

# Better Cotton Derogations Policy

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Version 2.1: February 2024

## Introduction

- [The Better Cotton Principles & Criteria \(P&C\)](#) is designed for global applicability, and takes into account different farm categories in its design. Nonetheless, Better Cotton recognises that in some exceptional circumstances, a criterion or indicator of the P&C may not be relevant or applicable in a specific local context; or there may be extenuating circumstances affecting compliance.
- To account for these situations, Better Cotton has developed a process for Producers – in coordination with the local Better Cotton Country Team – to request a derogation for a specific indicator or set of indicators.
- Refer to Section 2 which outlines the specific reasons and context where this policy is applicable

## 1. Purpose and Scope

The purpose of this document is to ensure that all requests for derogation to the Better Cotton P&C are completed and processed consistently and transparently.

This policy is applicable to all licensed Producers and Producers applying for licensing as well as current Programme Partners.<sup>1</sup>

## 2. Reasons for Derogation

The derogations process is applicable only in the following cases:

### a) Required indicators are not relevant or applicable in the local context

A request for derogation can be made in cases where an indicator under the Better Cotton Standard is not relevant or applicable to the local context and therefore compliance with the indicator would not meet the desired intent. In these cases, the derogation request must also include a well-designed and rationalised locally-adapted alternative indicator that would be applied instead of the core Better Cotton indicator. These alternate indicators should be developed in consultation with key local stakeholders or experts.

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<sup>1</sup> <https://bettercotton.org/wp-content/uploads/2023/04/Better-Cotton-PC-v.3.0.pdf>

**b) Structural or unforeseen circumstances prevent compliance**

Derogations can also be requested due to structural circumstances that interfere with the ability of a Producer to fulfil a requirement of the Better Cotton P&C, and therefore may call for derogation. This includes for example natural or manmade disasters, and unforeseen events outside of the control of the Producer (e.g. unanticipated legislation changes, changes in government-controlled irrigation systems, etc.)

**c) New indicators (resulting from the revised P&C) require more time for compliance, due to specific structural challenges or implementation constraints.**

In this case a derogation may be considered as an interim measure only to extend the transition period and enable more time for these compliance challenges to be addressed. In these cases, the derogation must be accompanied by clear action plans detailing how these challenges will be addressed

Derogations cannot be requested after non-conformities have been raised during a scheduled licensing or surveillance assessment.

### 3. Derogation Process

Requests for derogations can be raised by a Large Farm or a Programme Partner (PP), in collaboration with the local Better Cotton Country Team. Derogations can also be initiated by a Better Cotton Country Team directly (i.e. on behalf of a group of Producers, or at the national level). In specific cases – such as where multiple countries may be affected – a derogation can be initiated directly by Better Cotton Standards and Assurance team, on behalf of the concerned Producers and PPs.

- 1. Derogation request:** A Large Farm or a PP (on behalf of a PU or group of PUs) first reaches out to the local Better Cotton Country Team with a potential request for derogation. The Producer or PP should liaise with the local Better Cotton Country Team to complete a detailed Derogation Request Form (available on the in the Assurance section of the Better Cotton [website](#)) and submit it to the Standards and Assurance (S&A) Team [assurance@bettercotton.org](mailto:assurance@bettercotton.org). In cases where a regional or national context may be applicable, Better Cotton Country Teams may initiate this process on behalf of a group of PPs or Producers (Producer Units/Large Farms).
- 2. Initial completeness check:** The request is checked for completeness by the S&A Team before being passed on to the Derogations Committee for review and decision making. Additional information (with deadline to adhere to) may be requested from the Large Farm or PP.
- 3. Review and discussion:** The request is reviewed by the Derogations Committee comprising of selected members of Better Cotton Staff with relevant expertise. This will include at least two of the following roles: Better Cotton Standards Manager, Assurance Manager, and/or Director of Standards, Certification and MEL. The Derogations Committee may include other members (such as Better Cotton Country Team staff) and may seek technical advice from independent topical/thematic experts, when appropriate.

4. **Final decision:** The Committee will aim to reach a decision on whether to approve or deny the derogation within 4 weeks of the receipt of the application. However, additional time may be required where further information or technical expertise is necessary. In these cases, the applicant is informed of the delay in writing.
5. **Communication of outcome:** The Committee communicates the decision on the derogation request to the applicant in writing, including the local Better Cotton Country Team in communication. Approved derogations specify:
  - a. the indicator(s) for which there is a derogation
  - b. the justification for the derogation
  - c. the duration of the derogation
  - d. the conditions for the derogation, e.g. specific reporting deadlines, requirements for a phase out plan, controls to minimise impacts of the derogation, etc.
  - e. The scope of the derogation, in terms of Producers, regions, or countries affected

The local Better Cotton Country Team is responsible for ensuring PPs and Large Farms are informed of the outcome of a derogation request. PPs in turn are responsible communicating the outcome, including any conditions of an approved derogation, to the relevant Producers under their management.

6. **Monitoring implementation:** In the case of Producer Units, the PP is responsible for monitoring the implementation of the conditions for the derogation, and for reporting progress to the local Better Cotton Country Team according to the specified timeline. In the case of Large Farms, the farmer is responsible for these activities. For all Producers, Better Cotton reserves the right to request formal updates on the conditions of the derogation at any time.

Note that all decisions on derogations are final, and cannot be appealed. A request for derogation can be re-submitted the following season if circumstances or information has changed.

## 4. Approved Derogations

Better Cotton will make a list of existing approved derogations available publicly on the Better Cotton website and will ensure this information is shared with third-party verifiers and assessors.

Approved derogations are only valid for the time period specified by the Better Cotton Derogations Committee. All approved derogations will expire at the time the next version of the Better Cotton Principles & Criteria becomes effective. All derogations will however be carefully considered as input into the Standard review process.