

# IFOAM

INTERNATIONAL FEDERATION OF ORGANIC AGRICULTURE MOVEMENTS

## ANNUAL REPORTS 2005 AND 2006



# Contents

Preface by Gerald A. Herrmann, IFOAM President .....	3
Message from Angela B. Caudle, IFOAM Executive Director .....	4
2005 - 2006 Highlights .....	5
The IFOAM General Assembly .....	6
IFOAM Conferences .....	8
Strategic Relations .....	12
Strengthening Organic Agriculture in Developing Countries .....	16
The Principles of Organic Agriculture .....	22
The Organic Guarantee System .....	24
The Revision of the EU Regulation .....	26
IFOAM Publications in 2005 and 2006 .....	27
Funding and Resources .....	30
Human Resources .....	31
Our Funders .....	32

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IFOAM IS THE INTERNATIONAL UMBRELLA ORGANIZATION OF ORGANIC AGRICULTURE  
MOVEMENTS WORLDWIDE.

IFOAM'S MISSION IS LEADING, UNITING AND ASSISTING THE ORGANIC  
MOVEMENT IN ITS FULL DIVERSITY.

OUR GOAL IS THE WORLDWIDE ADOPTION OF ECOLOGICALLY, SOCIALLY AND  
ECONOMICALLY SOUND SYSTEMS THAT ARE BASED ON THE PRINCIPLES OF  
ORGANIC AGRICULTURE.

# **PREFACE FROM IFOAM PRESIDENT GERALD A. HERRMANN**



2005 and 2006 was a time that brought some challenges and important changes for IFOAM, and overall it has been successful. Our Organic World Congress and the General Assembly in Australia were undoubtedly highlights.

Organic Agriculture production and markets have exhibited continual growth throughout the world. We are on the right track in striving to make organic available in mainstream markets. Only then will our efforts make the world a better place on the scale that we seek to achieve - by steadying the climate, providing fertile soils, clean water and food without pesticides or GMOs. In order to appreciate the opportunities presented by the challenges such as globalization in organics, concentration of ownership and trade and increasing competition, we have to actively and openly approach the changes necessary to move forward and maintain the integrity of our systems.

But let me review IFOAM's situation. The financial situation at the end of 2004 was a major concern. Although 2005 figures still show a loss, it is less than in 2004. Figures from 2006 demonstrate an improving situation; IFOAM's finances remain tight, but a surplus could be achieved.

Members warmly welcomed IFOAM's new Executive Director Angela B. Caudle. She took over from my one year assignment to lead the Federation under the guidance of the Board. With Angela - and our qualified staff - IFOAM further improved its services for members and intensively advocated for organic in the world.

Major steps ahead were achieved through decisions at our General Assembly in Adelaide, Australia in September 2005. Years of work culminated in the membership accepting several major motions of the World Board. The Organic Guarantee System Review was accepted, demonstrating IFOAM's leadership in actively seeking solutions for more acceptance among different and sometimes even divergent private and governmental systems. After an engaged

discussion, the Principles of Organic Agriculture were adopted, establishing a solid basis for the further definition of Organic Agriculture. After many years, the membership fee structure was revised to make affiliation with IFOAM more attractive, especially for small and resource-poor organizations in emerging organic regions. A new IFOAM World Board was elected, bringing in many new faces while retaining several members, thus both invigorating the organization and maintaining continuity.

IFOAM's triennial gathering is a lively and democratic event. Serious, critical and in depth discussions prove that the organization and its members are seeking to find the best solutions for future development. In the days preceding the General Assembly, the Organic World Congress brought together more than a thousand participants for intensive exchange of information on every conceivable topic related to Organic Agriculture; many thanks to our member NASAA in Australia for having taken up the organizational challenge!

After nearly twenty years in the driver's seat of the Federation, Bernward Geier has left IFOAM. IFOAM is thankful for his engagement - we would not be where we are today without him!

Finally let me highlight another major achievement: IFOAM developed a new Corporate Design and Identity, invested considerably in its new website, both Internet and Intranet, and boosted its communication efforts with many Press Releases, making IFOAM heard around the World.

Not all what we aimed for could be achieved, but all in all 2005 and 2006 must be seen as very successful years for the Federation, and we contributed a lot towards achieving our mission.



Photo: Vedder, magazine, medienatork, gutensloh

## **MESSAGE FROM EXECUTIVE DIRECTOR ANGELA B. CAUDLE**

Organic Agriculture is at a crossroads. Rapidly growing organic production and markets are bringing the movement into the mainstream, while the foundational Principals of Organic Agriculture are a constant reminder of the holistic roots of the movement. These are exciting times for IFOAM to be positioned as the international umbrella organization to lead, unite, and assist the organic movement in its full diversity. Our statistics show that Organic Agriculture is now practiced in almost all countries around the world and, over the past three years, has been growing at the rate of two million hectares per year.

Since 1972, IFOAM has played a key role in establishing Organic Agriculture's presence and validity internationally, not only in cultivating healthy communities, ecosystems, and futures, but also by advocating for international, legally-binding agreements. However, representing Organic Agriculture, just like practicing Organic Agriculture, requires a profound recognition and celebration of complexity and diversity. This understanding continuously shapes IFOAM as we grow and change to best reflect the needs of our members and the movement in general.

These past two years have been an important time of changes at IFOAM. At the General Assembly in September, 2005, it was my privilege to join IFOAM as its Executive Director and carry on Gerald Herrmann's excellent work. Here I participated, as both witness and actor, while IFOAM, in its innovative and democratic ways, underwent an inspiring process of transformation. The Motion Bazaar at the General Assembly in September, described in greater detail in this report, is just one example of our ongoing attempts to increase member participation in IFOAM. In addition, the General Assembly resulted in the election of a new World Board of Directors from an unprecedented 20 candidates, the revision of the membership fee structure, and the ratification of the IFOAM Basic Standards for Organic Production and Processing.

IFOAM is successful due to the tireless efforts of its membership, partners, staff, and World Board members. We accomplished important gains for the organic sector through our activities at BioFach, the International Conference on Organic Agriculture and the General Assembly. A highlight was discussing and approving the Principles of Organic Agriculture, the foundation and essentially the constitution of the movement. Winning the case against patenting Neem seeds was another key accomplishment in 2005. This achievement represents the first successful legal case against biopiracy.

Partnerships, such as the ones that shaped the case against patenting Neem, have been central in our capacity to strengthen Organic Agriculture internationally. Key collaborations with several United Nations organizations have also led to significant gains for the organic movement. An outcome of IFOAM's participation in a joint project with the International Fund for Agriculture Development (IFAD) was the publication of an important study on the role of Organic Agriculture in reducing poverty in Asia, with a focus on China and India.

Although Organic Agriculture is flourishing internationally, critical challenges remain ahead. Internally, IFOAM continues to face the ongoing challenge to budget our resources effectively without limiting our ability to serve the interests of the organic movement. As a movement, we must ensure that the capacity for Organic Agriculture to alleviate poverty and lead toward sustainable development is recognized by governments and para-governmental institutions and leads to concrete actions and outcomes on the ground.

In 2005 and 2006 we continued to make new strides, build upon our strengths, and increase our visibility internationally. The time is now to join and support IFOAM as we move away from present uncertainties toward a hopeful future.

## 2005 AND 2006 HIGHLIGHTS

**N**eem Patent Revoked. On March 8, 2005, the European Patent Office upheld a decision to revoke, in its entirety, a patent on a fungicidal product derived from the seeds of the Neem tree.

**P**inciples of Organic Agriculture adopted. The General Assembly approved the Principles, the fundamental underpinning of Organic Agriculture, after a two-year participatory review.

