set forth in paragraphs (b)(3) of this section may be used.

(4) Label declaration: Each of the ingredients used in the food shall be declared on the label as required by the applicable sections of parts 101 and 150 of this chapter, except that:

(1) Enzymes of animal, plant, or microbial origin may be declared as "enzymes" and

(2) The dairy ingredients may be declared, in descending order of predominance, by the use of the terms "milkfat and nonfat milk" or "nonfat milk and milkfat," as appropriate.

[49 FR 2743, Jan. 21, 1983, 48 FR 11426, Mar. 18, 1983, as amended at 58 FR 2892, Jan. 6, 1993]



## Quality Standards

United States Standards for Grades of Cheddar Cheese

United States Standards for Cheddar Cheese

§ 133.2507 Cheddar cheese.

"Cheddar cheese" is cheese made by the cheddaring process or by another process which produces a finished cheese having the same physical and chemical properties as the cheese produced by the cheddaring process and is made from cow's milk with or without the use of whey, cream, and with common salt, containing not more than 30 percent moisture. The cheese contains not less than 50 percent of solids and conforms with §§ 133.113, "Definitions and Standards of Identity for Cheese and Cheese Products," 19 Administration (21 CFR, 19.305).

§ 133.2502 Types of packaging.

The following are the types of packaging for cheddar cheese:

(a) **Block and wedge-shaped.** The cheese is handcut and dipped to a specific, unseasoned wax, microcrystalline wax or any combination thereof of any substance. Each casting is a continuous, uniform and uniform film adhering tightly to the cheese.

(b) **Block.** The cheese is properly wrapped in a wrapper or covering, or is covered with waxing, which will not impart any color or objectionable odor or flavor to the cheese or covering is coated with a sufficient amount of waxing, chosen to be leakage. The wrapper or covering is of sufficient use permissibly to water vapor prevent the formation of rind and prevent the absorption of air during the curing cycle.

§ 133.2503 Nomenclature of U.S. Grades.

The nomenclature of U.S. grades is as follows:

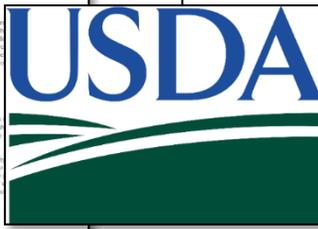
(a) U.S. Grade AA

(b) U.S. Grade A

(c) U.S. Grade B

(d) U.S. Grade C

Compliance with the provisions of these standards shall not excuse failure to comply with the provisions of the Federal Food, Drug, and Cosmetic Act.



## Procurement Standards

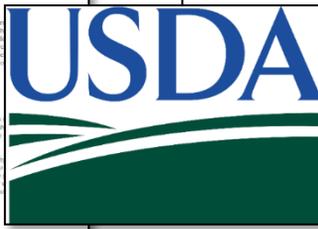
USDA  
Agricultural Marketing Service  
Commodity Procurement Program  
733 Box 41200, Malvern PA 18  
Kansas City, MO 64141-6205

USDA COMMODITY REQUIREMENTS

PACKAGED BUTTER

FOR USE IN DOMESTIC PROGRAMS

Effective Date: March 2020



## Trade Association Standards

American Dairy Products Institute

**Dairy Permeate Standard**

Product Definition

Dairy Permeate is produced by the removal of protein and other solids from milk or whey resulting in a product with a high concentration of lactose. Removal of the dairy constituents is accomplished by physical separation techniques such as filtration and diafiltration. The acidity of Dairy Permeate may be adjusted by the addition of safe and suitable pH adjusting ingredients. Dairy Permeate meets the definitions of Dairy Product Solids, which is the subject of a GRAS notification to the U.S. Food and Drug Administration, and complies with all provisions of the U.S. Federal Food, Drug, and Cosmetic Act.

Composition

American Dairy Products Institute

www.adpi.org

Protein	Kjeldahl method: AOAC 991.20 (N x 6.38)
Fat	Moisture: AOAC 989.05
Acid	Over at 55°C: AOAC 942.05
Total Moisture	Various other: AOAC 921.05

## Domestic Dairy Product Grade Standards

- Dairy Product Grade Standards: official descriptions that measure quality attributes i.e. taste, texture, appearance and color
  - Serve as an industry guide for the marketing of quality dairy products
  - Used by Dairy Grading Service to assign an official grade.



