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|  |
| becoming a bci member |



This document comprises of:

1. The membership application form
2. The membership contract (Membership Code of Practice and Terms of Membership)

The membership application form must be completed, signed and returned to BCI along with required support documents as outlined in the form before membership applications can be accepted.

Once your application has been approved, you will need to sign the membership contract and return to BCI along with proof of payment of your annual fee in order to activate your BCI membership.

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| membership  application Form  Retailers and Brands |



***Retailers and Brands*** *include any consumer facing commercial organisation, including apparel, home, travel and leisure.*

# Membership Criteria

Membership is open to all organisations. BCI is an inclusive initiative which aims to work with its members and partners to achieve its goal of transforming cotton production worldwide by developing Better Cotton as a sustainable mainstream commodity. Applicants to membership should fulfil the following:

1. Your organisation’s long-term aspirations **support BCI’s mission**, aims and strategic principles for Better Cotton ([bettercotton.org/about-bci/](http://bettercotton.org/about-bci/)).
2. Your organisation is **a legal entity** or a group of legal entities.

*If your organisation forms part of a group, BCI recommends that the entire group becomes a member of BCI. If your organisation runs integrated operations including several processing steps, your membership will be categorised according to the highest value activity exercised.*

1. Your organisation should have a minimum of **1 year’s existence**.
2. Your organisation is able to demonstrate an **existing commitment to good environmental and social standards**.

*Evidence includes but is not limited to a publicly available commitment to sustainability as well as either implementing a code of conduct or implementing a management standard covering both environmental and social practices.*

1. Your organisation **does not pose a reputational risk to BCI** through past or present activities. This includes but is not limited to, child labour, health and safety violations or being listed on an internationally recognised default list or advisory list (e.g. ICA’s List of Unfulfilled Awards). BCI reserves the right to protect and safeguard itself against risks to BCI’s integrity and credibility.

***Companies not meeting one or more of the membership criteria*** *listed above may still apply to the BCI by adding a justification to their application form. The justification addendum can be requested from BCI for completion by applicant after a review of the application form. The addendum includes clear instructions on what is requested from the applicant.*

# Company Information

**About the Organisation**

|  |  |  |
| --- | --- | --- |
| Name of Company | |  |
| Business Registration Reference No. | |  |
| Address (Headquarters) | Building |  |
| Street |  |
| City |  |
| State |  |
| Postcode/Zip |  |
| Country |  |
| Telephone | |  |
| Website | |  |

The information you provide below will be shared with our Members and BCI Council as part of the consultation and approval process. Answering fully and factually is important to the success of your application.

|  |  |
| --- | --- |
| Date your organisation was established |  |
| Brief description of your company’s key activities |  |
| Motivation for joining BCI (sustainability and business motivation) |  |
| What would your organisation like to achieve during your first year as a member? |  |
| Do you have any interest in becoming a BCI Implementing Partner (IP)? *Note that an IP works with farmers at the local level to implement the BCI system.* | YES / NO |
| Do you have a publicly available commitment to sustainability and either implement a code of conduct with your supply chain or a management standard covering both environmental and social practices? (please specify) |  |
| Do you work with or purchase any form of non-conventional cotton e.g. Organic, Fairtrade, Cotton Made in Africa, other? |  |
| Which Brands does your company own and/or operate? This could include registered trademarks, retail outlets and other brand names. Please include any subsidiary you have as well as their Brands. (All cotton containing products under all your Brands should be included in the cotton consumption you submit with this application.) |  |

## Data Protection

By becoming a BCI Member, you accept that contact names and email addresses may be shared through internal group communication (or other means). For more information, please see the [BCI Data Protection Policy](https://bettercotton.org/wp-content/uploads/2019/07/BCI_Data-Protection-Policy_2019.pdf).

Members often wish to contact each other outside of BCI. If you do not wish your contact details to be shared, please indicate by ticking the box below:

|  |  |
| --- | --- |
|  | No, I do not wish my or my organisation’s contact details to be shared with other members |

BCI publishes a Membership list on its website and in some presentations. If you *do not* wish your organisation to appear in this list, please tick the box below:

|  |  |
| --- | --- |
|  | No, I do not wish my organisation to appear in the BCI Membership list. |

BCI displays members’ logos on its website and includes a link to members’ websites. If you do not wish this for your logo and website, please tick the boxes below.

If you agree for BCI to use your logo it will only be displayed on the BCI Website and in presentations together with other member logos to showcase BCI Members. For any other use of your logo BCI will seek your permission.

