



Better Cotton Growth & Innovation Fund

ANNUAL REPORT

2016



BetterCotton.org

Growth and Innovation Fund

In partnership with



The Better Cotton Growth and Innovation Fund (Better Cotton GIF) is a multi-stakeholder global investment vehicle that supports BCI's goal to make global cotton production better for the people who produce it, better for the environment it grows in and better for the sector's future. The Better Cotton GIF is designed to become a catalyst to help realise the ambitious targets that BCI, and standards recognised as its equivalent around the globe, are working towards.

We aim to reach 5 million farmers in key cotton producing countries and have Better Cotton account for 30% of global cotton production by 2020.

In this inaugural Better Cotton GIF Annual Report, we unveil how the Fund will contribute to these targets with stories from seven production countries, and insights from organisations large and small that are collaborating through the Fund to make cotton production better. With ever-increasing support from farmers, members, partners and funders, we are confident that we can bring to life more socially, economically and environmentally sustainable growing practices and achieve global transformation of the cotton sector.

Alan McClay,
BCI CEO

Joost Oorthuizen,
IDH Executive Director





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From the Secretariat



Cotton is one of the world's most important fibres and cash crops. The sector supports more than 250 million people's livelihoods in the primary production stages, making the Better Cotton GIF well placed to help address vital sustainability issues such as the application of harmful pesticides, suboptimal water use and child labour. As set out in the UN 2030 Agenda for Sustainable Development, governments, businesses and civil society have a duty to promote sustained, inclusive and equitable economic growth to create greater opportunities for all. Implementation of the Better Cotton Standard System, the backbone of BCI, contributes to this global call for action to end poverty, protect the planet and promote prosperity.

In January 2016, BCI launched the Better Cotton GIF to succeed the Better Cotton Fast Track Programme (BCFTP), which over the last six years worked with over 800,000 farmers to facilitate production of nearly 2 million MT of Better Cotton lint across eight countries. Though the BCFTP surpassed its targets, it became clear that a new financial mechanism was needed to achieve BCI's ambitious goals. In the transition from the BCFTP to the Better Cotton GIF, BCI and IDH, the Sustainable Trade Initiative, have agreed on a strategic partnership to manage the Fund, which capitalises on BCI and IDH strengths, and that brings forward the experience gained from the BCFTP.

In its first year, the Better Cotton GIF directly invested €4.2 million in field-level programmes and mobilised an additional €4.7 million in co-funding from partners—a total portfolio value of €8.9 million. These investments enabled over 600,000 farmers to participate in BCI programmes over the 2016-17 cotton season. This scale was unheard of when the first Better Cotton harvest was completed in 2010-11, but with essential support from many of the world's major brands, our dedicated partners and key public donors, today we can dream even bigger. In 2017-18, the Fund aims to double its reach to an estimated 1.2 million farmers.

We would like to take this opportunity to thank all our funders for being an integral part of the Fund's success thus far, and we are delighted to issue an open invitation to new public and private investors to step in and help improve the environment and the lives of millions of cotton farmers around the world.

We look forward to sharing more results and innovations with you over the coming years, and we hope this report inspires you to be part of the change.

Sincerely,

Lena Staafgard,
Chief Operating Officer, BCI

Pramit Chanda,
Programme Director - Cotton, IDH



Introduction

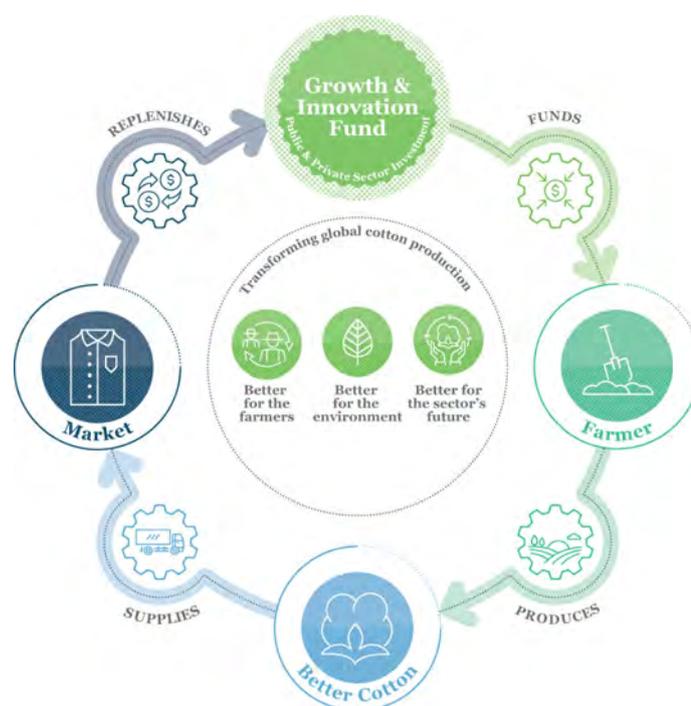


The Better Cotton GIF catalyses the transformation of cotton production around the globe

1. It provides funding to achieve Better Cotton aims across social, environmental and economic criteria through a balanced agenda;

2. The Funds aims to achieve scale by supporting BCI's aims to reach 5 million farmers and account for 30% of global production by 2020;

3. It fosters adoption of the programme by governments, trade associations and other national-scale entities to enable self-sufficiency, and to allow BCI to scale back in-country operations and investment so the Fund can focus on expansion into new countries and supporting transformative innovations.



