

Summary Paper

Fiber Crops

Cotton

In partnership with an International Working Group, Textile Exchange has created a first draft of the unified standard. [The draft is now available as of May 15, 2023. It is open for public feedback until July 14, 2023.](#) You can find a full version of the draft and learn more about how to provide feedback [here](#).

Introduction

At Textile Exchange, our organizational goal is to help drive a 45% reduction in the greenhouse gas emissions that come from fiber and material production by 2030, while driving positive impacts across soil health, water, and biodiversity. We call this [Climate+](#).

The unified standard aims to meaningfully embed the Climate+ goal into the raw material scope for all materials included in our certification. An additional objective is to harmonize systems across the full scope of our current standards and to create stronger communication at the consumer-facing level.

The main impact areas of the unified standard system focus on Tier 4 raw material management (including the cultivation and extraction of raw materials from the earth, plants or animals), and “Tier 3.5” first processing (including processes such as ginning, retting, degumming, cottonizing, wool scouring, dissolving pulp, and chemical / mechanical recycling).

To provide highlights on key material categories included in the future standard system, we have developed a series of summary papers to supplement the draft standard criteria. The materials proposed for the scope of the unified standard include:

- Animal-derived: wool, mohair, alpaca, yak, cashmere, down
- Recycled: synthetic and natural materials
- Fiber crops: cotton

Summary papers are included for the above material categories but are not planned for the following; however, relevant details will be found in the discussion papers.

- Forest-derived: MMCF, latex
- Biomaterials: biosynthetics

Background

We have two overarching objectives for the unified standard. The first connects to the number of certified sites participating across the eight standards that we currently offer. With this transition, we have the opportunity to provide efficiency by bringing all materials in the scope of these standards under one harmonized system. The second objective is to embed our Climate+ goal and drive impact and outcomes through participation in standards and certification. **Currently, each standard (GRS, RCS, RWS, RMS, RAS, RDS and OCS)¹ was developed separately and**

¹ GRS – Global Recycled Standard; RCS – Recycled Content Standard; RWS – Responsible Wool Standard; RMS – Responsible Mohair Standard; RAS – Responsible Alpaca Standard; RDS – Responsible Down Standard; OCS – Organic Content Standard

operates uniquely in terms of structure and reach. Each standard also incorporates its unique focus areas. While standards like the RWS, RMS, and RAS all contain land management and social criteria, the RDS does not include those attributes. In contrast, the journey towards unifying this system has focused on exploring where it is relevant and meaningful to incorporate Climate+ and other key impact areas, **addressing how the material is managed on the ground as well as the first stage of production.**

This shift in scope represents our standard for raw material certification. Certified materials will be tracked through the supply chain with our pre-existing chain of custody standard: the Content Claim Standard (CCS). While the CCS continues to provide the mechanism for tracking and handling of the certified inputs through to the finished product, the unified standard impact criteria are being developed for Tiers 4 and 3.5 of the supply chain.

Timeline

The progression of the work towards a unified standard system has been underway since we first announced our Climate+ strategy in 2019. The publication of the draft standard will come in two parts: the first draft in May 2023, which this summary paper supports, and the second draft planned for Q4, 2023.

