



**BCI**

Better  
Cotton  
Initiative

**BCI**

# BCI COUNCIL AGREEMENTS

## July 2009-December 2009

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### Orientation

The BCI Council meeting By-Laws state that a summary of the decisions of the Council shall be made public. This document recapitulates all the agreements made by the BCI Council between July 2009 and December 2009.

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## Meeting, 1-2 July 2009

### Strategic Plan 2012

The focus in the next 3 years should be on doing, reviewing, learning and improving. The ultimate purpose of the plan will be to prove that the Better Cotton System model can work.

Membership growth may be moderate in the first three years, and the BCI emphasis should be on 100% retention of members.

The activity of 'connecting supply and demand will be made more explicit in the Strategic Plan, by including it either in the programs or in the work streams and adding the 2012 goal: '50% of Better Cotton produced is used by BCI members'.

### Production Principles and Criteria 2.0

The 5 key elements of an IPM Programme will be included within the Crop Protection criteria. Please refer to [http://bettercotton.org/files/BCSInfoPack/2A\\_Production\\_Principles\\_and\\_Criteria\\_2.0\\_final\\_eng\\_ext.pdf](http://bettercotton.org/files/BCSInfoPack/2A_Production_Principles_and_Criteria_2.0_final_eng_ext.pdf)

The word "nationally" will be added to criterion 1.2 so it reads: Only pesticides that are: (i) registered nationally for the crop being treated; and (ii) correctly labelled in the national language, are used.

A criterion was split to have:

a stand-alone criterion that reads "*Pesticides listed in the Stockholm Convention are not used*".(new criterion 1.3.);

a stand-alone criterion that reads "Use of pesticides in any of the following categories: i) WHO CLASS 1, ii) those listed by the Rotterdam Convention, iii) endosulfan, is phased out, with the timeline based on the availability of better alternatives and ability for the risk to be properly managed." (new criterion 1.5 )

The Production Principles and Criteria Explained will include that in the countries where Better Cotton has been set up the timeline for phasing out will be defined by the National Stakeholder Council, with the timeline to be reflected in the progress framework of Farm Assessment. Please refer to:

[http://bettercotton.org/files/BCSInfoPack/2A\\_Production\\_Principles\\_and\\_Criteria\\_2.0\\_explained\\_final\\_eng\\_ext.pdf](http://bettercotton.org/files/BCSInfoPack/2A_Production_Principles_and_Criteria_2.0_explained_final_eng_ext.pdf)

A new criterion (1.5) was added under the crop protection principle: 'WHO Class I pesticides are prepared and applied by persons with access to appropriate protective equipment.'

Preparation and application of WHO Class I pesticides by persons with/without access to appropriate protective equipment was noted for special attention during implementation with the request for a report back to the Council at the end of 2010.

While the Production Principles and Criteria don't include a criteria on native habitat conversion, the Production Principles and Criteria *Explained* will refer to native habitat conversion and that this issue will be reviewed in 2012.

Criteria 6.3, "There is no child labour, in accordance with ILO Convention 138", has sub-text to it that will be amended from 'Children may work' to 'children may help'.

### Minimum Production Criteria

Minimum Production Criteria were agreed as follows:

1.1 An Integrated Pest Management Programme<sup>3</sup> is adopted

1.2 Only pesticides that are:

(i) registered nationally for the crop being treated; and

(ii) correctly labelled in the national language

are used.

1.3 Pesticides listed in the Stockholm Convention are not used.

1.4 Pesticides are prepared and applied by persons who are:

- (i) healthy; and
- (ii) skilled and trained in the application of pesticides; and
- (iii) 18 or older; and
- (iv) not pregnant or nursing.

2.1 Water management practices are adopted that optimise water use.

4.2 The use and conversion of land to grow cotton conforms with national legislation related to agricultural land use.

5.2 Seed cotton is harvested, managed, and stored to minimise contamination and damage.

#### Freedom of Association

6.1 Smallholders (including tenants, share-croppers and other categories) have the right, on a voluntary basis, to establish and develop organisations representing their interests.

#### Child Labour

6.3 There is no child labour, in accordance with ILO Convention 138. Exceptionally, in the case of family smallholdings, children may help on their family's farm provided that the work is not liable to damage their health, safety, well-being, education or development, and that they are supervised by adults and given appropriate training.

