

BCI QUARTERLY REPORT

Q1 2018: 1 January – 31 March

The Better Cotton Initiative 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, by developing Better Cotton as a sustainable mainstream commodity.

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This report is made possible by the generous support of the American people through the United States Agency for International Development (USAID). The contents are the responsibility of the Better Cotton Initiative and do not necessarily reflect the views of USAID or the United States Government.

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The Better Cotton Initiative (BCI) is the largest cotton sustainability programme in the world. Last year, with its partners, BCI provided training on more sustainable agricultural practices to close to 1.6 million farmers from 23 countries and mobilised €8.9 million in field-level investment. BCI is truly a global effort, encompassing organisations all the way from farms to fashion and textile brands, driving the cotton sector towards sustainability.

Q1 Highlights

€250,000 Grant Awarded from the Swedish Postcode Lottery Foundation

The Swedish Postcode Lottery awarded €250,000 to BCI to develop a new Better Cotton Training Academy. The Academy will provide a scalable and sustainable solution that will ensure Implementing Partners and BCI Farmers have access to high quality learning opportunities as they adopt more sustainable farming practices and commit to continuously improve.

[Read more.](#)



Standards and Assurance: Rolling Out the New Principles and Criteria

The revised Principles and Criteria became effective on 1 March 2018. They're now applicable at field-level and can be found [here](#).

[Read more.](#)

Uptake

BCI Retailer and Brand Member declarations on the Better Cotton Platform (formerly Better Cotton Tracer) were up 44% in Q1 2018 compared to Q1 2017, 205,212 MT was declared in total.

Membership

In Q1, BCI Membership grew to 1,273 members. We welcomed new Retailer and Brand Members: Guess? Inc., OLYMP Bezner KG, Punto FA S.L., Rusta AB and Scotch & Soda. Applications from civil society organisations (CSOs) were received and are pending.

Upcoming Events and Meetings

BCI 2018 Global Cotton Conference and Member Meeting: 26-28 June 2018, Brussels, Belgium

The theme of this years Global Cotton Conference will be 'Towards 2030: Scaling Impact through Collaboration.' The meeting, hosted by BCI, will be held in Brussels on 27-28th of June, with members-only events taking place on the 26th. Members only meetings will include the BCI 2018 Annual Member Meeting & General Assembly and 'An Introduction to BCI.'

The BCI 2018 Global Cotton Conference will bring the entire sector together to collaborate on a more sustainable future for cotton. Industry leaders and experts will gather for an interactive opportunity to explore themes at field level, in the supply chain and in consumer facing business.

During the General Assembly, BCI Council election results will be revealed and attendees will receive updates on membership benefits, Better Cotton supply figures and global strategy. C&A will address why they support Better Cotton, what it means for them, how they are rapidly increasing their uptake and how their adoption model can be replicated for different sized companies.

Donors and Supporters Meeting – Pre-Competitive Partnerships and the Sustainable Development Goals: 26 June 2018, Brussels, Belgium

On 26 June, BCI will host a Donors and Supporters Roundtable Meeting in Brussels. The meeting will focus on how precompetitive partnerships, supporting more sustainable cotton production, contribute to the Sustainable Development Goals. For more information, please contact Claudia Busch, Head of Development, Claudia.Busch@BetterCotton.org

Q1 Summary Report

BCI Receives Swedish Postcode Lottery Foundation Grant

BCI was awarded €250,000 for a new project to develop a Better Cotton Training Academy. The Academy will provide a scalable and sustainable solution to ensure that Implementing Partners (IP) and BCI Farmers have access to learning opportunities that support their adoption of more sustainable farming practices and their commitment to continuously improve.

The Better Cotton Training Academy includes two key elements to facilitate learning.

- New training modules will be developed, which will help IP staff better understand the core Principles and Criteria that BCI Farmers are required to follow. The modules will also provide guidance for how BCI Farmers can continuously improve.
- A Qualification Management System (QMS) will also be developed to ensure all BCI Staff, Implementing Partners and Third-Party Verifiers carrying out assurance and field-based training activities are fully qualified and competent. This will increase consistency in the way training events, Second Party Credibility Checks and Third-Party Verifications are implemented globally.



Membership and Supply Chain

Aiming to Reach 1.1 Million Metric Tonnes Uptake Target, a 50% Increase on 2017 Result

During Q1, retailer and brand declarations on the Better Cotton Platform (formerly Better Cotton Tracer) were 205,212 metric tonnes (MT), while spinner uptake was 414,736 MT. Retailer and brand declarations showed a 44% increase against the same period in 2017. The Membership Team will continue to foster supply chain uptake through recruitment, on-boarding, engagement, and supporting companies within the textile industry to adopt Better Cotton sourcing at an increasing rate.

