

Standard-Setting Code System Report Outline

Better Cotton Principles & Criteria

I. The Better Cotton Standard

1. Scope

The Better Cotton Principles & Criteria (P&C) cover the most significant global issues associated with cotton cultivation and explain the intended outcomes achieved through their adoption. The P&C can be applied at a global level.

BCI farmers are spread over 23 countries: Australia, Brazil, China, India, Israel, Kazakhstan, Mali, Mozambique, Pakistan, Senegal, Tajikistan, Turkey, the USA and Cotton made in Africa countries (which includes Zambia, Zimbabwe, Tanzania, Mozambique, Ghana, Ethiopia, Côte d'Ivoire, Cameroon and Burkina Faso).

The P&C generally apply to farming areas used for the purpose of producing Better Cotton within the geographic boundaries under the farmer's responsibility. This means all areas within or adjacent to BCI Farmers' cotton fields. However, areas that are not used for cotton production are not subject to the P&C, unless they are covered by management plan requirements.

BCI distinguishes between three categories of farmers (smallholders, medium farms and large farms) in recognition of the differences in production methods and workforces they use. A set of 42 criteria applies to the three categories.

2. Sustainability outcomes

The Better Cotton Standard System (BCSS) is a holistic approach to sustainable cotton production which covers all three pillars of sustainability:

- **Environmental:** Developing several management practices, including Integrated Pest Management, Water Stewardship, Soil Management, Biodiversity Enhancement and Land Use Change
- **Social:** Promoting Decent Work, including Eradicating child labour and forced labour, ensuring Non-discrimination, promoting Health & Safety on the farm, ensuring good Employment Conditions, Basic Treatment and fair Disciplinary Measures and promoting Collective Partnerships

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- **Economic:** Increasing yields for farmers, Lowering farmer's costs, Increasing farmers' profitability

3. Why is it needed

BCI exists to make global cotton production better for the people who produce it, better for the environment it grows in, and better for the sector's future. BCI connects people and organisations from across the cotton sector, from field to store, to promote measurable and continuing improvements for the environment, farming communities and the economies of cotton producing areas.

4. Performance level

The P&C is a practice-based standard. By adhering to the 6 principles, BCI Farmers produce cotton in a way that is measurably better for the environment and farming communities. The P&C provides rules and guidance to farmers participating in BCI programmes on how to reach BCI social and environmental sustainability objectives.

To be licensed to produce Better Cotton, BCI Farmers must first meet a set of core indicators. These ensure that Better Cotton meets clearly defined standards for pesticide use, water management, decent work, record keeping, training and other factors. At the same time, BCI Farmers are encouraged to develop further by striving to meet improvement indicators, reflecting the fundamental concept of continuous improvement. Improvement indicators are measured through a concise questionnaire, which helps to identify positive impacts on an ongoing basis. BCI Farmers receive a score based on their answers and their results are presented transparently in performance bands for each category of farmers. High-scoring BCI Farmers are rewarded through extended Better Cotton licence periods. The better the score, the longer the licence awarded.

5. Adaptations

Better Cotton is a benchmark standard for the industry and BCI recognises the following regional standards as equivalent: Algodão Brasileira Responsável (ABRAPA) from Brazil, myBMP from Australia, and Cotton made in Africa (CmiA).

BCI endorses national standard thanks to a defined Benchmarking process that :

- » Compares standards or systems with a view to identifying gaps between them
- » Covers normative (setting and implementing standards) and procedural (how things are done)

- » also considers way in which BCI and the entity/ initiative make decisions, enable improvement of farmer performance, judge compliance, evaluate impact and collect data, finance themselves, and track product through the supply chain.

II. Standard-Setting and Revision Process

6. Standard's History

In 2005, as part of a 'round table' initiative led by WWF which convened world experts on different commodities, different initiatives are born all with the goal of finding more sustainable solutions for farmers, for the environment, and for the future of each sector. The Better Cotton Initiative is one of them, initially supported by a collective of major organisations including adidas, Gap Inc., H&M, ICCO, IFAP, IFC, IKEA, Organic Exchange, Oxfam, PAN UK and WWF.

The Better Cotton P&C were first developed in 2010 on the basis of input and consultations with Regional Working Groups in Brazil, India, Pakistan and West and Central Africa; Advisory Committee members; Better Cotton Partners; experts, critical friends and public consultation.

7. Stakeholder categorization and geography

The revision of the Standard is led by the BCI Standard and Assurance team, supported by a Standard Revision Committee.

The process affects various stakeholders who are part of the BCI system implementation and use the P&C and related documents to implement more sustainable farming practices.

