



Better Cotton Production & Uptake Report – Q1 2023

For Better Cotton Members only

April 2023



Introduction

The Better Cotton Production and Uptake Report provides Better Cotton Members with an overview of the amount of Better Cotton expected to be available on the market as well as the latest information on Better Cotton uptake at different levels of the supply chain.

By publishing this information, Better Cotton intends to support its Members making available data to help improve the linkages between supply and demand.

This report is published on a quarterly basis.

Better Cotton operates under our [anti-trust policy](#).

NOTE: The information in this report is made available to Better Cotton Members only. Please do not share outside of your organisation.



- 🌱 **Better Cotton Production**
- 🌱 **Better Cotton Uptake**
- 🌱 **Membership Numbers**

Content



Better Cotton Production

Cotton Production Calendar

Seasons 2021-22 and 2022-2023

COUNTRY	2021						2022						2023										
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
China			Harvest	Harvest						Sowing	Sowing				Harvest	Harvest					Sowing	Sowing	
Egypt				Harvest	Harvest	Harvest					Sowing	Sowing				Harvest	Harvest					Sowing	Sowing
India	Sowing		Harvest	Harvest	Harvest	Harvest					Sowing	Sowing			Harvest	Harvest	Harvest					Sowing	Sowing
Kazakhstan			Harvest	Harvest						Sowing					Harvest	Harvest						Sowing	Sowing
Mali	Sowing			Harvest	Harvest	Harvest	Harvest	Harvest	Harvest		Sowing	Sowing			Harvest	Harvest	Harvest					Sowing	Sowing
Pakistan	Sowing	Harvest	Harvest	Harvest	Harvest	Harvest				Sowing	Sowing	Sowing	Harvest	Harvest	Harvest							Sowing	Sowing
Tadjikistan			Harvest	Harvest						Sowing					Harvest	Harvest						Sowing	Sowing
Turkey			Harvest	Harvest						Sowing	Sowing				Harvest	Harvest						Sowing	Sowing
USA			Harvest	Harvest	Harvest	Harvest				Sowing	Sowing				Harvest	Harvest	Harvest					Sowing	Sowing
Mozambique					Sowing	Sowing	Sowing	Sowing	Sowing		Harvest	Harvest	Harvest	Harvest	Harvest							Sowing	Sowing
South Africa				Sowing	Sowing	Sowing				Harvest	Harvest	Harvest				Sowing	Sowing	Harvest	Harvest	Harvest	Harvest	Harvest	Harvest
Greece			Harvest	Harvest	Harvest	Harvest				Sowing	Sowing				Harvest	Harvest	Harvest					Sowing	Sowing
Israel			Harvest	Harvest						Sowing	Sowing				Harvest	Harvest						Sowing	Sowing
Australia					Sowing	Sowing				Harvest	Harvest	Harvest					Sowing					Harvest	Harvest
Brazil					Sowing	Sowing	Sowing	Sowing	Sowing		Harvest	Harvest	Harvest	Harvest	Harvest							Sowing	Sowing

■ Harvest
■ Sowing

This table represents the 2021-22 and 2022-2023 cotton seasons for Better Cotton producing countries and countries with equivalent cotton standards.

The Cotton Production Calendar runs approximately from July to June and aligns with the International Cotton Season set by the International Cotton Advisory Committee (ICAC).

The start of the season corresponds to the beginning of the harvest in the Northern Hemisphere and ends in the following calendar year with the harvests in the Southern Hemisphere.

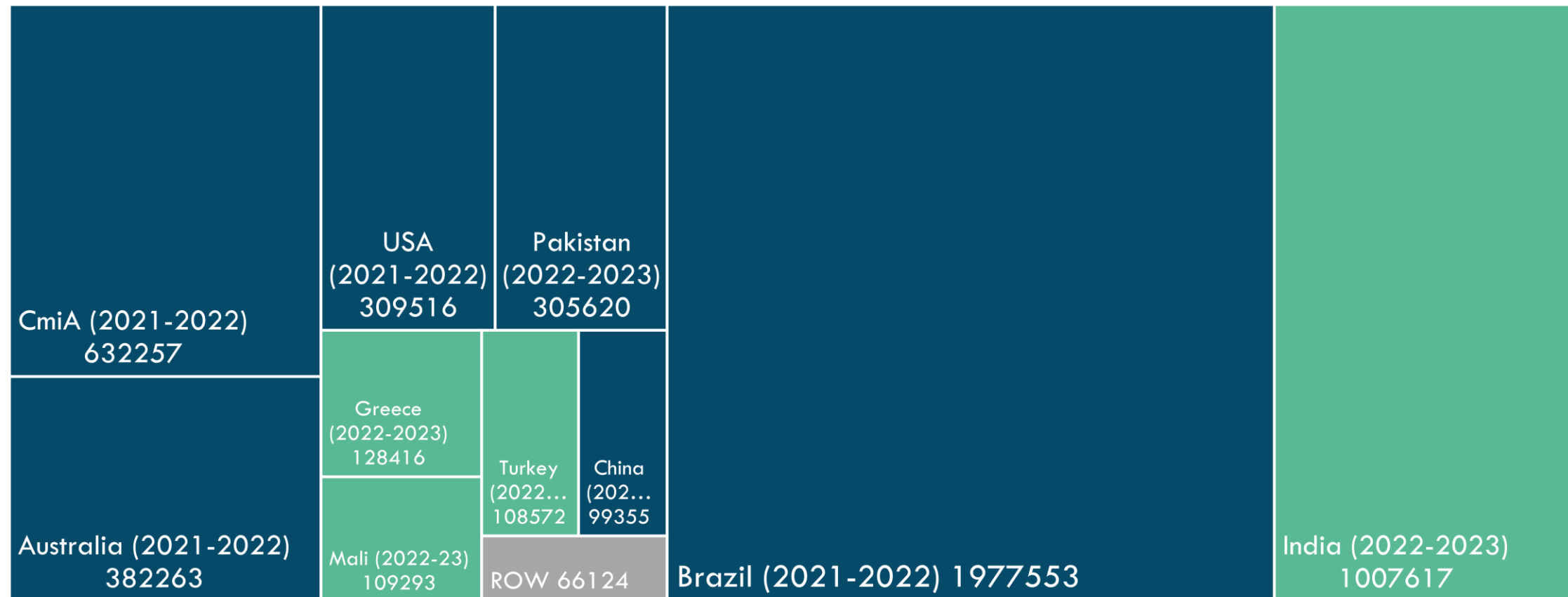
Due to climatic conditions, the start and end of cotton seasons in specific countries may vary each year.

More information at: <https://bettercotton.org/where-is-better-cotton-grown/>



Better Cotton Production

2021-2022 (Southern Hemisphere) and 2022-2023 (Northern Hemisphere) Better Cotton production (in MT)



This graph shows the volume of Better Cotton lint production at country level for a specific season.

Note: Production estimates for each country are provided by Better Cotton's Programme Partners in each country. Depending on the stage of production, the data will represent early season estimates, late season estimates, licensed figures or final post-harvest figures.

In the 2021-22 cotton season, approximately 5.5 million metric tonnes (MT) of Better Cotton were produced, equivalent to 22% of the world cotton production.

*Cotton Made in Africa (CmiA) countries in 2021-22 include: Benin, Burkina Faso, Cameroon, Cote d'Ivoire, Mozambique, Nigeria, Tanzania, Chad, Uganda, Zambia

Early season estimates: Figures estimated by participating producers four weeks after sowing the cotton crop

Late Season estimates: Revised estimates reported during the self-assessment process and according to which Producer Units and Large Farms earn a Better Cotton license

Licensed figures Amount of licensed Better Cotton pre-harvest

Final post-harvest figures Actual figures calculated post-harvest

Estimated total Global Cotton Production in 2021-22 is 25'444'000 MT. Source: [ICAC](#) (as of October 2022)

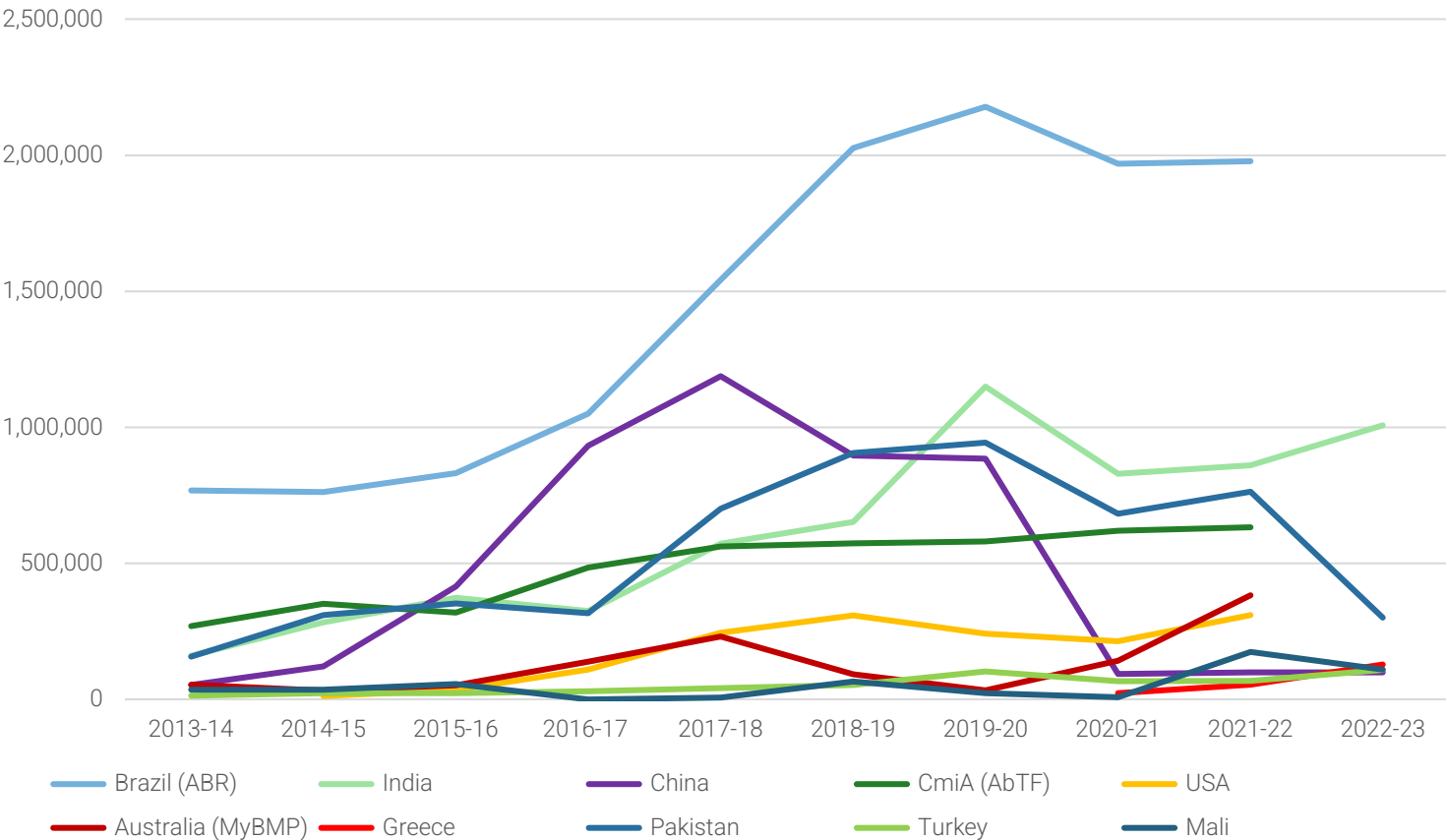
Rest of the World (ROW)	
Kazakhstan (2022-2023)	4,382
Tajikistan (2022-2023)	14,783
Mozambique (2021-2022)	6,617
South Africa (2021-2022)	9,640
Israel (2022-2023)	17,116
Egypt (2022-2023)	2,843
Uzbekistan (2022-2023)	10,743



