

BCI Task Force on Forced Labour and Decent Work

BCI Onboards Task Force Recommendations

January 2021





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1 Background

In April 2020, BCI formed the [Task Force on Forced Labour and Decent Work](#) to review the current global Better Cotton Standard System. The aim of the Task Force was to highlight gaps and develop recommendations to improve the effectiveness of this system in identifying, preventing, mitigating and remediating forced labour risks. The group comprised 12 experts drawing from civil society, retailers and brands, and responsible sourcing consultancies. The Task Force worked virtually for six months to review current BCI systems, discuss key issues and gaps, and develop proposed recommendations. The process included extensive consultations with a wider group of retailers and brands, field-level Implementing Partners and worker-focused organisations, among others.


Their work culminated in a comprehensive report, published in October 2020 and available in full on the [BCI website](#). The report outlines key findings and includes 9 main recommendations in the Executive Summary, which are then broken down into a further 29 specific recommendations. These are organised across seven main themes: 1) Assessing the Enabling Environment; 2) Risk-based Methodology; 3) Capacity Building; 4) Implementing Partners; 5) Principles & Criteria; 6) Assurance; and 7) Grievance reporting, workers' voice, and remedy.

This document sets out a formal response to the Task Force report and summarises the work that BCI has already carried out as of January 2021 in response to the recommendations. It also outlines BCI's expected short, mid, and long-term priorities to strengthen our systems on forced labour and decent work.

[Section 4](#) of the document provides a specific response to each of the 9 summary recommendation areas, including work already underway and planned next steps. For those looking for additional detail, the table in [Annex 1](#) gives an individual response and update on progress against each of the 29 specific recommendations.

2 Overall response from BCI

The BCI Leadership team is extremely grateful to each and every member of the Task Force for dedicating their time and expertise to help BCI examine our current approach and forge a path forward to transform our forced labour and decent work capabilities. The findings of the Task Force are honest and comprehensive, and they identify multiple areas where BCI needs to focus more resource and effort. We take those findings seriously as part of our core commitment to continual improvement, and are already working on implementing a number of recommendations, as outlined in [Section 3](#). At the same time, the Task Force findings recognise the tremendous potential that BCI has – as a truly global network of partners – to enact change across millions of cotton farmers and workers. This underscores the importance of not just ticking the boxes on Task Force recommendations, but making sure we take the time to do this work properly, and to consult and collaborate with critical partners along the way. It is also important that we truly embed our forced labour and decent work efforts within the broader BCI strategy, so that these become integrated into our culture and processes. To that end, we have made sure there is a strong focus on decent work in the BCI 2030 strategy, and we expect that work in some of these recommendation areas will span most of the next decade and even beyond.



Since the release of the Task Force report in October 2020, the BCI leadership and Council have held a series of initial discussions on the findings. It has become clear that we need to take a phased approach to implementation, in order to tackle quick wins and high-priority areas in the short term, whilst maintaining a long-term vision on some of the more challenging work areas that will require dedicated funding and resources. A summary of this anticipated phased approach can be found in Section 3 below.

Already since October, a number of recommendation areas are well underway and will be implemented by early 2021 – these include global capacity building and assurance process changes, revisions to Implementing Partner (IP) due diligence, and organisational grievance mechanisms. Other areas, such as carrying out field-level risk assessments in all priority countries, or establishing farm level grievance mechanisms, are more resource-intensive and challenging to operationalise. BCI intends to tackle these in a phased manner, but recognises they will take multiple years to implement fully. They will also require new funding streams in order to be sustainable over the long term – identifying these new funding mechanisms and potential partners is therefore a top priority for BCI.

3 Progress to date and future approach

Since the release of the Task Force report in October 2020, BCI has made significant progress on key recommendations that can be implemented **in the short-term**, and laying the foundation for longer-term efforts. As a first step, BCI is focusing on improving our global systems and processes and building internal capacity to address decent work issues. As of January 2021, BCI has completed the following work:

1. Global capacity building strategy and materials developed – focusing on forced labour in the cotton sector specifically. This will be rolled out to all BCI staff in Q1 and Implementing Partners in Q2 2021 via a two-part virtual training
2. Expanded interim¹ indicators on forced labour developed – these have been developed and reviewed by external consultants, and will be integrated into core assurance processes by March 2021 in time for the next season
3. New farmer and worker interview guides developed, with a greater focus on forced labour risk factors
4. First draft of expanded due diligence for Implementing Partners (IPs) developed – this will be rolled out, in phases to existing IPs from the 2021-22 season

In addition, webinars were held in Q4 2020 with BCI members and Implementing Partners to share the work of the Task Force and to discuss feedback on priority areas. In parallel, BCI has also been actively pursuing funding opportunities and partnerships that will be critical to supporting some of the longer-term ambitious work outlined below.

Following advice of the Task Force, in 2021 we will focus on piloting a comprehensive set of Task Force recommendations in two specific countries, India and Pakistan. These were selected for initial pilots due to their established BCI teams and partner

