Introduction

You will find in this report a new special focus section outlining progress in the Results, Impact, and Learning Programme. The programme is a vital part of BCI as we build the framework for communicating the impact of the Better Cotton Standard System’s implementation.
Q2 2017 Highlights

Better Cotton Demand
Demand for Better Cotton at the spinner and retailer and brand levels remain strong, with a further increase in supply chain uptake expected at the end of the harvest season. The total retailer and brand declarations of Better Cotton between January 1st, 2017 and June 30th, 2017 was 289,000 metric tons (MT). Declarations by spinners during the same time period was 612,577 MTs.

New Members
During Q2, 103 members joined BCI. We are delighted to announce that the first Brazilian retailer and brand, Lojas Renner SA joined during Q2. Total number of members is now at 1,093.

Communications
For the second quarter of 2017, BCI had 147 media impressions, of which 94% were positive. This represents nearly a 100% increase in overall impressions from Q1 2017.

Progress on Revising the BCI Standard
The 2nd public consultation of the BCI standard closed on 29 January 2017 and the Standard Revision Committee reviewed the full set of comments from the consultation. Recommendations on changes to the Standard are being submitted to the Council for review and discussion by stages. The process should be completed by the end of this year.

BCI Information Infrastructure
A new in-house IT Project Manager started on 1 June and is leading BCI’s work to integrate and link its diverse data and reporting platforms, as well as to lead projects automating data entry and facilitating data analysis, which has been predominantly manual to date. This is a first step to providing more rapid and robust data and information across BCI.
Selected Country Highlights

China
An MoU with China Cotton Industry Alliance (CCIA) was signed, which is an important step in the embedding process of the Better Cotton Standard System in China.
In June 2017, the BCI team in China successfully reached 92% of their annual membership recruitment target, and surpassed their target for new Better Cotton Tracer (BCT) users. There are now 268 BCI Members and 580 Better Cotton Tracer (BCT) users in China. In addition, C&A China officially launched the BCI on-product mark.

India
The team in India have been working on developing a new mobile ‘app’ that will give Implementing Partners and farmers access to the latest scientific research on cotton production as well as seasonal and regional advice on practices. The app is developed together with the Central Institute for Cotton Research who will provide the content in local languages. It will be launched in Q3 to support both our Implementing Partners and farmers and will provide continuous support and training to the farmers.

Pakistan
The Pakistan National Stakeholders Council Meeting took place on 3 May 2017. The meeting provided a platform for stakeholders to discuss the challenges and opportunities associated with forming the basis for a longer term national plan for Better Cotton in Pakistan. Representatives from both Punjab and Sindh Governments participated along with central Government.
There were 16 new members and Better Cotton Tracer users from Pakistan during the first 6 months of 2017.

Tajikistan
BCI’s Implementing Partner, Sarob, added a new area and group of farmers in the northern part of Sughd province, an important step towards further expansion of the programme in the coming seasons.

Turkey
BCI’s Strategic Partner, IPUD, launched an 18-month project on child labour in cotton production. The project is being developed in partnership with the Fair Labour Association (FLA), H&M and Inditex, with additional brands expected to join and support the work. This project builds upon preparation work and training conducted in 2016 with the FLA. Independent projects like this add value to the Better Cotton Implementation, and form part of our focus on continuous improvement.

United States
Over 400 farms in 14 US states are participating in BCI for 2017, thus tripling US farm participation for the third consecutive year.

West Africa (Mali and Senegal)
The new growing season started with a joint meeting to align and plan key activities for the cotton season with all partners in Mali and Senegal (FNPC, APROCA, CMDT, SODEFITEX).
BCI’s 1st Global Cotton Conference

The first BCI 2017 Global Cotton Conference took place in Berlin, 17-18 May 2017. It was attended by nearly 300 participants from 37 countries representing business, government, international organisations, non-governmental organisations, academics, farmers and other experts from the cotton sector.

BCI was honoured to have Parliamentary State Secretary Thomas Silberhorn from the German Federal Ministry for Economic Cooperation and Development (BMZ) provide a keynote speech on the opening day. He remarked: “You’re no longer niche. You’re part of a movement that is gathering momentum.” See the Summary in Part 2 of the report for further details of the Conference outcomes.

