

BETTER COTTON INITIATIVE 2013 HARVEST REPORT





Welcome to the Better Cotton Initiative 2013 Harvest Report.

Better Cotton is sown and harvested in different annual cycles all over the world. In some regions sowing and harvesting take place in the same calendar year, and in others these activities spread over two calendar years. For example in the southern hemisphere, cotton sown in the last months of 2012 is referred to as the 2013 harvest, whereas in other regions, cotton harvested in the last months of 2013 and the first few weeks of 2014 is also referred to as the 2013 harvest. All of the data in this report refers to the 2013 harvest.

Because this report is published later in 2014 you'll also find references to our 2014 thinking, as we learn from our previous experience and work to continually improve the Better Cotton System.

We hope you enjoy reading it.

A NOTE ON DATA PREPARATION

The results presented in this report are weighted national averages of farm-level results, comparing the averages of BCI Farmers to those of Comparison Farmers. The weighting is a standard statistical analysis method, done so that the proportions of each sub-country region represented in Better Cotton projects are similar in both the BCI Farmer group and the Comparison Farmer group at the country level.

NOTE FROM THE CEO

BCI: VALIDATING THE STORY

Having worked many years promoting sustainability initiatives across a range of commodities, I often felt, 'This is a great initiative, but are we making a difference?'. Thus, it is with particular pride that we present the results of the 2013 Better Cotton Harvest. The trends that we highlighted in our first 'Harvest Report' last year have been confirmed, but on a much larger scale (680,000 farmers produced Better Cotton to our Standard, or to a Standard we formally recognise as being equivalent - up from 164,000 farmers in 2012).

The basic model is working well: BCI Farmers are using much less pesticide and synthetic fertiliser, while achieving greater, or at least equivalent yields. This reduction in input costs and increase in yield results in substantially greater margin received by the farmer's family. This year's results show that farmers in India, China and Pakistan who applied our methodology earned approximately 40% more income than similar farmer groups in those countries not using our practices. When one considers that these are among the poorest people on the planet - this is work that is well worth the effort.

How much confidence do we have in the validity of these results? Well, here are some of the safeguards in place. First of all, there is safety in numbers. These results summarise hundreds of thousands of data points collected from farmers. 'Outlier' and dubious data reporting exceptionally good results are filtered out.

Additionally, the data collection process incorporates numerous process/integrity controls. Everything starts with a Self-Assessment done by the farmers themselves who report their practices (and who record their activities in a log book). BCI staff or our expert Implementing Partners then conduct Second

Party Credibility Checks to ensure that the required information is recorded. These data collection processes undergo a further level of statistical sampling, risk-based analysis by independent Third Party Verifiers including organisations such as Bureau Veritas, SGS, and the FLA (Fair Labour Association).

On top of this, we also orchestrate non-scientific, but highly useful Case Studies where independent researchers do a 'deep dive' into local operating conditions and report their findings. We publish the findings of the 2013 third party Case Studies in this Harvest Report as a comparison to the conclusions of our 'formal' process findings. Again, the results are reassuring. The trends are confirmed. The conclusions reinforced.

We also commission evaluation reports from external parties to review our processes and submit improvement recommendations, which we embrace enthusiastically (such a report was received this year from Wageningen University/LEI and has already resulted in process improvements for the future).

The ultimate objective is to translate the results we currently report into scientifically conducted, independent Impact Assessments (it generally requires about 5 years of results data to conduct a meaningful Impact Assessment, so we are rapidly approaching this point).

Our processes become demonstrably more robust each year. We are encouraged by the trends this report is highlighting, and remain enthusiastic about achieving our mission to transform the way cotton is produced globally.

Patrick Laine
CEO



CONTENTS

BETTER COTTON IN 2013

OUR MISSION	7
BETTER COTTON GLOBALLY	8
THE BETTER COTTON STANDARD SYSTEM	10
FROM THE FARM TO THE MARKET: THE ROLE OF GINNERS	11
SCALING UP IN 2013	12
ON AND BEYOND THE FARM: LOOKING TOWARD IMPACT	13

FROM THE FIELD

REPORTING ON RESULTS ACHIEVED ON BETTER COTTON FARMS	16
ASIA	
CHINA	19
INDIA	27
PAKISTAN	33
TAJIKISTAN	39
TURKEY	45
AFRICA	
MALI	51
MOZAMBIQUE	59
BENCHMARKED STANDARDS	
ALGODÃO BRASILEIRO RESPONSÁVEL (ABR), BRAZIL	65
COTTON MADE IN AFRICA	69

GLOSSARY	4
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GLOSSARY

ha hectares

MT metric tonnes

BETTER COTTON TRACER

The online volume and transaction tracking tool used by parties authorised by BCI. These parties include ginning factories that volunteer to gin seed Better Cotton, and by merchants, spinners, retailers and brands that are BCI members.

BENCHMARKED STANDARDS

Benchmarking is a process of comparing one organisation's policies, practices, standards or systems with those of similar organisations, and identifying gaps between them. We work with other standards on benchmarking with the Better Cotton Standard System, ultimately allowing the cotton produced under that standard to be sold as Better Cotton, increasing global supply.

LEARNING GROUP

A group of farmers that meet to learn from each other and receive training on Better Cotton Production Principles and Criteria.

PRODUCER UNIT

A collection of Learning Groups or Medium Farms. The size of a Producer Unit will depend on local circumstances, though the optimal size is between 3,500 to 4,000 smallholders or 100 Medium Farms.

IMPLEMENTING PARTNER

An organisation responsible for creating an enabling environment in a given country or project area(s) so that farmers can participate in the Better Cotton Standard System. These Partners implement capacity-building and training based on the Better Cotton Production Principles and Criteria, and collect data at field level.

COMPARISON FARMERS

Previously called 'control groups', Comparison Farmers are comparable producers operating in the same area as BCI project participants, but not receiving BCI training.

SMALLHOLDER FARMS

Producers whose cultivated cotton area does not exceed 20 hectares and who are not structurally dependent on permanent hired labour.

MEDIUM FARMS

Producers whose cultivated cotton area ranges from 20 to 200 hectares and who are structurally dependent on permanent hired labour.

LARGE FARMS

Producers whose cultivated cotton area exceeds 200 hectares and who are structurally dependent on permanent hired labour.

ORGANIC FERTILISERS

Carbon-based fertilisers derived from animal or vegetal matter. Examples include manure and other types of animal waste, compost and other types of plant waste. We also classify unrefined minerals (such as rock phosphate) under this category. Crop residue (green manure) is excluded.

SYNTHETIC FERTILISERS

Chemically, artificially manufactured fertilisers, mostly inorganic (mineral) compounds. Examples include NPK complexes, as well as single nutrient fertilisers such as Ammonium Nitrate, Urea (a synthetic organic compound), or superphosphates.

BETTER COTTON IN 2013



Look down. What are you wearing? Chances are that one or more of your clothes are made from cotton. Or maybe it's your bed sheets, towels or the bank notes in your pocket. Nearly everyone on Earth uses or wears cotton products every day. To meet this demand, over 26 million tonnes of cotton were produced in 2013 in 85 countries around the world.

Cotton is a renewable natural resource but the future of cotton production is vulnerable to poor environmental management, poor working conditions and unstable markets. In 2005, a group of visionary organisations came together to work out a practical solution that would secure the sustainable future of the industry. The result was Better Cotton.

Better Cotton means producing cotton in a way that cares for the environment through processes that minimise the negative impact of fertilisers and pesticides, and care for water, soil health and natural habitats. BCI farmers achieve better yields and more financial security through access to global markets, whilst improving the working conditions in their fields.

Cotton that is made in this way meets the Better Cotton Standard. The standard has been developed by the Better Cotton Initiative (BCI), an independent multi-stakeholder organisation whose members are committed to making Better Cotton a mainstream product. From NGO partners to garment manufacturers, from the farmers to household brand names, all BCI's members are working to transform the way cotton is produced and safeguard the future of the sector.

The standard gives assurance that more sustainable farming is happening on the ground. Every step of cotton production, from sowing and growing to picking and harvesting, adheres to six production principles. BCI Farmers are also expected to continually improve their production processes. The standard can be applied to different scales of cotton production - from smallholder farms in Mali, Mozambique and Tajikistan to large, industrialised operations in Brazil and China.

Top international brands including adidas, H&M, IKEA, Levi Strauss & Co., M&S and Nike already use Better Cotton in their products. Their support and that of all BCI's members means that more and more Better Cotton is coming onto the market. In 2013, 3.7% of all the cotton produced globally was Better Cotton. By 2020, we want this figure to be 30%. By then, the cotton products you use every day are more likely to contain cotton produced in a more sustainable way. That's better for the farmers, the environment and the cotton sector, and that's better for all of us.

OUR MISSION

The Better Cotton Initiative 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.

BCI aims to **transform cotton production worldwide** by developing Better Cotton as a sustainable mainstream commodity.

Be part of something Better.



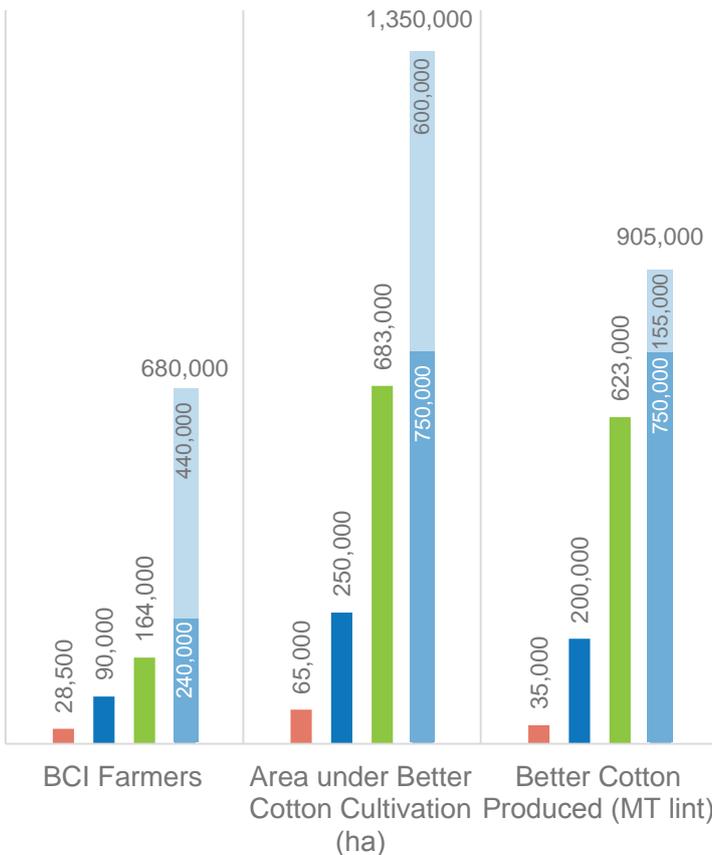
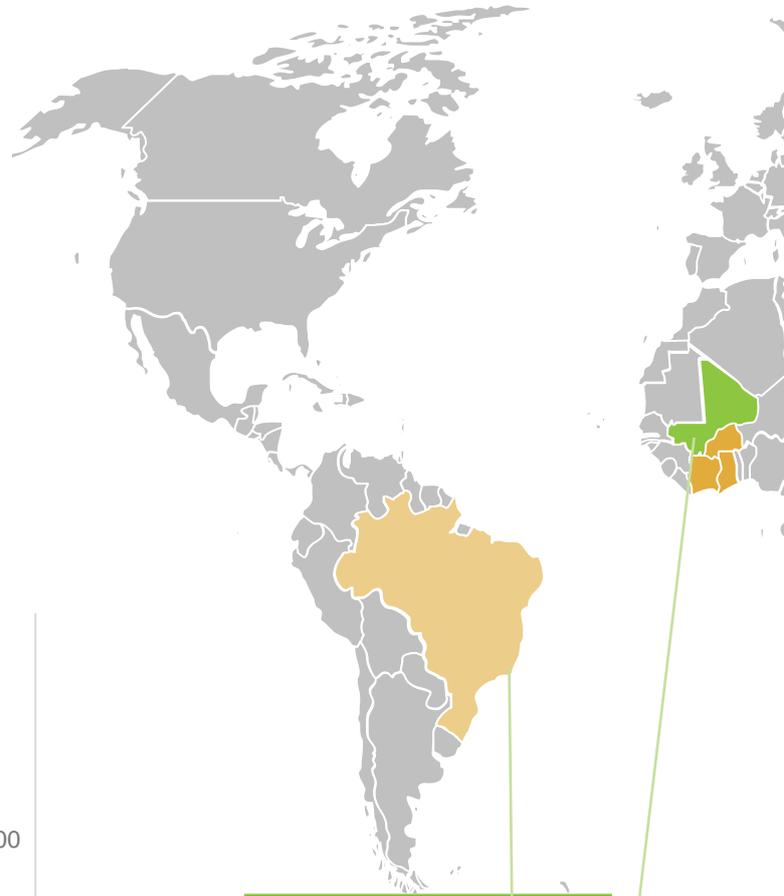
www.bettercotton.org

BETTER COTTON GLOBALLY

In 2013, over 744,000 farmers took part in training with 24 Implementing Partners and CmiA in 15 countries.

Of these farmers, almost 680,000 farmers met all requirements to receive a licence to grow Better Cotton.

These farmers produced over 905,000 MT of Better Cotton.

