

# Summary of BCI External Assessments: Season 2019-20

25 August 2021

## Background

External assessments are the primary mechanism for validating Producer compliance with the [Better Cotton Principles and Criteria](#). Each assessment includes document checks as well as field visits and interviews with Farm or Producer Unit Managers.

The Better Cotton Assurance model in effect during the 2019-20 season required different types of external assessments (2<sup>nd</sup> and 3<sup>rd</sup> party verification visits) conducted through a risk-based and randomised sampling approach. Details regarding sampling rules as well as protocols for interviews with Learning Groups, farmers, and workers can be found in the [Better Cotton Assurance Programme](#) overview document.

The Better Cotton Assurance model was revised with changes applicable to all Producers from season 2020-21. Details on the updated model can be found in the [Assurance Manual v4.1](#). For more information on the Better Cotton Assurance Programme please visit our website [here](#).

## Glossary

Please refer to Better Cotton Assurance Programme for a description of all stakeholders, their roles and responsibilities and further details around each type of external assessment. The follow terms are used in the subsequent document:

<b>Producer</b>	A 'Producer' in the context of the Better Cotton Standard System refers to either an individual Large Farm or a Producer Unit of Smallholders or Medium Farms. 'Producers' are considered as the unit of compliance and the unit of licensing.
<b>PU</b>	Producer Units of Smallholder farmers (typically around 3,500 smallholders on less than 20 ha) or Producer Units of Medium Farms (typically around 100 farms on more than 20 ha).
<b>LF</b>	Large Farms (typically over 200 ha). Large Farms participate with BCI on either an individual basis or through a Large Farm Group Assurance model. <sup>1</sup> In both cases, individual Large Farms are both the unit of compliance and licensing.
<b>SP</b>	Strategic Partners acting as BCI following strategic partnership agreements.
<b>IP</b>	BCI's Implementing Partners.
<b>2PCC</b>	2nd party credibility checks: external verification visits conducted by either BCI staff, Strategic Partners, or Implementing Partners.
<b>3PV</b>	3rd party independent external verification conducted by a BCI-approved independent verifier.

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<sup>1</sup> This model was introduced formally in 2018 and is currently applicable only in the United States, although may be expanded to other regions in the future.

## External Assessments Numbers: 2019-20 Season Summary

Country	Total Participating Producers		Producers due for Licensing		EXTERNAL ASSESSMENTS							
					2PCC by IP		2PCC by BCI/SP		3rd Party Verification (3PV)		Total External Assessments	
	PU	LF	PU	LF	PU	LF	PU	LF	PU	LF	PU	LF
China	38	23	27	3	18	-	16	-	6	3	40	3
India	265	0	152	-	76	-	55	-	18	-	149	-
Israel	2	0	0	-	0	-	0	-	0	-	0	-
Kazakhstan	1	0	1	-	1	-	1	-	0	-	2	-
Madagascar	1	0	0	-	0	-	0	-	0	-	0	-
Mali	17	0	17	-	10	-	8	-	5	-	23	-
Mozambique	33	0	4	-	2	-	4	-	0	-	6	-
Pakistan	161	13	64	13	45	-	33	-	10	13	88	13
South Africa	6	8	1	0	2	-	2	-	0	0	4	0
Tajikistan	4	0	0	-	0	-	0	-	0	-	0	-
Turkey	16	10	16	8	4	-	15	-	5	8	24	8
United States	0	289	-	44	-	75	-	32	-	31	-	138
<b>TOTALS</b>	<b>544</b>	<b>343</b>	<b>282</b>	<b>68</b>	<b>158</b>	<b>75</b>	<b>134</b>	<b>32</b>	<b>44</b>	<b>55</b>	<b>336</b>	<b>162</b>
		<b>887</b>		<b>350</b>		<b>233</b>		<b>166</b>		<b>99</b>		<b>498</b>

**Figure 1:** Number of external assessments for the 2019-20 season.

**Note 1:** The summary in Table 1 only concerns external assessment conducted within the Better Cotton Standard System for Producers in BCI direct countries. Additional external verification was conducted within BCI's three benchmarked equivalent Standards System, (i.e. CMIA, myBMP, and ABR), according to their own assurance processes.

**Note 2:** Under the previous assurance model (applicable in 2019-20), license duration was 1, 3, or 5 years based on the Producer's score on 'improvement' indicators in the annual Self-Assessment.<sup>2</sup> The number of Producers that are due for licensing in any given year is therefore less than the total number of active participating Producers. Producers with multi-year licenses continue to be subject to all annual requirements in order to keep their licence active (self-assessment, reporting on results indicators etc.).