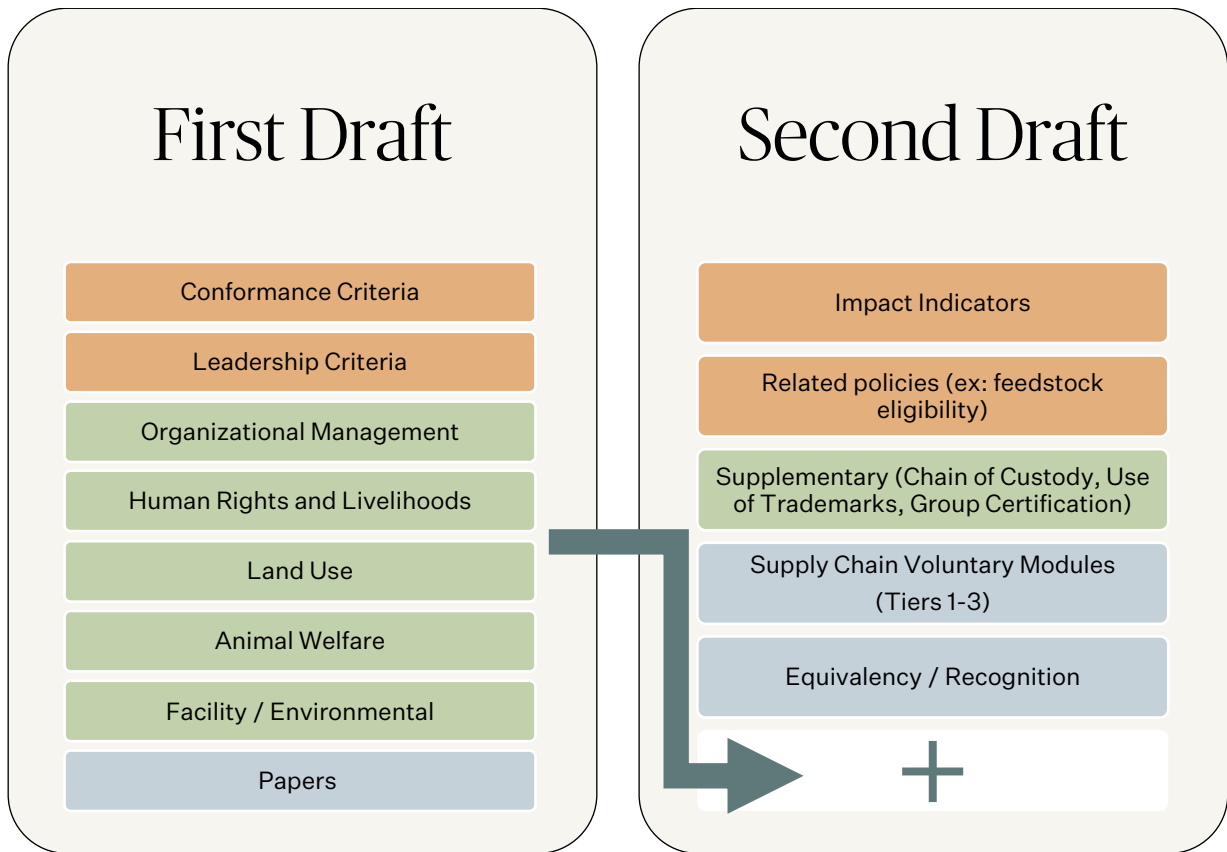
The final standard is planned for release by 2024. However, it should be noted that when the standard is finalized, this does not mean that it is immediately effective or mandatory. 2024 will be used to conduct a full internal systems update as well as to provide the necessary implementation planning for all stakeholders in the system. This allows time to align across our assurance system, the certification bodies' systems, and sites that will need time to prepare their operations to get certified.

During this period, we will draft the accompanying documentation that makes the standard implementable. We will also update pre-existing documents to reflect the new standards system.

According to our current timeline, in 2025 the standard will be effective. This means that sites will be able to request certification by certification bodies equipped and approved to audit against the standard. In 2026, the standard will be mandatory, meaning all sites will need to be certified to the new system based on the unified standard system superseding applicable previous standards, which will be defined in the final standard.

For the public consultation on the draft versions, we have decided to separate the content into two drafts that will be published at different times. In this first draft consultation, the majority of the standard will be available for review including conformance-related criteria and leadership areas (recommendations) for criteria grouped in the following sections: organizational management, land use, animal welfare, human rights, and facility/environmental.

In the second draft planned for Q4 2023, we will release the revised content from the first draft (after review of feedback from the first open consultation period). Additionally, the second draft will cover supplementary criteria for group certification models, chain of custody, trademark use, and slaughterhouses, as well as impact indicators, related policies addressing areas such as supply chain voluntary modules, and a recognition program.