6.4 For hazardous work, the minimum age is 18 years.

#### Forced Labour

6.5 Employment is freely chosen: no forced or compulsory labour, including bonded or trafficked labour.

#### Non-discrimination

6.6 There is no discrimination (distinction, exclusion, or preference) practised that denies or impairs equality of opportunity, conditions, or treatment based on individual characteristics and group membership or association.

#### Freedom of association and collective bargaining

6.7 All workers and employers have the right to set up and join organisations of their own choosing, and to draw up their constitutions and rules, to elect their representatives and to formulate their programmes.

6.8 Workers and employers have the right to bargain collectively.

#### Basic treatment and disciplinary practices

6.25 Employers do not engage in or tolerate the use of corporal punishment, mental or physical coercion, sexual or other harassment or physical or verbal abuse of any kind.

6.26 There is a transparent and clear policy and system for disciplinary measures and this is communicated to workers. The system includes fair warning principles and any disciplinary actions are proportionate to the conduct in question.

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### Teleconference, 2 September 2009

The Principles of Participation for BCI Members were approved.

Please refer to [http://bettercotton.org/index/157/principles\\_of\\_participation.html](http://bettercotton.org/index/157/principles_of_participation.html)

The Membership Fee Structure was approved.

Please refer to [http://bettercotton.org/index/156/membership\\_fees.html](http://bettercotton.org/index/156/membership_fees.html)

The Guide to Members' Obligations was approved for publication with minor edits.

Please refer to [http://bettercotton.org/index/158/guide\\_to\\_members\\_obligations.html](http://bettercotton.org/index/158/guide_to_members_obligations.html)

The Antitrust policy was approved.

Please refer to [http://www.bettercotton.org/files/Governance/BCI\\_Antitrust\\_Policy\\_final\\_eng\\_ext.pdf](http://www.bettercotton.org/files/Governance/BCI_Antitrust_Policy_final_eng_ext.pdf)

The Grievance Management Process was approved for publication with minor edits.

Please refer to [http://bettercotton.org/files/Governance/BCI\\_Grievance\\_Management\\_Process\\_final\\_eng\\_ext.pdf](http://bettercotton.org/files/Governance/BCI_Grievance_Management_Process_final_eng_ext.pdf)

David Rosenberg (as an Executive Committee member) was given signing power (joint signature) on the bank account.

### By Email, 14 September 2009

The Fee Waiver Process was approved.

Please refer to [http://bettercotton.org/index/174/fee\\_waiver.html](http://bettercotton.org/index/174/fee_waiver.html)

### Teleconference, 4 November 2009

#### Farm Assessment Mechanisms

The BCI Regional Coordinator will be responsible for deciding whether a Learning Group qualifies to sell Better Cotton or not, on the basis of a summary 'opinion' report provided by the Implementing Partner / Producer Unit. The BCI Regional Coordinator will inform the relevant ginner / trader. This approach will be applied for 2010-2012 after which the credibility and integrity of BCI's approach will be reviewed to enable greater up scaling.

The number of farmers in a Learning Group is flexible as it will depend on local reality and existing organisational structures.

The compliance requirement is that at least 80% of the farmers in the Learning Group meet the requirements. No additional compliance mechanism at Producer Unit Level was included.

Within the 3 year period after farmers have met the Minimum Production Criteria, farmers must be able to demonstrate they are also meeting at least X number of progress benchmarks beyond the MPC.

Each farmer will have to meet a minimum number of progress benchmarks within each 3 year period after meeting the MPCs, as follows:

6 progress benchmarks in 3 years for self-employed family smallholdings – all free of choice

6 progress benchmarks in 3 years for smallholder employers – 3 Agronomic, 3 Decent Work

12 progress benchmarks in 3 years for large farm employers – 6 Agronomic, 6 Decent Work

Not meeting the progress requirement is considered a minor non-compliance where, on the basis of corrective actions in the next season, the large farmer employer / Learning Group can still sell Better Cotton. They must continue to meet the Minimum Production Criteria. These farmers continue to receive support (if it existed before and they want it) during the next year to make the corrective actions.

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Systematic non-compliance will be formally addressed in the next phase of the BCI (after 2012). And until then will be dealt with on a case by case basis.

