

International Organic Accreditation Service

Cultivating integrity and trust
across the
organic community



Annual report 2010

The IOAS is committed to:

Fairness, transparency and trust in the worldwide expansion of organic and sustainable agriculture.

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.

The IOAS provides expert assessment and surveillance of the competence of certification bodies on an international level; 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.

Cultivating integrity and trust across the organic community

Mission

IOAS in brief

The International Organic Accreditation Service is an independent, non-profit organisation that works with the world food and farming sector to ensure trust in products labelled as organic and sustainable. It 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.

In addition the IOAS provides generic training in the field of conformity assessment in organic agriculture for certification bodies, regulatory authorities, national accreditation bodies and other interested parties.

The IOAS is itself supervised and approved by various national and supranational agencies:

the National Institute of Standards and Technology (NIST), a division of the United States Department of Commerce, for its IFOAM accreditation and ISO Guide 65 programmes.

the Canada Organic Office (COO) as a Conformity Verification Body for assessing certification bodies under the Organic Products Regulations 2009 of Canada.

The IOAS also works as an assessment body for certification bodies wanting to demonstrate their equivalence to provide access to the European organic market.

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



Accreditation against the requirements established by the International Federation of Organic Agriculture Movements (**IFOAM accreditation** and **Global Organic System Accreditation**)



Accreditation against the requirements of the **ISO/IEC Guide 65** (with various organic and related scopes)



Accreditation against the requirements of the Global Organic Textile Standards (**GOTS accreditation**)



Accreditation against the requirements of the Organic Exchange (**OE accreditation**)



Accreditation against the requirements of the Sustainable Agriculture Network (**SAN accreditation**) - in pilot phase.



Assessment of certification bodies seeking accreditation under the **Canadian Organic Regime** (COR) programme established by the Canadian Organic Products Regulation of 2009



Assessment of certification bodies seeking equivalence status under the European Union Council Regulation 834/2007 for imports into the EU.



1990: Decision of the IFOAM AGM in Budapest to establish an accreditation programme. This is prepared by an Accreditation Committee (AC).

1994: IFOAM AGM approves the accreditation programme and creates the IFOAM Accreditation Programme Board (IAPB)

1997: The International Federation of Organic Agriculture Movements (IFOAM) establishes a separate legal entity, the IOAS, to operate the IFOAM Accreditation Programme as an independent body

1997: Gunnar Rundgren is appointed President and Ken Commins is appointed Executive Director.

1998: At the end of 1998 there are 19 certification bodies under IOAS surveillance.

1998: An Accreditation Committee operating under the Board of Directors is formally constituted.

1998: The IOAS starts writing expert reports for certification bodies on equivalence to European Regulation (EEC) 2092/91.

1999: An independent assessor reviews the IOAS procedures against ISO/IEC Guide 61 for accreditation bodies and shows the IOAS to be fully compliant.

2003: The IOAS ISO Guide 65 accreditation is launched. First combined and collaborative audits with the German national accreditation body, DAP (now DakkS).

2004: the IOAS is recognised as operating both the IFOAM and ISO65 Accreditation Programmes in line with ISO/IE Guide 17011 by the National Institute of Standards and Technology, part of the US Department of Commerce.

2005: 36 certification bodies are under IOAS surveillance. The IOAS commence offering training to regulatory authorities on assessment of competence of organic certification bodies.

2008: The IOAS is audited by the Canadian Food Inspection Agency.

2009: The IOAS signs an agreement with Global Standard GmbH owners of the Global Organic Textiles standards scheme as their preferred accreditation body.

2009: The IOAS makes its first accreditation recommendations to the Canada Organic Office and submits its first assessment reports on equivalence to the European Commission under the new regulation (EC) 834/2007.

2010: The first audits are conducted against the Organic Exchange textile standards.

2010: The IOAS commences a pilot project with the Sustainable Agriculture Network to provide an accreditation service for organisations offering certification against the SAN standards and use of the Rainforest Alliance logo.

2010: The IOAS launches the new Global Organic System accreditation as part of the revised IFOAM Organic Guarantee System.

2010: At the end of 2010, the IOAS has 9 full time staff and supervises 49 certification organisations around the world with more than 120 accreditations.

President's message

On looking back at 2010, the year was characterised by the IOAS asking questions of itself on what sort of organisation it wants to be and in particular whether it wants to spread its focus more widely than just organic agriculture. In previous years we had worked with, for example, social and cosmetics certification but always as an add-on to an organic agriculture scheme. Due I am sure to the reputation of the IOAS in that field, the IOAS was invited to engage in various existing and developing conformity schemes, some of which challenged our vision that all we did should be based on organic agriculture.