Overview of the standard structure

When we talk about driving positive impacts through standards, the focus of this work will span across the following categories: GHG emissions, soil health, biodiversity, water resources, human rights and livelihoods, and where applicable, animal welfare, environmental (e.g., energy use, waste management), and chemical management.

In each of these impact areas, we have gone through an exploratory exercise to determine the long-term outcomes and impacts we want to see. This includes looking at how these relate to best practices on the ground for how the raw material is managed as a resource. We then determined related criteria that need to be evaluated at certified sites to have an impact on Climate+, so we can monitor and evaluate change on the ground.

For several of the material categories included in our current standards, impact-related criteria already exist. So, part of the drafting process included a review of pre-existing criteria, aiming to continuously improve practices as well as shift relevancy to be more focused on our Climate+ goal.

Since we are bringing several different input scopes and materials under one master standard, we also considered the efficiency of Tier 4 and Tier 3.5 thematic groupings (sections) for cross-cutting criteria. Then, for some sub-sections, we determined that the criteria only apply to certain material categories (for example: chemical management in recycled). The sections in the draft standard appear as follows:

SECTION	SUB-SECTION
1. Organizational Management	1. Fundamental Certification Requirements
	2. Personnel Oversight
2. Human Rights and Livelihoods	1. Policies, Management Systems and Records
	2. Labor Rights
	3. Social Justice
	4. Livelihoods
	5. Specific Contexts - Personnel Housing
	6. Specific Contexts - Management of Waste Pickers for Recycled
3. Land Use	1. Management Plan
	2. Water
	3. Soil Health
	4. Fertilizers
	5. Pesticides
	6. Biodiversity (land/ecosystem management)
4. Animal Welfare	1. Health and Welfare Plan
	2. Nutrition
	3. Living Environment
	4. Husbandry Procedures
	5. Shearing / Combing
	6. Herd Management
	7. Breeding, Birthing and Caring for Young Animals
	8. Handling and Transport
	9. Handling and Transport Managed by the Organization
	10. Euthanasia and Slaughtering
5. Facility / Environmental	1. Environmental Management System
	2. Chemical
	3. Waste
	4. Water
	5. Air
	6. Energy Use
6. Supplementary Requirements	1. Group Certification
	2. Chain of Custody
	3. Use of Trademarks
	4. Slaughterhouse

**Section 6: Supplementary Requirements will not be included in the first draft consultation but will be part of the second draft later this year.*

Within these sections, we have three different types of criteria:

- Conformance-related criteria
- Leadership criteria
- Impact indicators that drive outcomes (not included in the first draft)

One of the goals of having three types of criteria is to ensure the standard is accessible for organizations at different stages in their sustainability journey. We do not want to set up a new standard system that sets the bar so high that participation and certification is not achievable for organizations that want to embark on the Climate+ journey with us. We want to create a pathway

for continuous improvement for those that are certified so that they are progressing with each version of our standard(s). For new participants, we want them to see that there is a way for them to take part so that they understand where their practices need to improve over time.

The three types of criteria

Conformance-related criteria are evaluated for certification decisions. Depending on the degree of conformance, the certification body assesses criteria as fully met, or raises non-conformity reports to address non-conformances. There are three levels of conformity for these criteria. The current draft standard identifies when a criterion is critical, meaning conformance is required to achieve and maintain certification. Other criteria currently show TBD: Major or Minor to represent we do not have proposed levels of conformity ready for review.

Leadership criteria will not be evaluated for conformance, but will indicate where an organization can improve over time. By meeting these criteria, organizations demonstrate leadership in the applicable areas. In future versions of the standard, leadership criteria may become conformance-related criteria. This is similar to our current system where we have “recommendations” in some standards that are not evaluated for conformity but indicate where the standard is heading for conformance in future versions.

Impact indicators represent where we will collect data and information to support driving outcomes. Indicators will be used for monitoring and evaluating progress related to impact areas so we can learn and adapt as we move forward as an industry. Where we have defined best practices related to the criteria above, are they relevant to driving outcomes? Are they delivering the intended change on the ground that we want to see? We are embarking on a careful process to define metrics and data deemed most meaningful to collect and monitor progress on our Climate+ goal and other key impact areas.

