



GIF Funding 2022–2030

BETTER
COTTON
GROWTH &
INNOVATION
FUND

To be reviewed July 2023
(following completion of Standard revision)

Background

The Growth and Innovation Fund (GIF or the Fund) was established in 2016 as the successor to the Better Cotton Fast Track Programme (2010–2015). The Fund’s main objective was to ‘become a catalyst for transforming the production of cotton around the globe, achieving scale and impact.’

This document sets out the vision, mission, values and aims of the Fund for Better Cotton’s current strategic period 2021–2030.

Vision

A world where all cotton farming is sustainable

Mission

To help cotton communities,¹ through effective and transformative funding, to survive and thrive, while protecting and restoring the environment

1. Better Cotton intends terms like ‘communities’ to be fully inclusive and cover all people within farming communities – men, women and other excluded groups



Our values

Respect

We want the partnership to be as respectful as possible, recognising that there is an asymmetric power dynamic in any funding relationship.

Flexibility

We will fund in a way that fits as closely as possible the needs of farming communities, and by turn, the needs of partners.

Participation

We will routinely consult with funded partners, programme participants, Better Cotton teams and the governance bodies of the Fund to ensure that funding remains effective and relevant to all involved.

Equality and inclusion

We want to ensure that everyone can equally participate in and benefit from Better Cotton through funding organisations with inclusive approaches to project design and delivery.

Impact-led

We want to use the funds to the best possible effect. We will not repeat funding for projects which do not create benefit for individuals or reduce the environmental impact of crop production.

Learning

We will continuously adapt and improve our funding based on findings from each funding cycle.

Our impact areas

All funding will be directed to projects that contribute to progress in the following five impact areas

1 Climate change

Climate change is already impacting farmers around the world as extreme weather events put crops and livelihoods at risk. At the same time, the agricultural sector contributes significantly to the crisis, responsible for approximately 12% of the world's greenhouse gas (GHG) emissions. The largest drivers of GHG emissions in cotton production are fertiliser production, the power used for irrigation, and fertiliser application. By implementing better agricultural practices that reduce synthetic nitrogen fertiliser use and improve soil management, male and female farmers can increase yields, reduce their climate impact, and see positive results not only for their farm but also their communities. More on this impact area [here](#).

Our target: Reduce GHG emissions per tonne of Better Cotton lint produced by 50% by 2030, from the 2017 baseline

2 Soil health

According to the Food and Agriculture Organization, approximately one third of the world's soils are degraded. Healthy soils are critical to sustain plant and animal life as well as air and water quality. They make environments more resilient to extreme climatic events such as droughts and floods, and they are also essential for a productive cotton crop. We know first-hand at Better Cotton that improved soil health can enhance productivity and yields, which also directly improve farmer incomes. Not only that, but many soil health management practices are also climate change mitigation measures. These measures stand to make a big impact when considering that global soils contain more carbon than vegetation and the atmosphere combined. More on this impact area [here](#).

Our target: To be defined end 2022

3 Pesticide use

Pesticides are the main form of crop protection used around the world. However, their negative consequences pose serious risks to the environment and to farmers. Synthetic pesticides can cause serious health issues like cancer and neurological diseases, in addition to having long-lasting impacts on the environment, from polluting water sources to contaminating food supplies. Addressing pesticide use in cotton production is especially important.

Globally, cotton covers just 2.4% of the world's cultivated land but uses 5% of the world's pesticides and 10% of the world's insecticides² – more than any other single major crop. Integrated Pest Management, methods which guide farmers to use non-chemical pest control as the first choice and conventional pesticides as a last resort, is a key component of the Crop Protection requirements in the Better Cotton Standard. More on this impact area [here](#).

Our target: To be defined end 2022

4 Smallholder livelihoods

The cotton sector directly supports the livelihoods of 350 million people, of which 100 million are farmers and cultivators. The vast majority of Better Cotton farmers are smallholders. Improving the livelihoods of these farmers will be a key impact area over the next nine years. More on this impact area [here](#).

