As the EU’s flagship food policy, the Farm to Fork, and its complementary relative, the Biodiversity Strategy, aim to improve sustainability at all levels of the food chain, the focus is now on the tools that could deliver such ambition.

For instance, the EU’s farming subsidies programme, the Common Agricultural Policy (CAP), envisages a new green architecture designed to reward farmers for certain agricultural practices considered important in delivering environmental goals.

However, the private sector is not standing idly by and has started to propose tools to help achieve this.

This includes markets to incentivise carbon removals and protocols to assess the environmental impact of products in a bid to assess validate claims.

In this special report, EURACTIV takes a closer look at ways to offer standardised information on sustainable farming practices through the lens of the US Cotton Trust Protocol and how it could help to improve the sustainability of the whole supply chain.
Contents

Fashion brands at the test of setting sustainable standards 4
‘Farmer-friendly’ data collection sets the stage for sustainable solutions 6
Sustainability protocols key tool for encouraging next generation of farmers 8
Textile transparency issues will not vanish with upcoming EU’s strategy 10
U.S. Cotton Trust Protocol 12
Fashion brands at the test of setting sustainable standards

By Gerardo Fortuna and Natasha Foote | EURACTIV.com

Consumers’ craving for ever-increasing sustainable products is leaving its mark on the textile industry, creating a shift toward a ‘greener’ manufacturing process that requires new ways to assess its impact on the environment.

To meet this growing demand, fashion brands and retailers have recently come up with a proliferation of sustainable claims about conscious shopping.

The EU policymaking is going in this direction as well and a strong focus on making the textile industry more competitive and sustainable is included in the European Green Deal, which sets the EU’s new ambition on the environment and tackling climate change.

The vision embedded in the Green Deal has been scaled up in the EU’s latest climate legislation package, the Fit for 55, and with a further push on sustainability embedded in the NextGeneration EU, the recovery plan to boost economic recovery after the COVID crisis.

A key aspect of the Green Deal is constituted by the Circular Economy Action Plan, in which the Commission laid out plans for a comprehensive EU strategy for textiles, expected to be unveiled in the coming months.

Lastly, the EU’s flagship Farm to Fork food policy and its complementary relative, the Biodiversity strategy, both aim at slashing by 50% the use of pesticide by 2030, which should require cooperation from...
third countries in the use of plant protection products.

This could have an effect on the imports of certain materials such as cotton, which has recently grabbed the attention of fashion brands for its already existing and validated sustainability standards and initiatives.

“There is a momentum, a growing awareness and the opportunity there to tackle this,” said Tara Luckman, co-founder and director of the Flourish CSR consultancy, active in the field of sustainability.

However, it’s not all about policies. Consumer attitudes are evolving too and today’s brands and retailers are questioning what the industry is doing to improve on sustainability.

According to a survey by the Economist Intelligence Unit (EIU), 51% of respondents believe that consumers are driving the increased focus on sustainability issues in the fashion and textile industry.

BRANDS AT THE TEST

Brands and retailers understand that a new mandate is coming, from consumers and from lawmakers. In response, they are putting more scrutiny on their own sustainability programs.

According to Luckman, companies are “nervous of invisible risks”, keeping their eyes on what will come next and not just looking to avoid any risk assessment.

Likewise, fashion brands do not want to unwittingly support human rights abuses either. In a nutshell, they want transparency over the whole supply chain.

“Companies are also dealing with the ramifications of what has recently happened in China, which has directly impacted what companies are asking for new programmes,” Luckman said, referring to a strong request coming from the industry for reliable and specific data about impact and lifecycle analysis.

While brands and retailers understand that data can help them measure progress towards sustainability targets, most of them do not collect a wide variety of data, the findings of the EIU report showed.

For this reason, many of the firms surveyed for the EIU study have also called for more standardised data collection techniques, highlighting that if each company continues to adopt its own approach, the result will be not comparable, making it difficult to assess the industry progress as a whole.