Donors and Supporters Meeting

The first Donors and Supporters Meeting was held on 15 May 2017, in Berlin. The meeting included current past and prospective donors and supporters of BCI. Further details of the outcomes are found in the following quick link.

Annual Members’ Meeting, 16 May 2017, Berlin

The Annual Member Meeting was held the day before the Conference. The meeting brought together BCI Members to discuss updates on BCI progress and other operational aspects of BCI, including the BCI GIF and future directions with innovation.
Upcoming BCI Events

BCI Implementing Partner Meeting and Symposium
BCI Annual Implementing Partner Meeting and Symposium will take place in Sri Lanka on December 5th and 6th 2017. The Annual Meeting will focus on the new Principles and Criteria, specifically the main innovations brought to the revised standard: pest management, water stewardship, climate change, biodiversity management planning, and land use change. In addition to the Implementing Partner meeting, there will be a Symposium on Integrated Pest Management.

BCI 2018 Global Cotton Conference and General Assembly, Brussels
► A BCI Donors and Supporters meeting will be held on 25 June 2018. The theme will be the Sustainable Development Goals and BCI.
► BCI is pleased to announce the dates of 27 to 28 June 2018 as the official dates for the Second Annual Global Cotton Conference
► The Member Only General Assembly will take place on 26 June 2018.
Quarter 2 was dedicated to training partners who supported farmers as sowing began in the northern hemisphere, continuing new member recruitment and culminated in BCI hosting its first Donors and Supporters meeting and the first Global Cotton Conference.

**Demand: Membership and Supply Chain**

**Membership Update**
At mid-year, 43% of the target for new members was achieved: 103 members joined BCI out of the total target number of 250 new members set for 2017. Recruitment is strong for Retailers & Brands and Suppliers & Manufacturers, with some lag in Civil Society and Producer Organisations. Among the retailers and brands that joined BCI in Q2 is our first Brazilian retailer and brand Lojas Renner SA. Others who joined in the period are the Benetton Group S.r.l., Work in Progress Holding AG and HUGO BOSS AG. There are 4 pending (new) retailer and brand members which will be added to the list once their membership dues are paid. The number of new Better Cotton Tracer (BCT) system users for 2017 has reached 358. The annual target is set at 650 new users. At the end of Q2, 55% of the 2017 target has been achieved. In total, BCI is on target to meet its new member target relating to income from membership fees and BCT user fees.
The demand for Better Cotton at the spinner and retailer and brand levels remain strong compared to 2016 over the same Quarter. The total retailer and brand declarations of Better Cotton over Q1 and Q2 is 289,000 metric tons (MT). Declarations by spinners during the same time was 612,577 metric tonnes (MTs). Figures for BCI Retailer and Brand and Spinner Members are lower than the BCI forecasts. This is a regular pattern as seen in past years over the same time period and is a function of seasonal growth fluctuations. It is expected that BCI will reach its annual uptake targets.
Standards, Learning and Impact

Progress on Revising the BCI Standard

The 2nd public consultation of the BCI standard closed on 29 January 2017 and the Standard Revision Committee has reviewed the full set of comments from the consultation. The recommendations to the Standard were submitted to the BCI Council for review and discussion. Due to the extensive number of items to address for the revision, the Council decided to adopt changes through a staged review process. This review process began in Berlin at the Council Meeting which took place prior to the Global Cotton Conference, in May 2017. Two additional review stages will take place in September and October. The approval of the Revised Standard is expected to be completed by the end of November at the next BCI Council Meeting.

Two test pilot projects were launched in June 2017 associated with the approval of the revised parts of the Standard on water and land use change.

BCI, together with Helvetas and the Alliance for Water Stewardship will begin testing the new (revised) Principle 2 on water in India, Pakistan, Tajikistan and Mozambique. The pilot will start in July with the development of a training module on the 5 components of the BCI water stewardship plan.

The second pilot project will focus on developing and testing the new land use change approach. BCI is partnering with the High Conservation Value (HCV) Resource Network to develop a risk assessment tool that evaluates the likelihood of HCV presence in areas subject to crop conversion. The next steps are the development of procedures for conducting the HCV assessment in low, medium and high-risk situations based on results derived from the application of the risk assessment tool.

