



TextileExchange

Creating Material Change

2010 FARM & FIBER REPORT

Organic by Choice

By Liesl Truscott, Alfonso Lizarraga, Prabha Nagarajan, Silvere Tovignan and Ashley Currin



ABOUT TEXTILE EXCHANGE

Textile Exchange is a nonprofit organization with staff in eight countries committed to expanding responsible organic fiber agriculture, globally. Textile Exchange has a unique focus on the Entire Value Chain.

Organic Exchange, now Textile Exchange, has had and will continue to have Organic Cotton as a core and signature initiative.

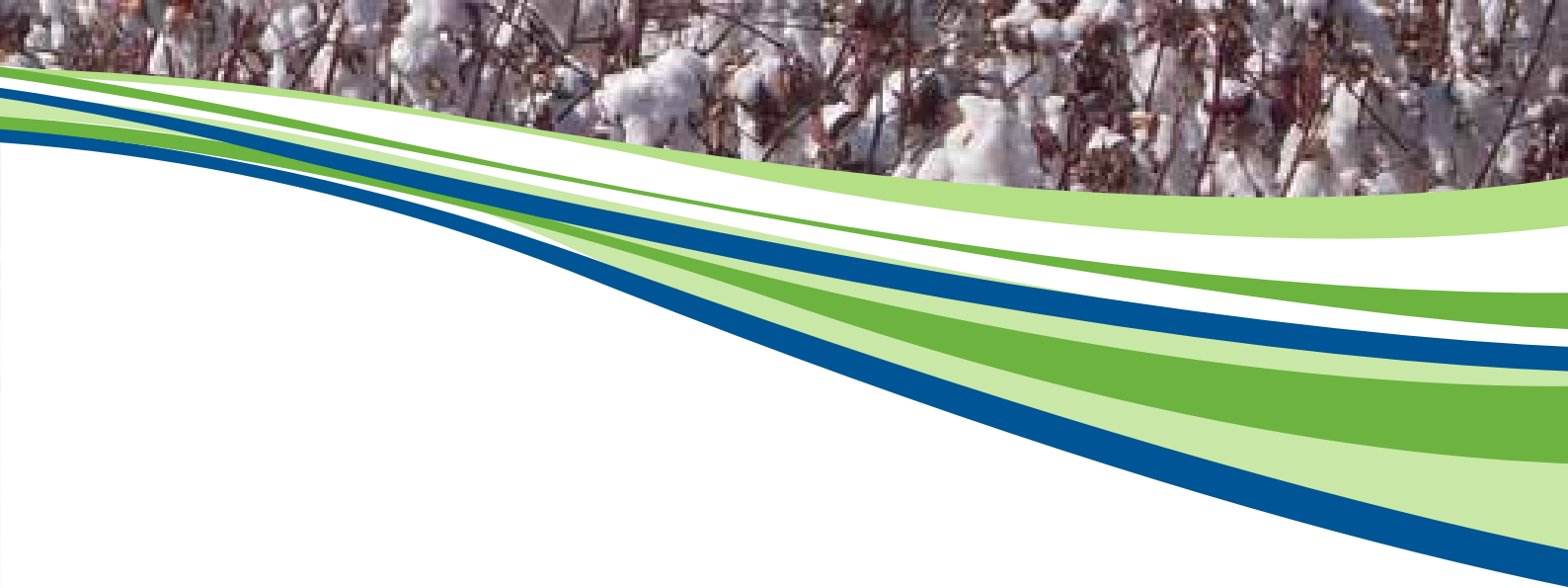


OUR MISSION

Textile Exchange continues to be a catalyst that allows many of the social, economic, and environmental issues associated with conventional cotton production to be addressed - environmental issues, climate change, biodiversity, water quality and utilization, food security, human rights, gender and social issues, as well as poverty in agricultural communities. By facilitating the expansion of organic fiber agriculture, we, in association with our members and stakeholders, can continue to have a positive, significant, visible, and measurable impact on the world.

Through our unique partnerships and our focus on the entire value chain, we now positively affect the lives of over 275,300 organic cotton farmers, primarily small-scale, worldwide. Conservative estimates show that each farmer in the Global South has responsibility for a household of five people. This means that TE programs have directly and positively impacted the lives of over 1.4 million people in developing countries.

To support these efforts, we bring together brands and retailers with their business partners, farmers, and key stakeholders to learn about the social and environmental benefits of organic agriculture, and to develop new business models and tools to support engagement brands and retailers with farmers to increase responsible fiber production and enable suppliers to create short and long-term production schedules. Our efforts culminate in consumer education, highlighting farmers and farming innovations, beautiful yarns and fabrics and highly desirable products.

