

Summary of BCI External Assessments: Season 2018-19

23 April 2020

Background

The Better Cotton Assurance model in effect during the 2018-19 season required different types of external assessments (2nd and 3rd party verification visits) conducted through a risk-based and randomised sampling approach. Each external assessment included document checks as well as field visits and interviews with Farm or Producer Unit Managers. Details regarding sampling rules as well as protocols for interviews with Learning Groups, farmers, and workers can be found in the [Assurance Programme overview](#) document.

The Better Cotton Assurance model has been revised and is applicable to all Producers as from season 2020-21. Details on the updated model can be found in the [Assurance Manual v4.0](#).

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:

Producer	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.
PU	Producer Units of Smallholder farmers (typically 3,500 smallholders on less than 20 ha) or Producer Units of Medium Farms (typically 100 farms on more than 20 ha).
LF	Large Farms (typically over 200 ha). Some Large Farms participate with BCI on an individual basis, while others are engaged through a Large Farm Group Assurance model. ¹ In both cases, individual Large Farms are both the unit of compliance and licensing.
SP	Strategic Partners, active at national or regional level, acting as BCI following strategic partnership agreements.
IP	BCI's Implementing Partners
2PCC	2nd party credibility checks: external verification visits conducted by either BCI staff, Strategic Partners, or Implementing Partners
3PV	3rd party independent external verification conducted by a BCI-approved independent verifier.

¹This 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: 2018-19 Season Summary

Country	Total Participating Producers		Producers due for Licensing		EXTERNAL ASSESSMENTS							
					2PCC by IP		2PCC by BCI/SP		3rd Party Independent Verification (3PV)		Total External Assessments	
	PU	LF	PU	LF	PU	LF	PU	LF	PU	LF	PU	LF
China	24	45	10	5	11	-	11	-	5	5	27	5
India	196	0	135	0	72	-	57	-	12	0	141	0
Israel	2	0	0	0	0	-	0	-	0	0	0	0
Kazakhstan	1	0	1	0	1	-	1	-	1	0	3	0
Madagascar	1	0	0	0	0	-	0	-	0	0	0	0
Mali	14	0	13	0	7	-	9	-	4	0	20	0
Mozambique	41	0	17	0	7	-	8	-	5	0	20	0
Pakistan	133	13	101	13	52	-	41	-	10	13	103	13
South Africa	7	8	4	4	2	-	2	-	2	4	6	4
Tajikistan	4	0	1	0	1	-	1	-	1	0	3	0
Turkey	47	8	37	5	5	-	35	-	7	5	47	5
United States	0	631	0	380	0	120	0	37	0	29	0	186
TOTALS	470	705	319	407	158	120	165	37	47	56	370	213
	1175		726		278		202		103		583	

Table 1: Number of external assessments for the 2018-19 season.

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

Note 2: High performing² Producers are eligible to receive multi-year licences. 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.), but they are not subject to external assessments during this period.

Note 3: The total number of external assessments conducted on Large Farms (213) was less than the number of Large Farms due for licensing that season (407) due to the sampling approach for the Large Farm Group Assurance Model.

² High performance is determined from Self-Assessment survey results. This survey has an embedded scoring system on the Improvement Indicators to determine the Producer's performance band. High performing Producers are rewarded reduced frequency of External Assessment and an extended licence period– the better the performance, the longer the licence.

Licensing Outcome Numbers: 2018-19 Season Summary³

Country	Producers Due for Licensing		Licences Awarded		Licences Cancelled or Denied	
	PUUs	LFs	PUUs	LFs	PUUs	LFs
China	10	5	7	3	3	2
India	135	0	121	0	21	0
Israel	0	0	0	0	0	0
Kazakhstan	1	0	1	0	0	0
Madagascar	0	0	0	0	0	0
Mali	13	0	13	0	1	0
Mozambique	17	0	11	0	6	0
Pakistan	101	13	94	13	7	0
South Africa	4	4	3	4	1	0
Tajikistan	1	0	1	0	0	0
Turkey	37	5	26	5	14	0
United States	0	380	0	378	0	227
TOTALS	319	407	277	383	53	229
	726		660		282	

Table 2: Number of licences awarded or not awarded (in season 2018-19).