BCI Information Infrastructure

Update on Information Systems Management

A new in-house IT Project Manager started on 1st June and is leading BCI’s work to integrate and link BCI’s diverse data and reporting platforms and to lead projects automating data entry and facilitating data analysis.

The development of the Online Project Database (OPD) for collecting and analysing field-level data (e.g. Global Reach Indicators and Results Indicators) is progressing and will lead to partners entering data directly into the system. This is part of BCI’s efforts to reduce manual data management and to improve the quality of data collected as well as the efficiency of processes. These are important steps that accompany BCI’s expansion and future objectives. The Information Infrastructure Strategy will continue in this direction through the rest of the year and BCI will continue taking steps to becoming a data manager.
Country updates

China

Membership Update
In June 2017, our team in China successfully reached 92% of their annual membership recruitment target, and surpassed their target for new Better Cotton Tracer (BCT) users. There are now 268 BCI Members and 580 Better Cotton Tracer (BCT) users in China. C&A China officially launched the BCI on-product mark. Over 220,000 items, from jeans to blouses, now communicate about C&A’s commitment to the Better Cotton Initiative. The on-product mark will be rolled out further, a positive indicator for building increased awareness about our initiative.

Supply Programme Update
An MoU with China Cotton Industry Alliance (CCIA) has been signed. The aim of the MoU is to support national embedding of the BCI standard in China through cooperation with national organisations and expansion of government engagement. CCIA will also work to connect BCI partners to training led by scientists. CCIA is a multi-stakeholder organisation that is working to integrate cotton production, processing, trading, and textile manufacturing, and to facilitate the development of more sustainable cotton in China. Led by China Cotton Research Institute, with support from the Ministry of Agriculture, they are a strong partner to support BCI’s ambition to embed the standard at national level.
India

Building the Capacity of our Partners

The 2017-18 cotton season is the most ambitious to date for our India programme. The Implementing Partners are projecting to reach more farmers than ever before, and require ongoing support and guidance from the BCI India team to deliver effective programmes. A few examples of these support activities are:

- The team is working on the development of a new mobile phone training app. The new app will be launched in Q3 to support both our partners and the farmers they work with in delivering training on, and understanding of, the Better Cotton Standard System. This app will provide information about recommended practices in local languages, such as plant protection techniques and water management practices, with advice tailored to each state. It has enormous potential to benefit our programme not only in India, but also in other BCI countries. In partnership with the Central Institute for Cotton Research in India, updates, current seasonal information and other data on cotton production will be made available regularly to the farmers.

- Representatives from the BCI India Supply Programme Team conducted visits to the Implementing Partners in North India to support their work. As part of this visit, a leading etymologist from the regional Cotton Research Station was invited to speak to the implementing partners about how to address the key challenges and solutions facing their region. North India produces approximately 13% of India’s cotton.

- An MOU with the Junagadh Agricultural University in Gujarat was signed to support efforts to build the capacity of our Implementing Partners by providing technical advice and expertise.

- A new relationship with the Indian Centre for Research on Innovation and Science Policy (CRISP) is forming to build functional capacities of IP staff.

In other news, the relationship with the International Fund for Agricultural Development (IFAD) is advancing. Through this relationship, a Better Cotton project could be introduced into a new cotton production state, if IFAD has an existing presence. Current work with IFAD in Maharashtra continues.

Events

The BCI Indian Country Team was invited to attend the annual general meeting of the All India Coordinated Research Project on Cotton (AICRP), part of the Indian Council for Agricultural Research (Government of India). The AICRP project aims to tackle problems encountered in driving sustainable cotton production, such as productivity, seed development, pests, diseases, salinity and drought tolerance.
Pakistan

An MOU with the Agriculture Extension Department (AED) of Punjab and Sindh, which was signed in the first Quarter of 2017, was a key step towards national embedding in Pakistan. Based on the MOU signed, AED will be involved in the implementation in one district in Sindh and two districts in Punjab.

Implementing Partners (IP) Capacity Building

This quarter, IP capacity building was conducted with 127 participants from 6 IPs, most were Producer Unit ²(PU) managers. There were 2 IP refresher training courses and 2 qualification training sessions (for new IP Staff) completed.