**G**eneral Assembly 2005 in Adelaide, Australia. Bringing together IFOAM member organizations from all over the world, the IFOAM General Assembly reinforced the democratic foundation of IFOAM.

**L**ed advancements in organic wild production and organic animal production issues by bringing together the world's stakeholders in successful international conferences.

**O**rganic World Congress 2005. More than 1000 delegates from 72 countries participated in a cutting-edge program that examined a wide range of development in Organic Agriculture.

**P**articipatory Guarantee Systems (PGS) developed. IFOAM established a Task Force to develop, facilitate, and promote PGS, and published case studies demonstrating effective real-life examples.

**A**ngela B. Caudle appointed IFOAM's Executive Director. The first woman to lead the organization since its inception in 1972, her leadership will enhance IFOAM's position in the world.

**I**nternational training of IFOAM activists. IFOAM leaders received comprehensive training to better represent the needs of the international organic movement.

**M**ember organizations represent IFOAM at international events. Taking advantage of their wealth of knowledge, members served as the voice of IFOAM at several international events.

**M**embership fees reduced. In order to make membership more affordable and sustainable, fees were reduced significantly for low-income organic organizations.

**S**trategic development. The IFOAM Program 2008 systematically describes the goals and work plan for the period 2005-2008, and is an important contribution from IFOAM's World Board.

**S**uccessful advocacy against GMOs. The IFOAM EU Regional Group initiated a campaign to uphold farmers' rights to produce GMO free products and to ensure access to GE free seed.

**D**iverse World Board elected. From a pool of 20 candidates, the IFOAM General Assembly elected a qualified and globally representative World Board.

**E**stablishment of the IFOAM Representation in India and China. The representation enables IFOAM to be directly engaged in organic movement activities and provide essential information and services.

**C**orporate identity launched. Shaping IFOAM's public image, the new website improves accessibility and services for users, and new publications offer a high degree of professionalism.



## **THE IFOAM GENERAL ASSEMBLY**

A rare example of direct democracy in action on a global level, the IFOAM General Assembly collaboratively ensures the interests and integrity of the organic sector are represented.

IFOAM's membership gathered in Adelaide, Australia, and made significant milestone decisions. Key decisions were made regarding the Principles of Organic Agriculture and the Revision of the Organic Guarantee System (OGS). The General Assembly also ratified the IFOAM Basic Standards as approved by the membership in a written, internet-based ballot.

### **The Motion Bazaar**

IFOAM is a unique organization because of its highly engaged membership. This dynamic nature of the organization was evident at the General Assembly, especially at the innovative and participatory Motion Bazaar. Everyone who proposed a motion at the General Assembly, including the World Board, had the opportunity to present and defend their motions at a bazaar station to all members interested in the topic, in order to clarify the purpose of the motion, provide background information, and also improve the language of the motion before it was discussed and voted upon by the General Assembly. In particular, Motion Bazaar for the revision of the Organic Guarantee System and the Principles of Organic Agriculture were well-attended and led to lively debate and significant input from members.

Overall, the General Assembly was an excellent opportunity for members to meet and unite to overcome the challenges facing Organic Agriculture. Judging by the General Assembly's many positive outcomes, it is clear that IFOAM continues to be successful due to its active membership. Bringing the diversity of membership together is always a celebration of the richness of the organic movement: its creativity, dialogue, constructive discussions and concrete solutions.

The General Assembly also acknowledged and thanked all those committee and World Board members who terminated their engagements with IFOAM. IFOAM would not be the same without their time and enthusiasm invested in IFOAM. A special standing ovation was given to Gunnar Rundgren, who served IFOAM as President for the past 5 years.

With 236 votes represented at the 2005 General Assembly in Australia, the membership elected a new World Board for the term 2005-2008 from a slate of twenty candidates.



***FIVE IFOAM PRESIDENTS TOGETHER AT THE 2005 GENERAL ASSEMBLY***

From left to right: Gerald A. Herrmann, current IFOAM President; Thomas B. Harding; Linda Bullard; Gunnar Rundgren; and Hervé La Prairie.



***IFOAM'S 2005-2008 WORLD BOARD***

From left to right:

Prabha Mahale, India

Brendan Hoare, New Zealand

Mette Meldgaard, Denmark (Vice-President)

Antonio Compagnoni, Italy

Jacqueline Haessig Alleje, Philippines

Gerald A. Herrmann, Germany (President)

Ong Kung Wai, Malaysia

Mwatima Juma, Tanzania

Alberto Pipo Lernoud, Argentina (Vice-President)

Johan Cejje, Sweden (not present)

Katherine DiMatteo, United States (not present)

# IFOAM CONFERENCES



The international organic community converged on Adelaide, Australia for the 15th IFOAM Organic World Congress “Shaping Sustainable Systems,” with more than 1000 delegates from 72 countries from September 20th to 23rd 2005.

The IFOAM Organic World Congress serves to facilitate the gathering and exchange of knowledge about the latest trends in Organic Agriculture between people from all over the world. It’s a forum for discussing both common viewpoints and diverging perspectives, thus shaping the future of the international organic movement. IFOAM held its most important event in Oceania, where more than 11.8 million hectares are under organic management, accounting for 38% of the global total.

The Organic World Congress was organized by the National Association for Sustainable Agriculture, Australia (NASAA), and included the 8th International IFOAM Organic Viticulture and Wine Conference, which also brought together the world’s experts on organic wine. The Congress included the International Scientific Conference on Organic Agriculture, which delved into the latest research and technical advances in Organic Agriculture. Organized by ISOFAR, the newly established global scientific research authority for Organic Agriculture, the conference helped to take global cooperation in research, methodological development, education and knowledge exchange another step forward.

Major sponsors included the Rural Industries Research and Development Corporation (RIRDC), Horticulture Australia, the Great Southern Group of Companies and Kailis Organic Olive Groves.

Participant sponsorship would not have been possible without the support of Misereor, Brot für die Welt, the Technical Center for Agricultural and Rural Cooperation ACP EU (CTA), the Swedish Society for Natur Conservation (SSNC), the Gesellschaft für Technische Zusammenarbeit (GTZ), Oxfam Novib, HIVOS, Netherlands, and the “Fund for Sustainable Biodiversity Management” of the Dutch Government that is managed jointly by HIVOS and Oxfam NOVIB.



Francis Blake, Standards and Technical Director for Certification at the Soil Association and President of the IFOAM EU Group, gives a speech at the Congress.



The First IFOAM Conference on Organic Wild Production created greater awareness and understanding of organic wild production. From May 3rd to 4th 2006, 161 experts from 37 countries worked together to establish the state of the art in organic wild production. The conference demonstrated unequivocally the worldwide interest in sustainable wild collection.

Wild plants play an important role in the livelihoods of hundreds of thousands of gatherers throughout the world, and the plants that are collected are extremely diverse and numerous, and IFOAM recognized its increasing importance in the context of Organic Agriculture.

In connection with the conference, the International Trade Centre (ITC) commissioned the study **the Overview of Production and Marketing of Organic Wild Products** to be launched at the conference.

Discussions centered on the role that standards play in guaranteeing sustainable use, a guarantee both for collectors and consumers. The conference made significant advances in aligning the organic wild collection sector.

Conventional wild collection often leads to the decline in the availability of wild resources. Organic wild collection based upon the IFOAM Basic Standards offers a systematic approach that ensures the sustainability and yields of ecosystems, and is an important part of achieving the worldwide adoption of ecologically, socially and economically sound systems that are based upon the Principles of Organic Agriculture.

