

Summary of key changes in the updated CoC Guidelines V1.4

Date: 23 July 2020

1. Introduction

BCI released a revised version of the Better Cotton Chain of Custody (CoC) Guidelines (v1.4) on 23 July 2020. This document replaces the previous V1.3 and its implementation is applicable from the beginning of the harvest season that begins on 1 August 2020, as defined by the International Cotton Advisory Committee (ICAC). The revision focused mainly on minor changes, including removing outdated content, clarifying existing requirements, and restructuring the layout. Note that no additional requirements are being added in the new version. BCI's basic Chain of Custody model remains the same – product segregation between farm and gin level, and mass balance after gin level.

BCI has conducted the review of the CoC Guidelines with the following objectives:

- To improve clarity, completeness and accuracy of the CoC Guidelines;
- To improve the implementation of CoC requirements by BCI members and Better Cotton Platform (BCP) suppliers;
- To improve the consistency of interpretation of CoC requirements by all users.

The updated CoC Guidelines provide clearer requirements which help companies distinguish between those which are mandatory and those which are best practice or guidance. BCI is confident that the new version will address any potential grey areas or ambiguities from the previous version, which will ultimately improve the understanding and implementation of the CoC Guidelines.

In order to help companies to become familiar with the updated CoC Guidelines V1.4, BCI has produced this document summarising the key changes in the new version.

2. Overview of changes

Key changes to the CoC Guidelines are grouped into the following categories:

- Removal of requirements that are outdated and irrelevant
- Some criteria were split into two for clearer understanding

- Some requirements that were contained in the supporting guidance have been moved to the criteria (e.g. with the use of term 'must')
- Change of structure/layout of the document
- Further elaborations of criteria to avoid confusion
- Clarification of language, including removal of duplicative information, additional new definitions or clarification on existing information/ definitions

3. Key changes by sections

3.1 Introduction (section 1 in V1.3)

This section was simplified by removing repetitive information and clarifying language. Verbal forms for expression of 'shall', 'should' and 'may' were also included to help supply chain companies understand whether the requirements are mandatory or good practices.

Categories	CoC Guidelines V1.3	CoC Guidelines V1.4
Clarification of language, including removal of duplicative information, additional new definitions or clarification on existing information/ definitions	<ul style="list-style-type: none"> • No definition of verbal expression of 'shall', 'should', or 'may' • Interchangeable use of 'shall' and 'must' 	<ul style="list-style-type: none"> • Definitions of 'shall', 'should', or 'may' are added • 'Must' replaced by 'shall' to ensure consistency
	<p>Product segregation Chain of Custody model:</p> <ul style="list-style-type: none"> • Better Cotton and conventional cotton must be kept segregated at all stages of harvest, storage, transport and processing at the farm and gin level • No mixing or substitution between conventional cotton and Better Cotton is permitted • Better Cotton must be clearly identified (e.g. with signage and documentation) • All bales of Better Cotton sold by gins must be composed of 100% cotton from licensed BCI farmers (produced in compliance with the Better Cotton Principles and Criteria), and must be traceable back to BCI licensed farmers • The claims about, and actual physical volumes of Better Cotton sold by ginners must match the volume of Better Cotton purchased, accounting for the turnout ratio. • This is a system of physical traceability. Actual amounts of physical Better Cotton must accompany any claims. <p>Mass balance Chain of Custody model:</p>	<p>We combined the information about BCI CoC models with 1.2 BCI Chain of Custody model requirements, and removed any duplicative information.</p> <p>1.2 Better Cotton Chain of Custody (CoC) model requirements</p> <p>The Better Cotton CoC Guidelines incorporates two different CoC models: product segregation and mass balance. Each model is applicable at a different stage in the supply chain (refer to Figure 1):</p> <p>Between the farm and the ginner, BCI requires a product segregation CoC model. This means that farmers and ginners are required to store, transport and process Better Cotton (seed cotton and lint cotton bales) separately from any conventional cotton. No mixing or substitution between conventional cotton and Better Cotton is permitted. This ensures that all Better Cotton bales produced by registered BCI ginners are 100% Better Cotton and can be traced back</p>