The Pakistan National Stakeholders Council Meeting took place on 3 May 2017. The meeting was attended by a broad spectrum of stakeholders, ranging from government representatives, BCI Implementing Partners, such as WWF and CABI, Industry Associations, Academics, and farmers. The meeting provided a platform for stakeholders to discuss the challenges and opportunities associated with forming the basis for a longer term national plan for Better Cotton in Pakistan.

For the 2nd Quarter, the Pakistan team have kept busy with the early-season information collected from all projects to update projections made before planting. As per the pre-season forecast, there is no major shift in target numbers.

Lena Staafgard, BCI’s Chief Operating Officer, visited Pakistan in May. During her visit, she met with the BCI IPs working in Pakistan, along with key suppliers and manufacturers operating in Pakistan. It provided a good opportunity for her to visit cotton fields in one of the project areas and meet the field implementation team, including small and medium farmers and cotton workers -- both male and female -- in the field, not only watching the planting, but also participating and getting her feet wet.

²A producer unit equates to 3000 small holder farmers
Other News Includes

► Moving forward with the Pakistan Central Cotton Committee (PCCC) – operating under the Pakistan Ministry of Textile Industry cooperative relationship. A proposal for the release of funding from the Government to PCCC for implementation of Better Cotton Standard System is in review and approval is expected in 3rd Q3 of 2017.

PCCC has proposed to implement BCSS in one project in Punjab and one in Sindh. Base work on the project will be started late in 2017 and actual implementation in the crop season 2017-18.

► Continuing to work with public sector organizations and 3 MOUs signed (one with the public-sector agriculture university and two with Agriculture Extension Department (AED) of Punjab & Sindh) in 2016 and early 2017. Message related to BCI production principles, is part of the AED message for cotton farmer for 2017 crop season.

► Increasing knowledge sharing through an IP platform is developing. A news bulletin consisting of news, key activities and field level good practices from all IPs, are shared with all Projects on monthly basis with a quarterly meeting of representatives from all IPs. Representatives share current activities, key issues, practical solutions and future plans. The meeting is conducted in field area in one of the BCI project and hosted by one of the BCI IPs.

► Activity on the Australian Department of Foreign Affairs and Trade (DFAT) funding started and 3 new projects began which are directly linked with the DFAT funding which covers 50,000 farmers.

► BCI is working to implement new criteria in the upcoming revised standard on water stewardship together with several partners in Pakistan. This includes two separate partnerships: a) collaborating with GIZ, the German Textile Alliance and BCI IPs to implement water stewardship principles in their projects and support watershed stakeholder engagement managed by GIZ and; b) together with the Swiss organisation Helvetas, the Alliance for Water Stewardship, WWF-Pakistan and IKEA we are able to engage further projects and also benefit from existing water-focussed programmes already in place within the WWF/IKEA partnership.

► Membership services and support are being provided to BCI members and potential new members in Pakistan and for East Asia. 16 new members and BCT users from Pakistan, have been inducted in first 6 months of 2017.
**Kazakhstan**

Now halfway through the second year of Better Cotton in Kazakhstan, 145 new farmers, mainly smallholders, are participating in the Better Cotton programme this season, tripling the number reached in 2016-17. The 2017-18 sowing period has now been completed.

BCI's Implementing Partner, Louis Dreyfus Company (LDC), organised field visits with farmers to provide training on the benefits of a new seed variety, and on new fertilisation techniques. Farmers, agronomists and LDC staff also participated in a training programme on BCI principles, agronomic techniques and pest management, conducted by Sarob Consumer Cooperative, our Implementing Partner from Tajikistan. Farmers in Kazakhstan have worked on developing their individual improvement plans for the 2017 season.

**Southern Africa (Mozambique, South Africa and Madagascar)**

In the Southern Hemisphere, the season was coming to an end, with harvest activities starting, and the focus was on concluding the Assurance Programme. In the 2nd quarter in Southern Africa the teams have selected, trained and contracted auditors for verification visits. The 2nd Party Credibility Checks were also conducted and a selection of third-party verifications were shadowed by the BCI team for assurance purposes. Refresher training courses were delivered for Producer unit (PU) managers and field facilitators.

