FOREWORD

It is with pleasure and pride that IFOAM can present its annual report for 2001. During the year we saw major break-throughs for organic agriculture in a number of areas. The single most notable success was the Copenhagen Conference, where IFOAM and 13 ministers and deputy ministers of agriculture agreed on the development of an action plan for organic agriculture in Europe. Also as an organization we have made substantial progress with improved performance, sound finances and a number of new activities completed or in the pipeline.

The organic sector at large continues to grow, both on the ground and on the shelves in the shops. All this growth and development also brings challenges for the organic movement. The interest from governments and other actors is positive and something we have been fighting for, but it is essential they recognize that the sector at large should continue to play the leading role.

Also within the sector it is important that the movement is playing a leading role. I do not think it is productive to try to work out any clear distinction between the sector and the movement, and in many cases persons and organizations have double roles. The same farmer that sells her organic products in the open market for the highest possible price and thereby supplies mainly wealthy people often living far away, may very well have another vision of how she really wants things to be, such as a living farm closely involved with a similarly vibrant local community.

We need to promote and develop different aspects of organic agriculture simultaneously. Organic agriculture is much more than just markets and standards. IFOAM shall continue to work with organic standards, certification and accreditation. IFOAM should also continue to encourage large-scale conversion to organic agriculture as well as large-scale marketing. This liberates more land from agro-chemicals and gives more people access to organic food. It also helps to build a basis for research and the development of technology. It is, however, equally important that we cultivate and support the other aspects of organic. Such aspects can be local or direct marketing; reviving the concept of the farm as an organism; landscape management; integration of social aspects in organics and many more traditional concepts or innovations that IFOAM’s members are already busy developing.

Gunnar Rundgren
IFOAM President
INTRODUCTION

IFOAM - In Action

IFOAM - In Action – the new name of the IFOAM newsletter – known formerly as Internal Letter – is also an appropriate headline for the 2001 IFOAM annual report. For the second time an overview of IFOAM’s activities will be presented in the “classical” format of an annual report. How far IFOAM was “in action” will be described throughout the following pages with credit given to the people behind these impressive activities.

The year 2001 was so to speak a year “in between” two General Assemblies. It was the last year with this character as IFOAM has now changed the Organic World Congress and General Assembly cycle to a three-year interval. Yet it was less a year of consolidation than of advancing, with improvements to IFOAM’s management, focusing and defining the framework of co-operation through policies and strategies, and lobbying for organic agriculture with an increasing level of engagement in the international “arena”.

All that is reflected in this publication would not have been possible without the dedication of the people that work (predominantly voluntarily) for the ambitious goal: “IFOAM – growing organically”. Their efforts make sure that this growth is also dynamic. The expansion and improvement of IFOAM’s activities worldwide would also not be possible without the contributions from donors and sponsors. The report hopefully shows that it is a good investment to strengthen the organic movement with its international activities by supporting its worldwide network known as … IFOAM.

Thomas Cierpka
Managing Director

Bernward Geier
Director for International Relations
**THE PEOPLE AND THE MOVEMENT BEHIND IFOAM**

**The World Board**

“The World Board decides all issues not yet determined by the General Assembly.”

This simple sentence from the IFOAM Statutes outlines the broad responsibilities of the IFOAM World Board. Moreover, a major role of the IFOAM World Board is the representation of the organic movement. In 2001, both the World Board and the Executive Board met on several occasions (see box below). In order to allow for a more focused treatment of different topics, the World Board also organized several Focus Teams in 2001, such as Internal Review, Membership, Regionalization, Public Relations, and Standards & Criteria. World Board Members not only deliver their service on a voluntary basis, but some of them are also very active in using their own funds to participate in World Board meetings and other events.

The 2001 World Board had been elected at the General Assembly 2000 in Basel (Switzerland), with the following members:

Liz Clay (Australia); Antonio Compagnoni (Italy); El Hadji Hamath Hane (Senegal); Gerald Herrmann (Germany); Annie Kirschenmann (USA); Alberto Pipo Lernoud (Argentina); Prabha Mahale (India); Katsushige Murayama (Japan); Gunnar Rundgren (Sweden); and Suzanne Vaupel (USA).

The *Executive Board* was formed by:
- The President: Gunnar Rundgren
- The Vice-President: Suzanne Vaupel
- The Treasurer: Gerald Herrmann

**World Board Meetings**
- Polcenigo (Italy) – February 2001 (4 days)
- Kaunas (Lithuania) – September 2001 (4 days)

**Executive Board Meetings**
- Theley (Germany) – January 2001 (3 days)
- Austin (USA) – May 2001 (3 days)
- Novalja (Croatia) – July 2001 (3 days)
- Kaunas (Lithuania) – September 2001 (1 day)
- Hanghzou (China) – November 2001 (2 days)

A special ‘Organic thank you!’ to the hosts of the Board meetings in 2001:
- The Province of Pordenone and AIAB (Italy); The mayor of Novalja and Ekoliburnia (Croatia);
- University of Kaunas and EKOAGROS (Lithuania); Tea Research Institute (China)
IFOAM’s Internal Organisation

In addition to the main bodies of the Federation (General Assembly, World/Executive Board and Directors/Head Office) the following types of internal structure may be established by the World Board to carry out IFOAM’s policies.

