DIAL IN: 1-913-312-1232
PASSCODE: 483503
Organic Fiber & Textiles
OTA’s Role

Gwendolyn Wyard
Regulatory Director for Organic Standards and Food Safety

GOTS 4.0 Webinar  |  June 11, 2014
OTA is the leading voice for the organic trade in the United States, representing over 6,500 organic businesses across 49 states.

Our members include growers, shippers, processors, certifiers, farmers' associations, distributors, importers, exporters, consultants, retailers and others.

OTA’s Board of Directors is democratically elected by its members.
Global Organic Textile Standard

OTA Involvement

- OTA is one of four International Working Group Members
  - OTA (USA)
  - Soil Association (England)
  - IVN (Germany)
  - JOCA (Japan)

Marni Karlin: VP of Government Affairs & Legal Counsel, OTA
   Designated IWG Representative (OTA)

Gwendolyn Wyard: Regulatory Director, Organic Standards and Food Safety, OTA
   USA GOTS Technical Committee Representative (OTA)

- OTA formally recognizes GOTS as the global standard for textiles
- Annual meetings and revisions to the standards every three years
Organic Fiber & Textiles
OTA Advocacy

- OTA News Flash, Fiber Forum, & Task Forces
- NOP Policy Memo 11-14 on Labeling of Textiles
- Imported Cotton: Finding an alternative to Methyl Bromide
- OTA comments to the Federal Trade Commission (FTC)
  - Oversight and enforcement of organic claims on fiber and textiles
  - Policy Conference “ask” for Congress to sign onto a letter

Learn more about OTA’s advocacy work!
http://www.ota.com/organic/fiber.html
Each year, OTA produces a report on domestic organic cotton production in partnership with Cotton, Inc.

OTA has collected information on organic cotton production in the U.S. since 2001.

The annual U.S. Organic Cotton Production & Marketing Trends is made available at no cost in January via OTA’s Web site.

Thank You!

Gwendolyn Wyard
Regulatory Director, Organic Standards and Food Safety
Organic Trade Association

(503) 798-3294
gwyard@ota.com
www.ota.com
Textile Exchange
Organic Content Standard
June 12, 2014
OUR MISSION

We INSPIRE and EQUIP people to accelerate sustainable practices in the textile value chain.
OUR EXPERTISE

Organic Cotton

Verification and Certification

Raw Materials

Chemistry and Processing

Value Chain Development
OUR EXPERTISE

Organic Cotton

Verification and Certification

Raw Materials

Chemistry and Processing

Value Chain Development
CERTIFICATION
ORGANIC CERTIFICATION

- Differentiation in the market
- Integrity of production through a certification process
- Cotton can be traced back to the farm
IT IS ABOUT REPUTATION

REPUTATION

A reputation that took decades to build can be threatened by a single event.
... AND MAKING SURE YOU ARE MAKING A DIFFERENCE
ORGANIC CONTENT STANDARD
OE100 / OE BLENDED BECOME OCS
**ORGANIC STANDARDS COMPONENTS**

- Farm Certification + Chain of Custody Certification + Social Environmental Chemical + Labeling = Material Content Standard

- Farm Certification + Chain of Custody Certification + Social Environmental Chemical + Labeling = Full Product Standard
ORGANIC STANDARDS

Material Content Standard

Organic Content Standard (OCS)

Product Standard

Global Organic Textile Standard (GOTS)
ORGANIC STANDARDS

Material Content Standard

Organic Content Standard (OCS)
“Contains 65% organically grown cotton”
“Contains 100% organically grown linen”

Product Standard

Global Organic Textile Standard (GOTS)
“organic t-shirt”
“100% organic sheets”
**STANDARDS OVERVIEW**

<table>
<thead>
<tr>
<th>Raw materials</th>
<th>OCS</th>
<th>GOTS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Organic fibers</td>
<td>Organic fibers</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chain of custody tracking system</th>
<th>OCS</th>
<th>GOTS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Transaction certificates</td>
<td>Transaction certificates</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Environmental issues addressed in processing</th>
<th>OCS</th>
<th>GOTS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>None</td>
<td>Chemical use</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Water treatment</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Environmental policy</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Social issues addressed in processing</th>
<th>OCS</th>
<th>GOTS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>None</td>
<td>Based on ILO norms</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Label claims allowed</th>
<th>OCS</th>
<th>GOTS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>‘Contains X% organically grown cotton’</td>
<td>‘Organic’ or ‘Made with X% organic materials’</td>
</tr>
</tbody>
</table>