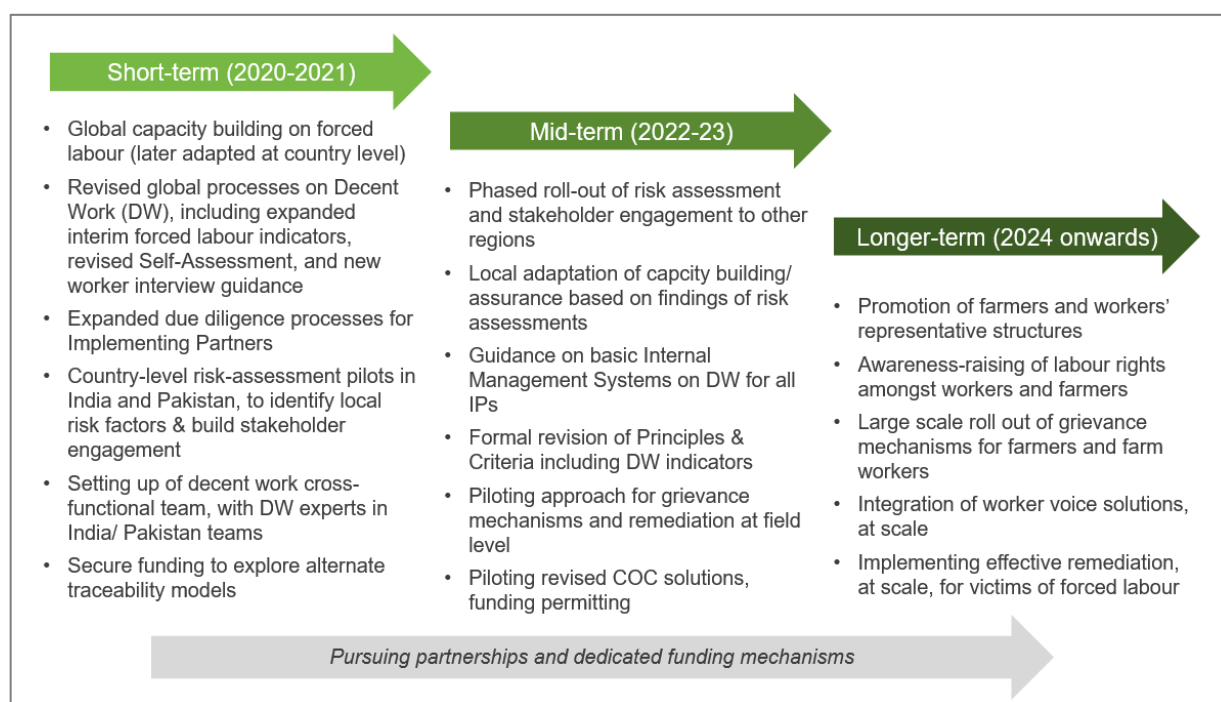
¹ The interim indicators reflect the ILO 11 indicators of forced labour as well as state-imposed forced labour. These will feed into the next planned revision of the Better Cotton Principles and Criteria in 2022, and in the meantime will be part of the assurance processes starting from 2021-22 season

networks, large numbers of farmers, low levels of mechanisation, and significant volume of Better Cotton produced. The pilots will launch in Q1 2021 and run through Q4 2021. The main focus will be on understanding the locally relevant drivers and risks of forced labour, identifying key partners and initiatives for BCI to collaborate with, and adapting our systems in light of these research findings. The pilots will include

1. Recruitment of dedicated BCI staff with decent work expertise – to serve as part of the new decent work cross-functional team, coordinate research and activities, and build stakeholder relationships around decent work
2. Expert-led research on local forced labour risk factors; including field-based research (Covid-permitting) and extensive desktop and remote research
3. Stakeholder engagement and partnering strategy, including consultation with local communities, labour inspectorates, civil society, human rights organisations and trade unions where present
4. Adaptations of capacity building and assurance approaches based on the findings from part 1) and 2) above.


Learnings from these pilots will help inform BCI's approach towards risk assessment research and stakeholder engagement in other countries, and will therefore help inform the longer-term decent work (DW) strategy.

Figure 1: Overview of phased approach



In the mid-term (2022-23) BCI plans to focus on the following Task Force recommendation areas:

1. Phased roll-out of risk assessment and stakeholder engagement to other BCI countries, including engagement with trade unions or other worker representative structures
2. Local adaptation of capacity building and assurance approaches based on the results of the risk assessment

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3. Development and roll-out of guidance on Internal Management Systems focused on decent work for IPs in high-risk countries. This guidance will help IPs develop basic processes and responsibilities to monitor risks of forced labour and develop mitigation plans
 4. Formal revision of our Principles & Criteria – including a dedicated technical working group with strong labour expertise focused on the decent work (including forced labour) indicators
 5. Defining and piloting an approach for grievance mechanisms covering farmers and farm workers, and worker voice solutions
 6. Developing and resourcing BCI's approach to remediation
 7. Revised partner endorsement approach and due diligence rolled out to all BCI Implementing Partners

Beyond 2023, BCI expects to utilise our improved decent work systems, competencies, and network of partners, to focus on the longer-term and more transformative recommendation areas. These areas will likely require dedicated funding and new partnerships to fully deliver, and will include:

1. Promotion of farmers' and workers' representative structures
2. Building awareness of labour rights among producers, farmers and workers
3. Rolling out scalable grievance mechanisms for farmers and farm workers
4. Exploring alternative worker voice solutions at scale
5. Achieving meaningful remediation for all identified victims of forced labour

Note that in most of these areas, although implementation at scale will be a long-term ambition, we plan to begin developing systems and processes much earlier, with the aim of smaller-scale pilots or testing within the next few years.


4 Response to specific recommendation areas

The section below outlines BCI's response to the 9 main recommendation areas set out in the Executive Summary of the Task Force final report. A more detailed table responding to each of the 29 individual sub- recommendations can be found in [Annex 1](#).

Recommendation 1: An overall 'rebalancing' of the BCI network on decent work issues: a comprehensive, rights-based approach to building decent work awareness throughout BCI and its partners, down to field level. This will include a comprehensive capacity building element and greater engagement with civil society and decent work experts at country level.

Progress to date:

BCI recognises that building awareness and competencies on decent work throughout the organisation must be a core part of our strategy. The immediate focus in this area has been on capacity building, along with starting recruitment to bring decent work specialists into several of our largest country teams.



As of January 2021, global capacity building materials, exercises, and case studies have been developed with support from Anti-Slavery International, focusing specifically on forced labour risks in cotton production. These will be rolled out to all BCI staff and Implementing Partners via an interactive, two-part webinar series in the first two quarters of 2021.

In addition, dedicated decent work coordinators are being recruited by March 2021 as part of the country-level pilots in India and Pakistan explained in [Section 3](#). These coordinators will build on the consultancy-led risk assessment work to develop a decent work strategy at country level, closely engaging key stakeholders and identifying relevant partners and initiatives on which BCI can capitalise.

Next steps:

This global approach is the first step towards improved decent work awareness across the BCI network; however, we recognise the criticality of localised training approaches, given the variation of labour profiles and risk factors across BCI countries. The initial global training materials will be further adapted and localized in late 2021 based on the country level risk assessments to be carried out in India and Pakistan; with additional ‘deeper dive’ capacity building to follow in these countries by Q2 2022. Further adaptation of capacity building materials in other BCI countries will also be carried out in 2022, with an aim of working with local experts to refine and deliver this second phase of training.


Recommendation 2: Strengthening internal decent work expertise in leadership: this would include dedicated decent work expertise within the BCI secretariat and Council, plus senior level expertise and ownership for implementing the Task Force recommendations.