The conference was organized by the Agriculture Institute Banja Luka, Bosnia and Herzegovina

Cooperating Partners: The Food and Agriculture Organization of the United Nations (FAO), The Agriculture Institute in Sarajevo, The Agriculture Institute in Mostar and The International Trade Centre (ITC) of UNCTAD/WTO

Project Consultant : Grolink AB

Supported by: Bosnia and Herzegovina, Republic of Srpska, Ministry of Agriculture, Forestry and Water Management; Bosnia and Herzegovina, Republic of Srpska, Ministry of Science and Technology; and Bosnia and Herzegovina, Federation of Bosnia and Herzegovina, Federal Ministry of Agriculture, Water Management and Forestry

Sponsored by: BioFach, Bos Agro Food, Beta, UNCTAD's BioTrade Facilitation Program, CEFA, Cow How, German Federal Agency for Nature Conservation (BfN), ICEA, KRAV, Organska Kontrola, Organic Services, Royal Norwegian Embassy, Sida, Swiss Import Promotion Programme, SwedBio, Torfolk Gard and World Vision



# **1st IFOAM International Conference on Animals in Organic Production**

AUGUST 23-25, 2006 | ST. PAUL, MINNESOTA

From August 23rd to 25th 2006, over 250 of the world's leading organic livestock experts from 24 countries joined together for the 1st IFOAM International Conference on Animals in Organic Production.

The conference came to diverse significant scientific conclusions that are crucial for both organic and conventional livestock sectors. The presentations arrived at many conclusions that demonstrate that organic livestock systems improve both animal and human health while protecting the environment.

The participants of the conference collaboratively developed and issued the St. Paul Declaration, which recognizes that animals are sentient beings, expresses a commitment to the Principles of Organic Agriculture that ensure the inclusion of animal welfare and animal health management as integral components of organic food and fiber production systems.

Sponsors for the conference included Organic Valley, Newman's Own Organics, Northland Organic Foods, Stonyfield Farm, Indian Herbs, Horizon Organic, Aurora Organic Dairy, Sun Opta, Whole Foods, FiBL – Research Institute of Organic Agriculture, MOSES – Midwest Organic and Sustainable Education Services, Organic Choice, OTA – Organic Trade Association, Sunrich/SunOpta, Crystal Creek, the Minnesota Department of Agriculture, the National Center for Appropriate Technology, the Sustainable Farming Association of Minnesota and the University of Minnesota.

Delicious local organic food was served throughout the conference, with donations from Gardens of Eagan, Organic Valley, Stonyfield Farm, Horizon Organic, Nancy's Organic Yogurt, The Wedge, French Meadow Bakery, Coop Partners Warehouse, Frey Organic Vineyards, Pastureland Dairy, Peace Coffee, and Cornercopia, the UMN's Student Organic Farm on the St. Paul campus.



Renowned author of *Animals in Translation*, Temple Grandin, was a keynote speaker at the conference.



Dr. Frederick L. Kirschenmann, a Distinguished Fellow for the Leopold Center for Sustainable Agriculture at Iowa State University, gave a riveting keynote speech titled *Animals in an Organic System: Exploring the Ecological, Social and Economic Functions in Organic Agriculture*.



# **1st IFOAM Conference on Organic Certification**

NOVEMBER 15-17, 2006 | ROME, ITALY

From November 15th to 17th 2006 in Rome, Italy, the world's organic certification agencies, private and governmental accreditation bodies and others engaged in ecological and social certification converged upon the University degli Studi Roma Tre for the 1st IFOAM Conference on Organic Certification

For over 30 years, IFOAM has been at the center of international organic certification issues, and through its Basic Standards for Organic Production and Processing and subsequently the IFOAM Accreditation Criteria, IFOAM has solidified an international framework for standards development, and fosters dialogue among certification agencies worldwide.



This conference included 56 presentations by key experts in organic certification, covering a wealth of experiences and challenges. The opening keynote speech was given by Mr. Gunnar Rundgren, Chief Executive Officer of Grolink AB, one of the founders of the organic movement in Sweden, and former IFOAM President.



Sponsors: EPOPA, Bioagricert s.c.r.l., the Swiss Research Institute for Organic Agriculture (FiBL), Provincia di Trento, Provincia di Modena, KWS, The Organic Standard, La Selva, IOAS, E-Cert, Global Organics, Bioflora, Colle dell'Acero - soc. coop. a r. l. and Lauretana S.p.A.



# STRATEGIC RELATIONS

IFOAM is involved in international agricultural negotiations with the United Nations and other multilateral institutions. This advocacy work brings worldwide attention to the issues facing the Organic Agriculture movement.

## Neem Patent Revoked

In a landmark decision on March 8, 2005, the European Patent Office upheld a decision to revoke, in its entirety, a patent on a fungicidal product derived from the seeds of the Neem tree, a plant indigenous to the Indian subcontinent. This historic win was the result of a legal challenge mounted ten years ago by three Neem patent opponents: the renowned Indian environmentalist Vandana Shiva; Magda Aelvoet, then MEP and President of the Greens in the European Parliament; and the International Federation of Organic Agriculture Movements (IFOAM).

The joint Legal Opposition claimed that the fungicidal properties of the Neem tree had been public knowledge in India for many centuries and that this patent exemplified how international law was being misused to transfer biological wealth from the South into the hands of a few corporations, scientists, and countries of the North. Today the EPO's Technical Board of Appeals dismissed an Appeal by the would-be proprietors - the United States of America and the company Thermo Trilogy - and maintained the decision of its Opposition Division five years ago to revoke the Neem patent in its entirety, thus bringing to a close this ten-year battle in the world's first legal challenge to a biopiracy patent.

Major funding for the legal costs and related expenses was generously provided by: HIVOS, the Netherlands, and the Green Group in the European Parliament (followed by its successor, The Greens/EFA in the European Parliament), Brussels, Belgium. Additional support was received from the Schweisfurth Foundation in Munich, Germany, and the Edmonds Institute in Washington, USA.

**Magda Aelvoet, Belgian Minister of State and former Health and Environment Minister, was President of the Green Group in the European Parliament when the original Opposition was submitted. Just after the ruling, she commented, "Our victory against biopiracy is threefold. First, it is a victory for traditional knowledge and practices. This is the first time anybody has been able to have a patent rejected on these grounds. Second, it is a victory for solidarity: With the people of developing countries—who have definitively earned the sovereign rights to their natural resources—and with our colleagues in the NGOs, who fought with us against this patent for the last ten years. And third, coming as it does on International Women's Day, this is also a victory for women. The three people, who successfully argued this case against the might of the U.S. administration and its corporate allies, were women: Vandana Shiva, Linda Bullard and myself. It can also inspire and help people from developing countries who suffer the same kind of theft but did not think it was possible to combat it."**





From left to right: Linda Bullard, former IFOAM President, Professor Fritz Dolder, legal representative, Vandana Shiva, winner of the Right Livelihood Award, and Magda Aelvoet, Belgian Minister of State and former Health and Environment Minister.

#### **IFOAM Opposes New ‘Green’ Revolution for Africa**

In 2006 IFOAM, with help of its members, publicly and loudly questioned activities to establish a so called Green Revolution for Africa. These activities coming from fertilizer industry, investors, banks and public institutions are a response to the call for action from the United Nations Secretary General Kofi Annan in 2004.