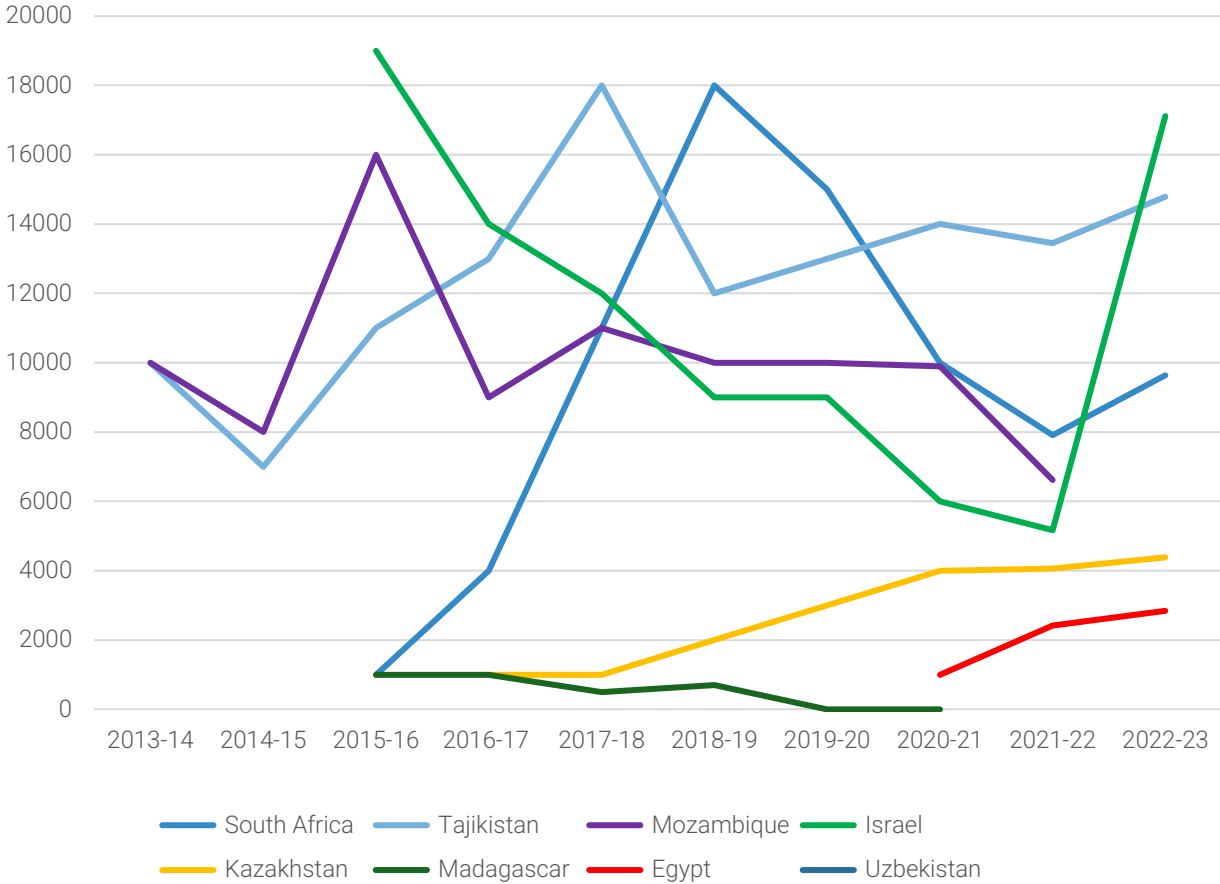
Better Cotton Production Growth

A decade in review – Better Cotton in Production (MT lint)

HIGH PRODUCTION COUNTRIES (Producing > 100,000 MT)



MEDIUM & LOW PRODUCTION COUNTRIES (Producing < 1000,000 MT)



Brazil and India were the top two Better Cotton producing countries in 2021-2022, with roughly 65% of global Better Cotton production.

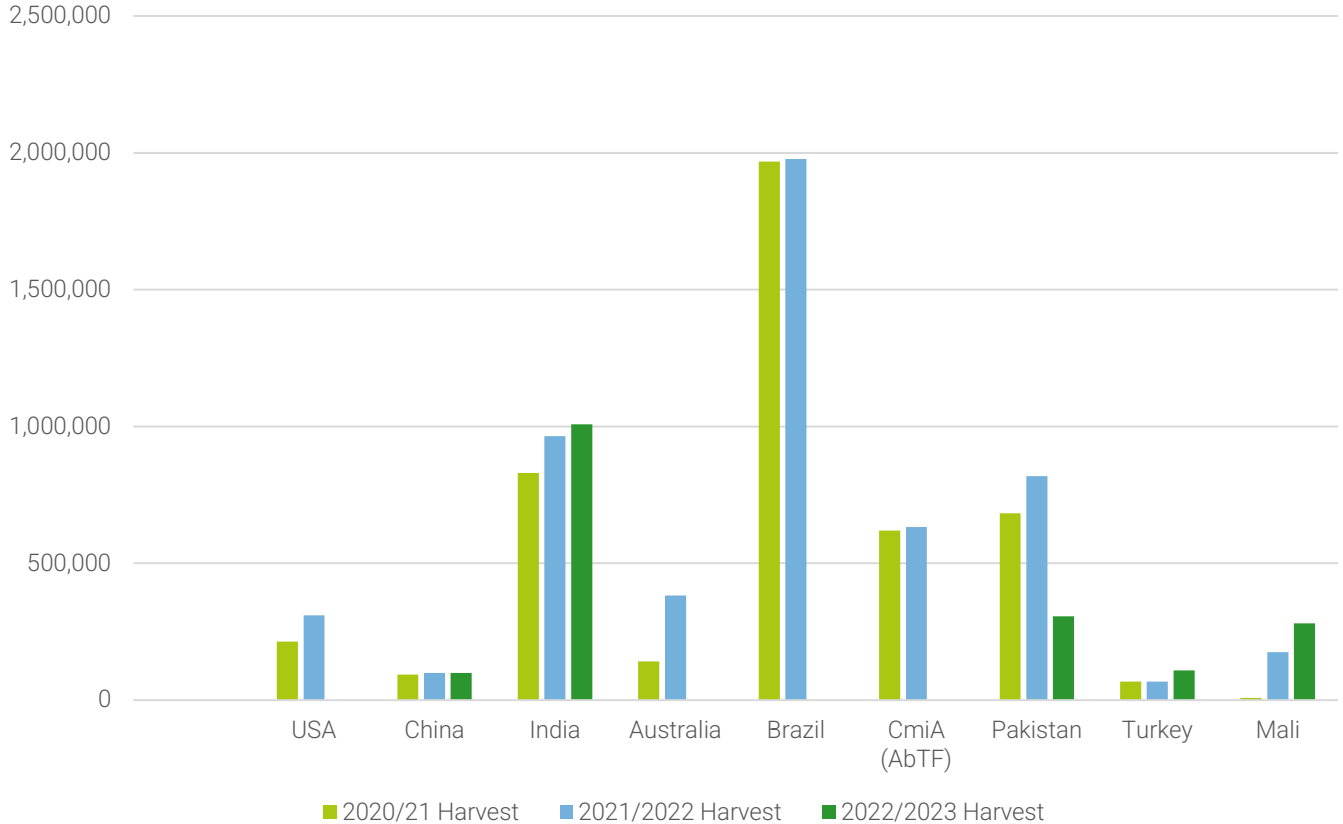
The Better Cotton Programme in Greece experienced the most significant growth during the season 2021-2022, reaching 130'000 MT.



