

# In-Conversion to Organic Cotton: The Basics

## 1. Introduction

Whether small T-shirt manufacturing operations or the major fashion houses of Milan and Paris, brands and retailers today are increasingly incorporating organic cotton into their supply chains. Perhaps it's to meet the [United Nations Sustainable Development Goals](#) or [Textile Exchange's 2025 Sustainable Cotton Challenge](#) which calls for brands and retailers to commit to source 100 percent of their cotton from the most sustainable sources by the year 2025. Or because the companies are concerned that cotton production is both pesticide- and fertilizer-intensive and the majority of its production globally is genetically modified.

Whatever the reason, it is clear the demand for organic cotton is there, but sufficient incentives to convert, or transition, to organic production may not be.

To help ensure a brand's journey to their organic cotton targets are smooth and secure, we address below the rules and regulations regarding "in-conversion" programs that support farmers and brands alike along their journey to organic certification. These programs - or a combination of programs - can provide verification of in-conversion claims all along the supply chain from field to finished product.

## 2. Organic cotton production

Before discussing in-conversion cotton, it is important to understand the fundamentals of organic agriculture.

[IFOAM-Organics International](#), the worldwide umbrella organization for the organic agriculture movement, defines organic agriculture as that which is grown within "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. Organic agriculture combines tradition, innovation and science to benefit the shared environment and promote fair relationships and a good quality of life for all involved."

Organic fiber is grown using organic agricultural systems that replenish and maintain soil health and fertility, expand biologically diverse agriculture, and prohibit the use of synthetic toxic and persistent pesticides and fertilizers as well as genetically engineered seed. Third-party certification bodies (CBs) verify that organic producers meet strict national regulations addressing methods and materials allowed in organic production.

Organic farmers must comply with an organic standard approved as per national rules, regulations and / or the [IFOAM Family of Standards](#), such as the [European Commission Regulations EC 834/2007](#), [India's National Programme for Organic Production](#)

(NPOP), and the [United States Department of Agriculture National Organic Program](#) (USDA NOP), among others.

### 3. Converting to organic cotton production

#### a. What does “in-conversion” or “transitional” cotton mean?

The establishment of an organic management system requires an interim period, known in different countries as either the "in-conversion" or "transitional" period. This varies in time based on the organic standard being applied. For example, the European Union (EU) requires 24 months and India and the United States (USA) require 36 months.

While this period may not always be of sufficient duration to fully improve soil fertility or re-establish the balance of the ecosystem, it is the period in which all the actions required to meet the requirements are implemented by the farmer prior to achieving organic certification. In-conversion fibers are the output of the farms once they have entered the conversion period. During that period, all inputs and practices prohibited in organic farming apply and certification bodies conduct annual audits as per international organic agriculture standards.

#### b. Standards supporting in-conversion organic fiber production

Many regions and private organic standards recognize claims made about fiber and finished products from in-conversion farms and allow the use of terms such as "organic-in-conversion." However, other national programs do not. As such, it is vital for companies to research the requirements of the countries in which the crops are grown and where the finished products will be sold.

The leading voluntary organic textile standards - Textile Exchange's [Organic Content Standard](#) (OCS) and the Global Standard gGmbH's [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 primary difference between the standards is that while both the OCS and GOTS focus on confirmation of organic or in-conversion fiber in a finished product, GOTS addresses the post-harvest processing stages as well as social and environmental criteria. These standards have a similar chain of custody using certificates from the first processor through to the final retailer. (See the matrix below.)

Each step along the chain of custody must include a “scope certificate” (SC) and a “transaction certificate” (TC). A scope certificate lists the post-harvest products / product categories which can be offered as certified and labelled in accordance with that standard and the corresponding production stages. The transaction certificate lists the actual certified products and shipment details.

### c. Why should companies use in-conversion cotton?

Textile Exchange urges companies to incorporate in-conversion fibers into their supply chains to ensure that future organic volumes are available to meet growing demand. Farmers need the 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.

### d. What is the cost for in-conversion 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, investment in farming operations, and increased risk. The cost should reflect the cost of production and viability of the business vs. be based solely on commodity pricing.

### e. What kinds of claims can be made for the use of in-conversion cotton?

Below is a matrix outlining claims that can be made on finished products containing organic and/or in-conversion cotton for the [Organic Content Standard](#) and the [Global Organic Textile Standard](#).



January 2021 Textile Exchange guidance permits material which is in-conversion to organic status to be claimed as such under the OCS, including from OCS-recognized organic standards – such as the U.S. National Organic Program – that do not allow for claims for in-conversion material. However, public facing claims for in-conversion products may not reference the OCS at this time (see graph below).

*\*Note that in the U.S. the term “organic” may not appear on a label in conjunction with the terms “transitional” or “in-conversion” at this time.*

### f. Conclusion

Companies intending to expand their use of organic cotton should be sure there is adequate in-conversion fiber in the pipeline to meet their needs. Those needs will include quantity, quality, location and more. But equally important is the labeling – companies must ensure that their intended claims are indeed legal in the countries in which the products will be sold.

## In-Conversion Claims for OCS and GOTS

	 <p>Organic Content Standard (OCS)</p>			 <p>Global Organic Textile Standard (GOTS)</p>	
<b>Raw Fiber Input</b>	IFOAM-approved national organic farming standards				
<b>Chain of Custody</b>	OCS Chain of Custody			GOTS Chain of Custody	
<b>Content</b>	100%	95% or more	5% to 94%	95% to 100%	70% to 94%
<b>General Marketing Claims</b>	<p>Contains in-conversion/ transitional cotton.</p> <p>We commit to sourcing 100 percent of our cotton from in-conversion sources by 2025.</p> <p>Brand ABC is sourcing 100% of our cotton from in-conversion sources.</p>			<p>Certified companies can use the GOTS logo to refer to the operation, without the label grade.</p>	
<b>Product-Related Claims</b>	Not allowed			<p>“Organic”</p> <p>or</p> <p>“Organic in-conversion”</p>	<p>“Made with (x)% organic materials”</p> <p>or</p> <p>“Made with (x)% organic in-conversion materials”</p>
	If farm standards permit such claims.				
<b>Verification</b>	Third-party certified from farm through finished product.				
<b>Resources</b>	<a href="#">Organic Content Standard</a>			<a href="#">GOTS Licensing and Labelling Guide</a>	
<b>In-Conversion Recognition</b>	From the first year			From the second year	
<b>Logo Use</b>	Logo not permitted			Logo permitted	