

Better Cotton P&C V3.0 – Public Consultation Draft

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About this Draft and the P&C Revision

This document is the draft of the revised Better Cotton Principles and Criteria (P&C) which is shared for public consultation during August and September 2022. It has been developed as part of the P&C revision process and based on a series of initial consultations with relevant stakeholder groups. Further changes to the draft will be made based on public consultation input. The P&C V3.0 is expected to be launched in the first half of 2023, followed by a transition year, and come fully into effect as of season 2024-25. For further information on the rationale, process and governance of the revision see: https://bettercotton.org/better-cotton-principles-and-criteria-revision/

General comments on the proposed revised P&C

How the P&C links to the Better Cotton 2030 strategy

The 2030 Strategy sets the direction of our ten-year plan to make cotton better for the environment, for the farmers who produce it and for all those who have a stake in the future of the sector. The P&C set out the global requirements that all Producers must meet in order to be licensed to sell 'Better Cotton.' The revised P&C helps to ensure that licensing requirements direct effort into areas that deliver clear sustainability improvements at field level. As such, it is a key driver for Better Cotton to reach its ambitious 2030 strategy and related aims and targets.

Commitment to social inclusiveness

Whenever farmers or workers are mentioned across the P&C, this includes persons of all backgrounds, regardless of gender identity, sex characteristics, sexual orientation, age, nationality, ethnicity, language, race, class, caste, social origin, religion, belief, health, political affiliation, political views, marital or any other status. Better Cotton Producers are expected to particularly consider participation and inclusion of all vulnerable groups.

Gender in the revised P&C

Sustainably produced cotton requires consideration of how the intersections of gender, caste, race, religion and other identities and sources of discrimination combine and overlap. The Better Cotton 2030 strategy recognises our opportunity to tackle systemic inequalities and support women's empowerment. The revised Better Cotton P&C aims to mainstream gender considerations across each Principle. As such, it includes a new Management Criterion that supports greater participation and recognition of women to drive awareness, consultation, and action at field level. As part of the data collection requirements, the revised P&C will also require disaggregated data collection and registering of all household members as Better Cotton participants. This will set the baseline for further action and provide a key entry point to enhance women participation in other Better Cotton activities. This aims to redress inequalities and accelerate the uptake of more sustainable practices.

Climate Change in the revised P&C

Better Cotton acknowledges the urgency to address climate-change related issues in agriculture. By adding a particular Criterion on climate action in the management Principle, the revised P&C aims for all farmers to understand, consider, and address climate change impacts in all their activities. Climate change adaption and mitigation measures are considered across all Principles, and relevant indicators are collated in a separate table in the annex.



Continuous improvement at the core of the P&C

Continuous improvement is a core premise of Better Cotton. Given challenges with the past approach working with "core" and "improvement" indicators, the revised P&C proposes to the adapt the approach to strengthen continuous improvement as follows.

- First, improvement pathways have been incorporated into core indicators. While thus all proposed indicators in the revised P&C are now to be considered "core" and hence relevant for licencing, many of them now include phrases such as "steps are taken to improve over time...". This not only allows for addressing implementation challenges, but also acknowledges the fact that different Producers start at different baselines while still requiring all of them to continuously work towards the key intent.
- Second, as part of the Management Principle, Producers are expected to define sustainability priorities for continuous improvement that are relevant and urgent for them and undertake steps to work towards those targets. Both the identification of the priority areas for continuous improvement, as well as the actual implementation of steps to achieve those are being assessed and relevant for compliance with the P&C. Guidance on how to define relevant continuous improvement priorities will be provided.

Scope and applicability

The P&C sets the requirements that must be met on farm-level to be eligible for Better Cotton licencing. While the requirements are kept broad enough to apply on a global level, they will be accompanied by local implementation guidance to address the significant differences between the different cotton growing regions. Better Cotton also continues to distinguish between three categories of farm sizes to recognize the difference in production methods and workflows they use (see below).

The scope for licensing is on cotton production areas within the farm or Producer Unit. However, many requirements (or associated guidance) apply to farming practices more broadly and Producers are encouraged to consider these across other crops where applicable. Where needed, implementation guidance and assurance documents will clarify this on an indicator level.

Overall responsibility for ensuring compliance with the Better Cotton P&C remains with the licence holder entity(ies) and is referred to as "the Producer". For Producer Units, which group several smallholder or medium farms together into one licensing unit, responsibility for implementation of individual indicators varies across the P&C: In some cases, responsibility lays within the Producer Unit management staff, in other cases, within the individual farmers. The indication of the "responsibility level" in the second column in the table aims to clarify this.

How to read the document

Principles, Criteria, and Indicators

The revised Better Cotton farm-level standard continues to work with Principles, Criteria, and indicators. Principles are the overarching sustainability areas, Criteria are sub-conditions within a principle, and Indicators are the actual farm-level requirements that must be met within each Criteria.

Farm Categories

In the top left corner of each indicator, the farm category(ies) the respective indicator applies to is specified.

- Smallholders (SH): Farmers who are not structurally dependent on permanent hired labour, and whose farm size does not exceed 20 ha of cotton.
- Medium Farms (MF): Farmers who are structurally dependent on permanent hired labour, and whose farm size is between 20 to 200 ha of cotton.
- Large Farms (LF): Farmers who have a farm size above 200 ha of cotton, and either have mechanised production, or are structurally dependent on permanent hired labour.



Definition of the Producer

The Producer defines the Unit of licensing and can be either a Producer Unit (PU) for small or medium-sized farms) or an individual farmer in the case of large farms. Whenever the P&C mentions 'farmer', it means the actual individual farmer.

Responsibility level

This indication in the second column defines – especially for Producer Units – whether the individual farmer or the Producer Management is responsible for the implementation of the respective indicator.

Intent and explanatory notes

The intent in the second column explains the rationale and overall aim of the indicator. Explanatory notes give further details on the implementation, further definitions or similar explications needed to better understand and assess the indicator. Both intent and explanatory notes will evolve after the public consultation.

Changes to current P&C V 2.1

In the second column there is also an indication of the level of change to the P&C V.2.1 currently being in effect. This information is included only for the sake of the consultation, but will not be present in the final version of the P&C V. 3.0.

- No change: Same meaning of the indicator, with the same or only slight changes to wording.
- Minor modification: Minor change of meaning or minor consequences on implementation, i.e., several current indicators collated into one; adjusted timelines for implementation, etc.
- Major modification: Same topic areas but major focus change or major implications on implementation (for example, by removing or adding new elements).
- New- improvement to core: Improvement indicator (adapted and) made core.
- New: new topic area or indicator included.

Guidance for implementation and assurance materials

Global and strong localised guidance for implementation will accompany the revised P&C, which will include further information, good practices, and guidance for compliance where needed. Assurance materials and guidance will also be adjusted.



Principle 1: Management

CRITERION 1.1 - The Producer manages its activities in a well-informed, effective, and inclusive way.

1.1.1

[SH - MF] A clear and locally relevant activity plan is developed and implemented for the Producer Unit, which:

- (i) Includes all planned activities, timelines, and responsibilities;
- (ii) Is updated regularly during the season;
- (iii) Is reviewed at least annually, taking into consideration the findings of the monitoring activities.

Responsibility level: Producer Management

Major modification. This consolidates all existing 'planning' requirements across the current P&C into one single plan of concrete activities.

Explanatory notes:

The activity plan focuses on yearly activities that will be implemented by the PU (what, when, by whom).

The activity plan includes, amongst others, continuous improvement priorities, results from farmer consultations (1.1.3), key elements identified in the IPM strategy, climate-change related considerations and recommendations from the gender lead.

Guidance will be provided on deadlines and on how the indicator will be assessed. Good practice examples and optional, simple planning templates will be developed on local level.

1.1.2

[SH - MF] A monitoring plan is developed and implemented to measure progress and understand the effectiveness of Producer Unit activities. The monitoring plan:

- (i) Includes a baseline assessment in the first year of participation (set-up year) and reassessments against that baseline before every licencing cycle;
- (ii) Identifies risks of non-conformity and ensures assurance and farm-level data are analysed, and learnings are documented and fed into the activity plan in 1.1.1.

Responsibility level: Producer Management

New.

Intent:

The intent is to make sure the PU measures changes over time and uses this information to plan and adapt activities at field level.

Explanatory notes:

Monitoring data can be of both qualitative and quantitative nature.

The monitoring plan should include, amongst others, continuous improvement priorities, results from farmer consultations (1.1.3), key elements identified in the IPM strategy, climate-change related considerations and recommendations from the gender lead. The Gender lead is responsible to support monitoring of gender issues.

