The International Federation of Organic Agriculture Movement (IFOAM): Analysis of its Goals and Certification Credibility

By: Janna Canamaso

3/15/2011

GRADUATE SCHOOL OF INTERNATIONAL RELATIONS AND PACIFIC STUDIES

UNIVERSITY OF CALIFORNIA, SAN DIEGO

TABLE OF CONTENTS

I. Introduction

For many years since the 1970s, there has been an increase in demand for and awareness about organic agricultural products, and central to the organic movement is the International Federation of Organic Agriculture Movement (IFOAM). IFOAM, a non-profit international organization, was founded in 1972 during a time when concerns were prevalent about the development of agriculture and its effects on livelihood, environment and trade as a channel for cooperation around Europe, which spread through the world. IFOAM mainly aims to bring a strong and harmonized set of general standards in agriculture grown organically led by its Four Principles of Organic Agriculture.

The problem with organic agriculture is the credibility of the organization leading the organic movement (IFOAM) and of its seal certifying products are organic because the movement will not reach its ambitious goals without having the credibility to continue to build partnerships and attract consumers. Therefore, to bring credibility to the organic movement and its own certification system, IFOAM needed to consolidate an international definition of "organic" in order to come up with globally accepted standards; subsequently, the development of an inclusive and coherent definition of "organic" helps IFOAM's credibility to consumers because they can be assured that the organization is able to be equitable to all stakeholders through having one set of standards across borders. Also, in order to keep its niche market of consumers who are sensitive to social and ecological issues and eventually expand to larger traditional consumers, IFOAM must establish the credibility of its certification and monitoring systems. The concern of consumers remains on how IFOAM's organic standards are established, consolidated and monitored to ensure that certified organic products are "organic."

Overall, credibility is crucial to IFOAM's goal of harmonizing organic standards and growing organic agriculture worldwide. Credibility of IFOAM will be assessed through understanding the organization, its structure, leadership, transparency, source of funding, capacity to monitor third party verifiers, ability and commitment to implement (including punishment to those not complying with the Four Principles of Organic Agriculture).

II. Worldwide Organic Market – is growth a sign of credibility on IFOAM?

The market for organic agriculture is growing, but mostly the demand is from developed countries. Because of international borders having different standards for organic agriculture, developing countries are often blocked access to these markets—a violation of equality central to organic agriculture. North America continues to be the largest market for organic products amounting to more than 16 billion USD.[1] This growth has been so fast and significant that North American organic farmers cannot keep up with the demand; as a result, organic products are imported from Latin America.[2] The growth has been also attributed with the penetration of organic products into "traditional" grocery stores such as Walmart.[3]

In Europe, there has been growth and strong advocacy for organic farming. Continued growth is observed for the last two decades; therefore, this trend is predicted to be the direction of organic farming in Europe (See Appendix 1). However, the organic sector remains to be a small 3 percent of the entire agriculture market.[4] On the other hand, this small share of the organic market in Europe shows that there is plenty of room to expand for organic agriculture.

[1] IFOAM and the Research Institute of Organic Agriculture (FiBL). The World of Organic Agriculture: Statistics and Emerging Trends 2008. London: 2008. p. 55.
[2] Ibid, p. 55.
[3] Ibid, p.55.
[4] Dabbert et al. Organic Farming: Policies and Prospects. New York: 2004. p. 10

The increasing demand for organic agriculture only strengthens the importance for a credible international organization that will serve as a certifier of organic products, farmers, producers, processors and distributors, especially from developing countries. IFOAM is in a unique position of filling the gap where international governance is unavailable for providing a guarantee to consumers, mostly in developed countries, that the products with the IFOAM seal are organic based on defined global standards. Nevertheless, IFOAM must be prove itself as a credible organization.

III. The Organic Movement (Beginnings of IFOAM) and The Meaning of "Organic"

It is very important to know the history of IFOAM for understanding the incentives it started with and the evolution of these incentives, which will also shed light to the sincerity and commitment of the organization to its Principles of Organic Agriculture. Moreover, the relentless dedication of IFOAM to define "organic" across different countries and governments signals its strong commitment to taking into account farmers, producers, processors, consumers and other stakeholders from various countries, which shows credibility of the organization and its seal of what is organic.

The organic movement began in the first half of the 20th century when philosophies and teachings "based on observation of nature and respect for natural laws" were emerging that eventually stirred up farmers to move towards organic farming.[5] Multiple schools of respect for nature were created; however, although there was increased emphasis on the movement, cooperation was lacking limiting these small dispersed schools of thought from making a greater

[5] Centre for Agricultural Bioscience International. Organic Farming: An International History. Cambridge, MA: 2007. p. 176. CABI is an international non-profit organization aimed at improving peoples' lives through providing information and using scientific expertise in solving problems in the environment and agriculture. It is also involved in multiple research and developmental projects sponsored by member countries. Their website is www.cabi.org.

impact. IFOAM was created to address this need for coordination of expanding sustainable living on November 5, 1972 in Versailles, France.[6] Since the conception of IFOAM, it has been incentivized to be an organization that unifies the world while being ground-breaking or revolutionary due to the obstacles it overcame. It was founded by pioneers such as Roland Chevriot and was an organization that embraced the influential contributions of four women; in addition, IFOAM was founded not long after 1968 when the organic movement was revolutionary and anti-establishment—against a growing agriculture sector using artificial and harmful (to the environment and human health) techniques.[7] Therefore, IFOAM leading the organic movement was founded and incentivized by passion of its founders for sustainability of agriculture that protects and respect nature; it was "[r]adical, innovative and filled with enthusiastic dedication."[8] As a result, these roots provided the organization good reputation, which allowed it to grow.

Today, far from the unorganized yet idealistic revolutionary organization, IFOAM, representing the international organic movement, has moved to be a sophisticated non-profit with structure, finances and influence on multilateral organization and various governments. As the organization has evolved to be complicated, large and bureaucratic, its credibility of staying true to its passionate and focused roots is being challenged since bureaucratic organizations are often bogged down with paper work and not enough actions. Nevertheless, IFOAM and the organic movement have been able to continue to stay true to its roots—an assessment tackled in the following study of its credibility. In addition, the movement is now seen not as an eccentric and invaluable cult but a respected and influential organization in that IFOAM has been able to

[6] Ibid.
[7] Ibid, p 177. At this stage of the organization, it did not have any form of structure or formal organization. No minutes were taken and no forms of measures or clear goals were established.
[8] Ibid, p178.

solicit the collaboration of the UN Food and Agriculture Organization (FAO) and UN Committee on Trade and Development (UNCTAD)—leaders in developing agriculture and trade especially for developing countries—on the IFOAM's goals of worldwide harmonization of the organic guarantee system (OGS) and expansion of the organic market.[9]

Since the term "organic" has been used multiple ways, it is imperative that IFOAM's definition of "organic" is clear and reflective of its international perspective as this adds to the credibility of the organization and its certification. Further, clarity and unity of what comprises and organic product makes it easier for farmers, consumers and other stakeholders in organic agriculture to know what is expected and what to expect—a type of transparency between producers and consumers. A clear definition also helps the credibility of IFOAM because this definition will be used by its third-party certifiers; thus, with large number of certifiers all over the world, it is a way. IFOAM's current definition of "organic" agriculture, which it hopes to be harmonized with the rest of the world, is:

> "Organic agriculture is a production system that sustains the health of soils, ecosystems and people. It relies on ecological processes, biodiversity and cycles adapted to local conditions, rather than the use of inputs with adverse effects. Organic agriculture combines tradition, innovation and science to benefit the shared environment and promote fair relationships and a good quality of life for all involved."[10]

In the process of coming about this definition—2005 Task Force was created to formulate the Definition of Organic Agriculture—IFOAM took into consideration the public view of what organic agriculture is in a very time- and resource-consuming project

[9] Organic Farming: An International History. p. 183.
[10] International Federation of Organic Agriculture Movement. *Definition of Organic Agriculture.* www.ifoam.org. 12 February 2011.

in order to abide with its bottom-up approach in running the organization, and the Task Force filled the gaps.[11] At the end of the project, the Task Force concluded that there were misinterpretation of "organic" of being confined to sustainability of the land and lack of consistent broad definition in the internet. Thus, the Task Force saw gaps where IFOAM had to step in, starting at defining what "organic" means. Such commitment to define "organic" proves IFOAM's dedication to fulfilling its goals of expanding organic agriculture worldwide as it identified that inconsistencies in this definition was an obstacle to its goals.

IV. IFOAM Identity and Organization

IFOAM has been known since the 1970s to be the largest international umbrella for the organic movement; moreover, although it has experienced some ambiguity on its identity, IFOAM has been able to form a new, broad and clear identity through its Four Principles. Such Principles are very important because the soundness and the applicability of these Principles define the credibility of IFOAM to be a global leader in expanding the organic movement. IFOAM's Four Principles are the principle of health, ecology, fairness, and care. These principles apply beyond farming but how "people interact with living landscapes, relate to one another and shape the legacy of future generations (Copy of the Principles see Appendix II)."[12]

First, the principle of health aims to not only sustain but to improve the soil, animal, human and plant's health as one and indivisible; a vital realization here is that IFOAM thinks

[11] IFOAM. *Definition of Organic Agriculture Report to the Task Force.* http://www.ifoam.org/growing_organic/definitions/sdhw/pdf/Definition_of_Organic_Agriculture_Report.pdf. 12 February 2011. IFOAM's bottom-up approach has been known about the organization in that it values the input of its members, farmers and local third-party certifiers. IFOAM has been determined not to be an organization of heavy authority especially of local farmers by being stringent and telling them exactly what to do. Flexibility is important to IFOAM, and it encourages collaboration with and interdependence of local farmers.