BCI partners around the world also invest substantial amounts in projects currently not supported by the Better Cotton GIF. Investing partners include owners of recognised standards, such as ABRAPA, Cotton Australia and CMiA/AbTF.

Matching Private and Public Contributions - The success of the Better Cotton GIF depends on the commitment of BCI Retailer and Brand Members, who contribute to the Fund through a fee based on the volume of Better Cotton they procure as declared on the Better Cotton Online Tracer Platform. This fee enables brands to directly and efficiently support field-level programmes. In 2016, BCI saw its brand and retail membership base grow by 43%, indicating strong future growth for the Fund.

Additionally, the Better Cotton GIF invites global institutional donors and government agencies to match the fees contributed by the private sector. IDH invested in the Fund in 2016. The Australian Government's Department of Foreign Affairs and Trade (DFAT) and the German Government's Federal Ministry for Economic Cooperation and Development (BMZ) came on board in 2016 and will commence funding in the 2017-18 season. Indirect supporters through IDH also include the Dutch Government's Ministry of Foreign Affairs (BUZA), the Swiss Government's State Secretariat for Economic Affairs (SECO) and the Danish International Development Agency (DANIDA), demonstrating global participation that echoes the immense scope and potential of the Better Cotton GIF.



How is the Better Cotton GIF managed? Collaborative at its core, the Better Cotton GIF is multi-stakeholder. Governed by the BCI Council in partnership with BCI Retailer and Brand Members, Civil Society members and government bodies. The Fund capitalises on the expertise of its members through two multi-stakeholder committees that set the annual investment programme. The Buyer and Investor Committee (BIC) links supply and demand and proposes new strategic initiatives, while the Field Innovation and Impact Committee (FIIC) runs the annual funding application process and seeks new approaches to make implementation more effective and efficient.

Companies who contribute over €150,000 per year, or who make public commitments to procure over 50% of their total cotton supply as Better Cotton by 2020, are invited to join these committees and participate in the development of the Fund's investment strategy.

IDH, the Sustainable Trade Initiative, is the official Fund Manager for the GIF along with being an important funder. Representatives from IDH and BCI form the Better Cotton GIF. The Secretariat proposes and implements the Better Cotton GIF strategy, manages and processes project applications, promotes knowledge sharing, and manages a growing innovation pipeline.

How does the Better Cotton GIF allocate investments? The Fund makes investments annually, funding capacity building projects that aim to help farmers adopt practices consistent with the Better Cotton Production Principles and Criteria. These projects are delivered by approved BCI Implementing Partners (IPs) around the globe. Each year, IPs are invited to submit project proposals to the Fund. Following a rigorous review process that includes in-person meetings with all applicants, funding is allocated to projects that align with the Better Cotton GIF's annual priorities and long-term strategy, and meet the Fund assessment criteria as published in the Annual Programme Statements.

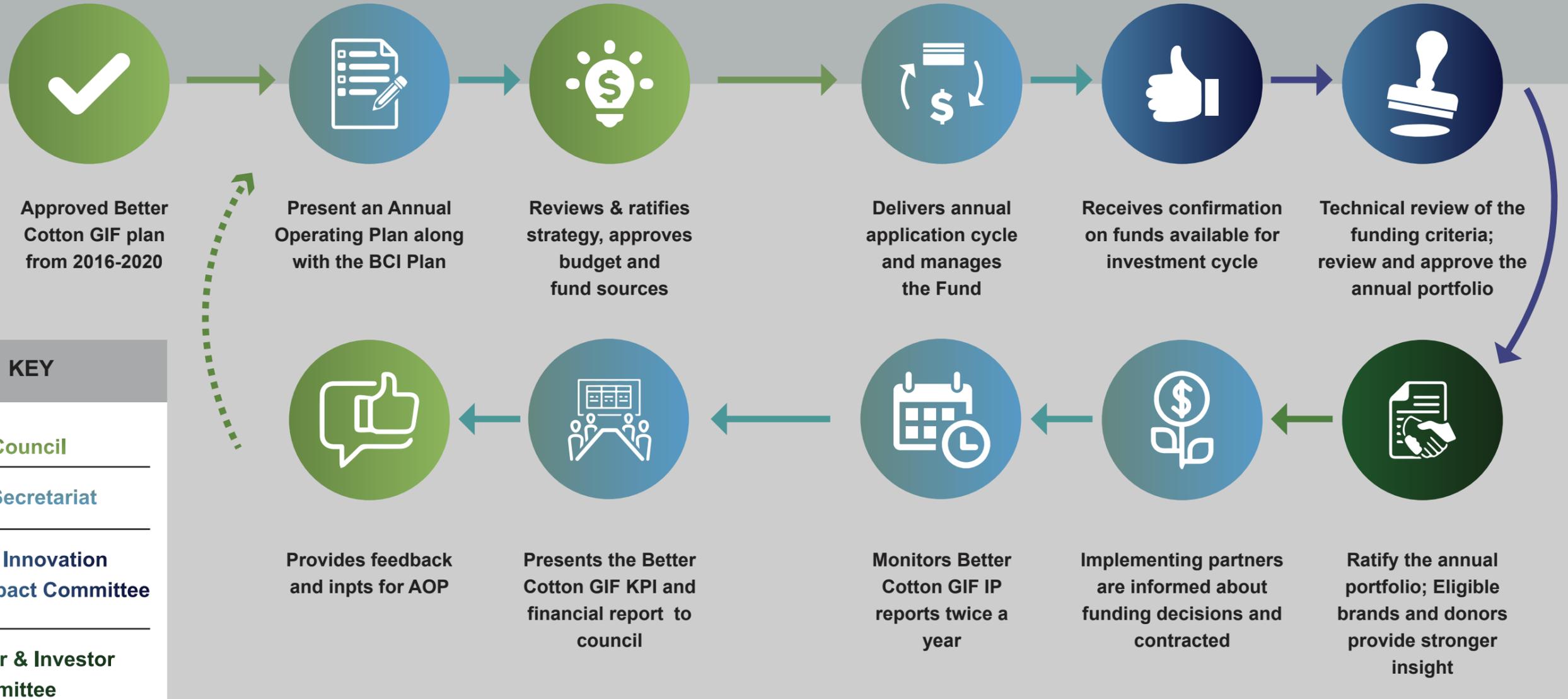
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The beauty of the Fund is that we work with all key cotton stakeholders. We work with governments to align development goals and investment strategies, we work with brands to help address their sustainable cotton sourcing requirements and ensure they play an active role in funding and projects, and we work with implementing partners and the supply chain to deliver training and capacity building programmes to farmers and drive transformations in each country.

