

BCI Task Force on Forced Labour and Decent Work

Final report and recommendations



October 2020



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1 Executive Summary

The Task Force on Forced Labour and Decent Work was formed by BCI in April 2020 to review the current Better Cotton Standard System and develop recommendations to improve the system's effectiveness in identifying, preventing, mitigating, and remediating forced labour risks. The Task Force comprises 12 experts representing civil society, brands/ retailers, and research or consultancy organisations.

The Task Force worked virtually from April to September 2020 to review current BCI systems, discuss key issues and gaps, and develop proposed changes.

The overall findings of the Task Force conclude that in comparison to environmental issues such as soil health and pesticides, decent work (the umbrella under which issues of 'forced labour' would be identified) has received a comparatively lower degree of focus and investment across the BCI programme and Better Cotton Standard System (BCSS). While BCI explicitly cites the promotion of decent work as one of its core objectives, the level of attention and investment thus far has been insufficient.

BCI now has an opportunity – with the right level of commitment and resourcing – to renew its focus on the more than 1.5 million workers¹ at the foundation of the Better Cotton system, to give these workers a stronger voice, and to pioneer innovative, worker-focused approaches to promote decent work in cotton fields. Through leveraging its existing global network – and forging new, stronger partnerships with trade unions, civil society, and grassroots organisations – BCI has the potential to drive systemic change in labour conditions and decent work in cotton production.

Strengthening decent work capabilities and systems will also provide greater assurance to brands, retailers, and other stakeholders that farmers growing Better Cotton are following BCI's stated principles on forced labour and decent work.

The Task Force has noted however that before BCI can achieve these aims, it must address significant existing gaps in awareness, competencies, and processes related to decent work. These limitations extend across the BCI organisation, governance structure, and partner network. In the view of the Task Force, they have resulted in organisational blindness to important risks and realities related to forced labour and likely other decent work issues.

The strategic recommendations developed by the Task Force provide a roadmap for BCI to address these gaps and strengthen its decent work capability across the BCI system. The approach is grounded in international human rights standards, understanding inequalities, and addressing discriminatory practices. The recommendations are summarised below:

1. **An overall 'rebalancing' of the BCI network on decent work issues:** a comprehensive, rights-based approach to building decent work awareness throughout BCI and its partners, down to field level. This will include a comprehensive capacity building element and greater engagement with civil society and decent work experts at country level.
2. **Strengthening internal decent work expertise in leadership:** this would include dedicated decent work expertise within the BCI secretariat and Council,

¹ Based on self-reported labour profile data for BCI producers in India, Israel, Kazakhstan, Madagascar, Mali, Mozambique, Pakistan, South Africa, Tajikistan, and Turkey for season 2019-20



plus senior level expertise and ownership for implementing the Task Force recommendations.

3. **Defining the necessary ‘enabling environment’ for BCI operations:** a standardized process and criteria will be developed to assess whether the necessary environment exists for BCI’s standard to be implemented effectively.
4. **Acknowledging the impossibility of operating responsibly in contexts of state-imposed forced labour:** a strong conclusion from the Task Force is that BCI cannot operate in regions where there is credible evidence of state-imposed forced labour.
5. **Adopting a risk-based approach:** a risk-based approach will help target efforts and ensure that capacity building and mitigation strategies respond to specific forced labour risks at a local level. This will prioritise field-based research by local experts in ‘high-risk’ countries, with strong engagement from civil society at country level.
6. **Strengthening processes for Implementing Partner (IP) management:** this includes enhanced due diligence for IPs and Local Partners, along with strengthened competencies, management systems, and training related to decent work.
7. **Introducing significant innovations in assurance:** BCI will look to move away from the traditional ‘audit model’ in relation to decent work and will develop and test out dedicated decent work-focused monitoring. In addition, new worker feedback channels will be explored to identify risks on an ongoing basis.
8. **Developing grievance mechanisms, including at field level:** this includes strengthening the existing BCI organisational-level grievance mechanism, aiming to improve transparency of accountability. It also includes engaging with trade unions to support the set-up (or expansion) of grievance mechanisms and remediation approaches *at field level to cover farm workers*. It is critical to provide workers with secure channels to raise concerns and access remedy. The Task Force notes BCI will have to explore options to overcome challenges to the implementation of such mechanisms.
9. **Supporting BCI’s efforts to review the chain of custody model:** Although a review of BCI’s mass balance chain of custody system was not in direct scope of the project, the Task Force notes that in comparison to physical segregation, a mass balance system poses much higher risks in terms of ensuring that final products are free of forced labour. The Task Force recommends that BCI takes steps to develop a physical segregation model (refer to [page 14](#)) and is eager to collaborate and support in this work.

Each of these recommendations is expanded in more detail in the sections below.

2 Scope and objectives of the Task Force

The Task Force on Forced Labour and Decent Work was formed by BCI in April 2020 as a multi-stakeholder working group. The remit of the Task Force was to carry out a review of the Better Cotton Standard System (BCSS) and related procedures, and to develop a set of strategic recommendations to **help improve the effectiveness of the BCSS in identifying, preventing, mitigating and remediating forced labour risks.**

The focus of the Task Force was global, and although primarily focused on forced labour risks, many of the recommendations inevitably relate more broadly to decent work.

The Task Force is composed of 12 members² from civil society, retailer/ brands, and research or consultancies with strong labour expertise.

Table 1: Task Force Membership

Civil Society	<ol style="list-style-type: none"> 1. Patricia Jurewicz, Founder and Vice President <i>Responsible Sourcing Network</i> 2. Shelly Han, Chief of Staff & Director of Engagement <i>Fair Labour Association</i> 3. Allison Gill, Senior Cotton Campaign Coordinator <i>International Labor Rights Forum</i> 4. Isabelle Roger, Global Cotton Programme Manager <i>Solidaridad Network</i> 5. Chloe Cranston, Business and Human Rights Manager <i>Anti-Slavery International</i> 6. Komala Ramachandra, Senior Researcher <i>Human Rights Watch</i>
Consultancies / Research Organisations	<ol style="list-style-type: none"> 7. Rosey Hurst, Founder and Director <i>Impactt</i> 8. Aarti Kapoor, Managing Director <i>Embode</i> 9. Brett Dodge, Senior Consultant <i>Ergon</i>
Retailer/ Brands	<ol style="list-style-type: none"> 10. Fiona Sadler³, Head of Ethical Trade <i>M&S Clothing and Home</i> 11. Aditi Wanchoo, Senior Manager – Development Partnerships Social & Environmental Affairs <i>adidas</i> 12. Jason Tucker, Director of Labor Performance, Sustainable Manufacturing & Sourcing <i>Nike</i>

The Task Force met virtually from April to September 2020 in order to review existing BCI procedures and systems, identify key gaps, and formulate recommendations. The first phase of work between April and May focused on building an initial understanding of BCI systems and practices and identifying major gaps. From June to mid-July, the Task Force divided into four sub-groups to work on draft recommendations in the following areas: (I) Risk-based methodology, (II) Principles & Criteria/ assurance, (III) IP management and endorsement, and (IV) Grievance mechanisms. From mid-July to end of September, the Task Force reviewed and revised the content created by these sub-groups, and discussed overlapping areas such as remediation, enabling environment, capacity building, management systems, and governance.

During the course of the project, consultations were carried out with key stakeholder groups such as Implementing Partners, Brands and Retailers, and worker-related organisations (please refer to [Annex C](#) for more detail on consultations). This feedback was shared with the Task Force for their consideration in finalising the recommendations.

² BCI was also supported in the coordination of the Task Force by Stephen McClelland, independent senior consultant, who provided initial feedback on draft recommendations for consideration by the Task Force

³ Fiona Sadler from M&S participated in the first phases of the Task Force and was required to step down due to other responsibilities in early July 2020



3 Overarching recommendations

The Task Force observed that decent work (the umbrella under which issues of ‘forced labour’ would be identified) receives a comparatively lower degree of attention across the BCI programme and Better Cotton Standard System (BCSS) than environmental issues such as water and soil health. This is clear across many areas of BCI, including new country start-up evaluations, IP selection, onboarding and project development, and findings from 2nd and 3rd-party assessments. The Task Force believes that this has resulted in organisational blindness to forced labour and likely other key decent work issues, and therefore insufficient levels of investment in these important areas.

To close this gap, the Task Force recommends that BCI strengthens its decent work focus and capability across the BCI system, rooting its work in international human rights standards, understanding inequalities and eliminating practices that are discriminatory or have discriminatory impact. This means prioritising workers’ rights and finding new ways to give workers a much stronger voice than they currently have in the BCI system. This will be a substantial undertaking that aims to:

- Improve the capacities of BCI leadership and partners to take effective action in response to new or emerging decent work risks, with an emphasis on forced labour.
- Provide a basis for internal and external accountability in relation to BCI’s commitments to decent work, understanding decent work as a central component to sustainability.
- Adapt and update key components and functions within the BCSS to ensure they are able to address forced labour and key decent work risks.
- Increase the volume and quality of information about decent work risks generated from within BCI country programmes and global operations.

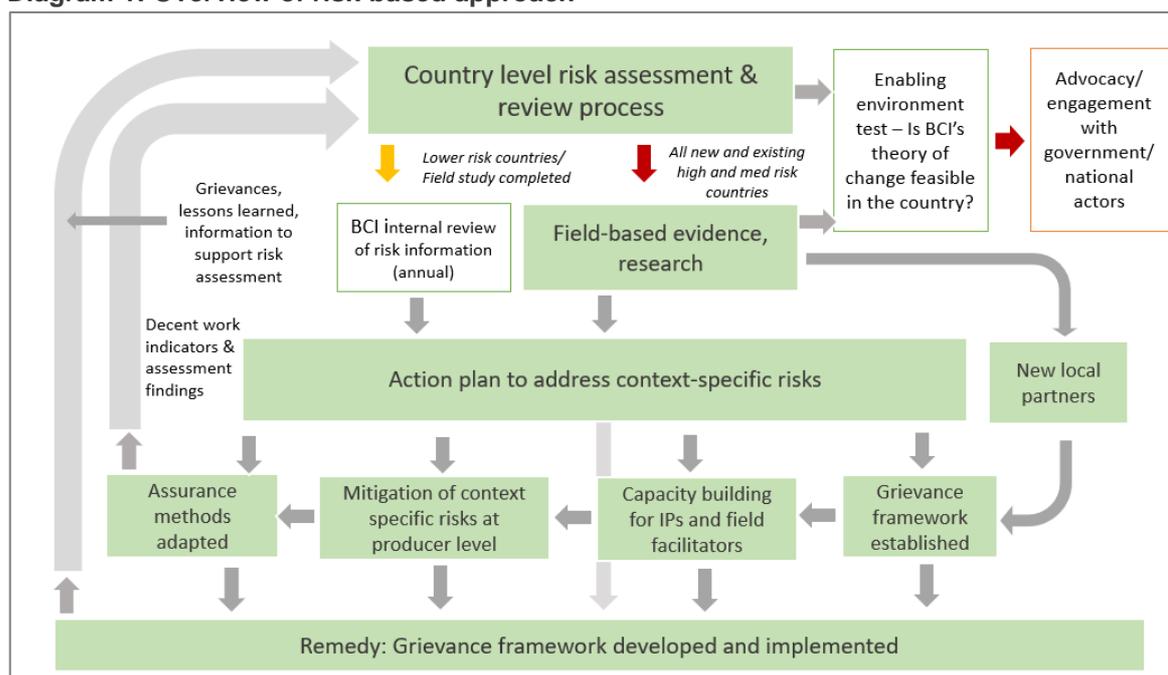
BCI Leadership Accountability

The accountability for these elements should sit with the full BCI senior leadership team and BCI Council. Specific member(s) of the leadership team should be designated to coordinate the organisational aspects of implementation, review, reporting, and continuous improvement. The aim is to programme a rights-based decent work focus into the BCI system, incorporating better knowledge, stronger processes, and systems that encourage proactive use and communication of risk information.

BCI Operational Requirements

In parallel with this, BCI will also need to revise its operational approach at country and field level. The Task Force recommends a risk-based approach, as outlined below, with a focus on really understanding the specific forced labour issues and drivers in the local context.

Diagram 1: Overview of risk-based approach



The graphic above shows the main features of the risk-based approach and shows how they are expected to work together, as follows:

Risk-based approach: The process introduces a high-level country risk review framework overseen by the BCI secretariat. It calls for a substantial initial investment in an in-depth, country-by-country review of risks, root causes, and field-based evidence related to forced labour (and wider decent work) across all known high and medium risk countries under that framework.

This process should be integrated with strategic decision-making on where and how BCI can operate a credible programme. It should also direct how BCI adjusts its strategic approach to different countries.

It should build knowledge and awareness about decent work among partners and BCI staff. It should also provide an evidence base so that field operations (such as capacity building and assurance) can be adapted to better mitigate forced labour and decent work risks in each country. This approach is reflected across the wider recommendations in this document.

Information generation and feedback: The process should provide more and better information about forced labour risk. Information from assurance processes, grievance mechanisms, and wider IP operations related to decent work should be continuously fed back to BCI at the strategic level to be incorporated into an on-going review. This will enable better responsiveness to changing national and local conditions.

Enabling environment: Central to these recommendations is an assumption that there is a strong enough enabling environment for BCI to operate in accordance with its theory of change. In contexts where labour and human rights due diligence is not possible because of lack of democratic institutions, political power centres, suppression of freedoms of expression and association, threat of penalty, or policies or practices that inhibit the development or functioning of viable, independent civil

society, BCI will need to consider whether the environment enables or hampers the BCI system to operate credibly. A lack of an enabling environment may also be signalled by ineffective redress and remediation options and/or absence of scope for an independent and effective grievance resolution mechanism. In situations where there is evidence of or a high risk of state-imposed forced labour in the cotton industry, there is definitionally no enabling environment and BCI should not operate. Refer to [Section 5: Assessing the enabling environment](#) for more detail.

