Introduction

Across all aspects of society, there has been an increased awareness and recognition of the need for more sustainable purchases by citizens, retailers and brands. In particular, 2018 saw a shift in consumer and government expectations of the fashion industry. In light of the recent surge in climate change awareness and media attention of the detrimental impacts of fast fashion, consumers are increasingly demanding more sustainable alternatives to their everyday products.

This provides significant opportunities but also challenges for organic textiles, particularly cotton. By its very nature, organic cotton provides answers to many of the sustainability issues that are being encountered, as will be explained. But it is currently a small player in a very large, often confusing “ethical” market place. This market report provides an overview of both the broader ethical fashion market, and of organic cotton in particular. It is designed to provide both a background briefing and a springboard for those businesses looking to find sustainable solutions and to help them understand the vast benefits that organic cotton can bring to both business and society.
Market Overview

There was a considerable increase in the purchase of ethical clothing in 2018, as the market grew by 19.9%. For second-hand clothing it grew by 22.5%. The Environmental Audit Committee (EAC) recently launched the UK Government’s first enquiry into the environmental and social impacts of ‘fast fashion’. This resulted in MPs writing to the UK’s top fashion retailers, asking how they are taking action to reduce environmental harm. This has called into question the current business model of the fashion industry, which, although financially successful in the short term, has a huge cost to the planet.

Alongside this, the United Nations Framework Convention on Climate Change (UNFCCC) has recently established a charter outlining steps that the global fashion industry must take towards addressing global warming, and contains the vision for the industry to achieve net-zero emissions by 2050. Soil Association, as part of the Global Organic Textile Standard (GOTS), has signed up to support the charter.

ORGANIC CERTIFICATIONS

As consumer expectations of authenticity and transparency grow, businesses recognise that organic textile certifications such as GOTS and Organic Content Standard (OCS) play a valuable role in ensuring integrity for retailers and consumers alike. The number of GOTS certified facilities grew by 14.6% in 2018, with growth almost doubling from the previous year. This signifies increased supplier commitment to organic production, which increases feasibility for retailers to offer organic garments. This is good news against a backdrop of growing demand - it has been found that 61% of interviewed consumers want to know about how retailers are minimising their impacts on the environment, and the actions being taken to protect their workers’ human rights. This further incentivises brands to tell a story through their products, showcasing commitments to current and future sustainable development. Organic certified textiles can play a vital role in communicating these stories, particularly GOTS, which covers the whole supply chain and also addresses social conditions in factories. GOTS Managing Director Claudia Kersten, says “The increasing number of certified facilities aligns with the common desire to solve sustainability related problems. It confirms that GOTS is seen as part of the solution. Company leaders use GOTS as a risk management tool and as market opportunity. Consumers value the verifiable certification from field to finished product.”

* A 2018 study by Fashion Revolution, surveying consumers from the UK, Germany, France, Italy and Spain.
** Soil Association Certification Organic market 2019 based on licensee sales.
Organic Cotton

Within the fashion industry, more than half of garments sold in the UK are made from cotton, meaning that switching conventional cotton to more sustainable cotton alternatives continues to present one of the biggest opportunities for retailers to reduce their environmental impact. Brands and retailers are recognising that the use of organic cotton in clothing, home textiles and feminine care, is an effective way for them to show consumers how they are transitioning to become more sustainable. As part of this shift, there are now 39 companies who have signed up to the ‘Sustainable Cotton Challenge’, an initiative spear-headed by the Soil Association and managed by Textile Exchange, where retailers pledge to use 100% sustainable cotton by 2025. Soil Association are proud supporters of this initiative, which positively impacts water quality, soil health and brings benefits to the lives of smallholder farmers.

Currently, organic cotton represents less than 1% of the cotton market, but is experiencing fast growth, with a 10% increase in fibre production during 2015/16. The countries producing the largest volumes of organic cotton are India, China, Turkey and Kyrgyzstan. Impressively, 66.8% of all cotton produced by Kyrgyzstan is organic. Countries and regions with the largest percentage growth in GOTS certification in 2018 are: Bangladesh (+29%), North America (+25%), Pakistan (+23%) and South Korea (+23%).

