

Better Cotton Platform: Key Changes for Spinning Mills in 2019

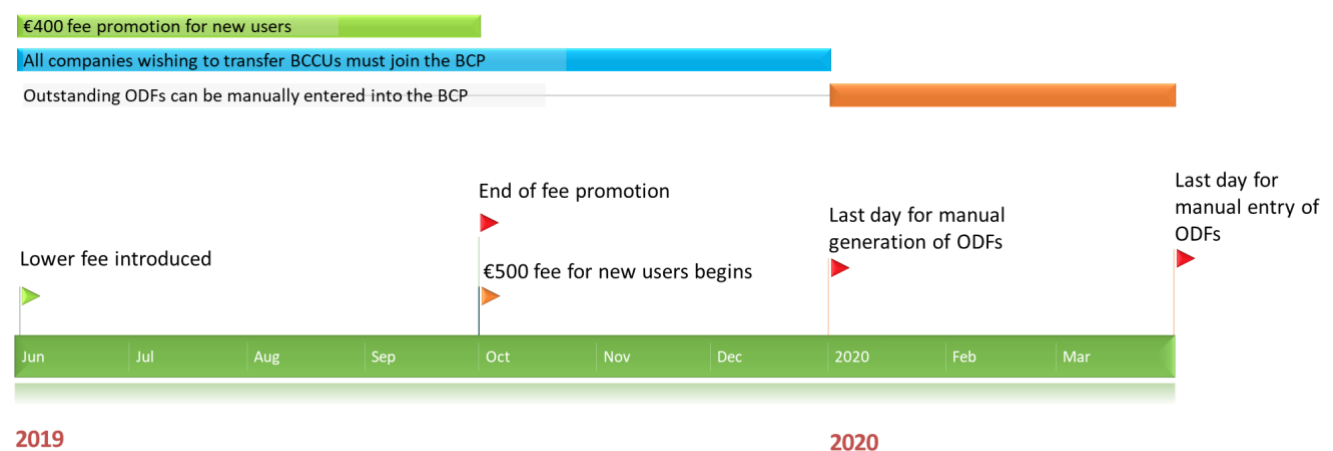
Introduction

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 for non-members 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.