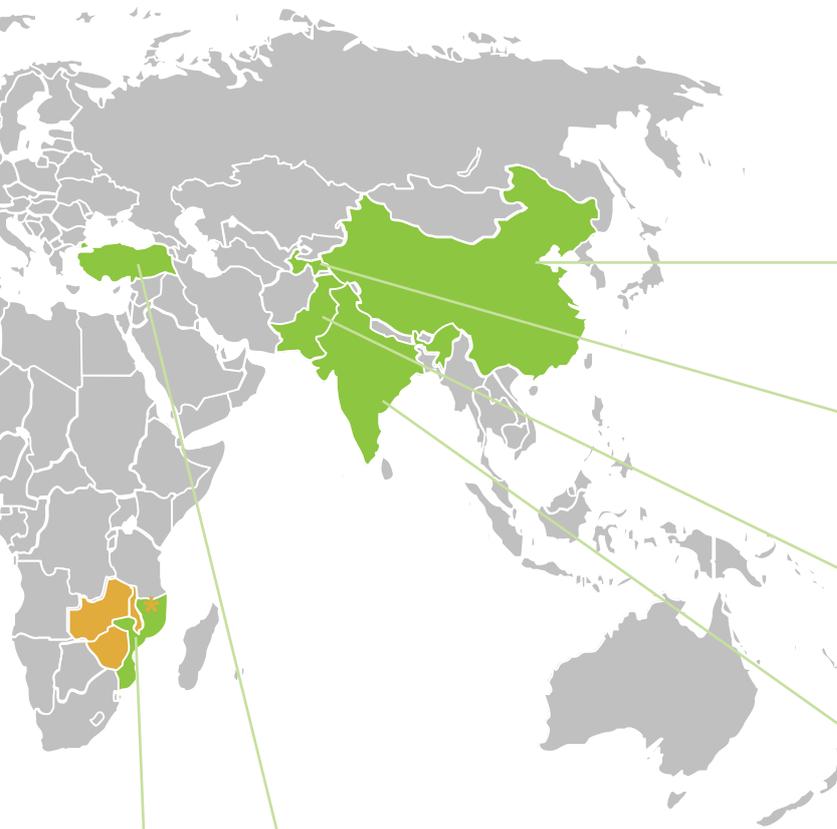


BRAZIL
 130 BCI Farmers
 188,000 Better Cotton hectares
 321,000 Better Cotton MT lint

MALI
 33,000 BCI Farmers
 86,000 Better Cotton hectares
 35,000 Better Cotton MT lint

Cotton made in Africa (CmiA) / Smallholder Cotton Standard (SCS)
 440,000 farmers
 600,000 hectares
 155,000 MT lint

2010 2011 2012 2013 2013 CmiA



- BCI projects
- Benchmarked standard: CmiA / SCS
- Benchmarked standard: ABR, Brazil

NB. 2013 was a period of transition for the Brazilian Better Cotton harvest, with a benchmarking agreement completed in early 2014. Therefore Brazil has been included in this and will be in all future reports as a benchmarked standard, reflecting our partnership agreement.

CHINA
 6,000 BCI farmers
 27,000 Better Cotton hectares
 53,000 Better Cotton MT lint

TAJIKISTAN
 680 BCI farmers
 11,000 Better Cotton hectares
 10,000 Better Cotton MT lint

PAKISTAN
 46,500 BCI farmers
 193,000 Better Cotton hectares
 157,000 Better Cotton MT lint

INDIA
 146,000 BCI farmers
 236,000 Better Cotton hectares
 160,000 Better Cotton MT lint

TURKEY
 280 BCI Farmers
 7,000 Better Cotton hectares
 13,000 Better Cotton MT lint

MOZAMBIQUE
 6,300 BCI Farmers
 6,000 Better Cotton hectares
 1,300 Better Cotton MT lint

This year, 78% of farmers who took part in training in BCI projects went on to receive a Better Cotton licence.

ON THE FARM: THE BETTER COTTON STANDARD SYSTEM

The Better Cotton Standard System is a holistic approach to sustainable cotton production which covers all three pillars of sustainability: environmental, social and economic. Six components make up the Better Cotton Standards System: Production Principles and Criteria; Capacity Building; Assurance Program; Chain of Custody; Claims Framework; and Results and Impact. Each of the components work together to support the system, and the credibility of Better Cotton and BCI. Find out more at bettercotton.org/standard.

1. Farmers make an informed decision to participate in a BCI program

FARMERS ARE ORGANISED INTO THREE CATEGORIES:



2. Participating farmers have access to training and work towards BCI's Production Principles & Criteria

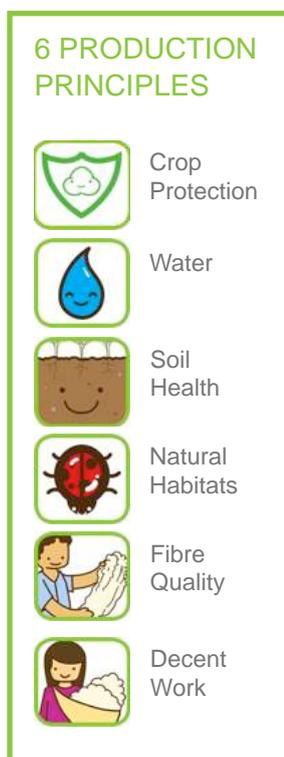
24 production criteria across the 6 principles apply to all farm categories
+20 additional criteria for Medium and Large Farms

3. Participating farmers maintain individual Farmer Field Books and participate in BCI's Assurance Program

BETTER COTTON ASSURANCE PROGRAM

1. Better Cotton Performance Scale
 - » Minimum Requirements
 - i. Minimum Production Requirement
 - ii. Management Requirements
 - iii. Reporting on Result Indicators
 - » Improvement requirements
2. Farmers' self-assessment
3. Combination of systematic or sample-based 2nd party credibility checks and 3rd party Independent Verification

4. Those participating farmers meeting the minimum requirements earn the Better Cotton licence, and are able to sell their cotton on to ginner and further up the supply chain as Better Cotton.



FROM FARM TO MARKET: THE ROLE OF GINNERS

Ginners play a unique role in the global Better Cotton supply chain. Not only do they link cotton farmers to an international commodity supply chain, but they are also the only supply chain actor to follow a segregation-based Chain of Custody, creating 100% physical Better Cotton bales.

A number of our ginners, particularly in Africa, play a diverse and collaborative role in their interactions with cotton farmers in their regions. Among these roles are training the farmers on various aspects of cotton production, provision and co-management of inputs, collection and transport of seed cotton. This level of engagement from ginners with BCI Farmers develops a mutually beneficial and a productive partnership between gins and BCI. Recognising this important position, we deliver a dedicated training and monitoring programme at gin level in all countries of operation.

NUMBER OF GINNERS TRAINED

Brazil	61
China	10
India	75
Mali	6
Mozambique	2
Pakistan	119
Tajikistan	11
Turkey	16
TOTAL	300

Training involves a detailed explanation of the requirements for ginners in the Better Cotton Chain of Custody Guidelines and instructions on how to declare transactions on the BCI traceability system, the Better Cotton Tracer. Ginners do not have to pay any fees to gain access to BCI's traceability system, or join formally as members.

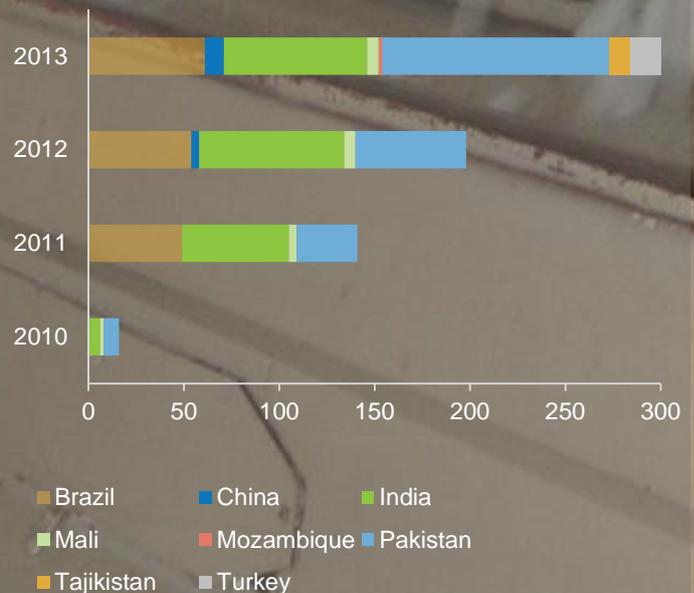
During the cotton season, we also carry out regular gin monitoring visits. This is to ensure:

- » Chain of Custody Guidelines are followed;
- » Procurement practices are followed; and
- » The Better Cotton Tracer is being properly used.

Monitoring particularly focuses on ensuring that gins are procuring Better Cotton only from licensed farmers, segregating Better Cotton from conventional cotton, creating 100% Better Cotton bales, recording data about transactions (seed cotton purchase, bale production and sales of lint) in the Better Cotton Tracer in a timely manner, and issuing necessary documentation to buyers to prove the origin of Better Cotton bales. For countries where benchmarked standards operate we do not carry out gin monitoring as they have their own appropriate systems.

The Better Cotton Standard is applicable at farm level only. Gin training and monitoring only for Chain of Custody requirements is, however, a critical part of our work with an actor that bridges farm level and the global cotton supply chain.

GINNER TRAINING



SCALING UP IN 2013

The total amount invested in field-level projects in 2013 was €8 million.



€5.4 million of which was channelled through the Better Cotton Fast Track Program.

DIVERSITY AND SCALE

BCI is scaling up.

Between 2010 and 2012 we tested the Standard and methodology, proving the concept. In 2013, we entered a phase of expansion and had a very exciting and productive year. The expansion meant that along with our Partners we worked with nearly 750,000 farmers in 15 countries on three continents, and in a multitude of contexts. **In just one year, we saw a four-fold increase in the number of farmers reached.**

Farmers working with us and partner standards cultivated cotton on plots of land ranging from a quarter of a hectare to a few thousand hectares. To grow a successful cotton crop, the vast majority of these farmers relied on family or hired labour, permanent and seasonal. Some farms were highly mechanised, using the latest technology to optimise fertiliser application and minimise superfluous irrigation.

Last season, some farmers faced intense pest pressure while others dealt with unpredictable monsoon rains. The common thread woven through all these contexts is the commitment BCI Farmers have to applying the Better Cotton Standard, regardless of the conditions. They are proving this is possible whether they are working in southern India, northern China, Mali, or Turkey.

CAPACITY BUILDING

Achieving the scale we envision on all three of our global indicators - number of BCI Farmers, area under Better Cotton cultivation, and amount of Better Cotton produced - cannot be done without making a concerted effort to enable smallholder farmers to participate. Approximately 75% of global cotton production comes from smallholder farmers in developing countries. Addressing the key social, environmental, and economic impacts of cotton farming in this context is critical to our mission and

is part of what makes us unique. In 2013, 99% of the farmers participating in BCI projects were smallholders who work on plots of land of less than 20 hectares. In general, smallholder farmers average less than 2 hectares in size, about the size of one to two football fields.

Our target is to reach 5 million farmers by 2020.

To achieve this goal, we rely on Implementing Partners with the skills and expertise to engage and train farmers to grow Better Cotton. Supporting Partners is at the centre of this approach. As well as providing local support to Implementing Partners through country managers and Strategic Partners, we invite key Partners to an annual 'train-the-trainer' program developed in collaboration with International Resources for Fairer Trade, our global training partner. Made up of distance learning, a four day workshop, and an examination, the train-the-trainer program combines active, participatory learning with a rigorous, technical focus to build a pool of qualified trainers within each partner organisation. Our Partners, in turn, use innovation, local expertise, and creativity to develop national guidance material and deliver quality 'cascade' training on how best to achieve the Better Cotton Standard locally.

At farm level, smallholders are organised into Learning Groups in each community. They are supported by Field Facilitators who train and guide them on the Better Cotton requirements and support the groups in learning efforts. Our Partners work to increase access to information that can empower smallholders to improve their farm practices and strengthen connectivity to the international market. Becoming more sustainable should not only be in reach of the largest, most technologically-advanced agricultural enterprises.

Along with our Partners, we are showing that it is possible to engage farmers from diverse contexts at real scale to achieve more sustainable cotton production.

ON AND BEYOND THE FARM: LOOKING TOWARD IMPACT

Along with our Partners we are striving to work with millions of farmers to produce more responsible cotton at scale. In the fields of international development and environmental science, which are at the centre of our work, it is important to use the word *impact*¹ with great care. Beyond attempting to demonstrate this by counting farmers meeting the Better Cotton Standard, we are committed to ensuring that meeting the standard translates into cotton production that is truly better for the people who produce it, better for the environment it grows in, and better for the sector's future. Our first steps in that direction involved setting common worldwide indicators for agronomic and economic results at farm level, which are reported on in this Harvest Report.

We recognise the need for in-depth and longer-term assessments to be able to measure the reduced environmental and improved social impacts of Better Cotton. We are working to design and use indicators and evaluation methods in the near future that move toward the measurement of impact (from numbers of farmers trained on record-keeping to effects on livelihoods, for example), and we continue to welcome collaboration with other institutions interested in impact measurement.

Thus, we do not (yet) speak of 'impact', but rather of 'results'. We can say with confidence, for example, that X farmers in Country A used, on average, 30% less pesticide than a comparison group of farmers in the same region who were not using our methodology. We are therefore excited to share our annual farm-level results in the spirit of learning and transparency.

¹ Impact is defined as positive and negative long-term effects resulting from the implementation of a standards system, either directly or indirectly, intended or unintended (from the ISEAL Impacts Code, adapted from OECD Glossary).

BCI's MONITORING AND EVALUATION ACTIVITIES

» Farm-Level Results:

as reported by farmers themselves.

» Independent Case Studies:

in two or more countries per year. These complement regular results monitoring by validating the accuracy of farm-level data. The studies also run focus group discussions with farmers using the Most Significant Change approach to gather their views on growing Better Cotton and learn how they feel it has affected them, their families, and their communities.