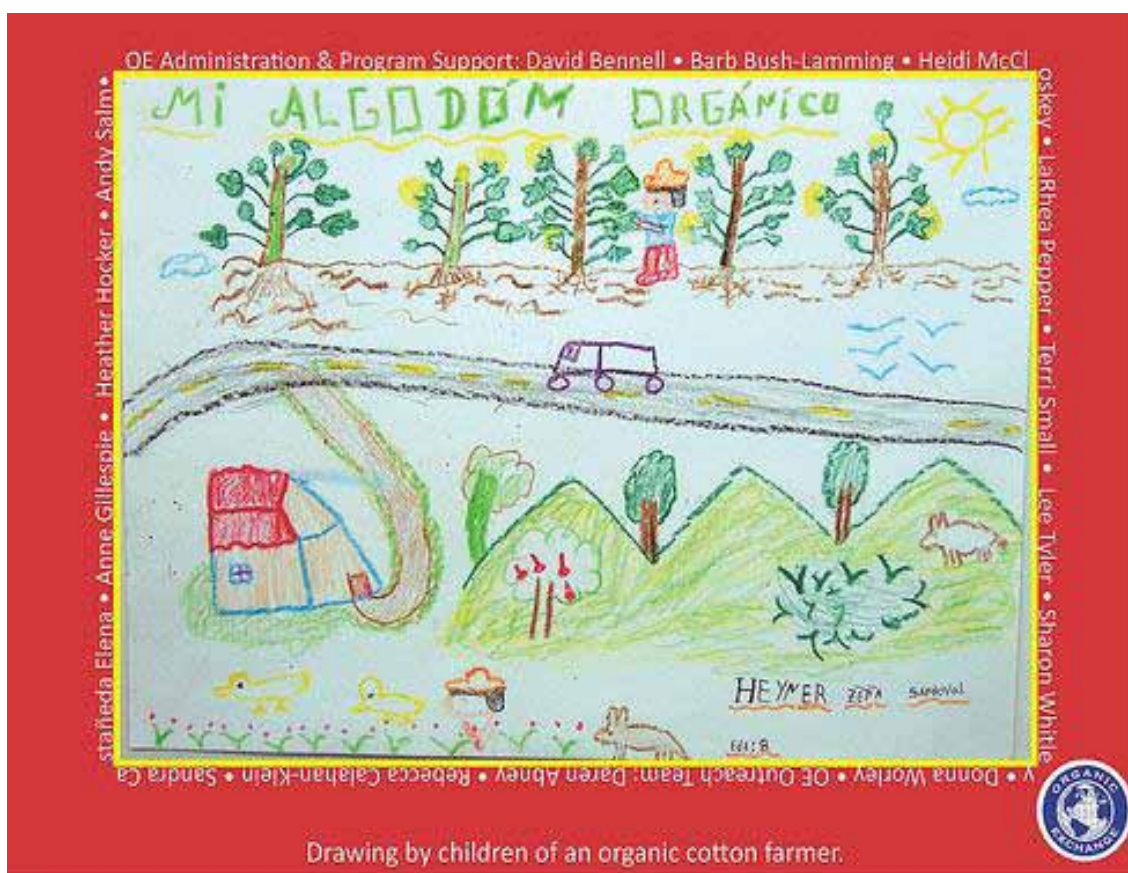


OUR VALUES

- We believe cotton that is produced organically and with integrity should be the flagship of the cotton industry.
- We are committed to supporting fair and transparent value chains.
- We are committed to promoting the environmental, social and economic stability that organic farming delivers to farmers, communities and our planet.

OUR VISION

- Organic cotton farmers enjoying access to stable and rewarding value chains.
- Well organized and well informed Producer Groups with high visibility in the marketplace.
- Environmental sustainability achieved by organic agriculture.
- Farming families enjoying secure access to nutritious food through crop diversification.
- **Organic by choice!**



ACKNOWLEDGEMENTS

First and foremost we would like to thank the organic cotton farmers for inviting us into their world; generously sharing information, and helping us understand the challenges and opportunities. The annual Textile Exchange Farm & Fiber Report would not be possible without them or the generous contribution and support of our partner and funder ICCO (the Dutch interchurch organization for development cooperation). We would also like to personally thank the following Textile Exchange members and friends for their support and contribution:

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- Aydin Unsal, Egedeniz, Turkey

This year we are privileged to bring you a number of stunning images kindly provided by: bioRe Foundation (India & Tanzania), Remei (Switzerland), and Zameen Producer Group (India). Cover photo by Zameen Producer Group.

Report design by Evonne Tan.



FOREWORD

Welcome to the 5th issue of our annual Farm & Fiber Report. We continue to bring you the most comprehensive up to date information on organic cotton production worldwide. This year we also bring you views and perspectives from a number of our valued members and friends; all experts in areas of organic cotton production, value chains or marketplace for sustainable textiles. This year we have also produced a supplement to this report; a collection of briefings and resources which will equip you with all you need to know about the many benefits of organic cotton as a responsible solution to some of the problems facing cotton production today.

Despite the ongoing challenges, many of them relating to global markets, we are delighted - and a little surprised - to say that organic cotton production has continued its strong growth this year, particularly in India. Syria and Turkey continue to be significant in global production and, although 'niche' in the United States, Texan organic cotton continues to make its presence felt. The fledgling organic cotton growing programs in China are ones to watch. More support and incentive is needed to keep some of our important organic cotton growing regions thriving (for instance Africa, Latin America, and Turkey). Emerging organic cotton growing countries such as China, Kyrgyzstan and Tajikistan will also require support and encouragement but there are pockets of good will already present. Organic cotton growing in Greece and Israel continue but have not expanded.

If the consumer demand continues at the rate predicted we believe the organic sector will find ways to meet this demand. You may recall reading in our recent 2009 Market Report that the commitment from the top 30+ brands is strong. We will see market growth continue at a minimum of 20 percent per annum with stronger growth of 40 percent or more in markets and programs that have both strong commitment and corporate support; especially when brands have made strong linkages for stable supplies of organic fiber. Value chain relations are now more important than ever.

Continued growth is expected in 2011 due both to continued support and greater awareness on the part of consumers as well as the strong commitments from key brands and retailers to increase and expand their organic and sustainable textile programs. We will be working hard to support responsible, sustainable expansion.

LaRhea Pepper

LaRhea Pepper,
Organic cotton farmer and Senior Director of Textile Exchange



A WORD FROM THE ICAC CHAIRMAN

I am honoured to write this brief message for readers and I am glad to learn from this year's report that the organic cotton industry is growing.

The consequences of insecticide use are better understood today than they were at the time of introduction and promotion during the 1950s, 1960s and 1970s. At the same time, confidence in non-chemical control measures and organic pest control methods has increased. The downward trend in insecticide use is continuing. Cotton accounted for 6.2 percent of world pesticide sales in 2009, down from 11 percent in 1988. The ICAC, working with research organizations and national governments, is encouraging the adoption of best management practices that offer pragmatic tools for worldwide adoption of production systems that minimize pesticide use.

