A Note From Our Executive Director

Dear Friends and Supporters of IATP,

Although 2021 ended just a few months ago, it seems a world away in the aftermath of Russia’s invasion of Ukraine. The war has launched a new series of global crises, sending food and fuel prices spiraling skywards and further complicating the already frayed politics of international cooperation. The worlds of trade, finance and investment are reeling; no matter how the war plays out, its consequences will be lasting.

The war has intensified global debates on democracy, our theme for the 2021 Annual Report. Civil society organizations thrive in democracies. Our existence depends on having the political space to speak freely, conduct research unimpeded and to raise our voices when norms are violated. The erosion of democracy worldwide is of concern to all of us, and Ukraine’s brave stand in the face of Russia’s attack on its political independence and territorial integrity is a powerful symbol for the wider fight to protect democracy from authoritarianism.

2021 was my first full year at IATP. I am proud to serve this organization. You will read more about our work in the following pages, so let me focus here with a brief scan of our horizon, showing some of the many ways IATP actions and initiatives strengthen democracy, here in the Midwest where we are rooted and around the world. A short list of 2021 achievements includes:

- Doubling the Minnesota state budget for farm to school programs, working with an inclusive platform of producers and buyers that IATP has anchored and that is changing the face of agriculture in our home state. Raising the diverse voices of Minnesota food communities.
- Halting attempts to establish a proposed national carbon bank that would bypass pioneering regenerative farmers and that relies on exaggerated claims about soil carbon capture’s potential to offset emissions economy-wide. Fighting false solutions with science.
- Supporting the Mexican government’s commitment to increase food self-sufficiency against U.S. government attacks. Democracy means the power to face down coercive diplomacy.
- Negotiating with allies and governments at the U.N. Committee on World Food Security to develop agreed agroecology principles supported with the weight of an international agreement. Protecting and promoting civil society’s voice in international diplomacy.
- Documenting the failures of the Alliance for a Green Revolution in Africa (AGRA) and encouraging donors to focus instead on the agroecological interventions called for by African civil society organizations across the continent.
- Refreshing the IATP website, increasing accessibility to IATP analysis and better explaining how we work and what we do. Ensuring accessible, accurate information and analysis available to all.
- Documenting the sizeable unmet demand among U.S. farmers for conservation programs. Fighting for public funding that responds to rural communities’ demand for a clean and healthy environment.
- Holding global agribusiness responsible for their greenhouse gas emissions with the release of a third report in our Emissions Impossible series, which counts the climate footprint of Europe’s meat and dairy industries. Calling out false accounting and demanding accountability of giant meat and dairy companies.

Looking ahead, many of us are anxious about the future of our political institutions in the U.S., about the shrinking political space for civil society organizations in many countries around the world and about whether multilateralism can survive the consequences of Russia’s aggression in Ukraine. That anxiety spurs us on. Yet in all honesty, IATP’s programs and achievements also give me hope. Citizens banded together to make positive change where they live, working in cahoots with civil society and social movements around the world — that is democracy in action. I love that we are a part of it.

Sophia Murphy, Ph.D.
Executive Director
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*The IATP executive director is a non-voting member of the IATP board.
Mission, Vision & Values

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

Founded at the height of the farm crisis in the 1980s, the Institute for Agriculture and Trade Policy was created to bring together an international board of food and farm activists, responding to the need to examine the links between international trade agreements and rural communities and farmers across the globe. Since its founding, IATP has worked on trade policy, challenging the free trade orthodoxy and creating new openings for a fairer, sustainable trade policy in the U.S. IATP has documented how agribusiness-friendly trade rules hurt farmers, food security and the environment, and advocated for farm policies that support markets that pay farmers fairly, protect workers and the environment and help rural communities thrive.

Over the past decade, IATP has worked intensively at the intersection of climate change, trade and agriculture policies, spearheading examination of how the Farm Bill and trade agreements can incorporate climate change into food system and farm finance policies. IATP has also become a leader in Farm to Institution work, supporting local farmers to get nutritious, culturally appropriate food to schools, preschools and hospitals through public procurement programs.