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Collaborative at its core, the Better Cotton GIF is multistakeholder - governed by the BCI Council in partnership with BCI brands and retailers, civil society and government bodies.



Current Committee Members Are:

Field Innovation and Impact Committee



Buyer and Investor Committee



Programme Report





In its first year, the Better Cotton GIF supported Better Cotton production in seven countries: India, Pakistan, China, Mozambique, Turkey, Tajikistan and Senegal. Major successes for the Fund in 2016 include strengthened relationships with governments in India and Pakistan, the highest-ever annual national production of Better Cotton in China and an exemplary cooperative model of delivering farmer training and capacity building in Tajikistan.

The Fund operates with BCI's model of continuous improvement at its core. Participating farmers are assessed against minimum and improvement requirements that make cotton production measurably better for the environment and farming communities. Those who meet these requirements may then obtain a license to sell their cotton as Better Cotton and receive tailored training to improve their practices over time.

Though the Better Cotton GIF strategy focuses on providing support to key cotton producing countries, the Fund is also open to exploring new opportunities in light of farm-level needs and strategic sourcing requirements of BCI supply chain actors. This has been the basis of our engagement in Turkey, for example, over the past four years.

We hope you enjoy the following country snapshots, which illustrate diverse and powerful approaches to sustainable cotton production in different contexts, yet all towards the common goal of making Better Cotton a mainstream commodity.





India leads the world in national cotton production, which represents a vital opportunity for the Indian farmer. However, 99% of cotton farmers are smallholders who deal with pest and irrigation problems and are highly dependent on climate variations beyond their control.

Money lenders and middlemen impede market linkages for farmers, putting social stress on families and communities.

The success of the Better Cotton GIF's first year in India can be attributed to multiple strong partnerships and government relationships. The Fund actively pursued opportunities to work with existing IPs as well as private and public organisations who helped reach India's large number of smallholder farmers. In its first year, the Fund supported over 336,000 farmers who produced more than 300,000 MT of Better Cotton lint on nearly 500,000 hectares.

In 2016, the Better Cotton GIF funded the largest Better Cotton project, developed by the Convergence of Agricultural Interventions in Maharashtra's Distressed District Programme (CAIM), to reach an ambitious target of 70,000 farmers. In 2017 and beyond, the Fund hopes to support projects of a similar scale based on learnings from the CAIM project.

Fund priorities moving forward include embedding the Better Cotton Standard System within state organisations to help drive its adoption and supporting innovative farmer training and capacity building models and new technologies. Given the scale of cotton production and the high volume of smallholder farmers, India represents a significant opportunity for the Fund to make a real impact.



Partner Spotlight: Basil Commodities

BCI has worked with Basil Commodities on Better Cotton projects for two years. During its first year of funding from the Better Cotton GIF, Basil Commodities' work in Gujarat was responsible for nearly 10% of the Better Cotton produced in the district of Bhavnagar.

We spoke with Managing Director Vishal Patel to learn more.

“

My father began as a farmer—he's very enthusiastic and still wakes up at 6am to check the crop. We started our first ginning unit in 1997 and we now supply cotton for all the major mills in Pakistan. Many farmers in the area also rely on my father's advice to learn what seeds and pesticides to use. When I told him we should implement Better Cotton, he got on board right away. I think BCI is important for the sustainability of the industry. With support from the Fund, we can reach thousands of farmers, get feedback on our budgets and receive training and products for the safety of ourselves and our crop. Our project is growing fast and word is spreading. We're also doing some school activities where we take children on a village march with slogans of “no child labour”, “education for all” and “equality for all”. If you're really working in cotton, then it's obvious to me that this is a good programme to be a part of.