According to Luckman, it is important to have actual data on where brands are starting to move towards environment footprinting, direct business operation, and use of raw materials in order to shift towards decarbonisation goals.

BUT HOW TO MEASURE?

“There’s certainly continued trend of consumer awareness and demand for sustainable products, and plenty of educated and savvy claims on a product,” said Luckman, adding that, however, generic, self-branded claims without any credible evidence may not go a long way.

The challenge is posed, in particular, by the fact that there is no third-party verification on such claims as there is a lack of standardised procedures to collect and evaluate any kind of sustainability data.

“Communicating the complex aspects of a certification scheme is a lot to get in at the point of sale, but on the other hand, oversimplifying loses credibility,” she pointed out.

The EU already tried to adopt methodologies to measure products’ environmental footprint (PEF) as part of the efforts to move toward a green single market.

Several industries have tested the PEF in practice in a Commission-led pilot phase – including a review of t-shirts and footwear – putting in place different approaches in order to identify those that could work best.

As the PEF will make an important part of the sustainable product strategy, the need for measurable data for apparel’s environmental footprint will be crucial in creating a harmonised environmental footprinting methodology for products.

Some programmes have already been launched on the other side of the Atlantic, such as the US Cotton Trust Protocol, which provides a voluntary way to collect and communicate individual grower management and sustainability practices at the farm level.

This programme enables US cotton producers and industry organisations to document their progress toward continuous environmental improvement, in a bid to demonstrate in practice their commitment to more sustainable cotton production.
With a growing demand for sustainable products, reliable data is key for farmers to improve their production practices and prove their green credentials. But how can this be done in practice? EURACTIV takes a closer look at one protocol putting this into action.

Sustainable sourcing is high on the European Commission's agenda, from its flagship food policy, the Farm to Fork strategy, which aims to improve the sustainability of every stage of crop production systems, to its new Circular Economy action plan.

But while both strategies place a strong emphasis on the need for measurable, verifiable data, navigating this can be a minefield for producers.

"We've got a lot of data that we've collected, but then it becomes overwhelming when you’re trying to sort through all this data and you go, what does it mean? That's the real challenge," US cotton farmer Aaron Barcellos told EURACTIV in an interview.

To help streamline this, Barcellos, alongside hundreds of other US cotton producers, has signed up to a sustainability protocol called the U.S. Cotton Trust Protocol.

The Trust Protocol, which sets a new standard for more sustainably grown cotton, instrumentalises data as a way to help farmers improve on their sustainability, while also offering assurances to retailers of the quality of their product.

Continued on Page 7
“U.S. Cotton Trust Protocol measurement is unique in a way where the sustainability progress is verified using the data collected from pre-planting to post-harvest operations,” Deepika Mishra, special adviser to the U.S. Cotton Trust Protocol, explained to EURACTIV.

In this way, the Trust Protocol brings quantifiable and verifiable goals and measurements to cotton production to help drive improvement in key sustainability metrics.

“Accurate data collection sets the stage for appropriate environmental decisions,” Mishra said, highlighting that data analysis is “only as good as the quality of data obtained during the collection process”.

“Inaccuracy in data will lead to wrong conclusions because of faulty interpretation of results,” she warned.

IT TAKES A FAMILY TO RAISE A CROP

To collect this data, the Trust Protocol works in a series of steps via partners and intermediaries.

Firstly, growers complete a self-assessment of best practices on nine key principles, including soil health, water management and biodiversity, among other criteria.

Farmers then collect and input data using a platform ‘Field to Market’ where producers can track their data to make sense of it.

A vital component of the Field to Market platform is the Field Print Calculator (FPC), whereby producers input information related to the management of their farming operation on topics such as crop rotations, nutrient and fertiliser application practices, and pest management.

The calculator then uses this information to provide a score on environmental metrics such as water quality, land use, and soil conservation and carbon.

“With the help of the metrics score, producers can compare their results to both the state and national averages, which helps the producer understand where they stand with other producers in their region and implement practical and region-specific practices,” the U.S. Cotton Trust Protocol’s Mishra explained to EURACTIV.

