

# Better Cotton

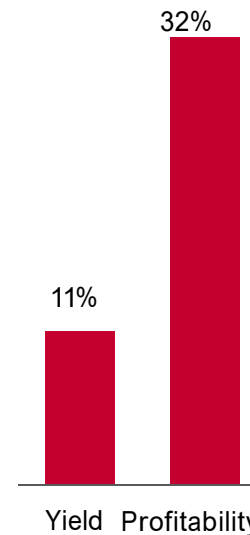
## Better Cotton

- BCI is
  - A major global industry-wide initiative
  - About improving productivity
  - Working to deliver measureable improvement
- BCI is not
  - A certification standard but focuses on continuous improvement
  - A consumer eco-logo but a responsible sourcing program
  - Trying to lift farmers out of poverty but working to improve their well-being
- BCI is a responsible sourcing program. Better Cotton is not physically traceable through the supply chain hence does not allow content claims to be made on products.

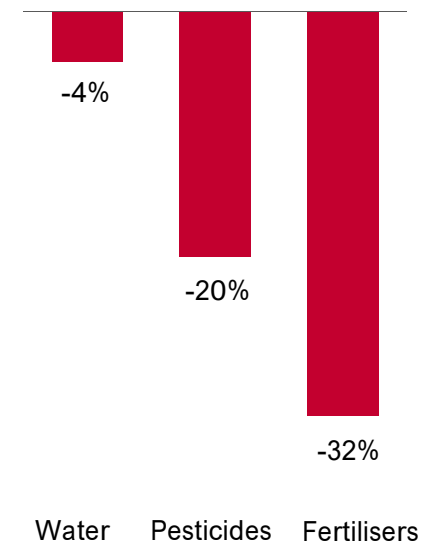
## BCI results compared to conventional

(2014 Harvest - India)

Financial Benefits for Farmers



Environmental Impact



# Organic Cotton vs. Better Cotton

		Organic Cotton	Better Cotton
Better for environment	Seed	No GMO	GMO
	Agro-chemicals	Chemical fertilizers and pesticides banned	Chemical fertilizers and pesticides allowed Pest management trainings
	Water use	Mostly rain-fed	Mostly irrigated Water management trainings
	Water pollution	Significant reduction in water pollution (no agro-chemicals)	Reduction in water pollution
Better for farmers	Access to training	Yes	Yes
	Improved economics	Premiums should be paid but don't reach farmers	Improved profitability: better yields and reduced cost
Supply Chain	Supply chain transparency	Full chain segregation, certification and traceability	Traceability to gin, then mass balanced
	Global availability	Yes, but primarily in India	Yes
Communication	Product content claim	Yes	No
	In-store communication	Yes	Yes

# How BCI works?



Smallholders < 20ha



Medium Farms 20-200ha



Large Farms >200ha

- BCI integrates itself to the farm group, providing education, technical services, support to the farmer to improve practices and monitors these.



- By helping the farmer reduce costs ( water/pesticides/fertilizers) they can increase their revenue return.
- Farmers are not paid a premium for the cotton – it is the same price to the farmer as conventional

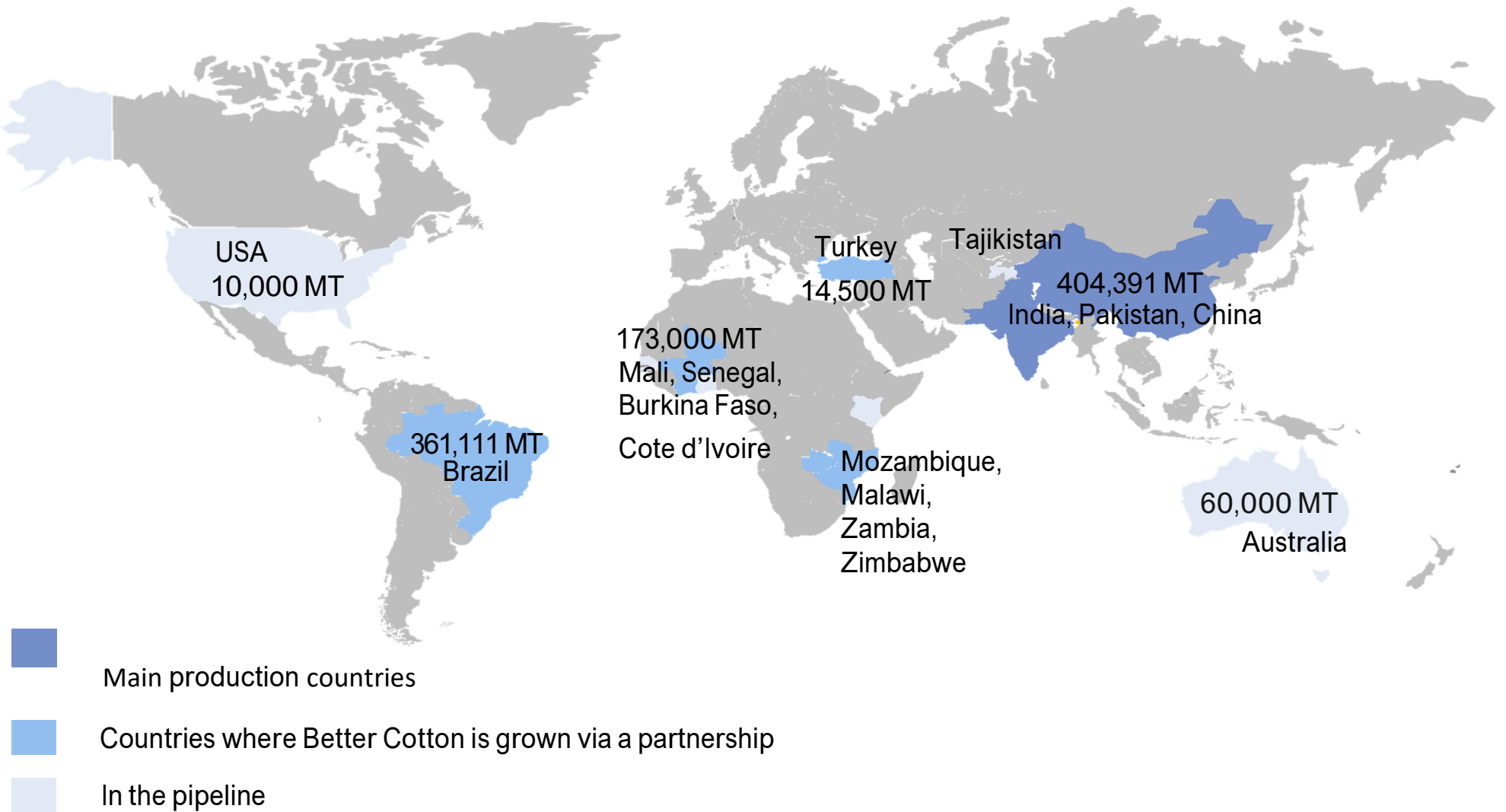
# Global Better Cotton production and projections