Categories	CoC Guidelines V1.3	CoC Guidelines V1.4
	<ul style="list-style-type: none"> • Better Cotton and conventional cotton may be substituted with each other. BCI applies this CoC model to all supply chain organisations after the gin up to (and including) retailers. • For any organisation, the volume of cotton in any cotton-containing product sold with a Better Cotton claim must not exceed the amount purchased with a Better Cotton claim (accounting for relevant conversion rates) • This is a system of administrative traceability. An actual amount of physical Better Cotton does not need not accompany claims about Better Cotton 	<p>to licensed BCI Farmers. The actual physical volumes of Better Cotton sold by ginners must match the volume of Better Cotton purchased, accounting for the turnout ratio.</p> <p>After ginner level, BCI requires a mass balance CoC model. Mass balance is a volume-tracking system that allows Better Cotton to be substituted or mixed with conventional cotton. However, it ensures that the quantity of physical cotton sold with a Better Cotton claim cannot exceed the quantity of cotton purchased with a Better Cotton claim (accounting for relevant conversion rates).</p> <p>Please refer to the Better Cotton Claims Framework (available on the BCI website) for more detail on the claims that can be made when sourcing or selling products associated with Better Cotton claims.</p>

3.2 Terminology and Definitions (section 2 in V1.3)

In this section, a number of definitions have been added. The terms and definitions of ‘Better Cotton products’, ‘mass balance’ and ‘physical segregation’ were also updated to clarify the language. This section has now moved to Annex A in V1.4. Key changes can be found in the table below:

Categories	CoC Guidelines V1.3	CoC Guidelines V1.4
Clarification of language, including removal of duplicative information, additional new definitions or clarification on existing information/ definitions	No definition of gin turnout ratio	<p>New definition on gin turnout ratio:</p> <p>Amount of lint produced on an average from 100 kgs of seed cotton during the ginning process.</p> <p>Note: a gin turnout rate may vary throughout the year based on the quality parameters of cotton, however it is fixed in the BCP as a certain average for a whole year at the beginning of season when the gin registers.</p>
	<p>Definition of Better Cotton products</p> <p>Any cotton or cotton-containing product (after gin level) which is bought or sold with a ‘Better Cotton’ claim and for which</p>	Clarification of terms, renamed as ‘BCI Orders’, definition revised and ODF reference removed:

Categories	CoC Guidelines V1.3	CoC Guidelines V1.4
	<p>Better Cotton Claim Units (BCCUs) are transferred between two parties via the Better Cotton Platform (BCP) or via Output Declaration Forms.</p> <p>Note 1: Under the mass balance CoC model used after gin level in the supply chain, 'Better Cotton products' may refer to a product that does not contain any physical cotton from licensed BCI farmers</p> <p>Note 2: For example, a sale of yarn from a BCI Spinning Mill Member is considered a Better Cotton product if it is sold with a Better Cotton claim (i.e. to fill an order for 'BCI yarn'), and if the sale is entered into the BCP and corresponding BCCUs are allocated to the buyer.</p>	<p>Any cotton or cotton-containing product (after gin level) which is bought or sold with a 'Better Cotton' claim and for which Better Cotton Claim Units (BCCUs) are transferred between two parties via the Better Cotton Platform (BCP).</p> <p>Examples of cotton-containing products are yarn, fabric, etc.</p> <p>Note 1: Under the mass balance CoC model used after gin level in the supply chain, BCI Orders may refer to a product that does not contain any physical cotton from licensed BCI farmers</p> <p>Note 2: For example, a sale of yarn from a BCI Spinning Mill Member is considered a BCI Orders if it is sold with a Better Cotton claim (i.e. to fill a BCI order), and if the sale is entered into the BCP and corresponding BCCUs are allocated to the buyer.</p>
	No definition on short position	<p>New definition on short position:</p> <p>The negative inventory or amount of BCCUs/ mass (Kgs) an organisation has overdrawn by.</p>

3.3 Chain of Custody for Implementing Partners (section 3 in V1.3)

No major changes in this section, this has now been moved to Annex B in V1.4.