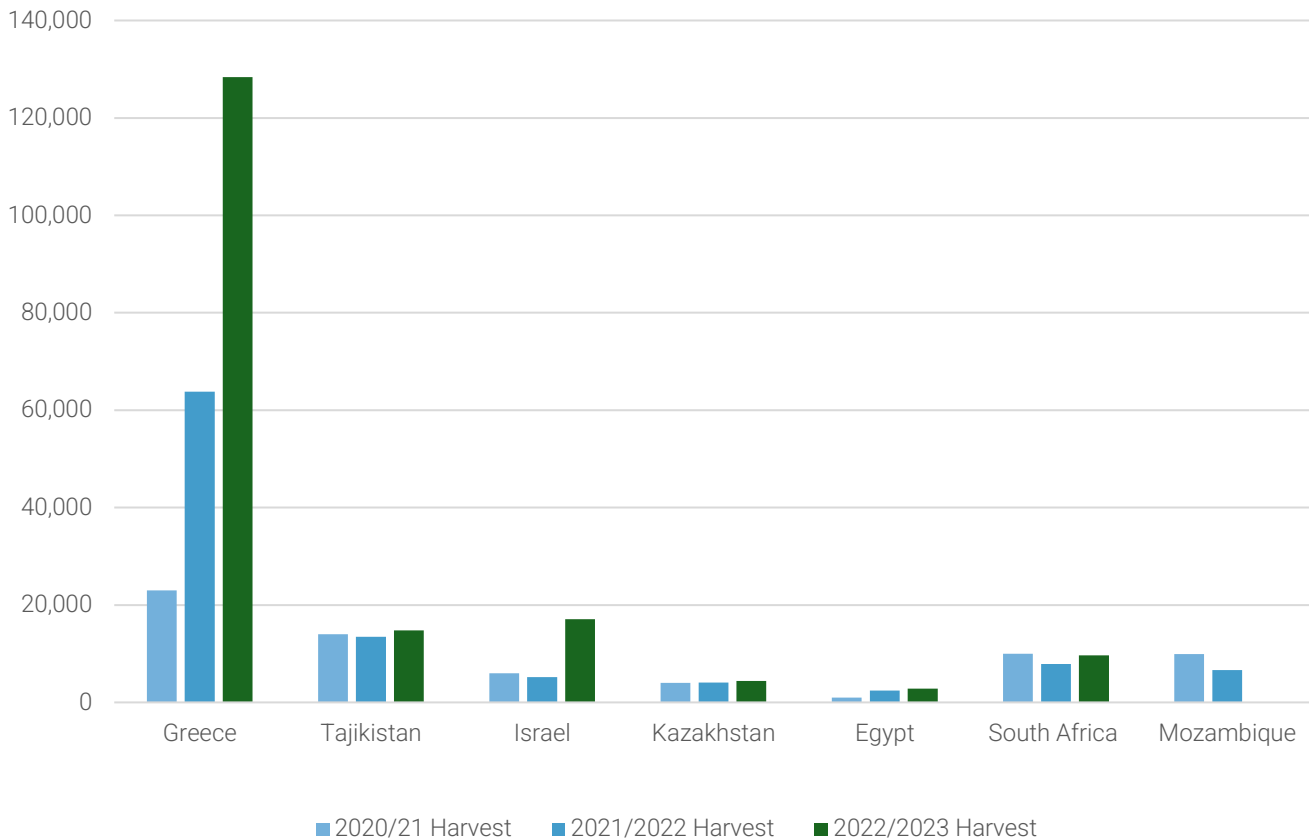
Better Cotton Production

Better Cotton Harvest Estimates – Year on year comparison

EXPECTED BETTER COTTON LINT PRODUCTION - COUNTRIES PRODUCING >100,000 MT (YEAR ON YEAR COMPARISON)



EXPECTED BETTER COTTON LINT PRODUCTION - COUNTRIES PRODUCING <100,000 MT (YEAR ON YEAR COMPARISON)



During the 2021-2022 season, the largest Better Cotton production increases were experienced in Australia, Greece, Israel and Mali due to the expansion of Better Cotton Programmes as well as the continuous growth in the number of participating farmers.

So far in the 2022-23 season, Better Cotton production increases can be seen in most countries, with the exception of Pakistan, who experienced catastrophic flooding during the cotton season.

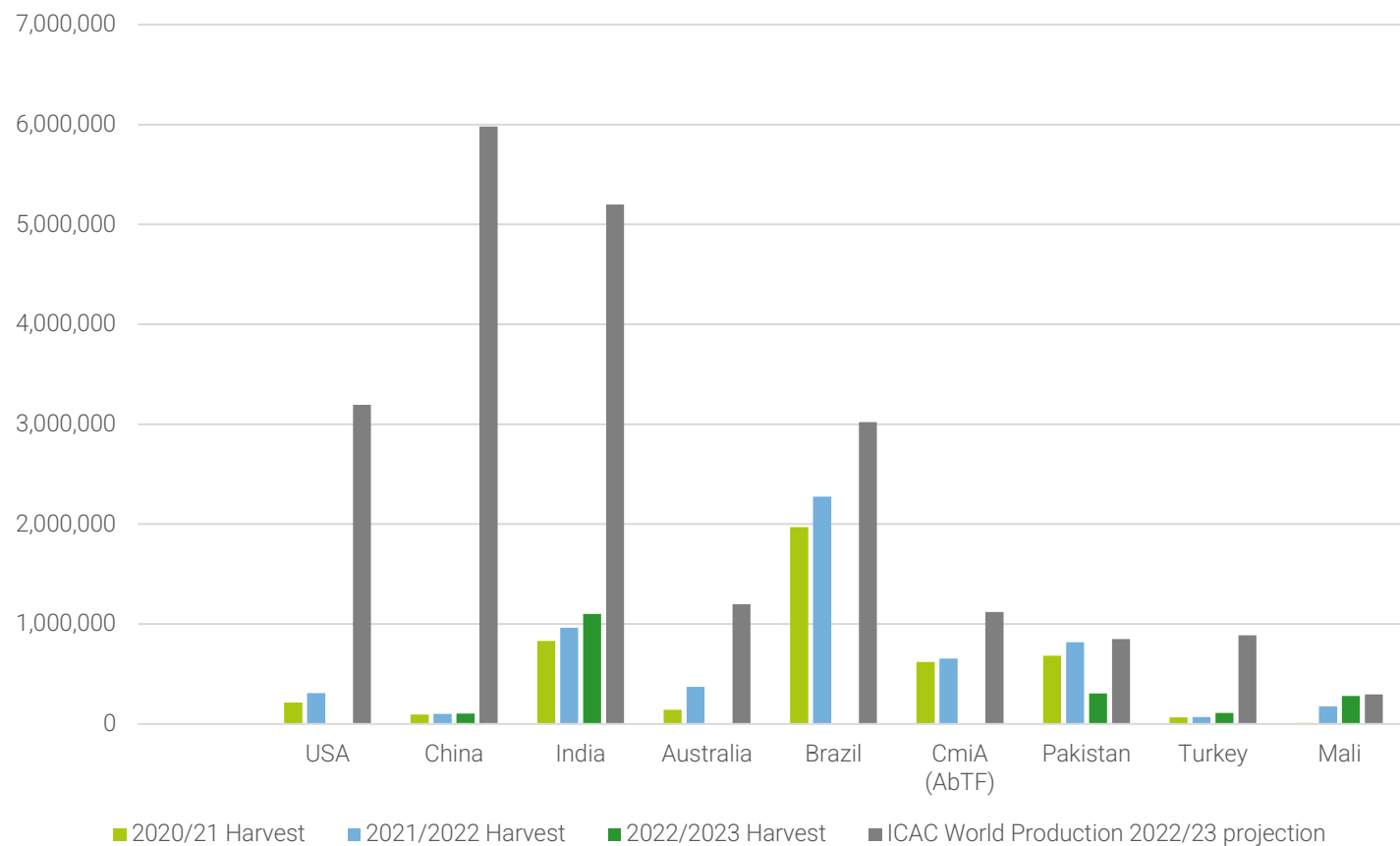
NOTE: As additional early season estimates become available, more countries will be included in these graphs. Early estimations are based on current participating farmers at this early stage.