Our target: To be defined end 2022

5 Women's empowerment

Throughout every impact area, women are critical to advancing progress. Creating a more gender-equal agricultural sector is crucial for women's economic advancement especially in countries in South Asia and Sub-Saharan Africa, where the agricultural sector is their primary source of employment. More on this impact area [here](#).

Our target: To be defined end 2022

2. Source: International Cotton Advisory Committee. (2021, June). ICAC cotton data book 2021. Figure 34: Pesticide use in agriculture: Active ingredient (kg/ha).

Our four funds

The GIF will manage four funds: the **Small Farm Fund**; the **Knowledge Partner Fund**; the **Innovation and Learning Fund**; and the **Large Farm Fund**.

The Fund was originally established to support small farms.³ The majority of the Fund's money will continue to be spent on projects that focus on smallholder communities.

The sourcing needs of Better Cotton's members will also be taken into account when defining the geographic scope of the Funds so the countries considered for each Fund may vary over time.

3. Better Cotton's farm size definition:

Small	Farmers who are not structurally dependent on permanent hired labour, and whose farm size does not exceed 20 ha of cotton
Medium	Farmers who are structurally dependent on permanent hire labour, and whose farm size is between 20 to 200 ha of cotton
Large	Farmers who have a farm size above 200 ha of cotton, or have mechanised production, and/or are structurally dependent on permanent hired labour

Small Farm Fund

The Small Farm Fund is dedicated to projects supporting small or medium farms.

Objectives:

- 1 To improve the livelihoods and health of women and men producing cotton.
- 2 To protect and restore the environment in and around farms producing cotton.
- 3 To support male and female farmers and workers to produce cotton in a way that follows the Better Cotton Principles and Criteria.
- 4 To support partners to develop or hone their systems, expertise and human resources to enable them to more effectively support farming communities.

Funding will be prioritised for projects which fulfil all four objectives.

We are particularly interested in funding:

- Organisations that have an intimate understanding of, and excellent rapport with, the farming communities with which they work, and understand how, and strive to, include all excluded groups.
- Organisations that recognise that farmers are often the real experts.
- Organisations that analyse their progress each season and strive to improve year on year.
- Projects that are built on community consultation so that the needs of farming communities are fully understood and integrated.
- Projects that push the boundaries and take risks to explore new, more impactful approaches.

Knowledge Partner Fund

Objectives:

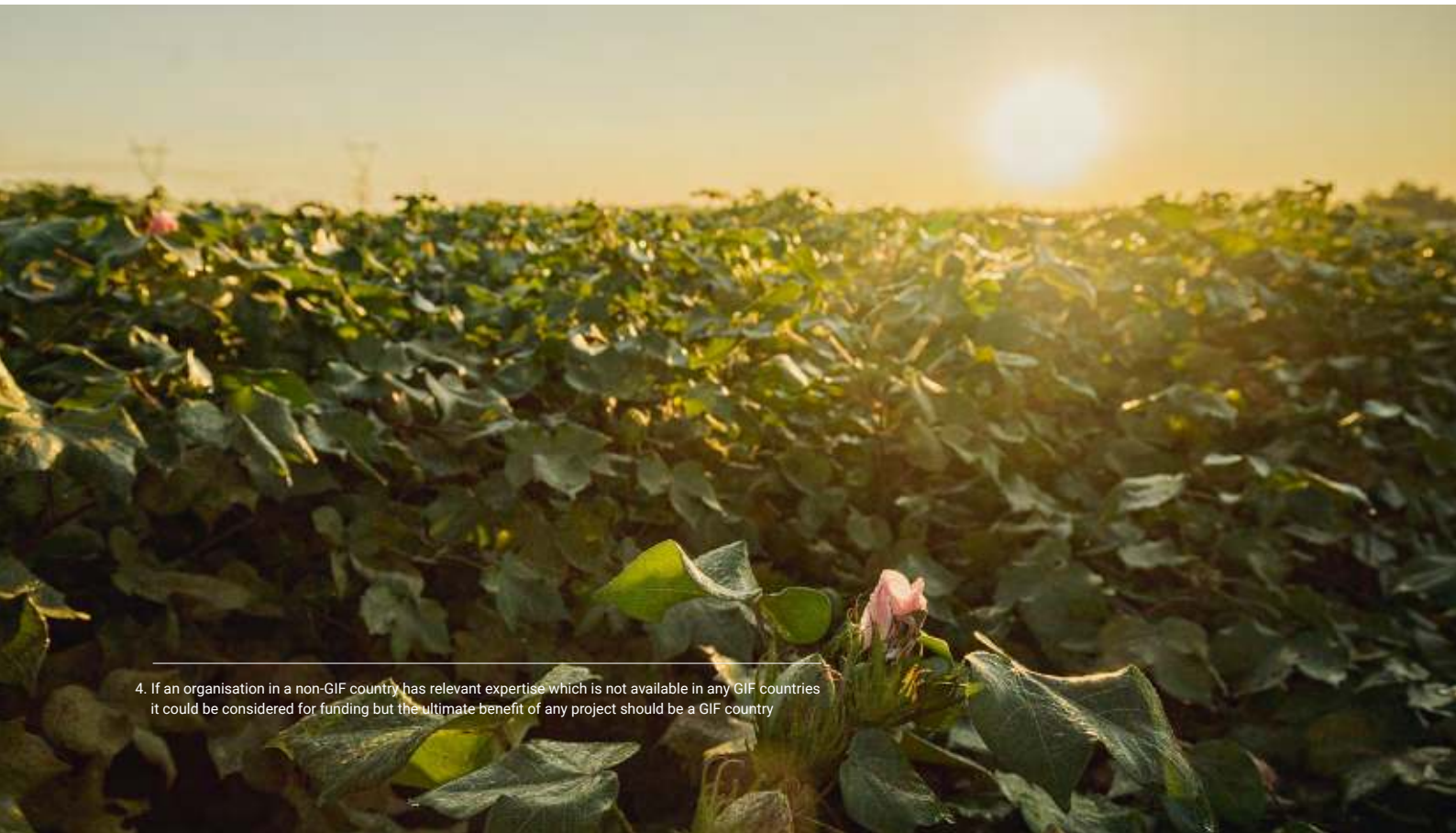
1 To provide external support to our Programme Partners. This may take the form of, for example, technical input on project design or training activities for partner staff or farmers and workers.

2 To map potential knowledge partners in any of the GIF countries, or in other countries where necessary⁴ (short term objective).

We are particularly interested in funding:

- Organisations with demonstrated expertise in climate change mitigation and adaptation, supporting rural livelihoods, gender, regenerative agriculture.
- Organisations which have considerable experience of working closely with rural communities, especially in a cotton context.

4. If an organisation in a non-GIF country has relevant expertise which is not available in any GIF countries it could be considered for funding but the ultimate benefit of any project should be a GIF country



Innovation and Learning Fund

Objectives:

- 1 To research and pilot replicable approaches, such as those which overcome barriers to adoption of improved agronomic practices or overcome systemic issues experienced by multiple farmers or partners.
- 2 To critically examine current approaches and activities of our Programme Partners and suggest alternatives to those which are less impactful.
- 3 To map best practices among current partners.

We are particularly interested in:

- Projects which will increase the net income of women and men farmers associated with our Programme Partners.
- Projects which will help women and men farmers mitigate and/or adapt to climate change.
- Projects which are transformative.



Large Farm Fund

Objective:

- 1 To fund research or on-farm trials that will support Large Farm Partners to adopt agronomic practices that directly contribute to Better Cotton's strategic targets.

We are particularly interested in:

- Projects that drive adoption of cultural practices and non-synthetic alternatives to pesticides, especially Highly Hazardous Pesticides, or support an overall reduction in pesticide toxicity.
- Projects that support climate change mitigation and/or soil health.
- Projects that incorporate on-farm research or pilots on licensed Better Cotton farms.



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