

FACT SHEET – RELEVANT ECO-LABELS FOR SOUTH AFRICAN WOOL GROWERS

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INTRODUCTION

This fact sheet serves the purpose of introducing farmers to the relevant eco-labelling schemes for South African wool growers and provides recommendations as to how these can be achieved. The focus is on the most relevant eco-labels: the EU Eco-label, GLOBALGAP, Organic & Fair Trade. In addition, some points are provided regarding other relevant eco-labels.

This fact sheet is incorporated into the **Self Assessment document (SAD)** that allow you to assess your current practice against the various levels of eco-labelling criteria. By filling in the SAD's forms to be analyzed you will also be able to find out where you would need to shift current practices in order to meet the criteria for each eco-label. The main drive is for farmers to be committed to a continuous plan to improve their practices, i.e. it is not so important where you are on the scale as to whether you can demonstrate that you are actively working at moving in the right direction. Linked to this is a drive to develop low cost technologies that will enable producers to make progress in the right direction.

The fact sheet and Self Assessment Forms together, serve as an **information dissemination tool** as well as a **recognition model** for sustainable farming practices by South African wool producers. A **certificate of recognition** will be given to those farmers who take the time to participate in this scheme. The information gathered also serves as the beginning of a benchmarking process for the industry regarding the profile of to what extent standards are currently being met. Please let us know and we will supply them and assist you in filling these out.

WHAT IS AN ECO-LABEL?

Eco-labels are believed to be an important market-based instrument to influence the behaviour of consumers and industries in favour of environmentally friendly products and the processes that produce them. Consumers include individual retail consumers as well as procurement officers of governments and large corporations. Consumer concerns relate to environmental quality, ethical (human) production systems, food and product safety and animal welfare. As a result of this pressure, global markets are emerging for ethically produced products, including textiles that continue to meet price, safety and quality requirements.

Producers of environmentally superior products have an incentive to use environmental marketing techniques such as eco-labeling to differentiate their products. Businesses may be motivated by gaining extra market share, improving their public image or pre-empting mandatory labeling requirements. Eco-labeling is a voluntary method of environmental performance certification that is practiced around the world. There are currently a large number of eco-label schemes world-wide, each developed with a specific focus for a particular market. The schemes have largely been developed to meet customer requirements, government and regulatory restrictions and access price premiums in the market in which each scheme operates.

Types of Eco-labels

Eco-label schemes are based on one, or both, of the following types of standards:

- Organisation Orientated Standards (OOS) (e.g. GLOBALGAP & Organic)
- Product Orientated Standards (POS) (related to processes affecting final product e.g. EU Eco-label)

What is the purpose of eco-label standards?

The eco-label standards are voluntary and serve as a guide and tool towards improved practice. The ultimate goal is not just to meet the standards but to move towards an integrated approach to sustainable farming in line with international best practice.

There are benefits in meeting the eco-label standards. Those farmers exporting to the EU will find it increasingly necessary to meet EU Eco-label requirements, so that wool processors in Europe are able to meet their more stringent EU regulations. If proactively managed, the EU criteria can be easily met and will not be a barrier to trade. GLOBALGAP, Organic, Biodynamic & Fair Trade labels, the cost of certification to these standards can lead to a price premium for the farmer. The markets for eco-friendly products, and in particular organics is currently growing at a high rate. Meeting the standards is however not easy, and it requires commitment and dedication from the farmer. Internationally accepted environmental and animal welfare standards will become the norm and it is important to position the South African Wool clip to "be in the mix" when it becomes relevant. It is not all about premiums when dealing with a commodity like wool.

PRE-FARM GATE FOCUS

The production of the raw wool requires that the farming operation and stock get certified. This only covers the product up to the farm gate. After this, comes the textile (and/or meat) processing value chain. Here there are many varied components that will need separate and integrated certification in order for a final product to be sold with an eco-label. This fact sheet deals only with issues up to the farm gate. The entire processing chain must be dealt with separately.

THE EU ECO-LABEL (http://ec.europa.eu/environment/ecolabel/index_en.htm)

- The EU Eco-label has grown to include many product categories and is now recognised in a wider consumer market than just the EU
- EU Eco-label criteria are based on consideration of the overall environmental impacts for each product, from its production, its use and its eventual disposal i.e. based on life-cycle analysis.
- In 1999, the EU established their eco-label criteria for textiles and this is now the largest product group (>50% of EU eco-label products are textiles).
- The criteria for textiles apply to all textile products, including, textile clothing and accessories, fibres, yarn and fabrics and interior textiles except wall and floor coverings