Awareness of safer, lower cost and environmentally friendly methods is increasing. Many segments of the cotton industry have contributed to this awareness, including the organic segment. Increases in organic cotton production during the 2000s are testimony to increased interest in organic cotton products. There are many cotton producing countries that do not use herbicides and make minimal use of insecticides. This indicates that additional areas may be suitable for increased organic cotton production.

The ICAC Secretariat has published many articles on organic cotton and has continuously collaborated with the Organic Exchange, now the Textile Exchange, to raise awareness and provide data about organic cotton around the world.

I wish organic cotton farmers all the success in their endeavours to produce and process cotton safely for the benefit of both producers and consumers.

A handwritten signature in black ink, appearing to read 'M. Rafiq Chaudhry'.

**M. Rafiq Chaudhry, Ph.D., Head
Technical Information Section, International Cotton Advisory Committee**



CHAMPIONING ORGANIC

In SEKEM in Egypt we know that the cultivation of organic cotton, like any other organic farming, is part of the solution for climate change and many of the other pressing problems of our time. Organic agriculture uses less water, does not rely on expensive fertilisers and pesticides, helps to sequester carbon in the soil and provides a fair livelihood for people in disadvantaged communities. I am therefore happy to support the Farm & Fiber Report of Textile Exchange, which will help to deliver this message to the world.

I hope everybody in our industry will realize that farmers are an important part of the solution and that the cotton industry has the unique opportunity to create a positive contribution for the fight against climate change by using organic cotton. Hopefully this encouraging message can be used to convince consumers to buy more organic cotton and to wear it with pride!

A handwritten signature in black ink, reading "Helmy Abouleish". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Helmy Abouleish, CEO SEKEM Group,
working in SEKEM since the foundation and a proud activist in promoting organic agriculture
worldwide



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This report is supported by a Supplement document. This Supplement is a compilation of additional resources; it provides background to issues and challenges in cotton growing, and provides insight into organic benefits and solutions.



INTRODUCTION

The Textile Exchange Farm & Fiber Report 2010 is our fifth annual report of organic cotton production and trends. The Report provides insight into organic cotton fiber production during the International Cotton Advisory Committee (ICAC) growing year August 2009 to July 2010.

This year, our report also acts as a platform for experts within the organic cotton community to share views, opinions, perspectives and experiences. You will come across many 'expert insights' as you make your way through the report.

Whilst the main objective of this report is to alert stakeholders to the profile and production levels of each organic cotton growing region, it is also a call for change. We see organically produced cotton as not 'just another commodity' but as an environmental and socio-economic vehicle that will contribute to the health and sustainability of our planet and its inhabitants. We will attempt to construct our report to give you everything you need to understand the current status of organic cotton worldwide.

Important points:

- 1. Revised figures for India 2008-09.** Data has now been finalised by the Indian Government, with increased figures resulting. In light of these final figures we have adjusted our data accordingly; and have scaled up organic cotton fiber production for India to 142,347 mt (from our previously reported 107,510 mt for 2008-09). This has obviously affected our 2008-09 global production figure (from a reported 175,113 mt to 209,950 mt).

- 2. Predictions for 2010-11.** Although our data focuses on 2009-10, due to the recent price escalations experienced in the commodity market for cotton (and the excitement, confusion, uncertainty and concern this is having on the entire textile industry), we have provided predictions and discussion for the 2010-11 season. It's these recent escalations in cotton commodity prices (which started in August 2010) that will be at the forefront of most of our minds.

We remain committed to providing credible, comprehensive, global, regional, and country-specific data on organic cotton production. All efforts have been made to ensure accuracy and completeness. However, some of the data is estimated, there may be producers who we have overlooked, and we are constantly refining our figures to provide a more accurate representation. All figures have been rounded up to the closest whole number.



HOW TO READ THIS REPORT

The report is divided into 6 parts:

Part 1 is the executive summary of the report and is designed to give you farm and fiber data highlights for 2009-10 at a glance.

