Supporting BCI Farmers through COVID-19

July 2020
How to engage

Asking Questions and Making Comments

Control Panel

1. The attendee control panel will collapse automatically when not in use. To keep it open, click the “View” menu and uncheck “Auto-hide Control Panel”. Otherwise, open and close the control panel using the orange arrow.

2. Raise your hand to be unmuted for verbal questions.

3. Select audio options depending on how you are joining the webinar.

4. Submit text questions/comments using the “Questions” panel.

Note: The presentation will be recorded.
AGENDA

1. Better Cotton Production and Uptake Numbers

2. Update on the Task Force on Forced Labour and Decent Work

3. Updates on Western China

4. Today’s Focus: Supporting Farmers through COVID-19

5. Questions

6. Closing Reminders
Anti-trust policy

The following topics are not to be discussed

- Prices
- Market share
- Customer allocation
- Anything that could be construed as limiting competition
Better Cotton Production & Uptake
BCI GLOBAL REACH

2018-19 COTTON SEASON

2.1 MILLION LICENSED FARMERS

IN
23 COUNTRIES PRODUCED

OF GLOBAL COTTON AS BETTER COTTON

22%*

*N: This figure is subject to change based on the finalisation of 2018-19 ICAC world production figures. Source of ICAC World Production Figures: https://icac.ppm10.net/statistics/index/14.18
BCI FARMERS AROUND THE WORLD

2018-19 COTTON SEASON

LICENSLED BCI FARMERS
2.1 MILLION

USA
639
0.02% of BCI Farmers

ISRAEL
58
0.002% of BCI Farmers

TURKEY
962
0.04% of BCI Farmers

PAKISTAN
369,264
18% of BCI Farmers

KAZAKHSTAN
334
0.02% of BCI Farmers

TAJIKISTAN
964
0.04% of BCI Farmers

CHINA
81,043
4% of BCI Farmers

INDIA
684,274
33% of BCI Farmers

BRAZIL (ABR)*
312
0.01% of BCI Farmers

MALI
54,326
3% of BCI Farmers

CmiA (AbTF)*
822,371
39% of BCI Farmers

SOUTH AFRICA
646
0.03% of BCI Farmers

MOZAMBIQUE
97,936
5% of BCI Farmers

MADAGASCAR
663
0.03% of BCI Farmers

AUSTRALIA**
77
0.003% of BCI Farmers

*BCI recognised equivalent standard
CmiA countries: Benin, Burkina Faso, Cameroon, Cote d’Ivoire, Ghana, Mozambique, Nigeria, Tanzania, Uganda and Zambia
BCI GLOBAL MEMBERSHIP

1,974 Members as of 01 July 2020

- Suppliers & Manufacturers
- Associate Members
- Civil Society
- Producer Organizations
- Retailers and Brands

Plus 7,000 Better Cotton Platform Users, in addition to membership

Members as of 01 July 2020:
- 48
- 110
- 197
- 313
- 468
- 706
- 986
- 1,205
- 1,431
- 1,842

Platform Users as of 01 July 2020:
RETAILER & BRAND (RB) UPTAKE

CUMULATIVE RETAILER & BRAND MEMBER UPTAKE (MT) IN 2020

RB uptake by 30 June 2020: 653,000 MT

2019 RB uptake: 1.5 million MT

2018 RB uptake: 1.1 million MT
SPINNER UPTAKE

CUMULATIVE SPINNER UPTAKE (MT) IN 2020

Mill uptake by 30 June 2020: 1,200,000 MT

2019 Mill uptake: 2.1 million MT

2018 RB uptake: 1.7 million MT
AVAILABLE OF BETTER COTTON

SPINNER & RETAILER UPTAKE

Spinner vs Retailer & Brand uptake (MT)

*Jan - June 2020 data
Task Force on Forced Labour and Decent Work
Task Force on Forced Labour and Decent Work

Objectives of the Task Force

   - Global scope
   - Principles & Criteria
   - Assurance model
   - Capacity building
   - Related standard operating procedures

2. Recommendations on how to strengthen the Better Cotton Standard System and standard operating procedures by introducing:
   - Risk-based methodology
   - System improvements in high-risk contexts
   - General system improvements

Technical group of experts set up to help strengthen BCI’s global operations in relation to forced labour.

https://bettercotton.org/task-force-on-forced-labour-and-decent-work/
Forced Labour Task Force

Task Force activities

• **June**: Task Force Members doing deep-dives on selected focus areas to produce draft recommendations.

