Conventional cotton farming often comes at a high price for people and the environment. Most cotton is grown and picked by hand on small farms in developing countries, and the farming techniques involve intensive use of water, chemical pesticides and fertilisers. Cotton is a thirsty crop but often grown in drought-prone areas, contributing to local water scarcity. Soil erosion and loss of biodiversity are also common issues.

At the same time, many cotton farmers struggle to make a profit, and the industry is known for problems such as child labour, and health risks associated with the use of chemicals.

In 2005, WWF and IKEA started cooperating with the aim to make cotton farming more sustainable, and the joint projects in India and Pakistan have showed strong environmental, social and economic benefits.
BACKGROUND

Cotton is a renewable resource with great qualities, but also associated with major environmental and social challenges. Both WWF and IKEA see the need to tackle these from several fronts by a variety of stakeholders with the ambition to transform the cotton market.

Cotton Partnership Aims for Market Transformation

“We can do a lot to improve standards in our own supply chain by working with suppliers and so on, but some issues are systemic and not something we can solve on our own. Together with a strategic partner with expertise, like WWF, we have a much bigger impact. And because IKEA is a big market player, we have a responsibility to be part of a wider movement,” says Simon Henzell-Thomas, IKEA Sustainability Policy & Partnerships Manager.

WWF and IKEA were founding members of the Better Cotton Initiative (BCI) and support its efforts to transform cotton production worldwide by developing Better Cotton as a sustainable mainstream commodity. Some predict that this could be a reality before 2020.

“The speed of developments when it comes to cotton is unprecedented – no one could ever have expected it to move ahead so quickly. An important success factor is that both organisations have such engaged and hard-working co-workers, not least in the field. They make great efforts,” says Marcus Albers, Manager Corporate Partnerships WWF Sweden.

Simon Henzell-Thomas agrees:

“What we are doing with cotton is a great example of market transformation. We have an amazing opportunity to tip an entire market to becoming more sustainable.”

A typical cotton supply chain often involves several companies in different countries before the finished product reaches consumers. Addressing sustainability issues already at farm level is important in order to create lasting and large-scale improvements in conventional cotton.

Facts About Cotton

- 2.5% of the world’s cultivated land is used to grow cotton
- Cotton accounts for up to 10% of global pesticide use
- Cotton is grown in around 80 countries around the world
- The largest producers are China, India, USA, Pakistan, Brazil and Uzbekistan
- Some 300 million people work in the cotton industry
- On average, 10,000 litres of water is used to grow one kilogram of cotton, but it can require three times as much if farming practices are poor
- Nearly half of all textile production is based on cotton

Source: waterfootprint.org
IKEA and WWF agreed to start joint cotton projects in 2005. At the time, WWF had been concerned about water-related issues in South Asia’s cotton-growing regions for some years, and IKEA had unearthed worrying facts about cotton’s impact on people and the environment when mapping its cotton supply chain in 2004. Something had to be done to make conventional cotton more sustainable.

“When we first started the projects, neither IKEA nor WWF really knew what needed to be done to tackle the challenges with cotton farming. The first phase was experimental, with lots of innovation. We have learned a lot and achieved a lot,” says Murli Dhar, Associate Director Sustainable Agriculture Program WWF India.

“Some people suggested IKEA should abandon cotton altogether and some said we should move our sourcing to ‘safe’ countries like the US. But IKEA has the financial power and are big enough to change things, so instead we decided to work with WWF and do something about the problem,” says Guido Verijke, who was part of setting up the joint projects when he was Deputy Business Area Manager Textiles at IKEA of Sweden.

WWF brought together a range of concerned stakeholders - including IKEA - with a desire to work together to define a system for cotton production which would have less impact on people and on the environment. This was the start of the Better Cotton Initiative (BCI) in 2004, but it would not be until 2009 before it had developed global principles and criteria for Better Cotton.

“WWF and IKEA were founding members of the BCI, but we wanted to speed things up. We started working with WWF in Pakistan first, thinking that if we can change things here, we can change it anywhere,” Guido Verijke remembers, adding that the first project in India soon followed.

From 500 Farmers to 43,000

Farmers received hands-on field training in cultivation practices that meant cotton could be successfully grown with less chemical fertilisers and pesticides and less precious water. Arif Makhdum, Director Sustainable Agriculture Program WWF Pakistan, was on the ground from the start:

“We started with 500 farmers. In the beginning, they were not ready to listen to the environmental or social issues; they were only interested in saving money. But the results were very encouraging already after just one year so WWF and IKEA agreed to expand the projects.”