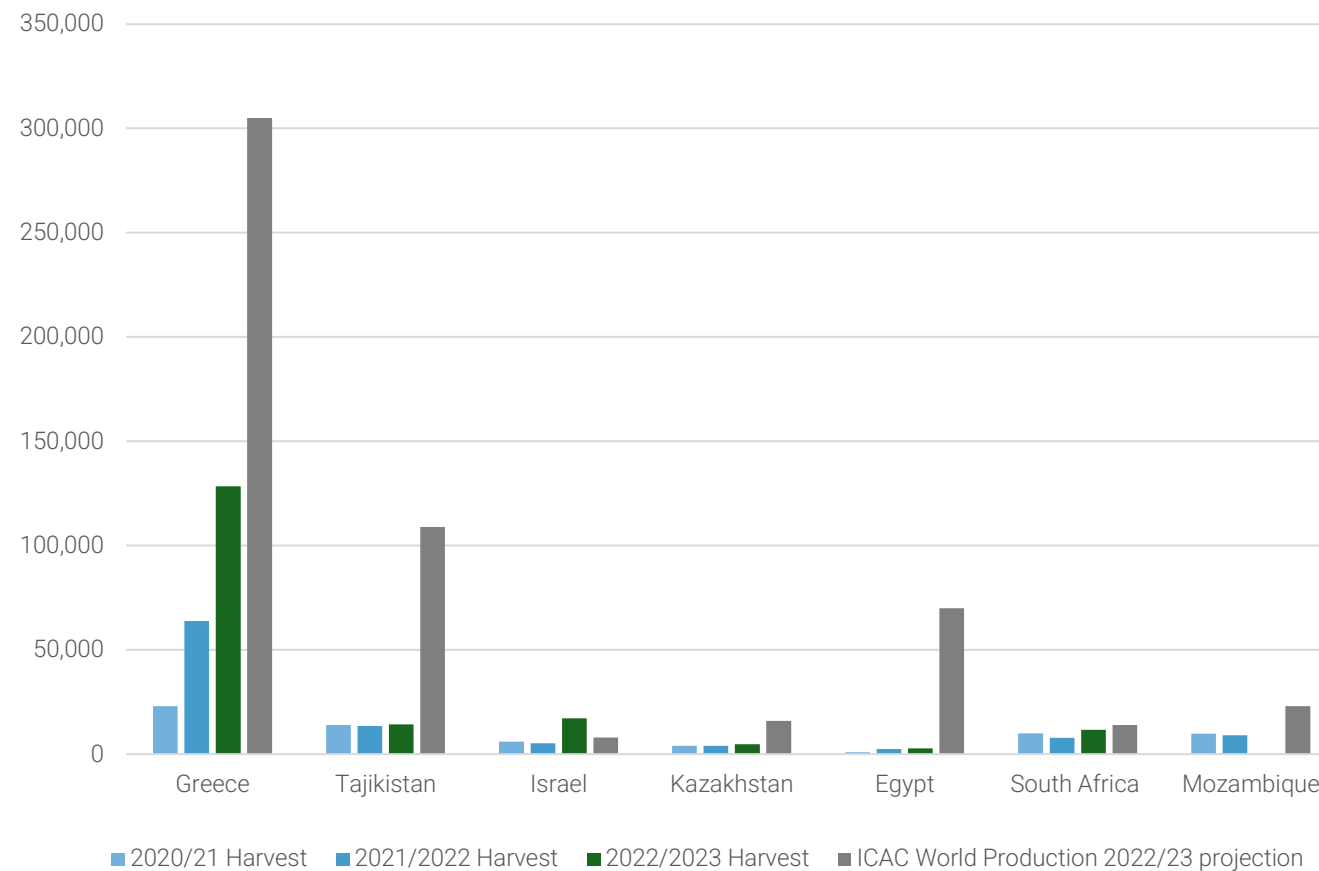
Better Cotton Production

Better Cotton Harvest Estimates – Year on year comparison – including [ICAC 2022-23 projections](#) (Country Online 03/04/2023)

EXPECTED BETTER COTTON LINT PRODUCTION - COUNTRIES PRODUCING >100,000 MT (YEAR ON YEAR COMPARISON)



EXPECTED BETTER COTTON LINT PRODUCTION - COUNTRIES PRODUCING <100,000 MT (YEAR ON YEAR COMPARISON)



Out of the countries Better Cotton operates in, China and India are projected to be the two largest cotton producing countries in the 2022-23 season. In 2022-23 so far, Better Cotton represents 21% of total projected cotton production in India.

During the 2021-2022 season, the largest Better Cotton production increases were experienced in Australia, Greece, Israel and Mali due to the expansion of Better Cotton Programmes.

So far in the 2022-23 season, Better Cotton production increases can be seen in most countries, with the exception of Pakistan, who experienced catastrophic flooding during the cotton season.

NOTE: USA, Australia, Brazil, CmiA and Mozambique early season estimates are not yet available for the 2022-23 season. As additional early season estimates become available, the 2022-23 figures for the USA, Australia, Brazil, CmiA and Mozambique will be included in these graphs. Early estimations are based on current participating farmers at this early stage.



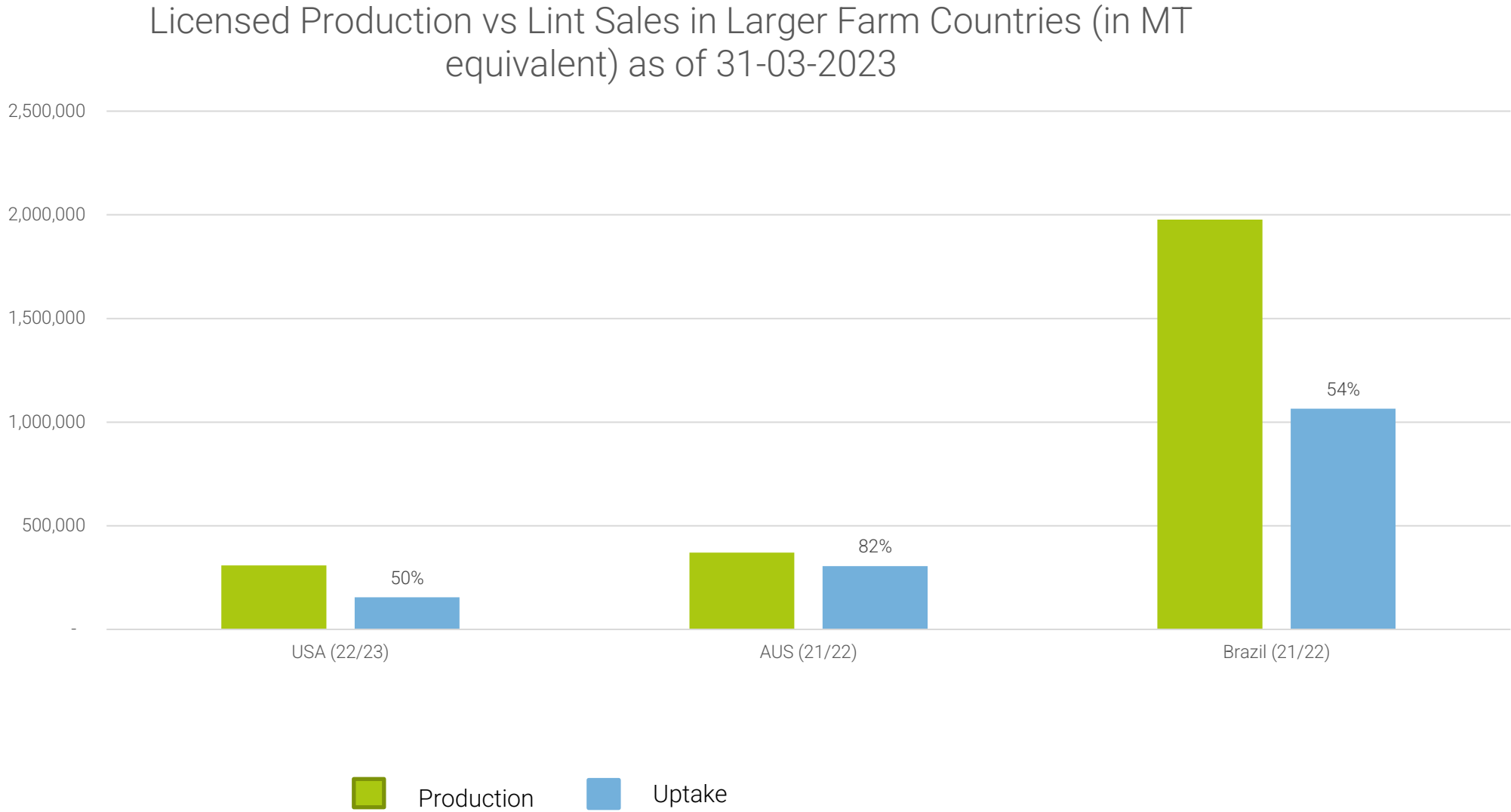


Better Cotton Uptake

Definitions

BETTER COTTON CLAIM UNIT (BCCU)	The designated unit that corresponds to 1 KG of Better Cotton lint procured from a participating BCI ginner by a cotton traders or a spinning mill. BCCUs are transferred through the Better Cotton Platform to fulfil Better Cotton orders.
BCCU INVENTORY	Current inventory level (in BCCUs) often broken down by supply chain category and/or country.
BETTER COTTON UPTAKE	Sourcing and purchasing of cotton in the supply chain that is allocated Better Cotton Claim Units.
GINNER UPTAKE	Volume of Better Cotton lint equivalent (in MT) procured from farms by a ginner processing Better Cotton within a given time period.
SPINNER UPTAKE (LINT)	Volume of Better Cotton lint (in MT equivalent of BCCUs) procured by spinning factories from participating ginner within the relevant time period (monthly, quarterly or annually), broken down by country.
FABRIC MILL UPTAKE (YARN)	Volume of Better Cotton procured from participating spinners by fabric makers and vertically integrated mills within the relevant time period (monthly, quarterly or annually), broken down by country.
RETAILER AND BRAND (RB) UPTAKE	Volume of Better Cotton in MT (equivalent to BCCUs) procured by retailers and brands as part of their orders of cotton-containing products associated with a Better Cotton claim within a given time period.
MT EQUIVALENT	Unit corresponding to one metric ton (1,000 kg of cotton lint) or 1,000 BCCUs.