”

Implementing Partners:

AMBUJA CEMENT FOUNDATION | AFPRO | BASIL COMMODITIES | CAIM COTTONCONNECT |
DESHPANDE FOUNDATION | DILASA | IGS-BASIX | KK FIBERS | MYKAPS | PRATIBHA SYNTEX |
PRDIS | SPECTRUM | STAC | UDYANSH | VRUTTI | WWF INDIA





PAKISTAN

Pakistan is the fourth largest cotton producer in the world. The country's most vital cash crop, cotton is produced primarily by smallholder farmers who cultivate less than five hectares of land each, making up 15% of the country's arable land concentrated in Punjab and Sindh provinces.

In 2015-16, Pakistan lost approximately half its crops due to climatic changes and pest attacks, resulting in a massive decrease in production and threatened livelihoods.

Throughout the course of BCI's work in the country, Pakistan has been a reliable region for Better Cotton due to strong government support for the cotton sector, high concentrations of gins and spinning mills and vertical integration of its market structure. In 2016, the Better Cotton GIF supported over 128,000 farmers through training on the Better Cotton Production Principles and Criteria. 90,000 farmers earned a license to sell their produce as Better Cotton, resulting in 316,000 MT of Better Cotton lint produced across 359,000 hectares.

Collaboration between the Better Cotton GIF and local implementing partners has resulted from the attention and care to understand each other's values, needs and motivations, and to align towards a common objective. For example, the collaboration between BCI and Reeds Society demonstrates a relationship where both sides have aligned to create tailored programming that includes not only best practices in growing cotton but also ways to promote Decent Work and gender equality.

The Better Cotton GIF is now entering a growth phase in Pakistan, aiming to secure at least 50% of cotton production nationwide as Better Cotton by 2020. BCI is also exploring new models for delivering support and training to farmers through the GIF innovation



framework, as well as by piloting approaches to encourage collaboration between IPs and the government extension service that provides technical information and support to farmers.

Partner Spotlight: WWF Pakistan

WWF Pakistan began collaborating with BCI in 2010, initiating its first farmer support programme across three provinces. During the Better Cotton GIF's first year, WWF Pakistan's work was responsible for well over half the Better Cotton produced in the country. The organisation has achieved high saturation levels within the villages and districts when it comes to the traditional models of implementation, and is now considering a more strategic role to encourage local ownership. We spoke with Arif Hamid Makhdum, Director of the Sustainable Agriculture Programme, to learn more.

“

We started working with sustainable cotton in 1999 and the first Better Cotton bales were produced in Pakistan in 2010. We were the testing ground for the rest of the world. I think the biggest driver behind the Fund's effectiveness is the involvement of big brands to motivate local suppliers. There is now sufficient enthusiasm, and we recently signed an agreement with the provincial governments in Sindh and Punjab where they have agreed to take ownership of this system. Pakistan's water resources are decreasing relatively quickly, so reducing use of pesticides, agrochemicals and water has a huge impact. The farmers take it very seriously because they see the direct benefit—less spending and more income makes them happy. It took us over five years, but we've now convinced everyone that Better Cotton is your baby, Better Cotton is your business, Better Cotton is your profit.

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Implementing Partners:

CABI | COTTONCONNECT | LOK SANJH | WWF PAKISTAN | REEDS SOCIETY





MOZAMBIQUE

Cotton is a major agricultural crop for Mozambique, primarily cultivated by smallholders on less than one hectare. Cotton cultivation involves over 100,000 producers, 70% of them family-based enterprises, that operate on a contract farming model involving a few large buyers who source from small producers. The Cotton Institute of Mozambique aims to make the country's cotton 100% Better Cotton.

Since 2013, the Better Cotton Production Principles and Criteria have become embedded in the national guidelines for cotton growing, and therefore in the work and livelihoods of cotton farmers across Mozambique. In 2016, the Better Cotton GIF supported 87,000 farmers through training on the Better Cotton Production Principles and Criteria. 72,500 farmers earned a license to sell their produce as Better Cotton, resulting in 15,500 MT of Better Cotton lint produced across 88,000 hectares.

The ongoing growth of Better Cotton in Mozambique demonstrates BCI's commitment to focus not only on the largest cotton-producing regions, but also on countries where cotton is most integral to the well-being and development of individual farmers, families and overall societal growth.

In Mozambique, providing training and capacity to farmers is already an established business activity for private partners of the Better Cotton GIF. Therefore, with targeted funding, the Fund aims to build capacity for the implementation of current extension services while also catalysing innovations and improvements of training packages for farmers. The Better Cotton GIF is currently continuing to strengthen its relationships with IPs to provide consistent support and move towards Better Cotton comprising 100% of cotton production nationwide.



Partnership Spotlight: SAN JFS

SAN JFS is one of the oldest operating groups in Mozambique and began working with BCI in 2014. During the first year of the Better Cotton GIF, SAN JFS programmes were responsible for nearly 20% of Better Cotton production in the country. CEO Francisco Santos tells us more:



Since our very first year, we have worked in rural environments and we are still 100% family-owned. We are accredited by Cotton Made in Africa, and we see BCI and the Better Cotton GIF as an important guiding tool for us to manage our operations. In our environment, every penny counts so the funding we receive from the Better Cotton GIF makes a difference. We recently set up a communications platform via SMS and a call centre, which is an important strategic line for us to find more sophisticated products and financial services for our farmers. The BCI network also puts positive pressure on us to present projects and results, and we are evaluated periodically. Improvement takes time and our biggest challenge is to create services that understand people's needs and aspirations. I think Mozambique is a positive environment to realise the less tangible principles of BCI.