[12] International Federation of Organic Agriculture Movement. *The Principles of Organic Agriculture.* www.ifoam.org. 12 February 2011.

that all are interdependent on each other and cannot be separated.[13] Henceforth, IFOAM will demand that all practices involved in organic agriculture are targeting the enhancement of living things, not only keeping the status quo. Second, the principle of ecology is based on IFOAM advocacy for understanding and working with the ecological and natural systems already in place instead of creating artificial and harmful means of agriculture.[14] For this, IFOAM's partners are strongly encouraged to operate in an ecologically balanced system. Third, the principle of fairness emphasizes that everyone involved in organic agriculture should provide equal opportunities and respect for others in order to attain "good quality of life, and contribute to food sovereignty and reduction of poverty."[15] Last, the principle of care takes into account the future generation along with the current generation in that everyone in organic agriculture must conduct themselves in a cautious and responsible manner.[16]

These Principles are central to the identity of IFOAM that it in turn strongly encourages in all its partners and the entire organic movement. The principles that IFOAM formed and abide by are very indicative of the wide audience and target market for the organization. Its targets are spread around the world; therefore, it made more sense for IFOAM to develop a broad set of principles that can be implemented in different ways while remaining true to the essence of the organic movement. The problem, nevertheless, remains that the broadness of these principles can lead to a misinterpretation and greenwashing of IFOAM and its principles. This problem threatens the credibility of the organization; as a result, the organization's guarantee will mean nothing that damages the harmonization and expansion of the international organic movement. However, training and accreditation of third-party verifiers and members are some of the

[13] Ibid.
[14] Ibid.
[15] Ibid.
[16] Ibid.

mechanisms that IFOAM can use to counter the danger of misinterpretation and greenwashing. In addition, increasing globalization and technological advancement provides different alternatives in organic agriculture; therefore, it is more inefficient to develop principles that are too specific making it not credible for farmers and producers due to their arbitrariness. Additionally, stringent rules will only hold back organic agriculture from improving and expanding.[17] Therefore, the broad yet defined Principles of Organic Agriculture adds to the credibility of IFOAM to having applicable and practical guidelines true to the definition of "organic."

Furthermore, credibility of the organization in its ability to implement these principles and monitor its members and certifiers is contingent on the way the organization is structured. IFOAM started small and was very focused on only consultation on what the value and characteristics of organic agriculture should be, but now IFOAM is a global network, based in Bonn, Germany, of farmers, certifiers, agricultural experts, and others "focused on the development of international norms for organic agriculture" by becoming the leader in the organic movement.[18] Its membership is spread across 116 countries with 750 member organizations.[19] More importantly and contrary to its name, the structure used for governance in the organization is not a federal system but a membership organization; the members comprise the governing body—the General Assembly—and are able to participate in the governance of the organization through becoming a part of the General Assembly that elects the World Board members, who have three-year terms limit.[20] In return, the World Board appoints IFOAM

[17] Alroe, Hugo Fjelsted and Erik Steen Kristensen. *Basic Principles for Organic Agriculture: Why? And What kind of Principles?* Ecology and Farming. April 20, 2004. p. 1.
[18] Glasbergen, Pieter. "Global Action Networks: Agents for Collective Action." Global Environmental Change. 2010. p. 133.
[19] International Federation of Organic Agriculture Movement. *The IFOAM Organizational Structure.* www.ifoam.org. 18 February 2011
[20] Ibid and Glasbergen, p. 133.

members to many different committees, working groups and task forces; consequently, IFOAM is ran by its members.[21] Keeping in line with the federal structure of IFOAM, smaller regional and sector specific interest groups are established in order to create some local sovereignty for members who have factors unique to their localities.[22] Being controlled by members that are diverse that just farmers, such as expert agricultural scientists, IFOAM establishes credibility in its standards implementation and member monitoring because the diversity in membership serves as a check on any interest group wanting to advance their own interest through the organization; for example, farmers wanting to lower organic standards to lower their cost and increase profits. On the other hand, with members running the organization, some objectivity is lacking from the consumers' perspective.

The World Board serves as the executive of the organization, and it separates the Board into official committees: "The Norms Management Committee, which includes members of the Standards Committee and the Accreditation Criteria Committee, The FAO Liaison Office, Various Working Groups and temporary Task Forces, and IFOAM Regional Groups."[23] It is also comprised of members from different parts of the world such as Philippines, USA, Peru, Australia, Uganda, Japan, Malaysia, Switzerland, Italy and India.[24] Election of board members is done all at once—all ten board members are elected and step down at the same time each third year, and the Board is elected by the General Assembly.[25] Also, the World Board elects among themselves three to five members to the Executive Board—the President and two to four Vice Presidents; the Executive Board "decides on issues not yet decided upon by the General

[21] International Federation of Organic Agriculture Movement. *The IFOAM Organizational Structure.* www.ifoam.org. 18 February 2011.
[22] Ibid.
[23] Ibid.
[24] Ibid. *The World Board.*
[25] Ibid.

Assembly or the World Board, reviews the organization performance and initiates the remedy of short-comings."[26] Its decisions are taken by majority with at least half of the members present and by open vote.[27]

Additionally, IFOAM's World Board is comprised of a diverse ethnicities, expertise and background that all relates to organic agriculture. Such Board composition is important because it provides the organization a sound basis of leadership who are knowledgeable and have proven their passion for organic agriculture.[28] In fact, the availability of the names and short biographies about each board member provides transparency on the leadership that helps IFOAM's credibility to the consumers and the agricultural industry. Establishing such transparency and diversity in the leadership remains vital in IFOAM's goal toward harmonization of organic standards around the world and expanding the organic movement because it proves that IFOAM is truly international in its core; thus, it has a deep understanding of international organic agriculture and knows how to lead it (with its members) toward their ambitious goals (Information on World Board Members see www.ifoam.org).

Another vital part of the IFOAM organization is the Organic Guarantee System (OGS) Committees divided into the Management Committee, the Standards Committee and the Criteria Committee. These committees are responsible for improving and assessing the OGS, which is central to the IFOAM seal guaranteeing consumers that products bearing the seal are organic per

[26] Ibid.
[27] Ibid.
[28] Ibid. *World Board.* The ten board members of IFOAM's World Board are all experts of their fields relevant to organic agriculture and are coming from different countries, ethnicities and background. Many have proven records in supporting their soundness and capacity to lead the organization and the entire global network of IFOAM towards harmonization of standard in organic agriculture. The President, Katherine DiMatteo, from USA have been active as the Executive Director of Organic Trade Association in 2006, as a current Secretary of the Board of the Organic Center, and served on the Board of Directors of the Organic Materials Review Institute and Northeast Cooperatives, Inc, along with many involvements in the organic movement worldwide. Other members are equally experienced and includes members from developing countries like: Roberto Ugas from Peru, Moses Kiggundu Muwanga from Uganda, and Vanaja Ramprasad from India.

IFOAM's and its accredited certifier's determination.[29] As being the body responsible for the OGS, its implementation is also the duty of these committees. Furthermore, due to the demands of IFOAM members, the Good Governance Task Force was created in order to define the "Principles of Good Governance," evaluate the internal bodies of IFOAM in order to propose changes, and assess the governance structure and give recommendations for changes in order to monitor and adjust the governance of IFOAM as needed.[30] (Organizational Chart for IFOAM see Appendix III). Governance is vital in assessing the credibility of the organization because it shows stakeholders in international organic agriculture that IFOAM takes its role seriously; in addition, ensuring well implemented standards and well monitored members and certifiers requires sound governance that keeps the organization moving forward and punishes violators. The mere presence of good governance mechanisms distinguishes IFOAM from other international NGOs.

Regional groups and interests groups formed by local IFOAM members are vital in the structure of IFOAM; consequently, they are included in the official structure of organization and are valued by IFOAM. These provide multiple member organizations in the very large global network a channel to make unique decisions to them and their region. These groups, on the contrary, are not independent of IFOAM; instead, they are interdependent through the Four Principles and the OGS set by IFOAM, and being that these standards are broad, it allows local farmers and stakeholders to have room for specific decision making given that it doesn't violate IFOAM's core principles and standards. Also, this relieves IFOAM from spending resources unnecessarily by micro-managing every member and every country, which is a task that is

[29] International Federation of Organic Agriculture Movement. *Organic Guarantee System.* www.ifoam.org. 18 February 2011.
[30] Ibid. *IFOAM Committees.*

impossible to accomplish. This organizational characteristic covers issues that are often overlooked in large international organizations, which also adds to the credibility of IFOAM as it is in line with the implementation of its Four Principles—mostly fairness.

