



Organic Exchange Essential Guide to Certification

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Introduction

The organic fiber market is growing quickly: demand for organic products is on a steady rise and there are many opportunities for supply chains to grow their organic business. However, along with the benefits this brings there are risks, and one of the biggest is product integrity; if there is any chance that a product being sold as 'organic' is not truly from organically farmed fiber then not only does the seller face legal and public relations risk, but there are no benefits going to the organic farmers. At Organic Exchange we have already seen a number of examples where incorrect or insufficient documentation was accepted, whether from honest confusion or deliberate deception.

It is imperative that each company dealing with organic has a thorough understanding of what is required to make organic claims and takes all possible steps to ensure the integrity of their products. This guide is designed to help brands and retailers understand what is needed to support product integrity while working with organic fibers. The guide will detail the elements of product integrity and the certification process that are truly essential for working with organic fibers. Note that this guide applies to all voluntary standards, and not only the ones developed by Organic Exchange.

What is Important?

There are many things to consider when thinking about organic certification, but the three critical steps to ensuring the integrity of your organic claims are:

1. Ensure that you are meeting the applicable labeling laws in the country of sale.
2. Ensure that the fiber has been certified to the appropriate standards - fiber certification is mandatory, but production certification is voluntary.
3. Verify the claim you are making about your product.

Thinking about these three steps will guide you to the other important parts of the process – choosing a certification agency, verifying that you've received the correct documentation, making product claims and using certification logos.

Meeting Labeling Laws & Certifying to the Correct Standards

The first step in the certification process is to understand the applicable laws of the countries where you will be selling your goods. In most cases there are legal requirements that dictate which standard(s) your fiber must adhere to, as well as the manner in which the final products may be labeled and marketed. For example, all products identified as "organic" and sold in the United States of America must be made with fiber grown and certified to the National Organic Program standard. The Organic Exchange Guide to Labeling Organic Textile Products provides further information on the requirements for both farming standards and labeling laws.

- > To do: Advise your suppliers that they will need to submit proof that the fiber used in your products is certified to the required organic farm production standard.





Choosing a Standard or Verification Process to Support your Claims

Unlike fiber certification, which is mandatory, processing certification is voluntary. However, in order to ensure the validity of your organic claims, it is critical to develop a system that will monitor what happens throughout the production process. There are various systems to choose from, and the Organic Exchange Guide to Labeling Organic Textile Products provides details about processing standards that are popular in Europe, North America and Japan. Below is a quick summary of the ways to support your organic claims:

Full Product Certification: This system certifies not only the fiber, but also all of the processing from raw fiber to finished product. The Global Organic Textile Standard (GOTS) is an example of such a standard.

Fiber Flow Certification: If your goal is only to address farm issues, or you are not yet ready to require full product certification, you may choose either of the standards Organic Exchange 100 or Organic Exchange Blended. These standards will certify your entire supply chain to ensure that some or all of the fiber in your finished product comes from an appropriately certified organic farm.

Verification Only: If you will not use a standard, it is advisable to take steps to ensure that the organic fiber can be tracked all the way back to the farm, and that each supplier has taken the necessary steps to protect the identity and integrity of the fiber (similar to what is done for Fiber Flow, but without the use of certifiers). This can be done manually, but is a very complex and time-consuming process. An alternative is to use an established web-based system such as the Organic Exchange Online Tracking Service. This system can also be used in conjunction with certification for the maximum level of transparency. Remember that it is always a requirement that the fiber be certified to a valid organic standard at the farm.

Note that if you are going to label your product as certified to a given standard (GOTS or OE for example), every step of the production process must be certified. Be sure to read through the standard to understand the certification and labeling requirements.

- > To do: Choose the organic certification or verification method(s) that best reflects your goals, and confirm that each of your organic suppliers will provide you with goods certified or verified to that standard or process.