3.4 Chain of Custody for gins (section 4 in V1.3)

The requirements for gins are now in section 2 in V1.4. The table below provides a summary of key changes under each category.

Categories	CoC Guidelines V1.3	CoC Guidelines V1.4
Clarification of language, including removal of duplicative	There were a mixed use of the terms of gin and ginner. In the definition we have the term ginner which is defined as 'A company that buys seed cotton, gins it, and sells baled	Updated the use of term 'ginner' throughout the section. 'The gin' is replaced by 'the ginner', in line with our definition:

Categories	CoC Guidelines V1.3	CoC Guidelines V1.4
information, additional new definitions or clarification on existing information/ definitions	<i>cotton lint.</i> . However, throughout the section the term ‘the gin’ is used.	<i>A company that buys seed cotton, gins it, and sells baled cotton lint</i>
Some criteria were split into two for better understanding	4.3.1 The gin shall appoint a designated representative(s) responsible for ensuring compliance with the relevant Better Cotton CoC requirements and recording relevant data on the Better Cotton Platform (BCP).	2.1.1 The ginner shall identify a designated representative(s) who has overall responsibility for ensuring compliance with the relevant Better Cotton CoC Guidelines requirements. The representative shall also be the primary contact on the BCI ginner registration form. 2.4.2 The ginner shall identify a designated representative for recording relevant data on the Better Cotton Platform (BCP). The ginner shall not give access to the BCP to other third parties under any circumstances (e.g. including Implementing Partners or consultants hired by the ginner).
	4.2.1 The gin shall have a system in place to ensure that Better Cotton is segregated from other (conventional) cotton and is clearly identified at every stage of purchase, storage, processing, transport, and handling.	2.3.1 The ginner shall have a system in place to ensure that Better Cotton is segregated from other (conventional) cotton by physical separation and/ or temporal separation. 2.3.2 The ginner shall maintain visual identification of Better Cotton at every stage of purchase, storage, processing, transport, and handling.
Movement of requirements that were contained in the supporting guidance to the criteria (e.g. with the use of terms ‘must’)	4.4.3 The gin shall ensure that all data entered into the BCP is accurate and can be verified against corresponding documentation (i.e. purchase receipt, invoice, production records): a) For each purchase of Better Cotton, the gin shall enter the corresponding purchase date or date range into the BCP b) For each sale of Better Cotton, the gin shall enter a valid transaction reference number(s) corresponding to either the invoice or shipping documents Guidance: BCCUs cannot be transferred between companies unless there is a corresponding purchase/ sale of physical	2.4.5 The ginner shall ensure that all data entered into the BCP is genuine and can be verified against corresponding documentation (i.e. purchase receipt, invoice, production records): a) For each purchase of Better Cotton, the ginner shall enter the corresponding purchase date or date range, and transaction reference (such as gate pass number, purchase vouchers/ receipts or any unique document number) into the BCP. b) For each sale of Better Cotton, the ginner shall enter a valid transaction reference number(s) corresponding to the