» External Evaluations and Assessments:

to explore specific, medium-term outcomes achieved through implementation of the Better Cotton Standard.

See page 18 for 'A Note on Data Preparation' and more information on 'Results Data Validation'.

FROM THE FIELD



REPORTING ON RESULTS ACHIEVED ON BETTER COTTON FARMS

From the first Better Cotton harvest four years ago, we have emphasised the importance of monitoring results achieved by farmers participating in the Better Cotton System. As such, we have built annual results reporting into the requirements of the Standard. The reason for this is twofold:

» Inviting every farmer participating in BCI projects to record data related to agricultural inputs, costs, and income earned from cotton is part of building monitoring and learning capacity at farm and community levels.

» At BCI, we believe that producing cotton more responsibly will lead to improved environmental, economic, and social outcomes. One step toward measuring some of these changes is collecting annual farm-level data.

The results presented in this Harvest Report compare the country averages of key environmental and economic indicators achieved by BCI Farmers to comparable farmers in the same areas who operate outside of BCI projects. We refer to these latter farmers as the Comparison Group.

RESULTS INDICATORS	MEASUREMENT
Pesticide use	% difference between BCI Farmers and Comparison Farmers in kilograms (kg) of active ingredient applied per hectare (ha). Pesticides include insecticides, herbicides, acaricides, fungicides, as well as all substances used as defoliant, desiccant, or growth regulators. We collect the type and concentration of active ingredient applied because this enables calculation of the chemicals contained within pesticides that are added to cotton farms.
Fertiliser use	% difference between BCI Farmers and Comparison Farmers in kilograms (kg) of synthetic and organic fertiliser applied per hectare (ha). Farmers report on the category and exact composition of each fertiliser used. We store this information for use in future, more detailed, studies. The long-term objective is to ensure an optimal application of nutrients that matches the needs of the crop, maintains long-term soil health and structure, makes economic sense, and minimises off-farm pollution (notably eutrophication through nutrient run-off or leaching) and GHG emission (notably through nitrous oxide emissions and industrial nitrogen fixation).
Water use for irrigation	% difference between BCI Farmers and Comparison Farmers on cubic metres (m3) of water used for irrigation per hectare (ha). Use of water for irrigation is only measured on farms that irrigate. A cotton crop is considered irrigated if it receives one or more irrigations in a season. Rain-fed farms are excluded from the analysis.
Yield	% difference between BCI Farmers and Comparison Farmers on kilograms (kg) of lint cotton produced per hectare (ha). Total production at farm level is expressed in kilograms of seed cotton. We convert the unit of measurement to lint by multiplying the amount of seed cotton in kilograms by the average gin turnout ratio (set separately for each country) and dividing by 1,000.
Profitability	% difference between BCI Farmers and Comparison Farmers on net income earned from cotton per hectare (ha). This is calculated as the gross income received from the sale of the cotton crop minus the total variable costs of growing the cotton crop.

These indicators, except profitability, are reported across all contexts, regardless of country, farm size, or technology used on the farm. With regard to the improvement of livelihoods, however, we are primarily concerned with supporting and monitoring this for smallholders and medium farms. The profitability indicator (a first step in understanding the economic situation) is therefore only collected from and communicated about smallholder and medium farms.

Due to differences in local conditions, we do not compare indicators between countries. Results are also only presented for one harvest year because within a country or a sub-area of a country, annual results are affected by external factors that change year-on-year. Factors like rainfall, pest pressure, and market price mean that comparing results across two to three years may not allow meaningful conclusions to be drawn. We are exploring future options for longitudinal analysis of results in countries that have been participating in Better Cotton since the first harvest. With time, we will be able to move in this direction.

In the 2014 season, we are introducing three new social indicators. They will be reported on in the next annual Harvest Report.

FARMER-REPORTED RESULTS

The starting point for all data collection and reporting associated with the results presented here is the information recorded by farmers during the season in their Farmer Field Book or equivalent record keeping system. We provide a Farmer Field Book template indicating the type of information that is to be recorded by farmers. The actual format of the Farmer Field Book is tailored by local partners to what is most suitable for the farmer. In contexts where a majority of participants have limited literacy skills, Field Facilitators assist farmers in tracking and recording the relevant information. The Farmer Field Book can equally be in the form of a computerised record keeping system in the case of large farms.

SAMPLING APPROACH FOR DATA COLLECTION

During the harvest years between 2010 and 2012, we collected Results Indicator data from all farmers participating in the Better Cotton System. As Better Cotton expands - from four countries in 2010 to eight in 2013 (not including Standards and programs with equivalency that sell their cotton as Better Cotton) - and the number of smallholders rapidly increases, the costs and effort associated with collection and management of data from hundreds of thousands of farmers become increasingly complex.

Data from all medium and large farms is still collected. For smallholders, we developed a sampling methodology, which was reviewed and endorsed by researchers at Wageningen University in the Netherlands. The methodology includes the collection of data from a representative sample of Learning Groups that are randomly selected by BCI on a yearly basis at the end of the season. The Farmer Field Book is maintained by all farmers for learning purposes.

COMPARISON DATA

Each Producer Unit and large farm we work with is responsible for collecting data from Comparison Farmers. These farmers can live in the same community as BCI Farmers, in neighbouring communities, or in other nearby locations. Their key characteristics make them as similar to project farmers as possible. Comparison Farmers should present similar socio-economic characteristics as BCI Farmers. The characteristics of their farm should also be taken into account:

- » number and type of labourers
- » size
- » irrigation system
- » general soil fertility
- » crops grown
- » experience in growing cotton

A NOTE ON DATA PREPARATION

The results presented in this report are weighted national averages of farm-level results, comparing the averages of BCI Farmers to those of Comparison Farmers. The weighting is a standard statistical analysis method, done so that the proportions of each sub-country region represented in Better Cotton projects are similar in both the BCI Farmer group and the Comparison Farmer group at the country level.

RESULTS DATA VALIDATION

In addition to the data reported by farmers, we annually contract researchers or consultants to conduct independent case studies in two or more countries – in 2013, studies were conducted in China and Mali. One objective of these studies is to collect data from samples of Better Cotton and Comparison Farmers (identified by the independent researcher). The findings of these independent studies are compared to the data reported by farmers and Producer Units. This will corroborate – or not – the data we receive from farmers via our Partners. While the case studies are not fully representative of the Better Cotton population, they do indicate trends that can be compared to our data. The findings of the 2013 studies are presented in the relevant country pages.

CHINA



JAN

DEC

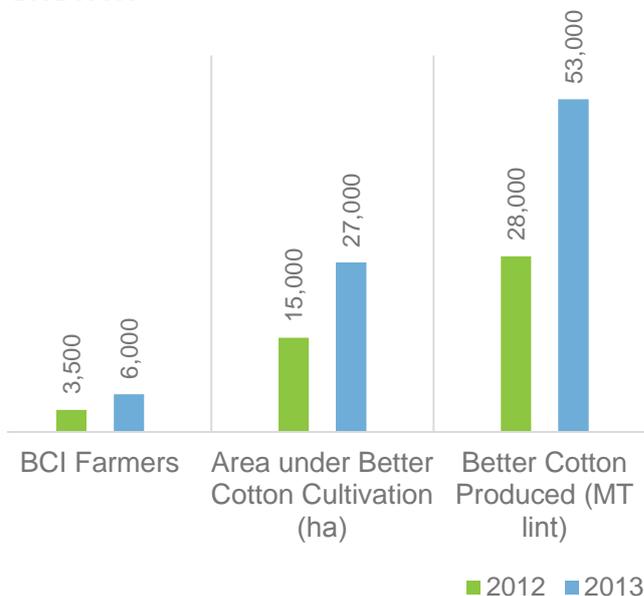
Sowing
APR - MAY

Harvest
SEP - NOV

BETTER COTTON PROJECTS

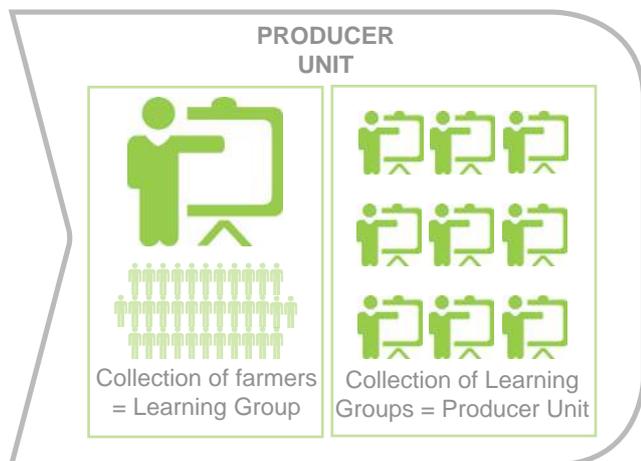


GROWTH



ORGANISATION

In 2013, **8 BCI Implementing Partners** worked with **6,066 farmers** organised into **116 Learning Groups** and **12 Producer Units**. **4,345 farmers** in China earned a Better Cotton licence.



IMPLEMENTING PARTNERS



Taichang
Golden Field

China is the world's largest cotton producer, and holds the highest spinning capacity in Asia.



Most of Chinese-grown cotton is used domestically.

Plastic mulching is practiced in China's northwest, a technology adopted in the 1980s that contributes to high yields experienced in the region. Plastic film is used to cover fields to keep temperatures warm for newly-planted seeds. BCI Farmers are rigorously adopting recommendations to invest in higher quality film and recycle it, which eliminates unnecessary pollution left on the ground that was previously disintegrating into pieces and getting ground into the earth each season. The pollution blocks water from penetrating the soil, reducing yields.



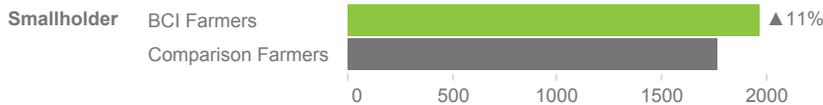
“Long term, BCI supports the business growth of our ginning company, leaving a better future for our grandchildren.”

Mr Li Haiyong of Binzhou Yuhai Cotton Co. Ltd., a Better Cotton Ginner in China



Cotton gin
© Better Cotton Initiative

Yield (kg lint/ha)



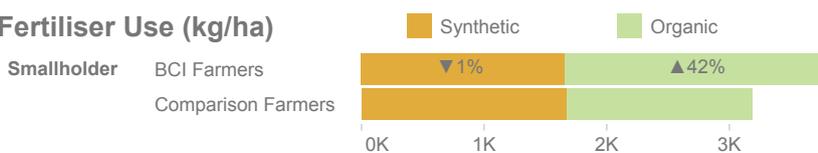
In Hebei there was slight flooding in 2013. Despite this, licensed BCI Farmers were able to achieve higher yields than the Comparison Farmers. In Shandong province, more rain than usual contributed to good overall conditions.

Pesticide Active Ingredient Use (kg/ha)



Major pests were aphids and red spider mites. In 2013, there was no remarkable pest pressure in China. Farmers trained on the Better Cotton Standard began to apply less pesticide than in previous years, showing a difference with Comparison Farmers.

Fertiliser Use (kg/ha)



BCI Farmers used slightly less synthetic and more organic fertiliser than Comparison Farmers. In addition to recycling plastic film used on fields for mulching, some BCI Farmers returned cut cotton stalks to the field post-harvest, which with appropriate application of fertiliser, helped to improved soil health.

Water Use (m³/ha)



Better Cotton smallholders used less water for irrigation.

Profit (per ha)



Lower use of inputs and irrigation water had a positive effect on BCI Farmers' profitability among smallholders and medium farms.

SUMMARY OF RESULTS FOR SMALLHOLDER AND MEDIUM FARMS IN CHINA 2013 BCI FARMERS AGAINST COMPARISON FARMERS

Yield	▲ 11%
Pesticide Use	▼ 10%
Synthetic Fertiliser Use	▼ 1%
Organic Fertiliser Use	▲ 42%
Water Use	▼ 23%
Profit	▲ 37%

The results presented here were calculated based on data from 4,123 BCI Farmers and 840 Comparison Farmers. Some data was excluded from the analysis because no comparison data was available for a group of farmers. Therefore the results shown here represent 95% of BCI Farmers in China.

