

Uproar Over ‘Apeel’ Food Coating Sheds Light on Big Ag’s Capture of Organic Food Agencies

After controversy surrounding Apeel — a Gates-funded synthetic fungicide and fruit coating — sparked concern over how chemicals are approved in organic products, agribusiness watchdog OrganicEye this week demanded the U.S. Department of Agriculture break Big Food’s stranglehold on the process for approving certified organic foods.

By [Brenda Baletti, Ph.D.](#)

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Agribusiness watchdog OrganicEye this week [petitioned](#) the U.S. Department of Agriculture (USDA) to establish formal regulatory oversight for the public and private organizations that determine what products can be labeled organic.

The request comes after a recent [social media controversy](#) surrounding a Bill & Melinda Gates Foundation-funded synthetic fungicide and fruit coating — [Apeel](#) — sparked public debate about potentially dangerous synthetic products and herbicides that make it into the food system under the “organic” label.

“The conflicts of interest in this process are mind-boggling,” [said Mark Kastel](#), executive director of Wisconsin-based [OrganicEye](#). “It’s time for the USDA to change direction to comply with the intent of Congress and save the value of the organic label for ethical farmers and their loyal customers.”

Since Congress created the National Organic Standards Board (NOSB) in the 1990s to recommend industry standards for regulating organic food production and processing under the National Organic Program, the board increasingly has become dominated by members of the Organic Trade Association (OTA), the most [powerful industry lobbying group](#), Kastel told [The Defender](#).

Once the industry-dominated NOSB recommends guidelines for approving products for use in the organic production process, a different organization — an industry-led and funded nonprofit, the [Organic Materials Review Institute](#) (OMRI) — is responsible for reviewing newly branded and formulated food ingredients and agricultural inputs containing those products.

OMRI, which gets most of its funding from the fees it collects from the corporations applying for product approval, is responsible for approving products like [Apeel’s organic line](#), Organipeel, for public consumption.

Along with its letter to the USDA demanding regulatory reform, OrganicEye launched a [public campaign](#) to pressure the Biden administration to reduce its dependence on political appointees from corporate agribusiness in organic regulatory oversight.

“Over the last 20 years I’ve learned these people only react to pressure — public pressure, political and media pressure,” Kastel told The Defender. “They don’t do the right thing because it’s the right thing. They do the right thing in damage control.”

Organic agencies captured by Big Ag

The existing regulatory structure grew out of the need in the 1980s to standardize how organic food was produced in order to protect farmers and consumers, Kastel said.

In 1990, Congress passed the [Organic Foods Production Act](#), which, among other things, created the [NOSB](#) to serve as a buffer organization between corporate lobbyists and rulemakers.

The NOSB was designed as a public-private partnership — a 15-member panel with dedicated seats for different stakeholders — that set recommendations for different aspects of the organic industry with a mandate to act in the interests of farmers and consumers.

But under the leadership of [Tom Vilsack](#), secretary of agriculture during the Obama administration and a former million-dollar-a-year [agribusiness lobbyist](#), the [USDA began filling seats](#) originally meant for farmers with agribusiness employees.

Today, 80% of the NOSB members are either members of the OTA lobbying group or they work for members of the group, according to [research by OrganicEye](#).

Under Vilsack, the NOSB also was stripped of its ability to set its own agenda. It’s supposed to work independently, but as small organic farmers have been bought up by large [conventional ag conglomerates](#), the corporate dominance over the NOSB also has grown and organic standards have been watered down to benefit the largest of these corporate “organic” producers, [Mercola reported](#).

Kastel also told The Defender that because the [organic industry](#) is heavily dominated by [Big Food](#) giants such as General Mills or Perdue Farms, whose primary market is conventional food — rather than by small producers concerned with ecology — there is a constant pressure to “try to change the working definition of organic.”

Their goal, he said, is to make organic agriculture, “as close to conventional agriculture as possible so they have to change their practices of growing food or processing food as little as possible.”

It’s in that spirit that today, the corporate-dominated NOSB creates standards for organic production, Kastel said.

When companies create new inputs or products containing NOSB-approved ingredients to sell to organic producers and consumers, a certifying agent or [Material Review Organization](#) (MRO) must verify the product complies with the organic regulations set by the NOSB or relevant laws.