The Board discussed the topic of diversification, also involving staff and committee members and it was decided to open up. The Board agreed that the IOAS would engage only in activities in the field of natural resource management (including organic and sustainable agriculture and good agricultural practice in general), social justice and fair trade. Our first step in this broader direction was taken with the initiation of the accreditation programme with the Sustainable Agriculture Network. This was through a pilot project which has progressed well. SAN accreditation is on target to be launched in late 2011.

Alongside this more philosophical thinking the new work areas that came on in 2009 required our full attention as both we, as an accreditation service, and the scheme owners themselves, got to grips with how their schemes (both private and public) should work in practice. The IOAS values very highly the collaborative nature of these various initiatives and the people that work with them, all of which are trying to bring order, transparency and fairness for producers and consumers of products which bear environmental labels.

I have no doubt that this development will continue because any organisation with the commitment and expertise that we see assembled within the IOAS, staff and volunteers, can only go from strength to strength. I would like to take this opportunity to sincerely thank my Board and Committee members, and their organisations for contributing their expertise and time.



Bo van Elzaker
President of the Board

Executive Director's message

Although the IOAS did not announce my stepping down as Executive Director until early 2011, all the ground work for this change took place in 2010 and even back to 2009. The fact that by the time this report is read, the management transition of the IOAS will be well known allows me to announce this as my last ED report and perhaps be more reflective than usual.

Amongst many others there are two things I have learnt over the last 20 years working with the IOAS in its current and previous forms:

- Things take time but persistence and determination will get you there. Some of the regulatory recognition that the IOAS has been receiving in the last 3 years was initiated by meetings in the early 90s! Twenty years of persistence, patience and much work but good work.
- It is all about the people. The greatest strength of the IOAS has been the people who have been part of it whether on the staff, the Board and the Accreditation Committee. We have had the benefit of many of the most perceptive and knowledgeable people the sector has to offer. Couple that with a dedicated and skilled staff and our achievements are not difficult to understand nor the challenges we still face insurmountable.

One of those challenges is the protection and strengthening of the private sector which has weakened in recent years. We cannot do this without ourselves having a better understanding of the importance the private sector has played and needs to continue to play. This is not necessarily an issue of finance, it is an issue of mission and commitment. For the organic sector at large I believe it is the only way out of the complexity of the system that has been created.

Lastly there are two things that I hope (and believe) the IOAS will never lose

- We have always worked with honesty and
- We have always worked with a sense of humour and of comradeship.



Ken Commins
Executive Director

Finally I want to thank everybody for the support you have given me in carrying out my duties. There have been so many wonderful people pass through the IOAS and all of them and all of you have my gratitude. Lastly I especially want to thank all those certification bodies that have put their faith in the IOAS in the early days and since. Thank you all.

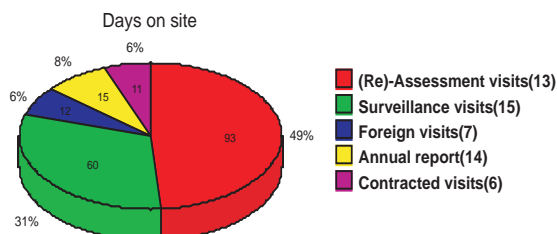
Achievements in 2010

Surveillance activities

During 2010 the IOAS worked with 55 certification bodies based in 26 countries (see Chart 1). Work with six of these bodies was performed with IOAS providing technical experts to other accreditation bodies. The remainder are direct clients of the IOAS under one or more accreditation or surveillance schemes. 69% of all IOAS clients were engaged in more than one scheme and 32% in 4 schemes or more taking advantage of the IOAS ability to offer an increasing range of services and an important part of the IOAS mission.

During the year 8 IOAS assessors spent 176 days performing on-site surveillance across the various schemes, over 50% of that forming part of assessment or reassessment procedures and 34% as routine surveillance (Chart 2). Surveillance of 'foreign' operations was conducted in 6 countries (Canada, Mexico, Nepal, South Korea, Turkey and Uruguay). Chart 3 summarises the number of focussed surveillance activities taking place at on-site visits during the year.

