



Dear Friends

This year we celebrated our 10th anniversary. We hope you enjoyed our special projects such as Future Shapers, Organic in Action and Inspiring Moments (calendar available [here](#)) and that you will enjoy this special holiday edition of Engage where we look back upon the past year and look forward to the future. In addition to a review from each of our regions we are also pleased to bring you a special feature from **Arun Chandra Ambatipudi**, Chetna Organic, India and **Orlando Rivera**, Bergman Rivera, Peru.

Whether we have travelled a long way together, or are new friends, you will have seen that we refer to organic cotton as the 'gold standard' of more sustainable cotton production. As the interest in sustainability grows, the role of organic agriculture – as a leader, teacher, and as inspiration – is now even more important than ever. Despite the best intentions and hard work of the organic community, there is no denying that this year has been a challenging one yet again. We know times have continued to be tough and economies remain unstable for many of us. In 2012, for the first time we saw production volumes of organic cotton drop. In a 'call to action' this year we established a Round Table for organic cotton to help us address key issues.

Our firm belief is that we are beginning to move through this period of uncertainty. It will take time, but already there is a better understanding of the importance of organic agriculture within the realm of 'sustainable agriculture' particularly for small scale farmers, of which there are millions.

Our expectation is that over the next few years the eco-value addition of organic agriculture will be properly understood by the textile industry (and better expressed through tools such as the Sustainable Apparel Coalition's Higg Index). Hopefully, this recognition will result in more investment in the 'gold standard' by textile companies wanting to maximise their contribution to livelihoods, ecosystems, and the sustainable futures of those involved in producing their raw materials, particularly in developing countries, where the need for food security, access to clean water, and the protection of biodiversity, can be acutely felt.

But we need to get the business model working – and quickly! In 2013 we will be taking our early work on business models and the necessity for responsible trade to the next stage via our new Round Table task force, and we are eager to publish an industry guide to help move suppliers and buyers into more stable, equitable, and overall more sustainable, business relationships.

Over the years we have seen the best organic farms existing in harmony with nature; producing fibre and food – whilst improving soil fertility rather than depleting it. However, organic farmers are increasingly struggling to get hold of the seed they need to grow great organic cotton and achieve good yields. Alongside this, some rural communities are losing their traditional crops, which are often the ones best suited to their region.

Through the work of our Round Table task force, we will be doing all we can to support farmers wanting to use traditional seed to grow cotton organically (or for Fairtrade or "Cotton made in Africa"), or simply wanting the choice to grow non-genetically modified cotton. In 2013 we will be ensuring our members have the tools and information they need to support seed security, which is an important component to building resilient rural communities, particularly in an age of climate change.

For now we want to thank you for sharing your journey with us in 2012 and hope we will become even closer travel companions in 2013. We also want to welcome new friends to our community and hope to get to know you better during the year. If you are new to Engage, please [subscribe](#) for 2013.

Our warmest season's greetings!

Textile Exchange Farm Engagement Team

LaRhea Pepper, Liesl Truscott, Prabha Nagarajan, Silvere Tovignan, Alfonso Lizarraga, and Hanna Denes

News and Views

Final Organic in Action Released This Month

Organic in Action



In **Organic In Action** you have heard words of inspiration in the many voices of Textile Exchange's members and friends. This month we post the very last story of our series. We end with an absolutely fascinating account of an organic Fairtrade cotton federation in Senegal which started off assisted by an NGO and is now independent. YNW specializes in regenerating traditional textiles and handicrafts. As a result an appreciation of traditional clothing is increasing amongst the locals, as well as a revival in the artisanal skills required to produce the beautiful products.

We hope you have enjoyed our Organic In Action series as much as we have! Some stories are of cooperatives building a better world, and these were also shared as part of the International Year of Cooperatives stories.coop. We want to take this opportunity to thank the 18 contributors for sharing their story with us and for their unique contribution towards a more sustainable world. Read all 18 stories [here](#).

Farm Hub Latest News

A reminder that we update our 'Latest News' column regularly – to keep in touch with a range of breaking news items don't forget to visit us regularly <http://farmhub.textileexchange.org/#new>

All 'Latest News' has been carefully archived in our Farm Library for your convenience. To recap on 2012 click [here](#).

New Resources

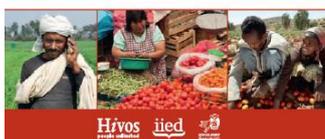
Report Urges New Development Agenda For Small-scale Farming



Small producer agency in the globalised market

Making choices in a changing world

BILL VORLEY
ETHEL DEL POZO-VERGNES
ANNA BARNETT



Small-scale farmers are being cast as the future guardians of global food security, as new partners with big business, and as central to the adaptation of agriculture to climate change.

