

# BCI Council Agreements 2019

## Council Call - 26 February 2019

- Council agreed to have **two face-to-face meetings**: one in June and one in November/December, and **two calls** in Spring and Autumn, starting from June 2019 onwards. Council Members should nonetheless be ready to join calls in between these dates, as required, and within two weeks' notice.
- Council Members will support the Secretariat in **raising awareness of the Global Cotton Sustainability Conference** by reaching out to their contacts.
- The Secretariat informed the Council on the **revision process of the Assurance Programme**. Council agreed to a diverse consultation process including a wide range of Implementing Partners.
- At this meeting, the Secretariat updated the Council on BCI's current footprint in the Xinjiang region of China. Both the Secretariat and Council agreed to continuously update on any new developments in Xinjiang, due to emerging, **potentially concerning developments** in the region in the past months.

## Council Call - 16 April 2019

- In relation to **developments in the Xinjiang region** of China and the resulting media inquiries BCI is receiving, the Council presented an opportunity to Huafu to address allegations conveyed in multiple press and other channels. Huafu stated that the allegations were unfounded and that as a company it had always taken the lead in promoting sustainable social and environmental practices.
- The answers provided by Huafu were found helpful. Council recognised that open questions regarding farming practices in Xinjiang nevertheless remain. It is essential that BCI is able to show that licensed farmers are compliant with the Decent Work indicators of the Better Cotton Principles & Criteria. The Secretariat committed to address these global challenges through **researching appropriate changes to BCI's assurance model**. This research will be enhanced by internal work in order to strengthen the credibility of the assurance programme and the way it is implemented so that BCI can be confident in the integrity of its operating model.
- Huafu will keep Council updated about progress with a **3<sup>rd</sup> party audit** the company intended to undergo and agreed to inform the Council of the Social and Labour Convergence Programme (SLCP) audit to be conducted by Bureau Veritas in June.
- The Secretariat will produce a summary for Council with key **facts and figures relating to cotton production** in Xinjiang.

## Council Call – 30 April 2019

- Council **approved** BCI's 2018 accounts.
- The Secretariat presented the review of the current Better Cotton Claims Framework and requested approval from Council for the **launch of the Claims Framework 2.0**, as per the Claims Framework Review Steering Committee's recommendation. It was agreed that Council will be updated in writing on the questions raised and consulted for final approval.
- In relation to the roll-out of the Better Cotton Principles & Criteria V2, the Council decided to **extend the transition period** with one year for indicator 1.3.1 (iii) (Indicator for banning Rotterdam Convention pesticides (such as monocrotophos) at the global level. It was understood that the root cause is the identification of structural challenges, not high risk of non-compliance. This decision was taken to allow more time for Implementing Partners to implement the requirement whilst operating in contexts presenting such significant structural challenges to compliance.
- The Council decided to **review the agreed period** (one or two-years) at the June meeting taking into account member and external feedback.
- The Council mandated the Standards and Assurance Team to explore how to tackle the structural challenges identified (esp. policy work and access to finance) and to begin **administering the transition**.
- On the issue of fundraising, the Secretariat agreed to investigate ways to **consider funding in partnership with Implementing Partners**.
- Following the publication of an opinion piece in Sweden, positioning Better Cotton against organic cotton, the Council asked the Secretariat team to further **engage with organic cotton standards** and work on removing any misunderstanding in the media about the juxtaposition between Better Cotton and organic cotton.

## Council Meeting – 10 & 11 June 2019, Shanghai

- Council elected Marc Lewkowitz (Supima) to become **Chair** after Barry Clarke steps down at the end of the Shanghai conference.
- Secretariat to present analysis of 'distance to 2020 targets' and associated **plan to narrow this distance to get closer to meeting 2020 targets** at the November Council meeting.
- Council endorsed the development of a **BCI Gender Strategy** and invited volunteers to join a **working group**.
- Solidaridad will share details about their programme in **Ethiopia** with the Council.
- The Secretariat will:
  - **Revisit its New Country Start-Up Process** and establish a set of explicit guidelines to assess potential new projects (including the role of demand – bottlenecks for Retailer and Brand Member sourcing targets);
  - Explore the issue of **polypropylene bags in Ethiopia** in partnership with Council members;
  - Explore the issue of **Large Farm non-compliance in Ethiopia** with Solidaridad.

- As and when appropriate, the Secretariat will consider publishing outcomes from different **benchmarking** exercises against the Better Cotton Standard System, taking into account confidentiality matters of the partnering standard;
- Council approved the extension of the transition period by one year to implement the **Rotterdam Convention** for indicator 1.3.1. (iii) in India;
- The Secretariat will investigate ways to advocate for **the Indian government to ban monocrotophos**;
- The Secretariat and Strategy Steering Group will provide a **calendar for Council engagement in the strategic planning** ahead of November;
- Council agreed to hold a two-day meeting to input into the **strategy** process; this was subsequently confirmed for 7 and 8 September 2019 in London.

## Council Meeting – 7 & 8 September 2019

- Council agreed to extend the agenda of this two-day meeting to include an item on addressing **concerns relating to the Assurance Programme** in Xinjiang, China.
- Strategy: Council approved the work presented so far on the **strategy process** and developed principles for the strategic planning that were integrated into the strategy process.
- Council noted with concern the increasing allegations around Xinjiang and **reviewed a full range of five possible scenarios** for BCI action, ranging from business as usual to full scale withdrawal.
- After some discussion Council determined that BCI should continue to operate in the province, out of a concern that BCI may do more harm than good by walking away. Simultaneously, however, BCI should launch an independent research project into **how the Better Cotton Standard System can be improved** to provide credible assurance and capacity building in contexts of environments which present specific challenges.

## Council Call – 24 September 2019

- Secretariat to convene a **Nominations Committee** to review the co-opting of a new member of the Finance Committee, for submission to Council;
- The Council approved the Secretariat's request to invite both the CEO & the President of **ABRAPA** to present to the BCI Council meeting in Lisbon in June 2020;
- The Council asked the Secretariat to investigate the possibility of allowing double claims under the revised Claims Framework: identity cotton and Better Cotton together; Director of Membership to reach out to Chair & Vice Chair to discuss issues around **traceability and identity cotton**;
- The Secretariat will plan a training day for Council Members on Thursday 21 November following the Council meeting, focusing on **gender and the Better Cotton Standard System**.

## Council Meeting – 19 & 20 November, Geneva

- The Council endorsed the proposed **2020 Annual Operating Plan**, including the proposed management and mitigation plans put in place to address potential issues.
- The Council endorsed the **China roadmap** proposed by the Secretariat, outlining the steps to be taken for the independent research into the Assurance Programme.
- The Council agreed that the Secretariat will develop and maintain a **Risk Register** for Council to review and endorse annually.
- Michael Kobori (Levi Strauss & Co) will be leaving Levi Strauss & Co. and consequently steps down from his role as a BCI Council Member. Michael was warmly and lengthily thanked for his unique contributions to BCI over the years.

## Council Call – 11 December 2019

- The Council endorsed the Secretariat's proposed changes to the Assurance Programme, agreeing to adopt the recommended option through which most new Producer Units will be expected to spend the first season in a "**set-up phase**". Variations will be allowed on a case-by-case basis for Producer Units that are set up by an established deadline early in the season.
- **Budget 2020** is approved by the Council.
- The **Risk Register and Authority Register** were endorsed by the Council.