Certification Agencies

Producer groups and supply chain members have access to various certification agencies in their geographic region, and you do not need to specify which one they will use. However, you do need to specify which standard you want your products certified to, and ensure that the certifiers your producer groups use are accredited or licensed to certify against your required standard.

Also note that different certifiers may certify the different parts of your supply chain. Each certification agency should accept valid documentation from other certification agencies, as long as they are accredited to the standard.

- > To do: Ask your suppliers which certification agencies are being used to certify your product and ensure that those certifiers are accredited to the standard you have chosen. You should be able to look up each standard on the internet and see a list of accredited certifiers.





Correct Documentation

This is a common area of confusion. The first point to note is that there are two types of certificates: farm or company certificates (also known as scope certificates) and transaction certificates. Many suppliers will present their customers with a copy of their company certificate that indicates they are certified to a given standard. While this lets you know up front that a company is qualified to produce products to that standard, it is not enough to show that the products they are making for you have actually been produced to that standard, as most companies will be dealing with both organic and conventional fiber products.

A transaction certificate, which is issued for each shipment, is the key document needed to ensure that the products being purchased from the supplier are produced according to the designated standard. (A sample transaction certificate is included in the Appendix of this guide.)

Suppliers may also produce a transaction certificate that simply shows that the inputs they have purchased are certified organic. However, a transaction certificate is not proof that these inputs went into your products – it is even possible that the supplier could send the same transaction certificate to many different customers; more than could be supplied by the original input amount!

You need the transaction certificate, issued by a valid certification body, for the goods that are being shipped to you. This will come from the last point of production (for example, a sewing factory for garments) or from the importer who sells you the goods. You or your importer must be named as the consignee, and be sure that your goods are identified and the correct standard is named. If there is any concern about the validity of the certificate, contact the certifier and ask them to verify that they have issued it. If you are not familiar with the name of the certification body, you may want to double-check that they are licensed to the named standard.

Note that transaction certificates may not be issued until a short time after the goods have shipped (ie: an invoice or shipping docs are issued), so allow for a week or two before receiving them.

> To do: Require that all shipments of organic product have a transaction certificate or a method of tracking from the last point of manufacture. Check the transaction certificates for the following:

- your company or your importer is named as the consignee
- the seller is valid
- the date is valid
- the certificate correctly identifies the goods and amounts being shipped to you
- the certificate is to the standard you requested
- the certification body is licensed to the standard
- the certificate correctly identifies the goods and amounts being shipped to you

If you have any doubt during this process, contact the certifying body.





Making Claims and Using Logos

The legal use of logos and organic claims are defined by the labeling laws in the country of sale, and by the standards to which product has been certified. You can contact the certification agency for guidance on what is allowed for the standards you are using, or you may simply read the standards themselves.

Resources

This document is simply a quick guide to ensure that brands and retailers are requesting the correct documents to back up their claims. Organic Exchange is also working a full guide to certification that will be released in the next year.

For more information, please visit the following websites:

Global Organic Textile Standard: www.global-standard.org

Organic Exchange 100 and Blended standards: www.organicexchange.org

USDA National Organic Program: www.ams.usda.gov/nop

EEC 2092/91, European Economic Community Organic Standard: www.organic-europe.net/europe_eu/eu-regulation-2092-91.asp

Organic Exchange Online Tracking Service: www.organicexchange.org

Organic Exchange Guide to Labeling Organic Textiles: www.organicexchange.org

Credits

This guide was written by Anne Gillespie with the input of Terry Young, as well as our Advisory Committee of certifiers and experts from around the world. Please see <http://www.organicexchange.org> for the full list. If you have any questions, please contact membership@organicexchange.org.

This guide was made possible by generous grants from Patagonia, the outdoor clothing company and Anvil, quality activewear.

