



# Organic Cotton Market Report 2020

Covering production trends and initiative updates from the 2018/19 harvest year.



**TextileExchange**  
Creating Material Change





“ Organic farming is a way of living in harmony with the land and is a way to honor life – life in the soil for the farm, for the family, for the community, and ultimately for the world. In times like the COVID-19 pandemic, we are reminded just how connected we are to each other - we are an ecosystem, and what we do impacts the whole.

We, as an industry, need to cross the threshold from minimizing harm to maximizing positive impacts. This means stronger investments in building soils, ecosystems, and biodiversity. We need to truly embrace and support regenerative practices in order to deliver to the promise of a world transformed! **Together – we can do this!**

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**La Rhea Pepper**

Managing Director for Textile Exchange  
and life-long organic cotton farmer

# Welcome

## to the 2020 Organic Cotton Market Report

Organic agriculture started as a response to biodiversity loss, symbolized by the decline of the American bald eagle due to the heavy use of toxic pesticides in the 1950s. Fast-forward and we find ourselves amid a global pandemic - again, a result of our continued degradation and destruction of biodiversity. COVID-19 is another, albeit more powerful, reminder of the fundamental importance that a functioning "web of nature" is to our survival. Rachel Carson, the scientist credited with connecting the loss of species to pesticide use all those years ago, would probably not be surprised to hear of our latest ecological crisis. But she would not have given up, just as we should not either.

Yes, COVID has shaken us up afresh, and a renewed call to action - that considers both COVID and climate - is necessary. In the words of Dr. Helen Crowley, the biologist and textile industry specialist behind Kering's sustainable sourcing and biodiversity strategy,

**"Organic cotton production – at its best – is a 'proof of concept' for the significant and strengthening focus and effort on restorative and regenerative practices for agriculture. Re-building soil health, water cycles, protecting biodiversity both above and below soil across our 'working lands' is essential for our future and is key to the nature-based approaches that comprise over 30 percent of the solution for climate."**

Our 2020 Organic Cotton Market Report comes to you as the first experiences of the COVID-19

"lock-down" are behind us, but the situation is far from over. Responding to immediate health and safety has been the priority. But just as important is the need for business sustainability. Livelihoods (and lives) depend on a just economy working for us all. Over the next few months, perhaps even years, business planning and relations will be challenging and difficult to predict. For cotton farmers, that unpredictability will impact the next growing cycle and, for textile manufacturers, brands, and retailers, the next uptake and consumption cycle. One thing that is for sure is that the "new normal" will require much more transparency and sharing of the risks and rewards as we collectively aspire to "Climate Action" as well as the other 16 Sustainable Development Goals. Communication and trust will be key.

There's a lot to do, but, for now, let's take a moment to applaud "Team Organic" - all those working to grow the market for organic cotton and agro-ecology more broadly. From the farmers to the manufacturers, certifiers, extension workers, NGOs, brands, retailers, and consumers THANK YOU for your dedication and contribution to this good growth. And congratulations – we are doing the right work! Enjoy the report.



**Liesl Truscott**

Director of European  
& Materials Strategy,  
Textile Exchange

## Call to action

### **Move from commodity cotton to a networked community.**

The days of anonymous supply chains are over. Transparent business relationships build trust and long-term resilience.

### **Embrace diversity and complexity.**

Don't sit in a darkened room to find the answers – diversity and "systems thinking" will spark the best solutions. Think about all 17 of the Sustainable Development Goals.

### **Communicate with your business partners.**

Pick up the phone or better still set up a video call (turn the camera on!) and share "what's it like for you" experiences. The challenges are two-way – so is empathy and partnership.

### **Adapt and innovate.**

Change is hard, and right now, the global pandemic is forcing change upon us. Use this situation as an opportunity to re-imagine the purpose of business and "build back better."

### **Work together.**

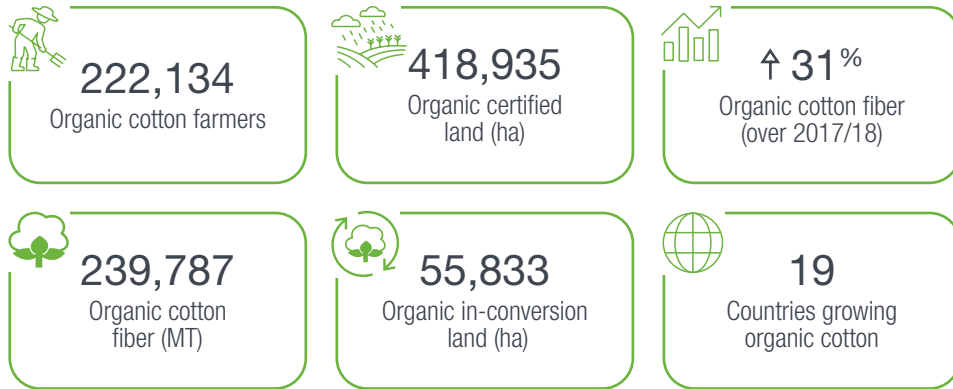
It's a common mantra – but can never be said too many times. Collective action is needed for inclusion, scale, and acceleration. Bring everyone together to align solutions.

### **Build on common ground.**

Whether you call it "regenerative," "organic," or "sustainable" ... we are all on the same journey. Move from minimizing harm to maximizing the positive impacts. Think holistically.

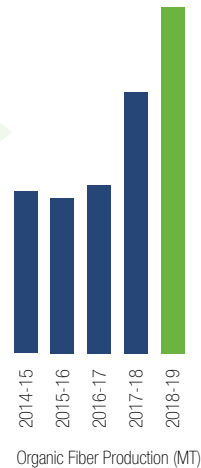
# The year in numbers

## 2018/19 organic cotton production snapshot



### Global growth continues for organic fiber

The significant growth seen last year, when global organic cotton production rose 56 percent, continues this year with a further 31 percent growth. Estimates show this will continue in 2019/20, though to a lesser degree of around ten percent.



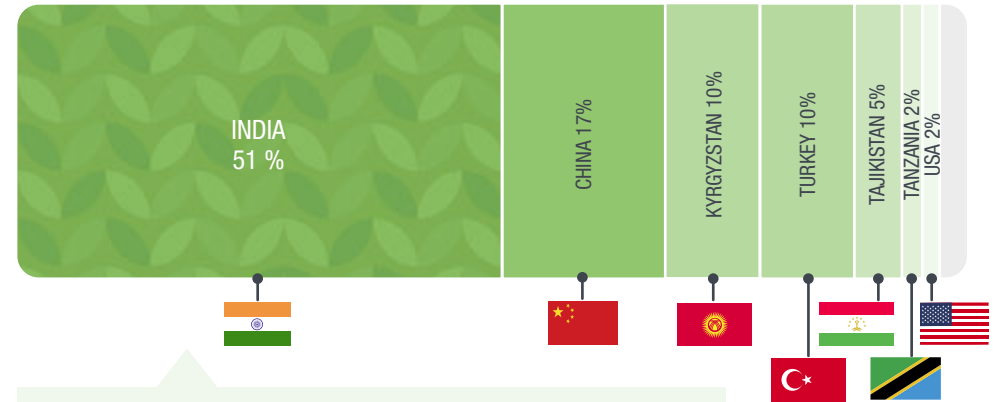
### Growth in certified facilities accelerates

Facilities certified to leading voluntary organic textile standards grew significantly between 2018 and 2019; by 48 percent for OCS and 35 percent for GOTS.



### Second biggest harvest on record

2018/19 saw the second biggest harvest of organic cotton ever recorded, surpassed only marginally in 2009/10.



### 97 percent of global production stems from the above seven countries

The rest comes from: Uganda (1.08%); Greece (0.49%); Benin (0.42%); Peru (0.23%); Burkina Faso (0.19%); Pakistan (0.17%); Egypt (0.12%); Ethiopia (0.05%); Brazil (0.04%); Mali (0.03%); Argentina (0.005%); and Thailand (0.003%). A total of 19 countries grew organic cotton in 2018/19.

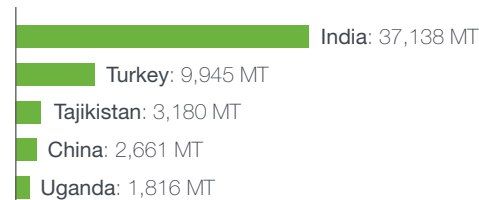
### India fuels this year's global growth

India was by far the biggest contributor to global growth this year, adding 37,138 MT to the global total. Turkey, Tajikistan, China and Uganda were also significant contributors.

### India and Pakistan top for in-conversion

India and Pakistan have the most land in-conversion to organic, followed by Turkey, Greece, and Tajikistan.

### TOP FIVE BY FIBER VOLUME INCREASE



### TOP FIVE BY IN-CONVERSION LAND AREA



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# Important notes about this report

Every year, the sustainability context changes and public expectations shift. This year, that shift has been exceptional in ways we could not have anticipated, leading to an eruption of social and environmental sustainability concerns.

COVID-19 shines a spotlight on public health, biodiversity, zoonotic diseases, and climate change, while concerns about equality, human rights, and labor practices are undeniably equally pressing issues. Sustainability standards are constantly evolving and improving as a result, but the sector must maintain the parallel tracks of rules-based accreditation and public opinion-driven response mechanisms in order for organic agriculture to remain a tool for change.

This report reflects these parallels, with insights into some of the people and

places working hard to meet the principles of organic "beyond certification" - often within complex constructs of entrenched and worrying political administrations and limited transparency.

The report was written with these challenges in mind, and we want to clearly state from the beginning that it aims to share the best available data, within a transparent methodology. We welcome feedback and an ongoing dialogue so that we can continually improve our processes and deliver valuable information to our community.

The future will require greater transparency and the sharing of both risks and rewards as we collectively aspire to "Climate Action" and the other 16 UN Sustainable Development Goals. Communication, trust, and commitment will be key.

## Textile Exchange statement on the reports of forced labor

Textile Exchange is concerned about the disturbing reports of forced labor in the Xinjiang region of China, where most of China's organic cotton is grown, as well as reports of forced and child labor in other parts of the world that have occurred over the past several years.

Textile Exchange does not condone forced or child labor.

Textile Exchange reports data on certified organic cotton production that has been submitted to us, analyzed, and cross-referenced in accordance with our [Methodology](#). We include the data received from every producing country in the Organic Cotton Market Report to create a complete picture of the global supply.

Textile Exchange does not perform certification work itself, provide on-the-

ground program work regarding the production of organic cotton or any other fiber in any country, nor make recommendations for preferred sourcing locations.

Textile Exchange owns the [Organic Content Standard \(OCS\)](#) which confirms that organic material certified to a national organic standard within the [IFOAM Family of Standards](#) is indeed present in finished products. Textile Exchange also owns the [Content Claim Standard \(CCS\)](#), which is the chain of custody foundation of the OCS and all of Textile Exchange's standards. The CCS provides companies with a tool to ensure that one or more claimed materials are in a final product.

Textile Exchange collects fiber production data and reports it as an industry resource. Because China, and Xinjiang in particular, is a key producing region, leaving its reported production out of this report would result in the report not being truly representative of the global organic cotton supply. We believe it is important that our readers understand the current situation in Xinjiang so that they can make informed choices about their sourcing strategies.

Textile Exchange works to accelerate environmentally sustainable practices in the textile value chain. This goes hand-in-hand with social responsibility expectations to ensure that the rights of all people, particularly workers, are respected.

## What is Textile Exchange doing to stop human rights violations in the industry?

- Recommending stronger criteria be included in the Content Claim Standard (CCS), which would then apply to all Textile Exchange standards.
  - As an interim step regarding unacceptable practices prior to a full standard [revision](#), the CCS Certification Procedures (released June 1, 2020) has a new allowance for certification bodies to take action should they witness unacceptable practices.
    - » The certification body should issue a critical non-conformity to any organization or site where evidence suggests that any of the following practices (collectively, the unacceptable practices) are occurring:
      - The worst forms of child labor, as defined by ILO C182 – Worst Forms of Child Labour Convention, 1999 (No. 182); or
      - Forced labor, as defined by ILO C029 – Forced Labour Convention, 1930 (No. 29).

# Important notes about this report

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This is currently treated as a recommendation and is not required to be audited against. The discussion of whether this becomes a mandatory auditing requirement will be addressed with the International Working Group during the CCS revision.

- Another interim step is the allowance to include "country/region of origin" of the raw material on transaction certificates. Again, before this becomes mandatory, a required review and feedback period is required. If this information is carried forward on all transaction certificates, it would allow companies to make sourcing decisions of their own that may be out of the scope of Textile Exchange standards. To join this revision process, [contact us](#).
- We encourage companies to be part of the solution to systemic problems by:
  - Making long-term investments and prioritizing supply chain transparency.
  - Adhering to globally recognized, credible, third-party social standards that prohibit the use of forced or child labor, and take immediate action to identify, prevent or mitigate, and account for how actual and potential adverse impacts are addressed. This may include sourcing elsewhere when expectations are not met.
  - Using economic power to push for policy changes that support human rights.
  - Seeking advice from organizations with expertise on social and/or labor issues, such as the [Fair Labor Association \(FLA\)](#) and [Organisation for Economic Co-operation and Development \(OECD\)](#), to make the most environmentally sound and socially just sourcing decisions.

Textile Exchange will hold a breakout session on this topic at its annual conference in November and will continue to track the situation while reporting on organic cotton production worldwide.

Textile Exchange's overall intent is to work together as an industry to invest in a future that supports cotton production methods that protect both the planet and all its people.

## A summary of Textile Exchange's data collection methodology

Textile Exchange collects and reports production of certified organic cotton data from Accreditation Bodies, Certification Bodies, Organic Cotton Producers as well as other stakeholders on an as-is basis. Data reported is intended as a snapshot of production and makes no representation on total supply. While Textile Exchange carries out a systematic completeness and accuracy check on its data collection process; we rely on our data providers for data accuracy and integrity. Where data gaps exist, Textile Exchange attempts to replace these values with best estimates from historical or comparable proxies. Data submitted may change due to corrections or updates from data sources. See [Methodology](#) for detail of recent data revisions made.

For the purpose of this Organic Cotton Market Report, organic cotton does not include any uncertified naturally grown cotton, nor does it make any statement regarding the integrity beyond its certification, and reported numbers, as submitted by our data providers.

In selected cases, where data can only be obtained from one source, triangulation and validation of data may not be possible, and the data is accepted as it is. In our [Methodology](#), you will find a table that provides a breakdown of data sources used for each of the 34 countries analyzed in the preparation of this report, alongside a confidence level on the data received based on results of triangulation.

**Reported land area:** Another important point to note is that the land area figures in this report refer to total land area certified to an organic standard by a producer group growing organic cotton. The same piece of land could be, and increasingly is being, used to grow other organic crops in addition to cotton as part of a rotation system; a fundamental element of organic agriculture. This means that reported land area figures do not necessarily reflect the land area used to grow only organic cotton and, as a result, may seem disproportionately high compared to the organic cotton volumes harvested.

# COVID-19: voices from the sector

What does the pandemic mean for organic cotton?

“

The pandemic has acted as a roadblock to the status quo, giving an important opportunity to reflect, and a rare chance to take a different path in the future. As a stark reminder of how interconnected and inter-dependent the world is, there is now an opportunity to put organic at the forefront of a sustainable recovery from the crisis. We're already seeing that sustainability has shot up the agenda for citizens and consumers, with many brands and retailers likewise seizing the moment to reaffirm their commitment to sustainability.



**Sarah Compson**

International Development Manager  
Soil Association

[Hear more from Sarah in our Insider Series interview.](#)

“

In times of considerable uncertainty and tumult, security and stability are the necessary antidotes, and our Farmer Engagement and Development (FED) Programme remains committed to providing a secure market for our organic cotton farmers. OCA and all our partners in the FED Programme will be working closely to manage the anticipated challenges for organic farmers such as health risks, price volatility, changing demand, travel restrictions, and access to vital farm inputs.



**Bart Vollaard**

Executive Director  
Organic Cotton Accelerator

[Hear more from Bart in our Insider Series interview.](#)

[Read OCA's article on the impact of COVID-19 on organic cotton.](#)

“

In Burkina Faso, Senegal, Mali, and Benin, the conclusion of the 2019/20 growing season is being dragged out as the ginning has come to a stop because of COVID-19. It becomes harder to find buyers because of insecurities along the value chains. Medium-term impacts might influence producers as a knock-on effect across the supply chain. The planning of next season is also influenced as some procedures have been stopped, for example, in Senegal. However, the combination of organic cotton farming with the production of rotation crops presents an opportunity for producers in times where COVID-19 threatens food security. The CCBE also sees an opportunity in the disruption of the textile industry as it could create windows of opportunity for collaborative business models.



**Fabienne Krebs**

Project Support  
ecos/Organic & Fairtrade Cotton Coalition West Africa (CCBE)

[Hear more from Fabienne in our Insider Series interview.](#)

“

A duty of “all-holder-value” partners is the responsibility we feel for all members in the production chain, including the farmers. Together, we want to overcome this uncertain time and want to come out stronger. Now is the time to show that all partners, from fiber to fashion, including consumers, can rely on us to make the right decisions.



**Simon Hohmann**

Co-CEO Finance, Cotton & Yarn  
Remei AG



# The climate emergency

## What's organic cotton's role in climate change mitigation?

Organic production plays a pivotal role in the fight against climate change. Organic farming systems are known to be more effective than conventional systems at capturing CO<sub>2</sub> from the atmosphere and sequestering it in the ground as soil organic matter. As a result, the soil carbon pool is approximately three times larger than the atmospheric pool.<sup>1</sup> See our [Insider Series](#) for some great examples of how organic cotton is proving a powerful tool in climate change mitigation.

## How are farmers adapting to a changing climate?

While organic farming practices have a positive impact on the climate, and organic agriculture is known to be more resilient to climate shocks than conventional agriculture, organic farmers are not spared the negative impacts of a changing climate.

Farm groups are finding ways to adapt their practices to reduce the impact, and many examples of this are included throughout this report and in our Insider Series.



The threats caused by climate change are all-encompassing and are already impacting the most vulnerable. This is true in relation to both people and ecosystems. Organic agriculture can help to mitigate climate change, not only by storing carbon in the soil but also through direct on-farm benefits. For example, organic techniques promote resilient soils that can more easily withstand extreme weather through locking in water and nutrients. Also, the central practice of crop rotation leads to a range of crops being grown, which gives farmers a safe source of food and alternative incomes if cotton crops fail.



**Sarah Compson**

International Development Manager  
Soil Association

[Hear more from Sarah in our Insider Series interview.](#)

## Textile Exchange 2030 Strategy: Climate+

Textile Exchange announced its new 2030 Strategy “**Climate+**” during its annual Textile Sustainability Conference that took place in Vancouver in October 2019. Under the Climate+ strategic direction, Textile Exchange will be the driving force for urgent climate action with a goal of 35-45 percent reduced CO<sub>2</sub> emissions from textile fiber and material production by 2030.<sup>2,3</sup>

The [2030 Strategy: Climate+](#) was the result of extensive stakeholder engagement through interviews and an online survey conducted with a mix of Textile Exchange members and non-members from organizations representing brands, retailers, suppliers, manufacturers, nonprofits, and professional services across the globe.

For years, Textile Exchange has promoted practices, standards, and resources that benefit the climate. Adopting the Climate+ strategy makes climate a deliberate priority and organizational focus for an impact area that requires immediate attention and for which we have many existing tools and resources. The “+” in Climate+ allows Textile Exchange to prioritize climate while continuing to address other impact areas that are interconnected with climate in most situations (e.g., water, biodiversity, soil health). The “+” is also an acknowledgement that Textile Exchange cannot achieve this new 2030 goal of 35–45 percent reduction in CO<sub>2</sub> emissions from preferred fiber and material production on its own. Achieving the 2030 Strategy: Climate+ goal will require strong partnerships to accelerate adoption of existing tools as well as enable disruptive innovation around new business models and zero carbon materials.

Textile Exchange's full Strategic Plan will be launched during our (now virtual) [2020 Textile Sustainability Conference](#), November 2–6, 2020.

<sup>1</sup> Oelkers, E. H. & Cole, D. R. Carbon dioxide sequestration: a solution to the global problem. Elements 4, 305-310 (2008)

<sup>2</sup> Scope is pre-spinning. Measured from a 2017 baseline; subject to Science Based Targets validation

<sup>3</sup> The range reflects the additional work we would like to do to ensure our target is aligned with a 1.5-degree Celsius scenario (defined by the UN IPCC), aligned with Science Based Targets as well as with the UNFCCC Fashion Climate Charter.

# Understanding regenerative

## What do we mean by the term “regenerative”?

The term “regenerative” is increasingly a feature of conversations about sustainable or preferred fiber choices, and you’ll see it frequently featured in this report. To get to the heart of the matter, we need to understand the difference between Regenerative Practices and Regenerative Agriculture. When utilizing Regenerative Agriculture in cotton and cultivated production systems, farmers use a holistic approach.

Regenerative practices usually address a single element or set of practices within the system. Regenerative agriculture is a holistic philosophy that aims at positively influencing biosequestration, biodiversity, ecotoxicity, climate resilience, water systems, micronutrients, and ecosystem services. Standard practices include no- or low-till plowing, cover cropping, multi-use systems, agroforestry, rotational farming, precision agriculture, integrated pest management, and intentional use of inputs that are landscape specific.

Regenerative agriculture is not a “one size fits all” prescriptive practice. Instead, it looks at the combination of methods that support resilience as well as build and nourish our ecosystem. Over time, regenerative practices can increase production and naturally reduce the need for external inputs. When these regenerative practices are implemented successfully, the health of the agriculture



ecosystem and farmer economic stability can be improved. This is regenerative agriculture.

**Keeping the concept of regeneration and continuous improvement at the forefront of cotton production systems is essential to address the key challenges we need to tackle over the next ten years.**

For more detail on regenerative programs, see pages 77–78 of our [2025 Sustainable Cotton Challenge Second Annual Report 2020](#).

## The financial sector pushes for regenerative practices



Which agriculture system performs best within the known planetary boundaries? Can we do without glyphosate and genetic engineering? Is organic for the rich only or does it have the potential to be meaningful at scale? There are many controversial and not always objectively discussed questions.

One thing is clear, though; any future agricultural system must be able to deal with the changing climatic conditions. The Allianz insurance states the following risk in their 2018 report on natural capital: *“Local flora and fauna suffers as a result of excessive fertilization and pesticides used at supplier’s plantations. At the same time, the area becomes less fertile and more vulnerable to external environmental impacts. The supply from plantations becomes more expensive and volatile, creating regular interruptions in the supply chain. Enterprise risk management addressing the supplier’s plantation management practices from an environmental sustainability perspective is necessary.”*

This clearly calls for regenerative farming practices, increasing agricultural resilience and stability of supply, and reducing the overall economic risk of farms and supply-chains. The Big 4 (Deloitte, EY, KPMG, PricewaterhouseCoopers) as well as Standard & Poor’s, banks and others, follow the same logic, redefining creditworthiness of companies and farms, corporate ratings, or insurance policies.



**Tobias Bandel**  
Managing Partner  
Soil & More Impacts

# Non-GM seed development

## Progress and updates

Access to non-genetically modified (GM) seed suitable for growing organic cotton is crucial for ensuring both integrity and growth of organic cotton production. Still, remains a critical issue in certain regions, particularly India, Pakistan, and China.

The global land area planted with GM cotton increased 3 percent in 2018; from 24.1 to 24.9 million hectares. Based on a global cotton area of 32.9 million hectares, this means that 76 percent of global cotton

land area was planted with biotech cotton in 2018.<sup>1</sup>

GM contamination of organic cotton crops remains an issue in countries where GM dominates the cotton landscape. Causes of GM contamination include: accidental use of GM seed; cross-pollination from neighboring crops; contamination from farm equipment; and accidental mixing during storage, transport, or ginning.

While much more investment in organic seed production is needed, there are a number of programs around the world that are making significant headway in improving access to seed for organic farmers. In this report, you will find updates from some of these projects, such as:

- **Fairtrade and Pratibha Syntex** have just launched the second phase of their non-GM seed hybridization project in India. The objective is to develop new non-GM hybrids that have the specific fiber parameters that the fashion and textile industry needs. [Read more >](#)
- **Organic Cotton Accelerator and FiBL** are working together in India on “Seeding the Green Future” - an organic cotton breeding program that is developing new and improved cotton cultivars well-suited for organic farming conditions, while scaling up

cultivar testing and seed multiplication. In addition, OCA recently facilitated the development of guidelines for non-GM cottonseed production, and is planning to expand its Seed, Integrity and Community Investment (SICI) Programme to other key producing countries. [Read more >](#)

- **Texas A&M AgriLife Research** in Lubbock, Texas, has been testing

candidate varieties for organic cotton production since 2017. Following 2020 testing, ten candidate varieties will be ready for demonstration plots on certified organic farms in 2021. The last steps are to get cotton seed best suited particularly to organic farming in the Southwest USA for the farmers to grow. [Read more >](#)



### Textile Exchange releases White Paper on GM cotton in Africa

In light of the adoption of genetically modified (GM) cotton in seven countries in Africa, Textile Exchange's Pan-Africa Sourcing Working Group issued a white paper, “Cotton in Africa: Sustainability at a Crossroads,” addressing the arguments for organic and other non-GM cotton production methods and the risks of expanding GM cotton on the continent. A draft abridged version was presented by Marco Paul, Co-CEO of bioRe Tanzania Ltd., on November 27, 2019 at the National Ecological Organic Agriculture Conference in Dodoma, Tanzania.

The full white paper was released on June 9, 2020, and is [available here](#). It has since been disseminated across the textile industry and the African continent to raise awareness about the potential of preferred and organic cotton.



<sup>1</sup> ISAAA. 2018. Global Status of Commercialized Biotech/GM Crops in 2018. ISAAA Brief No. 54. ISAAA: Ithaca, New York.

# In-conversion (transitional) cotton

## Six frequently asked questions

One of the greatest opportunities for increasing the supply of organic cotton (and other natural fibers) lies in programs that support farmers along their journey to organic certification by providing labeling-based programs during the period when farmers are converting, or transitioning, to certified organic production.

In-conversion programs:

- ensure that future organic **volumes** are available to meet growing demand;
- provide **verification** of claims permitted along the supply chain from field to finished product;
- encourage a **price differential** over conventional cotton;
- increase **stability for farmers** during the conversion; and
- increase **education** and understanding as to how to attain, and retain, organic **certification**.

### 1 What is the process of converting to organic?

The establishment of an organic management system requires an interim period, known as the “in-conversion” or

“transitional” period, which varies in time based on the organic standard being applied. For example, the E.U. requires 24 months,<sup>1</sup> while the USA requires 36 months.<sup>2</sup> During that period, all inputs and practices prohibited in organic farming apply, and certification bodies conduct annual audits as per international organic agriculture standards.

### 2 Which standards support in-conversion organic fiber production?

Some national and private organic standards, such as that in India,<sup>3</sup> recognize claims made about fiber and finished products and allow the use of terms such as “organic-in-conversion.” However, other national programs, such as the USA program, do not.<sup>4</sup> As such, you must confirm with each national organic standard to be certain what claim may be made on both fiber and finished products.

### 3 Where is in-conversion cotton grown?

In 2018/19, farmers grew 34,566 metric tons of in-conversion cotton on 55,833 ha. India and Pakistan have the most land in conversion to organic, followed by Turkey,

Greece, and Tajikistan. By region, land area of in-conversion cotton was highest in South Asia (40,892 ha), followed by Europe, Middle East and Central Asia (EMENA) (11,069 ha), Africa (1,661 ha), Latin America (1,272 ha), China (710 ha), and the USA (230 ha).

### 4 How much does in-conversion cotton cost?

As is the case for certified organic cotton, in-conversion cotton should include a price differential over conventional cotton to cover the farmers' cost of production, organic certification, training and extension services, and investment in farming operations. The cost should reflect the cost of production and viability of the business versus being based solely on commodity pricing. See our [Spotlight on pricing](#) for more detail.

### 5 Why should I use in-conversion fiber?

To increase the production of organic cotton, Textile Exchange urges companies to incorporate in-conversion fiber into their supply chains. This will help to ensure that future organic volumes are available to meet growing demand. Farmers need financial incentive to undergo the costs of converting to organic practices and certification. One proven strategy to support the years of conversion is to blend

a percentage of transitional fiber in a key program. This will increase both the supply and demand for organic production while having a minimal price impact on the final products.

### 6 Which standards support in-conversion organic fiber claims in finished products?

Voluntary textile standards also support the creation of an in-conversion supply chain from field to finished products. The leading organic textile standards - Textile Exchange's Organic Content Standard (OCS) and the Global Organic Textile Standard (GOTS) - both establish a chain of custody for the certified organic or in-conversion fiber from field to finished product.

The standards permit the labeling of in-conversion fiber products – if allowed in the country of sale and production. It is vital to research the requirements of the countries in which the products are grown and sold to determine if such claims may be labeled on finished products.

**Textile Exchange launches new In-Conversion Working Group**

See [Organic Cotton Round Table](#) section for more detail.

<sup>1</sup> European Commission, [Becoming and organic farmer: The principles](#). Reviewed June 19, 2020.