Membership Events

A supplier and manufacturer event was held in Portugal in collaboration with BCI Retailer and Brand Members Burberry, LVMH, John Lewis, Next and Tommy Hilfiger. The event, Introduction to BCI, provided an opportunity for the brands to come together to introduce

their supply chain partners to BCI and explore how they, together, can increase uptake of Better Cotton.

BCI also hosted other engagement events and supplier training workshops with Members including Target (in the US), Hugo Boss (in Germany and Switzerland) and Decathlon (in Pakistan).

Members by Category

Retailers and Brands	89
Producer Organisation	31
Civil Society	32
Associate Member	13
Suppliers and Manufacturers	1110
Total Members	1275

Members by Region

Africa	25	2.0%
Asia	883	69.8%
Europe	295	23.1%
North America	47	3.7%
Oceania	6	0.5%
South America	19	1.5%



Retailer/Brand Uptake in MT *				
Months	2015	2016	2017	2018
January	6,234	17,450	55,996	72,798
February	4,620	32,058	39,891	54,284
March	9,946	27,242	49,537	78,130
April	11,006	42,402	38,148	
May	14,219	27,629	51,345	
June	41,732	47,864	63,105	
July	35,000	29,276	63,340	
August	24,469	27,591	48,015	
September	25,566	71,753	65,847	
October	13,945	28,613	72,000	
November	17,559	47,008	72,886	
December	23,729	80,573	129,425	
Total	228,026	479,459	749,535	205,212

Spinner Uptake in MT *				
Months	2015	2016	2017	2018
January	38,242	73,466	102,819	171,593
February	38,573	57,963	145,675	104,031
March	37,821	64,826	105,236	139,112
April	36,909	49,746	85,367	
May	23,891	77,604	95,218	
June	23,549	56,030	78,262	
July	30,687	53,135	66,860	
August	23,189	58,022	93,000	
September	39,243	48,786	43,069	
October	37,231	54,791	104,184	
November	63,076	79,622	143,767	
December	96,899	133,595	175,623	
Total	489,310	807,586	1,239,080	414,736

* There could be up to 5% discrepancy between these figures and actual figures due to pending cancellation requests and withdrawn transactions at any given time.

BCI Council

The BCI General Assembly approved a revision to the Association's Statutes to further strengthen its governance model as BCI grows. The Council also initiated the process for elections, which will be held in May (electronically). Six seats are available from all four categories. BCI will host the General Assembly, as well as the second BCI Global Cotton Conference, in Brussels on 26-28 June 2018.

Standards & Assurance: Rolling Out New Principles and Criteria

After the approval of the revised Better Cotton Standard System Principles and Criteria by the BCI Council in Q4 2017, work now focuses on preparing the roll out of the new Principles and Criteria for the 2018-19 season. BCI finalised the Principles and Criteria document, and it was officially launched at the beginning of March and is now applicable at field-level.

With the new Principles and Criteria, BCI has increased our emphasis on environmental issues with a reinforced approach towards pesticide use with restrictions on the use of Highly Hazardous Pesticides and the use of minimum personal protective equipment when applying pesticides. With respect to water efficiency, the focus was shifted to the more holistic approach of water stewardship approach in order to promote more collective action towards local sustainable use of water. The new approach to biodiversity centres on the identification, mapping and restoration or protection of natural resources.

Regarding social issues, the revised BCSS Principles and Criteria align more clearly with the International Labour Organisation Decent Work requirements on gender. Updated guidance on various topics such as child labour, sanitation facilities and equal payment are also included to better help IPs fully understand the intent of this Principle and Criteria.

Another key addition is the new 'land use change' approach, using a simplified high conservation value assessment (HCV) is now included as a safeguard against any

planned conversion of land for the purpose of growing Better Cotton. The new procedure was finalised during Q1 and will be tested in high-risk countries during the second half of 2018. HCV assessment have, to date, never been adapted to be usable in a smallholder context. BCI is now leading the way for other standard systems.

Pilot Project

A water stewardship project was launched in October 2017 to help test the most innovative aspects of the new water stewardship across small, medium and large farms in India, Pakistan, China, Tajikistan and Mozambique. In Q1, the first module on water resource mapping was developed and face-to-face trainings were delivered to IPs in China. Water Stewardship is a difficult concept to apply in a smallholder context, and BCI is working with global leaders in the field to develop the guidance and support required for rural communities to play a role in safeguarding global water resources.