Clear ‘stop/go’ checkpoints in the process: the process enables decision-making on whether to enter or leave a country or region, whether to engage with/endorse an IP, whether to license a particular entity, on the basis of forced labour and broader decent work indicators. This should provide greater certainty for retailers, brands and civil society on the solidity of BCI’s credentials in this area.

4 Summary of recommendations across the BCI system

The table below summarises the recommendations of the Task Force by level of the BCI system they apply to, from governance level to field level. This is intended to help readers understand how the recommendations will cascade throughout the BCI system and how each ‘tier’ of this system will be impacted.

BCI system level	Summary of action to be taken
BCI Council	<ul style="list-style-type: none"> Representation with decent work expertise to be added to the BCI Council Council to have oversight over implementation of the recommendations, including ensuring adequate budgeting and resourcing and clear ownership
BCI Senior Leadership	<ul style="list-style-type: none"> Accountable for implementation of recommendations; with specific member(s) responsible for operational elements Responsible for the organisational grievance mechanism and the ultimate escalation point for grievances raised through the grievance channel Work to secure funding for, and prioritise, implementation of recommendations in a phased manner Integrate Task Force recommendations into strategic decisions about where and how to operate, based on an assessment of the enabling environment and risk factors
BCI Secretariat (headquarters)	<ul style="list-style-type: none"> Ensure there is adequate decent work expertise at Secretariat level; utilise decent work experts or consultants to support in any gaps Coordinate global implementation of recommendations in a phased manner, with regular reporting and communication to BCI Council, Decent Work Advisory Committee, and other key stakeholders Update, or supervise the updating of, relevant processes and documents in line with Task Force recommendations; coordinate with BCI country teams, IPs, and verifiers to communicate changes and provide training and support Develop and implement clear processes to embed the risk-based approach into existing BCI systems and procedures; ensure clear communication and training to all affected stakeholders

BCI system level	Summary of action to be taken
	<ul style="list-style-type: none"> • Ensure that dedicated decent work expertise is brought in for the next Standards revision, and that the objectives include a specific commitment to decent work and forced labour • Carry out the review and updating of the BCI organisational-level grievance mechanism; follow up and resolve any escalated grievances
BCI Country Teams	<ul style="list-style-type: none"> • Bring in dedicated staff with decent work experience in high-risk countries to serve as main decent work 'focal point' [see above] • Coordinate field-based research by local decent work experts to identify specific forced labour drivers and risks • Coordinate engagement of civil society to participate in risk assessment work and capacity building; and to develop a pool of local grassroots organizations working on decent work issues at field level; support with remediation when needed • Support development of capacity building materials and roll-out for BCI team, IPs, verifiers, field staff, etc. • Support the development and roll-out of new due diligence measures for IPs • Liaise with central assurance team to roll out enhanced assurance procedures, including trialing of new 'decent work focused assessments' in specific high-risk countries • Engage with trade unions to promote the establishment of independent worker representative structures
Implementing Partners	<ul style="list-style-type: none"> • Participate in decent work capacity building efforts at country level; Cascade enhanced capacity building/ decent work training down to PU Managers and field staff (as appropriate) • Assess competency of staff and local partners with respect to decent work and forced labour and create capacity building plans to address gaps • Undergo enhanced due diligence procedures and provide required information and reporting to BCI country teams • Develop (with guidance from BCI) decent work-focused internal management systems, to better identify and mitigate forced labour and decent work risks • If working with Local Partners, carry out and document basic due diligence on Local Partners; ensure their competence in decent work • Undertake training and adapt internal systems to integrate revisions in assurance processes • In collaboration with BCI Country Teams, engage with trade unions to promote the establishment of independent worker representative structures • [Focusing on specific projects in high-risk regions first] - Work closely with BCI and civil society experts to develop and test out worker feedback tools and grievance mechanisms for farmers and farm workers; receive training and support on effective grievance mechanisms
Local Partners	<ul style="list-style-type: none"> • Participate in decent work capacity building efforts at country level • Implement due diligence processes coordinated by IPs • Together with IPs, develop and roll out internal management systems focused on decent work • Together with IPs, undertake training and adapt internal systems to integrate revisions in assurance processes
Field Staff (PU Managers and	<ul style="list-style-type: none"> • Participate in decent work capacity-building efforts at country level

BCI system level	Summary of action to be taken
Field Facilitators)	<ul style="list-style-type: none"> • With support from IPs and BCI, receive training and implement basic internal management system with respect to decent work, including better understanding of labour profiles and risk factors at country level • Cascade enhanced capacity building/ decent work training down to farmer and worker level • Support BCI and IPs in collecting required data (such as labour information) and implementing changes in assurance systems and processes • Where appropriate, support BCI and IPs in piloting new worker feedback channels and grievance mechanisms, or expanding existing grievance mechanisms
Farmers	<ul style="list-style-type: none"> • Participate in enhanced decent work focused training and awareness raising at field level; demonstrate understanding of forced labour issues, risk factors, and mitigation measures as relevant to a farmer – i.e. acceptable hiring and working practices, grievance channels, etc. • Provide accurate information on labour to IP/ field staff – i.e. worker numbers and type, recruitment practices, etc.
Workers	<ul style="list-style-type: none"> • Participate in enhanced decent work-focused training and awareness raising at field level; demonstrate understanding of forced labour issues relevant from a worker perspective – i.e. acceptable hiring and working practices, freedom of association and collective bargaining, channels for feedback and complaints, etc. • Understand and utilise channels for worker feedback and complaints (as these are developed and rolled out by BCI and partners)

5 Assessing the enabling environment

Key findings:

The Better Cotton Standard System requires an adequate ‘enabling environment’ in a country or context in order to be implemented credibly and to allow BCI’s theory of change to work. BCI needs a clear process for assessing the enabling environment which considers whether there are any restrictions on elements such as freedom of speech and association, independent civil society, rule of law, democracy and other socio-political or economic factors. The assessment of enabling environment should consider the extent to which these restrictions might pose significant barriers to implementing effective human rights due diligence, operating an effective independent grievance mechanism, and providing remedy.

To put it simply, in a context, for example, where workers cannot speak candidly during assurance processes due to wide restrictions on freedom of speech, and do not have secure access to grievance mechanisms and remedy, BCI cannot have confidence that decent work issues can be identified and addressed.

Recommendations

<i>Summary of recommendations</i>	
5.1	BCI should review outcomes of country risk assessments, engagement with external stakeholders, and field-based evidence to assess whether there is a sufficient enabling environment for BCI to operate in any given country.

Summary of recommendations

- 5.2 BCI should not enter, or it should suspend licensing in all regions where there is credible evidence or a high risk of state-imposed forced labour in the cotton industry. BCI should conduct an external consultation process to determine whether other field activities (for example, capacity building) are possible in such environments without inadvertently condoning forced labour.
- 5.3 Clear guidelines should be developed for operating in countries transitioning from state-imposed forced labour, or with a lack of enabling environment.

5.1 BCI should review outcomes of country risk assessments, engagement with external stakeholders, and field-based evidence to assess whether there is a sufficient enabling environment for BCI to operate in any given country.

The Task Force recommends that BCI should develop a defined process for BCI leadership and internal decent work experts to review risk assessment outcomes and evaluate whether or not BCI can engage in a country or regional context, based on whether there are any critical barriers to human rights due diligence or civil society engagement. These may include issues with lack of democratic institutions, political power centres and elite/government interests, suppression of freedoms of expression and association, policies or practices that inhibit the development of viable, independent civil society, and structural factors.

This process must be informed by the outcomes of the risk assessment and stakeholder consultation, as described in [Section 6: Risk-based methodology](#). It is important this consultation process includes civil society, trade unions, and groups representative of the local population.

Where this process identifies barriers in the enabling environment that will not allow BCI to implement its theory of change, BCI should not operate until the enabling environment improves. This decision should be determined through the process outlined in the section below: *“Guidelines for entering countries transitioning from state-imposed forced labour, or with a lack of enabling environment”*.

5.2 BCI should not enter, or it should suspend licensing in all regions where there is credible evidence or a high risk of state-imposed forced labour in the cotton industry. BCI should conduct an external consultation process to determine whether other field activities (for example, capacity building) are possible in such environments without inadvertently condoning forced labour.

In contexts where the risk assessment process identifies evidence of, or a high-risk of, state-imposed forced labour in the cotton industry, the Task Force’s recommendation is that BCI *cannot* conduct licensing. This is due to BCI’s lack of leverage to influence outcomes for workers in such environments, and therefore by operating BCI would be seen to condone or inadvertently contribute to forced labour. The only exception to this is countries transitioning from state-imposed forced labour – see 3. below *“Guidelines for entering countries transitioning from state-imposed forced labour, or with a lack of enabling environment”*.



The risk assessment and consultation process must be used to determine whether in such contexts BCI can implement *other* field activities beyond licensing (such as capacity building). This decision should be overseen by the BCI Council following a formal consultation process with experts on the context in question, including civil society groups, trade unions, or other workers' groups, and groups representative of the local population. If a decision is made to proceed with capacity building or other field activities, this decision and the rationale/ evidence should be shared publicly.

BCI's activities in the Xinjiang Uyghur Autonomous Region

As a 'live' example of the above, it is the position of the Task Force members that BCI cannot undertake *any* form of field activities in the Xinjiang Uyghur Autonomous Region, and must immediately end all forms of operations and end all business relationships in the Region. This includes licensing and field activities, such as capacity building. This position is based on the credible evidence available on the scale of alleged labour rights violations in the cotton industry in the Region, the impossibility of conducting assurance activities to confirm the absence of forced labour due to the scale of restrictions to freedoms in the Region, the risks posed to workers to speak candidly, and the specific interlinkages between the cotton industry and the unfolding human rights abuses, which have been identified by credible human rights experts, labour rights practitioners, and academics. Task Force members also note the calls from the Uyghur community for total disengagement from the Region by all actors.

5.3 Clear guidelines should be developed for operating in countries transitioning from state-imposed forced labour, or with a lack of enabling environment.

In the case of a region or country engaged in a reform process to address state-imposed forced labour (such as Uzbekistan), with a lack of necessary enabling environment, or other structural issues that could prevent BCI from operating effectively, BCI must have processes in place to:

- (1) Carry out an evaluation of the reforms and their effectiveness:** BCI should evaluate the reforms and their impact on addressing state-imposed forced labour or other limitations in the enabling environment. This exercise should take into account:
 - A comprehensive risk analysis and enabling environment assessment as outlined above. This should also be incorporated into the BCI New Country Start-Up Processes
 - Legal changes
 - Implementation of reforms in practice (what is happening on the ground)
 - Gap analysis (what is the difference between the reforms and their implementation) and mitigation strategies
 - Mapping of the existence/role/capacity of relevant actors needed to successfully implement an effective BCI programme according to its theory of change, including but not limited to: IPs, local decent work experts, independent civil society organisations relevant to the sector, independent trade unions, farmers' organisations, representative workers' organisations, relevant international CSOs, labour brokers, recruiters, brigade leaders, local officials, and community leaders.

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- (2) Partner/engage with local and international independent civil society organisations to determine minimum criteria:** this would include human and labour rights organisations and independent trade unions, with an aim to determine what minimum criteria need to be met per (1) above, and/or how to move forward to promote or achieve an effective enabling environment prior to initiating the New Country Start-Up Process.

BCI should utilise a designated expert committee on forced labour and decent work to assist with the analysis and decisions on whether an appropriate enabling environment exists.

This consultation should be used to analyse and decide whether in such contexts BCI can – prior to full licensing operations – implement *other* field activities (not licensing) - for example, capacity building. Decisions on whether to implement other field activities should be made public and evidence published as to the rationale behind the decision, prior to engaging in any such activities.

- (3) Collaborate with relevant stakeholders to advocate for reforms:** Where BCI decides to operate in countries transitioning from state-imposed forced labour or without an adequate enabling environment, BCI should use its influence to engage with stakeholders to encourage necessary reforms. This might include, for example, collaborating with international organisations, civil society, trade unions (or other workers' groups) and others to advocate to the government for the reforms needed to achieve the enabling environment needed for BCI to operate.

- (4) Establish a clear procedure to monitor progress:** this will help ensure BCI stays in close communication and coordinates its activities with civil society, achieves buy-in from civil society on adjustments to its system and approach based on the local context, and ensures credibility of implementation.

BCI should carry out an annual review of the adaptation and implementation to ensure the enabling environment continues to exist, and that the BCI theory of change is being achieved and implemented in a credible way.

6 Risk-based methodology

Key Findings

BCI does not currently have a systematic approach to assess forced labour or decent work risks and adapt the standard system in response to these risks. The Task Force recommends that BCI should adopt a risk-based approach in order to prioritise efforts and ensure that forced labour action plans respond to the local context. This risk-based approach will inform the development of capacity building, assurance, and IP level management plans at country level. It will also be developed with a continuous monitoring approach in mind, so that new information (from assurance, grievance mechanisms, etc.) feeds back into the system on an ongoing basis.

Risks related to the mass-balance chain of custody system

Although a review of BCI's mass-balance chain of custody model was not in direct scope of the project, **the members of the Task Force believe that a mass balance system (where conventional cotton can be substituted for Better Cotton after the gin) — poses a high risk for brands and retailers.**

Since various regulations prohibit the importation of a product produced in whole or in part with forced labour, importers are obligated to ensure the cotton in their products is not produced with forced labour.