CHANGE IN CHINA

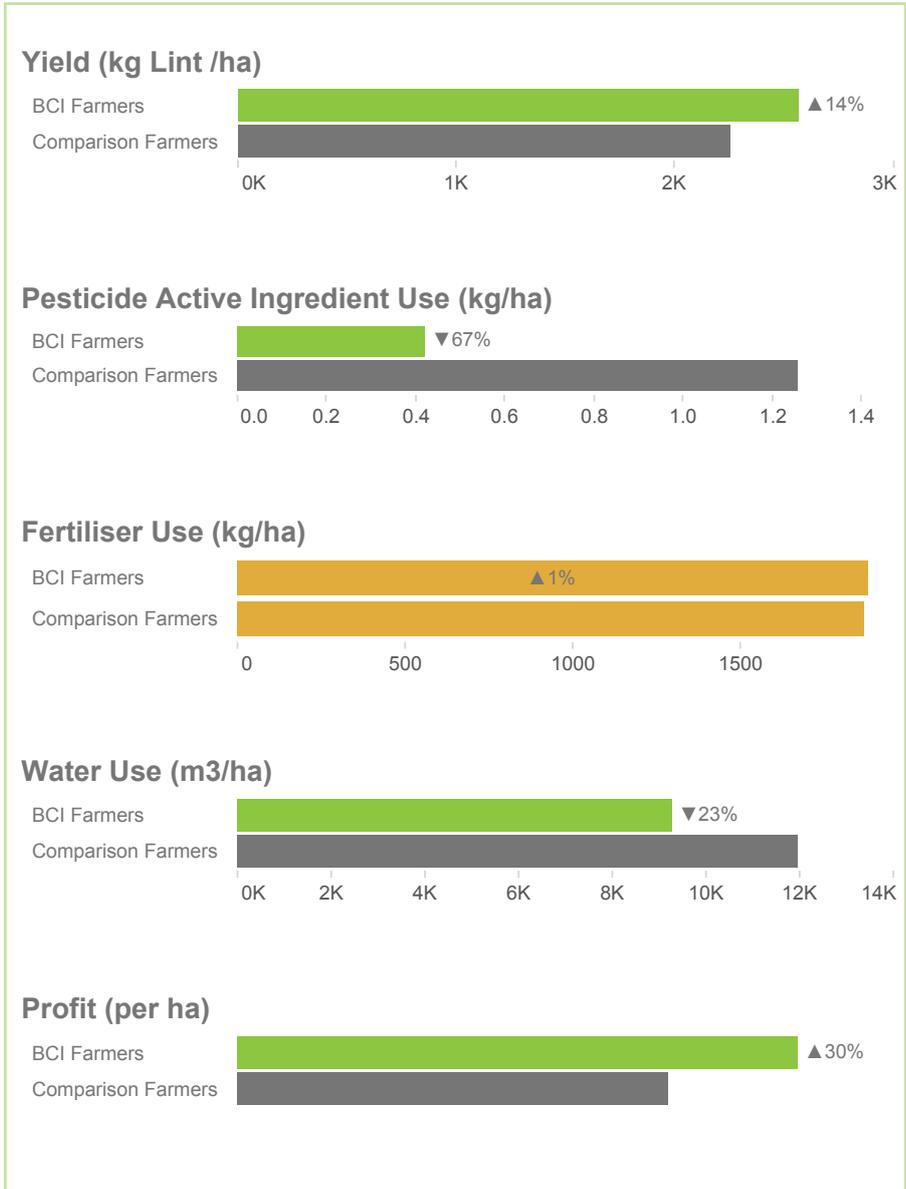
2013 Independent Case Study



53 BCI Farmers took part in the China case study in 2013.

95 Comparison Farmers also took part in the case study, allowing us to show comparative results indicators between those farmers who apply the Better Cotton Standard, and those do not.

These results were calculated from data collected during the independent case study in China. As part of the study, we commissioned researchers or consultants to collect a sample of data from both BCI and Comparison Farmers and compared it to that self-reported by our Partners. In China, the results trends match, giving us confidence that our data is reliable.



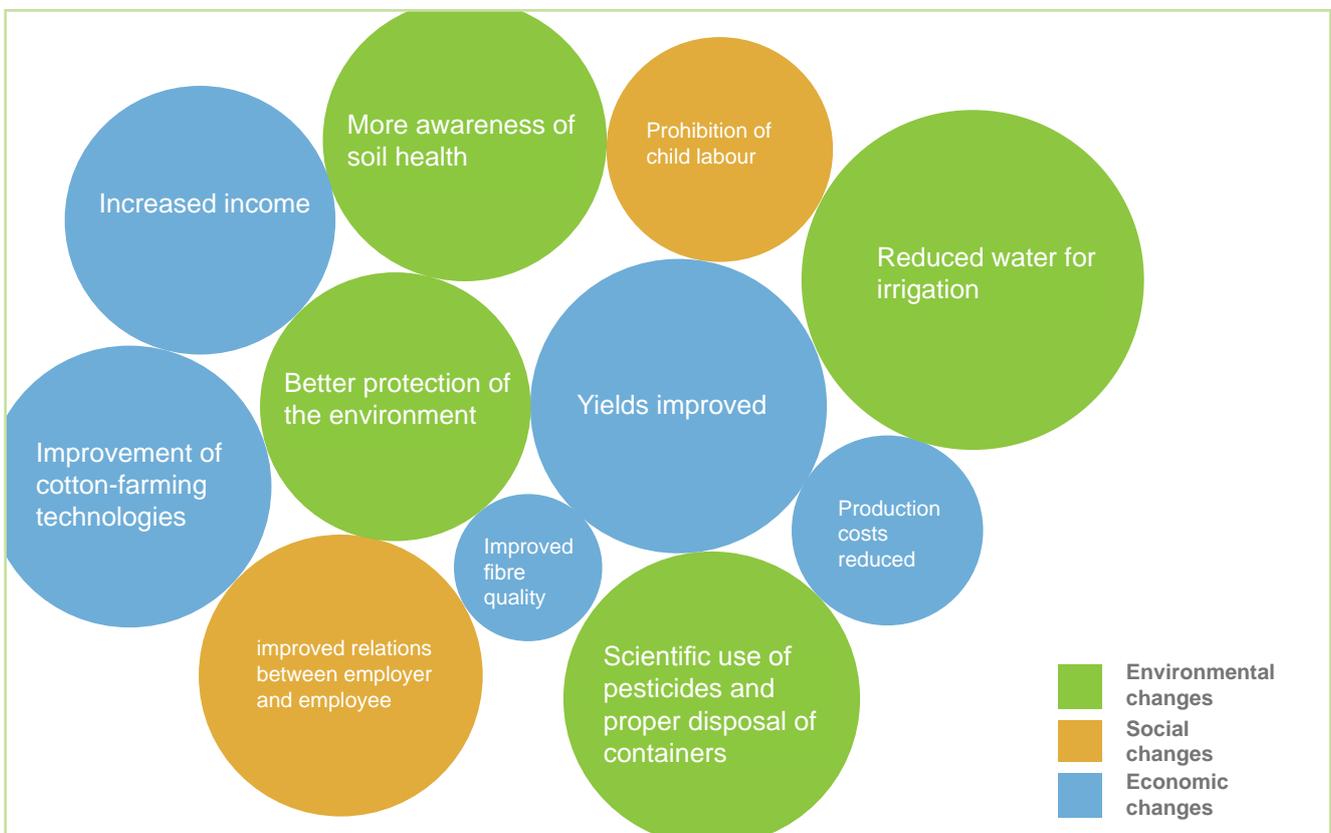
CHANGE IN CHINA

2013 Independent Case Study



In 2013, we asked farmers in China: **What is the most significant change you have seen since you became part of the Better Cotton movement?**

Each shape below reflects an answer given by a farmer. The farmers then ranked these in order of how important they felt each was, giving us a clear qualitative picture of the **'Most Significant Change'** which Better Cotton is bringing to farmers.



“ We are becoming more conscious of saving water, and yet, production is also increasing. ”
Lu Jian

“ We all have seen the tangible benefits of the training, and we will not go back to previous ways of working. ”
Wang Zhenhai

“ In the past, city and town people would hire “out of class tutors” for their children and we were not able to as it is very expensive. In 2012, several farmers had more income and began to hire tutors. In 2013, even more farmers could afford to do it. This change is important to us and it is the increased income since working with BCI that enabled us to afford it. ”
He Tianyou

“As long as you are here, I don't face any challenges.”

Reheman Yibulayin is an Uyghur farmer and father to two little girls.

Living in Baxiawati Village in the Xinjiang Province of Northern China, Reheman makes his living growing cotton on 1.3 hectares of land.



© Better Cotton Initiative

Before CottonConnect started work in Xinjiang, the most critical challenge Reheman faced was crop protection. Ten years ago he didn't use any pesticides, but many neighbouring farms did. Over time, this resulted in an imbalance of the ecosystem, and Reheman's pest issues became much worse. In an attempt to take control of the situation he started buying pesticides. However, like most Uyghur farmers, Rehman doesn't speak Mandarin.

He struggled to understand the usage instructions for the pesticides and was forced to follow recommendations from the dealers themselves. He mixed several pesticides together in much larger dosages than needed and applied the mixture to his crops, believing the more pesticides he used the sooner the pests would be killed. As well as environmental damage and potential health issues, Reheman was spending up to 3,750 yuan/ha on crop protection - around 5 times more than the average in the area. Reheman is not the only Uyghur farmer who spent so much money on pesticides. It is common for Uyghur farmers' production costs to be higher than those of Han farmers in the same geographic region. Han farmers speak Mandarin, and usually farm larger areas of land so can manage their cotton farm more efficiently. To help the disadvantaged Uyghur farmers manage their farm in a more sustainable way, CottonConnect China started work in 2013 in the Xinjiang Province.

As a BCI Implementing Partner and together with the Better Cotton Fast Track Program, CottonConnect hired experts and interpreters to train Reheman and his fellow villagers. They learnt how to manage pests, conserve soil, stay healthy and follow Decent Work principles. Following two years of learning, Reheman reduced his pesticide spend to 750 yuan/ha in 2013. What's more, he also achieved a higher yield: 5,250 kg/ha seed cotton as opposed to 4,200 kg/ha seed cotton in 2012. When we asked him what technical problems he encounters now, Reheman replied: 'As long as you are here, I don't face any challenges.'

CottonConnect are the winners of the 2014 Stories from the Field competition for BCI Implementing Partners.



www.bettercotton.org

INDIA



Leaning Group meeting with BCI Implementing Partner, Ambuja Cement Foundation, India
© Better Cotton Initiative

INDIA



JAN

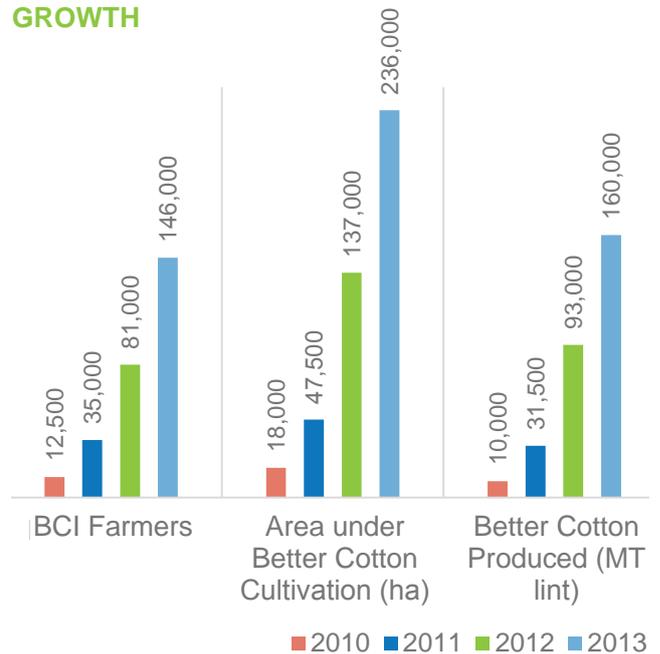
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BETTER COTTON PROJECTS

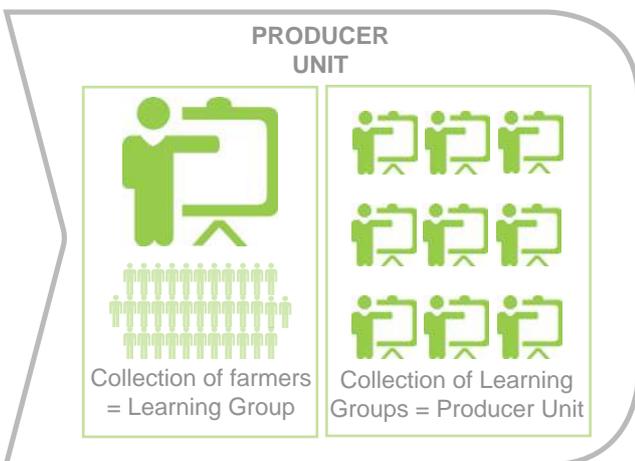


GROWTH



ORGANISATION

In 2013, **9 BCI Implementing Partners** worked with **156,895 farmers** organised into **5,036 Learning Groups** and **57 Producer Units**. **145,837 farmers** in India earned a Better Cotton licence.



IMPLEMENTING PARTNERS





In 2013 we spent time in the field with Kasharu, a BCI Farmer in Maharashtra, and his family to learn about how Better Cotton has transformed the way he works. Listen to his story by watching the video on our website, or click the image above if browsing this report online.

All cotton farmers in India are smallholders.

Cotton in India is grown as both a rain-fed and irrigated crop.



10 out of 11 of India's cotton-producing states produce Better Cotton.

India is the world's second largest cotton producer,



and holds the second highest spinning capacity in Asia.

“We have now realised the importance of record keeping and how better decision-making can be helpful in seasonal crop activities.”

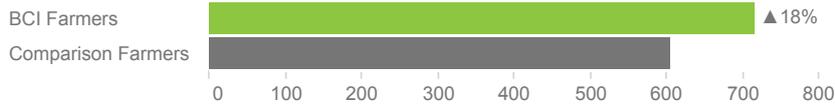
BCI Farmer,
Mall Wala village, India

Working with BCI Implementing Partner: Trident Limited



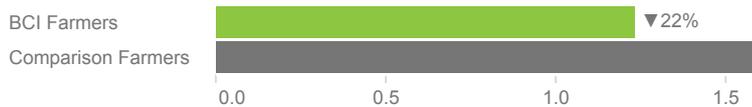
Trident Ltd. Learning Group meeting
© Better Cotton Initiative

Yield (kg lint/ha)



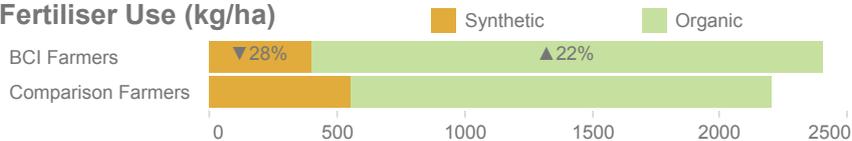
The 2013 season was uneventful in terms of rainfall. The monsoon was as expected, with the exception of a few states' yields negatively affected by a late season dry period that caused early bursting of the bolls.

