

Better Cotton Platform: Key Changes for End-Product Manufacturers in 2019

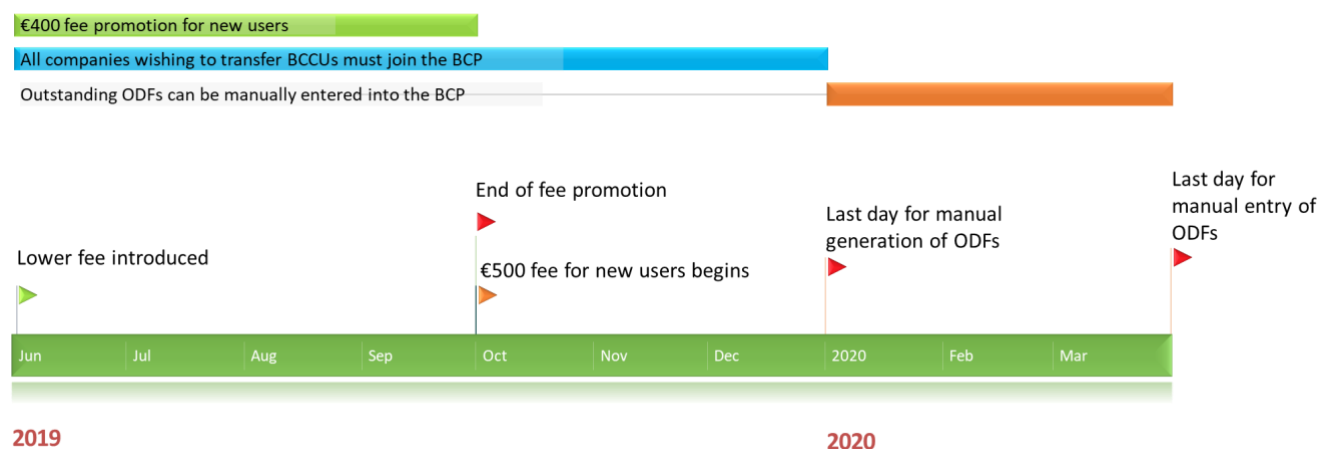
Introduction

As part of BCI's commitment to continual improvement, we are making some changes to how Better Cotton Claims Units (BCCUs) can be transferred through the supply chain, via the Better Cotton Platform (BCP). The changes are designed to protect the credibility of BCI's chain of custody system and to simplify the transfer of BCCUs.

The following key changes will be actioned in the coming months.

- As of 1 January 2020, companies wishing to transfer Better Cotton Claim Units (BCCUs) must do so electronically through the Better Cotton Platform (BCP). Starting on this date, members or BCP non-member suppliers¹ will no longer be able to transfer BCCUs using the manual entry option that is currently available in the BCP.
- If a company is already a member of BCI or a BCP non-member supplier, no action is required.
- Paper/hard copy Output Declaration Forms (ODFs) will no longer be accepted as a transaction entry method in the Better Cotton Platform.
- BCI Retailer and Brands Members will have until 31 March 2020 to manually add BCCUs to their accounts for ODFs generated before 31 Dec 2019.
- The annual BCP access fee will be reduced from €750 to €500 on 1 June 2019.
- There will be a 20% promotional discount available for companies that sign up for a new BCP account between 1 June – 30 September 2019.

Key Dates



¹ A BCP non-member supplier is a company that is not a BCI member but has access to the BCP and can transfer BCCUs electronically using a supplier, end-product manufacturer, non-lint trader or sourcing agent account type.

Visit the BCI [website](#) for further information.

Apply for a Better Cotton Platform Account

Changes for End-Product Manufacturers

Up until 1 January 2020, as an end-product manufacturer you have four options for participating in the Better Cotton supply chain:

