# Organic Textile Labeling in the United States

Presented by:







### Who is Textile Exchange?



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

### We would like you to learn...

- More about US regulations in organic textile labeling
- Different kinds of organic claims: product and content
- How to use the Organic Content Standard and Global Organic Textile Standards
- How to communicate effectively and clearly



### Today's Speakers



Gwendolyn Wyard Vice President of Regulatory & Technical Affairs Organic Trade Association



Lori Wyman North American Representative Global Organic Textile Standard



Ashley Gill Integrity Specialist Textile Exchange



Organic Textile Labeling in the U.S. Regulatory & Policy Update



#### **Gwendolyn Wyard**

Vice President, Regulatory & Technical Affairs Organic Trade Association





The Organic Trade Association is the LEADING VOICE for the organic trade in the U.S., representing 9,500 businesses across 50 states.

Our **MEMBERS** include growers, shippers, processors, certifiers, farmers' associations, distributors, importers, exporters, consultants, retailers and more.

OTA's mission is to **PROMOTE and PROTECT ORGANIC** with a **unifying voice** that serves and engages its diverse members from farm to marketplace.

OTA.com

Global Organic Textiles Standard OTA Involvement

### **GOTS Advisory Council**





### USDA National Organic Program (NOP) What & Who Has to Be Certified?

## A labeling term that applies to **AGRICULTURAL PRODUCTS** produced in accordance with the organic law and regulations



Any production or handling operation that handles agricultural products represented or sold as:

- 100% Organic
- Organic (95% +)
- Made With Organic (70% +)

Products using the USDA seal or making organic certification claims on the principle display panel

Some types of operations are **EXEMPT/EXCLUDED** from certification

**Global program** – products can be produced anywhere in the world but if sold in the US must be certified to the NOP or deemed equivalent



### USDA National Organic Program (NOP) What & Who Has to Be Certified?

USDA NOP only covers <u>raw</u> agricultural <u>fiber</u>. The regulations do not include standards for processed textiles!

Use of the	USDA Organic	Private
organic claim:	Standards	Standards
Raw Cotton	Yes	*Must be NOP
Raw Wool	Yes	*Must be NOP
Raw Silk	Yes	*Must be NOP
Yarn	No	Yes
Carded Wool	No	Yes
Cotton Fabric	No	Yes
T-Shirt	No	Yes
Mattress	No	Yes

\*Mandatory - NOP regulates and enforces the term organic on all **agricultural** products

### USDA National Organic Program Standards? Can be certified organic under NOP?





### USDA National Organic Program Standards? Can be certified organic under NOP?



### USDA National Organic Program (NOP) NOP Policy Memo 11-14

#### Labeling of Textiles that Contain Organic Fiber Ingredients

- Clarifies that textile products produced in full compliance with production and handling standards may be NOP certified & use the USDA organic seal
- Textile products produced in accordance with GOTS may be sold as "organic" but must not reference NOP certification or display the USDA organic seal
- Agricultural fibers identified as "organic" in a textile must be "certified organic" under the NOP organic regulations
- Labeling requirements are in addition to those required by FTC's Textile & Wool Act



### USDA National Organic Program (NOP) NOP Policy Memo 11-14

### **Textile products labeled as organic may:**

- Use label claims that identify specific types of organic fibers
- Use statements identifying the percentage of organic fibers
- Fibers identified as organic must be NOP certified organic

#### **Textile products labeled as organic must not:**



- Use the USDA organic seal unless NOP certified
- Imply or lead the consumer to believe that the final product is certified under the NOP regulations unless they are NOP certified
- Use a combination of both organic and non-organic sources for a single fiber that is identified as "organic" in the final product

### USDA National Organic Program (NOP) NOP Policy Memo 11-14

#### **Textiles and fiber products:**

- The NOP's 2011 memo on textiles says that textiles produced in compliance with the NOP regulation may bear the USDA organic seal.
- It stops short of saying that all organic textiles must be produced under the NOP regulation.
- The memo does confirm that products produced under the GOTS standard may be sold as organic in the US, but again, doesn't say that organic textiles must be produced under GOTS.



### Misleading Organic Claims The Role of USDA NOP and FTC

Many textile products in the marketplace are advertised as "organic" yet they may only **contain** some organic content.