Pesticide Active Ingredient Use (kg/ha)



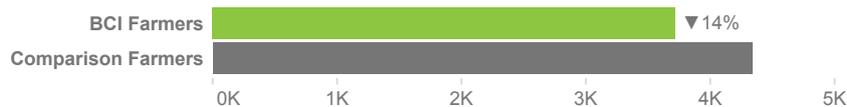
Sucking pests have started to become more damaging in comparison to other pests, a new development since the wide-spread use of GM cotton in the country. BCI Farmers have learnt about different sucking pests and ways to manage them strategically, in addition to use of pesticides. The use of trap crops and botanical pest control measures has begun in large scale. Importance is also given in the selection of cultivars which are resistant to sucking pests. These developments among BCI Farmers can partly explain the difference in pesticide use compared to Comparison Farmers.

Fertiliser Use (kg/ha)



BCI Farmers used less synthetic and more organic fertiliser than Comparison Farmers. Along with our Partners we place emphasis in India on the use of manure and other organic inputs to maintain the soil's organic content.

Water Use (m3/ha)



Results for water use are only included for irrigated farms and do not include rain-fed farms in the calculation.

Profit (per ha)



Reduced use of inputs contributed to a higher profit, on average, for BCI Farmers. The labour market is changing in India, making fewer workers available for and interested in on-farm work. This is affecting the cost of labour, which is a source of concern for farmers.

SUMMARY OF RESULTS IN INDIA 2013 BCI FARMERS AGAINST COMPARISON FARMERS

Yield	▲ 18%
Pesticide Use	▼ 22%
Synthetic Fertiliser Use	▼ 28%
Organic Fertiliser Use	▲ 22%
Water Use	▼ 14%
Profit	▲ 44%

The results presented here were calculated based on data from 13,345 BCI Farmers and 5,010 Comparison Farmers.

PAKISTAN



Workers unload raw cotton from a truck at a spinning, weaving and denim mill, in Punjab, Pakistan
© WWF-UK Asim Hafeez

PAKISTAN



JAN

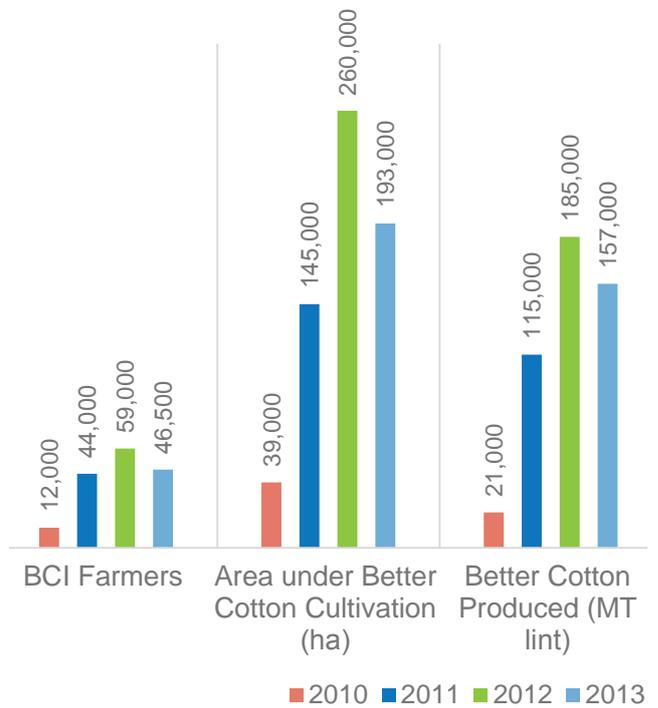
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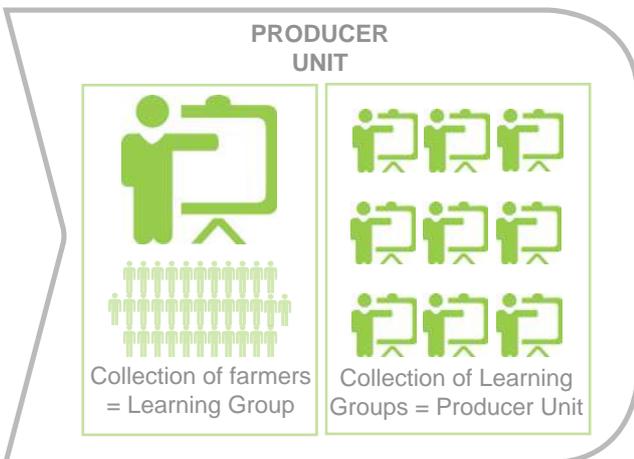
BETTER COTTON PROJECTS



GROWTH



ORGANISATION



IMPLEMENTING PARTNER



In 2013, our **BCI Implementing Partner** worked with **96,959 farmers** organised into **2,962 Learning Groups** and **44 Producer Units**.

46,558 farmers in Pakistan earned a Better Cotton licence.

PAKISTAN

4th HARVEST

Pakistan is the world's fourth largest cotton producer.

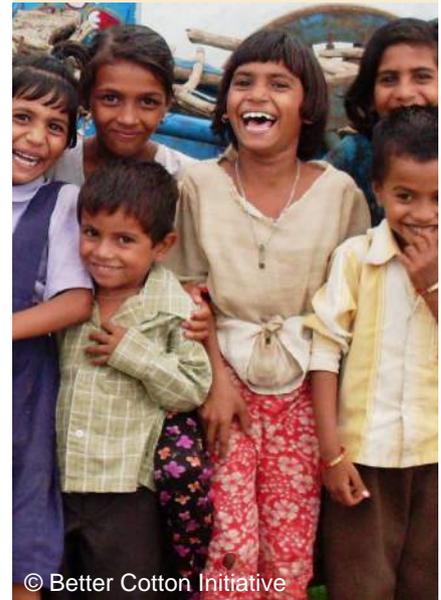


Pakistan has one of the world's largest irrigation systems and all cotton is irrigated.



Importantly, Pakistan also holds the third largest spinning capacity in Asia (after China and India), with thousands of ginning and spinning units producing textile products from cotton.

In a bid to ensure sustained growth in the cotton sector, in 2010 the Pakistani government launched Cotton Vision 2015. This is a drive to boost production to 20 million bales by 2015, over a 225% increase over the 2010 levels.



© Better Cotton Initiative

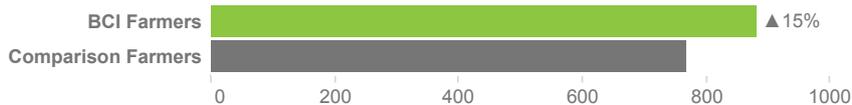
“My daughter used to pick cotton in the fields or carry water for her father. Now all of my children go to school.”

Aasiya - wife of a cotton farmer.
Bahawalpur District, Punjab,
Pakistan



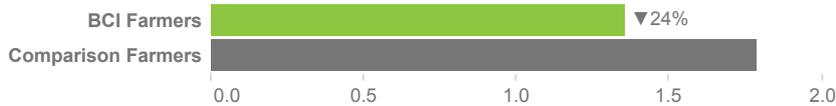
Hear more from Aasiya in our country documentary on Pakistan on our website, or click the image above if browsing this report online.

Yield (kg lint/ha)



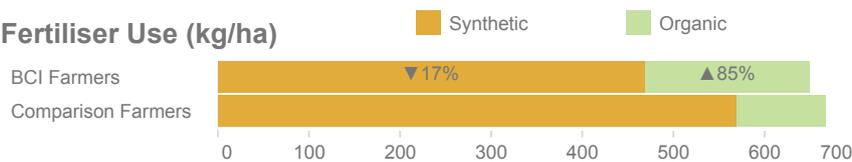
BCI Farmers achieved a 15% higher yield, on average, than Comparison Farmers. This can be attributed to more timely and efficient application of inputs and pest control.

Pesticide Active Ingredient Use (kg/ha)



Pest pressure in Pakistan during the 2013 season was especially high for sucking pests like thrips and white fly, especially in areas of low rainfall. BCI Farmers demonstrated, on average, 24% less pesticide applied than Comparison Farmers. BCI Farmers worked closely with our Implementing Partner staff, who advised on the use of pesticides only when necessary, according to integrated pest management principles.

Fertiliser Use (kg/ha)

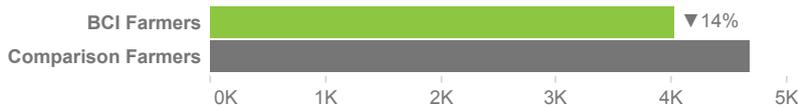


BCI Farmers used 17% less synthetic and 85% more organic fertiliser, on average, than Comparison Farmers. BCI Farmers applied manure to increase soil fertility and water retention. Some followed improved methods introduced by our Partners like applying manure with irrigation water.

PAKISTAN: results

4th HARVEST

Water Use (m3/ha)



All cotton cultivated in Pakistan is irrigated. BCI Farmers used 14% less water for irrigation than Comparison Farmers. In some cases, where they have more control over water availability with a tube well, BCI Farmers irrigated only after water scouting. Other BCI Farmers, mainly those with relatively large areas of cotton, level their fields. This helps increase water efficiency by evening the application of water to all parts of the cultivated land.

Profit (per ha)



Prices of inputs were higher in 2013 than the previous year, with prices of phosphate fertilisers and pesticides increased. Water rates also rose, mainly due to a rise in electricity and diesel prices. The cost of production was 10-15% higher than that of the 2012 crop season, but there was no corresponding increase in cotton prices. As a result of higher yields and lower input costs, BCI Farmers achieved a 42% higher profit than Comparison Farmers.

SUMMARY OF RESULTS IN PAKISTAN 2013 BCI FARMERS AGAINST COMPARISON FARMERS

Yield	▲ 15%
Pesticide Use	▼ 24%
Synthetic Fertiliser Use	▼ 17%
Organic Fertiliser Use	▲ 85%
Water Use	▼ 14%
Profit	▲ 42%

The results presented here were calculated based on data from 5,569 BCI Farmers and 3,163 Comparison Farmers.

TAJIKISTAN



TAJIKISTAN



JAN

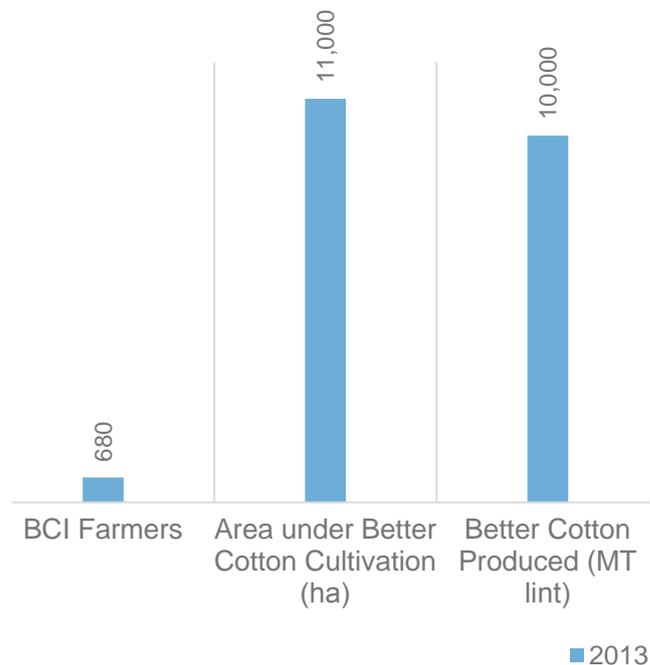
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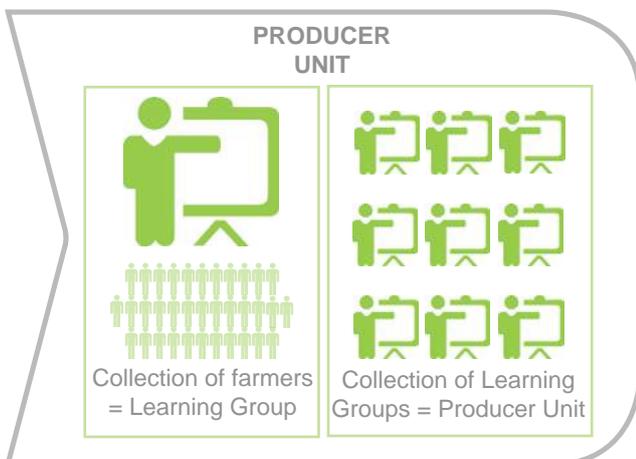
BETTER COTTON PROJECTS



FIRST HARVEST RESULTS



ORGANISATION



IMPLEMENTING PARTNER



In 2013, our **BCI Implementing Partner** worked with **675 farmers** organised into **54 Learning Groups** and **3 Producer Units**.

All participating farmers in Tajikistan earned a Better Cotton licence.

TAJIKISTAN



 Cotton production supports **more than half** of the rural population in Tajikistan.

 93% of Tajikistan's land is mountainous, yet the agricultural sector plays a critical role in its economy.

Since gaining independence from the Soviet Union in 1991, significant liberalisation and partial privatisation has taken place in the cotton sector, including: privatisation of the ginning subsector, liberalisation of input prices, privatisation of financing and marketing of cotton, restructuring of cotton farmlands, and partial privatisation of cotton farms through collective land tenure.

“BCI is an important direction for the future development of cotton production in Tajikistan. BCI teaches our farmers to make rational use of productive resources and increase productivity and product quality.”

BCI Agronomist at Sarob, an agricultural consultancy for cotton producers in Tajikistan and BCI Implementing Partner from 2014.

