



**Assurance
Outcomes
Report
2021-22**

Contents

Introduction	2
Glossary	2
Producer Participation Summary	4
Licenses	5
Number of Assessments	7
Assessment Outcomes	9
Average NCs per Assessment	11
Average NCs per Assessment: 3-Year Analysis	13
Top NCs	15

Introduction

Following the closure of the 2021-22 season, the Assurance outcomes analysis has been completed and compiled into a report. In this report you will find an overview of the results from the 2021-22 Assurance season, with a focus on participating numbers, assessment and licensing outcomes, and Non-Conformity occurrences. The following results were gathered through the analysis of data from direct Better Cotton programmes and does not include any results from benchmark countries.

Glossary

The following terms are frequently used throughout this document.

3PV	Third-Party Verifier. 3PV can refer to an approved 3PV organisation or a licensing assessment carried out by an approved 3PV.
INC	Incidental Non-Conformity. INC on a P&C core indicator.
PP	Programme Partner. Better Cotton’s PPs are organisations with local expertise who oversee the set-up and management of PUs under the Assurance model. Prior to the 2021-22 season they were referred to as Implementing Partners.
LA	Licensing Assessment. Every Producer receives an LA before being issued with their first license and again before each license renewal (typically every 3 years). LAs are conducted by trained Better Cotton assessors or by approved 3PVs.
LF	Large Farm. In the context of the Better Cotton Assurance model, an LF is characterised as a farm comprised of about 200 ha of cotton and that either uses mechanised production or is structurally dependent on permanent hired labour.
NC	Non-conformity. NC on a P&C core indicator. This can be Incidental or Systemic.
P&C	Principles and Criteria. The Better Cotton P&C includes 7 Principles covering the most significant global sustainability issues associated with cotton production. The 7 Better Cotton Principles are further defined through 42 criteria and a subset of 164 indicators. Detailed information for each indicator can be found in the Better Cotton P&C .
Producer	In the context of the Better Cotton Standard System, Producer refers to either an individual LF or a PU (group) of Smallholders (SHs) or Medium Farms (MFs). Licenses to sell Better Cotton are administered at the Producer level.



PU	Producer Unit. A group of SHs or MFs who participate in the Better Cotton programme through a group model. Each PU is overseen by a dedicated PU Manager and has an optimal size of 3,500 to 4,000 farmers for SHs and 100 farmers for MFs.
SNC	Systemic Non-Conformity. SNC on a P&C core indicator.
SVA	Surveillance Assessment. SVAs are conducted on a small sample of PUs with valid licenses based on risk or changes in farmer composition. LAs are conducted by trained Better Cotton assessors or by approved 3PVs.

Producer Participation Summary

Key Points

- In the 2021-22 season there were 920 Participating Producers across 11 direct Better Cotton countries.
- Of these, 545 (59%) were Participating and Set-Up PUs, and 375 (41%) were LFs.
- India had the highest number of PUs with 248 and the United States had the highest number of LFs with 347.
- Mali had the highest percentage growth from the previous season, increasing from 17 Producers in 2020-21 to 31 Producers in 2021-22, representing an increase of 82%.

Country	Participating PUs	Participating LFs	Set-Up PUs	Total
China	27	0	3	30
Egypt	4	0	3	7
India	236	0	12	248
Kazakhstan	1	0	0	1
Mali	24	0	7	31
Mozambique	31	0	0	31
Pakistan	169	12	7	188
South Africa	6	7	0	13
Tajikistan	4	0	0	4
Turkey	10	9	1	20
United States	0	347	0	347
Total	512	375	33	920

Table 1: Participating PU and LF numbers and the number of PUs in the Set-Up phase for the 2021-22 season per country.

Note 1: Participating Producers are Producers who engage in Better Cotton activities from the beginning of the cotton season, including training and capacity building as well as Assurance operations. Set-Up PUs are SHs or MFs that are in their first season, in which they focus on farmer outreach and training before being assessed for licensing, typically in their second season.

Note 2: Under the Assurance model v4.2, the concept of Set-Up phase does not apply to LFs.

Licenses

Key Points

- In the 2021-22 season there were a total of 1000 Producers eligible for licensing. Of these, 86% had an Active license, 13% had their license cancelled or denied and 2% had their license suspended.
- SNC represented 15% of all cancellations, denials and suspensions. The remaining 85% were due to Corrective Action Plans not being closed by the deadline, Producers not participating, Results Indicator Reports or Self-Assessments not being submitted, and other reasons.
- Producers choosing not to participate accounted for 68% of all Cancelled/Denied licenses in the 2021-22 season. Of this, 91% were Producers in the United States.