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.

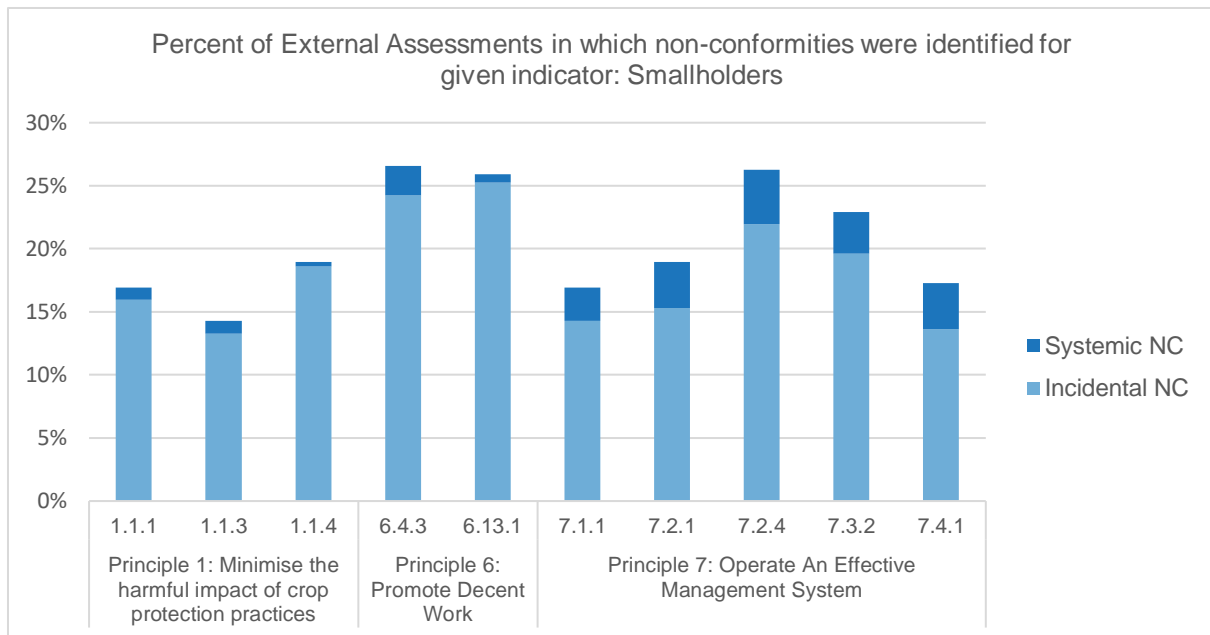
Note 2: Licences awarded in the previous season and retained in season 2018-19 are not included in the 'licences awarded' figures. Only licences awarded to Producers in season 2018-19 have been counted.

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.

Note 4: In the United States, 224 of the 631 participating Producers had their licence cancelled in 2018-19 due to non-submission of Results Indicator data or non-submission of the Self-Assessment survey. More details regarding licence cancellation in the Large Farm context can be found in the [Assurance Programme overview](#) document in Section 7.3.2.

³ Licensing figures for equivalent Standards System (i.e. CMIA, myBMP, and ABR) are not included as they are outside of the Better Cotton Standard System.

Frequent Non-Conformities for Smallholder PUs during 2018-19 season



Graph 1: Top 10 indicators with the highest percentage of non-conformities (incidental and systemic) identified during external assessments in season 2018-19 for smallholder PUs.⁴

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.

Note 2: For the 2018-19 season, External Assessments also assessed Producers' performance against a series of transition indicators which are not included in Graph 1. These transition indicators were introduced in the 2018-19 season and have been implemented as Core Indicators on 1 March 2019 in alignment with BCI Standard version 2.1.

Note 3: 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.

⁴ 1.1.1 A locally adapted and time-bound plan, based on agro-ecosystem analysis, and which identifies appropriate specific practices to implement the five components of Integrated Pest Management, is established.