The Task Force recognises that it is the primary responsibility of brands and retailers to be accountable for their supply chains, to carry out appropriate due diligence, and to ensure that those supply chains are free of forced labour. While BCI may be used by some brands to help with supply chain risk mitigation, this has not been the original design or intent of the Better Cotton system. Therefore, while the Task Force recommends that BCI takes steps towards developing a physical segregation chain of custody system, it is critical that brands and retailers are intimately involved in that process, and have a full understanding of the costs, implications, and limitations of BCI developing such a system.

In high-risk countries that have a low percentage of licensed Better Cotton, a phase-in approach could be established to minimise any disruption of uptake. Priority should be placed on segregating Better Cotton in the highest-risk-regions first. A requirement to segregate physical Better Cotton up to the spinner level in low risk countries could be prioritised last or may not be necessary.

In relation to the mass balance system (or any other chain of custody used for Better Cotton in the future), BCI needs to continue to ensure that claims that its members can make, in particular in relation to decent work, are credible.

The Task Force is aware that BCI is launching a full review of the chain of custody model through a separate, dedicated workstream, and is very interested in being engaged in that process to discuss these views in more depth.

Recommendations

Summary of recommendations

- 6.1 Adopt a country level risk-based evaluation method to classify BCI current and potential new countries according to risk of forced labour. This should be reviewed annually.
- 6.2 Develop a plan to commission and carry out a field-based, in-depth review of forced labour and decent work risks across all known high and medium-risk countries
- 6.3 Utilise the field-based research stage to build engagement with independent trade unions, civil society, workers' and community organisations around decent work. This is also envisaged to support the development of local operational grievance resolution mechanisms
- 6.4 Support partners in each country to develop and activate locally appropriate tools and processes to address situations of forced labour and other labour exploitation based on outcomes from the field research.
- 6.5 Use field-based evidence gathering and country action planning activities to carefully consider how remedy could be delivered within the operating context as well as how BCI could facilitate access to remedy. Note: this is also envisaged to support the development of local operational grievance resolution mechanisms.
- 6.6 Develop a risk refresher/feedback process to be undertaken continuously to enable responsiveness to changing national and local conditions.

Summary of recommendations

6.7 Incorporate lessons from the ISEAL 'Delta' Project and commission external support to develop a framework for decent work monitoring for BCI, including the development of outcome indicators from field level projects and internal progress indicators to measure partners' performance on decent work.

6.1 Adopt a country level risk-based evaluation method to classify BCI current and potential new countries according to risk of forced labour. This should be reviewed annually.

The purpose of this method is to equip BCI with a strategic-level understanding of where and what risks of forced labour and other decent work areas may be present in cotton producing countries. This will support a decision on whether enablers for BCI are present as well as indicating which countries require deeper focus or resource allocation. It is recommended that BCI adopt the following country-level risk assessment exercise to this end. The outcomes will indicate which countries are High, Medium, or Low risk and relate clearly to the question of how intensive further field-based research should be as a next step within the framework.

The bar is set deliberately low in order to minimise blind spots. For all countries with a 'High' or 'Medium' risk assessment, the intent is that BCI would then carry out a more detailed field-based risk assessment exercise (together with local independent civil society) – See Recommendation 6.2 on field-based research below. This will ensure that BCI fully understands the local context and drivers of forced labour and that mitigation plans are developed specifically to respond to these risks.

This process should be incorporated into the BCI New Country Start-Up Processes, including an evaluation at country and partner level of forced labour risks. The country classification should be reviewed annually by BCI staff, with all changes to a country's status submitted to the BCI Council for approval.

In the aim of transparency, BCI should make the list of country-level risk categories public, along with the methodology. BCI should also publicly share findings of the field-based risk assessments (as in 6.2 below) and other relevant information on risk levels, such as assurance outcomes.

Table 2: Country risk assessment methodology

#	Criterion	Risk designation and action
1	Is the country rated "high risk" under the YESS: Yarn Ethically & Sustainably Sourced methodology?	High – Field based evidence collected by team of external FL experts
2	Are there any isolated or one-off reports of FL incidence or presence of risk indicators?	High – Field based evidence collected by team of external FL experts

#	Criterion	Risk designation and action
2	Are there serious or salient restrictions on freedom of speech and association, or other human rights that would create challenges to effective labour and human rights due diligence?	High – Field based evidence collected by team of external FL experts
3	Is there any demand for or the presence of unskilled labour, whether migrant (international or domestic), local, or otherwise, in cotton production?	Medium – Field based evidence and context-specific risk collected and collated by BCI Partners and field teams
4	Is the country rated “emerging risk” under the YESS: Yarn Ethically & Sustainably Sourced methodology?	Medium – Field based evidence and context-specific risk collected and collated by BCI Partners and field teams
5	None of the above triggers	Low – internal review of risk information/ feedback from country programmes/ process to understand whether there are effective redress and remediation options available.

6.2 Develop a plan to commission and carry out a field-based, in-depth review of forced labour and decent work risks across all known high and medium-risk countries.

Field-based evidence on forced labour and decent work is a key step towards creating awareness of forced labour within the BCI system and building the capacity of country programmes and BCI partners to respond effectively to decent work challenges.

The research – consisting of broad-based stakeholder engagement and farm visits/worker engagement should be carried out between 4 months to 1 year with most farm-level activities taking place during periods of peak labour risk, normally late harvest, land clearance, and planting stages, dependent on the context.

The field-based evidence step is primarily focused on building **a complete picture of the specific shape and extent of forced labour** (and its drivers) in the country, as well as an understanding of other key decent work issues, contextual challenges that could prevent effective labour and human rights due diligence and remedy and implementation of BCI’s theory of change, and an indication of where risks differ according to region, farm profile, ownership structure, and other characteristics. This should be a basis for an action plan developed in partnership with IPs and Local Partners.

A sample Terms of Reference containing the envisaged key elements of the field-based research is set out in [Annex B](#). Note that the needs for this study are expected to vary according to country and context. This is an illustrative outline of the type of activities which would produce actionable findings to support the wider recommendations from the Task Force. BCI could pilot this exercise against the top 3

highest materiality priority countries (e.g. according to risk level, number of farmers, volume traded).

6.3 Utilise the field-based research stage to build engagement with independent trade unions, civil society, workers’ and community organisations around decent work. This is also envisaged to support the development of local operational grievance resolution mechanisms.

BCI has developed strong relationships with environmental NGOs across its network but has not yet placed the same emphasis on partnerships with labour and decent work experts in all countries. The field-based research stage – beyond gathering information – is expected to help catalyse this critical engagement with trade unions, civil society, and local decent work experts. Ensuring that Implementing Partners and local stakeholders are highly engaged in the research process will promote ownership over the results and the recommendations. Additionally, new potential expert partners with specialism on decent work or who represent workers and farming communities could be identified and onboarded as participants during the course of the research. Note, project leads must allow stakeholders and potential partners time to consider collaboration and partnership opportunities to provide ample opportunity for new relationships to be built.

The role of the field-based research for analysis of options to establish grievance mechanisms is further elaborated upon in [Section 11: Grievance reporting, workers voice, and remedy](#).

6.4 Support partners in each country to develop and activate locally appropriate tools and processes to address situations of forced labour and other labour exploitation based on outcomes from the field research.

During the field research, BCI, partners and experts are envisaged to collaborate on a programme of actions to embed decent work in the core functioning of country programmes. The table below contains recommendations as to how risk information is expected to be channelled through BCI’s field-level partners and projects to produce actions appropriate to the specific risks profiled for the sector context(s) and, where applicable, region.

Table 3: Applying the outcomes of risk-assessment

Recommendation	Steps envisaged
Use context-specific risk information to build capacity of IPs, Local Partners, and field facilitators	<ul style="list-style-type: none"> ● IPs are provided extensive training on context specific forced labour risks. ● IPs coordinate and deliver training for local partners, farmers, facilitators, and workers targeted at addressing the fundamental risks/root causes of forced labour in the sector. ● Field facilitators are trained to a sufficient degree to be able to spot ‘warning signs’ of labour exploitation. ● BCI regularly disseminates examples of good practice. ● BCI assists in identifying funding sources where significant new investment is required.

Recommendation	Steps envisaged
	<ul style="list-style-type: none"> ● BCI coordinates with government, independent trade unions and civil society in identifying, mitigating the risk of, and providing remedy for the victims of forced labour.
<p>Work with IPs and Local Partners to develop a programme of mitigation actions for producers and PUs to mitigate context specific risks – process to be implemented by IPs</p>	<p>Producers and PUs in high risk areas would be required to perform mandatory risk mitigation activities developed with the support of IPs and Local Partners and local social & labour experts/advocates, targeting root causes and circumstances of forced labour and other labour exploitation. These activities could include:</p> <ul style="list-style-type: none"> ● Defining and using safe pathways to recruitment for specific geographies ● Screening labour providers ● Undertaking periodic checks on worker welfare and conditions ● Monitoring wider risk trends – documenting local cases of forced labour/ legal cases, presence of vulnerable workers ● Exploring whether effective and accessible grievance mechanisms and remediation channels already exist, or assessing how they might be developed ● Engaging with trade unions to understand where workers' representative structures already exist covering farm workers, or could potentially be developed ● Raising awareness among farmers and workers <p>IPs would provide advisory and technical support to producers to undertake these activities. This recommendation assumes labour expertise is present and active in the country programme's governance. Further, it also assumes recommendations related to IP capacity and governance are also implemented.</p>
<p>Adapt assurance tools and procedures to account for context-specific risks</p>	<ul style="list-style-type: none"> ● Producers answer direct questions in self-assessment targeted at gauging their understanding about how forced labour presents locally, the extent of risk, and, where possible, indications of the extent of their response which can be later evaluated by 2nd and 3rd party assessments. ● Significant investment is made in training on forced labour risks and selection of implementing partners and assessors, so as to build expertise and root out blind spots. ● 2nd party assessments in high risk environments focus on compliance with the specific measures set at the BCI/Strategic Partner level and adopted by IPs to control labour exploitation risks. ● Performance against the mandatory, context-specific performance targets could become mandatory for licensing. ● 3rd party verifiers are provided in-depth training on the context specific risks and scenarios related to forced labour, and are required to incorporate context-specific risks into assurance processes.



6.5 Use field-based evidence gathering and country action planning activities to carefully consider how remedy could be delivered within the operating context as well as how BCI could facilitate access to remedy. Note: this is also envisaged to support the development of local operational grievance resolution mechanisms.

Within each country, BCI country staff and implementing partners should **develop a standard operating procedure for remediation of forced labour and other severe labour exploitation based on the following considerations and stages of remediation. The overall objective is for individual victims to experience a real-life remedy for the abuse they have undergone.** Remediation should involve input of or referral to expert independent civil society and workers' representative organisations based on a local understanding of what channels are likely to be most effective and in the victims' interest, including an understanding of potential unintended consequences and risks. Refer to [Section 11](#) for related recommendations on grievance mechanisms and remedy.

General principles related to accessibility, fairness, anti-retaliation, gathering information, safeguarding, and case escalation procedures could be developed at the BCI level. However, the remediation processes should be specially adapted to the national or local context and look for synergies with existing remediation pathways within the country. Training on each component should be provided to all functions interfacing with farmers and farm labour.

6.6 Develop a risk refresher/feedback process to be undertaken continuously to enable responsiveness to changing national and local conditions.

The risk assessment should be reviewed annually or on an ad hoc basis when there are significant changes to the context (such as regime change, new conflict or violence, other forms of crisis such as a humanitarian, economic or health crisis - including in neighbouring countries/ regions which could lead to higher rates of refuge or migration - and a relevant legislative change such as labour or immigration laws), media reports, stakeholder complaints, grievances raised or findings from assurance or field research. This should be a process designed to consider whether a change in risk designation is necessary based on new or updated information. Country partners and third parties should feed information back in a standardized format that could be used to re-appraise the risk environment consistently across counties while at the same time capturing key elements of descriptive detail BCI decent work specialists could use to judge the situations on their own merits. This depends on BCI formally developing results indicators and decent work monitoring tools to track performance on decent work issues.

Incorporating lessons learned from grievance resolution or non-conformities: where cases have been found and remediated or otherwise addressed through a grievance mechanism at any level, this should feed into this review process to understand progression on decent work issues and incorporate any lessons learned (refer to [Section 11](#)). These findings should also be shared with and reviewed by the [BCI Decent Work Focal Point](#) as well as with the [Decent Work Advisory Committee](#), to ensure that an effective feedback loop exists and findings inform future mitigation plans.

Incorporating evidence from 2nd and 3rd party assessments: The revised field-level activities should in theory make better information related to forced labour risk



available within the BCI system. BCI should develop a process to ensure information collected from the assurance system is used to refresh BCI's and partners' understanding of risk. Information should be shared with the BCI Decent Work Focal Point, Decent Work Advisory Committee, and relevant country teams/ IPs or Local Partners. This information is expected to include:

- Any evidence gathered relevant to the ILO 11 (+1 state-imposed forced labour) Indicators of forced labour⁴
- Any indications or findings of risks based on context specific risk factors defined in the course of field-based evidence or context-specific risk scoping
- Any non-conformity issues (including any lapses in adhering to specific measures set at the BCI/Strategic Partner level and adopted by IPs to control labour exploitation risks – refer to [Section 8: Implementing Partners](#)).

6.7 Incorporate lessons from the ISEAL 'Delta' Project and commission external support to develop a framework for decent work monitoring for BCI, including the development of outcome indicators from field level projects and internal progress indicators to measure partners' performance on decent work.

Currently, BCI's Results Indicators for field-level reporting are mainly environmental and include only one basic indicator around child labour awareness. The Task Force recommends that Results Indicators should include strong indicators of labour practices across licensed farms. They should also cover key processes to incentivise partners to focus on control of exploitative labour practices as performance targets under BCI in the same ways that good agricultural practices and profitability indicators do (along with farmer numbers and volumes). To do this, indicators will need to be defined across several aspects of labour management. These could potentially cover labour contracts, wages for hired workers, grievance management and others. In addition, where key information is not representable quantitatively, BCI should actively request and make space for qualitative feedback on how labour challenges have been addressed. This reporting under Principle 6 should be reviewed annually to revisit the country risk designation.