**Note 3:** The total number of external assessments conducted is greater than the Producers due for licensing in season 2019-20 because Producers with active licenses (i.e. not due for licensing) can still receive an external assessment. Also, under the previous assurance model applicable in 2019-20, a Producer could receive more than one external assessment in one season – for example a third-party verification and an IP second-party credibility check.

<sup>2</sup> License duration has been revised and under the Assurance model applicable from 2020-21 season, all Producer licenses are now a standard 3-year duration

## Licensing Outcome Numbers: 2019-20 Season Summary<sup>3</sup>

Country	Producers due for Licensing		Licences Awarded		Licences Denied or Cancelled	
	PU's	LFs	PU's	LFs	PU's	LFs
China	27	3	22	3	6	0
India	152	-	121	-	33	-
Israel	0	-	0	-	0	-
Kazakhstan	1	-	1	-	0	-
Madagascar	0	-	0	-	0	-
Mali	17	-	3	-	14	-
Mozambique	4	-	3	-	1	-
Pakistan	64	13	41	12	14	1
South Africa	1	0	2	0	0	0
Tajikistan	0	-	0	-	0	-
Turkey	16	8	14	8	2	0
United States	-	44	-	44	-	0
<b>TOTALS</b>	<b>282</b>	<b>68</b>	<b>207</b>	<b>67</b>	<b>70</b>	<b>1</b>
	<b>350</b>		<b>274</b>		<b>71</b>	

**Figure 2:** Number of licences awarded and denied or cancelled in season 2019-20.

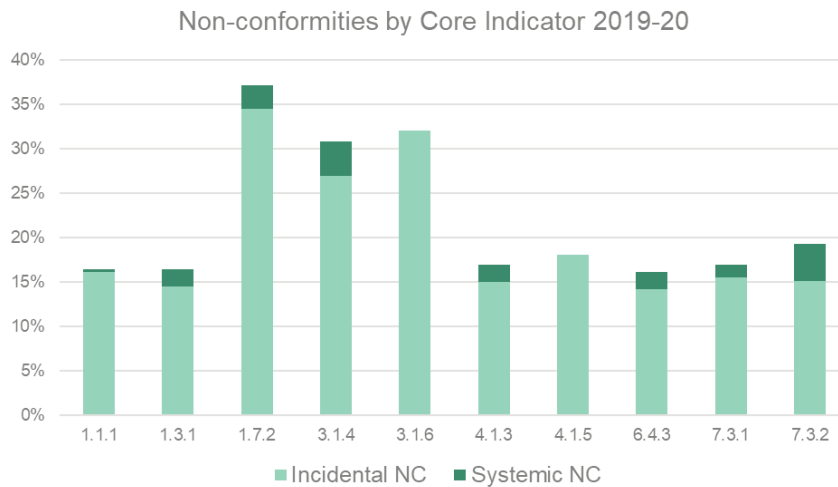
**Note 1:** A Producer can be due for licensing for a number of reasons including their status as a new Producer or expiration of an existing licence; each reason is detailed in the [Assurance Programme overview](#) document in Section 6.

**Note 2:** Licences awarded in the previous season and retained in season 2019-20 are not counted in the 'licences awarded' figures. Only licences awarded to Producers in season 2019-20 have been counted.

**Note 3:** A Producer can be awarded a licence and have that licence cancelled in the same season, as a result, the number of Producers due for licensing is not necessarily equivalent to the number of licences awarded, denied, and cancelled for a given season. Licences can be cancelled or denied for multiple reasons; each reason is detailed in the [Assurance Programme overview](#) document in Section 7.3.

<sup>3</sup> Benchmarked countries licensing figures are not included

## Frequent Non-Conformities during the 2019-20 season



**Figure 3:** Top 10 Core Indicators with the highest percentage of non-conformities (incidental and systemic) identified during external assessments in season 2019-20.