Categories	CoC Guidelines V1.3	CoC Guidelines V1.4
	<p>cotton products that are linked with these BCCUs. Gins must enter a unique transaction reference number (such as invoice or delivery slip number) that corresponds to each sale entered in the BCP. <u>If one entry in the BCP relates to multiple sales, a reference number or range must be entered for each separate sale</u></p> <p>4.4.1 Guidance: In the case of ginners who are also traders, two separate accounts are maintained on the BCP with different functionalities. <u>A transaction entered into the BCP with a status “awaiting acknowledgement” can be withdrawn within 30 days of entering it into the BCP. Likewise, transactions with a status “acknowledged” can be cancelled within 30 days after the date of acknowledgement.</u></p> <p>The volume of seed cotton in the ginner’s BCP account will remain valid until the ginner enters production of lint cotton into the BCP or BCI zeros all seed cotton inventories at the end of the current cotton season. Lint cotton inventories in the BCP will remain valid until the corresponding lint quantity is claimed by or transferred to a spinner or a merchant account on the BCP or zeroed out by BCI at the end of the season.</p>	<p>contract, invoice or shipping document that corresponds to each sale entered in the BCP. <u>If one entry in the BCP relates to multiple sales, a reference number or range must be entered for each separate sale.</u></p> <p>Information on cancellation of transaction moved from guidance to 2.4.4, with added guidance. The remaining information in the guidance remains (in 2.4.3 guidance).</p> <p>2.4.4 Requests of transaction cancellations should be submitted within 30 calendar days of the sale being entered in the BCP.</p> <p>Guidance: Under exceptional and justified circumstances, BCI may process a cancellation request received after 30 days of the sale being entered in the BCP. A transaction entered into the BCP with a status “awaiting acknowledgement” can be withdrawn within 30 days of entering it into the BCP. Transactions with a status “acknowledged” can be cancelled within 30 days after the date of acknowledgement.</p> <p>In order to cancel a transaction with "acknowledged" status, the supplier needs to write an email to BCI with transaction details, copy this email to their buyer/seller and ask the buyer/seller to provide no objection on cancellation. Only after receiving confirmation from the buyer/seller of no objection will BCI cancel the transaction.</p>
Further elaborations to avoid confusion	<p>4.4.1 The gin shall enter all purchases and lint production, and enter (or acknowledge) all sale transactions for Better Cotton into the BCP, within 30 calendar days of the transaction date.</p>	<p>2.4.3 The ginner shall enter all purchases, lint production and sale of Better Cotton into the BCP, in a timely manner indicated as follows:</p> <ul style="list-style-type: none"> • Better Cotton purchases are entered within 30 calendar days of receiving seed Better Cotton.

Categories	CoC Guidelines V1.3	CoC Guidelines V1.4
		<ul style="list-style-type: none"> Lint productions are entered within 30 calendar days of lint Better Cotton being produced. Sales of lint Better Cotton are entered within 30 calendar days of shipment date.
Change of structure/ layout of document	4.7 Supply chain monitoring and penalties	This section has now moved to Section 5, and is applicable to both gins and supply chain organisations.
	4.3 Responsibilities, training and record-keeping	<p>This has now become the first sub-section under Section 2 CoC for gins:</p> <p>2.1 Responsibilities, training and record-keeping</p>
Clarification of language, including removal of duplicative information, additional new definitions or clarification on existing information/ definitions	4.3.4 The gin shall communicate any changes in BCI contact names, procurement processes, or outsourcing arrangements to BCI in writing or email within 15 days of the change occurring	<p>Clarified that this requirement refers to 15 <i>calendar</i> days.</p> <p>2.1.5 The ginner shall communicate any changes in primary contact names, procurement processes, or outsourcing arrangements to BCI via email within 15 <u>calendar days</u> of the change occurring.</p>
Removal of requirements that are outdated or irrelevant	4.5.1 Gins shall only make claims about Better Cotton in compliance with the Better Cotton Claims Framework	Deleted, as the current Claims Framework is not applicable to gins.

3.5 Chain of Custody for other supply chain organisations (section 5 in V1.3)

The requirements for other supply chain organisations are now in section 3 in V1.4. The table below provides a summary of key changes under each category.

Categories	CoC Guidelines V1.3	CoC Guidelines V1.4
Removal of requirements that are outdated or irrelevant	5.4 Output Declarations	Removed as it is outdated. Note that ODFs could not be generated after 2019 and companies who had generated ODFs before 31 December 2019 were given time until 31 July to pass along the supply chain, as these will otherwise become invalid if not claimed by Retailer & Brand Members.

