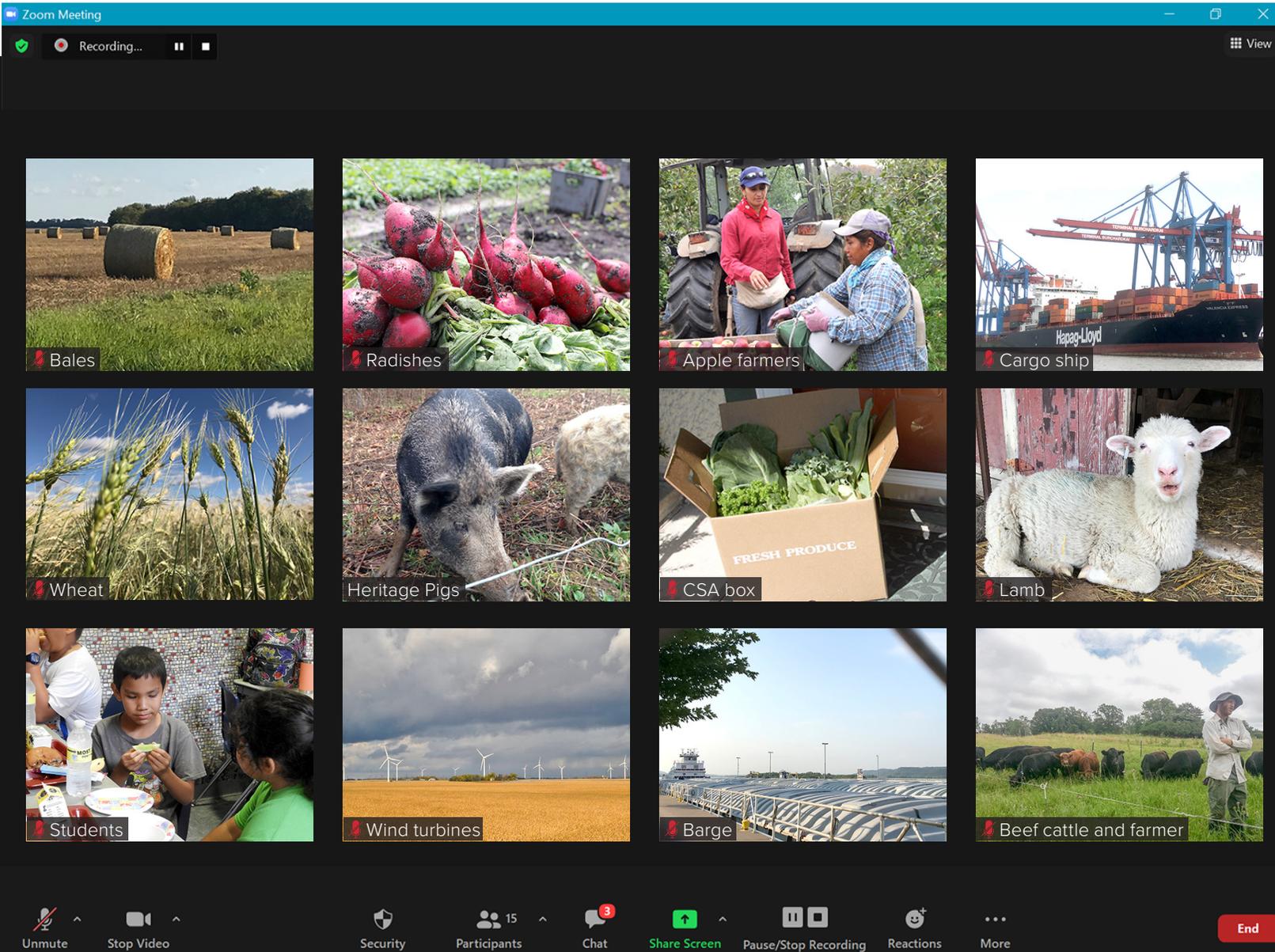


2020 ANNUAL REPORT



Institute for
Agriculture &
Trade Policy

Minneapolis | Washington, D.C. | Berlin
iatp.org

A NOTE FROM OUR EXECUTIVE DIRECTOR

Dear Friends and Supporters of IATP:

I hope this finds you and yours safe and well. 2020 was a year for taking care of one another — bringing food to those in quarantine, schooling our children at home, protecting the right of our elderly to good health, keeping our distance so our neighbors could stay safe. Our safety and well-being depended intimately on how people around us responded, including our families and communities, local and national governments, and the international community, too. Sadly, we also saw a collective failure to extend this care to many essential workers, who too often found themselves on the frontlines of the pandemic with little or no protection.