The increase in fibre production also reflects an increase in the amount of organically certified land used for cotton cultivation. In addition to the 472,999ha already under organic certification, a further 214,863ha is in conversion to become organic. This indicates a promising potential growth in the availability of organic raw material in the coming years. Of this certified and in-conversion land, over 80% is in India. Sourcing organic seed in the country can be a significant challenge. High-quality non-GMO seed can be hard to source due to monopolised seed markets, and the business case for organic cotton can be weak in comparison to other crops with more stable markets, making it a riskier choice if farmers don’t have a secure market. These issues are being addressed through seed research and breeding initiatives, such as the project ‘Seeding the Green Future’, run by Research Institute of Organic Agriculture (FiBL) and Organic Cotton Accelerator (OCA).

Organically farmed and produced cotton has many benefits socially and environmentally, which contribute to the progression towards fulfilling the UN’s Sustainable Development Goals (SDGs) and helps to significantly minimise the short and long-term environmental impacts of the textiles and fashion industry.
Organic Cotton is Better for the Environment

A peer reviewed life-cycle analysis7 has found that in comparison to conventional cotton production, organic cotton has important differences.

These figures showcase the positive capabilities that organically produced cotton can have on the environment on a global level. You can get a detailed breakdown of these figures by reading the Textile Exchange report ‘The Life Cycle Assessment of Organic Cotton Fiber’ (refer to report 7 on page 14).

- 91% reduced water consumption**
- 62% reduced energy***
- 70% less potential for acid rain***
- 46% reduced greenhouse gas emissions**
- 26% reduced pollution of waterways*

**LCA showed 46% reduced global warming potential, which is a measure of how much heat a greenhouse gas traps in the atmosphere.

***LCA showed 70% less acidification potential, which is a measure of emissions which increase acidity of water and soils.

+LCA showed 26% reduced eutrophication potential, which is the pollution state of aquatic ecosystems from over fertilisation of water and soil.

++LCA showed 91% reduced blue water consumption, which is water that has been sourced from surface or groundwater resources.

+++LCA showed 62% reduced primary energy demand which refers to the direct use of energy, such as fossil fuels.
Government support for organic

The Environmental Audit Committee (EAC) released their report on fast fashion in February. The report recognised the important role of organic in helping to turn the tide on unsustainable fashion.

"...Increasing organic cotton production could make a significant contribution to minimising the environmental impact of the fashion industry. It would reduce the use of chemical fertilisers, pesticides, and associated water use."

It urged for incentives be put in place to encourage the move away from unsustainable sourcing;

"Encouraging a move from conventional to organic cotton and from virgin polyester to recycled PET (in garments designed to minimise shedding) could help to reduce the impact of the clothing industry. We recommend that the Government reforms taxation to reward fashion companies that design products with lower environmental impacts and penalise those that do not."

"We are unwittingly wearing the fresh water supply of central Asia and destroying fragile ecosystems. Consumers can play their part by avoiding products with pre-made rips and tears and seeking sustainable or organic cotton wherever possible. Governments should oblige retailers to ensure full traceability in their supply chains to prove decent livelihoods and sustainably sourced materials."

The EAC report is the strongest signal yet from government that unsustainable fashion must become a thing of the past, and that an increase in the uptake of organic cotton offers a practical, scalable and positive solution to the grave challenges the industry faces.

You can find a link to read the full EAC report ‘Fixing Fashion: Clothing Consumption and Sustainability’ on page 14 (refer to report 9)
Social Benefits of Organic Cotton

Crop rotation, which is an integral part of organic farming, means farmer incomes are not reliant on just one crop. Growing a variety of crops also makes an important contribution to food security. Additionally, seed saving is also possible which increases farmer independence from seed companies. Through the elimination of toxic agrochemicals, illnesses associated with their use decreases, thus improving farmer health and consequently decreasing money spent on healthcare. Furthermore, higher financial returns from organic premiums increases income, contributing to bettering the local infrastructure, education and community self-sufficiency.

When buying an organic product certified to GOTS, it also means factory workers are protected, and that checks will have been made to ensure strict social criteria have been met. These include requirements related to minimum wages, working hours, freedom of association, and prevention of child labour, discrimination and harsh or inhumane treatment.

GOTS certified facilities report to employ more than 2.02 million people across 64 countries around the globe.
Sales of Soil Association certified textiles grew by 18% in the UK in 2018, highlighting growth in the market which is now worth £41.3m. This is a positive incentive for companies considering expanding their use of organic textiles within product lines. Furthermore, a recent study* found that more than one in three (37%) consumers say they consider environmental impacts when buying clothes, and 85% of people consider it important for fashion retailers to reduce their climate change impact.