The results inspired more and more farmers to join the projects in the two countries, and some 43,000 joint project farmers in India and Pakistan are now using more sustainable farming practices. In 2010, project farmers in Pakistan were the first in the world to produce licensed Better Cotton.
Examples of More Sustainable Farming Techniques

Under the projects, farmers adopt more sustainable farming techniques – modern ones as well as almost forgotten traditional ones. Here are some examples:

**Less chemical pesticides**
Many insects seek out maize before cotton so planting maize around their crops acts as an early warning system for pest attacks. Pheromone traps help farmers monitor the type and number of insects, and prevent unnecessary spraying. Many farmers use traditional techniques to replace or complement chemical pesticides, such as bio-pesticides like neem oil.

**Less chemical fertilisers**
Organic compost and manure improve soil quality, and reduce the need for costly artificial fertilisers. Organic compost can replace or complement chemical fertilisers, such as bio-pesticides like neem oil.

**Less water**
Drip irrigation systems get the water to where it is needed most, so less is wasted. With less water in the soil, weeds can’t grow.

**Better earnings**
Basic equipment such as aprons, make harvesting easier and prevent contamination with air and debris. Cleaner cotton gets a better selling price.

---

**RESULTS TO DATE**

The partnership’s joint cotton projects in India and Pakistan clearly show that not only the environment benefits from more sustainable farming practices - in 2013, project farmers’ earnings in India were around 45 percent higher compared to those using conventional cultivation methods.

**Project Results 2013**

Each year, WWF takes data from project farmers and data from a sample of conventional farmers and compare them by calculating the difference in average use of pesticides, fertilisers and water. The calculations provide an indication of the situation of both types of farmers in a given year. The changes observed are calculated by comparing the averages from BCI farmers who use Better Management Practices with the averages of a control group of farmers who do not use BMPs (in any given year). While the results suggest that Better Cotton practices can result in reductions in fertiliser use, pesticides and water, impact studies – over a longer period – are needed to confirm this trend.

**Average 2013 results**

- **Pakistan**
  - Bahawalpur and Toba Tek Singh, Punjab:
    - 37% less pesticides
    - 21% less water
    - 22% less fertilisers
    - 29% increase of farmers’ gross margins
    - ~ 37,000 farmers active

- **India**
  - Aurangabad, Maharashtra:
    - 38% less pesticides
    - 24% less water
    - 29% less fertilisers
    - 45% increase of farmers’ gross margins
    - ~ 6,000 farmers active

---

*Data from these projects may differ from BCI due to the methodology for how data are collected and processed.*
IKEA aims for 100% cotton from more sustainable sources by the end of 2015

The IKEA supply chain secured enough cotton produced from more sustainable sources and covered more than 2/3 of the predicted total need for IKEA products in the financial year 2013 (FY13).

“It is exciting that we have crossed the 50% goal and this has been a significant achievement. There is still a way to go to meet our 2015 goal and I am sure that with the continued collaboration we will secure this,” says Pramod Singh, Cotton Leader at IKEA.

Almost 57,000 tonnes of licensed Better Cotton lint – mostly from Pakistan and the African continent – had been purchased as of March 15, 2014. An additional approximately 17,000 tonnes of lint was sourced from farmers working towards the Better Cotton Initiative (BCI) standard, bringing the total to almost 57,000 tonnes or 50% of the estimated need for FY13. Last year, in FY12, the share of cotton from these preferred sources in IKEA products was 34%.

Cotton is an important raw material for IKEA, and the company uses around 0.6% of the world’s cotton production every year. It can be found in many popular products, from sofas, to cushions, bed sheets and lamp shades. The goal is that all cotton used in the IKEA range is from more sustainable sources by the end of 2015.

Almost 57,000 tonnes of licensed Better Cotton lint – mostly from Pakistan and the African continent – had been purchased as of March 15, 2014. An additional approximately 17,000 tonnes of lint was sourced from farmers working towards the Better Cotton Initiative (BCI) standard, bringing the total to almost 57,000 tonnes or 50% of the estimated need for FY13. Last year, in FY12, the share of cotton from these preferred sources in IKEA products was 34%.

