Decent Work Strategy
2020-25 Progress Report Summary

Version 1.0 - May 2025

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At Better Cotton, we recognise that cotton farmers and farm workers are the backbone of the textile sector, yet they remain among the most vulnerable and underserved actors in global supply chains. Ensuring safe, fair, and dignified working conditions is central to our mission, and we are committed to upholding the fundamental principles and rights at work across all Better Cotton licensed farms.

The Task Force on Forced Labour and Decent Work

In April 2020, Better Cotton established the Task Force on Forced Labour and Decent Work to conduct a comprehensive review of the Better Cotton Standard System. The task force, consisting of 12 experts from civil society, retailers, brands, and responsible sourcing consultancies, was tasked with identifying gaps and developing recommendations to enhance the system's ability to address forced labour risks. After six months of virtual collaboration with stakeholders, a detailed report was published in October 2020.

This report outlined key recommendations, structured around seven core themes, which we subsequently integrated into our Decent Work Strategy.

The Decent Work Strategy 2020-27

Launched in 2022, the Decent Work Strategy 2020–27, is a framework designed to embed labour rights into every aspect of Better Cotton's work. The strategy has guided our efforts, focusing on three key pillars that align closely with the Task Force recommendations:

Learn: This pillar builds on the Task Force's call for a better understanding of local conditions and enabling environments. By deepening our knowledge of labour issues in Better Cotton-producing regions, we ensure that our approach is contextually relevant and able to address the specific risks faced by workers.

Strengthen: The Task Force identified the need for capacity strengthening among Better Cotton's team and partners, particularly around social sustainability. Through collaboration with labour rights specialists, we ensure that our Programme Partners are equipped to handle social sustainability challenges and that decent work principles are embedded throughout our supply chains. As part of this pillar, we have also significantly enhanced our due diligence processes for Programme Partners and their capacities on meeting Better Cotton's decent work requirements. Additionally, we strengthened our assurance tools and grievance mechanisms to ensure that all parties are accountable to workers' rights.

Monitor: The third pillar of our strategy focuses on strengthening our assurance and monitoring systems to track progress at the field level and adjust approaches accordingly. By expanding our use of worker and farmer interviews, along with developing field-level grievance mechanisms, we can better assess the effectiveness of our interventions and respond quickly to emerging challenges. This ensures that Better Cotton remains transparent, accountable, and responsive to the needs of cotton farmers and farm workers.

The Decent Work Roadmap to 2030

Since 2020, significant changes within Better Cotton and the broader regulatory landscape have shaped our approach to decent work. These include the revision of our Principles and Criteria v.3.0, the evolution of global due diligence frameworks such as the Corporate Sustainability Due Diligence Directive (CSDDD) and Human Rights and Environmental Due Diligence (HREDD), and the expansion of our social sustainability capacity. Together, these developments prompted a strategic review to ensure our efforts remain relevant and impactful.

As we look towards Better Cotton's 2030 Impact Targets, we've updated our strategic direction through the Decent Work Roadmap to 2030. This revised roadmap builds on our expanded capabilities, deeper understanding of local contexts, and the lessons learned over the past five years. Compared to the original strategy, it places greater emphasis on multi-stakeholder engagement and advocacy, acknowledging that driving systemic change in agriculture requires collective action.

Photo Credit: Better Cotton/Florian Lang

Learn

Understanding the Context

Deepening Contextual Understanding: Better Cotton's Approach to Decent Work Risks

Agricultural contexts, regardless of geography, share a common set of structural labour rights risks—informality, low wages, weak enforcement of labour laws, and limited access to grievance mechanisms. Recognising this, Better Cotton undertook comprehensive decent work risk assessments in 15 cotton-producing countries1 to deepen its understanding of both shared and context-specific labour risks.

By adopting a participatory approach, the assessments not only generated rich contextual insights but also helped build trust with local stakeholders. Over time, our Programme Partners became more aware of the inherent risks in cotton farming.

Key Findings: Shared Challenges and Context-Specific Risks

Across all geographies, child labour emerged as the most widespread labour rights concern. The studies reaffirmed that in smallholder cotton farming, children often engage in work that is deeply embedded in community norms and family survival strategies. While some work is considered age-appropriate, hazardous child labour remains a persistent issue, exacerbated by economic pressures and limited access to education. Encouragingly, as awareness grew, so too did trust with farming communities as Programme Partners became more comfortable discussing child labour.