‘FARMER-FRIENDLY’ FOCUS

Using such platforms makes it easier for farmers to input their data, according to Allison Thomson, vice-president of science and research at Field to Market.

“We often hear that the hardest part for our projects is getting farmers to enter the data, we know a key barrier to entry is just being able to sit down and enter all the information. So we work on a lot of ways to make that easier,” she explained.

For Thomson, whose role is to ensure that measures for sustainability metrics needed for sustainability assessment are based on the latest science, the use of such platforms helps farmers see that the measures they are implementing on their farms are working.

“A lot of our farmers are pretty progressive, they want to be adopting the most recent sustainability practices, but they want to also be able to see that that’s working. And so they find value in our platform that way,” she said.

OUTCOMES OVER PRACTICES

Thomson highlighted that a strength of the Trust Protocol is its focus on outcomes, rather than practices.

“Over in Europe, a lot of the programmes are much more focused on practices rather than outcomes. But our whole programme is designed in a way where we’re not going to tell you how much fertiliser to apply, but rather, what is the environmental outcome of that choice”.

“We don’t want to dictate to farmers what to do. But we do want to track your outcomes and help you to improve on those,” she explained, stressing that this ensures farmers are a critical stakeholder around the table “from the beginning”.

Continued from Page 6
Farming sustainability protocols can be an invaluable tool for farmers to tell their story and keep farms economically viable so they can be passed onto future generations, US farmer Aaron Barcellos told EURACTIV in an interview.

The fourth-generation farmer, who runs a family farm along with his brother, grows an array of crops in California, including cotton. Like many other farmers, Barcellos’ main concern is the farm’s future economic and environmental sustainability.

“My family’s on the farm, and so is my brother’s family, and we want that opportunity for our kids and our grandkids,” he told EURACTIV, adding that the family farm has been adapting as best it can to keep it commercially interesting.

This ambition has driven Barcellos to sign up to a cotton sustainability protocol, the U.S. Cotton Trust Protocol.

The Trust Protocol, which sets a new standard for more sustainably grown cotton, brings quantifiable and verifiable goals and measurement to cotton production to help drive continuous improvement in key sustainability metrics.

“It gives us a chance to tell our story as farmers,” he said, stressing that farmers should feel good about sharing their side of the story.

“We need to make sure people know that we’re not here just to make money, we want to be sustainable, we want generations to come behind us and have the same opportunities we did,” US-based farmer Aaron Barcellos said.

Continued on Page 9
want to be family oriented, we want generations to come behind us and have the same opportunities we did,” he said.

But while this is a message that consumers increasingly want to hear, the industry has not always been very successful at conveying it, according to Barcellos.

This is where sustainability protocols come in.

“The [protocol] is a way to bridge these two,” he said, pointing out that it allows consumers to get closer to farmers and understand where their clothes are coming from and the impact their choices make.

The Trust Protocol, he added, also gives recognition to “a lot of the practices farmers have already been doing to remain viable and sustainable,” he said.

He pointed to the six key metrics that the Trust Protocol uses, which encompass current land use water management, soil loss, greenhouse gas emissions, and energy efficiencies.

“We all have our own records, and we can see individual farm how we’ve progressed over the years and the different things we’re doing now that we haven’t done [in the past], but it’s about collecting all that data in a manner that is something that we can present to the brands and the retailers on the show them and actually point to all the improvements we’ve done over the years,” he said.

While Barcellos is still relatively new to the Trust Protocol, which he signed up for in 2020, he is hopeful that it will also allow him to improve on the progress already made on his farm.

“That’s the real goal behind the U.S. Cotton Trust Protocol – to make sure we can collect that data, learn from it, keep improving as we go forward,” he said, adding that he can also benchmark his progress using data aggregated from other farms that have signed up to the Trust Protocol.

Commenting on the similar protocols that are starting to crop up for other sectors, Barcellos highlighted the need for protocols to work closely with farmers and retailers to ensure they are pertinent and user friendly.

