IZMİR 2018
10 - 11th May | Fuar İzmir, İzmir, Turkey

HIGHLIGHTS REPORT
Welcome to the Highlights Report of the 2018 Regional Organic Cotton Round Table (OCRT) in Izmir, Turkey, hosted by Textile Exchange in collaboration with IZFAS and Ekoloji trade fair.

This was our second Regional OCRT and there have been many exciting developments since last year. We heard from a world-class collection of contributors and it’s inspiring to read the insights from the breakout groups at the event. You can learn more about the day’s speakers in the Program.

I’d like to once again thank all our sponsors and supporters - SANKO, Egedeniz, Control Union, GOTS and Orimpex - and of course IZFAS and Ekoloji trade fair for their ongoing support.

I hope to see you in Milan in October for the Global OCRT, being held on 22 October 2018 at our Textile Sustainability Conference. Or even before that in Burkina Faso where, at the end of September (27-29), we will be using our learnings from Izmir to host a new Regional OCRT for West Africa. More details coming soon!

Liesl Truscott
European & Materials Strategy Director, Textile Exchange

2018 Regional OCRT Izmir Highlights

WELCOMES

The Regional Organic Cotton Round Table (OCRT) 2018 was kicked off with warm welcomes from Mrs Gül Z Şener, Executive Board Member of Fuarızmir, Dr. Sabahat Güllüoğlu, Ministry of Agriculture - Organik Tarım Daire Baskani, and Simone Seisl, Textile Exchange.

From left to right: Dr. Sabahat Güllüoğlu, Mrs Gül Z Şener, and Simone Seisl.

CLUSTER VISION: Heinrich Schultz, CEO, OrganiMark, South Africa

How the vision of a Cluster Approach is being implemented regionally

Heinrich Schultz introduced us to the Cluster Approach, which supports sustainable sourcing and market resilience through multi-stakeholder commitment and collaboration, offering a promising way forward for this region. The next steps would be to create a task team, identify key enabling factors, secure funding for the cluster plan, and find ways to measure achievements in this continuous process.

If you’re interested in hearing more about the Cluster, contact OCRT@TextileExchange.org
KEYNOTE: Helmy Abouleish, CEO, SEKEM, Egypt
Organic Cotton and its impact on the four dimensions of Sustainable Development

Helmy Abouleish gave us a truly inspiring keynote, speaking of the “economics of love” and the importance of community and engaging with the whole value chain to make improvements for the next generation. He also stressed the importance of equality, women empowerment, and respect for planetary boundaries.

The take-home message was to be aspirational and aim for the impossible. “It always seems impossible until it’s done” - Nelson Mandela.

In the case of Egypt, this means aiming for 100% of cotton to be grown organically and 100% of companies to be circular, zero waste, and to use only renewable energy.

PANEL: Organic Cotton in the Region

Moderator: Simon Cooper, Partner, Change Agency Ltd.
Panelists:
Helmy Abouleish, CEO, SEKEM
Cevher Ilhan Cevheri, GAP ORKÜDER Board Member, GAP/UNDP
Atila Ertem, Regional Ambassador, Textile Exchange
Boimamat Uzakov, Chief of Board, Bio Kishovarz NNC

Discussion highlights:
• The region has a wealth of resources but they must be used in a sustainable way.
• We must consider the whole system - e.g. using marketable products such as legumes and pulses to boost fertility, productivity and therefore also economic acceleration.
• High input costs remains an issue - more support is needed from the government.
• The GAP project aims to become a leader in organic cotton.
• Experience sharing between regions - important to come together, create a vision for the next generation, and work together on this e.g. through a cluster program.
**REGIONAL BREAKOUTS**

**BREAKOUT GROUP # 1: ORGANIC COTTON IN TURKEY**

Turkey has a unique role in the history and present of organically grown cotton. What else should we know about the market development and possible future linkages? Join the experts who will tell us about how impact on environment and people can be achieved.