**Tajikistan**

BCI’s Implementing Partner, Sarob, added a new area and group of farmers in the northern part of Sughd province. This work was complemented by the recruitment and training of additional Field Facilitators to provide implementation services in time for this season’s sowing period. Sarob also provided training services to an Implementation Partner in Kazakhstan, along with another organisation that is intending to join the programme there. A BCI Brand Member visited Tajikistan and is working with a local textile company to pull Better Cotton into its supply chain.
Turkey
With cotton seed planting and sowing taking place during Q2, BCI's Strategic Partner, IPUD, designed an 18-month project on child labour in cotton production. The project is being developed in partnership with the Fair Labour Association (FLA), H&M and Inditex, with additional brands expected to join and support the work. This project builds upon preparation work and training conducted in 2016 with the FLA. Projects like this add value to the Better Cotton Implementation, and form part of our focus on continuous improvement.

United States
Four new US organizations signed BCI implementation agreements in Q2, enabling them to form and manage groups of participating US farms, as part of the USA group assurance pilot. This brings the number of such groups to 8 in total, which are managed by cotton merchants, marketing cooperatives and ginners.

Over 400 farms in 14 US states are participating in BCI, for 2017, tripling US farm participation for the third consecutive year. To respond to this rapid growth, BCI has trained and approved additional 3rd party verifiers, and added a new USA programme officer position to help with assurance and other related tasks.

- Significant improvements were made in the scheduling, timelines and supporting tools for group managers, which is making implementation of the group assurance model much smoother.
- Outreach to academia is underway; civil society and government outreach requires more attention going forward.
- 4 new Group Managers (equivalent to IP) have been signed-up, which will translate into triple the farm/lint numbers from last season.

West Africa (Mali and Senegal)
The new growing season started with a joint meeting to align and plan key activities for the cotton season with all partners in Mali and Senegal (FNPC, APROCA, CMDT, SODEFITEX).
Communications

Media Coverage
For the second quarter of 2017, BCI had 147 media impressions, of which, 94% were positive. This represents nearly a 100% increase in overall impressions from the Q1 2017. This increase is due to the extensive coverage that BCI received through our involvement in the Prince of Wales Sustainable Cotton Communique and the Cotton 2040 Initiative and from the Global Cotton Conference.

Retailer and Brand Marketing Communications
For the second quarter of 2017, BCI approved 9 On-Product Marks for BCI Retailer and Brand Members’ use on end-product swing tags. BCI has approved 41 off-product claims for BCI Retailer and Brand Members, spanning websites, in-store signage, print materials, social media, sustainability reports, and videos.
During Q2, twenty-six (26) Member induction meetings were conducted for BCI Retailer and Brand Members.

The Communications Team is working on corrective action plans with a handful of brands to ensure that all BCI marketing communications are consistent with the BCI Claims Framework.

Alan McClay, CEO and Prince Charles, June 2017
Communications Task Force

A Communications Task Force Meeting took place on 16 May 2017, in Berlin. Nine brand members participated in the meeting. The three topics discussed were:

- Measuring and reporting on the impact of sourcing,
- Updates to the Claims Framework, and
- Recent media attention as well as crisis communications preparedness.

BCI continues to work closely with retailer and brand members through one-to-one meetings, webinars and conference calls, in order to implement new important communications activities, create a public relations plan and develop a crisis communication infrastructure. A new BCI Fact Sheet was created and distributed to brands to support continuity in messaging.

Country Harvest Reports

The Communications Team is working with the Standards & Assurance and Supply Teams to coordinate the publication of country-specific cotton Harvest Reports through the year, as Harvest data is finalised. BCI will release the reports from the 2015/16 season in Q3/Q4 as they are submitted country by country.

On product mark: C&A China, 2017
Donors and Supporters Meeting

The first Donors and Supporters Meeting was held 15 May 2017, prior to the BCI Members Meeting. Attendees were comprised of current, past and prospective donors and supporters of BCI, along with the BCI Country Managers and thematic managers.

The purpose of the First BCI Donors and Supporters Meeting was to: i) present the unique aspects of the Better Cotton Initiative, ii) describe BCI progress to date in meeting the 2020 targets, iii) listen to the priorities and commitments of participants towards the sustainable transformation of the cotton sector by participants, and iv) provide a platform for attendees to express views on the ways forward to deliver better cotton and transforming the sector.