How to read the draft standard

To navigate the first draft of the unified standard, it is important to understand the following key terms:

- **Sections:** The high-level themes in which the unified standard criteria are divided into groups for cross-cutting criteria addressing all or some materials in the scope of the standard.
- **Sub-sections:** The next level down to further categorize different themes of criteria.
- **Criteria #:** Consecutive numbering consisting of three digits to identify the section, subsection, and the given criterion number.
- **Criteria:** Collective term for all areas checked during the audit; a specific TYPE is used for each criterion (conformance-related, leadership, indicator)
- **Performance determination:** In the first draft, this is a starting point to provide information on evaluation of the criterion in different contexts.
- **Level of conformity:** Level of expected conformity per each criterion; if a conformance-related criterion is not met, a non-conformity report at that level shall be issued by the certification body.
- **Materials:** Each criterion applies to one or more sources of materials. This is the place to record material scope applicability so in the future we can filter for specific standard modules per material source. In the current draft, this is where stakeholders can check criteria applicability for materials they are interested in.

Chain of custody considerations

When the desired goal is to make claims about certified materials, the rest of the supply chain (Tiers 1-3) will need to be certified against Textile Exchange's Content Claim Standard (CCS), representing chain of custody requirements for the tracking and handling of certified materials. The CCS is not scheduled for revision currently, but it will be the applicable chain of custody standard that supports the implementation of the unified standard system when this becomes effective after 2024. This means Textile Exchange will review the CCS for any necessary updates following the finalization of the unified standard.

Claims and labeling

Accompanying the transition to a unified standard system is the development of a new brand, which includes an official standard name and logo, as well as an updated claims and labeling system. We anticipate having a single logo that represents the various materials and scopes of the standard to promote one visual presence while incorporating material type specification into the label lockups and claims to clearly convey the certified material type.

To support this shift, we are in the process of creating a transition plan that will allow adequate time for certified organizations to move to the new claims and labeling system while phasing out the current standards logos. We are aiming to share the new name and logo alongside the final standard at the end of the year and will be working on a revision of our Standards Claims Policy to be released the next year, to be followed by the defined transition period.

While developing the new claims and labeling system, among other topics, we will also be actively looking at and aligning with legislation on green claims, including but not limited to the current efforts to address misleading claims and greenwashing in the European Union.

Introduction to the Fiber Crops Criteria: Cotton

The unified standard scope includes a set of criteria that apply to fiber crops,² addressing desired practices and impacts for fiber crop production systems at the farm level. In line with the entirety of the unified standard, criteria for fiber crops reflect the desired Climate+ outcomes related to soil health, biodiversity, water, and other areas of impact, and it intends to provide a framework for monitoring and evaluating farm-level progress towards these goals. Development of these criteria serves as a foundation for establishing recognition of other fiber crop-related programs working at the farm level and/or for direct certification of producers or producer groups.

The initial focus is on cotton, with plans to expand to other fiber crops in later versions of the unified standard. Ultimately, the objective of the scope is to identify, promote, and monitor responsible farming practices that lead to greenhouse gas reduction and measure progress toward our Climate+ goal in the production of fiber crops through our own standard certification system and/or a recognition program. We will provide a discussion paper on our plans for the recognition program across multiple materials and impact areas, including fiber crops.

Background information:

In our suite of standards implemented today, Textile Exchange does not currently have a standard and/or an equivalency recognition program that addresses the full set of practices and desired impacts for fiber crop production systems at the farm level. Within its current suite of standards, Textile Exchange indirectly addresses fiber crops through the Organic Content Standard's (OCS)

² Our internal strategy development for capturing fiber crops in the unified standard in alignment with our Climate+ goal is sometimes referred to as the "Fiber Crops Module".

acceptance of national organic farming standards. However, the OCS is a chain of custody standard for tracking and handling certified materials and does not contain any fiber crop farming criteria itself.