*note that there are specific criteria in each standard for when the claims can be made*
Ashley Gill
Integrity Specialist
ashley@TextileExchange.org

Interested in our standards?
Integrity@TextileExchange.org

Interested in membership?
Membership@TextileExchange.org

www.TextileExchange.org
Global Organic Textile Standard (GOTS) and the North American Marketplace

www.Global-Standard.org

Rules for ecologically and socially responsible textile production

Sandra Marquardt
GOTS Representative in North America
marquardt@global-standard.org
301-592-0077
What is GOTS?

- GOTS is a voluntary standard that covers the processing, manufacturing, packaging, labeling, trading, and distribution of all textiles made from at least 70% certified organic natural fibers (organic cotton, organic wool, organic silk...)

- As with organic food standards, a textile product carrying the GOTS label grade ‘organic’ must contain a minimum of 95% certified organic fibers, whereas a product with the label grade ‘made with organic’ must contain a minimum of 70% certified organic fibers.
Basic Features of GOTS

- ≥ 70% Organic Fibers
- Environmental and Social Criteria
- All Processing / B2B Trading Stages
- Independent Certification
GOTS International Working Group (IWG)

International Association Natural Textile Industry (IVN), Germany

Soil Association (SA), England

Organic Trade Association (OTA), USA

Japan Organic Cotton Association (JOCA), Japan
GOTS History: 2002-2014

August 2002
Intercot, Düsseldorf
Formation of the International Working Group on Global Organic Textile Standard (GOTS IWG)

May 2005
Intercot, Chicago
OTA, IVN, Joca and Soil Association agree on the 1st version of GOTS

October 2006
Start of certification system

June 2008
IFOAM Conference
Introduction of the logo & release of the Labelling Guide

March 2014
Release of GOTS Version 4.0 (current version)
GOTS Certification of Facilities Worldwide
2006 - 2013

- 2006: 27 facilities
- 2007: 878 facilities
- 2008: 1977 facilities
- 2009: 2811 facilities
- 2010: 2754 facilities
- 2011: 2714 facilities
- 2012: 3016 facilities
- 2013: 3085 facilities
Breakdown of facilities by region / country 2013

3085 facilities certified to GOTS in 62 countries

- India 1029
- China 197
- Asia other 514
- Turkey 421
- Europe 791
- Africa 54
- USA / Canada 48
- Central- / South America 28
- Australia / New Zealand 3
North American Companies Certified to GOTS

Certified U.S. companies make everything from apparel to beds/beding, fabrics, home textiles, and personal care products, or provide the bleaching/dyeing, yarn spinning, and more.

| Acme Felt Works                      | Jagger Brothers                  | Seventh Generation            |
| Ayablu Inc. DBA Burts Bees Baby     | Jeffco Fibres                    | The Natural Baby Company      |
| Barnhardt Manufacturing Company     | Lumberton Cellulose Georgia Pacific | TJ Beall Company           |
| Colored Organics                    | Naturepedic                      | Toyoshima                   |
| Corman Organics                     | Nonwovens                        | Trace Industries            |
| Coyuchi                             | Organic Cotton Plus              | U.S. Cotton                 |
| Deslee Textiles                     | Organic Mattresses (OMI)         | Ultimate Textile Inc.       |
| Fox-Rich Textiles                   | Organics-n-More                  | Under the Nile              |
| Green Living Organics Inc.          | Saco River Dye House             | Wear PACT                   |
| Harmony Art                         | Savvy Rest                       | WestPoint Home              |
| Hugh Shepard Enterprises            |                                  |                            |
U.S. companies in the GOTS certification process