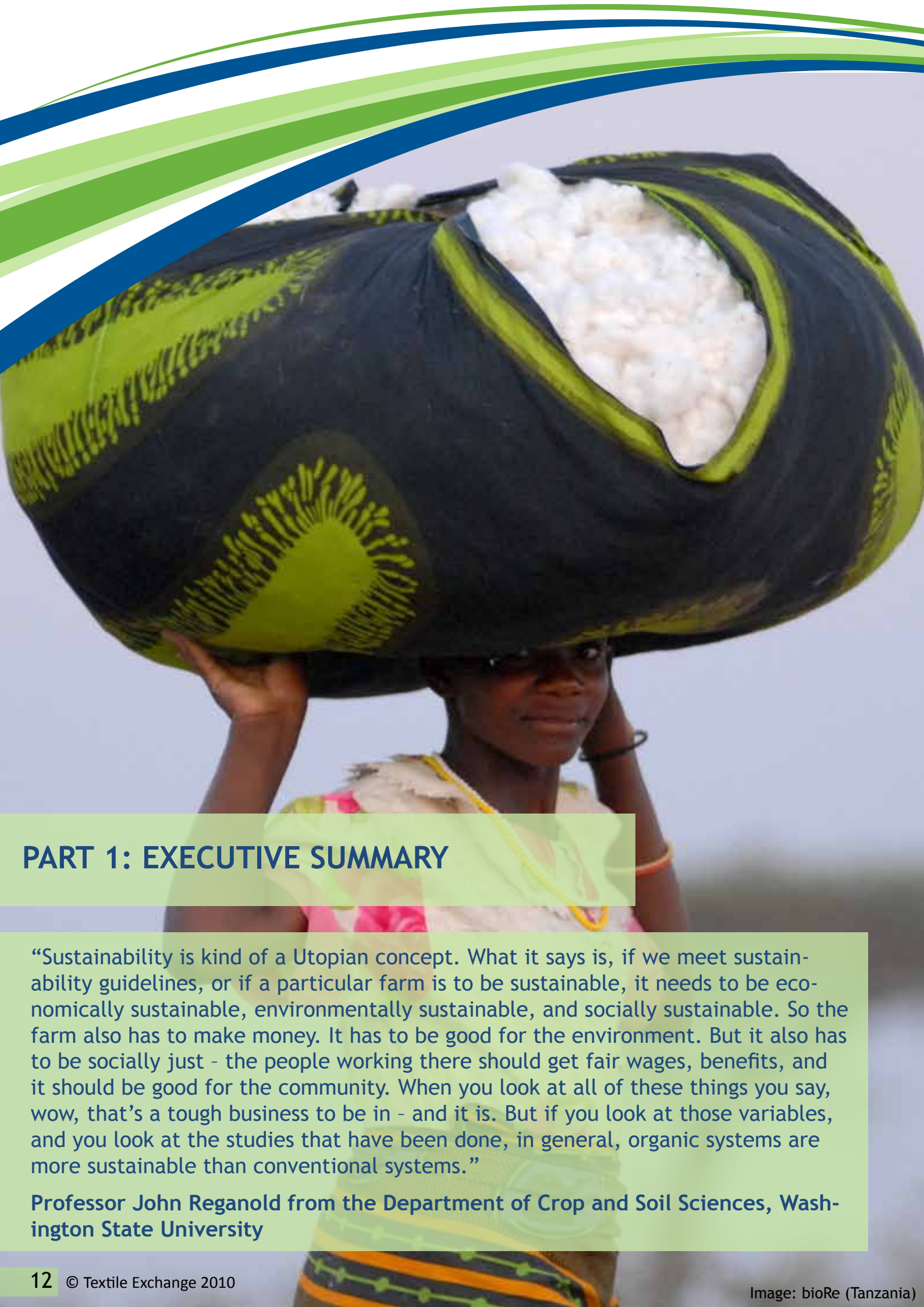
Part 2 brings you a global overview; summarizing and aggregating regional data to provide a snapshot of worldwide activity.

Part 3 provides a closer look at the six organic cotton producing regions. Each regional roundup includes: a regional review, profile and production figures and special insights from our experts.

Part 4 brings together general conclusions, recommendations and priorities going forward.

Part 5 introduces you to the work of the Farm Engagement Team at Textile Exchange.

Part 6 includes all Appendices to this report. Here you will find a glossary which may help interpreting some of the terminology used within the report.



PART 1: EXECUTIVE SUMMARY

“Sustainability is kind of a Utopian concept. What it says is, if we meet sustainability guidelines, or if a particular farm is to be sustainable, it needs to be economically sustainable, environmentally sustainable, and socially sustainable. So the farm also has to make money. It has to be good for the environment. But it also has to be socially just - the people working there should get fair wages, benefits, and it should be good for the community. When you look at all of these things you say, wow, that’s a tough business to be in - and it is. But if you look at those variables, and you look at the studies that have been done, in general, organic systems are more sustainable than conventional systems.”

Professor John Reganold from the Department of Crop and Soil Sciences, Washington State University



THE YEARS IN NUMBERS 2009-10 (2008-09)

241,697 mt amount of fiber produced in 2009-10

209,950 mt amount of fiber produced in 2008-09

15% increase on last year's production

20% increase on last year's production

1.1% of global cotton production

0.9% of global cotton production

23 number of countries growing organic cotton

22 number of countries growing organic cotton

275,300 organic cotton farmers

220,000 organic cotton farmers

461,000 ha amount of land certified organic

253,000 ha amount of land certified organic

81% was produced in India

68% was produced in India



EXECUTIVE SUMMARY

Organic cotton represents a small fraction of all cotton produced (just over 1 percent). However, unlike global production of conventional cotton, organic levels have continued to grow. At 241,697 mt (1.1 million US bales) this represents a growth rate of 15 percent on last years' production of 209,950 mt.

South East Asia remains the highest producer Region; with over 80 percent of our organic cotton produced in India. This represents a growth rate of 38 percent for India. The high growth can be attributed to factors such as: a strong agronomy, economies of scale and close links to a vast manufacturing base. However, it is clearly having knock-on effects for the rest of the world. We saw production in some parts of the world stagnate or even dip slightly,

with Producers in West Africa, Latin America and Turkey reported to finding it difficult to compete with prices coming out of India.

Other major events effecting organic cotton production worldwide included contamination of organic cotton in Uganda by the necessary spraying of chemicals to combat the disease, climatic stresses in China and Latin America, pest attacks in Turkey and Syria, and other crops receiving higher prices generally. The fact that many countries are still recovering from the impact of the global economic recession continued to effect market confidence and therefore investment in organic cotton production.

What's interesting, and reassuring, is that although organic *cotton* production has reduced in a number of key organic cotton growing countries, the *commitment to organic agriculture has remained high*; with cotton being replaced by other organic crops (more lucrative at the time). See Part 2 and 3 for details of global and regional activities.



