



Global Organic Cotton Production Increases 53% in the Last Year

Expansion led by Turkey, India, China, Syria, Peru & U.S.

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Contact: Sandra Marquardt, 301-592-0077
smarquardt@onthemarkpr.com

Berkeley, CA – The amount of organic cotton produced globally increased 53 percent from 2005/06 to 2006/07, according to a new report from Berkeley, CA-based Organic Exchange. According to the *Organic Exchange Organic Farm and Fiber Report 2007*, 57,931 metric tons (MT), or 265,517 bales, were produced in 24 countries on all arable continents. Organic production is based on a system of farming that maintains and replenishes soil fertility without the use of toxic and persistent pesticides and fertilizers.

The top ten organic cotton producing countries were (in order by rank): Turkey, India, China, Syria, Peru, the United States, Uganda, Tanzania, Israel, and Pakistan. Nearly half (44.9%) of the organic cotton was grown in the Middle East (Turkey, Syria and Israel), while approximately one-third (32.9%) of organic cotton was grown in Southeast Asia (India and Pakistan).

“The increase in organic cotton production around the world is a direct result of the apparel, home product and personal care industry’s interest in providing products grown in the most sustainable manner possible,” said LaRhea Pepper, Organic Exchange executive director. “Organic Exchange believes that demand for organic cotton fiber will remain high which means more and more farmers can convert to organic production to help manufacturers meet the demand,” Pepper continued.

Using three different growth scenarios, organic cotton production will likely increase from 25 to 55 percent in 2007/08.

Given the popularity of organic cotton use in consumer products, ending stocks of organic cotton are estimated to be only approximately 9,046 MT or 41,461 bales. Ending stocks will likely remain at or lower than current levels in all three scenarios given the tight market.

To enable an increase in organic cotton production, Organic Exchange recommends:

- increased research into pest (including weeds) management, soil fertility and defoliation practices that comply with organic standards;
- solid commitments, including forward contracts and partnerships; and
- additional amounts and types of technical, financial and business development assistance available to organic farming projects, particularly those in the developing world and those in the process of transitioning to full organic status.

According to the *Organic Exchange Spring 2006 Global Organic Cotton Market Report*, global organic cotton product sales increased an estimated 35 percent annually, from \$245 million in 2001 to \$583 million in 2005 and are projected to skyrocket to \$2.6 billion by the end of 2008. The top 5 users of organic cotton in 2005 were: Nike (Oregon), Coop Switzerland, Patagonia

(California), Otto (Germany), and Sam's Club/Wal-mart (Arkansas). Organic Exchange will be releasing an updated market analysis in October, 2007.

The Organic Exchange report includes data on organic cotton production from 2001-2006, including data from 2005-06 which was updated since first released last year. The data was collected through July 2007 from organic cotton farming project and other industry sources (certifiers, promotion bodies, academics, companies, government officials, and individual experts). The report was made possible with the support of ICCO, a Netherlands-based inter-religion organization for co-development, the Martin-Fabert Foundation, and Organic Exchange member sponsors. Copies of the report are \$250.

Organic Exchange invites reporters to join attendees from throughout the organic cotton supply chain to attend its **5th Annual Conference and Marketplace** October 29-November 2, 2007 in Monterey, CA. The conference is made possible with generous support from the following hosts and sponsors: Authentic Lifestyle Products, Central Textiles (HK) Ltd., Clif Bar, Control Union, Egedeniz, Eileen Fisher, Esquel, ICCO, Martin-Fabert Foundation, Nike, Nordstrom, Organic Essentials, Orta Anadolu, Patagonia, Paul Reinhart Inc., Pratibha Syntex Ltd., PT Indorama, Quick Feat International, Rabobank, Remei/bioRe Platform, Sanko Textile, Shanghai Flying Dragon, Shell Foundation, Tevis, Texas Organic Cotton Market Cooperative, Tex-Ray, Thai Alliance Textile and Z-Ply. More information about the organization and the conference is available at www.organicexchange.org.