“A lot of times [farmers] get intimidated by some of the different software platforms and try to figure out how that works or try to get your information [uploaded] to that,” he pointed out.

“Cotton industry leaders have spent a lot of time and energy making sure that the questions asked were both relevant to what the brands and the retailers need to know on their side, but also set up in a manner which makes sense to a farmer,” he said, adding that this is key to the success of any such protocol.
Textile transparency issues will not vanish with upcoming EU’s strategy

By Gerardo Fortuna | EURACTIV.com

The European Commission’s plan to guide and support the EU textile industry in emerging from the COVID-19 crisis might fall short when it comes to the traceability of textile raw materials.

The forthcoming strategy on sustainable textiles will be rooted in the objectives of the EU Green Deal but will be based on input from the industry and other stakeholders.

For this very reason, an open public consultation was launched in May and closed in August, also supported by a series of dedicated workshops. The adoption of the initiative is foreseen in the coming months.

Contacted by EURACTIV, a Commission source explained that the strategy’s primary goal is to help the transition of the textile ecosystem in line with the principles of climate neutrality and circularity.

In a nutshell, products need to be designed to be more durable, reusable, repairable, and recyclable. The production process should also be more energy-efficient and sustainable.

From this preliminary background, the Commission does not seem to have much in the pipeline regarding the traceability of the supply chain for textile raw materials, such as cotton or wool.

SUSTAINABLE, BUT HOW?

If not farmed sustainably, cotton can affect land-use efficiency and lead to soil degradation with a considerable impact on the environment regarding pesticide and water use.

This impact can be reduced with conventional techniques, like cover crops and no-till farming, and modern tools such as precision agriculture, GPS, and drones.

Some initiatives are now trying to help retailers meet this increased demand from consumers for certifiably sustainable cotton.

But while brands want more

Continued on Page 11
transparency over the whole supply chain, collecting reliable and quantifiable data on the environmental impact of cotton production remains challenging.

According to Tara Luckman, co-founder and director of the Flourish CSR consultancy, active in sustainability, recent examples of consumer claims put in force by regulators are too generic.

“Consumers lose trust in the whole system. There’s growing fatigue and disillusionment trying to make good choices,” she said, adding that, as a consequence, sustainable labels cannot be trusted.

“Once the reputational damage is done, it is very hard to pull back.”

WHERE DOES THIS COTTON COME FROM?

According to the Commission’s source, the textile strategy’s primary focus will be on applying circular economy principles to production, products, consumption, waste management, and secondary raw materials.

EU countries only produced 340,000 tonnes of cotton in 2018 – representing only 1% of world production – therefore, the bloc is importing 55% of what it needs from non-EU countries.

Turkey, Pakistan, India, and China account alone for 43% of all cotton imports into the EU.

In the past five years, both the US and Japan increased their share of cotton imports in the EU, a market that is entirely free for cotton – in the sense that there are no import duties or export subsidies.

“However, brands’ awareness of how much US cotton is in their supply chain is low,” Tara Luckman told EURACTIV.

The EU is importing US cotton in indirect (and unquantifiable) ways as finished products since the five biggest major textile producer countries – Pakistan, Bangladesh, China, India, and Turkey – are the US largest export markets.

For this reason, it is impossible to define the exact percentage of US cotton present in the EU market.

“If companies don’t know where cotton is coming from, the return on investment is hard to figure out,” Tara said.

TECHNOLOGY’S ADDED VALUE

It is unlikely, at the moment, that the Commission will address the complex transparency issue in its textile strategy. However, it is expected to take into account the strengths and vulnerabilities of the EU textiles ecosystem.

Improvements in technology are believed to have a significant impact on driving sustainability in the sector over the next decade, according to the respondents of a survey by the Economist Intelligence Unit (EIU).

Blockchain, in particular, was one of the most mentioned technologies in terms of improving the traceability of raw materials.

