

POLICY ON COMMUNICATING DATA

Title: Policy on Communicating Data

Document reference code: BCI-POL-01-V2

Date: 1 April 2015

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Introduction

BCI is committed to ensuring that credible data demonstrating progress and results is communicated to BCI members, partners, funders, producers, and the public. The reputation of BCI rests in large part with the credibility of its data. Data is therefore provided at strategic moments throughout the cotton production cycle to allow the Better Cotton network to effectively use and learn from it.

This policy is aimed at BCI members, partners, and funders. It refers to the periodic communication of data by BCI and specifically addresses the following:

- » Types of data communicated
- » Rationale for any limitations on data use
- » When and how data is made available by BCI

BCI will provide data to interested parties according to the present policy. Complementary data sharing agreements are developed to meet the needs of specific partnerships, research, or other activities

Glossary of Seasonal Terms

The seasonal terms are used for BCl's reach indicators: volume of Better Cotton, number of Better Cotton Farmers, and area covered by Better Cotton.

- » Planned: Pre-season estimates included in BCI's annual Operational Plan.
- » Early Season Projections: Expected figures estimated by participating producers four weeks after sowing the cotton crop.
- » Late Season Projections: Revised estimates reported during the Self Assessment process and according to which Producer Units and Large Farms earn a Better Cotton licence
- » Final: Actual figures calculated post-harvest.



Data Communication Overview

Category	Data	Levels of Data Aggregation (see pg. 4 for explanation)	BCI Shares Information with Whom	BCI Communication Method	Frequency of Updates or Availability
	Reach Indicators				
eld ges 5-6)	 Number of farmers participating in Better Cotton projects Number of licensed BCI Farmers Percentage of farmers earning Better Cotton licence Area under Better Cotton cultivation Volume of Better Cotton produced 	» Country	Public	Conferences, meetings, upon specific requests (i.e. media)	January – Planned figures
		» Global	Public	Annual Report	April of the following calendar year – Late season projections
		» Country	Public	Harvest Reporting	September of the following calendar year – Final figures
		» Country	BCI Council	BCI Data Snapshot	Quarterly
- S'		» Country	Funders	Activity Report	Quarterly
A. F. See pa	Results Indicators				
	 Pesticide use Fertiliser use Water used for irrigation Yield Profitability Leveraged partnerships with local specialist organisations on child labour Level of understanding and awareness among farmers about hazardous child labour Inclusion of women 	» Country	Public	Harvest Reporting	 Annually per country, on rolling basis according to harvest seasons Annually in consolidated global report



	 Financial Indicators Earned income as percentage of global BCI costs Financial Statements 	» Global	Public	BCI Annual Report	Annually - April		
<u>[</u>	Membership Indicators			'			
ee pages 6-7)	 Number and types of BCI members Number of lapsed memberships Number of suspended members Number of expelled members 	» Global	Public	BCI website	Quarterly		
(See	7. Results of Annual Membership Self-Assessment Survey	» Individual Members	Retailer & Brand Members	Private Annual Performance Overview	Annually – December		
		» Member Type	Public	Anonymised Summary Report	Annually – December		
	Production Updates						
7-8)	Volume of Better Cotton produced	» State/Province/District	BCI Members	BCI Production Report on members' area on website	 » June – Early Season Projected Volumes » January of the followir calendar year – Late Season Projected Volumes 		
	Uptake Indicators						
(See pages	 Spinner uptake volume Retailer uptake volume 	» Global	Public	BCI Annual Report	Annually - April		
<u>0</u>	Cotton Tracer Analyses						
	4. Analysis of the flow of Better Cotton (measured in BCCUs¹) through the supply chain	» Global» Country	Public	Various reports and presentations	Determined on an ad ho		
	 5. Country of origin of all BCI suppliers 6. Country of origin of all Better Cotton procured by a member's suppliers 7. Volumes sourced from individual suppliers 	» Country	Better Cotton Fast Track Fund Members	Direct Communication	As Requested		

¹ A BCCU is a Better Cotton Claim Unit, which is used in BCI's chosen Chain of Custody model called Mass Balance. One BCCU represents one kilogram of Better Cotton.

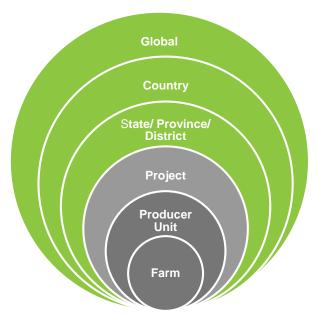


Levels of Data Aggregation

The graphic to the right illustrates the levels of aggregation at which BCI indicators are calculated and communicated.

