**GENERAL**

**Objective**
- Increase market share of Better Cotton as a mainstream commodity.
- Promote African Cotton as a global textile industry.
- Promote high quality, high yielding fibre.
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**Overview**
- BCI sets out to improve the sustainability of mainstream cotton production.
- Growers must meet minimum environmental and social requirements to qualify as BCI cotton.

**PRODUCTION**

<table>
<thead>
<tr>
<th>Producing Countries</th>
<th>2015/16 (Mg)</th>
<th>2016/17 (Mg)</th>
<th>Growth in production</th>
</tr>
</thead>
<tbody>
<tr>
<td>China, India, Israel, Madagascar, Mali, Mozambique, Pakistan, Senegal, South Africa, Tajikistan, Turkey, USA</td>
<td>2.575 million</td>
<td>2.863 million</td>
<td>26% increase</td>
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<tr>
<td>Market Share of Total Cotton Grown (2015/16)</td>
<td>11.30%</td>
<td>13.3%</td>
<td>18% increase</td>
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<td>Fibre Production</td>
<td>215,342</td>
<td>280,314</td>
<td>Projected increase</td>
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<tr>
<td>Soil fertility</td>
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<td>Water Conservation</td>
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<tr>
<td>Rainfed/irrigated</td>
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<tr>
<td>Water Management</td>
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<tr>
<td>Soil fertility</td>
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<tr>
<td>Biodiversity</td>
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<td>Eutrophication</td>
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<tr>
<td>Energy/Technology</td>
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<td>Use of Synthetic Fertilizer</td>
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<td>GMOs Permitted?</td>
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<td>Primary Energy Demand M&amp;J</td>
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<td>Global Warming</td>
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<tr>
<td>Social</td>
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</tbody>
</table>
### Social Considerations / Regulations
- Production must comply with labor standards as set by the ILO. Crema standard includes farm as well as gin level criteria. Social project investment with AbTF and retail partners' cotton companies.
- Stringent criteria on freedom from discrimination, forced/ compulsory labor, child labor, freedom of association and collective bargaining. Operators in the supply chain must comply with ILO core conventions.
- All Australian cotton growers subject to high standards by law for fair work conditions, pay, health and safety. MyBMP includes 49 criteria related to human resources and worker health and safety including 35 standards required by Australian law.

### Livelihoods
- No price differential for farmers but incomes expected to improve. Volume-based fees feed into farmer capacity building programs.
- Farmers paid FT Minimum Price. Communities benefit from FT Premiums - spending decided democratically by cooperatives.
- No price differential paid directly to farmers - farmers paid based on prevailing market price and quality. A price differential/sustainable price (i.e. meeting the cost of production and of ecosystem value addition) is expected to occur via market mechanisms and producer group policy, but is not a requirement of the standard. Optional partnership investment via NGOs, corporate investment, and PG investment goes back into the community.

### ASSURANCE
- Verification / Certification (farm level)
  - Self-Assessment, 2nd Party and 3rd Party Verification.
- Certification by 3rd party.
  - Self-assessment, third party verification and certification + spot checks.
- Physical segregation farm to gin, mass balance gin to retailer.
  - Mass Balance from spinning mill forward (hard identity from field to spinning mill), but traceability possible through Hard Identity Preserved (option).
- Two models: (1) Classic - physically segregated and traceable, (2) Mass balance - physically traceable until spinner.
- CoC maintained through supply chain via online tool.
- Physical segregation and traceability possible, unique barcode identifier on every bale tracking field to spinning mill.
  - Identity Preserved; Certification of Supply Chain.

### Chain of Custody (supply chain)
- Physical segregation farm to gin, mass balance gin to retailer.
- Mass Balance from spinning mill forward (hard identity from field to spinning mill), but traceability possible through Hard Identity Preserved (option).
- Two models: (1) Classic - physically segregated and traceable, (2) Mass balance - physically traceable until spinner.
- CoC maintained through supply chain via online tool.
- Physical segregation and traceability possible, unique barcode identifier on every bale tracking field to spinning mill.
  - Identity Preserved; Certification of Supply Chain.

### LCA available?
- Yes - PE International (2014a)
- No
- Yes - PE International (2014b)

### Product marketing / labeling
- On-product Claims Framework.
  - In store marketing/ on product labeling (own label or CmiA hangtag).
  - On product and In store marketing. Third party certified (Fairtrade Mark).
  - In store marketing and on- product label (own label or Australian cotton swingtag).
  - In store marketing/ on product label. 3rd party certification label optional.

### Consumer recognition
- Consumer messaging began in 2015.
  - 3% awareness among German consumers (measured Aug 2016).
  - Fairtrade mark widely understood and trusted by consumers.
  - Higher levels of awareness in Australia.
  - Concept of organic widely understood, trusted and respected by consumers.

### PRICE / QUALITY
- Cost implications/ impacts
- No price differential at point of sourcing but membership and volume-based fees apply.
  - No membership fee but retailers/brands pay a volume-based fee and spinning mills pay a small annual registration fee.
  - Price differential (Fairtrade Minimum Price). Buyers also pay Fairtrade Premium for community investment.
  - No price differential at point of sourcing, no membership or licensing fees
  - Price differential paid to farmer/producer group.

### Quality perception / implications
- No known quality implications.
  - Historical perceptions of quality being an issue - but not so much these days.
  - Consistently very high quality, amongst highest in the world across all parameters
  - Historical perceptions of quality being an issue - but not so much these days.