- American Apparel
- Maggie’s Organics
- Portico/Under the Canopy
- Threads for Thought
- Possibly others!
Several leading retailers in the U.S. are carrying GOTS-certified products:
- ABC Home
- BabiesRUs
- Bed, Bath, and Beyond
- Bed and Bath
- buybuy BABY
- Dillards
- MOM’s Organic Market
- Target
- The Company Store
- West Elm
- Whole Foods Market
GOTS Examples – Personal Care
GOTS Examples – Yarn and Fabrics
GOTS Examples – Kitchen
(Fabric-only certified so far)
GOTS Examples – Children’s Products
GOTS Examples – Adult Apparel/Hosiery
GOTS Examples- Home Textiles
• Increasingly:
  - consumers are demanding ecologically- and socially responsibly-processed textiles, and
  - companies are searching for tools to make their supply chains more sustainable.

• The result is a ‘pull effect’ and more companies are becoming GOTS-certified.
Textile Exchange (TE’s) 2013 Organic Cotton Market Report:

- The international market for organic cotton products reached $8.9 billion in 2012.

- This equals a 31% increase over $6.8 billion in 2011.

- 71 percent of respondents were planning to increase their organic cotton use in 2013.

- The Top Ten organic cotton users by volume are (in order by rank): C&A, H&M, Nike, Puma, Coop Swiss, Anvil, William-Sonoma, Inditex, Carrefour and Target, in order. For the first time, Top Ten users by volume had to consume over two million pounds of organic cotton each to make it onto this list!
Organic Fiber Product Sales – U.S.

• Organic Trade Association’s 2013 Organic Industry Survey:
  - For the second year in a row, fiber is the largest non-food organic category, reaching $960 million in 2013.
  - Growth rates for organic fiber products continued at a double-digit rate, with sales up 16 percent over 2012.
  - Apparel is the leading segment, followed by household textiles and baby products. There is also growing demand for organic cotton products for hotels and spas.
More than 3000 companies and facilities around the world are certified to GOTS.

Join us.

For more information, please see www.global-standard.org or contact

Sandra Marquardt, GOTS Representative in North America

marquardt@global-standard.org

301-592-0077
Global Organic Textile Standard (GOTS)

GOTS Version 4.0 – Relevant Changes

Marcus Bruegel, Technical Director
Global Organic Textile Standard
Key challenges in standard setting

- Does scope and content reflect the stakeholders interests?
- Are the criteria set at a level that support improvements of the current situation?
- Are the criteria still achievable and practical?
- Are the criteria verifiable through the available inspection tools?
- Is the certification system sufficiently comprehensive to assess compliance of the applicant with all criteria?
- Is the certification system still accessible and affordable?
- Is the certification system transparent and the result visible to the consumer?
Organisations invited to participate:

- Members of the GOTS International Working Group (IWG)
- Approved Certification Bodies
- 20 International stakeholder organizations with expertise in:
  - organic production
  - textile processing and manufacturing
  - textile chemistry
  - social criteria

and representing the industry, NGOs, consumer interests.

Other parties were requested to channel their contributions through one of the participating stakeholders.
<table>
<thead>
<tr>
<th>Date Range</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011-2012</td>
<td>Collection of revision topics</td>
</tr>
<tr>
<td>16 May 2013</td>
<td>Release of 1st revision draft of GOTS and the Manual for Implementation by the Technical Committee</td>
</tr>
</tbody>
</table>
| 16 May – 30 Jul 2013| First stakeholder input period  
200 contributions from 14 different organisations received                                         |
| Aug – Oct 2013      | Review and commenting all contributions  
Release of the 2nd revision draft                                                                                                             |
| 1 Nov – 30 Nov 2013 | Second stakeholder input period  
Another 38 contributions from 10 different organisations                                                                                   |
| Dec 2013 – Feb 2014 | Review and commenting all contributions  
Release of the final revision draft                                                                                                          |
| March 1st 2014      | Release of GOTS Version 4.0 and the Manual by the IWG                                                                                          |
Colour Differentiation in this presentation

• ‘Green text’ indicates specified, revised or new criteria

• ‘Black text’ indicates previously existing criteria and other information
• In principle any product that can be considered as a textile fibre product and that is not explicitly excluded is covered under the scope of GOTS