Categories	CoC Guidelines V1.3	CoC Guidelines V1.4
<p>Some criteria were split into two for better understanding</p>	<p>5.1.1 The organisation shall appoint a designated representative(s) responsible for ensuring compliance with the relevant Better Cotton CoC requirements and recording data in the Better Cotton Platform (BCP)</p>	<p>3.1.1 The organisation shall identify a designated representative(s) who has overall responsibility for ensuring compliance with the relevant Better Cotton CoC Guidelines requirements.</p> <p>3.2.1 Organisations shall identify a designated representative for recording relevant data on the Better Cotton Platform (BCP). Organisations shall not give access to the BCP to other third parties.</p>
	<p>5.1.3 The organisation shall maintain records related to the purchase and sale of Better Cotton products for a minimum period of two years a) The organisation shall ensure that all documents are available for review by BCI or third-party auditors upon request.</p>	<p>3.1.3 The organisation shall maintain records related to the purchase and sale of BCI Orders. Every purchase or sale of BCI Orders shall be supported by documentation including purchase orders, invoices, delivery and shipping documents.</p> <p>3.1.4 Retention times for records relevant in demonstrating the organisation's conformity with all applicable CoC requirements shall be a minimum of two (2) full years. The organisation shall ensure that all documents are available for review by BCI and third-party auditors upon request.</p>
<p>Movement of requirements that were contained in the supporting guidance to the criteria (e.g. with the use of term 'must')</p>	<p>5.2.5 The organisation shall enter a unique transaction reference number (e.g. invoice or delivery slip number) into the BCP for each individual purchase or sale of Better Cotton products</p> <p>Guidance: Organisations must enter a unique transaction reference number (such as invoice or delivery slip number) that corresponds to each purchase/sale of Better Cotton products. <u>If one BCP entry relates to multiple purchases or sales, a reference number or range must be entered for each separate purchase/ sale.</u></p>	<p>3.2.9 The organisation shall enter a unique transaction reference number (e.g. purchase order, contract, invoice or delivery slip number) into the BCP for each individual purchase or sale of the BCI Order. <u>If one BCP entry relates to multiple purchases or sales, a reference number or range shall be entered for each separate purchase or sale.</u></p>
	<p>Guidance: overdraft facility</p> <p>Companies have up to 4 months to source enough Better Cotton raw materials to cover their 'short positions' (negative inventory).</p>	<p>3.2.12 All suppliers/ manufacturers that have negative inventory of BCCUs shall recover their short positions within 120 calendar days of when their account became negative.</p>
	<p>1.3 Scope of implementation</p>	<p>3.2.7 Lint traders shall only enter sale transactions and transfer BCCUs with the correct country of origin,</p>

Categories	CoC Guidelines V1.3	CoC Guidelines V1.4
	Cotton traders will implement the mass balance CoC model at country level – this means they can substitute equivalent amounts of conventional and Better Cotton products, but only provided those products have the same country of origin. For example: if a trader buys Brazilian Better Cotton, the claim associated with this purchase may be allocated to any conventional cotton from Brazil, as long as it is owned by the trader. The trader cannot allocate claims from Brazilian Better Cotton to cotton from a different country of origin (e.g. Mali).	corresponding to purchase of Better Cotton bales. Lint traders shall not substitute Better Cotton bales and their associated BCCUs with conventional cotton bales from different countries.
Further elaborations to avoid confusion	5.2.7 In case of blending with non-cotton fibre, the organisation shall use the volume of lint cotton as the basis for declaring their purchase and sales entries in the BCP.	3.2.11 In case of blended products a) The spinners shall use the total weight of yarn, percentage of cotton in the yarn, and the percentage of Better Cotton indicated in the order as the basis for declaring their purchase and sales entries in the BCP. b) The fabric mill or vertically integrated mill shall use the total weight of yarn used to make fabric, percentage of cotton in the yarn used, and the percentage of Better Cotton indicated in the order as the basis for declaring their purchase and sales entries in the BCP.
	5.2.2 Organisations using the BCP shall enter or acknowledge purchase/ sale transactions within 60 calendar days of the shipment date a) Retailer/ brands only may acknowledge sales entered by suppliers within 30 days of the sale being entered in the BCP	3.2.5 Organisations using the BCP shall acknowledge purchase transactions and enter sale transactions in a timely manner as follows: a) Purchase transactions shall be acknowledged within 60 calendar days of data being entered into BCP. b) Sale transactions shall be entered within 60 calendar days of the shipment date. Note – the requirements for Retailer/ brands have moved to section 4.
Clarification of language, including removal of duplicative	5.1.4 The organisation shall communicate any changes in BCI contact names/details, or any other significant changes	3.1.5 The organisation shall communicate any changes in primary contact names/ details, or any other significant

