International Organic Accreditation Service

Annual report 2011-2012
Organic and sustainable agriculture have matured to well-defined systems of land management and food production. These are recognised by many as contributing to the long term stability of farming systems, the maintenance and enhancement of biodiversity and the provision of sustainable livelihoods for practitioners throughout the value chain. That they are well-defined and recognised is substantially the result of the established conformity assessment system of which the IOAS forms a part.

Internationally we provide expert assessment and surveillance of the competence of certification bodies which forms the basis for trust across borders. These bodies in turn inspect and verify that farms and enterprises throughout the chain of custody follow the standards set down by both private organisations and under many national and supranational laws. Combined, these assessments provide for the trust that consumers expect and a basis for purchasing decisions that contribute to a more sustainable and fairer world.
The International Organic Accreditation Service is an independent, non-profit organisation that provides technical services in support of the integrity of organic agriculture and fields related to the environment, worker rights and social justice.

The IOAS was incorporated in 1997 in the USA by the International Federation of Organic Agriculture Movements (www.ifoam.org), a membership organisation established to provide a network for the promotion of organic agriculture.

We currently work directly with six scheme owners in both private and public sectors within the world food and farming sector to ensure trust in products labelled as organic, sustainable and similar claims.

Scheme owners and certification bodies working with them use the IOAS as an independent assessor of the integrity of their claims. This ensures that they are not just words on a page but implemented with fairness and rigour across the world which in turn, form a basis for transparent marketing of products.

This report describes our range of activities during 2011.

The IOAS is itself supervised and approved by various national agencies as operating in accordance with ISO Guide 17011, the standard international guideline for bodies offering assessment and accreditation.

The National Institute of Standards and Technology (NIST), a division of the United States Department of Commerce, has assessed and continuously supervises the IOAS for its IFOAM accreditation and ISO Guide 65 programmes including its European Union Recognition Programme.

The Canada Organic Office (COO) has assessed and continuously supervises the IOAS as one of four Conformity Verification Bodies assessing certification bodies under the Organic Products Regulations 2009 of Canada.

The IOAS is a full member of the ISEAL Alliance (www.isealalliance.org), an umbrella organisation that works to create a world where ecological sustainability and social justice are the normal conditions of doing business. Full membership requires compliance with all ISEAL Codes of Conduct which are benchmarks for sustainability standards systems.
At the same time as the IOAS broadens its focus to other schemes with sound natural resource management and social justice and fairness for participants at their core, our commitment to organic agriculture remains undiminished. 2011 saw us not only consolidating our role as the accreditation body of choice for organic and related claims but also widening our service for our clients.

- On May 1 Jan Deane (formerly Programme Manager) and David Crucefix (formerly Assistant Executive Director) take over as Joint Executive Directors;
- In May the IOAS sign an agreement with the American National Standards Institute to collaborate on the provision of accreditation against a range of food safety schemes and in June a first application is made;
- In May Jesús Concepción of Cuba/Spain and in November Cristina Comezaña of Argentina join the IOAS as full time Client Managers;
- In June the IOAS is granted Associate Member status of the Pacific Accreditation Cooperation, the regional group of the International Accreditation Forum;
- Since June all IOAS data handling is being done in a new database environment which enhances capacity for handling multiple norms;
- In August the IOAS provides training to personnel of the Servicio Agrícola y Ganadero, the competent authority overseeing organic agriculture in Chile and in December the IOAS conducts training on 'Management of Organic Certification' in the United Kingdom;
- In September first decisions are made on accreditation of five certification bodies under the Sustainable Agriculture Network/Rainforest Alliance pilot programme;
- In October the Sustainable Agriculture Network/Rainforest Alliance pilot programme concludes and the review points to a full launch in mid-2012;
- In October Bo van Elzakker, President of the IOAS for many years, steps down and Robert Duxbury, previous Vice President steps in to this role and Beate Huber of Germany steps down as Board member;
- In October the IOAS attends the Organic World Conference of IFOAM and several members receive lifetime achievement awards;
- In October Jan Deane, Executive Director (Operations) makes a presentation to a meeting of the Anti-Fraud Initiative on how IOAS approached the equivalence assessment of CBs against the European Regulation 834/2007;
- On December 6th IOAS accredited certification bodies are recognised by the European Commission as operating equivalent systems for the purpose of imports of organic products;
- The financial results for 2011 are the best ever achieved by the IOAS.
After 10 years of serving the IOAS, it is a great honour for me to accept my fellow Board members' invitation to become President. As the legacy left by our previous President Bo's legacy provides a sound structure with which to move the organisation forward, I will endeavour to maintain the highly professional benchmark that he has set.