Country	License Status			Total
	Active	Cancelled/Denied	Suspended	
China	26	1	0	27
Egypt	4	0	0	4
India	223	16	0	239
Kazakhstan	1	0	0	1
Mali	24	0	0	24
Mozambique	34	7	0	41
Pakistan	177	6	2	185
South Africa	13	4	0	17
Tajikistan	4	0	0	4
Turkey	16	6	2	24
United States	336	87	11	434
Total	858	127	15	1000

Table 2: License status totals for each country in the 2021-22 season.

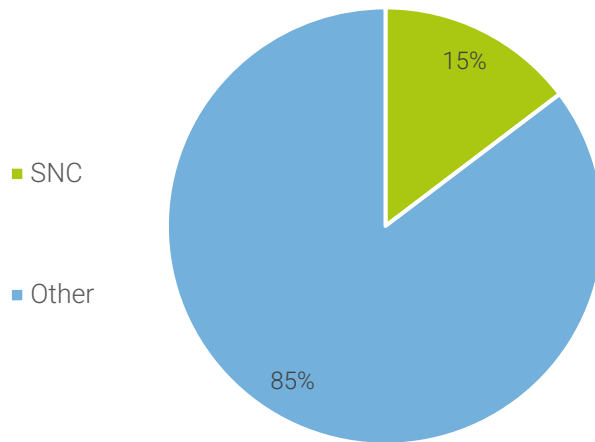


Figure 1: Licenses cancelled, denied or suspended owing to SNCs or other reasons in the 2021-22 season.

Note 1: License statuses indicate the following scenarios:

- 'Active' are licenses that were awarded in the 2021-22 season or awarded previously and retained as Active in the 2021-22 season.
- 'Cancelled/Denied' and 'Suspended' are licenses denied or cancelled for valid license holders owing to SNCs or other administrative reasons, either in the 2021-22 season or in the 2020-21 season with applicability the following season (suspension).

Number of Assessments

Key Points

- In the 2021-22 season, 34% of Participating Producers received an assessment.

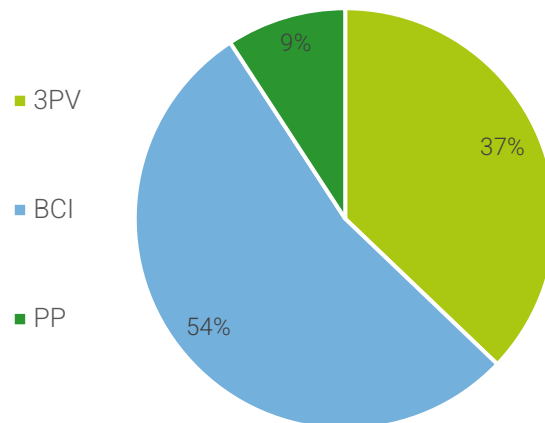


Figure 2: Number of assessments completed globally by 3PVs, BCI and PPs.

Country	3PV		BCI		Totals		Producers assessed
	PU	LF	PU	LF	PU	LF	
China	2	-	5	-	7	-	23.33%
Egypt	0	-	4	-	4	-	57.14%
India	35	-	62	-	97	-	39.11%
Kazakhstan	0	-	0	-	0	-	0.00%
Mali	4	-	6	-	10	-	32.26%
Mozambique	3	-	6	-	9	-	29.03%
Pakistan	24	1	54	0	78	1	42.02%
South Africa	2	1	1	0	3	1	30.77%
Tajikistan	0	-	0	-	0	-	0.00%
Turkey	2	4	6	0	8	4	60.00%
United States		39		25		64	26.80%
Totals	72	45	144	25	216	70	34.24%
		117		169		286	

Table 3: Combined number of LAs and SVAs for each country (excluding United States PP assessments) during the 2021-22 season.



Note 1: Table 3 only concerns assessments conducted within the Better Cotton Standard System for Producers in Better Cotton direct countries.

Note 2: '-' Has been used in Table 3 when a country programme has no Participating PU or LF. See Table 1 for a breakdown of PU and LF participation numbers for each country.

Note 3: The 'Producers assessed' column shows the percentage of Participating Producers that were assessed during the 2021-22 season for each country.

