

International Federation of Organic Agriculture Movements EU Regional Group

# IFOAM EU Position Paper on Organic Textile – protecting the credibility of the organic label

#### December 2017

## **Executive summary: IFOAM EU Recommendation**

In the European Union (EU), the use of the term "organic" in relation to textiles is not protected in the same way as it is for the food chain. There is a need to improve credibility, and thus ensure that when the term organic is used in this sector, it relates to the whole production and processing chain, just as is the case for certified organic food and drink products. As a first step, IFOAM EU recommends that for fibre to be called "organic", it should be produced according to globally recognised organic regulations (such as the EU Organic Regulation or the US National Organic Programme).

IFOAM EU recommends that the EU Commission amends the existing EU Textile Regulation<sup>1</sup> (which regulates the names of fibres and includes the provision for future inclusion of other relevant aspects than fibre names) to include the following definition:

"The term organic and equivalent terms such as eco, bio, ecological (as per Art 23 of EU Organic Regulation 834/2007) in relation to textile and clothing/apparel may only be used if:

- 1. the goods have been produced in accordance with <u>a recognised independently set organic</u> <u>textile scheme</u>, that meets the following criteria:
  - a. The scheme should be independent and impartial
  - b. The scheme should be established accordingly with an open and transparent standard-setting process in line with industry best practices
  - c. the label requirements are based on objectively verifiable and non-discriminatory criteria;
- 2. the goods are certified by a duly accredited and independent certification body
- 3. the goods clearly differentiate between 'made with organic fibre' and 'organic textile'

<sup>&</sup>lt;sup>1</sup> EU Regulation No 1007/2011 on textile names and related marking of fibre composition of textile products

IFOAM EU recommends that the EU Commission clearly defines and differentiates the two categories of textile products that could use the claim "organic":

- "textile made with organic material": textile made of minimum 50% organic fibres<sup>2</sup>. In this category, only the traceability of the organic fibres will be required enabling a guarantee to the end-consumer regarding the content of organic fibre. At this level, no criteria regarding environmental (e.g. prohibited chemicals), nor social conditions will be required to be met.
- "organic textile": textile made of minimum 70% organic fibres, produced with complete control of chemicals used (based on appropriate hazard and risk based criteria), with respect of the environment, and minimum social conditions throughout the supply chain.

The approach suggested by IFOAM EU would require relatively little EU resource. The recognition of already existing standards is in line with the approach taken in the US. Also, it is in line with the EU Textile Regulation, that establishes harmonised provisions on the labelling and marketing of textile products in order to eliminate hindrances to the internal market in the textile sector and to guarantee consumers adequate information<sup>3</sup> in particular relating to environmental and social labeling.

#### The need for action

Consumer interest in organic goods is growing. This is also the case with organic textiles<sup>4</sup>, where the market for organic products is increasing every year<sup>5</sup>. In the EU, the use of the term 'organic' in relation to textiles is not protected in the same way as it is for food. Textile products can carry an organic claim without the need to demonstrate that organic production and processing has taken place along the whole supply chain. This can lead consumers to be misled and creates an unlevel playing field for businesses.

At present, the EU does not have a legislation for labelling of organic fibres or processed organic textile product. The Impact Assessment<sup>6</sup> published by DG Agri in 2014 as part of the review of the EU Regulation 834/2007 (EU Organic Regulation) rejected the extension of scope of the organic regulation to include textiles and clothing, concluding that the need for EU action had not been demonstrated. However, the Impact Assessment did acknowledge that the exclusion of textiles and clothing from the regulation could be considered a risk to the credibility of the term "organic". It was recognised that the global nature of the supply chain would necessitate a global approach to the organic standard for the farm production of organic fibre, as well as textile processing and manufacturing.

IFOAM EU sees as a positive development the fact that the proposal for a revised Organic regulation suggests to explicitly include not carded or combed organic cotton and wool as well as untreated

<sup>4</sup> Textiles refers to all textile products, including fabric, garments and personal care products.