The Africa Fertilizer Summit took place from June 9 – 13 2006 in Abuja, Nigeria. The New Partnership for Africa’s Development (NEPAD) organized the event with the goal of rapidly increasing chemical and synthetic fertilizer use in Africa and creating an action plan for doing so. IFOAM by no means underestimates the current problems in agriculture on the African continent. IFOAM member organizations in Africa were informed of the Summit and they responded enthusiastically by assisting the IFOAM Head Office with ideas for actions, preparing their own press conferences, and sending encouraging messages of support. The Head Office compiled a ‘Questions and Answers’ draft letter to ministers of Agriculture

and a draft press release for national and regional African movements to use in their activities. On the first day of the conference, IFOAM addressed the international press and was pleased to see how widely IFOAM’s position was distributed. At the FAO premises a lunch hour workshop was organized to inform interested FAO staff about IFOAM’s stance on the Africa Fertilizer Summit. On June 28 2006, in conjunction with the Executive Board meeting in Thiès, Senegal, IFOAM organized, with its member organization Agrecol Afrique, an event that presented diverse and effective examples of how Organic Agriculture contributes to food security and rural development in Africa. African press, leaders and representatives from NGOs, the FAO, and national dignitaries witnessed the potential of Organic Agriculture. During the half-day event, which included a tour to an organic farm, representatives from IFOAM’s member organizations SEKEM (Egypt), AgroEco/Grolink – EPOPA project (Uganda), and Agrecol (Senegal) showed how Organic Agriculture is a means to further endogenous development for rural communities on a local level.

### **Taking the African 'Green' Revolution to Norway**

The "African Green Revolution" conference was organized in Oslo, Norway from August 31 to September 2 2006 to foment action towards the development of greater use of agrochemicals on the African continent. Norwegian IFOAM Members from Bioforsk, DeBio and OIKOS attended the conference and broadened the perspectives of the participants by presenting Organic Agriculture as a truly 'green' alternative to input-based agriculture. IFOAM's position generated interest from participants, donors and the press.

### **Achieving Recognition of Organic Agriculture's Contribution to Food Security**

The Committee on World Food Security of the United Nations Food and Agriculture Organization (FAO) met in Rome from October 30 to November 4 2006 to discuss the presentation of the Mid-Term Review of Achieving the World Food Summit Target. The review concluded that practically no progress has been made toward the target since its establishment in 1992. Taking a solutions-oriented approach, a side event organized by IFOAM in the FAO Headquarters highlighted Organic Agriculture's potential for achieving global food security. During the side event, in which IFOAM's member EPOPA participated in presenting the project's contribution to food security, Dr. Alexander Müller, Assistant Director-General of FAO, indicated that many countries request FAO's assistance to develop Organic Agriculture. He said that, "there is a need to shed light on the contribution of Organic Agriculture to food security, so that FAO can provide objective and informed advice to its member countries. Thus, FAO decide to hold an international conference on Organic Agriculture and food security in 2007." The conference aimed to identify Organic Agriculture's potential and limits to the food security challenge, including conditions required for its success. The report resulting from the conference was submitted to the 2007 Session of the Committee on World Food Security.

### **Establishment of IFOAM Representation**

In an effort to increase linkages with regional organic movements and to increase access to information about Organic Agriculture in developing countries, IFOAM established representation offices with aim of providing easy access to IFOAM training materials and resources.

The first information point was established in India at the Indian Competence Center for Organic Agriculture (ICCOA), which assists IFOAM by serving as a focal point for IFOAM in India. IFOAM provided ICCOA staff with comprehensive information and training to facilitate the center's development. Since its inception, the Indian representation office successfully provides the resources and information necessary to bring organic farmers and other stakeholders together, and has served to strengthen IFOAM and the organic movement in India.

The organic sector in China is growing faster than average worldwide figures. To keep up with these dynamic developments, IFOAM has established representation in China, represented by Zhou Zejiang, one of China's leading organic experts, to implement relevant parts of the IFOAM Work Program. IFOAM currently has more than 40 members in China, and this representation serves to increase IFOAM's presence in China and expand Chinese membership. Zhou Zejiang also organizes training sessions, networks with other organizations, and represents IFOAM at ministry workshops and trade fairs.

### **International Advocacy for Organic Agriculture**



Zhou Zejiang, IFOAM's representative in China

IFOAM develops and advocates positions on a variety of issues that are important to achieve its mission. Starting in 2005 and continuing in 2006 IFOAM developed advocacy leaflets that explain the relationship between Organic Agriculture and a certain topic. Thus far leaflets on food security, rural development, biodiversity, desertification, seed diversity, human health, participatory guarantee systems, climate and gender have been published. IFOAM member organizations shared information to aid in the development of the leaflets.

To unravel the role of IFOAM in the globalization debate, the IFOAM World Board commissioned a background to review IFOAM's position. The IFOAM Board decided to not actively engage in WTO or international trade agreements, but to choose activities specifically related to Organic Agriculture, and where there is an opportunity to network with like minded organizations and to encourage them to include Organic Agriculture in their international advocacy work. The comprehensive background paper on Organic Agriculture and globalization is available on IFOAM's website.

IFOAM developed dossiers on animal health and welfare and on the contribution of Organic Agriculture to the Millennium Development Goals.

In order to be able to react instantly to negative press, IFOAM compiled frequent attacks on Organic Agriculture and requisite responses. This ongoing work will be made available for IFOAM members in 2007.

IFOAM's greatest strength is its network of members and experts around the world. Recognizing this fact, the IFOAM World Board initiated a trial phase in 2005 of allowing member organizations to serve as official IFOAM representatives at international events and advocate on IFOAM's behalf. The success of these coordinated advocacy efforts made IFOAM continue with this model, and so in 2006, IFOAM was able to attend 43 selected meetings.

Meetings varied from subjects like desertification,

sustainable land use, agro-biodiversity, regional FAO meetings, trade fairs etc. Through the expertise of its member organizations, staff and World Board members, IFOAM was able to present Organic Agriculture in many ways at many occasions. A comment by an FAO official is an indicator of IFOAM's success through this approach: it was expressed that "IFOAM seems to be everywhere," which is only possible as a result of the level of engagement by members, allowing IFOAM to be represented at the most important meetings and events.



# **STRENGTHENING ORGANIC AGRICULTURE IN DEVELOPING COUNTRIES**

IFOAM plays a leading role in fostering the development of Organic Agriculture all over the world. Helping to transform agricultural systems towards ecologically, socially and economically sound models, IFOAM's efforts create the knowledge base and infrastructure to support a sustainable future.

## **INNOVATIVE APPROACHES FOR MARKETING ORGANIC PRODUCTS**

Nearly 50% of IFOAM's members are located in developing countries. Working towards its mission, IFOAM actively assists the organic movement worldwide through the implementation of targeted programs and projects.

The IFOAM Growing Organic (I-GO) Program remains the focus of IFOAM's project activities. The second phase of I-GO started at the beginning of 2005 and will last until the end of 2008. The program purpose is strengthening Organic Agriculture in Developing Countries, and has five primary objectives:

1. Strengthening Organic Agriculture in targeted Regions
2. Improving Capacity in IFOAM's Structures and Membership
3. Advocacy for the Potential of Organic Agriculture in regard to Social, Environmental and Economic Benefits
4. Facilitating Access for Smallholder Producers to Domestic and International Organic Markets
5. Producing a Comprehensive Information Package of Development Options for Countries with an Emerging Organic Sector in Developing Countries

I-GO is funded by the Humanist Institute for Developing Cooperation (HIVOS) and the Biodiversity Fund of the Dutch Government.

### **Strengthening Organic Agriculture in targeted Regions**

In order to establish links to the regional organic movement, to provide efficient local access to IFOAM information, IFOAM has created a program for the establishment of regional representation in key regions with an emerging organic sector. The IFOAM representation officers analyze the actual situation of the regional Organic Agriculture movements and assess the needs to strengthen Organic Agriculture in the relevant countries.

