



**the sustainable
trade initiative**

IDH statement on the Better Cotton program in China

IDH supports Better Cotton as a funder and strategic partner, including of the Better Cotton Growth & Innovation Fund.

As both the world's largest cotton producer and a major consumer of cotton, China is a key sourcing country for Better Cotton members. In China, Better Cotton is grown in Gan Su, Hebei, Hubei and Shangdong, and programs are run by the following four Implementing Partners: CottonConnect China; Huangmei County Huinong Scientific and Technology Planting and Breeding Cooperative; Shandong Binzhou Nongxi Cotton Professional Cooperative, and Songzi Nanwuchang Grain Cotton Oil Specialised Cooperative. No IDH funding from IDH, however, has been allocated to Better Cotton projects in China.

In view of the challenges experienced in the operating environment in the Xinjiang Uyghur Autonomous Region (XUAR), Better Cotton ceased all field-level activities in October 2020 including capacity building, data monitoring, and reporting in that region. IDH supported this decision and believes Better Cotton has since taken important steps to strengthen both its country-level and global processes as well as decent work competencies.

Better Cotton have provided training on forced labour to all key staff, Implementing Partners, and third-party verifiers; formed a 'Decent Work Advisory Committee'; established a Decent Work Team; and commissioned research that provides Better Cotton with more detailed information on labour-related risks in different cotton producing regions.

In addition, to strengthen the responsiveness of Better Cotton processes to risks of forced labour specifically and labour violations generally, Better Cotton has integrated indicators into the Assurance processes, instituted a Standard Operating Procedure to report and remediate cases of forced labour if identified during Better Cotton field assessments, with further training to staff and Implementing Partners. A global risk assessment framework has also been created to determine the risk of forced labour in cotton production at country level, which is used to prioritise resource allocation. The revision of Better Cotton Principles & Criteria, which began in October 2021, is also focused specifically on decent work and gender. Finally, Better Cotton's ongoing work to develop new traceability options will help mitigate risks.

We as IDH remain committed to engaging with all stakeholders and relevant experts that prioritise the safety and wellbeing of farming communities and reflect IDH's values. Further details regarding financial allocations are available in Better Cotton's public reports [here](#).