If you want us to use your logo, please attach it to the application when submitting.

|  |  |
| --- | --- |
|  | No, I do not want BCI to link to my organisation’s website |
|  | No, I do not want BCI to make use of my organisation’s logo |

**Primary Contact**

The primary contact nominated should be the person within your organisation who will act as the organisation’s day-to-day representative with BCI. All communications from BCI to your organisations will be directed to the primary contact.

|  |  |  |
| --- | --- | --- |
| Name | First Name | Last Name |
| Position within Organisation |  | |
| Email |  | |
| Skype Username (optional) |  | |
| Telephone | Country Code | Number |

**Secondary** **Contact**

The application should also be endorsed and signed by a **senior member** of the organisation who will take responsibility for ensuring that the organisation follows the obligations laid out in the BCI Principles of Participation. You may nominate this senior member as the secondary representative to this function. The secondary contact may be copied into communications but will not be the first point of contact.

|  |  |  |
| --- | --- | --- |
| Name | First Name | Last Name |
| Position within Organisation |  | |
| Email |  | |
| Skype Username (optional) |  | |
| Telephone | Country Code | Number |

## Invoicing Address

Please supply details to be used for invoicing purposes. Also, please state if your organisation requires any specific information in order to process an invoice (such as Purchase Order numbers).

|  |  |  |  |
| --- | --- | --- | --- |
| Contact Name for Invoices | | First Name | Last Name |
| Email | |  | |
| Telephone | | Country Code | Number |
| Fax | | Country Code | Number |
| Address  *(if different to HQ)* | Building |  | |
| Street |  | |
| City |  | |
| State |  | |
| Postcode / Zip |  | |
| Country |  | |
| Do you have any specific invoicing instructions? If so, please explain.  *(e.g. PO numbers,  invoice portals, etc.)* | |  | |

# Membership Cost

All members must pay a membership fee, on an annual basis, in accordance with the BCI membership fee structure. Retailer and Brand Members pay a Membership Fee based on 12-months of membership and a variable Volume Based Fee (VBF) based on a calendar year. Total cost of participation in BCI is a combination of these fees.

The annual membership fee is calculated based on the member’s total cotton lint consumption and the VBF is calculated based on the total BCCUs collected in the Better Cotton Platform (BCP) per calendar year, which reflects how much Better Cotton is represented in the sourcing of cotton containing products.

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| --- | --- | --- |
| **2017 - 2022\* MEMBERSHIP FEES FOR RETAILERS AND BRANDS** | | |
| **Fee Level** | **Annual Cotton Consumption** (Metric tons) | **Annual Fee (EUR)** |
| Very Small | < 5,000 MT | 6,000 € |
| Small | 5,000 - 20,000 MT | 10,000 € |
| Medium | 20,000 - 50,000 MT | 18,000 € |
| Large | 50,000 - 125,000 MT | 30,000 € |
| Very Large | > 125,000 MT | 45,000 € |
| \*Fees are subject to annual review by the BCI Council. | | |

The Fee Level is determined by the Annual Cotton Consumption based on the retail or brand’s previous year’s usage of cotton lint, understood as the cotton required at ginner level, to produce all their cotton-containing products. The 12-month reporting period for this evaluation could either be calendar year or fiscal year.

BCI provides a calculator to help carry out the cotton lint calculation on request. Third party cotton calculation methods e.g. SCAP Calculator (UK), and retailer’s or brand’s staff calculations are also accepted provided the result is for cotton lint. Calculations are subject to audit at the discretion of BCI by a BCI-appointed third party auditor at the member’s cost. Please note that as part of implementing the Better Cotton Programme, Retailers and Brands are expected to put in place a robust evaluation of their annual cotton lint consumption that would support any public claims they intend to make. They are liable for any public claims related to their cotton consumption.

## Volume Based Fee

The Volume Based Fee (VBF) is paid by Retailer and Brand members to fund the field implementation of the Better Cotton Standard System. It provides the core funding for the BCI Growth and Innovation Fund. It is variable based on the amount of Better Cotton represented by sourcing of cotton-containing as Better Cotton in a calendar year.