Progress to date:

BCI has already established the structure for a decent work focal point (cross-functional team) that will consolidate expertise in the organisation while ensuring that decent work skillsets are embedded directly into country teams and programmes. As noted above, job descriptions have been developed and budget secured for two decent work coordinators to join BCI country teams, focusing primarily on the roll-out of country pilots and a coordinated implementation of Task Force recommendations. These job adverts will be posted by early February 2021 with an aim to have the positions starting by March or April 2021. Their work will be coordinated by the central decent work ‘focal point’ in the global team, a decent work specialist who has over a decade of experience working on labour issues at the International Labour Organisation and World Bank including monitoring forced labour in cotton harvesting. BCI Leadership is also working with the Council to identify options for increasing expertise at the governance level. BCI has discussed with the Council Nominations Committee the value of decent work expertise on the Council, and this is being considered in the upcoming elections process, anticipated for March 2021.

Next steps:

BCI intends to work on a cohesive global approach to ensure that decent work expertise is a core factor in upcoming recruitment across country and global level staff. The aim will be to have labour and decent work skillsets embedded in all BCI country teams, or provided through long-term consultancy arrangements, in all high-risk regions by the end of 2022.



Following the Task Force recommendation, BCI will also establish a Decent Work Advisory Committee to help provide strategic and operational guidance to the Director of Standards & Assurance on implementation of the Task Force recommendations, and to oversee progress of the country-level pilots in particular. The Terms of Reference for this group will be developed by February 2021 with the aim of having the group launch by end of Q2 2021.

Recommendation 3: Defining the necessary ‘enabling environment’ for BCI operations: a standardized process and criteria will be developed to assess whether the necessary environment exists for BCI’s standard to be implemented effectively.

Progress to date:

BCI has started work to better define the necessary enabling environment for BCI operations; for current countries, these will be integrated into the risk assessment approach discussed under *Recommendation 5*. For potential new countries, these criteria will be incorporated into the New Country Start Up guidelines which have been developed and are already being used to guide new country decisions.

As of January, BCI has made a number of revisions into the New Country Start Up Guidelines to formalise a process to assess decent work and forced labour risks as part of the background research and decision-making. The question of whether there is sufficient enabling environment for BCI to credibly operate is answered in the scoping study stage of the New Country Start Up process.

Next steps:

BCI needs to do further work on defining specific criteria for the enabling environment. These will go beyond decent work issues to incorporate other elements such as governance, funding viability, regulatory environments, etc., and therefore require further consultations and a joined-up approach across BCI teams and divisions. We do not yet have a target date established for this work but anticipate it will be incorporated into 2022 workplans.

Recommendation 4: Acknowledging the impossibility of operating responsibly in contexts of state-imposed forced labour: a strong conclusion from the Task Force is that BCI cannot operate in regions where there is credible evidence of state-imposed forced labour.

Progress to date:

This recommendation has been discussed extensively by the BCI leadership team and Council; it has already fed into operational decisions and will be more formally incorporated into BCI procedures.

As of October 2020, BCI has formally ceased all operations (including assurance and capacity building work) in Xinjiang Uyghur Autonomous Region, Western China. Although this decision was made by BCI leadership and Council prior to the Task Force recommendation, it was certainly informed by the early viewpoints emerging from the group.

BCI has also integrated formal requirements to assess risks of state-imposed forced labour as part of all New Country Start Up processes.



Next steps:

One of the interim indicators of forced labour introduced in the revised assurance process specifically addresses state-imposed forced labour. The formal incorporation of this indicator into the Principles & Criteria will be addressed as part of the next P&C revision process, planning to launch in late 2021.

Recommendation 5: Adopting a risk-based approach: a risk-based approach will help target efforts and ensure that capacity building and mitigation strategies respond to specific forced labour risks at a local level. This will prioritise field-based research by local experts in ‘high-risk’ countries, with strong engagement from civil society at country level.

Progress to date:

A broad risk-based methodology to evaluate risks of forced labour at country level for all BCI current and potential direct countries of implementation is currently in draft form. This will be introduced in Q2 2021 with data inputs updated annually to ensure responsiveness to escalated risks. The methodology will include external data sources (such as the YESS Standard, United States Department of Labor and Department of State reports on forced labour and trafficked persons, relevant ILO resources, etc.) along with internal assurance data and ad-hoc CSO reports. This general country-level risk assessment will be further refined and expanded over time, following the incorporation of data from assurance systems and (eventually) grievance channels.

Next steps:

Beyond this high-level country-based risk assessment, the Task Force recommendations place a strong emphasis on localised risk assessment to understand specific drivers of forced labour at a regional or national level. This will form the foundation of the decent work country pilots in India and Pakistan in 2021, as explained in [Section 3](#). The risk assessment will be a two-part process involving extensive consultations with key stakeholders, desk-based research and field-level visits where permitted by COVID restrictions. These will enable BCI and our partners to build an understanding of the drivers and risks of labour exploitation. The outcomes of this exercise will inform how the decent work strategy is implemented at country level, including adapted capacity building, risk mitigation and assurance.


The risk-based approach will be rolled out to other countries categorised as high or medium risk from Q2 2022, subject to budget availability.

BCI’s initial risk-based framework and approach will also be discussed and reviewed with the Decent Work Advisory Committee once this group has been formally set up.

Recommendation 6: Strengthening processes for Implementing Partner (IP) management: this includes enhanced due diligence for IPs and Local Partners, along with strengthened competencies, management systems, and training related to decent work.

Progress to date:

BCI Implementing Partners were kept abreast of the work of the Task Force and its recommendations as these were developed. In Q4 2020, BCI held a webinar to talk the IPs through the outcomes of the Task Force work and discuss emerging initiatives and process changes and the timeline for their implementation. These included



enhanced due diligence, decent work competency requirements, strengthened internal management systems and capacity building support on decent work.

BCI is currently developing a process for establishing new partnership agreements with IPs which include 'Enhanced Due Diligence' and a revised approach to 'Ability to Deliver'. This process will be piloted in Q1, 2021 with the roll out to all new IPs planned from 2022-23 season (i.e. starting Q2 2022). Existing IPs will go through a phased due diligence review starting in Q3 2021.

Next steps:

The partner agreement between an IP and BCI will be revised to include additional expectations around decent work and safeguarding. The revision will be completed by January 2022 and any agreements that expire before that date will be renewed on an interim basis.

A simplified due diligence process will also be developed and phased in for Local Partners – these are organisations that work closely with IPs to recruit farmers and field staff and organise projects at field level. The due diligence process for Local Partners is expected to be developed in 2022.