Monitoring data can be of both qualitative and quantitative nature.



Monitoring results should be kept at least for 3 years to ensure that results can feed into the activity planning.

Guidance will be provided on deadlines, good practices, and how this indicator will be assessed.

Better Cotton will also provide guidance and a tool for doing the baseline assessment.

1.1.3

[SH - MF] A representative and inclusive sample of male and female farmers and workers are consulted on their priorities and needs at least once a year. Key findings from this consultation are documented and considered in the activity and monitoring plans and in setting priorities for continuous improvement targets.

Responsibility level: Producer Management

New.

Intent:

In line with the commitment to improve farmer centricity and farm livelihoods, the intent of this indicator is to better account for farmer and worker needs and priorities in deciding which activities are carried out. Guidance will clarify what is meant by a 'representative and inclusive' sample.

1.1.4

[LF] An effective management system is in place to plan and implement farming activities. The system enables monitoring of progress against Better Cotton requirements and continuous improvement targets as in Criterion 1.3.

Responsibility level: Producer Management

Major modification. This consolidates all existing 'planning' and 'management' requirements across the current P&C into a requirement to have a management system in place.

1.1.5

[SH - MF - LF] The Producer complies with all applicable laws and regulations.

Responsibility level: Producer Management

New.

Explanatory notes:

Applicable laws include local, county, province, state or national laws and regulations, as well as those which have been integrated into or legally deemed to be superior to national law by a state's signing of an international treaty. The indicator also includes any applicable collective bargaining agreements.

If applicable laws and regulations don't match with certain requirements in the P&C, the stricter version prevails, unless it is explicitly mentioned otherwise in the indicator.



CRITERION 1.2 - The Producer operates an effective and relevant data management system for improved decision making.

1.2.1

[SH - MF - LF] Accurate and complete Producer-level data are collected, validated, and reported as prescribed in the 'Better Cotton Farm Data Requirements' document.

Responsibility level: Producer Management

Major modification. From current Indicators under 7.3 and collating all existing data requirements across all current Principles.

Intent:

Specific data requirements from all Principles across the P&C are referenced in a separate Better Cotton Farm Data Requirements document, which will allow for that to evolve over time. The aim is to remove duplication, ensure that data collection is purposedriven and to focus on the overall quality of data management systems.

Explanatory notes:

The data requirements will be similar to the current requirements. Amongst others, they will have strong focus on disaggregated data. Producer Management will also be expected to register all Better Cotton participants (including co-farmers, sharecroppers, workers, etc.).

1.2.2

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[SH - MF] Farmers keep accurate records including inputs, outputs, and key practices, in line with the 'Better Cotton Farm Data Requirements' document.

Responsibility level: Farmers

Minor modification. From current Indicator 7.3.2.

Intent:

This indicator will replace the current farmer field book requirements, but specific data expectations, including RIRs, will be covered in the separate reference document as noted under 1.2.1



CRITERION 1.3 - The Producer prioritises Continuous Improvement in locally relevant key areas.

1.3.1

[SH - MF (applicable for PU's from the second licensing cycle)] Specific continuous improvement focus areas and respective 3-year targets and interventions are identified. Continuous Improvement priorities are set based on the 'Better Cotton Guidance to Continuous Improvement' and include the following elements:

- (i) Consideration of locally relevant priority areas;
- (ii) Priorities revealed from monitoring and data management (in Criteria 1.1. and 1.2.);
- (iii) Priorities and needs of farming households.

Responsibility level: Producer Management

Major modification. From current Indicator 7.1.1.

Intent:

The intent is to strengthen the Continuous Improvement approach by a) embedding it better into the general farm management and b) giving Producers both the flexibility to choose key hot-spot areas for improvement targets, but also make them more accountable for the implementation of respective activities.

Explanatory notes:

'Better Cotton Guidance to Continuous Improvement' will be provided by Better Cotton and include recommendations on how to use the baseline assessment and monitoring data to set improvement priorities.

It is expected there would be a small number of continuous improvement focus areas only (e.g., 2-3 for a LF, and 3-5 for a PU), which could, but don't have to, overlap with core Indicators.

No separate Continuous Improvement Plan will be required – only targets and high-level interventions would be defined. Related activities to work towards these targets will have to be fully integrated into the activity and monitoring plans (see 1.3.2).

For new PUs joining, this indicator will only become effective at the start of their second licensing cycle, which will allow them to thoroughly identify their priority areas in the first three years of participation. For participating PUs, this indicator will be effective as of the roll-out date of the revised standard.

1.3.2

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[SH - MF (applicable for PU's from the second licensing cycle)] The identified continuous improvement areas and respective targets and interventions are fully integrated into the activity and monitoring plans in 1.1.1 and 1.1.2.

Responsibility level: Producer Management

Major modification. From current Indicator 7.1.1.

Intent

The idea is to give implementation and consideration of Improvement areas more emphasis. For new PUs joining, this indicator will only become effective at the start of their second licensing cycle. For participating PUs, this indicator will be effective as of the roll-out date of the revised standard.



1.3.3

[LF] Specific and locally relevant sustainability targets are identified to focus on for continuous improvement. Activities to achieve those targets are implemented and progress monitored as part of the overall management system in Indicator 1.1.4.

Responsibility level: Producer Management

Major modification. From current Indicator 7.1.1.

CRITERION 1.4 – The Producer operates an effective, locally relevant, and needs-based capacity strengthening approach for all staff, farmers, and workers.

1.4.1

[SH - MF - LF (only for LF with over 15 workers)] An effective programme is implemented to strengthen capacities of female and male farmers and workers, which:

- (i) Focuses on locally relevant practices and innovations;
- (ii) Is informed by consultation with female and male farmers and workers, as well as feedback loops from previous trainings;
- (iii) Uses effective and locally adapted tools and methods.

Responsibility level: Producer Management

Major modification. From current Criterion 7.2.

Intent:

Intent is to shift the focus from having a training plan to emphasizing the relevance and effectiveness of training.

Explanatory notes:

For LF this indicator is relevant only if more than 15 workers are employed and focusses only on the training provided to the workers.

1.4.2

[SH - MF - LF (only for LF with over 15 workers)] Capacity building activities are designed to be inclusive and equally accessible to all farmers and workers who may benefit.

Responsibility level: Producer Management

Major modification. From current Criterion 7.2.; and based on intent of improvement Indicator 6.4.6.

Intent:

This is to ensure that access to capacity building is granted to all farmers and workers of all backgrounds (incl. women and women vulnerable groups.) and that the activities are targeted based on their productive roles and functions.

Explanatory notes:

Guidance will be provided. Where needed outreach to women farmers and workers might be conducted through women-only learning groups.

For LF this indicator is relevant only if more than 15 workers are employed and focusses only on the training provided to the workers.



1.4.3

[SH - MF – LF (only for LF with over 15 workers)] Farmers and workers understand the relevance and benefits of key issues and practices promoted by trainings or other capacity building activities.

Responsibility level: Producer Management

New.

Intent:

The intent is to better evaluate whether training/capacity building activities are effective at raising awareness and improving understanding of those who attend.

For LF this indicator is relevant only if more than 15 workers are employed and focusses exclusively on the understanding of the workers.

1.4.4

[SH - MF] Producer staff / training providers have the technical knowledge and functional skills to deliver effective and relevant capacity development activities.

A system is in place to evaluate performance and support further development.

Responsibility level: Producer Management

New.

Intent:

This indicator is included as PU staff competence is integral for the successful delivery of the programme and the capacity building indicators.

1.4.5

[LF] The Producer Management/ farmer understands locally relevant sustainability issues and seeks out advice and information to better address these issues.

Responsibility level: Producer Management

New.

CRITERION 1.5 – The Producer supports greater participation and recognition of women.

1.5.1

[SH - MF - LF (only for LF with over 10 women workers)] An individual or group of individuals (further referred to as 'gender lead') is/are designated to support greater participation and recognition of women. Key tasks include:

- (i) Consult with female farmers and workers and the community to identify local gender issues and opportunities;
- (ii) Raise awareness with management and farmers and workers on locally specific gender-related issues;
- (iii) Develop recommendations for improvement actions;
- (iv) Work with the Producer Management to integrate gender improvement actions in the activity and monitoring plans.

Responsibility level: Producer Management

New.

Intent:

The indicator aims for one or several individual(s) to be explicitly responsible to ensure gender inclusion, recognition and participation and promote culturally sensitive and locally relevant activities to enhance participation and recognition of women.