- Committee (permanent or long term body, highest level of competence)
- Working Group (long-term, related to specific issues)
- Task Force (for a limited time, to give advice on a specific issue)
- Ad hoc groups

Apart from bodies engaged by the World Board, affiliates of IFOAM are invited to organize themselves in national/regional or interest (or area of activity) based groups. The two main categories of such groups are:

- Regional/national groups where members are organized according to geographic location
- Interest/sector groups where members are organized according to field of activity or interest

These groups are a part of IFOAM structures and should not be seen as independent entities.

The figure below illustrates IFOAM’s organisational structure, with some more details on the so-called internal structures explained in the following.
Committees

Standards Committee
Coordinator: Tim Marshall, Australia
Chair: Eva Mattsson, Sweden
Members: Brian Baker, USA; Alexander Beck, Germany; Jorge Casale, Argentina; Christine Kariuki, Kenya; Mark Levick, New Zealand; Brian McElroy, USA; Christina Micheloni, Italy; Eckhard Reiners, Germany; Josef Tyburski, Poland; Xingji Xiao, China

Corresponding Members: Rod May, Australia; Otto Schmid, Switzerland; Franz Vanderhoff, Mexico

Program Steering Committee (I-GO):
Chair: Gunnar Rundgren, Sweden
Members: Oscar Castaneda, Guatemala; Voré Seck, Senegal; Hay Sorée, India; Maheswar Ghimire, Nepal; Joseph Mutura, Kenya

Development Forum
The IFOAM Development Forum (DF) started in August with its first meeting in Tholey-Theley, followed by a second gathering in Nairobi, Kenya, in December. The role and objectives of the DF are:

- To act as a ‘think tank’ on issues relating to Development, particularly related to ecology, agriculture, social justice and fair trade;
- To consult with IFOAM structures at global and regional level;
- To involve a diverse range of contributors by establishing networks of communication (e.g. using electronic media);
- To review actively the work of IFOAM to ensure that perspectives from developing countries are effectively integrated into IFOAM’s objectives and work program;
- To be a key reference group for the World Board decision and policy making;
- To lobby and act as a liaison to other international organizations and NGOs in the promotion of organic agriculture as mandated by the World Board;
- To assist IFOAM in providing advice in regard to services for all its members in developing countries.

Workplan priorities as defined by the DF in Kenya:
- Local Markets
- Seeds
- Research

Co-ordinator: Alberto Pipo Lernoud, Argentina
Members: Alida Boshoff, South Africa; René Piamonte, Peru; Ranjith de Silva, Sri Lanka; Gabriele Stoll, Germany; René Tokannou, Benin; Charles Walaga, Uganda
Regional & National groups

The policy on “Internal Bodies” which was adopted by the IFOAM General Assembly (GA) in Basel in 2000, initiated efforts by IFOAM affiliates to establish group structures that differ from Regional groups. The first two IFOAM national groups approved by the World Board (WB) were IFOAM Italy and IFOAM Japan.

For a number of reasons, the level of initiative and interaction within the IFOAM regional groups is very different. The WB continuously reviewed the situation, revised the policy and developed a new, simplified model of contracts with internal bodies. The first contract, which mainly regulates the use of IFOAM’s name, was signed with the newly elected IFOAM Asia Board in Hangzhou, China.

Regional Groups and their coordinators

Asia: Vaheesan Saminathan (Sri Lanka)
Anglophone Africa: Fred Wajje (Uganda)
Francophone Africa: Pascal Badjagou (Benin)

DACH-LUX: Helga Willer (Switzerland)
AgriBioMediterraneo: Ranko Tadic (Croatia)
EU countries: Francis Blake (UK)
Central & Eastern Europe initiative: Ferenc Frühwald (Hungary)
Latin America initiative: Oscar Mendieta (Bolivia)

National Groups
IFOAM Italy: Ivo Bertaina
IFOAM Japan: Katsu Murayama

Working Groups
Genetic Engineering Working Group

Interest Groups
Sector specific interests brought another category of initiatives together, so far without World Board approval. These are the IFOAM Forum of Consultants, the IFOAM Trade Forum and the Farmers Group.