Large Farm Countries

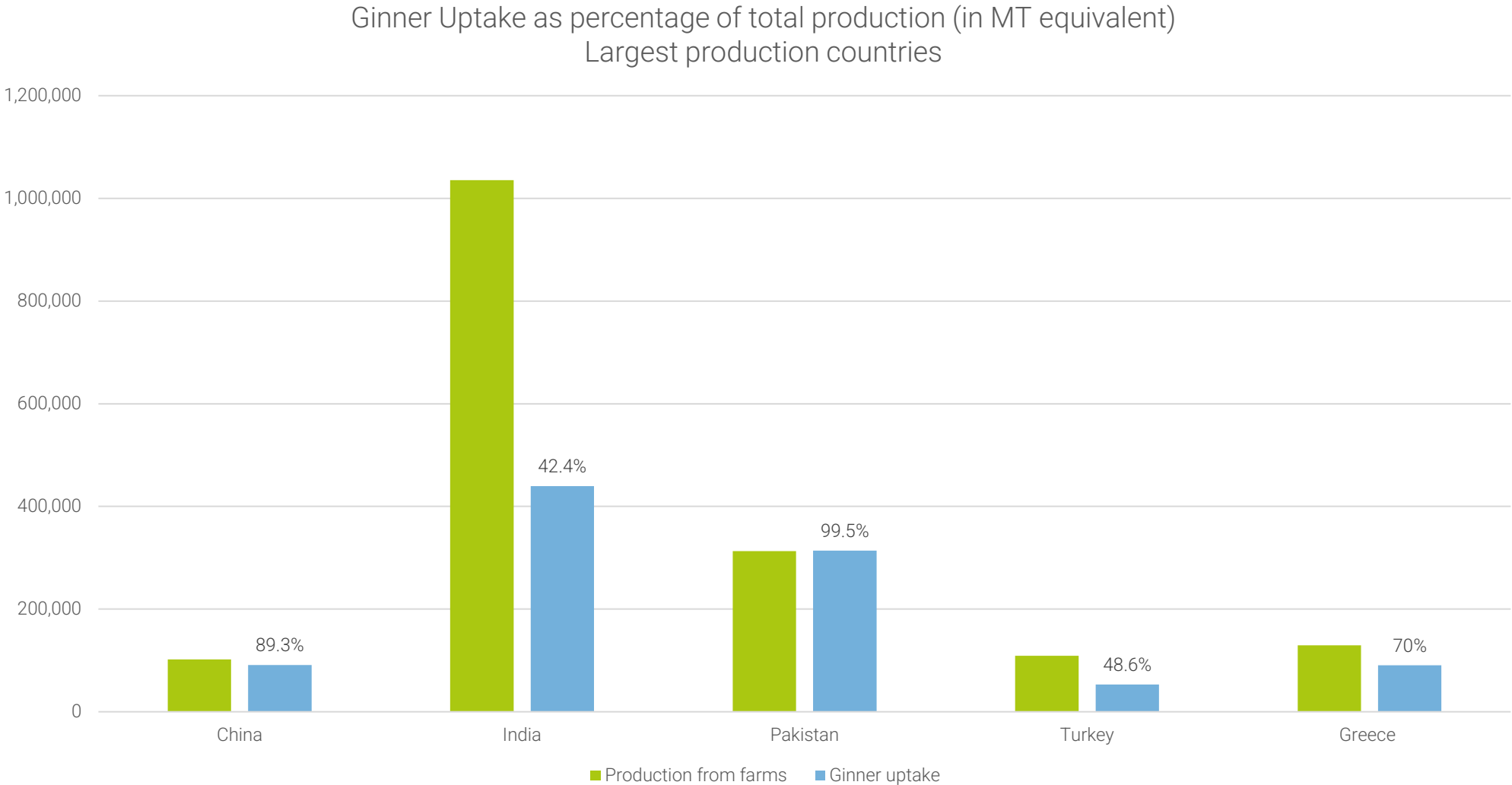


HOW IS BETTER COTTON UPTAKE MEASURED IN LARGE FARM COUNTRIES?
 Unlike smallholder countries, where ginners buy seed cotton from farmers, then gin and market bales, in Large Farm (LF) countries like Australia, Brazil and USA, ginners provide a ginning service to the farmer, who retains ownership of the resulting bale and typically sells it to a trader and/or spinner. Thus, we measure uptake by the amount of cotton purchased from farms by traders and/or spinners.

In this graph, you can see uptake for large farms. USA large farm kicked off the new season (22/23) in December 2022.
 In Australia, the 2021/22 cotton season has started in June 2022, so sales will continue to increase.
 As concerns Brazil, the graph captures mid-season sales as the uptake is expected to continue in Q2 and Q3 2023.

Ginner Uptake

Large Producing Countries – 2022/23 Cotton Season



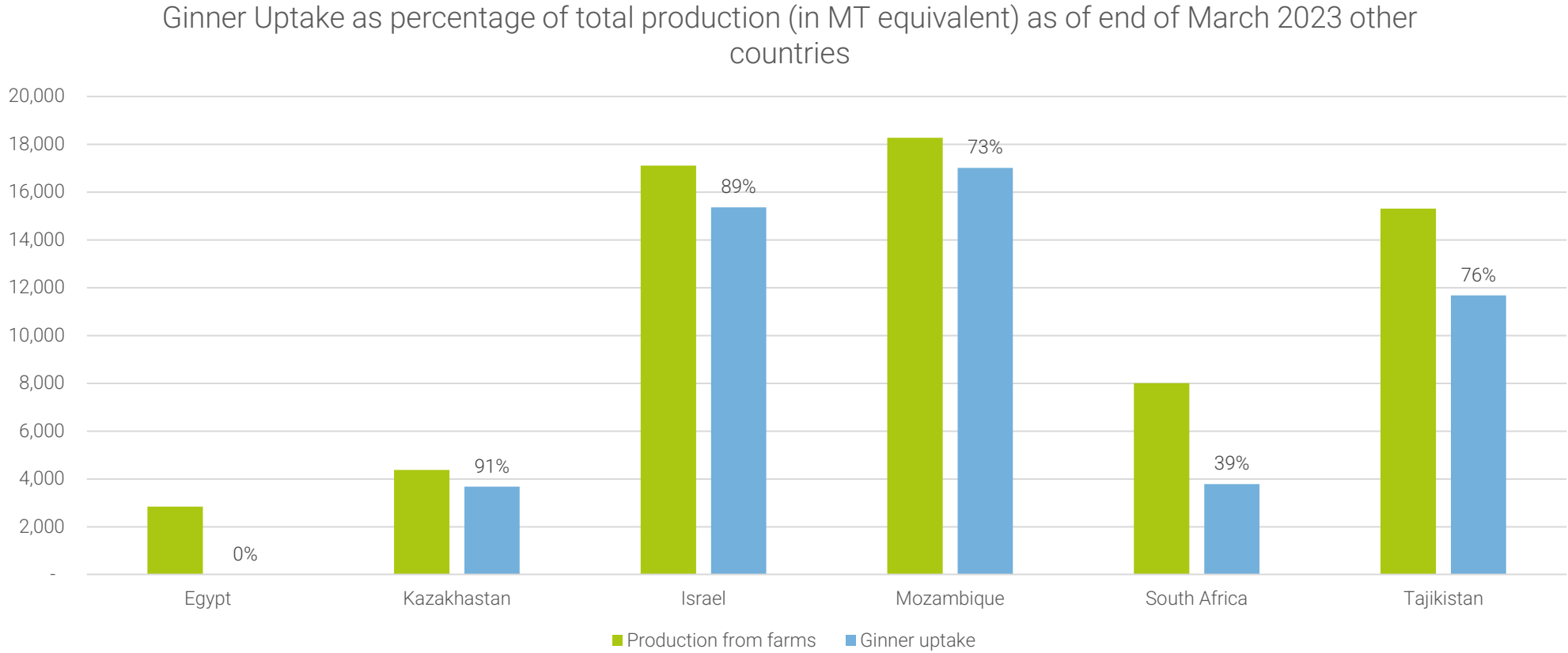
WHY IS GINNER UPTAKE IMPORTANT?
Ginner uptake allows us to see how much Better Cotton has been purchased from farmers* by ginners during the season. Working closely with Programme Partners in smallholder countries, Better Cotton has prioritised increasing ginner uptake.

*In these countries, farmers sell seed cotton to ginners who process the lint cotton. Ginners own the resulting lint bales and market them to spinners and traders.

In these countries the **2022-23 cotton season is in progress** and these uptake figures are not final.

Ginner Uptake

Other Countries – 2021/2022 Cotton Season



WHY IS GINNER UPTAKE IMPORTANT?

Ginner uptake allows us to see how much Better Cotton has been purchased from farmers* by ginners during the season. Working closely with Programme Partners in smallholder countries, Better Cotton has prioritised increasing ginner uptake for the 2020-21 season.

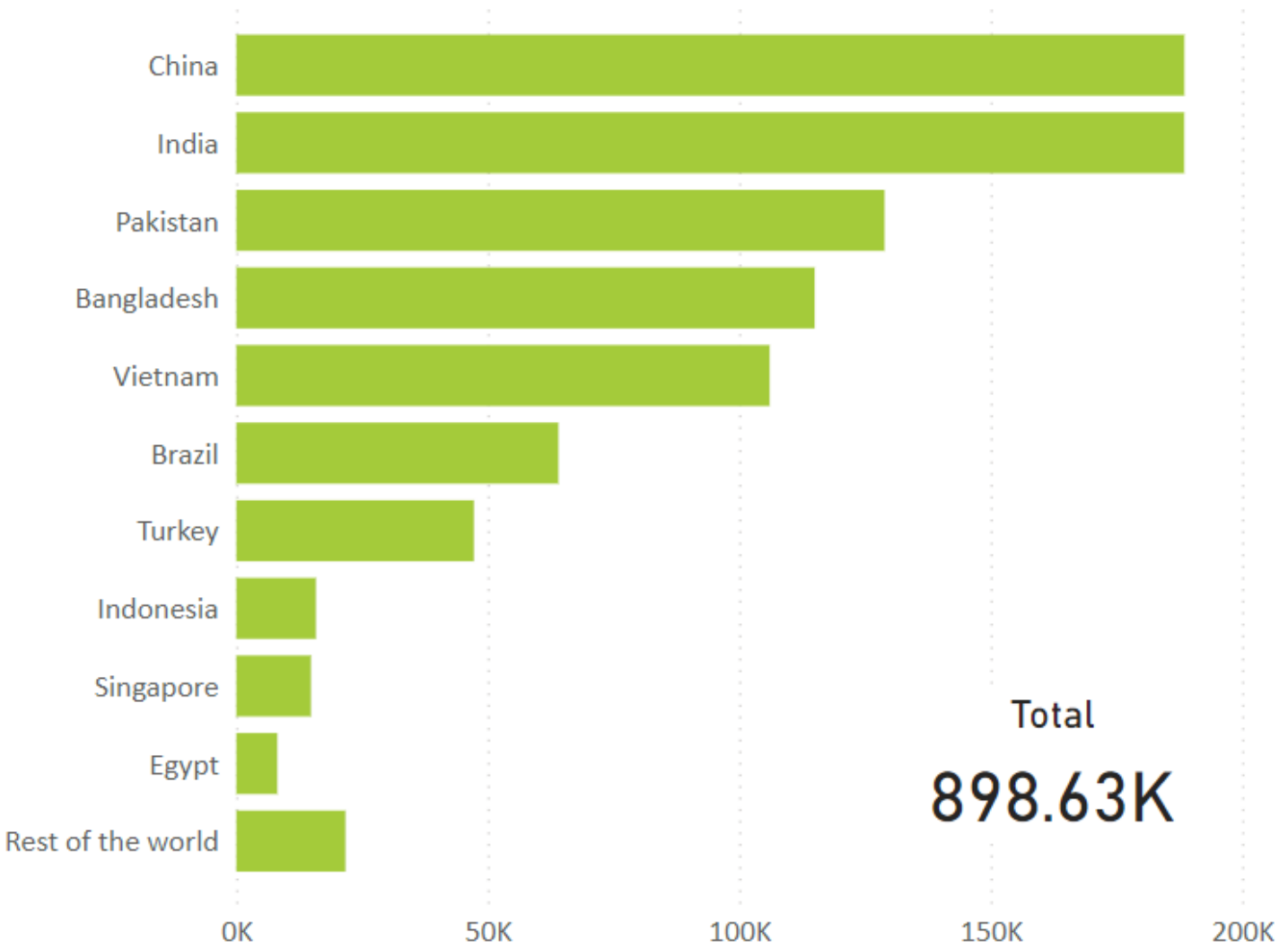
*In these countries farmers sell seed cotton to ginners who process the lint cotton. ginners own the resulting lint bales and market them to spinners and traders.