It is recommended that BCI build off existing work through the ISEAL Delta Project and other initiatives in order to develop these indicators. The [Delta Project](#) is a multi-stakeholder initiative that aims to align the measurement and reporting on sustainability performance at farm level across sustainability standards and commodities. Through this project, indicators on decent work at farm level are being developed, with an expected timeframe of 2021. BCI may need further support to tailor these indicators specifically to the Better Cotton Standard System and risks present in cotton production.

7 Capacity building across the BCI network

Key Findings

As noted in the overarching recommendations section, the Task Force has observed that decent work awareness and competencies receive comparatively less attention

⁴ This refers to the [ILO 11 indicators of forced labour](#), plus an additional indicator on state-imposed forced labour



across the BCI network when compared with environmental issues. Enhancing the ability of the Better Cotton Standard System to better identify, prevent, mitigate, and remediate forced labour risks will therefore first require a significant investment to build decent work awareness and competencies at each level of this network – from BCI governance down to field level.

Recommendations

<i>Summary of recommendations</i>
<p>7.1 Ensure there is specific decent work expertise within the BCI Council and BCI Secretariat; including a Decent Work Focal Point with relevant expertise and cross-functional representation.</p> <p>7.2 Build capacity and awareness of decent work issues throughout the BCI organization, so this is integrated into the organisational culture.</p> <p>7.3 Building from the outcomes of field-level research, and using local decent work experts, develop and roll out a decent work and forced labour capacity building programme at country level.</p>

7.1 Ensure there is specific decent work expertise within the BCI Council and BCI Secretariat; including a dedicated Decent Work Focal Point with relevant expertise and cross-functional representation.

The Task Force recommends that BCI actively recruit at least one member of the BCI Council with specific labour/ decent work expertise; for example, in the Civil Society group. This will ensure that from the top governance level down, these critical issues receive adequate attention and priority within BCI's programmes.

Having BCI staff with decent work expertise is also necessary to ensure that the ambitious set out recommendations outlined in this report can be implemented successfully. This would include a dedicated **focal point** with decent work expertise, including country level BCI staff and cross-functional representation. This will help ensure that there is a central 'focal point' to manage the implementation of the Task Force recommendations and to review and respond to any forced labour or decent work risks raised at country level in a coordinated way. This focal point (virtual team) would also be the main point responsible for working with the Advisory Committee who will help to provide oversight and technical advice on implementation of the recommendations.

7.2 Build capacity and awareness of decent work issues throughout the BCI organization, so this is integrated into the organisational culture.

BCI needs to take a holistic approach to ensure that staff throughout the organisation (from the Council and Leadership Team down to officers in the field) have a strong basic understanding of decent work principles. This can be done through a combination of capacity building and training programmes, bringing in staff and governance members with specific decent work expertise, and ensuring that decent work principles are reflected adequately at each level of strategic and operational priorities. BCI can refer to the example of 'gender mainstreaming' that was undertaken recently across the organisation as a good parallel example – this included dedicated gender specialists, required trainings for all BCI staff and leadership, and development of a comprehensive gender strategy with annual objectives.

7.3 Building from the outcomes of field-level research, and using local decent work experts, develop and roll out a decent work and forced labour capacity building programme at country level.

Together with decent work experts at country level, BCI should develop a comprehensive capacity building programme focusing on decent work and forced labour. The training approach can be developed at a global 'outline' level but will require adaptation by local experts to ensure it adequately reflects the specific drivers of decent work and labour violations at country level, with review and oversight by BCI Secretariat. This capacity building programme should be delivered first to all BCI staff and consultants in country, then modified and cascaded down to all Implementing Partners (IPs) and Local Partners – with a specific emphasis around IP responsibilities related to decent work and forced labour.

After IP level, BCI will need to explore how to also cascade this training down to all Field Facilitators, and eventually to farmers and workers, which may need to be led by a trusted independent third-party such as local civil society. Separate training will need to be provided to all Large Farms who operate without IPs in the region.

BCI will also need to develop a monitoring and evaluation approach to track the effectiveness of the capacity building programme and monitor changes in decent work awareness and competencies at each level of the programme. As grievance mechanisms are developed at field level, the capacity building programme will also need to integrate training around grievance mechanisms, including to workers and their unions and organisations.

8 Implementing Partners

Key Findings

As part of its mandate, the Task Force reviewed existing BCI procedures around Implementing Partner (IP) endorsement and management. The main findings include:

- Minimal or no analysis is currently conducted prior to endorsing an IP regarding the ethical position of its owners/beneficiaries and management, any illegal/unethical activities of the organisation, and the organisation's human rights record or potential links to state-imposed forced labour.
- Minimal pre-endorsement analysis is currently conducted on an IP or Local Partner's level of knowledge/expertise/competency on decent work and forced labour.
- Minimal or no pre-endorsement analysis is conducted, nor support given to an IP or Local Partner in regard to having management systems that will ensure its programs are preventing forced labour and achieving the criteria included in Principle 6 on decent work.
- Minimal or no direction or support is currently given to an IPs in regard to how it manages Local Partners and/or PU Managers to ensure forced labour is being prevented/mitigated and all decent work criteria are being met.

The Task Force recommendations set out below make it clear that a comprehensive review of IP procedures should be carried out as a priority for BCI.

Recommendations

Summary of recommendations

- 8.1 Revise the IP endorsement process to strengthen due diligence and set clear competencies on decent work; roll out this enhanced process to all new and existing IPs (in a phased approach for existing IPs).
- 8.2 Require all Local Partners to complete a simplified version of the due diligence and decent work competency assessment.
- 8.3 Strengthen the performance management systems for IPs (including tracking progress on decent work competencies); and provide greater support to IPs to help them improve.
- 8.4 Require all IPs in high-risk country contexts to develop an Internal Management System on forced labour and decent work.

8.1 Revise the IP endorsement process to strengthen due diligence and set clear competencies on decent work; roll out this enhanced process to all new and existing IPs (in a phased approach for existing IPs).

BCI's current process to endorse new IPs is relatively straightforward. To summarise: candidates are first required to become BCI Members, and then complete a short application, including basic organisational information, explanations of their current work with cotton farmers, and three references. This is shared with BCI along with CVs and competencies of key staff members, financial statements, and three-year operational plan. The IP application is reviewed by the country level BCI team (with a final review by the Director of Implementation), references are checked by the BCI country team, and typically a site visit would also be carried out by the BCI country team as part of the final endorsement process. The existing IP application includes a section related to decent work experience; however, there are no minimum requirements in this area. The current IP endorsement process emphasises relevant expertise with cotton production and (broad) sustainability work, as well as the viability of the business model and ability to scale.

Considering the critical role that IPs play in managing Local Partners and Producer Units and implementing the BCSS (training farmers, providing input in the licensing process, etc.), the Task Force recommends that BCI significantly revise the endorsement process and build in stronger due diligence along with more specific requirements related to decent work.

Enhanced due diligence

The IP endorsement process should include background research and mandatory disclosure on elements including:

- Overall organisational structure – i.e. legal entity structure, parent company or subsidiary, etc.
- Any illegal practices/ history of illegal activities (including forced labour or human rights/labour rights violations)
- Any ties to the State or Government, or other politically exposed/linked individuals
- Sources of funding, including financial or other interest in cotton/textile production
- Working conditions for the IP's own staff and any Local Partners it works with, including whether a Code of Ethics or other written policy on working conditions is in place. IPs might be expected to have a written policy that



specifies the voluntary nature of employment, the prohibition of forced labour, and the protections in place for workers throughout the employment or contracting process, from recruitment through contract termination. This policy should be accessible and actively communicated to all workers and HR team and any third parties involved in recruitment and hiring of workers, and included in any service agreements and contracts

The due diligence process should also differentiate between types of candidate organisations (i.e. CSO / private sector / academic / government) and adjust due diligence requirements accordingly.

The Task Force recommends that a qualified independent technical consultant with due diligence expertise is brought in to assist BCI on developing this revised endorsement process for IPs. These due diligence elements would be incorporated into the revised IP endorsement process, would be mandatory for all new IPs, and would be applied (over time) to existing current IPs.

Criteria, examples of evidence, and time frames for evidence/ activities for a determination of “endorse (re-approve) / don’t endorse / further investigation needed” should be clearly defined and could be captured in a scorecard or similar approach⁵. The due diligence would need to be completed – with a satisfactory outcome – before the IP can be endorsed and before its projects are eligible for funding and licensing.

Due diligence is expected to be carried out through a combination of self-disclosure by the candidate IP, additional background research by BCI country teams (for completeness and collection of publicly available information), and investigation by BCI headquarters/independent consultant for scoring and status determination. Final oversight and deeper analysis would be done by a designated committee or set of individuals with relevant expertise, (or potentially escalated to the BCI Council) if the status determination comes back as “don’t endorse” or “further investigation needed.”

In high-risk regions, BCI should have an open consultation period – as a part of the IP endorsement – where existing BCI stakeholders and members can provide feedback to be considered in the process.

The Task Force also recommends that enhanced due diligence should be applied to BCI strategic and benchmarking partners (such as ABRAPA in Brazil and Aid by Trade Foundation (AbTF) in Africa).

Competencies related to decent work

Minimum requirements should be set related to decent work experience and competencies for IP staff. This should be covered both through self-disclosure in the application and also through interviews with IP staff. The interviews will assess staff knowledge and experience with basic decent work and forced labour concepts, including an understanding of cultural and national/ regional contexts, as well as international standards. The interviews will also assess the organisation’s cultural perspective on decent work at the organisational level, and for any key staff involved in future BCI projects.

If the IP organisation does not currently have adequate decent work skillsets and experience within their staff, they would need to develop an action plan or roadmap. This would be done together with a qualified local decent work expert with the aim of

⁵ One example to reference is the scorecard that the Cotton Campaign developed for Uzbekistan



building staff awareness and competencies in this area and ensuring technical oversight on their decent work Internal Management System (IMS) – see below.

This roadmap would need to be approved by a BCI decent work focal point (either country level or global) and would become a binding part of the IP endorsement process – in other words, failure to progress against the roadmap could lead to a termination of the IP agreement. BCI needs to determine, communicate, and support achieving the minimum level of skills to be acquired within a minimum time before licensing can be issued, so there is confidence that the IP's project will incorporate decent work expertise early enough to cover the entire season.

Implementation of enhanced due diligence and decent work competencies:

For *new IPs*, it is expected the roll-out of additional requirements would work as follows:

- Additional requirements as above would be included in endorsement of all new IPs going forward – ideally in time for the 2021-22 season.
- Once endorsed through these new requirements, a revision and update of the due diligence should be built into the annual IP review process at BCI. This annual review would also include a progress check on the 'decent work roadmap' as outlined above and would cover any findings from assurance related to decent work. Outcomes of the review would be documented and feed into 'Project Improvement Plans' or similar structures for each IP.

For BCI's *existing IPs*, new requirements could be applied in a phased approach, recognising the importance of doing this exercise correctly and the time thus required. For example:

- All existing IPs could be asked to complete the updated endorsement process and due diligence disclosures within a set time frame of these being introduced (i.e. 12 months)
- Updated applications would be reviewed and validated by BCI country teams, in a phased approach – prioritising high-risk countries and those elements of due diligence which are straightforward for IPs to provide
- Any red flags or concerns raised during the due diligence and re-approval process for IPs detected at country level would require further review by the BCI Decent Work Focal Point or a designated committee with decent work expertise
- At country level – BCI country teams, together with the BCI Decent Work Focal Point and local experts, would be responsible for developing a country-wide capacity building strategy to address decent work competency gaps in IPs and Local Partners. For countries where a field-based risk assessment is carried out (as in [Section 6: Risk-based methodology](#)), the findings will inform the capacity building approach.

8.2 Require all Local Partners to complete a simplified version of the due diligence and decent work competency assessment.

Currently, BCI has a number of IPs – especially in India – that deliver projects through Local Partners. These Local Partners are not yet subject to the full checks and processes that BCI has in place for IPs, yet they play an important role in project delivery at field level. The Task Force notes that BCI's lack of oversight on Local Partners represents a significant risk and recommends that BCI take steps to roll out greater due diligence and decent work competencies across local partners as well. BCI should have clarity on all Local Partners of its IPs, as well as of the role division



between IPs and Local Partners. If there is a case where the IP only has the role of managing the funding of the project(s) and all field operations are carried out through Local Partners, the full due diligence should also be applied to the Local Partner.

Local Partners would be required to complete a simplified version of the due diligence and decent work competency assessment developed for IPs. This would be initially done as a self-assessment by each Local Partner, with the IP responsible for carrying out additional background research in specific sections. BCI should look to have the simplified version of due diligence and decent work competency assessment developed in parallel with the IP version; with technical oversight by an expert with due diligence expertise.

IPs would be expected, as part of their IMS on decent work (see below) to review these disclosures and develop action plans to address any gaps. BCI might check a sample of these for accuracy and completeness; and to ensure progress is made against action plans.

Local Partner representatives, including PU Managers and coordinators, will also need to be included in the IP-focused capacity building approach on decent work (see [Section 7: Capacity building across the BCI network](#)).

8.3 Strengthen the performance management systems for IPs (including tracking progress on decent work competencies); and provide greater support to IPs to help them improve.

