



# Independent Assessment FAQ for Retailers & Brands

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# Independent Assessment of Cotton Consumption Measurement: FAQ

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Last updated October 2023

## How frequently does an Independent Assessment of a Retailer and Brand Member's total cotton fibre consumption measurement need to be carried out?

Please refer to the '[Independent Assessments: Guidance for Retailers and Brands](#)' document on the Better Cotton website since requirement and frequency are dependent on the Retailer and Brand Member's size category.

## What is the deadline for submitting the Independent Assessment?

The annual deadline for Retailers and Brands to submit their cotton consumption measurement is 15 January. The deadline for submitting the Independent Assessment of the measurement is 31 March. The reason for this timing is to ensure that your baseline data is updated in advance of the Volume Based Fee (VBF) invoicing which takes place at the beginning of each year. VBF invoicing funds the field implementation of the Better Cotton Standard System and so must be completed before the start of the new financial year in April to fund each new cotton season.

To make the scheduling of your assessment easier, you have the flexibility to submit the Independent Assessment to Better Cotton within a timely manner after the annual submission deadline, by the end of March at the latest.

As explained in the '[Measuring Cotton Consumption: Requirements and Guidance](#)' document, when submitting your cotton consumption measurement you should select your most recently available 12-month consecutive data period that facilitates consistent data collection and supports your own reporting requirements. The same data period should be used year on year. Examples include the fiscal year, a complete set of product seasons or a calendar year.

**For example**, to ensure on time submission, if a Retailer and Brand Member usually uses their fiscal year data period and your 2023-2024 fiscal data isn't available until after the 15 January annual



submission deadline, you would submit your previous year's 2022-2023 data period instead. You then submit your Independent Assessment of the same data set no later than 31 March 2024:



## Which organisations can carry out the Independent Assessment? Can you provide a list?

Retailer and Brand Members need to choose an Independent Assessor and pay any associated costs incurred. Suitable types of organisations are financial auditing firms, certification body organisations, conformity assessment body organisations, or consultancies carrying out conformity assessment against international and national standards.

Better Cotton does not provide a specific list of assessors due to the global nature of our Retailer and Brand Members, but we do now provide a list of eligibility criteria to encourage quality and a level playing field for potential assessors. We review the eligibility criteria periodically.

The current requirement is that an Independent Assessor **must meet one of the following eligibility criteria**:

- ✓ The organisation carrying out the Independent Assessment is accredited for ISO/IEC Standard 17065. This accreditation is intended to ensure the competence of an accreditation body in providing certification for the quality of products and processes. Accreditation must be issued by an accreditation body that is a signatory of the International Accreditation Forum (IAF) and a full list can be found here - <https://iaf.nu/en/accreditation-bodies/>

- ✓ Financial audit firms
- ✓ At Better Cotton's discretion, consultancies with experience of working with Better Cotton and who have proven they have a strong understanding of the Better Cotton methodology and/or environmental compliance work and reporting. The Assessor carrying out the work must be competent and understand environmental reporting. When a Retailer or Brand Member submits an Independent Assessment carried out by an environmental consultant that they have selected, the Retailer or Brand must state their qualifications when they submit this to Better Cotton.
- ✓ At Better Cotton's discretion, in 2024, for the first submission deadline we will accept Independent Assessments from established internal auditing teams who are trained and competent on auditing practices. The internal auditor shall be independent of the activities being audited.

In addition, an Independent Assessor **must**:

- ✓ have the appropriate competence to complete the Independent Assessment to a satisfactory level\*.

All resources can be found on the [Measuring Cotton Consumption](#) page of the Better Cotton website. General guidance on what to look for and the types of organisations that can be accepted is provided on p6 'Choosing an Independent Assessor' of the '[Independent Assessments: Guidance for Retailers and Brands](#)' document. You can also refer to p7 of the '[Independent Assessments: Guidance for Independent Assessors](#)' document since it gives more detail on independence and impartiality. For example, many companies already conduct 3<sup>rd</sup> party financial auditing or data checks so a Retailer and Brand Member may look to use the same company for Independent Assessment.

## Can our internal auditing team carry out the Independent Assessment?

For the first year of the requirement (2024), we will accept Independent Assessments carried out by established internal auditing teams. A full third-party Independent Assessment will need to be completed in subsequent years.

It is the Retailer and Brand Members's responsibility to ensure that their internal auditing team fully understand the Better Cotton methodology and requirements, and that they have the appropriate impartiality and competence to complete the Assessment to a high standard. Here we assume that internal auditing teams are trained in auditing systems. Better Cotton must be informed in advance if internal auditors are completing the Assessment, please contact [sonia.lee@bettercotton.org](mailto:sonia.lee@bettercotton.org) or [membership@bettercotton.org](mailto:membership@bettercotton.org).

You can check the suitability of your internal auditing team to carry out the Independent Assessment against the below list of criteria.

- Typically have a degree in accounting, finance, business or economics
- This can be replaced by demonstrable experience in internal auditing/assessments (5+ years)
- Shall have either an internal or lead auditor/assessor qualification
- Shall be independent of the activities being audited/assessed if practicable and only provide an objective assessment
- Shall have sufficient authority to carry out their activities without undue influence
- Shall be familiar with the criteria they are auditing/assessing
- Shall not provide consultancy on what they are auditing/assessing

## Can the Independent Assessment be done in combination with other assessments?

The Independent Assessment is a conformity assessment of a Better Cotton Retailer and Brand Member's total cotton consumption measurement. It is not intended to be an assurance opinion.