#### USDA's National Organic Program (NOP):

- Regulates and enforces organic claims on agricultural products
- Does not have enforcement jurisdiction over organic claims made on textile products unless they violate the terms of the its policy

#### Federal Trade Commission (FTC):

- The FTC protects consumers by stopping unfair, deceptive or fraudulent practices in the marketplace
- Defers to the National Organic Program when it comes to "organic" claims

### Misleading Organic Claims OTA Takes Action

#### **Efforts to get FTC's Green Guides Updated:**

- Meeting with FTC over the past 6 years
- Submitted comments urging FTC and NOP to develop a policy on use of the term "organic" on products outside of NOP's scope of enforcement & update the FTC "Green Guides"
- Prompted FTC & USDA to launch a survey and convene an expert panel exploring consumer perception of organic claims on fiber/ textile and other non-food products
- Need to continue to submit examples to FTC on misleading claims and explain the need for increased oversight and guidance

### Misleading Organic Claims Best Labeling Practices

#### **OTA strongly supports best labeling practices:**

 OTA supports organic product certification under GOTS & organic content certification under TE's Organic Content Standard

TAND

- Organic cotton t-shirt
- Organic mattress



- Organic claims made on fiber and textile products that are not certified should be limited to "content" claims only
  - T-shirt: contains 70% organically grown cotton
  - Mattress: contains organically grown cotton batting



### Learn More! OTA Resources on Organic Fiber and Textiles



ADVOCACY // RESOURCES // MEMBERSHIP // PROGRAMS & EVENTS // NEWS // ORGANIC 101 // ABOUT 01



#### Home > Advocacy > Fiber and Textiles

#### Fiber and Textiles

Certified organic fiber must be grown according to U.S. National Organic Program (NOP) standards without the use of toxic and persistent pesticides, synthetic fertilizers, or genetic engineering. USDA-accredited third-party certification organizations verify that organic producers (farmers) use only permissible methods and materials allowed under the NOP organic regulations

While USDA NOP regulations cover the production of raw agricultural commodities such as cotton and wool, the regulations do not include specific processing or manufacturing standards for textile products, such as t-shirts or mattresses. A product can be labeled as "organic" and make reference to NOP certification ONLY if it is produced in full compliance with both the NOP production standards (crops and livestock for raw materials) and the NOP handling standards (processing for the finished product). However, as most of these methods and ingredients are not applicable to textile processing, NOP labeling is likely unachievable for most garments and textile products that use a variety of dyestuffs and auxiliary agents.

Given the lack of processing standards under the NOP organic regulations, manufacturers may seek out certification for processed textiles through a reputable private standard called the Global Organic Textile Standard (GOTS). GOTS is a stringent voluntary international standard for the processing of textiles containing organic fiber. GOTS addresses the entire post-harvest processing (including spinning, knitting, weaving, dyeing and manufacturing) of apparel and textile products made with organic fiber.



#### **Global Organic Textile Standard**

**Policy and Advocacy Updates** 

#### **Organic Fiber Council**

#### **Quick Resources**



OTA.com

#### ota.com/advocacy/fiber-and-textiles

### Thanks!



(503)798-3294 gwyard@ota.com



### TE Suite of Standards





### What is the Organic Content Standard?





Organic Textile Labeling in the United States – April 2017



### What is the OCS?



An independent global standard with third-party certification



Verification that input fiber was organically grown



Strong chain-of-custody from the fiber to the final product



Multi-stakeholder approach, with representation from affected groups



## REALIZED D

### Benefits of the OCS

#### Messaging and Story Telling

It presents an excellent opportunity for people to learn about the source of the products.

#### Credible Certification

A professional, third party certification body audits each stage in the supply chain.

#### Meet CSR Goals

Set and meet targets for corporate use of organic material.

#### Get What You Ask for and Pay For

The identity of OCS material is maintained at all times: from the fiber to the final product, through a robust chain of custody.

#### Drive Industry Change

Support the demand for organic material, even if you are not able to meet higher percentages.





### Chain of Custody for TE Standards

The aim of chain of custody, is to preserve the identity of the claimed material, and to track its movement through the supply chain up to the final product.







### OCS Labeling







### What kind of claims does the OCS support?

Organically grown content NOT organic product



The further you use third-party certification, the lower your risk.



### OCS Labeling



All product labeling must include:

a) OCS logob) mention of theCertification Bodyc) mention of the lastCertified Organization

All OCS artwork must be approved by a Certification Body, prior to printing and application.







### OCS Labeling

These types of claims are not supported by the Organic Content Standard.









These types of claims are supported by the Organic Content Standard.

### OCS Labeling

Contains organically grown cotton CB 12345678







TextileExchange



### **General Communication**



Don't qualify for product labeling?

Here's what you CAN say OFF product...

"Our strategy for sourcing organically grown material relies on third-party certification, such as the Organic Content Standard."



### Resources





http://textileexchange.org/integrity

OCS Logo Use and Claims Guide http://textileexchange.org/wp-content/uploads/ 2016/06/OCS-Logo-Use-and-Claims-Guide.pdf

Integrity@TextileExchange.org

Thank you. Ashley@TextileExchange.org



### What is behind the GOTS label?

Lori Wyman North American Representative Global Organic Textile Standard RGANIC TETAIL NORGANIC TETAIL STAND SOTS . OBVO



"The aim of this standard is to define requirements to ensure organic status of textiles, from harvesting of the raw materials, through environmentally and socially responsible manufacturing up to labelling in order to provide a credible assurance to the end consumer." (GOTS 1.1)

•A GOTS labelled product in the retail market is the final result of the certification procedures of the entire supply chain and the visible commitment to the consumer that the product complies with all requirements of the standard.