IFOAM representation offices currently operate in India and China, and efforts to establish offices in Latin America and West Central Asia are underway.

### **Improving Capacity in IFOAM's Structures and Membership**

Experts from all around the world are active within IFOAM's internal structures to accomplish their mandate given by the General Assembly and the World Board. The active participation of internal structure members and key people in meetings and events is assured. IFOAM strives to assure balanced representation in its official structures, both in terms of geographical origin and gender.

### **Increasing accessibility to knowledge worldwide**

Access to knowledge is one of the critical factors for the further development of Organic Agriculture, especially in Developing Countries. IFOAM has developed a series of comprehensive Training Manuals and has established an online Organic Training Platform to facilitate the widespread dissemination of these and other key training materials.

Integrated on IFOAM's website, the IFOAM Training Platform facilitates access to training materials and information on international organic training opportunities. Significant resources have been invested to make available important IFOAM documents also in languages other than English.

### **Advocacy for the Potential of Organic Agriculture in Regard to Social, Environmental and Economic Benefits**

IFOAM promotes the potential of Organic Agriculture in its full diversity worldwide.

Over the last two years, IFOAM has received invitations for content contributions for specialized audiences. In those cases, IFOAM relied on its members, who are experts in their field, to represent IFOAM. Around 50 IFOAM members represented IFOAM at events organized by UN organizations like the United Nations Environmental Program (UNEP), the United Nations Convention to Combat Desertification (UNCCD), the United Nations Food and Agricultural Organization (FAO) and other organizations like Greenpeace.

### **Facilitating Access for Smallholder Producers to Domestic and International Organic Markets**

In most developing countries, domestic markets for organic products are still very small. This is due to lack of awareness, lack of organic standards, and other infrastructure for local market certification. In the case of Africa, certified organic production is mostly geared to products destined for export beyond Africa's shores. However, local markets for certified organic products are especially strong in



Matooke organic bananas in Uganda



Egypt, South Africa, Uganda, Kenya and Tanzania. As domestic markets for organic products (third party certified or other verification systems) have begun to evolve in Africa over the last few years, IFOAM documented these positive developments by publishing local market case studies, in an effort to encourage local marketing activities.

The expense of formal third-party certification systems often discourage small organic producers from being certified. This limits local and domestic trade and access to organic products. As a result, IFOAM advocates a complementary system to third party certification of organic products - Participatory Guarantee Systems (PGS). In addition to organic certification, PGS can significantly help build the organic movement by educating farmers and consumers and increasing the accessibility of domestic organic markets.

IFOAM's official Task Force on PGS defines and systematically conceptualizes appropriate tools to facilitate and promote PGS globally.

IFOAM has devised a harmonized approach to smallholder group certification schemes, and as a result has developed comprehensive training materials on Internal Control Systems (ICS) for smallholder group certification. Although initially directed towards the certification of farmer groups in developing countries, the appeal for certifying groups of small farmers in Northern countries also holds substantial potential, which was demonstrated by the enthusiasm shown at a 2005 workshop of European stakeholders. As a pilot project, IFOAM launched ICS field testing in Spain, France, Italy and Turkey in 2006. Activities in the field included Internal Control Systems training to producer groups in each region and the establishment of ICS systems.



**Producing a Comprehensive Information Package of Development Options for Countries with an Emerging Organic Sector in Developing Countries**

IFOAM supports the development of emerging organic sectors in Developing Countries. In addition to the establishment of regional representation around the world, IFOAM offers comprehensive information on market development, including standards, regulations and certification. In addition, consumer awareness, relationships with both public and private partner organizations and educational criteria also play an important role. Positive and negative examples are taken into account and recommendations are given on possible options for governments, the private sector, development

agencies and consultants on how to support the sustainable development of the sector. In addition, the package includes relevant training manuals and other tools to foster the organic sector. An IFOAM Task Force has set the basic direction and concept of this important IFOAM project.

Always on the forefront of regulatory approaches to Organic Agriculture, IFOAM has compiled a Training Manual to assist governments in establishing organic accreditation programs for certifiers and has developed a completely revised edition of Building Trust in Organic, a guide for establishing organic certification programs.

## IFOAM Projects

### **The OSEA Project (Regional Cooperation for Organic Standards and Certification capacity in East Africa)**

In 2006, IFOAM started the OSEA project, funded by Sida (Swedish International Development Cooperation Agency). The project is implemented by IFOAM, in cooperation with Grolink and the UNEP-UNCTAD Capacity Building Task Force on Trade, Environment and Development (CBTF). In December 2006, in Nairobi, OSEA presented the second draft of the East African Organic Standard to the public at the first Organic Standards Forum organized in Africa. The regional standard was developed on the basis of existing standards in the region, and included several rounds of stakeholder consultation and field testing in Uganda. The standard was developed through a regional public-private sector working group, whose members include representatives of the national bureaus of standards, national organic movements and organic certifying bodies of Kenya, Tanzania, Uganda, and the East African Business Council. Representatives of the national bureaus of standards from Burundi and Rwanda participated

as observers, finally joining the project officially in December 2006. The East African Organic Product Standards (EAOPS), the second regional standards for Organic Agriculture in the world after the European Union regulation, unites the interests of the East African Community (EAC).

In 2006, an extensive consumer awareness survey was carried out in East Africa as part of the project, which will serve as the basis for consumer awareness raising activities in 2007. The project is expected to boost organic trade and market development in the region, define a common vision of Organic Agriculture in East Africa, raise awareness about organic produce among farmers and consumers, enable economies of scale in training materials and certification, and create a unified negotiating position that should help organic farmers win access to export markets and help the East African community to influence international organic standard setting processes.



### **Building Capacity on Certification of Organic Agriculture in the Pacific Region**

In cooperation with ICEA, an international certification body based in Italy, IFOAM began implementing the project in 2006. The International Fund for Agricultural Development (IFAD) has generously provided funds for the project. Local governments and the private sector stakeholders in the regions received instruction on Principles of Organic Agriculture, the role of IFOAM and the different options for setting up and managing organic regulations and certification schemes. IFAD leadership of the Agriculture and Forestry Services section issued a recommendation at its last meeting that governments will work to support the regional approach to Organic Agriculture, including the development of regional organic standards. The Secretariat of the Pacific Communities (SPC) is committed to collaboration with IFOAM, and has initiated a project through IFAD with the objective of developing regional Organic Pacific Standards and national action plans for the development of the organic sector. The project is approved by IFAD.

### **The IFOAM Africa Office**

In 2006, the IFOAM Africa Office, funded by HIVOS, Netherlands, went through important changes. IFOAM engaged a new coordinator for the office and moved the office back to its Head Office in Bonn, Germany. The project took a great leap forward with the launch of an IFOAM

Africa website, the publication of monthly newsletters (Africa Organic News) in French and English and a growing networking activity due to an ever-increasing database of African organic stakeholders. Five Contact Points across Africa were established, and others will follow through existing contacts. These Contact Points are primarily existing National Organic Movements and/or national or regional NGO's or networks. The focus of the IFOAM Africa Office is to build a platform for networking in Africa and facilitate information flow between stakeholders in Africa and IFOAM International.

### **IFOAM Training Manual for Enhancement of Biodiversity on Organic Farm Level (Biodiversity Manual)**

The Swiss Office for Agro Ecological Planning and Research was commissioned by IFOAM to compile a manual for enhancement of biodiversity on organic farms. The content framework of the manual is based on the IFOAM draft biodiversity standards, and is compiled as a best practice manual that follows a global perspective, taking into account the diversity of circumstances and conditions for farming around the world. The manual will serve to positively motivate farmers to systematically apply biodiversity enhancing methods in the field. This project is funded by L+Ö GmbH for Ecology and Landscape Planning + Research.