<sup>&</sup>lt;sup>6</sup> Impact Assessment (2014) accompanying the Proposal for a Regulation of the European Parliament and of the Council on organic production and labeling of organic products



<sup>&</sup>lt;sup>2</sup> IFOAM EU considers 50% to be an adequate minimum requirement to have the right to claim and use the word "organic" in a textile. France has set the example with their CNC recommendations (2010).

<sup>&</sup>lt;sup>3</sup> See Footnote 2

<sup>&</sup>lt;sup>5</sup> The market value of organic textile from 2014 to 2015 remained stable, after years of steady growth as more brands and retailers enter the sector, or expand their organic cotton collections. In 2015, market value was estimated to 15.76 Billion US Dollars. Source: Textile Exchange Organic Cotton Market Report 2016

hides within scope (Annex 1). However, other organically produced fibres (e.g. linen, hemp) would deserve to be explicitly included into the scope as well.

Today organic fibre may be produced on organic farms that meet organic production standards and are independently certified by organic certification bodies, accordingly with the applicable regulation<sup>7</sup>. However, the rest of the chain, i.e. processing, manufacturing and wholesale are not included although they are also of great importance. For textiles and clothing processed and manufactured using certified organic fibre to be certified to organic processing standards, e.g. the Global Organic Textile Standard (GOTS).

At present, there is a clear risk of 'green-wash', i.e. unsubstantiated and vague claims regarding the green credentials of a product. This emphasises the need for action at the European level.

## Existing schemes for protecting the credibility of organic textiles

The credibility of organic textiles depends on the credibility of two separate but linked parts of the value chain – the production of the natural organic fibre<sup>8</sup>; and the processing, manufacturing and retailing of that organic natural fibre into textile products.

Protecting the credibility of the organic raw fibre through the whole textile supply chain

Several textile production standards for "more sustainable" natural fibres production exist, yet they are not organic<sup>9</sup>. The Textile Exchange Organic Content Standard (OCS) allows manufacturers of textiles to make a verified claim regarding the organic fiber content of their textile products, by providing an independently certified system which verifies that raw fiber produced on farm meets the applicable organic production regulation in the country where the fibre is produced<sup>10</sup>.

Protecting the credibility of the Organic Textiles through the whole textile supply chain

A number of schemes limit and control the chemicals that are used in the processing and manufacture of textiles and textile products<sup>11</sup>. There are also several schemes that ensure better conditions for workers involved in the manufacture of clothing, for example by ensuring compliance of ILO norms in processing factories<sup>12</sup>. They are often used in conjunction with schemes that do protect the credibility of the organic fibre, since none of these schemes relate directly to maintaining the credibility of organic fibre. The GOTS is a comprehensive textile processing standard that has strict environmental and social standards, endorsed by IFOAM OI<sup>13</sup>. GOTS is based on the use of certified organic fibre and ensures that the credibility of the fibre is maintained throughout the value

<sup>&</sup>lt;sup>13</sup> Conformity to the GOTS is independently verified and certified by 19 organic certification bodies (accredited by GOTS).



<sup>&</sup>lt;sup>7</sup> E.g. EU Regulation 834/2007, NOP (USA), NPOP (India), IFOAM Standard

<sup>&</sup>lt;sup>8</sup> Organic fibre refers to every other fibre but cotton: wild crafted and other fibre types, including fibre animals not produced on a farm – e.g. in mountainous regions or other types of lands.

<sup>&</sup>lt;sup>9</sup> These standards include Better Cotton Initiative (BCI), Cotton made in Africa (CmiA) and Fairtrade. BCI permits the use of GM seed and synthetic fertilisers, herbicides and pesticides. CmiA and Fairtrade both prohibit the use of GM seed, but both allow non-organic production.

<sup>&</sup>lt;sup>10</sup> Conformity to the Textile Exchange OCS is independently verified by 10 organic certification bodies.

<sup>&</sup>lt;sup>11</sup> E.g. Bluesign, Oeko-Tex, EU Eco-Label.