Because our current standards system does not include fiber crop farming criteria nor farm-level certification, Textile Exchange does not have access to adequate information from the farm level to fully monitor the linkages between practices, outcomes, and impacts related to Climate+. By incorporating fiber crops farming criteria into the unified standard, Textile Exchange could implement monitoring and evaluation to better understand farm-level progress towards Climate+ goals. Thus, to directly address core focus areas that are intrinsic to delivering our Climate+ goal and impact areas, Textile Exchange has moved to expand the scope of our current standards to include fiber crops at the farm level for incorporation into the unified standard system.

Cotton is currently the first and only fiber type held within the proposed unified standard scope for fiber crops, but we intend to expand to other fiber crops in later versions of the unified standard. As with our previous work on wool, which created the baseline for the Responsible Wool Standard and preceded our work on mohair and alpaca, there is an opportunity to test responsible practices developed to work towards our Climate+ goal with cotton and adapt this approach to later include hemp, flax, and potentially biosynthetic feedstocks. Although this is a new scope for our future standard system, many of the land management principles and criteria were informed or inspired by our animal fiber standards, and many are part of the cross-cutting criteria for all raw material practices at the farm level.

Important notes when reviewing the draft criteria:

- The applicable material for fiber crops is referred to as cotton in the draft standard;
- Criteria applicable to cotton production at the farm level include sections for organizational management, land use, some facility/environmental, and human rights & livelihoods;
- Criteria applicable to cotton processing at the facility level for ginning and first processing include sections for organizational management, human rights & livelihoods, and facility/environmental;
- When reviewing the criteria, please note that the term “organizations” in the context of fiber crops land use refers to farms and producers;
- Performance determinations have been introduced to the draft standard to define conformance expectations based on organizational characteristics such as size and scale. This has been done primarily for human rights & livelihoods in the first draft. Applicability for fiber crops (e.g., farm size) will be considered for the second public consultation.

The following are section summaries for criteria within the unified standard as they apply to fiber crops (see “Overview of the Standard Structure” above).

Organizational Management

The purpose of this section of the unified standard is for the certified organization to demonstrate how it is internally organized, regardless of the activities performed or the materials produced. Having an organizational management system in place includes having a general management plan and specific planning documents, designating accountable persons in charge of each activity within the scope of the certificate, clearly defining and documenting the sites, activities and materials which are part of the scope of the certificate, showing compliance with applicable regulations and legislation, and demonstrating its personnel are adequately trained and under good supervision.

Sample Criteria:

- 1.1.5: The organization has a written management plan in place, which includes the following:
 - a) the management objectives;
 - b) the land tenure status;
 - c) a description of the resources to be managed; and
 - d) the procedures for how the main activities under the certificate scope (i.e., agricultural practices, animal husbandry, etc.) are to be carried out.
- 1.1.9: The organization maintains complete and up-to-date records of relevant documents to demonstrate its conformity with all applicable certification requirements.
- 1.2.5: Personnel receive adequate training and supervision to ensure proper implementation of this standard, including the organization's management plans, procedures and policies.

Human Rights & Livelihood

Human Rights and Livelihoods criteria for fiber crops apply at the producer level. Previously, there were no social criteria included within Textile Exchange standards applicable to fiber crops.

The criteria are split into five sub-sections: Policies, Management Systems, and Records; Labor Rights; Social Justice; Livelihoods; and Specific Contexts. Conformance level thresholds have been adjusted to account for the size of the producer across many of the criteria, as indicated by the “performance determinations” column.

The Policies, Management Systems, and Records section contains criteria to ensure that certified organizations have commitments to upholding human rights and systems in place to support these, including policies and procedures, risk assessment processes, stakeholder engagement, implementation of a grievance mechanism, and a recruitment management system.

Sample Criteria:

- 2.17: The organization has a publicly available commitment to actively engage with rightsholders and other stakeholders to meet their right to meaningful and effective participation in decisions which may affect them.

The Labor Rights section contains criteria relating to minimum requirements for remuneration, working hours, child labor, forced labor, freedom of association, discrimination, harassment & abuse, and health & safety.