# THE PRINCIPLES OF ORGANIC AGRICULTURE

Approved by the IFOAM General Assembly in September 2005, The Principles of Organic Agriculture are the basic tenets of what constitutes Organic Agriculture.

## *Interactive Taskforce and Consultative Group*

Developed through broad stakeholder dialogue, these Principles are the roots from which Organic Agriculture will grow and develop. They express the contribution that Organic Agriculture can make to the world, and a vision to improve all agriculture in a global context.

The Principles of Organic Agriculture serve to inspire the organic movement in its full diversity. They guide IFOAM's development of positions, programs and standards.



### IFOAM's Participatory Approach to Developing the POA





## Principle of Health

Organic Agriculture should sustain and enhance the health of soil, plant, animal, human and planet as one and indivisible.

## Principle of Ecology

Organic Agriculture should be based on living ecological systems and cycles, work with them, emulate them and help sustain them.



## Principle of Fairness

Organic Agriculture should build on relationships that ensure fairness with regard to the common environment and life opportunities.

## Principle of Care

Organic Agriculture should be managed in a precautionary and responsible manner to protect the health and well-being of current and future generations and the environment.

The Principles have been translated into more than 15 languages by IFOAM members through language and country specific discussion groups. They are available on the IFOAM website. Extending from the establishment of the Principles, IFOAM is in the process of articulating the Definition of Organic Agriculture through a participatory process with its members to arrive at a clear, succinct and global definition.

# THE ORGANIC GUARANTEE SYSTEM

The IFOAM Organic Guarantee System enables trade, upholds organic integrity and assures consumers internationally

## Organic Guarantee System and International Harmonization

Throughout 2005 and 2006, IFOAM updated and integrated the Organic Guarantee System (OGS) and “harmonization” program. This allowed us to provide greater assistance to governments and private bodies worldwide which are cooperating on organic standards and regulations.



## The Organic Guarantee System Revision

In 2005, the General Assembly declared the OGS's purpose to be, “to protect the integrity of, ensure consumer confidence in and facilitate market access for organic products.” The General Assembly also mandated the World Board to make revisions that will enable the Organic Guarantee System to achieve these objectives. In late 2005, planning commenced to make the Organic Guarantee System more relevant and accessible to key stakeholders, such as organic standards-setting and certification bodies.

The process for mandating the revision resulted in clearer objectives of the OGS. These objectives are to:

- Draw a distinct line between organic and not-organic
- Safeguard the integrity of organic production

and certification (in its various forms)

- Provide adequate oversight mechanisms to maintain trust between the parties involved
- Facilitate global acceptance of organic products certified under different systems
- Offer a platform for cooperation between the affected parties

In order to accomplish this, the OGS should:

- Work with other existing systems, including governmental systems
- Be highly accessible for all producers and certification systems
- Improve guarantee systems and to build certification capacity
- Allow for different solutions in different contexts, such as adapting needs to local conditions and stages of development
- Have simple and transparent operational procedures
- Include problem-solving services

After the General Assembly decision, a plan for revision of the Organic Guarantee System was developed and implementation began in 2006. During 2006, IFOAM planned for a comprehensive restructuring of the IFOAM Basic Standards to make the document more suitable as a means of distinguishing organic from not-organic production and processing, as a guideline for the development of other organic standards, and as a tool for linking these organic standards and fostering their equivalence with one another. Also during 2006, IFOAM established an international Certification Body Forum, which is aimed at increasing networking, problem-solving and capacity development within the worldwide organic certification sector. Participation in the Forum by under-resourced certification bodies from

developing countries has been supported by IFOAM. Also undertaken in 2006 was a comprehensive revision of policies and procedures for the Organic Guarantee System in order to simplify its operation and make it more transparent.

The work on the Organic Guarantee System revision leading up to and following the General Assembly has been generously funded by Novib-Oxfam, the Netherlands.



Most members of the IFOAM Standards Committee and OGS staff: (from left to right) Tali Berner, Matthias Fecht (OGS Coordinator), Mariella Sandini, Chayaporn Wattansiri, Paul van den Berge, Jorge Casale, Mahesh Chander. Missing from photo: Brian McElroy, Eckhard Reiners, Diane Bowen(OGS Manager).



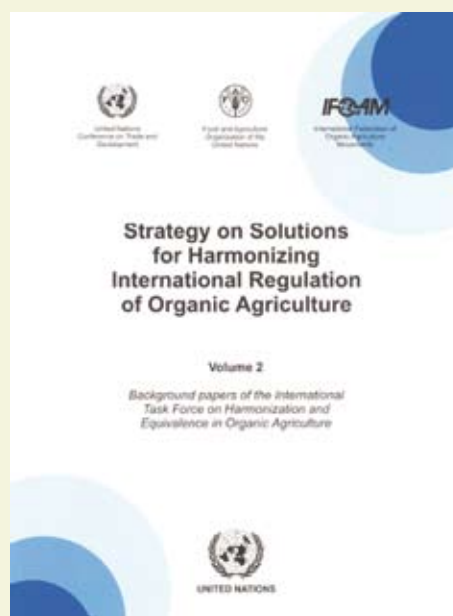
**The International Task Force on Harmonization and Equivalence in Organic Agriculture**

IFOAM leads the International Task Force on Harmonization and Equivalence in Organic Agriculture (ITF), which consists of members from more than 25 governments, six intergovernmental organizations, and key private sector actors. The ITF is working towards achieving equivalence in order to expand organic trade, and IFOAM's standards for organic production and processing, criteria for accrediting Certification Bodies, and procedures serve as keystones for this work.

In early 2005, the ITF completed studying the current situation in organic trade and identifying possible solutions to ongoing challenges. It has since worked on tools to help governments as well as private sector organizations make progress on equivalence as well as establish methods allowing for the mutual recognition of one another's systems of standards and conformity assessment systems. In 2006, special focus was given to developing a Common International Requirement for the performance of organic certification bodies. It is envisioned that this document will

serve as a reference for deciding recognition and approval by importing countries of certification bodies in exporting countries.

In 2005, the ITF was supported by the financial generosity of the Swedish International Development Agency (SIDA) and the Government of Switzerland.



In 2006, the ITF published its 2nd volume of background papers on harmonizing organic trade worldwide.

# THE REVISION OF THE EU REGULATION

The European Commission revised the regulation on organic farming. To accomplish this, the Commission launched its proposal for a “Council Regulation on organic production and labeling of organic products” on December 21, 2005, and approved the final regulation on June 12, 2007, concluding the first stage of the process of replacing the regulation.

The IFOAM EU Group secured considerable improvement compared to the original proposal of the European Council. These include:

- Clearer and more appropriate objectives and principles (articles 3-6)
- Inclusion of rules for yeast and seaweed, both previously excluded
- Deletion of unnecessary restrictions on label and advertising claims (article 20)
- Deletion of the curbs on private standards (article 24) - recognizing the important role they play in innovation and promotion and in upholding consumer trust.

Some elements of the revision remain inadequate, such as the exclusion of GM contamination (article 7aa), a compulsory EU logo (article 18), and the lack of any formal means for the organic agriculture movement to be involved in making decisions about its own regulation. Another concern is the restriction on subsidiarity (right to have stricter national standards - article 28).

Approval of this regulation now allows the second stage to begin: finalizing the Implementing Rules. This will involve transferring the annexes from Regulation 2092/91, together with defining other details not covered by the new Regulation.