• Regular ‘Spotlight sessions’ to harness collective knowledge & expertise.

• **July**: Task Force workshop to discuss and refine draft recommendations.

• Final recommendations to be submitted to BCI Council for approval.

After approval of recommendations by Council, expected activities could include:

• Modification of Better Cotton Standard System

• Field testing of modifications

• Pilot and roll-out of revised model (into 2021)
Task Force on Forced Labour and Decent Work

Consultation opportunities

• Buyer & Investor Committee Members (Retailers & Brands)

• Implementing Partners & BCI Country Offices

• Workers’ rights organisations and others with relevant expertise

Interim communications

• August (date tbc): Webinar for members presenting draft high-level recommendations of the Task Force.
Western China
Suspension of licensing activities

WHAT IT MEANS

• BCI Council decided to suspend assurance activities in the XUAR region of China for the upcoming cotton season (2020-21)

• Continue providing capacity building to farmers, despite no licensing

• No assurance activities will be conducted, including licensing, for the 2020-21 season for all farms in the XUAR

• Cotton licensed in 2019 can still be sourced as Better Cotton
**BCI activities in Western China**

**Maintain presence for providing capacity building to farmers in the XUAR**
- No licensing, but continued support
- Most IPs remain fully committed

**Reviews of Decent Work Risks in the XUAR**
- Insights from BCI’s operations to date
- External independent review of risks

**Engagement with stakeholders in China**
- National level
- BCI Members
- Implementing Partners

**Supply chain impact mitigation support to members**
Supply chain & sourcing implications

FROM 2020 – 21 SEASON

From the 2020-21 season there will be no Better Cotton from Xinjiang. Licensing will not take place in September 2020.

Decrease of approximately 800,000 MT of licensed production.

BETTER COTTON HARVESTED AT THE END OF 2019

Better Cotton licensed in September 2019 has entered supply chains and remains valid.

The cotton season for Xinjiang runs from approximately April (planting) to November (completion of the harvest).

SECURING SOURCES OF BETTER COTTON

Significant oversupply, therefore significant inventory of BCCUs available in the supply chain.
Supply chain impact mitigation

1. Data gathering and sharing
   - Production
   - Supply chain
   - Demand

2. Facilitating Better Cotton uptake
   - Improving supply & demand connections
   - Processes & Training

3. Policy interventions
   - Exploring variations to supply chain policies

4. Increase production
   - Strategic country programmes

Consultation
Communication
Recent and upcoming progress

1. Data gathering and sharing
2. Facilitating Better Cotton uptake
3. Policy interventions
4. Increase production

Better Cotton production and supply report
- latest Better Cotton production volumes
- ginner uptake, spinner uptake, fabric mill uptake, and more.
- To be available to BCI Members on a quarterly basis
- The first report will cover Q1 and Q2 2020 and will be published by the end of July.
Recent and upcoming progress

1. Data gathering and sharing
2. Facilitating Better Cotton uptake
3. Policy interventions
4. Increase production

Implementing Partner (IP) Training

- Training delivered to IPs in other provinces of China (Shandong, Hebei and Hubei)
- Covered the Chain of Custody and the responsibility of IPs regarding the supply chain
- Reached a hundred representatives from IPs, Producer Unit Managers and Field Facilitators

Increasing ginner uptake

- Revised IP agreement for IPs to have a stronger role in the farm to gin uptake link
- Mapped production timelines to better time interventions aimed at increasing uptake
- Developed training materials for IPs on supply chain requirements for farmers
- Better aligned licensing and harvest dates
- Shifting ginner training online to ensure global coverage
News from other organisations

THE XUAR COALITION

• a coalition of civil society organisations and trade unions “united to end state-sponsored forced labour” in the XUAR.

• asking brands and retailers to “exit the XUAR at every level of their supply chain, from cotton to finished products”.

• urges governments to “strengthen and enforce existing laws prohibiting trade in goods produced using forced labour”.

STATUS OF CAMPAIGN

• Website and position statement to be launched in few week’s time

• Date of public launch of the campaign still to be determined.

COMMUNICATION WITH BCI

• BCI is not part of this Coalition, but having regular communication.

• Ensuring the Coalition is aware of the position of BCI – suspending licensing while maintaining farmer support in the XUAR.
Supporting BCI farmers through COVID-19
Covid-19 impact and response

SUPPORTING BCI FARMERS

Context

• All countries where BCI operates have been affected.
• As pandemic evolves, rural areas have not been spared.
• Medium-long term lockdown is only possible in wealthier countries.