2020 was also a year of reckoning in the United States. George Floyd was murdered in the community that IATP calls home. Minneapolis convulsed in anger, and people demanded change and began to build that change. Around the world, people stood in solidarity, demanding justice and inclusion from their own imperfect police and criminal justice systems, and an end to racism and systemic exclusion. The U.S. government has expressed a commitment to racial justice, including reparations to right some of the deep wrongs done to Black farmers by U.S. farm policy. We are all accountable for that promise and for making sure the change is truly transformational.

Our 2020 annual report is about solidarity: IATP support for food workers' groups seeking better protections, collaboration with climate activists demanding real reductions to greenhouse gas emissions from industrial agriculture, building local food distribution chains with Hmong American farmers and in-home daycare providers, sharing our research with international coalitions fighting to support agroecological food systems and fairer trade rules. The world did not stop in 2020, but it sure shifted on its axis. At IATP, we were fortunate to be able to keep working. So much remains to be done to build the just and inclusive transition we want, working together to ensure the suffering endured by so many people around the world will not have been in vain.

Enjoy the report! It is a pleasure to be writing to you as IATP's new executive director. I am looking forward to a long and productive relationship with IATP and all our friends and allies. Please get in touch and share your thoughts and reactions!

In partnership,

Sophia Murphy



2020 BOARD OF DIRECTORS



Brian Ahlberg, president of Every Child Matters

Oscar Chacón, co-founder and executive director of Alianza Americas

Dr. Daniel G. De La Torre Ugarte, Researcher and Professor at the Universidad del Pacífico, (Lima, Peru) and Adjunct Professor at the University of Tennessee

Becky Glass, *Secretary*, Labor Network for Sustainability, managing director emeritus (retired)

Dr. Sivan Kartha, *Treasurer*, Stockholm Environment Institute, senior scientist

Nick Levendofsky, Wisconsin Farmers Union, government relations director

Hannes Lorenzen, ARC2020, co-founder and president

Pat Mooney, ETC Group, co-founder

Sophia Murphy, *IATP executive director**

Ma. Estrella Penunia, Asian Farmers' Association for Sustainable Rural Development (AFA), secretary general

Pamela Saunders, *Chair*, CROPP Cooperative/Organic Valley/Organic Prairie (retired)

*The IATP executive director is a non-voting member of the IATP board.



Institute for
Agriculture &
Trade Policy

MISSION:

IATP works locally and globally at the intersection of policy and practice to ensure fair and sustainable food, farm and trade systems.

VISION:

IATP envisions agriculture, trade and food systems that are good for people, farmers and food system workers, ecosystems, and social justice globally.

VALUES:

IATP is guided by values of economic and racial justice, environmental sustainability and resilience, and strong democratic institutions.

A BRIEF HISTORY OF IATP



In 1986, leaders of rural and farm movements from around the world gathered in Geneva, Switzerland to discuss the deepening farm crisis that was forcing farmers off the land and devastating rural communities. It quickly became clear that many of the obstacles facing farmers in the U.S. were the same challenges facing farmers in Europe, Asia and Africa, and that international trade agreements were harming rural communities across the globe. At the conclusion of the Geneva meeting, a small group of rural and farm leaders — who became IATP's original board of directors — identified the need for a new organization to examine the links between global policy and local communities.

Since its founding, IATP has played a unique role in analyzing international trade and agriculture policies and the ramifications of these policies on rural communities. In the 1990s, IATP began to also promote positive alternatives to economically, socially and environmentally destructive agricultural and trade practices. Today, we build upon our history and deep partnerships to serve as the policy arm of this larger social and political movement for change in the U.S. and around the world. Our

systems approach connects global trade and financial rules to locally-driven solutions that strengthen community food systems, value farmers and communities and respond to the climate crisis. With our headquarters in Minneapolis, as well as offices and staff in Washington, D.C., Maine and Berlin, Germany, IATP continues to expand our global partnerships, adapting ideas, strategies and experiences from the global community to the challenges facing local communities.



Minnesota farm protest in 1986



Agriculture Day, organized by IATP, at the Seattle WTO ministerial in 1999



IATP board at the Earth Summit Prep in 1992

2020 PROGRAMS



STRENGTH THROUGH SOLIDARITY IN 2020

During the farm crisis of the 1980s, IATP worked in solidarity with family farm organizations to respond to national and international policies that caused the crisis, and in 2020, IATP built on our decades-long history of responding to crises. Along with longstanding partners — member- and community-based organizations in the U.S. and around the world — we redoubled our efforts to strengthen resilience as we worked together towards our shared goals and vision.