Image: ADEC (Brazil)

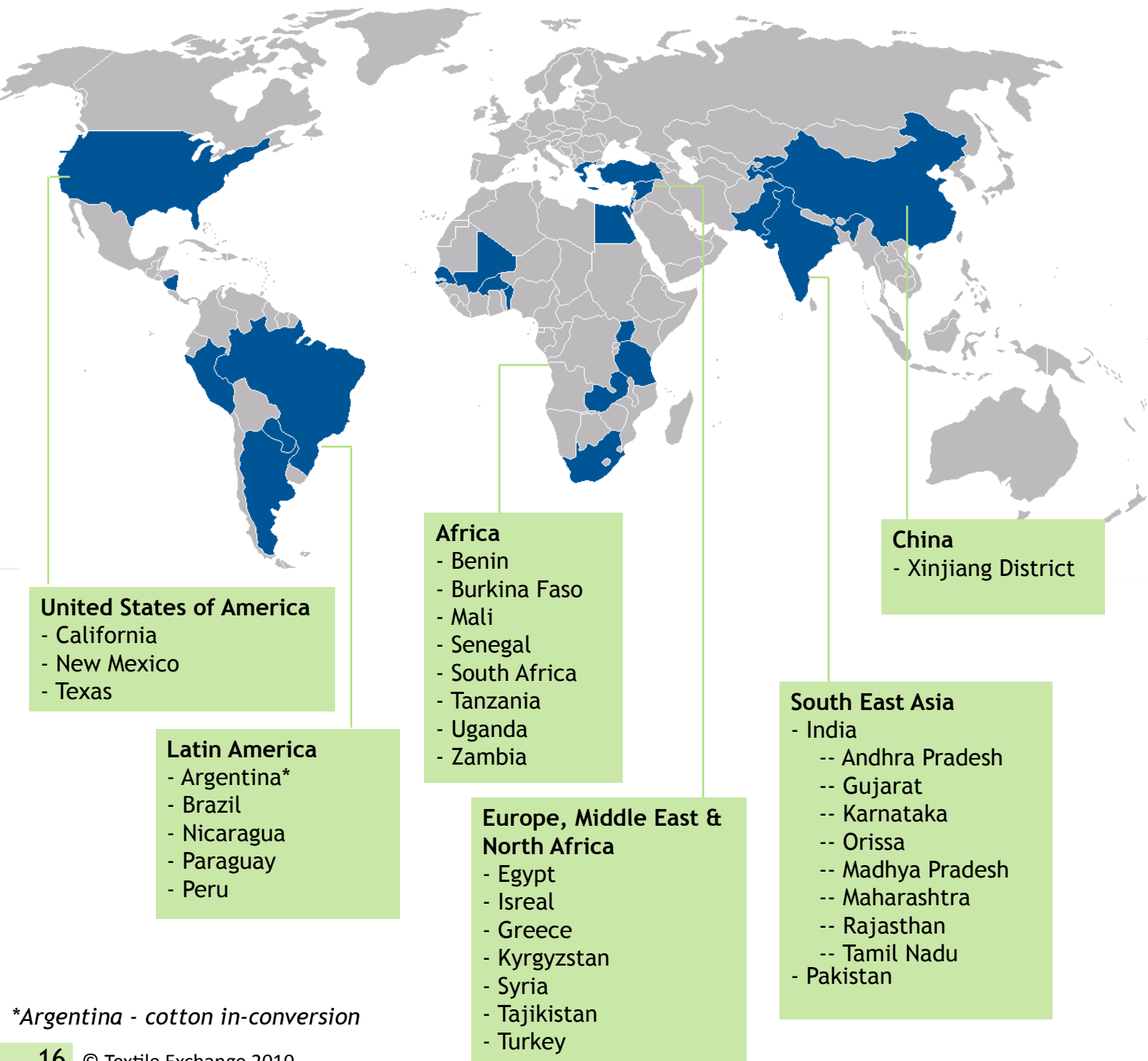
THE WORLD'S ORGANIC FIBER PRODUCTION

Country	Metric Tonnes (percentage breakdown)
1 India	195,757 (80.99%)
2 Syria	20,000 (8.27%)
3 Turkey	11,599 (4.80%)
4 China	4,300 (1.78%)
5 USA	2,809 (1.16%)
6 Tanzania	2,635 (1.09%)
7 Uganda	1,550 (0.64%)
8 Peru	831 (0.34%)
9 Egypt	666 (0.28%)
10 Mali	541 (0.22%)
11 Pakistan	345 (0.14%)
12 Burkina Faso	298 (0.12%)
13 Israel	150 (0.06%)
14 Benin	150 (0.06%)
15 Paraguay	109 (0.05%)
16 Greece	100 (0.04%)
17 Kyrgyzstan	83 (0.03%)
18 Tajikistan	55 (0.02%)
19 Senegal	27 (0.01%)
20 Nicaragua	17 (0.007%)
21 South Africa	15 (0.006%)
22 Brazil	5 (0.002%)
23 Zambia	2 (0.001%)
TOTAL	241,697



AT A GLANCE...

In 2009-10 organic cotton growing took place in 23 countries. Countries have been categorised into six Regions as displayed in the map below.



A brief overview of each region is provided below, for more details refer to Part 3 of this report. For explanation of measurements, refer to the glossary in the Appendix.

AFRICA



Countries: Benin, Burkina Faso, Mali, Senegal, South Africa, Tanzania, Uganda, Zambia

General Staple Classifications: Short, Medium & Long

No. of Producer Groups: 15

No. of Farmers: 31,069

No. of Women Farmers: 9,371

Organic Cotton Production Area: 32,504 ha

Seed Cotton Production: 14,481 mt

Fiber (lint) Production: 5,217 mt

Bales of Cotton Lint: 23,947

CHINA



District: Xinjiang

General Staple Classifications: Medium

No. of Producer Groups: 8 (inc. 4 In-Conversion)