Explanatory notes:

Participation and recognition of women should both include women participation in Better Cotton Programme activities, but also – depending on the context – in leadership and decision taking.



Where existing gender-focused groups or structures exist, the aim is to build off these and not to duplicate.

Local Guidance will be provided. For MF or LF contexts, the development and implementation of relevant policies such as Codes of Conducts might be relevant as part of the recommended activities.

1.5.2

[SH - MF - LF (only for LF with over 10 women workers)] Based on the recommendations of the gender lead, priority measures and tasks to address identified locally relevant gender-related issues are implemented.

Responsibility level: Producer Management

New

CRITERION 1.6 - The Producer engages in collaborative action to address locally relevant sustainability issues.

1.6.1

[SH - MF - LF] The Producer demonstrates engagement with other stakeholders (beyond the farm or Producer Unit boundaries) towards locally relevant sustainability issues.

Responsibility level: Producer Management

Minor modification. From current Indicators 2.1.9 - 2.1.10.

Intent:

This indicator aims to continue supporting the benefits of collaborative action and allow for more flexibility beyond water stewardship.

Explanatory notes:

Baseline assessment, monitoring results and farmer consultations will help define 'relevant sustainability issues'. These can include, for example collaboration on natural resources management, climate change adaptations or mitigation measures, decent work (i.e., child labour), gender equality or livelihood approaches.

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CRITERION 1.7 - The Producer considers the need for urgent action and implements climate change mitigation and adaptation measures.

1.7.1

[SH - MF - LF] The Producer is aware of:

- (i) Local climate impacts and how they affect farming activities and livelihoods;
- (ii) Locally relevant climate change adaptation and mitigation measures.

Responsibility level: Producer Management

New.

Intent:

Given that climate change and climate science is evolving rapidly, the intent is to ensure that farms are managed based on up-to-date understanding of local climate change impacts.

Climate change adaptation; Climate change mitigation

1.7.2

[SH - MF - LF] Locally relevant climate change adaptations measures are integrated into the activity and monitoring planning and implementation.

Responsibility level: Producer Management

New.

Intent:

There is an expected overlap between this indicator and indicators in other Principles, especially P2. The intent is that climate change considerations are informing the actual decisions of which practices are chosen. Additionally, there might be opportunities to take other adaptations measures that are not yet covered in other indicators.

Climate change adaptation; Climate change mitigation

1.7.3

[SH - MF - LF] Locally relevant and feasible climate change mitigation measures are integrated into the activity and monitoring planning and implementation.

Responsibility level: Producer Management

New.

Intent:

The indicator should incentivize action towards climate change mitigation and ensure that the Producer considers this in all farming activities. There is an expected overlap with adaptation measures that also have mitigation effects, which will, especially in an SH/MF context, help to comply with this indicator.

Climate change mitigation



Principle 2: Natural Resources

CRITERION 2.1 - Farmers understand the value of natural resources and how to protect these.

2.1.1

[SH - MF - LF] Farmers understand the following:

- (i) The importance of natural resources (soil, water, and biodiversity) for their farms and communities;
- (ii) How their activities affect soil health, water, and biodiversity and how these relate to each other;
- (iii) The activities they can undertake to conserve and improve natural resources on their farms;

Responsibility level: Producer Management

Major modification. Based on the same intent as current mapping and testing Indicators.

Intent:

Awareness and understanding of impacts of natural resources management on farms and communities are a key first step for both successful regenerative agriculture as well as conservation. This indicator aims to look at the effectiveness of awareness-raising activities.

Explanatory notes:

The P&C will not be prescriptive anymore in the choice of awareness-raising activities, but local guidance will be provided to include locally relevant good practices and approaches, such as, for example, mapping, testing, demo plots, lead farmers, or working with local knowledge partners or other community actors.

CRITERION 2.2 - Soil health is improved through farming practices that maintain or enhance its physical, chemical, and biological properties.

2.2.1

[SH - MF - LF] Locally relevant practices that maximize crop diversity are implemented.

Responsibility level: Farmers

New - Improvement to core. Taking intent of current soil health indicators one step further and current Indicator 3.1.12 adapted and made core.

Explanatory notes:

Locally relevant practices are to be selected based on results from monitoring activities (see P1), in consultation with qualified experts, and considering local guidance that will be provided.

The threshold for auditing will be defined after public consultation.



2.2.2

[SH - MF - LF] Locally relevant farming practices that maximize soil cover are implemented.

Responsibility level: Farmers

New. Taking intent of current soil health Indicators one step further.

Explanatory notes:

Locally relevant practices are to be selected based on results from monitoring activities (see P1), in consultation with qualified experts, and considering local guidance that will be provided.

The threshold for auditing will be defined after public consultation.

Climate change adaptation; Climate change mitigation

2.2.3

[SH - MF - LF] Locally relevant farming practices to minimize soil disturbance are implemented.

Responsibility level: Farmers

New- improvement to core. Taking intent of current soil health Indicators one step further and current Indicator 3.1.9. adapted and made core.

Explanatory notes:

Locally relevant practices are to be selected based on results from monitoring activities (see P1), in consultation with qualified experts, and considering local guidance that will be provided.

The threshold for auditing will be defined after public consultation.

Climate change adaptation; Climate change mitigation

2.2.4

[SH - MF - LF] Optimum application of fertilizers aims to maximise benefits and minimize negative impacts, considering and selecting the:

- (i) Right source of nutrient (based on soil and plant needs);
- (ii) Right rate;
- (iii) Right timing;
- (iv) Right place of application.

Responsibility level: Farmers

New- improvement to core. Intent of current core Indicators 3.1.3-3.1.5 and improvement Indicators 3.1.10, and 3.1.13 - 3.1.16 kept and made core for all.

Intent:

Instead of just focusing on the soil testing, greater emphasis is given on the optimum application of fertilisers, which is important from a climate change perspective, but also to maximise yields and reduce costs for farmers.

Explanatory notes:

This indicator only applies to contexts where fertilizers are available and accessible by farmers. Fertilisers should only be applied based on any locally relevant and available soil testing or analysis method (local guidance will be developed).



Right source of nutrient means both right components as well as right type of fertilizer (prioritising non-synthetic and avoiding excessive nitrogen application).

Climate change mitigation

2.2.5

[SH - MF - LF] Steps are taken to minimize the use of synthetic fertilizers over time.

Responsibility level: Farmers

New.

Intent:

This aims to reinforce the importance of minimising synthetic fertilisers for benefits of soil health and climate change. Where synthetic fertilizers are used, farmers should optimize their use and strive to innovate and improve to find alternative ways to address soil fertility issues over time.

Explanatory notes:

This indicator only applies to contexts where fertilizers are available and accessible by farmers.

Local guidance will include locally relevant alternative methods to address soil fertility, including, for example, improving soil health/ organic matter, integrating legumes and livestock into rotation, leaving more biomass in the field, nitrogen stabilisers, prioritisation of organic fertilizers, etc.

Climate change mitigation

CRITERION 2.3 - Quality and availability of water is optimised through practices that enhance crop production and minimize waste, erosion and salination.

2.3.1

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[SH - MF - LF (irrigated farms only)] Irrigation methods, technologies and timing are planned and implemented to improve irrigation efficiency and maximize water productivity.

Responsibility level: Farmers

New- improvement to core. Current Indicators 2.1.5 – 2.1.7 and improvement Indicators 2.1.13 – 2.1.15 adapted and made core for all.

Explanatory notes:

Choice of irrigation methods should consider elements such as crop evaporation at different growth stages, soil conditions and soil moisture, rainfall patterns, water source and availability, and climate change risks. Local Guidance will be provided.



2.3.2

[SH - MF - LF (rainfed farms only)] Practices are implemented to effectively manage changing rainfall availability and distribution.

Responsibility level: Farmers

New. Including also (but not exclusively) intent of current Indicator 3.1.11

Intent:

Changing rainfall patterns are affecting and will continue to affect farming activities. This indicator aims to ensure that farmers are implementing effective practices that help deal with changing water availability, changing temporal distribution patterns and changing intensity levels of rainfall.

Explanatory notes:

Depending on the contexts, this can include practices to ensure effective drainage, run-off and erosion control, practices to harvest and store rainfall water for later irrigation purposes, practices to enhance the capacities of the soil for water infiltration and uptake. Nature-based solutions should be prioritized where feasible and relevant (i.e., agroforestry instead of cement for erosion control). Local guidance will be provided.

Climate change adaptation

CRITERION 2.4 - Biodiversity and natural habitats on and around the farm are conserved and enhanced.