**Host:** Atilla Ertem, Senior Expert on Organic | Regional Ambassador for Textile Exchange

**Thoughtstarters:**
Dilek Cevik, Sustainable Product Responsible, H&M
Heinrich Schultz, CEO, Organimark
Aydin Ursal, Chairman of the Board, Egedeniz
Elif Yarasik, Regional Representative, GOTS

**Discussion highlights:**
- Turkey has developed an advanced sustainable textile sector with major engagement from producers and government. Now it is time to unite the efforts of the actors involved, lead brands to the benefits of sourcing from the region, and ultimately engage consumers to prioritize organic.
- Consumer awareness can be achieved by campaigns promoting organic cotton.
- Textile Exchange’s responsibility is to connect actors and build bridges between brands and producers in the region.
- One of the major outcomes of the Regional OCRT is an Organic Cotton Cluster Project being put into action. If you would like to stay updated on the developments, please contact OCRT@TextileExchange.org

“We need to make use of Turkey’s advantages!”

“Together we are the textile industry!”

**BREAKOUT GROUP # 2: ORGANIC COTTON IN CENTRAL ASIA**

Central Asia produces more and more organically grown cotton. In this session, experts working in Kyrgyzstan and Tajikistan reported on new projects, farming practices and their impact.

**Host:** Liesl Truscott, European and Materials Strategy Director, Textile Exchange

**Thoughtstarters:**
Shakhnoza Kurbanalieva, Deputy Programs Manager, IFOAM Organics International
Hasan Hamit Uskuç, Founder, Akasya

**Discussion highlights:**
- Central Asia is a vital area for organic cotton and brands and retailers can lead the change.
- What is needed are local seed schemes and value addition within the region (ginning and beyond).
- The countries could together create a reputation as a united, sustainable, authentic cotton source to drive momentum, clustering with international factories that invest in the value chain.
- Climate change results in less snow and less melt water so water scarcity needs to be tackled for the future of the region’s agriculture.

Vision: Central Asia as a key sourcing region for organic cotton – rewarding prosperity and environmental regeneration for the region.
BREAKOUT GROUP # 3: ORGANIC COTTON IN EGYPT

Egypt produces high quality, desirable and organically grown cotton. Leading projects link producers with the key retail markets and deliver emotional stories and impact with a cultural and people-centered approach throughout the value chain.

Host: Simone Seisl, Consultant and Textile Exchange Ambassador

Thoughtstarters:
Helmy Abouleish, CEO, SEKEM
Isa Cem Topbas, Auditor and Textile Engineer, Control Union

Discussion highlights:
- Luxury cotton fibers and yarns are under threat.
- Internal company perceptions and consumer mindsets need a paradigm shift.
- Products can carry an emotional story about beauty and wellbeing and culture – it is more than certification or transparency.
- Egypt produces non-GMO, high quality organic cotton with a high level of integrity.
- It is close to key markets, entering value chains in Europe and Turkey.
- More business professionals should come and get that live-experience.
- We need to send signals to the luxury sector to build trust in organic and to ensure the business case to the value chain – all the way to the farm. Textile Exchange is seen as an important messenger.

Sustainability is a must for the future of cotton in Egypt. There should be no quality and luxury without sustainability and no sustainability without quality and authenticity. Egypt can be a role model with the Egyptian cotton trade label.

PANEL: What is new in the Industry?

From water-free jeans to digital twins, leading innovators gave us their insights.

Moderator: Simon Cooper, Partner, Change Agency Ltd.

