CREATE A COTTON STRATEGY
Key Objectives

The Cotton Strategy Module has been developed for anyone working in textiles or apparel that wants to create a strategy that will increase positive impacts and drive meaningful change in the cotton sector.

- Understand the need for a strategy to address your cotton use
- Understand the big interconnected challenges in cotton
- Aligning your preferred cotton portfolio with your sustainability strategy
- Be empowered to make impactful sourcing decisions
- Leveraging these initiatives to build strong and resilient communities

This presentation introduces some of the key cotton sustainability standards and initiatives that, together, are driving real change in the sector.
COTTON PRODUCTION & TRENDS
Cotton’s share in the global fiber demand composition has been reducing. However, it remains around a third of the total fiber consumption, with a stronger presence in developed countries.
Cotton is grown in around 80 countries on approx. 33m ha - 2.5% of global arable land.

- Around 70% of cotton production worldwide is now from genetically modified seeds.
- Cotton farms range from highly industrialized in more developed economies, to small scale family farmers in the developing south.
- Up to 100 million farmers grow cotton, and there are 250 million more workers in the wider cotton processing industry.
- Around 80%-90% of the 100 million cotton growers are in developing countries, farming less than 2 ha of land.
Cotton Pricing Is Also A Factor In Creating More Sustainable Solutions

Alongside demand and quality, cotton prices are influenced by:

- China’s reserves – the largest net importer of cotton.
- Price of competing textile fibers (polyester) and other crops (such as soybean).
- Short and longer term climatic and environmental changes – drought, climate change.
- Inputs – fossil fuel based, chemicals, genetic modification.
ISSUES IN COTTON PRODUCTION
Issues In Cotton Production

Environmental

- Land Use & Soil Degradation
- Loss of Biodiversity
- Water Use & Pollution
- Loss of Seed Varieties
- Agrochemicals
- Climate Change

Interconnected

Price Volatility & Uncertain Market
Poverty & Vulnerability
Impact of Cotton Subsidies
Child & Bonded Labor
Health & Safety
Urban Migration

Socio-Economic
Genetically Modified Organisms – GMOs

GMOs Remain Controversial

**Advocates:**
- *Bt:* Effective Pest Control (cotton bollworms primarily) - Reduced Insecticide Use
- Herbicide Tolerant Crops: Facilitates weed management
- Claims of Increased Yields

**Concerns:**
- Insect Resistance Management
- Outbreaks of secondary pests
- Weed Resistance
- Contamination of non-GM cotton
- High seed cost and farmers’ increased dependency
- Reduced seed diversity
Sustainability Pressure Points
In the Life Cycle

Environmental Impacts
- Land
- Water
- Chemicals
- GHG emissions

Socio-economic Impacts
- 100 million Cotton Farmers
- 60-70 million Factory Workers

TIER 4
- Raw Material

TIER 3
- Raw Material Processing

TIER 2
- Material Production

TIER 1
- Manufacturing

Retail

Consumer

© TextileExchange •• 10
Sustainability Benefits

Environmental

- Soil Fertility and Erosion Control
- Biodiversity & Ecosystem Services
- Water Quality & Conservation
- Seed Varieties for Low Impact Agriculture
- Bio Pest Control
- Climate Change Proofing

Interconnected

Producer Organization
Agreed Sales and Terms
Food Security
Gender & Equality
Health & Safety
Community Investment

Socio-Economic
COTTON SUSTAINABILITY STANDARDS
# Cotton Initiatives
## Working Towards The Same Goal

| Objective | To transform the market by making Better Cotton a responsible mainstream commodity | Sustainable African Cotton for a global Textile Industry | To create a more sustainable American landscape | Ensuring income security and community development | Sustaining the health of soils, ecosystems and people | To create more sustainable, traceable cotton |
|-----------|---------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------|--------------------------------------------------|--------------------------------------------------|-----------------------------------------------------------------
| Investment Model | Membership fees | Volume based license fee | Fixed minimum price and social premium | Prices agreed between grower and buyer or traded in the market often with a price differential | Contract growing | Capacity building projects and value chain services covered by brand |
| | Donor funding | Donor funding | | | | |
| | Growth & Innovation Fund | Extension delivery partner | | | | |