2.4.1

[SH-MF-LF] Measures are implemented to protect water courses and wetlands (e.g., use of buffer zones, grassed waterways, and proper storage and use of fertilizers and chemicals).

Responsibility level: Producer Management and Farmers

Minor modification. From current Indicators 2.1.8, 2.1.16 and 4.1.6; adapted and made core for all.

Explanatory notes:

Local guidance will be provided.



2.4.2

[SH - MF - LF] Natural habitats and biodiversity are conserved, and steps are taken to enhance them over time.

Responsibility level: Producer Management and Farmers

New.

Explanatory notes:

The Producer will be able to decide how best to identify habitats and biodiversity opportunities. This can be done for example through community-level mapping or by collaborating with local knowledge partners. Existing identified habitats should be clearly marked on the field, protected, and enhanced over time. Local guidance with good practices will be provided which could include, for example, but not exclusively:

- Dedicated areas for pollinators and other beneficial species.
- Re-foresting.
- Hedgerows, preserved and connected treelines, or other wildlife corridors
- Greater incorporation of crop diversity and/ or livestock rotation.
- Rewild barren lands.

Climate change adaptation; Climate change mitigation

2.4.3

[SH - MF - LF] Degraded areas are identified, and steps are taken to restore them over time.

Responsibility level: Producer Management and Farmers

Minor modification. Current Indicators 4.1.4 and 4.1.5, merged and made core for all.

Explanatory notes:

Degraded areas – at the very least – need to be identified and visibly marked as such on the field. Measures should be taken to ensure that they are not further degrading, and that they can be restored over time.

This mainly concerns on-farm areas, but off-farm opportunities should be seized. Farmers need to be aware of effects of farm activities on surrounding biodiversity and natural habitats. Guidance will also include a Better Cotton definition on degraded lands.



CRITERION 2.5 - Natural ecosystems and HCVs are protected, maintained, and enhanced.

2.5.1

[SH - MF - LF] In the case of any proposed conversion from non-agricultural land to agricultural land, the 'Better Cotton Land Conversion Risk Assessment' must be undertaken. Respective measures are fully integrated into the activity and monitoring activities in P1.

Responsibility level: Producer Management and Farmers

Minor modification. From current Indicators 4.2.1 and 4.2.2.

Intent:

The indicator aims to ensure that natural ecosystems and HCVs are conserved, and off-farm HCVs and natural ecosystems are not put in danger due to onfarm activities.

Explanatory notes:

This indicator would require the use of a Better Cotton Land Conversion Risk Assessment for any proposed land conversion. The current HCV risk-based approach will be adapted to include natural ecosystems and address current challenges. Measures and conditions that will determine if at all and under which conditions land can be converted are expected to be fully integrated into activity and monitoring plans in P1.

Climate change mitigation

2.5.2

[SH - MF - LF] The Producer ensures that no natural ecosystems have been converted to agriculture on or after 1st of January 2020.

Responsibility level: Producer Management and Farmers

New.

Intent:

This indicator aims for Better Cotton to align with international good practice on land conversion. It is based on the recommendations of the <u>Accountability</u> Framework initiative (AFI).

Explanatory notes:

For the definition of natural ecosystems see AFL. New Producers joining will have to provide evidence (through the self-assessment or in the set-up year) that no land has been converted since the cut-off date. For participating Producers there will be a simplified process in place to evaluate compliance with the indicator when the revised P&C comes into effect.

Climate change mitigation



Principle 3: Crop Protection

CRITERION 3.1 - The Producer ensures that Integrated Pest Management is an integral part of Producer Management and practices.

3.1.1

[SH - MF] An Integrated Pest Management (IPM) strategy is developed and implemented which covers Indicators 3.1.2-3.1.7 and incorporates a continuous improvement pathway in IPM understanding and practices over time. The strategy informs the activity and monitoring plans under P1.

Responsibility level: Producer Management

Major modification. From current Criterion 1.1.

Intent:

The IPM strategy refers to a high-level approach, ensuring that the Producer's overall approach to pest management is based on a sound understanding of IPM principles, and that field level activities are informed by this. Field level activities resulting from the strategy should be fully integrated into the Activity and Monitoring Plans under P1.

Explanatory notes:

Better Cotton expects Producers to develop, implement, and improve IPM programmes over time, which reflects the concept of continuous improvement. Locally adapted tools such as the PAN UK developed 'IPM Ladder' will be promoted to help Producers implement this.

Climate change adaptation; Climate change mitigation

3.1.2

[SH - MF] Farmers are aware of local pest pressures and their principal natural enemies and can explain locally relevant methods of pest and disease control that minimize harm to humans and the environment.

Responsibility level: Producer Management

Major modification. From current Criterion 1.1.

Climate change adaptation; Climate change mitigation

3.1.3

[SH - MF] Methods are implemented that help growing a healthy crop, avoid build-up of pest populations and diseases and preserve and enhance populations of beneficial organisms.

Responsibility level: Farmers

Major modification. From current Criterion 1.1.

Explanatory notes:

Local guidance will clarify compliance and what we mean by growing a healthy crop.



3.1.4

[SH - MF] As part of the IPM plan, appropriate seed varieties are given preference, based on consideration of local suitability and pest resistance.

Responsibility level: Farmers

Major modification. From current Criterion 1.1.

Intent:

Highlight importance of seed varieties for crop protection.

Explanatory notes:

Local guidance will clarify that seed selection depends on the local availability and affordability of appropriate seeds.

Climate change adaptation; Climate change mitigation

3.1.5

[SH - MF] Regular monitoring is carried out on crop health and levels of pests and beneficials; field observation and decision-making tools are used to determine when and how to control pests.

Responsibility level: Farmers

Major modification. From current Criterion 1.1.

Climate change adaptation; Climate change mitigation

3.1.6

[SH - MF] Biological, physical, cultural, and other non-chemical methods are prioritized as pest control.

Responsibility level: Farmers

Major modification. From current Criterion 1.1.

Explanatory notes:

Feasible meaning available, affordable, and accessible for the farm.

Climate change mitigation

3.1.7

[SH - MF] Pesticides are only used if a certain threshold of pest level is reached. If pesticides are used:

- (i) Low toxicity active ingredients are preferred;
- (ii) They are applied in a way to mitigate resistance.

Responsibility level: Farmers

Major modification. From current Criterion 1.1.

Explanatory notes:

Guidance resources will be developed to define thresholds and practices for resistance management, for example incorporating <u>FAO guidance on resistance management</u>.

Climate change mitigation



3.1.8

[LF] An Integrated Pest Management Strategy is implemented which:

- (i) Prevents build-up of pest populations and diseases and preserve beneficial organisms;
- (ii) Includes regular monitoring of crop health, pests, diseases, and beneficial organisms;
- (iii) Prioritises non-chemical interventions;
- (iv) Ensures chemicals are used only when defined thresholds are reached;
- (v) Prioritises low toxicity active ingredients, and manages resistance, if chemicals are used.

Responsibility level: Producer Management

Major modification. From current Criterion 1.1.

Explanatory notes:

See Explanatory notes in 1.1.1

Climate change adaptation; Climate change mitigation

CRITERION 3.2 - Pesticides used are registered and appropriately labelled.

3.2.1

[SH - MF - LF] All pesticides used are registered nationally for the use on cotton.

Note: As in the current P&C, this Indicator also aims to prevent the use of pesticide mixtures or 'cocktails' – this will be clarified in the text in future versions

Responsibility level: Producer Management and Farmers

No change. Current Indicator 1.2.1.

Explanatory notes:

Registered pesticides are pesticides for which a relevant regulatory authority has assessed the risks of using it on the crop(s) for which it has been registered, and for which suitable, crop-specific directions for use have been developed. This indicator also prevents the use of pesticide mixtures or cocktails where the individual ingredients may be registered for use on cotton, but their combined use is not registered.

3.2.2

[SH - MF - LF] All pesticides used are correctly labelled in at least one de facto or de jure official national or applicable official regional language.

Responsibility level: Producer Management and Farmers

No change. Current Indicator 1.2.2.

Explanatory notes:

The labels provided with legally registered pesticides contain important information regarding the properties of the product in question, directions for use and the precautions and measures to be adopted when using it, all of which should be followed.



3.2.3

[SH - MF - LF] A record is kept of all natural substances used by the Producer and is updated at least annually.

Responsibility level: Producer Management

New- improvement to core. Current Indicator 1.2.3. adapted and made core.