Task Forces
The WB established various Task Forces. In 2001 the most active of these was the Accreditation Criteria Revision Task Force (CRTF). The CRTF provided two revision drafts of the IFOAM Accreditation Criteria for programs certifying organic agriculture and processing for consultation with stakeholders within and outside IFOAM. The approval of the new Accreditation Criteria is scheduled for summer 2002. Some outside relations were also covered by Task Forces. The EU Relation Task Force and the US negotiating team should also be mentioned in this context.
The Staff at the IFOAM Head Office

The IFOAM Head Office is situated in the midst of the forest on an organic farm in Tholey-Theley, Germany. From here a young and dynamic team coordinates the different fields relevant to IFOAM and the organic movement. In 2001, the following people were working for the IFOAM Head Office:

Thomas Cierpka, **Managing Director**  
Bernward Geier, **Director for International Relations**  
Monique Fuhrmann, **Bookkeeping**  
Nadine Agbor, **Communications**  
Laurence Leduc, **Membership**  
Karin Rauber, **Bilingual Secretary**  
Helen Stork, **Webmaster**  
Anne Boor, **Global Programme Coordinator**  
Lara Litke-Spatz, **Conference, Event and PR Manager**  
Tim Marshall, **Organic Guarantee System Coordinator**

Besides the regular staff at the Head Office, IFOAM also offers the possibility to gather experience with an internship. Interns have the chance to get an insight into the world of organic farming while at the same time having a good work experience in a friendly atmosphere in the middle of the German countryside. In 2001, IFOAM appreciated the dedicated support from the following interns at the Head Office: Faith Wangare (Kenya), Anne Woods (Canada), and Christina Westermayer (Austria).

In order to improve the worldwide representation, IFOAM established the first three IFOAM “Information Points” (IPs) in October:
- Australia (Liz Clay – lizclay@ifoam.org)
- Argentina (Alberto Pipo Lernoud – pipo@ifoam.org)
- India (Prabha Mahale – prabhamahale@vsnl.com)

The main purpose of these is to give the organic movement the benefit of a stronger local IFOAM presence.
IFOAM Members

IFOAM affiliates from all over the world carry the organic movement. The graphs below illustrate key IFOAM membership statistics.

Membership development

![Graph: Development of Affiliation from 1990 to 2001]

IFOAM offers three categories for affiliation: organisations/institutions/companies etc. are affiliated as members or associates. Individuals may join as supporters. The activities of member organisations are predominantly organic. Associates are organisations which are not (yet) involved predominantly in organic agriculture. The membership in 2001 stabilized at a level of 700 organisations due to the fact that the implementation of the membership policy led to the exclusion of 94 non-paying members and associates in 2001. In Total 115 new members and associates joined IFOAM and 16 organisations cancelled their membership for a number of different reasons.

Activities of IFOAM Affiliates

![Bar chart: Activities of IFOAM Affiliates (2002)]

(multidimensional, up to 4 per affiliate)

(Total: 701 Members and Associates)
In comparison with the year 2000 the focus of activities of IFOAM members and associates did not change: Most of IFOAM’s affiliates are related to Agricultural Production, followed by Teaching/Education/Training, Consulting, Trade and Research. Rural Development and Social Justice Initiatives are also represented. The whole organic chain from farmers’ associations to consumer awareness organisations is building the membership base for IFOAM.

Origin of IFOAM Affiliates

In 2001, IFOAM as the organization for the worldwide organic movement united affiliates from 102 countries under its umbrella. About half of IFOAM’s membership is located in Europe, roughly 40% in Asia, Latin America and Africa and about 10% in North America and Oceania. In comparison with 2000 membership decreased in Latin America (-1%), Africa (-4%) and Central and Eastern Europe (-1%). An increase was registered for Western Europe (+4%) and Asia (+2%), while the percentage of affiliates coming from North America and Oceania did not change.
IFOAM IN ACTION

International Relations – Lobbying and Outreach

IFOAM has continued to increase its involvement in the international arena. Activities in this field are supported by funds from the I-GO project.

Inevitably it is the Food and Agriculture Organization (FAO) of the United Nations which is the international institution that gets priority attention from IFOAM. FAO has established a working group on organic agriculture, which creates many opportunities for co-operation. It can be said that FAO is by now much less a lobby “target” for organic agriculture but rather more of a partner. Meetings and presentations at the FAO headquarter in Rome were platforms for personal information exchange and for strategizing. Another continuous focus of IFOAM’s lobby activities is the Codex Alimentarius work of FAO and the World Health Organization (WHO). IFOAM participated in May with a delegation at the Codex meeting in Canada, not only in the context of the “organic” Codex guidelines but also in the sessions regarding genetic engineering and labeling.

The preparation of the International IFOAM Conference on Organic Guarantee Systems (which took place in February 2002) was a concrete project to work not only with FAO but also with UNCTAD, the United Nations Conference on Trade and Development. A FAO conference on organic horticulture for Latin America and the Caribbean in Trinidad & Tobago in November also featured a number of speakers from IFOAM. The next conference on this theme for the Asian continent will be officially a joint venture between FAO and IFOAM.

IFOAM’s vice-president Suzanne Vaupel participated at the annual meeting of the International Labour Organisation (ILO). The role and fate of landless farm laborers needs and gets increasing attention by the organic movement. Therefore, IFOAM had applied for official observer status to ILO, which was granted in 2001.