# AMS Procurement Standards

- Commodity Requirement Documents (CRD)
  - Provide guidance on standard of identity and quality specifications
  - Provide quality assurance expectations
- Commercial Item Descriptions (CID)
  - Important characteristics of products
  - Analytical test requirements, food safety and quality

**USDA**  
Agricultural Marketing Service  
Commodity Procurement Program  
P.O. Box 419205, Mailstop 8718  
Kansas City, MO 64141-6205

**USDA COMMODITY REQUIREMENTS**

**PACKAGED BUTTER**

**COMMERCIAL ITEM DESCRIPTION**

**MACARONI AND CHEESE MIX**

The U.S. Department of Agriculture (USDA) has authorized the use of this Commercial Item Description (CID).

**1. SCOPE.** This CID covers macaroni and cheese mix, packed in commercially acceptable containers, suitable for use by Federal, State, local governments, and other interested parties. **Please note: This document does not guarantee purchase of this item by USDA.**

**2. PURCHASER NOTES.**

**2.1 Purchasers must specify the following:**

- Macaroni product(s), flour type(s), shape(s), cheese sauce color(s), cheese mix composition(s), cheese flavor(s), preparation method(s), fat content(s), sodium content(s), package type(s), and agricultural practice(s) desired (Sec. 3).
- When analytical requirements are different than specified (Sec. 7.1).
- When viscosity, coagulase positive *Staphylococcus aureus*, and *Salmonella* testing is required (Sec. 7.2).
- When compliance with analytical requirements must be verified (Sec. 7.2).
- Manufacturer's/distributor's certificate (Sec. 10.3) or USDA certification (Sec. 10.4).

**2.2 Purchasers may specify the following:**

- Food Defense (Sec. 10.1) and Manufacturer's Quality Assurance (Sec. 10.2). Purchaser may specify one of the following combinations: Sec. 10.1.1 with 10.2.1 or 10.1.2 with 10.2.2.
- Packaging requirements other than commercial (Sec. 11).

**3. CLASSIFICATION.** The macaroni and cheese mix must conform to the following list which must be specified in the solicitation, contract, or purchase order.

**METRIC**  
A-A-20308B  
May 23, 2019  
SUPERSEDING  
A-A-20308A  
April 10, 2009

USDA purchase specifications are available at: <https://www.ams.usda.gov/office-foodproducts>

**FSC 8940**

# Dairy Product Grading Services

Dairy Grader Training



Equipment

Plant Inspection

Product Quality Grading



# Commodity Procurement Program (CPP) FY 22

- Build Back Better
- National School Lunch and Food Assistance Programs (Entitlement)

Dairy Purchases	Value	Quantity
Build Back Better	\$ 72.1 Million	22.3 Million Pounds
Entitlement	\$ 206.1 Million	105.4 Million Pounds
Total	\$ 278.2 Million	127.7 Million Pounds

Dairy Program contact for CPP: [matthew.siedschlaw@usda.gov](mailto:matthew.siedschlaw@usda.gov)

## Section 32 Purchase Requests

- Trade groups on behalf of industry may make a formal request for the purchase of dairy products
- AMS provides an economic and market analysis of the purchase request
- Purchase request package is reviewed
- CPP Contract Solicitations are issued based on approved purchase amounts