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<th>Self-assessment</th>
<th>Credibility checks</th>
<th>3rd party program verification</th>
<th>Self-evaluation and 3rd party audits</th>
<th>Verification (annual)</th>
<th>Certification by 3rd party</th>
<th>Verification (annual)</th>
<th>Certification by 3rd party</th>
<th>3rd party (at additional cost)</th>
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<th>Identity Preserved</th>
<th>Certification of Supply Chain (GOTS, OCS)</th>
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<table>
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<th>Land (ha)</th>
<th>2,584,500</th>
<th>973,533</th>
<th>101,171</th>
<th>45,031</th>
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<td>(cotton/other crops)</td>
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<td>Fiber (mt)</td>
<td>1,969,700</td>
<td>341,536</td>
<td>113,398</td>
<td>15,021</td>
<td>112,488</td>
<td>53,917</td>
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<tr>
<td>Growth (fiber)</td>
<td>↑163%</td>
<td>↑125%</td>
<td>↑1.5%</td>
<td>↓4%</td>
<td>↓3.8%</td>
<td>↑26%</td>
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Notes:
- The data in this table reflects the 2014-15 production cycle, or 2014 where data is reported by calendar year.
- This table lists the key global cotton sustainability initiatives, but is far from an exhaustive list. Others, for instance, include Cleaner Cotton in California and Cotton LEADS in Australia.
- The Textile Exchange Organic Cotton Round Table (OCRT) serves as the industry expert and platform for stakeholders in organic cotton. TE works collaboratively with others in this space.
What is BCI?

» The Better Cotton Initiative (BCI) is a not-for-profit organization based in Geneva, Switzerland, which aims to transform cotton production worldwide by developing Better Cotton as a sustainable mainstream commodity.

» BCI works with a range of stakeholders across the cotton supply chain including civil society, garment manufacturers, farmers, brands and retailers.

» BCI promotes measurable and continuing improvements for the environment, farming communities and economies of cotton-producing areas.

» In 2015 approximately 1.5m farmers worldwide were growing Better Cotton making up 11.9% of global cotton production. The aim is to reach 30% by 2020.
What is Better Cotton?

Produced by verified farms who are then licensed to sell Better Cotton.

Available in a range of quality and specifications comparable with non BCI cotton from the same region.

Tracked and verified through the Better Cotton Tracer using mass balance system.

Grown in multiple countries in large quantities.

Better Cotton is:

- Water
- Soil Health
- Crop Protection
- Fibre Quality
- Habitats
- Decent Work

Grown according to the BCI production principles which minimise the negative impact of fertilisers and pesticides, and care for water, soil health and natural habitats.
What is the Better Cotton Standard System?

A holistic approach to sustainable cotton production covering all three pillars of sustainability: environmental, social, and economic.

1. Production Principles and Criteria
2. Capacity Building
3. Assurance Program
4. Chain of Custody
5. Claims
6. Results and Impact
Production Principles & Criteria

» Providing a **global definition** of Better Cotton through **6 key principles** and **44 criteria**

- Crop protection
- Water usage
- Soil health
- Biodiversity
- Fibre quality
- Decent work

**FARMERS ARE ORGANISED INTO THREE CATEGORIES**

- Smallholders < 20ha
- Medium Farms 20-200ha
- Large Farms >200ha

» 24 production criteria apply to all farm categories
» +20 additional criteria for Medium and Large Farms
In 2015, BCI worked with 1.6 million farmers globally.

In 2015, Better Cotton represents 11.9% of global production.
Better Cotton Standard System: In summary

**WHAT WE ARE**

» Large, Medium & Smallholder inclusive

» Based on *productivity, not premiums*

» Views ‘Perfect’ as an enemy of progress

» Delivering measurable improvements

» Welcomes *recognition* of other standards

» *Mainstream* market model

» *Multi-stakeholder* credibility

**WHAT WE’RE NOT**

» **Not** a certification standard

  ✓ Minimums + Continuous Improvement

» **Not** naming and shaming

  ✓ Relevant reporting metrics

» **Not** a niche eco-logo

  ✓ Pillar of a Responsible Sourcing Programme
COTTON MADE IN AFRICA
AID BY TRADE FOUNDATION
The Foundation Aid by Trade (AbTF) was founded in 2005 to improve the living conditions of smallholder cotton farmers in Africa and to promote environmental protection.