Some of the key points raised by meeting participants include, inter alia,

- The trend of precompetitive private public partnerships such as BCI is growing and governments highly support them as a powerful tool for change and in meeting sustainability agendas.
- There is a strong need for BCI to highlight results delivered in the field more widely, and on a more regular basis. For example, the field stories help raise awareness to consumers globally and to retail and brands and their customers.
- Recognition of organisations supporting the BCI initiative is vital. This includes government funding, as it is imperative for them to report donations to taxpayers and explain how their funding has been used to meet their development priorities.
- Shared values are an important concept and trend in sustainable development. The objective is to bring government and profit making private sector businesses together to bring about positive social impact. BCI’s work with the cotton sector represents a good example of shared values by the retailer and brand members.
- Collaboration, clarity and information is needed to distinguish how the different standards relate to each other and cotton production. BCI and its work with Strategic Partners, helps the public to clearly understand the relationship between standards and ensures the credibility and integrity of the work is not impacted.
- The business model of BCI fosters change through the demand and uptake for Better Cotton. The demand and uptake by retailers and brands for Better Cotton provides farmers with a more stable market.
- BCI provides a unique traceability solution through physical segregation to the ginner and mass balance over the supply chain.
BCI 2017 Global Cotton Conference

The first BCI 2017 Global Cotton Conference was held from 17-18 May 2017. It was attended by nearly 300 participants from 37 countries from businesses, international organisations, governments, non-governmental organisations, academics, farmers and other experts from the cotton sector.

This inaugural conference provided an ideal platform for dialogue, to create connections and work together towards mainstreaming sustainable cotton. The diversity of participants underlined the enormous potential for change that the industry can affect by joining forces.

BCI has grown rapidly since the first Better Cotton harvest 7 years ago. In the 2015/2016 season over 12% of cotton globally is produced according to the Better Cotton Standard System or its equivalent. As the industry makes progress towards mainstreaming, BCI is adapting our business model and its resilience so that the system can continue to meet the needs of farmers around the world, in vastly different geographies, climates, economic and political contexts, at a scale of millions.

Alan McClay, CEO of BCI, opened the conference by describing BCI’s substantial achievements made in 2016. He said, “We are making a call to action to consumer-facing and supply chain businesses to join together in supporting more sustainable cotton sourcing, and we are enthusiastically looking forward to working with other cotton standards and programmes to accelerate the transformation of the cotton sector.”

He noted that there is enough supply, and complementarity between different sources of more sustainable cotton to meet the demands of complex global supply chains. Working together collectively is a foundational principle for transforming the cotton sector to be more sustainable.

Following Mr. McClay was the opening keynote speaker Alan AtKisson, Founder & CEO, AtKisson Group. Mr. AtKisson provided a valuable and memorable presentation on Sustainability Transformation is Happening. He pointed out how the work of BCI clearly plays a valuable role in helping the public and private sector meet the UN Sustainable Development Goals. Although incremental change is not sufficient to make a transformation or to meet the targets set out under the 17 SDGs. Growth and change needs to be exponential. He presented evidence and critical lessons learned about how to be an effective agent of change and how to effectively work together to accelerate the transformation of the cotton sector.
Joost Oorthuizen, Executive Director, IDH The Sustainable Trade Initiative, presented a number of successful partnerships of the IDH. The session gave an overview of the BCI Growth and Innovation Fund, and pointed the next step to sustainability. To reach out 2020 goals and beyond, additional institutional funding is needed to help BCI scale up towards the training of 5 million farmers.

Plenary panels focused on increasing knowledge of the portfolio of more sustainable cotton available to commercial businesses; highlighting how BCI is joining forces with others, such as Australia and Aid by Trade Foundation to ensure supply over 23 geographies. This overview was completed with a poignant view of changes taking place at field level as experienced by farmers and field level actors.

The Farmer panel is one of the revered panel discussions of the participants. The panel is comprised of farmers who work daily in the cotton field. (see photo)

The Conference breakout sessions put the spotlight on three segments of the cotton value chain: field level, supply chain and consumer-facing aspects. Field Level breakout sessions included topics ranging from “Mitigation and Adaptation to Climate Change in Cotton Production: The Role of Sustainability Schemes”, to “Making Sustainability Work for All: Experience from women’s empowerment programmes”.