Explanatory notes:

Although natural substances used as biopesticides can play a critical role in sustainable cotton production, it needs to be recognised that some can also have negative impact on biodiversity or human health, if not used correctly. They are currently widely used in Better Cotton farms, but often do not go through any formal (national or other) registration process – while Better Cotton prescribes that all pesticides used be registered nationally for the crop being treated. This indicator only applies if natural substances are used.

CRITERION 3.3 - The Producer commits to minimize the use of Highly Hazardous Pesticides.

3.3.1

[SH - MF - LF] Pesticides are not used if they are included in any of the following international instruments or regulations:

- (i) Annex A and B of the Stockholm Convention;
- (ii) Annexes of the Montreal Protocol;
- (iii) Annex III of the Rotterdam Convention;
- (iv) Listed in category 1 of the Globally Harmonized System of Classification and Labelling of Chemicals (GHS); la of the World Health Organization classification (WHO).

Responsibility level: Producer Management and Farmers

Minor modification. Actual requirements in the current Indicator 1.3.1 have not changed, but current Indicator 1.4.1 has been rolled up into this Indicator as it previously had a phase out date of 2021. Indicator 3.3.3 in this consultation draft (current Indicator 1.4.2) will also be rolled up into this Indicator by the time the P&C v. 3.0 becomes effective.

Explanatory notes:

A list of active ingredients used by Better Cotton farmers and matching criteria listed under these regulations will be annually updated and shared by Better Cotton.

For active Ingredients for which no viable alternatives are available, exceptional use might be allowed based on a clear process on clear conditions (see 3.3.2).

Climate change mitigation



3.3.2

[SH - MF - LF] Where prohibited pesticides (as per 3.3.1) do not yet have viable alternatives, timebound exceptional use may be allowed by Better Cotton through an established exceptional use process. If pesticides are used after approval through the exceptional use process, any conditions stated in that must be strictly followed and reported against.

Responsibility level: Producer Management

New.

Explanatory notes:

Better Cotton currently has a general derogation procedure to consider exceptional cases where indicators may not apply. The aim of introducing a specific exceptional use process for HHPs is to have a more transparent and rigorous method to evaluate cases where HHPs targeted for phase out may not yet have viable alternatives in a certain region or context. In these cases, the impacts on farmers and livelihoods need to be considered against the impacts of continued use of HHPs. Exceptional use requests would also need to consider the best available science on alternatives (including non-chemical alternatives).

Better Cotton will define the exceptional use process in collaboration with technical experts and informed by consultation feedback. It is likely that applications would be considered at country or regional level, on a time-bound basis. The process might include elements such as:

- (i) A thorough assessment of alternatives from an IPM perspective;
- (ii) Identification of risk mitigation measures to be adopted, and verification of these measures being implemented;
- (iii) Annual reporting on usage of these pesticides and defined phasing out target;
- (iv) Demonstrated commitment for Producers to work together with other stakeholders to support development of alternatives.

3.3.3

[SH-MF-LF] By 2024, the Producer has phased out pesticides listed in category 2 of the Globally Harmonized System of Classification and Labelling of Chemicals (GHS); Ib of the World Health Organization (WHO) classification.

Note: These pesticides will be prohibited by the time the revised P&C is expected to become effective in season 2024-2025 Responsibility level: Producer Management

No change. Current Indicator 1.4.2

Explanatory notes:

For active Ingredients for which no viable alternatives are available, exceptional use might be allowed based on a clear process on clear conditions (refer to 3.3.2).

Climate change mitigation

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[SH - MF - LF] A plan is implemented to phase out pesticides defined as carcinogenic, mutagenic or reprotoxic (CMR) substances according to Categories Ia and Ib of the Globally Harmonized System of Classification and Labelling of Chemicals (GHS) by 2028.

Responsibility level: Producer Management and Farmers

Minor modification. Current Indicator 1.5.1 – added a phase out date.



Intent:

The intent is that producers and farmers take measures to prepare for and ensure feasibility of phasing out by 2028, for example by identifying and exploring alternatives and running capacity building activities.

Explanatory notes:

Better Cotton will identify pesticides and provide lists to countries. Guidance will recommend that Producers prioritize pesticides in this category that are most widely used and focus efforts on those.

Climate change mitigation

CRITERION 3.4 - Environmental hazards of Highly Hazardous Pesticides are assessed and mitigated.

3.4.1

[SH - MF - LF] For commonly used pesticides with environmental hazards that are not covered in 3.3.1-3.3.3, a risk mitigation approach is implemented as per Better Cotton Guidance document.

Responsibility level: Producer Management and Farmers

New.

Explanatory notes:

Better Cotton will provide a regularly updated list (every three years for example) for programme partners to use. For that, Pesticides with highest environmental toxicity as per 'Group 3' criteria under the <u>PAN International List of HHPs</u> will be identified in each country and made available.

Climate change adaptation; Climate change mitigation

CRITERION 3.5 - Pesticides are handled and stored safely.

3.5.1

[SH - MF - LF] It is ensured that any person who prepares and applies pesticides is:

- (i) Healthy;
- (ii) Skilled and trained in the application of pesticides;
- (iii) 18 or older;
- (iv) Not pregnant or nursing.

Responsibility level: Producer Management and Farmers

No change. Current Indicator 1.6.1.

Intent.

Better Cotton Farmers and workers are to be provided with appropriate information and training to perform their work safely and without health risks.

Explanatory notes:

Guidance will be provided on how to ensure understanding among Better Cotton Farmers regarding



the extent of the hazard, associated risks, why risk controls are used and how to manage risks.

Training enables farmers to work more safely in the context of hazards. The specific content of the training is situation-specific and should be tailored with respect to the local context.

3.5.2

[MF - LF] Pesticides are prepared and applied by persons who correctly use appropriate Personal Protective Equipment.

Responsibility level: Producer Management and Farmers

No change. Current Indicator 1.7.1.

3.5.3

[SH] Minimum Personal Protective Equipment is worn while preparing and applying pesticides, which includes protection of the following body parts from dermal absorption, ingestions, and inhalation:

- (i) Face and airways: eyes, ear canal, nose, scalp;
- (ii) Limbs: arms, forearms, palms, legs, feet;
- (iii) Abdomen and genital area.

Responsibility level: Producer Management and Farmers

No change. Current Indicator 1.7.2.

Explanatory notes:

There are situations where appropriate equipment is not available or affordable for farmers and workers. However, at a minimum, when handling or applying any pesticides, they must wear garments and equipment that protect the following body parts from dermal absorption, ingestion, and inhalation.

Further local guidance will be provided to identify and access minimum Personal Protective Equipment (PPE).

3.5.4

[SH] Steps are taken to increase the number of farmers adopting appropriate Personal Protective Equipment.

Responsibility level: Producer Management and Farmers

New

Intent:

In many smallholder contexts, use of appropriate PPE is limited by cost, access, and behaviour change challenges. At the same time, appropriate PPE provides better protection for those handling pesticides, compared to minimum PPE as covered in 3.5.3. This indicator aims to support continual improvement in the access and use of appropriate PPE, no matter where the current baseline is.



3.5.5

[MF - LF] Dedicated areas must be available on the farm for storing, mixing, and handling pesticides, and for cleaning pesticide containers and application equipment. The areas must fully comply with relevant legislation for the storage of pesticides. Within these areas, all rinsate and runoff must be completely captured so that it poses no contamination risk.

Responsibility level: Producer Management and Farmers

Minor modification. Current Indicator 1.8.1. – currently only core for LF, proposed to make core for MF, too.

3.5.6

[SH - MF] Disposal of agrochemical containers minimises risks to human health and the environment. Measures are taken to improve access to collection and recycling programmes over time.

Responsibility level: Producer Management and Farmers

New- improvement to core. Improvement Indicators 1.10.1-1.10.3 combined, adapted, and made core.

Explanatory notes:

Where possible, farmers should take disposal options into account when making the decision to purchase a pesticide. It is acknowledged that farmers may not have access to a container recycling or collection programme, and that external support would be required.

Examples of locally relevant good practices will be provided.

3.5.7

[LF] Producers

- (i) Appropriately dispose of pesticide containers based on container type, size, and active ingredients;
- (ii) Participate in recycling programs, and/or return to supplier, where relevant opportunities exist.

Responsibility level: Producer Management

New- improvement to core. Improvement Indicators 1.10.1-1.10.3 combined, adapted, and made core.

3.5.8

[SH] Farmers are aware of and adopt appropriate and safer spraying techniques.

Responsibility level: Producer Management and Farmers

New-improvement to core. Improvement Indicators 1.91-1.9.3 adapted and made core.