Categories	CoC Guidelines V1.3	CoC Guidelines V1.4
information, additional new definitions or clarification on existing information/ definitions	related to trading Better Cotton products, to BCI by email within 15 days of the change occurring	changes related to BCI Orders, to BCI by email within 15 <u>calendar days</u> of the change occurring.
Change of structure/ layout of document	5.2.2 Organisations using the BCP shall enter or acknowledge purchase/ sale transactions within 60 calendar days of the shipment date a) Retailer/ brands only may acknowledge sales entered by suppliers within 30 days of the sale being entered in the BCP 5.5 Better Cotton claims 5.7 Annual reconciliation for Retailers/ Brands	All requirements related to Retailers and Brands are now contained in Section 4 Rules for Retailers and Brands.
	5.3 The organisation shall ensure that a mechanism is in place for handling non-conforming products to ensure they are not sold onward with a Better Cotton claim until their status can be verified. This includes any transfers of BCCUs and any cotton/ cotton-containing products bought or sold with a Better Cotton claim, which cannot be verified as legitimate.	Moved to 3.1.6 under Responsibilities, training and record keeping.
	5.8 Supply chain monitoring and penalties	This section has now moved to Section 5, and is applicable to both gins and supply chain organisations.

3.6 Requirements related to compliance monitoring and audits (sections 4.7 & 4.8 for gins and sections 5.8 & 5.9 for supply chain organisations in V1.3)

In the previous CoC Guidelines V1.3, the requirements on supply chain monitoring and penalties were covered in the sections for gins (4.7 in V1.3) and supply chain organisations (5.8 in V1.3) respectively. These two sections have been combined and moved to section 5 to avoid repetition. This section relates to the rules to be followed by BCI staff or third-party auditors when conducting monitoring visits or audits. Major changes include updating the timeline for companies to respond regarding access to site and information, timeline for gins to close major non-conformities (NCs), and timeline for submission of a Corrective Action Plan (CAP).

Categories	CoC Guidelines V1.3	CoC Guidelines V1.4
<p>Clarification of language, including removal of duplicative information, additional new definitions or clarification on existing information/ definitions</p> <p>Updated timeline to provide information and respond to audit:</p> <p>a. from 10 calendar days to two weeks</p> <p>b. from 24 hours to 3 business days</p>	<p>4.7.1 The gin shall provide BCI staff and appointed third-party auditors access to all sites handling or selling Better Cotton, and access to any records or documentation related to purchasing, handling or sales of Better Cotton</p> <p>a) Documents requested remotely by BCI or third-party auditors shall be provided within <u>10 calendar days</u> of the written request</p> <p>b) Within <u>24 hours</u> of being notified of a short-notice audit, the ginner shall provide access to the site for BCI or designated third-party auditors</p> <p>5.8.1 The organisation shall provide BCI staff and appointed third-party auditors access to all sites handling or selling Better Cotton, and access to any records or documentation related to purchasing, handling, or sales of Better Cotton</p> <p>a) Documents requested remotely by BCI or third-party auditors shall be provided within <u>10 calendar days</u> of the written request</p> <p>b) Within <u>24 hours</u> of being notified of a short-notice audit, the organisation shall provide access to the site for BCI or designated third-party auditors</p>	<p>5.1.1 The organisation shall provide BCI staff and appointed third-party auditors access to all sites handling or selling Better Cotton, and access to any records or documentation related to purchasing, handling, or sales of Better Cotton and BCI Orders.</p> <p>a) Documents requested remotely by BCI or third-party auditors shall be provided within <u>two weeks</u> of the written request.</p> <p>b) Within <u>3 business days</u> of being notified of a short-notice audit, the organisation shall provide access to the site for BCI or designated third-party auditors.</p>
<p>Clarification of language, including removal of duplicative information, additional new definitions or clarification on existing information/ definitions</p>	<p>4.7.2 If during gin monitoring visits or gin audits, BCI staff or third-party auditors identify non-conformities (NCs) with Chain of Custody requirements, the gin shall correct these NCs within the specified timeframe and provide relevant evidence to the BCI staff or third-party auditor as below:</p> <p>a) For Minor NCs: the gin shall correct the NC within 12 months and provide evidence to BCI or the third-party auditor demonstrating how the issue has been addressed. If not addressed within 12 months, a Minor NC shall escalate to a Major NC.</p>	<p>5.1.2 If during monitoring visits or audits, BCI staff or third-party auditors identify non-conformities (NCs) with Chain of Custody requirements, <u>the organisation shall submit their Correct Action Plan (CAP) within two weeks after receipt of final audit reports.</u> The organisation shall correct these NCs within the specified timeframe below.</p> <p>Guidance: If the organisation fails to submit their CAP within the timeline, BCI will temporarily suspend their BCP account until it provides a valid reason for delay, or submits the CAP.</p> <p>Applicable to ginner:</p>

