

## Annex 1: Fee scheme and payment schedule for the inclusion of private standards into the IFOAM Family of Standards

### I. Fee scheme:

Inclusion in the IFOAM Family of Standards is subject to an entrance fee and an annual fee, according to the following fee scheme.

The fee scheme has been established by IFOAM with the following considerations:

- **Financial sustainability:** fees must support IFOAM's efforts related to assessing standards (admission fee) and maintaining the Family, including administration, promotion, advocacy towards governments, re-assessments and maintenance of the related norms and procedures (annual fee).
- **Fairness and solidarity:** annual fees are proportional to the certification turn-over related to the standard or to the total turn-over of operators certified against the standard. Therefore, large standard owners will pay more, and small ones will pay less.
- **Incentives:** the earlier the application is submitted for acceptance to the Family, the lower the cost will be to the standard owner.

For Private Standards IFOAM offers two options:

- 1) The Basic package, which includes listing in the IFOAM Family of Standards.
- 2) The Promotion package, which includes listing in the IFOAM Family of Standards + logo placement for increased visibility in the Family frame.

#### Fee scheme Basic Package:

**Admission fee:** 2,500 Euros upon signature of the contract with IFOAM.

**Special offers:** **No fee** for all applications submitted before the 1<sup>st</sup> of May 2011. A discounted fee of 1,250 Euros (50% discount) for all applications submitted between 1<sup>st</sup> May and 31<sup>st</sup> December 2011.

**Annual fee:** 1% of the turnover of certification based on the private standard or 0.02% of the total annual organic turnover of the operators certified against the standard.

**Special offers:** **No annual fee in 2011 and 2012 for early applicants** (IFOAM Accredited Certification Bodies and applications submitted before the 1<sup>st</sup> of May 2011).

For other cases, a special offer scheme is available, based on two principles:

- 1) the earlier the application, the larger the discount (lasting effect over the first 4 years)
- 2) discounts will decrease over time, eventually amounting to a zero discount (i.e. a full fee for all) in 2016.

Discount scheme for applications in 2011 and 2012:

<i>Year of application</i>	<b>Corresponding discount to the annual fee</b>			
	<b>2011</b>	<b>2012</b>	<b>2013-2015</b>	<b>2016</b>
2011	Free	80% discounts	Decreasing discounts, bigger discounts for those who subscribed earlier	Full fee for all
2012	NA	50% discounts		

### **Fee scheme Promotion Package:**

**Admission fee:** 2,500 Euros upon signature of the contract with IFOAM. **No fee** for all applications submitted before the 1<sup>st</sup> of May 2011. A discounted fee of 1,250 Euros (50% discount) for all applications submitted between 1<sup>st</sup> May and 31<sup>st</sup> December 2011.

**Annual fee:** 1,5% of the turnover of certification based on the private standard or 0.03% of the total annual organic turnover of the operators certified against the standard.

**Special offers:** Annual fee: 1000 Euros in 2011, 2000 Euros in 2012.

From 2013 to 2015, the fee scheme will follow the same principles as the scheme for the Basic package:

- 1) the earlier the application, the larger the discount (lasting effect over the first 4 years).
- 2) discounts will decrease over time, eventually amounting to a zero discount (i.e. a full fee for all) in 2016.

### **II. Schedule for the submission of the turn-over figures:**

Owners of private standards approved in the IFOAM Family of Standards must submit their yearly turnover figures, namely:

- The annual turnover of certification based on the private standard, or
- The total annual organic turnover of the operators certified against the standard

Turnover figures must be submitted to IFOAM by the end of March of every year for the corresponding previous calendar year.

An estimation of the turnover figures must be submitted by the end of July of every year for the same calendar year.

### **III. Schedule for invoicing and payment**

#### **a. Admission fee:**

Standard Owners applying for the inclusion of their standard in the IFOAM Family of Standards must pay an admission fee in accordance with Section I of this annex. The admission fee must be paid within 4 weeks after receipt of the corresponding invoice from IFOAM. IFOAM shall invoice the admission fee (if not waved) shortly after signature of the contract.

#### **b. Annual fees:**

Owners of private standards approved in the IFOAM Family of Standards must pay the yearly fee in accordance with Section I of this annex. Payment should be made based on invoices received from IFOAM and according to the following schedule:

- 50% of the estimated yearly fee by the end of August of every calendar year.
- The remainder of the corresponding annual fee, not later than the end of May for the corresponding previous year.