Membership, as well, is valued by IFOAM, and it is open to processors, producers, buyers, traders, consultants, retailers, researchers, certifiers or anyone involved in the organic movement.[31] This approach exhibits the true willingness of IFOAM to advance the organic movement by not opening it up to only elites or its leadership's circle of peers. Providing members the opportunity to participate in the organization's initiatives and decision making is crucial in assessing the organization's governance; for IFOAM, members are "able to attend meetings [including the General Assembly meetings] and add items to the agenda…[e]ach member casts a single vote."[32] Further, incorporation of disadvantaged stakeholders (from developing countries) into the membership, giving them the same standing as any other member, proves that IFOAM abides to its Four Principles by helping reduce poverty with over 50 percent of membership coming from developing countries.[33] The problem, nonetheless, is the manner IFOAM's World Board is elected by members; in turn, these elected board members are given the task to appoint committee members from this electorate of member organizations. This electoral system provides the board and members incentives to vote or appoint people who serve their interest or to collude with. It is not clear to what extent this is occurring in IFOAM, but this

[31] International Federation of Organic Agriculture Movement. *Join IFOAM!*. www.ifoam.org. 18 February 2011.
[32] One World Trust. 2008 Global Accountability Report. p. 2. One World Trust is an independent think tank that conducts research, develops recommendations and advocates for reform to make policy and decision-making processes in global governance more accountable. One of its main projects is the Global Accountability Report (GAR) that is an assessment of the accountability of the world's most powerful organizations to the people they affect. The GAR for IFOAM analyses the organization based on transparency, participation of external stakeholders, participation of members, evaluation, internal complaints and response, and external complaints and response.
[33] Glasbergen, Pieter. "Global Action Networks: Agents for Collective Action." Global Environmental Change. 2010. p. 133.

can be a manner that the Good Governance Task Force must look at to improve the credibility of IFOAM's organization.

V. Transparency

IFOAM's credibility is highly tied to its transparency in information; although the organizational structure can provide some ideas on how the organization's leadership gets elected, function and work with other regional and interest groups, the structure and governing bodies (including committees, regional groups and interest groups) it does not paint a clear picture of the mechanism in place in assuring transparency. Thus, deeper investigation of these mechanisms available in IFOAM is necessary.

IFOAM has entrenched transparency commitments assigned to its Standards Committee and Criteria Committee, which aim to respond to "all requests for information within two working days"—a relatively fast response for a large organization.[34] Also, IFOAM has made sure that a high-level executive will be responsible for the release of important information and all external communications, especially if it is demanded by governments, companies, countries, or the public in general. IFOAM has done this by assigning the Senior Manager for Outreach for this valuable task to ensure transparency.[35] Not only higher-positioned employees are made aware of the organization's commitments to transparency but also all its staff by including trainings on these commitments.[36]

The independent non-profit organization, One World Trust that has been evaluating various organizations like IFOAM, UNICEF, CARE, and Transparency International, has ranked IFOAM as number one in transparency and over-all accountability among international

[34] One World Trust. 2008 Global Accountability Report. p. 1.
[35] Ibid.
[36] Ibid.

non-governmental organizations (INGO) in 2008 (see Appendix VI for the results of the 2008 Global Accountability Report).[37] Therefore, the transparency mechanism that IFOAM has put in place is an indication of its serious commitment in making its organization credible, which it continues to succeed in—this success of gaining credibility will be discussed further in terms of its certification and monitoring system.

VI. Funding

Just like any corporation, IFOAM publishes Annual Reports, with the latest for 2009 that includes financial statements; more deeply, IFOAM includes the list of sponsors including the amount they donated to the organization. This is a form of transparency as discussed in the previous section because the easy accessibility of the finances and, more importantly, of the sources of these finances help determine the credibility of the organization. Funding is very important in both for-profit or non-profit organizations; therefore, indication of large sums of donations coming from a party with high stakes in organic agriculture such as a large organic farming company can be suspicious in that the non-profit monitor and verifier of organic products have conflict of interest that will lead to favoring the certification of such a company bypassing the proper procedures.

According to IFOAM's 2009 Annual Report (see Appendix IV), there has been a significant decrease in both contributions and fees, and donations leading to the deficit of €28,000 in 2009 unlike the positive €3,000 net income in 2008.[38] In addition, a larger percentage of IFOAM's income is from projects it conducts around the world by lending its expertise in

[37] One World Trust. *2008 Global Accountability Report.* http://www.oneworldtrust.org/index.php?option=com_content&view=article&id=114&Itemid=144. February 18, 2011.
[38] International Federation of Organic Agriculture Movement. 2009 Annual Report. p. 16.

consultation with governments and various smaller organizations; nevertheless, even though project incomes appear to be a better source of income due to IFOAM providing services, IFOAM or its affiliates in these projects are not clear as to the exact manner and services IFOAM is getting paid for.[39]

More noticeable from the list of sponsors in the Annual Report are the large number of sponsors, and the concentration of donors giving the highest funding from €10,000 to €250,000 is high for European organizations, except for one IFOAM subsidiary in Korea. These donors are mostly from Netherlands, Germany and Sweden. It is questionable why these three countries are giving large sums of money to IFOAM; more intently, this pattern can possibly show that these countries may have a higher stake and larger monetary resources than anyone else in Europe and the World that they are influencing IFOAM in their favor. One reason is that organic farming land and thus sector has been one of the largest throughout Europe or it is at a significant increase. Germany has had the second largest organic land area in Europe; also, Sweden has the one of the highest percentage of its land occupied by organic agriculture (see Appendix V for the concentration map of Europe).[40] In the case for Netherlands, the country has been experiencing decrease in growth of its organic agriculture, so it is unclear why the country will take interest in the IFOAM.

To assess the credibility of IFOAM, individual companies who donate must be investigated in order to know the nature and possible motive of the companies that may be very influential to IFOAM. The Humanist Institute for Development Cooperation (Hivos) from Netherlands is the largest donor of €250,000. It is a Dutch non-governmental organization operating under humanist values of human dignity and self-determination; in summary, Hivos is

[39] IFOAM has several projects they are working on in conjunction with multilateral organizations such and the United Nations, different national governments and other stakeholders.
[40] Dabbert et al. Organic Farming: Policies and Prospects. New York: 2004. pp. 10-13.

very passionate and focused on alleviating poverty while empowering developing countries and its citizens—mission and goals parallel to that of IFOAM.[41] Therefore, with a similar objective, Hivos enhances and supports the main goals of IFOAM, and there is no apparent evidence that Hivos has hidden agenda for its own benefit to give large sums of money to IFOAM, apart from supporting the ideas it also advocates. Also, there is a long list of donors from all over the world, both private, non-governmental and governmental organization, that the influence is diluted enough to show that one organization has very little to no significant impact on the decisions and operations of IFOAM. Nevertheless, Europe as a region dominates the donors list; thus, this may be a source of small decrease in its credibility since IFOAM's interest may be tied to Europe's interests given that it is located in Germany and many large donors come from Europe.

VII. Certification and Third Party Certifiers

IFOAM uses a seal with its logo on it to certify that certain products are organic by IFOAM's definition of "organic." The basis of the standards and certification that IFOAM implements and abide by has recently changed in 2011; today, the IFOAM Norms—the basis of IFOAM certification—is comprised of the IFOAM Standard (with the first draft version just finalized on January 24, 2011), the IFOAM Standards Requirement, and the IFOAM Accreditation Requirement (was known as Accreditation Criteria but has not changed or will not have any change in the near future in its content).[42]

A. IFOAM Family of Standards and Standards Requirements

The IFOAM Family of Standards is a collaboration between IFOAM, the United Nation's Food and Agriculture Organization (FAO), and the United Nations Conference on Trade and

[41] www.hivos.nl. February 18, 2011.
[42] International Federation of Organic Agriculture Movement. *The IFOAM Norms.* http://www.ifoam.org/about_ifoam/standards/norms.html. February 18, 2011.

Development (UNCTAD) for the purpose of alleviate the hindrances to organic trade and to promote harmonization of standards for organic agriculture around the world.[43] The Family Standards is an innovative tool that will "conduct equivalence assessments of each standard/regulation against one single international reference" called the "Common Objectives and Requirements of Organic Standards [COROS]."[44] COROS is the standards requirement that has been approved by IFOAM members and endorsed by FAO and UNCTAD. As a result, the Family Standards tested against the Standards Requirement will be a global defining tool for which regulations and standards will be filtered through to come up with a harmonized evaluation and certification.[45] The following are the included standards in the Family of Standards:

> *"Government organic regulations that have been fully implemented for 5 years or more. Government organic regulations that have been officially approved as equivalent to these. Private standards that have been assessed as compliant to the IFOAM Basic Standards in the context of the IFOAM Accreditation Program. Private standards and regulations that have successfully passed an equivalence assessment against the Common Objectives and Requirements of Organic Standards. For private standards, an application needs to be submitted to initiate the evaluation process."*[46]

[43] Ibid. For about two decades, the organic agriculture industry has been bogged down by the lack of cohesion in standards for organic agriculture. Especially in a highly globalized world today, it is extremely difficult for organic producers, many of who comes from developing countries, to export and enter into markets around the world such as the EU and US due to having to go through very different standards as products move to different countries. For one, it is difficult for poorer organic producers and processors to divide their small resources in order to vary the methods and products they use to comply to its market share. It is very costly to the industry for these divergent and stringent standards to persist. This dilemma gave rise to the IFOAM Family of Standards

[44] Ibid.