Sample Criteria:

- 2.2.23: Wages are not withheld as a penalty or to force personnel to work as a payment against debt to the organization.

The Social Justice section outlines criteria relating to the recognition of Indigenous People and Local Community (IP/LC) rights. Where applicable, there are requirements relating to preventing the infringement of IP/LC rights, as well as remediation plans, should infringement occur.

Sample Criteria:

- 2.3.3: The organization has and implements a remediation plan for any identified cases of infringement of IP/LC rights, including those caused by potential environmental harms.

The Livelihoods section includes criteria on tracking costs of production, as well as leadership criteria for paying inflation-adjusted prices over time.

The Special Context section includes a requirement on worker housing applicable where accommodation is provided by the organization.

Land Use

In relation to fiber crops, this section of the unified standard contains most of the criteria related to fiber production practices, applied at the producer level. As written, the criteria are adaptive to specific regions, contexts, and farming systems which will be outlined in user guidance and/or performance determinations (to be included in the second draft for public consultation).

Within the Land Use section, fiber crops-related criteria in the first version of the unified standard currently apply to cotton production only and may not reflect thematic differences in production practices for fiber crops slated for future integration (e.g., hemp and flax).

The criteria are organized into five sub-sections: Soil Health, Water, Fertilizers, Pesticides, and Biodiversity. The following is an overview of each sub-section:

Water

Related fiber crops criteria address the impacts of production on water conservation and water quality, specifically from the effects of irrigation and production of managed land on water resources and natural aquatic systems.

The criteria in this sub-section include requirements for organizations to understand the needs of their local aquatic systems and manage water pollution from production, track and monitor water abstraction where applicable, and adopt best available methods to support efficient use of water. Elsewhere in the standard, certain soil health criteria support water use efficiency by aiming to improve soil water holding capacities.

Sample Criteria:

- 3.2.1: The organization adheres to water rights and can demonstrate that water use does not deny or reduce access to water for local communities or habitats.
- 3.2.4: Irrigation water, when used, is managed efficiently, in response to the plants' needs, limited to essential times of day and stages of plant growth.
- 3.2.7: The water pollution risk of runoff from sediment, composts, manure, fertilizers, and any other potentially polluting materials is assessed and managed.

Soil Health

Related fiber crops criteria are designed to focus on soil health practices as a core set of criteria that provide a variety of positive benefits across a production system and thus support improvements in other areas of management over time.

Criteria in this sub-section include maintaining a Land Management Plan that addresses soil health, tracking and monitoring indicators of soil health to guide production practices, implementing land management techniques and cropping practices that address physical, chemical, and biological improvement of soils, and maximizing associated ecosystem service benefits.

Sample Criteria:

- 3.3.2: The organization utilizes land management techniques that prevent or minimize:
 - a) land degradation,
 - b) soil compaction,
 - c) loss of soil organic matter, and
 - d) soil erosion.
- 3.3.3: Where land or soil damage is detected, efforts are made to restore damaged areas in all land or soil under management (in production or otherwise, e.g., riparian areas, buffers, etc.).

- 3.3.8: Vegetative cover (e.g., cover crops, succession crops, and residue cover) is maintained on soil year-round, as suitable, per the organization's Land Management Plan.

Fertilizers

This sub-section addresses management of soil nutrient amendments, including both natural and synthetic fertilizers. It specifically targets application risks and encourages production systems that enable decreased reliance on synthetic fertilizer inputs over time.

Criteria in this sub-section include adherence to a nutrient management plan, soil nutrient testing, and application guidelines to avoid overapplication and impacts to the environment. These criteria are supported by some Soil Health sub-section criteria which address production practices that promote healthy soils.

Sample Criteria:

- 3.4.1: The organization has a nutrient management plan in place, based on the principles of efficiency and reduction of use of synthetic fertilizers, which calculates likely crop requirements by taking into account the available nutrients in soil, organic manures, composts, and crop residues.
- 3.4.4: All nutrient applications are appropriate, specific to plant needs, and avoid excess or waste.
- 3.4.13: Fertilizers and manures are only applied to the intended crop area, with a buffer zone between the application area and water bodies, riparian zones, and natural ecosystems.