Season **2022/23** is almost over for most of the countries with the exception of Mozambique and South Africa where the season started respectively in December 22 and March 23.

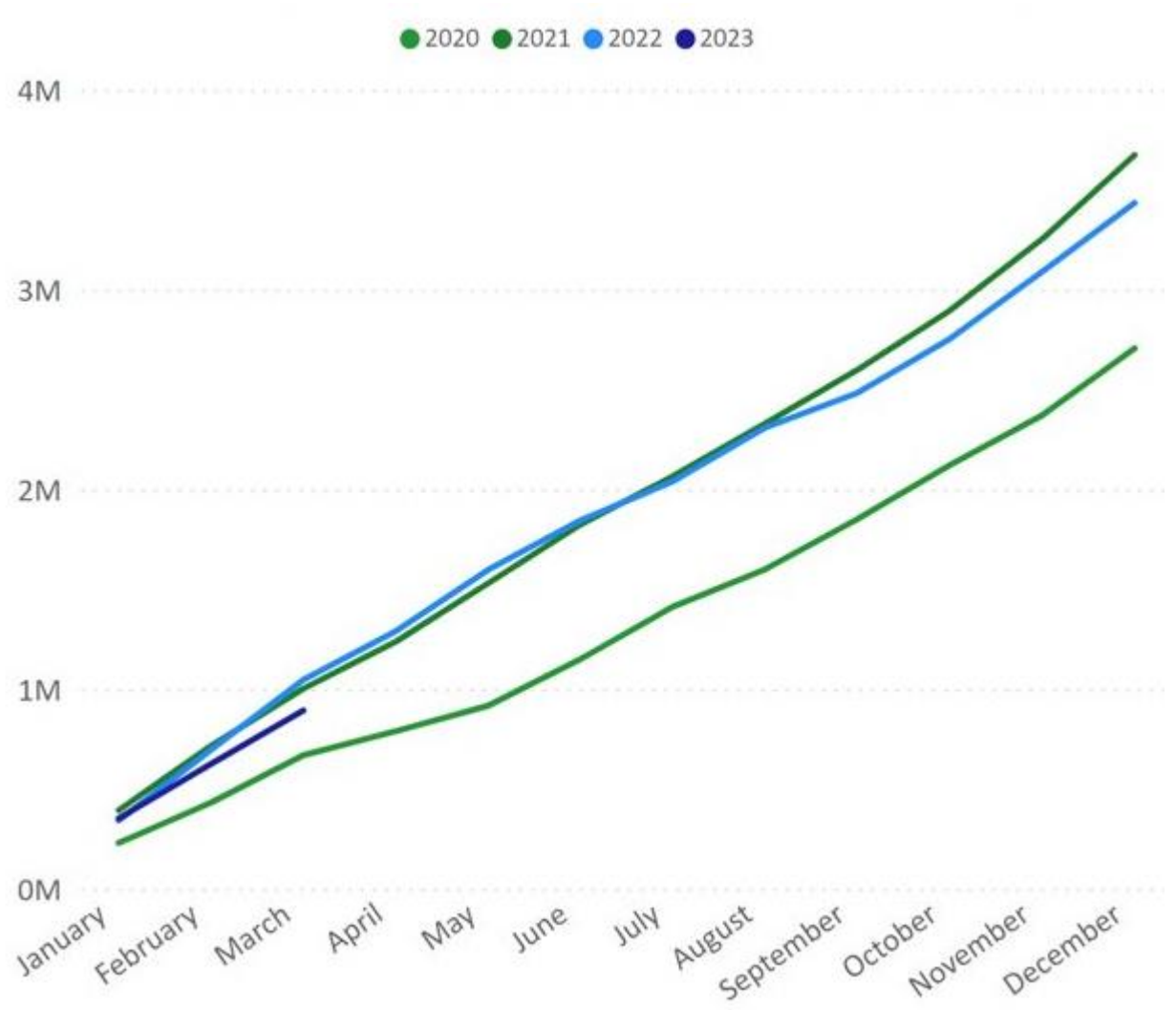


Spinner Uptake

Spinner Uptake by Country (in MT equivalent) Jan '23 - Mar '23



Cumulative Annual Global Spinner Uptake 2020- March 2023

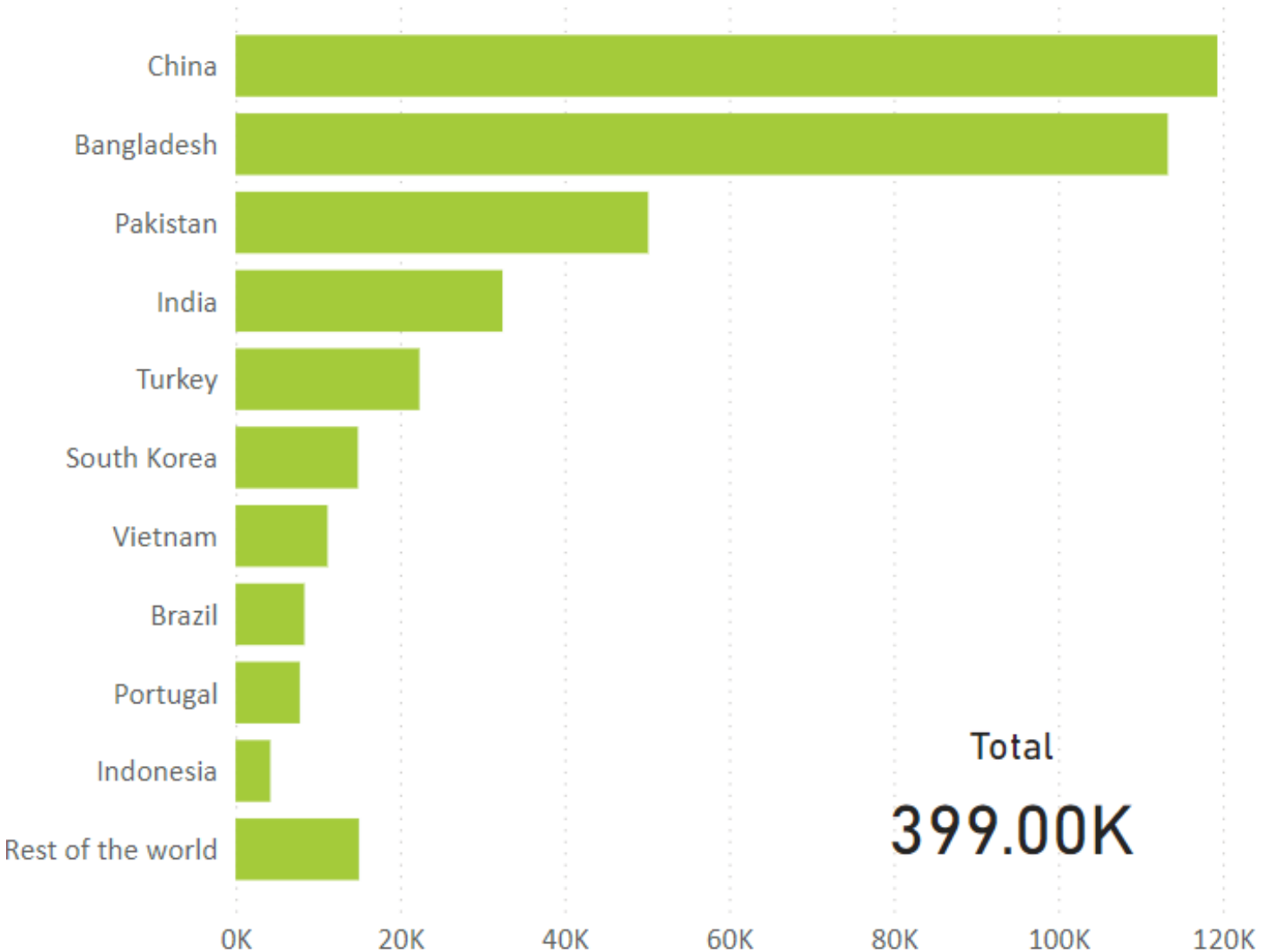


WHY IS SPINNER UPTAKE IMPORTANT?
 Spinner uptake shows the volume of Better Cotton sourced by spinners in each country (left graph) and the total volume procured by spinners globally (right graph). This data can help farmers and traders target their marketing of bales, and help new retailers & brands see which markets have the highest levels of spinners sourcing Better Cotton as a result of their collective demand.