• A product can only be certified and labelled as a whole. It is not possible to certify and label only a part or component of a product (e.g. only the fabric of a garment or the covering of a pillow)

- Mattress and bedding products, fashion textile accessories (carried or worn), textile toys, as well as textile personal care products are explicitly listed in the scope now

• Products made from non-fibre materials such as leather, skin, or hide are not in the scope

- Textiles containing electronic components and furniture are not in the scope
Key criteria for fiber use

Organic Fibers

• Minimum of 95% organic fibers for label grade ‘organic’
• Minimum of 70% organic fibers for label grade ‘made with organic’

Verification requirements

• Certification according to recognised organic production standards (USDA NOP, EC 834/2007, or IFOAM Family of Standards)

Non organic fibres in the remaining balance

• Virgin synthetic and ‘conventional’ regenerated fibres are limited to 10% (resp. 25% in socks, leggings and sportswear)
• All cotton used in fibre composition must be organic (in conversion)
  => *This is well practical and should give additional support to organic cotton market*

• All angora wool in fibre composition used must be organic (in conversion)
  => *The ban on conventional angora wool is a consequence of the mostly unacceptable husbandry conditions of angora rabbits*

• All polyester used in fibre composition must be recycled
  => *The market for recycled polyester is about to be established (except for accessories) and the mandatory use for GOTS goods in V 4.0 was announced in V 3.0 already to support this development*
Regenerated and synthetic fibres made from the following environmentally improved raw materials are permitted up to 30% now for label grade ‘made with organic’

- Regenerated fibres that are from certified organic raw materials, sustainable forestry management (FSC / PEFC) or recycled
- Certified recycled synthetic fibres (recycled polyester, polyamide, polypropylene and polyurethane)

=> Adequate verification to proof for chain of custody required (e.g. certification to TE’s OCS, CCS, RCS or GRS)

=> More flexibility in fibre composition (to achieve technical and fashionable properties), if sustainable raw material options are chosen
Sample newly possible material compositions (for “made with organic”):
• 70% organic cotton, 30% recycled polyester (or polyamide)
• 70% organic cotton, 30% viscose made from FSC certified wood (or rayon made from organic bamboo)

Samples for material compositions no longer possible:
• 70% organic wool, 30% conventional cotton  
  => as all cotton used in the fabric must be organic (in conversion)
• 90% organic cotton, 10% virgin polyester  
  => as all polyester used in the fabric must be recycled

Samples for material compositions that remain possible:
• 70% organic cotton, 30% conventional wool
• 90% organic wool, 7% virgin polyamide, 3% virgin spandex
Key Criteria for processing

- General criteria for all processing stages
  (e.g. separation, record keeping, environmental policy, social criteria)

- General ban on harmful substances in all processing stages
  (e.g. formaldehyde, toxic heavy metals, GMOs)

- General criteria for the assessment of chemical inputs
  (meeting limits on human and environmental (aquatic, fauna, flora and soil)
  toxicity as well as on biodegradability / -eliminability)

- Specific criteria for the different processing stages
  (e.g. functional waste water treatment plant for wet processing plants, limitations on materials for
  accessories and finishing methods)
Requirements for chemical inputs in the supply chain

- Restrictions and bans for substances in recognised international or national legislation apply for GOTS worldwide
  => *To ensure all relevant legal requirements* (e.g. REACH, CPSIA) are considered and met any time

- More hazardous substances explicitly listed as prohibited in GOTS V 4.0 (e.g. SCCPs, brominated and chlorinated flame retardants, chlorinated benzenes, endocrine disruptors)
  => *To point out clearly that all substances criticized by Greenpeace in their “Detox Campaign” are of course banned in GOTS* -> these failed general GOTS hazards and toxicity requirements already
GOTS 4.0 – *Chemical inputs & analysis* – Significant changes

- Prohibition of substances resulting from classification to certain Hazardous Statements is now based on the Global Harmonised System (GHS)
- Requirement for AOX-containing inputs tightened; more precise wording for prohibition of PFCs introduced
- Synthetic sizing agents that are recycled/recovered with a ratio >80% may be used without limitation in the total sizing provide the basic hazards requirements are met
- Residue parameters added / up-dated:

<table>
<thead>
<tr>
<th>Residue parameters (2.4.15)</th>
<th>Limit value</th>
</tr>
</thead>
<tbody>
<tr>
<td>NP, OP, NPEO, OPEO sum parameter</td>
<td>&lt; 20 mg/kg</td>
</tr>
<tr>
<td>Aniline</td>
<td>&lt; 100 mg/kg</td>
</tr>
<tr>
<td>PFOA, PFOS</td>
<td>&lt; 0.001 mg/kg</td>
</tr>
<tr>
<td>FTOH</td>
<td>&lt; 0.01 mg/kg</td>
</tr>
</tbody>
</table>

=> *To ensure latest insights regarding textile chemistry and residue testing methods are considered*
Non-fibre materials used for fillings must be certified organic if such certification is possible for the kind of material used (e.g. for grain spelt or feathers).

Asbestos, carbon and silver fibres and all chlorinated plastics are explicitly banned.

Stainless steel (containing non-extractable chrome and nickel) may be used.

Virgin polyester may still be used for accessories (e.g. sewing threads, zippers or buttons).

More material options provided for ‘not explicitly listed accessories’

=> Materials with required functionality and durability can be used.
Mattresses:

- **Latex used in mattresses must be derived from certified organic or sustainable forestry management. Polyurethane foams are not allowed.**

<table>
<thead>
<tr>
<th>Residue parameters (2.4.16)</th>
<th>Limit Value</th>
<th>Test method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural latex foam:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Butadiene</td>
<td>&lt; 1.0 mg/kg</td>
<td>Gas chromatography, flame-ionisation detector</td>
</tr>
<tr>
<td>Chlorophenols (incl. salts and esters)</td>
<td>&lt; 1.0 mg/kg</td>
<td>LFGB 82-02-08 (GC/MS)</td>
</tr>
<tr>
<td>Carbon disulphide</td>
<td>&lt; 0.02 mg/m³</td>
<td>Chamber test, DIN ISO 16000-6</td>
</tr>
<tr>
<td>Nitrosamines</td>
<td>&lt; 0.001 mg/m³</td>
<td>Chamber test; ZH 1/120-23 or BGI 505-23 for air sampling and analysis</td>
</tr>
</tbody>
</table>

Personal care products:

- **A specific set of criteria has been added (e.g. for tampons or dental rolls no sizing agents, dyes and optical brighteners must be used)**
• Paper / cardboard used in packaging material for the retail trade of GOTS Goods (incl. labelling items such as hang tags or swing tags), must be recycled or from certified sustainable forestry management (FSC / PEFC) – this requirement is not set for bulk packaging
Minimum Social Criteria

- Meeting minimum social criteria based on the ILO key conventions is required for all processing and manufacturing stages. The requirements include e.g.:
  - No child labor
  - Minimum wages
  - Working hours must not be excessive
  - Safe and hygienic working conditions
  - No discrimination, no harsh or inhumane treatment
- Companies must establish social compliance management tools that support their implementation and monitoring
• The minimum social criteria are applicable also to trading stages employing workers
• Health and safety training must include fire prevention training and evacuation drills
• Protective equipment given to the workers is used whenever necessary
• MSDS’s for all chemicals used must be maintained, and applicable health and safety measures for handling and storing must be met
• Workers must be informed on minimum social criteria in the applicable local language(s)
• The certifier’s inspection requirements for audit social criteria have been specified
• Certification programs of which the available audit results should be screened and considered in the course of GOTS certification are now listed:
  ➢ Fair Wear Foundation (FWF)
  ➢ Social Accountability 8000 (SA 8000)
  ➢ Worldwide Responsible Accredited Production (WRAP)
  ➢ Business Social Compliance Initiative (BSCI)
Dual system for quality assurance

Certification
- On-site inspection of the entire processing chain up to B2B trade level
- Organic product flow (CoC), environmental and social criteria subject to inspection

Residue Testing
- Limit values for residues
- Risk assessment of contamination
- Analysis in ISO accredited labs