I take up this position at a time when the IOAS is successfully completing a major management change which sees Jan and David assume joint executive directorship of the organisation. I have known them both for very many years and respect and admire their willingness to make a success of this structural transformation. However, this would not have been possible without the excellent stewardship provided by Ken Commins, who built up the organisation from its birth, way back in 1997.

Not only has the IOAS dealt with its internal challenges with great accomplishment, we continue to rise to the demands of an ever-changing international landscape in which we seek to develop other schemes to augment our organic roots. I look forward to reporting back next year on developments with various government schemes and opportunities presented by several new initiatives, including animal welfare, cosmetics and fair trade.

I feel certain that the expertise and resilience of all IOAS staff will ensure that the organisation will continue to succeed and move forward. The strength of the IOAS is its people (staff, Accreditation Committees and Board) and I have every confidence that all will continue to cultivate trust and integrity across the organic community and beyond.
2011 has certainly been a year of expansion and innovation. The management transition had one unexpected benefit in that the senior management team took the opportunity to examine and reorganise our various tasks resulting in much clearer lines of responsibility and authority. Among other duties, I retain the overall programme management of the organisation and am pleased to report that the IOAS continues to experience considerable and gratifying growth in both its accreditation programmes and the number of accredited certification bodies. The successful completion of the evaluation of five certification bodies participating in the Sustainable Agriculture Network/IOAS pilot project means that we can look forward to the launch of the SAN/Rainforest Alliance accreditation programme in 2012. Lastly with the signing of the agreement with the American accreditation body, ANSI, to provide assessment services for their food safety programmes and with the launch of a COSMOS accreditation programme on the horizon for organic and natural cosmetics the IOAS is uniquely placed among accreditation bodies in offering a range of accreditations that not only covers organic products from food to beauty, but is also able to offer environmental and social accreditations as well.

Looking back on a first seven months I could become quite complacent on our achievements just by scanning our highlights of 2011. Of course neither I, or even Jan and I together, can take all the credit for them as all have been the result of continuous hard work over many years under Ken’s leadership. Well, perhaps I can say ‘our leadership’ because the three of us have worked very closely together for more than ten years. That in itself has been a key factor in the success of the transition, which indeed it has been.

One of our major successes of 2011, which again must be shared, this time with the certification bodies with which we work, was the recognition by the European Commission of 23 IOAS accredited CBs in December as operating equivalent systems to that in Europe. Since even before I joined the IOAS, government utilisation of IOAS’ work has been a continuing aspiration which has taken up much of our time. Now we have achieved that we are determined to cultivate it and spread it still wider. Nobody gives the IOAS its credibility, we have to earn it, and that I commit to continue.
Although often underestimated the IFOAM Norms remains a critical document for the international organic movement. Its practical application now goes back 18 years to when the first accreditation to these norms was awarded. The knowledge and experience that is inherent in the IFOAM Norms is the core value of both IFOAM accreditation and the more recent IFOAM Global Organic System Accreditation which continues to influence the sector world-wide. The 31 organisations that maintain their voluntary accreditation in a world of increased mandatory requirements is testament to its credibility and role in the international organic movement.

The IOAS continued as one of four Conformity Verification Bodies (CVB) designated by the Canada Organic Office to supervise organisations worldwide conducting certification under the Canada Organic Products Regulation of 2009. We were subject to an oversight audit by them in Italy which raised no discrepancies. Accredited bodies must demonstrate compliance with ISO Guide 65 and the additional requirements in the Canada Organic Office Operating Manual and inspect directly against the Canada National Standards. The mutual equivalence agreement between Canada and Europe in June brought significant simplification to the market although from the EU perspective, only products grown in Canada are considered equivalent. In 2011 the IOAS conducted surveillance visits relating to Canada in 15 countries.