<sup>2</sup> US Department of Agriculture, [Guide for Organic Crop Producers](#). 2012.

<sup>3</sup> India Department of Commerce, [National Program for Organic Production](#). May 2005.

<sup>4</sup> Washington State Department of Agriculture, [Certified Transitional Program](#). Reviewed June 19, 2020.

# In-conversion (transitional) cotton

## Program insights



ARMEDANGELS is a fashion brand, headquartered in Germany, with a mission to combine fair working conditions and sustainable, high quality materials with beautiful design. The company founded the ARMEDANGELS Organic Farmers Association in April 2018 to help almost 366 smallholder farmers in the Kutch area of Gujarat, India, switch from conventional cotton to organic cotton. The cotton fiber is sold through the company's long-term partner, Suminter India Organics. As of the first year of the conversion, the farmers receive:

- A staggered ARMEDANGELS organic premium (2 percent the first year of conversion, 3 percent the second year, and 4 percent the third year).
- Access to free, high-quality, non-GM seeds.
- Training and technical support from Suminter staff.
- A purchase commitment from ARMEDANGELS for the cotton fiber once certified organic.

Working together in this cooperative arrangement is a key component of the plan. More than 50 percent of smallholder farmers give up on conversion to organic cotton within the first year as they cannot do it alone.



**Lavinia Muth**

Corporate Responsibility  
ARMEDANGELS

[Hear from Suminter about this collaboration in our Insider Series.](#)



We at Bergman/Rivera have continued to work directly with farmers to increase the area of organic cotton grown in Peru. The Transitional Cotton Project has been pivotal to achieving success on this front. By bringing more brands on board that are aligned with promoting transitional cotton, we were able to compensate farmers with premiums during their first year of transitioning to organic. During this period, farmers need to adjust their way of working, plus see a reduction in their yields. Being able to market this cotton for what it is: “organic without certification,” farmers can get a premium [price differential].



**Orlando Rivera**

General Manager  
Bergman Rivera

[Hear more from Orlando in our Insider Series interview.](#)



To have enough organic cotton to address demand, it is important to promote the expansion of organic cotton cultivation by promoting both in-conversion and organic cotton production. To make the in-conversion cotton market sustainable, the next step is to build a bigger collaborative supply chain with apparel brands to encourage sustainable consumption and promote in-conversion cotton.



**Nobuyasu Nakamura**

Sales Specialist  
ITOCHU Corporation | Pre Organic Cotton (POC) Program

[Hear more from Nobuyasu in our Insider Series interview.](#)

# Spotlight on pricing

## Price differentials explained

There is no universally accepted definition or formalized mechanism for arriving at a price for organic seed cotton or fiber. The rule-of-thumb is to take a reference price (usually the conventional cotton price quoted in the country of origin or on the international commodity market) and add a percentage increase to cover the organic value addition, and possible compensation for a loss in yield.

### Organic price differentials

This differential is often called a “price premium,” though at Textile Exchange, we refer to it as a “price differential.” It is agreed between buyer and seller, yet heavily influenced by conventional commodity market prices. Differentials can range depending on factors such as:

- market conditions, price elasticity, and market variances.
- quality and staple length.
- country of origin.
- amount of trash or contamination.
- trade agreements between producers and buyers.
- organic, fairtrade and other certifications.

The average price differential is somewhere between five and 20 percent, but can be as little as one percent or as large as 100 percent.

The price differential should cover:

- production cost (including yield loss).
- certification and inspections.
- training and extension services.
- investment in farming operations.
- research, development, and investment in seed and farm innovations.

A percentage may also go towards the collective needs of the community such as schooling, health care, and housing, particularly in programs that are also fairtrade certified.

### Organic seed cotton pricing

The seed cotton price is the amount paid for the harvested cotton bolls (with seed still attached). It is the seed cotton price that is most important to farmers who are trading at the farm gate, often receiving their annual income in one lump sum. Farmers sell to aggregators, ginners, mills, occasionally to brands, and also to traders in the open market.

If farmers are vertically integrated into the mills, or they have agreed to trade and price arrangements with a buyer, partner company, or organization, the price can be decoupled from the commodity market, or at least a minimum price is agreed to upfront, alongside other terms and conditions of trade.



Costs during manufacturing, such as factory certification, bookkeeping, chain of custody, product segregation, possibly machine cleaning and running smaller volumes, need to be part of the final costing, but it is the value-addition at the growing stage where the majority of the organic benefits are made.

### Organic cotton lint pricing

The organic lint price is the market price of post-ginned cotton fiber. The seeds have been removed (for seed selection breeding or for processing by the organic food or feedstock sector). The fiber is compressed and baled for the textile industry. This is

the product that feeds spinning mills, sold to spinners by either farmers, ginners, or traders.

Read more on pricing models in [A World Beyond Certification: A best practices guide for organic cotton trading models](#).

### COVID-19 impact on pricing

The impact of COVID on cotton prices is yet to be fully realized, but early signs show that it could be substantial as a result of reduced demand. In India, for example, cotton prices have already fallen by around 18-25 percent compared to last year.

# Spotlight on pricing

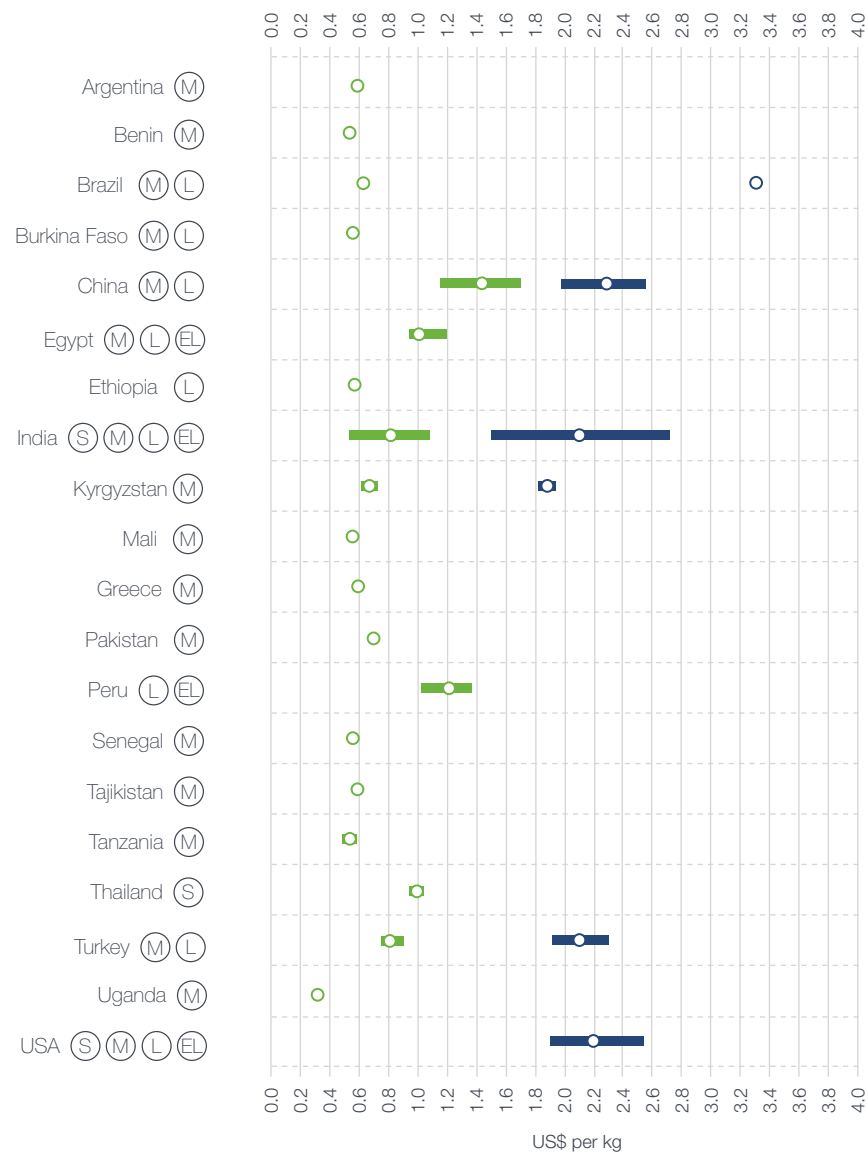
## 2018/19 organic seed cotton and organic lint prices<sup>1</sup>

Please note that these charts provide estimated figures only, based on conversations with local experts. In 2018/19, according to our information, organic cotton fiber prices ranged from US\$/kg 1.6-3.43 (average of 2.19) compared to the Cotlook Index that

ranged from 1.61- 2.19 (average of 1.85) over the same time period. Please refer to the text on the previous page that explains the range of factors affecting cotton prices and organic differentials. Where there are gaps in the charts, this is due to no reliable data being available.

Country	Common fiber types	Organic Seed Cotton		Organic Cotton Lint	
		Price Avg. US\$/kg	Price Range US\$/kg	Price Avg. US\$/kg	Price Range US\$/kg
Argentina	M	0.6			
Benin	M	0.54			
Brazil	M-L	0.63		3.31 <sup>1</sup>	
Burkina Faso	M	0.56			
China	M-L	1.44	1.17 - 1.70	2.27	1.98 - 2.55
Egypt	M-ELS	1.00	0.98-1.2		
Ethiopia	L	0.58		1.6	
India	S-ELS	0.82	0.57-1.07	2.1	1.48-2.71
Kyrgyzstan	M	0.65	0.62-0.67	1.88	1.85-1.90
Mali	M	0.57		2.14	
Greece	M	0.6			
Pakistan	M	0.7			
Peru	L-ELS	1.2	1.02-1.38		
Senegal	M	0.56			
Tajikistan	M	0.59		1.98	
Tanzania	M	0.54	0.52-0.58		
Thailand	S	1.00	0.97-1.02		
Turkey	M-L	0.84	0.76-0.91	2.09	1.89-2.28
Uganda	M	0.34			
USA	S-ELS			2.205	1.87-2.54

<sup>1</sup> Please note that this is the average price for white organic cotton in Brazil; a small quantity of colored organic cotton is also grown and fetches a higher price (US\$/kg 3.55 average). Please also note that the comparatively high price paid for organic cotton in Brazil is due to (1) the country's volatile exchange rate and (2) the price paid to farmers includes the costs of ginning and (PGS) certification.



Organic Seed Cotton Price (2018/19): ■ Range (Max/Min) ○ Average Price

Organic Lint Cotton Price (2018/19): ■ Range (Max/Min) ○ Average Price

Fiber Length: (S) Short (M) Medium (L) Long (EL) Extra Long

# Spotlight on pricing

## Program insights

“

At OCA, we support farm-level interventions because we believe farmers are the catalysts for the powerful and positive impact organic cotton can have on people, planet, and prosperity. Support the farmer, you strengthen the sector, and you safeguard the earth. That's why OCA's primary program—the Farmer Engagement and Development (FED) Programme—focuses on creating a secure market for farmers, advocating for better prices for organic cotton, and creating visibility all the way down to the farmer. Last year our FED Programme mushroomed six-fold to 12,000 farmers in India and this year, we anticipate even more growth to a total of 23,000 farmers in our FED Programme. These farmers saw a real and compelling business case for using organic practices. They received a premium payment and committed offtake from OCA brands and retailers, resulting in, on average, four percent higher net income from their cotton than conventional farmers in the same region. The recent disruptions in global textile supply chains due to the COVID-19 pandemic have, more than ever, impressed on us the importance of brands and retailers carrying through their commitments to the organic farming communities through OCA's FED Programme. This program provides a secure offtake of organic cotton as a vital cash crop. Now, more than ever, solidarity in supply chains is needed to protect farmers; it is not the time for us to lose momentum or resolve. At OCA, we fully intend to remain committed to this vital work along with our partners.



**Bart Vollaard**

Executive Director  
Organic Cotton Accelerator

[Hear more from Bart in our Insider Series interview.](#)

“

Fairtrade and organic are two different but complementary approaches. Fairtrade Standards cover many environmental aspects, but our primary focus is on better terms of trade for farmers and workers. Fairtrade's unique benefits, such as stable prices and funds for development, bring the stability and investment that is often needed to convert to organic. Fairtrade promotes organic agriculture and supports producers to convert to organic, for example, through their Fairtrade Development Plan, or by investing the Fairtrade Premium in converting to organic farming as turning to organic takes time and money. Fairtrade also sets higher minimum prices for organic produce.



**Subindu Garkhel**

Senior Cotton and Textiles Lead  
Fairtrade

[Hear more from Subindu in our Insider Series interview.](#)

“

For farmers to stay in cotton, they need more stable rates. This stability can be achieved by managing premiums, but it all starts with long term contracts with brands, which allows us to keep prices steady. We always have fields in transition for around 20-30 percent of our area. These areas are used to offset any reduction coming from events like COVID, plus natural migration to other more profitable crops.



**Orlando Rivera**

General Manager  
Bergman Rivera

[Hear more from Orlando in our Insider Series interview.](#)



# Market signals

## Brand commitments to organic cotton

While organic cotton was once seen as “niche,” today, brands of all sizes are making it a major component of their fiber and material portfolios. More and more brands and retailers are setting targets and making commitments to increase their use of organic cotton, encouraged by growing evidence of the sustainability benefits of the fiber, and by the millennial generation bringing its buying power to the market.

It is interesting to see that Textile Exchange's 2019 [Corporate Fiber & Materials Benchmark](#) (CFMB) program had:



**116 Participants**

*of which...*



**89 use organic cotton**

*of which...*



**14 committed to sourcing 100% organic cotton**

*of which...*



**10 have already reached this target**



### Examples of Textile Exchange members' progress towards organic

#### Already at 100 percent organic cotton:

- Boll & Branch
- Coyuchi
- Indigenous Designs
- KALANI
- Norrøna\*
- Nudie Jeans
- Wear Pact, LLC
- Patagonia
- prAna
- Stanley and Stella
- Veja\*

*\*Also use some recycled cotton.*

#### Committed to 100 percent organic:

- **ARMEDANGELS:** Committed to 100 percent organic cotton. Some of the cotton use is also Fairtrade certified.
- **EILEEN FISHER:** 100 percent cotton to be organic by 2020.
- **Kering:** 100 percent cotton to be organic by 2025.
- **Outerknown:** 100 percent cotton to be organic by 2020.

#### Committed to use more sustainable cotton, including organic:

- **Bestseller:** 100 percent cotton to be from more sustainable sources by 2025; 30 percent of which is to be organic.
- **C&A:** 100 percent cotton to be from more sustainable sources by 2020.
- **H&M:** 100 percent cotton to be organic, recycled or Better Cotton by 2020.
- **Levi Strauss & Co.:** 100 percent cotton to be organic, recycled or Better Cotton by 2020.
- **Lindex:** all cotton is already either organic cotton or Better Cotton.
- **Puma:** 90 percent cotton to be organic and/or Better Cotton by 2020.
- **Target:** 100 percent cotton to be organic or Better Cotton by 2022 for own brand and exclusive national brand products.
- **Timberland:** 100 percent cotton to be organic, Better Cotton, or of US-origin by 2020.

#### Other CFMB examples

- **Burton Snowboards:** 100 percent cotton to be organic by design year 2020 / product season winter 2022.
- **Decathlon:** 100 percent cotton to be organic, recycled or Better Cotton by 2020.

#### Industry commitments

- **2025 Sustainable Cotton Challenge:** as part of this challenge, 72 brands and retailers (including subsidiaries) have now pledged for 100 percent of their cotton to come from more sustainable sources, including organic, by 2025. See the [2025 Sustainable Cotton Challenge Second Annual Report 2020](#) for more detail.
- **The German Partnership for Sustainable Textiles:** members have jointly agreed to use at least 35 percent sustainable cotton by 2020, with 10 percent of the total volume being organic. The aim is to increase this to 70 percent sustainable cotton by 2025, with 20 percent being organic. There are currently around 120 members of the [Partnership](#).

# Textile Exchange Organic Cotton Round Table

The [2019 Organic Cotton Round Table \(OCRT\)](#) took place in Vancouver on Friday, October 18, 2019, just after Textile Exchange's annual conference. The cross-cutting theme of the day was Greater Together | SDG 17: Partnership for the Goals, with some of the greatest partnerships in the world of organic cotton being celebrated alongside the progress being made in production, seed, and integrity.

## Going virtual for 2020

This year's Global OCRT will look a little different. In light of on-going developments with COVID-19, Textile Exchange has decided to move its [2020 Textile Sustainability Conference](#) and accompanying Round Table summits

to a fully online, virtual experience. We believe this is the safest approach for the well-being of our global audience, and we are excited that a virtual event makes it possible to broaden the learning opportunities and engagement with the industry at this time.

Details of the 2020 virtual OCRT Summit will be announced in due course. If you would like to register your interest in attending this event, please email [OCRT@TextileExchange.org](mailto:OCRT@TextileExchange.org).

## Regional OCRT Summits

A total of four in-person Regional OCRT Summits had been planned for 2020. One of these went ahead in Burkina Faso, West Africa, in January (see [West Africa](#)



section for details) but the others - due to be held in Brazil, Turkey and China - have unfortunately had to be postponed as a result of COVID-19. We instead plan to hold several regional sessions virtually later in the year, and hope to hold the in-person events in 2021 instead.

## Join our online Hub Community

An online community for the OCRT in Textile Exchange's member Portal, the [Hub](#), has been in the pipeline for some time, but the COVID-19 pandemic makes it an even greater priority. Due to launch in Summer 2020, the OCRT's new virtual home will allow our global audience to continue engaging and driving change despite ongoing travel restrictions.

Many readers will remember the "Global Organic Cotton Community Platform" - a Community of Practice hosted by Textile Exchange and Helvetas between 2009

and 2017, with funding from ICCO and SECO. The new OCRT Hub Community will take a similar approach to engaging the organic cotton community through virtual dialogues, and will provide a place for us to keep the community up to date with the latest developments from our Global and Regional Organic Cotton Round Tables and Working Groups.

## New In-Conversion Working Group

Under the umbrella of the Organic Cotton Round Table, we have a number of working groups that are action oriented and work on specific tasks throughout the year, between our Round Table summits. The most recent addition is a working group focused on in-conversion cotton. If you are interested in learning more about this group, please email [OCRT@TextileExchange.org](mailto:OCRT@TextileExchange.org).

# Organic Cotton Producer Directory

New tool will connect industry with organic cotton producers

Textile Exchange will soon be launching a new online tool to help the industry connect directly with producers of organic cotton all over the world.

The Organic Cotton Producer Directory will be a public tool that allows users to search for organic cotton producers (individuals and groups/cooperatives) based on specific criteria, currently including region, country, annual fiber production, and fiber length. Contact information will be provided for each producer to allow users to contact them directly for more detail such as current availability and prices.

The directory is a voluntary listing, and the information featured is self-submitted. Hence, it will not be an exhaustive list of all organic cotton producers, as only those who submit information will be included.

The tool will help to provide visibility to organic cotton farmers, their products, and their stories.

While the online tool is in development, you can access preliminary information from the database [in pdf format](#).

## How to be featured

If you represent an organic cotton producer/producer group and would like your contact information to be featured in this public directory, please complete the consent form, available in a number of languages: [EN](#); [FR](#); [ES](#); [PT](#); [ZH](#).

If you have any questions, please contact [Materials@TextileExchange.org](mailto:Materials@TextileExchange.org).

## Additional database for India

Complementing Textile Exchange's Organic Cotton Producer Directory, Textile Exchange and the Organic Cotton Accelerator (OCA) are also collaborating to create a deep-dive database specifically for producers in India, which will support the work of OCA's Farmer Engagement and Development (FED) Program. Find out more in the [India section](#) of this report.

The screenshot shows the website's header with a search bar, navigation links for '2019 CONFERENCE', 'JOIN US', and 'MEMBER-ONLY HUB', and the Textile Exchange logo. A main banner features a cotton field and the title 'Organic Cotton Producer Directory'. Below the banner, a text block explains the directory's purpose. On the left, a sidebar contains filter categories: 'REGION' (East Africa, East Asia, North America, South America, South Asia, Southeast Asia), 'COUNTRY' (Brazil, China, India, Pakistan, Peru, Tanzania, Thailand, United States), 'AVG. ANNUAL FIBER PRODUCTION' (ranging from <10 MT to >10,000 MT), and 'FIBER LENGTHS AVAILABLE' (Short, Medium, Long, Extra long). The main content area displays three producer profiles: 'Action for Social Advancement' (Medhya Pradesh, India), 'Chetna Organic Agriculture Producer Company Ltd' (Telangana, Odisha and Maharashtra, India), and 'Aga Khan Development Network (AKDN)' (Medhya Pradesh, India). Each profile includes location, contact information, and production/fiber length filters.

Concept design for the Organic Cotton Producer Directory

# Insider Series

Hear the latest from our industry insiders

During the preparation of this report, alongside the collection of data, we interviewed over twenty stakeholders active in different parts of the organic cotton supply network and from different corners of the globe. We asked about their current

projects, challenges, successes, goals, visions for the organic cotton sector, and much more. Snapshots of their responses are shared throughout this report, but check out our revamped [Insider Series](#) and [Member Spotlight](#) to read the full interviews.



**Ashis Mondal**  
Director,  
**Action for Social  
Advancement (ASA)**

[Link to interview](#)



**Orlando Rivera**  
General Manager,  
**Bergman Rivera**

[Link to interview](#)



**Christa Suter**  
CEO,  
**bioRe® Foundation**

[Link to interview](#)



**Ravindra  
Narayanaswamy**  
Senior Director - Farm  
Operations,  
**CottonConnect**

[Link to interview](#)



**Boaz Ogola**  
General Manager,  
**Alliance Ginneries Ltd.**

[Link to interview](#)



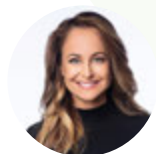
**Sherzod  
Abdurakhmanov**  
Advisor,  
**Bio-Kishovarz**

[Link to interview](#)



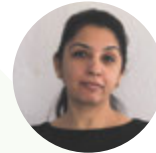
**Roland Stelzer**  
Managing Director ,  
**Cotonea/Gebr. Elmer &  
Zweifel GmbH & Co. KG**

[Link to interview](#)



**Marci Zaroff**  
Founder/CEO,  
**ECOfashion Corp/  
MetaWear**

[Link to interview](#)



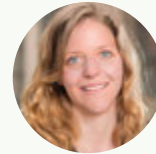
**Subindu Garkhel**  
Senior Cotton and Textiles  
Lead,  
**Fairtrade**

[Link to interview](#)



**Nobuyasu Nakamura**  
Sales Specialist,  
**ITOCHU Corporation**

[Link to interview](#)



**Fabienne Krebs**  
Project Support ,  
**ecos/CCBE**

[Link to interview](#)



**Veronica Yow**  
Senior Manager,  
**Rare**

[Link to interview](#)



**Ishwar Ilanchezian**  
Director – Textile Division,  
**Suminter India Organics  
Pvt. Ltd**

[Link to interview](#)



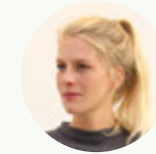
**Hafiz Muhammad Bakhsh**  
Manager Organic Cotton  
Project,  
**WWF Pakistan**

[Link to interview](#)



**Hendrik Buermann**  
Senior Project Manager,  
**GIZ**

[Link to interview](#)



**Juni van Kleef**  
Merchandiser,  
**Naturetex**

[Link to interview](#)



**Bart Vollaard**  
Executive Director,  
**Organic Cotton  
Accelerator**

[Link to interview](#)



**Sarah Compson**  
International  
Development Manager,  
**Soil Association**

[Link to interview](#)



**Mahesh Ramakrishnan**  
Senior Vice President -  
Sustainable Cotton,  
**Welspun Group**

[Link to interview](#)



# Global organic cotton production

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Photo: Organic US Pima cotton © Cotonea

# Global organic cotton production

## GLOBAL OVERVIEW 2018/19 organic cotton production



The significant growth in organic cotton production seen in 2017/18, when global fiber volumes rose 56 percent, continued into 2018/19 with a further 31 percent growth. Global production reached 239,787 MT, which is just shy of the largest ever organic cotton harvest, seen in 2009/10, just before the financial crash that prompted a dramatic decline. Estimates show that the current growth trend will continue next year, though to a slightly lesser degree, with growth expected to be around ten percent.

Globally, an estimated 222,134 farmers were growing certified organic cotton in 2018/19, spread across 19 countries and 418,935 ha of certified land. Although the number of countries growing organic cotton remained the same, the list changed

slightly, with Senegal temporarily dropping out of certification, and Pakistan joining the line up with its first harvest of certified production in 2018/19.

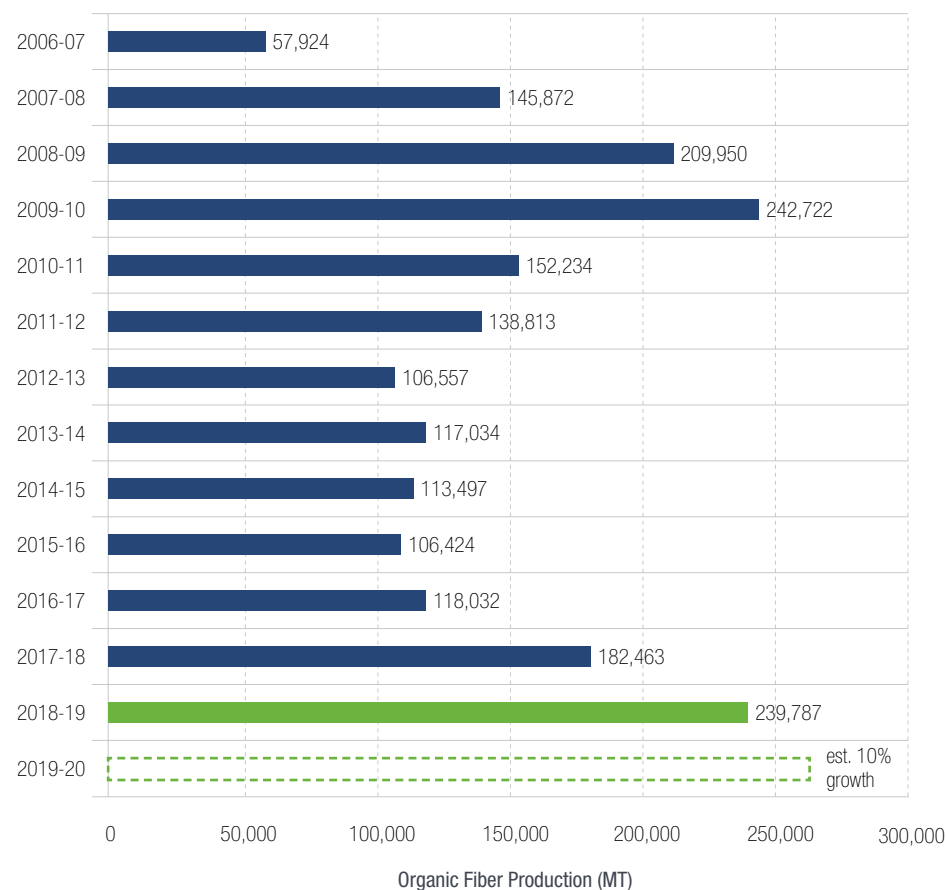
The top seven countries producing organic cotton remained the same, although Tanzania jumped marginally ahead of the US as the sixth biggest producer. Ranked by production, the top seven producing countries were: India (51 percent), China (17 percent), Kyrgyzstan (ten percent), Turkey (ten percent), Tajikistan (five percent), Tanzania (two percent), and the US (two percent). These seven countries continue to account for the vast majority (97 percent) of global organic cotton.

India was by far the biggest contributor to the global growth seen in 2018/19, adding

37,138 MT to the global total. Turkey was also a significant contributor, followed by Tajikistan, China and Uganda. India and Pakistan had the most land in conversion

to organic in 2018/19, with 23,251 ha and 17,632 ha, respectively, followed by Turkey, Greece, and Tajikistan.