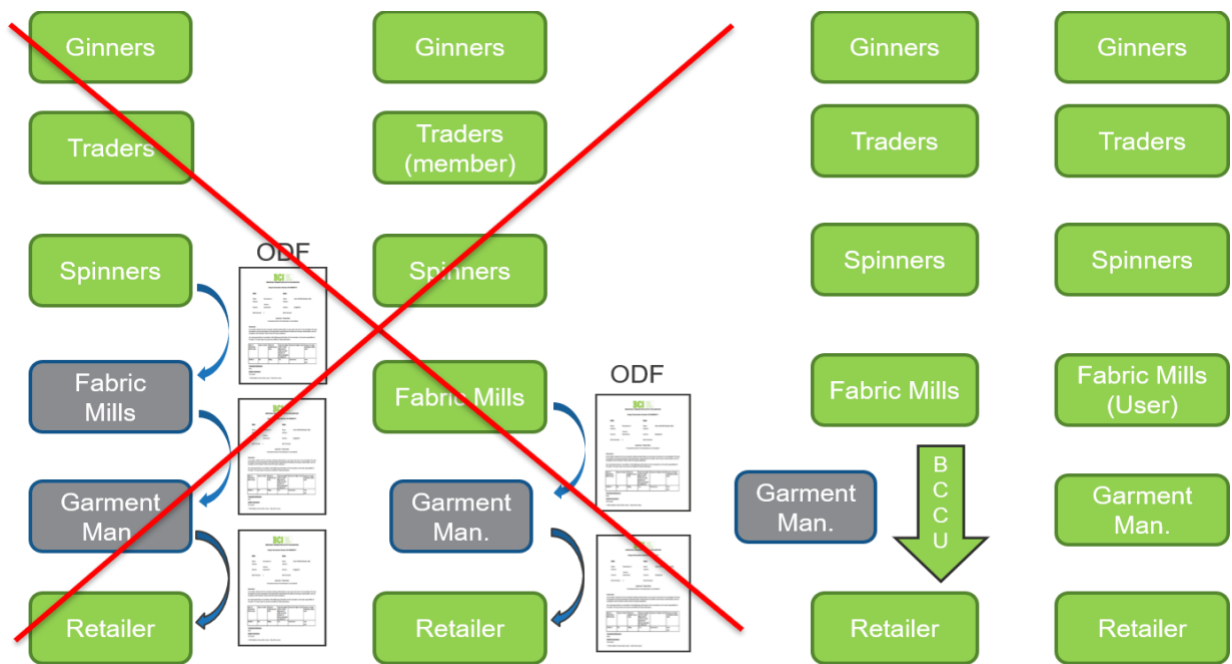
1. If you have a Better Cotton Platform (BCP) account, you can receive BCCUs electronically into your BCP account from your direct suppliers and then **pass on BCCUs electronically to your direct customer** (retailer and brand, or in some cases, a sourcing agent).
2. If you have a Better Cotton Platform (BCP) account, you can receive BCCUs electronically into your BCP account from your direct suppliers and then **pass on BCCUs electronically to the end-user (retailer and brand), bypassing any intermediary such as a sourcing agent (if present)**.
3. **If the retailer or brand agrees, your fabric supplier can pass BCCUs electronically directly to your retailer and brand customer.** In this case, no action is required from you and you do not need a BCP account.
4. If you do not have a Better Cotton Platform (BCP) account, you can **receive an Output Declaration Form (ODF) from your direct supplier**, which you must then send to your customer via email.

After 1 January 2020, **the fourth option (ODF) will no longer be allowed.** The first three options will remain available.

Please see the changes depicted below:

Prior to 1 January 2020

After 1 January 2020



What Does This Mean for an End-Product Manufacturer?

The implication for end-product manufacturers depends on the relationship with your suppliers and customers:

- If your retailer or brand customer agrees, they can receive BCCUs directly from the fabric mills they source from. In this case, you would not need a BCP account and you would also not be receiving ODFs. However, for this to work, the retailer and brand must have a direct relationship with the fabric suppliers. This is not always the case.
- If the retailer or brand cannot link directly with their fabric mills, they may ask you to sign up for a Better Cotton Platform account. Once you have your account, you would receive BCCUs from your supplier electronically into your BCP account and send BCCUs to your customer.
- If there is an intermediary between you and the retailer (e.g. a sourcing agent), and you know who the end-user is (retailer or brand), you can send BCCUs directly to the retailer and brand.
- If there is an intermediary between you and the retailer (e.g. a sourcing agent), and you do not know who the end-user is (retailer or brand), then your customer needs to have a BCP account, receive the BCCUs from you and then send these to the end-user.

Please note that it is compulsory for fabric mills to obtain a BCP account and to not send ODFs to you as of 1 January 2020. If you receive an ODF after this date, please do not send it to your customer and ask them for electronic transfer of BCCUs. Your suppliers can get in touch with BCI by e-mailing us at membership@bettercotton.org

If you already have a BCP account, no action is required.

If you do not have a BCP account, signing up is easy. Please [apply for a Better Cotton Platform Account](#) online.²

Benefits of Obtaining a BCP Account

Helping the BCCUs to reach the retailers is very important for your customers. Retailers require the BCCUs in order to be able to make claims about how they are supporting more sustainable cotton.

It is also very important for the farmers who are growing Better Cotton. The more BCCUs that reach retailers, the more funding retailers contribute towards training millions of cotton farmers across the world on more sustainable farming practices.

There are currently more than 400 brands who are members of BCI and are all demanding that their supply chain supports them in sourcing as Better Cotton. Joining BCI is therefore not only a sustainability benefit but also a business opportunity. Having a BCP account will help to secure your relationship with current BCI members, and open doors for future business with the growing number of BCI Retailer and Brand members.

Our Chain of Custody Guidelines indicate that end-product manufacturers will have to obtain a BCP account soon. If you act now, you will be better prepared for when this change becomes compulsory for you.

Cost of Obtaining a BCP Account

Access to the BCP costs €500 per year. If you sign up before 30 September 2019, there is a promotional discount of 20% (cost of €400 per year).

Further Information

For more information on these changes, including a list of FAQs, visit the BCI [website](#).

If you have any questions, please email membership@bettercotton.org

² if you are based in China, you will not be able to sign up online. Please e-mail us at membership@bettercotton.org for further assistance.