A three-year study of the ways small-scale farmers operate in Africa, Asia and Latin America has prompted calls for a major rethink of development and business interventions.

The IIED – Hivos project's final report — published 29 November — shows how mainstream efforts to make markets work for poor farmers can fail to operate in tune with the ways such farmers themselves try to make their markets work.

Read the Guardian Sustainable Business [blog](#). Download the full [report](#) from the IIED website.

New Guidelines for Organic



Earlier this year, USDA launched its **Organic Literacy Initiative**. This effort includes self-paced training modules, outreach materials, and a guide to organic and organic-related USDA programs. This month a series of plain-English guides have been released.

To describe the relevant organic requirements, provide best practices, and further explain the certification process, the National Organic Program (NOP) partnered with the National Center for Appropriate Technology (NCAT) to provide the following detailed guides:

- **Guide to Organic Crop Production**
- **Guide to Organic Livestock Production**
- **Guide to Organic Processing**
- **Guide to Organic Certification**

These guides provide helpful information for both beginning farmers and current organic operations looking to adopt new management approaches. Note: the guides are quite large and may take a few minutes to download.

Special Features

A Word from Arun Chandra Ambatipudi: Together we can make the world a healthier place!

Chetna Organic is a smallholder farmer-owned and professionally managed organization working towards improving the livelihood options for smallholder households in the rainfed regions of India, through making farming systems socially, ecologically and economically more sustainable. Chetna Organic has a membership base of over 15,000 organic and fair-trade certified farmers at present and targeting to reach 30,000 farming households by 2015. Arun Chandra Ambatipudi, Chief Executive, Chetna Organic writes from his office in Hyderabad, about Textile Exchange:



“Over a period of time, I watched Textile Exchange evolve into a truly vibrant sector building organization for sustainable textile value chains globally to improve the lives of people in the cotton supply chain. As a result of this effort, being part of sustainable textile value chains became the top most agenda to a majority of the stakeholders in the supply chains.

More than the quantitative expansion of the sustainable textiles sector, the role of Textile Exchange has been to build the shared understanding and capacities, as well as by cautioning the sector by raising awareness of critical issues such as integrity, seed security, financing value chains, pricing policies among other issues.

Textile Exchange did not stop just with the efforts at an intellectual level but went on to partnering and supporting the producer organizations world over by bringing out stories, and issues from the field to the notice of the upper end of supply chain through well researched and quality documents. Textile Exchange is able to establish well structured platforms such as the **Sustainable Textiles Conference**, a sector-wide **Round Table**, and other events as a global platform that strengthens the sector through high quality research, knowledge dissemination, and intellectual debate.

Textile Exchange works with us, Chetna Organic, extensively on several fronts and as a partner supports our organization to conceptualize and ground solid programs on seed & food security. Textile Exchange provides us the opportunity to present the issues from the producer’s perspective and Chetna Organics’ work before the industry through various platforms. We use the well documented and published **case studies**, **product profiles**, and other publications generated by Textile Exchange extensively. We value our partnership with Textile Exchange”.

Arun Chandra Ambatipudi,

A handwritten signature in blue ink, appearing to read "Arun Chandra Ambatipudi".

Chief Executive
Chetna Organic <http://www.chetnaorganic.org.in/>

A Word from Orlando Rivera – Chief Exec. of Bergman Rivera, and new TE Board Member



Bergman Rivera is a Swedish-Peruvian company, and pioneer in the promotion of organic cotton and sustainable textiles since 1986. They work closely with many organic cotton farmers in different valleys of Peru and have strong partnerships with GOTS certified facilities in that country. They empower small farmers to change their lives by transitioning to organic agriculture and helping them be self-sufficient and develop new related sustainable businesses. Bergman Rivera's objective is to supply the market with organic cotton products of utmost quality, while preserving the environment.

Orlando Rivera, Chief Executive of Bergman Rivera and new Board member of Textile Exchange, reflects on his relationship with TE over the years:

"We have been members of Textile Exchange for 6 years, since it was known as Organic Exchange. I have witness the successful transformation of the organization from a promoter of organic cotton to a wide organization focused on educating the consumers, raising awareness among industries and supporting the organic farmers. They give advice and inform all the members of the textile chain about the different sustainable alternatives there are out there. I have always been impressed by their level of commitment to being an agent of change in this industry and how they have managed to always be on the forefront of upcoming alternatives in textile sustainability.

In 2012, we had the chance to work closely with Textile Exchange in the Latin American region, searching for ways of improving the organic cotton farmers' lives by promoting textile value chains. We have analyzed in detail the problems faced by organic cotton farmers, as the cotton price volatility was their worst enemy during 2011/2012. We have been able to suggest different alternatives to improve the lives of farmers, as well as learn from the problems faced by other farming communities around the world.