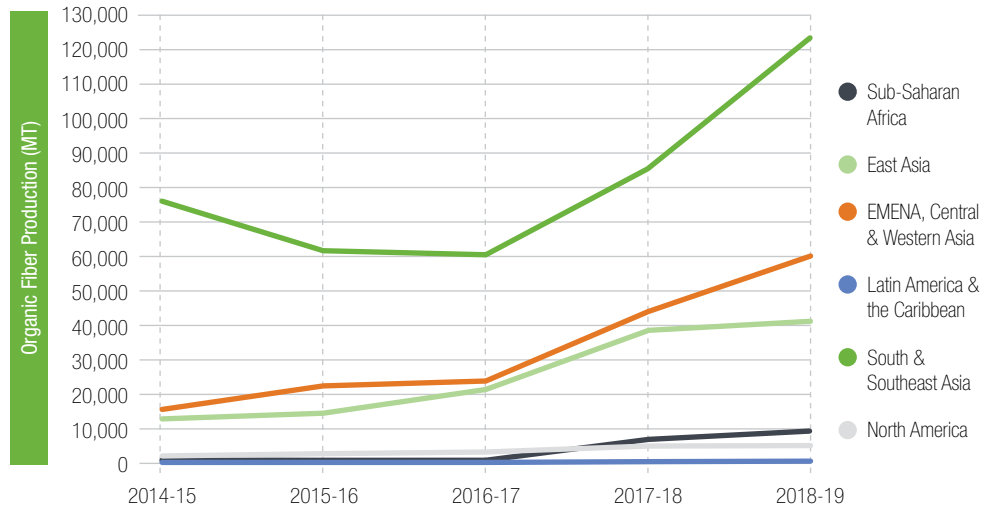
GLOBAL ORGANIC COTTON PRODUCTION - 13 YEAR TREND



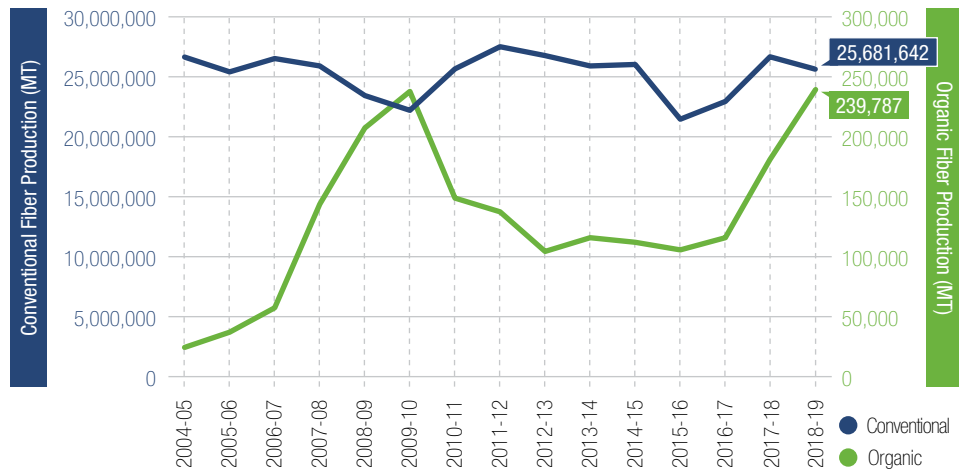
# Global organic cotton production

2018/19 overview and trends

REGIONAL ORGANIC COTTON PRODUCTION - 5 YEAR TREND



COMPARISON BETWEEN CONVENTIONAL AND ORGANIC COTTON PRODUCTION TRENDS  
(NOTE: DIFFERENT SCALES USED)



  
Organic Cotton  
Fiber (MT)

  
Fiber  
Year-on-Year

  
Share of global  
organic cotton  
production

	Organic Cotton Fiber (MT)	Fiber Year-on-Year	Share of global organic cotton production
 Global	239,787	31%	100%
 India	122,668	43%	51.15%
 China	41,247	7%	17.20%
 Kyrgyzstan	23,637	6%	9.86%
 Turkey	22,839	77%	9.52%
 Tajikistan	12,178	35%	5.08%
 Tanzania	5,281	8%	2.20%
 USA	5,175	2%	2.16%
 Uganda	2,581	238%	1.08%
 Greece	1,168	12%	0.49%
 Benin	998	40%	0.42%
 Peru	558	11%	0.23%
 Burkina Faso	453	-16%	0.19%
 Pakistan	398	(new)	0.17%
 Egypt	287	-34%	0.12%
 Ethiopia	130	115%	0.05%
 Brazil	97	335%	0.04%
 Mali	84	9%	0.03%
 Argentina	11	575%	0.005%
 Thailand	6	-9%	0.003%



# Sub-Saharan Africa

Photo: Organic cotton farmers in Benin. © The Beninese Organization for the Promotion of Organic Agriculture (OBEPAB)

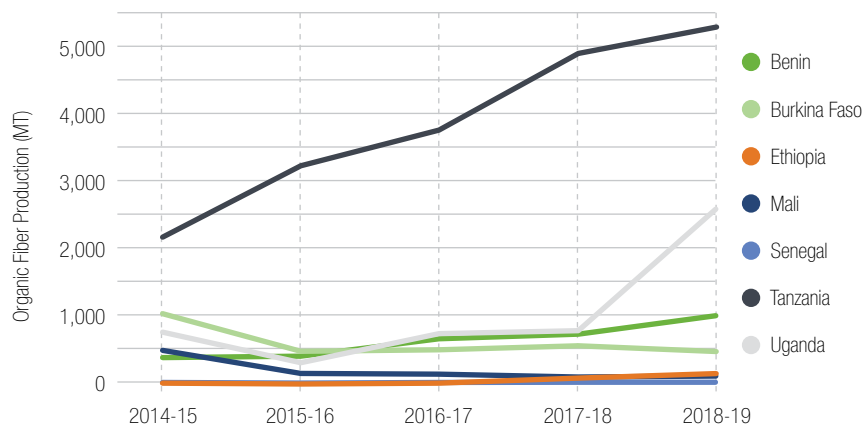


# Sub-Saharan Africa

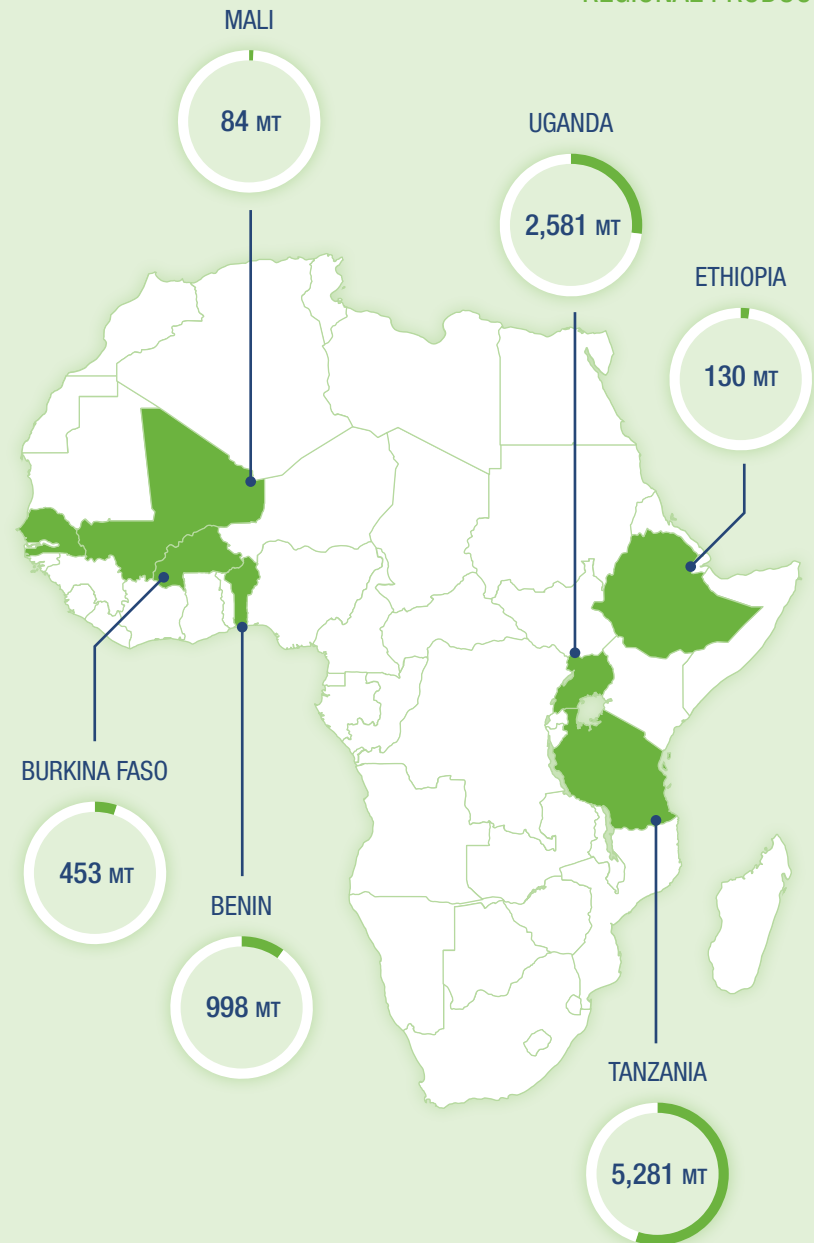
## REGIONAL OVERVIEW 2018/19 organic cotton production



### 5-YEAR PRODUCTION TRENDS



## REGIONAL PRODUCTION



# West Africa

## TextileExchange TEam insights | West Africa



**Dr. Silvère Tovignan**

Textile Exchange Ambassador, Pan-Africa  
(lead on West Africa data and Q&A response)



**Lazare Yombi**

Textile Exchange Ambassador, West Africa  
(West Africa data support)

### What are your key observations on organic cotton production and trends from the 2018/19 season?

At a continental level (East and West Africa), the production of organic cotton increased 36 percent. Looking at West Africa alone, production increased 15 percent.

The Organic & Fairtrade Cotton Coalition of West Africa (CCBE) was established two years ago and, while it has not yet had a visible impact on the growth of production, the signals are promising.

There is hope that production will expand in the coming years - in Burkina Faso due to the new ginnery, and in Mali in response to price changes in the conventional cotton sector. In Benin, the future of organic cotton will depend a lot on the decision of AIC and SODECO to take over the operational costs (field agents and certification) of organic cotton production.

Regarding climate change, a big impact we see is changes to the start of the rainy season, which can delay planting.

### What do you expect the short- and long-term impacts of COVID-19 will be on organic cotton in West Africa?

Generally, the impacts of COVID-19 are more visible in cities than in rural areas. Nevertheless, producer organizations in all countries are taught to respect the hygiene measures and barriers required by governments, namely the wearing of masks, social distancing, and extra hand washing.

In the short-term, organic cotton farmers will be less impacted than conventional farmers. Some big conventional cotton farmers in Benin, for example, use labor from Togo and Burkina Faso and, as borders are closed, this may result in a reduction in cultivated land area. In countries such as Mali, that see the conventional cotton farm gate price reduce

in response to a drop in the cotton price in the international market, the number of farmers growing organic and fair trade cotton will likely increase, as long as the fair trade minimum price guarantee is applied.

### Do you have any examples to share of how organic cotton farming communities are adapting in light of the COVID-19 crisis?

In Mali, at the National Federation of Organic and Fair Trade Producers (FENABE), there are around 25 farmers taking part in practical training. Updates and advice with regards to the pandemic are disseminated during this training. For field supervisors, guidance is transmitted by telephone calls/messages, WhatsApp groups, the internet, and via rural radios. For producer cooperatives, urgent messages are sent to those with mobile phones who then share the messages with peers.

### What are the biggest challenges climate change poses to organic cotton production in West Africa?

The use of organic practices makes organic cotton farms more resilient than conventional farms to climate shocks. The biggest climate change-related barrier to growth of organic farming in this region is

the expansion in the use of pesticides and herbicides by non-organic farmers, which have become very accessible. In addition to the harmful impact of these chemicals on the environment (soil, crops, air, and water), their application is poorly controlled. This situation is reducing the playing ground of organic cotton farmers.

### What are some of the main adaptation measures you see being used by organic cotton farmers?

Best practices in organic agricultural practices are the main adaptation measures used by producers. These practices relate, for example, to reasoned clearing, restricted cutting of trees, no bush fires, and taking anti-erosive steps, and good soil and water management methods. Some organic cotton farmers also move their planting date to cope with early or late starts to the rainy season.

### Are organic cotton farmers taking measures to mitigate climate change?

One main mitigation method used by organic cotton farmers is not using bush fire as a means to clear land; a practice common in non-organic farming communities. Organic farmers are also taught to leave a certain number of trees per hectare when creating new plantations.

# West Africa



## Second Regional Organic Cotton Round Table

### Second Regional OCRT West Africa

Textile Exchange was delighted to have the opportunity to collaborate on hosting the second Regional Organic Cotton Round Table West Africa on January 31, 2020 in partnership with Catholic Relief Services (CRS), the Organic & Fairtrade Cotton Coalition West Africa (CCBE – represented by ecos and FiBL) and the UNPCB. The event was once again held in Koudougou, Burkina Faso, during the International Cotton and Textile Fair (SICOT).



The aim of the Regional OCRT was to identify the opportunities for growth in the organic and fairtrade cotton sector in West Africa, and for developing manufacturing infrastructure and textile value chains.

As part of an interactive workshop on the day, participants identified three areas where action is most urgently needed - marketing, transformation, and production - and action plans have been created to progress each of these between now and the third edition of SICOT, planned for January 27-28, 2022, in Koudougou, Burkina Faso.



For 2.5 years, representatives from Senegal, Mali, Burkina Faso and Benin have collaborated through the Organic & Fairtrade Cotton Coalition of West Africa (CCBE) to promote organic cotton for sustainable development in the region. At the second Regional OCRT West Africa, representatives discussed ways forward for organic cotton in the region. They showed great personal initiative to work towards up scaling of organic cotton production both for international markets as well as to boost local transformation.

With COVID-19 stressing the importance of partnerships along value chains, the CCBE's ability to foster vertical and horizontal linkages to exploit synergies and economies of scale shows a way forward for the out-dated business models of the industry. With South-South collaboration at its origin, the CCBE is now exploring a new structure to allow downstream actors to join the partnership.



**Fabienne Krebs**  
Project Support  
ecos/CCBE

[Hear more from Fabienne in our Insider Series interview.](#)

# West Africa



## Benin | 2018/19 organic cotton production



In Benin, two producer groups - OBEPAB and UPC BIO - are currently active in the production of organic cotton.

Due to a lack of financial support for certification, farmers of UPC BIO ceased being certified in 2019/20. Nonetheless, Benin's overall organic cotton production is still expected to rise ten percent in 2019/20, fueled by OBEPAB's growth.

OBEPAB's land area remained similar in 2018/19 compared to the previous season, but there was an increase in production of about 50 percent. This achievement is associated with the actions

of the partnership between OBEPAB and Pesticide Action Network (PAN) UK, through which farmers are supported with advisory services, quality inputs, and organic certification. In the long run, the best way to sustain Benin's production of organic cotton will be for SODECO, the company that controls almost all cotton production (including organic) in Benin, to take over these support services.

Rainfall this season was marked by insufficient rains during planting and heavy rains during the harvest, which resulted in the downgrading of part of the cotton production during ginning.



Organic cotton farmers in Benin face several challenges, among which pests are prominent. To help with this, producers have been taught innovative pest management techniques, allowing them to grow cotton with reduced risks of debt or of negative impacts to their health or the environment, while ensuring incomes similar or better than those farming conventionally. Preparation of organic pesticides based on neem extract is one of the pest control methods that producers were taught. However, farmers found the activity of processing the organic pesticide difficult and it was cited as a challenge to expanding production.

Thanks to a new project, a “ready-made” neem seed pesticide has been developed and was trialed by farmers before being more widely produced and distributed. We have monitored the performance of the Goussigon cooperative in the municipality of Djidja since 2017 to assess the correlation between the use of the ready-made biopesticide and the evolution of producer numbers, cropped area, production, and yield.

Results show that, overall, the provision of the “ready-made” neem exact to farmers of this cooperative is increasing the number of producers, cropped area, and production. The average organic cotton area per farmer in this cooperative increased from 0.7 ha in 2015 to almost 2 ha in 2020.

The results indicate that pounding neem seed was a limiting factor in the expansion of organic cotton production, but that provision of ready-made neem extract could be the solution.



**Delphine BODJRENOU and Simplicie Davo Vodouhe**  
Organisation Béninoise pour la Promotion de l'Agriculture Biologique (OBEPAB)

# West Africa



## Burkina Faso | 2018/19 organic cotton production



In Burkina Faso, the National Union of Cotton Producers of Burkina Faso (UNCPB) accounts for all of the country's production of organic cotton.

Land area planted with organic cotton, and the resulting fiber volumes, both reduced by almost twenty percent in 2018/19. The main reason for this is the ongoing security concern in the country; around one million people have been displaced internally due to terrorism threats, meaning many farms have been abandoned.

Another cause for the decrease in production is insufficient and irregular rainfall, combined with pest pressure.

The good news is that organic cotton production in Burkina Faso may increase significantly in the coming seasons as a result of the launch of a new ginning company, SECOBIO, and its new gin that will prioritize organic cotton. The gin, located in Koudougou, was officially opened in January 2020. Hear more about it on the next page from Djéneba Guirou/ Pagabelem, Marketing and Sales Officer at UNPCB.



# West Africa



## Burkina Faso | New gin will boost organic cotton



Eagerly anticipated for many years by all actors of the organic cotton sector, the first ginning facility in West and Central Africa dedicated to organic cotton was inaugurated by the President of Burkina Faso on January 30, 2020, in Koudougou during the second edition of the International Cotton and Textile Fair (SICOT). SECOBIO, a limited company with an initial capital of 10 million CFA, is in charge of administrating the gin. The majority (51 percent) of SECOBIO's capital is held by the Burkina Faso National Union of Cotton Producers (UNPCB) – and the remaining 49 percent by the Burkina Faso Company of Textile Fibres (SOFITEX).

The SECOBIO ginning facility has a ginning capacity of 17,500 MT of seed cotton per season, i.e. 125 MT per day. The overall investment cost amounted to 4 billion CFA. In total, that facility occupies about one hectare with a built-up area of 5,000 m<sup>2</sup>. The design, construction and launch of the ginning plant are the result of the combined work of SOFITEX, UNPCB, and its partner, Catholic Relief Services (CRS), as part of the implementation of the “RECOLTE” Project funded by the United States Department of Agriculture.

*Continued* ▶



Thanks to this new gin, organic cotton will be ginned immediately after harvest. This will solve many of the issues that Burkina Faso's organic cotton sector experienced in the past, such as late payment of farmers, delays in the marketing of the fiber, contamination risks from conventional fiber, and late availability of seed for the next growing season. This will help convince cotton producers in Burkina Faso to grow organic cotton.

The organic cotton fiber produced by the new SECOBIO gin, under rigorous conditions and in accordance with international certification standards, will enable Burkina Faso's organic cotton to become more competitive on the international market.



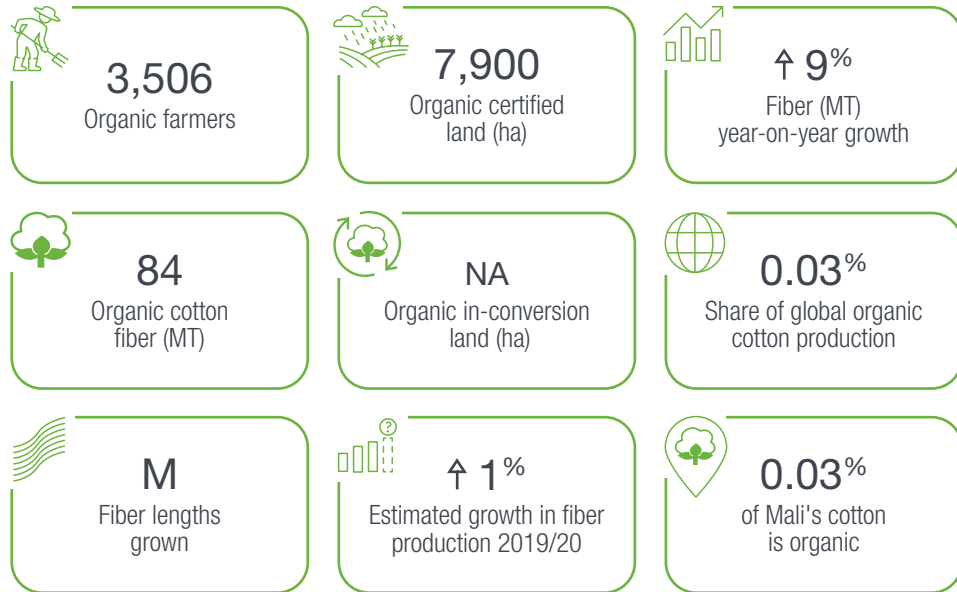
**Djéneba Guirou/Pagabelem**  
Marketing and Sales Officer  
Burkina Faso National Union of Cotton Producers (UNPCB)



# West Africa



## Mali | 2018/19 organic cotton production



In Mali, the National Federation of Producers of Organic and Fair Trade Agriculture (FENABE) is the only producer group growing organic cotton at present. Compared to the previous season, the number of farmers increased 35 percent, while cropped area decreased eight percent, and production rose nine percent.

As was the case all over the Sahel, there was a late start to the rains, which meant a delay to the start of the cotton season, and heavy rains towards the end of the season.

Since the structural challenges faced by MOBIOM five years ago, and a continued

lack of financial support, organic cotton production has been slow to expand in Mali. In the coming years, however, the number of farmers will likely increase - if the organic and fair trade price continues to be paid to farmers - because the conventional farm gate price for 2020/21 is planned to drop from 275 to 200 FCFA per kg of seed cotton. The Government took this decision to cope with the fall in cotton prices on the international market as a result of COVID 19. At the same time, conventional input prices will increase. This situation may push more conventional farmers to convert to organic and fair trade cotton, if the price is maintained at 318 FCFA/Kg.



After negotiations between the Government of Mali and the French Development Agency (AFD), a third project in support of the cotton sector in Mali started in the 2020/21 growing season. The project AgrEco - Supporting Project for the Agroecological Transition of Farming Systems in Cotton-growing Areas of Mali - aims to support reforms of the cotton sector and adaptations to climate change.

It is the direct follow-up project of PASE II that aimed to support the economic development of cotton-growing areas of Mali. The project AgrEco intends, on the one hand, to initiate and support the adoption of more ecological and fair practices in the cotton-growing areas of Mali and, on the other hand, to improve producers' incomes.

As part of AgrEco, FENABE, through the C-SCPC (Mali's Confederation of Cotton Producer Cooperative Companies), signed a production agreement on June 16, 2020, for 1,200 tons of organic cotton as part of a 6-month test phase.



**Hamidou Bagayoko**  
Executive Secretary  
FENABE

# West Africa



## Senegal | Certification to resume in 2019/20

*Please note that organic cotton in Senegal was not certified in 2018/19, but certification will resume in 2019/20.*

Senegal has a well-established coalition for organic cotton constituted of the Textile Development and Fibers Company (SODEFITEX) and FNPC (the National Federation of Cotton Producers). Organic cotton production remained the same as the previous season, at 3 MT; but, it was not certified in 2018/19 and therefore isn't officially counted in this year's reporting.

However, certified organic cotton will resume in 2019/20, and production looks set to improve in the coming years as

SODEFITEX and FNPC are partnering with GIZ on a project to strengthen and extend organic cotton in regions with favorable rainfall patterns. Read more about this opposite from Abdoulaye MBAYE of SODEFITEX.

There are also plans in place for a ginnery in Kahone to be 100 percent dedicated to organic cotton, and synergies with an organic spinning mill in Kaolack are also being explored. The goal is to obtain commitments from producers, ginners and processors to develop an organic cotton value chain.



The National Federation of Cotton Producers (FNPC) and the Textile Development and Fibers Company (SODEFITEX) have just received support from German cooperation, GIZ, for the extension of organic and fair trade cotton production in Senegal. A five-year project has been approved. The objective is to raise the area to more than 3,000 ha and to increase production to 675 tons of organic and fair trade cotton fiber by 2024/25. For the moment, only funding for the first cropping year (2020/21) has been obtained. To achieve the objectives, FNPC and SODEFITEX began extending production areas in regions where agro-climatic conditions (soil and rainfall) are more suitable, particularly in the department of Bounkiling in Casamance, around the buffer zone of Niokolo Koba National Park, and along the northern border between Senegal and Gambia. The project is planned for in two stages. SODEFITEX will carry the certification of processing and transactions while FNPC will endorse seed cotton certification. For the coming season, more than 450 ha have been registered. The early start of the rains and sowing gives hope for a fruitful 2020/21 season.



**Abdoulaye MBAYE**

Head of the Training and Innovations Department  
SODEFITEX (national cotton company of Senegal)

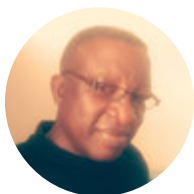


Photo (left): © SODEFITEX



# East Africa

## TextileExchange TEam insights | East Africa



**Leonard Mtama**

Agronomist and Organic Consultant |  
Textile Exchange Ambassador for East Africa

### Q What are the biggest challenges that climate change poses to organic cotton production in this region?

Cotton in East Africa is mostly rain-fed and managed by smallholder growers. Growers are struggling with shifting patterns of rainfall as a result of climate change.

Prolonged dry spells deplete the soil of moisture and negatively impact the availability of nutrients that are essential to plant growth.

At the same time, periods of heavy rainfall can oversaturate the soil and lead to erosion and a prolonged vegetative stage of the plants, which leads to lower yields and a delayed harvest. Prolonged rainfall also encourages weed growth, leading to a rise in the cost of weeding activities.

Furthermore, a shift in rainfall patterns has been noted to lead to increased pressure on the whole ecosystem, which can lead to extreme events, such as the invasion of locusts as seen recently across East Africa, as well as invasions of the fall armyworm, a lepidopteran pest that feeds

in large numbers on the leaves, stems and reproductive parts of plants.

### Q What are some of the main adaptation measures being used by organic cotton farmers?

As a result of the challenges posed by climate change, farming patterns in East Africa are shifting; some crops have been introduced while others abandoned. During dry spells, for example, farmers might shift to cotton and abandon sunflower, while during periods of prolonged rainfall, they might shift to paddy. These shifts are not so much planned adaptation strategies, more subsequent reactions based on farmers' experience.

More purposeful adaptation measures include the introduction of man-made water catchment dams or reforestation projects in some areas that improve the resilience of farmers and their communities in the face of climate change. Conservation agriculture, such as zero tillage, ripping, or ridge cultivation, can also improve the ability of ecosystems to respond to external threats.

The introduction of new crops for rotation with cotton, such as yellow gram and safflower, which are planted after the rains, further supports adaptation to changing weather patterns. The use of molasses to trap insects, and the planting or trap crops, can prevent larger infestations of bollworm or fall armyworm.

### Q Are organic cotton farmers in East Africa taking any measures to mitigate climate change?

Smallholder cotton growers are enhancing soil organic matter content through measures such as no-tillage, the use of cover crops, or the application of green manure. They are also planting more legumes as a way to fix nitrogen in the soil. All of these measures can improve soil carbon sequestration and, as such, mitigate climate change, but - as of yet - no data is available to show the exact impact of these measures.

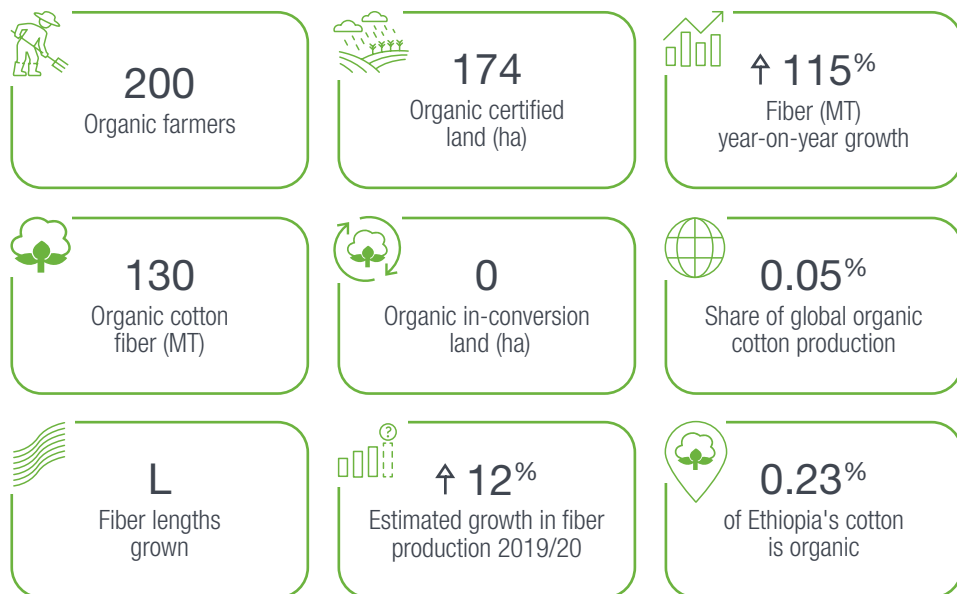
### Q Any other observations or comments to add?

Alliance Gineries Ltd. hopes to start a new organic cotton production project in Zambia in the coming years, so we may soon have a new country added to East Africa's line up of cotton producers.

# East Africa



## Ethiopia | 2018/19 organic cotton production



Now in its second year of certified production, Shelle Mella organic cotton growers co-operative in Southern Ethiopia's Rift Valley produced a total of 130 MT of organic cotton fiber in 2018/19.

This production came from the same 174 ha farmed by a group of 200 farmers last year, producing 60 MT harvested in 2017/18. The rise in production despite no change in land area is due to improved rain patterns in the 2018/19 harvest year

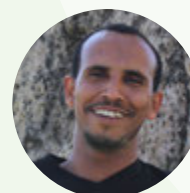
Seasonal variations in rainfall and moisture levels have a significant impact on the yield.

Heavy rains in the 2020 sowing season, for example, have made it very difficult for farmers to sow on time, so fluctuations in production will likely continue.