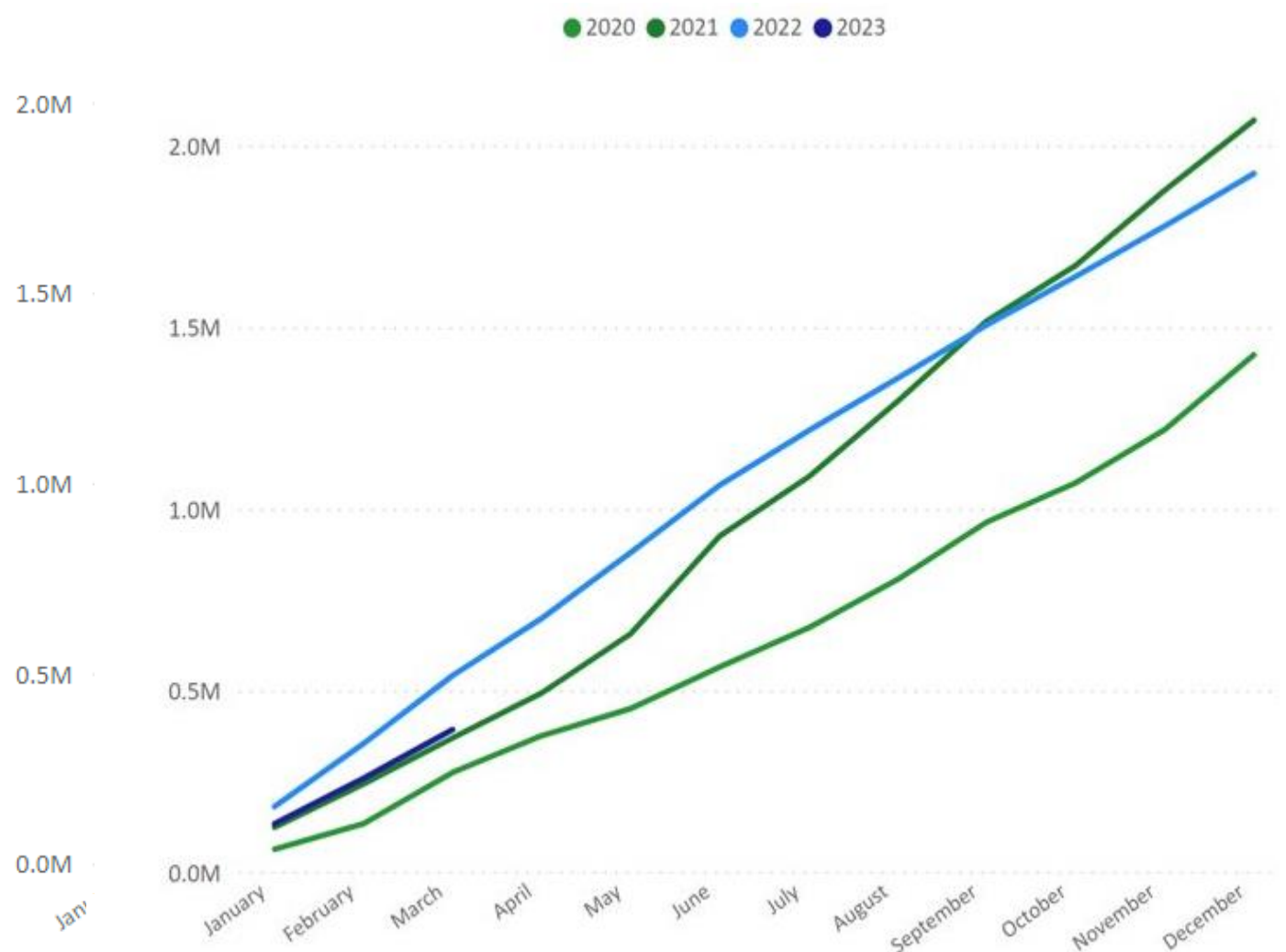


Fabric Mill Uptake

Fabric Mills Uptake by Country (in MT equivalent) Jan '23 - Mar '23



Cumulative Annual Global Fabric Mill Uptake 2020- March 2023 (in MT equivalent)

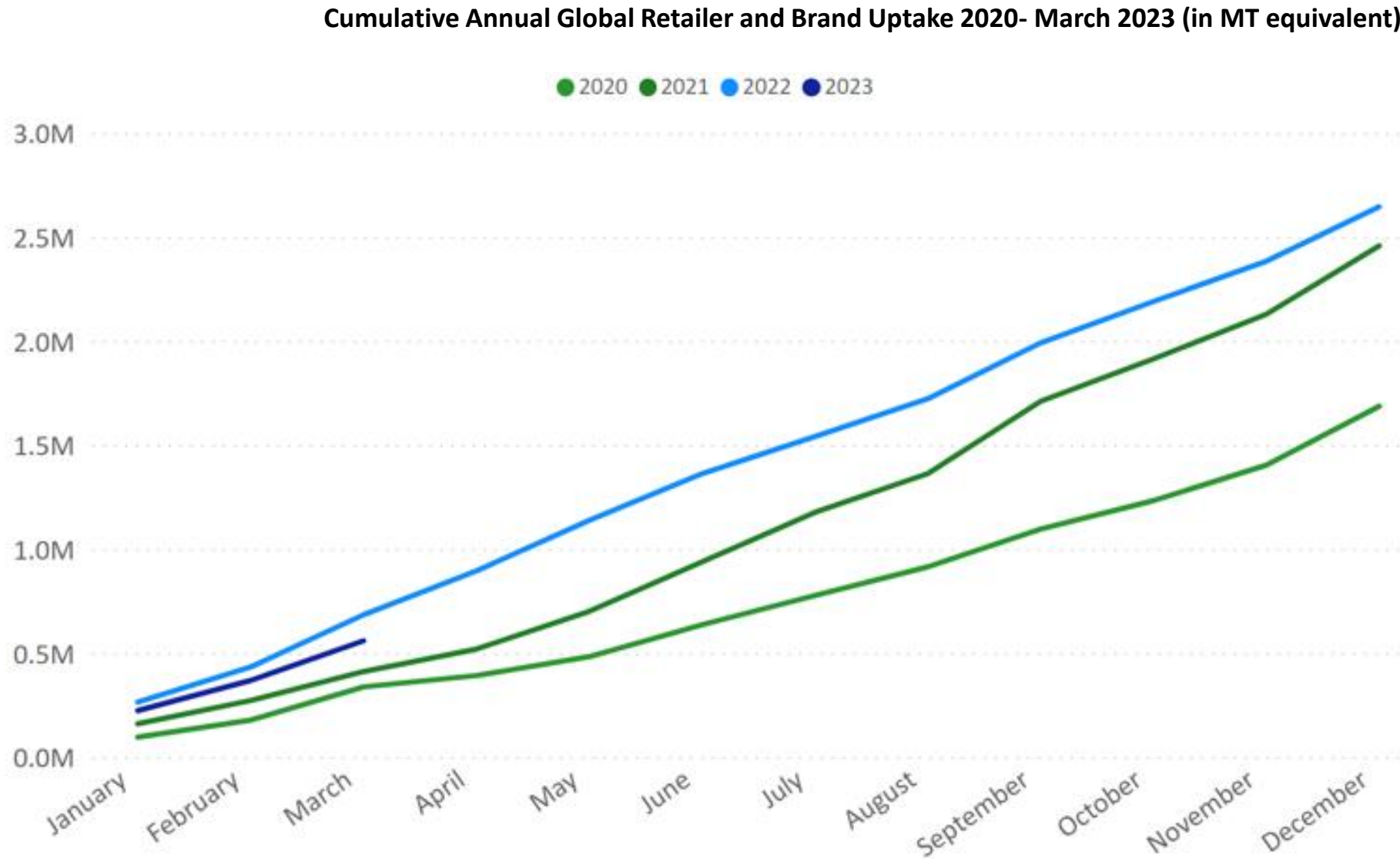


WHY IS FABRIC MILL UPTAKE IMPORTANT?
 Fabric mill uptake gives retailers & brands an indication of Better Cotton sourcing levels in final production stages.



Retailer & Brand Uptake

Cumulative Retailer & Brand Uptake (in MT equivalent)



WHY IS RETAILER & BRAND UPTAKE IMPORTANT?

Retailer and Brand uptake indicates the cumulative amount of Better Cotton (in the form of BCCUs) sourced by Retailer and Brand members at a given point in time added over the preceding period.

Retailer and Brand uptake is important because it demonstrates Better Cotton demand at the end of the supply chain.

In 2020, Retailer and Brand members sourced over 1,7 million MT of Better Cotton, reaching, 2.5 million MT in 2021 and 2.6 million MT in 2022

Retailer and Brand uptake is critical because it translates into funding for farmer training activities, by means of volume-based fees paid to the [Better Cotton Growth & Innovation Fund](#).