- The initiative Cotton Made in Africa (CmiA) is the most important AbTF instrument.
- CmiA activates demand for sustainable cotton at the textile retailer level.
- Cotton made in Africa operates as “social business” and uses its revenues from license fees to finance activities for smallholder cotton producers.
The Aid by Trade Foundation markets Cotton made in Africa and invests income in Africa.

License fee

Products

Use CmiA for their products

Retailers/Brands*

Standard/Label

Supply Chain support
Marketing-/Labelling Options

Cotton companies*

Trade sustainable cotton on the world market

Standard implementation & Verification
Training of smallholders
Cooperation Projects in Cotton growing Communities

*selection
Theory of Change: How CmiA contributes to sustainable agriculture

**PROFIT**
- Professional farmer trainings
- Pre-financed inputs
- Timely payments
- Better production methods
- Higher yields
- Efficiency of the farm
- Higher revenues

**PLANET**
- Primary forest protection
- No highly toxic pesticides
- Trainings: handling of pesticides & soil fertility
- Better care of the environment
- Reduction of used pesticides
- Fertile soils
- Reduction of GHG emissions

**PEOPLE**
- No child labour
- Supporting gender policies
- Protective equipment
- Supporting social welfare
- Better for children, health & communities
- Schooling of children
- Better health & nutrition
- Investments in basic services
CmiA Outreach in Africa – 2014/15 results

670,600 farmers
thereof 17% female

350,000 metric tons
lint cotton

produced on
975,000 ha
equitable economical environmental
e3 cotton
grown with care
Certified $e^3$ cotton

Grown with care by cotton producers striving to improve their sustainability in production of the highest-quality upland cotton for apparel and home furnishings.
Certified e³ cotton

Starts on
Certified FiberMax®
Authentic Stoneville® farms
Extends into supply chain for retail use

100% FIBERMAX® COTTON
GROWN IN USA
Why $e^3$ Cotton?

Satisfies the current consumer demands:
• proven sustainable farming practices
• traceable to farms where produced
• Provides authenticity and grower relationships
Global Sustainability Brand

This global brand from Bayer CropScience is backed with verification:

- **environmentally** responsible production of cotton
- **economically** viable methods
- **equitable** socially
Socially **equitable** farming operations work to address these issues:

- working/living conditions of growers and laborers
- needs of the surrounding community
- consumer health and safety aspects
A truly sustainable farming operation must also be **economically** viable:

- meets the individual economic needs
  - Farmers
  - Farm families
  - Farm workers
  - Customer
- consistently profitable from year-to-year
- financially competitive enterprises.
Conserving resources is key aspect of sustainable farming:

• Fieldprint® Calculator documents how choices impact
  – natural resources
  – operational efficiency
  – compared to local averages

• Reduce the use of water, land and energy while maintaining productivity
FAIRTRADE
YOUR ANSWER FOR ETHICAL AND SUSTAINABLE COTTON
FAIRTRADE EXPLAINED

Fairtrade changes the way trade works through better prices, decent working conditions and a fairer deal for farmers and workers in developing countries. It’s about supporting the development of thriving farming and worker communities that have more control over their futures, and protecting the environment in which they live and work.

Fairtrade is a global system, 50 percent owned by the farmers and workers themselves, and works with a range of stakeholders.

FAIRTRADE MINIMUM PRICE

The Fairtrade Minimum Price aims to cover the average costs of sustainable production for that product in that region. If the market price for that product is higher, producers should receive the market price.

The Minimum Price acts as a vital safety net, protecting producers from fluctuations in the market. This means a more stable income and the ability to plan for the future.

FAIRTRADE PREMIUM

The Fairtrade Premium is paid on top of the Fairtrade Minimum Price and is an additional sum of money which goes into a communal fund for farmers and workers to use to improve their social, economic and environmental conditions, as they see fit.