# International Analytical Standards

International Dairy Federation

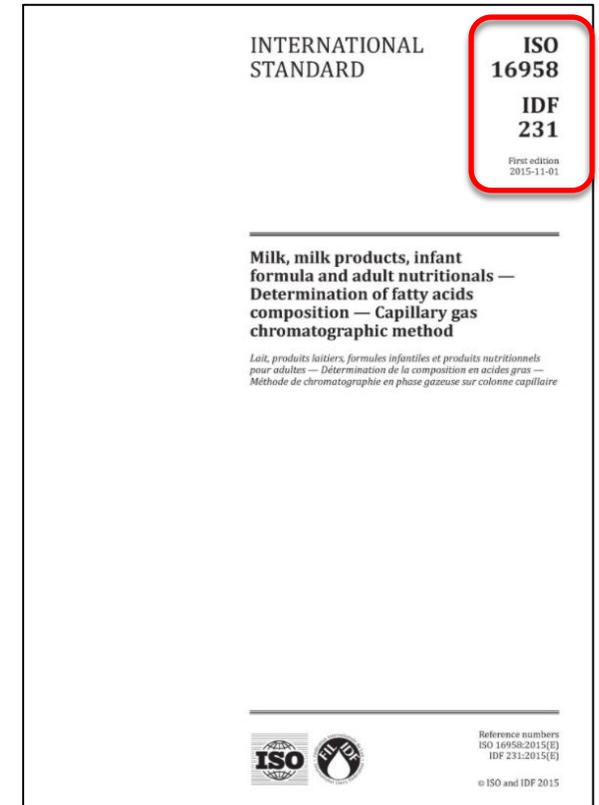


International Organization for Standardization

Technical Committee: Food Products

Subcommittee: Milk and Milk Products

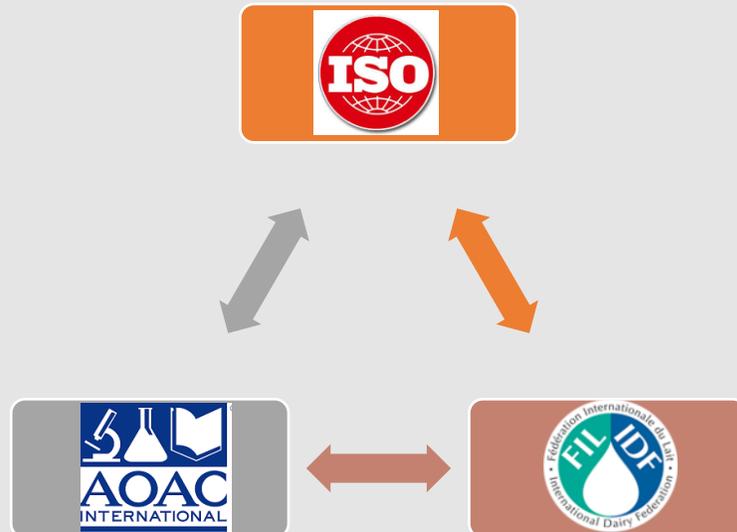
ISO TC/34/SC5 Milk and Milk Products



U.S. Technical Advisory Group (TAG)  
to ISO Technical Committee 34 /  
Subcommittee 5 (TC 34/SC 5) – Milk  
and milk products



<https://www.iso.org/committee/47878.html>



**TC 34/SC 5 SCOPE**

*Standardization of methods of analysis  
and sampling for milk and milk  
products, covering the dairy chain from  
primary production to consumption*

U.S. TAG Chair: Wendy Warren, PhD.

[Wendy.warren@cafmmo.com](mailto:Wendy.warren@cafmmo.com)

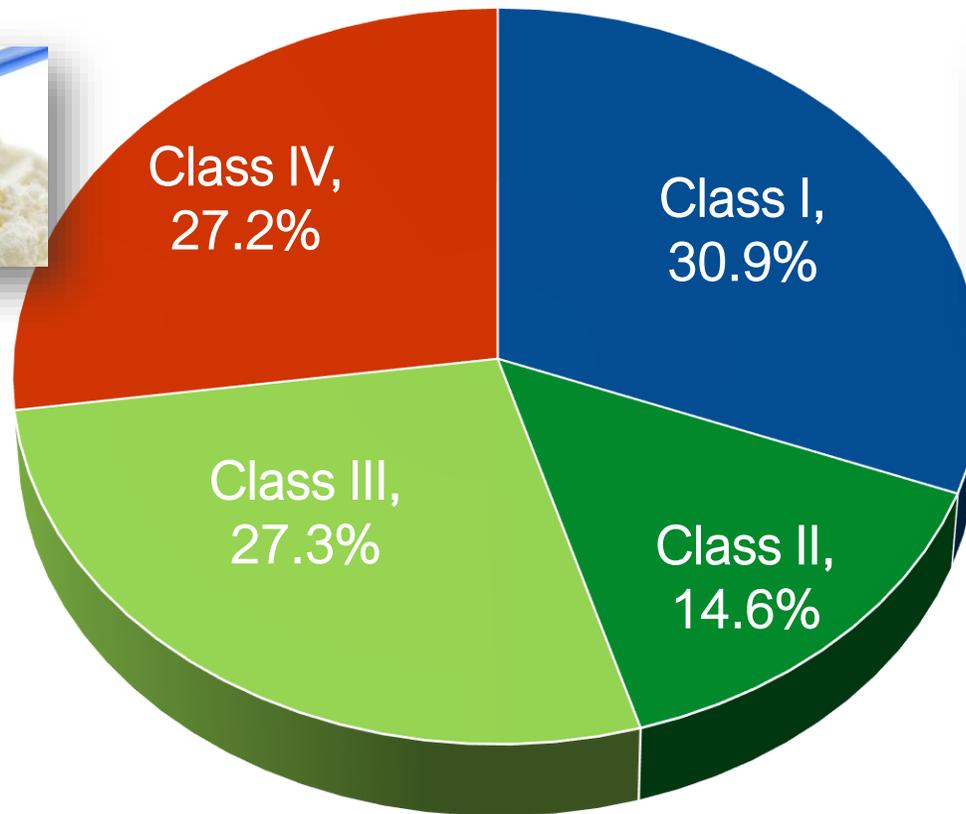
Food Technologist, Haiping Li, PhD.