Criteria for Wool

- Although wool is considered 'natural', the EU eco-label seeks to identify those goods manufactured from low residue wool and processed using good environmental practices.
- The current EU Eco-label criteria for wool producers with respect to their production of greasy wool, relate to limits for pesticide residues in the raw fibre as follows:
 - Organochlorides: < 0.5mg/kg (0.5ppm)
 - Synthetic pyrethroids: < 0.5 mg/kg (0.5ppm)
 - Organophosphates: < 2 mg/kg (2ppm)
 - Diflubenzuron & triflumuron: < 2 mg/kg (2ppm)

Compliance with EU Eco-label criteria

- The key requirement for wool producers seeking to identify their wool for the EU eco-label, is to keep accurate records of the pesticides that they purchase and use, and that their levels of residues that will result from any use of ectoparasiticides is below the limits set for tests on raw wool.
- The EU Eco-label is applicable to the final product only, but wool producers can assure the relevant producers that their wool meets the EU eco-label criteria by having their wool tested, submitting declaration forms, and keeping records of pesticide usage.
- Current production standards may be sufficient to may meet the EU eco-label criteria. The residue test on raw wool will indicate whether you are within the limits for residues or not. If yes, your wool qualifies, if not, it doesn't.
- However, if the wool does not meet the limits, there are some key changes to your production that you can implement with minimum difficulty in order to reduce pesticide residues on raw wool. In fact, these practices are expected as common practice for wool growers in any case. These include management practices such as observing the required Wool Withholding Periods for ectoparasiticides and herbicides as well as integrated pest management practices.
- If 'residue status' is to be added to the current wool clip shopping list, the residue status of each of the wools that is to be purchased will need to be known before the sale, just as the other fibre characteristics are known. Wool producers could identify their wool as low residue in the normal sales system, accompanied with a residue test certificate.
- All wool tested can be categorized. This testing will enable a profiling of South African wool, and is soon to be implemented as common practice. The test is an automatic qualifier/disqualifier for EU Eco-label requirements.
- The CSIR has obtained the necessary testing equipment and regular wool clip testing can be undertaken by the CSIR, facilitated by Cape Wools SA.
- It is recommended for South African wool growers, to meet the standards of the EU Eco-label as a very minimum standard for eco-accreditation of wool, as meeting these standards will in most cases enable you to meet the requirements of product-oriented eco-labels such as Oeko-Tex and other national eco-labels in Europe.

Benefits of the EU Eco-label

- *Strict European environmental legislation implemented from October 2007 will require best environmental practice by the wool industry to maintain European market access.*
- *It is therefore important that South African wool producers understand that some of the treatments that they apply to sheep may prevent their wool being acceptable to EU processors from October 2007. Wool producers may still legitimately make the choice to use those treatments as their first responsibility is to maintain sheep health, however it is important that they understand the residue implications of the treatment that they choose.*
- *Retailers in Europe will also want to manufacture goods which meet the eco-label requirements. Instructions will be issued to their buyers and topmakers to source low residue wool and have it processed at mills which meet the eco-label requirements.*
- *Wool growers can maintain European market access by keeping thorough chemical use records and seeking eco-label compliance which ensures that raw wool contains no or minimal chemical residues.*
- *The EU eco-label logo is used in the 15 member States: when applying for the flower logo, one is to able market the eco-labeled product throughout the 15 EU member states. The logo will also soon be used in the countries of Central and Eastern Europe.*
- *The European eco-label will be more widely used in the future due to increased consumer demand, specific campaigns by the EU Flower and EU government requirements to procure EU eco-labelled products.*

GLOBALGAP

- GLOBALGAP (previously EurepGAP) is a private sector body that sets voluntary standards for the certification of agricultural products around the globe.
- GLOBALGAP is a business-to-business label and is therefore not directly visible for the consumers.
- However, the standard is primarily designed to reassure consumers about how food is produced on the farm by minimising detrimental environmental impacts of farming operations, reducing the use of chemical inputs and ensuring a responsible approach to worker health and safety as well as animal welfare.
- GLOBALGAP now serves as a practical manual for Good Agricultural Practice (G.A.P.) anywhere in the world.
- The Integrated Farm Assessment standard (www.globalgap.org) is a single integrated standard with modular applications for different product groups, ranging from plant and livestock production to plant propagation materials and compound feed manufacturing.
- GLOBALGAP certification is pre-farm-gate. Wool producers who wish to be certified can contact the relevant Certification Body in South Africa for which is Ecocert-Afrisco.



Compliance to GLOBALGAP

- The main shift from current practice for compliance to GLOBALGAP standards is related to correct documentation and record keeping rather than farm practices. For most farms there has never been the need to document this information before.
- In addition, standards related to animal identification, stock movement, animal welfare, fertilizer and chemical use are additional areas which may require shifts from current practices and could restrict potential compliance to the GLOBALGAP scheme.
- Social and environmental policy areas would also need to be addressed including waste management practices in order to accredit wool production systems against the GLOBALGAP scheme.
- GLOBALGAP does not have any specific limits for pesticide residues as it is an organization oriented standard rather than a product oriented standard. For pesticides, the standard require you to keep records of all chemicals and dosage.