Panelists:
Eliina Brinkberg, Environmental Manager, Nudie Jeans Co
Joachim Hensch, Managing Director, HUGO BOSS Textile Industries, Ltd.Besim Ozek, Director of Strategy & Business Development, Bossa Denim
Travis Rice, Project Manager, Alliance for Responsible Denim
Patrick Wendt, Turkey Manager Division, Jeanologia

Discussion highlights:
- Hugo Boss is working to meet the growing consumer demand for personalized services/products. Technology is key in increasing efficiency while growing complexity.
- Bossa Denim has introduced new technologies in the dying process that require less water and chemicals. Also collecting post consumer waste - driven by the consumer.
- Alliance for Responsible Denim is a multi-stakeholder project of Amsterdam University of Applied Sciences helping brands navigate the supply chain through collaboration and resource/knowledge pooling. Together, they learn from and inspire each other. Brands have their own interests and are all different, so it’s unique having them work together - breaking down secrecy.
- Jeanologia specializes in denim finishing. Known as a “dirty industry”, denim requires huge amounts of water to create the “used” effect, but Jeanologia is reducing water consumption with new laser technology. Sustainability doesn’t have to be boring or more expensive if new technologies are used in the right way.
- Nudie Jeans told us about the workshop approach in their stores, encouraging people to think about reusing and repurposing their jeans. It's proving a great attraction to people visiting their stores, particularly men.
BREAKOUT GROUP # 4: DIGITALIZATION - IS THE REGION UP TO SPEED?

How can technology and industry 4.0 support us as we strive for more sustainable business solutions where resources are protected and working conditions are sound?

Host: Simon Cooper, Partner, Change Agency Ltd.

Thoughtstarters:
Jana Busch, Student and Materials Program Assistant, Textile Exchange
Joachim Hensch, Managing Director, HUGO BOSS Textile Industries, Ltd.
Yavuz Mogul, Senior Expert, Gherzi van Delden GmbH

Discussion highlights:
- Digitalization has arrived at the farm level, providing the opportunity to tighten the value chain.
- The advantages need to be addressed and communicated to make full use of it.
- Digitalization has many opportunities and, particularly in Turkey, it can be incorporated in the existing sector, which is already well-established.
- Sustainability can be strengthened through digitalization. The textile industry needs to look at other market sectors to understand how digitalization can be best incorporated in its value chains for the most benefits.

“The textile industry is somewhat a laggard when it comes to modernization through the possibilities of digitalization. We need to change that!”

BREAKOUT GROUP # 5: LUXURY - CAN ORGANIC COTTON BE A LUXURY FIBER?

A deep-dive into how organic cotton varieties from this region can serve the high-end market and how supply and demand can be accelerated and linked.

Host: Liesl Truscott, European and Materials Strategy Director, Textile Exchange

Thoughtstarters:
Mahmoud El Hosary, Managing Director, Giza Cotton LLC
Sally Williamson, Sustainability and Ethical Trade Manager, Stella McCartney

Discussion highlights:
- Demand for long and extra long staple organic cotton is growing fast, but current availability is limited. Growers need more commitment from the market to invest.
- Organic is often associated with basic rather than luxury products, but luxury and sustainability should go “hand in hand” - even organic products can’t really be considered sustainable if not high quality and made to last.
- One challenge is that luxury supply chains are so well established it can be a difficult to change the fiber source.
- Push/pull effect - younger generations are more interested in the environment and organic but need brands to start requesting this of suppliers.
- How do we go beyond certification for better gains / outcomes?
- Quality of fiber is paramount for luxury products. Egypt and Turkey has great opportunity here.
BREAKOUT GROUP # 6: DENIM – BLUE OR GREEN?

Denim has a long history in the region and denim is never out of style. How can the denim sector serve a future where production and consumption are more resource and people friendly?

Host: Simone Seisl, Consultant and Textile Exchange Ambassador

Thoughtstarters:
Eliina Brinkberg, Environmental Manager, Nudie Jeans Co:
Debra Guo, Sustainability Manager, Stella McCartney:
Besim Ozek, Director of Strategy & Business Development, Bossa Denim:
Travis Rice, Project Manager, Amsterdam University of Applied Sciences:
Patrick Wendt, Turkey Manager Division, Jeanologia:

Discussion highlights:
• Nudie Jeans engages with everyone, from farmer to consumer, to promote a product with expanded life span. They use returned jeans to repair others, and educate the consumer to wash less.
• Stella McCartney says denim is a big part of its business so they wanted to know more. The Environmental Profit & Loss helped them find the right strategy; a strategy promoting organic cotton.
• Bossa Denim created an LCA to identify where it can become better. Their organic line is a big success and they work on 60%+ shares of recycled yarns.
• All 50+ members of the Alliance for Responsible Denim have set their own targets in the areas of post-consumer recycled denim and denim finishing as key focus areas; they push each other and learn from each other.
• Jeanologia will create a CO-zero factory where the finishing of one pair of jeans can be achieved with less than 1 liter of water and people will not be exposed to any harmful substances. The future is now. Their tool to measure and benchmark the impact in four categories is used for all denim products by leaders of the industry.

EXPLORING THE SHOW

After a long and intense day, attendees had the chance to stretch their legs on a guided tour of the Ekoloji trade show, with hands-on product experiences and further valuable insights gained from leading suppliers of organic cotton products at their exhibition booths. Thank you to Egedeniz, Sanko, Ucak Tekstil and Bulus socks for their warm welcomes and insightful discussions.

DID YOU KNOW? This region:

• Produces more than 20% of organic cotton globally. Check out Textile Exchange’s 2017 Organic Cotton Market Report for more detail. At the Regional OCRT, we looked at supply trends and regional business models that create value for all involved.

• Not only has a cotton cultivation history of several thousand years, but was also one of the pioneers of organic cotton. Turkey has been producing cotton organically for over 35 years, and retains its GMO-free status. See Textile Exchange’s Turkey Sourcing Guide for more info. At the Regional OCRT, we discussed integrity, transparency, and how to support regional value networks.

• Produces both long and extra-long staple organic cotton, which feeds into local and vertical production. Check out the recent Organic Cotton Fiber Classification Guide published by Textile Exchange and Kering. The 2018 Regional OCRT hosted a session about luxury, high quality organic cotton that promises truly sustainable, premium products.

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• Is experiencing growing momentum in organic agriculture, with strong support from NGOs and Governments, underpinning the geographical and economic advantages. Check out Textile Exchange and Kering’s new Best Practices Guide For Organic Cotton Trade Models. The 2018 Regional OCRT hosted a breakout on the call-to-action for a regional cluster that builds on this momentum, as well as on the results of our 2017 Market Opportunity Scoping Project.
SAVE THE DATE!
Join us in Milan for the 2018 Global OCRT, 22-24 October

And in Burkina Faso for the inaugural Regional OCRT for West Africa, 27-29 September 2018

More details to be announced soon! Keep an eye out on the OCRT webpage for more information as it becomes available: http://textileexchange.org/organic-cotton-round-table

What does the OCRT do?

1. Collaborate and Grow
The primary objective of the OCRT is to find ways to collaborate in order to grow the sector, sharing best practices at every stage, building supportive partnerships, and improving the security of supply as well as farmer livelihoods.

2. Create a Movement
The OCRT uses the power of organic cotton networks to energize, inspire, and engage a wider audience, from farmers right through to consumers. The whole is greater than the sum of its parts.

3. Transform Business
Many individual efforts are being made to advance organic cotton, and the OCRT provides an opportunity to bring great ideas to fruition. Through collaboration and community building, we can make business more rewarding and even transformational.

TEXCURSION HIGHLIGHTS
Thanks to all who joined the TExcursion on May 10, and Akasya for partnering.

We spent the morning at Söke-Açekonak mevkii, a farm run by Kadir Ünal Öz, which produces 400-500 MT of ginned organic cotton. In the afternoon, we visited the historical Roman site of Ephesus after a lovely organic lunch.
Textile Exchange inspires and equips people to accelerate sustainable practices in the textile value chain. We focus on minimizing the harmful impacts of the global textile industry and maximizing its positive effects. Our signature program focuses on organic cotton value chains; improving lives for farmers, stimulating markets, and supporting best practice.

Website: www.TextileExchange.org
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