Certainly a highlight of the lobby and outreach engagement of the federation was the involvement in preparations for the European Union conference on organic agriculture in May in Copenhagen. This activity was coordinated by the IFOAM EU regional group. An impressive line up of speakers during that conference were IFOAM activists. The important declaration from this conference in Copenhagen has also been significantly shaped by IFOAM expertise. It instructs the EU commission to come up with a strategic plan for the further development of organic agriculture. The conference conclusion was signed not only by 13 European ministers and vice-ministers of agriculture, but apart from IFOAM also by the European consumer co-operative and, interestingly enough, by the umbrella organization for conventional European farmers, COPA.

Genetic engineering is of ongoing concern for the organic movement. IFOAM invests much energy and resources to make sure that GMOs do not become a “never ending story”. IFOAM continues to co-operate in this sector with other international NGOs like Greenpeace. Some meetings took place where the possibility of a major lawsuit in the USA was discussed and considered. IFOAM was also able to raise some funds to produce an attractive information brochure on genetic engineering versus organic agriculture. The consultation and drafting of this publication was finished this year allowing the presentation of the brochure at the BioFach in February 2002.

With the World Food Summit (WFS) and the World Summit on Sustainable Development (WSSD) ahead in the year 2002, the federation intensified its discussion and positioning on the themes of food security and biodiversity. The content of two new IFOAM publications (dossiers) was worked
out via intensive and broad consultation within the movement. An IFOAM position document based on the work on food security was also put together. This is used for lobbying activities in the context of the upcoming WSSD in Johannesburg.

In 2001, the World Board and Head Office began to work on a strategy document for IFOAM’s lobbying and outreach activities. Text drafting and consultation of this policy document received major attention and input in the second half of this year. During the 5th IFOAM Asia conference and general assembly in China a workshop on lobbying was organized which was the start of the development of an international lobby network for organic agriculture.

To conclude, it can be said that the federation is significantly increasing its lobbying activities and has prepared the ground well for the two world summits and its preparatory conferences in 2002 to make sure that the solution potential of organic agriculture gets the attention and support it deserves.

Projects and Programs

“IFOAM-Growing Organic” (I-GO)

Organic agriculture and organic markets in industrialized countries are growing by 25 percent annually. In developing countries a similar growth is hampered by lack of knowledge and awareness, training and education possibilities, appropriate infrastructure, adequate marketing structures and market access. Additional problems include, among others, poverty and very low purchasing power, dominance of smallholders with very low initial and working capital, unresolved land tenure problems, inhibited investment in soil fertility, and soil degradation.

Furthermore, the standards and certification systems for organic agriculture have been developed without sufficient participation from developing countries, and do not reflect their particular needs or conditions.

About half of IFOAM’s member organizations come from developing and CEE countries, where up to 90% of the population live from agriculture and animal husbandry. Organic agriculture is the only viable answer to initiate sustainable rural development, by combating soil degradation and food insecurity and thus poverty.

It is for these reasons that IFOAM set up the I-GO program. Its goal is to strengthen the Organic Agriculture movement worldwide. Consequently the focus is on the development of Organic Agriculture in developing and CEE countries. I-GO is funded by Hivos and the Dutch fund for Biodiversity, which is also managed by Hivos.

In order to achieve its aim, I-GO is engaged in activities at the global, regional and national level, with the six main fields being:

1. The harmonization of the Organic Standards and Guarantee System at the international level, by still allowing appropriate regional variations.
2. The development of social responsibility and fair trade within organic production.
3. Support for training and capacity building for the regional development of certification bodies and standards.
4. Lobbying for Organic Agriculture in developing countries.
5. Strengthening IFOAM’s structure and capacity building.
6. The local development of Organic Agriculture and marketing in developing countries.
Some examples of IFOAM’s I-GO activities:

With reference to standards (1), I-GO financed a background study with the objective to formulate “criteria for variations in IFOAM Basic Standards”.

Another highlight under this result was the workshop, organized by AgroEco, TWIN, and Novotrade, which focused on the “Development of smallholder group certification, assuring uniformity and mutual recognition among certifiers”. The purpose of the meeting was to achieve uniformity between certification bodies in inspection and certification procedures for organic smallholder groups in developing countries. The participants agreed that smallholders’ groups should have an internal control system (ICS), where every farmer has an internal inspection. The external inspection would then constitute an evaluation of the ICS. First results exist and a follow up workshop is planned for the following year.

Both activities are very important for IFOAM’s lobbying, and to improve the IFOAM Guarantee System. Internal Control Systems (ICS) for smallholders facilitate marketing possibilities for small farmers by decreasing certification costs.