Selected Country Highlights



China

Successful training on the revised Better Cotton Principles and Criteria was completed for Implementing Partners (IPs) in China from 12-15 March. The BCI China Team organised a three-day cross-learning workshop in Lijiang, Yunnan Province for nine IPs, who together reach 80,000 cotton farmers.

The training addressed the revised Better Cotton Principles and Criteria with an enhanced focus on biodiversity, water management and soil health, with training from Dr. Zeng Nan from The Nature Conservancy, Ms. Zhenzhen Xu from the Alliance for Water Stewardship and Dr. Li Wenjuan from Cotton Connect. IPs shared best practices on Integrated Pest Management and farmer capacity building.

Mozambique

BCI Training in Mozambique

In February 2018, the BCI Mozambique Team travelled to four provinces. 67 Producer Unit (PU) Managers and many Field Facilitators were trained. Participants came from three Implementing Partners (IP) in Mozambique: SAN JFS, SANAM and OLAM, an IP with three projects areas – Morrumbala, Ribau and Algodão de Valle Zambeze. 31% of the training participants were new to the process, and 61% successfully passed the qualifying exam.

Compared to the last season, the number of participating farmers increased by 64%. There was a proportional increase in the area planted with cotton, and an increase in cotton production is expected as a result. According to BCI IPs, the increase was driven by more farmers choosing to plant cotton, the decrease in the market price of competing crops like maize and beans, and favourable weather and rainfall forecasted for the current season.

Equipping Lead Farmers to Be Mentors

In an effort to empower farmers to take the lead in the implementation of BCI activities in their communities, BCI's IP SAN JFS has extended its farmer outreach programme by identifying Lead Farmers and giving them the opportunity to become BCI mentors in their communities. SAN JFS shared tools and information with the selected farmers, such as an electronic tablet to allow the farmers to measure exactly how much land is being cultivated by BCI Farmers, using digital measuring techniques. Through this effort, Lead Farmers also had the opportunity to take photos and videos of best practices and share them with the farmers in their communities as a way to promote sustainable cotton practice. Further training resources were provided to help BCI Farmers to communicate easily and exchange experiences with other farmers in the community. This activity is being used as a model that will further strengthen the IPs and PUs ability to reach out to other farmers to encourage them join the BCI programme and demonstrate continuous improvement.



India

Pink Bollworm Outbreak

The 2017-18 season brought challenges for farmers in most cotton growing regions except the North. There were unusual outbreaks of pink bollworm, and in the largest cotton growing state of Maharashtra, the yield losses were estimated at 10%-30%. Pink bollworm is a late season pest generally occurring in November, although infestations can spill over into January and February. Most of the losses were experienced at the end of 2017, but for some farmers, it continued into the beginning of 2018. In response to these outbreaks, BCI Implementing Partners launched several campaigns in Q1 to educate farmers on how to manage outbreaks in the future.

Partnership with the Central Institute for Cotton Research

BCI renewed its longstanding partnership with the Central Institute for Cotton Research (CICR), the premier research institute for cotton research in the country. Several of its useful publications are being translated into local languages so they can serve as resources for BCI Implementing Partners, strengthening their ability to train farmers on more sustainable practices.



Pakistan

Collaboration

In the 2017-18 season, the Australian Government's Department of Foreign Affairs and Trade (DFAT) co-funded three BCI projects in Pakistan through the Better Cotton Growth and Innovation Fund. At the end of the season, Timothy Stewart (Practice Area Specialist, Economic Growth, at consultancy firm Palladium) visited Pakistan to conduct a project review on behalf of DFAT.

Timothy met the BCI Pakistan Team and visited two project areas: Vehari and Muzaffargarh. He spoke with BCI Farmers, ginners, Implementing Partners and other stakeholders including the Government of Punjab's Agricultural Department, the Regional Agriculture Economic Development Centre, and the Integrated Rural Development Council (a local NGO). He was impressed with the field activities and the progress that has been made.

BCI Pakistan also has a strong partnership with the German Government's GIZ-International Water Stewardship Programme (IWaSP) through the Punjab Water Stewardship Programme. GIZ-IWaSP, together with BCI, Aljazari Academy and Lok Sanjh Foundation (a BCI Implementing Partner) conducted a three-day training in February. The training targeted Producer Unit Managers and Project Coordinators from two BCI projects run by Lok Sanjh Foundation. The session covered water stewardship, WASH (Water, Sanitation and Health & Safety), modern irrigation techniques and PRA (Participatory Rural Appraisal) tools.