Also in 2012, I had the chance to get a closer look into the Textile Exchange organization, as I was invited to become a Board Member. The Board spent 2 days in Hong Kong analyzing the sustainable trends in the world, the main problems affecting organic farmers, the integrity in the industry, certification alternatives and planning the strategy for years to come. I was impressed by the level of professionalism and commitment from all the Board Members and the broad base of experiences and industry representation we had.

I am convinced that Textile Exchange will set the standards and show companies the path to Sustainable Textiles in the years to come".

Orlando Rivera
Chief Executive
Bergman Rivera

<http://www.bergmanrivera.com/>

Regional Updates

AFRICA

Organic and FairTrade Cotton Production and Trade in Africa: Ending the Stagnation in 2013



During the first decade of the 2000s, the production of organic cotton has been increasing with a number of new projects in Uganda, Tanzania, Bénin, Burkina Faso, Mali and Sénégal entering the sector. Since 2010, the downward tendency in terms of production volume is becoming worrying. According to the last Farm and Fibre report of Textile Exchange, during 2011, Africa experienced a 16 percent decrease in the production of organic (and Organic fair trade) cotton.

In addition, in Uganda political agendas have restricted the production of organic cotton, and in other countries projects have stopped producing organic cotton altogether such as YIRIWA SA in Mali. At the same time, the new “sustainable cotton” brands have stepped in such as the Better Cotton Initiative (BCI) in Mali, and Cotton made in Africa (CmiA) in Tanzania.

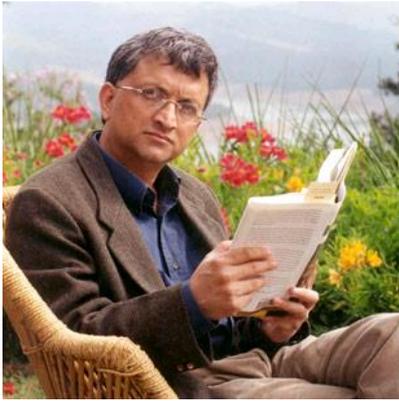
Most of the producer groups who have been growing organic cotton since the early 2000s remain with their long term brands and buyers. However, these buyers are not significantly increasing their consumption of organic fibre, and meanwhile the production volumes are higher than before. During 2012, more than five new buyers with an interest in procuring organic cotton fibre from Africa were introduced to Producer Groups by Textile Exchange, but none of them got as far as signing a buying contract. Some of the Producer Groups inevitably ended up selling their remaining stock of organic cotton as conventional, losing the organic added value. So what is going wrong?

During the New Year 2013, this situation has to be turned around. We need a detailed assessment of why new buyers are entering so slowly into the organic cotton sector of Africa. My belief is that reasons behind this situation are more complex than the “classical factors” such as the high price of African organic cotton and the lack of manufacturing capacity, which are often highlighted. An important move, I think, will be to change the perception of African organic cotton by stressing its contribution to development priorities. 2013 has to be the year we do this.

Reported by Silvere Tovignan, Regional Director Africa, Textile Exchange

INDIA

A Renewed Philosophy



Eminent writer and historian Ramachandra Guha writes evocatively about different North South perspectives of environmentalism in “How Much Should a Person Consume...Thinking through the Environment” (2006). In this book he refers to essays and critiques of Bill Devall and George Sessions’ in “Deep Ecology” published in 1985. The prevalent philosophy of the environmental movement was “Shallow Ecology”, which was to be distinguished from a truer “Deep Ecology”. Shallow ecology was narrowly anthropocentric and thought nature existed only to serve man; deep ecology was biocentric and had the interests of nature itself at heart. Whereas shallow ecology placed uncritical faith in technocratic solutions, deep ecology believed in spiritual solutions based on a creative reworking of ancient ecological wisdom. Guha’s critique was that the anthropocentric / biocentric distinction was of little help in understanding the dynamics of environmental degradation. Further in “How Much Should a Person Consume”, Guha quotes extensively from Gandhian economist Kumarappa who

spoke of the Economy of Permanence versus the Economy of Transience brought on by excessive chemical usage in agriculture.

Much of Kumarappa’s arguments, quoted by Guha in his book, remain valid today after 56 years, whether it pertains to fertilizer overuse, subsidies for fertilizers, or the lack of facilities for testing soil and water in rural areas. And they are more valid in cotton cultivation in the agrarian economy of India than perhaps for any other crop, reeling under the onslaught of technological advancement without the requisite and truthful, knowledge based support, and unknowingly contributing to the huge risk of the next generation veering away from a life in agriculture.