Under Point 6, IFOAM, together with FiBL, is developing the first of several planned IFOAM training modules for organic agriculture in the tropics. As far as possible, organizations and institutions from the South and from the North are involved in this project. The module combines theory blocks, recommendations for interactive sessions and transparencies. With these training modules IFOAM hopes to contribute significantly to the improvement of training and capacity building on Organic Agriculture in the tropics.

As the development of local and regional markets is imperative for sustainable rural development, and since Organic Agriculture in developing countries is still mainly focusing on export, I-GO has placed considerable emphasis on this thematic area.

I-GO co-financed a regional trade and marketing study of organic products in each of seven Central American Countries (Belize, Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica and Panama). The findings of the study were validated by workshops involving authorities from the organic movement and other participants from the organic sector. The results were combined into one regional study. The document gives an idea of the offer of organic products in the Central American region, analyses the commercial flow and identifies the main existing limitations for its commercial development. At a final regional workshop, which was held in Costa Rica, a Central American strategy for the commercial development of organic products was defined.

Another local market study was supported in Lima. Farmers who are producing organic vegetables and fruits near Lima are already using and improving the market niche for organic products in the capital, Peru. The results of this study are published and can be ordered from IFOAM’s Head Office. As the experience of these farmers was of high interest for other farmers, who face similar conditions and frameworks for possible marketing of their organic products, it is planned to produce a film about the setting up of weekly organic markets in Lima. This video will tackle all kind of issues and will provide information on: starting problems, essential conditions, organization forms, benefits, and other relevant topics.
Social Accountability in Sustainable Agriculture (SASA)

SASA is a joint project of Fair Trade Labelling Organisations International (FLO), International Federation of Agriculture Movements (IFOAM), Social Accountability International (SAI), and Sustainable Agriculture Network (SAN), coordinated by Novotrade Consult, the Netherlands.

In 2001, the four organisations involved agreed on objectives and goals, signed a memorandum of understanding, finalized the project proposal and successfully raised the major part of the necessary funds. The implementation of SASA starts in 2002.

Through this project, FLO, IFOAM, SAI and SAN decided to collaborate in the design and implementation of the present project over the next 24 months with the objectives:

- To develop guidelines and tools for the implementation of social audits in sustainable agriculture applicable by FLO, IFOAM, SAI and SAN for a wide range of agricultural production systems and product chains; and
- To develop closer co-operation between the initiatives through shared learning.

The main objectives can be divided into the following sub-objectives:

- To develop guidelines for social auditing and standard setting in sustainable agriculture;
- To examine the impact on and responsibilities of supply chain actors with respect to certification of social justice issues in agriculture;
- To address the particular needs of smallholder producers in the development of social guidelines for sustainable agriculture;
- To explore the possibilities for mutual promotion of complementary systems.

The Issues to be addressed are:

- Compatibility of the participating organizations’ social aims;
- Balancing international credibility and transparency requirements with producer country specific needs and realities;
- Adapting the criteria for audit and certification to the scale of the farm;
- Social audit issues including the timing of the audit, migrant and seasonal workers, securing confidentiality of workers, occupational health and safety concerns over agrochemical use, addressing issues of working hours and defining a ‘fair wage’ among others;
- Internalizing social and environmental costs;
- Diversity of farming systems;
- Identifying synergies between the initiatives and possibilities for movement towards mutual acceptance.

What Inspectors need

Supported by the Finish Ministry for Foreign Affairs IFOAM edited and translated in cooperation with the Independent Organic Inspectors Association (IOIA, USA) an International Organic Inspection Manual under the broad supervision of experts nominated by IFOAM, IOIA and the International Organic Accreditation Services (IOAS). The English edition had already been published in 2000. In 2001 the project was finalized by translating the manual (a 265 page volume) into Spanish and French. This publication provides an overview of all relevant aspects of organic inspection and is therefore a ‘must’ for all organic inspectors worldwide.
Conferences and Events

The interest and demand for IFOAM to cooperate in conferences, seminars and other events like trade fairs is growing significantly. The fact that this year the federation was able to employ a full time conference and event co-ordinator (who also works in public relations) enabled the Head Office to develop these activities further. It will now also be able to implement the decision to provide more event platforms for different production and thematic sectors (e. g. coffee, tea, olive etc.) to get together and network.

With the decision of the IFOAM membership to move to a three year cycle for the Organic World Congress (OWC) and IFOAM General Assembly (GA), 2001 was the last time with just one year between two OWCs. IFOAM was however involved in organizing a number of other important gatherings. The year started off with a special workshop on the theme of smallholder certification linked to the BioFach fair in Nürnberg.

Together with the movement and its members in Latin America, and supported by I-GO funds, a workshop on organic agriculture and social justice was organized in Bolivia. 115 participants from 10 countries exchanged their experiences and discussed strategies for the future to make sure that organic agriculture and practice is always tied to social justice issues. The workshop provided an opportunity for further strategizing towards a Latin American regional group structure. (See cover picture.)