Implementing Partners:
OLAM | SANAM | SAN JFS





China is second only to India in national cotton production. The industry supports over 20 million farmers and farm workers, both large-scale and smallholders, who rely on cotton cultivation for part of their livelihoods.

Farmers face water scarcity, and challenges linked to the overuse of pesticides and fertiliser and soil pollution, which limit their yields, profits and overall well being. Mitigating climate change risks and overcoming labour shortages are also crucial to securing the industry's future.

The Better Cotton GIF supports BCI projects in Xinjiang, Shaanxi, Hubei, Shandong and Hebei through a balanced portfolio of large and smallholder farmers. In light of its leading garment and textile industry, China is also one of the most important sourcing hubs for many BCI Brand and Retail Members. In 2016, the Fund supported 57,000 farmers through training on the Better Cotton Production Principles and Criteria. 47,000 farmers earned a license to sell their produce as Better Cotton, resulting in 463,000 MT of Better Cotton lint produced across 208,000 hectares. This was the largest annual production of Better Cotton in a direct implementation country to date.

Better Cotton GIF progress in China has been supported by key partnerships and relationships with local governments. In 2016, China nearly became the first million tonne Better Cotton country, partially due to strategic investment from the Better Cotton GIF but mostly due to self-funded implementing partners including NGOs, social enterprises, cotton cooperatives, supply chain actors and local governments.

The Fund has supported training and capacity building for farmers, including knowledge sessions on Better Cotton, integrated pest management, pesticide, water and fertiliser application and Decent Work. Training and capacity building efforts also aim to encourage more young people to farm and enable smallholder farmers to raise their income to break free from cycles of poverty. The Fund will continue working to increase the market share of Better Cotton in the country.

Implementing Partners:

COTTONCONNECT | XPCC | KETENG TRADING | NONGXI COTTON COOPERATIVE | YULI COTTON & LINEN | SONGZI AGRICULTURAL EXTENSION CENTER





Turkey is one of the largest textile-producing countries and cotton trading hubs in the world. With an increase in farm-level profitability and strong government support, production has been encouraged in an attempt to reverse difficulties farmers have faced due to high cotton prices and a challenging business and export environment. Farmers also face relatively high production costs, in part due to the lack of adequate irrigation from rainfall.

Cotton is the primary source of income for millions of people in Turkey, home to age-old cotton production practices. In 2016, the Better Cotton GIF supported training of 374 farmers, who produced over 30,000 MT of Better Cotton lint across 15,500 hectares.

BCI has worked with its Strategic Partner, the Good Cotton Practices Association (IPUD) since 2011 when leading actors in the Turkish Cotton Sector approached BCI with an explicit aim to start Better Cotton production in the country. Today, Turkey is making strides to gain full ownership over Better Cotton and represents a critical textile market for many BCI Brand and Retail Members.

Given the importance of Turkey in the textile supply chain, the Better Cotton GIF is collaborating with IPUD to exponentially grow the presence of Better Cotton nationwide. The goal is to ensure that at least 50% of all Turkish cotton be grown according to BCI Production Principles and Criteria. Over the course of 2016, BCI and IPUD have also begun exploring the opportunity of adding a number of new implementing partners and engagements through the Fund to ensure Better Cotton production can scale successfully to all four cotton-producing regions.

Implementing Partners:
IPUD





TAJIKISTAN

Since Tajikistan gained independence from the Soviet Union in 1991, the country's cotton sector has seen significant liberalisation and privatisation, including restructuring of cotton farmlands and partial privatisation of cotton farms through collective land tenure. Today, farmers face a variety of challenges, from excessive use of pesticides, to water shortages and air, soil and groundwater pollution.

Tajikistan is the first Central Asian country to be part of the Better Cotton GIF, and the country remains an important region for the Fund as cotton supports over half the rural population. In 2016, the Better Cotton GIF funded the country's fourth harvest of Better Cotton, supporting 1,000 Better Cotton farmers who produced nearly 13,000 MT of Better Cotton lint on over 13,000 hectares.

In 2016, the Fund supported implementing partner Sarob Consumer Cooperative (Sarob), to expand training and capacity building programmes for farmers and run a business model of farmer extension services as a cooperative. Sarob also provides a host of other services to farmers beyond cotton-specific guidance, such as consistent access to external advisory services and development of services in accordance with farmer and industry needs. In Tajikistan, BCI training and capacity building are provided as part of a wider services package, which reduces the need for additional funding and enables programmes to become self-sufficient and scalable.

Better Cotton production in Tajikistan is rooted in the region's unique history. The cotton industry was formerly built on the Soviet Union model where the government provided guidance to farmers at the regional level. To this day, Sarob connects with agronomists who deliver learnings for which farmers pay a fee. This model works in Tajikistan because farmers view agronomists and institutions as very credible sources due to the country's history and how the industry has developed over decades.

Implementing Partners:
SAROB CONSUMER COOPERATIVE





SENEGAL

Senegal's cotton industry accounts for approximately 2% of national GDP and 5% of export earnings. Cotton is mainly grown in Eastern Senegal and Upper Casamance. Cotton cultivation peaked in 2007, but since then yields have declined due to poor farming practices, rising costs for farmers and institutional difficulties. Chronic poverty also underscores the livelihoods and communities of most farmers.