[45] Ibid.

[46] Ibid.

The Family of Standards provides four different levels of certification for farmers, operators, and other producers wanting to get certified in a global scale. First, there is the basic Family logo containing regulations and standards that already passed an equivalence assessment against "a normative reference approved by IFOAM's membership."[47] Successfully gaining entrance into the Family allows standard owners—governments, non-profit or private organizations that have a set of standards for organic agriculture—the use of IFOAM's Family of Standards logo and provides them the opportunity to promote their own standards to IFOAM and the international organizations of the organic movement.[48] Second, the Community of Best Practice Standards pertains to "'perfect' organic farming, processing and trading," which takes into account social, economic, environmental and cultural aspects of sustainability; consequently, this standard is meant for certifiers in that if they are able to pass an assessment against determined best practices they are able to use the IFOAM Standard Leader logo that they can use in their communication with farmers and operators giving a higher value for their services and ensures that a higher standards are followed (For IFOAM's Best Practices document, see www.ifoam.org). [49] Third, there is a more universal organic logo for operators to use on their products; using the Global Organic Mark is based on the precondition that these operators become certified to a standard in IFOAM's Family of Standards.[50] Fourth, the IFOAM Standard is meant for certification bodies who then use and abide by IFOAM's Family of Standards instead of developing their own standards; it

[47] International Federation of Organic Agriculture Movements. The IFOAM Organic Guarantee System Brochure 2011. p. 3.
[48] Ibid.
[49] Ibid.
[50] Ibid.

is simply an outsourcing of their certification standards to IFOAM that maintains and reviews these standards (see Appendix VII for logos).

B. Third Party Certification

1. IFOAM's General Third Party Certification Bodies

IFOAM utilizes third party certifiers (TPC) in order to provide certification to agricultural products claiming to be organic using the new Family of Standards. Third party verifiers of products being organic is central in the credibility of IFOAM's seals because of their independence, which gives weight to TPC's reports and evaluations to the stakeholders in organic agriculture.[51] In addition, TPCs provide objectivity and transparency that can be trusted because they are not "tied" or influenced by the organizations they are certifying. More importantly, TPC affect the supply chain of organic agriculture in significant ways as it "reorganizes, transforms and disciplines people and things" because organic producers would want entrance into the organic market, but they cannot gain access to it apart from TPCs.[52] Moreover, consumers rely heavily on TPCs to do the investigation and gather information to differentiate organic from non-organic products, so it this regard, consumers are highly dependent on TPCs.

For this reason, IFOAM uses third party certifiers that not only improves the credibility of the IFOAM seals but is more cost efficient for IFOAM that supporting its own certification body (saving on travel expenses and cost of operating in various countries with different regulations). The extensive list of third party certification bodies are provided in IFOAM's website separated by region. Availability of this list shows how IFOAM supports third party certification bodies.

[51] Hatanaka, et al. "Third-party Certification in the Global Agrifood System." Food Policy. 2005. p. 355.
[52] Ibid.

The general IFOAM certification process is outlaid by IFOAM for the certification bodies to abide to. The road to certification of organic products begins with applicants providing adequate information and documentation on the organic standards they use in production along with support for their compliance to these specific standards.[53] Information must include the scope of desired certification and enough information on the production system of the applicant.[54] Fees are also required for the certification. Documentations to be submitted include signed forms from applicant that commits them to the obligations of being certified under IFOAM. Next, the accredited certification body ensures that the information and documents are complete, and upon this determination, a review process of the application materials will be initiated. A crucial point of the process is determining who the inspector will be: caution is taken by the CBs in that they do not assign anyone that could possibly have a conflict of interest; moreover, the inspector is only assigned for up to 4 consecutive years to maintain familiarity with each applicant while avoiding the entrenchment of loyalty to certified operators and producers.

Subsequently, the visit will be consisted of a thorough evaluation of the applicant organization. As routine inspection must include the following at the minimum:

1. *Assessment of production or processing system of operator by means of visits to facilities, fields, and storage units;*
2. *Verification of the most recent information provided to the certification body by the operator;*
3. *Identification and investigation of areas of risk;*
4. *Review of records and accounts;*
5. *Production/sales reconciliation on farms;*

   Guidance: *At least every 3 years this shall be a comprehensive check.*

[53] International Federation of Organic Agriculture Movement. The IFOAM Accreditation Criteria for Bodies Certifying Organic Production and Processing.. 2005 Version. http://www.ifoam.org/about_ifoam/standards/norms/norm_documents_library/IAC_20090113.pdf.
[54] Ibid. p. 31.

6. *An input/output reconciliation and trace back audit in processing and handling;*
7. *Interviews with responsible persons including an exit interview;*
   Guidance: *The exit interview shall include findings of non-conformities made during the inspection.*
8. *Verification that changes that have taken place in the standards and requirements of the certification body have been effectively implemented by the operator;*
9. *Residue sampling in accordance with the certification body's sampling policy;*
10. *Verification that previously imposed conditions have been fulfilled.*[55]

Not only does the CB inspector focus on the organic segment of the organization being inspected but also the non-organic portion of it in order to have an complete evaluation of the organization. What is more, biological sampling and testing are conducted where appropriate in order to ensure of the organic nature of the agricultural products.[56] After the visit, a comprehensive report will be made by the CB with supporting documentation and rationalization of its decisions and recommendations. The applicants' claims of being organic will be thoroughly assessed based on the IFOAM Norms, for which they are applying for. Also, reports will contain the risk of the applicants in losing the organic integrity.[57]

Monitoring is comprised of annual surveillance that a new applicant must have as well as existing certified farmers, producer and operators at least annually. Frequency can be higher for those determined by the CB by risk analysis to have poorer compliance. Although these surveillances will be known in advance, the schedule will not be the same every year in order to give the CB a more accurate view of the organizations throughout the year. The mechanism that increases the credibility of monitoring done by CBs for IFOAM are the unannounced inspections. Every CB is required to have a documented policy of unannounced inspections in that five percent of certified operators must be subject to these visits when they are determined to

[55] Ibid. p. 32.
[56] Ibid.
[57] Ibid. p. 34.

be "risky" or being incompliant; further, five percent of certified operators must be inspected at random .[58] Unannounced inspections are originally defined to have no forewarning to the individuals or organizations being inspected; nonetheless, IFOAM allows for an alternative definition of a warning that is not too long to allow the masking of non-conformities.[59]

IFOAM uses third party certification bodies to ensure that independence will make the certification process credible, and this approach has been successful in improving the credibility of the IFOAM certification as IFOAM is known for its credibility and transparency. The certification process is also very transparent in that applicants and certified operators are published in one of IFOAM's publication or its website. Reports of the inspections done by the CBs are made known and explained to all applicants and existing certified operators, and denial or withdrawal of certification is explained thoroughly with adequate evidence for the CB's decision. Given that IFOAM's CBs are scattered around the world, it is difficult for IFOAM to monitor and ensure that CBs are complying with the IFOAM Family of Standards; as a solution, IFOAM has Accreditation Requirement through an independent body, the International Organic Accreditation Service Inc., which monitors and implement the Accreditation Requirements on CBs.

2. Participatory Guarantee System

Since IFOAM is large and highly focused on the global organic movement, the smaller local farmers and consumers are often left out. As a resolution, IFOAM has established the Participatory Guarantee System (PGS) that is also another form of certification in a smaller and local setting. PGS around the world are a set of guarantee for consumers wanting to buy organic agricultural products in smaller communities. A distinct characteristic of PGS is that the

[58] Ibid. p. 40.
[59] Ibid. p. 41.

standards, although conform to IFOAM's broad Four Principles of Organic Agriculture, are determined by a cooperation between local farmers and consumers; thus, the system is built on relational trust within the community[60] What is more, the PGS aims at providing direct market access for small local farmers to local consumers. The argument for PGS is that the stakeholders are the actors deciding and developing the guarantee; for example, consumers are calling the shots on the specifics of what should be included in the standards for certification, and the farmers are able to share their inputs to improve farming toward a community-based organic movement. Due to the stakeholders being in control, they are more inclined to make the system work and to monitor farmers since their interests are at stake; this is also similar for the farmers, whose source of living is at stake if they deviate from the standards.

C. Accreditation Process

Another important component of IFOAM's OGS is its Accreditation Program, which is centered on providing orderly trade of organic agriculture products; therefore, it is a program useful for certifiers as well as importers, exporters and producers.[61] More importantly, the direct audience of the Accreditation Program are certifying bodies around the world through which these certifiers are assessed against the IFOAM international norms that includes the Family of Standards but also the Accreditation Requirements. IFOAM Accreditation is awarded to certifiers that apply standards meeting IFOAM's basic Family of Standards and that demonstrate compliance with the Accreditation Requirements.[62]

[60] International Federation of Organic Agriculture Movement. Participatory Guarantee System: Shared Vision, Shared Ideals.
[61] International Federation of Organic Agriculture Movement. *The IFOAM Accreditation Program* http://www.ifoam.org/about_ifoam/standards/accreditation.html. February 19, 2011.
[62] Ibid.