Assessment Outcomes

Key Points

- Of the 286 assessments conducted in the 2021-22 season, 9% resulted in a Systemic Non-Conformity outcome (leading to license denial or cancellation), 62% resulted in a Compliant with Incidental outcome (containing at least one INC and no SNC) and 29% resulted in a Compliant outcome (with no INC or SNC). Removing the United States assessment outcomes from the analysis results in outcomes of 11%, 80% and 9%, respectively.

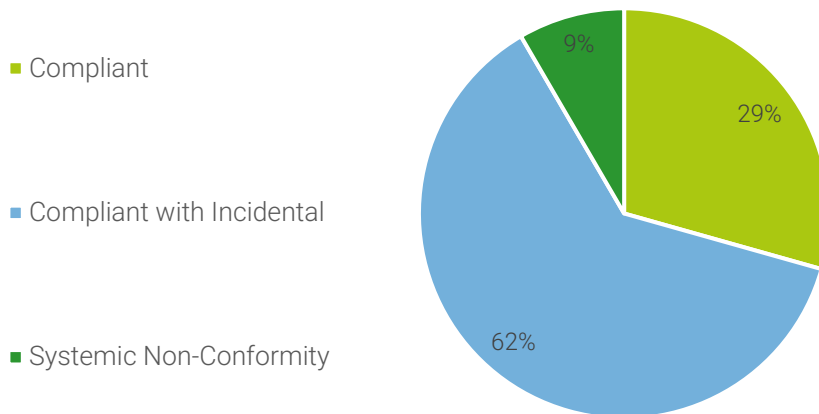


Figure 3: Global breakdown of assessment outcomes.

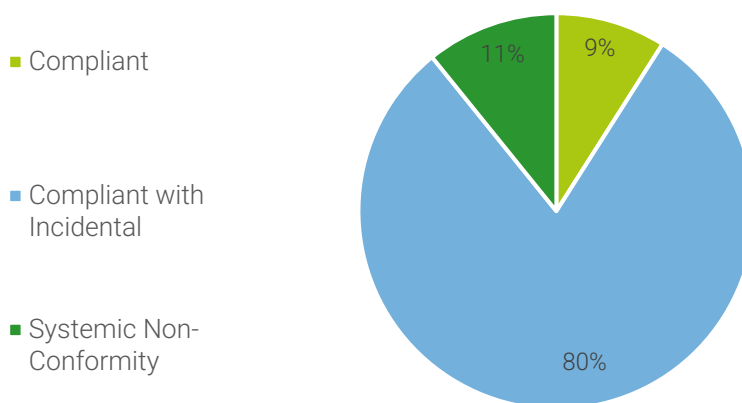


Figure 4: Global breakdown of assessment outcomes, excluding the United States.