Today, we build upon our history and our partnerships to provide policy analysis and political advice to social and political movements for change in the U.S. and around the world. Our systems approach connects global trade and financial rules to solutions that are owned by and work for local communities that value farmers and farm workers and that are responding to the climate crisis. Our headquarters are in Minneapolis, and in 2021, we had offices and staff in Washington, D.C., Maine and Berlin, Germany.

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
Programs & Accomplishments

Democracy in action at IATP

Despite the prolongation of the coronavirus pandemic in 2021, the year brought us reasons for hope. Although our democratic processes were challenged, democracy prevailed in the United States. The Biden-Harris administration took office in January promising a big agenda, from tackling the mishandled global pandemic; to reversing the effects of structural racism that persist in U.S. social, economic and political structures; to (at last) addressing the effects of the corporate concentration that is rampant across agricultural and food sectors. The administration also, finally, committed the U.S. government (after decades of neglect) to tackle climate change. Of course, actions speak louder than words, but these were words that were well worth hearing. IATP has joined with many partners and allies to ensure effective action follows.

Civil society plays a crucial role in articulating, protecting and promoting the public interest. We work alongside formal governments but challenge them, too. In 2021, IATP was proud to play a role as a non-governmental organization dedicated to the public interest, ready to demand that the new administration uphold its promises to the American people — as well as to demand that democracy be allowed flourish across the globe.

With our partners, we took advantage of openings at the international, federal and state level to make significant gains in shifting our food systems toward more resilient, fair and democratic food and farm systems. IATP has three core objectives that run through our program work: a just and green transition for agriculture; fair and sustainable trade policy; and resilient community food systems. Throughout the pages of this report, learn more about the successes and accomplishments of IATP and our partners in pursuit of realizing our shared mission and advancing justice and democracy.
A Just and Green Transition for Agriculture

IATP has always resisted exploitive factory farm systems. We are advocates for a transition to more just, regenerative, agroecological systems that are good for independent family farmers, rural communities and ecosystem health around the world. IATP supports agriculture, finance and climate policies that respect the dignity of everyone employed in food systems, from farm to table, while protecting biodiversity and making real and lasting reductions to greenhouse gas emissions.

In 2021, IATP joined allies in bringing public attention to the inequities exposed by the pandemic at meat-packing plants and on factory farms. We continued to advocate for tighter regulations on the factory farm system of animal production and bigger public investments in regenerative agriculture and agroecological systems.

We continued to shine a spotlight on the climate footprint of big meat and dairy companies with the release of a third report in our Emissions Impossible series. This report focused on companies with headquarters in Europe and documented the hypocrisy of firms that are committing themselves to reduce their greenhouse gas emissions yet offering weak or even misleading solutions in their so-called net-zero plans. Our research on the meat and dairy industry’s greenhouse gas emissions from agriculture yet offering weak or even misleading solutions in their so-called net-zero plans. Our research on the meat and dairy industry’s greenhouse gas emissions served as the basis for a petition we filed in partnership with allies, calling for the U.S. Environmental Protection Agency to regulate the methane emissions of the factory farm industry under the Clean Air Act.

Ahead of the 26th Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC COP26) in Glasgow, Scotland, we released a co-authored report on the dramatic increase in global synthetic fertilizer use worldwide and the undercounted greenhouse gas emissions associated with synthetic fertilizers’ production and use. In addition, IATP published a series of papers examining the net-zero claims of agribusiness firms, including one focused on the global meatpacker, JBS. At COP26, IATP staff presented at a well-attended side event titled "Net Zero smoke and mirrors, a story of betrayal."

IATP also challenged a proposal by the Task Force on Scaling Voluntary Carbon Markets (TSVCM) that would lead to a global offset market for greenhouse gas emissions. We ensured civil society organizations understood the relationship between TSVCM and the market mechanisms negotiations at COP26. IATP also urged the U.S. Commodities Futures Trading Commission (CFTC) to disallow any new emissions offset futures contracts, and to increase their scrutiny of the emissions reductions claimed in the contracts they hold.