Pesticides

Criteria for fiber crops aim to reduce the impacts of and reliance on harmful synthetic pesticides. Instead, where pest problems are a risk, biological and cultural control methods are expected as the first line of defense.

The criteria in this sub-section include development and adherence to an integrated pest management plan, pesticide use and application requirements to address risks to human, animal, and ecological health, monitoring of pesticide volumes and types to guide reduction and phaseout targets of undesirable pesticides, and prohibitions on certain pesticides classified as highly hazardous.

Sample Criteria:

- 3.5.5: Pesticides applied are appropriate and specific to control the pest burden being addressed. There is no prophylactic use of pesticides.
- 3.5.12: Actions are taken to avoid pesticide resistance.
- 3.5.15: The following Highly Hazardous Pesticides are not used on grassland or crops grown for certification purposes on land under the organization's control:
 - a) Annex A, B, and paragraph 1 of D of the Stockholm Convention (POPs).
 - b) Annexes of the Montreal Protocol (ozone depletion).
 - c) Annex III of the Rotterdam Convention (prior informed consent).
 - d) WHO Class Ia (extremely hazardous) or Class Ib (highly hazardous) pesticide formulations, respectively listed in categories 1 and 2 of GHS.
 - e) Known or presumed to be carcinogenic, mutagenic, or reprotoxic (CMR) substances according to categories 1A and 1B of GHS.
 - f) UN/PAN International List of Highly Hazardous Pesticides.

Biodiversity

Criteria for fiber crops require that the organization shall have a written and implemented Biodiversity Management Plan (BMP) that guides the management and monitoring of biodiversity on the farm and is reviewed at least annually. This plan requires organizations to identify sensitive

habitats and natural population areas on the farm, identify the risks that the management practices have on these entities, and incorporate mitigation efforts to address/avoid these risks.

Criteria in this subsection center around improving habitat connectivity, avoiding habitat loss, and reducing human-wildlife conflict all in efforts to support beneficial ecosystem services and to reduce practices that may be harmful to biodiversity.

Sample Criteria:

- 3.6.2: The Biodiversity Management Plan includes management of land in each of the following sensitive areas, where these exist on the farm:
 - a) protected areas,
 - b) key biodiversity areas,
 - c) biodiversity hotspots,
 - d) rare, endangered, and endemic species,
 - e) riparian areas and aquatic ecosystems, and
 - f) wildlife corridors and migration routes.
- 3.6.3: The Biodiversity Management Plan identifies and addresses each of the following threats to biodiversity:
 - a) grazing pressure,
 - b) crop management,
 - c) soil management,
 - d) alien and invasive species,
 - e) hunting, fishing, or gathering of protected, threatened, or endemic plant or animal species, and
 - f) human-wildlife conflict management.
- 3.6.17: Use of genetically modified (GM) technology is tracked and monitored and the organization has a plan to reduce GM technology over time.
- 3.6.20: No deforestation or conversion of land to agricultural land occurred from December 31, 2020 onwards.

Facility/Environmental

In relation to fiber crops, this section promotes management of natural resources, waste, and energy for on-farm practices as well as activities taking place at the gin/first processing of the fiber. Criteria in this section include adherence to a waste management plan to audit, track, and monitor inputs and outputs, reduction targets for wastes and energy inputs, and requirements for appropriate disposal of waste. Organizations are encouraged to avoid landfilling waste, monitor energy inputs and increase efficiencies, and use carbon accounting tools when possible.

Sample Criteria:

- 5.3.1: The organization has a waste management plan in place to minimize pollution and health risks from organic and other production-related wastes.
- 5.3.2: An internal waste audit is performed annually to establish a baseline measurement and inform the development of continuous improvement targets for the waste management plan.
- 5.6.1: The organization has an Energy Management Plan in place to track and monitor the use of all energy inputs, for the purposes of improving energy efficiency and reducing fossil-fuel based energy sources over time.