Categories	CoC Guidelines V1.3	CoC Guidelines V1.4
<p>Additional information on submission of CAP, changed the timeline of closing major NCs from 12 months to 6 months to acknowledge that ginning is a seasonal activity, added further guidance on closing NCs.</p>	<p>b) For Major NCs: the gin shall correct the NC within 30 days and provide evidence to BCI or the third-party auditor demonstrating how the issue has been addressed. If not addressed within 30 days, a Major NC shall lead to the suspension of the Better Cotton Platform (BCP) account.</p>	<p>a) For Minor NCs: the ginner shall correct the NC within 6 months or before the start of the next ginning season (whichever is shorter) and provide evidence to BCI or the third-party auditor demonstrating how the issue has been addressed. If not addressed within 6 months or before new season, a Minor NC shall escalate to a Major NC.</p> <p>b) For Major NCs: the ginner shall correct the NC within 30 calendar days and provide evidence to BCI or the third-party auditor demonstrating how the issue has been addressed. If not addressed within 30 calendar days, a Major NC shall lead to the suspension of the Better Cotton Platform (BCP) account. The Duration of a suspension period will be a minimum of 3 months, and is defined by BCI considering the NC's situation.</p> <p>Guidance for ginner: When the new season starts, gins with pending NCs should be denied access to BCP until they have taken corrective action. They can be invited to Ginner training and submit required documents, but access to BCP is provided only once evidence of corrective action taken is provided.</p>
<p>Clarification of language, including removal of duplicative information, additional new definitions or clarification on existing information/ definitions</p> <p>Added d) on submission of CAP for clarification</p>	<p>4.7.3 BCI retains the right to cancel the ginner agreement and suspend use of the BCP at any time due to the following cases:</p> <p>a) A Major NC has not been corrected within the specified timeframe</p> <p>b) Multiple Major NCs were identified, suggesting a fundamental lack of compliance with the Better Cotton CoC Guidelines</p> <p>c) BCI or a designated 3rd party auditor has evidence of a NC that was induced purposefully, grossly negligent, systematic, and/or which imposes a severe reputational risk to BCI stakeholders.</p>	<p>5.1.3 BCI retains the right to cancel the ginner agreement and/or suspend use of the BCP (for gins and other supply chain organisations) at any time due to the following cases:</p> <p>a) A Major NC has not been corrected within the specified timeframe</p> <p>b) Multiple Major NCs were identified, suggesting a fundamental lack of compliance with the Better Cotton CoC Guidelines</p> <p>c) BCI or a designated third-party auditor has evidence of a NC that was induced purposefully, grossly negligent, systematic, and/or which imposes a severe reputational risk to BCI stakeholders. The NC can be identified through</p>

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	<p>5.8.3 BCI retains the right to suspend the organisation’s use of the Better Cotton Platform (BCP) for a minimum period of 3 months due to the following cases:</p> <ul style="list-style-type: none"> a) A Major NC has not been corrected within the specified timeframe b) Multiple Major NCs were identified, suggesting a fundamental lack of compliance with the Better Cotton CoC Guidelines c) BCI or a designated 3rd-party auditor has evidence of a NC that was induced purposefully, grossly negligent, systematic, and/or which imposes a severe reputational risk to BCI stakeholders. 	<p>second party monitoring visits, third-party audits or any random checks.</p> <p>d) No response to submit a Corrective Action Plan (CAP) within two weeks of receiving the final audit report and CAP template.</p>