[1]The decent work risk assessments were conducted on Benin, Burkina Faso, Cameroon, Chad, Côte d'Ivoire, Mali, Mozambique, Nigeria, South Africa, Tanzania, Uganda, and Zambia, with in-depth studies conducted in India, Pakistan, Tajikistan, Mali, and Chad. Separately, as part of a parallel process on new country start-ups, an extensive study was undertaken in Uzbekistan. While not part of the same risk assessment process, this study focused on the enabling environment and human rights performance, identifying key labour rights risks. The insights gained played a crucial role in shaping our programmatic approach in Uzbekistan, following the formal launch of our programme in 2022.

Photo Credit: Better Cotton/Seun Adatsi

A deeper understanding of child labour prevalence led to a refinement of Better Cotton's approach in Principles and Criteria v.3.0. The revised standard moves away from zero-tolerance framing and instead focuses on distinguishing between hazardous child labour and age-appropriate work. This approach acknowledges the realities of smallholder farming while maintaining a firm commitment to children's rights.

Forced labour risks were identified across regions primarily linked to debt bondage, deceptive recruitment practices, and dependency on exploitative intermediaries. While these risks exist, their detection is significantly harder, requiring a shift from conventional audits to more proactive, ongoing risk assessments.

Translating Insights into Action

The findings from these assessments directly shaped the revision of the Better Cotton Principles and Criteria v.3.0, refining our assurance approaches and strengthening verifier training. This revision represents a fundamental shift from a compliance-based model to an assess and address approach, moving beyond audits that merely flag issues towards a continuous, farm-level due diligence model2.

Given the challenges of detecting forced labour in agricultural settings, Better Cotton developed interim forced labour indicators3 and tested them in select regions. These indicators have improved the accuracy of farm-level assessments, allowing for earlier detection of risks and providing more actionable insights.

To strengthen our assurance system and enable accurate verification of the new, more nuanced decent work indicators, Better Cotton introduced mandatory worker interviews.

The introduction of mandatory worker interviews, coupled with verifier training on decent work risks, has already led to notable improvements in assessment quality. Verifiers are now better equipped to identify risks, ensuring that corrective action plans address real labour rights challenges. In the 2024–25 season, 95% of assessments included worker interviews, with the average number of interviews doubling or even tripling in some cases. Importantly, almost half of the interviewees were women.

Strengthen

Strengthening Competencies

Between 2021 and 2024, Better Cotton trained over 450 individuals, including in-house staff and third-party personnel, on decent work criteria, indicators, and best practices for worker interviews. The training programmes covered critical topics such as forced labour, child labour, and their manifestations in cotton farming. This effort was ramped up ahead of the launch of the revised Principles and Criteria v.3.0 in 2023.

BCI trained over 450 individuals

As awareness of decent work deficits and their underlying drivers grew, Better Cotton intensified its focus on social sustainability, leading to several organisational changes to strengthen in-house expertise. Notably, Decent Work and Social Impact Teams were introduced in key cotton-producing countries, including Pakistan, India, and Uzbekistan, with plans underway to expand these roles regionally in Africa.

Strengthening Better Cotton Principles & Criteria

The revision of Better Cotton's Decent Work Principle in the Principles and Criteria v.3.0. (P&C)4 marked a significant milestone in the organisation's efforts to improve labour practices.

Several fundamental adjustments were made to reinforce decent work protections and promote fair labour practices across the cotton supply chain. Still grounded in the International Labour Organization's (ILO)'s Fundamental Principles and Rights at Work, the revised standard introduced clearer guidelines on the risk assessment, monitoring, and remediation of labour rights risks, also raising a bar with several new requirements,

The Assess and Address Approach: Operationalising the Labour Monitoring and Remediation System

The introduction of the assess and address approach in Better Cotton's Principles & Criteria v.3.0 marks a significant shift in how decent work is monitored and upheld in cotton farming. This approach requires producers to develop a deep understanding of local labour risks and prioritise them by establishing a system for ongoing monitoring and remediation and evaluate the effectiveness of their interventions.

Recognising both the challenges and opportunities of this approach, Better Cotton developed comprehensive guidance for producers, drawing on best practices from the UN Guiding Principles on Business and Human Rights (UNGPs) and existing models, such as the Rainforest Alliance's leadership in the assess and address approach. To ensure the framework is adapted to real-world conditions, Better Cotton launched two pilot projects to test and refine the labour monitoring and remediation system in smallholder farming contexts.