Record keeping is the most significant compliance criteria for all eco-label schemes. The major reason for this is the significant compliance cost (real and opportunity) that this record keeping presents. Producers weigh up these costs against the perceived and returned benefits of the scheme and make a decision whether to commit. If they do not believe that the benefits outweigh the costs, then the scheme will not build the commitment of producers and hence will not achieve maximum impact either on farm or in the market.

ORGANIC



- Organic standards are a relevant eco-label options for South African wool growers, not necessarily for their content but more as a model for the implementation and management of successful eco-accreditation practice.
- Organic products have a strong market presence and are able to add and deliver value to all involved in the chain. However, the standard has many regulations and comes under strict surveillance through annual audits. The decision for a farm to convert to organic certification is often based on personal preferences.
- Some attempts have been made to harmonise the standards and most organic systems are now administered by the International Federation of Organic Agricultural Movements (IFOAM). Reference is made to the IFOAM basic standards, published on the IFOAM web page: www.ifoam.org
- Based on production guidelines, organic livestock farming has set itself the goal of establishing environmentally friendly production, sustaining animals in good health, realizing high animal welfare standards, and producing products of high quality.
- By striving for these goals, organic livestock farming meets the demands of an increasing number of consumers who are critical of conventional production methods.
- Third-party organizations verify that organic producers use only methods and materials allowed in organic production (*refer to the list of certifiers operating in South Africa included at the end of this fact sheet*)
- Organic livestock farming includes regular checks by independent and qualified inspectors at least once a year

Organic farmers:

- Breed stock with high levels of natural immunity and strong constitutions that are not susceptible to endemic diseases and do not suffer ill effects from internal and external parasites
- Use natural/homeopathic stock remedies to treat stock that do become ill or injured
- Plan grazing holistically so that pastures may produce high quality fodder year round
- Encourage a balance between cultivation and wild life conservation
- Constantly monitor soil fertility and coverage and implement a management strategy that will lead to a continuous improvement in both
- Feed mostly home grown natural foodstuffs that do not contain any urea, hormones, antibiotics, animal-derived materials, synthetic appetizers, growth hormones or coccidostats.
- Do not make use of any genetically modified organisms or products derived there-of
- Do not use stock remedies in a preventative manner
- Have comprehensive records and documentary proofs in order to trace and identify all animals, products and procedures in the farming operation
- Provide a safe and healthy work place environment for all employees

I.W.T.O

The International Wool Textile Organisation (IWTO) developed a set of guidelines for eco-wool, organic wool and eco/organic wool products or eco/organic wool-containing products. Details can be sourced from Cape Wools SA or at www.iwto.org

The Difference Between EU Eco-label & Organic Standards

1. Pesticides may be used strategically and at the right time in the growing season to meet the low residue targets. As an example, correct use of diazinon early in the growing season in most parts of South Africa will leave wool residues that are barely detectable at shearing.
2. Producers can make a declaration (or not) at shearing, according to their pesticide use in the previous growing season. If, for instance, they used persistent treatments to eradicate lice in one season, or if they needed to use a late season treatment that would leave high residues, they would not declare their current wool as eco-label wool. This choice is made on a season by season basis.

Organic Livestock Management is Different from Non-Organic Management in at least 5 major ways:

1. The use of synthetic pesticides (internal, external, and on pastures) and synthetic fertilizers is prohibited
2. Ensure that do not exceed the natural carrying capacity of the land on which animals graze.
3. Producers must encourage livestock health through good preventative management practices
4. Use of synthetic hormones and genetic engineering is prohibited
5. Minimise the amount of feed bought-in and livestock feed & forage used from the last third of gestation must be organic.

BIODYNAMIC

Biodynamic certification is carried out by Demeter internationally. The standards may be found at the relevant website (www.biodynamic.org.uk), however, it is more relevant here to indicate what the principles of Biodynamics are.



Biodynamic farmers are organic farmers that also:

- Use biodynamic preparations to enhance soil fertility and general ecological balance on the farm
- Design their farms to operate as an organism that works as an integrated multi-organ and multi-process unit
- Foster high levels of biodiversity and vertical and horizontal integration of systems to minimize the need of external inputs
- Establish harmonious balances between different elements on the farm (pastures, field crops, orchards, vegetable gardens etc.)
- Work with natural rhythms such as the moon phases
- Encourage farm worker participation in all aspects of the farming business – social and cultural
- Establish close relationships with customers and suppliers through e.g. Community Supported Agriculture systems, cooperatives, eco-villages etc.