- **Farmers:** Smallholders, Medium Farms and Large Farms define their continuous improvement plan and undertake annual self-assessment on BCI minimum and improvement requirements. They are therefore directly concerned by any change brought to the P&C.
- **Implementing Partners:** They enable cotton farmers to grow Better Cotton by supporting Producer Units in conducting their activities, carrying out Second Party Credibility Checks on Producers Units (including the preparation of corrective actions), and sharing best practices with BCI, also in line with the P&C.
- **Country Managers/Strategic Partners:** They are the front-line implementers of BCI systems. They are not only in charge of carrying out Second Party Credibility Checks, but they also review Producer Unit self-assessment, support 3rd party verification process and prepare corrective action plans for Implementing Partners/Producer Units. Their work will be significantly impacted by any change to the P&C.

- **Independent Verifiers:** It is part of their duty to independently assess a Producer Unit or Large Farm's performance against BCI requirements. They will have to make adjustments to their verification processes according to any new version of the P&C.
- **BCI Members and other stakeholders:** The P&C are the basis of the BCI sustainability production system, and due to this, their revision and the changes they bring have a significant impact on this group of advocates. Members will be sensitive to the way standards are revised, ensuring sustainability objectives are maintained.

8. Summary of the revision process

BCI is committed to reviewing the Better Cotton Standard at least once every 5 years. This is a unique opportunity to integrate feedback from all of our various stakeholders into the Standard. Importantly, the process will maintain the Better Cotton Standard's relevance to sustainability challenges in the cotton sector. The revision process gives opportunities to the general public and membership to contribute to the way in which the Better Cotton Standard evolves.

As an ISEAL Full Member, BCI also follows the ISEAL Code for Setting Social and Environmental Standards, ensuring that the Standard is reviewed regularly and following recognised good practices.

➤ Stakeholder consultation

Input into the review of the P&C is pro-actively sought after by BCI. All in all, up to two rounds of stakeholder consultations are organised in order to allow all interested and impacted parties to provide their comments and contribute to the process. Participants have the opportunity to provide their input through an online survey.

➤ Standard Setting and Revision Committee

The [Standard Setting and Revision Committee \(SSRC\)](#) supports the revision of the P&C by discussing modalities and intensity of changes to be brought to P&C and prepare drafts for stakeholder consultations.

Members of the Committee meet several times during the course of the process to offer technical advice and expertise towards the revision of the Standard. They have the opportunity to bring perspectives from their respective groups and stakeholders, evaluate impacts on affected stakeholders and decide on the degree of change to be incorporated in the new standard. Ultimately, the Committee is in charge of deciding when the final draft of the P&C is ready for review and approval by the BCI Council.



➤ **BCI Council**

The BCI Council oversees the Committee. It comprises 10 members who bring relevant expertise. It consists of the following:

- At least one representative from each membership category: the opportunity to apply has been given to all BCI Members;
- One Council member;
- A designated project manager from BCI.

The BCI Council has the authority in approving the final draft of the revised P&C. The Council confirms that the process followed by the Standard Revision Committee is in line with BCI's Standard review process. The Council ultimately had the authority to approve the content submitted, following the two rounds of stakeholder consultation.

➤ **Pilot Projects**

The Standard Setting and Revision Committee proposes entirely new environmental or social safeguards to be integrated into the P&C. Once approved by the council, some are experimented through Pilot Projects, which serve to assess interpretation, local relevancy and feasibility of implementation for further adjustment.

➤ **Transition Period**

Once the revisions to the P&C were approved, a transition period has started for those implementing the Standard (Cotton production season 2018-2019).

9. **Decision-making process**

The decision to develop or review a BCI standard shall rest with the BCI Council. When the development or the revision of a Standard is approved, the BCI Council shall direct the BCI Secretariat to establish a Standard Setting or Revision Committee (SS/RC).

Technical review:

The Standard Setting and Revision Committee strives to reach agreements by consensus on the content and structure of drafts for consultations and final drafts for council submission. Consensus is defined here as general agreement in favour of a proposal, plus the absence of a sustained objection to the proposal. If consensus cannot be reached on some issues, several proposed option will be submitted to consultation or to Council's consideration. The SSRC's mission is to review comments from consultations and provide technical inputs into the successive versions of the draft.

Approval:

The BCI Council confirms that the process followed by the SS/RC is in line with the standard setting/revising procedure.

When receiving final draft from the SSRC with relevant recommendations, the Council must take decision on approval or rejection of the final draft.

The Council shall seek to make all decisions by consensus (absence of sustained opposition). In the case of rejection of the draft prepared by the SS/RC, the Secretariat shall seek to establish the reasons for rejections and forward to the SS/RC for consideration. The SS/RC shall then reconvene and submit an updated version until approval is obtained.

10. Review and Revision process

How to submit complaints and how stakeholders can provide ongoing input (including proposals for revisions or clarifications) on the standard in between revisions, the date of the next review, etc.

The BCI webpage provides an email contact where to send input, inquiries and questions. The date of the next review is also provided in the standard preamble.