With partners and allies, we exposed callous corporate giants that subjected workers to life-threatening workplace conditions at meatpacking plants across the country during the pandemic. We worked with partners to redirect federal and state-level COVID-19 aid and stimulus packages towards those most in need. By bringing one of our foundational documents into the present with a new series of data-driven essays, *Revisiting Crisis by Design*, we sparked conversations on the failures of decades of U.S. farm and trade policies, building bridges among trade, climate and rural communities. 2020 also saw the conclusion of the Rural Climate Dialogues, a six-year project in partnership with the Jefferson Center and communities across rural Minnesota that convened civil leaders and community members, as well as created space for listening, empathy building and the formation of successful locally driven climate action plans.

In October, we welcomed back with open arms an IATP veteran, advisor and collaborator: Sophia Murphy. She returned as our fourth executive director. Under her leadership, IATP is renewing its role as a think tank, rooted in research and coalition work, advocating for policy in the public interest at the state, federal and international level.

IATP is built on the power of systems thinking. We organize our work into three distinct yet interconnected areas to facilitate strategy development and reflect our relationships with partners and relevant policy makers. In 2020, each area of work pivoted to meet the extraordinary challenges induced by the pandemic. Moments of solidarity with our partners and our communities, both close to home and across the globe, shined through the darkness of the year as hopeful reminders that together, we can achieve transformational changes in food and agriculture systems, and in the trade and financial systems that shape them.



Participants convened at the Rural Climate Dialogue in Murray County.



Revisiting Crisis by Design: Three decades of failed farm policy

Read our new series [Revisiting Crisis by Design](#) that looks at how the farm situation has changed and assesses the impact of current and past policies over the last three decades. Then, join us on Thursday, April 23 at 12pm CDT on [Facebook](#) for a live discussion.

The COVID-19 emergency exposes numerous catastrophic failures in our economies and societies. Fragile, concentrated supply chains have broken down, leaving [consumers anxious about their food](#) and [farmers forced to dump milk and produce](#) they cannot sell or harvest. In South Dakota, one of the nation's [biggest pork processing plants was shut down](#) after more than 400 of its workers fell ill with the virus. Farmers, already reeling from low prices and the market chaos created by Trump's trade tantrums are entering uncharted waters.

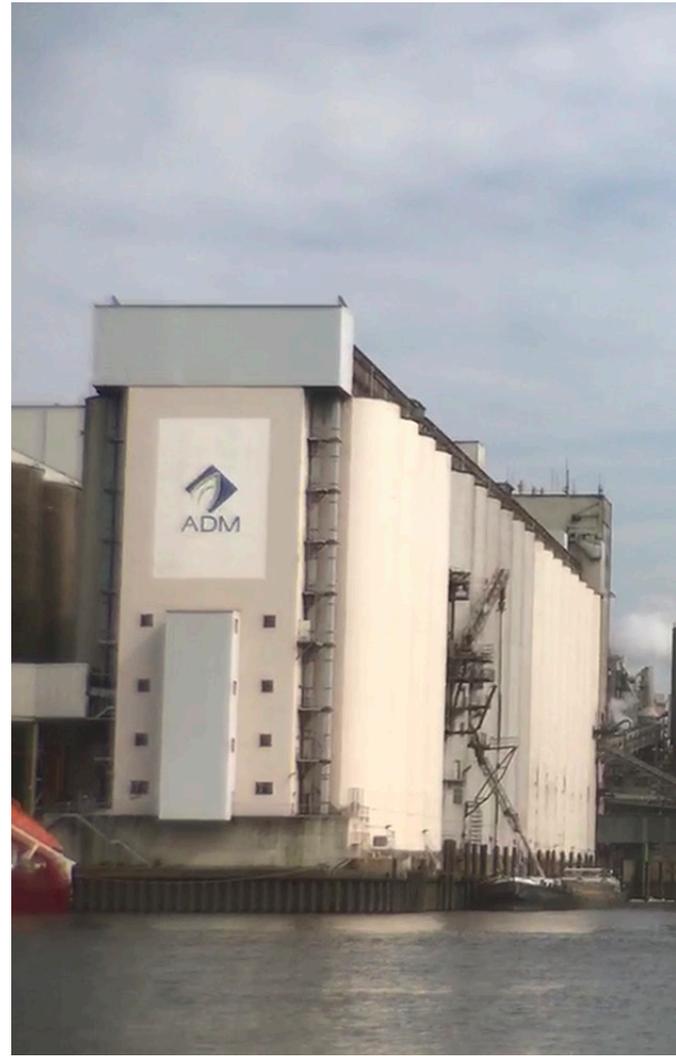
FAIR AND SUSTAINABLE TRADE



IATP works closely with U.S. and international partners to transform the negotiation and implementation of trade deals. IATP opposes trade deals that lock out public debate and public oversight, and promotes fairer and more inclusive trade policies that respect social and ecological goals. Trade agreements should promote exchanges of the highest quality goods and services; be negotiated transparently and be democratically accountable within and across countries; support remunerative farms and prosperous rural communities; and protect the sustainability of natural resources and ecosystems in the U.S. and around the world.