They determine what is most important to them, from education and healthcare for their children to improving their business or building vital roads and bridges for their community.
FAIRTRADE GOALS

GOAL 1
MAKE TRADE FAIR

GOAL 2
EMPOWER SMALL PRODUCERS AND WORKERS

GOAL 3
FOSTER SUSTAINABLE LIVELIHOODS

FAIRTRADE INTERVENTIONS

› Standards and certification for producer organisations
› Providing support to small producers and their organisations
› Developing network and alliances
› Standards and certification for supply chain businesses
› Building and sustaining Fairtrade markets
› Advocacy and campaigning

FAIRTRADE RECOGNITION

Most top of the mind ethical/environmental brand with 60% recognition and 80% trust by consumers globally*

*GlobeScan
SUSTAINABILITY WITH FAIRTRADE

Backed with robust farming co-operative level data and committed monitoring, evaluation and learning programme

SOCIAL
- Strong producer organisations
- Democratic and transparent process
- Fairtrade Premium for better livelihoods and communities

ENVIRONMENTAL
- Non-GMO
- Minimised and safe use of agrochemicals
- Focus on soil fertility and safe waste and water management
- 75% cotton is rainfed
- 75% cotton is organic certified

ECONOMIC
- Stable and secure income
- Pre-finance for producer organisations
- Improved farming practices = increased profitability
- Crop diversification = food security and extra income
HOW TO ENGAGE WITH FAIRTRADE — FLEXIBILITY OF 3 MODELS

**Fairtrade Certified Cotton** – Cotton is physically segregated throughout the supply chain. Farmers receive the Fairtrade Minimum Price and Premium. Traceability of cotton and transparency of supply chain.

**Fairtrade Sourcing Program** – Cost-effective model designed for scale. Mass balance allowed at spinner stage. Farmers continue to get Fairtrade Minimum Price and Premium. Volumes tracked through supply chain from farming community to brands. Traceability of cotton and transparency of supply chain.

**Fairtrade Textile Standard** – Focuses on working conditions, wages, and workers’ rights in the complete supply chain. It empowers factory workers and enables them to collectively improve their working conditions. It requires implementation of living wages within a set period of time.
ABOUT ORGANIC COTTON
ORGANIC AGRICULTURE

Organic Cotton is the product of an Organic Agricultural System

Organic Agriculture
Sustains the health of soils, ecosystems and people.

It relies on:
✔ ecological processes
✔ biodiversity
✔ cycles adapted to local conditions rather than the use of inputs with adverse effects.

It combines tradition, innovation and science and
It promotes fair relationships and a good quality of life for all involved.

IFOAM – Organics International
ORGANIC PRINCIPLES

HEALTH
Healthy soil, plants, animals, humans
= a healthy planet

ECOLOGY
Emulating and sustaining natural systems

FAIRNESS
Equity, respect and justice for people - and all living things

CARE
For generations to come

IFOAM – Organics International
### What's In
- Maintaining / enhancing biodiversity
- Using water resources sustainably
- Setting up buffer zones (to avoid contamination)
- Organic seeds or planting material
- Crop rotation / intercropping to improve soil fertility & structure
- Manures & other biodegradable inputs
- Active substances for pest/ disease/ growth management that are on a list referenced by a standard
- Social Justice (priv. standards/not regs)

### What's Not
- Destroying / reducing areas of high conservation importance
- Synthetic fertilizers (made by soluble chemical methods e.g. superphosphate)
- Synthetic (toxic and/or persistent) pesticides / defoliants
- Genetically Modified Organisms (GMOs)
- Synthetic coverings or mulches
- Sewerage sludge (on crops for human consumption)
- Preparing land by burning vegetation
- Violation of the ILO Standards and UN Declaration of Human Rights
Additionally, Human and Eco Toxicity Potentials (HTP and ETP) were investigated (screening level). Given the findings that pesticide use typically dominates USEtox profiles of agricultural products it is expected that the USEtox profile of organic cotton would well withstand comparison with other cultivation systems in this impact category.
The top 5 organic cotton growing countries in the world produced 92.16% of the total global organic cotton fiber.