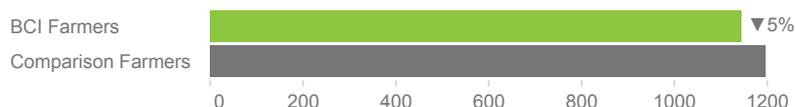


Farmer verification, Tajikistan © Better Cotton Initiative

TAJIKISTAN: results



Yield (kg lint/ha)



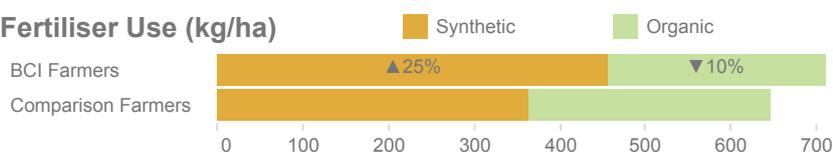
BCI Farmers achieved a similar, although marginally lower, yield when compared to the comparison group.

Pesticide Active Ingredient Use (kg/ha)



BCI Farmers applied significantly less pesticide than Comparison Farmers. Across the country's northern cotton producing province in particular, farmers actively practice a tradition of using biological methods of pest control, which includes the use of beneficial insects. BCI's Partner encourages the continuation of this practice.

Fertiliser Use (kg/ha)



BCI Farmers used more synthetic, but less organic fertiliser. BCI's Partner identified soil analysis as a need and accordingly provided a roving adviser to test soil and advised on more efficient nutrient application.

TAJIKISTAN: results



Water Use

Effectively measuring water quantities used for irrigation proved to be challenging in Tajikistan. Reliable data was not available in 2013, the first year of Better Cotton. Raising awareness about the importance and effective methods of monitoring the use of water is one of the ongoing activities undertaken by our Partner.

Profit (per ha)



BCI Farmers were 18% more profitable, on average, than Comparison Farmers. This is attributed to the more appropriate application of pesticides and also takes into account the increased bargaining power afforded to farmers that have been organised into Learning Groups within a Producer Unit. These farmers are able to enter into contract ginning arrangements which provide them with the opportunity to directly market their own lint, cotton seed and associated by-products.

SUMMARY OF RESULTS IN TAJIKISTAN 2013 BCI FARMERS AGAINST COMPARISON FARMERS

Yield	▼ 5%
Pesticide Use	▼ 63%
Synthetic Fertiliser Use	▲ 25%
Organic Fertiliser Use	▼ 10%
Profit	▲ 18%

The results presented here were calculated based on data from 97 BCI Farmers and 298 Comparison Farmers.

TURKEY



Cotton picking, Mardin, south east Turkey
© Orta Anadolu

TURKEY



JAN

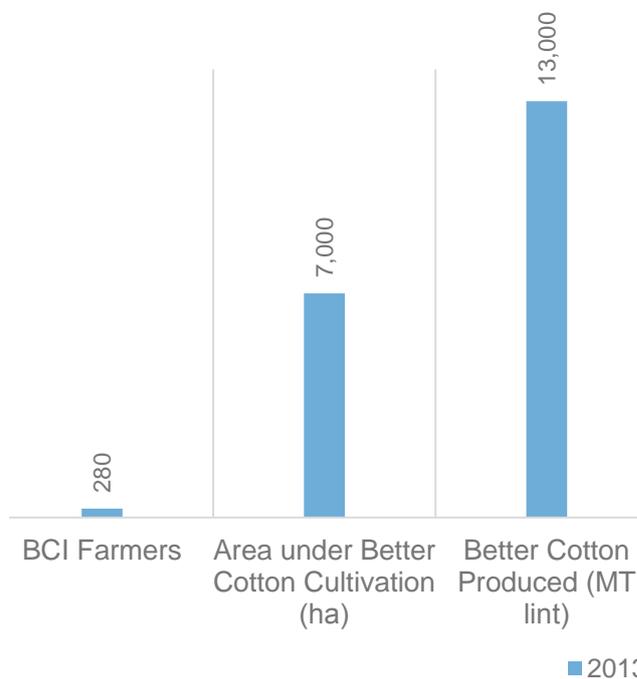
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BETTER COTTON PROJECTS



FIRST HARVEST RESULTS



ORGANISATION



IMPLEMENTING PARTNER



In 2013, **BCI's Implementing Partner** worked with **310 farmers** organised into **7 Producer Units**.

278 farmers in Turkey earned a Better Cotton licence.

“Farmers are happy as they are not just using local practices, but internationally recognised standards.”

Şükran Bayçura, BCI Country Manager, Turkey



Mechanised seeding Izmir, Turkey
© Orta Anadolu

2011 Leading actors in the Turkish Cotton Sector approached BCI with the aim of starting production of Better Cotton in Turkey.

2013 After substantial research, preparation of reports, meetings and workshops, it was agreed that the most effective way to start producing Better Cotton in Turkey was to establish a Non-Governmental Organisation to represent multiple stakeholders. As a result, İyi Pamuk Uygulamaları Derneği, or the ‘Good Cotton Practices Association’ (IPUD) was founded in September 2013.

The Turkish government does not currently permit planting of Genetically Modified (GM) cotton.



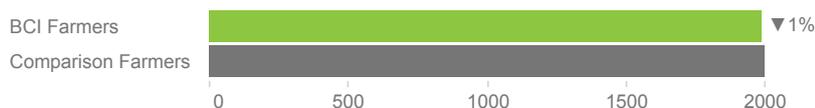
Climate conditions in 2013 were advantageous in general, contributing to higher yields.

Nearly all participating farmers fall into BCI’s medium farm category: farms of between **20 and 200 hectares** and are structurally dependent on hired labour.

TURKEY: results

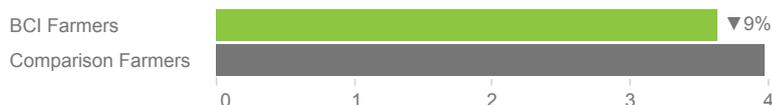
1st HARVEST

Yield (kg lint/ha)



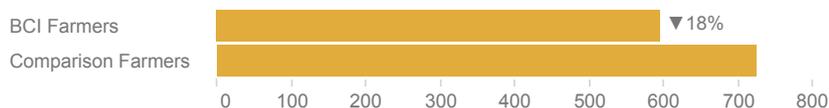
BCI Farmers used, on average, less pesticide and less synthetic fertiliser per hectare than Comparison Farmers, but achieved approximately the same yield.

Pesticide Active Ingredient Use (kg/ha)



The main pests were lygus bugs (*Lygus spp.*) and cotton bollworm (*Helicoverpa armigera*), but they did not pose a particularly difficult threat. Turkish BCI Farmers used integrated pest management practices to effectively protect their crop. Notable practices include threshold spraying - waiting to apply pesticide until there is a high enough threat to require treatment. In some areas, trap crops are also used.

Synthetic Fertiliser Use (kg/ha)



BCI Farmers used less synthetic fertiliser, on average, than Comparison Farmers.

TURKEY: results

1st HARVEST

Water Use

Effectively measuring water quantities used for irrigation proved to be challenging in Turkey. Reliable data was not available in 2013, the first year of Better Cotton. Raising awareness about the importance and effective methods of monitoring the use of water is one of the ongoing activities undertaken by our Partner, IPUD.

Profit (per ha)



BCI Farmers reported slightly higher profitability than the Comparison Farmers. Collecting consistent data on costs is an area of improvement for the next season, as use of less pesticide and synthetic fertiliser normally would have a positive effect on net revenue. Increased costs of diesel fuel (11%) used to run farm machinery and irrigation systems, and fertilisers (9%) in the last year had an adverse effect on farmer profitability in general. Pesticide costs also increased between 1% and 2%.

SUMMARY OF RESULTS IN TURKEY 2013 BCI FARMERS AGAINST COMPARISON FARMERS

Yield	▼ 1%
Pesticide Use	▼ 9%
Synthetic Fertiliser Use	▼ 18%
Profit	▲ 2%

The results presented here were calculated based on data from 165 BCI and 61 Comparison Farmers. Some data was excluded from the analysis because no comparison data was available. Therefore the results shown here represent 59% of BCI Farmers in Turkey.

MALI



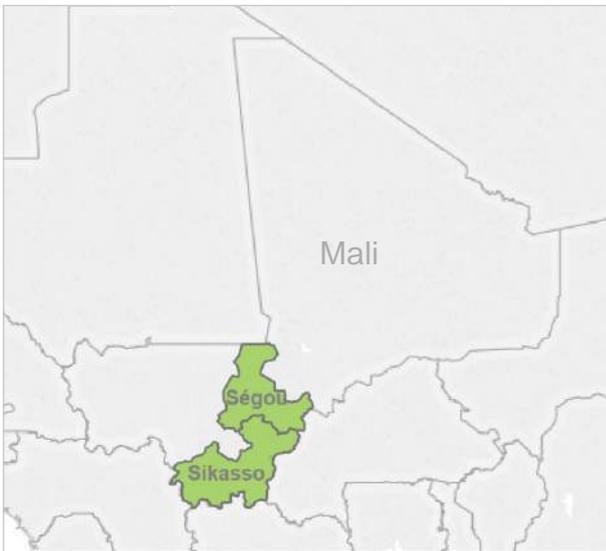
Lassina, a BCI Farmer in Belesso village, Mali
© Better Cotton Initiative

JAN

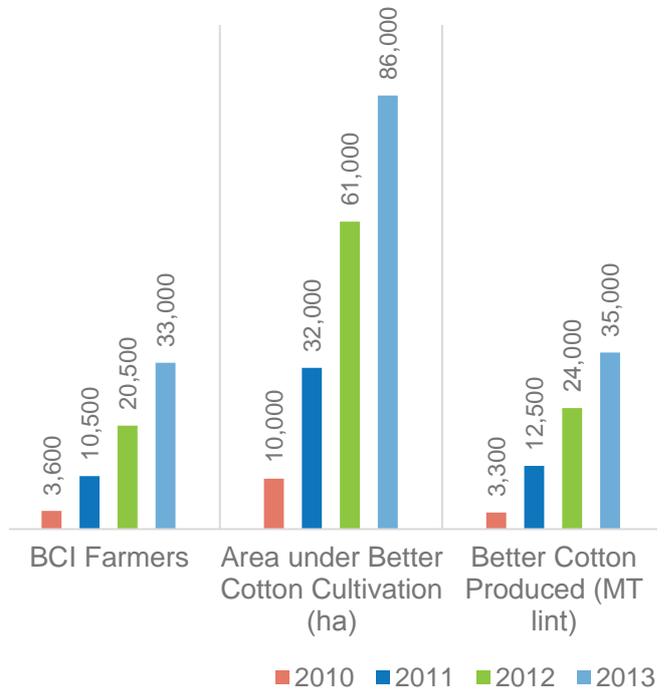
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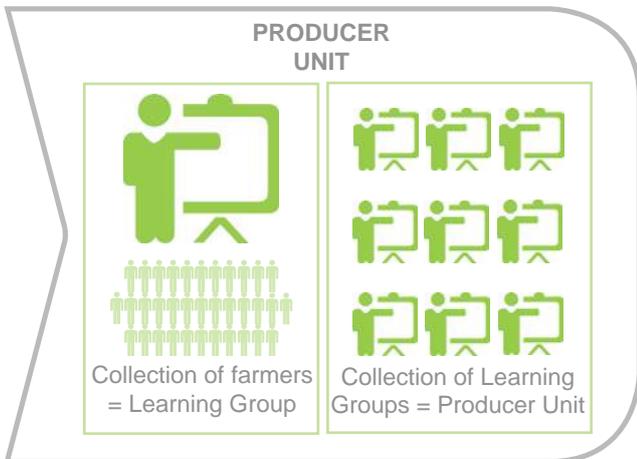
BETTER COTTON PROJECTS



GROWTH



ORGANISATION



IMPLEMENTING PARTNERS



Solidaridad

In 2013, **2 BCI Implementing Partners** worked with **32,788 farmers** organised into **1,383 Learning Groups** and **10 Producer Units**.

All participating farmers in Mali earned a Better Cotton licence.

MALI

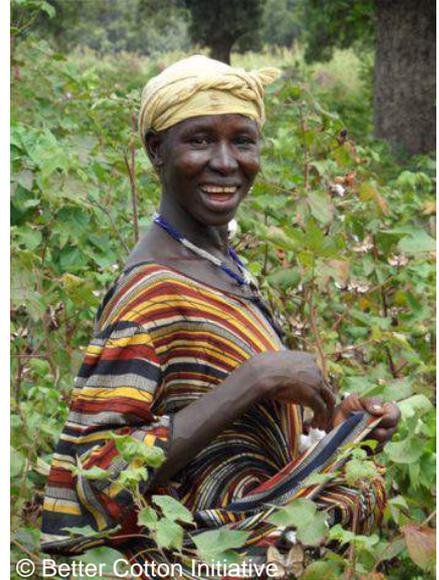
4th HARVEST

40% of rural households
OR
2.5m people
depend on cotton for
their livelihoods.

It is the 2nd largest
source of Mali's foreign
exchange earnings.



The late start and early
finish of the rainy
season in 2013
made the climate less
favourable for growing
cotton, meaning lower
overall production.



© Better Cotton Initiative

“Since starting the Better Cotton program we have significantly reduced our pesticide use, which increases our profits and is better for our health and our environment.”

Drissa Coulibaly, one of over
32,000 BCI Farmers
in Mali

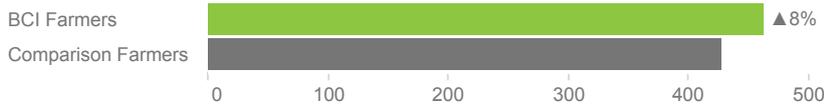
Since the Malian government started actively promoting cotton production in 1995 as an alternative cash crop, production has steadily increased making Mali the second largest cotton producer on the African continent.