As part of the country pilots, in Q3-Q4 2021 BCI will commission a consultancy to develop the outlines of a decent work-focused internal management system. In 2022, this basic IMS structure will then be adapted for IPs in the two pilot countries with the support of the decent work coordinators, based on findings of the risk assessment research. For instance, in areas where unregulated labour intermediaries are a risk factor, a set of policies governing the relationship between the farmer and the labour agent will be put in place and overseen by the Producer Unit management and the IP.

Recommendation 7: Introducing significant innovations in assurance: BCI will look to move away from the traditional 'audit model' in relation to decent work and will develop and test out dedicated decent work-focused monitoring. In addition, new worker feedback channels will be explored to identify risks on an ongoing basis.

Progress to date:

BCI will need to invest significant time and resource to pioneer the type of large-scale innovations in assurance recommended in the Task Force, such as separate, decent work focused assessments, and use of worker feedback channels. Nonetheless, a number of efforts are underway or planned for 2021 which will help to move us in this direction.

With support from an expert consultancy, Assurance Services International, BCI has already developed a set of new assurance guidance and tools focusing specifically on forced labour. The guidance is based around the expanded 'interim' indicators of forced labour, which reflect the ILO 11 indicators of forced labour and also include state-sponsored forced labour. In addition, BCI has developed a comprehensive worker interview guide and integrated additional new guidance into our assessment process. Together, these tools should deliver a much more nuanced understanding of forced labour risks during assessment visits, beginning with the Northern Hemisphere season in Q2 2021. All BCI assessors and third-party verifiers will be trained on the new assurance guidance and tools ahead of the 2021-22 licensing season and will incorporate these in their regular assessment visits.



Next steps:

Lessons learned from the decent work pilots and risk assessments in India and Pakistan will help to inform changes in the assurance approach for these two countries. The aim is to incorporate these learnings by Q1 2022 into a revised assurance approach, potentially looking at piloting separate decent work assessments for the 2022-23 season.

In parallel, BCI has been working on the '[Adapting to Landscape](#)' (ATLA) project, which explores how landscape approaches may be integrated into the Better Cotton Standard System going forward. Part of the research carried out will look specifically at how labour risks could be better managed and verified at a community or landscape level. These initial draft findings should be completed by Q1 2021 and then will be further expanded by 2022 after the conclusion of a pilot phase.

Also planned for Q2 2021 is an initial piloting of farmer/ worker feedback solutions during BCI assessments in Southern Hemisphere countries, most likely South Africa. These worker voice tools would be used to gather feedback from a larger sample of BCI farmers (and selected workers) during an assessment. This will allow BCI to test the applicability of these tools in a field environment, and findings will be used to help validate labour risks and gather feedback on the effectiveness of risk mitigation measures. These channels will not only enable continual updating of our understanding of risks and their mitigation but also potentially serve as an awareness raising mechanism teaching farmers and workers about their rights, existing grievance mechanisms, etc.

Given that forced labour drivers and risk factors are rarely specific to a single farm, information generated through decent work-focused assessments will also inform the overall risk assessment approach, and feed into national or regional mitigation plans.

Still, there is much work to be done in this area to test out new assurance approaches and integrate them effectively into the BCI model. This has been integrated into our commitments within the BCI 2030 strategy and will be a focus for the Assurance Team workplans over the next few years.

Recommendation 8: Developing grievance mechanisms, including at field level:

this includes strengthening the existing BCI organisational-level grievance mechanism, aiming to improve transparency of accountability. It also includes engaging with trade unions to support the set-up (or expansion) of grievance mechanisms and remediation approaches *at field level to cover farm workers*. It is critical to provide workers with secure channels to raise concerns and access remedy. The Task Force notes BCI will have to explore options to overcome challenges to the implementation of such mechanisms.

Progress to date:

As of January 2021, BCI has nearly completed the revision of our organizational-level grievance mechanism. This includes new policies for whistleblowing and safeguarding with a clear escalation procedure. The policy will apply to all BCI staff and Implementing Partners setting out basic expectations around the duty of care for farmers, farm workers and IP employees. All staff and IPs will be trained on the new processes and on individual roles and responsibilities.



Next steps:

Developing and rolling out effective grievance mechanisms and remediation channels *at field level, covering farm workers* is by far the most ambitious and complex area amongst the Task Force recommendations. BCI understands the vital nature of grievance mechanisms and remedy to provide farm workers with a safe channel to raise concerns and have these addressed. This is an exciting prospect for BCI, and an area where our global scale could truly make a difference in working conditions. At the same time, to reach millions of farm workers – many of them domestic migrants – and to build trust in any grievance system we develop will be a significant challenge. BCI is not aware of examples of other large-scale grievance mechanisms at farm level that we could easily learn from or replicate. To pioneer grievance and remediation channels across BCI's more than 20 countries of operation, covering several million workers, will be a long-term goal. This work will also require a number of new partnerships to be forged, and new dedicated funding mechanisms secured.

For 2021, the work planned in this area includes an assessment of current grievance mechanisms and remediation channels in the two pilot countries (India and Pakistan), by Q4 2021. We are aiming to have an initial grievance mechanism and remediation model developed for these countries in 2022, with a target to pilot these on a limited scale by Q3 2022. These country level pilots will also involve engagement with trade unions or worker representative structures, as part of the stakeholder engagement component.

Another major focus area for BCI's Assurance and Fundraising teams in 2021 will be identifying funding partners and opportunities to support this work area in the longer term. This is an essential next step before BCI will be able to take on a broader design and implementation of field level grievance mechanisms across additional countries.

Recommendation 9: Supporting BCI's efforts to review the chain of custody model: Although a review of BCI's mass balance chain of custody system was not in direct scope of the project, the Task Force notes that in comparison to physical segregation, a mass balance system poses much higher risks in terms of ensuring that final products are free of forced labour. The Task Force recommends that BCI takes steps to develop a physical segregation model and is eager to collaborate and support in this work.


Progress to date:

In parallel to the Task Force process, BCI has already been moving forward with exploring alternate traceability models. The Chain of Custody Advisory Group was officially launched in July 2020, and has representation from all membership categories: retailer & brand members, suppliers/ manufacturers, producer organisations, and civil society representatives, and external experts. This group will help provide BCI with strategic advice as we consider designing a full traceability system and assess the costs and implications.

Accordingly, BCI has developed a high-level plan for moving forward and has already launched recruitment for dedicated resources to help take this work forward.