<sup>&</sup>lt;sup>12</sup> E.g. SA 8000, ETI, Fair Trade standards

chain. The whole chain must be GOTS certified to allow reference to GOTS and use of the logo on the final textile product or clothing.

#### Scope for improving credibility

From production of the organic fibre on farm level (certified in compliance with applicable farming regulation), Textile Exchange OCS and the GOTS cover together the entire textile supply chain to the finished organic textile products. Textile Exchange and GOTS are working together "to develop a reliable traceability system, which aims to improve the compliance around organic cotton. The database will have the ability to synchronise the certification of organic cotton under the Textile Exchange OCS and the GOTS"14. This clearly has huge scope for improving the credibility of organic labels.

Bringing together the two parts of the value chain, production and processing is the only way forward to ensure adequate protection of the consumer and a level playing field for operators. In achieving it, the benefit of organic standards on farm in terms of farm practices and the prohibition of GM, synthetic fertilisers and pesticides will be matched by high environmental and social standards in the organic processing and manufacture of the textile products and clothing.

At the present time, many businesses do not even use voluntary standards to support their organic fibre content claim (the same is true for standards for organic processing where there is no regulatory requirement). In view of these considerations a step-wise approach towards greater credibility and a more holistic approach to farm/fiber growing/sourcing and textile processing sustainability is needed.

## The market for organic fibre, textiles and clothing

Textiles and fashion is a trend setting sector and represents the second largest consumer market. Over recent years the sector has experienced annual growth rates of up to 20%, despite the economic crisis. The market in the EU for organic textile and clothing products was reported to be €883 million in 2011/12, or approximately 1.1% of total EU market for textiles and clothing 15. The same report also estimated that 80% of products carrying an organic claim are not independently certified (i.e. are 'self-claims'), whilst 20% are GOTS certified.

In 2016 the number of GOTS certified facilities worldwide increased by 21.2% to 4,642. The GOTS Impact assessment shows that the number of workers working in GOTS factories exceeds 1.4 Million<sup>16</sup>. In Europe, there are 1025 GOTS certified facilities (22%)<sup>17</sup>.

At 3,661 certified worldwide facilities across 50 countries, OCS also saw a double digit growth rate of 17% in 2016.

<sup>&</sup>lt;sup>17</sup> Personal communication



<sup>&</sup>lt;sup>14</sup> Textile Exchange (2017) Transformational Integrity: Addressing the root causes of integrity issues in the organic cotton sector. A report by Joy Saunders commissioned by Textile Exchange (page 17)

<sup>&</sup>lt;sup>15</sup> Matrix Insight (2013) Study of the need and options for the harmonisation of the labelling of textile and clothing products. Completed for DG Trade and Industry, Dec 2012. NB: This may be an overestimate since it is based on UK consumption, likely to be reflected in other major markets (DE, FR, IT, DK, AU and SE), but not in the majority of the EU 28.

<sup>&</sup>lt;sup>16</sup> GOTS Annual Report 2016

## Benefits to consumers and business from better protection

According to the Matrix Insight Ltd. report, regulating the use of the term organic in the field of textiles and clothing products could have a modest overall positive impact.

As it currently stands, consumers that purchase organic food know that the whole supply chain, from farm to finished product, is independently inspected, verified and certified according to a comprehensive standard that meets the requirements of the EU organic regulation. This is not the case for organic textiles and clothing. Consumers may be confused and incorrectly assume that the whole supply chain is covered (as with food), even though this is not necessarily the case. Protection of the use of the term "organic" will ensure that consumers have confidence that the whole supply chain, from on-farm production of organic fibre through all the processing stages involved in the production of textile and clothing products, meet a coherent standard that ensures environmental and social impact.

Clearly stating the environmental and social criteria of the finished textiles and clothing products, based on the adoption of a standard, independently verified by approved certification bodies, will benefit to businesses at several levels. This will ensure that vague and/or self-claims should no longer be possible. Certified organic textiles and organic products will be based on the use of certified organic fibres and processed according to high environmental and social criteria. The potential for green-wash will therefore be eliminated and the labelling of textiles and clothing will be consistent with the labelling of organic food and drink products.