Herein then lies the merit and significance of organic cotton farming for developing rural economies. In its true and meaningful avatar, with its emphasis on nurturing the soil while making it deliver, recycling, using natural and available resources prudently, caring about biomass, responsible water use, and caring about farmers being self-reliant and self-sufficient, organic cotton farming can deliver like no other production system can. In order to deliver though, the system needs to operate within a true frame of integrity of purpose, starting at the farm gate level and moving upwards to the Brands and retailers at the most powerful end of the chain.

The falling acreage for organic cotton in India clearly demonstrates a tightening of the system, but also an emerging scenario where organic cotton is struggling to keep its place in the sun. Existing producer groups and their farmers need to work around the creeping disenchantment with low prices, higher costs of farming and living, stagnant yields and strong challenges on ground while struggling to maximise their resources and maintain their enthusiasm.

Clearly organic cotton is at a critical phase in its life cycle. The next two or three years will determine if a stronger, more vital, more purposeful sector will emerge, ably supported by not only the policy makers and technocrats, but by brands and retailers with a renewed appreciation for organic cotton farming and with insights and strategies for meaningful collaboration. The organic cotton production agenda has always been an obvious one of bridging gaps at several levels and creating synergies that reflect the commonality of meaningful human endeavour, rising above mere materialism and incorporating social, and ecological ideals. While the whole “Deep Ecology vs Shallow Ecology” debate revolved around the American wilderness movement, we can probably draw some inspiration from it, one that will help us dig deep and re-emerge successfully, not just in terms of tonnage and acreage, but because we hugely value our place in the scheme of things and what we are bringing to the Universe.

By Prabha Nagarajan, Regional Director India, Textile Exchange

Photo of Ramachandra Guha, courtesy of Indiana University.

LATIN AMERICA

Reflecting on Trends for 2012 and Predictions for 2013



In 2011 the estimated production of organic cotton fiber in Latin America was 901 metric tons (MT). Several challenges have been faced in Latin America and the Caribbean in 2012, especially those arising from the international economic situation. However, good macroeconomic management by some countries in the region has allowed them to withstand the effects of the economic and financial crisis internationally. In this context, cotton production has remained relatively stable, except for the effects of climate change in some countries.

Textile companies in Latin America have been affected by the economic crisis in Europe and the USA - two important markets for organic textiles. While farmers and producer groups of organic cotton fiber have also been affected by climate, the import of cotton fiber mainly from India and China, along with market volatility, has generated relatively

low prices for farmers.

The Agricultural Research Corporation (EMBRAPA) in Brazil, confirmed that organic production in semi arid areas generates many benefits to farmers, such as: no use of pesticides, associated (food) production, and better prices. Further, there are some Brazilian projects that have achieved certification for organic cotton in intercropping. In addition, the Network of semi arid agroecological cotton continues its consolidation process and leads the development process for organic cotton. In Paraguay, Aratex remains a leader in the production of organic cotton, whilst Coproexnic takes on this role in Nicaragua. In Peru Bergman Rivera, Ecotton, New Expo and Oro Blanco are stable companies with sound organic cotton projects.

Paraguay and Brazil were affected by a severe drought this year, which affected the performance and production. Moreover, Paraguay joined other countries in the region allowing the release of GM seeds, and there is great concern for businesses and local NGOs in relation to possible effects on proposed organic cotton production. In Mexico there are efforts to start a chain of organic cotton; meanwhile, they import organic yarn for textile production.

In short, the production of organic cotton fiber in Latin America has suffered a slight decline, whether through the effect of climate change or area reduction of some projects, but it is expected that this production of around 900 MT of fiber will remain relatively stable. In 2013 the situation is expected to continue to remain stable, or improve if the climate in Brazil and Paraguay is favourable, and market conditions start to favor the price of organic fiber.

In December 2012, companies that are certified for organic cotton production are Amuabas, Adec, Agroform, Coaprodes, Coopapi, Malhas Martins (Brazil), Coproexnic (Nicaragua), Aratex Organic (Paraguay), Ecotton, Bergman Rivera, New Expo and White Gold (Peru).

In the textile field, Zagis (Mexico), Cofaco, Hialpesa and Romosa (Peru) are certified to OE standards. Also, GOTS certified companies are: Wool and Fuhrmann Chargeus in Argentina (wool), Exportadora Textuful and Real Estate Resume in El Salvador, Zagis in Mexico, Art Atlas, Bergman Rivera, Organic Cocoa Amazon, braids Comercializadora Peruvian Ecotton, Filasur, Franky Ricky, Inca Tops, Industrial Textil Piura, La Colonial, New Expo, Oro Blanco in Peru.

By Alfonso Lizarraga, Regional Director Latin America, Textile Exchange

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We hope you enjoy reading Engage. Please feel free to contact any of the team, we welcome your feedback and ideas for improvement.