Adaptation

• All trainings from BCI to IPs have shifted to virtual. Regular communication with IPs field teams is maintained despite not meeting face to face (through trainings, follow-up calls, use of Skype, Teams etc).
• BCI has launched the Resource Library a first step in our supporting Virtual Learning project.
• Laudes Foundation grant to support IPs covid-19 activities: first activities started in India and Pakistan. Mozambique and Mali following.
• Remote licensing assessment piloted in Mozambique and South Africa.
• Some teams like China and Turkey slowly going back to the field.
Remote Licensing pilot

MOZAMBIQUE – INTERVIEWS
IPs support to farming communities

Leverage on BCI’s vast network and close interaction with villages, farmers and farm workers
China Program Update

Work from Home to Field

June 2020
From Nervous to Optimistic

• Kick off Social distance
• Start more Online trainings – how important Videos are
• Resume to normal work step by step
• Start travelling
Kick off social distance-Jan

A SPECIAL SPRING FESTIVAL

1. Give up travel to hometown
2. Give up travel to beach for holidays
3. Give up London training as UK Visa Center was closed
4. Resume work earlier at home to prepare for the worst with optimistic attitude
Kick off online training-Feb/Mar

STREAM PLATFORM BECOMES AN IMPORTANT TOOL

✓ Postpone the F2F national IP training from March to May

✓ Train New IPs firstly online one by one – Interesting training materials were highly demanded.

✓ Encourage IPs to shot Videos of daily working- share in stream platform.

✓ BCI has establish social media account in tik-tok

✓ BCI has broadcasted news and updates with wechat Public Account

✓ Wechat Group were used more often
Limited F2F training with masks
Feb/May
BETTER EFFECTIVENESS

Cotton Connect Training in Hebei

Shawn with IP Huangmei for Training

Nongxi Dongying Project Training
Team Resume to normal work

Join Cotton Conference held by Cotton Inspection institute

F2F Training to Nongxi IP

Cotton Fiber Improvement Meeting

Local TV Station Interview
Dive into implementation

POs travel to each IP in his own area to deeply engage in daily implementation.

To understand the challenges in implementation

To understand exactly how they interpret indicators

To understand their daily work with farmers and different stakeholders

Case: Picture was Shawn travelled IP in Hubei. Come across IP to join online training held by S&C team. Shawn showed them how to join this meeting with a cellphone.
IPs training resume normally

- Field Training held by New IP in North Xinjiang
  - No masks needed strictly

- Indoor Field Facilitators Training in Dongying
  - Keep distance and wear masks are recommended
Growth of Cotton – May to early June

- Wheat and cotton intervals
  Wave 3 in Yangtze River Delta

- Typical cotton plant pattern
  Wave 2 Yellow River Delta

- Typical soil amendment in Wave 2

- Thin out young plants
  Wave 2 (Video)
Project Data

### 2019-2020 Licensing Data
- 104,035 Licensing farmers
- 885,000 MT Lint Cotton
- 408,000 Ha
- 16 IPs
- 64 PU&LF

### 2020-2021 Seasonal Project Data
- 119,303 farmers
- 102,505 MT Lint
- 68,227 Ha
- 15 IPs
- 28 PUs
- 48 PU/LF (Paused)
Questions
Closing Reminders
Members’ Only Resources Website
bettercotton.org/resources/

The Better Cotton Initiative (BCI) is a global not-for-profit organisation and the largest cotton sustainability programme in the world. BCI exists to make global cotton production better for the people who produce it, better for the environment it grows in and better for the sector’s future.
Members’ Only Resources Website

[link: bettercotton.org/resources/]

- Member-Only Webinars
- BCI Member Toolkit
- Better Cotton Platform
- Cotton Production Reports
- Communications Materials
- Logo Downloads
- Print Materials for Events
- BCI Slides for Members
- Videos
- Implementing Partner Tools
- Western China Resources
Get Engaged

Lisbon, Portugal
Registration re-opening in October, details at [www.globalcotton.org](http://www.globalcotton.org)

**Monthly Webinars | Don’t wait for the conference to connect!**

All webinar registration at: [www.bettercotton.org/get-involved/events](http://www.bettercotton.org/get-involved/events)

- Next Member-Only Webinar
  “*A Deeper Look at the BCI Assurance Model*”
- BCI Introduction for Retailers & Brands
- BCI Supplier Training Programme (*multiple languages*)
Thank you

Please complete webinar survey

membership@bettercotton.org