GOTS • slide 63 • 11/06/2014
Auditing of Traders

GOTS certification of traders is required:
- if they are buying GOTS Goods and selling them to other businesses (B2B trading) with an annual turnover of at least 5000€ or
- If they are engaged with (re-)packing or (re-)labelling of GOTS Goods
- *New:* remote-inspections may be performed for traders who do not have or subcontract any processing or manufacturing activities.
On-site inspection must however be performed at least for the first year and every 3rd year of granted certification.
=> *We hope that related reduced certification cost will help to convince more (small-scale) traders to get certified and trade GOTS Goods*
New Reference documents introduced

- Policy and Template for issuing Certificates of Compliance (Scope Certificates, SCs)
- Policy and Template for issuing Transaction Certificates (TCs)
  => *Both policies and templates are harmonised with Textile Exchange*
- Policy and Template for issuing Letters of Approval for colourants and textile auxiliaries

All relevant GOTS compliance documents are harmonised now
Certificates of Compliance (=Scope certificates, SC’s) confirm that a company works in compliance with GOTS and is able to supply the listed products certified to GOTS.

Subcontractors and their relevant processing and manufacturing steps become listed on a separate page of the SC of the certified entity.
Transaction Certificates (TC’s) confirm that a given shipment of goods has been produced in accordance with GOTS.

Certified Entities must receive and maintain GOTS TCs for the whole quantity of GOTS Goods purchased.
Letters of Approval for Colourants / Textile Auxiliaries

Letters of Approval confirm that inputs (colourants and auxiliaries) have been approved for application in the processing of GOTS certified textile products.

Letters of Approval (positive lists) are prepared for about 400 suppliers of colourants and auxiliaries. They contain about:
3750 trade names of colourants and
5700 trade names of auxiliary agents
(status of V 3.0)
Labelling – License number required

Complete Labelling contains:
✓ the GOTS logo (or the wording ‘Global Organic Textile Standard’ or ‘GOTS’)
✓ the GOTS label grade (‘organic’ or ‘made with organic’)
✓ the reference to the certifier and
✓ the reference to the certified entity which now must be the license number

License no. 12345
Public Data Base • Information and verification tool

By entering the **license number** into the ‘free text’ field of the [www.global-standard.org](http://www.global-standard.org) search engine, the certified entity can be verified.
Implementation period for GOTS 4.0

The implementation period for the new version of GOTS is one year.

- All companies participating in the GOTS certification system must comply with all criteria of GOTS Version 4.0 by 1\textsuperscript{st} March 2015 the latest

- Textile products manufactured and labelled according to GOTS Version 3.0 retain their certified status
IFOAM (International Federation of Organic Agriculture Movements):

- IFOAM endorses GOTS as the minimum reference for organic textile processing. The endorsement letter (April 23 2014) includes the recommendation to Governments, not to start development of redundant standards and regulations but to make references to GOTS as processing standard for textiles labelled ‘organic’. [http://www.ifoam.org/en/node/2499](http://www.ifoam.org/en/node/2499)

USDA (United States Department of Agriculture):

- NOP (National Organic Program) policy memorandum (May 20, 2011) explicitly recognizes GOTS and its label grade ‘organic’: “Textile products that are produced in accordance with the Global Organic Textile Standard (GOTS) may be sold as organic in the U.S.” Note that this does of course not entitle to use the USDA seal. [http://www.ams.usda.gov/AM Sv1.0/getfile?dDocName=STELPRDC5090967](http://www.ams.usda.gov/AM Sv1.0/getfile?dDocName=STELPRDC5090967)

European Union (EC 834/2007)

- Use of the term ‘organic’ for textiles not legally addressed. GOTS labelling is possible of course.
Further Information

www.global-standard.org

- GOTS Version 4.0, Manual, List of Relevant Changes, Licensing & Labelling Guide, Policies & Templates, etc. available for download

- Available soon: Animated training module explaining the changes (developed for the industry and interested parties)

- List and contact details of all 17 GOTS approved certifiers

- Public data base containing the GOTS certified entities, their products, fields of operation and contact information
Questions?