No. of Farmers: 978

No. of Women Farmers: 390

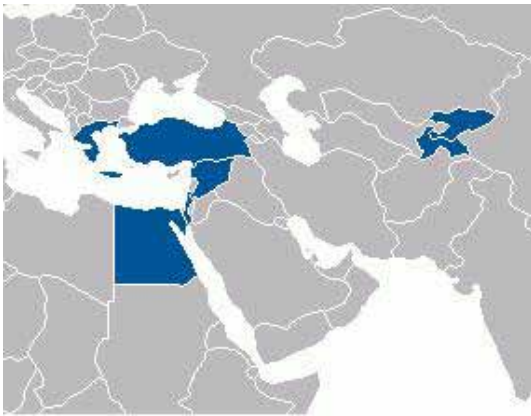
Organic Cotton Production Area: 2,600 ha

Seed cotton production: 11,622 mt

Fiber (lint) Production: 4,300 mt

Bales of Cotton Lint: 19,737

EUROPE, MIDDLE EAST & NORTH AFRICA



Countries: Israel, Egypt, Greece, Kyrgyzstan, Syria
Tajikistan, Turkey

General Staple Classifications: Short, Medium, Long
& Extra Long

No. of Producer Groups: ~13

No. of Farmers: 5,201

Organic Cotton Production Area: 49,347 ha

Seed cotton production: 87,937 mt

Fiber (lint) production: 32,653 mt

Bales of Cotton Lint: 149,878

LATIN AMERICA



Countries: Argentina (in-conversion), Brazil,
Nicaragua, Paraguay, Peru

General Staple Classifications: Short, Medium, Long,
Extra Long & Colored

No. of Producer Groups: 20 (inc. 9 In-Conversion)

No. of Farmers: 1,304

No. of Women Farmers: 117

Organic Cotton Production Area: 1,414 ha

Seed Cotton Production: 2,610 mt

Fiber (lint) Production: 962 mt

Bales of Cotton Lint: 4,414

SOUTH EAST ASIA



Countries: India, Pakistan

General Staple Classifications: Medium & Long

No. of Producer Groups: 209

No. of Farmers: 236,701

Organic Cotton Production Area: 369,923 ha

Seed Cotton Production: 592,973 mt

Fiber (lint) Production: 195,757 mt

Bales of Cotton Lint: 898,523

UNITED STATES OF AMERICA



States: California, New Mexico, Texas

General Staple Classifications: Medium & Extra Long

No. of Producer Groups: 8

No. of Farmers: 40

Organic Cotton Production Area: 5,185 ha

Seed Cotton Production: 7,590 mt

Fiber (lint) Production: 2,808 mt

Bales of Cotton Lint: 12,888

LOOKING AHEAD

The 2010-11 is proving to be no less 'interesting' as we watch the price of conventional cotton soar on the commodity market. Inevitably, enthusiasm for planting cotton will increase - thus reinforcing the effects of 'supply and demand'.

We hear stories of traders beating down doors to buy cotton - organic or otherwise - straight off the farm for prices beyond organic (or fairtrade) premiums. Needless to say, due to the unpredictability of the market and a history of relatively low prices, it's little wonder that farmers are prepared to let their organic crops go to the 'best offer'. This throws a kink in the works when it comes to pricing organic cotton and maintaining dedicated organic cotton value chains. We are yet to experience the full effects of this latest round of changes.

Over the past five years we have seen organic cotton production jump from 37,000 to over 240,000 mt of fiber channelled into organic products or blended textiles. Market appetite suggests the demand continues to be greater than supply.

In many ways the roller coaster continues. Prices for conventional cotton (on which the organic 'premium' is based) have shot up to over double the prices of a year ago. Not necessarily a good result for the organic sector as its retailers and other buyers struggle to cope with the drastic price hike. Meanwhile our carefully grown organic cotton enters anonymous commodity stockpiles.

It seems that whilst we remain fully hitched to the conventional cotton horse-and-cart,

organic cotton will continue to be treated as simply another commodity in the marketplace. Farmers and brands alike will remain vulnerable to market conditions, competition, and insecurity of supply or demand.

However, in terms of forecasted growth, we are expecting to see a slight decline in global production. Stronger traceability measures introduced by the government of India along with increasing acreage under GM cotton, and higher prices awarded to food crops may mean a decline in organic cotton production in India. So, unless other countries step up their production, the picture is likely to remain skewed; with India continuing to produce at least 75 percent of the world's supply. See Part 4 for more details.



Image: Mavideniz (Turkey)

RECOMMENDATIONS & PRIORITIES

Textile Exchange is excited about the progress the organic cotton community has made in terms of growth generally. However, we believe there is still plenty to do to improve the business of organic cotton for everyone. Most importantly, if we want to see the retail of organic textile products grow retailers need to work harder at securing supply and producers continue to build the knowledge, skills and strengthen organizational structure.

Experience shows that until we get the contractual arrangements right, and receive the right kind of incentives from governments, the other (environmental and social) benefits of organic may not be enough to hold all organic farmers to the cause.

We, at Textile Exchange, are deeply committed to supporting all members of the value chain. We see the Sectors' priority going forward into the next five years, as working collaboratively to secure sustainable supply and conduct responsible trade.

Top priorities for the organic cotton community include:

- Continue strengthening integrity in production, processing and certification;
- Further develop tools to measure impact through environmental, social and economic indicators;
- Promote and communicate best practice in responsible value chains;
- Understand how other financial models such as Fairtrade and rural financing models in other commodity sectors such as coffee might work for organic supply chains.

Part of the ongoing success will be sharing stories from the field and from the label: making the link between where organic cotton comes from, who grows it, and why it makes a difference.