The Imsbach eco-center in Tholey-Theley (home of the IFOAM Head Office) was the perfect setting for a workshop on biodiversity, which was organized in the context of the I-GO project program on behalf of the IFOAM donor organizations HIVOS and NOVIB. 35 representatives from international NGOs active in this field came together for two days sharing their broad spectrum experience and activities and discussing ways in which co-operation can be further developed and intensified. IFOAM offered to take the lead in establishing a network of active international organizations focusing on organic agriculture and biodiversity.

IFOAM continues to be present at major fairs and international events via its World Board members, Head Office staff and other IFOAM activists. Apart from the well established and successful co-operation with the BioFach fair in Nürnberg, IFOAM has for the first time worked together with the NürnbergMesse subsidiary, Global Fairs, to launch the international BioFach fair program starting with BioFach Japan, which took place in December in Tokyo. At this event IFOAM’s involvement included the newly established national IFOAM Japan group, which was especially instrumental in developing the well received parallel conference program. 184 exhibitors and some 14,000 visitors gave the BioFach Japan fair a successful start.

IFOAM participated as an exhibitor at the following fairs this year:

- BioFach in Nürnberg/Germany (February)
- Expo West in Anaheim/USA (March)
- Foodex in Tokyo/Japan (March)
- “All things organic” organized by OTA in Austin/USA (May)
- Expo Europe in Amsterdam/Netherlands (June)
- SANA in Bologna/Italy (September)
- ANUGA (largest food fair in the world) in Cologne/Germany (October)
In addition to the events already mentioned IFOAM people also actively participated at the International Conference on Organic Agriculture, which was organized by FAO and took place in Agadir/Morocco in October.

An event highlight of this year was the fourth IFOAM Asia conference, which took place in November in Hangzhou/China. This congress attracted about 500 participants from China, Asia and “beyond”. The conference was organized by an IFOAM member, the Organic Tea Research Institute in Hangzhou, which was also responsible for hosting the IFOAM Asia Regional General Assembly. The success of this conference shows the rapidly growing interest and commitment to develop organic agriculture in the People’s Republic of China. It was a further example of how a combination of events can create synergies since Hangzhou was also the location for the Executive Board to assemble and to hold the first of a series of lobbying training workshops in the context of the I-GO program.

**Communications**

**Publications**

IFOAM’s ongoing efforts to improve communication inside the federation and to the outside world via publications continued in 2001.

Three issues of the IFOAM magazine “Ecology and Farming” with a total of about 120 pages have been published. Focus themes in the magazines looked at the role of women in organic agriculture, the importance of animals, and on developing local markets. The regional themes covered Central/Eastern Europe, Latin America and the Mediterranean.

The “Internal Letter” No 75 for IFOAM affiliates came out in January 2001 with a special jubilee issue. This occasion was an appropriate moment to give the publication a new name. Over the years the Internal Letter had developed into much more than just a “circular letter”. It is by now a very comprehensive platform for information exchange and each issue shows the reality of “IFOAM - in Action”. Yet it was not just a change of name, but also included efforts to make this central information publication more attractive and better to read. The layout was improved and a new permanent column “Thoughts from …” was introduced. Moreover, a French version was printed besides the already existing Spanish version. Together with the internal newsletter “IFOAM - In Action” also regional newsletters produced by the AgroBioMediterranean IFOAM regional group were circulated.

The still best selling publication “Organic Agriculture Worldwide” (IFOAM directory of member organizations and associates) has also seen some changes. A first visible indication of these improvements is a new, more attractive four-color cover. The information, apart from the address listings, has been further expanded and an overview table concerning the different activities of members in the various countries has been added.
After the approval of the IFOAM Basic Standards revisions at the last General Assembly, IFOAM has been able to publish the standards in Spanish, German, Russian, Arabic, French, Chinese and Japanese. Some publications are now also available as CD Roms (e. g. Spanish IFOAM standards). Last year was also the start of a new series of publication with the first issue of an IFOAM annual report. It was on purpose a modest start, which has the benefit of leaving space for improvements knowing that “better is the enemy of good”. And that is what the federation always works on – not only for this annual report.

The IFOAM Web

Visits* to the IFOAM webpage

www.ifoam.org comparison 2000 / 2001
Sum 2000 = 131659
Sum 2001 = 54345

Over the last two years the visits have constantly increased: the total number of visits counted in 2000 were around 54,500. In 2001 visits amounted to a total of about 131,500.
There is a marginal seasonal fluctuation, but major press announcements also show an impact (like the Mad Cow Disease in Germany in November 2001). The favorite page was Reports on Organic Agriculture, followed by Links, Standards, and Press Releases.

* The Start/Homepage is counted only
THE ORGANIC GUARANTEE SYSTEM

IFOAM’s Organic Guarantee System unites the organic world through a common system of standards, verification, and market identity. It is the practical realization of IFOAM’s commitment to harmonize an international guarantee of organic integrity. The core of the Organic Guarantee System (OGS) is the IFOAM Accreditation Program. Beyond IFOAM, the International Organic Accreditation Program and IFOAM Accredited Certifiers are key components of the OGS. The Figure overleaf depicts the basic structure of the OGS.

