



**BCI**

Better  
Cotton  
Initiative

**BCI**

# BCI COUNCIL AGREEMENTS January-May 2010

## Orientation

The BCI Council meeting By-Laws state that a summary of the decisions of the Council shall be made public. This document recapitulates all the agreements made by the BCI Council between January 2010 and April 2010.

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### **Call, 27 January 2010**

The fee waiver process must be respected, so in this case. IKEA and Gap Inc. are required to shall pay their full membership fee in 2010. Some flexibility in the terms of the payment schedule will be offered to Gap Inc.

A BCI Development Committee composed of donors who provide at least 100k EUR funds to the BCI per year and for which the quorum will be 51% of the members of the Committee being present will be established.

The cotton grown by farmers involved in a BCI project, who do not meet the Better Cotton requirements, will not be segregated by the BCI supply chain system.

### **By email, 23 February 2010**

AProCA (African Cotton Farmers) were approved for membership of the BCI retrospectively with starting date of 1 January 2010.

### **By email, 2 March 2010**

Cotton Connect was approved for membership of the BCI retrospectively with starting date of 1 January 2010.

### **Meeting, 4 - 7 May 2010**

#### **Finances**

The 2011 budget will be increased as follows: EUR 15,000 for governance, EUR 45,000 for a second Staff in Pakistan and India to focus on supply chain work with ginners.

The BCI will have a reserve policy consisting in keeping automatically any year-end surplus in reserve until the 3 months operating cost reserve is secure, with any additional surplus beyond this to be used on the basis of Council approval only.

#### **Collaborating with other initiatives**

The BCI will apply to join ISEAL Alliance as an affiliate member.

The Executive Director will decide whether the BCI should join the DEFRA Sustainable Clothing Roadmap.

The BCI will work with CMiA to identify a collaborative framework.

#### **Membership fees**

The following steps for the revision of the membership fee structure were agreed:

- Keeping membership fees the same for the rest of 2010;
- Revise the cotton volume calculation by:
  - Changing the loss ratio to better reflect reality of import / export
  - Adding a 'simple calculation' that rounds up
  - Adding the Swiss inflation rate each calendar year to all fee levels

#### **Financing model**

The following steps for the development of a future financing model of the BCI were agreed:

- The BCI will revise its goal of 60% of the association's operating costs to be covered by membership fees in 2012 as part of the review of the strategic plan in October 2010.
  - The BCI will review its financing model as part of the planned 2012 evaluation, or as necessary, at the earliest for January 2012.
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### **ICT Platform development**

The BCI will further explore the possible contractors for the development of the Information and Communication Technology Platform, with a final decision devolved to the Executive Director - provided that the quote remains within the available budget.

### **3rd party verification**

The BCI will contract the Fair Labour Association to develop the 3<sup>rd</sup> party verification protocol for BCI – provided that the cost is within budget, and that FLA will manage BCI's 3<sup>rd</sup> party verification for 2010 / 2010.

### **Supply Chain**

A BCI Supply Chain Working Group will be set-up.

### **Governance**

Farmers Associates of Pakistan was appointed to sit on the Council as a producer organisation.

Michael Kobori was appointed as a member of the Executive Committee.

The Terms of Reference for the Advisory Committee were approved provided that the recommended changes (add expertise on water, and fundraising, mention the need for balanced representation of various expertises, change networker to influencer) are integrated.

### **Communication**

The consultation process in China will include a point that the communication on what is or isn't Better Cotton is accurate and consistent.

The support paper for media enquiries on Uzbekistan was approved with noted changes included.

The position paper on child labour was approved to go in the communication tool kit for BCI members.

The position paper on BCI and Planting Seed was approved to go in the communication tool kit for BCI members.

The position paper on Genetically Modified (GM) Cotton was approved to go in the communication tool kit for BCI members.

The detailed list of BCI farm projects with related gins will be shared with Retailers and Brands Members only if they have met their minimum obligation to contribute financially to farmer support.

The development of a framework for graded access to communication tools and materials will be de-prioritised.

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