[Haiping.Li@usda.gov](mailto:Haiping.Li@usda.gov)

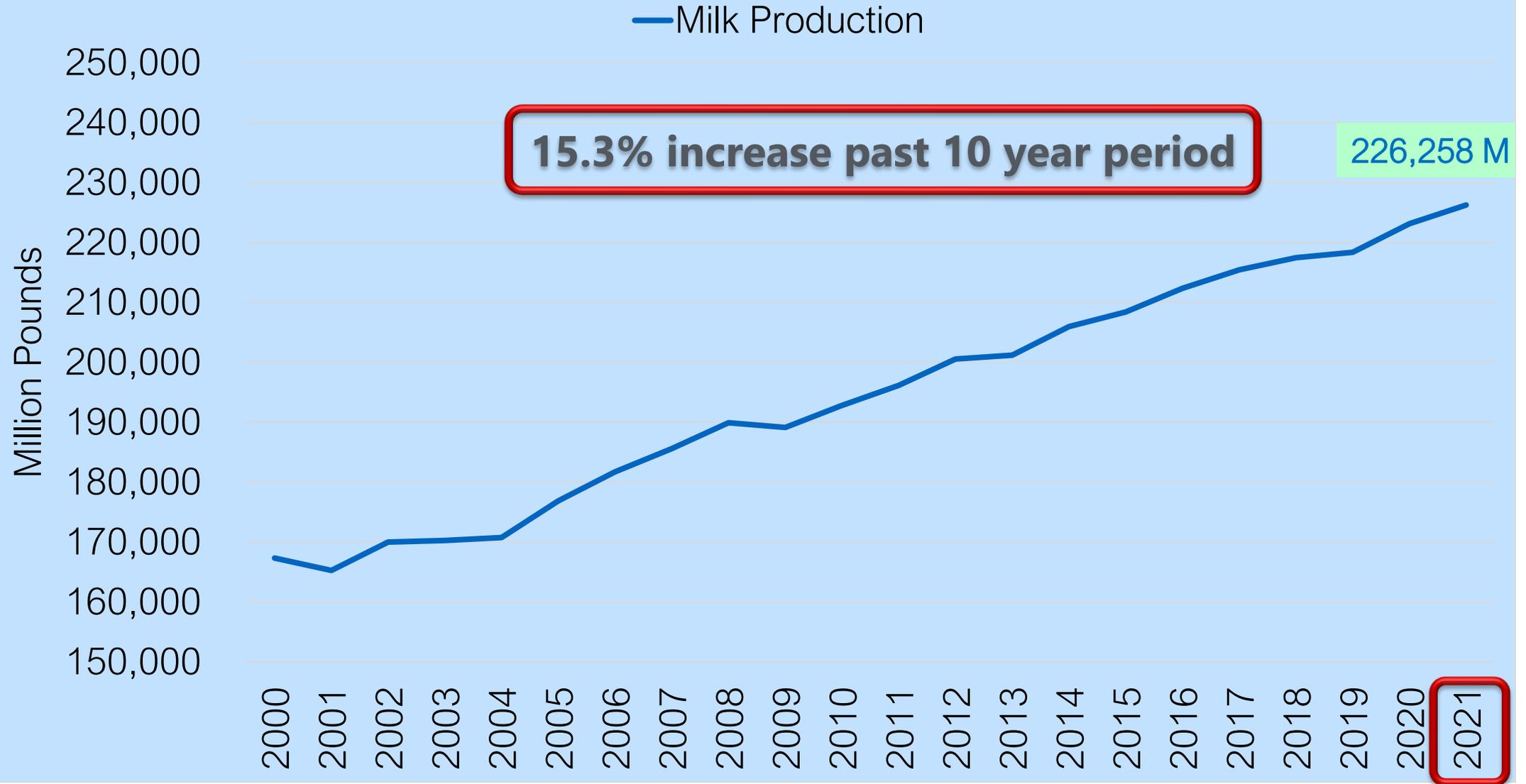
# Dairy Export and Trade Related Activities