The 2017 – 2022 VBF rates are given in the following table.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **2017 - 2022\* Volume Based Fee Rate (EUR/MT BC procured)** | | | | | | |
| **Volumes of cotton sourced as Better Cotton** | | | | | | |
| **Absolute Procurement** | **Relative procurement\*\*** | | | | | |
| **< 20%** | **≥ 20%** | **≥ 40%** | **≥ 60%** | **≥ 80%** | **100%** |
| **≤ 200 MT** | 15.0 € | 14.0 € | 13.0 € | 12.0 € | 11.5 € | 11.0 € |
| **>200 - 1,000 MT** | 14.0 € | 13.0 € | 12.0 € | 11.0 € | 10.5 € | 10.0 € |
| **>1,000 - 3,000 MT** | 13.0 € | 12.0 € | 11.0 € | 10.0 € | 9.5 € | 9.0 € |
| **>3,000 - 5,000 MT** | 12.5 € | 11.5 € | 10.5 € | 9.5 € | 9.0 € | 8.5 € |
| **>5,000 - 25,000 MT** | 12.0 € | 11.0 € | 10.0 € | 9.0 € | 8.5 € | 8.0 € |
| **>25,000 - 75,000 MT** | 11.5 € | 10.5 € | 9.5 € | 8.5 € | 8.0 € | 7.5 € |
| **>75,000 - 150,000 MT** | 11.0 € | 10.0 € | 9.0 € | 8.0 € | 7.5 € | 7.0 € |
| **>150,000 - 300,000 MT** | 9.0 € | 8.0 € | 7.0 € | 6.0 € | 5.5 € | 5.0 € |
| **>300,000 MT** | 8.0 € | 7.0 € | 6.0 € | 5.5 € | 5.0 € | 4.5 € |
| \*Fees are subject to annual review by the BCI Council. \*\*Relative procurement is the percentage of cotton lint sourced as Better Cotton compared to the total cotton consumption. | | | | | | |

### Pre-payment

To secure funding at the start of the cotton growing season there is an obligatory, non-refundable, pre-payment of VBF, invoiced at the beginning of the year for existing members.

The prepaid VBF is equivalent to previous year’s sourcing of Better Cotton. With the assumption that members increase their Better Cotton sourcing year-on-year, the prepayment will be smaller than the year-end VBF, thus fully deductible. As this might not always be the case, **BCI will ask members to confirm the amount of pre-payment before invoicing.**

#### **First-time Farmer Support Contribution**

All new members must pay a **Farmer Support Contribution**, equal to their membership fee in their first year of joining BCI. This payment will be deducted from the year-end calculated VBF, but it is not reimbursed if not used. This contribution is a one-time contribution to the supply that has been created by Retailer and Brand Members who have been investing since 2010.

### Year-end Calculated VBF

Actual VBF calculated at the end of the calendar year is expected to exceed member’s pre-payment. All sums exceeding pre-payment, will be invoiced at the beginning of the following year. However, if the actual VBF is lower than the pre-payment, **BCI cannot refund as all pre-payments are match-funded and invested in the Growth and Innovation Fund for farmer capacity building.**

### Implementation

1. The fees above are applicable as of 1 January 2017.
2. All BCI Membership Fees are invoiced in Euros (€) only.
3. BCI makes available to members a 5-year cost projection tool to help with financial planning for fees.

## Fee Calculation

Here an example of how costs are determined.

**Example: Total Annual Member Costs**

FINE FASHION uses 12,000 MT cotton lint annually and would like to join the BCI. They plan to procure 2,400 MT Better Cotton in their first year of membership starting February 2020.

They will pay the following fees to join BCI:

1. Membership fee, Feb 2020 – Jan 2021: Fee Level “Small” = 10,000 €
2. Farmer Support Contribution, Calendar Year 2020 = 10,000 €

### Annual Volume Based Fee calculation:

The following explains how Volume Based fees are calculated.

Volume Based Fee, Jan – Dec 2020: 2,400 (BC volume in MT) x 12 (VBF Rate) = 28,800 €

Absolute procurement = 2,400 MT = 3rd row of VBF Table

Relative procurement = 2,400/12,000 = 20% = 2nd column of VBF Table

VBF Rate: 12 € / MT

Total Annual Cost 2020: 10,000 + 28,800 = 38,800 €

Invoicing and payments proceed as follows:

At the time of joining for February 2020, Fine Fashion paid a membership fee of 10,000 € and a Farmer Support Contribution of 10,000 €.

1. Sixty (60) days before its membership anniversary (December 2020) Fine Fashion will receive an invoice for its first fee renewal.
2. In January 2021, they will receive an invoice for 18,800 € for the remaining VBF they generated in 2020. BCI always invoices all VBF balances in January of the year following the uptake.
3. In February 2021, Fine Fashion will also receive an invoice for 28,800 € as pre-payment for the year 2021. BCI always invoices prepaid VBF for the current cotton season in February.