1.1.3 A timeline for implementing the five components of the Integrated Pest Management plan is established.

1.1.4 There is no calendar or random spraying.

6.4.3 The Producer Unit has a time-bound plan to improve the position of disadvantaged groups.

6.13.1 Farmers in the PU are aware of the legally applicable minimum wage/s [...].

7.1.1 A Continuous Improvement Plan is available, implemented and monitored [...] and reviewed annually

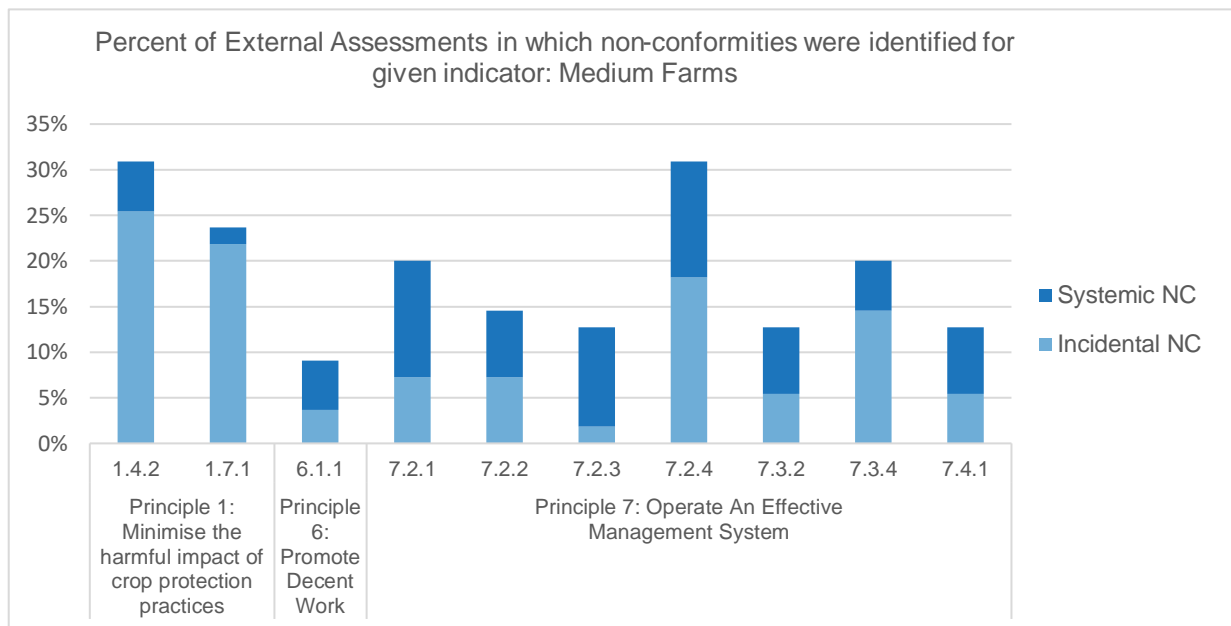
7.2.1 A training plan identifying the key sustainability issues to be addressed for the Producer, the name of the training provider(s), scheduling and expected participants is available and implemented.

7.2.4 Producer operates a system to: assess and document the level of adoption of practices promoted through training; identify and address the risks associated with adopting the practices promoted through training; evaluate the training materials continuously [...]

7.3.2 Producer maintains a farm-level record keeping mechanism for essential production data on inputs and outputs [...].

7.4.1 Producer operates a system to: identify and address the risks of non-conformity with core indicators; plan and enforce the implementation of Corrective Actions resulting from monitoring activities.

Frequent Non-Conformities for Medium Farm PUs during 2018-19 season



Graph 2: Top 10 indicators with the highest percentage of non-conformities (incidental and systemic) identified during external assessments in season 2018-19 for smallholder PUs.⁵

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.

Note 2: For the 2018-19 season, External Assessments also assessed Producers' performance against a series of Transition Indicators which are not included in Graph 2. These Transition Indicators were introduced in the 2018-19 season and have been implemented as Core Indicators as from 1 March 2019 in alignment with BCI Standard version 2.1.

Note 3: 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.

⁵ 1.4.2 The Producer has a plan to phase out by 2024 pesticides listed in category 2 of the GHS; Ib of the WHO classification.