* A 2018 study by Fashion Revolution, surveying consumers from the UK, Germany, France, Italy and Spain.
Consumer awareness of the impact of the fashion and textiles industry is increasing, especially within the millennial generation (18-35 year olds), and can be recognised in their buying decisions throughout the market. Retailers’ targets and commitments are evolving to reflect this and are therefore encouraging sustainability innovation throughout the supply chain, with a shift towards more conscious sourcing.

COTTON
Within sustainable fabric sourcing, barriers to increasing organic cotton use such as price, supplier resistance, and availability of supply are possible to overcome through retailers’ long-term commitment to integrating organic cotton into product lines. This is because commitment allows for security in demand throughout the supply chain, including for the farmer. This is essential in order to sustainably support farmers and to provide them with a sound business case, which helps to encourage the growth in the supply and integrity of organic cotton and reduces the risk of fraud.

Commitment to organic is increasing throughout the fashion industry. For example, Superdry has committed to using 100% organic cotton by 2040. They are doing this by working directly with their product suppliers and farmers to support education, finance and demand security, in order to aid growth in the market.

Superdry is committed to moving to 100% organic cotton by 2040 - starting this year with our polo shirts, non-printed Tees and sleepwear. We believe that organic cotton is better for the environment, better for our farmers, and better for our clothes. To achieve our goal, our board has made a commitment to invest in our supply chain. We are supporting our farmers with training, providing them with organic seeds, and making them a long-term commitment to buy their organic cotton. These financial and operational steps are critical to making a success of our policy.

Carly Thomas, Ethical Trading Manager, Superdry
Stella McCartney have committed to 100% organic cotton by 2020, and most recently, have promoted low-carbon methods of producing products within the fashion industry by backing the United Nations Framework Convention on Climate Change (UNFCCC). This is as well as launching Stella McCartney Cares Green, which is an environmental branch to the brand’s charity.

Fast-fashion retailers such as ASOS, Mango, Inditex and H&M are continuing to expand their use of organic and recycled fabrics to raise awareness and offer products appealing to the more conscious shopper.

People Tree who are certified by Soil Association Certification to GOTS, are continuing their strong commitment to sustainable fashion, as Melanie Traub, Managing Director at People Tree explains:

At People Tree we aim to ensure that our clothing has the least possible impact on the environment. The best way to do this is to use natural resources and processes throughout our production, and to promote environmentally responsible initiatives for a sustainable future.

This starts with choosing a GOTS certified organic fibre. Organic farming avoids the use of toxic chemicals, pesticides, fertilisers and genetically modified seeds. In 2018, 93% of People Tree cotton used was GOTS certified organic cotton.
WOOL
The certified organic wool market in the UK declined in 2018 by 28% to £1.2m. Much of the processing is small scale and linked to organic sheep production with only a few major processors and weavers. This looks set to change as more retailers are looking to bring UK sourced organic wool ranges into their business and an increased interest in artisan lines. For example the Sandringham Estate has recently decided to increase its organic wool production.
The world of fashion is changing – the disastrous social and ecological effects of the growing £1.5 trillion fashion and textile industry can no longer be ignored.

Consumers, politicians, activists and fashion influencers are increasingly questioning the basic premise of fast fashion – low quality goods, produced in poor quality factories, from poor fibres, to be worn once and then thrown away.

Many forward-thinking companies are starting to respond, and there are growing numbers of brands and retailers showing commitment to sustainable sourcing and industry reform, some of which are highlighted in this report.

Organic cotton is right at the heart of the solution, given its track record of delivering clear social and environmental benefits. As awareness increases, consumers and brands are looking to source more organic. By buying organic textiles certified to GOTS, they can be sure that products have traceability and have been produced in a way that helps combat climate change, saves precious water, avoids hazardous synthetic pesticides and genetic modification, helps farmers feed their families, protects factory workers and is manufactured in a way that drastically reduces the overall environmental impact of textiles.

We hope this briefing provides some insight into the organic textiles market in the UK. Please contact us if you would like any further information. Soil Association and Soil Association Certification have policy and certification teams that are experts in organic textiles.
GET IN TOUCH

Soil Association
soilassociation.org

Press office
press@soilassociation.org

To discuss certification for your business:
goorganic@soilassociation.org
01179142406
www.soilassociation.org/textilescertification

The Global Organic Textile Standard (GOTS) is the gold standard for the sustainable processing of textile made from organically-grown fibres such as cotton or wool.

The Organic Cotton Standard (OCS) certifies any non-food product containing 5-100% organic material.
References

1/ https://www.ethicalconsumer.org/research-hub/uk-ethical-consumer-markets-report
8/ http://aboutorganiccotton.org/sgds/