IFOAM has partnered with the International Organic Accreditation Service Inc. (IOAS) to "accept and review accreditation applications, conducts site evaluations, and grants IFOAM accreditation to complaint applicants."[63] IOAS is an independent organization and is not a legal part of IFOAM; instead, it is a legal body under the laws of the United States where it is based. Furthermore, IOAS is a hired body that handles the accreditation requirements portion of the OGS. Although it is independent, it remains to be an essential component of OGS.

IOAS is also a non-profit organization with the objective of supporting and advocating for the continued growth of organic market share through increasing the credibility of the organic standards (both nationally and internationally) by building a respected and transparent assessment system.[64] IOAS is quite small to be the sole accreditation body for IFOAM, comprising of seven staff members located in five different countries. However, it has a seven to eight membered board coming from a good mix of countries similar to that of the IFOAM World Board.[65] Moreover, an Accreditation Committee is established that is responsible for deciding on accreditations. Their services are given with a fee to applicants; as a result, IOAS "is self-financed, 85% of which comes from accreditation and assessment services.[66] The accreditation services offered by IOAS are not exclusive to IFOAM Norms, but it assesses accreditation against various other standards such as the ISO/IEC Guide 65, European Recognition Programme, Canada Organic Regime, and other textile standards.[67]

[63] Ibid.
[64] International Organic Accreditation Service Inc. *Who We Are.* http://www.ioas.org/who.htm. February 19, 2011.
[65] Ibid.
[66] Ibid.
[67] International Organic Accreditation Service Inc. *Accreditation.* http://www.ioas.org/accredit.htm. February 19, 2011.

1. Pre-application

The pre-application period is the most time-consuming for applicant certification bodies (CB) due to the time it will take to gather information, fill-out application forms and translation. During this period, the applicant CB first requests the information pack depending on the accreditation or assessments required.[68] After receiving the application pack from IOAS, the CB will gather all necessary documentation and complete the application forms with the surveillance contract signed; then, it will be sent to IOAS with the application fee.[69] Many times there will be documents that are not available; IOAS does not base denial on missing documents as it will depend on the importance or the documents missing and the rest of the application.

Upon the receipt of the application IOAS will screen the documents and a client Manager (CM) will be assigned. If the CM finds missing information or documents, or unclear information, the CB will be contacted for more information or documents, or clarification.[70] Moreover, for IFOAM Accreditation, the process starts with IOAS ensuring that the certification body have its own organic standards or are able to use standards from another organization—this requirement is very unique to the IFOAM Accreditation.[71] The screening process is estimated to take two to three months given that all the necessary information and documents are made available.

2. After the Screening

---

[68] International Organic Accreditation Service Inc. IOAS Accreditation and Assessment Section 3 – Application Pack- Application Information. p. 1.
[69] Ibid.
[70] Ibid. p. 2.
[71] International Organic Accreditation Service Inc. *IFOAM Accreditation.* http://www.ioas.org/iap.htm. February 19, 2011. The IFOAM accreditation is not the only accreditation program or standards in the world or the localities where farmers, operators and producers are located. However, IFOAM is a large and well recognized organization that is focused and appeals to an international capacity; thus, IFOAM Accreditation of certifiers through IOAS is crucial to those wanting to capture and target a global market. This is becoming the trend due to increase in Globalization. Also, over 50 percent of organic agriculture comes from developing countries while the market of consumers are located in developed countries; consequently, import and export is the direction of the organic movement.

The screening results are divided into the screening report and a list of non-compliances; in more detail, "the non-compliances list is subdivided into Nonconformities (NCs), Deficiencies (Ds) and requests for More Information (MIs)," which the CB must make the necessary corrective actions to resolve nonconformities and provide missing information.[72] The corrections are not focused on attaining zero non-compliances; for instance, CBs having more than 25 of these are required to reduce them to 25. Thus, the corrections are not as stringent by requiring perfect compliance with IFOAM Norms. The time limit for all the necessary fixes and responses is three months, and failure to do so will result in a denial.[73] This provides adequate time for CBs to resolve the problems in order to get accredited; in addition, the time of pre-application is being encouraged by IOAS for CBs to take advantage of by making sure that documentations and information are provided. After corrections and information are corrected and re-submitted, IOAS again reviews the corrective actions, if these are satisfactory a visit will be scheduled, and if not, denial will be issued.[74]

3. Site Visit

Upon finding that the CB actually pass the screening and review of re-submitted corrections and information, IOAS sends an evaluation visit plan including "the name(s) of evaluator(s), a proposed visit schedule and cost…estimate of the evaluation costs is made and an invoice for 70% of these is sent to CB" to be paid before the visit.[75] 30% of the payment is collected after the site visit and the report has been made and corrections are made by the CB. Evaluation details and costs must be agreed by CB; thus, delays on the part of the CB will mean

[72] International Organic Accreditation Service Inc. IOAS Accreditation and Assessment Section 3 – Application Pack- Application Information. p. 2.
[73] Ibid.
[74] Ibid. p. 1.
[75] Ibid.

more time of them not being accredited and the process being in limbo, increasing its cost.[76] The entire process without delays takes about one month.

The visit itself may be rescheduled due to peak work periods, but IOAS strongly discourages too many delays "to avoid the screening report becoming out of date."[77] During the visit senior personnel are interviewed, general files are reviewed, operator files are reviewed and operators are visited.[78] Additionally, one complete inspection of the site and its operations is conducted by IOAS inspectors through a "witness audit"—accompanied observation of the process; further, multiple "review audits" will also be conducted for farms and handlers for reconciliation of witness audit with all inspection reports.[79]

Due to the cost being on the shoulder of the CB, there is an incentive for it to put on its best behavior especially with a scheduled time and date for the visit. Furthermore, the evaluator(s) or IOAS will have the incentive to approve the accreditation only based on the fact that the source of IOAS's funding are its clients—the certification bodies. On the other hand, this conflict of interest can be resolved by the timing of payment since the payment will be collected before the visit and cannot be returned. The fact that a large portion of the money is already in the hands of IOAS diminishes its influence of the evaluation visit. IOAS will want more applications, and this is in contrast with the theory that evaluators will try to please CBs.

4. After the Visit

Based on the visit, a report will be developed that will evaluated the CB and include a list of non-compliances, similar to that of the initial review of the application. Consequently, the CB will be given the chance to make corrections in order to comply with the IFOAM Norms before

[76] Ibid.
[77] Ibid. p. 3.
[78] Ibid.
[79] Ibid.

being accredited. The same less stringent standards for the application process are in place for this part of the accreditation process. Another three months are provided for the CB to make the necessary fixes. On the other hand, if there are "significant failings in performance," IOAS can choose to schedule another short visit in order to ensure that the significant failings have been addressed.[80] By using this strategy, IOAS is being efficient in that they do not conduct re-visits of all CBs that have non-compliances because this will bring unnecessary costs; on the other hand, it focuses on the corrections of failures that were unacceptable and in contrast to the IFOAM Norms.

5. Surveillance and Accreditation Contracts

Successful accreditation by IOAS does not free CBs from monitoring in order to keep their IFOAM Accreditation. IOAS issues a surveillance or accreditation contract, which will include other deficiencies waiting to be corrected—accreditation conditions.[81] Imposing a contract with attached conditions to the IFOAM Accreditation binds the CBs to the Norms they need to comply with; henceforth, this mechanism implemented by IOAS helps ensure that CBs cannot escape the standards and must make the corrections in its deficiencies and non-compliances. Also, this will make CBs think twice about accepting the contract with accreditation conditions due to its binding nature; on the other hand, it will serve as a filter of organizations truly committed to the international organic agriculture getting IFOAM Accreditation. IOAS, also, takes into account the unique circumstances of organizations in certain regions or programs; consequently, it allows for CBs to present their case right after notice of non-compliance, not during the effectiveness of the contract.[82]

[80] Ibid. p. 4.
[81] Ibid. p. 4.
[82] Ibid.

6. Annual Returns and Surveillance

In addition, ongoing monitoring is included in the IFOAM Accreditation, which is enforced by IOAS. This is comprised of annual return that mandates CBs to report all changes since the prior year; in order to make the process more efficient, IOAS sends detailed instructions to the CBs before the surveillance visit is due. IOAS does not constrict the visits to one a year in order to save on money (though efficiency is always a factor of operations); in fact, IOAS conducts another surveillance visit as it is called for; a case-by-case basis is used in conducting more surveillance visits.[83] At some visits, IOAS inspectors require CBs to submit documentations of their compliance with the deficiencies and non-compliances they are responsible for as indicated in the contract.

Throughout the entire process, flexibility is an important characteristic for IOAS as it is for IFOAM because both organizations understand the difficulty of serving a global organic agriculture industry. A large asymmetry of documentation, information, standards and regulations is the reality of the environment IOAS and IFOAM are operating under. Nevertheless, since the IFOAM Norms are based on broader principles and the Family Standards that incorporates multiple standards into one, flexibility in accreditation still has a set of broader but well-defined foundation. Furthermore, having mechanisms such as contract, visits and surveillance adds credibility to the accreditation process, certification bodies and thus to the IFOAM certification.