Explanatory notes:

Guidance will explain what is meant by appropriate and safer spraying techniques, including the need to consider weather conditions, correctly use wellmaintained equipment, and follow label requirements where feasible.



3.5.9

[MF - LF] Pesticide application minimises negative impacts through ensuring:

- (i) Label requirements are followed;
- (ii) Appropriate application equipment is used and calibrated correctly;
- (iii) Appropriate weather conditions are taken into account;
- (iv) Contamination (e.g., through spray drift) is minimised.

Responsibility level: Producer Management and Farmers

New-improvement to core. Improvement Indicators 1.9.1 - 1.9.3 adapted and made core.

3.5.10

[MF - LF] Restricted entry intervals are established and enforced after application of pesticides.

Responsibility level: Producer Management and Farmers

New-improvement to core. Improvement Indicator 1.9.4 adapted and made core for MF and LF.



Principle 4: Fibre Quality

CRITERION 4.1 - Farming practices (before, during and after the harvest) ensure that fibre quality is protected and enhanced.

4.1.1

[SH - MF - LF] Locally relevant good practices for seed selection (where possible), planting date, planting rate, row spacing, crop growth and weed management are implemented to increase the probability to produce high quality fibre.

Responsibility level: Farmers

New-improvement to core. Intent of current Indicator 5.2.3. adapted and made core for all.

Explanatory notes:

Local guidance will be provided, which will include recommendations for training provision to those that are undertaking this work – in SH context often women workers or other vulnerable groups.

4.1.2

[SH - MF - LF] Locally relevant good picking, storing and transportation practices are implemented to avoid contamination.

Responsibility level: Farmers

Minor modification. Current Indicator 5.1.1

Explanatory notes:

Transportation practices will only be assessed if the Producer him/herself is responsible for the transportation.

4.1.3

[SH] Where polypropylene, polyethylene, or other synthetic bags are used, alternatives are promoted, and steps are taken to phase out synthetic materials over time.

Responsibility level: Producer Management

New- improvement to core. Current improvement Indicator 5.1.2 adapted and made core.



Principle 5: Decent Work

CRITERION 5.1 - The Producer has an effective system to identify and address risks and incidents of labour rights violations.

5.1.1

[SH - MF - LF (only for LF with over 15 workers*)] A system is in place to regularly monitor risks and incidents of labour rights violations (including risks of forced and child labour, discrimination, workplace violence and harassment, and health and safety concerns).

Individual(s) responsible for the monitoring system are clearly identified.

Responsibility level: Producer Management

New.

Intent:

The aim is to put the focus on the ability of Partners to detect risks of labour rights violations before they become incidents and put in place appropriate mitigation. This represents a shift from 'zero tolerance' (e.g., no child labour) towards expecting Producers to 'assess and address' issues, rather than pushing them underground. Guidance, examples, and templates will be provided, which will include ensuring the Producer reviews self-assessment and labour profile data to understand potential risks of forced or child labour.

Explanatory notes:

*Workers in this context include all permanent and temporary or seasonal workers.

Guidance will bring in wording around due diligence and define components of the system and define 'regularly'.

5.1.2

[SH - MF - LF (only for LF with over 15 workers*)] Where risks and incidents are identified, prompt actions are taken to address these risks and incidents and prevent their re-occurrence.

Responsibility level: Producer Management

New.

Explanatory notes:

To prevent reoccurrence, the root cause of the risk or incident needs to be identified and understood.

*Workers in this context include all permanent and temporary or seasonal workers.

5.1.3

[MF - LF] If workers are employed through subcontractors, farmers maintain responsibility for communicating the requirements under Criteria 5.2 – 5.10 to subcontractors, and ensuring their workers meet these requirements.

Responsibility level: Farmers

New.



CRITERION 5.2 - Farmers and workers understand their labour rights.

5.2.1

[SH - MF - LF] Male and female farmers and workers understand the fundamental principles and rights at work. These include rights around freedom of association and collective bargaining, and to a safe and healthy working environment, and protections from discrimination, workplace violence and harassment, forced or compulsory labour and child labour.

Responsibility level: Producer Management

New.

CRITERION 5.3 - The rights of children and young workers are protected.

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[SH - MF - LF] No person under the age of 18 shall undertake hazardous work, i.e., work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety, or morals of persons under the age of 18.

Responsibility level: Producer Management and Farmers

Minor modification. Current Indicator 6.2.1 with minor re-wording.

Explanatory notes:

Hazardous work includes, but is not limited to, the application of agricultural chemicals, pesticides, and fertilizers, use of farm equipment tools and machinery, lifting or moving of heavy materials or goods, or carrying out hazardous tasks such as underground or underwater or at dangerous heights, or working long hours in excessive heat. Every activity performed by a young worker must be supervised by an adult.

Each country that ratifies ILO Convention No. 182 (The Worst Forms of Child Labour Convention) has a requirement to develop a list of hazardous tasks that children cannot perform. Refer to local Better Cotton quidance for more information.

5.3.2

[SH - MF - LF] Young workers (those between the minimum age of employment and 18) receive adequate training and supervision, and perform age-appropriate, non-hazardous work.

Responsibility level: Producer Management

New.

Explanatory notes:

This will either require Producers to keep a record of all young workers or Producers would need to record young worker numbers annually as part of the labour profiles, which would give a high-level sense of where the issue is relevant.

Young workers include all between the age of 15 (14 in specified countries) or the minimum age for



employment as defined by local law (whichever is higher) and the age of 18. Further guidance will be provided.

5.3.3

[MF - LF] Worker ages are verified to ensure there are no workers below the age of 15 (14 in specified countries), or below the minimum age for employment defined by local law (whichever is higher).

Responsibility level: Producer Management and Farmers

Minor modification. From current Indicator 6.1.1. to add age verification.

Explanatory notes:

List of specified countries will be provided by Better Cotton.

5.3.4

[SH - MF - LF] Children aged at least 13 (12 in specified countries) may carry out light work only, provided:

- (i) The work is not dangerous and not harmful to their health or development;
- (ii) The work does not affect their attendance at school and is done within reasonable time limits after school or during holidays (not more than 14 hours/ week);
- (iii) The work is appropriate to the child's age and physical condition and does not jeopardize the child's social, moral, or physical development.

Responsibility level: Producer Management and Farmers

Major modification. From current Indicator 6.1.3, but modified to add minimum age of 12, to align around ILO definition of 'light work' for children aged 12-14 and to clarify same expectations apply to children of workers accompanying their parents on other farms. Made core for all.

Explanatory notes:

This applies to all children aged between at least 13 (12 in specified countries) and 15 (14 in specified countries) or the minimum age for employment defined by local law (whichever is higher), whether in the context of their own family farm, working on other farms, or accompanying their parents to work on other farms.

Light work is defined as work which:

- Provides at least 24 hours break per 7 days.
- Allows the child to attend school without interference.
- Requires parental consent and other documentation (as required by local law).
- Is not strenuous, is performed under normal conditions, and includes appropriate rest breaks (for example, no standing for several hours, working under high temperatures, etc.).
- Is limited to no more than 14 hours per week.
- 'Light work' must not include any of the following:
 - o No use of or exposure to chemicals (e.g., herbicides, fertilizers, pesticides).
 - o No carrying of heavy loads.
 - o No dangerous tools (such as a machete, sharp tools, etc.).



- No operating or assisting in operating any type of machine, including tractors, saws, and power engines.
- No working on heights (e.g., either trees or ladders).
- No working in confined spaces (e.g., a silo or storage area that are confined and may have toxic air).
- o No work at night (before 6 am, and after 8 pm).
- No other hazardous tasks.

List of specified countries will be provided by Better Cotton.

Family work for children under 13 (12 in specified countries): Children under age 13 (12 in specified countries) may still participate in 'family work' or tasks to help their parents. This includes helping around the house or carrying out light, age-appropriate duties on the farm that do not interfere with their education, health, or development.

CRITERION 5.4 - There is no forced or compulsory labour, including bonded or trafficked labour.

5.4.1

[SH - MF - LF] Workers understand and freely agree to the terms and conditions of work prior to starting (via verbal or written agreements); workers agree to any changes in conditions or nature of work.

Responsibility level: Farmer

Major modification. More nuanced Indicators on risk factors of forced labour have been introduced, replacing current Indicator 6.3.1 ('All forms of forced or compulsory, including bonded or trafficked labour, are prohibited.') These modified Indicators are based on the ILO 11 Indicators of forced labour. Incorporates intent of improvement Indicator 6.14.1.