The significant amount of work by numerous parties that went towards the assessment of applications from certification organisations around the world as applying equivalent standards and control systems to those within the European Member States, finally bore fruit when Regulation (EU) 1267/2012 was published in December indicating the first 30 certification organisations that had achieved this. 23 of these bodies were supervised by the IOAS and we offer our warmest congratulations to them. Assessment of equivalence continues to be the logical way forward in facilitating trade in organic products but the path is not always easy especially with so many organisations being involved. The IOAS hopes to continue to play an important role in this process, offering its many years of experience and information systems designed for this purpose. At the end of 2011 32 certification organisations were under IOAS surveillance for this scheme, four new assessment reports were prepared for submission by the CBs in October 2011 and all assessments previously performed against the previous regulation 2092/91 were updated to the current regulation (EC) 834/2007. Several additions of scope to cover aquaculture were also processed.
Continuing its ‘preferred’ accreditation body status with the Global Organic Textile Standard (GOTS) system (www.global-standard.org) the IOAS ended 2011 with supervision of 8 certification organisations (five accredited and 2 in process of assessment) out of a total 15 approved by GOTS. During the year in which IOAS conducted three on site visits including witness audits, staff member Jennyfer Karall was appointed liaison person for our GOTS activity. In March 2011, GOTS released version 3 of the GOTS standard and an Implementation Manual bringing in numerous changes such as acceptance of IFOAM accreditation as a basis for textile raw materials, definition of the first processing step that must be certified for each product and the need for 2% unannounced inspections in line with the requirements of Organic Exchange requirements.

Accreditation against the Textile Exchange standards (www текстилексехендж.орг) Organic Exchange 100 and Blended standard continued and the number of certification organisations supervised by the IOAS increased to 4.

2011 saw the finalisation of the pilot programme of the Sustainable Agriculture Network/Rainforest Alliance with the first accreditation decisions taking place in September. Certification organisations in Brazil, Colombia, Costa Rica, Kenya and Mexico successfully completed the process. A planned review by all parties of the pilot resulted in a unanimous decision to move ahead to full implementation of a scheme that would be open to all certification bodies planned for mid-2012.

Products bearing the Rainforest Alliance Seal are produced on farms which comply with ten core requirements including ecosystem conservation, wildlife protection, fair treatment and good conditions for workers and community relations amongst others. In this sense SAN standards, although permitting a wider use of listed agrochemicals, make greater demands on producers in other areas than most organic standards.
During 2011 the IOAS worked with 59 certification bodies based in 30 countries (see Chart 1). Work with five of these bodies was performed with IOAS providing technical experts to other accreditation bodies or other services related to documentary review. The remainder are direct clients of the IOAS under one or more accreditation or surveillance schemes. 82% of all IOAS clients were engaged in more than one scheme and nearly 30% in 4 schemes or more taking advantage of the IOAS ability to offer an increasing range of services; an important part of the IOAS mission (Chart 2).

During the year, 9 IOAS assessors spent 168 days performing on-site surveillance across the various schemes, about 60% of that forming part of assessment or reassessment procedures and 40% as routine surveillance. Surveillance of ‘foreign’ operations (outside of a CB’s home territory) was conducted in 8 countries (Brazil, Canada, Cook Islands, Croatia, Mexico, Philippines, Samoa and Turkey). In March IOAS assessors performed a focused on-site visit to investigate specific allegations related to pesticide residues in organic produce.

Sanctions

The IOAS uses a range of mechanisms to ensure CBs remain in line with the terms of their accreditation: fines, additional surveillance, suspension and, in extreme cases, withdrawal of accreditation. These options are all made clear in the IOAS contracts and related procedures. In 2011 two CBs under IOAS surveillance were issued notifications of intent to suspend and were also required to undergo additional on-site visits. At the end of 2011 one CB had satisfactorily resolved the issues to lift the suspension before it took effect and became public. The other was working on resolutions as the year ended.
2011 was a year of significant change within the IOAS with changes both at Executive Director level and with a new President. Two new staff also joined the team. The fact that the previous Executive Director Ken Commins and former President Bo van Elzakker both remain with the organisation, albeit in different roles can only serve to strengthen the IOAS. A smooth transition of leadership is what we had planned and we seem to have achieved just that.

