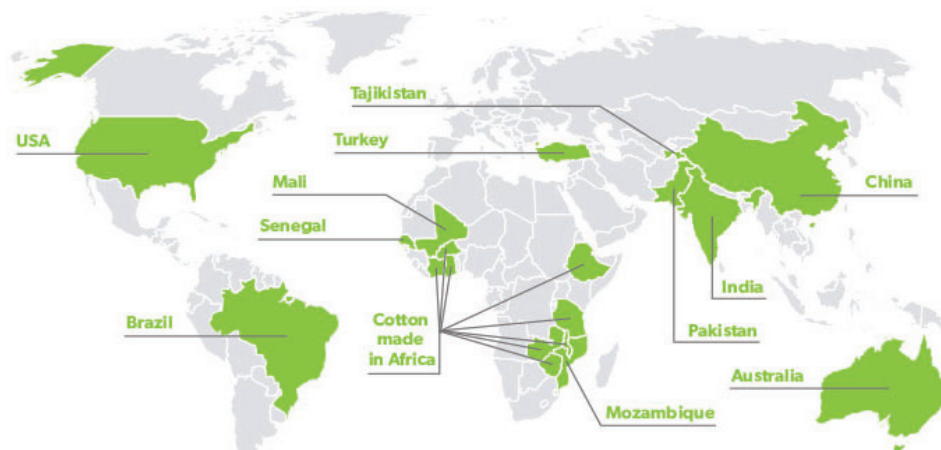


## Mainstreaming Better Cotton for Global Sustainable Impact

The BCI Growth and Innovation Fund is a global project portfolio managed in partnership with businesses, civil society partners and governmental bodies. The fund supports Better Cotton projects in more than 20 countries across five regions of the world. In 2014, BCI touched the lives of over **1.2 million cotton farmers** who produced more than 2 million MT of Better Cotton lint, amounting to **7.6% of global production**. BCI is the largest sustainability programme in cotton.



Countries where Better Cotton is grown

Joint investments in training and capacity building enable BCI to address the most pressing sustainability issues in cotton farming such as pesticide use, water efficiency and working conditions including child labour, gender inequities and poverty wages. The fund invests in capacity building programmes that train smallholder farmers to optimise inputs, use chemicals in a safer manner, increase yields and generate higher profits. Farmers commit to continuous improvement, which means they are required to develop plans to continuously improve their practices over time. By mobilising both public and

private funds, BCI is striving to mainstream Better Cotton, which is grown in a way that is measurably better for the environment and farming communities. BCI aims to reach **5 million farmers** and apply to **30% of global cotton production** by 2020.

BCI retailer and brand members **contribute to the fund in proportion to how much Better Cotton they use** in their supply chains. Companies who contribute more than €150,000 per year are invited to join the fund's governing committees and participate in the development of the fund's investment strategy, including the annual support programme.

Current members of these committees include some of the world's largest cotton buyers, including adidas, H&M, IKEA, Nike, Levi Strauss & Co. and M&S. All BCI retailer and brand members ultimately contribute to the fund through a fee related to their use of Better Cotton, equal to about 1% of the cost of cotton. BCI currently has over 50 retailer and brand members and is working to pass 60 by the end of 2016. **Global institutional donors and government agencies are invited to match the fees** contributed by the private sector in order to achieve a **multiplier effect**.

The ultimate goal of BCI is to **generate transformative, long-term and mainstream change from field to store**. In order to do this, we work with all the players in the cotton sector to make sure the cost of sustainable production is integrated into the cost of doing business.

The fund helps BCI achieve its mission focusing on **farm level interventions** like capacity building programmes. By 2020, we aim to reach **5 million farmers** and train them on how to grow cotton in a way that is **measurably better for the environment, farming communities and the economies of cotton producing areas**.

In 2016, the fund will provide direct support to **800,000 farmers in eight countries**, working with **over 40 implementing partners on 55 projects**. With an annual investment of approximately €10 million, the BCI GIF is projected to deliver over **2 million MT of Better Cotton lint**, which means almost **2 million hectares of land will be managed more sustainably** thanks to the fund's field-level investments.



## KEY INTERVENTIONS

### CONVENING PUBLIC-PRIVATE PARTNERS

The fund builds connections throughout the supply chain, linking farmers to cotton businesses. Cooperation with international and local civil society, governments and other sustainability initiatives enables mainstream sustainable change. The fund's public and private partners help maximise results by combining investments, knowledge and networks.

### TRAINING AND COACHING FARMERS TO ADOPT SUSTAINABLE FARMING PRACTICES

Group-based learning processes allow lead farmers to demonstrate the positive effects of new techniques, which spurs collaboration and knowledge exchange as well as widespread application. Best practices are made available to foster innovation in global agriculture.

### INNOVATING TO DRIVE COST-EFFICIENCY AND CONTINUOUS IMPROVEMENT

The fund promotes investments in research and development to enable farmers to continually improve their practices. The wide application of cutting edge technology to cotton production can allow farmers to save water, reduce chemical use, improve soil health and biodiversity, and ultimately increase yields and improve profitability. The fund aims to facilitate knowledge sharing between all farmers in the Better Cotton network in order to make innovation available at a lower cost.

The results presented in the table below show **country averages of key environmental, economic and social indicators** achieved by BCI farmers as compared to farmers in the same regions who operate outside of BCI projects.

Due to differences in local conditions, we do not compare indicators between countries. Results are also only presented for one harvest year because within a country or a sub-area of a country annual results are affected by external factors such as rainfall, pest pressure and market price that change year-on-year.

	CHINA	INDIA	PAKISTAN	TAJIKISTAN	TURKEY	MALI	MOZAMBIQUE
Yield	11% ↑	11% ↑	9% ↑	53% ↑	13% ↑	15% ↑	57% ↑
Pesticide	16% ↓	20% ↓	15% ↓	73% ↓	8% ↓	51% ↓	12% ↑
Synthetic fertiliser	10% ↓	33% ↓	19% ↓	28% ↑	9% ↓	8% ↓	—
Organic fertiliser	276% ↑	68% ↑	87% ↑	230% ↑	789% ↑	12% ↑	—
Water	16% ↓	4% ↓	18% ↓	11% ↑	9% ↓	—	—
Profit	30% ↑	32% ↑	46% ↑	—	28% ↑	14% ↑	65% ↑

## EXAMPLES OF POSITIVE RESULTS ACHIEVED IN 2014

- BCI farmers in Mali used 51% less pesticide than comparison farmers.
- In China, BCI farmers used 16% less water than comparison farmers.
- BCI farmers in Pakistan reported 46% higher profits than comparison farmers.

## JOIN US IN MAINSTREAMING BETTER COTTON

We already enjoy the support of some of the world's biggest retailers and brands, as well as some institutional funders. We represent a **low-risk, high-reward and forward-thinking opportunity** for your investments in sustainable programmes.

"Convened by IDH, the predecessor of the Growth and Innovation Fund has generated significant momentum. We were at 7.6% of world production at the end of 2014 and have reached 1.2 M smallholder famers. IDH is actively looking forward to keep on supporting the Growth and Innovation Fund."

Joost Oorthuizen,  
Executive Director, IDH

"We see BCI as the mainstream model for sustainable cotton and plan to source 100% Better Cotton by 2018."

Philipp Meister,  
Manager Sustainable Materials  
and Innovation, adidas

"It is really a big goal and vision for all the world's cotton to be grown more sustainably."

Michael Kobori,  
Vice President, Sustainability,  
Levi Strauss & Company





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