Despite the pandemic, the Trump administration moved forward aggressively with a corporate trade agenda geared toward expanding NAFTA with the United States-Mexico-Canada Agreement (USMCA). The administration initiated trade talks with the United Kingdom, the European Union and Kenya, each of which proceeded behind closed doors. In solidarity with our international partners, we worked to stop the expansion of the USMCA trade model and its privileging of capital over communities and raised the voices of international partners in the U.S. debate.

IATP teamed up with U.K. food, farming, public health and consumer organizations to present information to the public and members of Parliament in a series of briefings, webinars and articles. Efforts culminated in jointly submitting evidence to the House of Lords. Ultimately, negotiations were halted, and we won a victory when the U.K. Parliament accepted that they needed to take on additional oversight of agricultural provisions in trade agreements.



With Kenyan groups, we challenged the proposed U.S.-Kenya free trade agreement, highlighting the risks for land rights, food sovereignty and the environment. We engaged with U.S. congressional offices to demand a slow down on the rush to establish the Kenya deal as a model agreement for the rest of Africa. As an example of the threats the agreement would pose to Kenya, we called attention to the pressure U.S. trade negotiators put on Kenya to reverse its domestic bans on plastic imports, as well as to relax pesticide regulations and nutritional labeling, in a front-page story in *The New York Times*.

In addition, we joined forces with allies in the EU, Brazil and Argentina to prevent the ratification of the EU-Mercosur trade deal. We published a set of factsheets on the risks of the deal for climate and deforestation; pesticide use and genetically modified organisms;



Climate, land use change and the EU-Mercosur Agreement: Accelerating tipping points

Provisions in the EU-Mercosur FTA conflict with ambitious climate action. If enacted, the agreement would result in an increase in EU imports of primary agricultural commodities from a region critical for maintaining global biodiversity and regulating climate. Based on available information, if ratified, the EU-Mercosur agreement would:

- > Incentivize socially and environmentally destructive land use change, edging the Amazon further towards its "tipping point"
- > Facilitate further destruction of the Gran Chaco and the Cerrado
- > Increase greenhouse gas emissions, undermining climate goals in both regions
- > Fail to ensure supply chain traceability and sustainability standards, effectively empowering agribusinesses in both regions to expand business as usual

The current European Commission came in pledging climate action and launched the European Green Deal in 2019. In the coming weeks, the EU is set to increase its climate pledge to 55-60% below 1990 levels and become carbon neutral by 2050. While 64% of EU's greenhouse gas emissions embedded in its food supply come from intra-EU trade and production (over half from meat and eggs), 25% are displaced emissions from Latin American imports.¹ Seventy-six percent² of all EU land use change emissions are related to the imports of oilseeds (mostly soy) and vegetable oils and tied to EU meat production.

Brazil, the largest trading partner from the Mercosur countries, pledged to reduce by 2025 its net greenhouse gas emissions by 37% compared to 2005 levels. Under President Jair Bolsonaro's administration, however, Brazil is going in the opposite direction, recording the highest levels of deforestation in a decade, deregulating and weakening institutions responsible for climate policy and environmental protection and transferring the administration of indigenous lands to the Ministry of Agriculture. Based on Brazil's Greenhouse Gas Estimates System (SISEC), the country increased its emissions by 9.6% in 2019, failing to meet its 2020 target. Seventy-two percent of these emissions are due to agriculture and land use change. According to a 2018 peer-reviewed study, a quarter of EU food supply emissions were imported from Latin America. Agricultural goods accounted for half of EU imports from Mercosur countries in 2018. This agreement would expand this trade by increasing European quotas for beef, poultry, pork, sugar, ethanol, rice, honey and sweet corn. It will also eliminate EU import duties on hard commodities that are mined in the region, such as iron ore, silver and kaolin.

INCENTIVES FOR LAND USE CHANGE AND LAND DEGRADATION EXACERBATED BY THE FTA

The FTA will create new incentives for exports and the resulting land use change. The Amazon, the Brazilian Cerrado and the Gran Chaco, traversing Argentina, Paraguay, Bolivia and Brazil, hang in the balance. The FTA increases EU's beef quota for Mercosur countries by 50% to 99,000 tons, poultry by 180,000 tons (expanding total poultry imports to the EU from 900,000 tons to over 1 million tons), pork to 25,000 tons and creates a six-fold increase of bioethanol imports to the EU to 650,000 tons. The ethanol quota is equivalent to the Mercosur's total global exports of ethyl alcohol. The agreement also eliminates the use of export taxes for soy (applied in Argentina and Paraguay), likely to result in greater soy exports to the EU and boosting domestic production.