Typically it would be expected that the Independent Assessment is a standalone exercise. However, in some instances, it may be commercially practical for auditors to conduct assurance projects (e.g., against ISAE 3000), 'bundled' together with an Independent Assessment, but there is no deliberate intention of overlap between these pieces of work. Where the Independent Assessment is combined, for example with an ISAE 3000 assurance project, the following criteria shall be met:

- The assessment shall be done in line with ISAE3000 requirements
- The member being assessed shall clearly reference the Better Cotton Measuring cotton consumption: Independent Assessments Guidance for Retailers and Brands within their reporting criteria to ensure that the assessment body has reviewed these criteria to reach their assurance opinion.
- The individual or team conducting the assessment shall meet the criteria referenced in ISAE3000 under 'Quality Control – Characteristics of the Engagement Partner'

Better Cotton acknowledges that organisations conducting an ISAE3000 assessment may not be able to complete an Outcome Declaration as per the current requirements for an Independent Assessment. However, the Retailer & Brand Member shall submit, as a minimum, the following as a substitute for this Outcome Declaration:

- An official copy of the Limited Assurance Report
- An official copy of the Reporting Criteria used for the report
- Their Annual Cotton Consumption Submission Form

If a member receives a 'qualified' limited assurance this shall be reviewed on a case-by-case basis by Better Cotton as to whether this will be accepted.



The methodology and requirements that apply to the calculation of the total cotton consumption measurement are listed in full in the '[Measuring Cotton Consumption: Requirements and Guidance](#)' document available on the [Measuring Cotton Consumption](#) page of the Better Cotton website.

**Please note carefully:** When Retailers and Brand Members submit their measurement to Better Cotton they do so by completing the "**Submission Form**" provided on the same page of the Better Cotton website. **Independent Assessment only relates to the first sheet of the submission form**, where the total measurement amount in metric tons and accompanying details are requested. **It does not apply to the second sheet of the Submission Form where Retailers and Brand Members provide non-contractual Better Cotton sourcing target forecasts.**

## How long should an Independent Assessment take?

The quantity and quality of data, systems and processes vary among Retailer and Brand Members and affect the length of time a conformity assessment can take. To reduce the time an Independent Assessor needs to spend, Retailer and Brand Members should work on improving the quality of their data and ensure they have a clear internal documented protocol available to share with their assessor. As emphasised in our guidelines, this is a document all Retailer and Brand Members should keep updated to ensure consistency and understanding of the process followed year on year, and to demonstrate their process to an Independent Assessor. It is worth considering that an initial Independent Assessment may take longer than subsequent assessments with the same Independent Assessment organisation.

## Can the assessor use their own Independent Assessment format rather than the template provided?

Yes, the "Outcome Declaration and Conformity Assessment" template provided on the Better Cotton website is an example template for your assessor to provide you with the results of your Independent Assessment. Your assessor can use their own format provided it is signed and stamped and it is clear from their document that they have conducted a conformity assessment against Better Cotton's criteria. This would mean including a statement such as "We are satisfied that the measurement of X meets the criteria of the Better Cotton Measurement Requirements".

The criteria for Independent Assessment are set out in a checklist in the '[Independent Assessments: Guidance for Independent Assessors](#)' document and the checklist reflects the requirements of the Better Cotton methodology as set out in the '[Measuring Cotton Consumption: Requirements and Guidance](#)' document.

## Who should submit the results of the assessment, the Independent Assessor or the Retailer and Brand Member?





Retailer and Brand Members should submit the Independent Assessment directly to Better Cotton since their arrangements for Independent Assessment are between them and the assessor. The Independent Assessment document can take the format of either the completed Outcome Declaration and Conformity Assessment template provided by Better Cotton, or the format proposed by the Independent Assessor. The document must be signed and stamped by the Independent Assessor so it is clear that they have conducted a conformity assessment against Better Cotton's criteria.

Before submitting the results of the Independent Assessment to Better Cotton. The Retailer and Brand Member should, as best practice, ensure the cotton consumption measurement results plus accompanying Independent Assessment have been signed off internally by a senior member of their organisation, i.e. their senior management team.

We no longer request a formal signature of senior sign-off. However, we will ask you to confirm that you have completed this internal awareness step when the Retailer and Brand Member submits the Assessment results via the online submission portal.

## What is the timeline for completing a Corrective Action Plan?

Retailer and Brand Members that have non-conformities (NC's) raised in their Independent Assessment should ensure they set up a corrective action plan (CAP) within 30 days. For example, if an Independent Assessment has been completed and submitted to Better Cotton by the 31 March deadline, then the Retailer or Brand Member will need to have set up their Corrective Action by the end of April.

At the point when the following year's Assessment is being carried out, all previous NC's must be confirmed as closed. If a Retailer and Brand Member is unable to achieve a positive outcome, then they will need to carry out an Assessment the following year regardless of the usual frequency for Independent Assessment that applies to their membership size category.