PAN Ethiopia supported the establishment of three new cooperatives in 2018/19, with the intention for them to produce certified organic cotton, but the current COVID-19 pandemic could delay the certification process. Read more about this on the right from Atalo Belay, PAN Ethiopia's Programme Coordinator.



Agriculture is one sector highly affected by the COVID-19 pandemic as the disease prevention approach recommended by WHO is to stay home, which makes situations worse for agriculture and for our organic cotton activities in particular. This is mainly because training sessions have been given for organic cotton growers via the farmer field school approach, which requires a group of farmers to come together in-person. Due to this, we are now in a situation where we cannot bring farmers together for training and extension support. This could bring an immediate impact to the organic cotton production plan of the season. In the 2019/2020 season, three new cooperatives were established, which were planned to become certified organic cotton producers; but the current situation may cause the certification process to be postponed.

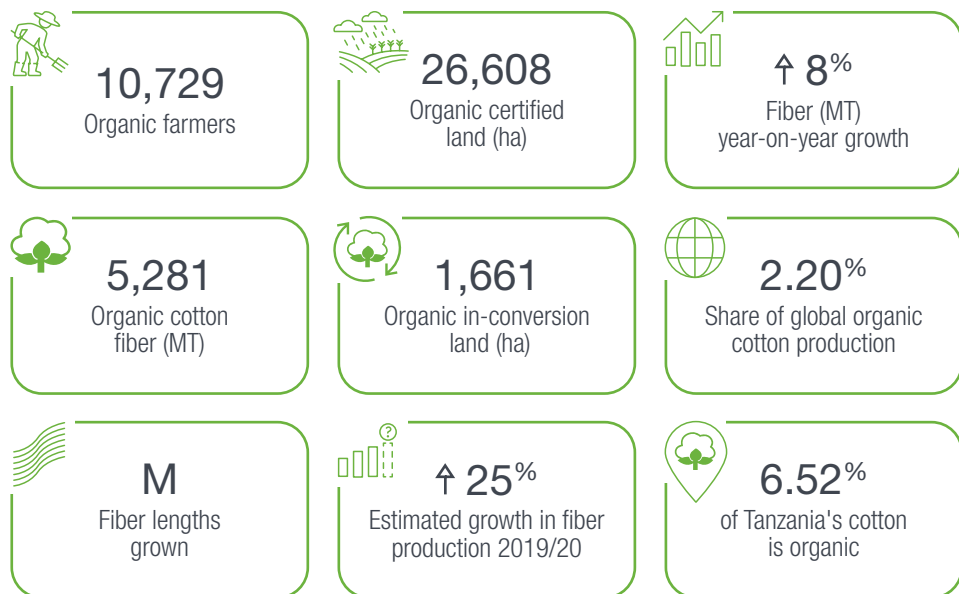


**Atalo Belay**  
Programme Coordinator  
PAN Ethiopia

# East Africa



## Tanzania | 2018/19 organic cotton production



Joining longstanding producers BioSustain and bioRe Tanzania this year is Alliance Ginners, which had its first certified organic cotton production in 2018/19 as part of a project funded by Laudes Foundation.

Total production grew eight percent in 2018/19, with Tanzania now the sixth largest producer of organic cotton worldwide (having jumped marginally ahead of the US this year). A further 25 percent growth is expected in 2019/20.

At present, almost all organic fiber is exported from Tanzania, and there is high competition in the export market. It is

hoped that local manufacturers will opt for organic cotton fiber for production of medical and sanitary equipment.

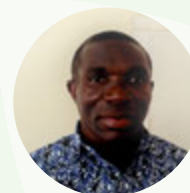
Farmers are increasingly keen to grow organically as awareness rises of the environmental impacts of conventional agriculture. One barrier to organic production in Tanzania is poor availability of organic insecticides in local markets.

A promising trend seen in Tanzania is that government policies are turning in favor of organic production, with the buying system having changed from agency to primary Agricultural Marketing Co-operative Societies (AMCOS).



We are in our third year in organic practice, and the rate of adaptation is very high despite excess rains this year and the effect of COVID-19 on the entire process. The number of registered farmers has increased from 1,877 to 9,180 this farming season, and we are looking forward to doubling this number in the coming season. Many farmers have adopted good agronomic practices and appreciate the application of the bio-pesticides through benefits derived from organic farming. . . .

Currently, there are no immediate measures for economic improvement being realized [in light of COVID-19], but we expect the situation to improve soon. The activities in place right now are mostly meant to safeguard human lives and, to some extent, sustain smallholder farmer activities, like the marketing of other crops to cushion them from cash shortages for taking care of the major cash crops (in our case, cotton). In the future, we want to promote the cultivation of other leguminous crops, which can be used as a cash crop as well as a way to improve soil fertility within the organic cotton rotational system. We will provide a ready market for farmers by buying this rotational crop from them.



**Mr. Boaz Ogola**

General Manager  
Alliance Ginners Ltd.

[Hear more from Mr. Boaz Ogola in our Insider Series interview.](#)



The organic cotton project in Tanzania, funded by Laudes Foundation and implemented by GIZ and Helvetas, together with Alliance Ginners Ltd. and BioSustain Tanzania Ltd., supports farming communities to be more resilient to climate change. With a landscape approach, 30,000 cotton farmers are being trained in climate-smart organic farming techniques. Cooperatives and village groups are learning to play a role in aggregating and processing organic produce. Community action towards climate resilience is increased, which feeds into a policy process on the local level that strives to support the creation of organic clusters. . . .

I feel fortunate to be part of this initiative. Seeing the cotton farmers being excited about having water to drink that is not contaminated by chemicals, while acknowledging that organic cultivation methods are increasing their productivity, shows where a large part of the benefit of organic cotton value chains is located. To now translate this into a much larger intervention that hopefully one day leads to areas where organic agriculture is the conventional one and farmers deciding to use chemical pesticides have to register, that is a big motivation. . . .

I think [in terms of my vision for the organic cotton sector] an approach that looks at organic farming not only through the lens of farmers but rather communities and geographical clusters that involve all actors in these systems will be the future. Enabling all these actors to benefit from an organic approach, while having conventional farmers [be required] to register the use of chemicals would be my vision. Why do we, who want to protect people and the environment, have to register; it should be the ones that are harming it.



**Hendrik Buermann**  
Senior Project Manager  
GIZ

[Hear more from GIZ in our Insider Series interview.](#)

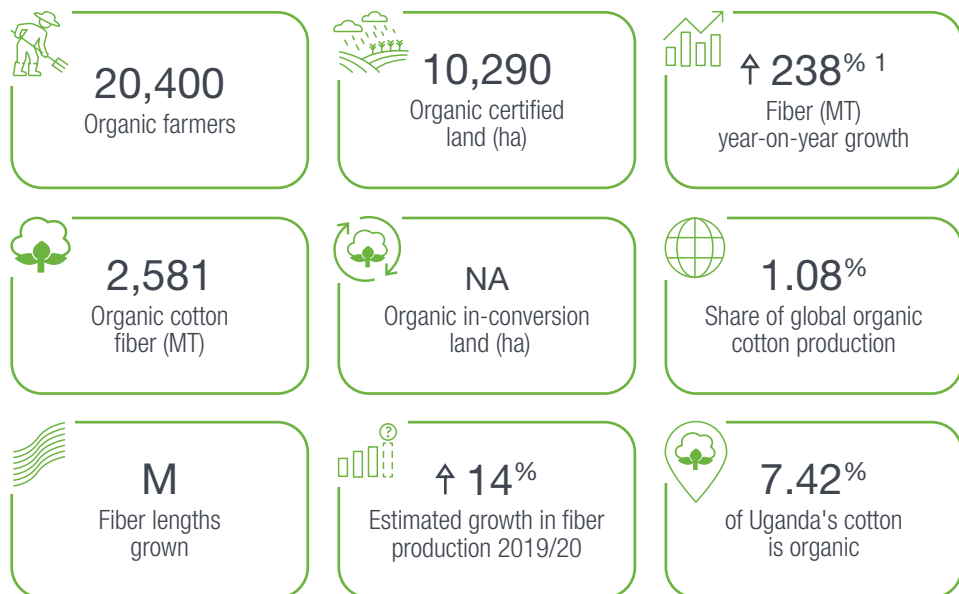


Photo (right): Organic cotton farmer business school in progress. This organic cotton project in Tanzania is funded by Laudes Foundation and implemented by GIZ and Helvetas, together with Alliance Ginners Ltd. and BioSustain Tanzania Ltd.

# East Africa



## Uganda | 2018/19 organic cotton production\*



A steep rise of 238 percent was seen in Uganda's production of organic cotton between 2016/17 and 2018/19. Please note that this growth rate reflects a two year period because 2017/18 production information was not available, and so 2016/17 production data was used as a proxy for that year.

A similar but slightly larger harvest is expected in 2019/20, as noted by Roland Stelzer of Cotonea opposite, who says this was another successful year for organic cotton in Uganda.

The recent growth seen in Uganda is the result of a three-year support program, initiated in 2017, to strengthen village communities, provide financial training, and establish self-organized support groups.

Gulu Agricultural Development Company (GADC) is the primary producer of organic cotton in Uganda.

Uganda now has one of the highest shares of national organic cotton production, with over 7 percent of its cotton being grown organically.

<sup>1</sup> Please note that this growth rate reflects a two year period, from 2016/17 to 2018/19, because 2017/18 production information was not available. 2016/17 production data was used as a proxy for 2017/18 in last year's report.



We have just now completed a program in Uganda together with the German GIZ to train farmers and establish "Village Savings and Loan Associations" (VSLAs) as farmer cooperatives. Over three years, many thousands of farmers have been taught [organic farming practices]. 2019 was a good harvest in terms of quality and quantity, and the whole crop sold out by February 2020. . . .

Cotonea hopes very much that a positive effect of COVID-19 will be a decrease in fast fashion. And, if this is the case, it is good news for organic cotton. Cotonea has noticed for the last two years a dynamic increase in demand for organic cotton textiles, and there has been no change in this trend during these first two months of the COVID-19 pandemic, which is astonishing but true. . . .

We can state that there is not a specific measure that helps farmers to stand the COVID-19 crisis. It is the business model, the way of working itself, which is much more resilient than complex global value chains based on or using fraud and suppression.



**Roland Stelzer**

Managing Director

Cotonea / Gebr. Elmer & Zweifel GmbH & Co. KG

[Hear more from Roland in our Insider Series interview.](#)



# Latin America & the Caribbean

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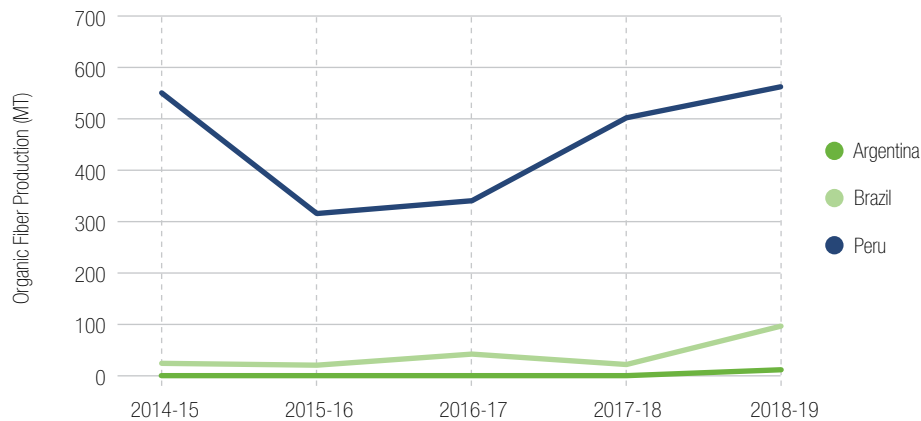
Photo: ©Bergman Rivera, Peru

# Latin America & the Caribbean

## REGIONAL OVERVIEW 2018/19 organic cotton production



### 5-YEAR PRODUCTION TRENDS



## REGIONAL PRODUCTION



<sup>1</sup> Please note that 43MT of Brazil's 97MT production total is produced under the Participatory Guarantee System (PGS), rather than third-party certification.

# Latin America & the Caribbean

 TextileExchange TEam insights



**Silvio Moraes**

Agronomist and Environmental Consultant |  
Textile Exchange Ambassador for Latin America

**Q What do you expect the short- and long-term impacts of the COVID-19 pandemic will be on organic cotton in this region?**

Most organic cotton farmers live in small communities quite far away from the big cities and epicenters of the pandemic. These communities are usually very well organized and have established measures and precautions to minimize the risk of contact with the virus. Besides these new habits and the closure of schools, life in the fields hasn't changed much, and smallholder farmers keep the daily routine of taking care of crops and animals.

On the market side, almost all organic cotton harvest from the 2018/19 and 2019/20 seasons has already been sold to the usual buyers. Contracts for sale are usually established in advance with the farmers. The impact of COVID in the coming years will depend on the capacity of the economy to reestablish but, as the demand for organic cotton is increasing

globally, it is expected that organic cotton production will keep growing.

**Q Do you have any examples to share of how organic cotton farming communities are working to improve economic resilience and safeguarding in light of COVID-19?**

One big impact that the farmers are suffering during the pandemic is the difficulty of receiving visits from the people that used to support them and give technical advice. This problem has been circumvented by the use of social network apps, such as WhatsApp. The organizations, programs, and companies that used to assist farmers in-person have established a routine of virtual visits and of answering questions from farmers through this medium - and it is working incredibly well, as most families are used to using social media regularly.

**Q What are the biggest challenges climate change poses to organic cotton production in Brazil?**

In Brazil, organic cotton is sown in the semi-arid region, which suffered a historic drought for more than seven years. In 2019, torrential rains occurred at unexpected times, which harmed the cotton harvest. In 2020, the rains remain irregular, leading farmers and technicians in the sector to consider changing the recommended period for sowing.

**Q What are some of the main adaptation and / or mitigation measures you see being used by organic cotton farmers?**

Farmers from Argentine Chaco were able to overcome climatic adversities, including severe floods, and guarantee good productivity in the fields thanks to methods of soil conservation. Agroecological systems implemented in Brazil's semi-arid zone have transformed some regions - regenerating soil and recovering natural vegetation and water courses. The positive impact of organic soil and water management practices are notable, but not yet properly measured.

Projects like the ones of Fundação Laudes (Laudes Foundation) in northeastern Brazil are intended to measure these impacts more objectively, so we should have better data about it in the near future.

**Q Any other observations or comments to add?**

The semi-arid region where organic cotton grows in Brazil began to receive more regular rain in 2020. This happened at the same time as the planted area of organic cotton reached a record high, meaning a record harvest is anticipated in the 2020/21 crop year.

Another point to note is that the pilot project in Haiti, led by the Smallholder Farmers Alliance (SFA) with support from the Impact Farming Foundation and in partnership with Timberland, continues to progress. While the cotton is being grown using organic methods, it is not yet under organic certification.



# Latin America & the Caribbean



## Argentina | 2018/19 organic cotton production



Argentina has demonstrated good potential for producing organic cotton. However, decapitalized enterprises and a lack of government incentives lead to limited investment in the sector.

StayTrue was again the only company responsible for producing organic cotton in Argentina, thanks to the dedication of the company's manager to promote biodynamic agriculture by indigenous communities in the el Chaco region. Considering it is a relatively low investment, and with the increasing interest of international consumers in regenerative and fairtrade projects, the company has

been able to maintain its project in spite of the poor financial incentives. The effective application of biodynamic methods by the indigenous farmers in el Chaco resulted in a significant increase in Argentina's production of organic cotton, from 1.6 MT in 2017/18 to 10.8 in 2018/19.

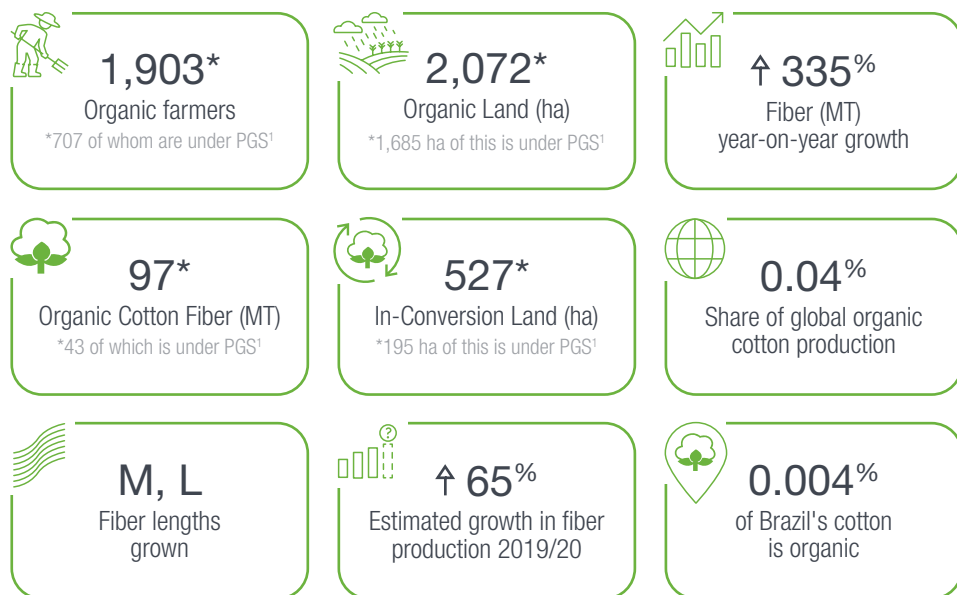
There were severe floods in the region in 2019, which could impact 2019/20 production, but more regular rain is anticipated for the 2020/21 harvest year, leading to an increase in the area planted with organic cotton in 2020.



# Latin America & the Caribbean



## Brazil | 2018/19 organic cotton production



Several factors have improved Brazil's production of organic cotton this year, including accessibility of participatory certification system (PGS);<sup>1</sup> support from NGOs for technical assistance to farmers; the knowledge acquired by farmers over time that allows them to cope with the challenges posed by organic practices; planting in consortia that allows the diversification of production and food security; commercialization guaranteed by contracts, allowing the generation of family

income, and partnerships with companies and institutions.

For example, with the support of the Laudes Foundation, an organic cotton expansion project has reached six Brazilian states. Companies like Veja have purchased cotton from associations and cooperatives involved in this project. Other companies, such as Natural Cotton Color, Justa Trama, and Organic Cotton Colors, continued to encourage the cultivation of organic cotton in the country.

<sup>1</sup> Participatory Guarantee Systems (PGS) are an alternative to third-party certification. As per [IFOAM - Organic International's definition](#), PGS are locally focused quality assurance systems that certify producers based on the active participation of stakeholders and are built on a foundation of trust, social networks, and knowledge exchange. IFOAM - Organics International has a [list of recognized PGS programs](#).

Also worth highlighting is the Paraíba Cotton project, developed by the state government and supported by research companies such as EMBRAPA, producer associations such as Coopnatural, and spinning companies such as Norfil. The project has significantly increased the number of producers in recent years.

On the other hand, there remain barriers that restrict additional growth in organic cotton production, such as irregular rainy seasons, lack of public policies that support agroecological production and commercialization of products, insufficient technical assistance for farmers, and new markets for their production.

The impact of these projects on production will become even more evident next year, with a record organic cotton harvest anticipated in 2019/20.

### Regional Organic Cotton Round Table for Latin America & the Caribbean

Before the COVID-19 pandemic hit, planning had been in the works at Textile Exchange to host our first Regional Organic Cotton Round Table (OCRT) Summit for Latin America and the Caribbean in northeast Brazil in September 2020. That can sadly no longer happen, but we hope to hold it in September 2021 instead, and will hold a virtual session focused on the region later this year.



The goal of the Regional OCRT Summit for Latin America will be to bring actors from Latin America and the Caribbean together around organic cotton and to connect with interested regional and international buyers.

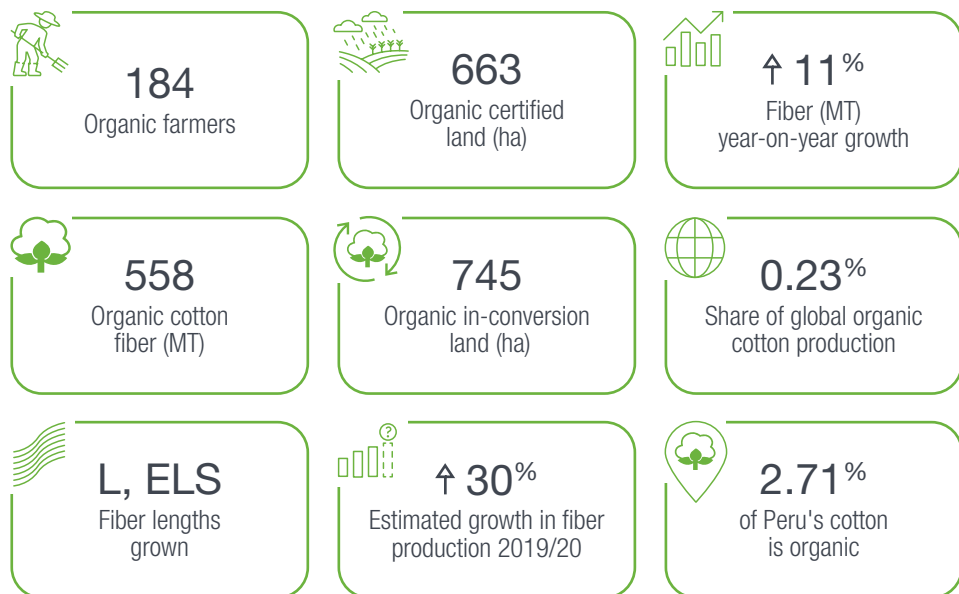
With many organic cotton programs having started in recent years and a growing interest from international buyers, Latin America's organic cotton sector has gained a new momentum. There is significant potential for growth but, to achieve it, much greater commitment and investment in technical support from buyers is needed in order to encourage farmers to expand their production. The Regional OCRT Summit hopes to work towards addressing this bottleneck.

Stay tuned for more information. Meanwhile, if you would like to register your interest in this event, please contact the team at [OCRT@TextileExchange.org](mailto:OCRT@TextileExchange.org).

# Latin America & the Caribbean



## Peru | 2018/19 organic cotton production



Peru saw a significant increase in organic cotton production in 2018/19, due to the progress and dedication of Bergman/Rivera, the country's primary producer of organic cotton (along with project partner, Ecotton).

At the farm level, increased availability of water during the sowing months enabled an increase in the area planted with organic cotton. Furthermore, favorable weather conditions in 2018/19 limited the incidence of pest plagues.

The company does, however, claim to struggle with not having a local market

for organic cottonseed, which translates into a higher price differential for organic fiber. On the other hand, the country's ban on GMOs prevents it from facing the contamination issues seen in other organic cotton producing countries.

Peru is the main organic cotton producing country in the region and strives to meet the growing demand for this fiber from international companies. The amount of land in-conversion to organic would normally indicate an increase in organic fiber of about 30-40 percent in 2019/20. However, the COVID-19 crisis may severely impact production growth in 2020/21.



We believe there will certainly be a sharp decrease in organic cotton area next year due to the decline in prices [as a result of the COVID-19 pandemic]. We are evaluating how to compensate this drop in prices by an increase in organic premiums [price differentials] and, in this way, ensure farmers receive a reasonable price and do not lose money.

For farmers to stay in cotton, they need more stable rates. This stability can be achieved by managing premiums, but it all starts with long term contracts with brands, which allows us to keep prices steady. We always have around 20-30 percent of our fields in transition to organic. These areas are used to offset any reduction coming from events like COVID, plus natural migration to other more profitable crops.

We not only assume that we will lose a percentage of organic cotton farmers every year, but we promote it. If a farmer saves enough money to be able to invest in a more profitable crop like organic avocados or organic mandarins, we believe we have done an excellent job. For us, organic cotton is a stepping stone towards a brighter future. One where farmers learn, promote, and believe in the benefits of organic farming while not only making a living from it but make a reasonable profit.



**Orlando Rivera**  
General Manager  
Bergman/Rivera

[Hear more from Orlando in our Insider Series interview.](#)



# North America

Photo: Texas Organic Cotton Marketing Cooperative Farmers Mark Wilkes and Carl Pepper attend an organic cotton field day with Texas A&M professors Jane Dever and Carol Kelly. Here they are in a test field of okra leaf variety organic cotton. Photo © Kayla Pepper.

# North America



**Sandra Marquardt**

President, On the Mark PR |

Textile Exchange Ambassador for North America

## Q What do you expect the short- and long-term impacts of the COVID-19 pandemic will be on organic cotton farmers and production in the US?

So far, there has not been much of an impact as the cotton is just being planted and it is down-time at the gins. As there are not a lot of workers, social distancing is easy, and workers wear N-95 masks for the dust anyway. If the virus is still present during the winter harvest/ginning season, the situation will change as the number of workers in the fields and gins increases considerably, and crews come in from other areas, potentially carrying the virus and making it harder to maintain social distancing. That said, seasonal labor is needed for weed control so travel restrictions may cause interruptions over the summer months as well.

If worker safety and availability can be addressed, the organic cotton market should stay steady. This is because the vast majority of the fiber grown in West

Texas – the primary organic cotton-producing region in the US – is used in personal care products, a sector that is holding strong, rather than apparel, which has seen a decrease in sales. Several organic upland farmers are switching from upland to Pima cotton, a variety popular for higher-end apparel, so that may be more at risk. However, in New Mexico, where most of the organic Pima is grown, contracts were signed at the height of the pandemic, so everyone is moving forward as planned.

## Q What are the biggest challenges posed by climate change to organic cotton production in the US?

Weather is the biggest factor in farming and, every year, cotton farmers, particularly in West Texas, are up against the full range of conditions, from drought to hail. The weather in that area was particularly dry in 2018/19, leading to reduced yields, particularly among dry-land farmers.

One possibility, however, is that the Texas High Plains could start receiving more rain

over time. On the one hand, that would provide much-needed moisture, but it could also pose challenges for organic cotton farmers. If the pest pressures come in at the levels of Mississippi and South Texas, organic production in the High Plains would likely cease as there is limited or only very expensive organic pest controls available to protect crops from the main cotton pests.

In New Mexico, the production area has already been in a state of drought for 24 years, which is anticipated to continue for another 20 years. Fortunately, a nearby river replenishes the aquifer.

## Q What are some of the main adaptation measures you see being used by organic cotton farmers?

With water becoming more and more scarce in the South West, several farmers are converting to drip irrigation to reduce their use of water, which is also becoming more expensive.

## Q Are organic cotton farmers also taking measures to mitigate climate change?

All organic farmers are required to build their soils, which helps retain more moisture. This is done by utilizing various agronomic practices such as crop rotation, cover crops, application of compost or manure, and sometimes biological products. Additionally, organic regulations prohibit the use of synthetic fertilizers, known to cause greenhouse gas emissions.

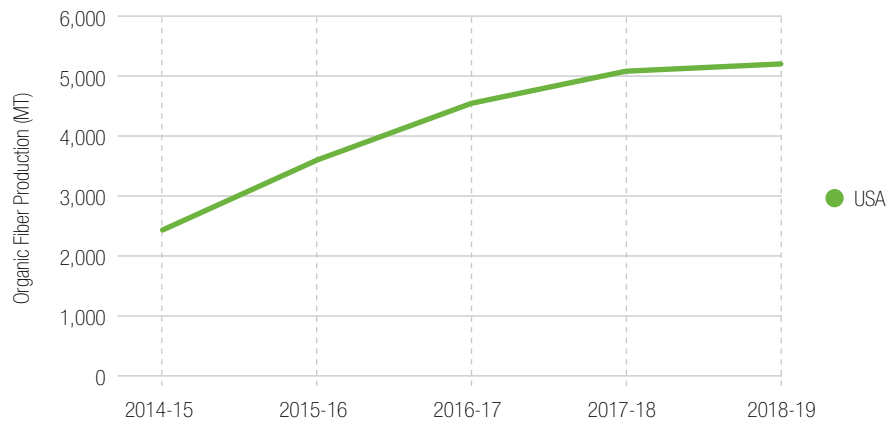
# North America



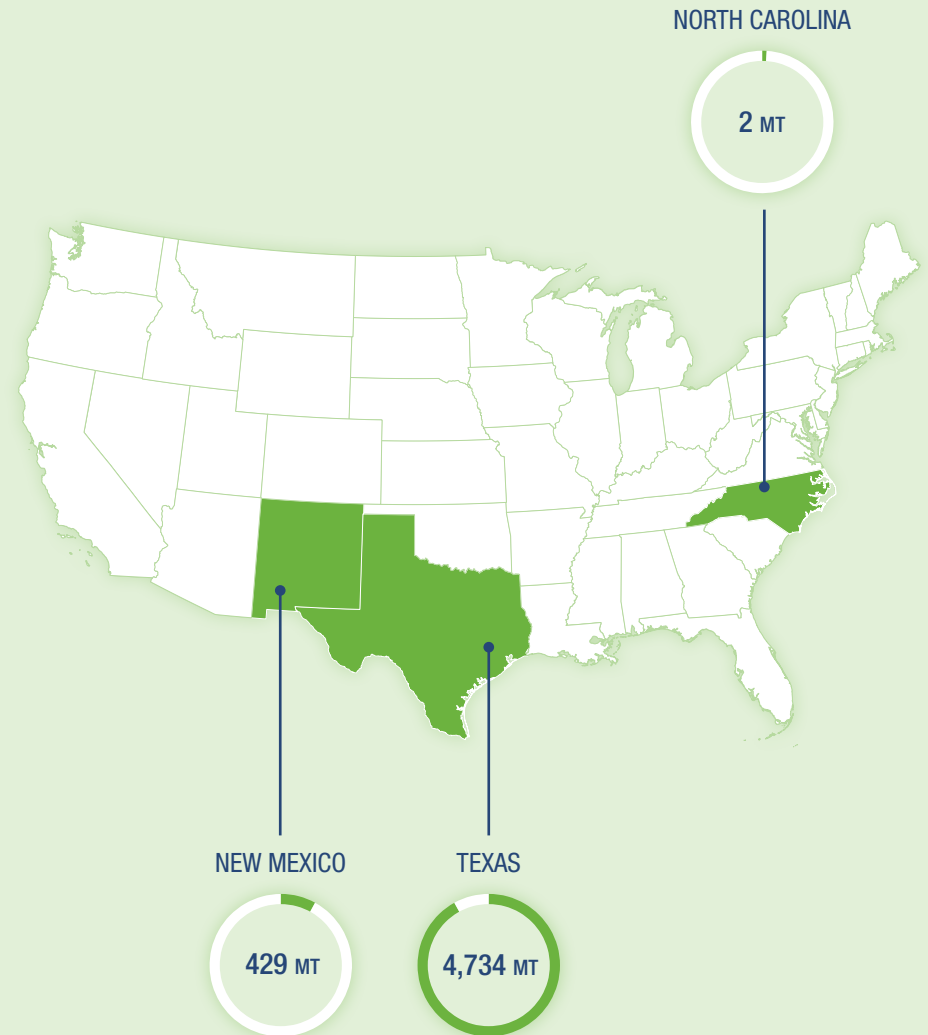
## USA | 2018/19 organic cotton production



5-YEAR PRODUCTION TREND



<sup>1</sup> For the USA, the organic certified land area figure provided is generally equal to the land area used to grow certified organic cotton. This is different to the data provided for most other countries, where the organic cotton land area figure is not available and so the organic certified land figure is used. See page 6 for more details on land area calculations.