As the U.S. Congress and Biden administration worked on the sweeping Build Back Better package, IATP published Closed Out: How U.S. farmers are denied access to conservation programs on the vast unmet demand for federal conservation programs due to funding limitations. With other rural advocates, we pushed for a doubling of the funding for farm conservation programs, such as the Conservation Stewardship Program, and for improved systems for local food to prevent some of the supply chain disasters experienced during the pandemic.

When they took office in January 2021, the Biden administration expressed interest in establishing a carbon bank through U.S. Department of Agriculture (USDA). There was also bipartisan Senate support for setting new rules for voluntary carbon markets for agriculture that would have significantly increased the legitimacy of the instrument. IATP has documented the failure of these markets for over a decade and worked with partners to successfully stop both the proposed carbon bank at USDA and to hold off Congressional approval of new rules that would have legitimized unworkable, scientifically questionable agriculture offsets.

At the state level in Minnesota, IATP helped advance a proposal to ensure climate change effects are accounted for in the environmental review process for new or expanding factory farms. The state agreed to move forward with a pilot project that can serve as a model for other states and, ultimately, national-level policy. We also worked closely with family farm groups in Minnesota, Iowa, South Dakota and Missouri to shape how public spending through pandemic aid and the infrastructure bill could support family farms instead of factory farms. We continued to highlight the problems of corporate concentration in agriculture, working with the Minnesota Attorney General to oppose the Cargill/Sanderson Farms merger and encouraging the Biden administration as it ramped up its antitrust efforts.
Fair and Sustainable Trade Policy

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 oversight. 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.

In 2021, IATP continued to work toward exposing the agribusiness-driven trade agenda and advocating for viable alternatives to free trade. The Biden administration has by and large heeded our calls for a pause on the negotiation of new free trade agreements to reassess the larger goals of trade. The U.S. Trade Representative all but halted new trade negotiations; instead, the office has focused on creating a more inclusive trade policy and assessing the distributional effects of existing agreements.

During this window of opportunity, we published a policy brief comparing the trade and sustainability provisions of recent European Union trade agreements with the environment chapter of the United States-Mexico-Canada Agreement (USMCA, sometimes called New NAFTA) and analyzed the potential effectiveness of the different approaches in addressing climate change. Advocates used the policy brief to support more effective enforcement mechanisms for the sustainability provisions of EU trade agreements, which are currently limited to consultation, without recourse to dispute settlement. The brief also exposed the limitations of U.S. trade agreements, which do not directly address climate concerns.

We worked with labor and farm allies to defend Canada’s dairy supply management from a trade challenge under New NAFTA. Our argument emphasized the climate benefits of managing supplies, as well as the economic benefits of fair prices for dairy farms, better animal welfare outcomes and the lower pollution associated with supply management. With our partners in the Disparity to Parity project, which brings together farmers, scholars, activists and policy analysts, we hosted a webinar on trade policy and parity, expanding the idea beyond fair prices to include land, racial and gender justice, as well as international solidarity.

IATP is fighting to enshrine provisions for effective and equitable climate action to be included in any new trade or investment agreement. With allies, IATP created an online tool for climate activists that makes the case for trade reform to support a green and fair economic transition. We convened organizations from the global North and South to examine Europe’s proposals for a Carbon Border Adjustment Measures (CBAM), especially as they apply to fertilizers. We also published a policy brief that explains the European Commission’s plans for a CBAM.

IATP also continued its watchdog role on efforts to financialize water. In early 2021, IATP learned of the launch of the Chicago Mercantile Exchange (CME) futures contract to manage price risks related to water scarcity. With our extensive knowledge of U.S. agricultural commodity markets, we understood the complications that would result from the trading of water futures contracts. With partners, we cohosted a Water Financialization 101 webinar, which reached a large audience. In the last quarter of 2021, we helped allies as they organized a petition to the U.S. Commodity Futures Trading Commission (CFTC) asking to suspend the CME’s water futures market.