Adopting 2030 social impact targets

Sustainable livelihoods

Achieving decent work in farming communities is impossible without improving farmer livelihoods, and this was reinforced as a critical insight in risk assessments. Economic insecurity, unpredictable earnings, and lack of access to financial services are key drivers of exploitative labour conditions. This aligns with Better Cotton's 2030 Impact Targets, which aim to sustainably increase the net income and resilience of two million cotton farmers and workers. Decent work is not only a prerequisite for achieving this target but also a natural outcome of empowering farmers economically.

Gender equality as a cross-cutting priority

With women constituting a large share of the workforce contributing to cotton farming, Better Cotton recognises the pressing need to ensure women in farming communities enjoy equal rights and opportunities.

Acknowledging that empowering women farmers and workers requires integrating gender considerations into all farm activities, our P&C v.3.0 features gender equality as a cross-cutting priority to support women's inclusion and tackle unfair practices across all its principles.

Strengthening Partnerships

The last few years have seen the forging of important partnerships with local organisations and the mapping of available services in two high priority countries.

India: Strengthening Social Security and Labour Rights Protection

In 2021, Better Cotton Programme Partners Lupin Human Welfare & Research Foundation and AFPRO joined forces with Jan Sahas — an Indian NGO dedicated to eradicating sexual violence and forced labour — to strengthen worker protections in Madhya Pradesh and Maharashtra's cotton-growing regions.

The initiative aimed to address the root causes of labour exploitation in smallholder farming, leveraging local and international partnerships to create sustainable interventions.

The pilot, implemented across six districts, successfully reached nearly 29,000[1] cotton farmers and workers, linking them to vital social security benefits. Building on early learnings, the second phase intensified efforts to expand social security access and deepen labour rights knowledge.

The project underscored the need for longer engagement periods to effectively secure complex social security benefits. Collaboration with panchayats, local governance structures, proved essential in improving project acceptance and effectiveness. Seasonal migration patterns influenced worker availability, highlighting the importance of flexible programming that scales activities during peak agricultural seasons.

Pakistan: Strengthening Child Labour Prevention

In 2023, Better Cotton established a strategic partnership with Search for Justice, a leading child protection organisation. This collaboration, supported by the Better Cotton Growth and Innovation Fund's (GIF) Knowledge Partner fund, aims to reinforce child labour prevention efforts in Rahim Yar Khan, Punjab, in close coordination with Better Cotton's Programme Partner, Rural Education & Economic Development Society (REEDS).

Child labour remains a significant challenge in Pakistan, particularly in agriculture. Better Cotton's 18–month initiative with Search for Justice built the capacity of almost 200 field staff to enhance the understanding of age-appropriate child work versus child labour at the farm level. Through targeted training workshops, the initiative equipped field staff with the skills to identify, monitor, and refer child labour cases to specialised services, while also strengthening awareness of legal and institutional mechanisms available for child protection.

By fostering understanding rather than fear of reprisal, the initiative supported more effective and sustainable solutions that prevent harm while respecting the realities of rural livelihoods.

Stakeholder mapping in Pakistan and Mozambique

Better Cotton recently carried out two mapping exercises to support decent work in cotton farming. One was to identify the available services related to decent work in Mozambique and to establish strategic partnerships with them. As a result, Ophavela was selected as a Knowledge Partner for a pilot project running from January 2024 to March 2025. The initiative aimed to improve the socioeconomic conditions and well-being of 750 cotton producers, 60% of whom were women, in the Mecate district.

[1]See Better Cotton India Impact Report

The other mapping was to understand the existing grievance mechanisms in Pakistan, both state-based and non-state based, judicial and non-judicial, and how they are accessible to Better Cotton farmers in targeted districts. Through consultations with nearly 200 farmers, workers, and local organisations, the study identified 18 different grievance mechanisms and assessed them using effectiveness criteria drawn from the United Nations Guiding Principles on Business and Human Rights (UNGPs). Critically, the outcomes of this mapping exercise now inform the grievance mechanism management and remediation protocol for all Programme Partners in Pakistan, which collectively reach hundreds of thousands of farmers and workers.

Ensuring that farmers and workers have a direct voice in shaping their working conditions is critical to improving decent work outcomes in agriculture.