A sustainability protocol called the U.S. Cotton Trust Protocol launched on the other side of the Atlantic uses the blockchain platform TextileGenesis to track shipments and consumption by the members of the protocol.

In this case, blockchain is combined with a consumption system that measures sustainability progress against sourced raw materials.

But the absence of a unique consumption accounting system for sustainability might lead companies to pursue their own initiatives and create their own consumer-facing measuring tools. A consequence of this approach would leave consumers with no comparable labelling or other measurements, leaving them unable to shop consciously.
There is an urgent need for a harmonised framework on corporate communications around product sustainability, and the U.S. Cotton Trust Protocol welcomes the EU’s efforts to drive greater sustainability in global supply chains, including in the textiles sector.

By Gary Adams, President of the U.S. Cotton Trust Protocol.

Buying environmentally friendlier products has become a priority for consumers. In the textiles and apparel sector, this means that brands and retailers need to demonstrate the concrete action they are taking to make their products more sustainable.

There is currently a plethora of sustainability labels on the market, but a dearth of solutions can reassure consumers and stakeholders they can access information that is reliable, trackable, and comparable. Unfortunately, a great many of the voluntary sustainability labels available make claims that are not objectively verified by independent and disinterested third parties and lack the rigour that such independent verification brings.

This reporting gap threatens to undermine the progress made to source sustainably and can leave companies open to accusations of greenwashing. Data and transparency

Continued on Page 13
are therefore critical for companies to be able to assure that their sustainability claims are credible. Indeed in research commissioned by the U.S. Cotton Trust Protocol an overwhelming majority of the brands and retailers surveyed – 65% – said that data is central to achieving their sustainability goals.

This is a major issue not only because it has created serious mistrust among consumers, but also because even the most rigorous sustainability protocols that are data-driven and rely on clear independent third-party verification are being tarred with the same brush in consumers’ minds.

This is why the vast array of sustainability labels on the market needs to be thoroughly reviewed and those making unsubstantiated or false claims need to be clearly called out.

The environmental footprint method currently being developed by the European Commission which is likely to be integrated into the initiative on substantiating green claims is a first, important step to achieving the greater clarity required.

This is urgent and important because today the EU recognises only a very limited number of voluntary sustainability labels. This is harming serious voluntary schemes such as the U.S. Cotton Trust Protocol, which if given official EU recognition would increase the breadth of sustainable product options available in the market and encourage more sustainable production down the value chain.

Through quantifiable and verifiable goals and measurement, the U.S. Cotton Trust Protocol delivers the sustainability credentials apparel producers, brands and retailers need to validate their own sustainability benchmarks. Over the past 35 years, US cotton has seen significant reductions in land, water and energy usage, as well as in soil loss and greenhouse gas emissions. Focusing on continuous improvement and innovation, the U.S. Cotton Trust Protocol has set ambitious goals of further reductions in these key metrics by 2025, which have been detailed earlier in this report.

The data collected by the U.S. Cotton Trust Protocol is measured and verified by Control Union Certifications (CUC), an independent third-party auditor. This verification provides total assurance that our metrics are accurate, robust and credible. CUC has certified more than 150 programmes worldwide. The U.S. Cotton Trust Protocol is also included in Textile Exchange’s list of 36 preferred fibres and materials that more than 170 participating brands and retailers can select from as part of Textile Exchange’s Material Change Index programme, and is a member of the Sustainable Apparel Coalition, the Forum for the Future Cotton 2040 and the CottonUp guide.

I encourage our partners in the EU to ensure that the measures incorporated into the EU’s Green Public procurement Criteria and other relevant initiatives, such as the Sustainable Products Initiative and EU Strategy for Sustainable Textiles, will include concrete actions that help drive sustainability practices so that they become the norm throughout global supply chains, not least in the textiles sector. And this is why I am calling for the urgent recognition by the EU of the U.S. Cotton Trust Protocol as a credible, serious, data-drive and independently-verified voluntary sustainability protocol, which can help our European partners drive this change.