The remaining 7.84% is produced by:
- Egypt (1.91%), Tanzania (1.91%), Burkina Faso (0.95%), Tajikistan (0.89%), Uganda (0.71%), Peru (0.49%), Mali (0.47%), Benin (0.34%), Ethiopia (0.13%), Brazil (0.02%), Israel (0.01%), Senegal (0.01%), Madagascar (0.004%), Columbia (0.001%)
The Organic Content Standard (OCS) has been developed by TE to:
- Help you preserve the identity of the organic fiber.
- Ensure that the benefits achieved at the farm level can be claimed at the product level.

2 key elements:
- preserves the identity of the raw material
- follows the path of the raw material
GLOBAL ORGANIC TEXTILE STANDARD

AT THE FARM

ACROSS THE SUPPLY CHAIN

USDA ORGANIC

The cotton is certified to a recognised Organic Agricultural Standard

Processing standard for textiles made from organic fibers. Certification of facilities and labeling of products.

- Requires a minimum 70% organic fibers
- Chemical requirements and restrictions
- Functional waste water treatment plant mandatory
- Traceability
- Packaging requirements
- Quality requirements
- Social Criteria
REEL COTTON
RESPONSIBLE ENVIRONMENT ENHANCED LIVELIHOODS
Why REEL Cotton matters for cotton communities

Only 10-12% of the world’s cotton is classed as ‘sustainable’, and significant agronomic and social challenges exist across global cotton communities.

- Cotton is a labour and environmentally intensive crop grown in dry regions, and prone to disease. Cotton communities are subsistence economies with limited worker protection, limited education and no women’s rights.

- In 2010, CottonConnect recognised that by improving cotton farmer education and business practises, significant impacts could be made in improving community livelihoods.

- REEL Cotton has made a tangible difference to cotton communities in India, China, Pakistan and Peru.

“A farmer asked the reason for my increased yield. I explained the REEL cotton programme. He was so enthusiastic that he immediately started practicing sustainable cotton farming. I felt proud, that I could change one life “

Godiben Raghubhan Vasani
REEL farmer
Why REEL Cotton matters for brands

- **Verified agronomic training**
  Supports decision to invest in improved education and technical skills. The result is increased production at lower cost at an improved income for local communities.

- **Improved social mobility and engagement**
  Supporting gender balance in cotton communities. Empowering women to learn and contribute to improving livelihoods and cotton environments.

- **Supply chain verification**
  End-to-end supply chain mapping and traceability of supply delivers reassurance on sustainable cotton supply.

- **Brand reputation**
  Measurable ROI for brand value through supporting sustainable cotton initiatives.
# The REEL Cotton Training Programme

## Environmental Stewardship
- Water efficiency
- Crop rotation practices and the reduction in chemicals – pesticides, fertilizers/PPT equipment
- Soil health and nutrient management – through crop rotation and composting
- Biodiversity conservation

## Economic & Social Responsibility
Training to improve yields and profits and produce cotton with respect for Human Rights principles for decent working conditions:
- no child labour, application of health and safety principles, gender inclusion

## Additional Modules
CottonConnect has add-on modules which sit alongside SAP:
- Farmer Business School
- Gender Intervention
- Technology - SMS

The REEL Cotton Programme is a 3 year modular programme for farmers with Sustainable Agricultural Practices (SAP) at its core.

All REEL Cotton programme are independently verified.
REEL Cotton Global Impact 2014-15

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<th>Impact</th>
<th>Description</th>
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<tr>
<td><strong>Yield</strong></td>
<td>+ 16%</td>
<td>Yield experienced by REEL farmers compared to Control farmers</td>
</tr>
<tr>
<td><strong>Water/ irrigation</strong></td>
<td>- 16%</td>
<td>Water usage by REEL farmers compared to Control farmers</td>
</tr>
<tr>
<td><strong>Chemicals (Fertilizers and Pesticides)</strong></td>
<td>- 20%</td>
<td>Chemical fertilizer usage by REEL farmers compared to Control farmers</td>
</tr>
<tr>
<td></td>
<td>- 43%</td>
<td>Chemical pesticide usage by REEL farmers compared to Control farmers</td>
</tr>
<tr>
<td><strong>Profit</strong></td>
<td>+ 41%</td>
<td>Profit earned by REEL farmers compared to Control farmers</td>
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*Note: Average for sample of project compared to conventional farmers. Global aggregated data for China, India and Pakistan. Projects that are in first year of training not included.*
COTTON SUSTAINABILITY INITIATIVES
Cotton Sustainability Initiatives