Concern remains as to the finalization of the Implementing Rules, particularly with regard to the evaluation of inputs and (article 11) and for allowing flexibility (article 16). Crucially, the Implementing Rules must both protect the integrity of organic food and farming, and ensure a vibrant and successful organic sector.



The IFOAM EU Group offers a gift to an EU Commissioner at BioFach 2006.

The IFOAM EU Group represents the 330 IFOAM member organizations in the EU, and including EFTA and Accession countries.

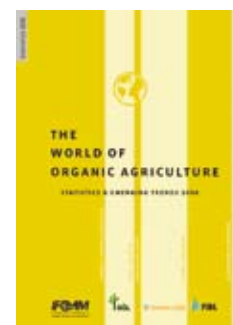
## More information:

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Marco Schlueter  
Tel: + 32-2-280 12 23  
Fax: +32-2-735 73 81  
info@ifoam-eu.org

# IFOAM PUBLICATIONS 2005-2006

## **The World of Organic Agriculture: Statistics and Emerging Trends**

For both the 7th and 8th revised editions, this publication is the world's foremost compilation of statistical data on Organic Agriculture and trade. The study shows that Organic Agriculture is practiced in almost every country in the world, and the share of land managed organically had reached more than 30 million hectares worldwide in 2006. Markets for organic products had grown to more than \$30 billion, with the number of national regulations for organic farming mushrooming to reflect the sector's nearly continuous exponential growth.



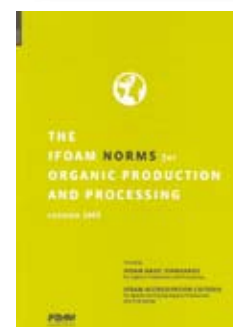
## **Organic Agriculture Worldwide - Directory of IFOAM Member Organizations & Associates**

Each year IFOAM publishes the Organic Agriculture Worldwide IFOAM Directory, which contains the contact details and other relevant information, such as key fields of activities, of all IFOAM Member Organizations and Associates. The Directory is indexed, and lists all IFOAM Member Organizations and Associates alphabetically and by page number for easy reference.



## **IFOAM Norms 2005**

The IFOAM Basic Standards for Organic Production and Processing, along with the IFOAM Accreditation Criteria for Bodies Certifying Organic Production and Processing, are called the IFOAM Norms. The Norms are the basis for IFOAM's Organic Guarantee System. The IFOAM Basic Standards fulfill additional purposes, including serving as guidelines for private and governmental agencies that set their own regional or other specialized standards for direct use in certification. Additional information about each of the two Norms is presented in their introductory sections. This version was approved by the 2005 General Assembly.



## **Participatory Guarantee Systems: Case Studies from Brazil, India, New Zealand and the United States**

The Keystone Foundation in Tamil Nadu, India, the Organic Farm New Zealand, the Ecovida Agroecology Network in south Brazil and Certified Naturally Grown in the USA represent four organizations that have developed guarantee systems with different approaches than the normally prevailing 'Third-party' certification. These organizations all work with farmers and organic farming in the broadest sense, trying to create guarantee systems appropriate to the local cultural and ecological conditions and traditions, emphasizing the social and environmental aspects that are important for sustainable livelihoods.



**Proceedings of the 1st IFOAM International Conference on Organic Wild Production, May 3rd-4th 2006, Teslic, Bosnia and Herzegovina**

There is a large trade in organic wild products. This includes products for direct food consumption, such as berries and mushrooms and a large number of herbs. There is also a growing interest for organic products in the body care sector and in the medicinal herb sector. This volume includes the 62 papers presented at the conference, covering every conceivable aspect of organic wild collection, from certification requirements to wild organic oregano collection.



**Proceedings of the 1st IFOAM International Conference on Animals in Organic Production, August 23rd-25th, St. Paul, Minnesota, United States**

This conference focused on important issues concerning organic livestock and animal husbandry. It concentrated upon health and food safety in organic livestock production systems, marketing trends, innovation in organic livestock production systems and livestock breeding strategies. Leading organic livestock researchers and producers from throughout the world shared state-of-science research findings and production information during the three-day event. The proceedings include 43 full papers and 12 posters, encompassing the breadth of organic animal production issues.



**Organic Agriculture for Biodiversity: Current Contributions and Future Possibilities**

This volume brings together nineteen papers reviewing the current contributions and future possibilities for Organic Agriculture and biodiversity. It includes an inspiring contribution from the former Executive Director of the United Nations Environment Program Klaus Toepfer. Field experiences are recorded from across the globe and subjects range from developing the role of Organic Agriculture in international conventions to the experiences of working with farmers and pastoralists to develop biodiversity friendly agriculture.



**Proceedings of the 15th IFOAM Organic World Congress: Shaping Sustainable Systems, September 20th-23rd 2005, Adelaide, Australia**

Incorporating papers from the International Scientific Conference on Organic Agriculture and 8th IFOAM Organic Viticulture and Wine Conference, the proceedings includes 356 papers on all aspects of Organic Agriculture.



All IFOAM publications are available via [www.ifoam.org](http://www.ifoam.org).

**Proceedings of the 3rd International IFOAM Organic Coffee Conference, October 6th-8th 2004, Kampala, Uganda**

With the objectives of sharing knowledge, boosting existing and emerging markets for organic coffee and emphasizing development of the organic coffee sector in East Africa, this conference brought together key coffee experts from throughout the world. The proceedings compiled from this conference include 59 papers, a film, a picture show, participants list, and pictures from the conference.



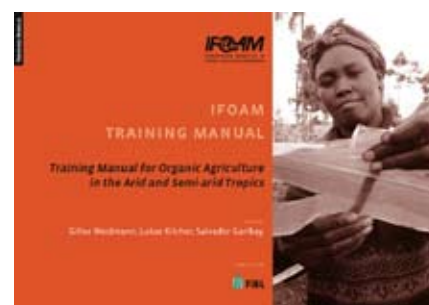
**IFOAM Training Manual for Organic Agriculture in the Humid Tropics -Theory, Transparencies and Didactic Approach**

The main focus of the IFOAM Training Manual for Organic Agriculture in the Humid Tropics is on small-farm practices in developing countries located in the humid tropics. The IFOAM Training Manual for Organic Agriculture in the Humid Tropics provides a vast array of specific knowledge, taking into account the geographic and climatic conditions in these climatic zones. The manual contains case studies of organic farming systems, describes successful organic marketing initiatives and offers guidelines for the main crops of the Humid Tropics.



**IFOAM Training Manual for Organic Agriculture in the Arid and Semi-Arid Tropics -Theory, Transparencies and Didactic Approach**

The IFOAM Training Manual series was developed to improve the quality and the availability of didactic material on Organic Agriculture in tropical countries. To trainers, it offers a resource, which can be individually adapted and developed according to specific training needs. The main focus of the IFOAM Training Manual for Organic Agriculture in the Arid and Semi-Arid Tropics is on small-farm practices in developing countries located in the arid tropics.



**IFOAM Dossier on Organic Agriculture and Food Security**

While affluent regions and social classes struggle with surplus production and surplus consumption, close to one fifth of the global population lives in a state of constant undernourishment. In many regions subsistence production of basic foods is restricted by lack of access to capital, land and water. At the same time, more favored growing areas within the same countries are used for commercial production of specialty crops or animal feed destined for export to affluent regions. Thus the major constraints to achieving universal food security are found in social, economic and political conditions more than in problems regarding productive capacity. The main solutions to food security problems will therefore be found in social, economic and political improvements. Nevertheless, demand for food will increase in the future, and choices about production methods do also influence access to food, so there are reasons why production issues need to be addressed. This dossier highlights the relevance of Organic Agriculture in helping meet food security.