Image: bioRe (Tanzania)

FIVE YEARS OF GROWTH 2005-06 to 2009-10

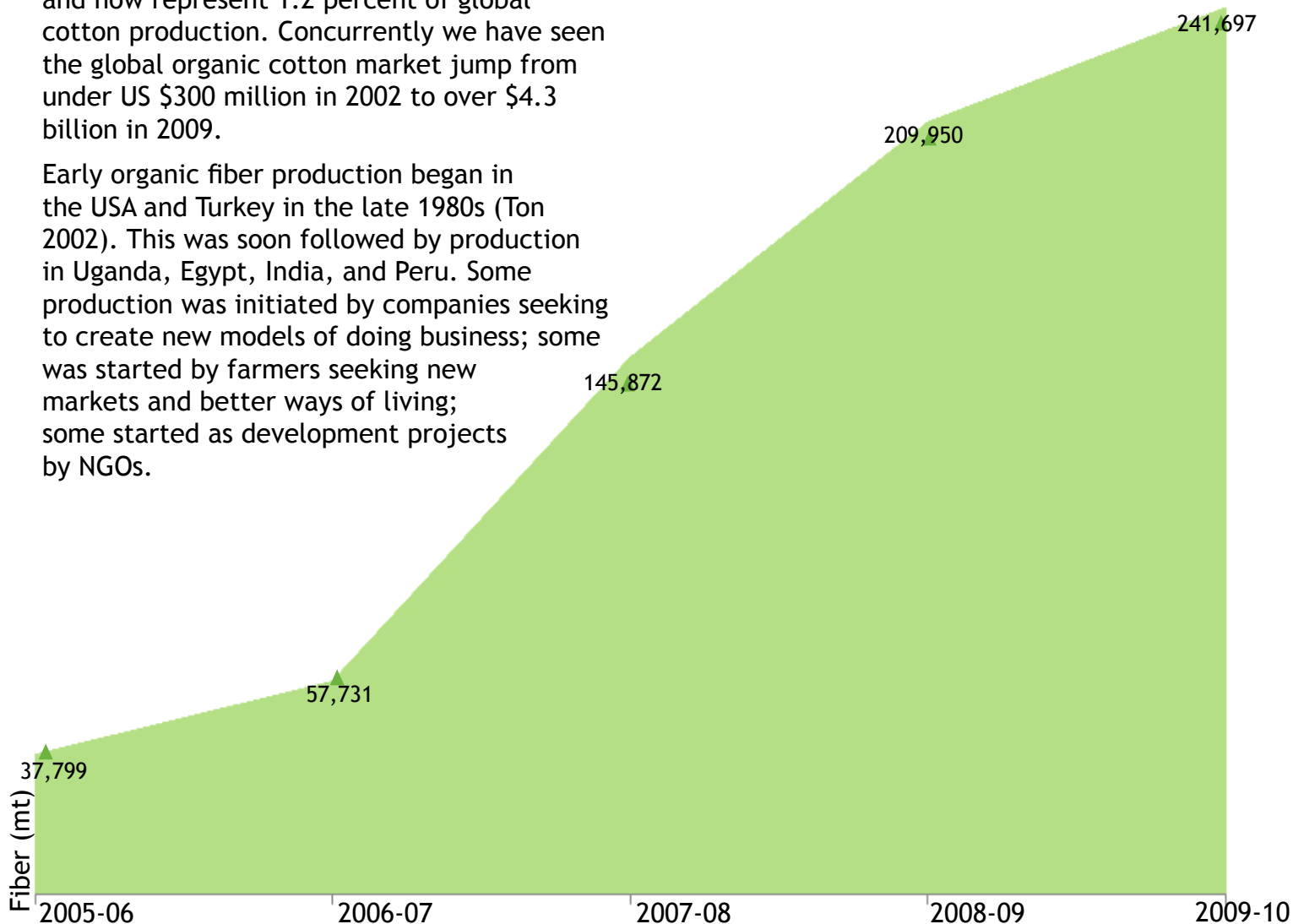
UPWARD TREND

Five years ago, in 2004-05 organic cotton production started to expand significantly but still only made up 0.1 percent of total cotton fiber production. Five years on and we see organic production break the 1 percent barrier and now represent 1.2 percent of global cotton production. Concurrently we have seen the global organic cotton market jump from under US \$300 million in 2002 to over \$4.3 billion in 2009.

Early organic fiber production began in the USA and Turkey in the late 1980s (Ton 2002). This was soon followed by production in Uganda, Egypt, India, and Peru. Some production was initiated by companies seeking to create new models of doing business; some was started by farmers seeking new markets and better ways of living; some started as development projects by NGOs.

Organic cotton fiber production has gone through several phases of development over the past twenty years. These included enthusiastic growth in the early 1990s, re-orientation in the early to mid 1990s, then the laying of a more structured and professional approach in the late 1990s and early 2000s (see Ton, 2002, Myers and Stolton 1999).

The middle of the decade showed increased organic cotton production and trade, improved supply chains and fiber quality and rapid growth in demand. Reaching a staggering 152 percent growth in 07-08 over the previous year's production. This dropped to a 20 percent growth and this year 15 percent. This was all despite a turbulent economic climate and the ongoing challenges for the sector.



Recent economic pressures and the tantalising ‘price premium’ placed on organic cotton led to some concern over the integrity of this tremendous growth (particularly in India). As production sky-rocketed prices plummeted much to the shock of organic cotton producers in other countries.

Over the past year we have seen a call to action to address integrity in production, rigor and transparency in certification. Collaborative efforts by the leading and most influential stakeholders in the sector are resulting in clearer direction and enforcement of ‘rules’. There is still more to do, but the sector can be proud of its progress.

As priorities such as traceability and country of origin continue to mature in retail we are seeing more brands and retailers taking this journey. This attention will reinforce and provide the impetus needed to reach the next level.

TOP 10 PRODUCER COUNTRIES

The top 10 producers of organic cotton have remained fairly constant over the years with some reshuffling as India made its way to the top in 2007-08 and Syria burst onto the scene. Now India represents over 80 percent of global production.