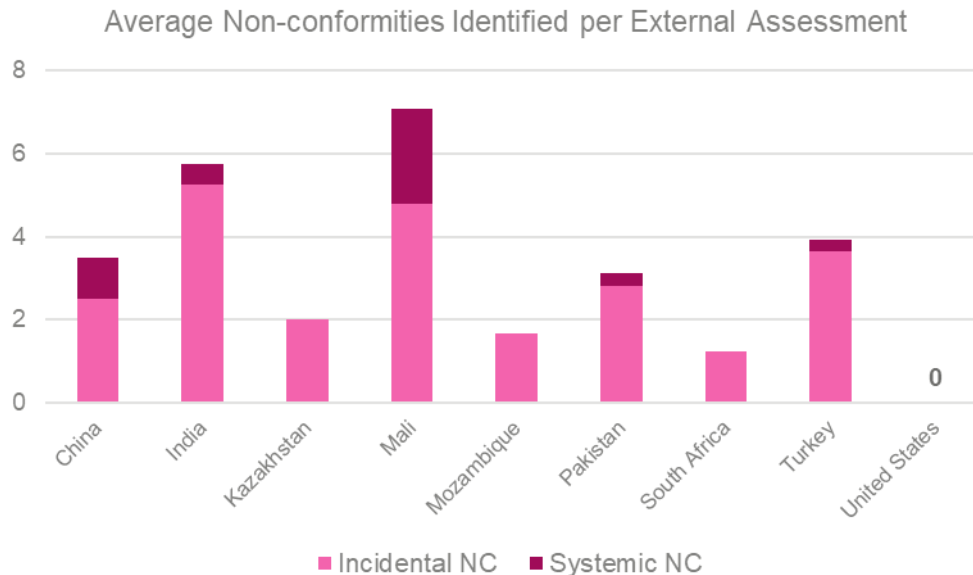
Principle	Indicator	Definition
P1: Crop Protection	1.1.1	A locally adapted and time-bound plan [...] which identifies appropriate specific practices to implement the five components of Integrated Pest Management, is established.
	1.3.1	Pesticides listed in: i. Annex A and B of the Stockholm Convention; or ii. Annexes of the Montreal Protocol; or iii. Annex III of the Rotterdam Convention; are not used.
	1.7.2	Minimum Personal Protective Equipment is worn while preparing and applying pesticides [...].
P3: Soil Health	3.1.4	Soil testing is conducted that includes NPK and pH analysis [...].
	3.1.6	Soil type is identified and mapped.
P4: Biodiversity	4.1.3	Biodiversity resources are identified and mapped.
	4.1.5	Measures to restore degraded areas are implemented, as per the Biodiversity Management Plan.
P6: Decent Work	6.4.3	The Producer Unit has a time-bound plan to improve the position of disadvantaged groups.
P7: Management	7.3.1	The Producer collects and maintains accurate and complete Producer Unit data in the format required by the Better Cotton Initiative [...].
	7.3.2	The Producer maintains a farm-level record keeping mechanism e.g. Farmer Field Book for essential production data on inputs and outputs in an accurate manner.

**Note 1:** The Better Cotton Principles and Criteria include 7 Principles covering the most significant global sustainability issues associated with cotton production. The 7 Better Cotton Principles are further defined through 42 criteria and a subset of 164 indicators. Detailed information for each indicator can be found in the [Better Cotton Principles & Criteria](#) document, with definitions for the 10 indicators with the highest rate of non-conformities in season 2019-20 in the table above.

**Note 2:** In the Producer Unit (PU) context, non-conformities with Core Indicators observed during External Assessment are graded as either Incidental or Systemic.

- i) Incidental: Non-conformities on a Core Indicator observed as an isolated event, limited in temporal and spatial scale, and in which the PU has provided sufficient evidence that the Internal Management System should prevent such practices
- ii) Systemic: Non-conformities where corroborative evidence demonstrates that a Core Indicator is not respected, and the PU cannot provide sufficient evidence that the Internal Management System (IMS) prevents such practices.

## Non-Conformities by Country during the 2019-20 Season



**Figure 4:** Average number of Incidental and Systemic Non-conformities identified during external assessments for season 2019-20 by country.<sup>4</sup>

**Note 1:** In the Producer Unit (PU) context, non-conformities with Core Indicators observed during External Assessment are graded as either Incidental or Systemic.

- i) Incidental: Non-conformities on a Core Indicator observed as an isolated event, limited in temporal and spatial scale, and in which the PU has provided sufficient evidence that the Internal Management System should prevent such practices.
- ii) Systemic: Non-conformities where corroborative evidence demonstrates that a Core Indicator is not respected, and the PU cannot provide sufficient evidence that the Internal Management System prevents such practices.

**Note 2:** For Large Farms, there was no distinction between Incidental and Systemic non-conformities under the previous assurance model applicable in the 2019-20 season. Under the previous model, Core Indicators against which a non-conformity was observed would have been graded as a Systemic non-conformity and result in a licence denial for the Large Farm.

<sup>4</sup> Israel, Tajikistan and Madagascar are excluded from Figure 4 because no External Assessments were conducted in these countries during season 2019-20.