Next steps:

As the Chain of Custody advisory group continues to engage, in parallel BCI is ramping up consultations with members and stakeholders to identify solution requirements, including key data elements, interfaces, operating models, funding



arrangements and governance structures. Based on the feedback from stakeholders, funding availability, and the benefits and trade-offs of different traceability options, BCI will make an informed decision about the best options to pursue.

The timeline to deliver alternate traceability solutions is heavily dependent on securing additional funding, which will be a main priority for us in 2021. With the right funding and resources, we anticipate a solution could be piloted in late 2021, and ready as early as 2022; however, full roll-out would subsequently take place over a longer timescale. These timings are not concrete yet and may change depending on the results of the set up and planning phase.

Annex 1: Response to full set of sub-recommendations

The table below outlines the 29 individual recommendations from the Task Force report along with BCI's response to each one and a summary of work already underway. Recommendations are organised according to the 7 sections of the Task Force final report.

Section	Recommendation	BCI Response
Assessing the enabling environment	5.1 BCI should review outcomes of country risk assessments, engagement with external stakeholders, and field-based evidence to assess whether there is a sufficient enabling environment for BCI to operate in any given country.	<ul style="list-style-type: none"> • BCI has already developed a draft of an initial high-level risk assessment process at country level (based on initial Task Force input); this will be completed by March 2021 and will also be reviewed with the Decent Work Advisory Committee once that group has been formally launched, for their feedback. • A clear risk assessment process, with a specific focus on forced labour and other decent work issues, has also been formalized as part of our New Country Start Up processes • Localised risk-assessment processes will take a number of years to complete across all BCI countries, especially with COVID challenges. BCI aims to conduct this work for India and Pakistan in the first phase of pilot countries by the end of 2021. BCI will then begin a phased implementation across other BCI countries from 2022, starting with those considered high-risk on the basis of the high-level country risk assessment (see 6.1).
Assessing the enabling environment	5.2 BCI should not enter, or it should suspend licensing in all regions where there is credible evidence or a high risk of state-imposed forced labour in the cotton industry. BCI should conduct an external consultation process to determine whether other field activities (for example, capacity building) are possible in such environments without	<ul style="list-style-type: none"> • As of October 2020, BCI has formally ceased all operations (including assurance and capacity building work) in Xinjiang Uyghur Autonomous Region, Western China • BCI has also incorporated formal requirements to assess risks of state imposed forced labour as part of all New Country Start Up processes • As part of the next Principles and Criteria revision (due to launch Q4 2021), BCI will more formally incorporate indicators on state-imposed forced labour into the P&C as part of a dedicated review of the decent work section.

Annex 1: Response to full set of 29 sub-recommendations

Section	Recommendation	BCI Response
	inadvertently condoning forced labour.	
Assessing the enabling environment	5.3 Clear guidelines should be developed for operating in countries transitioning from state-imposed forced labour, or with a lack of enabling environment	<ul style="list-style-type: none"> Formal guidelines for countries transitioning from state-imposed forced labour or with a lack of enabling environment is planned to be developed in Q4 2021. These guidelines will focus on the commitment and steps taken by the state to move away from adverse practices, and examine the robustness of and compliance with the introduced reforms, as well as the overall risk of reoccurrence of systemic forced labour practices
Risk-assessment methodology	6.1 Adopt a country level risk-based evaluation method to classify BCI current and potential new countries according to risk of forced labour. This should be reviewed annually.	<ul style="list-style-type: none"> BCI has already developed an initial draft of a country level risk assessment methodology, which will be completed by Q2 2021. This methodology is closely based on the initial framework proposed by the Task Force and includes a combination of third-party information sources and indices, outcomes of BCI assessments, ad-hoc media reports and input from country teams. The risk assessment is intended to be high level, functional and straightforward to update on an annual basis. This country level risk assessment methodology will be discussed and reviewed with the Decent Work Advisory Committee (once formed in Q2 2021) and will be rolled out across BCI countries by the end of 2021.
Risk-assessment methodology	6.2 Develop a plan to commission and carry out a field-based, in-depth review of forced labour and decent work risks across all known high and medium-risk countries	<ul style="list-style-type: none"> In-depth risk assessments will be carried out in India and Pakistan as part of the country pilots by end of 2021. If there are Covid-19 restrictions preventing travel, however, some of the field-based elements may need to be pushed to early 2022. An initial funding proposal for risk assessment research covering the countries under BCI's benchmark partner Aid by Trade Foundation (Cotton Made in Africa) has also been developed. If the proposal is successful, this risk assessment research will begin in Q2 2021 and complete by end of 2021. BCI will develop a phased roll-out of risk assessment for other medium and high-risk countries by Q2 2021. The aim is to have all high and medium risk countries completed by end of 2022; however, this is resource and funding dependent. In parallel, BCI will therefore also be pursuing dedicated funding opportunities in 2021 to allow us to make progress on these commitments.
Risk-assessment methodology	6.3 Utilise the field-based research stage to build engagement with	<ul style="list-style-type: none"> This recommendation is dependent on the carrying out of field-based research at country level, as outlined in 6.2; and therefore, BCI will also adopt a phased approach in this area, focusing first on pilot countries for 2021.

