

# OCS In-Conversion Policy

For many years now, “in-conversion” crops (also referred to as “in-transition/transition” crops in the United States) have been allowed to be certified to Textile Exchange’s *Organic Content Standard* (OCS). However, very few instances of in-conversion material have been certified.

The goal of the OCS is to increase organic cotton agriculture production. In order to accomplish this, farmers require economic incentives to make the switch to organic cotton production. With this in mind, Textile Exchange is working to recognize in-conversion cotton regardless of when it was harvested during the three-year conversion period. This includes material from OCS-recognized national organic standards that do not allow claims for in-conversion material (e.g. USDA/NOP).

The purpose of this document is to make public notice of an existing exemption. The following criteria shall be met by or confirmed to be met by the responsible certification body in order for any OCS certified gin to be permitted to accept in-conversion cotton as an input, process it, and have a transaction certificate issued for it.

Textile Exchange encourages all supply chain participants to immediately communicate with their suppliers and certification bodies to signal demand for in-conversion cotton which will result in the availability of more organic cotton fiber in the future.

Please contact [assurance@textileexchange.org](mailto:assurance@textileexchange.org) for further information.

## Section A - General Information

### A1. Implementation

**A1.1** The following implementation timelines apply:

- A1.1.1** The *OCS In-Conversion Policy V0.2* replaces the previous version (*OCS In-Conversion Public Exemption V0.1*), is effective June 7<sup>th</sup>, 2023, and may be used immediately.
- A1.1.2** All transaction certificates issued on or after July 1<sup>st</sup>, 2023, shall be conducted using the *OCS In-Conversion Policy V0.2*.
- A1.1.3** The *OCS In-Conversion Public Exemption V0.2* shall not be used after June 30<sup>th</sup>, 2024. However, transaction certificates with in-conversion material that have already been issued in accordance with this document remain valid thereafter and may continue to be used as inputs to subsequent OCS transaction certificates.

## A2. Eligibility and Processing Criteria

- A2.1** A *farm* which produces in-conversion cotton (RM0103) shall be in the process of becoming certified to a standard recognized by the IFOAM Family of Standards (e.g. NPOP, EU).
- A2.2** A *farmer* shall not have performed any prohibited practice or applied any prohibited substance during the current planting season (e.g. a farmer shall not apply prohibited material and then claim to cease prohibited practices immediately thereafter).
- A2.3** Ginning of all OCS in-conversion products shall be done during the relevant region's known cotton season(s).
- A2.4** For year one, two, and three in-conversion cotton:
- A2.4.1** The audit report for the farm will be reviewed by the certification body of the gin to determine eligibility; And
  - A2.4.2** A copy of the following shall be provided to Textile Exchange to demonstrate conformity (as applicable):
    - a. GMO test report,
    - b. Audit report,
    - c. Farm scope certificate(s),
    - d. Farm transaction certificate(s) (if any), and
    - e. Trader transaction certificate(s) (if any).

NOTE 1: Further documentation may be requested by Textile Exchange to demonstrate conformity.

NOTE 2: "Year one" refers to material sourced from a farm in its first year of transitioning to organic farming, where an audit has been conducted by a certification body authorized for the applicable organic standard. Typically, no scope certificate is issued at this stage, though this varies based on the organic standard to which the audit was conducted.

- A2.5** Textile Exchange reserves the right to visit or contact the site without any notice.
- A2.6** In-conversion cotton shall not be mixed with conventional cotton (RM0102) or organic cotton (RM0104) at the gin or at any trader prior to spinning.

## Section B - Scope and Transaction Certificates

### B1. Classification

**B1.1** The certificate body shall issue a scope and transaction certificate that identify such in-conversion products with the appropriate code for in-conversion cotton as outlined in [ASR-213 Materials, Processes, and Products Classification](#) (i.e. RM0103).

**B1.2** Organic cotton shall not be downgraded to be sold as in-conversion cotton.

### B2. Transaction Certificates

**B2.1** The *ASR-205 Template for Transaction Certificate* shall be used for all sales of in-conversion material using the OCS, including material which is permitted under *OCS-101-V3.0 Organic Content Standard*, section C1.4.

**B2.2** Any in-conversion transaction certificate shall:

**B2.2.1** Not include the OCS logo,

**B2.2.2** Not include the question regarding USDA NOP rules in box 7, and

**B2.2.3** Include the statement “Product is ineligible for OCS labelling” in box 7.

NOTE: See Section C - for more details regarding claims and logo use.

**B2.3** The certification body shall receive confirmation from Textile Exchange prior to issuance of each OCS transaction certificate that contains in-conversion material with no OCS input transaction certificate (i.e. coming from a farm, raw cotton trader, or GOTS input).

**B2.4** Documentation to demonstrate full traceability shall be submitted to Textile Exchange to support the submission outlined in B2.3 which shall include:

**B2.4.1** All Incoming transaction certificate(s);

**B2.4.2** Farm scope certificate(s);

**B2.4.3** Farm transaction certificate(s);

**B2.4.4** Trader Transaction Certificate if any (for raw cotton/seed cotton);

**B2.4.5** Draft Transaction Certificate; and

**B2.4.6** Upon request from Textile Exchange:

- a. Financial record(s) from the farm to the final GOTS processor if the input to OCS is coming from a GOTS certified site; and
- b. Invoices, transportation documents, and payment records for all material sales from the farm to the seller on the first OCS transaction certificate.

NOTE 1: The certification body is not required to collect the additional data required by B2.4.6 unless it is requested by Textile Exchange. This data is not required to issue the transaction certificate.

NOTE 2: The criteria of [ASR-106 Accepted Equivalent Standards](#) also apply to in-conversion cotton which is GOTS certified.

**B2.5** The certification body shall receive confirmation from Textile Exchange that the data from the relevant *OCS-504 OCS GMO Policy Data Report* has been reviewed prior to the issuance of each OCS transaction certificate that contains in-conversion farm inputs.

## Section C - Organization Criteria

**C1.1** Any OCS certified first processor may accept cotton which is in-conversion to organic status under any of the standards named in [OCS-101-V3.0 Organic Content Standard](#), section C1.1, including where the farming standard does not allow for in-conversion claims.

**C1.2** No public facing claims shall be made for in-conversion material which use the OCS logo or name (i.e. “*Organic Content Standard*” and/or “OCS”).

NOTE: Textile Exchange has determined that the presence of the word “organic” in the OCS logo and name would be misleading to consumers as in-conversion material has not yet completed the three-year waiting period. Additionally, in some markets (e.g. the United States), the use of the word “organic” or even “organically grown” is not permitted to be used in conjunction with the words “in-conversion” or “in-transition”. Therefore, the OCS logo or name cannot be used for in-conversion claims.

Brands wanting to communicate about their use of in-conversion material are encouraged to do so, but they must ensure that any claims made comply with labelling laws in the markets in which products are sold, and with the requirements of this document.

**C1.3** Claims may be made regarding any remaining organic content following the normal OCS labeling criteria (as per [TE-301 Standards Claims Policy](#)), thus only making claims about the organic portion.