More Information

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

Apply for a Better Cotton Platform Account

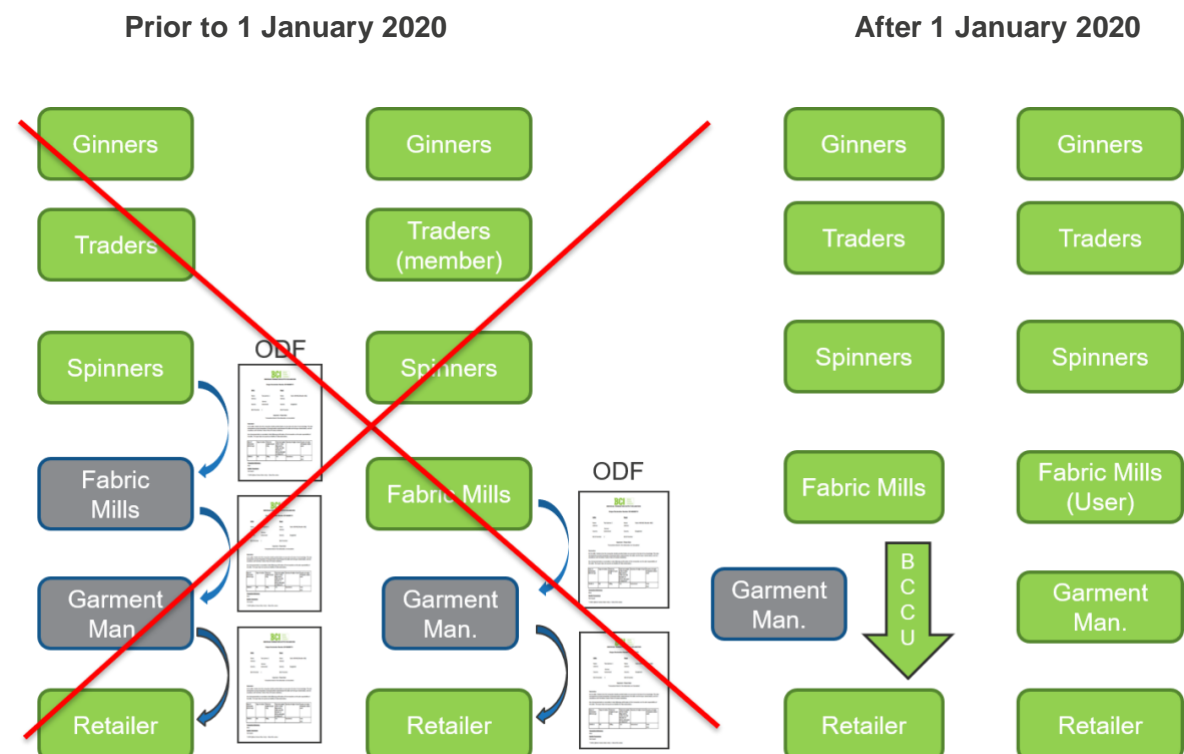
Changes for Spinning Mills

After 1 January 2020, you will no longer be able to use manual entry option on BCP, which means all your BCCU transactions must be completed through the system.

Up until 1 January 2020 you have three options,

1. If your customer has a Better Cotton Platform (BCP) account, they can receive BCCUs electronically into their BCP account and then **pass on BCCUs electronically to their customers.**
2. If you are an integrated mill and sell fabric, and your garment manufacturer customer has no Better Cotton Platform (BCP) account, you can **pass on BCCUs electronically to the end-user (retailer and brand), bypassing your direct customer.**
3. If your customer does not have a Better Cotton Platform (BCP) account and you do not know the end-user of the products, you can **send an Output Declaration Form (ODF)** which they then must send to their customer via email.

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



What Does This Mean for Spinning Mills?

This means that, to be part of the Better Cotton Chain of Custody, **fabric mills will have to obtain a Better Cotton Platform (BCP) account.**

If you are **selling yarns to fabric mills**, your customers need to start using the BCP before 1 Jan 2020 to receive BCCUs.

If you are **selling yarns to yarn traders**, both yarn trader and their customers (fabric mills) need to start using the BCP before 1 Jan 2020 to receive BCCUs.

If **you are an integrated mill selling fabrics**, you have 2 options;

- Send BCCUs directly to your garment manufacturer if they already have a BCP account.
- Send BCCUs directly to the end-user (Retailer and Brand). In this case you need to write your garment manufacturer customer's name and order number into the transaction reference section. This option is not applicable for yarn suppliers. **Yarn sales cannot be entered directly to retailer and brand's account.**

We kindly would like you to inform your customers who request an ODF from you as soon as possible and encourage them to apply for a BCP account before 30 September 2019 to receive a discount. For all your questions please contact your local BCI office or e-mail us at membership@bettercotton.org or simply visit our website using the below link.

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

If they do not have a BCP account, signing up is easy. Please share online application link:

<https://bettercotton.org/platform/>

What is the difference between BCI membership and Better Cotton Platform (BCP) access?

	Membership	BCP Non-Member Supplier
BCP account and user ID	✓	✓
BCP access for multiple account holders	✓	✗
Listing within the BCP platform	✓	✓
Inclusion in BCI's public online member list	✓	✗
Access to BCI logo to use on communications materials e.g. e-mail template, website, marketing materials and reports	✓	✗
Access to the BCI On-Product Mark to communicate Better Cotton sourcing commitments	BCI Retailer and Brand Members <u>only</u>	✗

Eligible to be a BCI Council representative	✓	✗
Eligible to vote for the BCI Council representatives	✓	✗
Annual fee	Based on membership category. Visit the BCI website for more information.	€500 as of 1 June 2019

Benefits of Obtaining a BCP Account

If a fabric mill or a yarn/fabric trader does not obtain an account, the BCCUs will not be able to flow from the suppliers to the retailers. Your customer's participation is a crucial link for the Chain of Custody to function.

Helping the BCCUs to reach the retailers is very important. The 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 and gives your customer a visibility on Better Cotton Platform.

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