# FUNDING AND RESOURCES

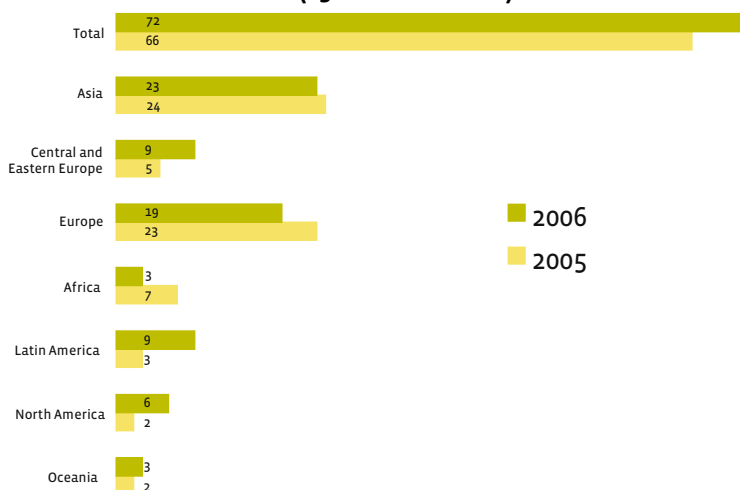
In 2005 IFOAM faced severe shortages due to transitional factors, such as a search for a new executive director and severance pay for a long-term employee. Steps such as management pay reductions were put in place in 2005 in anticipation of the financial shortfall. As organizational reserves had been extinguished in 2004 to cover investments into the organization, equity was used to cover the -96,000€ result for 2005.

2006 brought with it additional financial challenges, as the new membership fee as approved by the General Assembly in Adelaide, September 2005 went into effect. The result of the reduced membership fees was a reduction in overall anticipated income by 45,000€. Through cuts and tight spending at the IFOAM head office and generous donations from members, 2006 ended with a positive result of 35,000€. This result will be used to rebuild equity and operational reserves in IFOAM.

Long-term financial stability for IFOAM is a major priority. This will be accomplished through building equity and operational reserves through several mechanisms as outlined in the financial strategy approved by the World Board in March 2006, highlighting the development of an organic foundation to benefit IFOAM's work, business development, project development and fundraising.

**At the end of 2006, IFOAM had 689 members in 108 countries.**

**New Affiliates Per Region 2005-2006  
(138 new affiliates)**



**IFOAM Income Statement  
(Euros x 1000)**

	Audited 2004	Audited 2005	Audited 2006
<b>Income</b>			
Membership Fees	293	345	300
Services	562	467	658
Projects	639	529	850
<b>Total Income</b>	<b>1494</b>	<b>1341</b>	<b>1808</b>
<b>Expenses</b>			
Operational	1042	908	923
Projects	639	529	850
<b>Total Expenses</b>	<b>1681</b>	<b>1436</b>	<b>1773</b>
Operational Result	-187	-96	35
Dissolution of Reserves	150	0	0
<b>Net Result</b>	<b>-37</b>	<b>-96</b>	<b>35</b>

**IFOAM Year End Balance Sheet  
(Euros x 1000)**

	Audited 2004	Audited 2005	Audited 2006
<b>Assets</b>			
Bank Accounts	353	638	635
Other Current Assets	100	142	181
Trading Stock	7	7	7
<b>Total Assets</b>	<b>460</b>	<b>786</b>	<b>823</b>
<b>Liabilities</b>			
Other Liabilities	201	214	276
Project Funds	161	570	509
Investment Reserves	0	0	0
Equity	135	98	3
Profit/Loss	-37	-96	35
<b>Total Liabilities</b>	<b>460</b>	<b>786</b>	<b>823</b>



Photo: Keesder, ingarain, medienbank, gutschloh

## **HUMAN RESOURCES**

In September 2005, Angela B. Caudle, the first woman to lead the organization since its inception in 1972, took over the position of Executive Director from Gerald A. Herrmann, now IFOAM President.

In 2005, Bernward Geier, Director International Relations, left IFOAM after 18 years of committed service, in which he established IFOAM as a global organization. IFOAM also greatly appreciates Gerald A. Herrmann's year of service as the IFOAM Executive Director. The Falls Brook Centre, an IFOAM member organization from Canada, sponsored two interns through a program supported by the government of Canada. During the course of the year, eight interns made enthusiastic and important contributions that strengthened the organization.

**IFOAM offers its special appreciation to the dedicated interns at the Head Office in 2005 and 2006**

- Karen Ageson, Canada
- Ellen Trainor, Canada
- Nuria Botella, Spain
- Inka Sachse, Germany
- Omkar Gopalakrishnan, India
- Pablo Gonzalez, Spain
- Elvin Tan, Malaysia
- Joelle Katto-Andrighetto, France
- Eden Alexander, Canada
- Luca Melotti, Italy
- Rachel Horwat, Canada
- Julia Ostertag, Canada

IFOAM's team at the Head Office in Bonn and its satellite office in Rome grew and became more diverse in 2005 and 2006. IFOAM's commitment to gender equality and diversity was evident in its 21 employees and interns: they originated from 10 countries, with 13 women and 8 men.

### **CURRENT STAFF**

**Angela B. Caudle, Executive Director**

- Anne Boor, International Projects Manager
- Diane Bowen, Organic Guarantee System (OGS) Manager
- Christiana Christen, Policy & Quality Management Assistant
- Thomas Cierpka, Director of Member Relations & Human Resources
- Martin Eimer, International Projects Coordinator
- Matthias Fecht, Organic Guarantee System (OGS) Coordinator
- Monique Fuhrmann, Finance & Accounts Manager
- Cristina Grandi, Liaison Officer to FAO and IFAD
- Gabriele Holtmann, Member Relations Coordinator
- Joelle Katto-Andrighetto, International Projects Assistant
- Louise Luttkholt, Strategic Relations Manager
- Angela Rott, Office Coordinator
- Elena Siemens, Bookkeeper & Administration Apprentice
- Neil Sorensen, Communications & Events Manager
- Elvin Tan Wei Jin, Information Technology Assistant

## OUR FUNDERS

In 2005 and 2006, foundations and development investment in IFOAM amounted to 58% and 48% of the annual budgets respectively, enabling the continuation of projects and programs. We would like to take this opportunity to acknowledge our 2005 and 2006 institutional donors. From the members and staff of IFOAM, thank you.

Programs and projects at IFOAM would not be possible without the generous investment of institutional donors. The expansion of institutional support from foundations, corporations and government agencies is crucial in enabling IFOAM to meet the growing needs of the continually expanding organic sector and to enable IFOAM to pursue its mission and achieve its goal.

Thank you to our 2005 and 2006 funders for their generous investment in the IFOAM and the development of the organic sector.

Humanistisch Instituut voor  
Ontwikkelingssamenwerking (Hivos)  
The Swedish Society for Nature Conservation-SSNC  
The Schweisfurth Foundation  
The Swedish International Development  
Cooperation Agency (Sida)  
Novib-oxfam  
The International Fund for Agricultural  
Development (IFAD)  
Software AG – Foundation  
The United Nations Development Program Office for  
Project Services (UNOPS/UNDP)  
Gesellschaft für Technische Zusammenarbeit (GTZ)  
Misereor  
Technical Center for Agricultural and Rural  
Cooperation ACP-EU (CTA)  
Bread for the World  
Lebensbaum  
Rapunzel



We would also like to thank the many generous donors that supported us through the past years. Without your direct financial contributions to IFOAM and your participation at IFOAM conferences, we would not have been able to achieve a positive result.