BCI is in the process of revising its system to manage and monitor IP performance – including developing a ‘Project Improvement Plan’ (PIP) to give feedback to IPs and hold them accountable for addressing performance issues. The Task Force recommends that BCI should:

- Systematise the use of PIPs and include a review of project activities and implementation plans with regards to preventing, mitigating, and avoiding forced labour.
- Renew due diligence of IPs regularly; this could be done, for example, every three years in full during the renewal of IP agreements, with an annual ‘self-declaration’ required for any changes affecting the IP. In high-risk regions, more frequent review should be required.
- Include a dedicated section in the annual IP review to review the IPs Internal Management System (IMS) on decent work (see below), including how effectively the IP is identifying and responding to risks of forced labour through PU visits, documentation reviews, reviews of self-assessment data, ongoing monitoring, grievance mechanisms, etc. This section of the IP review should be completed by a BCI staff member or consultant with decent work expertise where possible. If not possible, BCI teams should receive specific training on how to carry out this element of the IP review by a decent work specialist. Any findings related to forced labour risks should be immediately escalated to the BCI Decent Work Focal Point.

Training and support on the internal management system should also be included in the capacity building approach for IPs outlined in [Section 7: Capacity building across the BCI network](#).

8.4 Require all IPs in high-risk country contexts to develop an Internal Management System on forced labour and decent work.

The Task Force recommends that IPs operating in environments with a high risk of forced labour should have a structured approach to identify, mitigate, and remediate cases of forced labour across all their BCI projects. The Task Force recommends that BCI work with a forced labour/ management systems expert to develop a structure and components for a basic Internal Management System (IMS) on forced labour, which could then be rolled out across all relevant IPs.

The IMS would cover decent work and forced labour risks at field level, and would include for example:

- Aggregation and analysis of workers across BCI projects - types of workers, activities carried out, origin of migrant workers, etc.
- Analysis of recruitment practices and payment/ compensation practices
- Identification of most salient issues and risks related to decent work, which should feed into training at farmer and worker level
- As grievance mechanisms are developed, ensuring that feedback is integrated into the IMS to better identify risks and respond to incidents. In the interim of having a grievance mechanism established, a process could be determined to incorporate feedback from worker communities
- Regular monitoring throughout the season, including field visits, interactions with IP and field staff, reviews of the assurance outcomes, field level data, etc.
- Corrective actions that are taken in response to any issues identified
- A system for ensuring that all IP staff (including field staff) and Local Partner staff are trained on decent work and forced labour, as per [Section 7](#)
- A process to ensure forced labour findings are escalated to the BCI Decent Work Focal Point

Part of the IMS structure and template should include a monitoring toolkit of questions for IPs to identify evidence of forced labour in all levels of worker – Local Partners, Producer Unit Managers, Field Facilitators, farmers/ sharecroppers, and workers.

The country-level capacity building programme for IPs on decent work would cover specific training on the IMS, to ensure that IPs are supported in developing this system. Implementation of the IMS would be reviewed during the annual IP review process, and outcomes or improvement areas would feed into the Project Improvement Plan (PIP) as described above. BCI should work to ensure that the IMS is designed to help IPs in effective project management and performance on decent work issues, rather than it becoming another paperwork/ compliance exercise.

9 Principles & Criteria

Key Findings

The Task Force reviewed the existing indicators and Guidance under Principle 6 of the Better Cotton Principles and Criteria (P&C). Currently, there is only one core indicator on forced labour (6.3.1): *'All forms of forced or compulsory, including bonded or trafficked labour, are prohibited'*, which is applicable to all farm categories. There are three core indicators related to collective bargaining (a key component of decent

work principles and the prevention of forced labour), which are applicable to medium and large farms only. Several other improvement indicators cover related topics such as written contracts and working conditions.

The Task Force recommends that it is critical for BCI's credibility and effectiveness that the existing indicators are expanded to better reflect the 'ILO 11+ indicators'⁶ on forced labour. This would include for example specific indicators related to recruitment practices, working conditions, freedom of movement, etc. However, the Task Force recognizes that changes to the P&C will require a multi-stakeholder process, and the quality of revisions to Principle 6 will be greater if the work is undertaken as part of an overall standard revision. The next revision is expected to begin in the last quarter of 2021, with the main revision period over 2022; therefore, the Task Force is proposing the following interim approach to bridge this gap.

Recommendations

<i>Summary of recommendations</i>	
9.1	In the lead-up to the next P&C Revision, define new 'interim' forced labour indicators which would be integrated as a mandatory part of the assurance process (but not the P&C directly).
9.2	It is critical for BCI's credibility that the existing core indicators are expanded to better reflect the ILO 11+ indicators ⁷ on forced labour. BCI needs to ensure the next P&C revision process has an explicit focus on decent work and a dedicated working group with labour expertise focusing on Principle 6.

9.1 In the lead-up to the next P&C Revision, define new 'interim' forced labour indicators which would be integrated as a mandatory part of the assurance process (but not the P&C directly).

BCI, with oversight from decent work experts, should define additional indicators that cover existing gaps related to forced labour. These "interim" indicators would not be included in the Principles & Criteria (P&C) officially but would be mandatory for all assessors to consider during a field assessment. In this transition period, any non-conformities against these interim indicators would be reviewed by forced labour experts, and the non-conformity would be raised against the existing core indicator 6.3.1 on forced labour. These interim indicators would be relevant only up until the next revision of the P&C is completed, in which case they would be updated by new indicators as developed through the process referenced in 9.2 below.

This interim approach would provide important groundwork in terms of piloting new indicators and engaging civil society labour experts; both of which will feed into the next formal revision of the standard.

9.2 It is critical for BCI's credibility that the existing core indicators are expanded to better reflect the ILO 11+ indicators⁸ on forced labour. BCI needs to ensure the next P&C revision process has an explicit focus on decent work and a dedicated working group with labour expertise focusing on Principle 6.

⁶ This refers to the [ILO 11 indicators of forced labour](#), plus an additional indicator on state-imposed forced labour

⁷ Ibid.

⁸ Ibid.

In the upcoming standard revision, BCI needs to have an explicit focus on decent work and needs to engage the right set of technical experts to lead this process. The working group should be composed of experts representing a variety of countries and with experience working in a variety of contexts – not only in Europe or North America. Significant work will be needed to ensure that consultations are carried out with active civil society members and labour experts at country level, and that vulnerable groups such as workers and migrants are represented as much as possible through engagement with independent labour unions or workers representatives.

10 Assurance

Key Findings

The Task Force carried out a review of existing BCI assurance procedures and documents and identified a number of areas for improvement. As an overarching finding, the Task Force noted the limitations of traditional BCI licensing assessments in detecting forced labour risks or identifying incidents of forced labour. These visits are typically carried out by experts with an environmental sustainability/ cotton background, rather than a specific decent work background. Assessments are announced well in advance, and are often timed early in the harvest season (before peak picking season). Better identification of labour risks will require BCI to think outside the ‘audit model’ and explore ways to utilise forced labour experts in a targeted manner. It will also require BCI to explore new worker voice channels that would enable feedback from workers and better understanding of risk levels throughout the year.

Recommendations

Summary of recommendations	
10.1	Ensure that findings from the risk-based assessment (refer to Section 6) are taken into account in adapting key elements of the assurance process.
10.2	Develop and introduce a process for separate decent work-focused assessments to complement existing licensing assessments – these would be done at the project level, by decent work experts, with a focus on worker interviews and local information sources.
10.3	Establish minimum competencies on decent work for existing BCI (general) assessors and include them in comprehensive capacity building.
10.4	Revise key assurance documents to incorporate detailed and locally adapted guidance on decent work risks, including appropriately grouped forced labour indicators.
10.5	Revise the annual Self-Assessment to add additional questions related to forced labour risk factors and explore ways to better support IPs in using this information to assess and mitigate risks.

10.1 Ensure that findings from the risk-based assessment (refer to [Section 6](#)) are taken into account in adapting key elements of the assurance process.

BCI will need to create a feedback loop so that the field-based research on decent work risks explained in [Section 6: Risk-based methodology](#) will inform the assurance



approach at country level, and specific elements can be adapted to better reflect the local context. For example, field assessment checklists and worker interview guidance/ questions should be developed globally but further refined and adapted at country level – with decent work expertise – to make sure local risks are fully reflected. This exercise should be built in to the periodic ‘refresh’ of risk assessments, to ensure that findings and assurance processes are reviewed on a regular basis.

In addition, any feedback obtained from grievance mechanisms and other ongoing risk monitoring at field level should be fed back into the assurance process.

10.2 Develop and introduce a process for separate decent work-focused assessments to complement existing licensing assessments – these would be done at the project level, by decent work experts, with a focus on worker interviews and local information sources.

Traditional BCI licensing assessments are carried out at the Large Farm or Producer Unit level. These are scheduled visits, usually conducted by a verifier or BCI assessor with primarily agronomic expertise, and often timed towards the beginning of harvest season. These existing licensing assessments are therefore significantly limited at their ability to detect compliance with the decent work core indicators under Principle 6, including on forced labour, and are generally ineffective in detecting forced labour risks. The Task Force believes that for effective monitoring of decent work risks, a different approach is needed – where visits are led by decent work experts and focus heavily on mandatory worker interviews plus local community feedback. At the same time, carrying out separate decent work assessments by trained specialists *on all Producer Units* is likely to be cost and resource prohibitive.

BCI should therefore look to develop a new approach for medium and high-risk contexts that would utilise local decent work experts to carry out decent work-focused assessments in a targeted way (i.e. not covering every Producer Unit). These would be done at the project level (which might include 6 or 7 Producer Units) on a sample of projects, to be informed by the local risk-assessment process. It is expected these will be unannounced assessments and would be timed specifically to coincide with peak labour risks, such as late picking season or other local factors. Visits would have a strong focus on mandatory worker interviews and would be required to consider local information sources such as:

- Community leaders and institutions
- Domestic and international NGOs, independent trade unions, and workers’ organisations
- Information/complaints sent through grievance mechanisms, with provisions for confidentiality

BCI will need to set clear competency requirements for decent work expert assessors. These requirements should cover as a minimum the following, with additional requirements expected in higher-risk contexts:

- Knowledge of international labour standards and local labour laws
- Knowledge of key labour and decent work risks related to cotton production in the local region (such as prevalence of child labour, use of recruitment intermediaries, etc.)
- Ability to gather and apply relevant information from local sources – such as schools, community organisations, labour unions, and others
- Interview skills specifically as related to vulnerable persons (such as migrant or underage workers) and sensitive topics (such as wages or working conditions)

- Local language skills – especially the ability to interview vulnerable workers in the local language
- Minimum years experience and minimum number of assessments carried out

BCI is recommended to develop a process for decent work focused assessments, in consultation with decent work experts at country level; with the aim of piloting this on a small sample of projects in 2021 in specific high-risk countries. BCI should identify qualified decent work experts to carry out these assessments. And once the pilot phase is completed, BCI should review learnings, adapt the approach, and develop a roadmap to integrate these decent work-focused assessments as a core part of the assurance system.

10.3 Establish minimum competencies on decent work for existing BCI (general) assessors and include them in comprehensive capacity building.

BCI currently defines essential competencies for third-party lead verifiers which cover general knowledge of cotton production, national and local regulations on the environment, labour, health and safety, and land and water ownership. However, there are no specific competencies or minimum experience required specifically for decent work; and many verifiers have a predominantly agronomic background.

The Task Force notes strongly that there are limitations to upskilling or training existing agronomic-focused verifiers. Providing an existing verifier training in decent work will not produce expertise comparable to that of a decent work specialist (who for example would be trained in specific interview techniques for vulnerable workers and would have years of on-the-ground experience).

However, it will take time and resources for BCI to develop a programme of specific decent work focused assessments as in *Recommendation 10.2* above. Therefore, in parallel, BCI should set stronger decent work competencies and carry out capacity building for its existing network of verifiers and BCI assessors. This will:

1. Help ensure that even general licensing assessments are more effective at identifying decent work risks (at a high level), and flagging where further monitoring or focused decent work assessments are needed; and
2. Help to increase, over time, the demand for qualified assessors with decent work and labour expertise.

The Task Force expects that over time verifiers will respond to this market pressure and increase their own investment in labour/ decent work training.

Competencies for existing (general) verifiers will likely need to be phased in over time and will rely heavily on additional capacity building – supported by BCI – to improve basic awareness and understanding of key decent work/ forced labour issues. BCI can include assessors and verifiers in the overall capacity building approach on decent work (refer to [*Section 7: Capacity building across the BCI network*](#)).

The approach would be informed by findings of the local risk-assessment process (refer to [*Section 6: Risk-based methodology*](#)) and would cover for example worker and farmer interview techniques, reviews of local information sources, assessment of labour risks based on hiring and recruitment practices, and remediation channels.

10.4 Revise key assurance documents to incorporate detailed and locally adapted guidance on decent work risks, including appropriately grouped forced labour indicators.

BCI's current field assessment checklist and worker interview guidance should be revised to better account for risks and indicators related to forced labour – such as recruitment and hiring practices, working conditions, payment of recruitment fees, use of contracts, etc.

- BCI should make global modifications to these documents – working with advice and technical review by a forced labour expert – and then documents should be locally adapted at country level (by labour experts); following the risk assessment process.
- Worker interview guidance should be expanded and should be required to be followed. This should explain the nature and purpose of interviews, and provide guidance around how to choose interview sites, how to ensure confidentiality, communication of anti-retaliation and grievance mechanism policies, etc. The worker interview guidance should also include an expanded list of questions which would then be adapted at country level to ensure relevance.
- The field assessment checklist, farmer/ worker interview guidance, and reporting template should be updated to include the list of 'interim' indicators which are based on the ILO 11+ indicators and will be road-tested through supporting assurance procedures ahead of the next formal BCI standard review. Refer to [Section 9: Principles & Criteria](#) for more detail.