In the Supply Chain breakout sessions, conversations ranged from “Understanding Pricing Mechanisms in the Supply Chain”, to “Chain of Custody Impacts on Production & Logistics” and more. Finally, the Consumer Facing breakout sessions included “Competing for the Consumer: T-Shirts or iPhones?”, the interesting “Consumer Choice: Benefit or Burden”.

The closing keynote speaker was Jason Clay, Senior Vice President, Food & Markets at WWF, and one of the original influencers of the BCI business model idea. Jason Clay presented the dilemma faced by food and commodity markets. He explained that the speed of change is not fast enough to stop the downward spiral of market stability and agricultural land protection. One of the key issues he discussed is affecting global commodity markets is fraud and illegal activity. From 5 to 44% of target globally traded commodities are produced illegally. This illegal activity can be financially damaging but also physically damaging from illegal use of hazardous chemicals at elevated levels that are harmful to humans and animals, illegal inputs to the process of food and agriculture production, dangerous additives and more.

Farmer Panel representing Brazil, Tajikistan, Mozambique and China Farmers, Source BCI 2017
For cotton, BCI is an umbrella system helping to reduce risks to the cotton producer and through the supply chain. He mentioned it’s better together and the shift from competition to joining hands as evidenced through the BCI conference. He said it will be important in the near future for the Better Cotton or similar standards to develop a price finding mechanism for cotton, that there is not a price premium, the market must see Better Cotton and other equivalent standard grown cotton as an asset, BCI needs to help the sector by promoting and leveraging long-term investments, e.g. machinery, climate adaptation, there is a need to set up an insurance framework for side sellers and a need to develop a global language for traders who trade Better Cotton and equivalent standards.

Annual Members’ Meeting, 16 May, Berlin
The BCI 2017 Annual Members’ Meeting was a global gathering of members. This year it took place one day prior to the first public BCI 2017 Global Cotton Conference. The aim of this meeting was to provide all current BCI members with, inter alia, relevant organisational updates on overall strategy, Better Cotton supply, membership benefits, and governance.

BCI staff presented functional updates on the work of the Secretariat. Key messages included updates on Better Cotton supply by country, updates for funding of the Growth and Innovation Fund, progress updates on the new membership value proposition, the new BCI member claims framework, progress report on the BCI Standard Review, and the launch of the new BCI Annual Report.

Download the Annual Member Meeting presentations here.

To access the conference presentations and additional content, click here.
A Day in the Life of an Agricultural Advisor

In Tajikistan, farmers face challenges including water scarcity and extreme weather. In 2015-16, flood waters washed away newly planted seeds in the northern Sughd region, and unseasonably high summer temperatures damaged cotton crops across the country. Farmers also struggle to ensure contracts, and safe working conditions for seasonal cotton pickers.

Chamangul Abdusalomova has been an agricultural advisor with Sarob, our IP in Tajikistan, since 2013, supporting field facilitators in delivering training and advice to farmers. An agronomist by training, she holds field days to showcase new technologies and runs practical demonstrations to help farmers implement each BCSS production principle. She also provides important advice on decent work. Her day begins early, often at dawn in the harvest season.

“Agriculture does not have working hours,” she says. “In September, harvest season, I go to the field at 6am and check how farmers are getting on with harvesting, and how well they’re following the BCSS criteria. For example, it’s important that they don’t use plastic bags to store cotton, as this encourages moisture. After the harvest, I help them to minimise losses by protecting the cotton in transport and storing it in a dry spot. I also monitor whether farmers are providing seasonal cotton pickers with drinking water, and whether there are children or pregnant women in the field.”

Chamangul visits two to three farmers a day, advising farmers and workers on how best to address the issues they’re experiencing and implement best practices. Her ‘toolkit’ of ideas and demonstrations varies during the season. For example, at the beginning of the cotton season, she helps farmers gauge the best moment to sow seeds by measuring soil temperature and giving advice on optimum weather for sowing. Both farmers and seasonal cotton pickers are keen to learn from her, she explains.