VIII. Challenges

IFOAM faces some challenges in the its credibility, which is very crucial in achieving its goal of becoming the international leader in harmonizing organic standards and expanding the

[83] Ibid.

organic agriculture market around the world. One of its largest challenges is the sources of its funding coming from Europe. Because Europe has relatively one of the largest market for organic agriculture including one of the largest percentage of land attributed to organic farming, it has a large stake in organic agriculture; therefore, IFOAM accepting large amounts of money from the European Union and other organizations, both private and non-profit, politicizes the IFOAM. This is a serious threat to its credibility especially since it claims that it is being fair by providing equal opportunity or slice of the market to farmers, producers and distributors in developing countries. However, IFOAM has a larger portion of its funding coming from its experts' consultant works. This alternative source of income can be a way for IFOAM to strengthen and reduce the threat to its credibility. IFOAM should focus on increasing consultant income to be more independent of European or any other interest groups.

Another challenge for IFOAM is its accreditation process, more specifically the decision to grant accreditation to a certifying body. IOAS grants conditional accreditation by giving the option for certifying bodies to sign an accreditation contract with conditions attached. Although the conditions allow for strings to be attached to conditional accreditation, the resolution and follow-up of the fulfillment of these conditions are not outlined by IFOAM. No exact timeline is given or set by IOAS in which the conditions must be met. Indeed, the flexibility of IFOAM and IOAS in accreditation is a challenge to IFOAM's credibility since flexibility can be abused. Moreover, certifying bodies with conditional accreditation can operate and provide certification of products and facilities within the time frame of their conditional accreditation, and these products can be well in the market with IFOAM seals when the certifying body's compliance is questionable.

IX. Conclusion

This study of the International Federation of Organic Agriculture Movement (IFOAM) has shown that the organization has and remains to be driven by the increasing interest and demand for organic farming. In addition, as the market for organic products increase globally at such a fast pace, the very core Principles of Organic Agriculture are being threatened; thus, it is crucial for an organization to step in and provide a credible guarantee to consumers and producers (both in developed and developing countries) that the organic agriculture is remaining true and can expand in the future. IFOAM has taken this role since its inception in 1972. Nevertheless, the credibility of IFOAM is assessed in this analysis to determine if the organization is able to meet the needs of consumers and producers.

In general, IFOAM proves its implementation of standards and certification of members and third-party certifiers to be credible; however, there are a couple of challenges to the organization that poses a threat to its credibility. IFOAM has been able to devise a definition of "organic" and a set of international standards that came from various stakeholders in organic agriculture, which proves its ability and willingness to consolidate an effective framework for the movement. Moreover, the structure and leadership of IFOAM also ensure that there are equal representation of interests by all stakeholders as well as good governance that can oversee implementation and monitoring including punishment of violations. IFOAM is also transparent in its activities including funding, which is definitely essential in its credibility. The monitoring system and delegation of authority from the headquarters, IOAS, third-party certifiers and local participatory guarantee systems shows a system of accountable monitoring that is not without flaw but is detailed and stringent enough.

Nevertheless, the challenges remains evident that the flexibility of IFOAM in its efforts to accommodate can serve as a compromise to its credibility as seen in the IOAS conditional accreditation provisions. Another challenge is the politicization of the source of funding coming from Europe including the European Union. As the positive mechanisms and activities with the challenges analyzed, IFOAM remains to be credible as an international instrument for the advancement of the international organic movement. IFOAM will continue to be a leader in this area, and its accreditation and certification valued. With this argument, IFOAM must address the two main challenges and threat to its credibility in implementation of international organic standards and credibility in monitoring. A consequence of this failure is the halt of organic agriculture's harmonization and expansion worldwide.

X. Discussion Questions:

1. What or who is driving IFOAM to increase its credibility?

2. Why is credibility important for IFOAM? How did IFOAM establish its credibility and what is different today for it to continue to keep or re-establish its credibility? Having established a good reputation as it won the number one spot in One World Trust's 2008 Global Accountability Report, do you think IFOAM still needs to work on maintaining reputation?

3. Does the democratic-like structure of governance of IFOAM truly add to its credibility as an international non-profit organization? Are there other forms of structure that would improve IFOAM's current structure its goals and monitoring to gain more credibility?

4. Do you think IFOAM is making an effort to be more transparent? What kind of information that it releases to the public signals this effort?

5. Why is funding important in assessing the puzzle of credibility of IFOAM? Does the sources of funding matter for IFOAM? Do you think that with a large portion of the donations coming from Europe, IFOAM is politicized?

6. To what extent should IFOAM filter the donations it gets when it is a large organization with an ambitious task? Should it prioritize efficiency or credibility? How can IFOAM improve its credibility by restructuring its funding sources?

7. Do you think the IOAS has significant influence on the credibility of IFOAM? Does the fact that it used to be an entity belonging to IFOAM make it incapable of being truly independent? Are its accreditations, then, not credible?

8. Are the monitoring mechanism of IFOAM and IOAS strong enough to keep track of every aspect of compliance by IFOAM's affiliates? What would you add or take away to make it more effective?

9. Competition is often a good measure of credibility. IOAS also accredits for other standards worldwide, does this help IFOAM in that it uses an organization that is involved with other standards? Does this lessen the connection between IFOAM and IOAS?

10. What is unique about the IFOAM/IOAS monitoring of certifying bodies and members? What makes it more and/or less credible?

11. Are the challenges faced by IFOAM significant threats to its credibility and the achievement of its goals? Why or why not?

XI. APPENDICES

APPENDIX I

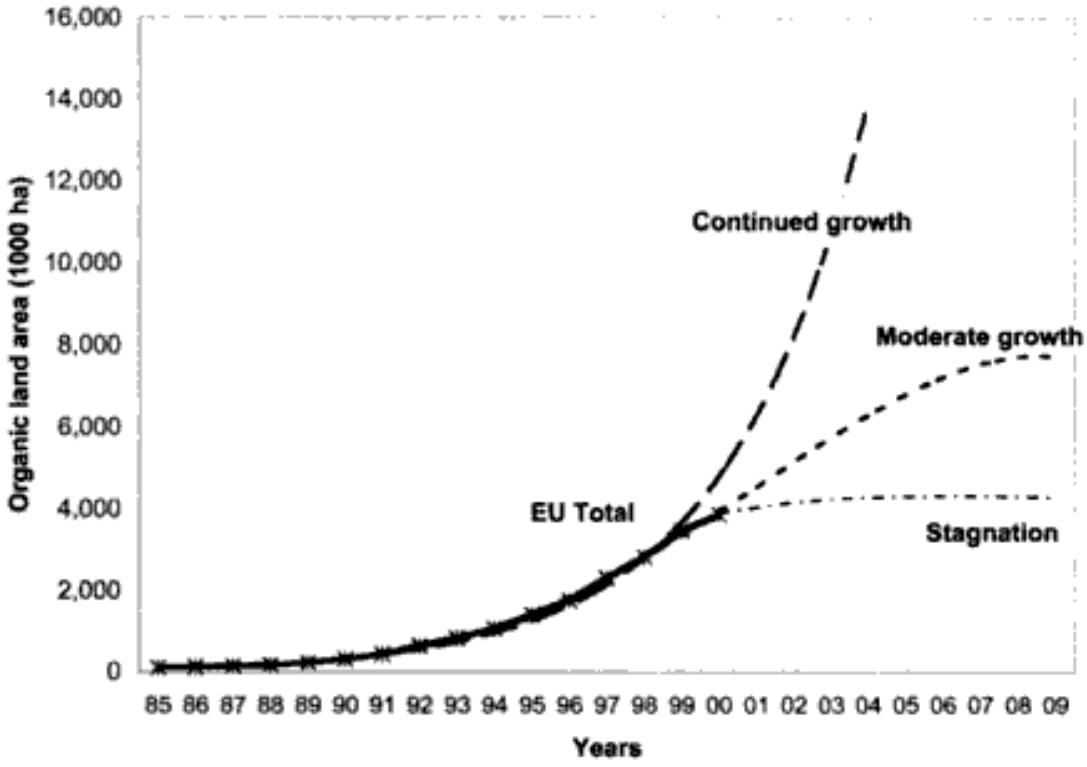
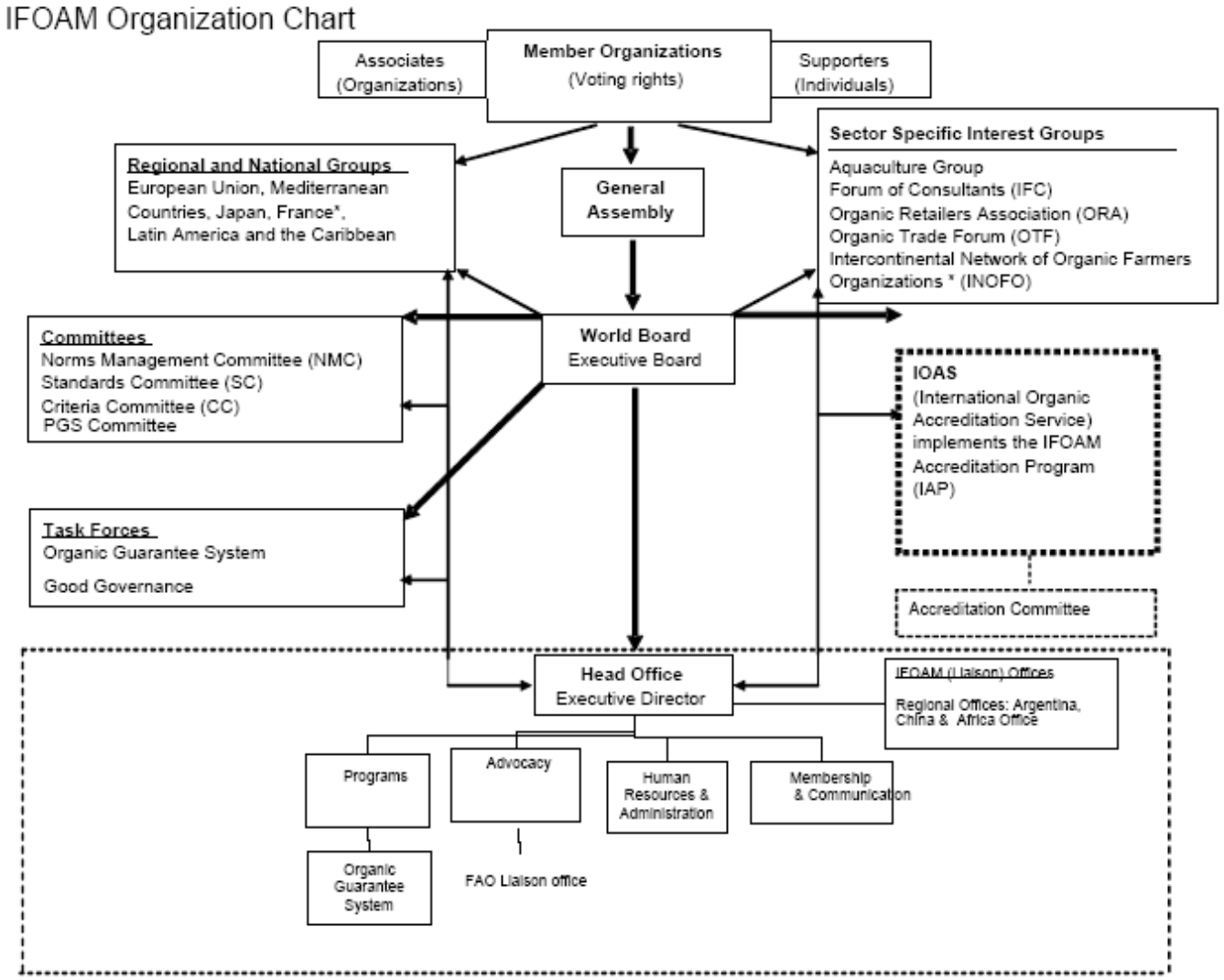