In addition to the key cotton sustainability standards, there are also a number of great initiatives working hard to improve cotton sustainability:

We will now focus in on just a few of these initiatives…
Cotton 2040’s objective is to enable a systemic shift in the global cotton industry towards sustainable cotton by integrating and accelerating action for sustainability.

It builds additionality by facilitating collaboration across initiatives in the key areas of building demand, traceability, circularity and resilience of smallholder cotton farmers.
Cotton 2040 workstream proposals

- Building demand
- Traceability
- Upskilling for resilience
- Circularity and recycling
Increasing the demand for sustainable cotton is critical to transforming the system.

This workstream aims to increase demand for sustainable cotton (e.g. organic, BCI, Fairtrade, Reel cotton) within organisations by focusing on raising awareness among key staff and building the business case for sustainable cotton internally. This means

• understanding mechanisms to increase the capacity for sustainable cotton sourcing within an organisation, embedding sustainability into the product development process;
• Driving demand for sustainable cotton through greater “choice editing” - i.e. choosing product assortments that favour sustainable cotton products.
Difficulties with traceability of cotton across the supply chain create significant barriers to uptake.

Although advances in information and communications technology (ICT) are making accurate tracking more feasible, each sustainability standard (e.g. BCI, Organic, Fairtrade, Reel) uses a different traceability system with the result that brands and retailers wanting to source across standards need to navigate multiple entry points. This makes the process of sourcing sustainable cotton across multiple standards more complex and presents a barrier to increased uptake.

This workstream facilitates the establishment of a common portal for data entry for the different standards that could integrate with each standard’s system, while keeping data secure. Once that’s established, it facilitates sharing best practice for traceability across standards, brands, retailers and suppliers.
Circular economy for cotton

The recapture and reuse of cotton fibres in textiles has the potential to transform the cotton industry.

Cotton recycling could yield significant sustainability benefits for the sector. Most of the progress to date in developing technologies and processes, however, has been carried out in isolation by major brands and technology start-ups. There is a clear lack of coordinated effort across the industry and a wider dialogue in the area of circularity is needed to unlock its potential.

This workstream proposal features an ‘accelerator’, a tool to connect key players in the cotton value chain, de-risk the process for brands through collaboration, and accelerate the commercialisation of recycling technology.
The long-term viability of the cotton industry relies on the ability of farmers and farming communities to be resilient in a changing world.

Over 60 per cent of the world’s cotton is produced by smallholder cotton farmers who are some of the poorest and most vulnerable in the world.

This workstream proposal focuses on creating a sector forum to explore how to build resilience for smallholder cotton farmers. It involves identifying the key issues for resilience, from climate change impacts to livelihoods and gender issues, and benchmarking and sharing best practice for cotton production by smallholder farmers in an increasingly volatile world.
Cotton 2040 is a significant opportunity to change the system for a more sustainable future. Join us.
The Organic Cotton Accelerator

Growing the future together

Introduction - July 2016
The OCA boiler plate

The Organic Cotton Accelerator (OCA) is a multi-stakeholder initiative, focused on creating a prosperous organic cotton sector which benefits everyone—from farmer to consumer.

Sustainability is our key goal—safeguarding the social and environmental well-being of organic cotton farming communities while boosting their prosperity. We will promote best practices and transparency throughout the entire supply chain, to enhance the financial viability of organic cotton now and in the future. Our aim is to build a fair, robust organic cotton market with appropriate integrity at every relevant level, whilst growing supply and demand.