**Fee Payable**

|  |  |
| --- | --- |
| Membership Fee (€) |  |
| Pre-paid VBF (€) |  |

# Check List

Together with this application form, please make sure you submit the following:

1. **A copy of your company registration certificate**

This document will typically be a copy of your company’s legal registration with the local administrative authorities. If you are applying as a group which is not a legally registered entity, the certificate of incorporation of each of the companies within the group must be submitted.

1. **Cotton calculation**

You may send a filled out BCI Cotton Calculation tool or another document clearly stating your annual cotton consumption (in lint).

1. **A signed copy of the BCI Membership Code of Practice**

The BCI Membership Code of Practice is included in this application pack and must be signed separately. It outlines the commitment and expected behaviour of a BCI Member.

1. **A digital copy of your logo (optional)**

The provided logo should preferably be in PNG format, with a transparent background.

# Signature

With my signature, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (entity name) is applying for membership to the Better Cotton Initiative. I confirm that I have the legal mandate officially to act on behalf of my organisation.

With the signature below, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (signatory name) acknowledges and accepts the attached BCI Code of Conduct, the BCI Terms of Membership, the BCI Fee Structure, the BCI [Statutes](https://bettercotton.org/wp-content/uploads/2018/07/BCI-Statutes_2018.02.08.pdf), the [Better Cotton Chain of Custody Guidelines](https://bettercotton.org/wp-content/uploads/2021/01/Better-Cotton-CoC-Guidelines-V1.4-Final-Dec-2020-updated.pdf), the [Better Cotton Claims Framework](https://bettercotton.org/wp-content/uploads/2019/11/The-Better-Cotton-Claims-Framework-V2.0.pdf) the BCI [Anti-trust Policy](http://bettercotton.org/wp-content/uploads/2015/06/BCI_Antitrust_Policy_final_eng_ex.pdf) and the [Data Protection Policy](https://bettercotton.org/wp-content/uploads/2019/07/BCI_Data-Protection-Policy_2019.pdf), as well as the resulting rights and obligations.

I declare that all information provided is, to the best of my knowledge, comprehensive and correct.

|  |  |
| --- | --- |
| Date of Signature: |  |
| Signature: |  |
| Position within Organisation: |  |

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| Membership Code of Practice |

what we commit to as a member

*BCI exists to make global cotton production better for the people who produce it, better for the environment it grows in and better for the sector’s future. BCI works with a diverse range of stakeholders to promote measurable and continuing improvements for the environment, farming communities and the economies of cotton-producing areas. BCI aims to transform cotton production worldwide by developing better cotton as a sustainable mainstream commodity.*

*As a BCI member, you commit to supporting this mission. You understand and meet this Code of Practice in all your dealings as an organisation. The Code of Practice forms one part of the BCI Principles of Participation, with other components being specific agreements for Traceability System users and Implementing Partners. Breaches of the Code of Practice may lead to a termination of membership as specified in the BCI Statutes.*

**Commitment and Conduct**

The Better Cotton Initiative (BCI) is focused on effecting change and credibility is crucial to mainstreaming Better Cotton successfully. BCI and its members strive to act with integrity at all times. In practice this means:

1. Members commit themselves to the mission, specific aims and strategic principles of the BCI.

## Members promote and communicate this commitment throughout their own organisation and to external partners.

## Members act responsibly and are transparent in their engagement with BCI.

## Members meet the BCI communication rules and do not make any misleading or unsubstantiated claims about the production, procurement or use of Better Cotton, nor about the impact associated with Better Cotton. External communications are evidence-based and consistent.

## Collaboration and Promotion

## BCI is a multi-stakeholder initiative that promotes collaboration. BCI and its members welcome constructive feedback and aspire to be innovative.

1. Members actively share their knowledge and expertise with BCI and other members.
2. BCI complements, rather than competes with, other established initiatives. It works alongside such approaches to increase the amount of cotton produced in a more environmentally and socially sustainable way. Members commit to supporting this collaborative approach.

## Ensuring Continued Credibility of the Initiative

## Credibility and the multi-stakeholder nature of the initiative are crucial to BCI and its members.

## Members help BCI monitor for false claims and other risks to BCI’s integrity and credibility.

## All members contribute to the continuous improvement of the standard and its system.

## Members demonstrate continuous improvement and report back to BCI on progress annually. BCI reserves the right to monitor claims made in these reports.

## Retailers and Brands support farmers and field activities by providing investment contributions on an annual basis.

## Commercial Commitment

Demand for Better Cotton is key to funding and influence. BCI and its members aim to improve the flow of and commitment to Better Cotton throughout the supply chain. BCI does not set a premium and pricing is a function of the market. BCI is firmly based on the traceability of Better Cotton.