- Currently the World cotton production stands at approx. 24 million metric tons
- In 2014:
  - Almost 1m farmers worldwide were growing cotton to the Better Cotton Standard
  - This amounts to 8.8%\* of global cotton production (approx.2.1 million tons)

\*(licensed figure only, not final harvest figure)
- In 2020:
  - BCI want those figures to be 5 million Better Cotton farmers, producing 30% of the world's cotton.

# Better Cotton Production – Country Mapping

BCI is available globally across various continents. These are also the main cotton producing areas

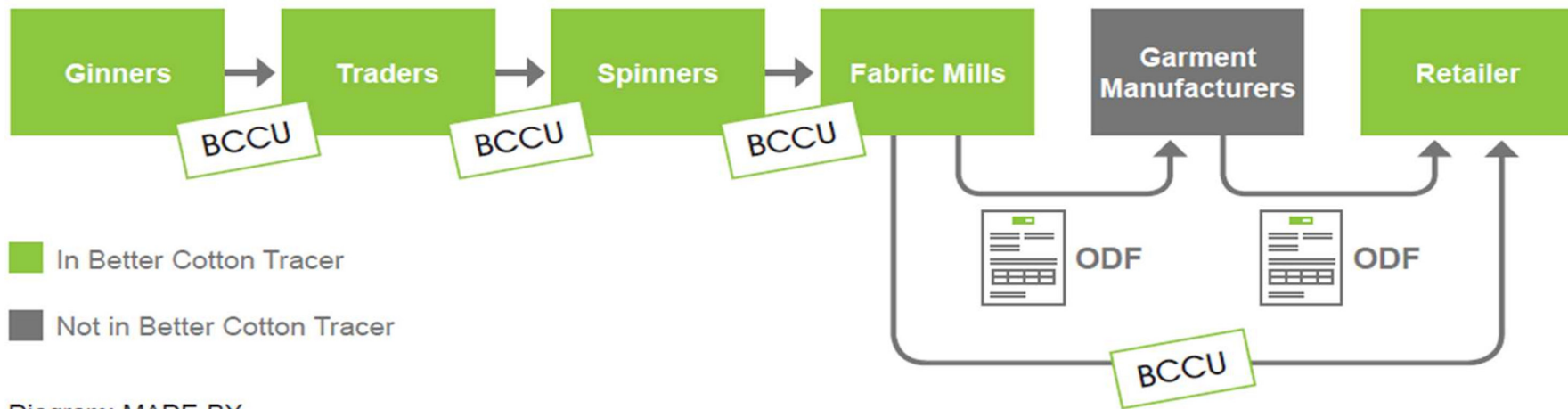


# How do we trace Better Cotton?

## Traceability System – The Better Cotton TRACER

- BCCU = Better Cotton Credit Unit (1kg cotton = 1 unit)
- ODF = Output Declaration Form

Proof = Receipt of BCCUs



Garment vendors need to obtain the relevant ODF's for any planned BCI production for E R V E

## Availability of Better Cotton

- Better Cotton is readily available, the current production levels are keeping ahead of demand
- All suppliers can procure Better Cotton
- Ginners & Spinners / Cotton Traders have to be members of BCI
- Fabric mills / Garment vendors do not have to be members of BCI but should join the TRACER system to allow them to declare Better Cotton procurement (BCCU and ODF's)