- » The **global** level indicates information from all Better Cotton producing countries pooled and presented together (e.g. volume of Better Cotton produced globally).
- » The **country** level means that totals are given for indicators like the volume of Better Cotton produced nationally (e.g. volume of Better Cotton produced in one country).
- » Data on projected volumes of lint cotton produced at **state/province/district** level are shared with BCI members via the Production Report to help supply chain actors plan.
- » BCI does not publicly communicate statistics aggregated at the project² or Producer Unit level. Implementing Partners, only, may share this information within the Better Cotton network for learning purposes or with funders for project monitoring.
- » BCI never publicly shares or communicates individual **farm** level data. This data is stored confidentially and only used to produce statistics.

This policy attempts to strike a balance between providing credible, informative data to relevant audiences while avoiding promotion of regional biases.



Page 4 of 9 www.bettercotton.org

² In the case of BCI countries that have only one project, BCI will seek permission from the Implementing Partner to publish data.



A. Field

REACH INDICATORS

- 1. Number of farmers participating in Better Cotton projects
- 2. Number of licensed BCI farmers
- 3. Percentage of farmers earning a Better Cotton licence
- 4. Area under Better Cotton cultivation
- 5. Volume of Better Cotton produced

The Reach Indicators provide an overview of the scope of engagement with farmers around the world, the area of cultivated land covered, and the availability of Better Cotton volumes.

Planned figures, included in BCl's annual Operational Plan in January each year, can be shared at conferences and meetings or upon specific request from the media. Final, confirmed figures for the Reach Indicators in all countries are available in BCl's harvest reporting in September of the following calendar year.

RESULTS INDICATORS			
	Small- holders	Medium Farms	Large Farms
6. Percentage of participating farmers licensed	✓	✓	√
7. Pesticide use	✓	✓	√
8. Fertiliser use	✓	√	√
9. Water used for irrigation	√	√	√
10. Yield	√	√	√
11. Profitability	✓	√	
12. Leveraged partnerships with local specialist organisations on child labour	✓	✓	
13. Level of understanding and awareness among farmers about hazardous child labour	✓	✓	
14. Inclusion of women	✓	✓	

The Results Indicators use farmers' self-reported data to demonstrate the situation of BCI Farmers compared to that of non-BCI comparison farmers in the same geographical area and during the same season. More information about the methodology used to collect the data and how the Results Indicators are measured is available in the document, Better Cotton Assurance Program: Working with Results Indicators.

The Results Indicators are communicated annually per country and on a rolling basis. This is because harvest seasons vary among countries. Results will be communicated only when data is validated and analysis is complete. BCI will also publish a consolidated global Harvest Report on an annual basis.

National averages for Results Indicators are calculated and these country-level results are what BCI communicates to the public. For learning purposes, however, BCI also shares Results Indicators aggregated at the project and Producer Unit levels only with the Page 5 of 9



Implementing Partners who are responsible for managing the projects. BCI recommends Implementing Partners to limit the sharing of their own results at project or Producer Unit level to the funders of those projects or other partners for learning purposes. Producing Better Cotton is a collective effort and individual actors (partners and funders) can communicate about their contribution (e.g. the number of farmers they worked with or the farming area their projects covered) and combine it with the broader picture (i.e. official Results Indicator national averages). By doing so, together we strengthen the message of the Better Cotton Movement by connecting the local with the national.

» Recommended language (fictional example): The project reached 10,000 Indian farmers with training and support in 2013. Of those, 80% (8,000) earned a Better Cotton licence. These BCI Farmers therefore contributed to achieving an 18% higher yield, on average nationally, than comparison farmers growing cotton that season.

A note on impact: While Results Indicators show a comparison in the short term, longer term change will be demonstrated through rigorous impact assessment. Impact is <u>defined by ISEAL</u> as the "...positive and negative long-term effects resulting from the implementation of a standards system, either directly or indirectly, intended or unintended." BCI is committed to assessing impact and studies are currently in process. It will share findings and learning as they become available.

Results vs. Impact: Recommended Language When Communicating Results Indicators

This data illustrates the relative situation of BCI Farmers and comparison farmers in the _____ harvest season. The results are self-reported from BCI Farmers and comparison farmers. BCI and its partners are collaborating with rigorous studies that include in-depth contextual analyses. BCI's contribution to sustainability impacts will be demonstrated as findings become available.

B. Institutional

FINANCIAL INDICATORS

- 1. Earned income as percentage of global BCI costs
- 2. Financial statements

BCI reports on its earned income as a percentage of global BCI Secretariat costs to measure financial sustainability. It also makes its financial statements public as part of its commitment to transparency with stakeholders. The statements reflect the annual income and expenses of BCI Secretariat (calendar year=BCI financial year). Field level interventions are funded through external partnerships and independently managed. BCI's financial statements include an analysis of income streams, overview of BCI's financial position, and a breakdown of income and expenditure. Reporting against financial indicators is included in the Annual Report each April.