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Organic Exchange Essential Guide to Certification

Production Step

Documentation

Requirements

Farm
raw cotton

● Farm Certificate, invoice,
and transport document

Gin
fiber

● Transaction Certificate
and/or verification system

Spinning Mill
yarn

● Transaction Certificate
and/or verification system

Textile Mill
*knit or woven
fabric*

● Transaction Certificate
and/or verification system

Dyeing &
Finishing
finished fabrics

● Transaction Certificate
and/or verification system

Sewing Factory
finished goods

● Transaction Certificate
and/or verification system

Importer or
Retailer
finished goods

● Transaction Certificate
and/or verification system

Essential:

The farm must be certified to the relevant legal standard of the country where the final product will be sold (the legal requirements in the United States are set by the NOP). The importer or retailer does not have to hold these certificates; they just need ensure that the fiber was certified to the correct standard.

Recommended:

Certify each link of the supply chain to a standard (eg: GOTS, OE standards). Transaction certificates confirm that each link has been certified.

Essential:

If certification is not being done to the last production step, then it is strongly advised to have a verification method in place to accurately track goods back to the last point of certification. This is to ensure organic content and to back up claims being made on the final product.

Summary of steps to be taken by brands or retailers selling products containing organic cotton:

1. Choose the certification or verification method(s) that best reflect your goals, and confirm with all of your organic suppliers that they will provide you with goods certified or verified to that standard or process.
2. Ask your suppliers which certifiers are being used to certify the production of your goods and ensure that those certifiers are accredited to the standard you have chosen. You should be able to look up each standard on the internet and see a list of accredited certifiers.
3. Require that all shipments of organic product have a transaction certificate or a method of tracking from the last point of manufacture, and check that:
 - your company or your importer is named as the consignee
 - the seller is valid
 - the date is valid
 - the certificate is to the standard you requested
 - the certificate correctly identifies the goods being shipped to you

* **note:** With some voluntary standards (such as GOTS) the importer may be required to be certified and produce transaction certificates as well.

ORGANIC EXCHANGE ESSENTIAL GUIDE TO CERTIFICATION: SAMPLE TRANSACTION CERTIFICATE

Pay particular attention to the text we've written in **red**. Double check this information on your transaction certificate.

**CERTIFICATE OF INSPECTION FOR TEXTILES PROCESSED ACCORDING TO
THE GLOBAL ORGANIC TEXTILE STANDARD**

1. Body issuing the certificate (name and address) Institute for Marketecology Weststrasse 51 CH-8570 Weinfelden		2. Accreditation No. CH-SCES 004 Reference number of the certificate 37300/7172/8	
3. Exporter / vendor of the product (name and address) Name of Exporter: dyeing, finishing, sewing mill		4. Inspection body (name and address) Institute for Marketecology Weststrasse 51 CH-8570 Weinfelden	
5. Producer or last processor of the product * (name and address) Producer name: dyeing, finishing, sewing mill		6. Country of dispatch Indonesia	
7. Importer / buyer of the product (name and address) Importer name: retailer		8. Country of destination Germany	
		9. Consignee of the product (Address of the place of destination) Retailer:	
10. Marks and numbers: Container No, Lot No., etc. Trade name of the Product Underwear for men and women, 95 % organic cotton 5% Elastane Transport document No.: Container No.: Transport Company Identification Code Bale, lot, serial No. Production year		11. Gross weight (kg) 17.500 kg	
		12. Net weight (kg) 17.000 kg	
		13. Alternative units * 1000 pieces	
14. Declaration of the body issuing the certificate This is to certify that the cotton used for the products designated above has been produced in accordance with organic production methods and that the products have been processed in accordance with the Global Organic Textile Standard (GOTS). Compliance with these standards is continually monitored by the inspection body mentioned in box 4.			
15. Additional declaration (if appropriate) According to invoice no. 7890 , dated 25.05.2008			
16. Place of issue of the certificate CH-8570 Weinfelden Date 13/10/2008 Name and signature of the authorised person Mecki Naschke		Stamp of the issuing body Institute for Marketecology Weststrasse 51 CH-8570 Weinfelden 	