Lassina (on the cover page of this section) and his colleagues in the field were interviewed for our documentary on Mali. Watch the video on our website or click above if browsing online.

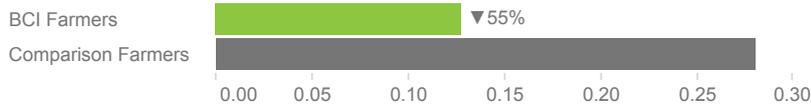
1 third
of Mali's cultivated
land is used to
grow cotton.

Yield (kg lint/ha)



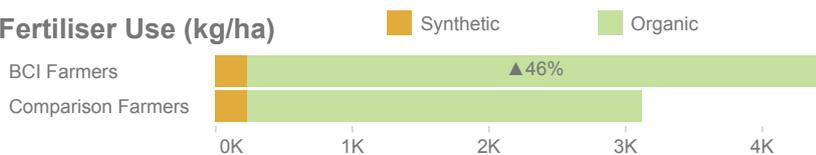
A modest but notable improvement of 8% was observed between BCI Farmers and Comparison Farmers, yet less pesticide applied. Due in large part to the adverse rain conditions, yields were lower than expected.

Pesticide Active Ingredient Use (kg/ha)



White fly was a challenge in some areas in 2013. BCI Farmers applied 60% less active ingredient, on average, than comparison group farmers.

Fertiliser Use (kg/ha)



BCI Farmers used 54% more organic fertiliser, on average, than Comparison Farmers. This is an exciting result, as raising awareness about the longer-term benefits of using farmyard manure for improved soil health has been an area of focus for us. Not only have our Partners raised awareness, but they have supported techniques to increase production and collection of manure. This has helped lead to an increase of 50% more organic fertiliser, on average, applied by BCI Farmers in Mali compared to the previous season.

Water Use

Cotton is grown as a rain-fed crop in Mali and so farmers do not record the use of water. However, BCI Farmers still maximise available water by using a variety of techniques adapted to rain-fed cotton production such as dry ploughing, partition ploughing and ploughing parallel to the contour line.

Profit (per ha)



A reduction in pesticides used contributed to a higher profit for BCI Farmers.

SUMMARY OF RESULTS IN MALI 2013 BCI FARMERS AGAINST COMPARISON FARMERS

Yield	▲ 8%
Pesticide Use	▼ 55%
Synthetic Fertiliser Use	▼ 2%
Organic Fertiliser Use	▲ 46%
Profit	▲ 14%

The results presented here were calculated based on data from 2,702 BCI Farmers and 899 Comparison Farmers. Some data was excluded from the analysis due to incomplete data provided by a group of farmers. Therefore the results shown here represent 82% of BCI Farmers in Mali.

CHANGE IN MALI

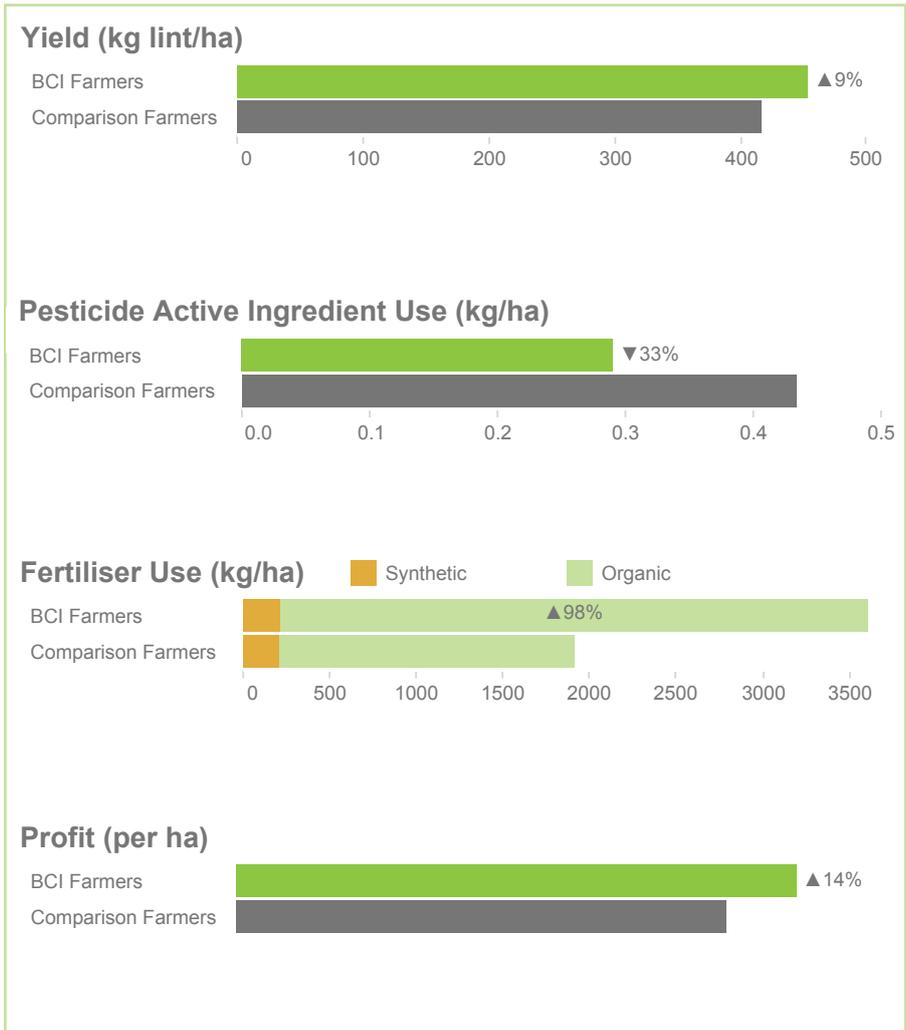
2013 Independent Case Study



208 BCI Farmers took part in the Mali case study in 2013, 55% of whom are literate.

116 Comparison Farmers also took part in the case study, allowing us to show comparative results indicators between those farmers who apply the Better Cotton Standard, and those do not.

These results were calculated from data collected during the independent case study in Mali. As part of the study, we commissioned researchers or consultants to collect a sample of data from both BCI and Comparison Farmers and compared it to that self-reported by our Partners. In Mali, the results trends match, giving us confidence that our data is reliable.



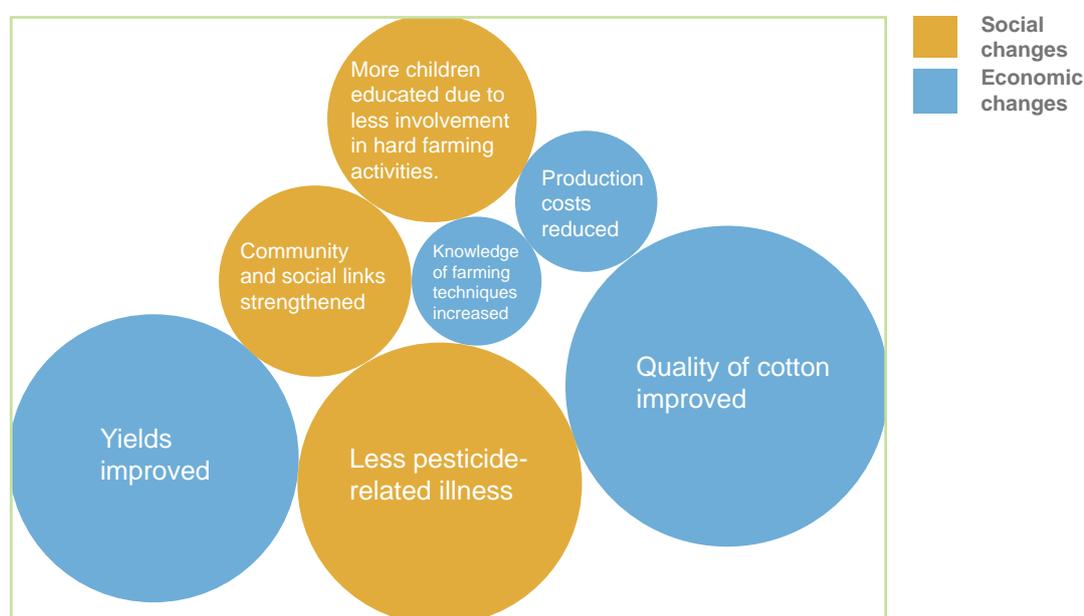
CHANGE IN MALI

2013 Independent Case Study

4th HARVEST

In 2013, we asked farmers in Mali: **What is the most significant change you have seen since you became part of the Better Cotton movement?**

Each shape below reflects an answer given by a farmer. The farmers then ranked these in order of how important they felt each was, giving us a clear qualitative picture of the **'Most Significant Change' which Better Cotton is bringing to farmers.**



“ I joined BCI in 2012, and my cotton yield has steadily and significantly increased. In 2011 (the season before I joined), I had 1.2 tonnes per hectare, and in 2012 I had 1.8 tonnes per hectare. This year, I produced 2 tonnes per hectare. ”

Madou Coulibaly

“ Since we started BCI four seasons ago, the quality of our cotton has improved tremendously. ”

Amadou Kone

“ Since starting work with BCI in this village, women are better treated by men. Women even attend meetings and make decisions together with men. ”

Miriam Sanogo

“ Through BCI, we've learned how to handle pesticides with much more professionalism. For example: using a scarf to work out the wind direction, wearing a specific outfit, and using licensed products. Those aged under 18 years old are now excluded from handling pesticides. From this perspective, health conditions have really improved. ”

Issa Kane

MOZAMBIQUE



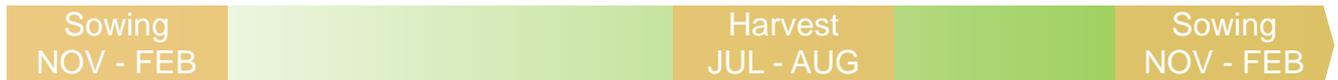
A Better Cotton farm
worker, Mozambique
© Better Cotton Initiative

MOZAMBIQUE



JAN

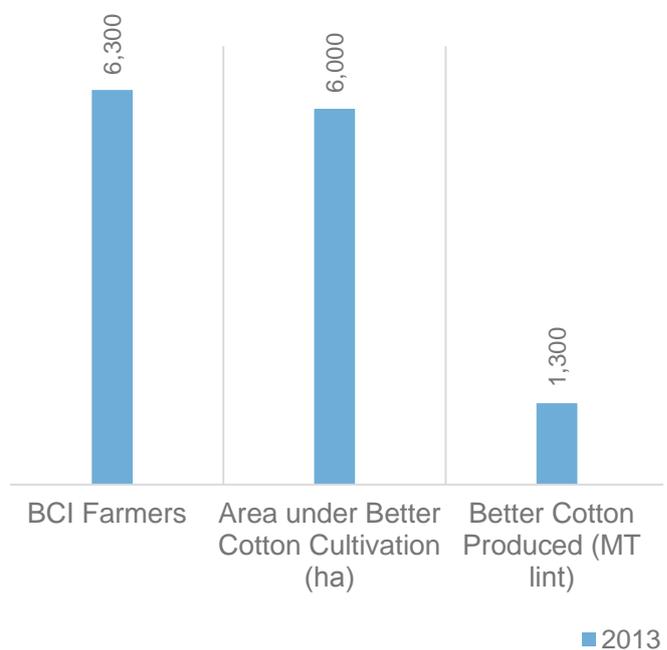
DEC



BETTER COTTON PROJECTS



FIRST HARVEST RESULTS



ORGANISATION



STRATEGIC PARTNER



IMPLEMENTING PARTNER



In 2013, **BCI's Strategic Partner and Implementing Partner** worked with **9,642 farmers** organised into **367 Learning Groups**. **6,342 farmers** in Mozambique earned a Better Cotton licence.

BCI's Strategic Partner Cotton made in Africa also worked with farmers in Mozambique in 2013.

MOZAMBIQUE

1st HARVEST

Cotton is the most important agricultural export crop, and one of the major sources of income for rural households in central and northern Mozambique. Most farmers cultivate less than one hectare of cotton.

RESULTS ANALYSIS

2013 was the first Better Cotton harvest in Mozambique. Capacity to keep accurate records of farm inputs and costs is not sufficiently strengthened yet in Mozambique, so together with our Partners we are working with Producer Units so that farm-level results can be shared next season.

SUSTAINABILITY CHALLENGES

» **Pest Management** Major pests were sucking pests, aphids and jasids, early in the season. Mid-season, farmers faced multiple species of bollworm, including the pink bollworm, which is the most problematic. It requires destroying the remaining stalks and unharvested bolls at the end of the season to prevent re-infestation the following year. To reduce risk to human health and pollution caused by applying harmful chemicals on the fields, our Partners train farmers on the full integrated pest management approach. This approach includes moving away from calendar spraying to threshold spraying, and strategies to ensure the plants are as strong as possible at key moments of pest pressure such as early planting.

» **Prevention of Soil Erosion** In some areas of Mozambique cotton is cultivated on sloping land prone to soil erosion. Our Partners are therefore training producers on conservation farming, including mulching of various types. One method is to cut a certain weed and put the cuttings on the field between cotton rows. This minimises land drift when it rains. Another method is contouring with vetiver grass to prevent rain run-off and soil erosion.

» **Protection of Water Sources** Along with our Partners, we identified the protection of water sources from pesticide pollution as a key issue to address. In the cotton-growing area of the country, farmers mix pesticides with water at water sources, putting those sources at direct risk of contamination. Farmers are trained to mix their pesticide solutions away from water sources as well as to carry out cleaning immediately after spraying in locations away from water sources to avoid contamination.