# North America



## USA | 2018/19 organic cotton production

The USA witnessed a 1.3 percent increase in organic cotton production and a 4 percent decrease in harvested organic cotton acreage from 2017/18 to 2018/19. Weather was challenging for cotton farmers in 2018, with some facing extensive drought while others had their crops ruined by hail. Those organic farmers using irrigation were able to produce more cotton due to consistent access to water.

Sixty-six farmers grew the cotton primarily in Texas as well as in New Mexico and North Carolina.

Two entities, the Procot Cooperative program managed by Allenberg Cotton Company and the Texas Organic Cotton Marketing Cooperative (TOCMC) continue to dominate USA's organic cotton production, growing 85 percent of the total fiber in 2018/19. The majority of organic cottonseed is sold to organic dairies for use as feed, though several farmers catch and reuse their seed.

In the long run, production of upland cotton is not likely to increase substantially in the USA due to the lack of a market at national prices, which are higher than elsewhere in the world. However, a significant number of acres could shift to Pima in 2020/21, which commands a higher price, as it grows well in particular climates. While for the last several years only two farmers in

New Mexico have grown organic Pima in the USA, one planted transitional cotton in California with plans to increase production more than tenfold over three years, whereas several others will be growing it in New Mexico and Texas in 2020.

New Mexico is the center point for organic Pima production, with farmer Dosi Alvarez the primary organic Pima farmer. Alvarez has grown organic Pima for 27 years (as of 2020), slowly convincing area farmers to convert so as to expand production to meet the demand. Organic Pima fibers are prized by fashion-oriented companies in the USA and Europe for use in fabrics as they are soft, strong, and long-lasting. After transitioning land over three years, Alvarez increased his organic Pima cotton acreage in 2018 over 2017 as land that was in-conversion became certified organic and he reduced his Acala upland production.

While many continue to use center-pivot irrigation, several are now turning to drip irrigation practices, given the lack of water in the arid Southwest region.

Forecasts indicate that the amount of organic cotton produced in 2019/20 will increase substantially over 2018/19, with a limited number of in-conversion acres also in the works and 20 more farmers coming on board. The organic cotton market is also expanding. Organic Trade

Association's market report shows that organic fiber continues to be the largest and fastest-growing sector in the USA's organic non-food industry (including organic textiles, household products, personal care products, supplements,

pet food, and flowers). According to the Organic Trade Association's 2019 Organic Industry Survey, organic fiber product sales increased 15 percent over 2017 to \$1.8 billion in 2018 - with most of those sales in organic cotton.



Two consecutive years of drought-reduced yields in 2018 and 2019, in conjunction with steady growth in demand for organic fiber for personal care products, has moved TOCMC from a substantial excess inventory position to a very tight supply/demand situation. A good production year will be required in 2020 to meet the projected needs of existing customers.

As of mid-May 2020, the demand for TOCMC organic cotton has not been impacted by the COVID-19 pandemic, although that could change with time. Perhaps the fact that a large majority of the fiber goes into personal care products rather than apparel is a significant factor in demand holding.



**Kelly Pepper**

Manager

Texas Organic Cotton Marketing Cooperative (TOCMC)

# North America

USA | Program insights



Funding from a 2017 National Institute for Food and Agriculture Organic Agriculture Research and Extension Initiative award is helping Texas A&M AgriLife Research in Lubbock, Texas, bring ten candidate varieties for organic cotton production to the development phase by 2021. Results from multi-year, multi-location testing show good yield potential compared to standard check variety FM 958. Two of the candidate varieties have a distinct leaf shape to distinguish from GMO varieties. Four candidate varieties have exceptional fiber quality, and four show resilience to various pests such as bacterial blight, Verticillium wilt, and root-knot nematodes. All the candidate varieties have good adaptation to organic production in the Texas High Plains, including good root systems, storm-proof bolls, and early maturity. Breeder seed increases isolated from GMO and other cotton in 2019 suffered hail damage, so seed quantity available for testing and foundation seed grow-out in 2020 was limited.

Tests and increases in 2020 will hopefully provide enough information and seed to select appropriate varieties and initiate grow-outs for eventual seed production for commercial use. The research program continues to breed cotton in new cross combinations to develop varieties suited for organic production. Multi-year performance data from several new candidate varieties will be ready for farmers to evaluate after the 2020 growing season, and we will establish demonstration plots of potential new varieties with organic farmers in 2021. The path forward is establishing the best strategy to get improved seed into farmers' hands.



**Dr. Jane Dever**

Cotton Breeder/Professor  
Texas A&M AgriLife Research - Lubbock







# East Asia

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Photo: © Rare, China



**Jun Zhao**  
Textile Exchange Ambassador,  
China

## Q What are your key observations on this region's organic cotton production and trends?

The majority of Chinese organic producers interviewed this year seemed very concerned about the market prospects in the coming years. This is particularly the case for those whose operation is a part of the global value chain, because of their highly concentrated production in Xinjiang and the reports of forced labor that are heavily impacting the market.

The recent outbreak of COVID-19 has exacerbated this situation. The outbreak has little impact on cotton growing activities; however, it will have a serious impact on international buyers' decision-making. The wide-spread lockdown on overseas markets has resulted in the sudden cancellation of a large number of orders. For example, a major producer complained that its main buyer canceled about 80 percent of its orders by one email. Such impacts are likely to be profound and long-lasting. Organic cotton

producers now have to worry about their survival, since they are more vulnerable due to the high investment and overhead costs. They are in a dilemma; despite there being significant uncertainty around purchase orders in the coming years, they have no choice but to keep investing in the organic cotton farm. Even one-season of farming with non-organic practices is sufficient to damage the organic farms which have been developed over many years and with heavy investments.

Moreover, it seems that there is also a lack of momentum in maintaining and expanding organic cotton production by the organic dairy sector. The giant dairy processing company that purchased organic cotton seed as feed from the existing linked organic cotton farms has experienced huge losses from its organic milk business since 2018. To reduce losses, it has since decertified some of its organic dairy farms. This implies that the demand for organic cotton seed will be reduced significantly.<sup>1</sup> Given this, it is expected that, in the foreseeable future,

the textile industry will be the main driving force for organic cotton in China.

## Q What do you expect the short- and long-term impacts of the COVID-19 pandemic will be on organic cotton farmers and production in China?

In the short run, cotton farmers seem to be unaffected by the virus so far. China's cotton production highly concentrates in Xinjiang (86 percent in 2019). The COVID-19 outbreak also hit the cotton price. In March 2020, the domestic cotton price (CCIndex3128B) dropped to RMB12,195/ton, RMB3,385/ton lower than what it was a year ago. The demand for locally produced cotton was also negatively affected. According to China Cotton Association, compared with February 2019, in February 2020, the consumption of domestic cotton was only 7.82 million tons, reducing by 0.2 million tons or 3.1 percent, and cotton imports dropped to 1.88 million tons, decreasing by 0.1 million tons or 8.3 percent.<sup>2</sup>

However, so far, cotton farmers seem unaffected and they have already started the new 2020/21 growing season. This is to a large extent a result of the cotton subsidy policy, which provides stimulus to farmers to grow cotton by securing their income, especially when the market is highly volatile. In 2014, the Chinese government introduced the so-called Target-Price Subsidy Program (TPSP) in Xinjiang. Under the TPSP, the government

pre-announces a more reasonable targeted price (RMB186,000/ton in 2020), which is used as the basis for dispensing direct subsidies to cotton-producing farmers. Instead of procuring and stockpiling cotton at the targeted price, the government pays farmers the difference between market price and the target price when the former is lower than the latter. In order to be eligible for receiving the subsidies, cotton farmers must register to the government subsidy system, and sell their cotton to the certified ginner within the specified time period.

In the long-run, however, farmers are likely to be affected because of the: (1) declining demand downstream, especially from players in the global value chain; (2) rising cost of agricultural inputs; (3) unstable subsidy policy due to tighter state budget; (4) limited room in national storage; (5) uncertainty associated with the trade war between China and the US; and (6) the competition from other crops (in particular, food security has now become a serious concern around the world, and prices for maize have risen dramatically).

<sup>1</sup> Source: <http://www.ytpp.com.cn/data/2019-04-01/59017.html>; [http://www.ce.cn/cysc/sp/info/201809/27/t20180927\\_30391110.shtml](http://www.ce.cn/cysc/sp/info/201809/27/t20180927_30391110.shtml)

<sup>2</sup> Source: [http://www.xinhuanet.com/fashion/2020-04/21/c\\_1125878510.htm](http://www.xinhuanet.com/fashion/2020-04/21/c_1125878510.htm)

**Q What are the biggest challenges climate change poses to organic cotton production in China?**

Warming temperature is the biggest challenge and threat. It leads to more frequent and complex pest and disease incidence, as well as faster decomposition of soil organic matter and soil water depletion. Organic cotton farmers are likely to incur greater production costs as a result because they have to (1) look for organic alternatives to control pests and diseases, and (2) meet the increasing demand of the plants for nutrients and water.

**Q What are some of the main adaptation measures you see being used by organic farmers?**

The measures mainly include: (1) growing varieties that can better adapt to climate change; (2) use of biological pest and disease control technologies, for example applying biopesticides, introducing natural enemies, using sex baits, and planting chrysanthemums; (3) applying formulated/balanced/precise fertilization and irrigation technologies; and (4) deep plow.

**Q Are organic cotton farmers taking measures to mitigate climate change?**

Yes. Such measures mainly include; (1) intercropping cotton with beans, peanuts and other crops (common among small

growers); (2) rotating cotton and wheat/soybean (common among large growers) and non-tillage; and (3) recycling cotton residual. These measures all have the potential of reducing emissions and carbon footprints, while improving soil fertility, attracting and nourishing natural enemies, and increasing cotton yield and carbon sequestration.

**Q Any other observations or comments to add?**

For the textile industry, in addition to COVID-19, the reports of forced labor in Xinjiang is a serious concern. Many leading international brands have already announced that they will not source products produced in Xinjiang, and BCI has suspended activities with licensed cotton farmers in the region. Recently, the US has passed the Uyghur Forced Labor Prevention Act, which bans the import of any products produced in Xinjiang, including clothes, unless approved by US Customs and Boarder Protection. Given the importance of Xinjiang in China's cotton production, all Chinese players along the cotton supply chain will undoubtedly be affected. When I interviewed organic cotton producers, all of them were concerned about the forced labor issues. They are open to social audits and hope that a third party can do something to help them. This is a very complex issue.



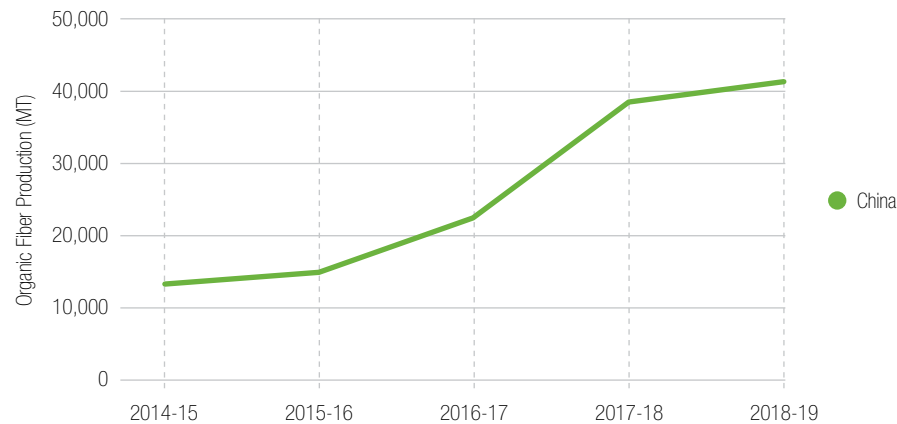
# East Asia



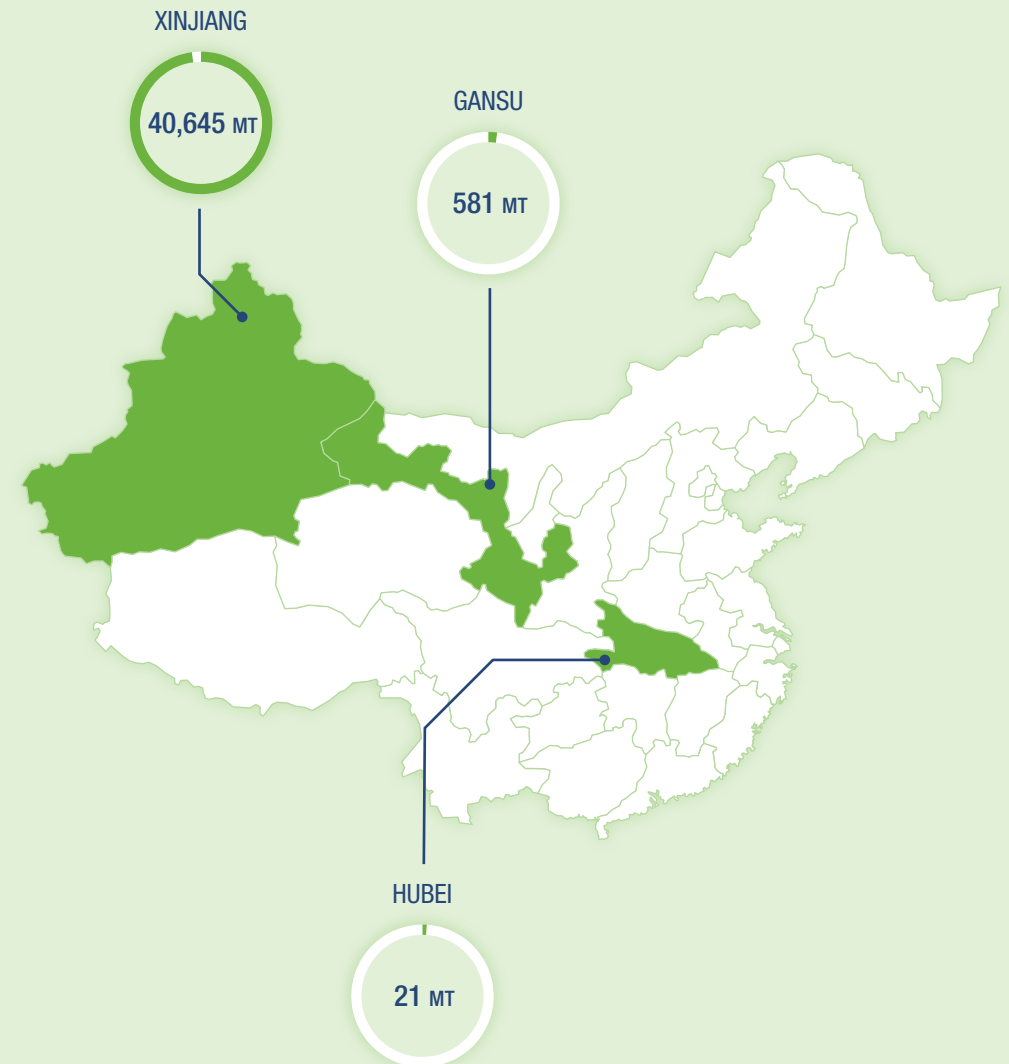
## China | 2018/19 organic cotton production



5-YEAR PRODUCTION TREND



## REGIONAL PRODUCTION



# East Asia



## China | 2018/19 organic cotton production

2018/19 was a year of growth for organic cotton in China. The total area of organic cotton increased from 18,710 ha in 2017/18 to 19,162 ha in 2018/19, an increase of 2.4 percent, and the total output of organic cotton lint increased from 38,586 MT to 41,247 MT, an increase of 6.9 percent.

The growth was, to a large extent, driven by the need for organic feed from the organic dairy industry. In particular, two large producers grew organic cotton to supply organic cotton seed to local dairy farms owned by a giant dairy company. The total area of their organic cotton farms exceeded 8,600 ha, accounting for 44.3 percent of the total area of organic cotton farms in China.

Overall, in 2018/19, the Chinese organic cotton sector became more concentrated. Geographically, 98.5 percent of the organic cotton production took place in Xinjiang. The total number of organic cotton producers reduced from 16 in 2017/18 to 11 in 2018/19. All except one organic cotton producer were certified to the China National Organic Program. EU and/or NOP certifications, which are typically wholly or partly certified in parallel for organic production, reduced to three farms in 2018/19.

This is largely due to the phase-out of external funding and support, leading

those who found it not financially viable to continue growing organic cotton to withdraw. Noticeably, it turns out that all such producers are small farms - or large farms with small plots of land dedicated to organic cotton growing as pilot projects. A few of them completed their conversion period but failed to sell their produce as organic cotton to any downstream players of the organic cotton supply chain.

Today, most organic cotton producers in China are large commercial farms. The farms have built up solid experience in growing and marketing organic cotton to capitalize on the economies of scale of the type of organic cotton production system that they have worked hard to establish over the years, involving: propagation of non-GM cotton seed; contract farmers/hired labor; access to credit extended by financial institutions; and development of strong ties with brands, especially international brands.

Despite the competition from Indian counterparts, in 2018/19, the market was promising for most of the Chinese commercial organic producers, and they were able to sell their produce at a favorable price differential, especially those who focused on the domestic market. One producer indicated that the differential was between 10 and 18 percent higher than non-organic cotton - on top of the

government cotton subsidy program that is applicable to all cotton production. Some producers had plans to further expand their organic production or integrate downward along the supply chain to reap greater

value from the supply chain. For instance, Huafeng invested in a quilt factory with a capacity of 15,000 quilts per year and got it organic certified.

### Textile Exchange statement on the reports of forced labor

Textile Exchange is concerned about the disturbing reports of forced labor in the Xinjiang region of China, where most of China's organic cotton is grown, as well as reports of forced and child labor in other parts of the world that have occurred over the past several years.

Textile Exchange does not condone forced or child labor.

Textile Exchange reports data on certified organic cotton production that has been submitted to us, analyzed, and cross-referenced in accordance with our [Methodology](#). We include the data received from every producing country in the Organic Cotton Market Report to create a complete picture of the global supply.

Textile Exchange does not perform certification work itself, provide on-the-ground program work regarding the production of organic cotton or any other fiber in any country, nor make recommendations for preferred sourcing locations.

Textile Exchange collects fiber production data and reports it as an industry resource. Because China, and Xinjiang in particular, is a key producing region, leaving its reported production out of this report would result in the report not being truly representative of the global organic cotton supply. We believe it is important that our readers understand the current situation in Xinjiang so that they can make informed choices about their sourcing strategies.

Textile Exchange works to accelerate environmentally sustainable practices in the textile value chain. This goes hand-in-hand with social responsibility expectations to ensure that the rights of all people, particularly workers, are respected.

[Read the full statement on page 6-7.](#)

# East Asia

China | Initiative insights



We believe that more farmers will adopt climate-smart agriculture (CSA) practices at scale if soil improvement practices are more intentionally promoted within both BCI and organic systems. The methods should also be tied to short term impacts (physical soil improvements visible to farmers) and longer-term effects (soil organic matter). Based on a rate of adoption of 8-15 percent on two BCI farms in China, which have started transitioning towards organic, our report shows that adopting composting and improving windbreak tree systems can lead to a total emission reduction of between 36,548 and 73,433 tons of carbon dioxide equivalent over five years. A carbon insetting model as outlined in the "Sustainable Cotton towards A Low Carbon Future" report by Kering, South Pole and Rare offers a potential roadmap that can meet the needs of both farmers and brands towards having a positive impact.



**Veronica Yow**  
Senior Manager  
Rare

[Hear more from Veronica in our Insider Series interview.](#)





# EMENA, Central & Western Asia

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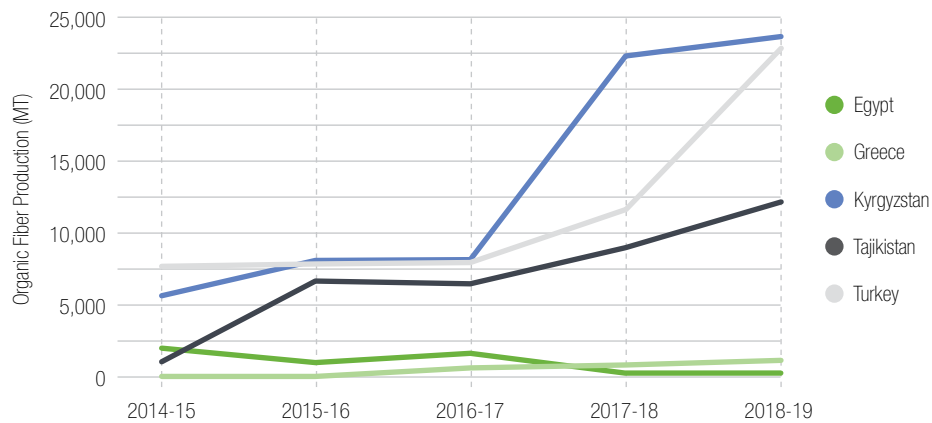
Photo: © Cotonea

# EMENA, Central & Western Asia

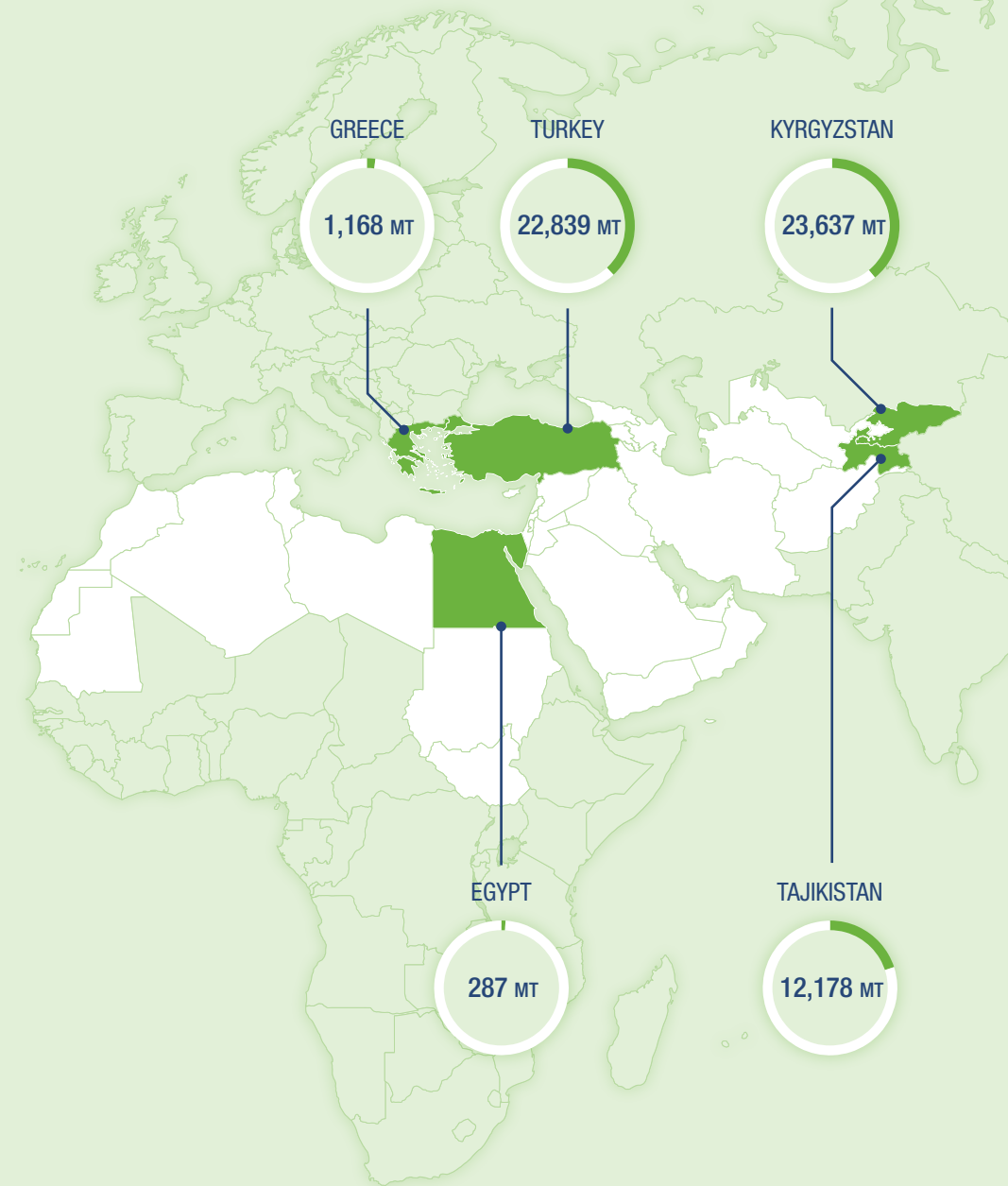
## REGIONAL OVERVIEW 2018/19 organic cotton production



### 5-YEAR PRODUCTION TRENDS



### REGIONAL PRODUCTION





# EMENA, Central & Western Asia

 TextileExchange TEam insights



**Atila Ertem**

Textile Exchange Ambassador,  
Turkey & Central Asia

**Q What do you expect the short- and long-term impacts of the COVID-19 pandemic will be on organic cotton farmers and production trends in this region?**

With the price increases seen in Turkey for staple foods (such as rice, cereals, lentils, and chickpeas) as a result of COVID-19, the expectations of cotton growers have also increased. If the cotton price does not rise to the same extent (approximately 15-20 percent), organic farmers in Turkey will choose to plant food crops in the coming year. This could potentially lead to a substantial decrease in the area under organic cotton.

With harvest time getting closer, farmers are worried about having enough seasonal workers available to help, as travel restrictions due to COVID-19 might prevent workers from traveling to the cotton-growing areas. Although seasonal agricultural work is considered essential and, agricultural workers have been exempted from movement restrictions,

this bears at the same time high risks for outbreaks of COVID-19 among the tent settlement residents.

No long-term effects are anticipated from the present suspension of physical inspections as it can be assumed that the situation will have eased by the time of harvest. Many certification bodies have started remote audits and are extending the validity of the organic certificates.

**Q Do you have any good examples to share of how organic cotton farmers are coping with the crisis and working to improve economic resilience and safeguarding in light of COVID-19?**

Seasonal agricultural workers and their families, who normally live in tent settlements during the work season, are particularly at risk, with living conditions that make both social distancing and frequent handwashing a challenge. The ILO office in Turkey has warned that, in

the struggle against COVID-19, workers should abide by the protective regulations in order not to be victims of the pandemic, and discrimination against those who have been infected with the disease should be prevented. Several NGOs work on awareness campaigns and have started training programs. Mobile health teams distribute informational leaflets to make sure residents know how to keep safe and are able to identify the symptoms of COVID-19. Residents are informed about proper hygiene and handwashing techniques that can help prevent transmission of the virus.

**Q What are the biggest challenges climate change poses to organic cotton production in this region?**

Turkey is highly vulnerable to climate change. As part of the southern belt of Mediterranean Europe, the country is already facing an observed warming trend in temperatures, and a fall in precipitation - trends that are having a major negative impact on the availability of water for agricultural production. Cotton uses a large amount of water both to produce and to process. Besides water scarcity, farmers are also affected by occasional excessive rains. It should not go unnoted that climate change might also bear certain advantages: for example, less rain during the harvest period means that Turkey is in the position to produce a higher quality of cotton.