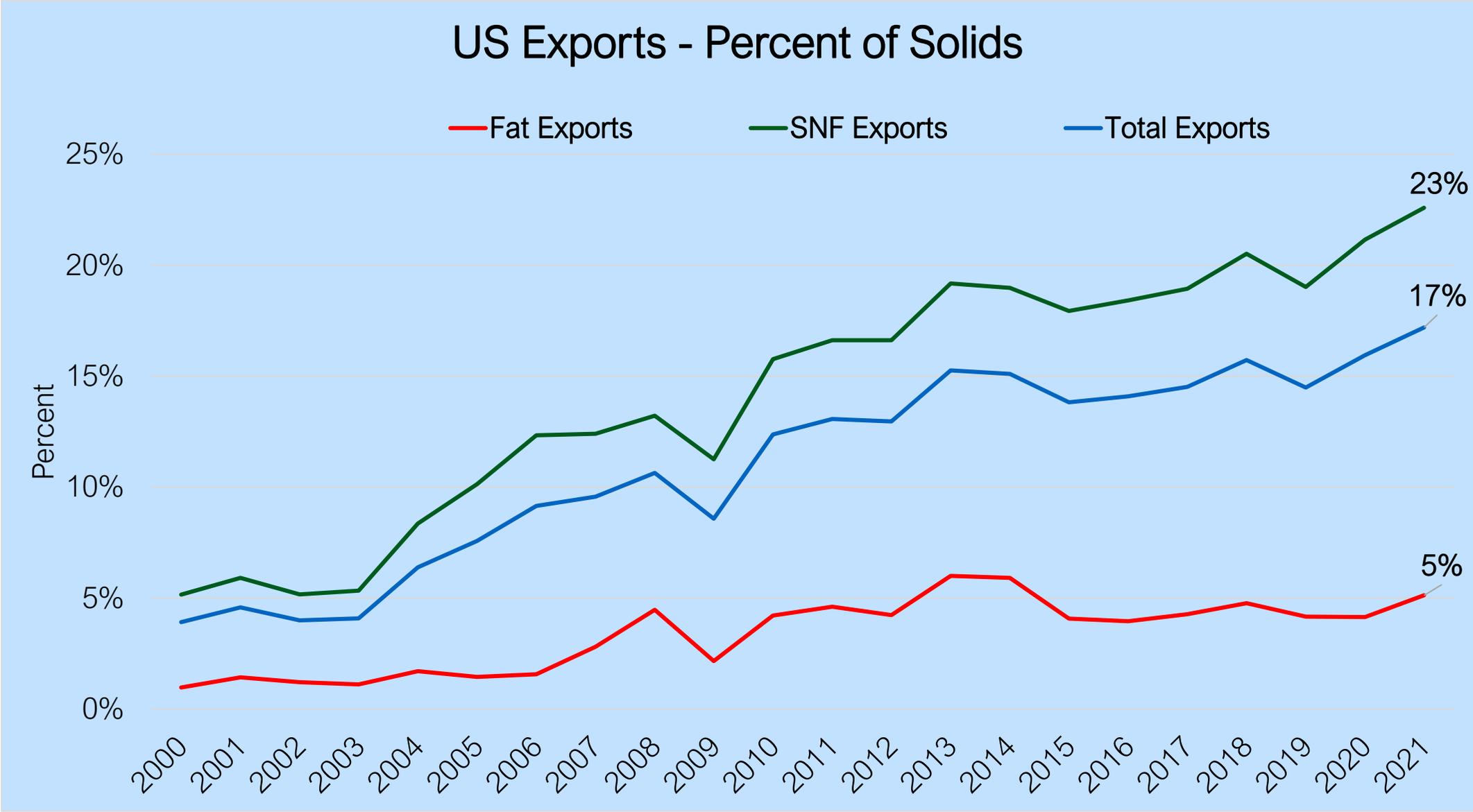
# FMMO Pool Utilization 2021



# Milk Production - United States

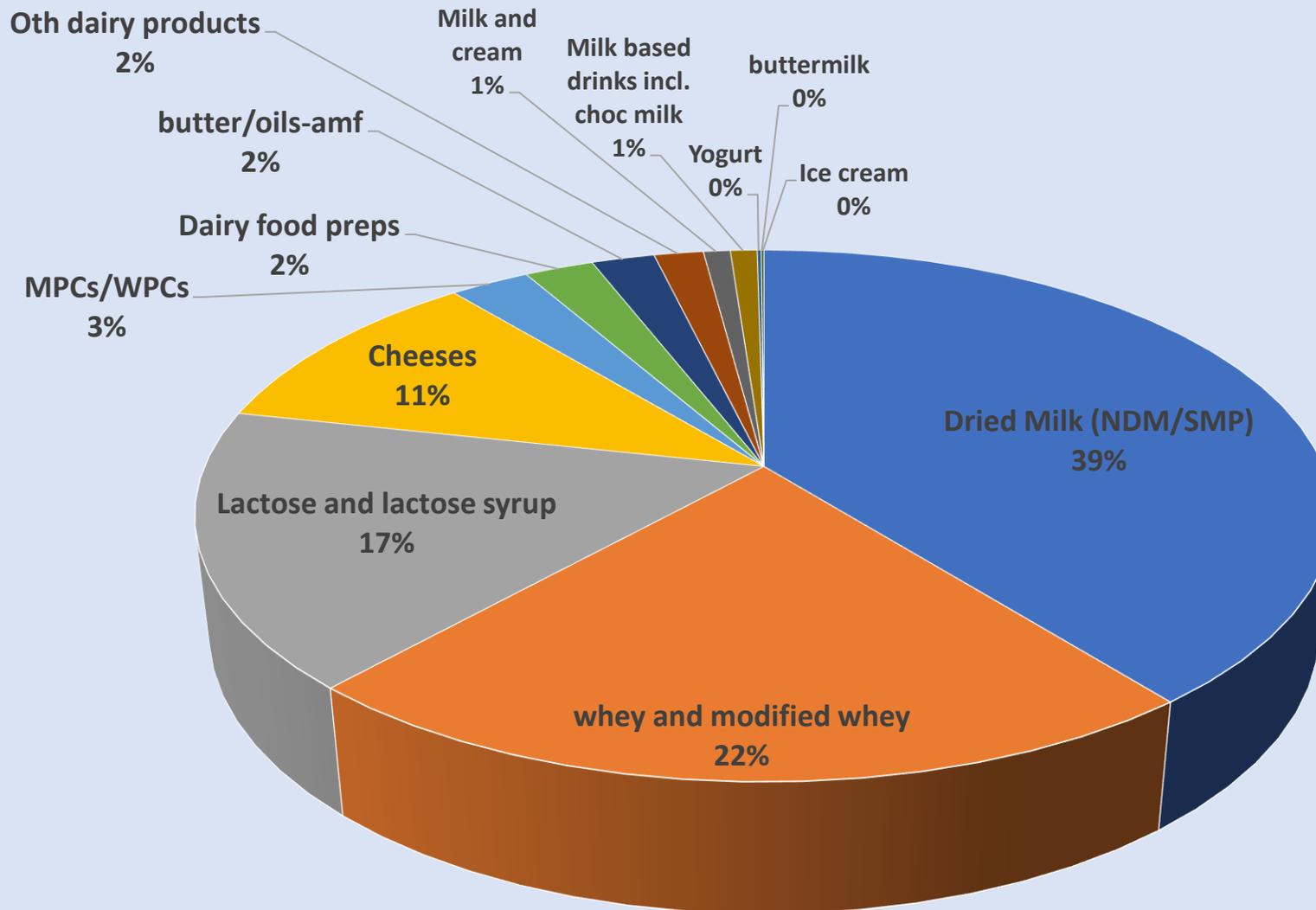


USDA, National Agricultural Statistics Service, AMS Dairy Program



USDA Economic Research Service, Dairy data, AMS Dairy Program

# US Exports by Trade Category 2021 (Percent of Milk Solids Exported)



# New Export Certificate Program Software



eDOCS



General Sanitary Program

## Agriculture Trade Licensing & Attestation Solution

# AMS Dairy Program Export Certificates

2021 ~ 60,000 dairy certificates issued

~120 Countries recognize the “General Sanitary Certificate” for Dairy

UNITED STATES OF AMERICA  
SANITARY CERTIFICATE FOR EXPORTS

Country of Origin: USA  
Certification Authority: U.S. Department of Agriculture, Agricultural Marketing Service  
Reference Number of this Certificate: [ CertNo ]

I. Exporter *(Name and Address)*  
[ ExportName ]  
[ ExportAddr ]  
[ ExportCitySt ]

II. Identification of the Dairy Products *(Information Supplied by the Manufacturer or Exporter)*  
Product Description: [ Description ]  
Condition or Kind of Treatment: [ Condition ]  
Type of Packaging: [ PkgType ]  
Number of Packages: [ NumPkg ]  
Total Net Weight: [ NetWt ]  
Required Temperature, Storage and Transportation: [ ReqTemp ]  
Validity Date (Shelf Life): [ ShelfLife ]

III. Origin of the Product: *(Information Supplied by the Manufacturer or Exporter)*  
[ OriginName ]  
[ OriginCity ]  
Plant Number: [ OriginNo ]

IV. Product Destination: *(Information Supplied by the Manufacturer or Exporter)*  
Origin: [ DestName ]  
[ DestAddr ]  
Destination: [ Destination ]  
Method of Transport: [ Transport ]

V. Sanitary Certification:  
(1) The United States of America is free from Foot & Mouth Disease and Rinderpest  
(2) The product was manufactured in facilities inspected and approved by the competent authority and subjected to regular audits or inspections aimed at ensuring that the processing is properly and hygienically carried out, to produce a product that is fit for human consumption.  
(3) The product was manufactured from milk or milk products that received a pasteurization treatment or adequate safeguards, have been taken with the aim of avoiding public health hazards arising from pathogenic organisms associated with milk.  
(4) To the best of our knowledge, the product contains no harmful levels of contaminants.