Supporting Gender Equality in Pakistan

In Pakistan, our six Implementing Partners (IPs) currently reach 140 female BCI Farmers and 117,500 female farm workers (workers are defined as people who work on cotton farms but do not own the farm and who are not the main decision makers) in the Punjab and Sindh provinces.

Rural Women's Day

Rural Women's Day was organised by Sangtani Women Rural Development Organization (SWRDO) on 13 January, in the Rajanpur Project area. The objective of this event was to bring working women of the area together, especially female BCI Farmers and female farm workers. The event provided an opportunity for rural women to learn from each other, have fun and learn about women's rights. More than 200 female BCI Farmers and female farm workers participated in the event. Ms. Mina Laghari, a development activist and ex-parliamentarian, was named the honorary guest of the event.

Story from the Field – Pakistan and Women

Bringing Communities Together to Celebrate Women

On 8 March 2018, International Women's Day, many female BCI Farmers and workers came together in Muzaffargarh, Punjab, to learn from each other, to deepen their understanding about their rights and gender equality, and most importantly, to celebrate and have fun. The festival was organised by the Social Welfare Department in Muzaffargarh with support from our IP, WWF Pakistan, and brought communities together to celebrate and challenge entrenched attitudes about the traditional roles of women. The festival was called 'Women Mela.' In Urdu, Mela means a 'gathering of people celebrating local cultures, traditions, food and handcrafts.'

More than 250 people gathered at Women Mela, including people from cotton growing communities and public and private sector organisations. Many men also participated, joining in and celebrating the day with women and taking the opportunity to deepen their understanding about women's rights. In

rural agricultural communities in Pakistan, because of entrenched gender bias, men and women rarely sit together in public settings. At Women Mela, attitudes towards segregation were dismissed and men were sitting amongst the women to encourage them and show appreciation. The general mood of the women who participated in Women Mela was energetic and jubilant while many proclaimed, "This is our day and we are here to enjoy it!"

The day began with the Chairman from the District Council, Umar Khan, giving a speech inspiring women to take on greater responsibilities within their communities and giving thanks to WWF Pakistan for their role in bringing many women together on International Women's Day. Afshan Sufyan, Senior Programme Officer, BCI Pakistan, spoke about women's empowerment and shared examples about BCI Farmers and farm workers who were challenging gender norms in their communities. Afshan captivated the audience by sharing a story about a capable woman called Nasreen Bibi who had taken on ownership and

management of her family cotton farm when her husband passed away. Instead of employing a man to manage the farm, and despite not having previous training on crop management practices, Nasreen learned how to farm cotton, cultivating healthy crops and increasing her profit.

After the opening speeches, the day erupted into a riot of colour and celebrations. On the main stage, there were poetry readings and songs about women's empowerment, including local children from different schools who sang songs celebrating women. Many women showcased their local handcrafts at stalls, designed by women for women.

Afshan concludes, "A true woman turns pain into power, and I saw many instances of courage at Women Mela. Seeing women participate in the day who had previously been hesitant to leave the house—and women and men celebrating together and enjoying the festivities—is a true indication that we are successfully spreading the word of women's rights and gender equality in Pakistan."



Communications

Media/Social Media

During Q1, BCI had 42 media impressions. Highlights included appearances in Forbes, HuffPost UK and Marie Claire. Apparel Insider, a newly launched media platform which offers news, insight and analysis on financial and environmental performance in the global textile industry, published a particularly compelling interview 'Making Sustainability Mainstream' with BCI CEO, Alan McClay.

The BCI website received 30,000 visitors during Q1. Twitter followers increased to 1,389, which is an 11% increase over the previous quarter.

Member Communications

During Q1 2018, BCI approved 23 off-product marketing communications, including a consumer-facing video using BCI footage (Kathmandu). Burberry, a BCI Member, was included in an exhibition – 'Commonwealth Fashion Exchange' – opened by HRH The Duchess of Cambridge in which the brand's commitment to Better Cotton was highlighted. In addition, BCI approved two brands to use the On-Product Mark. With an increase in Retailer and Brand (RB) Members focussing on consumer facing communication support from BCI, in-person training sessions took place in Q1 with 26 RB Members, including Williams-Sonoma, Levi Strauss & Co. and The North Face.