Each year the BCI will ensure that a minimum number of 3rd party verifications are carried out, that is equal to the square root of number of learning groups plus the number of individual large farms employers -  $\sqrt{\# \text{LGs} + \# \text{LFEs}}$ .

All large farm employers meeting the requirements to grow Better Cotton are 3rd party verified within a 3 year period.

All Implementing Partners / Producer Units that have Learning Group growing and selling Better Cotton in the 2010/11 growing season are 3rd party verified.

For large farm employers, the National Growers Association covers the cost of 3rd party credibility checks - where such an association/organisation does not exist the Individual Large Farmer covers the cost of the 3rd party credibility check. For smallholders (family or employers), the BCI covers the cost of 3rd party verification.

Please refer to the final Farm Assessment:

[http://bettercotton.org/files/BCSInfoPack/2C\\_Farm\\_Assessment\\_final\\_eng\\_ext.pdf](http://bettercotton.org/files/BCSInfoPack/2C_Farm_Assessment_final_eng_ext.pdf)

### **Teleconference, 9 November 2009**

David Rosenberg was elected Treasurer of the Association.

### **Meeting, 16-18 December 2009**

#### **Strategic Plan 2012**

The Council will review annually the progress made against the 2012 goals. The following internal rules for financial oversight were agreed:

Annual budgets must be approved by the Council;

A mid-year financial update must be submitted to the Council;

A quarterly financial update must be submitted to the Executive Committee.

The Strategic Plan 2010-2012, including the 3 year budget, was approved.

#### **2010 Budget**

The 2009 cash balance will be used as operational funds for 2010.

The 2010 budget was approved.

The Executive Committee will review the financial situation and expected funding at the end of March.

#### **Farm Assessment benchmarks**

The benchmarks were approved and will be made public.

Please refer to [http://bettercotton.org/index/189/farm\\_assessment\\_benchmarks.html](http://bettercotton.org/index/189/farm_assessment_benchmarks.html)

#### **Communication rules**

The Communication Rules were approved.

Please refer to [http://bettercotton.org/index/171/communication\\_rules.html](http://bettercotton.org/index/171/communication_rules.html)

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## **Procedures for consulting on and establishing the Better Cotton System in a country**

The procedure was approved. Please refer to

[http://bettercotton.org/files/Implementation/BCI\\_Procedure\\_for\\_consulting\\_on\\_and\\_establishing\\_the\\_Better\\_Cotton\\_System\\_final\\_eng\\_ext.pdf](http://bettercotton.org/files/Implementation/BCI_Procedure_for_consulting_on_and_establishing_the_Better_Cotton_System_final_eng_ext.pdf)

### **Membership**

The following applications were approved for membership of the BCI starting 1 January 2010:

#### *Civil Society*

Cotton Incorporated  
Pesticide Action Network UK  
Responsible Sourcing Network  
Solidaridad  
WWF International

#### *Producer Organisation*

ABRAPA  
Farmers Associates of Pakistan  
International Federation of Agricultural Producers

#### *Retailers*

adidas  
Asda  
Hemtex  
H&M  
IKEA  
KappAhl  
Levi Strauss & Co.  
Lindex  
Marks and Spencer  
Migros  
Nike  
Sainsbury's Supermarkets Ltd.

#### *Suppliers and manufacturers*

Chenab Ltd  
Ecom Agroindustrial Corp, Ltd.

#### *Associate members*

All Pakistan Textile Mills Association (APTMA)

### **Governance**

The following individuals were appointed to the BCI Advisory Committee:

- Terry Townsend
- Pins Brown
- Andrew Mac Donald
- Simon Ferrigno
- Colin Poulton

Article 12.2 of the Council By-Laws is amended as follows: "Draft minutes of the meeting shall be circulated within 20 days 1 month after the meeting."

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A final opportunity will be given to Federation of Farmers Association India to remain a member of the BCI Council provided that the organisation applies for membership by the end of January 2010 and attends the next BCI Council meeting.

**Collaborating with other initiatives**

The BCI will not recognize the Cotton Made in Africa exclusion criteria as equal to BCI Minimum Production Criteria at this time. This decision will be reviewed in 2012 after BCI has worked with the Better Cotton System for 3 years. In the meantime BCI and the Aid by Trade Foundation will cordially collaborate.

The BCI will apply for membership of the Finance Alliance for Sustainable Trade (FAST).

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