Two people did however leave the IOAS in 2011. As a Board member since 2003 Beate was a great asset to the IOAS, always challenging and always supportive. She will be missed as a Board member but we know she is still there as a colleague as she continues her work with FiBL in Switzerland. Jacqueline Haessig-Alleje of the Philippines served as the IFOAM Board appointment to the IOAS since April 2009. Jacqueline continues her commitment to organic agriculture in her adopted home country.

In preparation for the first decisions for the SAN/Rainforest Alliance accreditation, the IOAS established a SAN Accreditation Committee that added two new members to our team; Olaf Paulsen of Germany who has worked many years in the fair trade sector and Conrado Guinea of Guatemala who has been a significant actor in the development and implementation of the SAN standard.

Jesús Concepción joined IOAS in May as Client Manager and is responsible for all activities of assessment, surveillance and administration of a number of CBs. Jesús has worked for many years in various roles as inspector and certifier as well as undertaking some consulting work and also managing to fit in study for a PhD. Cuban by birth, he is based in Spain.

Cristina Comezaña also joined IOAS as Client Manager in November. Qualified as an agronomist her previous work has been as inspector, Certification Manager and Quality Manager of a major organic certification body in Argentina. Cristina remains based in Buenos Aires, Argentina.
Day to day, IOAS experts use their energy, commitment and wealth of specialized knowledge to support certification bodies in optimizing their operations so that they are part of a trustworthy global organic guarantee system. IFOAM and the organic movement are proud and grateful to have such a competent daughter with such a far-reaching impact.

IOAS did an incredible job in customizing the GOTS accreditation system and in training their experts to the specific requirements of our programme so that we get the assurance that CBs which received their GOTS accreditation through IOAS are well qualified to implement our demanding quality assurance system.

Soil Association Certification has had a working relationship with IOAS for over 20 years and during that time IOAS has been responsible for carrying out some of our largest audits. IOAS has been a positive and beneficial support to our business.

International Certification Services, Inc. (ICS) has been accredited in a number of programs by the IOAS since 1995. Having audits performed by the IOAS has helped us strengthen our company overall and provide a number of options for certification to a wide audience of clients.

IOAS has had a decisive role in IBD’s success since 1995 when we had something like 60 clients. They have a long track record of improvements in IBD. The combined accreditations and assessments IOAS have managed are invaluable and would be even more so if they could add the NOP!
The IOAS is first and foremost an accreditation body working on an international level and primarily focussed on organic and related sectors. As a not for profit organisation we don’t do this to make money; we do this to protect the integrity of the label claim. But how does the system work?

Accreditation assesses competence of a certification organisation against certain private, national or international rules. These rules have many common threads derived from the IFOAM Norms and the ISO Guide 65 as well as more recently the International Requirements for Organic Certification Bodies. These set down best practices on structural and operational requirements for certification organisations involved in process and product certification in general and more specifically on organic production. They require the organisation to establish their own quality management systems and to create their own culture for self-monitoring and improvement.

The role of the IOAS is to verify that these requirements are applied both on paper and in practice, and on an on-going basis through continued surveillance. We visit the headquarters and sub-offices of an organisation, we visit related organisations and of course we observe the work of inspectors on farms and in factories, warehouses and other handling facilities. As organic and sustainable products are produced all over the world, we do visit many countries in the course of a year (28 in 2011).

When we find things not in compliance with the rules, we have the contractual power to insist on corrective measures and the ability to monitor their implementation in the following year and beyond. Accreditation is an external check on an organisation’s health and the principal benefit cited by our clients is quality improvement. That quality improvement should lead to better quality inspection and certification, which should in turn lead to greater trust in the verification performed on organic and sustainable production by certifiers around the world.
Following a consistent trend the overall turnover of the IOAS increased by just under 14% on 2010 figures to US$872,730 resulting in a surplus of US$83,000, significantly more than budgeted. The latter was largely due to lower costs of personnel due to the change in management structure and higher than anticipated income from training and projects. The IOAS continued to invest significantly in new data handling systems and new staff and training throughout 2011 and that will continue in 2012.

In 2003 the IOAS commenced its approach towards offering multiple accreditation programmes and looking back on financial records we can see that income and expenditure per accreditation has been more than halved since 2002 which demonstrates the improved efficiency with which the IOAS now works. This results in improved value for our clients. An incredible success!

The IOAS is a non profit organisation. Its accounts for 2011 were audited by W.S.Weispfenning CPA Ltd.