Image: Aratex(Paraguay)

TABLE 1: TOP TEN ORGANIC COTTON PRODUCERS OVER PAST 5 YEARS

Rank	2005-06	2006-07	2007-08	2008-09	2009-10
1	Turkey	Turkey	India	India	India
2	India	India	Syria	Turkey	Syria
3	China	China	Turkey	Syria	Turkey
4	USA	Syria	China	Tanzania	China
5	Peru	Peru	Tanzania	China	USA
6	Pakistan	USA	USA	USA	Tanzania
7	Uganda	Uganda	Uganda	Uganda	Uganda
8	Tanzania	Tanzania	Peru	Peru	Peru
9	Israel	Israel	Egypt	Egypt	Egypt
10	Egypt	Pakistan	Burkina Faso	Burkina Faso	Mali

STATUS OF GLOBAL ORGANIC PRODUCTION: OPPORTUNITIES AND CHALLENGES

	Opportunities	Challenges
Africa	<p>Status: Production down slightly.</p> <p>Government support for organic cotton production and textile manufacturing in Tanzania. Good demand for West African organic (and fairtrade) cotton. Positive farming experiences on transition to organic.</p>	<p>Different challenges in different countries; ranging from political support for conventional production in Uganda and support for GM cotton in Burkina Faso.</p>
China	<p>Status: Similar production to recent years.</p> <p>Potential for growth but interest and investment needed if organic cotton to become a booming industry.</p>	<p>Big investment made in GM cotton, lack of incentive for farmers to grow organic due to subsidies in place.</p>
EMENA	<p>Status: Little growth in Greece, Turkey dipped slightly, Syria and Egypt steady. Kyrgyzstan and Tajikistan on planned growth strategies.</p> <p>Strong textile base in Europe and Turkey, close to strong consumer markets in west Europe. Egypt's biodynamic high-quality cotton.</p>	<p>Competitive prices from developing countries (felt by Europe and Turkey). Cost of labour in Europe combined with high agricultural subsidies which do not adequately incentivise organic production.</p>
SE Asia	<p>Status: Pakistan (Kings Group) steady. India 15 percent growth spurt -Madhya Pradesh produced two thirds of India's production.</p> <p>Flourishing organic cotton sector, some fine examples of solid, progressive business models, high interest in expansion.</p>	<p>Access to non-GMO seed becoming critical, integrity in process and certification under spotlight due to massive growth spurt, climatic changes impacting on traditional growing seasons. Note: Tightening of organic production criteria required by APEDA's 'tracenet' system can be viewed as both an opportunity and a challenge since it may reduce India's production (in the short term) by culling purely speculative production but improve integrity, traceability, and reputation in the long run.</p>
Latin America	<p>Status: Production down.</p> <p>Well-established companies have sound business models. Cotton in-conversion, pilot projects and new investment could lift levels in the future.</p>	<p>Recent climatic unpredictability resulting in severe droughts for an already water stressed continent.</p>
USA	<p>Status: Some growth in Texas. Decline in New Mexico and California.</p> <p>Growing consumer interest in 'place of origin' and 'product of USA'. Growing awareness of sustainable agriculture. Strong value chain commitment in Texas. New investment in Arizona.</p>	<p>Cost of production especially labour. Substantial agricultural subsidies which do not incentivise organic production.</p>



EXPERT'S INSIGHT - CONTROL UNION

Reflections and views on certification

Sustainable methods of production have taken flight tremendously over the past 5 years, although they remain only a small proportion of the total amount of textiles produced globally. Brands are increasingly aware of the environmental and social challenges in the production of the textiles they use. One of the most noteworthy initiatives within the sustainable textile industry is the increasing use of - certified - organic raw materials. The world has seen the organic textile industry grow from a niche market to a mainstream activity. Textile Exchange has made a crucial contribution to the success of this movement.

The increasing popularity of organic textiles, and specifically organic cotton, has brought about an increasing professionalization of the organic value chain. Brands, factories and farmers are now communicating and using each other's strengths and experiences to further improve the use and availability of organic cotton.

This increasing popularity does, however, create challenges for all who work in the industry. Having organic cotton certified throughout the value chain may seem a daunting task, but this traceability is crucial to knowing that final products actually contain organic fibre. Companies in the organic textile industry must remain vigilant about risks such as contamination with non-organic fibre. For this reason certification is an important element in making sure that consumers retain confidence in the concept of buying organic fibre.

The last years have seen a tremendous growth in the volume of organic cotton produced. This means that for organic cotton the future is bright, and it will become a stable element in the array of sustainable initiatives of which there are so many in the textile industry. Having said that, the industry is also looking at factors other than certified organic raw materials, including the general environmental impact of production, processing and recycling. Organic certification will remain the most important assurance of high quality and sustainable production methods for natural fibres such as cotton, but will share its place with initiatives that focus on reducing carbon footprints, environmental and social impact and recycling initiatives.

Mark Prose, Program Manager, Control Union Certification



TextileExchange

Creating Material Change

A Unique Focus on the Entire Value Chain - Improving the Lives of Over One Million People

Through the work of Textile Exchange, and funding from our key partner ICCO, we now positively affect the lives of over 275,000 organic cotton farmers worldwide. Conservative estimates show that each farmer in the Global South has responsibility for a household of five people. This means that TE programs have directly and positively impacted the lives of over 1.4 million people in developing countries.

TE's methodology is unique and innovative in many respects, including:

- Textile Exchange takes a global approach to developing markets. This is particularly effective given the global nature of cotton production and consumption.
- We build demand and supply simultaneously. Engaging with farmers through to brand and retailers to help increase responsible fiber production and enable suppliers to create short- and long-term production schedules. Our efforts culminate in consumer education, highlighting farmers and farming innovations, beautiful yarns and fabrics, and highly desirable products.
- Textile Exchange is unique in that we focus on the entire value chain, from seed procurement through to retail. We provide models and tools for collaborative planning, problem solving, product development, and point of purchase materials.

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