Almost 57,000 tonnes of licensed Better Cotton lint – mostly from Pakistan and the African continent – had been purchased as of March 15, 2014. An additional approximately 17,000 tonnes of lint was sourced from farmers working towards the Better Cotton Initiative (BCI) standard, bringing the total to almost 57,000 tonnes or 50% of the estimated need for FY13. Last year, in FY12, the share of cotton from these preferred sources in IKEA products was 34%.

Almost 57,000 tonnes of licensed Better Cotton lint – mostly from Pakistan and the African continent – had been purchased as of March 15, 2014. An additional approximately 17,000 tonnes of lint was sourced from farmers working towards the Better Cotton Initiative (BCI) standard, bringing the total to almost 57,000 tonnes or 50% of the estimated need for FY13. Last year, in FY12, the share of cotton from these preferred sources in IKEA products was 34%.

Almost 57,000 tonnes of licensed Better Cotton lint – mostly from Pakistan and the African continent – had been purchased as of March 15, 2014. An additional approximately 17,000 tonnes of lint was sourced from farmers working towards the Better Cotton Initiative (BCI) standard, bringing the total to almost 57,000 tonnes or 50% of the estimated need for FY13. Last year, in FY12, the share of cotton from these preferred sources in IKEA products was 34%.

Almost 57,000 tonnes of licensed Better Cotton lint – mostly from Pakistan and the African continent – had been purchased as of March 15, 2014. An additional approximately 17,000 tonnes of lint was sourced from farmers working towards the Better Cotton Initiative (BCI) standard, bringing the total to almost 57,000 tonnes or 50% of the estimated need for FY13. Last year, in FY12, the share of cotton from these preferred sources in IKEA products was 34%.

Almost 57,000 tonnes of licensed Better Cotton lint – mostly from Pakistan and the African continent – had been purchased as of March 15, 2014. An additional approximately 17,000 tonnes of lint was sourced from farmers working towards the Better Cotton Initiative (BCI) standard, bringing the total to almost 57,000 tonnes or 50% of the estimated need for FY13. Last year, in FY12, the share of cotton from these preferred sources in IKEA products was 34%.

Almost 57,000 tonnes of licensed Better Cotton lint – mostly from Pakistan and the African continent – had been purchased as of March 15, 2014. An additional approximately 17,000 tonnes of lint was sourced from farmers working towards the Better Cotton Initiative (BCI) standard, bringing the total to almost 57,000 tonnes or 50% of the estimated need for FY13. Last year, in FY12, the share of cotton from these preferred sources in IKEA products was 34%.

Almost 57,000 tonnes of licensed Better Cotton lint – mostly from Pakistan and the African continent – had been purchased as of March 15, 2014. An additional approximately 17,000 tonnes of lint was sourced from farmers working towards the Better Cotton Initiative (BCI) standard, bringing the total to almost 57,000 tonnes or 50% of the estimated need for FY13. Last year, in FY12, the share of cotton from these preferred sources in IKEA products was 34%.

Almost 57,000 tonnes of licensed Better Cotton lint – mostly from Pakistan and the African continent – had been purchased as of March 15, 2014. An additional approximately 17,000 tonnes of lint was sourced from farmers working towards the Better Cotton Initiative (BCI) standard, bringing the total to almost 57,000 tonnes or 50% of the estimated need for FY13. Last year, in FY12, the share of cotton from these preferred sources in IKEA products was 34%.

Almost 57,000 tonnes of licensed Better Cotton lint – mostly from Pakistan and the African continent – had been purchased as of March 15, 2014. An additional approximately 17,000 tonnes of lint was sourced from farmers working towards the Better Cotton Initiative (BCI) standard, bringing the total to almost 57,000 tonnes or 50% of the estimated need for FY13. Last year, in FY12, the share of cotton from these preferred sources in IKEA products was 34%.

Almost 57,000 tonnes of licensed Better Cotton lint – mostly from Pakistan and the African continent – had been purchased as of March 15, 2014. An additional approximately 17,000 tonnes of lint was sourced from farmers working towards the Better Cotton Initiative (BCI) standard, bringing the total to almost 57,000 tonnes or 50% of the estimated need for FY13. Last year, in FY12, the share of cotton from these preferred sources in IKEA products was 34%.

Almost 57,000 tonnes of licensed Better Cotton lint – mostly from Pakistan and the African continent – had been purchased as of March 15, 2014. An additional approximately 17,000 tonnes of lint was sourced from farmers working towards the Better Cotton Initiative (BCI) standard, bringing the total to almost 57,000 tonnes or 50% of the estimated need for FY13. Last year, in FY12, the share of cotton from these preferred sources in IKEA products was 34%.