“When workers have a moment to relax, they often ask me questions about cotton growing – everything from the benefits of higher quality seeds or reducing soil acidity to identifying the insects they see in the fields,” she says. “Often, I run question and answer sessions to address common challenges, and I share all the information with my team, so that other Learning Groups can benefit too.”

Story from the Field
Asked whether she has observed positive changes on the ground, Chamangul says she has seen evidence of farmers adopting both more progressive environmental and social practices, with positive results. “Beneficial insects, and using non-chemical alternatives to synthetic pesticides, helped BCI Farmers (compared to non-BCI Farmers) reduce their use of synthetic pesticides by 23% in 2015-16.”

“In the rural villages where I work, farmers are increasingly learning to dispose of pesticide bottles responsibly, rather than throwing them in the river,” she says. “This is helping to preserve the quality of local water supplies. Similarly, farmers are no longer grazing animals near areas due for pesticide spraying.

I’m also seeing farmers introduce ‘beneficial insects’ and cultivate wild flowers and plants that ‘trap’ pest insects, which is helping to reduce their reliance on chemicals. By adopting simple, cost effective pest management techniques, they’re also saving money and putting less strain on the environment.”

From a social perspective, Chamangul explains that farmers are increasingly stepping up to their responsibility to provide clean drinking water for workers, particularly during the harvest season. Additionally, children are tending to help their parents only outside of school time, with simple activities such as looking after the wild flowers bordering the field.

“I hope that more farmers will join BCI in Tajikistan because they will really see the benefits, particularly as demand for Better Cotton grows,” she concludes.
Better Cotton farmers are on a journey toward more sustainable cotton production, and BCI exists to provide them an actionable framework to do so. We expect that improved practices adopted today will lead to positive results and impacts tomorrow for farmers, workers, and communities, as well as for the sector as a whole.

As a data-driven organisation, BCI is committed to collecting and reporting on farm-level results from the start. And as engagement in producing more sustainable cotton continues to expand, our systems and approaches are evolving and innovating to meet tomorrow’s opportunities. Following are highlights from the second quarter to demonstrate BCI’s results and impact activities:

- Continued development of its centralised data management system (BCI Project Database) that will be integrated with the other systems across the organisation, including BCI’s data visualisation tool, Tableau. During the second quarter, we launched the establishment of the data storage component with expected completion in the third quarter (last year, BCI’s partners reported more than 14 million data points; this requires state of the art systems). Once historic results data are migrated, longitudinal results analysis — looking at trends over time — will be greatly facilitated. This development will enable faster turnaround for Producers to see their results against their peers and their own trend lines across seasons.

- With the aim to develop new tools for retailers and brands to communicate about impact allocated to their sourcing achievements (a 2017 organisational priority), BCI conducted research into new potential indicators and results reporting methodologies. The objective is to offer value to the market while ensuring the credibility and feasibility of the Better Cotton Standard System.

- BCI will continue to measure what matters — farm level sustainability improvements. In the second quarter, we explored integrating scientific modelling to move beyond primary indicators (i.e. from “N-fertiliser use” to CO2 eq. emissions). The BCI team researched tools that aggregate life cycle inventories and others that add a layer of monetisation to enable an understanding of return on investment. We shared an issue brief with a group of retailer and brand members that explains the unique position of BCI’s global approach to making cotton more sustainable and how we envision the evolution of our measurement and reporting of the impact of sourcing Better Cotton. We also discussed the topic at the Communications Task Force meeting in May in Berlin.

- Formalising BCI’s Theory of Change (ToC). A ToC is a logical diagramme that defines an organisation’s vision and explains the steps believed to bring about that vision. Through causal pathways, it connects activities with results and impacts, including assumptions and contextual influences. The ToC aims to answer the questions: what is the change we are working for and what needs to happen for change to come about?

- BCI has an ambitious vision while operating in a complex environment. Developing a formal ToC is therefore an important exercise to identify the key investments of human and financial resources it will take to bring about our desired change in the cotton production sector. The ToC, expected to be made public before the end of the year, will be a living document and be regularly revisited and tested.
The chart indicates the volume of production per country or benchmarked programme like ABRAPA from Brazil.

The chart indicates the proportion, by region, of licensed Better Cotton farmers.

For further information about the report or BCI activities, please contact: development@bettercotton.org