IFOAM Accreditation Program
The IFOAM Accreditation Program is a service offered to certification bodies. It is administered for IFOAM by the International Organic Accreditation Service (IOAS), which is an independent organization. IFOAM Accredited Certification Bodies (ACBs) must demonstrate compliance with the IFOAM Basic Standards (IBS) and the IFOAM Accreditation Criteria (IAC).

The IFOAM Norms
Together the IBS and the IAC comprise the “IFOAM Norms” – documents which are periodically revised and expanded by IFOAM in consultation with a broad group of members and other stakeholders. In 2001, the IFOAM Standards Committee and IFOAM Criteria Revision Task Force produced revision drafts of the IBS and IAC respectively. These documents were offered for consultation and revised again in consideration of the comments received. The revised norms are due to be finalized in 2002.

IFOAM Seal
The IFOAM Seal is a market-oriented mark of compliance with the IFOAM Accreditation Program. The seal may be used on products that are certified by IFOAM ACBs. This mark ensures wholesalers, retailers, and consumers that a product and its producer are organically certified within the IFOAM Organic Guarantee System. IFOAM Seal use on products is implemented through a contract signed between an ACB and the IOAS, and a corresponding contract between an ACB and its certified parties.

International Organic Accreditation Service
Although it operates as an independent body, the IOAS is a key component of the Organic Guarantee System. IOAS is licensed by IFOAM to administer the Organic Guarantee System. It accepts and reviews accreditation applications, conducts site evaluations, and grants IFOAM accreditation to compliant applicants. IOAS also administers the IFOAM Seal, and together with IFOAM, it promotes the IFOAM Accreditation Program.

IFOAM Accredited Certification Bodies
At the end of 2001, 17 certification bodies were IFOAM Accredited, and 10 were in applicant status. During 2001, the ACBs made significant progress toward implementing a Multilateral Agreement (MLA) amongst themselves. The MLA creates multilateral equivalence at the level of the Accreditation Criteria and the IFOAM Basic Standards. Implementation of the MLA streamlines certificate acceptance, and thus helps to support and ensure orderly market transactions and trade. An initiative that is administered by the ACBs, the MLA also supports the objective of the IFOAM Organic Guarantee System.
Figure: The IFOAM Organic Guarantee System:
Participating organizations are IFOAM, the IOAS, and the ACBs.
Achievements in 2001

A number of improvements to the Organic Guarantee System were made in 2001. These included an investment in staffing to support the OGS, new structure for management of the IFOAM Norms, development of policies and procedures to govern the development and maintenance of the IFOAM Norms, and increased promotion of the OGS.

**Staffing:** Early in 2001, IFOAM created a new staff position, Organic Guarantee System Coordinator (OGSC), to provide coordination for the development of the IFOAM Norms and Seal, and to foster communication among the participants in the OGS. The OGSC provided staff support to the IFOAM Standards Committee and Criteria Revision Task Force for their development of new drafts of the IBS and IAC respectively. During 2001 the OGSC position was held by Tim Marshall.

**Structures:** In consultation with key stakeholders, the World Board developed and approved a plan to revise the management structure of the IFOAM Norms. A new structure, the Norms Management Committee, will provide oversight and coordination of policies and procedures for the development and implementation of the IFOAM Norms. The WB also established another new structure, the Criteria Committee (CC), which is given responsibility for the maintenance and improvement of the IFOAM Accreditation Criteria. This step ensures a permanent structure for the Criteria – one that is parallel to the Standards Committee relative to the IBS. Both the CC and SC will be accountable to the Norms Management Committee. The new committees are planned to be functioning in 2002. In keeping with the structural overhaul, the WB also decided to appoint a new Standards Committee in 2002.

**Policies and Procedures:** Policies and procedures help to ensure parity and professionalism in the administration of the IFOAM norms. A number of new policies and procedures for management and implementation of the IFOAM norms were elaborated in 2001. These included new policies for the interpretation of existing norms, implementation of new and revised norms, and approval for work on developing new areas of the norms. Another significant new policy and procedure in the OGS is for IFOAM’s approval of other standards. Under this policy, other standardizing bodies or associations may apply to have their standards approved as being consistent with the IFOAM Basic Standards.

**Promotion:** IFOAM and the IOAS share activities to promote the Organic Guarantee System, especially the IFOAM Accreditation Program. Highlights of IFOAM’s promotion in 2001 included work at functions of the UNCTAD and World Bank, a meeting with the US-based National Institute for Standards and Technology, and distribution of an IFOAM Discussion Paper entitled “The International System of Standards and Conformity Assessment,” which was authored by World Board member, Suzanne Vaupel.
**FINANCIAL REPORT 2001**

The year 2001 was financially very successful for IFOAM. Due to effective use of the available resources, the increasing fee income and support from members and third parties, the federation could build up a reasonable reserve for future development.