Brazil's trajectory: Emissions from Land Use, Land Use Change and Forestry (LULUCF) to 2030. Projections for a business as usual (BAU) versus the country's LULUCF NDC target

Source: Grazi et al., 2017



Making a bad trend worse: BAU reflects trends since 2012 of political support for predatory agriculture and land-grabbing practices. To meet its climate commitments, LULUCF emissions must instead drop to 22 million tons by 2030.³ GRAI predicts the total emissions stemming from the EU-Mercosur FTA to be 8.7 million tonnes per year, one third of which stemming from LULUCF.

(*) See pg. 49: <https://publications.jrc.ec.europa.eu/repository/bitstream/JRC117364/scenariospolicy-follower-final442020.pdf>

food safety; and public procurement for school lunch and other feeding programs. After we presented the factsheets at an EU parliamentary briefing, our partners used the factsheets in fruitful grassroots campaigns in both the EU and the Mercosur countries.

With our partners at the Rosa Luxemburg Stiftung—NYC Office, Institute for Policy Studies and Canadian Centre for Policy Alternatives, we organized a series of webinars on trade rules for climate justice, which sparked new conversations about trade alternatives. Trade has a unique potential to respond to the climate crisis, and as climate change escalates, IATP continues to demand that governments usher in a new era of trade that protects the planet and supports national and international climate policy.

Big Oil Is in Trouble. Its Plan: Flood Africa With Plastic.

Faced with plunging profits and a climate crisis that threatens fossil fuels, the industry is demanding a trade deal that weakens Kenya's rules on plastics and on imports of American trash.



By Hiroko Tabuchi, Michael Corkery and Carlos Mureithi

Aug. 30, 2020

The Kenya proposal “really sets off alarm bells,” said Sharon Treat, a senior lawyer at the nonpartisan Institute for Agriculture and Trade Policy who has worked for more than a decade advising trade talks in both the Trump and Obama administrations. Corporate lobbyists “frequently offer up very specific proposals, which the government then takes up,” she said.

A JUST TRANSITION FOR AGRICULTURE



IATP has always resisted exploitive factory farm systems and advocates for a transition of food and farm systems around the world to more just, regenerative, agroecological systems that are good for independent family farmers, rural communities, water, air and our health. IATP works for public policies for agriculture, finance and climate that support rapid greenhouse gas emissions reductions and respect the dignity of everyone employed in food systems, from farm to table. In 2020, analysis and advocacy focused on three central areas of work, in each case assessing how the cessation of normal economic activity and the release of unprecedented sums of public money could further our transformative agenda: the regulation of industrial agriculture; the reduction of greenhouse gas emissions from agriculture; and the redirection of public money towards regenerative, agroecological systems.

REGULATE INDUSTRIAL AGRICULTURE

Large-scale, industrial animal agriculture systems are responsible for enormous damage to the public good: they bankrupt independent family farmers, exploit workers, hollow out rural communities and contaminate water, air and soil. In 2020, IATP worked in coalition with partners to call for regulation to limit corporate concentration and hold the industrial livestock sector accountable to environmental, food safety and human rights standards.

At the outbreak of the pandemic, farmers were already in crisis due to years of prices below the cost of production coupled with rising price shocks. IATP worked with Midwest family farm groups to convene a series of virtual meetings with farmers in Minnesota, South Dakota, Iowa



and Missouri to identify the underlying causes of the current farm crisis, solutions to that crisis and a strategy to advance those solutions.

Agriculture and food workers were forced into crisis mode, too. Exploitative working conditions in large-scale meatpacking and dairy

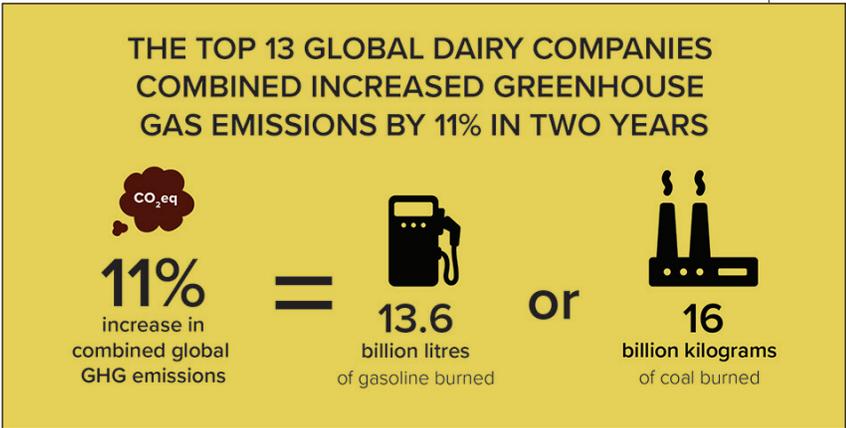


IATP's Ben Lilliston being interviewed on CBS about the meat shortages.



plants where workers were refused personal protective equipment, virus testing and sick leave led to the emergence of COVID-19 hotspots. In solidarity with affected workers, IATP partnered with the Food Chain Workers Alliance to distribute mini-grants to worker centers in some of the hardest hit meat-packing communities to support workers' rights and protections.