[ Date ]  
Date Signed

[ Name ]  
[ Title ]  
USDA, Dairy Grading

## Importers with Unique Export Certificates

Algeria	Peru
Argentina	S. Korea
Brazil	Taiwan
Chile <sup>1</sup>	Tunisia
China <sup>1</sup>	Turkey <sup>2</sup>
Cuba	United Kingdom <sup>1,2</sup>
European Union <sup>1,2</sup>	Uruguay
Morocco	

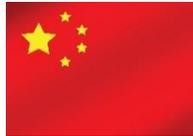
<sup>1</sup> Additional “listing” requirements

<sup>2</sup> Additional “market access” requirements

## Country Specific Lists for Dairy

### FDA to Foreign Governments

- China



- Chile



- European Union



- United Kingdom



### Stakeholder to Foreign Governments

- Brazil



- Costa Rica



- South Korea



# Trade: Other International Activities

## Trade Negotiations, export certificate negotiations



www.treasuryandrisk.com

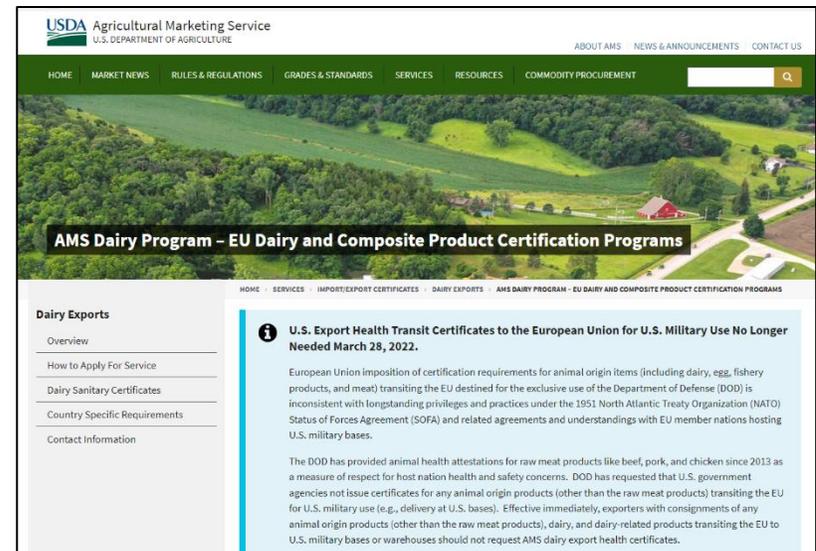


<b>Section 101 - General Information</b>	
101.1 Applicant Name	101.2 Applicant Address
101.3 Applicant Phone	101.4 Applicant Fax
101.5 Applicant Email	101.6 Applicant Website
101.7 Applicant Type	101.8 Applicant Category
101.9 Applicant Status	101.10 Applicant License
101.11 Applicant License Number	101.12 Applicant License Expiration
101.13 Applicant License Issued	101.14 Applicant License Issued By
101.15 Applicant License Issued Date	101.16 Applicant License Issued State
101.17 Applicant License Issued Country	101.18 Applicant License Issued Agency
101.19 Applicant License Issued Agency Address	101.20 Applicant License Issued Agency Phone
101.21 Applicant License Issued Agency Fax	101.22 Applicant License Issued Agency Email
101.23 Applicant License Issued Agency Website	101.24 Applicant License Issued Agency Other
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# Current European Union (EU) Requirements for Trade in Dairy