OCA was founded in 2014 by C&A, H&M, Kering, EILEEN FISHER, Textile Exchange, Cotton Connect and the C&A Foundation. In 2016 OCA entered a two-year prototyping phase, during which NewForesight will act as the OCA secretariat and further shape and formalize the strategy, structure, and activities. In the prototyping phase we will determine the impact and efficiency of interventions, define best practices, and develop a viable business case for organic cotton, both for producers and the industry.

OCA will build a strong platform to convene the sector around a shared strategy and goals, as well as design, test and roll out different interventions at the supply and demand side. It aims to realize an aligned organic cotton sector. An improved business case for organic cotton production. Balanced and attractive incentives for each value chain player. And an increased integrity of organic claims.

LET’S GROW THE FUTURE TOGETHER
What is the challenge?
The sector is in need of collaborative action

**An insecure business case for the value chain**
- Supply insecurity and integrity challenges
- Quality and contamination issues
- Lack of supply chain transparency

**The farmer business case is under pressure**
- Lack of access to quality organic seeds
- Lower yields and profits while lacking secure offtake of organic produce
- Organic differentials often do not end up in the farmers’ hands

**Fragmented organization of the sector**
- Main actors in the sector are not aligned on a vision for the future
- Initiatives to tackle supply and demand challenges are fragmented
How will OCA solve these challenges?
By prototyping and scaling solutions in four impact areas

- Balanced and attractive incentives in the sector through reduced risk and greater collaboration
- Increased integrity of organic claims through building an effective traceability system
- Improved farmer business case through access to high-quality seeds and direct differential payment
- Aligned and integrated organic cotton sector through coordinated efforts for integration and governance change
Why an Organic Cotton Accelerator?

To prototype scalable solutions with frontrunners

A group of frontrunners have joined forces in the Organic Cotton Accelerator (OCA) to tackle the serious challenges the sector is facing. OCA will develop prototype solutions in the coming 18 months, to be scaled and implemented sector-wide from 2018 onwards.

Our vision:

A prosperous organic cotton sector which benefits everyone in the value chain – from farmer to consumer
What’s in it for you?
Integrity and security through collaboration

**Integrity and traceability of organic cotton**
- One traceability system tracing TC/SCs of different standards
- Improved integrity at the source through farmer access to high-quality organic seed (minimizing GMO contamination)
- Reduction of certification costs

**Security of supply and positive impact**
- Sustainable, secure supply due to improved business case for the farmer
- Improved farmer livelihoods through differential and higher productivity of quality seeds
- Continued ecological benefits of organic agriculture

**Being part of the solution**
- Be part of the group of frontrunners driving sector improvement through collaboration and shared learning
- Close involvement in OCA’s governance (depending on type of partnership)
Is your organization a frontrunner in organic cotton? Then join the movement!

secretariat@organiccottonaccelerator.org
+31 (0)30 234 8218

LET’S GROW THE FUTURE TOGETHER
Who are we?

• CottonConnect was created in 2009 out of a unique collaboration between C&A, Textile Exchange (formerly Organic Exchange) and Shell Foundation.

• We are a pioneering company in sustainable cotton sector. Our mission is to transform the world’s cotton for good. We help to develop transparent and sustainable cotton supply chains, by connecting brands and retailers to farmers, helping to build a positive and sustainable future for the cotton industry.

• Since 2009, we have been working with more than 20 global retailers and brands to create economic opportunities for over 131,000 cotton farmers in India, China, Pakistan and South America.
CottonConnect’s supply chain services overview

Our goal is to transform your cotton supply chain to deliver tangible brand and operational value from sustainable cotton production and manufacturing practices.
Rights and Life Skills Education Programme– Why?

The gender gap is a growing issue for policy makers

- Gender is a UN priority, with gender equality one of the Sustainable Development goals.
- UN Resident Coordinator states that gender equality is one of “most pressing” development challenges facing India.

The cotton workforce is predominantly female, making the role of women and their place in society a business risk for brands and retailers

- Men own the land and have access to farmer training, yet women are responsible for production
- Men generally control the management of the crop and manage the financial transaction (FAO 2002)
- Creating an insecure and unstable workforce

Closing the gender gap is a growing social issue

- Increased involvement of women in the cultivation and harvesting of crops directly increases their income: an increase in productivity from 36% to 86% creates an average increase in household income of 44%. (ITC & OXFAM)
- With higher incomes women are more likely than men to support household welfare and children’s education (Professor Barrientos, Feb 2013)

12 trillion USD could be added to global GDP by 2025 by advancing women’s equality.