Figure 2.1 The development of organic farming in the European Union (forecasts based on Foster and Lampkin 2000)

Source: Dabbert et al. Organic Farming: Policies and Prospects. New York: 2004.

APPENDIX III



IFOAM Organizational Chart from www.ifoam.org.

Appendix IV
Financial Summary of Income Statement, Balance Sheet and Donors List
(from IFOAM 2009 Annual Report)

Summary of Activities as of December 31, 2009
(Whole statutory statement audited by KPMG Prüfungs- und Beratungsgesellschaft für den Öffentlichen Sektor AG Wirtschaftsprüfungsgesellschaft, Cologne, Germany)

INCOME & EXPENSES *(€ x 1000)*

Income	**2009**	**2008**
Contributions & fees	285	319
Donations	13	37
Other income	283	320
Project income	781	915
Interest Income	2	1
	1,364	***1,592***
Expenses		
Personnel expenses	590	525
Administrative expenses	151	164
Internal structures	17	33
Other expenses	128	107
Project expenses	506	762
	1,392	***1,590***
Net Income	***-28***	***3***
Liquidation from appropriated reserves	80	0
Transfer to appropriated reserves	-80	0
Retained Earnings brought forward	42	3
Net Retained Earnings	***14***	***3***

BALANCE SHEET *(€ x 1000)*

Assets	**2009**	**2008**
Fixed Assets		
Assets (equipment & software)	13	12
Financial assets	2	2
Current Assets		
Trading stock	7	7
Other current assets	144	215
Bank accounts	455	224
Prepaid Expenses	4	2
	625	***462***
Liabilities		
Equity		
Appropriated reserves	80	80
Net Retained Earnings	14	42
Provisions		
Provisions for Taxes	0	11
Other Provisions	10	26
Liabilities		
Trade Payables	138	131
Other liabilities	55	55
Accrued Expenses	***328***	***117***
	625	***462***

We thank all our Affiliates, Donors, Supporters and Volunteers!

Donors:

Over 250,000€
Hivos, Netherlands

100,000-250,000€
Norad, Norway

50,000-100,000€
BMELV, Germany
BioFach, Germany
Hivos Oxfam Novib Biodiversity Fund, Netherlands

10,000-50,000€
Common Fund for Commodities, Netherlands
SIDA, Sweden
SSNC, Sweden
Organizing Committee for the 17th IFOAM OWC, S. Korea
Grolink AB, Sweden
KWS Saat AG, Germany

5,000-10,000€
FiBL, Switzerland
MARS Inc., USA
Sana - International Exhibition of Organic Products, Bologna, Italy
Seeds of Change, USA
Stichting Triodos Fonds, Netherlands

1,000-5,000€
Software AG Stiftung, Germany
Seeds by Design Inc./ Terra Organics, USA
Menope, U.A.E.
Coop, Switzerland
Bejo Seeds Inc., USA
Bingenheimer Saatgut AG, Germany
CBET Frischeservice und Handels GmbH, Germany
Harris Moran Seed Co., USA
U. Walther GmbH, Germany
Vitalis Organic Seed, Netherlands
White Wave Foods Co., USA

100-1,000€
Aurora, USA
Gyeonggi Province, S. Korea
Organic Division, Namyangju City, S. Korea
OUNFA, USA
Dr. Johannes Kotschi, Germany
FiBL, Germany
Law Office Hanspeter Schmidt, Germany
Christine Koenemann, USA
Kamut, USA
Wolf, Di Matteo + Associates, USA
Yangpyeong County, S. Korea
Friedrich Bläuel, Germany
General Anthroposophical Society, Switzerland

Up to 100€
Hartmut Wöllner, Germany
Namyangju City Livestock Coop., S. Korea
Suncheon Agricultural Coop., S. Korea
Rural Development Administration, S. Korea
Chowol Agricultural Coop., S. Korea
Doalnara Organic Korea, S. Korea
Gosam Agricultural Coop., S. Korea
Gyeonggi Province Agricultural Tech. Center, S. Korea
Hanong Restoration, S. Korea
INOFAM, S. Korea
Jingeun Agricultural Coop., S. Korea
Korean Fed. for Sust. Agriculture Organizations, S. Korea

Source: International Federation of Organic Agriculture Movement. 2009 Annual Report.