Almost 57,000 tonnes of licensed Better Cotton lint – mostly from Pakistan and the African continent – had been purchased as of March 15, 2014. An additional approximately 17,000 tonnes of lint was sourced from farmers working towards the Better Cotton Initiative (BCI) standard, bringing the total to almost 57,000 tonnes or 50% of the estimated need for FY13. Last year, in FY12, the share of cotton from these preferred sources in IKEA products was 34%.

Almost 57,000 tonnes of licensed Better Cotton lint – mostly from Pakistan and the African continent – had been purchased as of March 15, 2014. An additional approximately 17,000 tonnes of lint was sourced from farmers working towards the Better Cotton Initiative (BCI) standard, bringing the total to almost 57,000 tonnes or 50% of the estimated need for FY13. Last year, in FY12, the share of cotton from these preferred sources in IKEA products was 34%.

Almost 57,000 tonnes of licensed Better Cotton lint – mostly from Pakistan and the African continent – had been purchased as of March 15, 2014. An additional approximately 17,000 tonnes of lint was sourced from farmers working towards the Better Cotton Initiative (BCI) standard, bringing the total to almost 57,000 tonnes or 50% of the estimated need for FY13. Last year, in FY12, the share of cotton from these preferred sources in IKEA products was 34%.

Almost 57,000 tonnes of licensed Better Cotton lint – mostly from Pakistan and the African continent – had been purchased as of March 15, 2014. An additional approximately 17,000 tonnes of lint was sourced from farmers working towards the Better Cotton Initiative (BCI) standard, bringing the total to almost 57,000 tonnes or 50% of the estimated need for FY13. Last year, in FY12, the share of cotton from these preferred sources in IKEA products was 34%.

Almost 57,000 tonnes of licensed Better Cotton lint – mostly from Pakistan and the African continent – had been purchased as of March 15, 2014. An additional approximately 17,000 tonnes of lint was sourced from farmers working towards the Better Cotton Initiative (BCI) standard, bringing the total to almost 57,000 tonnes or 50% of the estimated need for FY13. Last year, in FY12, the share of cotton from these preferred sources in IKEA products was 34%.

Almost 57,000 tonnes of licensed Better Cotton lint – mostly from Pakistan and the African continent – had been purchased as of March 15, 2014. An additional approximately 17,000 tonnes of lint was sourced from farmers working towards the Better Cotton Initiative (BCI) standard, bringing the total to almost 57,000 tonnes or 50% of the estimated need for FY13. Last year, in FY12, the share of cotton from these preferred sources in IKEA products was 34%.

Almost 57,000 tonnes of licensed Better Cotton lint – mostly from Pakistan and the African continent – had been purchased as of March 15, 2014. An additional approximately 17,000 tonnes of lint was sourced from farmers working towards the Better Cotton Initiative (BCI) standard, bringing the total to almost 57,000 tonnes or 50% of the estimated need for FY13. Last year, in FY12, the share of cotton from these preferred sources in IKEA products was 34%.

Almost 57,000 tonnes of licensed Better Cotton lint – mostly from Pakistan and the African continent – had been purchased as of March 15, 2014. An additional approximately 17,000 tonnes of lint was sourced from farmers working towards the Better Cotton Initiative (BCI) standard, bringing the total to almost 57,000 tonnes or 50% of the estimated need for FY13. Last year, in FY12, the share of cotton from these preferred sources in IKEA products was 34%.

Almost 57,000 tonnes of licensed Better Cotton lint – mostly from Pakistan and the African continent – had been purchased as of March 15, 2014. An additional approximately 17,000 tonnes of lint was sourced from farmers working towards the Better Cotton Initiative (BCI) standard, bringing the total to almost 57,000 tonnes or 50% of the estimated need for FY13. Last year, in FY12, the share of cotton from these preferred sources in IKEA products was 34%.
Nine years into the cotton partnership, and with some very impressive results to show for it, WWF and IKEA want to support sustainable cotton production beyond the joint projects on the ground in India and Pakistan.

WWF and IKEA Prepare for Sustainable Cotton Production Beyond Projects

The goal is to help transform the global cotton market and make Better Cotton an affordable, mainstream commodity that is better for the people who produce it, better for the environment it grows in and better for the sector’s future.