All forced labour related indicators should be grouped in a useful way to help assessors better identify forced labour risks. This would include the interim indicators and existing core indicators such as those related to collective bargaining, which are currently detached from indicator 6.3.1 on forced labour.

10.5 Revise the annual Self-Assessment to add additional questions related to forced labour risk factors and explore ways to better support IPs in using this information to assess and mitigate risks.

The current Self-Assessment online survey is completed by each Producer Unit (PU) and Large Farm annually. For PUs, this is based on an 'internal assessment' of a sample of Learning Groups, which evaluates current farmer practices based usually on a combination of farmer field visits or focus group meetings and simple surveys. Self-Assessment findings are no longer linked to licensing (as they were prior to 2020 in the BCI system) and are intended to be used by verifiers and reviewed by IPs as a part of their overall project monitoring. However, the extent to which this happens is not formally monitored by BCI and likely varies considerably across IPs.

It is recommended that BCI make the following changes to the Self-Assessment so that it can be a more useful source of information on labour risks and can feed into mitigation plans:

- Add additional questions to the Self-Assessment covering indicators or risks related to forced labour. These will likely overlap with the additional guidance provided into the field assessment checklist (as per 10.4 above) and would include for example information on recruitment practices, use of contracts, origin of migrant workers, etc.

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- Explore how to provide dedicated support to IPs so they can better understand and use outcomes of the Self-Assessment, identifying forced labour risk factors, and feeding these into a mitigation strategy at the IP level. This would likely be part of the IP Level decent work Internal Management System (IMS) explained further in [Section 8: Implementing Partners](#). The aim is to build this competency and expertise within each IP so that over time they can take over this process.

One option would be to provide direct support (with decent work experts) to IPs to review findings of the Self-Assessments, discuss the internal management systems, and advise them on mitigation strategies. This would provide the most in-depth support to IPs, but will be time and resource-intensive especially in countries with many IPs. Another option might be to have decent work experts provide support on a regional basis with a group of IPs; i.e. a half day workshop to collectively review Self-Assessment outcomes and results of the regional risk assessment and develop management plans. These options can both be explored during the pilot implementation phase (refer to [Section 12: Piloting and Implementation](#)).

11 Grievance reporting, workers' voice, and remedy

Key findings

BCI currently has an organisational level grievance mechanism open to BCI Members only; however, this mechanism has not been updated in many years and has not been utilised. The Task Force believes it is essential that BCI not only review and update this organisational level grievance mechanism, but also enable farm workers to access effective and safe grievance channels to raise concerns and complaints. An independent and trusted grievance mechanism is critical to encourage feedback from workers on an ongoing basis.

The Task Force was unable to find many examples of successful farm level grievance mechanisms operating at scale, which signals that this may be a challenging area for BCI to take on. However, given the role of operational grievance mechanisms and workers voice as a key foundation of ensuring workers' rights, decent work and preventing the escalation of harm into egregious abuses, the need for effective grievance mechanisms covering farm workers **should be considered a priority**. The following observations related to grievance mechanisms (GMs) will be important for BCI to consider:

- **Grounded in decent work:** GMs must be effective at identifying and responding to the fundamental issues around decent work in general, not only on forced labour risks.
- **Worker voice:** Operational GMs (OGMs) can be complementary and implemented in parallel to encouraging collective bargaining and recognition of trade unions, where this is possible, and should by no means undermine the role of legitimate trade unions in addressing labour-related disputes, nor preclude access to judicial or other non-judicial grievance mechanisms. However, there may be obstacles to trade union membership for farmworkers due to the enabling environment challenges and the informal, seasonal nature of farm work whereby workers may

be largely excluded from traditional organising. Where no formal structures exist, options to support collective bargaining should be pursued.

- **Civil society:** BCI must consider to what extent local civil society organizations are available and effective at supporting farm or producer-level grievance mechanisms and remediation, and how they can be supported and funded in this service. This should be identified through the country field research.
- **Trust-building:** BCI must build trust among civil society stakeholders and trade unions, at international, national and local levels, and address existing grievances.
- **Sector-wide grievance mechanisms:** BCI must consider developing grievance mechanisms where a group of organizations and/or stakeholders have a common sectoral or standard-based agreement. Third-party complaint processes must clearly state that they should be only accessed where dispute resolution at the workplace has failed.
- **Resolution:** Issues are best resolved through dialogue as they arise between employer and worker at the workplace. Workplace/farm-level grievance mechanisms are the most appropriate channel to raise issues and seek resolution. It is important to note that grievance mechanisms in themselves will not address problems that workers face. Those can only be resolved when the employer or third party that receives the information responds in a *transparent, timely and effective* manner.

Recommendations

Summary of recommendations	
11.1	Update and expand the existing BCI organisational level grievance mechanism.
11.2	Work with IPs and local stakeholders to ensure effective grievance mechanisms are in place covering all farm workers; these might be at the farm, community, project, or other level, depending on the local context. Grievance mechanisms for farm workers should be designed in line with the UN Guiding Principles (UNGPs) on Business and Human Rights effectiveness criteria and adapted to each local context.
11.3	Engage with trade unions as a priority (or other appropriate structures where unions don't exist) to promote the establishment of independent worker representative structures
11.4	Develop an action plan at local level to ensure victims of forced labour have access to appropriate remediation channels.
11.5	Further explore – and aim to pilot – worker voice solutions at farm level, as an integral part of the assurance approach, including through engagement with independent trade unions where possible.

11.1 Update and expand the existing BCI organisational level grievance mechanism.

BCI should develop an expanded Grievance Mechanism policy which sets out the overarching definition, purpose, principles, responsibility holders, accountability mechanism and structural processes for the BCI grievance mechanism. The policy should detail standards on accessibility and target groups and processes for escalation from farm level to producer level, to Implementing Partners (IPs) and to BCI. The policy will need to outline timeframes for regular review and updating and



include an implementation plan with an earmarked budget and a BCI focal point in charge of driving the delivery.

The policy design process should be based on the detailed assessment of existing practices and contextual considerations. This process is two-pronged and includes external stakeholder engagement and contextually driven assessments. External stakeholder engagement includes in-depth consultations at organisational, country and local levels in order to:

- a) listen and learn about existing mechanisms at an organisational level for comparable organizations/ institutions;
- b) review processes and seek input and feedback;
- c) build trust through strengthening relationships and networks.

11.2 Work with IPs and local stakeholders to ensure effective grievance mechanisms are in place covering all farm workers; these might be at the farm, community, project, or other level, depending on the local context. Grievance mechanisms for farm workers should be designed in line with the UN Guiding Principles (UNGPs) on Business and Human Rights effectiveness criteria and adapted to each local context.

The Task Force recommends that BCI should ensure that effective grievance mechanisms and remedies adapted to farm context exist across all BCI participating farms. Standard forms of grievance mechanisms may not be fit for purpose at farm level due to the highly informal, seasonal, and mobile nature of farm labour, especially in high-risk countries. Grievance mechanisms must be effective and accessible for all types of farm workers, including local permanent workers as well as migrant, seasonal, temporary, informal workers. A mixed approach of informal and formal grievance mechanisms at different levels (for example, farm level, community level, project or IP level) may be required, ensuring minimum grievance mechanism standards.

BCI should follow the steps below in implementing this recommendation:

a) Identify effective grievance mechanism options in each context, through the country risk assessment/ scoping exercise

In order to determine the most effective form of grievance mechanism in each region or context, BCI will need to collaborate with civil society, trade unions, and local experts to understand where effective and credible grievance mechanisms already exist that could be expanded, and where new mechanisms may need to be developed. This assessment should be incorporated into the larger BCI risk assessment/scoping exercise as described in [*Section 6: Risk-based methodology*](#). This exercise will help to:

- assess the enabling environment for freedom of association and collective bargaining, meaningful remedy and access to justice for workers in agricultural settings in each BCI operating context;
- identify vulnerable groups that may experience low awareness of their rights and barriers to accessing remedy; for example, seasonal and daily workers, illiterate workers and migrant workers;
- understand how to establish effective, accessible and inclusive grievance mechanisms for farm workers in each context, and at what level (farm, community, project or IP level etc.) an independent and effective grievance mechanism in line with the UNGPs can be established;

- map local and national stakeholders or potential independent partners, who can support and/or provide grievance mechanisms and remedies.

b) Develop implementation plans to establish grievance mechanisms (or expand existing mechanisms), and maintain and review these over time

This implementation plan will differentiate between the process for establishing operational grievance mechanisms in large, medium and smallholder farms. At farm/field/project level, operational grievance mechanisms should be designed and implemented through meaningful consultation with stakeholders, including workers, local civil society, and local and/or international trade unions.

Ownership should sit with the Implementing Partners, Large Farms and Producer Units. The implementation plan should be charged to a responsible mandate holder within BCI and provided with a reasonable earmarked budget in order to be able to follow through on the agreed actions and recommendations. The operational grievance mechanism should also include a clear and transparent escalation process.

Examples of operational grievance mechanisms covering farm workers could include:

- a) structured mechanisms where workers lodge grievances addressed through procedures defined by management;
- b) complaints to joint workers-management committees; and/ or
- c) complaint boxes and hotlines.

c) Incorporate assessment of the effectiveness of the organisational and field-level grievance mechanisms into the assurance models

The grievance mechanism processes at both organisational and farm levels will need to adopt a continuous improvement model. The operational grievance mechanism's effectiveness assessment should be incorporated into the assurance model and guidance material and verified through interviews with workers on their experiences with the mechanism and the appropriateness of remedial outcomes. Producer Units and Large Farms should be required to keep records on grievance reporting, including on the frequency and causes of grievances.

These records should be disaggregated by types of workers and used to assist with identifying challenges to the effectiveness of operational grievance mechanisms and root causes of abuses, to support prevention efforts.

In the pursuit of transparency, BCI should define processes to make information on grievances publicly available, while being sensitive to concerns about confidentiality and the need to build trust in the system.

d) Raise awareness of workers' rights and grievance channels as integral to the grievance mechanism effectiveness

BCI should invest adequate resources to drive communication and awareness raising of grievance mechanisms and processes and builds trust among farm workers. BCI and IPs should engage affected stakeholders and other local grassroots level stakeholders at all stages of design, implementation, tracking and monitoring processes to ensure appropriateness of interventions.

Awareness raising can be carried out directly through formal training of farm worker rights, as well as through other available media and channels, e.g. local health centres and clinics or areas/centres frequented by migrants.



e) Engage and support local independent stakeholders/civil society actors, while guaranteeing their independence and sustainability

Operational grievance mechanisms can only be effective and trusted where there is an element of assurance that parties to the grievance cannot interfere with the resolution process. The most effective examples of operational grievance mechanisms in agriculture involve participation of local independent stakeholders/civil society actors. In approaches involving NGOs or grassroots actors, BCI will need to consider how to support the sustainability of such actors' involvement. This includes addressing long-term resourcing needs so that the initiatives do not rely on time-limited funding by, for example, institutional donors. BCI should explore funding options in consultation with the relevant local actors, in order to guarantee their independence and sustainability.

f) Develop interim solutions to ensure workers' voices can be heard while field-level grievance mechanisms are still being developed

To establish new grievance mechanisms and build trust with farm worker communities will take significant time. In the interim period, BCI will need to develop alternate methods to ensure that worker voices can be heard. These will need to be developed in the local context in collaboration with local experts and grassroots organizations. They might include for example additional worker interviews through the assurance programme, worker surveys or focus groups, or utilising other existing community channels for feedback.

g) Develop and communicate clear anti-retaliation policies

This is important to ensure that workers raising concerns through grievance mechanisms are protected. This will help to build trust and ensure the grievance mechanisms can be effective. BCI should develop an articulated policy with consequences for retaliation and should develop a plan to ensure IPs and producers are fully trained and aware of this policy.

11.3 Engage with trade unions as a priority (or other appropriate structures where unions don't exist) to promote the establishment of independent worker representative structures.

The Task Force recognises that effective channels for worker engagement and feedback are essential to building greater awareness of decent work at field level and ensuring the BCI system can better identify, prevent, mitigate, and remediate issues of forced labour.

BCI should aim to engage first with existing trade unions to ensure they are integrally involved in representing workers on BCI farms. In cases where trade unions are not active or do not cover all farm workers, BCI should reach out to existing local or international unions to understand whether BCI can support their set-up or expansion to cover workers on cotton farms. Only if this is not possible, BCI should then move forward with supporting alternate structures for worker representation, in a process involving consultation with international or local unions. These could include for example independently elected worker representatives, existing structures in local communities, or others – the best approach will need to be informed by deep engagement with trade unions, local civil society and decent work experts at country level.



11.4 Develop an action plan at local level to ensure victims of forced labour have access to appropriate remediation channels.

Grievance mechanisms include remediation process with the end goal of enabling positive systemic change and preventing recurrence. Remediation is differentiated between *individual case* and *systemic issues* remediation. To ensure that appropriate remedies are enabled, there must be involvement of independent actors such as trade unions, civil society, or lawyers to represent workers and protect their rights to remedy and access to justice. Appropriate remedies for forced labour victims can range from immediate care, financial and non-financial compensation, reimbursement of lost earnings, apologies, psychological support and counselling, provision of alternative employment and education, and legal redress, among others. Effective remedy is dependent on the circumstances of each case and should be based on meaningful consultations with the victim or their credible representative about the type of remedy and manner in which it should be delivered. Any negative human rights impacts arising from the remedy or its implementation must be assessed and fully addressed, taking into account, for instance, relevant legacy issues.

Clear cases of forced labour are likely to constitute a crime under national law. Reporting the abuse to local authorities and enforcement is considered as part of the grievance reporting and remedy process. The contextual factors and the victim's needs are carefully considered. In incidents where the victim expresses reluctance to report the crime, there may be cases where there nonetheless is a clear need to contact the authorities— for example where there is an immediate risk of greater harm to the victim or to a wider group, or where it is assessed that the victim does not have the mental capacity to make this decision. However, there are scenarios whereby bringing the case to the authorities could create significant risk to the victim. This underlines the need for the involvement of trained experts in supporting workers, who have a strong understanding on all factors (legal, psychological, social, specific gender considerations, etc).