While the pandemic brought into clear focus injustices at the core of the industrialized system of production, IATP shed light on another failure of big meat and dairy: its climate impact. Our report, *Milking the Planet*, revealed a shocking rise in total combined emissions of the largest dairy corporations, while small-scale dairy farms rapidly disappeared into a landscape controlled by the same massive, high-polluting corporations. We publicized the reports and influenced policy debates, working with climate networks tracking the United



This Morning

Nations Framework Convention on Climate Change (UNFCCC) in the U.S., the EU and in global networks.

REDUCE EMISSIONS FROM AGRICULTURE

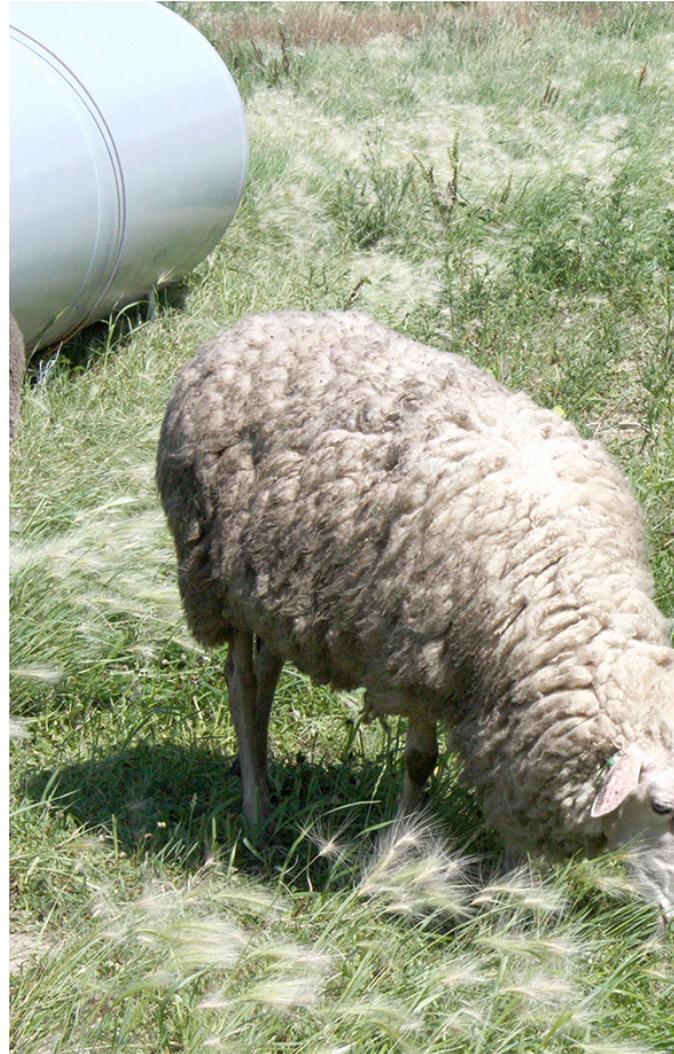
Over the last decade, IATP has worked intensively to establish a policy framework that responds to the climate crisis in ways that are centered on family farm organizations and rural communities. As the joint crises created by the pandemic and climate change rocked the globe in 2020, IATP worked in solidarity with those impacted most, collaborating with trusted partners in the U.S. and internationally.

With trusted partners at the National Sustainable Agriculture Coalition (NSAC), we included a call for increased spending on agricultural conservation programs in NSAC's comments to the Senate and House committees on the climate crisis and the coalition's transition memo for the incoming presidential administration. As co-chairs of NSAC's climate change committee, we helped the coalition secure signatures from more than 2,000 farmers across the country on a letter supporting federal action on climate change, delivered to the House climate committee.

With the National Family Farm Coalition (NFFC), we published a policy brief detailing how carbon markets will not reduce greenhouse gas emissions but rather create another way for big polluters to profit and for agriculture to avoid doing its part to slow the climate crisis. In advance of governments' virtual discussion of the role of carbon markets in international climate action, IATP and partners released a briefing paper expanding further on why agricultural offsets are a false solution.