In 2021, Better Cotton, in collaboration with CABI Pakistan and Ulula and funded by ISEAL Innovation Fund, piloted Worker Voice Technology in Sindh, Pakistan, using phone surveys to gather feedback from cotton farmers and workers. The initiative aimed to overcome the challenges of remote assessments during the COVID-19 pandemic while testing the feasibility of digital engagement in agricultural settings.

The pilot targeted approximately 200 farmers and 430 workers, using Interactive Voice Response (IVR) technology to allow respondents to answer pre-recorded questions via mobile phones. This approach ensured anonymity and accessibility for low-literacy groups.

The survey revealed critical insights into labour conditions and pesticide use, including the prevalence of hazardous pesticide application, wage advance practices, and gaps in training on safe pesticide handling. The pilot demonstrated that Worker Voice Technology could engage a broader audience than traditional methods, but its success relied heavily on strong partnerships with local actors.

Encouraged by the success of the Pakistan pilot, Better Cotton expanded its use of Worker Voice Technology to India.

Enhancing Smallholder Resilience through Collective Action on Health Insurance in Côte d'Ivoire

In 2025, Better Cotton, in collaboration with Elucid and Olam Agri's subsidiary, SECO, launched an 18–month initiative to strengthen smallholder farmer resilience in Côte d'Ivoire by expanding access to quality healthcare through collective action. This project supports Better Cotton's Decent Work Strategy by improving social protection for cotton farming communities and reinforcing farmer-producer organisations (FPOs) as key actors in securing rights and services for their members.

Photo Credit: BCI/Landry Yao

Monitor

Global Risk Scoring

The complexities of decent work are multifaceted and interlinked, making it challenging to address them all at once. At Better Cotton, we adopt a risk-based approach that aligns with our mandate, scope, and resources to prioritise areas where farmers and workers are most vulnerable. To support this, we've developed a risk analysis tool that informs our programme strategy and assurance approach. This tool provides an overview of the labour and human rights landscapes across the countries we operate in, helping us focus our efforts where they can have the most significant impact.

Monitoring, Evaluation and Learning (MEL) Framework

Better Cotton collects seasonal data on a range of aspects of producer performance. We are continuously striving to improve the quality and relevance of the information we receive from Producers, minimise reporting fatigue and ensure data collected can be useful for partner self-assessments.

Programme Partner Due Diligence

Better Cotton's due diligence process assesses partners across six key areas: ethics, governance, human resources, finance, operations, and partnership management. Additionally, a financial health check evaluates the financial health of partners. Each area is reviewed and scored, with findings compiled into a due diligence report that includes a corrective action plan to support continuous improvement.

Due diligence assessments are updated every three years to ensure partners maintain alignment with evolving requirements and best practices.

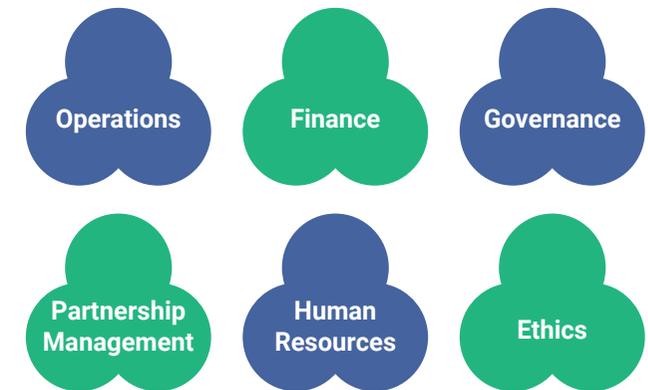## Six key areas Better Cotton's due diligence process assesses partners against:

- Operations
- Finance
- Governance
- Partnership Management
- Human Resources
- Ethics

Photo credit: Better Cotton/Baran Vardar

Enhanced Decent Work Monitoring in Higher-risk Contexts

Better Cotton's risk-based approach extends to its assurance approach, ensuring that labour rights risks are effectively identified and addressed in higher-risk regions. In Uzbekistan, where cotton production has historically been linked to state-imposed forced labour, Better Cotton requires producers to undergo an enhanced farm-level assessment by trained decent work monitors. Additionally, input from external stakeholders and local communities helps capture concerns that may not be immediately visible through field visits alone.

Better Cotton's Principles and Criteria v.2.1 did not adequately cover key labour rights issues, particularly forced labour and health and safety. To address this, we introduced a separate enhanced decent work monitoring process, which ran alongside the licensing assessments from 2021 to 2023. However, with the introduction of P&C v.3.0, which now integrates stronger labour rights indicators, these gaps have been addressed, allowing for the enhanced approach to be streamlined into regular licensing assessments for new farms, while continuing as a stand-alone process for existing farms where systemic risks are identified.