Annex 1: Response to full set of 29 sub-recommendations

Section	Recommendation	BCI Response
	<p>independent trade unions, civil society, workers' and community organisations around decent work. This is also envisaged to support the development of local operational grievance resolution mechanisms</p>	<ul style="list-style-type: none"> • Stakeholder engagement will be a core element of the country level pilots for India and Pakistan in 2021, with the aim of producing a comprehensive stakeholder mapping and identified priority partnerships by Q4 2021. • A plan for phased roll-out of field-based research (including civil society engagement) across other BCI countries will be developed by Q2 2021, with the actual work planned for 2022. • The new decent work cross-functional team will also have as a priority work area for 2021 the development of a general stakeholder engagement strategy; this will feed into the stakeholder consultation process needed for the next P&C revision to kick off in Q4 2021. • Work has not yet started on how to utilize the stakeholder engagement and partnerships to support operational grievance mechanisms; it is expected this will be a focus in India and Pakistan for the first half of 2022, building off the pilot learnings (refer to 6.5 below).
<p>Risk-assessment methodology</p>	<p>6.4 Support partners in each country to develop and activate locally appropriate tools and processes to address situations of forced labour and other labour exploitation based on outcomes from the field research.</p>	<p><i>[Note – 6.4 and 6.5 have been grouped together to reduce duplication]</i></p> <ul style="list-style-type: none"> • These recommendations are dependent on first carrying out the country level field-based research on forced labour drivers, as outlined in 6.2. BCI will therefore also adopt a phased approach for this recommendation area, focusing first on pilot countries for 2021. • For India and Pakistan, the dedicated decent work coordinators will be responsible for designing and implementing a capacity building strategy for Implementing Partners by Q1 2022 – this will draw heavily from the learnings of the pilot research and will focus on connecting IPs to locally relevant initiatives and approaches. IPs will also be supported in developing basic risk identification and mitigation strategies – for example, training to better analyze labour profile in their projects and identify key risks based on the types of workers and recruitment practices. • The India and Pakistan pilots will include an assessment of the current landscape around local grievance mechanisms, referral channels and remedy options. By Q4 2021 BCI expects to have a good understanding of local social support infrastructure, which BCI can build on and collaborate with in rolling out our own grievance channels and remediation. • By Q2 2022 BCI will develop a remediation approach, including grievance, referral and remedy resourcing mechanisms for India and Pakistan, with a goal of piloting this approach by Q3-Q4 2022. • BCI's long-term priority is to establish or enhance grievance mechanisms – across all our countries of operation – that will serve as a reliable and safe way for farmers and workers to
<p>Risk-assessment methodology</p>	<p>6.5 Use field-based evidence gathering and country action planning activities to carefully consider how remedy could be delivered within the operating context as well as how BCI could facilitate access to remedy. Note: this is also envisaged to support the development of local operational grievance resolution mechanisms.</p>	

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		<p>voice their concerns/complaints and achieve meaningful remedy. Our approach here will be heavily influenced by what we learn during the first phase of pilots.</p> <ul style="list-style-type: none"> • However, developing and maintaining remediation channels on a large scale will be resource intensive, and thus is also dependent on BCI securing viable funding mechanisms. We do not yet have a timeline when this will be achievable across all BCI countries but expect it will take a minimum of 5-6 years.
Risk-assessment methodology	6.6 Develop a risk refresher/feedback process to be undertaken continuously to enable responsiveness to changing national and local conditions.	<ul style="list-style-type: none"> • As noted in response to recommendation 6.1 above, a risk-based methodology to evaluate risks of forced labour at country level for all BCI direct countries will be introduced in Q2 2021 with data inputs updated annually to ensure responsiveness to escalated risks. The methodology will include external data sources (YESS Standard, United States Department of Labor and Department of State reports on forced labour and trafficked persons, as well as relevant ILO resources) and internal assurance data. • It is expected that this country level risk assessment will be reviewed on an annual basis beginning in 2022; however, BCI is planning to integrate a more rolling review of decent work risk factors based on assurance activities into its assurance oversight work for the 2021-22 season. • In the longer term, BCI would like to integrate this decent-work focused risk assessment into a broader country level risk framework – so that the approach is joined up across areas (e.g. highly hazardous pesticides, governance risks, etc.). We do not yet have a defined timeline for this but anticipate it will be incorporated in 2022 workplans.
Risk-assessment methodology	6.7 Incorporate lessons from the ISEAL 'Delta' Project and commission external support to develop a framework for decent work monitoring for BCI, including the development of outcome indicators from field level projects and internal progress indicators to measure partners' performance on decent work.	<ul style="list-style-type: none"> • As part of the Delta project, BCI plans to recruit an external consultant to develop indicators on forced labour and other decent work risks by Q2 2021, with the work to be completed by end of 2021. • These indicators will then be reviewed by the BCI decent work cross-functional team, and the Decent Work Advisory Committee, and will feed into development of a framework for decent work monitoring by Q1 2022 • BCI anticipates that rather than being introduced as a standalone 'decent work monitoring framework', elements of this recommendation will need to be embedded into existing processes in order to be most effective. This means for example that IP performance on decent work areas would be integrated into existing performance management tools, such as the Project Improvement Plan.

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Capacity Building	7.1 Ensure there is specific decent work expertise within the BCI Council and BCI Secretariat; including a Decent Work Focal Point with relevant expertise and cross-functional representation.	<ul style="list-style-type: none"> • A dedicated BCI Focal Point (cross-functional team) on decent work will be formally established by Q2 2021, including a global manager in London and a starting set of two decent work coordinators in key BCI direct countries (India and Pakistan). • BCI has discussed with the Council Nominations Committee the value of decent work expertise on the Council, and this is being considered in the upcoming election process, anticipated for March 2021. • BCI will work to further embed decent work skillsets into our future recruitment practices. The aim will be to have labour and decent work skillsets embedded in all BCI country teams or provided through long-term consultancy arrangements – in all high-risk regions by the end of 2022.
Capacity Building	7.2 Build capacity and awareness of decent work issues throughout the BCI organization, so this is integrated into the organizational culture.	<ul style="list-style-type: none"> • As explained in Section 4 (Recommendation 1), global capacity building materials, exercises, and case studies have been developed with support from an expert consultancy (Anti-Slavery International), focusing specifically on forced labour risks in cotton production. These will be rolled out to all BCI staff and Implementing Partners via an interactive, two-part webinar series in the first two quarters of 2021. • The initial global training materials will be further adapted and localized in late 2021 based on the country level risk assessments to be carried out in India and Pakistan; with additional ‘deeper dive’ capacity building to follow in these countries by Q2 2022. • Further adaptation of capacity building materials in other BCI countries will also be carried out in 2022, with an aim of working with local experts to refine and deliver this second phase of training.
Capacity Building	7.3 Building from the outcomes of field-level research, and using local decent work experts, develop and roll out a decent work and forced labour capacity building programme at country level.	<ul style="list-style-type: none"> • The initial global training materials will be further adapted and localized in late 2021 based on the country level risk assessments to be carried out in India and Pakistan; with additional ‘deeper dive’ capacity building to follow in these countries by Q2 2022. • Further adaptation of capacity building materials in other BCI countries will also be carried out in 2022, with an aim of working with local experts to refine and deliver this second phase of training by Q4 2022.
Implementing Partners	8.1 Revise the IP endorsement process to strengthen due diligence and set clear	<ul style="list-style-type: none"> • BCI’s process for establishing a new partnership with an Implementing Partner will include ‘Enhanced Due Diligence’ and a revised approach to ‘Ability to Deliver’. This process is currently being developed and will be piloted in Q1, 2021 with the roll out to all new IPs planned from 2022-23 season.