**Q What are some of the main adaptation and / or mitigation measures you see being used by organic cotton farmers?**

Sustainable water management is the only solution for adaptation; however, training for this is not provided by the Government nor by buyers of the organic cotton. Farmers are left alone with this problem and only farmers who are financially well-off can invest in their own wells or rain water catchment basins.

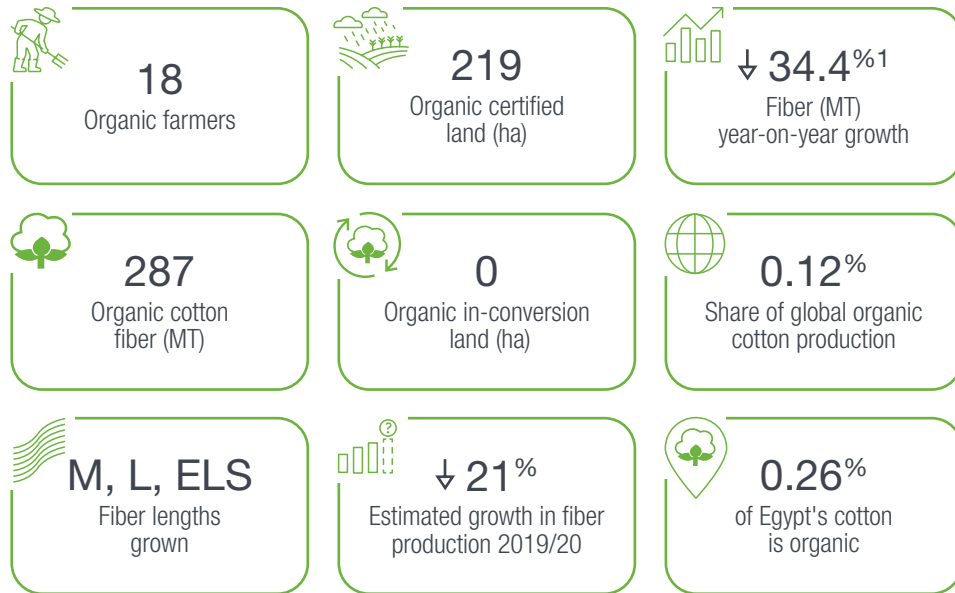
**Q Any other observations or comments to add?**

There are various initiatives dealing with more sustainable cotton production, however, the practical aspects are often neglected. Organizations need to deal more with implementing sustainability on the field by supporting farmers with respective consulting services. Contracted cotton growers - the general model of organic cotton projects in Turkey - are not receiving training or consultancy and sustainability is often only a phrase. This situation is a huge challenge but opens up an area of opportunity for organizations to support improvements. Let's be closer to the soil!

# EMENA, Central & Western Asia



## Egypt | 2018/19 organic cotton production



Organic cotton in Egypt is grown by SEKEM and of Cottonforlife, the latter being a private sector initiative of FILMAR SpA to support the growth of long and extra-long staple organic cotton in Damietta in partnership with SEKEM.

SEKEM hopes to scale up organic cotton production in Egypt in the coming years, while also focusing on the improvement

of its existing systems, such as switching to renewable energy, zero waste projects, water-efficient irrigation management systems, and producing its own organic seed and biodynamic preparations for cotton. SEKEM planted its own organic cotton seeds for the first time in 2020. Read more about SEKEM's work from Juni van Kleef at Naturetex (a subsidiary under SEKEM Holding), opposite.



Our vision for the future is that all the cotton produced in Egypt should be organic; we believe that this is the only way to go forwards. We try to motivate more farmers, and we think that the farmers who try organic will see the benefits and continue. Next to this, we want to certify our cotton with the new independent certificate SEKEM is working on called the "Economy of Love." This certification will tell the real story about every step of the production chain and, therefore, help to build integrity with the farmers. With this certificate, farmers can tell their story and show that when, for example, the GOTS certification is too difficult to get because of pollution, this is a problem beyond their own power.



**Juni van Kleef**  
Merchandiser  
Naturetex

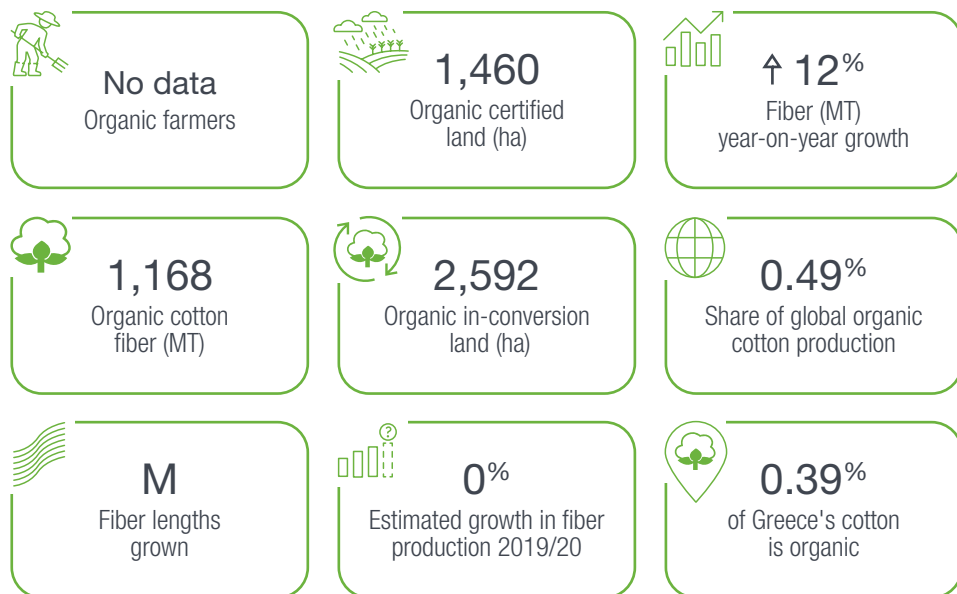
[Hear more from Juni in our Insider Series interview.](#)

<sup>1</sup> Please note that revisions have been made to Egypt's historical organic cotton production figures after it was realized that our reporting cycle was one year ahead. In summary: Egypt's 2015/16 organic cotton fiber production was 459 MT; 2016/17 was 635 MT; 2017/18 was 438 MT, and 2018/19 was 287 MT.

# EMENA, Central & Western Asia



Greece | 2018/19 organic cotton production



Certified organic cotton has been grown in Greece for many years, but, at present, it is not separated at the gin due to the quantities rarely reaching processing minimums. It is therefore sold as conventional cotton.

In the 1990s, Thrakika Ekkokkistiria S.A. cotton ginning mill was producing and processing organic cotton, but that ceased due to the high labor costs required by organic production methods. These days, the cotton grown organically in Greece is done so largely due to European subsidies providing an incentive to do so; approximately 500€/ha. The Cotton

Committee, organized by the Greek Ministry, has started trying to include organic cotton production as part of the Greek Cotton Trademark strategy.

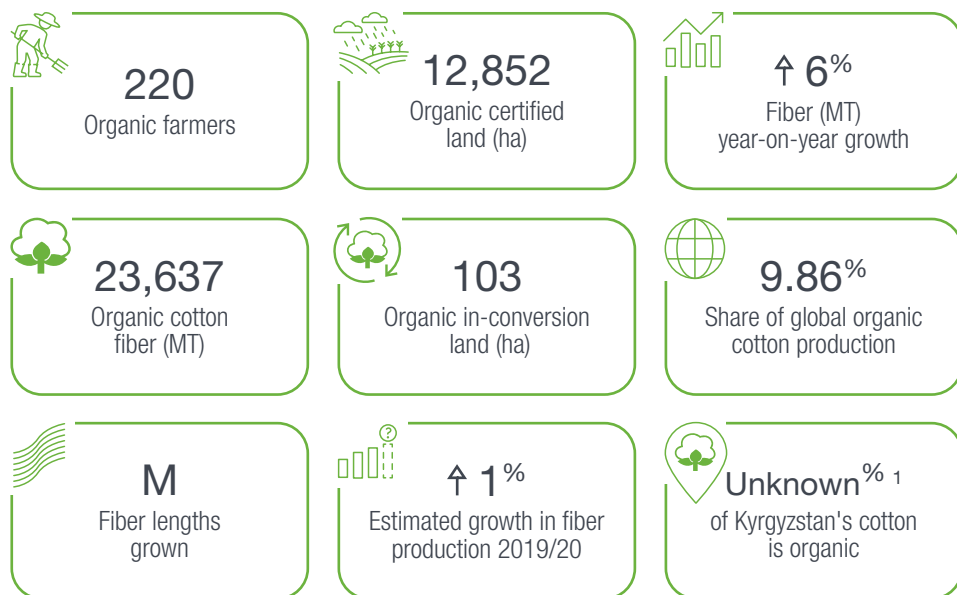
2018/19 saw a 12 percent growth in the production of organic cotton in Greece. A large area of land growing cotton is also in-conversion to organic - more than the current total land area - signaling the potential for significant growth in certified organic cotton production in the coming years. However, as it stands, it's likely that this production will also be sold as conventional cotton.



# EMENA, Central & Western Asia



## Kyrgyzstan | 2018/19 organic cotton production



The increase in organic cotton production that we have observed from Kyrgyzstan in recent years continued in 2018/19, with total production of organic cotton fiber reaching 23,637 MT. All of Kyrgyzstan's organic cotton production takes place in the regions of Osh and Jalal-Abad.

This growth trend is fueled largely by projects implemented by Turkish mills,

attracted by the fertility of the land and the affordability of labor in Kyrgyzstan. Most of this production is exported to Turkey to be processed after ginning, though the organic and Fairtrade cotton produced by ACSC Bio Farmer - the initial pioneer of organic cotton in Kyrgyzstan and previously supported by HELVETAS - goes mainly to mills in Eastern Europe.

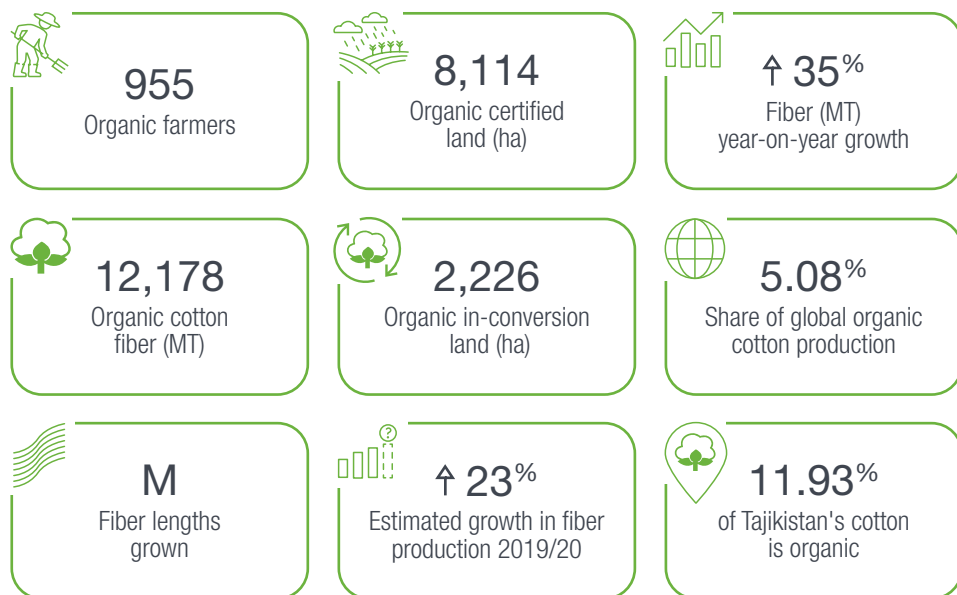
<sup>1</sup> This data point is derived from the difference between Textile Exchange's reported organic cotton production and ICAC's country total for cotton production. In the case of Kyrgyzstan, there is a significant discrepancy between the two, with ICAC estimating 11,535 MT fiber, while organic cotton is estimated at 23,637 MT. We are trying our best to understand more about this discrepancy. In summary, Textile Exchange's methodology involves collecting and triangulating data from farms and traders, certification bodies, and government officials. You can learn more about Textile Exchange's data collection methodology [here](#), and about the sources of ICAC's cotton statistics [here](#).



# EMENA, Central & Western Asia



Tajikistan | 2018/19 organic cotton production



Tajikistan experienced a significant 35 percent growth in organic cotton fiber production in 2018/19.

As is the case in Kyrgyzstan, much of this growth is a result of increased demand from Turkish mills, meaning much of it is exported to Turkey. Again, the primary attraction from these Turkish mills is the availability of fertile lands and affordable labor in Central Asia.

However, a slowdown in production is anticipated in the coming years due to unfavorable cotton prices and the impacts of the recent COVID-19 crisis on demand.

The longstanding organic and fairtrade cooperative, Bio-Kishovarz, remains very active and is working hard to support farmers during the COVID-19 crisis, and to support women-led initiatives. Read more about these on the right from Sherzod Abdurakhmanov of the Bio-Kishovarz Cooperative.



[As a result of COVID-19] the Bio-Kishovarz cooperative is currently organizing remote extension services and the supply of necessary inputs (seed, organic fertilizers, and organic pest controls) to farmers. The cooperative decided to use its profit gained in 2019 and its Fairtrade Premium to support farmers [during this crisis]. Protection masks, disinfectants, and food products have been procured and are currently being distributed to farmers. The cooperative also organized business incubators, focusing on supporting women's ideas for organizing businesses, e.g. the organization of a greenhouse for the production of cotton seedlings; processing of agricultural products; cottonseed production; the organization of self-help groups; and production of organic fertilizers.



**Sherzod Abdurakhmanov**

Advisor

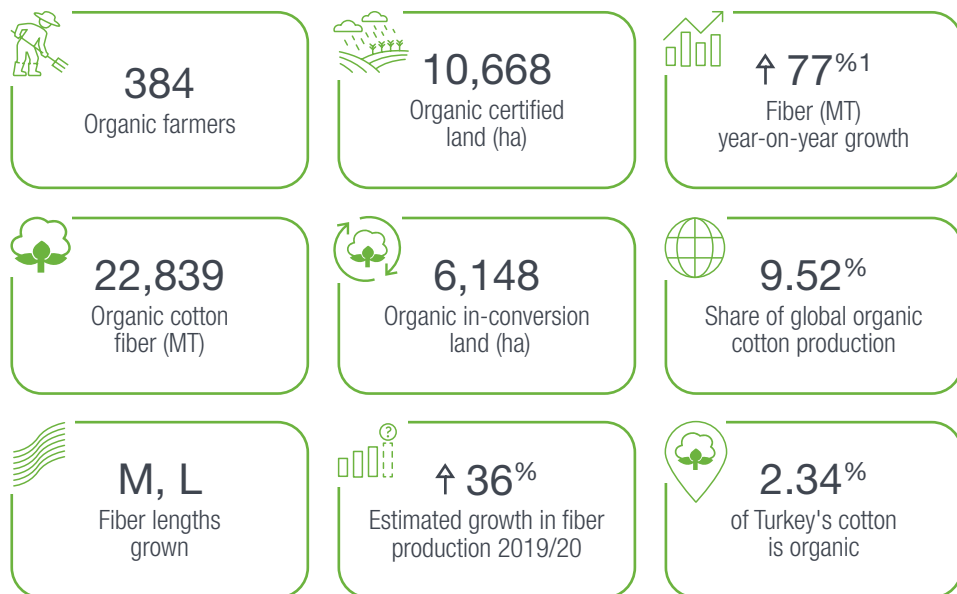
Bio-Kishovarz Cooperative

[Hear more from Bio-Kishovarz in our Insider Series interview.](#)

# EMENA, Central & Western Asia



## Turkey | 2018/19 organic cotton production



2018/19 was a record year for organic cotton in Turkey, with total fiber production rising 77 percent<sup>1</sup> to reach 22,839 MT; the highest level seen since 1991 when organic cotton production first started in the country. The majority of this growth is in EU/ NOP certified production, rather than TR certified production.

The story is quite different for conventional cotton production in Turkey. Between 2015 and 2018, Turkey saw a steady rise in overall cotton production (738; 756; 882; and 977 thousand MT, respectively) and

similar increases in land area and yield. At the same time, however, consumption showed a decrease due to the economic difficulties faced by the textile and fabric industry. Consequently, Turkey's cotton imports decreased considerably

Now, however, with cotton prices showing slow growth and even a small decline, combined with the added impacts of the COVID-19 crisis, a decrease in Turkey's total cotton production is expected in the coming years, which may also be reflected in the production of organic cotton.

<sup>1</sup> Please note: this takes into account a revision made to Turkey's 2017/18 production as reported in our 2019 Organic Cotton Market Report, which was revised from 11,652 to 12,894 as a result of a retrospective correction submitted by a data provider.



# EMENA, Central & Western Asia



## Turkey | Spotlight on SANKO

### Organic is deep in SANKO roots

Turkey is one of the few countries in the world that has prohibited the use of genetically modified organisms (GMOs) in agriculture. Growers of both conventional non-GMO cotton and organic are proud to say that their yields are consistently among the world's highest and the cotton quality among the finest. Textile mills, manufacturers, brands, and retailers the world over praise Turkish cotton for its reliability and are accustomed to paying [more] for these attributes. Some of the best-known denim brands originate from Turkey.

However, SANKO, a long-established, family-owned textile mill head-quartered

in Gaziantep, knows this is not enough anymore. The company has embarked on a three-year program working with Turkish farmers to increase the production of organic crops (not just cotton). The vision is multi-faceted and includes environmental (regenerative) outcomes, social and cultural, as well as economic outcomes for farmers to not only benefit from organic cotton sales but also from a range of food crops as well. SANKO is committed to establishing a long-term commitment with the producers right from the start (pre-organic) and contributing to the farmers needs for training, organic inputs, and a market through their journey to full certification.



### Transparency is key to trust

The SANKO team is also working hard on transparency and traceability - another enormously challenging issue for the cotton and textiles sector. Over the past year, SANKO has been developing a traceability system that will link from the final product back to the cotton field. The team has also been reviewing logistics, warehousing, and

other internal control systems, alongside staff training, to ensure all employees are competent contributors to the integrity of SANKO systems.

Loyalty and commitment are important to SANKO's owners with the most recent example of what the company stands for

demonstrated during the global pandemic - when SANKO ensured the ongoing employment status of all workers and turned to governments and industry to better understand how they could help with emergency textiles such as hospital gowns, personal protective equipment, and uniforms.

Join us for the 3rd Regional OCRT for Turkey, Central Asia & Egypt



The regenerative and sustainable development opportunities associated with organic cotton in Turkey are significant. Textile Exchange and SANKO would welcome hearing from others wanting to get involved and help scale and accelerate regenerative organic production, together.

Join us for our virtual Organic Cotton Round Table "in Turkey." While we have had to postpone our in-person meeting and farm visits this year, we are hoping to bring you something just as engaging and very special. More detail on the Turkish and other Regional Organic Cotton Round Tables is coming soon.

Contact [OCRT@TextileExchange.org](mailto:OCRT@TextileExchange.org) to register your interest.

# EMENA, Central & Western Asia



## Uzbekistan | New initiative

A new GIZ project is underway in Uzbekistan supporting the production of organic cotton. The first year of certification was 2019/20, which falls under our next reporting cycle, so production data is not counted in this report. Learn more about the project from GIZ below.

“ Given its relevance as well as its contributions to the achievement of several SDGs (1, 2, 5, 8, 9, 12, and 17), fostering the Uzbek cotton sector and assisting with the ongoing reforms by the Uzbek government has become a major concern for the international community – and thus for GIZ. The GIZ project “Sustainability and Value Added in the Cotton Industry in Uzbekistan” is part of the global program “Sustainability and Value Added in Agricultural Supply Chains,” which is a multidimensional program that targets sustainable progress in the social, ecological, and economic aspects of different crop industries worldwide. The component in Uzbekistan started in September 2019 and focuses on the cotton and textile industry only. It comprises all steps of the value chain, which fall into three interrelated areas of action.

1. **The primary cotton production** – GIZ commissions agricultural experts to inform and train cluster managers and farmers on sustainable farming practices such as organic cotton or BCI cotton and to act as farm advisers. Farmers hence get assistance in the application of improved farm management practices and business models as well as in the introduction of innovative technologies. Moreover, GIZ cooperates with international organizations, NGOs, and local decision-makers to promote dialogue about workers' rights, social sustainability and the benefits of worker unions.
2. **The improvement of local processing in textile clusters** – where creation of sustainable jobs and increased income in the processing industry stand in the focus. A shift towards better paid and more qualified jobs is decisive for the economic, regional and demographic development. Simultaneously, the negative consequences of mechanization are outbalanced by the creation of new jobs. The inclusion of more processing steps furthermore creates new income opportunities and employment prospects within the cotton economy. Finally, support in market access underlines the sustainability of the created workplaces and promotes a shift towards markets that request sustainable value chains as well as responsible sourcing and production conditions. GIZ has recently conducted a survey on the training needs assessment of the



textile sector, which focused on occupational health and safety measures, employer protection and social conduct at the workplace. The outcomes serve as the basis for the training of employers and workers on corporate social responsibility, occupational health and safety, and on workers' rights.

3. **Finally, linking the Uzbek cotton and textile sector to the international markets** - here, traceability instruments, and most of all, sustainability standards (e.g., BCI, organic), play a big role as they require high ecological and social conditions. In return, they increase the credibility of the cotton and textile value chain with respect to responsible sourcing. Certifications thus facilitate the market access and export promotion to new markets, increasing the range of new and conscientious clients. Within this frame, GIZ has furthermore planned an incubator and accelerator program for local entrepreneurs with a focus on women entrepreneurs. Now, dialogue, exchange, and cooperation within the Uzbek fashion community is strengthened, which can have a positive impact on the overall perception and self-confidence of the sector.



Florian Nitzinger  
Project Manager  
GIZ





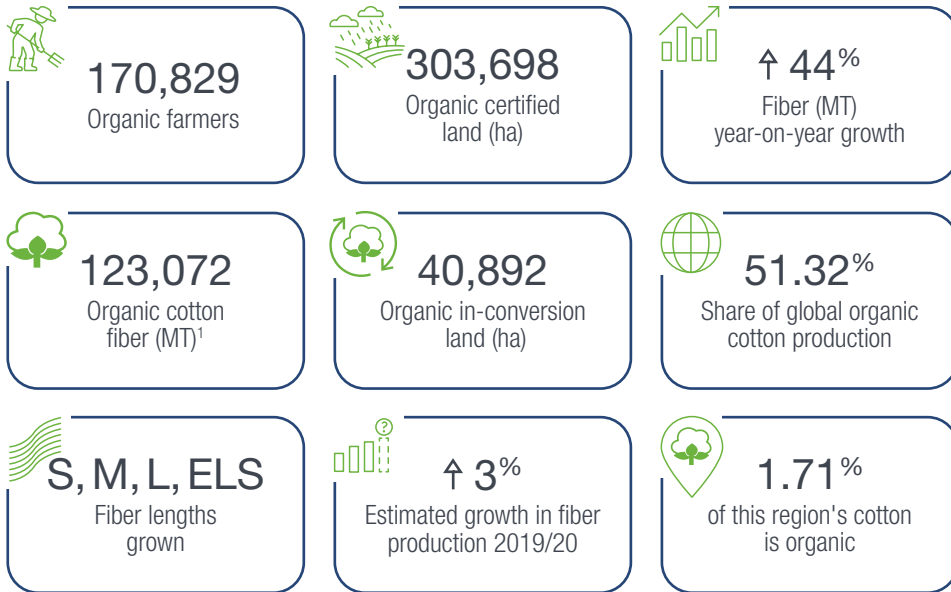
# South & Southeast Asia

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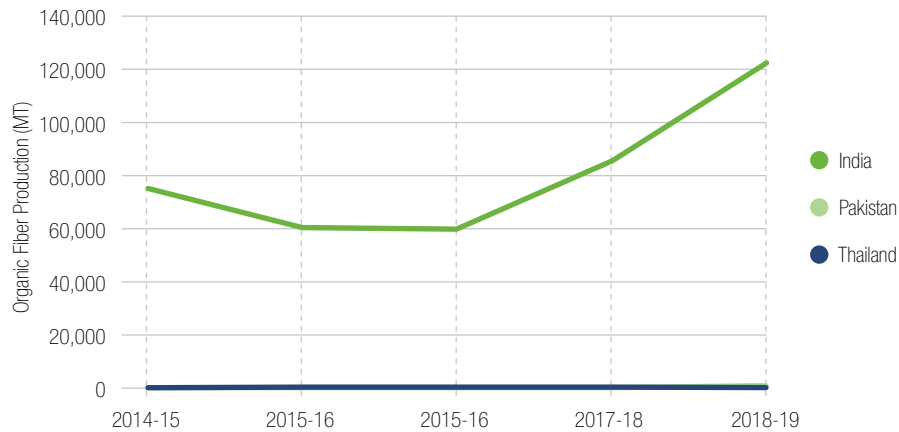
Photo: © Joerg Boethling for bioRe Foundation

# South & Southeast Asia

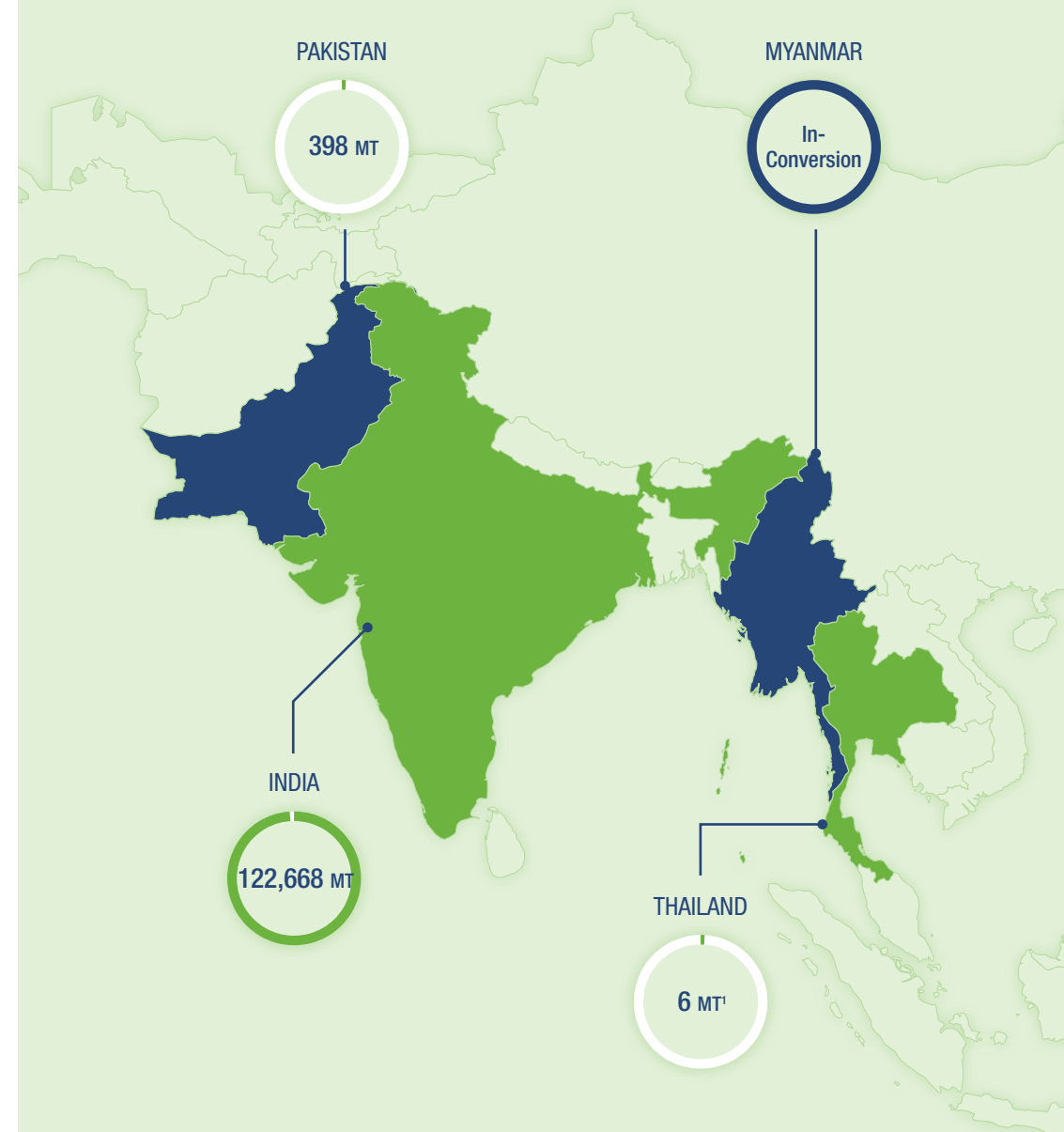
## REGIONAL OVERVIEW 2018/19 organic cotton production



### 5-YEAR PRODUCTION TRENDS



## REGIONAL PRODUCTION



<sup>1</sup> Please note that organic cotton in Thailand is produced under the Participatory Guarantee System (PGS), rather than third-party certification.

