

Textile Exchange Guidance Regarding the Suspension of CU India

An overview of available options, implications of each option for decision making purposes, and additional guidance on our new Calibration 229

Background

Information provided in this guidance document has been prepared to support understanding Calibration 229 as well as to respond to some of the most common questions we have heard since the suspension of Control Union (CU) India. We understand certified organizations are faced with decisions right now, so the following information offers a brief overview of various considerations.

We will continue to update our guidance as time progresses and new information is considered relevant and helpful for the community to receive collectively.

Textile Exchange's Role

Textile Exchange assurance for the implementation of our standards is designed around a third-party system that includes independent accreditation of certification bodies (CB). A fundamental part of third-party credibility includes entrusting accreditation bodies with independent decision-making.

IOAS, CU India's accreditation body, [has suspended CU India's accreditation to all Textile Exchange standards](#) effective March 3, 2023. This scope includes India, Bangladesh, and the Philippines.

Please note that IOAS has specified that CU India is not permitted to issue transaction certificates while the suspension is active, effective as of March 3, 2023.

For more information about this, you can reach out to CU India directly and read our statement online [here](#).

We stand behind accreditation body decisions and value the integrity accreditation supports for our system, while we recognize there may be times that we need to seek pathways that do not compromise the accreditation process. Calibration 229 represents a process we believe we can provide with credibility in the immediate term.

It is important for certified organizations to discuss events directly with their CB in case there are relevant updates at any given time that will support decision-making based on the following guidance.

Sites who remain clients of CU India during the suspension period

June 7th, 2023 is the deadline for a re-accreditation decision based on corrective action evidence Control Union may choose to submit. If a positive re-accreditation decision is not taken, CU India's accreditation will be withdrawn from all of Textile Exchange standards and countries included in the current scope.

A positive outcome will mean that CU India corrects their non-conformities within the required timeframe, the accreditation body reviews and accepts the corrective actions, and the suspension of CU India is lifted for Textile Exchange scopes.

If the suspension of CU India is lifted (and they are therefore reaccredited), TCs may be issued up to 180 days from the earliest shipment date for product listings included in a valid scope certificate (SCs) at the time of shipment.

If the product(s) were not listed on an SC at the time of the production or shipment, it will need to be approved and added to the SC by the CB first in order to qualify for a TC. If the CB who issued the SC is CU India, the suspension must be lifted before your SC can be amended.

If CU India is involuntarily withdrawn from our system, clients will need to transfer to a new CB within the phase-out period. Please see [ASR-112 Procedure for the Withdrawal of CB Licensing](#) and contact your CB for more details.

Sites who transfer CBs during or after the suspension period

Sites may choose to transfer to another CB of their choice. For a full list of certification bodies and the countries/regions in which they operate, please see our website [here](#). Before transferring to a new CB, sites should always talk to their current CB about alternative options.

Textile Exchange has issued a calibration that may be applied to this topic to help with the transfer process by providing a mechanism for a new CB to issue TCs for products shipped during the validity of the previous SC. Calibration 229 will be publicly available in the calibration log on our website on March 31st, 2023 but has already been shared with all CBs directly.

Explanation of Calibration 229

The below text is our recent Calibration 229 that is effective on March 27th, 2023. The italicized wording is taken from the calibration itself, and the color text is additional guidance on the calibration as it relates to certified sites.

When an organization transfers between certification bodies (from the “preceding certification body” to the “succeeding certification body”, including when the transfer occurs at recertification), the succeeding certification body may issue transaction certificates for shipments from the time when the organization was certified with the preceding certification body, provided that all of the following conditions are met:

This means that organizations who are transferring from CU India to another CB may receive TCs for shipments that were covered under their previous SC issued by CU India before receiving a new SC from the new CB they elect, provided that the conditions below are met.

1. *The organization held a valid scope certificate at the time of the shipment, and the product is eligible to be included on a transaction certificate;*

This means that the organization must have had a valid SC when the items were produced and shipped, and the items included on the TC are already listed on the SC.

2. *All applicable input transaction certificates were issued on or after October 1, 2022, and the inputs are not seed cotton (PD0088) or lint cotton (PD0074);*

This means all input TCs must be issued on or after the above-mentioned date and the above-mentioned product codes cannot be the products on the input TC.

3. *The following transaction certificates have been received by Textile Exchange’s dTrackit system and can be authenticated in the Textile Exchange Transaction Certificate Verification Portal at <https://textileexchange.org/authenticate-transaction/>:*
 - a. *All applicable input transaction certificates issued to Textile Exchange standards for the transaction certificate to be issued; and*
 - b. *All output transaction certificates issued to the organization for the same standard since October 1, 2022;*

This means that the input TC the site received needs to have been uploaded by the issuing CB into Textile Exchange’s dTrackit system, as per the existing CB contract states. Sites can check if this is the

case using the link above. If your input TC is not in dTrackit PLEASE CONTACT THE CB LISTED ON THE SC. **The only way for the TC to be added is for the CB to send it to Textile Exchange. We cannot accept TCs directly from the buyer or seller as this would bypass the CB-certified organization process.**

Once the missing TC is uploaded into dTrackit, the calibration can be applied.

This requirement is needed for Textile Exchange to offer options within our system that build in more flexibility for transaction certificates to be included with CB transfers while still maintaining integrity in the certified volume of the products that are being transferred between CBs.

4. *The two certification bodies shall agree that the succeeding certification body will be responsible for issuing transaction certificates for all shipments after a specified date;*

This means that CU India and the new chosen CB must agree upon a transfer date where the new CB will be responsible for all TCs going forward as of that date.

5. *The succeeding certification body has conducted a volume reconciliation to ensure that claimed material has not been over-sold by the organization, including receiving volume reconciliation data from the preceding certification body; and*

This requirement is intended for the new CB only. The new CB will need to conduct a volume reconciliation on the site as part of the TC issuance.

6. *The succeeding certification body shall meet the following data criteria:*
 - a) *Specify the preceding certification body's scope certificate number in the **scLegacyNo** data field on the dTrackit data submission for the succeeding certification body's scope certificate;*
 - b) *Specify the certification body at the time of the shipment in Box 12 by referencing the preceding certification body's licensing code (e.g. "Seller was certified by CB-ABC on the applicable shipment date(s).");*
 - c) *Fully implement Textile Exchange's criteria for the **scNo** and **scVersionNo** (see Calibration 172); and*
 - d) *If any inputs are GOTS certified, submit full data for transaction certificates back to the first processor into dTrackit.*

This requirement is intended for the CBs only. This outlines the required ways that CBs must submit data to Textile Exchange to ensure data integrity that supports accurate volume reconciliation.

NOTE: Textile Exchange will review these criteria for future updates to ASR-104 Policy for Transaction Certificates.