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	competencies on decent work; roll out this enhanced process to all new and existing IPs (in a phased approach for existing IPs).	<ul style="list-style-type: none"> Existing IPs will go through a phased due diligence review starting from Q3 2021. The agreement between the IP and BCI will be revised to include additional expectations around decent work and safeguarding. The revision will be completed by January 2022 and any agreements that expire before that date will be renewed on an interim basis.
Implementing Partners	8.2 Require all Local Partners to complete a simplified version of the due diligence and decent work competency assessment.	<ul style="list-style-type: none"> Work on this recommendation area has not started yet, but BCI plans to develop a simplified due diligence process for Local Partners – these are organisations that work closely with IPs to recruit farmers and field staff and organise projects at field level. This will be developed after the due diligence framework for IPs, and is expected to be completed in 2022.
Implementing Partners	8.3 Strengthen the performance management systems for IPs (including tracking progress on decent work competencies); and provide greater support to IPs to help them improve.	<ul style="list-style-type: none"> BCI will start planning for the development of an IP performance framework after the pilot of the IP due diligence, building on the outcome of the pilot Work will be initiated from Q3 2021 with the expectation to roll-out the framework from Q2 2022
Implementing Partners	8.4 Require all IPs in high-risk country contexts to develop an Internal Management System on forced labour and decent work.	<ul style="list-style-type: none"> As part of the country pilots, in Q3-Q4 2021 BCI will commission a consultancy to develop the outline of a decent work-focused internal management system (IMS). For the India and Pakistan pilot countries, this will be further adapted based on the outcomes of the research into local risk factors, and the aim will be to begin rolling out the IMS across all IPs in 2022. BCI expects to carry out a phased implementation of the IMS in other high-risk countries in 2022 as well, learning from these experiences in India and Pakistan. For instance, in areas where unregulated labour intermediaries are a risk factor, a set of policies and processes governing the relationship between the farmer and the labour agent will be put in place and overseen by the Producer Unit management and the Implementing Partner.
Principles & Criteria	9.1 In the lead-up to the next P&C Revision, define new 'interim' forced labour indicators which would be	<ul style="list-style-type: none"> An expanded set of interim indicators have been developed and validated by labour experts. These are based on the ILO 11 indicators of forced labour and also incorporate a specific indicator on state-imposed forced labour

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	integrated as a mandatory part of the assurance process (but not the P&C directly).	<ul style="list-style-type: none"> • These expanded interim indicators are currently being incorporated into assurance processes (such as assessment checklists) and will be completed by Q2 2021 in time for roll-out for the Northern Hemisphere licensing season
Principles & Criteria	9.2 It is critical for BCI's credibility that the existing core indicators are expanded to better reflect the ILO 11+ indicators ² on forced labour. BCI needs to ensure the next P&C revision process has an explicit focus on decent work and a dedicated working group with labour expertise focusing on Principle 6.	<ul style="list-style-type: none"> • This recommendation has already been incorporated into the groundwork for the next P&C revision, which is due to formally launch in Q4 of 2021 and (tentatively) aims to be completed in Q1 2023. • As part of the next P&C revision, a dedicated technical working group with labour expertise will be formed to focus on revisions under Principle 6 (Decent work); BCI will work during Q3 and Q4 of 2021 to help identify and reach out to relevant stakeholder groups and labour experts that will form part of this working group.
Assurance	10.1 Ensure that findings from the risk-based assessment are taken into account in adapting key elements of the assurance process.	<ul style="list-style-type: none"> • For the India and Pakistan pilot countries, BCI plans to incorporate findings from the risk-based assessment into assurance processes by Q2 2022. This would include for example adapting questions in the self-assessment and worker interviews to focus more on specific risk factors, recruitment practices, etc. • Where relevant, learnings from these pilots will also be incorporated into global assurance processes, again in early 2022. • For other BCI countries beyond the pilot ones, the work on this area will follow a similar phased approach as the field-based risk assessment outlined against recommendation 6.2.
Assurance	10.2 Develop and introduce a process for separate decent work-focused assessments to complement existing licensing assessments – these would be done at	<ul style="list-style-type: none"> • BCI has not yet started work on defining the process for separate decent work focused assessments; however, this has been incorporated into both Assurance team workplans for 2022 and the BCI 2030 strategy • In the short term, we plan to test this concept out first in the India and Pakistan pilot countries, under guidance and advice from the Decent Work Advisory Committee. The aim is to incorporate the pilot research learnings by Q1 2022 into a revised assurance

² Ibid.

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	<p>the project level, by decent work experts, with a focus on worker interviews and local information sources.</p>	<p>approach, and then to potentially pilot separate decent work assessments for the 2022-23 season.</p> <ul style="list-style-type: none"> Once BCI has tested out this concept in the pilot countries, we expect by the end of 2022 to be able to develop a comprehensive plan to incorporate decent work-focused assessments more formally into the assurance model. This will have implications on funding and resourcing of assurance and might also require changes in how licences and non-conformities are currently issued at Producer level. In parallel, BCI has also been working on the 'Adapting to Landscape' (ATLA) project, which explores how landscape approaches may be integrated into the Better Cotton Standard System going forward. Part of the research carried out will look specifically at how labour risks could be better managed and verified at a community or landscape level. These initial draft findings should be completed by Q1 2021 and then will be further expanded by 2022 after the completion of a pilot phase. Aside from these planned activities, it will be a longer-term effort to really explore different project or landscape-based monitoring approaches to decent work, and fully integrate these options into our core assurance systems. BCI expects this work area will span at least the next 3-4 years.
Assurance	<p>10.3 Establish minimum competencies on decent work for existing BCI (general) assessors and include them in comprehensive capacity building.</p>	<ul style="list-style-type: none"> Minimum competencies on decent work for existing BCI third-party verifiers (3PV) have already been developed and will be communicated to all approved as well as new verifiers by Q3 2021. A short survey will be conducted in this period to determine the current competency level of the 3PV providers and determine what capacity building support they may require. A transition period will be allowed for 3PVs to meet the new competency requirements. Full compliance will be expected by 2023. A first phase of global capacity building for BCI assessors and 3PVs will be carried out in Q1-Q3 2021 for all BCI direct countries. Over the next two years, as localized capacity building approaches are developed, third-party verifiers will be included in these also.
Assurance	<p>10.4 Revise key assurance documents to incorporate detailed and locally adapted guidance on decent work risks, including appropriately</p>	<ul style="list-style-type: none"> Basic adaptations to the assurance process at a global level have already begun. This includes incorporating the expanded set of interim indicators of forced labour into key assurance documents and processes, such as assessment guidance and report templates. In addition, an enhanced farmer and worker interview guide and risk escalation standard operating procedure has also been developed. On the one hand the known risk level will inform the choice of interview questions and verification tools, while on the other assurance outcomes will feed back identified risks into the risk assessment for that PU or whole