With the transition to certification, our assurance approach will continue to evolve. The final certification decision will now rest with independent third-party certification bodies, requiring an investment in training auditors. Better Cotton will ensure that certification auditors receive comprehensive training in worker interviewing techniques and are equipped with risk profiles and insights collected over years of decent work monitoring.

Commitment to Fair Remuneration and Wage Transparency

In cotton production, wages have traditionally been low, and informal payment structures have made it difficult to verify and enforce fair pay. Workers in the cotton sector, especially smallholder producers, often earn below the legal minimum wage, and women are disproportionately affected by these pay gaps.

One of the pivotal steps in Better Cotton's journey towards fair remuneration is the introduction of Criterion 5.7 to the P&C v.3.0, which mandates that large- and medium-sized producers pay at least the legal minimum wage, ensuring that workers are paid fairly and on time. While this is an initial step, it lays the groundwork for long-term improvements in wage structures, bringing greater visibility to remuneration practices in cotton farming.

In July 2024, Better Cotton received a grant from the ISEAL Innovations Fund to develop and test a digitised wage sampling tool in Pakistan. This tool represents an innovative solution for the cotton industry by providing clear, structured guidance on how to collect and analyse wage data using digital tools.

Looking ahead to the 2025–26 certification season, Better Cotton plans to roll out the wage sampling methodology in different country contexts, tailored to the specific needs of each location. Alongside this, auditors will be trained on wage verification methods, marking the first global roll-out of this approach.

Scaling Impact and Strengthening Commitments

Five years into the implementation of its Decent Work Strategy, Better Cotton is reflecting on the progress made and adapting to an evolving regulatory, environmental, and industry landscape. The next phase of our work will focus on deepening engagement, fostering collaboration across the supply chain, improving traceability, and addressing the growing climate-related risks facing farming communities.

Advancing Due Diligence, Traceability, and Stakeholder Collaboration

The adoption of mandatory human rights due diligence directives presents both challenges and opportunities for the cotton supply chain. As a unique intermediary between retailers, brands, and farming communities, Better Cotton is well-positioned to ensure that due diligence efforts reflect local realities.

To further scale social sustainability initiatives, including self-help groups, livelihoods projects, community-based education, and child labour monitoring, Better Cotton will focus on better reporting and deeper engagement. We will also foster dialogue and collaboration, shifting from reactive risk management to proactive partnerships that drive farm-level change.

Additionally, the introduction of traceability back to the gin level within the next one to two years will enable retailers and brands to engage directly with farming communities, promoting investment in sustainability initiatives and strengthening multi-stakeholder collaborations to address systemic decent work challenges.

Photo credit: Better Cotton/Seun Adatsi

Addressing Climate-Driven Labour Risks

The effects of climate change are reshaping working conditions in cotton farming. Climate stressors increase vulnerability, pushing some workers into precarious employment or exploitative conditions.

Recognising that decent work cannot be achieved without climate resilience, Better Cotton is integrating occupational safety, social protection, and worker well-being into our climate adaptation efforts. This includes advocating for stronger occupational safety measures, promoting access to clean water and shade, and collaborating with national labour inspectorates to improve monitoring during extreme weather conditions.

Advancing Advocacy and Impact Monitoring

Better Cotton's commitment to social sustainability has positioned it as a leader among sustainability standards in the cotton sector. By openly sharing risk assessment findings, assurance approaches, and best practices, we will continue to drive industry-wide improvements. Our collaboration with fellow sustainability standards, labour rights organisations, and civil society actors will be further strengthened to ensure alignment and collective impact.

A Roadmap for the Future

Determined to ensure that our work remains relevant and impactful, Better Cotton has published a revised strategy for 2025–2030, aligning with its broader 2030 Strategy framework. This updated strategy outlines priorities and objectives for the next five years, reflecting the organisation's commitment to continuous improvement and deeper engagement across the cotton supply chain.

This progress report is not a conclusion, but a stepping stone. Realising meaningful change will require collective action from governments, brands, civil society, and the farming communities themselves. We remain committed to ensuring that decent work is not just a standard, but a reality for cotton farmers and workers worldwide.

We invite all stakeholders—retailers, brands, Programme Partners, policymakers, and civil society—to join us in this next phase of action. **The time to act is now.**

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