11.5 Further explore – and aim to pilot – worker voice solutions at farm level, as an integral part of the assurance approach, including through engagement with independent trade unions where possible.

Assurance visits, even if conducted by decent work experts, will only provide a snapshot in time of worker conditions on BCI farms. The Task Force recommends that BCI pursue piloting of a worker's voice channel to work as an integrated part of the assurance system. This process should begin with researching existing examples of effective worker-driven voice solutions at farm level. Feedback through this channel would help to inform selection of farmers for engagement and interviews. BCI will also need to develop on-the-ground expertise in engaging with farmers directly in response to filed grievances, either with qualified BCI staff or through third-party support. Importantly, these feedback channels should not be perceived as a substitute for collective bargaining or effective independent operational-level grievance mechanisms.

12 Piloting and implementation

Decent Work Advisory Committee

The Task Force recommends that BCI set up a dedicated Advisory Committee composed of multi-stakeholder representatives with decent work expertise in order to oversee the ‘transition period’ from Task Force work to implementation. This group is envisaged as a smaller group of decent work experts (maybe six or seven) who meet on a periodic basis for a defined one to two-year period. The group could be open to members of the Task Force who want to continue to play a role in the transition period but could also include new members such as experts in worker voice solutions or grievance mechanisms. It could also include experts from the high-priority pilot countries as outlined below.

The Advisory Committee would have two main objectives:

1. To provide BCI with key technical advice and support during the transition phase – when Task Force recommendations need to be translated into actual processes or projects and implemented into BCI programmes. This will be especially critical during this temporary period as BCI builds up its own expertise on decent work throughout the organisation and with its partners;
2. To oversee progress against the implementation plan, and provide advice on implementation challenges (for example, due to resource limitations, BCI has to prioritise between elements of the recommendations; or certain assumptions in the recommendations are not realised in practice and need to be re-considered with expert advice).

Phased Implementation Plan

The Task Force recommends that BCI take a phased approach to implementing the recommendations, in order to prioritise resources and ensure that lessons learned from initial phases can be incorporated before broader roll-out. BCI has developed an initial proposal for an implementation plan which has been shared with the Task Force and will be discussed with the BCI leadership team and Council. This proposed approach would prioritise the following elements in the first phase (2020-2021):

1. Implementing the relatively straightforward, process and system-focused recommendations (such as development of interim forced labour indicators, IP due diligence requirements, and revisions to assurance documents); and
2. Piloting a more comprehensive set of recommendations in a couple of countries, beginning with an assessment of forced labour risks and drivers at local level.

Potential pilots for 2021 would likely focus on India and Pakistan, given they are considered ‘high-risk’ for forced labour under the country level methodology proposed by the Task Force, they have established BCI programmes and teams, and together they represent more than 50% of participating BCI farmers⁹. They also represent a mix of small, medium, and large farms.

⁹ In the 2018-19 season, India had 684,274 participating farmers (33% of total participating farmers in BCI direct and benchmarked countries) and Pakistan had 369,264 farmers (18% of total participating farmers).



If BCI decides to set up a formal Better Cotton programme in Uzbekistan, the Task Force suggests that these recommendations are also applied in that context. This would include applying the guidelines in [Section 5.3 to assess countries transitioning from state-imposed forced labour](#). This has not yet been incorporated into the implementation plan pending further decisions from the BCI Leadership Team and Council.

These country-level pilots would begin with the hiring of BCI country team members with decent work expertise (to form part of the Decent Work Focal Point outlined earlier) and would also begin with selection of in-country experts to carry out the field-based research on decent work/ forced labour risks and drivers at country level. The outcomes of this research would feed directly into capacity building, enhanced assurance tools, and the development/ testing of dedicated decent-work assessments and grievance mechanisms at farm level. The exact extent and nature of the pilots will depend in part on the COVID-19 situation in 2021 and resource and funding constraints.

Annex A: Gap analysis of recommendations vs current state

This annex summarises the recommendations of the Task Force and gives a high-level estimation of the gap against BCI's current state,¹⁰ along with the level of effort (time, resource, and financial) that would be required to close the gap.

Recommendation Area ¹¹	Summary of Recommendations	Gap Analysis vs current state
<p><u>5. Assessing the enabling environment</u></p>	<p>5.1 BCI should review outcomes of country risk assessments and field-based evidence to assess whether there is a sufficient enabling environment for BCI to operate in any given country.</p> <p>5.2 BCI should not enter, or it should suspend licensing operations, in all regions where there is credible evidence or a high risk of, state-imposed forced labour in the cotton industry. BCI should conduct an external consultation process to determine whether other field activities (for example, capacity building) are possible in such environments without inadvertently condoning forced labour.</p> <p>5.3 Clear guidelines should be developed for operating in countries transitioning from state-imposed forced labour, or with a lack of enabling environment.</p>	<p>Extent of gap: MEDIUM</p> <p>Effort to close the gap: MEDIUM</p>
<p><u>6. Risk-based methodology</u></p>	<p>6.8 Adopt a country level risk-based evaluation method to classify BCI current and potential new countries according to risk of forced labour. This should be reviewed annually.</p> <p>6.9 Develop a plan to commission and carry out a field-based, in-depth review of forced labour and decent work risks across all known high and medium-risk countries.</p> <p>6.10 Utilise the field-based research stage to build engagement with local independent trade unions, civil society, workers', and community organisations around decent work. This is also envisaged to support the development of local operational grievance resolution mechanisms.</p>	<p>Extent of gap: HIGH</p> <p>Effort to close the gap: HIGH</p>

¹⁰ For a summary of current state in each area, refer to the 'Key Findings' section at the beginning of each recommendation area in the main report.

¹¹ Numbering relates to the section in the main body of the Task Force report.

Recommendation Area ¹¹	Summary of Recommendations	Gap Analysis vs current state
	<p>6.11 Support partners in each country to develop and activate locally appropriate tools and processes to address situations of forced labour and other labour exploitation based on outcomes from the field research.</p> <p>6.12 Use field-based evidence gathering and country action planning activities to carefully consider how remedy could be delivered within the operating context as well as how BCI could facilitate access to remedy. Note: this is also envisaged to support the development of local operational grievance resolution mechanisms.</p> <p>6.13 Develop a risk refresher/feedback process to be undertaken continuously to enable responsiveness to changing national and local conditions.</p> <p>6.14 Incorporate lessons from the ISEAL 'Delta' Project and commission external support to develop a framework for decent work monitoring for BCI, including the development of outcome indicators from field-level projects and internal progress indicators to measure partners' performance on decent work.</p>	
<p><u>7. Capacity Building across the BCI network</u></p>	<p>7.4 Ensure there is specific decent work expertise within the BCI Council and BCI Secretariat; including a Decent Work Focal Point with relevant expertise and cross-functional representation.</p> <p>7.5 Build capacity and awareness of decent work issues throughout the BCI organization, so this is integrated into the organisational culture.</p> <p>7.6 Building from the outcomes of field-level research, and using local decent work experts, develop and roll out a decent work and forced labour capacity building programme at country level.</p>	<p>Extent of gap: HIGH</p> <p>Effort to close the gap: HIGH</p>
<p><u>8. Implementing Partners</u></p>	<p>8.1 Revise the IP endorsement process to strengthen due diligence and set clear competencies on decent work; roll out this enhanced process to all new and existing IPs (in a phased approach for existing IPs).</p> <p>8.2 Require all Local Partners to complete a simplified version of the due diligence and decent work competency assessment.</p> <p>8.3 Strengthen the performance management systems for IPs (including tracking progress on decent work competencies); and provide greater support to IPs to help them improve.</p> <p>8.4 Require all IPs in high-risk country contexts to develop an Internal Management System on forced labour and decent work.</p>	<p>Extent of gap: HIGH</p> <p>Effort to close the gap: MEDIUM</p>

Recommendation Area ¹¹	Summary of Recommendations	Gap Analysis vs current state
<p><u>9. Principles & Criteria</u></p>	<p>9.1 In the lead-up to the next P&C Revision, define new 'interim' forced labour indicators which would be integrated as a mandatory part of the assurance process (but not the P&C directly).</p> <p>9.2 It is critical for BCI's credibility that the existing core indicators are expanded to better reflect the ILO 11+ indicators on forced labour. BCI needs to ensure the next P&C revision process has an explicit focus on decent work and a dedicated working group with labour expertise focusing on Principle 6.</p>	<p>Extent of gap: MEDIUM</p> <p>Effort to close the gap: MEDIUM</p>
<p><u>10. Assurance</u></p>	<p>10.1 Ensure that findings from the risk-based assessment (refer to Section 6) are taken into account in adapting key elements of the assurance process.</p> <p>10.2 Develop and introduce a process for separate decent work-focused assessments to complement existing licensing assessments – these would be done at the project level, by decent work experts, with a focus on worker interviews and local information sources.</p> <p>10.3 Establish minimum competencies on decent work for existing BCI (general) assessors and include them in comprehensive capacity building.</p> <p>10.4 Revise key assurance documents to incorporate detailed and locally adapted guidance on decent work risks, including appropriately grouped forced labour indicators.</p> <p>10.5 Revise the annual Self-Assessment to add additional questions related to forced labour risk factors and explore ways to better support IPs in using this information to assess and mitigate risks.</p>	<p>Extent of gap: HIGH</p> <p>Effort to close the gap: HIGH</p>
<p><u>11. Grievance Mechanisms - organisational</u></p>	<p>11.1 Update and expand the existing BCI organisational level grievance mechanism.</p>	<p>Extent of gap: MEDIUM</p> <p>Effort to close the gap: LOW</p>

Recommendation Area ¹¹	Summary of Recommendations	Gap Analysis vs current state
<p><u>11. Grievance mechanisms, workers' voice and remedy at farm level</u></p>	<p>11.2 Work with IPs and local stakeholders to ensure effective grievance mechanisms are in place covering all farm workers; these might be at the farm, community, project, or other level, depending on the local context. Grievance mechanisms for farm workers should be designed in line with the UN Guiding Principles (UNGPs) on Business and Human Rights effectiveness criteria and adapted to each local context.</p> <p>11.3 Engage with trade unions as a priority (or other appropriate structures where unions don't exist) to promote the establishment of independent worker representative structures.</p> <p>11.4 Develop an action plan at local level to ensure victims of forced labour have access to appropriate remediation channels.</p> <p>11.5 Further explore – and aim to pilot – worker voice solutions at farm level, as an integral part of the assurance approach, including through engagement with independent trade unions where possible.</p>	<p>Extent of gap: VERY HIGH</p> <p>Effort to close the gap: VERY HIGH</p>



Annex B: Indicative Terms of Reference for field-level research

This Annex sets out a proposed approach for BCI to work with experts and partners to undertake a field based “Country Development Research and Strategic Planning” exercise aimed at equipping partners in the standards system with the knowledge of how forced labour manifests in their local context and how to address it. This is meant to be used as guidance for adapting a specific term of reference for each country in which field-based research is required.

Context

Field-based evidence on forced labour and decent work is envisaged as a key step within a proposed risk-based framework for creating awareness of forced labour within the BCI system and building the capacity of country programmes and BCI partners to respond effectively to decent work challenges.

The field based-evidence step is primarily focused on building the knowledge basis for BCI partners to develop and activate locally appropriate tools and processes to address situations of forced labour and other labour exploitation. Effective intelligence gathering should deliver the strongest possible ‘localized’ understanding of where and how these occur as well as who they affect.

Purpose

Decent work is conceptually different from environmental and farming matters. Farmer performance on hired labour is generally more difficult to measure objectively; expertise is often not engendered naturally within national cotton sectors; many of the issues are hidden and possibly also culturally or politically sensitive, making intelligence and information gathering more difficult. Therefore, to provide an equal evidence basis for actions to prevent labour abuse as other aspects of the BCSS, an additional layer of decent work capacity should be built into country programmes. These country research studies and their recommendations should support the development of in-country partners’ respective capacities to address decent work concerns.

Scope of application

Country development studies should be initiated in all countries with a Medium or High risk of labour exploitation, as assessed by the proposed forced labour risk assessment approach (refer to [Section 6: Risk-based methodology](#)). For all High or Medium risk countries, collecting field-based evidence on forced labour is a key recommendation arising from the work of the Task Force. All countries designated ‘High risk’ would need BCI to commission an independent study conducted by external forced labour experts. ‘Medium risk’ countries could be led internally by BCI staff with decent work specialism. This process will need to be considered separately for benchmarked or indirect countries.

This is a one-off, initial exercise designed to activate partnerships, improve visibility of workers and employment conditions and information dissemination channels that will support a continuously refreshed understanding of risk. If the actions from a decent work study support better attentiveness to and use of decent work information, then



this exercise should only need to be conducted once per Medium or High-risk country. A further feedback process or refresher is envisaged for BCI and partners to maintain an up-to-date understanding of risk.

Research should be carried out in all regions in which BCI expects to operate. In the case where BCI enters a new country starting only with select regions, the research would be required only for these regions. If BCI implementation expands to other regions, the same exercise should be carried out.