•Thus correct and complete labelling is of upmost importance for the credibility of the standard and its certification system.

#### **GOTS Labeling Options:**





70 – 94% Organic fibers:



#### **Third Party Certification**





All independent certification bodies are listed on our website

GOTS • 04/11/2017



- All organic certification programs are certifying product claims.
- Organic certifications are process claims included in product claims.
- We certify organic products by verifying they are manufactured with a compliant process.

GANIC TEL

GOTS . ON

## Requirements / checklist for retailers before selling labeled *GOTS Goods*



- Ensure that the direct supplier (manufacturer or wholesaler) is certified
  => ask the supplier for its scope certificate before ordering,
  consult the GOTS public data base and
- Ensure that the GOTS on-product labelling is correct and complete and has been released by the applicable certifier
   ask the supplier to provide a written label release confirmation issued by the supplier's certifier – especially if the retailer designs the labelling
- Ask for Transaction Certificates for the whole quantity of GOTS goods purchased (recommended)
   the retailer itself must be listed as buyer (Box 3) on the TC to have a valid proof
- ✓ If the retailer (re-)labels, (re-)packs the labelled textiles, the retailer must be certified itself

#### **Unauthorized referencing to GOTS**



- Samples of unauthorized self-claims for non-certified products:
- "This t-shirt is made from (x%) GOTS certified fabric (or yarn or cotton)"
- "The textile fibers used in this mattress are GOTS certified"
- => No reference to GOTS is permitted for (final) textile products, if certification is valid for previous stages or for specific components of the product only

# Reasons for unauthorised / incorrect labelling



Even when the labeled products are produced by Certified Entities, there are still unauthorised, incorrect and incomplete labelling found (in the retail trade).

**Recurrent reasons for such transgressions and mistakes:** 

- •Brands and retailers design labeling (e.g. for hang tags) and send it to their certified suppliers. They apply it without further checking and without asking for label release to their certifier. "It's the buyer's order to use it."
- •Certified Entities don't inform their certifier about labeling for other reasons

•Certifier has provided a general label release for a prototype but certified entity modifies labelling per client / type of product which is not reviewed

=> Unauthorized labelling: these products may be certifiable or not – this needs to be investigated then and may lead to <u>measures and sanctions</u> up to recall of labeled products (from retail trade), trademark infringement steps and suspension of certification in order to safeguard credibility of GOTS labelling.

#### Licensing and Labelling Guide



Licensing and Labelling Guide

Issue of 01 March 2016

- Explains who can use logo and how
- Standardized logo use to add to recognition value
- B2C retailers exempt from certification obligation  $\rightarrow$  "label release form"
- Marketing/publications/advertisements

#### **GOTS MARKETING ADVANTAGE**

#### **Risk Reduction**

- GOTS is a comprehensive risk management instrument for your supply chain
- GOTS sets strict and extensive environmental and social criteria for the *entire* supply chain
- GOTS criteria are explicit
- Credibility
- Third party certification serves as independent external verification versus selfclaims
- Certification includes dual quality assurance onsite inspection and product testing
- Certification provides the credibility and verification of claims that investors, and the public, expect this
- •Efficiency and Productivity
- GOTS' wastewater management and other requirements result in improved eco-efficiency

GANIC TEL

GOTS . ON

#### GOTS MARKETING ADVANTAGE Continued...



#### Efficiency and Productivity (continued...)

- GOTS' social compliance management requirements results in improved socioefficiency
- GOTS certification facilitates sustainable supply chain management, cutting companies' costs as they do not need to trace the whole supply chain themselves.

#### **Innovation and Differentiation**

- GOTS certification can grant access to new markets, e.g. public procurement
- GOTS is explicitly recognized by governments and leading textile, sport, environmental, and organic organizations worldwide
- Sustainability innovation provides added value over conventional products. Sustainable Market Development
- Enables companies to be market drivers
- Readies companies for the increasingly stringent regulatory climate.
- GOTS is recognized as the leading processing standard for textiles made from organic fiber worldwide.

## Further relevant information for marketing purposes

#### **Organizations**

IFOAM – International Foundation Organic Agriculture Movements International Association of Natural Textiles Soil Association

#### **Campaigns**

Detox campaign Greenpeace CottonedOn Campaign Clean Clothes Campaign

#### **<u>Reports/studies</u>**

Lifecycle Assessment Textile Exchange (cotton) Ethical Fashion Consumer Monitor (UK)









### Thank you!

Lori Wyman North American Representative Global Organic Textile Standard wyman@global-standard.org



### Questions?



## Thank you!