# South & Southeast Asia



**Amish Gosai**  
South Asia Manager,  
Textile Exchange

## Q What do you expect the short- and long-term impacts of the COVID-19 pandemic will be on organic cotton in South Asia?

The impact of COVID-19 will no doubt be devastating for economies around the world. No sector or region will remain unaffected. The pandemic's impact on agriculture is complex and varied across the diverse segments that form the agricultural value chain. Even within each of these different segments, its impact varies widely between different regions and between different actors - be it producers or contract workers. These impacts will reverberate across the broader economy and will linger longer than a few months.

The immediate impacts on agriculture are primarily related to the availability of labor, the inability to access markets due to issues in transportation, and the operation of markets, including a reduced demand.

In the short term, price is heavily impacted; the price of cotton has dropped around

14-18 percent within the last three months (as of June 2020). Due to South Asian countries often having multiple harvests, the majority of farmers/farm groups have sold material already, so only a very small quantity from the last harvest has been impacted by the price drop. The impact is seen more by ginners, spinners, and traders of lint cotton due to the slow movement of stock. As retail stores around the world are forced to close, textile mills see a dramatic decline in demand, which in turn has a negative impact on price.

With regards to the long term impacts of COVID-19 on organic cotton production, preliminary reports do not give any concrete information about farmers' behavior or their intentions for the next season. By September 2020, we will have a clearer idea of how the pandemic will impact production choices of farmers.

We will also then have a clearer idea of how demand for organic textiles, which is driven largely by the North American and European markets, will be impacted as a

result in changes to consumer behavior and to decisions made by brands and retailers to support their supplier chains.

## Q What are the biggest challenges climate change poses to organic cotton production in South Asia?

South Asia is home to some of the most climate change-vulnerable countries in the world.

As rising global temperatures change the monsoon and cyclone patterns in South Asia, the impact on the economy will only worsen. Water scarcity is an issue face by countries from Afghanistan to Myanmar. Unseasonal rainfall and changing weather patterns are impacting agricultural practices. It cannot be seen in 2-5 years, but the day-by-day shortage of water shows a clear impact. However, organic cotton cultivation requires less water compared to other types of cotton cultivation, so it is comparatively less affected.

## Q Are organic cotton farmers taking measures to mitigate climate change?

Organic farming is known to improve carbon sequestration but, due to a lack of funds for scientific studies, there is currently little quantitative evidence to prove this. Regenerative organic certification pilots are ongoing in India. Some of the farm groups are interested in conducting studies and invite brands/retailers to take action.

## Q Any other observations or comments to add?

Innovative business models have the potential to resolve all issues, including those brought about by COVID-19. They should ensure:

- direct business relations with farmers/farm groups;
- direct payment with transparency;
- traceability with transparency;
- minimum organic cotton prices;
- financial support for the purchase and growing of organic materials; and,
- technical support and training to help organic farmers achieve organic certification and share the burden.

In Thailand, Pakistan, and India, quantities previously committed by brands and retailers are already in the supply chain without any impact, a good example of the benefits of direct business relations.

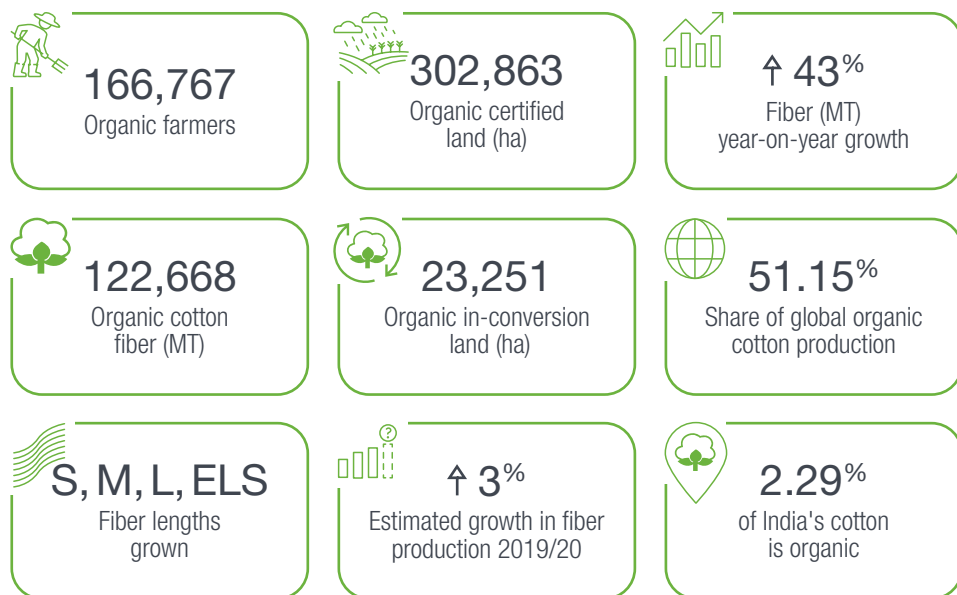
"Business as usual" is not an option; business for everyone is sustainable business.

Kindly refer to [A World Beyond Certification: A best practices guide for organic cotton trading models](#) by Kering and Textile Exchange to understand more about innovative business models.

# South & Southeast Asia



## India | 2018/19 organic cotton production



Total cotton production in India decreased 4.8 percent in 2018/19, despite the Indian government increasing the minimum support price (MSP) by 15 cents per kg of seed cotton. The 2018/19 MSP was 51.50 INR/kg; 28 percent higher than in 2017/18. In 2019/20 and 2020/21, it will increase further, to 52.55 and 55.15 INR/kg, respectively.<sup>1</sup> All prices mentioned here are for medium staple cotton variety.

Organic farming in India is certified under the National Programme for Organic Production (NPOP). In 2018/19, more than 166,767 farmers were part of Internal Control Systems (ICS)<sup>2</sup> that had both NPOP and NOP certification. In 2018/19, 302,863 ha of land was certified organic, with approximately 211,863 ha (70 percent) dedicated to organic cotton. Between 2014/15 and 2018/19, farmers have changed the proportion of organic

land that they allocate to cotton from an average of 54 percent to 70 percent. Every state showed an increase in production of organic lint cotton, with the exception of Karnataka, which had greater crop rotation activity.

Volumes of organic cotton increased 43 percent in 2018/19 compared to the previous year. Over the next three years, it is estimated that production will increase a further 12-24 percent.

Organic cotton was grown on a total of 211,863 ha in India in 2018/19. Every state, except for Karnataka, showed an increase in production, with increases ranging from 25-124 percent. Odisha continued its significant leadership in

terms of organic lint cotton production, experiencing a growth of 42 percent to reach 34,990 MT of organic fiber production in 2018/19, followed by Gujarat (28,556 MT), Maharashtra (27,944 MT), Madhya Pradesh (23,675 MT); Rajasthan (6,205 MT); Telangana (619 MT); Tamil Nadu (391 MT) and Haryana (287 MT).

This trend is reflected in the wider organic movement in India too, with increases seen in other organic crops. Overall, there was 3.56 million ha of land under organic production in India; 1,398,221 ha of which was cultivated and 1,490,418 ha of which was wild harvest area. This was carried out by 3,488 ICS and 2,371 Individual producers, involving a total of 1.5 million farmers.



<sup>1</sup> Source: <https://farmer.gov.in/mspstatements.aspx>

<sup>2</sup> "An Internal Control System is the part of a documented quality assurance system that allows an external certification body to delegate the periodical inspection of individual group members to an identified body or unit within the certified operator. This means that the third-party certification bodies only have to inspect the well-functioning of the system, as well as to perform a few spot-check re-inspections of individual smallholders." [IFOAM - Organics International].

# South & Southeast Asia



## India | Program insights

### New partnership to showcase organic cotton farm groups in India

Textile Exchange and the Organic Cotton Accelerator (OCA) are collaborating to create an up-to-date database that will provide an overview of all active organic cotton producing farm groups in India.

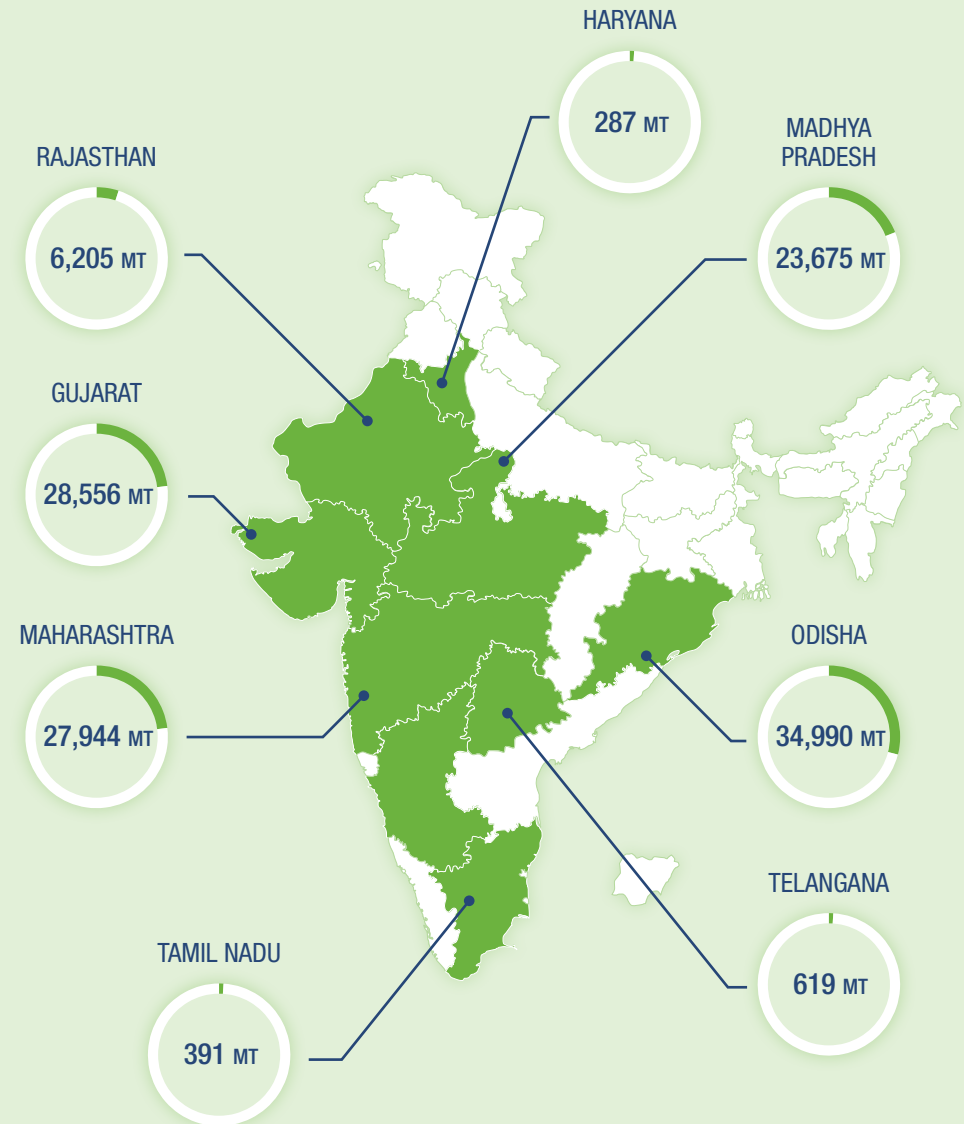
Eligible farm groups are those currently certified or in-conversion against the National Program for Organic Production (NPOP). With this collaboration, we aim to enable targeted engagement, market linkages, and support to Indian organic cotton producing farm groups through the OCA Farmer Engagement and Development (FED) Programme and Textile Exchange reports and activities. Results of this updated database will create value for the entire organic cotton sector.

### How will the database create value for the sector?

- Verified data and information are essential to support the organic cotton sector and provide credible information and transparency for buyers.
- The database will improve market linkage between farm groups and brands, retailers and suppliers through OCA's Farmer Engagement and Development (FED) Programme, enabling better terms of trade for producers while creating visibility on the impact and integrity of the organic fiber for buyers.
- The database will also provide up-to-date information that will inform the organic cotton activities of Textile Exchange, specifically its Organic Cotton Market Report and Organic Cotton Round Table.
- The database is an example of sector partnership in action as OCA and Textile Exchange join hands to create the database for the sake of the wider organic community by way of improved market information and linkages.

For more information, please contact Amish Gosai: [Amish@TextileExchange.org](mailto:Amish@TextileExchange.org).

## INDIA PRODUCTION BY STATE



# South & Southeast Asia

India | Program insights | COVID-19 responses



In the short-term, activities such as land preparation are being delayed and, due to social distancing requirements, farmers are being forced to use tractors for land preparation, which comes at an additional cost.

Almost all farmers depend on other, non-farm income streams to cope with their day to day expenses (e.g. through milk/input sales or through women-led self-help group activities), but these have come to a standstill.

Suminter has distributed facemasks, soaps, and hygiene products to all the villages where we work. We have also distributed essential ration items worth Rs700/ to each farmer in need. Our field staff is engaged in giving proper training to villages on social distancing and personal hygiene. A few women self-help groups working in our project area are involved in making reusable face masks.

In the longer term, farmers are concerned about prices and demand. Most of them are in a dilemma about how cotton as a product is going to perform in the coming harvest season.



**Ishwar Ilanchezian**

Director - Textile Division  
Suminter India Organics Pvt. Ltd.

[Hear more from Ishwar in our Insider Series interview.](#)



Action for Social Advancement (ASA), in partnership with Laudes Foundation, is working on expansion of organic cotton in the tribal region of Madhya Pradesh with a key emphasis on the value chain integration of producers through farmer producer collectives.

It is difficult to predict the future of funding possibilities right now. The need is to think innovatively and quickly. We are seeing farmers distress selling because of the lack of demand, which market assessments indicate won't normalize until November 2020. We quickly realized that this challenge is an opportunity to strengthen farmer institutions to help their own community. The best way to help the farmers is material procurement at a comparable price to last year.



**Ashis Mondal**

Director  
Action for Social Advancement (ASA)

[Hear more from Ashis in our Insider Series interview.](#)

# South & Southeast Asia



India | Program insights | Climate impacts & actions



The biggest threat related to climate change and organic farming is the timing of the sowing season. Historically, cotton is sown in early June but, due to climate change, monsoon season has become more unpredictable, making it harder for farmers to plan their production cycles. There has been an increase in natural disaster conditions, and most organic cotton is rainfed. When your partner is nature, your entire livelihood is dependent on managing your crops in conjunction with the weather; the climate situation is getting more concerning to our RESET farmers and other farmers worldwide.



**Marci Zaroff**

Founder/CEO

ECO-fashion Corp/MetaWear

[Hear more from Marci in our Insider Series interview.](#)



bioRe<sup>®</sup> organic cotton is CO<sub>2</sub> neutral. The compensation is achieved through the construction and operation of biogas facilities and efficient stoves in the bioRe<sup>®</sup> growing regions of bioRe<sup>®</sup> India Ltd. and bioRe<sup>®</sup> Tanzania Ltd. The special feature of this model is the approach of compensation within the own supply chain, thus creating added value for the organic farmers instead of investing in anonymous climate projects somewhere in the world.



**Christa Suter**

CEO

bioRe<sup>®</sup> Foundation

[Hear more from Christa in our Insider Series interview.](#)



# South & Southeast Asia

India | Program insights | Climate impacts & actions



“

For next year, along with improving organic practices, we will focus on strengthening farmer resilience to cope with shocks such as COVID and climate change. We will work on building transformative partnerships with stakeholders. To help farmers face climate change-related challenges, we will promote bio-dynamic (BD) farming practices, including the use of more acceptable and sustainable BD products. We will work on select biofortified crops for crop nutrition. We will supplement our training with risk-mitigation plans to boost biodiversity, support the environment, and build more resilient cotton farming. We will roll out more comprehensive interventions to include health, hygiene, and enterprise development for holistic farming community development.



**Ravindra Narayanaswamy**

Senior Director- Farm Operations  
CottonConnect

[Hear more from Ravindra in our Insider Series interview.](#)

[Read CottonConnect's new research on the impact of COVID-19 on farming communities.](#)



“

Welspun, in collaboration with MIT media lab - Open Ag, is working on a project to grow specialty cotton (long to extra-long staple) sustainably in the semi-arid region of Kutch District in Gujarat, India. This area is better known for growing medium staple cotton in open fields. This collaboration was undertaken to support farmers by developing appropriate cotton production technologies that factor in current challenges related to climate change. Today, resources like healthy soil, water, and farm biodiversity have become scarce. This scarcity makes it challenging for farmers to sustain their livelihood as they can easily become trapped in vicious cycles of debt caused by unpredicted rains (drought/floods), pest problems, and the availability of genuine quality inputs. The technology that we are using is Hydroponic. Initially, we started it in a reefer container using a completely controlled environment and providing artificial light to grow cotton. Now we have taken it to a bigger scale and are using natural light. Natural light is available in abundance and can help to bring down the cost of electricity in a greenhouse, which provides a controlled environment using a fan pad system. The temperature inside the facility is maintained between 25 and 38° C.



**Mahesh Ramakrishnan**

Senior Vice President - Sustainable Cotton  
Welspun Group

[Hear more from Mahesh in our Insider Series interview.](#)



# South & Southeast Asia

India | Program insights | Non-GM seed



We have now launched the second phase of our non-GM seed hybridization project in India. Fairtrade is working in partnership with Pratibha Syntex, and the project is funded by TRAIID. The objective is to develop new non-GM hybrids that have the cotton fiber parameters that the fashion and textile industry needs. The resulting seeds will be commercially produced and made available to farmers. The breeding program has already produced some strong results following the initial pilot phase, when around 1,500 cotton farmers were given access to 9,200 organic seed packets produced by their own co-operative. The second phase of the project will see the development of new parent lines and we will share learnings more widely across the sector.



**Subindu Garkhel**

Senior Cotton and Textiles Lead  
Fairtrade

[Hear more from Subindu in our Insider Series interview.](#)



As seed forms the starting point of agricultural value chains, the growth of the organic cotton sector depends on the availability of quality organic cottonseed. In India, OCA aims to boost organic cottonseed systems by investing in Seeding the Green Future: the country's leading organic cotton breeding program, led by FiBL in close partnership with farm groups and State Universities. The program is developing a new portfolio of improved cotton cultivars well-suited for organic farming conditions, while scaling up cultivar testing and seed multiplication across different Indian states. More recently, OCA also facilitated the development of guidelines for non-GM cottonseed production to help seed producers prevent GMO presence at the very start of the organic cotton supply chain - the production of seeds marketed to organic cotton farm groups.

Yet, the limited availability and quality of organic cottonseed is not an issue unique to India alone. It is a global issue. Therefore, OCA has started planning for the expansion of our Seed, Integrity and Community Investment (SICI) Programme to other key producing countries. Through our Global Seed Task Force we are turning the input of local seed experts and learnings from our Indian program into a strategic plan that can effectively improve the genetic diversity and availability of organic cottonseed for farmers by using levers such as capacity building, advocacy and communications at a local and global level; while leveraging the many existing networks and initiatives already present. In this way, we hope to continue planting the seeds for meaningful change across the globe.



**Mathilde Tournebize**

Programme Officer  
Organic Cotton Accelerator (OCA)

[Hear more from OCA in our Insider Series interview with Bart Vollaard, Executive Director.](#)

# South & Southeast Asia



## Pakistan | 2018/19 organic cotton production



2018/19 saw Pakistan's first harvest of certified organic cotton, with production totaling 398 MT fiber grown on 781 ha of land.

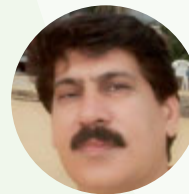
This production is a result of the partnership between WWF Pakistan, Laudes Foundation, Directorate of Agriculture Extension - Balochistan, and CABI, which is promoting organic cotton in selected areas of Balochistan.

These organizations are also working with local textile players to improve supply chain mechanisms and motivate them to support the scaling up of organic cotton cultivation in Balochistan.

Learn more about this project from Hafiz Muhammad Bakhsh of WWF Pakistan (opposite) and in our Insider Series.



The COVID-19 pandemic has affected organic cotton activities in terms of poor linkages between seed companies, local seed dealers, and programme farmers, which has limited access to quality, GMO free cotton seed. Overall, this may impact the quantity and quality of the next harvest. Similarly, farmer training through farmer field schools could not go ahead as planned due to the lockdown situation and the safety measures put in place in the fight against the COVID-19 pandemic.



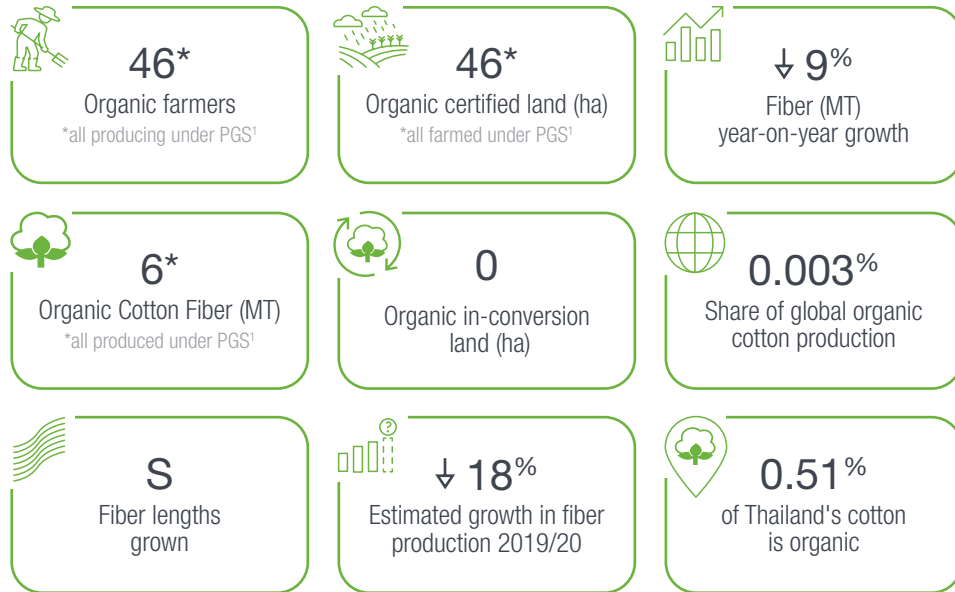
**Hafiz Muhammad Bakhsh**  
Manager Organic Cotton Project  
WWF Pakistan

[Hear more from Hafiz in our Insider Series interview.](#)

# South & Southeast Asia



## Thailand | 2018/19 organic cotton production



Thailand's organic cotton is grown along the banks of the Mekong river in Rim Khong by farmers of the Green Net Cooperative. The production uses the Participatory Guarantee System (PGS),<sup>1</sup> rather than third-party certification.

Please note that the figure for 2017/18 production has been adjusted from 2 to 7 MT after an error was realized in the reporting system. Compared to this revised 2017/18 figure of 7 MT, production declined slightly in 2018/19, totaling 6 MT.

This mirrors the drop in the number of farmers (from 55 to 46) and land area (from 96 to 46 ha). Nevertheless, the project provides an additional income for these 46 traditional fishing families.

The cooperative reports a minimal impact of COVID-19 on this fishing community, so far. Hear more on the right from Vitoon Panyakul of Green Net Cooperative.



The government imposed a lock-down in Thailand in late March 2020 and, as things seem to get better, the restrictions are gradually being relaxed. Now [as of June 2020], the situation inside the country is almost back to normal. There appears to be very little impact on cotton producers, who live far away from the city center. There is a much stronger impact on tourism-related businesses. And, of course, the sale of organic cotton has slowed down significantly. It is hard to see when or whether the sale will pick up again.



**Vitoon Panyakul**  
Director  
Green Net Cooperative

<sup>1</sup> Participatory Guarantee Systems (PGS) are an alternative to third-party certification. As per [IFOAM - Organic International's definition](#), PGS are locally focused quality assurance systems that certify producers based on the active participation of stakeholders and are built on a foundation of trust, social networks, and knowledge exchange. IFOAM - Organics International has a [list of recognized PGS programs](#).

# South & Southeast Asia

## Myanmar | In-conversion



As announced in last year's report, a new organic cotton project is underway in Myanmar - a partnership between Welspun India Ltd. and Sense Organics Import & Trading GmbH, implemented with Pure Sense Organics Myanmar Ltd.

In 2018/19, the program had 8 ha in-conversion to organic, with 13 farmers engaged in this production in the Mandalay region of Myanmar. The program reports that this is expected to grow to 65 ha and 75 farmers by 2019/20, with the production area being part of a larger 300 ha organic system, rotating cotton with crops such as black gram, green gram, sesame, groundnut, pigeon pea, and onion.

The Source Trace app is being used to record real-time information on key project details.

In April 2019, one non-GM seed variety was registered with the Ministry of Agriculture and Irrigation. A further three varieties were being trialed on government farms and were due to undergo certification in 2019/20.



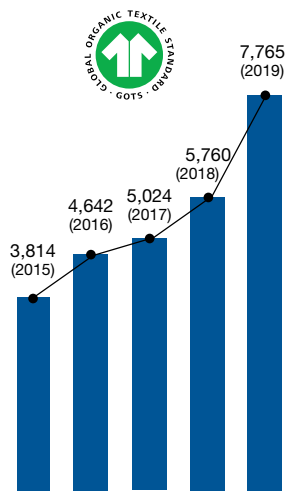
# Standards & Certification

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# Standards & certification

## OCS & GOTS certified facilities 2019 <sup>1</sup>

### GLOBAL ORGANIC TEXTILE STANDARD (GOTS)

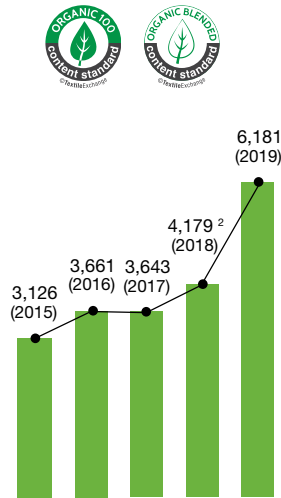


7,765 (↑ 35 %)

Certified Facilities 2019

- India : ↑22%
- Bangladesh : ↑73%
- Turkey : ↑65%
- Germany : ↑13%
- China : ↑49%
- Italy : ↑31%
- Portugal : ↑40%
- Pakistan : ↑16%
- USA : ↑16%
- Japan : ↑255%

### ORGANIC CONTENT STANDARD (OCS)



6,181 (↑ 48 %)

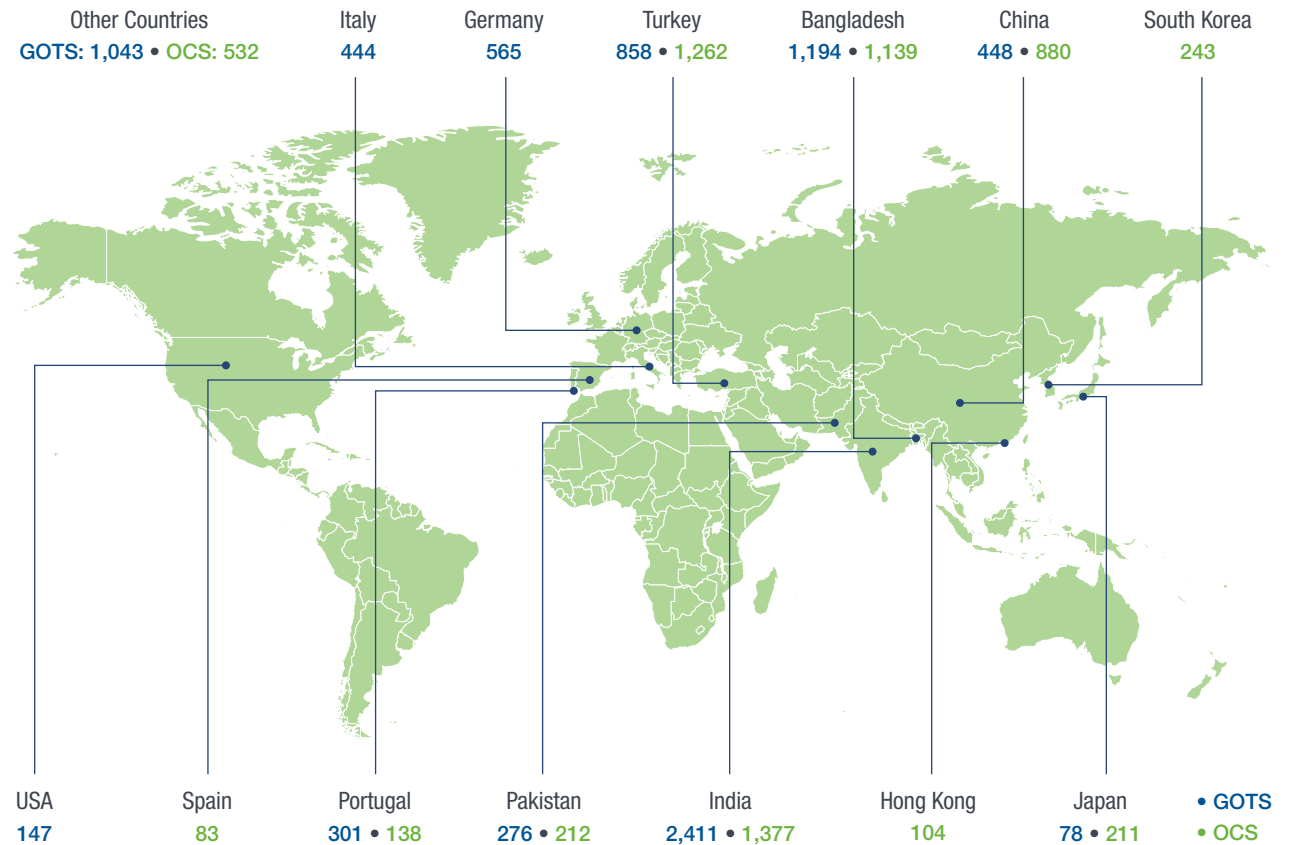
Certified Facilities 2019

- India : ↑37%
- Turkey : ↑123%
- Bangladesh : ↑10%
- China : ↑23%
- South Korea : ↑7%
- Pakistan : ↑75%
- Japan : ↑43%
- Portugal : ↑138%
- Hong Kong : ↑940%
- Spain : ↑261%

### TOP 10 COUNTRIES USING OCS & GOTS

In 2019, **GOTS** had 7,765 certified units across 70 countries, while **OCS** had 6,181 units across 54 countries.