BCI began its work in Senegal in 2014 in the Kolda region, where 1,200 MT of Better Cotton lint was produced on 3,000 hectares. In 2016, the Better Cotton GIF supported 6,300 farmers with training on the Better Cotton Production Principles.

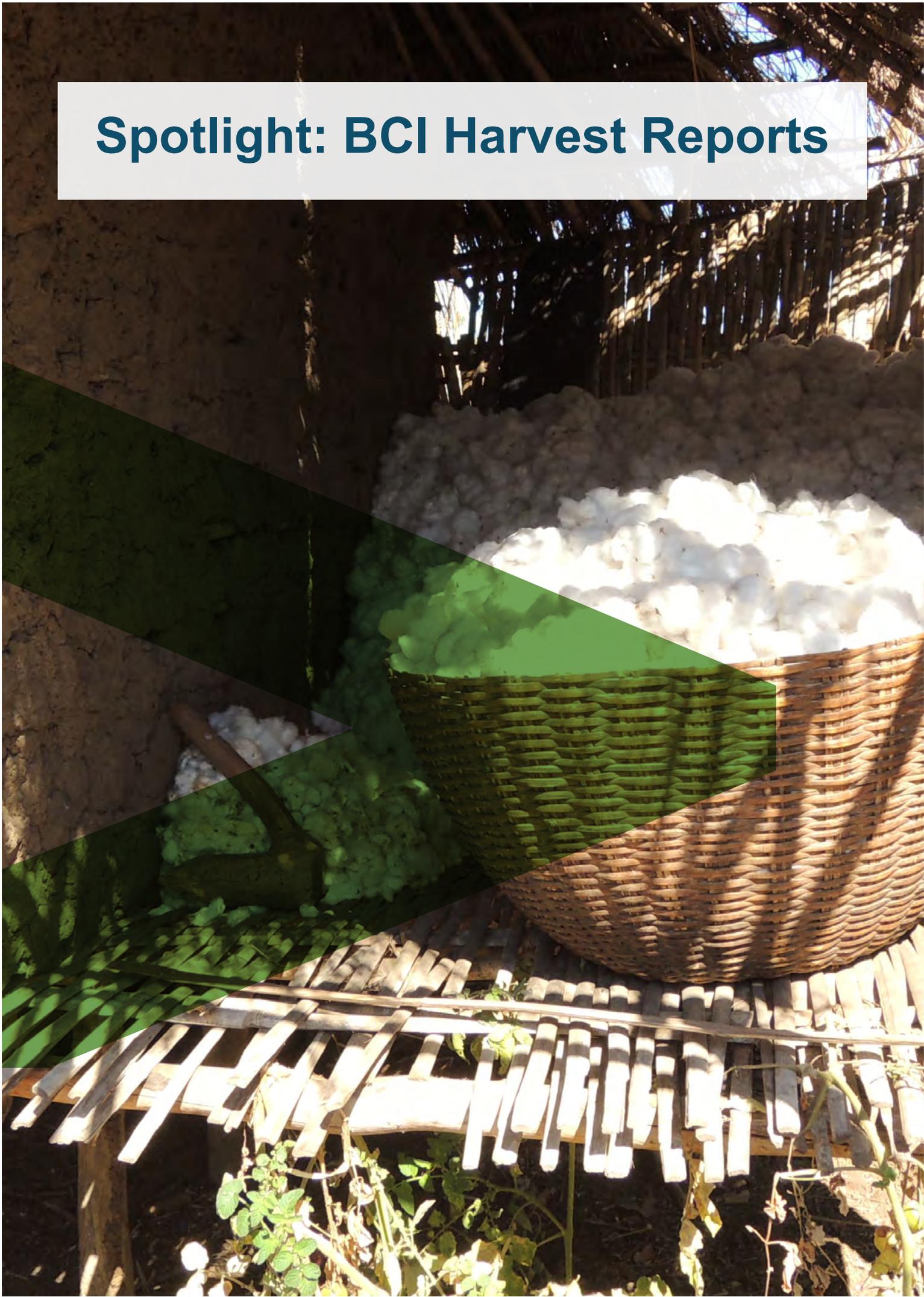
Kolda is widely considered Senegal's poorest region with a particularly high poverty rate. The country's agricultural sector plays a strategic role in the region's economic and social development, as higher cotton yields lead to higher farmer incomes and numerous social benefits for their families.

In Senegal, the Better Cotton GIF works with its main implementing partner, Société de Développement des Fibres Textiles (SODEFITEX), which also collaborates closely with the National Federation of Cotton Producers. BCI's regional strategic partner, the Association of African Cotton Producers (APRoCA), oversees both these organisations and provides BCI training and capacity building to participating farmers.

Implementing Partners:
SODEFITEX



Spotlight: BCI Harvest Reports



BCI releases country Harvest Reports on a rolling basis on our website.

These reports contain annual harvest results, including programmes within and outside the Better Cotton GIF, as well as accompanying narrative about how these results were achieved. BCI will also release a Global Harvest Report that brings country Harvest Reports together in one place and reports on global figures for that season.