1. Members adhere strictly to the BCI anti-trust policy, and refrain from any behaviour which can be construed as anti-competitive practice.
2. Supply chain members respect contract sanctity and contribute to the building of trust in the supply chain. Members on recognised default lists will be suspended.
3. Retailers and Brands work to procure Better Cotton in alignment with a strategy or plan for securing 100% more sustainable cotton.
4. Members work with their clients and suppliers to promote Better Cotton and share knowledge.
5. Retailers and Brands commit to working with their supply chains to promote trust and respect throughout and commit to sending strong demand signals for Better Cotton.

## I am authorised on behalf of my company and hereby confirm that we understand and will follow this Code of Practice.

## \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

## Location and Date of Signature Entity Name

## \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

## Position within Organisation

## \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

## Signature

## \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

## Signatory Name (Printed) Entity Stamp

## Please sign and submit only this page to the BCI Secretariat.

## *All members have the responsibility to inform their employees about the content of this Code of Practice and secure their compliance.*

## *BCI is committed to continuously reviewing and updating its policies and procedures, therefore this Code of Practice can be subject to modification. Partners and members are responsible for keeping themselves informed of the contents of such documents.*

## *If you, your employees or any other representatives of your company have questions concerning the meaning or application of the BCI Membership Code of Practice, please contact membership@bettercotton.org.*

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| TERMS OF MEMBERSHIP |



BCI membership is renewed annually upon fee payment.

Members wishing to terminate their membership shall give three months’ advance notice in writing by emailing [membership@bettercotton.org](mailto:membership@bettercotton.org). Fees already paid for current membership year are not refundable.

# Terms of Payment

* 1. Membership fees are payable on an annual basis.
  2. Invoices will be sent electronically by email by default and as hard copy by post upon request only.
  3. Invoices will be considered as received on the next business day following the day the documents were emailed.
  4. Membership fee invoices are payable within 60 days of receipt.
  5. After 30 days a reminder will be sent by the BCI Secretariat. Fee payments will be considered late if received after the payment term has expired. A fee of up to 5 % of the initial amount invoiced may be charged for late payments.
  6. Failure to pay membership fees for 5 months or longer may result in suspension and/ or termination of membership.
  7. Fees are reviewed annually by the BCI Council.

# Adherence to the Better Cotton Initiative Code of Practice

The adherence of members to the Better Cotton Initiative Code of Practice is fundamental to the integrity, credibility and success of Better Cotton.

A violation of the BCI Code of Practice may lead to the suspension and / or termination of membership. A breach of the BCI Code of Practice includes, but is not limited to the following:

**Practice contradicting the spirit of BCI, its mission, aims and strategic principles**

* 1. Endangering the interests or the reputation of the Better Cotton Initiative and of Better Cotton.
  2. False representation of BCI and Better Cotton.
  3. Making misleading or unsubstantiated claims about the production, procurement or use of Better Cotton and the impact associated with it.
  4. Being listed on a default list.
  5. Behaving in a manner contradictory to the BCI anti-trust guidelines.
  6. Taking part in anti-competitive practices.

**Lack of commitment and engagement**

* 1. Lack of strategy and annual targets to procure Better Cotton (brands and retailers only).
  2. Neglect to provide financial capacity investment contributions (brands and retailers only).
  3. Lack of engagement e.g. no attendance at BCI events/workshops/webinars.
  4. Failure to report back performance to BCI annually according to guidelines provided by BCI.
  5. Failure to demonstrate progress through this report (2.10).

# Termination of Membership

**Under the BCI Statutes, a member ceases to be a member of the Association if the** **member:**

* 1. becomes insolvent
  2. is wound-up or is dissolved
  3. resigns that membership by written notice to the BCI Secretariat with a notice period of at least three months
  4. or is expelled from the Association, according to art. 3.5-9.

**The Council may expel a member if it determines that:**

* 1. the member no longer meets the definition specified for the member’s membership category
  2. the member no longer meets the membership criteria
  3. the member fails to adhere to the BCI Code of Practice
  4. the member fails to pay their membership fees on an annual basis and in accordance with the membership fee structure
  5. or the member is endangering the interests or the reputation of BCI.

In case of expulsion, the Council must give the member at least 30 days written notice of the expulsion, stating the grounds for the expulsion and allowing the member to provide a written submission stating why they should not be expelled, with such submission to be received prior to the proposed date of expulsion. The Council’s decision whether or not to expel a member is final.