"Trade agreements should promote exchanges of the highest quality goods and services, be negotiated transparently and be democratically accountable within and across countries."
Agroecology and Resilient Community Food Systems

IATP is working with partners to build an accountable community-based food systems for Minnesota that protects access for all to sufficient, safe, culturally appropriate and nutritious food while developing local food supply chains. These local supply chains 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. Democratically accountable food systems are one of the principles of agroecology. Research confirms the effectiveness of agroecology as an approach to farming that protects biodiversity in the soil and on the farm. Agroecological practices increase the food available per acre and reduce greenhouse gas emissions, while increasing adaptive capacity to withstand unpredictable weather. Importantly, agroecology is also a commitment to participatory and accountable decision-making in food policy.

In 2021, our Minnesota food systems program supported and evaluated a new pilot state-level Farm to School grant administered through the Minnesota Department of Agriculture to ensure its success and support its expansion with input from affected community members. IATP enjoyed a huge win with our allies and partners when we succeeded in doubling the funding for Minnesota’s Farm to School grant program to meet the growing demand for the program, which supports new markets for marginalized farmers and improves children’s access to healthier foods. IATP also coordinated and supported the expansion of the Minnesota Farm to Early Care Network, with an emphasis on strengthening racial justice and equity.

Working in partnership with the Hmong American Farmers Association, we created and tested a Farm to Early Care model serving Hmong in-home day care providers, including developing bilingual and bicultural resources.

In coalition with partners, IATP worked to advocate for state and federal policy objectives that strengthen community-based food systems, particularly focusing on rebuilding systems to eliminate hunger, expand access to healthy foods and support farmers post COVID-19. We called on the U.S. Department of Agriculture to make major new public investments in local food systems, including new meat processing plants: The funding is now moving forward as part of pandemic relief and infrastructure investments.

In Maine, IATP worked with local groups to respond to the agricultural and public health crisis emerging from widespread toxic PFAS chemical contamination of soils, water and locally grown foods. The problem was caused by sewage treatment sludge and industrial wastes spread on agricultural land as fertilizer, a practice that is widespread across the U.S. IATP published a case study of this widespread practice, which very likely has contaminated food systems across the country. The case study explored Maine’s experience and the first-in-nation policies the state has adopted to both clean up and prevent further contamination. Our work provided guidance to policymakers and advocates, both locally and nationally, about the scope of the problem and the policies that need to be implemented to ensure a safe and resilient food system.

2021 was an important year for agroecology, which is gradually shifting from a marginal to a central role in food policy debates. The controversies that surrounded the U.N. Food System Summit, held in September 2021 at U.N. headquarters in New York, created a platform for agroecology activists to promote their vision for fairer and more sustainable food systems. IATP had helped draft the U.N. Committee on World Food Security (CFS) High Level Panel of Experts report on agroecology, and in June 2021, worked with allies in the Civil Society Mechanism (now the Civil Society and Indigenous People’s Mechanism) to push the CFS to adopt strong principles to guide their agroecology work.

In October 2021, IATP hosted a trilingual virtual seminar for more than 800 registrants on how agroecological approaches can transform food systems from farm to plate. During the webinar, farmers based in the global North and South shared their reasons for practicing agroecology and the challenges they face, and how agroecology, as a systems approach, can address multiple ongoing global crises, both ecological, economic and sociocultural.

"IATP is working with partners to build an accountable community-based food systems for Minnesota that protects access for all to sufficient, safe, culturally appropriate and nutritious food."
2021 Financials

**BALANCE SHEET**

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<td>Total Net Assets</td>
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**TOTAL LIABILITIES & NET ASSETS**

$1,749,934

**INCOME STATEMENT** *

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**FUNCTIONAL EXPENSE ALLOCATION**

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**USE OF FUNDS**

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* IATP experienced a favorable revenue net increase in 2021 from public support, contributions, and grants. This gain was attributed to management continued efforts to improve the financial health based upon changes first implemented in 2019. The summarized financial information provided in this annual report has been extracted from IATP’s 2021 consolidated audited financial statements. Please refer to the complete audited financial statements for the year ended December 31, 2021 for the full generally accepted accounting principles (GAAP) presentation.

* A complete breakdown of expenses per individual program is available on IATP’s website.
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.