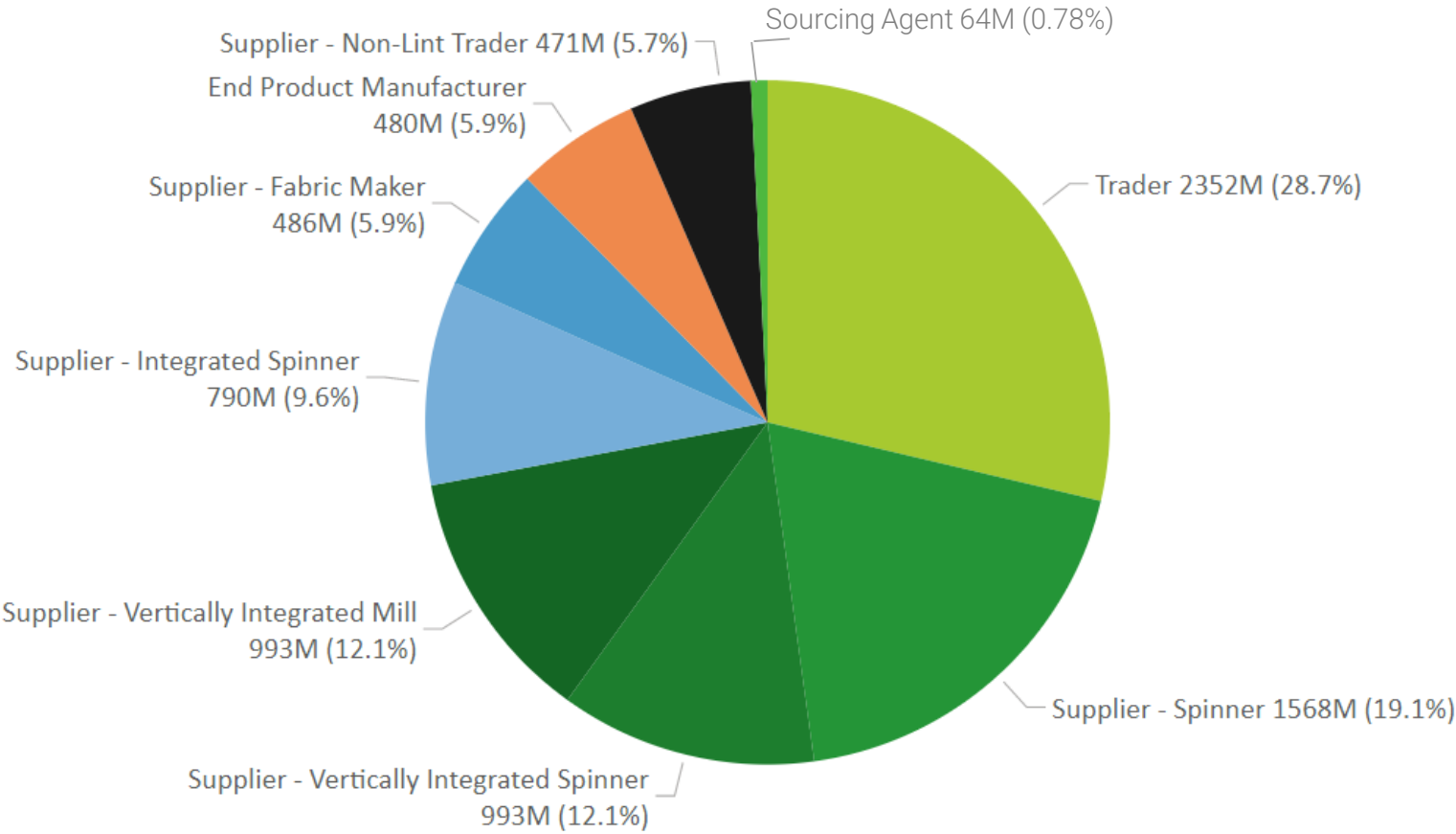
Total RB 2023 uptake as of 31 March 23:
600k MT equivalent



Inventory Snapshot

Inventory by supply chain category as % of global inventory (in BCCUs)

Data as of 31 March 2023



Total: ~ 8,200,000 MT equivalent*

*This figure is distributed among over 10,000 companies.

WHY ARE INVENTORY SNAPSHOTS IMPORTANT?

Inventory snapshots show the BCCU availability at each supplier category at a specific point in time. Snapshots can support companies with their Better Cotton sourcing strategies and inform linkages between supply and demand.

Unlike in other categories, ginner inventories are “zeroed” at the end of every cotton season. Because BCCUs are not accumulated in ginner inventories, their inventory is not included in the Inventory Snapshot.

According to Chain of Custody, BCCUs can only be transferred on the basis of a corresponding transfer of physical cotton-containing products.

The BCCU lifecycle ends after reaching Retailer and Brand accounts.

Inventory Snapshot

Better Cotton Inventory within the Supply Chain per Country (in BCCUs)
Data as of 31 March 2023

Rank	Country	Spinners	Integrated Spinners	Vertically Integrated Spinner	Non-Lint Traders	Fabric Maker	Vertically Integrated Mill	End Product Manufacturer	Sourcing Agent
1	China	150-300m	150-300m	50-100m	150-300m	150-300m	300-500m	150-300m	5-20m
2	Bangladesh	300-500m	20-50m	50-100m	5-20m	50-100m	150-300m	150-300m	0-5m
3	Pakistan	300-500m	50-100m	150-300m	20-50m	50-100m	100-150m	50-100m	0-5m
4	India	100-150m	50-100m	150-300m	20-50m	5-20m	100-150m	20-50m	0-5m
5	Turkey	100-150m	20-50m	100-150m	20-50m	20-50m	50-100m	100-150m	0-5m
6	Brazil	50-100m	150-300m	100-150m	5-20m	20-50m	20-50m	20-50m	0-5m
7	Vietnam	100-150m	20-50m	5-20m	5-20m	5-20m	5-20m	5-20m	0-5m
8	Indonesia	50-100m	50-100m	20-50m	0-5m	5-20m	0-5m	5-20m	0-5m
9	United States	0-5m	5-20m	20-50m	0-5m	0-5m	0-5m	100-150m	20-50m
10	South Korea	0-5m	5-20m	0-5m	5-20m	20-50m	20-50m	20-50m	0-5m
11	Rest of the world	50-100m	50-100m	50-100m	50-100m	20-50m	50-100m	150-300m	20-50m

WHY ARE INVENTORY SNAPSHOTS IMPORTANT?

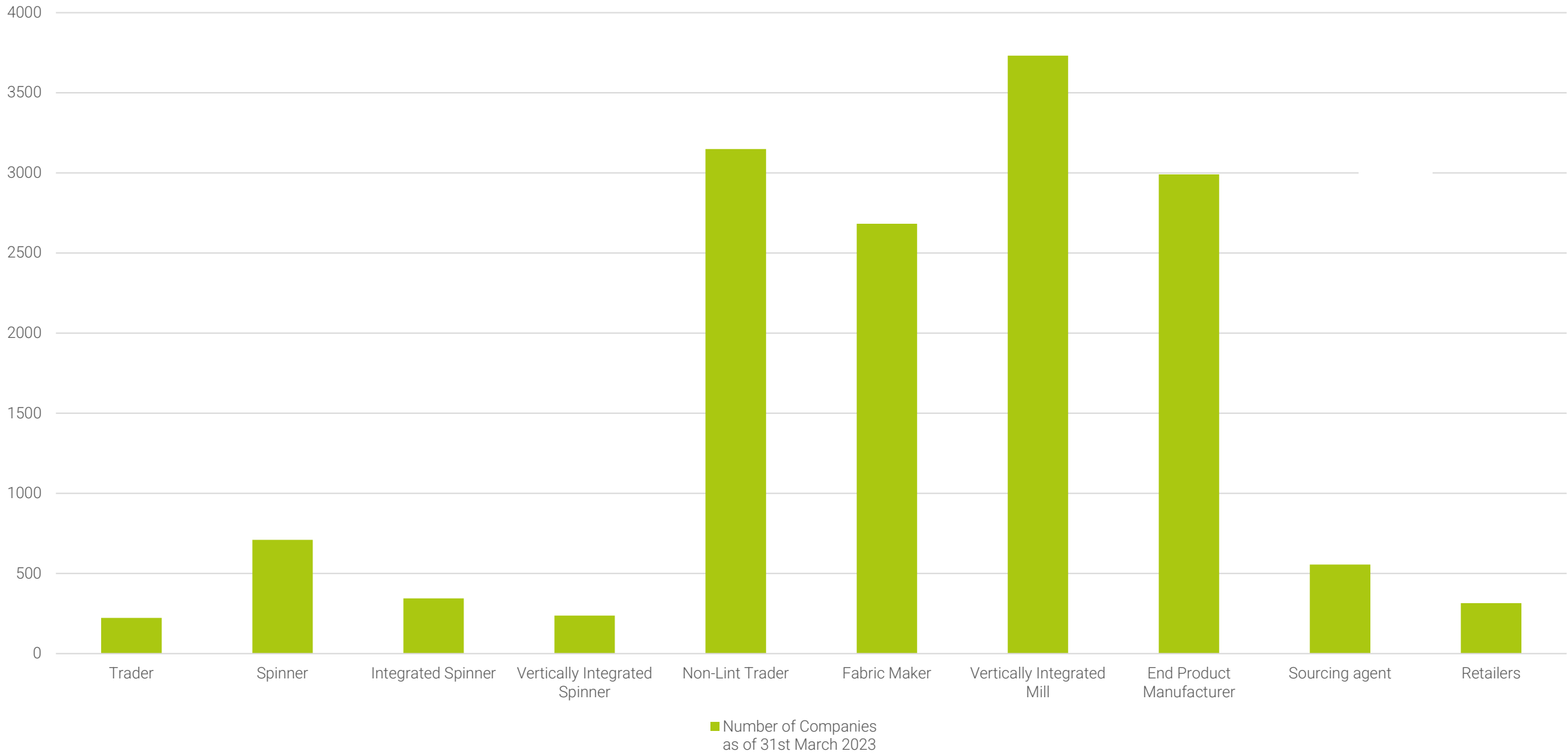
Inventory snapshots can help identify strategic inventories and potential bottlenecks in the availability of BCCUs in supply chains. For instance, fabric mills can use this graph to understand availability of BCCUs at spinning mills in their countries and abroad. Ensuring the smooth flow of BCCUs in the supply chain is critical to increase global retailer and brand uptake.



Membership &
Non-Member BCP
Supplier Numbers

Better Cotton Global Supply Chain

Composition and Size of the Better Cotton Global Supply Chain – March 2023



WHY IS THE NUMBER OF COMPANIES REGISTERED ON THE BETTER COTTON PLATFORM IMPORTANT?

All transfers of BCCUs between supply chain actors are recorded on the Better Cotton Platform (BCP), by companies that are Better Cotton Members, or which enroll for BCP access. The increasing number of companies registering on the BCP is an encouraging sign of the increasing interest towards Better Cotton and the growing demand for Better Cotton. A full list of suppliers registered on the BCP is available [here](#). A full list of [Better Cotton members](#) can be found on our website.

The total number of companies registered on the Better Cotton Platform is **14,944** as of 31st March 2023.



Related Member Resources

Go to the [Resources library](#) on our website

- 🌱 [2021 Annual Report](#)
- 🌱 [Better Cotton Chain of Custody Guidelines](#)
- 🌱 [Mass Balance 3 min video](#)
- 🌱 [Events & Webinars](#)



Thank you

membership@bettercotton.org

March 2023