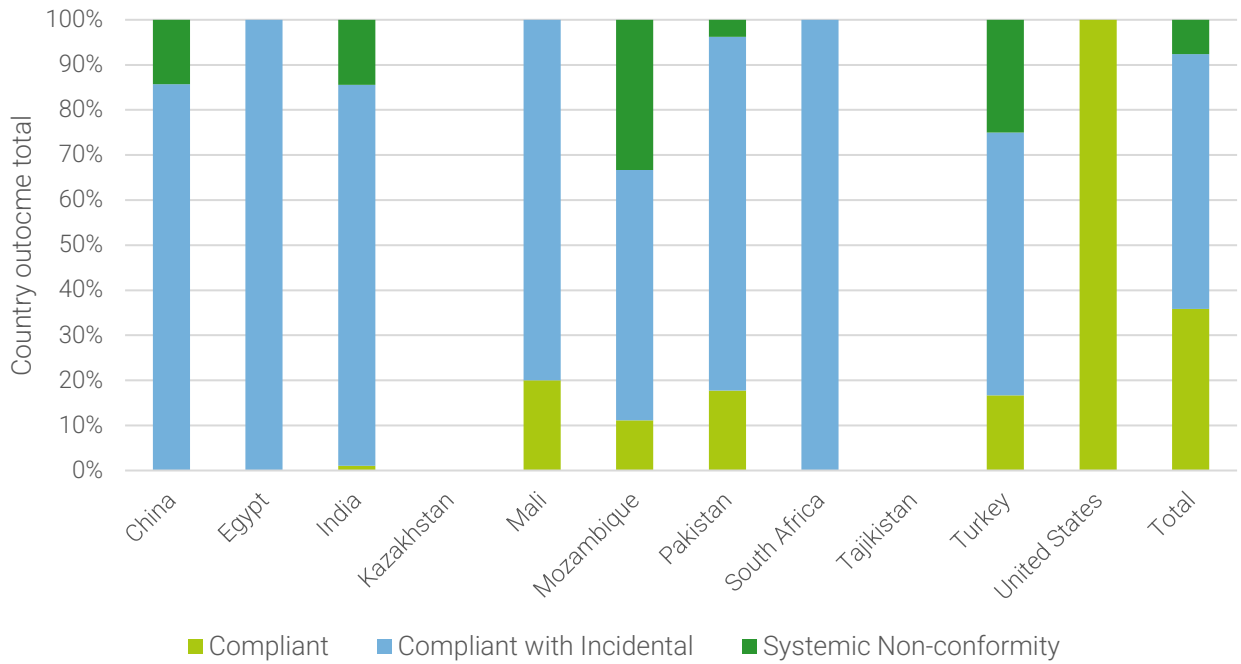


Figure 5: Assessment outcomes per country for the 2021-22 season.

Note 1: No assessments were conducted in Kazakhstan and Tajikistan during the 2021-22 season.

Average NCs per Assessment

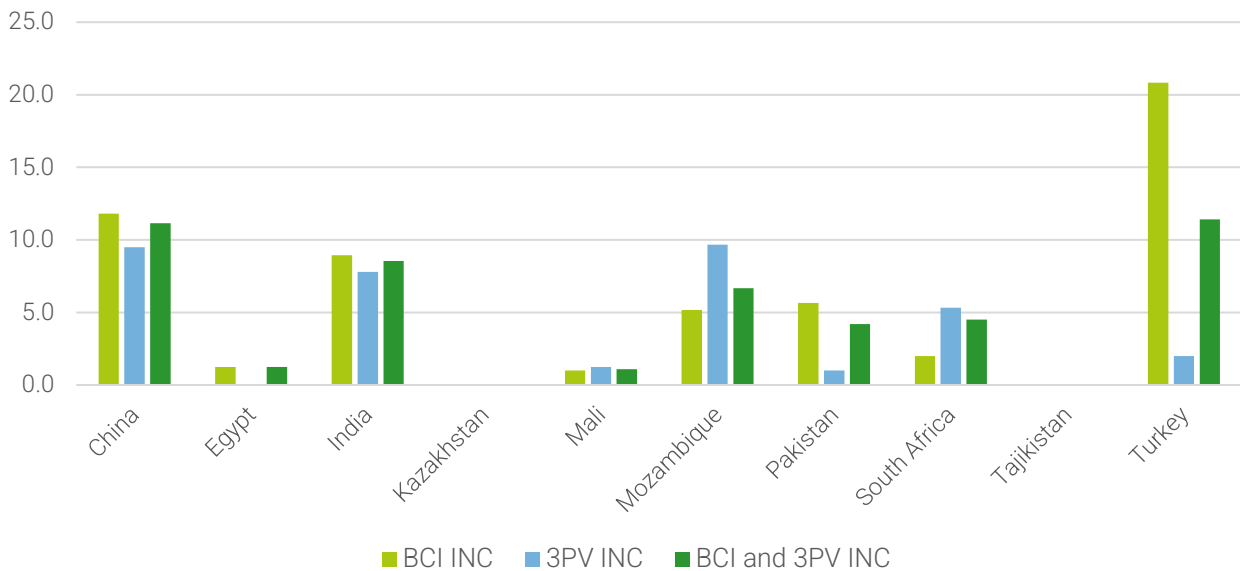


Figure 6: Average number of INCs identified by BCI and 3PVs during assessments in the 2021-22 season as well as a combined average for each country.