Explanatory notes:

Where potential risks of forced labour are identified (as per 5.1), these risks are to be addressed promptly, and corrective actions put in place to prevent their reoccurrence. In cases where incidents of forced labour are identified, the Producer must provide secure access to remedy (as per 5.9).



5.4.2

[SH - MF - LF] Recruitment fees or related costs are not collected directly or indirectly (such as through deductions from wages and benefits) from workers by an employer or other third party.

Responsibility level: Farmer

Major modification. More nuanced Indicators on risk factors of forced labour have been introduced, replacing current Indicator 6.3.1.

Explanatory notes:

Recruitment fees refer to any fees or costs incurred in the recruitment process in order for workers to secure employment or placement, regardless of the manner, timing or location of their imposition or collection (Source: General principles and operational guidelines for fair recruitment and Definition of recruitment fees and related costs, ILO, 2019).

5.4.3

[SH - MF - LF] Workers have the right to a workplace free of violence and harassment, during the whole work cycle, starting from recruitment and hiring.

Responsibility level: Farmer

Major modification. More nuanced Indicators on risk factors of forced labour have been introduced, replacing current Indicator 6.3.1

Explanatory notes:

'The term 'violence and harassment' in the world of work refers to a range of unacceptable behaviours and practices, or threats thereof, whether a single occurrence or repeated, that aim at, result in, or are likely to result in physical, psychological, sexual, or economic harm, and includes gender-based violence and harassment,' [ILO Convention 190].

5.4.4

[SH - MF - LF] Workers do not face threats or menace of penalty (for example, withholding of wages or documents) at any point during the whole work cycle, beginning from recruitment through to termination.

Responsibility level: Farmer

Major modification. More nuanced Indicators on risk factors of forced labour have been introduced, replacing current Indicator 6.3.1

Explanatory notes:

Documents include passports or identify documents; other penalties could include withholding of personal items.

5.4.5

[SH - MF - LF] Workers shall not be bound to a job as a condition of fulfilling terms of a debt to a third party or to the employer.

Responsibility level: Farmer

Major modification. More nuanced Indicators on risk factors of forced labour have been introduced, replacing current Indicator 6.3.1.



CRITERION 5.5 - Workers have the right to freedom of association and collective bargaining.

5.5.1

[SH - MF - LF] All workers are informed about their right to form or join a worker's organization and to collectively negotiate their working terms and conditions (without interference or threat by employer).

Responsibility level: Producer Management and Farmers

Minor modification. Current Criterion 6.11.

CRITERION 5.6 - There is no discrimination in the recruitment or treatment of workers.

5.6.1

[SH - MF - LF] There is no discrimination in labour practices, including in wages, tasks, treatment, or access to benefits.

Responsibility level: Farmers

Minor modification. From current Criteria 6.4 and 6.5..

Explanatory notes:

This includes discrimination based on any characteristics that are not related to merit or the inherent requirements of the job. This includes, but is not limited to, discrimination based on gender identity, sex characteristics, sexual orientation, age, nationality, ethnicity, language, race, class, caste, social origin, religion, belief, health, political affiliation, political views, membership of a trade union or other workers' organisation, marital status, pregnancy-related discrimination (including mandatory pregnancy tests).

CRITERION 5.7 - Workers are paid at least the minimum wage.

5.7.1

[SH - MF - LF] Workers are paid minimum wages or higher (refers to the statutory national or regional minimum wage applicable to agriculture, or collectively agreed wage). Responsibility level: Farmers

New- improvement to core. Strengthened from awareness of minimum wage - current Criterion 6.13.

5.7.2

[SH - MF - LF] Piece rate or wages adequate for workers to earn at least the applicable national minimum wage or regional norm (whichever is higher) are provided during normal working hours and under normal operating conditions.

Responsibility level: Producer Management and Farmers

Major modification. Current Indicator 6.13.4 extended to SH/MF.



CRITERION 5.8 - Workers' health and safety are protected.

5.8.1

[MF-LF] Male and female workers can access toilet and handwashing facilities within reasonable proximity to the worksite as and when needed. Toilet facilities provide safety and privacy. Responsibility level: Producer Management and Farmers

New- improvement to core. Current improvement Indicators 6.6.1 6.6.2 adapted and made core.

Explanatory notes:

Reasonable proximity in manual working environments is generally considered within 100 meters of workers where they must access facilities by foot. In contexts where workers can easily drive to sanitary facilities this would not apply.

5.8.2

[SH] Measures are implemented that improve workers' access year over year to toilet and handwashing facilities.

- (i) Facilities should be within reasonable proximity of the worksite and accessible to all workers as and when needed;
- (ii) Toilets should provide safety and privacy.

The Producer Unit at least annually should monitor access to toilet and handwashing facilities across farms in the PU.

Responsibility level: Producer Management and Farmers

New- improvement to core. Current improvement Indicators 6.6.1 and 6.6.2 adapted to make core for SH.

5.8.3

[SH - MF - LF] Workers have mandated regular rest breaks with access to shade and potable water; measures are implemented to prevent heat stress and address any signs of heat stress in workers promptly.

Responsibility level: Producer Management and Farmers

New- improvement to core. Current improvement Indicator 6.7.1 adapted and made core for all.

Explanatory notes:

Localised guidance will need to be developed based on consultation with experts to define contexts where heat stress becomes a risk (i.e., minimum temperature thresholds).

Climate change adaptation.

5.8.4

[SH - MF - LF] Potential work and task-related health and safety hazards are identified, and measures are implemented to address these.

Responsibility level: Producer Management and Farmers

New- improvement to core. Current Indicators under 6.9 adapted and made core for all.



5.8.5

[MF - LF] Workers, farmers, and anyone supervising workers receive training and information on key health and safety risks that are relevant for their role, and how to mitigate these risks for themselves and/or those they are responsible for during the workday.

Responsibility level: Producer Management and Farmers

New- improvement to core. Current Indicators under 6.8 adapted and made core for all.

CRITERION 5.9 - Workers can safely raise concerns and victims of labour violations have access to remedy.

5.9.1

[SH - MF] Workers have secure channels to raise concerns about labour rights violations including child labour or forced labour, discrimination, workplace violence and harassment, substandard working conditions or abusive recruitment practices and have these addressed. These mechanisms should:

- (i) Utilise existing, credible grievance mechanisms or other systems where they exist;
- (ii) Be accessible to all workers.

Responsibility level: Producer Management and Farmers

New.

Intent:

The intent is to utilise existing effective grievance mechanisms wherever possible. In many cases these systems exist but workers are often not aware.

Explanatory notes:

Guidance will make clear reference to UNGP 8 effectiveness criteria on grievance mechanisms. At a minimum, grievance mechanism must be confidential, free of cost, and have no retaliation. They also need to ensure that disciplinary actions against the 'abuser' are proportionate to behaviour (current Criterion 6.20).

5.9.2

[SH - MF] Where labour rights violations occur, including child labour or forced labour, discrimination, workplace violence and harassment, substandard working conditions or abusive recruitment practices, victims have access to protection and remediation. Confidentiality and safety of victims are protected throughout the process.

Responsibility level: Producer Management and Farmers

New.

Explanatory notes:

Existing organisations or structures to provide remedy should be utilised where they exist.

5.9.3

[LF] Workers have access to a secure complaints hotline or other grievance mechanism; any victims of labour rights violations can access support and remedy.

Responsibility level: Producer Management and Farmers

New.

Intent:

Ensure workers are aware of and connected to existing hotlines and organisations for victim protection and remediation. It should be possible to file complaints anonymously with privacy guaranteed.



CRITERION 5.10 – Workers have clear contracts and expectations.

5.10.1

[MF - LF] Written contracts signed by the worker and employer are in place for all workers (whether permanent, seasonal, or temporary). Workers receive a copy of the contract upon signing.

Responsibility level: Producer Management and Farmers

New- improvement to core. Current improvement Indicator 6.14.2 adapted and made core.

Explanatory notes:

Written contracts should include at a minimum: job responsibilities, working hours, pay rate or calculations (including for overtime), frequency and method of payment, any benefits, or deductions, leave (including paid leave, medical leave, etc), and notice period for contract termination.



Principle 6: Livelihoods

CRITERION 6.1 - Key livelihoods issues of farmers as well as opportunities to address them, are identified and implemented.

6.1.1

[SH-MF] The Producer Unit Manager and field staff engage in consultation and dialogue with farming households (including all family members) and other relevant community-level stakeholders to assess key livelihood issues and identify opportunities for improvements.