1.7.1 Pesticides are prepared and applied by persons who correctly use appropriate protective and safety equipment.

6.1.1 No workers below the age of 15 (14 in some countries), or below the minimum age for employment defined by local law

7.2.1 A training plan identifying the key sustainability issues to be addressed for the Producer, the name of the training provider(s), scheduling and expected participants is available and implemented.

7.2.2 Training materials for BCI Farmers and workers are available to cover Better Cotton Initiative Principles and Criteria Core Indicators, with a focus on key sustainability issues in the local context. Best practices (validated locally) related to production are shared with BCI Farmers through appropriate dissemination material in the local language

7.2.3 Producer reports annual data on number of BCI Farmers and workers trained by gender/topic/methodology [...]

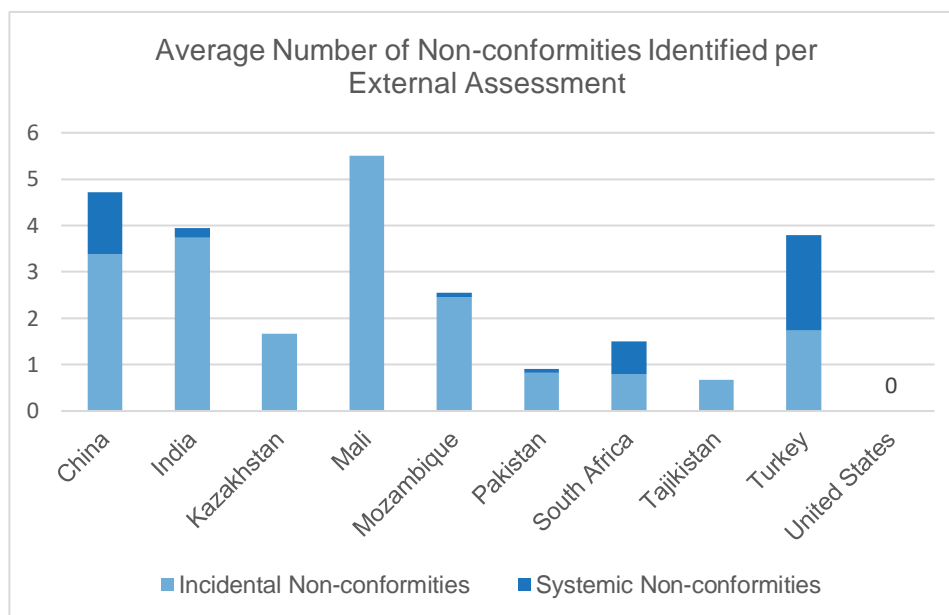
7.2.4 Producer operates a system to: assess and document the level of adoption of practices promoted through training; identify and address the risks associated with adopting the practices promoted through training; evaluate the training materials continuously [...]

7.3.2 Producer maintains a farm-level record keeping mechanism for essential production data on inputs and outputs [...]

7.3.4 Producer creates and maintains a profile of the farm labour force, including estimates of numbers of workers, as per the BCI defined worker categories and disaggregated by gender. The labour profile is updated annually, at least one month after sowing.

7.4.1 Producer operates a system to: identify and address the risks of non-conformity with core indicators; plan and enforce the implementation of Corrective Actions resulting from monitoring activities.

Average Non-Conformities by Country: 2018-19 Season



Graph 3: Average number of Incidental and Systemic Non-conformities identified during external assessments for season 2018-19 by country.⁶

Note 1: For the 2018-19 season, External Assessments also assessed Producer’s performance against a series of Transition Indicators which are not included in Table 4. These Transition Indicators were introduced in the 2018-19 season and have been implemented as Core Indicators as from 1 March 2019 in alignment with BCI Standard version 2.1.

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 prevents such practices.

Note 3: For Large Farms, there is no distinction between Incidental and Systemic non-conformities. Any Core Indicator where a non-conformity is observed will be graded as a Systemic non-conformity only and subsequently lead to a licence denial for a Large Farm.

⁶ Israel and Madagascar are excluded from Graph 3 because no External Assessments took place on PUs or Large Farms in these countries during season 2018-19.