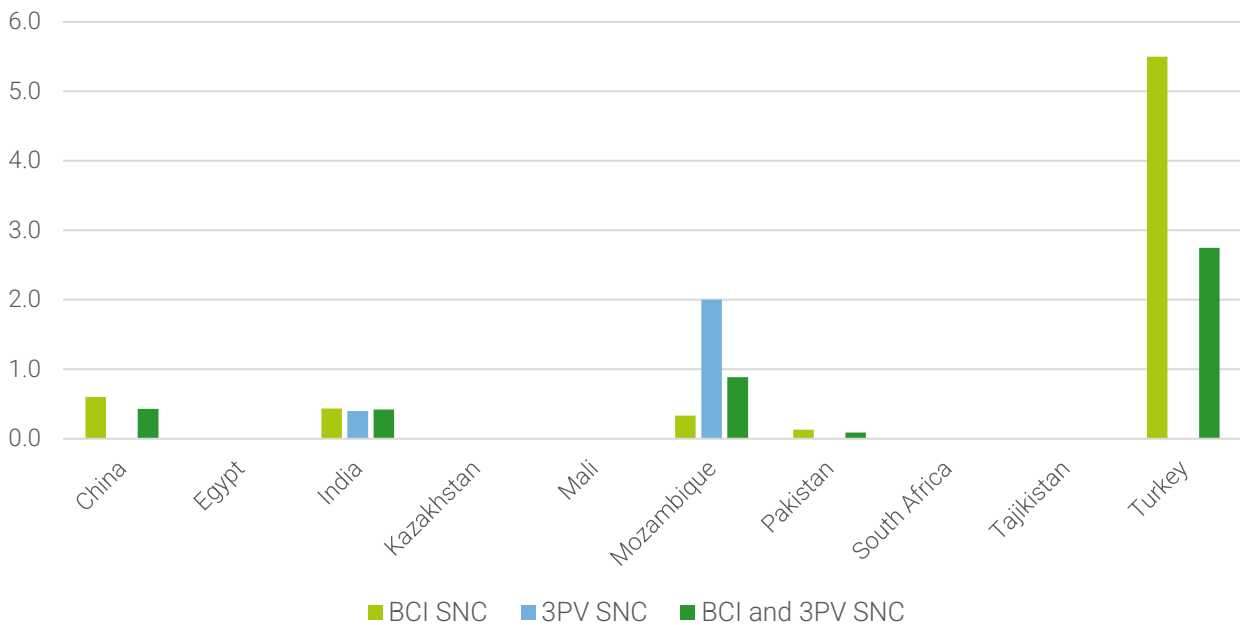


Figure 7: Average number of SNCs identified by BCI and 3PVs during assessments in the 2021-22 season as well as a combined average for each country.



Note 1: The large difference observed between BCI and 3PV assessments in Turkey is due to BCI assessors being allocated three outlier assessments in the 2021-22 season that were high in INCs and SNCs.

Note 2: The United States have been excluded from this analysis as they recorded no NCs during assessments in the 2021-22 season.

Average NCs per Assessment: 3-Year Analysis

Key Points

- Year-on-year increases in the average number of INCs raised over 3 years were registered in 3 countries: China, India and Pakistan. Only Mali registered year-on-year decreases.
- Pakistan was the only country to register year-on-year decrease in SNCs raised over 3 years.