© Better Cotton Initiative

“In the training, I learned about the risks of using and handling pesticides, and the danger to pregnant and nursing women and children.”

Angela Anthony, BCI Farmer,
Maratane community, Mozambique

BENCHMARKED STANDARDS

WHAT DO WE MEAN BY 'BENCHMARKING'?

Benchmarking refers to a process of comparison of one organisation's policies and practices with those of similar organisations in the same field. Within the field of sustainability initiatives, it tends to refer to comparing standards or systems with a view to identifying gaps between them.

The Better Cotton Standard covers a number of dimensions, both normative (setting and implementing standards) and procedural (how things are done). So for us, the benchmarking process needs to pay careful attention to comparison of standards, but also needs to look further - to the way in which BCI and the entity or initiative in question make decisions, enable improvement of farmer performance, judge compliance, evaluate impact and collect data, finance themselves, and track product through the supply chain.

We expect that this process is undertaken by an independent, competent third party. The benchmarking exercise needs to provide practical recommendations to us and the other entity or initiative so that, where necessary, amendments can be agreed which allow us to recognise an existing standard or programme as delivering Better Cotton: so-called 'one-way recognition'.

WHEN IS A BENCHMARKING PROCESS NEEDED?

A benchmarking process with the Better Cotton Standard System needs to be undertaken whenever a national standard for sustainable cotton production is present and publicly available in a country or whenever any organisation wishing to partner with us already has such a standard/program in place. Benchmarking the Better Cotton Standard System with other existing standards/programs in order to define a one-way recognition system for cotton grown by individual farmers, in a specific area or under a specific project, can be an effective way to mainstream sustainability in cotton production, by building on existing knowledge and activities through meaningful partnerships.

WHERE DO WE WORK IN A BENCHMARKING CONTEXT?

In 2013 BCI and ABRAPA (Associação Brasileira dos Produtores de Algodão) successfully concluded a benchmarking exercise, leading to the alignment of ABRAPA's own ABR program ("Algodão Brasileira

Responsável" / Responsible Brazilian Cotton) , with the Better Cotton Standard.

As a result, the cotton grown under the ABR standard qualifies as Better Cotton and can flow into the supply chain to meet the demand of leading retailer and brand members of BCI.

We also benchmarked the Better Cotton Standard with the "Cotton made in Africa" (CmiA), and "Smallholder Cotton Standard" (SCS) of Aid by Trade Foundation (AbTF), in order to sell Cotton made in Africa and SCS cotton as Better Cotton to BCI members.

At the time of publishing, we have also successfully aligned the Better Cotton Standard and myBMP (My Best Management Practice): the Australian cotton industry's standard for growing cotton in an environmentally and ethically responsible way. This means that cotton produced under the Australian myBMP certification can be sold into the global market as Better Cotton.

REPORTING ON RESULTS INDICATORS IN A BENCHMARKING CONTEXT

Reporting on Results Indicators is fully integrated into the Better Cotton requirements to ensure that sustainability improvements are measured everywhere Better Cotton is produced. We also develop results monitoring and data sharing agreements with the other standards and programs with which we have benchmarking agreements whose verified or certified product can be sold as Better Cotton. We believe it important to harmonise efforts on a set of common indicators so that our measurement of results and impact in the future can be coherent across cotton sustainability initiatives with which we partner.

With this approach, we engage in joint results monitoring and learning with these standards and programs while allowing them to publicly communicate on their results in the manner and timescale they choose. This is why we only present our global indicators - BCI Farmers, hectares under Better Cotton cultivation, and MT lint of Better Cotton - for benchmarked standards in this report. We wanted instead to share an update on the exciting progress made in our partnership and developments during the 2013 season.

ALGODÃO BRASILEIRO RESPONSÁVEL (ABR), BRAZIL

JAN

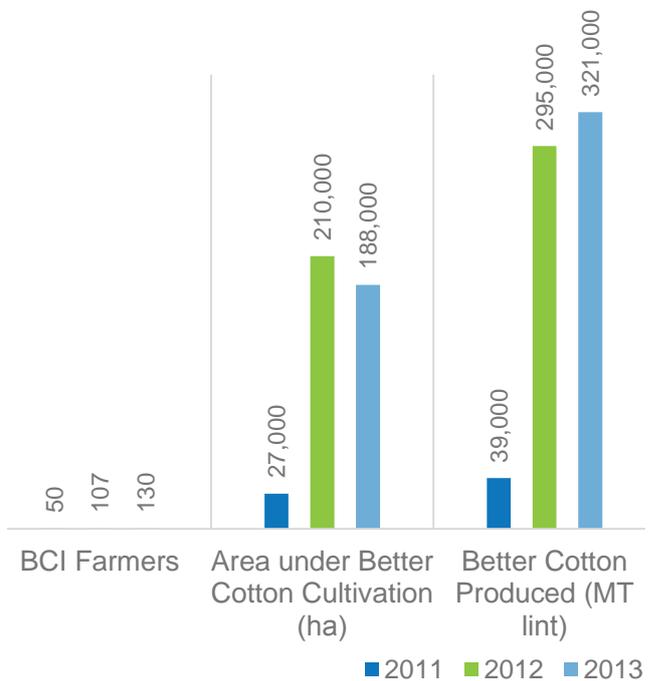
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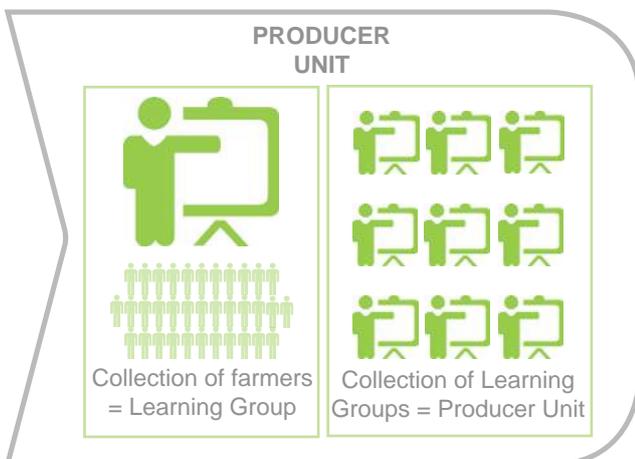
BETTER COTTON PROJECTS



GROWTH



ORGANISATION



In 2013, **BCI's Strategic Partner and Implementing Partner, ABRAPA**, worked with **137 farmers** organised into **4 Learning Groups** and **5 Producer Units**.

131 farmers in Brazil earned a Better Cotton licence.

ABR, BRAZIL

3rd HARVEST



2013 was a period of transition for the Brazilian Better Cotton harvest, with a benchmarking agreement completed in early 2014. Therefore Brazil has been included here and will be in future reports as a benchmarked standard, reflecting our partnership agreement.

We have worked with ABRAPA, the Brazilian Cotton Growers Association, as Implementing Partner in Brazil since 2010 and as a Strategic Partner since early 2014. ABRAPA's 'Algodão Brasileiro Responsável' (ABR) standard fully satisfies the Better Cotton Standard. All ABR compliant producers can choose to sell their cotton as Better Cotton.

ABRAPA intends to make the Brazilian cotton sector increasingly competitive and recognised for its quality, on both the national and international levels. Today ABRAPA represents 99% of cotton farmland, 99% of cotton production, and 100% of cotton exports in Brazil.

The fifth largest cotton producer in the world, the fourth largest exporting country and the first in non-irrigated/rain-fed cotton productivity; Brazil is now also becoming one of the leading production geographies for Better Cotton, together with Pakistan and Cotton made in Africa. At the time of writing, our estimate is that 45% of global Better Cotton production will come from Brazil in 2014.

The BCI-ABRAPA partnership creates a platform for the exchange of views, ideas and issues of special interest to both parties, such as effective approaches to delivering integrated pest management to farmers, and the development of systems to connect supply with demand as well as assess impacts.

The embedding of ABR-Better Cotton sustainability standards into Brazilian national cotton governance structures is a viable long term goal.

“What is sustainability? I think sustainability is the knowledge to sustain our lives and our families.”

Ze Brasil, BCI Farmer in Catuti county, Brazil

Hear more from Ze and other BCI farmers in Brazil in our country documentary, found on our website or click on the image if browsing online.



www.bettercotton.org

COTTON MADE IN AFRICA (CmiA) and SMALLHOLDER COTTON STANDARD (SCS)



COTTON MADE IN AFRICA

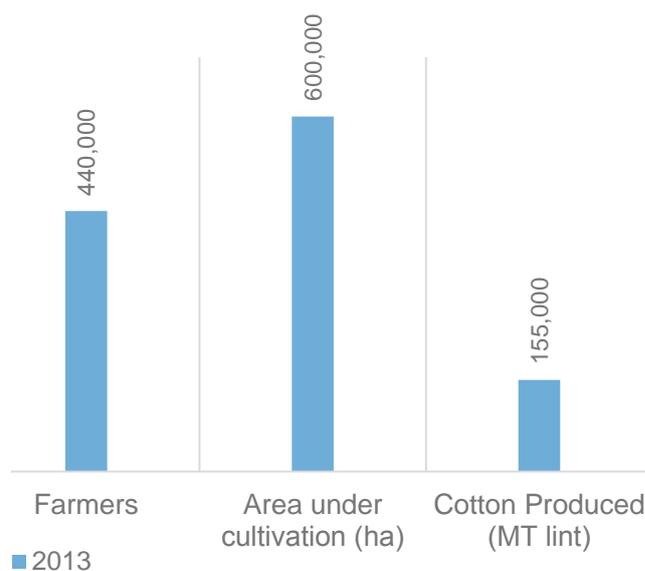
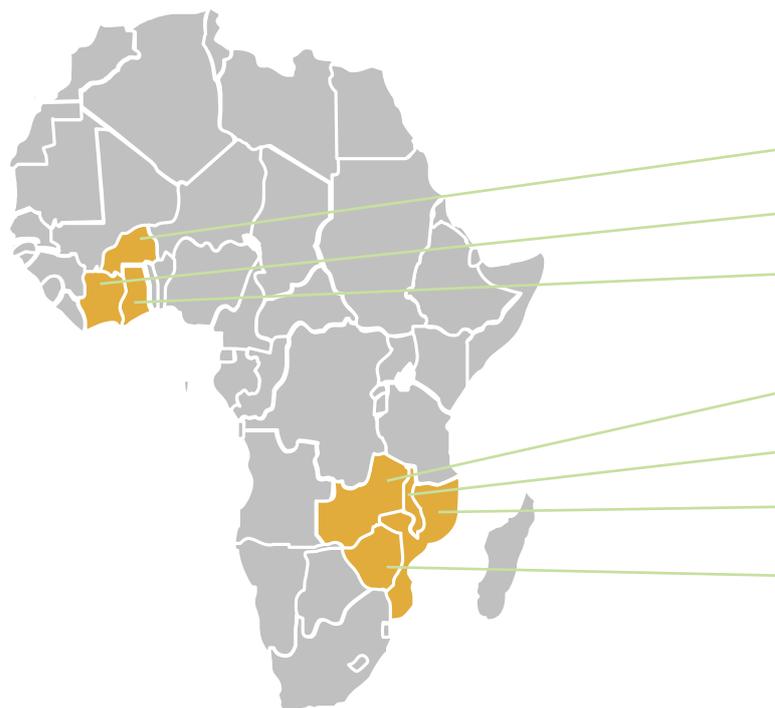


Following three years of collaboration, in 2013 we completed a Strategic Partnership Agreement with the Aid by Trade Foundation, stewards of the Cotton made in Africa initiative. Having aligned the criteria of our respective standards we have established one-way recognition of CmiA cotton as Better Cotton. This means that **textile companies can now procure cotton produced under the Cotton made in Africa program and declare it as Better Cotton.**

At the time of writing, more than 660,000 smallholder farmers in Zambia, Zimbabwe, Mozambique, Malawi, Ghana, Côte d'Ivoire, Cameroon and Burkina Faso participate in the CmiA and SCS programs. As CmiA's reach expands, so do the global volumes of Better Cotton, providing a more secure future for the cotton sector as a whole and taking us one step closer to making more sustainable cotton a mainstream commodity. As a joint effort, it provides textile companies and traders with access to responsibly-produced cotton while also improving the productivity and practices of hundreds of thousands of smallholder farmers in Sub-Saharan Africa.

As well as increasing the sales of responsibly-produced African cotton on the world market and the economic and environmental sustainability of smallholder farmers, the AbTF-BCI partnership aims to improve the living conditions of the cotton farmers and their families.

Three working groups have been put in place to develop common solutions for issues such as child labour, integrated pest management, and cotton supply-and-demand system optimisation. In addition, resources generated through this joint effort will be invested in improving the livelihoods of African smallholder farmers.



COTTON MADE IN AFRICA



In 2013, CmiA and SCS cotton was produced in:

Burkina Faso
Côte d'Ivoire
Ghana
Zambia
Malawi
Mozambique
Zimbabwe

The AbTF-BCI partnership improves market linkage between African smallholders and global brands and retailers.



The partnership reaches over **660,000** smallholder farmers in **8** Sub-Saharan African countries.

“Thanks to the close collaboration between Aid by Trade Foundation and BCI, participating smallholder farmers benefit through better market access and assistance, and the textile industry benefits through better availability of more sustainably produced cotton.”

Christoph Kaut,
Managing Director
of the Aid by Trade Foundation



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www.bettercotton.org



Making cotton bales at a ginning factory,
Punjab, Pakistan
© WWF-UK Asim Hafeez

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Cover Image:

Cotton plant, Mozambique

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