MEMBERSHIP INDICATORS

- 3. Number and types of BCI members
- 4. Number of lapsed memberships
- 5. Number of suspended members
- 6. Number of expelled members
- 7. Results of Annual Membership Self-Assessment Survey



The list of members, with location and category of membership, is available to the public on the BCI website. Member contact details may be shared with other members, depending on the wishes of each member. An update to the members' list is made on a quarterly basis on the *Our Members* page of the BCI website.

BCI publishes a list of its members whose memberships have lapsed, members who are suspended due to a breach of the Monitoring Protocol for Members, and expelled members. Also, BCI will send all Retailer & Brand members an individualised Annual Performance Overview of their performance during the year. The report will be based on data provided by the members in the Annual Member Questionnaire and on other publicly-available data collected by BCI. BCI will publish an anonymised version of the Annual Performance Overview summarising how its members are doing with regard to the minimum and improvement requirements as outlined in BCI's Monitoring Protocol for members.

The intention of the Monitoring Protocol and communicating transparently about member performance is to protect the credibility of the Better Cotton Initiative as a whole and to encourage members to continue to improve their own performance and to support the development of the initiative. Collaboration, sharing experiences, and continuous improvement are key themes BCI would like to promote amongst members.

C. Supply Chain

PRODUCTION UPDATES

1. Volume of Better Cotton produced

In addition to the publicly reported final volumes produced, BCI updates members on Better Cotton volumes at the sub-country level (state/province/district) twice per year:

- » June Early Season Projected Volumes, the expected amounts of cotton to be produced that year, estimated while the season is ongoing.
- » January of the following calendar year Late Season Projected Volumes, revised amounts of Better Cotton estimated to be available according to which Producer Units and Large Farms earn a Better Cotton licence.

Members can access the Production Reports on the Members' area of the BCI website.

UPTAKE INDICATORS

- 2. Spinner uptake volume
- 3. Retailer uptake volume

BCI monitors the uptake of Better Cotton throughout the supply chain, measured from January to December.

The uptake volumes provide annual insights into whether BCI and its members and partners are successfully connecting the complex chain of actors to allow Better Cotton to effectively move from field to store. The spinner and retailer uptake volumes are communicated in the Annual Report each April.



COTTON TRACER ANALYSES

- 4. Analysis of the flow of Better Cotton through the supply chain
- 5. Country of origin of BCI suppliers
- 6. Country of origin of Better Cotton procured by a member's suppliers
- 7. Volumes sourced from individual suppliers

BCI uses a Mass Balance Chain of Custody model. Keeping Better Cotton physically segregated from other cotton beyond the gin level is impractical given the complexity of the textile supply chain. Once a volume of Better Cotton is bought from a gin, Mass Balance allows it to be mixed with other cotton and the volume of Better Cotton that enters a point in the supply chain is then equivalent to the volume that later leaves. To monitor this in the Cotton Tracer³, BCI uses Better Cotton Claim Units (BCCUs), which are the units of conventional cotton that can be substituted for equivalent units of Better Cotton. On an ad hoc basis, BCI will share in reports and presentations aggregated, anonymised analyses and mapping of the flow of BCCUs through the supply chain.

In addition to the ad hoc analyses produced by BCI that demonstrate the flow of Better Cotton, members of the Better Cotton Fast Track Program can access BCI's increasingly powerful supply chain analysis tools in one-to-one discussions with BCI. This can create a link between the countries where Better Cotton is grown, the supply chain, and the store.

Due to the Mass Balance Chain of Custody model, <u>no</u> claim may suggest that there is any *physical* relationship between a BCI member's order and a supplier's procurement of Better Cotton. Rather, these claims should build a narrative about how the commitment of one supply chain actor affects the business of another, thus furthering the movement toward Better Cotton as a mainstream commodity.

For more guidance, please also consult the Claims Framework.

³ The Better Cotton Tracer is a system used by traders, spinners and retailers to record purchases and sales of Better Cotton. It tracks the movement of Better Cotton volumes as it moves up the supply chain through a centralised system of entering Better Cotton Claim Units (BCCU's) into a central database.



ATTRIBUTION OF DATA

When BCI members and Implementing Partners wish to communicate data externally and attribute it to BCI, they may only reference data that is validated and shared by BCI.

Partners can share and communicate their own data related to BCI project activities, but the data cannot be attributed to BCI and the BCI logo cannot be used unless written agreement is acquired. Partners may communicate, for example, to their funders about the Reach Indicators they collect and that pertain to their specific projects (i.e. information aggregated at the level of the Implementing Partner or project). They may also communicate data at the global and country level that is provided by BCI in official communications.

Partners, members, and other BCI stakeholders are required to conform to this policy. BCI will not validate any information that violates the policy.

This policy is governed by the BCI Membership Code of Practice, BCI Terms of Membership, BCI Monitoring Protocol for members, and the Implementation Partnership Agreement. Always refer to these documents to ensure that the context in which you want to use a claim or data is not in breach of your agreed conduct as a BCI member or partner.

Email kendra.pasztor@bettercotton.org for any further guidance.