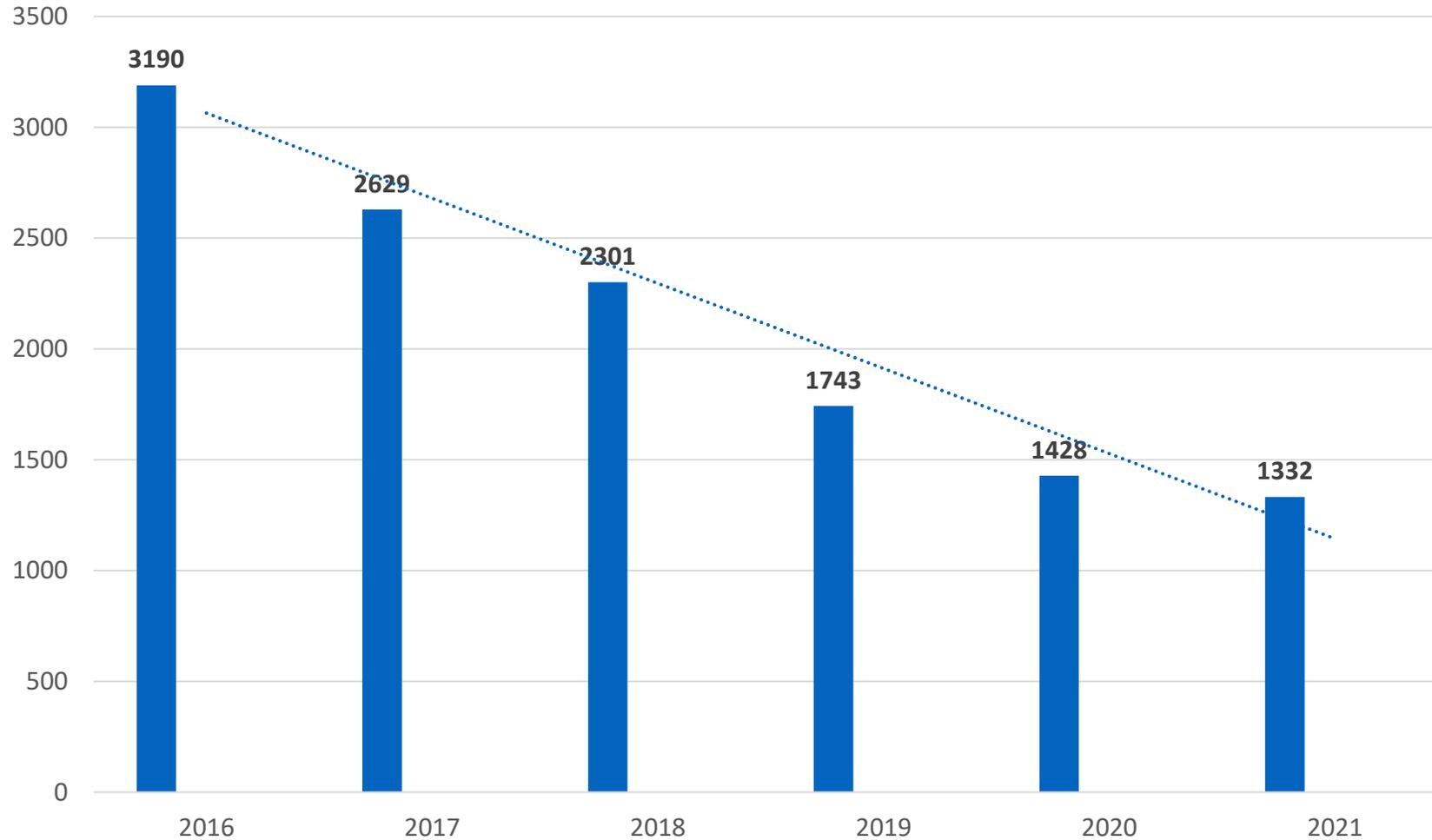
- Plant is on approved facilities list for EU
- Meet EU requirement for Somatic Cell Count (SCC) of 400K/ml
- Meet EU requirement for Standard Plate Count (SPC) of 100K/ml
  - Certificate of Conformance
  - Derogation

## [EU Export Verification Program](#)



The screenshot shows the USDA Agricultural Marketing Service website. The header includes the USDA logo and navigation links: HOME, MARKET NEWS, RULES & REGULATIONS, GRADES & STANDARDS, SERVICES, RESOURCES, and COMMODITY PROCUREMENT. A search bar is located on the right. The main content area features a large image of a rural landscape with a red barn and green fields. Below the image, the text reads "AMS Dairy Program - EU Dairy and Composite Product Certification Programs". A sidebar on the left lists "Dairy Exports" with sub-links: Overview, How to Apply For Service, Dairy Sanitary Certificates, Country Specific Requirements, and Contact Information. The main content area contains a news item titled "U.S. Export Health Transit Certificates to the European Union for U.S. Military Use No Longer Needed March 28, 2022." with a brief summary and a full text link.

# SCC Derogations/Year



## Trade: Other International Activities

### Problem Resolution - Common Issues

- Labeling issues: plant ID numbers do not match



- Company name changes
- Inaccurate or omitted information – production dates, lot numbers, validity dates...
- Diverted shipments

# IDF World Dairy Summit 2023



**Chicago, IL**

October 16-19, 2023

# **IDF World Dairy Summit 2023**

**Location: Chicago, USA**

**Dates:**

- **October 12-15, 2023 - IDF Business Meetings**
- **October 16-19 – World Dairy Summit**
- **October 19-20 – Technical Tours**

# Thank you!

Chris Thompson  
Chief, Dairy Standardization Branch  
USDA/AMS/Dairy Program  
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Washington, DC 20250

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Email: [Christopher.D.Thompson@usda.gov](mailto:Christopher.D.Thompson@usda.gov)