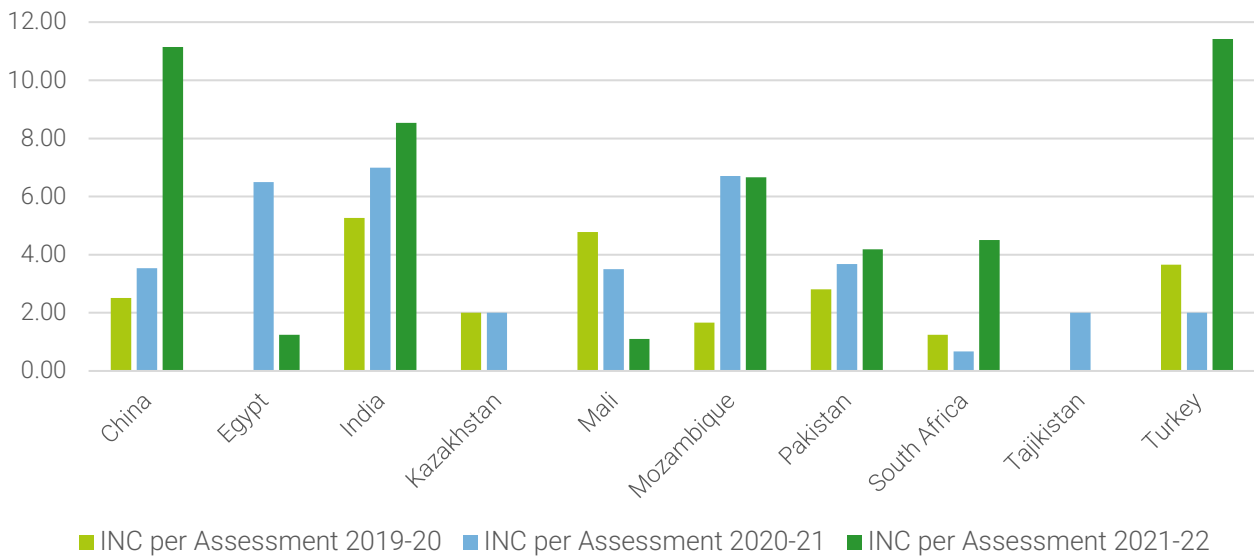


Figure 8: Average number of INCs per assessment over the past 3 seasons for each country.

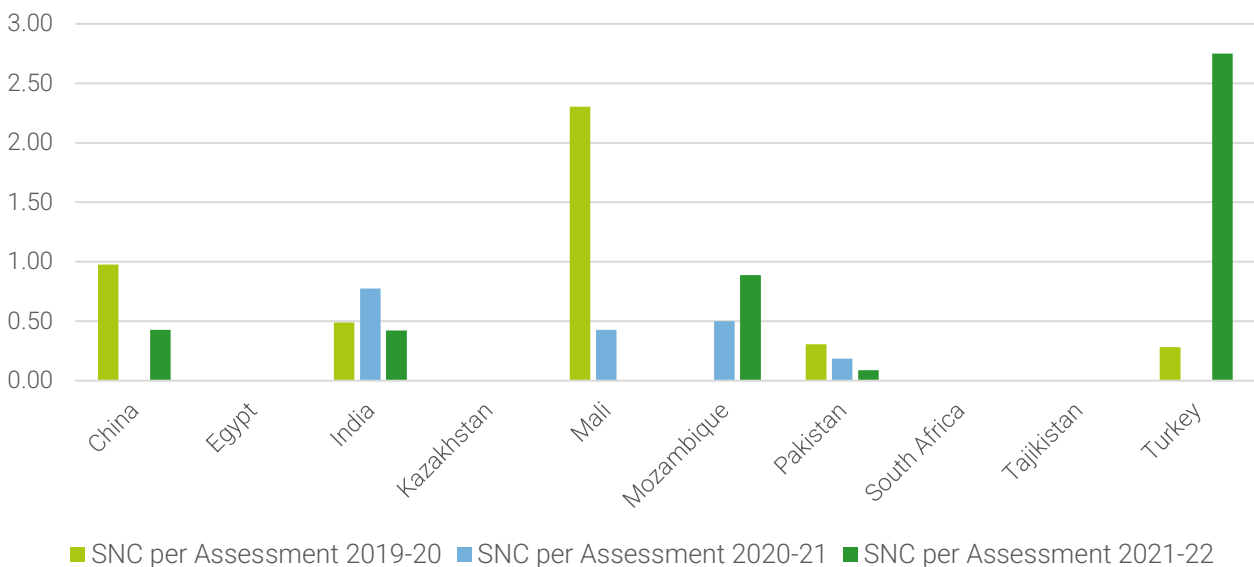


Figure 9: Average number of SNCs per assessment over the past 3 seasons for each country.

Note 1: Egypt and Tajikistan had no assessments during the 2019-20 season. Kazakhstan and Tajikistan had no assessments during the 2021-22 season.

Note 2: The United States have been excluded from this analysis as they recorded no NCs during assessments over the past 3 seasons.

Note 3: The 2019-20 season used the previous Assurance model under which Producers could be assessed by PPs or not receive an assessment when being licensed. PPs were observed to be less inclined to raise NCs than BCI or 3PV assessors.

Note 4: See 'Average NCs per Assessment' section for an explanation on the increases in INC and SNC observed in Turkey between the 2020-21 and 2021-22 seasons.

Note 5: Multiple countries had significantly lower number of assessments in the 2021-22 season compared with previous seasons, such as the decrease in Mozambique from 24 assessments in 2020-21 to 9 assessments in 2021-22. This increased the potential effect that outlier results would have on the data.

Note 6: The large number of SNCs in Mali during the 2019-20 season was mostly due to poor biodiversity management plans and child labour policies across the PUs that were assessed.