At the state level, IATP worked with the Minnesota Center for Environmental Advocacy and the Land Stewardship Project to strengthen the state's permit approval process for Concentrated Animal Feeding Operations (CAFOs). Minnesota is one of the first states to grapple with how to count the greenhouse gas emissions of CAFOs. In July, IATP outlined how the state could count the full life scope of CAFO emissions in a comment to the Minnesota Pollution Control Agency.

Lastly, as one of the only groups raising awareness about climate-related financial risk in 2020, we published a report, *Agriculture Finance for Climate Resilience*, detailing



climate risk mitigation measures for use in agricultural credit policy, federally subsidized crop and livestock insurance, and beyond. IATP engaged in advocacy at the Commodity Futures Trading Commission (CFTC) on the issue of climate-related financial risk and also was invited to draft contributions to the financial regulatory chapter of a transition memo to the incoming Biden administration.

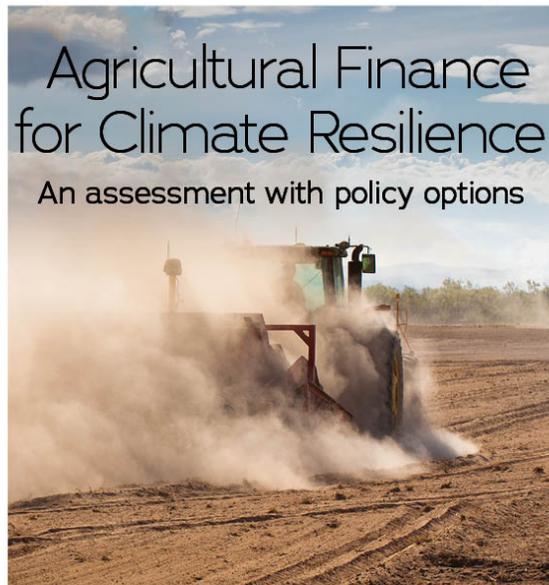
REDIRECT PUBLIC MONEY

In 2020, Congress passed several unprecedented COVID-19 aid packages, including a \$2 trillion package that included aid to farmers and rural communities. Working closely with partners, IATP advocated for Congress to put guardrails on the disbursement of relief dollars so aid would not become a slush fund



Agricultural Finance for Climate Resilience

An assessment with policy options



By Steve Suppan
September 2020

for global agribusiness firms but rather would benefit family farmers, food system workers and rural-rooted businesses. As active members of the Campaign for Family Farms and the Environment (CFFE), we contributed to a series of op-eds calling for pandemic aid for family farmers, not global meatpackers as well as a transition memo to the Biden administration, proposing reforms to the factory farm industry.

The misallocation of public money played out at the international level, too. In July, IATP joined other groups in a letter to the heads of the publicly funded European Bank for Reconstruction and Development and the World Bank's International Finance Corporation demanding an end to public investment in factory farms and mega-dairies, which are bad for the environment, rural economies, and human and animal health.



COMMUNITY FOOD SYSTEMS



IATP seeks to build model community-based food systems in Minnesota that give all people access to sufficient, safe, culturally appropriate and nutritious food while also developing local food supply chains that allow small to mid-scale farmers to access a variety of new markets, especially farmers from historically excluded Black, Indigenous and People of Color (BIPOC) communities. IATP is helping to revitalize local economies, give farmers stable and predictable income through the buying power of institutions, like school districts and hospitals, and get fresh and healthy local food to students and communities.

Farmers, schools and children faced an urgent and ongoing crisis due to the pandemic. Farmers dealt with unstable and uncertain markets as their buyers, especially restaurants and food service providers, shuttered temporarily. With a decade of community food systems work under our belt, IATP knew how to pivot to support our Minnesota food systems. We put our experience with global institutions to use, calling on the U.N. Committee on Global Food Security (CFS) to respond to the COVID-19 crisis in a way that would bolster national commitments to protect and promote local food systems, grounded in agroecology, to meet immediate hunger needs and reduce the threat of global supply chain disruptions.



In the early days of 2020, we published a report documenting the successes of our Farm to Summer programs, developed and implemented with Minnesota partners including the Mille Lacs Band of Ojibwe Nay Ah Shing Schools in north central Minnesota and Roseville Area Schools in the Twin Cities metro area. The report offered recommendations, resources and opportunities for others interested in following our Farm to Summer model.

During the pandemic, child hunger spiked, with Minnesota reaching a record one-in-six children facing hunger in 2020. In response, IATP worked with partners from around the state to support the Minnesota Department of Agriculture's "Rapid Response" grant for schools to purchase from local farmers in 2020. We also organized a webinar with our partners at Nay Ah Shing/Pine Grove Schools, Roseville Area Schools and The Good Acre on how Farm to Institution nutrition programs



A student at Mille Lacs Band of Ojibwe Nay Ah Shing School participating in the Farm to Summer Cucumber Crunch Event.