This map shows the top 10 countries for each and their respective number of certified units.



<sup>1</sup> Please note that the figures detailed on this page reflect the number of facilities certified to produce GOTS/OCS products in 2019, which may differ from the number that actually produced GOTS/OCS certified products that year.

<sup>2</sup> Please note that this number has been revised since the 2019 Organic Cotton Market Report, which stated 4,179 OCS certified facilities in 2018, due to the finalization of reported numbers by some certification bodies.

# Standards & certification

## Organic Content Standard



The Organic Content Standard (OCS) is an international, voluntary standard that provides chain of custody verification for materials originating on a farm certified to recognized national organic standards. The standard is used to verify organically grown raw materials from the farm to the final product.

Originally released in 2013, the goal of the OCS is to increase organic agriculture production. The OCS aims to deliver this goal through three key objectives:

1. Provide the industry with a tool to verify the organically grown content of the products they purchase.
2. Provide companies with a trusted tool to communicate organically grown content claims to the industry.
3. Provide organic farmers with broad access to the global organic market for their products.

The OCS requires certification of the entire supply chain starting at the first processor of organically grown material through to the final business-to-business seller. It also requires transaction certificates between

each buyer and seller of OCS certified product. The ending result is a consumer-facing logo and claim about the organically grown content.

The OCS also allows labeling of verified in-conversion or in-conversion organically grown material in order to provide those farmers that are required to wait two to three years when switching from conventionally grown crops with an incentive to do so.

### Launch of Organic Content Standard 3.0

Following a revision period for the OCS 2.0 in 2019, Textile Exchange launched OCS 3.0 on March 1, 2020. All audits conducted after February 28, 2021, shall be conducted using OCS 3.0.

The updates to the standard include:

- The former OCS Implementation Manual is now divided into two documents. The OCS User Manual provides interpretation and guidance for users of the standard while the OCS Certification Procedures details requirements certification bodies must follow.
- More robust traceability between the farm and first processor.
- GMO testing for organic cotton must occur in accordance with Textile Exchange's OCS-103 GMO Screening of Organic Cotton.

- Organic wool inputs must be non-mulesed (according to the non-mulesed definition of the Responsible Wool Standard) or from a farm with ceased-mulesing status.
- Certified organizations must now maintain technical specifications for all OCS materials.
- Number of OCS certified facilities increases 48 percent in 2019.
- 2019 saw record growth for Organic Content Standard (OCS) certified facilities. The total number of facilities grew 48 percent, from 4,179 in 2018 to 6,181 in 2019. In terms of actual number of facilities, the largest contributors to the global growth were Turkey (+697 facilities), India (+374), and China (+167). See previous page on [certified facilities](#) for further details.

### Content Claim Standard 3.0

The Organic Content Standard (OCS) uses the chain of custody requirements of the Content Claim Standard (CCS). The CCS ensures a robust chain of custody system from the source to the final product.

Textile Exchange recently launched a revision of the CCS, for which the open feedback period has just concluded. You can find a summary of the feedback received [here](#).

We are now requesting stakeholder participation in the CCS International Working Group (IWG) to assist in the development of the CCS 3.0. If you are interested in joining the IWG, please read this [quick guide](#) and email [Standards@TextileExchange.org](mailto:Standards@TextileExchange.org).



The Organic Content Standard was our first standard and the basis of establishing our Chain of Custody, which is the backbone for all of our standards. I am proud of the evolution of the OCS through the revision process. It remains a key tool for supporting and stabilizing organic fibers.



**La Rhea Pepper**  
Managing Director  
Textile Exchange

# Standards & certification

## Global Organic Textile Standard



The Global Organic Textile Standard (GOTS) is a voluntary global standard for the entire post-harvest processing (including spinning, knitting,

weaving, dyeing, and manufacturing) of apparel and home textiles made with certified organic fiber (such as organic cotton and organic wool), and includes both environmental and social criteria. Key provisions include a ban on the use of genetically modified organisms (GMOs), highly hazardous chemicals (such as azo dyes and formaldehyde), and child labor, while requiring strong social compliance management systems and strict wastewater treatment practices. GOTS was developed by the international standard setters, including Organic Trade Association (USA), Japan Organic Cotton Association, International Association Natural Textile Industry (Germany), and Soil Association (UK) to define globally recognized requirements that ensure the organic status of textiles, from field to finished product.

### GOTS registers highest growth rate in 2019

In 2019, the number of GOTS certified facilities globally grew by 35 percent, from 5,760 to 7,765 located in 70 countries. This growth was seen in both production and consuming regions. The highest increases in the number of certified facilities were reported from Bangladesh (+505), India (+438), and Turkey (+339). See map on [certified facilities](#) page for further details of the ten countries with the most GOTS-certified facilities in 2019. In total, more than 3 million workers working in GOTS-certified facilities were reported in 2019 by the 17 accredited independent Certification Bodies.

### GOTS 6.0 released

GOTS version 6.0 was released in March 2020. Key requirements such as certified organic fiber content, the ban on toxic and harmful chemicals, conventional cotton, and virgin polyester have been maintained. The relaxation for additional regenerated fibers and virgin polyester has been withdrawn. Social compliance management has been strengthened to include OECD Guidelines and a living wage gap. [Find out more about the changes in GOTS V.6.0.](#)



GOTS recognizes the challenges companies are currently facing [due to the covid-19 pandemic] when it comes to keeping operations running while maintaining certification without on-site in-person audits. GOTS developed measurements accordingly. Recertification dates have been extended, and virtual audits are now allowed under certain circumstances. In the long term, consumers will have had time to reflect on the harmful effects of “Fast fashion” on our planet. They are seeing clear water and less smog, and hopefully will consider more ecological choices going forward.

In the US, short term, the domestic manufacturers are working in high gear, manufacturing masks, gowns etc. to meet the tremendous need for the medical community. Some GOTS-certified companies have reported that state and federal contracts were granted to them because of their proven traceability systems.



**Lori Wyman**

Representative for North America  
Global Organic Textile Standard (GOTS)



# Methodology & Disclaimer

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# 2020 methodology & disclaimer

Textile Exchange is in the unique position of being the only organization currently reporting on the global organic cotton supply and trends on an annual basis. Our priority is to ensure the accuracy and quality of our data, management systems, and reporting. In 2018, with the sponsorship of C&A Foundation, Textile Exchange achieved [independent third-party verification](#) on its organic cotton data processes to the Global Reporting Initiative (GRI) standard and Accountability Principles for the Organic Cotton Market Report (OCMR). Textile Exchange has since adhered to the same verified process for its organic cotton data collection. The following sections set out the abridged methodology used to collect, analyze, and crosscheck the data on the production of organic cotton fiber in 2018.

## Key terms & definitions

**Organic Cotton:** Organic Cotton is cotton that is produced according to the IFOAM Principles of Organic Agriculture and certified to the IFOAM Family of Standards at the farm level. At present, the main farm standards include the EU Organic Regulations in Europe (EU-Reg), USDA National Organic Program (NOP) in the USA, and the National Programme for Organic Production (NPOP) in India. Organic cotton production from [Participatory Guarantee System \(PGS\)](#) that falls outside of IFOAM's PGS recognized programs are specifically mentioned.

Organic cotton is grown as part of a production system that sustains the health of soils, ecosystems, and people. It relies on ecological processes, biodiversity and cycles adapted to local conditions, rather than the use of inputs with adverse effects, and is grown in rotation with other crops that replenish the soil. Organic cotton requires a third-party certification from an independent, accredited Certification Body (CB). Organic cotton growing practices may vary

slightly from country to country but common to all is the avoidance of the use of toxic and persistent synthetic agrichemicals (pesticides and fertilizers) and genetically modified seeds.

**Seed cotton:** Seed cotton is the raw cotton, including fiber and seeds (i.e., pre-ginning cotton).

**Cotton Fiber/Lint:** Cotton fiber/lint is cotton that has gone through the ginning process to remove seeds, leaves, and casings (i.e., post-ginning).

**Cotton In-Conversion:** For cotton to be certified organic, it must be grown organically on land that has undergone a three-year conversion period from conventional practices (note the conversion period may be reduced in certain circumstances). While no toxic chemicals are allowed during this time, the conversion period is required to eliminate remaining residues left in the soil from past conventional practices. Cotton produced during the three-year conversion period is termed Cotton In-Conversion.

**Organic Certified Land/Land Area Certified To Organic:** Organic cotton must be grown on land area certified as organic to the [IFOAM Family of standards](#). However, as organic cotton is grown within a rotation system to build soil fertility, depending on soil and climatic conditions, the same piece of land may also grow a variety of other crops such as groundnuts, maize and beans. As the scope of organic certification covers the variety of crops grown, the land area recorded during a certification process is referred to as Organic Certified Land.

**In-Conversion Land:** In-Conversion Land refers to land that is undergoing the required three-year conversion period from conventional to organic as required by all organic standards. While no toxic chemicals are allowed during this time, the conversion period is required to eliminate

remaining residues left in the soil from past conventional practices. Land undergoing the first, second, and third year of this conversion period is referred to as Year 1 (Y1), Year 2 (Y2), and Year 3 (Y3) In-Conversion Land, respectively.

**Yield:** Yield refers to the amount of cotton produced (in kilograms) per hectare (ha) of land farmed. Yield is typically measured at two levels: Seed Cotton Yield (i.e., pre-ginning) and Cotton Fiber Yield (i.e., post-ginning).

**Metrics (ha, kg, MT, m, b):** This report uses the metric system for measurements and units have been abbreviated as follows. Local units are converted into international, harmonized units: ha = hectare (1 hectare = 2.47 acres); kg = kilogram (1 kg = to 2.20 lbs. = 0.0045929637955183 US bales = 0.005882353 Indian bales); MT = metric ton (1,000 kg); m = million (1 m = 1,000,000 kg); b = billion (1 b = 100,000,000).

## Reporting boundaries, completeness, and accuracy

**Reporting Period:** The data are collected over a 12-month cycle and are based on the International Cotton Advisory Council (ICAC) harvest year of August 1 to July 31. In 2020, data for the 2018-19 harvest year were collected. In countries, such as Tanzania, where the cotton is picked between July 2018 and August 2019 (i.e. covering 2 ICAC years), the data is allocated to the first year (e.g., 2018). In countries, such as the USA, where the cotton is picked in October 2019 to December 2020, the data to the previous calendar year (e.g., October 2018 – December 2018) is reported.

**Cotton Producing Countries/Production:** In 2020, Textile Exchange's systematic collection, review and reporting of organic cotton production covers more than 96 percent of overall cotton production

volume and 68 percent cotton producing countries. In all, 34 of the 50 cotton producing countries have been identified as potentially relevant for organic cotton production and covered by an independently verified systematic data process. This identification process has been based on data collected, publicly available records, interviews and correspondence with various stakeholders.

**Standards (Cultivation):** Textile Exchange applies a complete list of all standards accepted in accordance with "IFOAM Family of Standards." A systematic completeness check was carried out on all data collected against published data by 53 Certification Bodies across 46 IFOAM Family of Standards.

## Data sources

Organic cotton data is collected from governmental agencies, certification bodies, organic cotton producers, gins and initiatives/brands. Wherever possible, data from each country is collected from more than one source and validated against each other. In selected cases where data can only be obtained from one source, triangulation and validation of data may not be possible and the data is accepted as it is. While primacy is given to data supplied by government agencies and certification bodies, data from organic cotton producers continues to play an important function for cross-validation and to understand farm level scenarios, as certification body data is limited to a small set of indicators. Collection method range from public database search, telephone interviews, site visits and email correspondence between February and July 2020. The following table provides a breakdown of data sources used for each of the 34 countries covered in OCMR 2020 alongside a confidence level on the data received based on results of triangulation.

# 2020 methodology & disclaimer

Country	GOV	CB	OCP	Gin	Other
Argentina			P		
Australia					P
Bangladesh		P			
Benin			P		
Brazil		P	P		
Burkina Faso			P		
China	P	P	P		
Colombia					P
Egypt		S	P		
Ethiopia		S	P		
Greece	P				
India	S	P	S		
Israel			P		
Kyrgyzstan		P			
Mali			P		
Mexico	P				
Myanmar			P		
Nicaragua					P
Pakistan		P	S		
Paraguay					P
Peru		S	P		
Senegal		P			
South Africa					P
Tajikistan	S	P			
Tanzania		S	P		
Thailand			P		
Turkey	S	P			
Uganda		S	P		
USA	S		S	P	
Uzbekistan		S	P		
Zambia					P

GOV = government agency; CB = certification body; OCP = organic cotton producer; P = primary data source; S = secondary data source.

For the 2020 Organic Cotton Market Report, the final organic cotton production data was based on data sourced from Government Agencies (15 percent), Certification Bodies (35 percent), Organic Cotton Producers (41 percent), Ginners (3 percent), and Others (9 percent). Note that in some countries, data may be combined from more than a single source.

## Data analysis and checks

Textile Exchange makes every attempt to obtain a single complete data set per country from Certification Body, a secondary data source from an Organic Cotton Producer, and where possible, a third data source from alternative stakeholders. The different data sets are harmonized for metric consistency, and in the case of missing data or data deviation, scenarios, or average data are used. Collecting data from multiple sources allows Textile Exchange to triangulate the information from different providers and cross-check against data reported in the past. In the case of inconsistencies, rationales for decision-making are defined in a systematic process and documented. In case of data gaps, where possible historical data and industry averages are inferred. Where data gaps cannot be filled, partial data is reported and marked as a general indication. The final aggregates are proofed by industry experts.

## Special remarks - supply side

**Production Volume:** A Certification Body estimates the production volume of an Organic Cotton Producer at the time of audit. Within the certification process, a variance of up to 10 percent is permitted between estimated production (at time of audit) and actual harvest (post-audit). As at time of data collection, Organic Cotton Producers would have realized its harvest, data collected from Organic Cotton Producers is

likely to be based on actual production, whereas data reported by Certification Bodies is likely to be based on estimated production. Production volume collected from varying data sources is reported in OCMR on an as-is basis and does not account for any variance between estimated and actual production.

**Historical or Average Yields:** Where data is only provided for land area but not the production volumes, historical yields known for the specific project or locality or annual national average yields (as agreed by the government and applied by certifying bodies) have been used to calculate the production volume.

**Land Area Certified to Organic:** In selected cases where the land area under organic cotton is reported and total land area certified to organic is reported, the latter is estimated to be equal to the former.

**Ginning Outturn:** Where only seed cotton data is available, lint production is estimated using the ginning outturn known for the country.

**Estimation for Intercrops:** Where only total certified land area was reported, the average rate of intercropping was applied to derive fiber production (e.g., in India, the estimate is 33 percent as per Certification Body methodology).

**Land In-Conversion:** In selected cases where in-conversion organic cotton fiber production from land area in-conversion is reported and land area in-conversion is not reported, the yield is applied as the divisor to derive land area in-conversion.

## Reporting limitations

- The integrity of organic cotton is assumed addressed through the certification process and that all organic cotton production data provided by data sources are certified.
- Production data provided by data sources are accurate, true and complete to the reporting period specified.
- The variance between estimated production captured at audit by a Certification Body and the actual harvest volume reported by Organic Cotton Producers is acceptable (per the certification process).
- Research findings are dependent on publicly available data and it is the responsibility of Certification and Accreditation Bodies to make available all pertinent data and information.

# 2020 methodology & disclaimer

## 2017/18 data revisions

Certain organic cotton data reported for 2017/18 in our 2019 Organic Cotton Market Report have since been revised as per the figures in the table below, after having received corrections from

some of our data providers. Revisions were also made to historical data for these countries prior to 2017/18.

Country	Organic farmers		Organic certified land (ha)		Organic seed cotton (MT)		Organic cotton fiber (MT)	
	Reported	Adjusted	Reported	Adjusted	Reported	Adjusted	Reported	Adjusted
Greece			1,153	1,306	2,500	3,166	850	1,045
Egypt	19	20			777	1,184	287	438
Thailand					4	19	2	7
Turkey	266	322	5,418	6,433	29,130	32,236	11,652	12,894
USA			10,644	8,397	14,520	14,573	5,082	5,101
<b>GLOBAL</b>	<b>182,876</b>	<b>182,933</b>	<b>356,131</b>	<b>355,052</b>	<b>481,391</b>	<b>485,638</b>	<b>180,871</b>	<b>182,482</b>

Table: Revisions to 2017/18 organic cotton production data reported in the 2019 Organic Cotton Market Report.

## Disclaimer

Textile Exchange collects and reports production of certified organic cotton data from Accreditation Bodies, Certification Bodies, Organic Cotton Producers as well as other stakeholders on an as-is basis. Data reported is intended as a snapshot of production and makes no representation on total supply. While Textile Exchange carries out a systematic completeness and accuracy check on its data collection process; we rely on our data providers for data accuracy and integrity. Where data gaps exist, Textile Exchange attempts to

replace these values with best estimates from historical or comparable proxies. Data reported may change due to corrections or updates from data sources.

For the purpose of the OCMR, organic cotton does not include any uncertified naturally grown cotton, nor does it make any statement regarding the integrity beyond its certification, and reported numbers, as reported by our data providers.



# Appendices

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# Appendices

## Textile Exchange membership

### About Textile Exchange

Founded in 2002, Textile Exchange is a global non-profit 501(c)3 with more than 425 members that represent leading brands, retailers, and suppliers in the textile industry. The organization works to create leaders in the sustainable fiber and materials sector by providing learning opportunities, tools, insight, standards, data, measurement, and benchmarking-and by building a community that can collectively accomplish what no individual or company can do alone.

### Benefits of membership

Textile Exchange membership connects you to a powerful community of brands, retailers, and companies, large and small, from across the textile world - all seeking to create a more sustainable and responsible fiber and materials industry. Members gain access to learning opportunities, tools, relevant data, insight reports, industry networks, and connections and, above all, the opportunity to take action, individually and collectively.

### Contact us



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## Membership Levels & Pricing

	Supply Network Partner	Brand/Retailer Partner	Supporter	Friend
	\$12,500	\$12,500	\$3,000	\$500
Products	Access to The Hub - Member Portal	✓	✓	✓
	Annual Conference Ticket(s)	3 (Value \$6,000)	3 (Value \$6,000)	1 (Value \$2,000)
	Annual Conference Exhibit Area	1 (Value \$3,000)	-	-
	Annual Conference Recordings	✓	✓	✓
	Annual Conference Members Only Event	Open to all participating members	Open to all participating members	Open to all participating members
	Access to Regional Events	Open to all participating members	Open to all participating members	Open to all participating members
	Material Snapshots Library (29 Publications) <sup>1</sup>	Unlimited	Unlimited	Unlimited
	Fiber Quick Guides (Biosynthetics, Organic Cotton, and more)	✓	✓	✓
	Webinars	Unlimited live access and recordings	Unlimited live access and recordings	Unlimited live access and recordings
	Annual Member-only eLearning Series + Report Briefs	Unlimited live access and recordings	Unlimited live access and recordings	Unlimited live access and recordings
Benchmarking	Corporate Fiber and Materials Benchmark Participation	Anticipated Pilot 2020	Open to all	Open to all
	Corporate Fiber and Materials Benchmark Private Brand Report	Anticipated Pilot 2020	✓	✓
	Corporate Fiber and Materials Advanced Report Card	Anticipated Pilot 2020	✓	\$2,000
	Corporate Fiber and Materials Benchmark Report Card	Anticipated Pilot 2020	✓	\$1,000
Industry Research Reports	Annual Preferred Fibers Market Report	✓	✓	✓
	Corporate Fiber and Materials Benchmark Sector Overview	✓	✓	✓
	Corporate Fiber and Materials Benchmark Sector Report	✓	✓	✓
	Organic Cotton Market Report	✓	✓	✓
	Special Annual Reports	✓	✓	✓
Standards Benefits	Certification Toolkits	✓	✓	✓
	Sourcing Guides (not all Standards)	✓	✓	✓
	Labelling Guide	✓	✓	✓
	Brand and Retailer Toolkit	✓	✓	✓
	Standard-specific Webinars and Access to Recordings	✓	✓	✓
	Supplier or Brand/Retailer Training	✓	✓	-
Services	Access to Round Tables	Open to all	Open to all	Open to all
	Access to Round Table Summits	✓	✓	✓
	Access to TEam Members; In-Person meetings <sup>2</sup>	✓	✓	-
	Access to Learning Center <sup>3</sup>	✓	✓	✓
Recognition	Member Spotlight	✓	✓	-
	Logo on our website, with links	✓	✓	✓
	Certificate of membership	✓	✓	✓

1. Value \$250 each; Total Value \$7,250. Updates scheduled for 2020.

2. Meetings subject to availability and geography.

3. Member access via The Hub. Non-member access via [store.textileexchange.org](http://store.textileexchange.org)

# Appendices

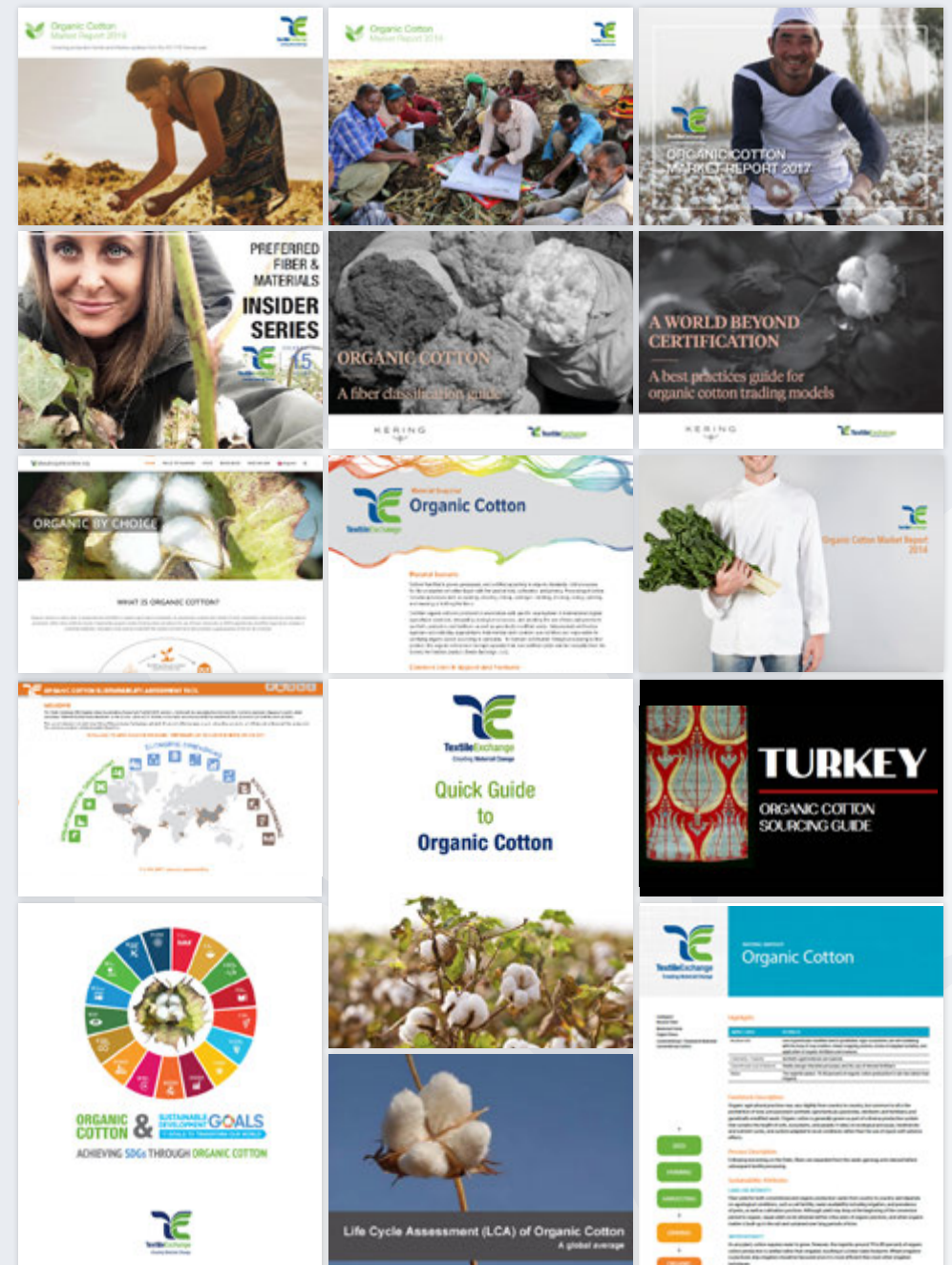
## Further resources

### Organic cotton:

- AboutOrganicCotton.org ([microsite](#))
- Previous Organic Cotton Market Reports ([2019](#)) ([2018](#)) ([2017](#)) ([2016](#))
- Cotton in Africa: Sustainability at a Crossroads | a white paper by Textile Exchange's Pan-Africa Sourcing Working Group ([pdf](#))
- Achieving the SDGs through Organic Cotton ([webpage](#)) ([pdf](#))
- Organic Cotton Round Table ([webpage](#))
- Turkey Organic Cotton Sourcing Guide ([pdf](#))
- Kering & Textile Exchange | Organic Cotton: A Fiber Classification Guide ([pdf](#))
- Kering & Textile Exchange | A World Beyond Certification: A Best Practices Guide for Organic Cotton Trade Models ([pdf](#))
- Quick Guide to Organic Cotton ([pdf](#))
- Life Cycle Assessment of Organic Cotton ([full report](#))
- Organic Cotton Sustainability Assessment Tool ([online tool](#)) ([summary pdf](#))
- Organic Cotton Material Snapshots ([pdf](#))
- Organic Cotton Material Summary ([pdf](#))

### Preferred cotton:

- 2020 Preferred Fiber & Materials Market Report ([pdf](#))
- 2nd Annual 2025 Sustainable Cotton Challenge Report ([pdf](#))
- Textile Exchange Learning Center ([Hub](#) - member only)



## Acknowledgments

It has been a privilege to work alongside the committed community of organic cotton farmers, manufacturers, brands, and retailers to generate this report. We would like to extend our sincere gratitude to all that have contributed data, expertise, updates, and photos for their continued and valuable co-operation:

Action for Social Advancement (ASA) • Alliance Gineries Ltd • APEDA • ARMEDANGELS • Bergman Rivera • Bio-Kishovarz Cooperative • bioRe® Foundation • BioSustain • Control Union • Cotlook • CottonConnect • Cotonea / Gebr. Elmer & Zweifel GmbH & Co. KG • ECOCERT • ECOFashion Corp/MetaWear • ecos • EMBRAPA Algodão • ESPLAR • Fair Cert • Fairtrade • FENABE • GIZ • GOTS • Green Net Cooperative • ITOCHU Corporation • Laudes Foundation • Naturetex • OneCert • OBEPAB • Organic & Fairtrade Cotton Coalition (CCBE) • Organic Cotton Accelerator • Organic Cotton Colours • Pesticide Action Network (PAN) Ethiopia • Pure Sense Organics • Rare • Remei AG • SANKO • SEKEM • Soil & More Impacts • Soil Association • Stay True Organic • Suminter India Organics Pvt Ltd • Texas A&M AgriLife Research • Texas Organic Cotton Market Cooperative • UNPCB • USDA Foreign Agricultural Service • Welspun Group • WWF Pakistan

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Textile Exchange envisions a global textile industry that protects and restores the environment and enhances lives.

[www.TextileExchange.org](http://www.TextileExchange.org)

To learn more about organic cotton, visit Textile Exchange's dedicated microsite:

[www.aboutorganiccotton.org](http://www.aboutorganiccotton.org)

For the latest news and trends in the wider preferred fiber and materials landscape, check out Textile Exchange's [2020 Preferred Fiber & Materials Market Report](#).