FAIRTRADE

- Fairtrade (FT) is a strategy for poverty alleviation and sustainable development. Its purpose is to create opportunities for producers and workers who have been economically disadvantaged or marginalized by the conventional trading system.
- If fair access to markets under better trade conditions would help them to overcome barriers to development, they can join Fairtrade.
- Certification of producers hinges on meeting all the Fairtrade Standards for which they are audited. It is important to know that each producer or trader needs to comply with both the applicable Generic Standards and the Product Standards.
- FLO Fairtrade Standards (<http://fairtrade.net/sites/standards/set.html>) are different when you are a small producer organisation, organised in a democratic way, such as a cooperative or association, or when you structurally depend on hired labour, as is the case in plantations and factories. Generic Standards exist for Small Farmers' Organisations and Hired Labour.
- There are specific standards for South Africa: Smallholders are still seen to be main beneficiary of Fairtrade benefits, but the South African- developed institutional hybrid of worker equity share schemes (BEE), where workers buy shareholding in the enterprise in which they are employed, is recognised as a valid developmental vehicle.
- The Generic Standards include criteria for Labour standards, Social Development, Economic Development, and Environmental Development. Full criteria available at: www.fairtrade.net.
- The most important social criteria are:
 - A defined part of the price (surplus) is paid for community tasks/social issues of the cooperative or farm workers community,
 - The trade relation should have a long term perspective,
 - Part of the price is paid in advance in order to make the producers independent from local credits (with exaggerated high interest rates).
- The Environmental Development criteria are at a level of standard between GlobalGAP and Organic with a progress requirement of working towards organic standards.
- Another relevant point regarding Fair Trade Standards is that the FLO Prohibited Materials List specifies which materials cannot be used by FLO-certified producers. This list is an integral part of the environmental standards for Small Farmers' organisations and for Hired Labour.
- In addition to the generic standards, there are standards for a number of specific product types including seed cotton. There are no specific standards at this stage for wool. These Product Standards include Fairtrade Minimum Prices and Premiums.
- Compliance with standards would require specific organisation of small farmers or hired labour. At this stage Fair Trade Product Standards for wool do not exist and these would need to be developed and approved internationally before you could be certified against them. However, if you would like to move towards this in the long-term you can identify the relevant practices and begin to shift current practices in this direction. In addition it would be worthwhile notifying Cape Wools SA or NWGA of your intention, as they could inform Fair Trade of the need for development of Product Standards for wool.



CONCLUSIONS & RECOMMENDATIONS

There are various levels of options for eco-label accreditation for wool. With the overall aim of moving towards integrated sustainable farming according to international best practices, the standards for the various levels of eco-accreditation can serve as tools for the farmer in a continual improvement process. The various levels of eco-accreditation can be summarized as follows:

- Level 1: WWP for meeting EU Eco-label, Oeko-Tex Standard & Woolworths ECOP C99 for trade of wool.
- Level 2: GLOBALGAP (+Best Practice Manual for Wool Sheep Farming in South Africa)- should in the long-term be considered the minimum standard for good agricultural practices. They cover environmental, social, animal welfare and quality aspects.
- Level 3: ORGANIC PRACTICES & BIODYNAMIC. These require best practice in environmental management as well as social justice criteria.

- Level 4: FAIRTRADE – these require best practice in environmental management as well as greater focus on socio-economic development aspects of trade.

What is required to meet the standards is to bring more discipline into existing production practices in relation to GLOBALGAP standards while incorporating EU Eco Label requirements for textiles e.g. raw wool production to meet residue standards. In theory this will materialize when wool withholding periods (WWP), or withdrawal periods as GlobalGAP phrases it, are adhered to.

The first step is to fill in the Vendor Declaration Forms to determine your current status and sign the Code of Conduct to make a commitment towards continual improvement. . The NWGA and Cape Wools aims to provide assistance wherever possible to help you in moving towards sustainable farming practices.

RELEVANT CONTACT DETAILS

The National Wool Growers Association (NWGA) South Africa

Contact: Smiley De Beer
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Cape Wools SA

Contact: Andre Strydom
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National Cleaner Production Centre

Clothing & Textile Environmental Linkage Centre (CTELC)

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Certifiers operating in South Africa and the standards they are certifying against*

Name	Services	Contact Details
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SGS	EU; NOP; JAS; EurepGAP; HACCP; BRC; Nature's Choice; ISO22000	Tel. No. (021) 919 0234 Fax No. (021) 919 0234 Cell No. 082 888 7237 e-mail: elsabe.matthee@sgs.com website: www.sgs.com
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** Information obtained from the Organics SA website.*

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