Top NCs

Key Points

- Indicator 1.7.2 occurrence decreased between the 2019-20 and 2020-21 seasons before levelling out in the 2021-22 season. Minimum personal protective equipment (PPE) for SH farmers continues to be a challenge for full compliance but, in general, progress is being made towards improved adoption.
- The large variations in results for indicator 3.1.4, which is applicable to MFs only, was likely due to the low number of Participating MFs and so high impact from any outlier assessments.
- Year-on-year increases were observed for 2 indicators: 1.2.1 and 6.1.4. Increases may have been due to increased scrutiny in the past few years around several areas:
 - Cocktail spraying, as cocktails are generally not registered nationally for the use on cotton (1.2.1);
 - Child labour policies and awareness across farmers around tasks that can be performed at various age ranges by children and young adults (6.1.4).

Indicator	Description	NC % (2021-22)	NC % (2020-21)	NC % (2019-20)
1.2.1	Registered pesticides	24	20	13
1.7.2	Minimum PPE	38	38	73
3.1.4	MF soil testing	30	0	32
6.1.4	Child labour policy	29	14	12
7.2.4	Producer operating system	27	31	34
7.3.2	Farm-level record keeping	27	30	46

Table 4: Top 6 core indicators with the highest percentage of NCs (Incidental and Systemic combined) identified during assessments in the 2019-20, 2020-21 and 2021-22 seasons.

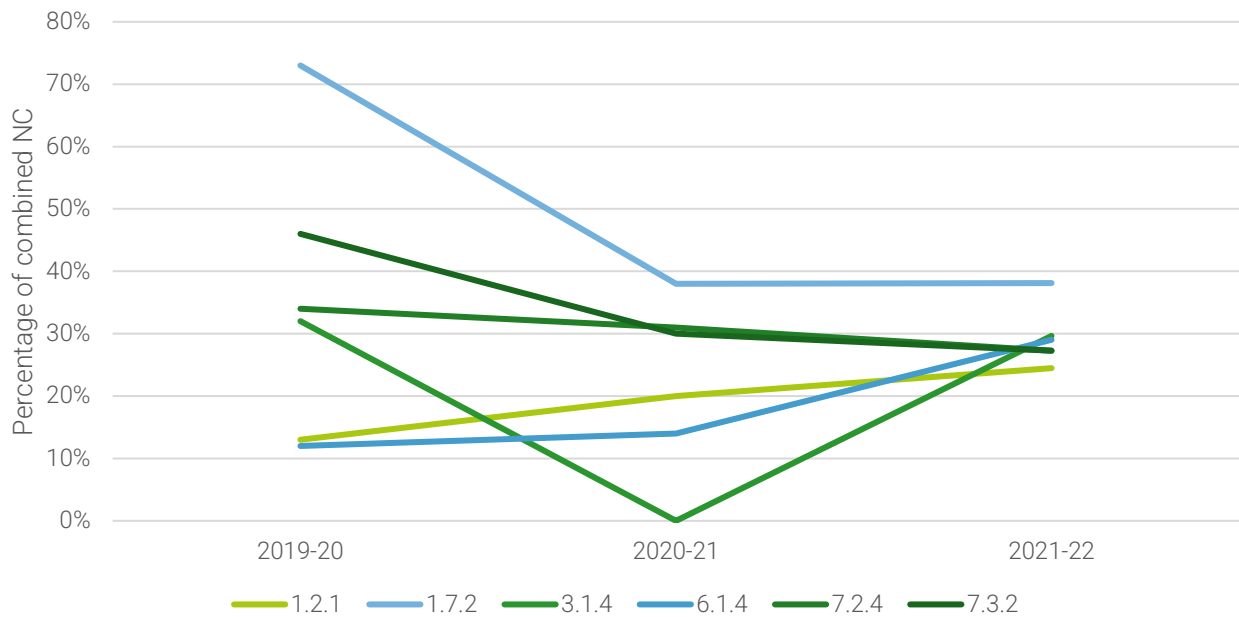


Figure 10: Trends for the top 6 core indicators with the highest percentage of combined NCs over the past 3 seasons.

Note 1: The United States have been excluded from this analysis as they recorded no NCs during assessments in the past 3 seasons.

Note 2: The top 6 NC indicators are determined by calculating the percentage of assessments in which each indicator was INC or SNC out of the total number of assessments for which that indicator was relevant¹.

¹ This depends on the farm category, e.g., indicator 1.2.1 is applicable to SH, MF and LF assessments, while 1.7.2 is only applicable to SH assessments.