Chart 2: Surveillance type

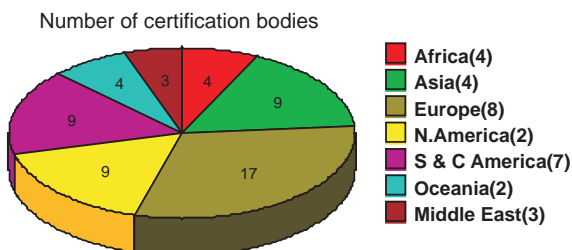


IOAS assessors spent 176 days at on-site visits in 2010

Oversight of the IOAS

The IOAS has been under the surveillance of the National Institute of Science and Technology (NIST) of the USA since 2004 and during 2010 the third biennial reassessment took place to ensure that accreditation procedures continue to comply with ISO Guide 17011. In addition to a full document review NIST assessors observed the IOAS on a site visit in the USA. NIST renewed IOAS recognition before the end of the year extending the scope of the recognition to include assessment against (EC) 834/2007 and to the National Organic Program of the USA. The IOAS is continually subjected to annual surveillance activities and supervisory teleconferences three times per year.

Chart 1: Geographical spread of IOAS activity



IOAS works with CBs based in 30 countries

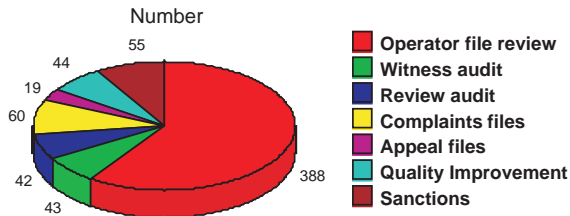


Jan Deane
Programme
Manager

'In 2010 we again proved through the oversight of independent auditors that the IOAS is not only in good shape but that our integrity and expertise is second to none'

Achievements in 2010

Chart 3: Surveillance activity



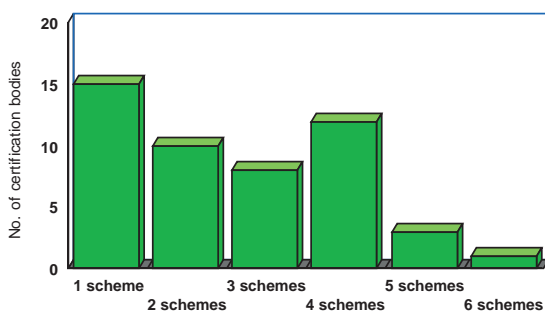
The IOAS investigate a range of CB records during audits

Sustainable Agriculture Network Accreditation

Five applications were received during 2010 under the pilot project implemented through an agreement with the Sustainable Agriculture Network; four from South and Central America and one from Africa. Given the wider scope of the SAN standards which consider broader environmental, social and community development issues than do most organic standards, the IOAS invested further in training and system development to be able to maintain the rigour and integrity for which we are known. The pilot project will be completed during 2011 with the intention to open the scheme to other qualified certification organisations.



Chart 4: Number of schemes



The multiple scheme effect

Food Safety Schemes.

Negotiations continued with a national accreditation body to collaborate on a joint offer of accreditation against a number of Food Safety schemes which are now available in 2011. The agreement is another example of how the IOAS is focused on providing to certification organisations one place for all their accreditation and surveillance needs and a common approach to all schemes..

New IFOAM Organic Guarantee

In August 2010, the parent body of the IOAS, the International Federation of Organic Agriculture Movements based in Germany balloted its international membership of 700 organisations on the structure of a new Organic Guarantee System (OGS) to reflect the needs of the changing world-wide organic movement. The new OGS which was approved by the membership consists of 5 elements, two of which are implemented by the IOAS; a strengthened IFOAM accreditation and a new Global Organic Accreditation System, the latter also based on the highly regarded IFOAM requirements for certification but allowing use of any recognised organic standard. For further details of the changes see page 11.

New people at the IOAS

In 2010 we welcomed two new people working with the IOAS. Patricia Garcia joined the IOAS Accreditation Committee and Jennyfer Karall joined as a full time Client Manager.



Patricia Garcia
Argentina



Jennyfer Karall
Brazil



Although the IOAS is a non-governmental organisation it has worked with government authorities and with mandatory legislation since its inception in 1997. Over the years this has taken various forms from providing independent expert assessments for certification organisations to providing training to staff of competent authorities on oversight procedures of certifiers in organic agriculture. Below are some of the activities that took place during 2010.

The IOAS encourages greater use of our services by governments in order to simplify and reduce the cost of accreditation for imports and to further encourage the growth of organic and sustainable agriculture.