OMRI is one of the key MROs.

For example, a company like Apeel, whose Organipeel contains citric acid — which is on the NOSB [list of approved products](#) — as an active ingredient, would submit its product to OMRI for approval and pay OMRI a fee for the approval process.

According to OMRI's most recent IRS filings, the nonprofit organization, which operates as a public charity, exceeded [\\$7 million in revenue](#) last year, which came mostly from industry fees, OrganicEye reported.

It also reported that OMRI's current executive director previously ran the nation's largest accredited organic certifier, [California Certified Organic Farmers \(CCOF\)](#), one of the largest members and corporate donors to the OTA. And it reserves a [seat on its board](#) for a designee of the trade-lobby group.

"But," Kastel said, "what's most concerning is that they operate without any oversight."

MROs are not accredited by the USDA or any other certifying agency and there is no regulation under the [National Organic Program](#).

Kastel said:

"With leadership dominated by the fertilizer manufacturers, agribusiness staffers and certifiers that financially support OMRI, this is a smorgasbord of conflicts of interest. The same conflicts exist with certifiers being paid by farmers and food processors but the accreditation/oversight of their practices by the USDA, if judiciously applied as mandated by Congress, helps ameliorate the impact. No such scrutiny exists for MROs."

OMRI approved Apeel's Organipeel

Apeel, a company that makes synthetic fungicide/fruit coating meant to extend the shelf-life of food — and which was founded by World Economic Forum (WEF) Young Global Leader 2020 [James Rogers](#) with [funding from the Gates Foundation](#) — was confused online with a [cleaning product](#) by the same name.

A safety data sheet for the cleaning product went viral on social media, where users referenced its list of toxic ingredients to warn that [Bill Gates](#) was [coating fruit with a dangerous chemical](#).

In fact, Apeel was not coating food with the dangerous [chemicals](#) found in the cleaning product. But the controversy drew public attention to the fact that most fruits and vegetables sold in the supermarket are covered with an edible film the the U.S. Food and Drug Administration (FDA) calls "surface-finishing agents."

These agents are meant to "increase palatability, preserve gloss, and inhibit discoloration of foods, including glazes, polishes, waxes, and protective coatings," according to the [Code of Federal Regulations](#).

Over time, these coatings have become more complex than the traditional, organic beeswax used in the past, according to OrganicEye's [white paper on food coatings](#).

The Apeel company produces two products — Edipeel for use in conventional food and Organipeel for use in organics — but it is moving away from that distinction in its marketing, instead using only its brand name, "Apeel."

[Apeel advertises:](#)

“Yes! We have formulations that are OMRI Listed® for the growers and distributors of USDA Certified Organic produce. Apeel’s products help reduce post-harvest food waste, overpackaging, and costly controlled-atmosphere storage.”

But OrganicEye says this is a form of deceptive marketing because OMRI does not actually include fruit coatings or edible films on its [approved products list](#). The “organic” version of Apeel actually coats the fruit in a citric-acid-based coating licensed by the U.S. Environmental Protection Agency as a fungicide.

OMRI gave Organipeel the green light, likely because citric acid is the active ingredient in the fungicide coating. Citric acid is a non-organic ingredient allowed in organic food as long as it isn’t synthetic. However, it makes up only 0.66% of the Organipeel formulation. According to [OrganicEye’s white paper](#), Organipeel’s ingredient list is 99.34% “other ingredients,” which are not made public.

Apeel describes its non-organic [food coating, Edipeel](#), as a colorless, odorless, tasteless coating for fruit and vegetables that’s composed entirely of a mixture of food-grade glycerolipids, [derived from edible plant oils](#).

Its ingredients are generally recognized as safe ([GRAS](#)) by the FDA.

But the [product contains](#) mono- and diglycerides, commonly used in processed foods, which has raised concerns among health advocates and researchers who called for further research into the [potential adverse effects](#) on metabolic and gut health.

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Brenda Baletti, Ph.D.

Brenda Baletti Ph.D. is a reporter for The Defender. She wrote and taught about capitalism and politics for 10 years in the writing program at Duke University. She holds a Ph.D. in human geography from the University of North Carolina at Chapel Hill and a master's from the University of Texas at Austin.

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