Building Better Cotton capacity

All IKEA funded projects are now being adapted to be licensed to grow Better Cotton.

“We’ve made a big impact on the field through the WWF and IKEA projects, both on the health of the people and on the environment. We are ensuring sustainability by building the capacity of our local partners and the farmers themselves,” says Mizuki Murai, Cotton project Coordinator at WWF-UK.

Scaling up farmers’ capacity to produce Better Cotton is a prerequisite if it is to become a mainstream commodity and a real alternative to conventional cotton. This is why the joint project in Pakistan now helps establish and support producer organisations – with and for farmers – that in turn provide support to those who want to produce Better Cotton. The partnership is also working to understand the water footprint and greenhouse gas emissions of cotton production in India and Pakistan, and to develop a plan of action to address these issues.

Social issues more difficult

While it has proved relatively easy to demonstrate the benefits and motivate farmers to address cotton farming’s environmental challenges, social issues have proved more difficult to tackle. But farmers wanting to produce Better Cotton must show continuous improvements also when it comes to the BCI’s “decent work” criteria. They cover areas such as freedom of association, child labour, health and safety, and employment conditions.

“There are many social issues connected to cotton production in south Asia and the issues are a result of many inter-linked causes. It requires a long-term, integrated approach between many stakeholders to solve the issues. IKEA coordinate our cotton work with relevant partners to secure long lasting result,” says Pramod Singh, Cotton Leader at IKEA.

“Many people in the project areas are illiterate. They don’t have access to health facilities and sometimes not to any education. Household incomes are very low,” says Arif Makhdum, Director Sustainable Agriculture WWF Pakistan.
Better Cotton Could be Mainstream Commodity Before 2020

The availability of Better Cotton – cotton produced and licensed according to the social and environmental criteria set by the Better Cotton Initiative (BCI) – is increasing rapidly, and production could be large enough to make it a mainstream global commodity by 2020.

“Our ambition is to increase the capacity of production by 2020,” says Lena Staafgard, business director at BCI. “We are working with 5 million farmers across the world, bringing benefits to 20 million people involved in primary production alone. Collaboration is the key to achieving this ambitious goal,” she says.

Pramod Singh, Cotton Leader at IKEA believes that to make Better Cotton a tradable commodity it is important that significant quantities of Better Cotton are produced in China, the biggest producer and consumer of cotton. Also USA, the biggest exporter country of cotton, need to produce large quantities. However all this would be futile, if Better Cotton would be traded at differentiated price.

BCI aims to have Better Cotton make up 30% of global cotton production by 2020.

Premium Prices for Better Cotton a Challenge

Cotton cultivated with practices that require less chemicals in the form of fertilisers and pesticides is better for the environment and often cheaper for the farmer to produce because he saves money by not having to buy as much chemicals. This win-win perspective is part of the reasoning why Better Cotton should not be allowed to become a premium-prices commodity.

“Still, we have a challenge here,” says Arif Makhudum, part of the team that started the joint cotton projects in Pakistan in 2005. “Some supply chain actors feel they do something special that they don’t get anything extra for.”

“I agree,” says Pramod Singh, Cotton Leader at IKEA. “Differentiated prices for Better Cotton have been developed in many countries due to the gap between demand and supply. It is in these moments that retail and brand members of BCI need to stand firm. The way forward is to increase the supply evenly over more markets around the world,” Pramod Singh adds.

IKEA and other retailers who are members of the Better Cotton Initiative stand firm:

“We will not pay premium prices because this counteracts our goal to make Better Cotton a sustainable mainstream commodity. The moment it becomes more expensive than conventional cotton it will become a niche product,” explains Guido Verijke at IKEA.

Hammad Naqi Khan, Global Cotton Leader at WWF International’s Market Transformation Initiative agrees:

“Retailers have to stick to not allowing a premium, and pay only for real production costs. But it is an open market commodity, subject to supply and demand mechanisms. And when demand rises, some people do see an opportunity to make money.”

Better Cotton Initiative (BCI)

BCI exists to make global cotton production better for the people who produce it, better for the environment it grows in and better for the sector’s future. It works with a diverse range of stakeholders to promote measurable and continuing improvements for the environment, farming communities and the economies of cotton-producing areas. BCI aims to transform cotton production worldwide by developing Better Cotton as a sustainable mainstream commodity.

Read more at bettercotton.org