**Income 2001**
The main income source for IFOAM is the affiliation fee. In comparison with the previous year the fee income increased by 12%. Reasonable income from services and sales stabilized the income situation.
In addition I-GO, the “IFOAM – Growing Organic” program to develop organic agriculture in developing countries, was operating for its first full year in 2001. The project income therefore increased by 60% compared to the year 2000.

**Expenditures 2001**
Staff positions were filled or replaced later than expected: A full time Conference and Event Coordinator was employed in April. Financed by I-GO funds, the position of the Organic Guarantee System Coordinator was filled in spring. Due to the invitation from different member organisations the World Board (WB) and Executive Board meeting costs could be kept to a very low level. In addition WB members successfully raised funds to cover their own meeting participation costs. Finally the administration costs for the worldwide active federation could be held to a comparably low level.

**Balance sheet and outlook**
In order to prepare the federation for the demands of the future, the WB made a thorough review of the management structure and provided strategic planning for the next 3 years. The positive financial result from 2001 increased the reserves, which will be invested in staff, structural and content development in the coming term. IFOAM is dedicated to improving its services to affiliates and the world in order to facilitate the sustainable growth of the organic sector worldwide.

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**Supporting the Organic Movement**
IFOAMs core activities are strongly supported by the IFOAM-Growing Organic Program. The federation is grateful to HIVOS (The Netherlands) and the Biodiversity Fund of the Dutch Ministry for Foreign Affairs (also the Netherlands) for their continuous support. In 2001, for the first time an I-GO activity was co-sponsored by the GTZ (Deutsche Gesellschaft für Technische Zusammenarbeit), Germany.
Thanks to a contribution from the Finish Ministry for Foreign Affairs, IFOAM could complete together with the Independent Organic Inspectors Association (IOIA, USA) the development of the International Organic Inspection Manual. The project could be finalized in 2001 with the translation of the Manual into French and Spanish language.

The IFOAM finances have been audited by PwC Deutsche Revision, Saarbrücken, Germany.
FEES/SERVICES AND PROJECT INCOME FROM 1992 TO 2001 in EURO X 1000

IFOAM YEAR END BALANCE SHEET
(€ x 1000)
(audited by PWC Deutsche Revision, Saarbrücken, Germany)

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<thead>
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<th>1999</th>
<th>2000</th>
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<tr>
<td>Non-tangible Assets (Software)</td>
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<td>453</td>
<td>496</td>
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<td>TOTAL LIABILITIES</td>
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<td>453</td>
<td>496</td>
<td>726</td>
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## IFOAM Income Statement

**Audited* Report for 2000 and 2001**

### INCOME

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<thead>
<tr>
<th></th>
<th>2000</th>
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<tr>
<td><strong>Fees</strong></td>
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<tr>
<td>members</td>
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<td>associates</td>
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<tr>
<td>supporters</td>
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<tr>
<td>registration</td>
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<td><strong>Subtotal</strong></td>
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<td>301</td>
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<tr>
<td>booksales + subscription magazine</td>
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<td>36</td>
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<tr>
<td>advertising Dir+E+F</td>
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<td>34</td>
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<tr>
<td>overhead services</td>
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<td>61</td>
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<tr>
<td>honorarium &amp; patronage</td>
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<tr>
<td>gifts/donation 3rd world</td>
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<tr>
<td>dissolution of reserves</td>
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<td>526</td>
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<tr>
<td>Projects</td>
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<tr>
<td><strong>Total Income</strong></td>
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### EXPENDITURES

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<tr>
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<tr>
<td>staff &amp; social fees</td>
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<td>227</td>
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<td>Standards Committee</td>
<td>10</td>
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<td>printing costs + book purchase</td>
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<td>40</td>
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<tr>
<td>travelling HO &amp; representation &amp; events &amp; GA costs&amp;Biomarche</td>
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<td>14</td>
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<tr>
<td>rent &amp; utilities &amp; insurance</td>
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<tr>
<td>postage</td>
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<tr>
<td>office supply &amp; communication &amp; repairs &amp; NGO memberships</td>
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<td>12</td>
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<tr>
<td>auditing &amp; advices</td>
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<td>13</td>
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<tr>
<td>seal reserve fund</td>
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<td>bank charges</td>
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<td>depreciation &amp; loss of claims</td>
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<td>12</td>
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<tr>
<td>miscellaneous</td>
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<td>4</td>
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<tr>
<td><strong>Subtotal</strong></td>
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<td>421</td>
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<tr>
<td>Projects</td>
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<td>636</td>
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### Operational result

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<td>90</td>
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<tr>
<td><strong>Net result</strong></td>
<td>7</td>
<td>15</td>
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* Audited by PwC, Deutsche Revision, Saarbrücken Germany
** slight variations in sub-totals are a result of rounding differences