Source: Report by McKinsey Global Institute, September 2015
Overview of CottonConnect’s gender-related programmes

**Agronomic Programme**
This programme focuses on training women on good agricultural practices for sustainable cotton growing; and socio- and economic education.

**Rights and Life Skills Education Programme**
CottonConnect has built a holistic intervention covering: education, health, women’s rights. The end goal of this is to develop micro-enterprises to increase village income and resilience.

**Farmer Business School**
This programme focuses on training female farmers on Business Management, Financial literacy and Micro finance.
ORGANIC COTTON ROUND TABLE

What is the OCRT?

- Global Stakeholder Platform and Incubator for Good Ideas.
- Annual in-person meeting (pre or post conference).
- A partnership with the Global Organic Cotton Community Platform (online).

OCRT Task Forces

1. Business Models
2. Seeds & Soils
3. Consumer Engagement

The Role Of The OCRT

Tackle the big questions.
Exchange knowledge and experiences.
Initiate and incubate great ideas.

About organiccotton.org
Objectives:
• Raise awareness of challenges within current business models.
• Share best practices and ideas for proof of concept/piloting.
• Catalyze and incubate new collective action initiatives.
• Develop a roadmap to move from commodity to community.

Purpose:
Success for all depends upon re-imagining and re-engineering supply chains to incentivize and improve business security for growers and for organic to scale up. Incubating new ways of working, driving best practice, and ensuring product integrity is integral to improved business models and the resilience of the sector.
Organic Cotton Round Table
Task Force 2: Seeds & Soils

Purpose:
Access to good quality non-GMO seed is necessary to meet the needs of the organic agricultural standard whilst delivering on fiber quality and meeting industry specifications. Productivity improvements in organic depend upon healthy fertile soil as well as good quality seed. Avoiding and addressing contamination from non-GMO seed is also key to the resilience and success of the organic cotton market.

Objectives:
- Raise awareness of seed issues.
- Share best practices in seed supply and management.
- Strategically support seed solutions.
- Support R&D, regional seed initiatives.
Purpose:
The consumer is part of the organic cotton value chain. Educating and driving consumer demand are part of the business model. Brands and retailers of organic cotton invest significantly in product placement and talk directly to their customer. Impactful messaging is key to consumer engagement, and ultimately a return on investment.

Objectives:
• Raise awareness of benefits and value of organic cotton.
• Share best practices in consumer outreach.
• Provide brands and retailers with resources (data, stories, research) and a go-to microsite for consumer outreach.
• Develop and implement a consumer engagement and marketing strategy.
NEXT STEPS
Next Steps: Create Your Strategy

We Can Help!

If you would like support in creating your cotton strategy, there are a number of ways that Textile Exchange can help. Simply contact us to find out more: Info@TextileExchange.org
Resources

TE Resources
- Preferred Fiber Market Report 2015
- Organic Cotton Round Table
- Life Cycle Assessment of Organic Cotton Fiber
- Sustainability Assessment Tool (OC-SAT)
- Integrity & Standards
- Microsite - Aboutorganiccotton.org

Standards & Certification
- CmiA-Organic
- Fair Trade-Organic
- Global Organic Textile Standard (GOTS)
- Organic Content Standard (OCS)

Foundations
- bioRe Foundation
- C&A Foundation
- GSRD Foundation (G-Star Raw)
- H&M Foundation

Stakeholder Initiatives
- Cotton 2040 (Forum for the Future)
- Global Organic Cotton Community Platform
- Organic Cotton Accelerator (OCA)

Trade Associations
- Organic Consumers Association (OCA)
- Organic Fiber Council (OFC)
- Organic Trade Association (OTA)

NGOs
- HELVETAS Swiss Intercooperation
- IFOAM - Organics International
- PAN UK
- RARE
- Soil Association
- Solidaridad
- Textile Exchange
- WWF

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