Farm to Summer

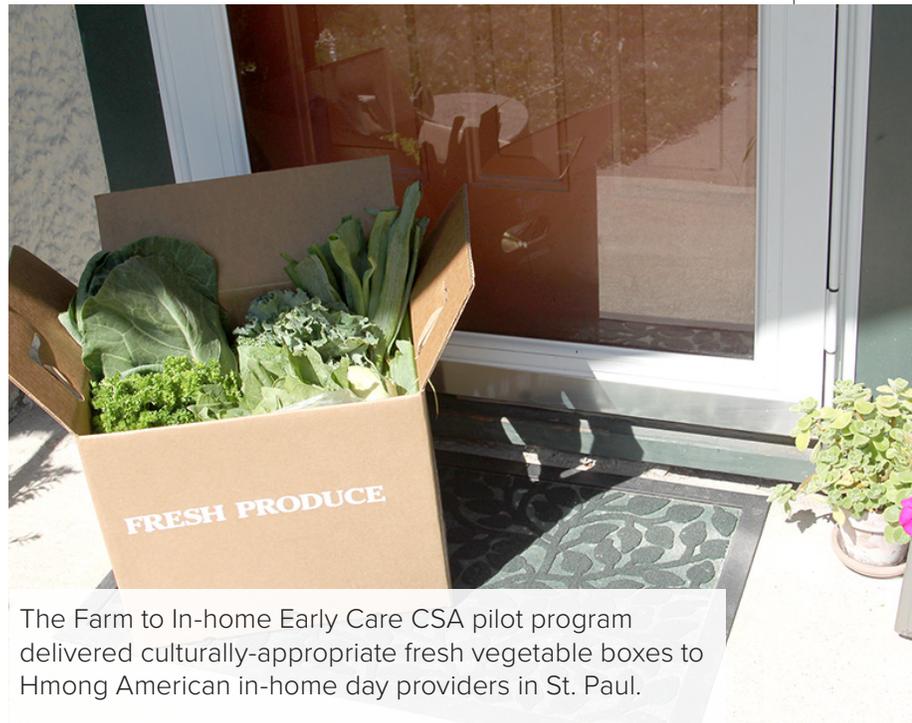
CONNECTING CHILDREN WITH LOCAL FOODS AND FARMERS THROUGH SUMMER MEAL PROGRAMS



By Erin McKee and Katie Costello
February 2020

pivoted and adapted during the pandemic to meet evolving needs.

As farmers were losing sales and many child-care providers were forced to close at the beginning of the pandemic, IATP saw the need for a new approach during the crisis. We built on the success of our Farm to School programs and worked with our partners at the Hmong American Farmers Association (HAFA) to develop a new model. Our Farm to In-home Early Care CSA pilot program delivers culturally-appropriate fresh vegetable Community Supported Agriculture (CSA) boxes to Hmong American in-home day care providers in St. Paul, as well as connects the childcare providers with child nutrition programs that pay some of the additional cost associated with procuring the vegetable boxes for the children in their care. Our work in solidarity with HAFA and childcare providers allowed us to provide sufficient, safe, culturally appropriate and nutritious food to young children even when the food system was in chaos.



The Farm to In-home Early Care CSA pilot program delivered culturally-appropriate fresh vegetable boxes to Hmong American in-home day providers in St. Paul.



2020 FINANCIALS

BALANCE SHEET

| | |
|---------------------------------|-------------|
| Total Assets: | \$1,547,521 |
| Current Liabilities: | \$112,313 |
| Total Liabilities & Net Assets: | \$1,552,940 |

INCOME STATEMENT

| | |
|---------------------------------|-------------|
| Total Revenue: | \$1,197,620 |
| Total Expense: | \$1,459,332 |
| Program: | \$1,098,925 |
| Mission Support/Administration: | \$251,570 |
| Mission Support/Fundraising: | \$108,837 |

USE OF FUNDS

| | |
|---------------------------------|-----|
| Programs: | 75% |
| Mission Support/Administration: | 17% |
| Mission Support/Fundraising: | 8% |

IATP experienced a net loss in 2020 due to a revenue shortfall and subsequently spent down a portion of its cash reserves. Management believes that the organization's financial health will continue to improve based upon the changes first implemented in 2019. The summarized financial information provided in this annual report has been extracted from the IATP 2020 consolidated audited financials. Please refer to the complete audited financial statements for the year ended December 31, 2020, for the full generally accepted accounting principles (GAAP) presentation.



THANK YOU FOR YOUR SUPPORT!

Our mission is made possible in partnership with generous donors. Through a tax-deductible donation to the Institute for Agriculture and Trade Policy, you can support our work locally and globally at the intersection of policy and practice to ensure healthy, fair and sustainable food, farm and trade systems.

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