Canada Organic Regime

The IOAS continues as the Conformity Verification Body recognised by the Canadian authorities with most certifiers working under the Canada Organic Regime (all of which are based outside of Canada although in some cases with Canadian operators). During 2010 the IOAS continued its strong input into the development of the scheme and conducted 9 surveillance visits and 8 reassessment site visits which included oversight of the Canada Organic Regime.



Equivalence to Regulation (EC) 834/2007

2010 was dominated by waiting, expectation and not a few rumours regarding the publication of the first list of equivalent certification bodies by the European Commission under their new system for approval of imported organic products. In the end, 2010 expired without any notification from the Commission due perhaps to the high number (over 70) of applications from certification organisations from all over the world and the challenge of assessing them in a consistent manner. As a result the Commission decided to conduct all assessments in-house to maintain consistency rather than distribute them to Member States as was first planned. Despite the fact that there are transition arrangements in place which will maintain the flow of organic products, certification organisations are anxious to be on that first list. Sometime in 2011 we will know the results.

Training



Training in conformity assessment

The IOAS started offering training in 2005. The courses were well received and our training offer has continued to expand year on year. In 2010 David Crucefix of Spain and Roberto Ugas of Peru provided a 3-day course in Spanish to staff of SAG, the agricultural authority in Chile which is charged with oversight of certification bodies under the national law.

Personnel

IOAS Board



Bo van Elzaker
Netherlands



Michael Sligh
USA



Rikke Lundsgaard
Denmark



Jacqueline Haessig-Alleje
Philippines



Robert Duxbury
UK



Beate Huber
Germany

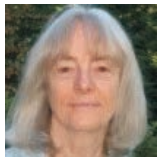


Vitoon Panyakul
Thailand



Diana Callear
South Africa

IOAS Accreditation Committee



Anne Macey
Canada



Vitoon Panyakul
Thailand



Patricio Parra
Chile



Roberto Setti
Italy



Jochen Neuendorff
Germany



Dorota Metera
Poland



Yuhui Qiao
P.R.China



Patricia Garcia
Argentina

IOAS Staff



Ken Commins
USA



David Crucefix
Spain



Angela Jackson
USA



Joyce Ford
USA



Jennyfer Karall
Brazil



Jan Deane
UK



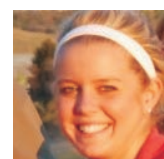
Amaia Aldana
Spain



Gergana Nentcheva
Bulgaria



Susan Hepper
USA



Krysten Williams
USA

Organic Guarantee System

IFOAM Accreditation has been in existence since 1994 as a voluntary scheme and few would challenge its role as the champion of excellence in conformity assessment for the organic sector at international level. This accreditation continues within the new OGS but with a change which will have exciting consequences for equivalence and harmonisation on the world stage. The current IFOAM Basic Standard (IBS) is being transformed into a standard that may be used directly for certification. CBs will no longer need to develop and maintain their own standards and the IOAS will not conduct a standards assessment as part of the accreditation process. As the standard is being crafted with equivalence to the major regulations in mind, it will simplify equivalence assessments and should ease import authorisations, a major concern and burden for many. It is envisaged that a strong and respected IFOAM certification standard will play a key role in reducing the current high number of organic standards in use around the world. The new IFOAM Standard is expected to be available from the beginning of 2012.

Use of this standard for IFOAM accreditation is not obligatory. Certifiers who wish to retain their private standard or that of a related body for IFOAM accreditation may still submit that standard for compliance assessment. Additionally, transition from a private standard to the IFOAM certification standard may be done at any time.

Global Organic System Accreditation (GOSA) is a brand new service for certification bodies which, like IFOAM Accreditation, is based upon the IFOAM Requirements (accreditation criteria). The important difference here is that any private or regulatory production standard in the IFOAM Family of Standards may be used. The accreditation process does not include a standards assessment but does consider proper application in practice.

IFOAM have already announced that regulations in force for more than 5 years will unilaterally join the Family of Standards including the production standards of major regulations such as EC 834/2007, USDA National Organic Program and the Japan Agricultural Standard. All private standards already assessed under the current IFOAM accreditation are also entered automatically in to the family. Other private standards may become part of the family by application. GOSA will be of particular interest to inspection/control bodies working to national regulations as they may now have the added assurance of verification against the highly regarded IFOAM accreditation requirements. Application of these requirements by many certifiers across many programmes will make a strong contribution to harmonisation and trust.

In 2010, the IFOAM Organic Guarantee System (OGS) evolved bringing several important changes to this international private sector guarantee.