Appendix V

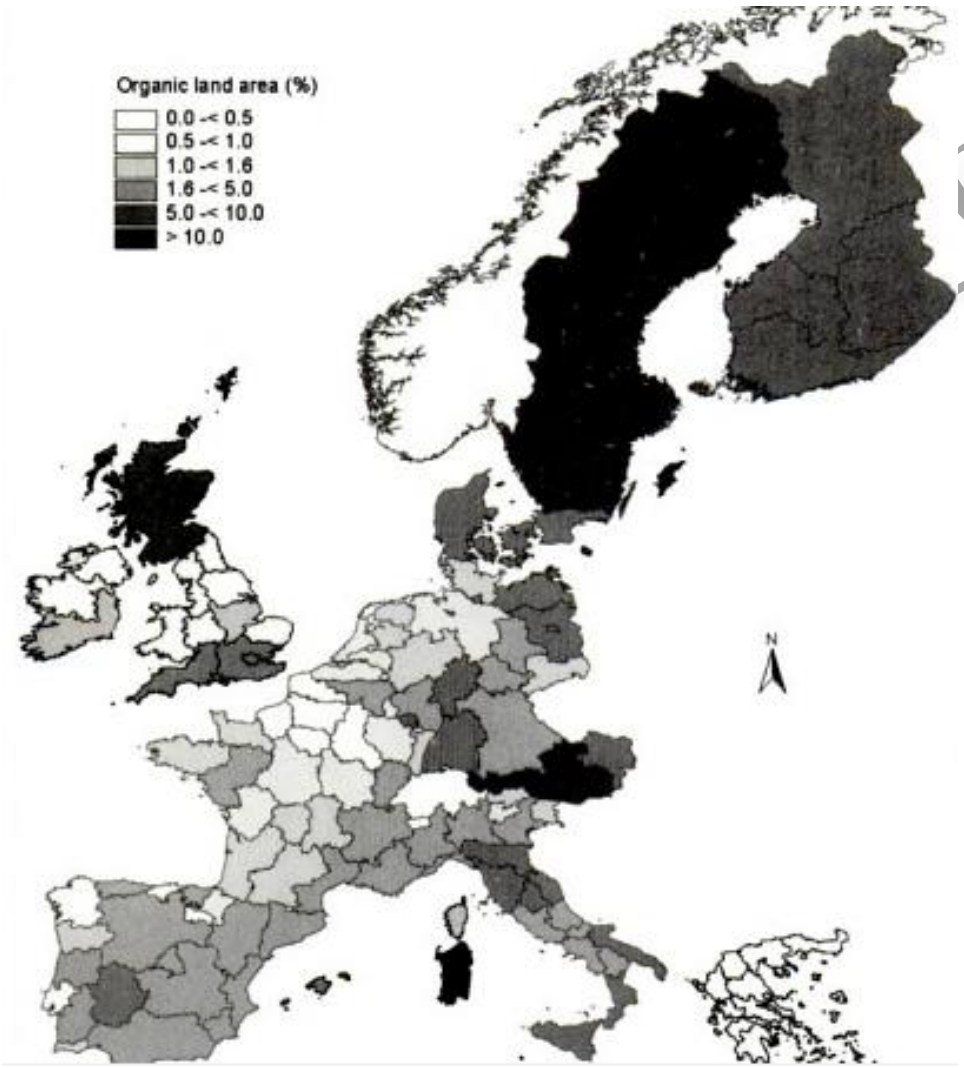
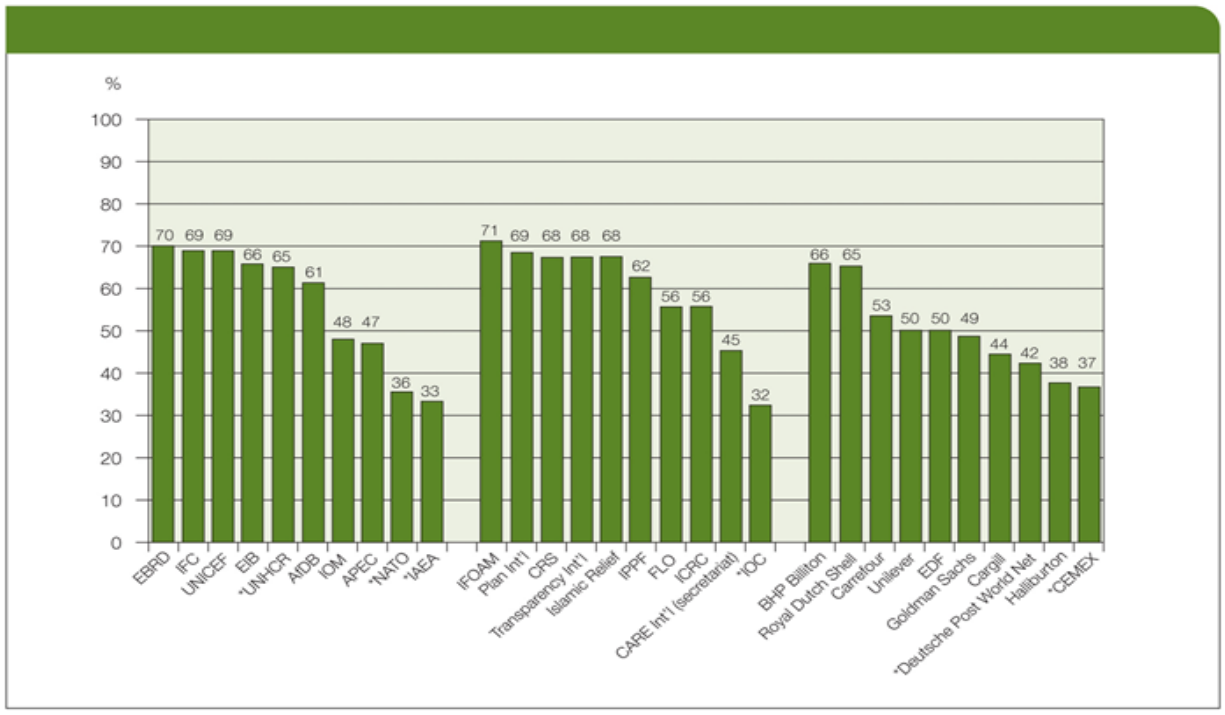


Figure 2.3 Regional distribution of organic and in-conversion land area in Europe in 2000
(Bichler and Schuster 2002, based on Eurostat 2002)

Source: Dabbert et al. Organic Farming: Policies and Prospects. New York: 2004.

Appendix VI

Organisational scores on overall accountability capabilities



*Denotes organisations that did not engage with the research process

Source: One World Trust Website. www.oneworldtrust.org.

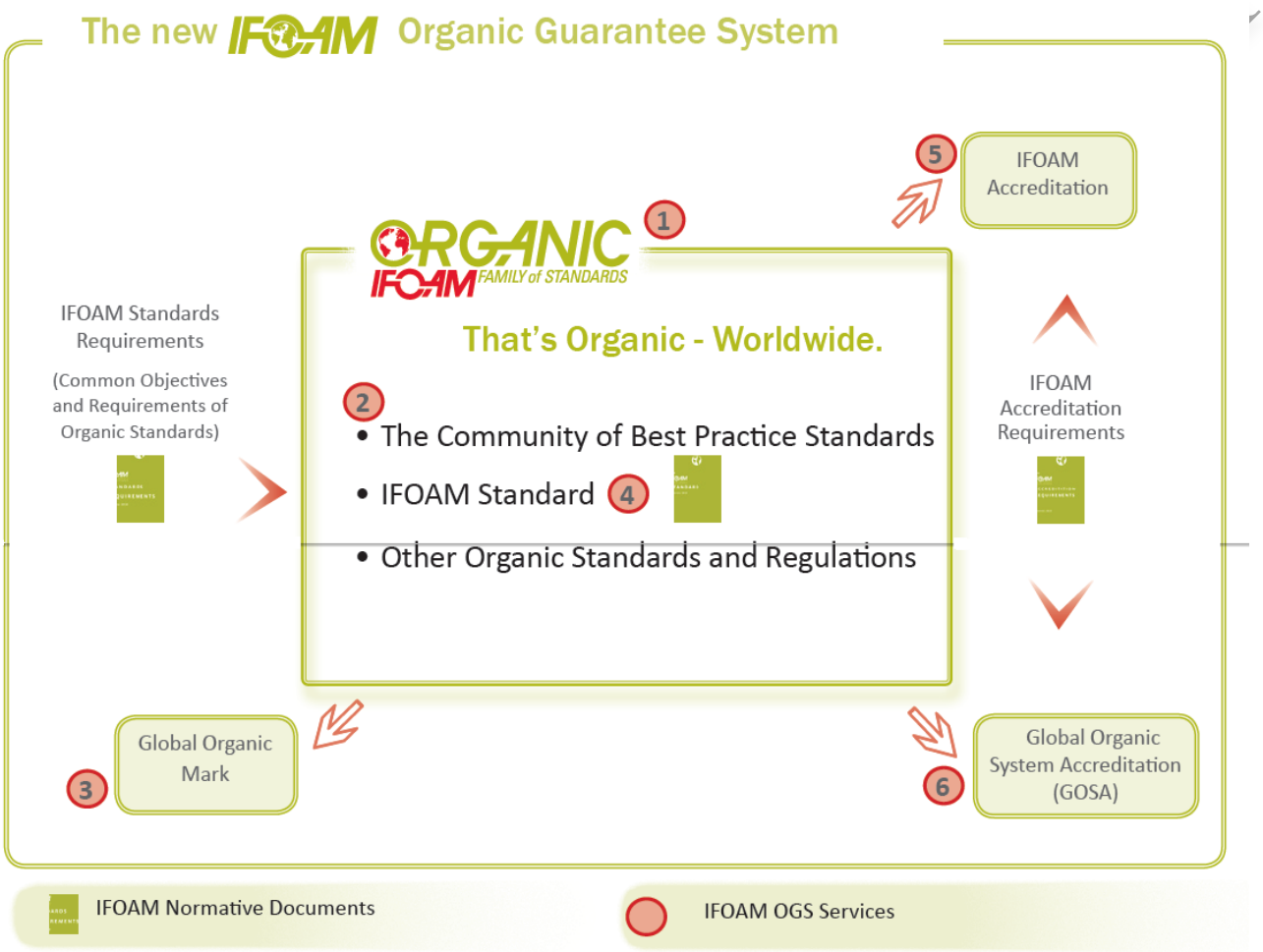
2008 Global Accountability Report Ratings			
Dimension	**Score**	**INGO Rank**	**2008 Rank**
Transparency	66%	1	3
Participation: External Stakeholder Engagement	95%	1	1
Participation: Member Control	100%	1=	1=
Evaluation	76%	6	14=
Complaints & Response: Internal	56%	6	19=
Complaints & Response: External	32%	6	14
Overall	**71%**	**1**	**1**

= denotes tied ranking

Source: 2008 Global Accountability Report.

Appendix VII

New OGS: The Family of Standards



Source: IFOAM's New OGS Brochure. www.ifoam.org.

Appendix VII