Key research questions

As a fact-finding exercise the exercise should deliver original research against carefully scoped questions targeted at supporting a strategic planning exercise which would identify new partners with decent work expertise and enhance decent work capacities among existing partners. The research should cover:

- Develop a profile of the workforce engaged, including the origin countries/regions for migrant workers. Ensure that differences in experience between male and female workers are captured as well as among different ethnicities.
- How does forced labour (and dependent on scope, other types of labour exploitation) manifest in practice? How widespread is it? How severe are the consequences of the practice on wider human rights?
- Regional variations and root causes: Forced labour and other labour concerns should be profiled carefully according to the different production contexts, locations and scenarios in which they arise, with a focus on how different root causes affect different categories of vulnerable workers. Such an assessment could include, e.g. flows of migrant labour, specific risks to vulnerable groups, specific forced labour risks impacting certain job types, categories of worker or workers recruited in a certain way.
- Building blocks for decent work monitoring: Researchers should be able to identify clearly what the most important questions to ask regarding hired workers' and unpaid family workers' rights in practice are and how this information can be reliably and safely gathered. Further, the study should include recommendations on reliable indicators and data sources that can be drawn either externally or from within the BCSS. BCI should ensure support is provided to solicit comparable quality of information across all decent work development studies in process.
- Performance among existing and potential future license-holders: Support BCI's understanding of the current practices among licensed and non-licensed producers in the country.
- Is there an enabling environment for BCI to work credibly and effectively? Are there institutional barriers that preclude a multi-stakeholder approach to working on issues relevant to social standards? Are there independent civil society organisations and workers representatives? Is there involvement of state officials in cotton production activities or presence of security forces in a way that deters freedom of expression or association?
- Grievance resolution: Are there credible entry points and pathways for grievance resolution either through the justice system or non-judicial grievance mechanisms? Are there any known barriers to the effective operation of an independent grievance mechanism?
- What types of prevention activities are likely to work within the national context (e.g. farmer training, worker training, black/whitelisting labour recruiters, financial inclusion, community-based monitoring, others) and what are the key considerations needed to ensure that these work effectively?

- Which organisations and stakeholders are engaged in promoting decent work? What key activities are underway could BCI work with to impact the situations positively? Is there any partnership potential with these organisations?

Indicative tasks and activities

The exercise consists of research, farm visits and engagement with civil society/ victims' organisations, as well as where feasible, farmers, farming communities and workers.



Evaluating risks of forced labour

A key outcome from every country study will be a clear understanding of whether forced labour happens and how widespread it may be within the country. The methodology should be intelligence-led, not compliance focused. The objective would be to gather information from workers and other actors involved with farming communities so that it can be analysed against the ILO's 11 Forced Labour Indicators + an additional question of whether state-imposed forced labour exists within the country.

Situations of labour exploitation should be captured in enough detail to understand their root causes. There may be clear-cut cases of forced labour, however, care will need to be taken to minimize blind spots, particularly when forced labour is not a widely employed concept within the country in question. Therefore, the methodology should follow a clear process for reviewing information collected from the field to evaluate the risk of forced labour. A proposed method for reviewing information to understand whether any of the ILO 11+ state-imposed forced labour indicators are triggered by the information collected is included below:

FARM LEVEL

Black indicators

- Debt bondage
- Restriction of movement
- Government mobilized labour

Red indicators

- Wages withheld
- documents retained are sufficient

Yellow indicators

- Abuse of vulnerability
- Abusive living and working conditions
- Physical and sexual violence
- Intimidation and threats

Blue indicators

- Excessive overtime
- Deception
- Isolation

SOCIETAL LEVEL

Black indicators

- Government mobilized labour

Red indicators

- Restrictions on speech, association, other human rights, especially on civil society, journalists, or workers' organizations

Yellow indicators

- Corrupt or unresponsive local enforcement systems (police, courts, local authorities, etc)

The analysis framework could be interpreted as follows:

- Any Black = finding that forced labour is present in the cotton industry
- Any Red plus Any Yellow = finding that forced labour is present in the cotton industry
- Any yellow = further investigation is required. Action plan must address risks
- Any blue = further investigation is required. Action plan must address risks

This should enable a clear finding on the question as to whether forced labour is or is likely to be present within the country and potentially provide some indication as to how widely it is experienced by workers.



Note: this exercise is not an audit and researchers should take care that this exercise is not seen as such. Further, the analysis should not depend on the same standard of proof required in audit findings.

Stakeholder engagement

The research, beyond a simple information gathering exercise, should work to continually build involvement of BCI Implementing Partners and local stakeholders within the research process to promote ownership over the results and the recommendations. Additionally, new potential expert partners with specialism on decent work or who represent workers and farming communities could be identified and onboarded as participants during the course of the research.

The basic tenet of this approach is participatory action research with existing partners and stakeholders, including those who could become future partners. Throughout the research, it is expected that the project lead will be workshopping questions and initial observations and discussing possible approaches to addressing issues with partners and stakeholders.

Timing

The research should be completable within a calendar year with the field-based evidence gathering timed specifically to coincide with peak labour risks. Where there are multiple harvest phases, the field research plan should allow farm visits and interviews across the different picking periods. Note, project leads must allow stakeholders and potential partners time to consider collaboration and partnership opportunities to provide ample opportunity for new relationships to be built.

Profile of the project lead

Field level evidence requires expertise in forced labour and preferably also wider decent work as well as knowledge of the local agricultural landscape. Where possible, BCI should seek to work through local organisations (NGOs, academic institutions, workers organisations) or international organisations with a local chapter or local partner. The project lead should have the following credentials:

- Demonstrable expertise on labour rights and human rights in agriculture, preferably in cotton
- All team members qualified to undertake interviews with vulnerable workers (education or training in social work, social research, etc.)
- Experience with standards organisations or development projects requiring navigation of complex and/or sensitive issues
- Communication skills in the local language
- Proven research and facilitation skills
- Administrative capacity to manage long-term, complex projects
- Existing contacts in the field, preferably across government, industry and civil society

Using the findings

The outcome of the exercise should be a clear action plan with time-bound milestones which are validated by local expert stakeholders. The recommendations should clearly indicate how identified context specific risks of forced labour and labour exploitation



could be acted upon by BCI, Strategic Partners and IPs based on an understanding of their current levels of awareness and capacity.

The recommendations might also target specific activities which IP projects should deploy to mitigate risks. Hypothetical examples of what these might be include:

- Policy and research (e.g. participating in studies on prevention of forced labour)
- Advocacy with local government
- Social mobilization (e.g. supporting community groups)
- Remediation and rehabilitation (e.g. linking communities with vocational training opportunities)
- Access to credit (e.g. linking producers with affordable financial services)
- Provision of improved personal protective equipment (e.g. subsidized rates for workers)
- Awareness raising campaigns and training on decent work (e.g. training for IPs and producers, rallies, pictograms etc.)
- Modifications to assessment programme (including separate decent work monitoring, different timing of verification visits, etc.)
- Establishing formal working arrangements with third parties e.g. alliances with international NGOs, workers organisations or development actors or documented working relationships with local organisations to fill capacity gaps on key risk areas

How the research will support other recommended Task Force recommendations

Regular feedback: It will need to be established how each BCI country programme will collect and communicate the information needed to update BCI's understanding of risk at regular intervals. The country development study should be able to recommend how forced labour and potentially other decent work risks could be monitored through the assurance system and through DW-focused results indicators. The field research could also inform a mapping of indicators throughout the BCI Principles and Criteria which are relevant for BCI to review.

Assurance methods: The knowledge about context-specific risks should inform the assurance approach at country level. Field assessment checklists and worker interview guidance/ questions are expected to be developed at a BCI-level, but with supplementary country level guidance informed by decent work expertise.

Training content: Trainings for IPs, field facilitators and verifiers should expressly address context-specific risks.

Grievance: Design and activation of grievance mechanisms would draw this study's overview of existing GMs and remediation pathways as well as key barriers or enablers related to the effective resolution of grievances.

Annex C: Summary of consultation process and feedback

During the course of the Task Force work, BCI held a series of consultation webinars with key stakeholder groups to share draft recommendations and receive feedback for the Task Force to consider. Consultations included BCI Retailer and Brand members¹² (RB), Implementing Partners (IPs)¹³, BCI Country Teams, and external organisations with a strong workers’ rights focus¹⁴. The draft report was also reviewed by the Project Adviser. Feedback received during the consultative process was shared with the Task Force members for consideration.

Stakeholders were asked to give their view on high/ low-priority recommendations and any key challenges with implementation – these points are summarized below:

Stakeholder groups	Summary of key points on challenges and priorities
Retailer/ Brands	<ul style="list-style-type: none"> • Challenges: Addressing enabling environment challenges; setting up farm-level grievance mechanisms; building capacity of IP and BCI staff; cost and impact of new requirements and processes on BCI operations and scope • High priority: Piloting the risk assessment and recommendations in high-risk contexts; building capacity throughout BCI network; revising IP endorsement process; select assurance model adjustments • Low priority: Farm-level grievance mechanisms; formalised worker representation structures
IP and Country Teams	<ul style="list-style-type: none"> • Challenges: Resource availability; grievance mechanisms • High priority: IP staff capacity building; pilot decent-work assessments in high-risk context; engaging with appropriate government structures • Low priority: Third-party Verifier competency requirements
Worker-focused organisations	<ul style="list-style-type: none"> • Challenges: Farm-level grievance mechanisms; representation of famers and farm workers; building awareness among farmers and workers • Priority: Central role of community-based structures in mitigating the risks, channeling grievances and delivering remedy • Comments: Use worker surveys for better M&E and risk mitigation

Retailer and Brands:

Retailer/brands (RBs) generally recognised the need to improve the Better Cotton Standard System and broadly supported the direction of the recommendations. Implementing a risk-based approach, building capacity on decent work across the BCI network and improvements in IP endorsement and management were viewed as key priorities. At the same time, RBs noted that the implementation of these

¹² More specifically, the members of BCI’s Buyer and Investor Committee (BIC), which also included a supplier organisation. The following organisations participated in the consultation calls: Tommy Hilfiger, C&A, IKEA, VF, H&M, Gap, Target, Levi Strauss, Decathlon, adidas and PVH. The following RBs provided additional detailed feedback on draft recommendations: Gap, H&M, IKEA and Decathlon.

¹³ A consultation webinar was held with around 30 IP representatives and 10 BCI Country Team staff. The majority of the participants were from India and Pakistan but also Turkey, Egypt and Mozambique.

¹⁴ The organisations that participated in the consultations were Ghana Agricultural Workers’ Union, Elevate, Ulula and the Issara Institute. BCI also reached out to: IUF, International Trade Unions Confederation, Trade Union Congress, Coalition of Immokalee Workers and the Fair Food Program but did not receive engagement in the project. BCI appreciates that the workers’ associations were under unprecedented pressure to respond to Covid-19-related challenges and may not have been available to input at this time and intends to follow up with this stakeholder group during the implementation phase.

recommendations will be operationally challenging, with significant time and effort required.

Most RBs therefore supported a gradual phasing in of recommendations, with a risk-based focus and specific pilot initiatives to test out the approach in a few high-risk contexts.

Where enabling environment may be a concern, RBs encouraged BCI to support existing actors in promotion of system improvements, with several noting that it is not BCI's role to drive structural changes in countries. BCI would benefit from a clear guidance on the on the enabling environment assessment and decision making.

Operationalising grievance mechanisms at farm level will need to be preceded by awareness raising and capacity building; even then this may not be a suitable solution in small family-run farms. Therefore, the RBs proposed to explore worker voice solutions and farm level grievance mechanisms at a later stage of the implementation of the Task Force recommendations.

Several RBs questioned whether these revisions would impact the current supply or future growth of Better Cotton. They noted it was important for BCI to communicate clearly with stakeholders especially around any potential impacts on supply.

Implementing Partners and BCI Country Teams

BCI Implementing Partners and BCI country teams were generally supportive of the early draft recommendations of the Task Force. Most IPs agreed with testing out separate decent work assessments at project level in high-risk regions. IPs asked for more support from BCI with capacity building and analysing the results of self-assessment surveys to identify decent work risks in their local areas.

IPs raised concerns around resourcing and financing of the additional emerging requirements. These include developing dedicated decent work expertise and building basic internal management systems at IP level. They requested BCI's 'mentorship' in the implementation of the Task Force recommendations, as well as opportunities for knowledge sharing and capacity building. IPs and BCI Country Teams also underscored the importance of engaging with the appropriate government structures.

Organisations with a strong workers' rights focus

The feedback from these organisations focused mainly on the grievance mechanisms and the challenges of operationalising them at farm level, especially in smallholder farms. Several organisations noted that 'farm-level' might not be the most appropriate level to design a grievance mechanism, and encouraged BCI to explore whether in certain contexts, a landscape approach (such as district or community level grievance mechanism) might be more suitable.

The feedback noted the importance of putting decent work at the centre of BCI system. They emphasised the importance of building on the existing structures where possible, including provided by the state labour inspectorates, trade unions or the local community. The role of community-based structures was particularly emphasised by Ulula's CEO, Antoine Heuty: *"Community-based structures have a central role to play in mitigating the risks of forced labour and other violations. They are more legitimate actors that have a unique understanding of the local constraints and opportunities to change employment practices. However they often lack the tools and capacities to effect change at scale"*

and/or to sustain it. As central users of the grievance mechanism they can build trust, review cases and help support more effective remedy.”¹⁵

Project Adviser

The Project adviser, Stephen McClelland, provided input at multiple points in the Task Force process for BCI to review and share with the Task Force for consideration. His key points included:

- A country's national structures, such as the labour inspectorates and national referral mechanisms need to be given more consideration in designing BCI's country-level decent work strategy
- BCI is cautioned against over-relying on unrepresentative civil organisations and experts. Engaging with and encouraging recognition of labour unions must be BCI's first course of action.
- When it comes to grievance mechanisms, it must be recognised that workers need to have confidence in a representative voice. This will require BCI to test options, with a preference given to trade unions and also exploring farmers' cooperatives, local, itinerant or migrant community-based systems depending on the types of workers involved.

¹⁵ From Antoine Heuty, CEO of Ulula