The latest BCI Harvest Reports can be accessed online at bettercotton.org/harvest-reports/



Innovation and the Better Cotton GIF



What if farmers in India could be 35 times more productive? Conventional thinking says farmers need to be taught to develop their skills. However, BCI's Country Manager in India shows us that rather than teaching farmers about growing processes and practices, IPs can demonstrate and interact with farmers directly to raise awareness about how to be resilient and adapt in changing circumstances. This is innovation itself, a new way of thinking about how to engage with farmers.

In China, we expect innovation will manifest differently than in India. IPs have a strong commercial model and they face problems unique to the private sector. The question here is, how can innovation help incentivise private companies to walk the sustainability path? How can we get the private sector and government to work together?

It's a new world we have entered, with new risks. Often this is where people walk away, but to stay means facing that new reality head-on.

**Freek Tanis,
Strategic Consultant to the Better Cotton GIF**

The Better Cotton GIF is set up to meet targets at such an ambitious level that we must innovate to reach them. So how can we push our thinking beyond traditional approaches to achieve more effective and efficient implementation?

“We have a habit of setting ambitious targets, aspirational and brave, often with an uncharted, uncertain way forward. Each target requires a new approach and new thinking to succeed, and this feeds into our model of continuous improvement.”

The Fund has strong potential to support innovation through its programmes. These innovations could be anything from an engagement model for farmers, ways to leverage technology to save water and reduce chemical use, or even a value proposition business model to enable the private sector and governments to collaborate more closely.

In 2016, the Better Cotton GIF made modest and cautious investments in research and development in service delivery models and new mobile app trials and IT based technologies to enable farmers to continuously improve and uncover new practices. The Fund is in the process of creating an innovation framework to measure results in a systematic way.

Ultimately, innovation will allow the Better Cotton GIF to harness the best technologies and practices to address pressing sustainability issues cotton farmers face. We look forward to sharing our innovations and results with you over the years to come.



Call for Action

Be Part of the Transformation

Contributing to the Better Cotton GIF will give you an active voice in driving the success of your investment and in creating a more sustainable future for the millions of farmers, businesses, brands and consumers that the cotton industry reaches. The transformation of the cotton sector contributes significantly to the global call for action by governments through the UN Sustainable Development Agenda to end poverty, protect the planet and ensure prosperity for all. The Fund has a clear opportunity to build on the success of its first year, to bring BCI's mission to scale and transform the cotton industry as we know it. By joining our community of ambitious leaders, you too can be a part of this change.

To learn more about the Better Cotton GIF contact Claudia Busch, Head of Development, BCI at development@bettercotton.org



Annexure 1

Portfolio Summary

2016 Better Cotton GIF Summary	China	India	Pakistan	Mozambique	Turkey	Tajikistan	Senegal	Global
Tons of Better Cotton produced (MT Lint)	462,883	244,520	309,703	15,648	29,640	12,727	0	1,075,121
Number of Better Cotton Farmers	47,267	227,506	102,054	72,570	342	1,051	0	450,790
Number of farmers/ workers trained	57,009	332,713	117,529	87,919	374	1,051	6,296	602,891
Hectares licensed to grow Better Cotton	208,126	391,155	353,028	88,343	15,649	13,050	0	1,069,351
Number of Projects	6	21	7	3	1	1	1	40
GIF Contribution to Projects (EUR)	649,460	2,196,216	1,341,604	188,975	28,777	49,000	30,000	4,484,032
IP Contribution to Projects (EUR)	1,238,127	1,043,354	403,766	553,071	233,273	55,000	155,377	3,681,968



Annexure 2

Project Summary

Better Cotton GIF Projects in 2016		% farmers earning a BC License	Farmers		Production Mt Lint	Hectares
STATE	COUNTRY		PARTICIPATING	LICENSED	FINAL	FINAL
CHINA						
Xinjiang	Cotton Connect-Xinjiang-SH	100%	1,832	1,832	41,062	18,544
Xinjiang	Yuli Cotton & Linen	-	-	-	-	-
Xinjiang	XPCC-Xinjiang-LF	83%	30	25	375,650	156,298
Shandong	Nongxi Cotton Cooperative-Shandong-SH	100%	16,025	16,025	32,358	24,577
Xinjiang	Keteng-Xinjiang-SH	27%	324	87	6,818	2,841
Hubei	Songzi Agriculture Exstention Center-Hubei-SH	76%	38,798	29,298	6,995	5,866
Totals		83%	57,009	47,267	462,883	208,126