Responsibility level: Producer Management

New

Intent:

The intent is a flexible approach that ensures that any measures taken to improve livelihoods are informed by local farmer needs and priorities. It should also leave space to seize opportunities and encourage the PU to innovate where opportunities arise.

Part of the farmer consultation can overlap in practice with the farmer consultation required in 1.2.3. - there is no need for duplicative consultation.

Explanatory notes:

Local guidance will be provided to help with implementation of this indicator. Pathways to explore could include, for example: strengthening women's capacities and participation, diversified incomes, facilitating subsidized crop insurance, access to credit, or similar. Better Cotton is also currently defining a working definition of livelihoods. The underlaying idea is for farming households and communities to have the knowledge, skills, power, and choice to use reliably accessible material and non-material resources to sustain or improve their wellbeing – even in times of shocks, and without compromising the current or future wellbeing of others or the environment.

Better Cotton acknowledges the importance and entry points of living incomes for livelihoods. Measures to work on that pathway via research (identifying incomecost gaps) and capacity development are in consideration.

Climate change adaptation



6.1.2

[SH - MF] Based on 6.1.1, specific activities or interventions are implemented that deliver improvements against the targeted focus areas for livelihoods over time.

Responsibility level: Producer Management

New.

Intent:

The intent is that while there is a lot of flexibility in the approach, the PU must monitor progress and should be able to explain how the activities taken over time contribute to improvements.

Explanatory notes:

It is recommended that the PU consider partnerships or collaborations wherever possible. For any pathways explored and activities undertaken, the concerned stakeholders' needs, demands and opinions must be considered and any measures very thoroughly set-up to avoid adverse effects. Better Cotton will both provide local guidance for implementation as well as clear assurance guidelines.

Climate change adaptation

CRITERION 6.2 - Enhanced social and economic benefits through organisation and joint action.

6.2.1

[SH] Where needs and demands as well as local opportunities exist, the Producer supports farmers to organize in groups for enhanced social and/or economic benefits. These can include:

- (i) Improved access to inputs and markets;
- (ii) improved access to knowledge and information;
- (iii) improved participation and collective voice.

Responsibility level: Producer Management

New-improvement to core. Current Indicators in 6.22 made core.

Explanatory notes:

In consultation with female and male farmers, the Producer should identify the need and demands for Producer organisations or similar structures that help farmers organise themselves for one or several socioeconomic benefits. The indicator only applies where the local contexts allow to work on those issues.



Annex 1: Indicators contributing to climate change mitigation and climate change adaptation

Indicator	Climate Change Mitigation	Climate Change Adaptation
1.7.1 [SH-MF-LF] The Producer is aware of:(i) Local climate impacts and how they affect farming activities and livelihoods;(ii) Locally relevant climate change adaptation and mitigation measures.	✓	✓
1.7.2 [SH-MF-LF] Locally relevant climate change adaptations measures are integrated into the activity and monitoring planning and implementation.	✓	✓
1.7.3 [SH-MF-LF] Locally relevant and feasible climate change mitigation measures are integrated into the activity and monitoring planning and implementation.	✓	
2.2.1 [SH-MF-LF] Locally relevant practices that maximize crop diversity are implemented.	✓	√
2.2.2 [SH-MF-LF] Locally relevant farming practices that maximize soil cover are implemented.	✓	√
2.2.3 [SH-MF-LF] Locally relevant farming practices to minimize soil disturbance are implemented.	√	✓
2.2.4 [SH-MF-LF] Optimum application of fertilizers aims to maximise benefits and minimize negative impacts, considering and selecting the: (i) Right source of nutrient (based on soil and plant needs); (ii) Right rate; (iii) Right timing; (iv)Right place of application.	✓	
2.2.5 [SH-MF-LF] Steps are taken to minimize the use of synthetic fertilizers over time.	√	



Indicator	Climate Change Mitigation	Climate Change Adaptation
2.3.1 [SH-MF-LF; Irrigated farms only] Irrigation methods, technologies and timing are planned and implemented to improve irrigation efficiency and maximize water productivity.	√	✓
2.3.2 [SH-MF-LF; Rainfed farms only] Practices are implemented to effectively manage changing rainfall availability and distribution.		✓
2.4.1 [SH-MF-LF] Measures are implemented to protect water courses and wetlands (e.g., use of buffer zones, grassed waterways, and proper storage and use of fertilizers and chemicals).	✓	✓
2.4.2 [SH-MF-LF] Natural habitats and biodiversity are conserved, and steps are taken to enhance them over time.	✓	√
2.4.3 [SH-MF-LF] Degraded areas are identified, and steps are taken to restore them over time.	√	√
2.5.1 [SH-MF-LF] In the case of any proposed conversion from non-agricultural land to agricultural land, the Better Cotton land conversion risk assessment must be undertaken. Respective measures are fully integrated into the activity and monitoring activities in P1.	✓	
2.5.2 [SH-MF-LF] The Producer ensures that no natural ecosystems have been converted to agriculture on or after 1st of January 2020.	✓	
3.1.1 [SH-MF] An Integrated Pest Management (IPM) strategy is developed and implemented which covers Indicators 3.1.2-3.1.7 and incorporates a continuous improvement pathway in IPM understanding and practices over time. The strategy informs the activity and monitoring plans under P1.	✓	✓
3.1.2 [SH-MF] Farmers are aware of local pest pressures and their principal natural enemies and can explain locally relevant methods of pest and disease control that minimize harm to humans and the environment.	√	√

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Indicator	Climate Change Mitigation	Climate Change Adaptation
3.1.3 [SH-MF] Methods are implemented that help growing a healthy crop, avoid build-up of pest population and diseases and preserve and enhance populations of beneficial organisms.	✓	√
3.1.4 [SH-MF] As part of the IPM plan, appropriate seed varieties are given preference, based on consideration of local suitability and pest resistance.	✓	✓
3.1.5 [SH-MF] Regular monitoring is carried out on crop health and levels of pests and beneficials; field observation and decision-making tools are used to determine when and how to control pests.	✓	√
3.1.6 [SH-MF] Biological, physical, cultural, and other non-chemical methods are prioritized as pest control.	✓	
3.1.7 [SH-MF] Pesticides are only used if a certain threshold of pest level is reached. If pesticides are used: (i) Low toxicity active ingredients are preferred; (ii) They are applied in a way to mitigate resistance.	✓	
3.1.8 [LF] An Integrated Pest Management Strategy is implemented which: (i) Prevents build-up of pest populations and diseases and preserve beneficial organisms; (ii) Includes regular monitoring of crop health, pests, diseases, and beneficial organisms; (iii) Prioritises non-chemical interventions; (iv) Ensures chemicals are used only when defined thresholds are reached. (v) Prioritises low toxicity active ingredients, and manages resistance, if chemicals are used.	✓	✓



Indicator	Climate Change Mitigation	Climate Change Adaptation
3.3.1 [SH-MF-LF] Pesticides are not used if they are included in any of the following international instruments or regulations: (i) Annex A and B of the Stockholm Convention; (ii) Annexes of the Montreal Protocol; (iii) Annex III of the Rotterdam Convention; (iv) Listed in category 1 of the Globally Harmonized System of Classification and Labelling of Chemicals (GHS); la of the World Health Organization classification (WHO).	✓	
3.3.3 [SH-MF-LF] By 2024, the Producer has phased out pesticides listed in category 2 of the Globally Harmonized System of Classification and Labelling of Chemicals (GHS); Ib of the World Health Organization (WHO) classification.	✓	
3.3.4 [SH-MF-LF] A plan is implemented to phase out pesticides defined as carcinogenic, mutagenic or reprotoxic (CMR) substances according to Categories la and lb of the Globally Harmonized System of Classification and Labelling of Chemicals (GHS) by 2028.	✓	
3.4.1 [SH-MF-LF] For commonly used pesticides with environmental hazards that are not covered in 3.3.1-3.3.3, a risk mitigation approach is implemented as per Better Cotton Guidance document.	✓	✓
5.8.3 [SH-MF-LF] Workers have mandated regular rest breaks with access to shade and potable water; measures are implemented to prevent heat stress and address any signs of heat stress in workers promptly.		✓
6.1.1 [SH-MF] The Producer Unit Manager and field staff engage in consultation and dialogue with farming households (including all family members) and other relevant community-level stakeholders to assess key livelihood issues and identify opportunities for improvements.		✓
6.1.2 [SH-MF] Based on 6.1.1, specific activities or interventions are implemented that deliver improvements against the targeted focus areas for livelihoods over time.		√