David Crucefix
Assistant Executive Director

'There will now be two routes to IFOAM Accreditation: the existing approach involving compliance assessment of a private standard and a new one using the IFOAM certification standard. Combined with the introduction of GOSA these changes will offer a range of solutions to the disturbing flaw in the current regulatory model which either requires all countries to establish organic regulations or for a CB to maintain multiple accreditations, neither of which is credible in the long term'

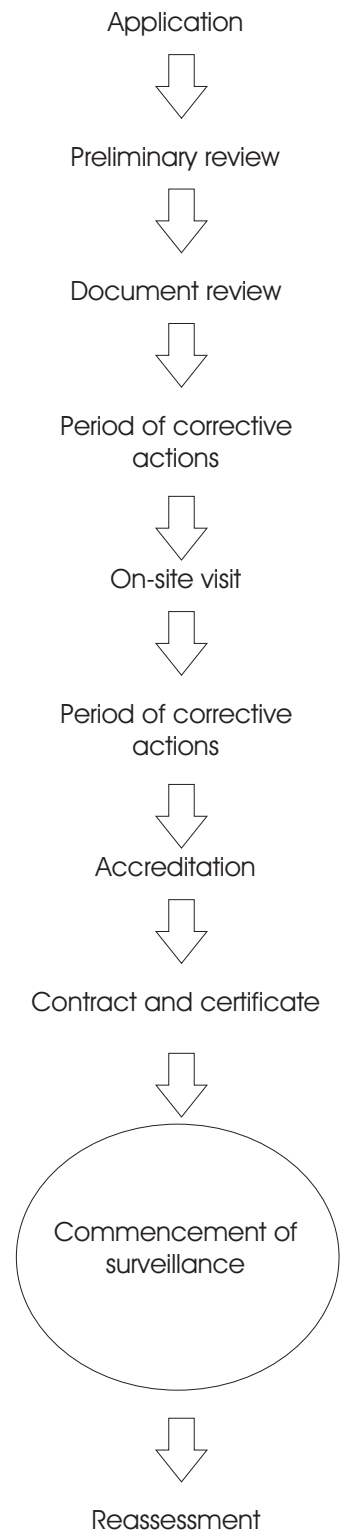
How we work

The IOAS is first and foremost an accreditation body working on an international level and primarily focussed on the organic sector. We don't do this to make money; we do this to protect the integrity of the 'organic' label. 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 organic inspectors on farms and in factories, warehouses and other handling facilities. As organic products are produced all over the world, we do visit many countries in the course of a year (19 in 2009).

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 by all organic certifiers around the world.

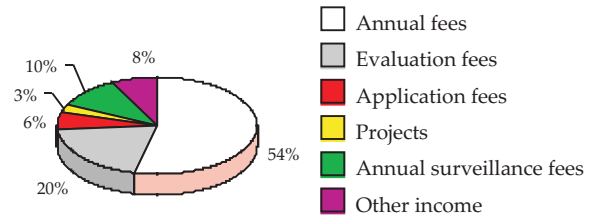


Finances

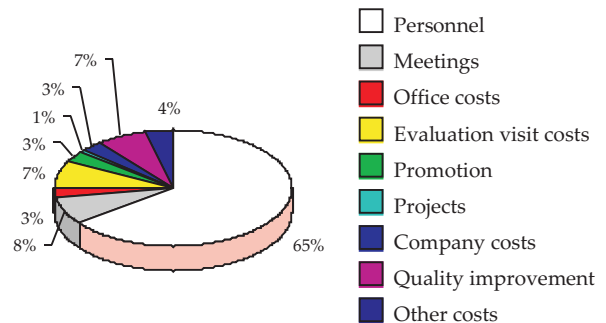
Following the dip in overall turnover in 2009, 2010 brought the IOAS its highest turnover to date by a slight margin at US\$736,178 and a surplus over the year of US\$31,302, higher than budgeted, largely due to favourable currency exchange movements. As a result the IOAS reached its target reserve of two months operating costs and is in sound financial shape.

Higher costs than normal were incurred in 2010 on quality improvement, partly on staff training but also on external audits by our supervisory bodies and in office costs with further investment in information technology to improve efficiency of data handling and monitoring. These were planned investments to establish a solid base for further expansion of services in 2011.

IOAS income 2010



IOAS expenses 2010



Goals for 2011

- To be able to offer a range of Food Safety schemes and have 3 applicants in this field of activity.
- To complete the SAN pilot programme pilot and have a successful transition to opening the programme.
- To have a defined marketing and promotion plan.
- To have successfully evolved to a new management structure.

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