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	grouped forced labour indicators.	<p>geographic area. These revised tools are drafted as of January 2021 and will be fully integrated into assurance processes by March 2021, ahead of the next assessment season.</p> <ul style="list-style-type: none"> • Further adjustments to assurance processes will take place again in Q4 2021 - Q1 2022 based on learnings from the India and Pakistan pilots
Assurance	10.5 Revise the annual Self-Assessment to add additional questions related to forced labour risk factors and explore ways to better support IPs in using this information to assess and mitigate risks.	<ul style="list-style-type: none"> • With input from an expert consultant, Assurance Services International, BCI has already incorporated changes into the self-assessment questionnaires for Large Farms and Producer Units, which will be rolled out for the upcoming season beginning in May 2021. These questions cover greater detail on forced labour risk factors, such as recruitment practices and types of worker contracts. • BCI has not yet started working on a process to help IPs better utilize this information to assess and mitigate risks. However, this will be a focus for pilot countries by end of 2021 and in other countries beginning in 2022.
Grievance reporting, workers' voice, and remedy	11.1 Update and expand the existing BCI organisational level grievance mechanism.	<ul style="list-style-type: none"> • The revision of BCI's organizational level grievance mechanism is well underway, which will include new safeguarding, whistleblowing and grievance policies. These are designed to be responsive, transparent and impartial. The ultimate accountability sits with the CEO. • Inductions of the whistleblowing policy will begin in January 2021 • The safeguarding policy is in its draft form and will be finalised no later than Q3 2021 • The safeguarding policy will be incorporated into the Implementing Partner agreements from January 2022 • BCI will begin work on the staff grievance policy in Q2 2021
Grievance reporting, workers' voice, and remedy	11.2 Work with IPs and local stakeholders to ensure effective grievance mechanisms are in place covering all farm workers; these might be at the farm, community, project, or other level, depending on the local context. Grievance mechanisms for farm workers should be designed in line with the	<ul style="list-style-type: none"> • Work in this area has not formally started yet. As noted in Section 4 (Recommendation 8), BCI expects that this will be a long-term project, and will require dedicated resources and funding to implement in a responsible way. • For 2021, the work planned in this area includes an assessment of current grievance mechanisms and remediation channels in the two pilot countries (India and Pakistan), by Q4 2021. We are aiming to have an initial grievance mechanism and remediation model developed for these countries in 2022, with a target to pilot these on a limited scale by Q3 2022. • Other main focuses in 2021 will be identifying potential partners (at national and global level) and funding mechanisms that will allow us to operationalize this recommendation at scale. The assessment of funding options and partners will feed into a more concrete plan to address grievance mechanisms across other BCI countries, which we expect to develop

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	<p>UN Guiding Principles (UNGPs) on Business and Human Rights effectiveness criteria and adapted to each local context.</p>	<p>by Q1 2022. This plan will be discussed also with the Decent Work Advisory Committee for feedback.</p> <ul style="list-style-type: none"> BCI expects that working with IPs across all countries to develop and implement effective grievance mechanisms will span at least the next 5-6 years; however, if additional resourcing and funds are secured, this timeline might move up.
<p>Grievance reporting, workers' voice, and remedy</p>	<p>11.3 Engage with trade unions as a priority (or other appropriate structures where unions don't exist) to promote the establishment of independent worker representative structures</p>	<ul style="list-style-type: none"> Identifying the landscape of trade unions and relevant worker representative structures will be a component of the country level pilots to be carried out in India and Pakistan in 2021. We expect to have an initial engagement strategy for unions in these countries developed and implemented by Q4 2021. In other BCI countries of operation, this step will come after the field-level research and stakeholder engagement exercise. The target date to develop a phased plan for these countries is Q2 2021, with the research expected to be carried out in medium and high-risk countries in 2022. Therefore, we anticipate that meaningful engagement with trade unions and other work representative structures will be integrated into the workplan for most BCI countries in 2022-2023 timeline.
<p>Grievance reporting, workers' voice, and remedy</p>	<p>11.4 Develop an action plan at local level to ensure victims of forced labour have access to appropriate remediation channels.</p>	<ul style="list-style-type: none"> Similar to our response on 11.2 above, this is a longer-term recommendation area that will require dedicated additional resource and funding to fully implement. BCI's priorities in 2021 will be to explore funding opportunities and potential partnerships, with the aim of developing an action plan by Q1 2022 that will cover all BCI countries considered high risk for forced labour. In parallel, we will use the findings of the India and Pakistan pilots to feed into a remediation approach customized for each of these countries. The remediation plans are to be developed and ready for pilot testing (on a small scale) by mid-2022 in these two countries. Roll-out of grievance mechanisms (following the action plan) for other countries is expected to span at least the next 5-6 years, dependent on funding and resourcing
<p>Grievance reporting, workers' voice, and remedy</p>	<p>11.5 Further explore – and aim to pilot – worker voice solutions at farm level, as an integral part of the assurance approach,</p>	<ul style="list-style-type: none"> BCI has submitted a funding proposal to allow us to pilot test worker voice solutions in assessments for South Africa in Q2 2021. This pilot test would focus primarily on rolling these tools out to a larger sample of farmers and selected workers during a BCI assessment. The feedback tools will allow BCI – during remote assessments – to get feedback from a much larger group of farmers/ workers to validate labour risks and

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	<p>including through engagement with independent trade unions where possible.</p>	<p>recruitment practices, and to cross-check information received during traditional farmer and worker interviews carried out by the assessor.</p> <ul style="list-style-type: none"> • Lessons from this initial pilot will then inform a discussion with the decent work cross-functional team and Advisory Committee about how best to incorporate these tools into assessment and monitoring processes going forward. BCI expects to have a proposal developed on this by Q4 2021, in time to be included in 2022 budgets and workplans. • Engagement with independent trade unions has not yet been incorporated into the pilot planning; however, we expect that work in this area will be informed by consultations with trade unions as explained under recommendation 11.3 above.