INDIA						
Andhra Pradesh	PRDIS - Mahabubnagar	67%	23,591	15,902	12,815	18,760
Gujarat	ACF - Kodinar	33%	7,979	2,611	909	1,347
Gujarat	AFPRO - Gujarat	92%	35,983	32,985	32,084	60,404
Gujarat	Basil Commodities - Bhavnagar	100%	8,120	8,106	18,393	20,510
Gujarat	CottonConnect - Wankaner and Patan	82%	16,071	13,162	10,753	17,005
Gujarat	Spectrum - Surendranagar	100%	11,454	11,453	25,715	34,255
Karnataka	Mykaps - Mysore	69%	7,148	4,932	1,411	4,829
Madhya Pradesh	Pratibha - Khargone & Jhabua	53%	16,574	8,807	13,112	20,295
Madhya Pradesh	K.K. Fiber - Khargone	81%	11,383	9,219	10,051	16,923
Madhya Pradesh	Udyansh - Dhar	88%	9,556	8,371	2,790	8,294
Madhya Pradesh	Vrutti - Madhya Pradesh	0%	8,800	0	0	0
Maharashtra	ACF - Chandrapur	105%	8,390	8,773	15,825	23,357
Maharashtra	AFPRO - Yavatmal	91%	19,370	17,630	16,569	34,861
Maharashtra	IGS - Maharashtra	0%	7,361	0	0	0
Maharashtra	Spectrum - Vidarbha	100%	9,699	9,699	15,782	25,111
Maharashtra	CAIM - Vidarbha	49%	69,934	34,047	27,921	44,033
Maharashtra	Dilasa Janvikas Pratishtan - Aurangabad	100%	7,726	7,724	4,843	7,763
Odisha	STAC - Rayagada	46%	7,800	3,551	3,473	6,312
Punjab	ACF - Bhatinda	57%	23,149	13,112	13,001	18,240
Punjab	WWF India - Mansa	94%	11,393	10,658	14,732	21,152
Telangana	Deshpande Foundation - Telangana	60%	11,232	6,764	4,341	7,704
Totals		68%	332,713	227,506	244,520	391,155



Annexure 2

Project Summary

Better Cotton GIF Projects in 2016		% farmers earning a BC License	Farmers		Production Mt Lint	Hectares
PROVINCE	COUNTRY		PARTICIPATING	LICENSED	FINAL	FINAL
PAKISTAN						
Punjab	WWF PAK - Jhang, Punjab	94%	16,639	15,595	32,354	38,008
Punjab	WWF PAK - Rahimyar Khan, Punjab	63%	17,402	10,970	46,230	51,800
Punjab	WWF PAK - Bahawalpur, Punjab	87%	21,490	18,741	71,112	91,019
Punjab	WWF PAK - Tobatek Singh, Punjab	81%	16,721	13,517	9,946	14,964
Punjab	REED Society - Rahim Yar Khan, Punjab	100%	9,203	9,198	55,757	58,935
Punjab	Lok Sanjh - Bahawalnagar, Punjab	-	16,901	-	-	-
Punjab	Lok Sanjh - Tobatek Singh, Punjab	74%	15,556	11,564	11,024	15,642
Sindh	WWF PAK - Sukkur, Sindh	69%	11,423	7,927	57,795	58,621
Sindh	CABI - Mirpur Khas, Sindh	85%	849	718	27,695	25,430
Sindh	Cotton Connect - Nawabshah, Sindh	100%	2,209	2,211	3,690	4,299
Totals		70%	128,393	90,441	315,603	358,718
MOZAMBIQUE*						
Nampula	SANAM - Nampula	100%	36,214	36,214	7,157	35,173
Niassa	SJFS-Niassa	88%	27,000	23,656	2,972	25,262
Ribaué	OLAM - Ribaué, Morrumbala, Tete, Mossurize	48%	26,594	12,700	5,519	27,908
Totals		83%	87,919	72,570	15,648	88,343
TURKEY						
Istanbul	IPUD - Istanbul	91%	374	342	29,640	15,649
Totals		91%	374	342	29,640	15,649
TAJIKISTAN						
Kathlon	Sarob - Sogd & Kathlon Oblast	100%	1,051	1,051	12,727	13,050
Totals		100%	1,051	1,051	12,727	13,050
SENEGAL						
Kolda-MYF	Sodefitex-Kolda	-	6,296	-	-	-
Totals		-	6,296	-	-	-
Grand Totals		72%	613,755	439,177	1,081,021	1,075,041

* BCI has recently re-aligned from the calendar year to the international cotton calendar (August-July). According to the new international cotton calendar reporting period, GIF therefore funded the 2015-16 season, not the 2016-17 season, in its first year.



Annexure 3

The Better Cotton GIF publishes country-specific requirements, programme statements, eligibility criteria and preferred assessment criteria that guide IPs in their applications for funding. BCI in-country teams publish their strategic priorities, which cascade down from the global priorities of the Better Cotton GIF. The Better Cotton GIF priorities are themselves a cascade from BCI global priorities, thereby creating cohesion and strategic alignment from global to local levels.

Applicant Selection and Due Diligence



Annexure 4: Sources

Cotton production and export values for individual countries were sourced primarily from the USDA Global Agricultural Information Network reports by country.

Full Source List:

Cotton Inc. Monthly Economic Newsletter. 2017:

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Better Cotton GIF Field Impact and Investment Committee*

Lena Staafgard	BCI (Chair)
Damien Sanfillipo	BCI
Pramit Chanda	IDH
Steven Collet	IDH
Jonas Burgheim	BMZ
Keith Tyrell	PAN UK
Pramod Singh	IKEA
Phil Townsend	Marks & Spencer

Better Cotton GIF Buyer and Investor Committee*

BCI (Chair)
IDH
Nike Inc
adidas Group
BESTSELLER
IDH
Department of Foreign Affairs and Trade
C&A
Tommy Hilfiger
VF Corporation
IKEA
Marks & Spencer
ASOS
Levi Strauss & Co.
H&M
Federal Ministry of Economic Cooperation and Development (Germany)

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*GIF FIIC and BIC members in 2016

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