

IMPLEMENTATION PARTNERSHIP AGREEMENT

BETWEEN

NAME

(Implementer)

AND

The Better Cotton Initiative

(BCI)

CONCERNING

Implementation of the Better Cotton System in

PROJECT REFERENCE

(The Project(s))

Preamble

- A. The Better Cotton Initiative (BCI) exists 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 BCI has these long-term objectives:
1. To demonstrate the inherent benefits of Better Cotton production, particularly the financial profitability
 2. To reduce the impact of water and pesticide use on human and environmental health
 3. To improve soil health and biodiversity
 4. To promote Decent Work for farming communities and cotton farm workers
 5. To facilitate global knowledge exchange on more sustainable cotton production
 6. To increase the traceability along the cotton supply chain
- B. To help achieve these long-term objectives, the BCI has developed the Better Cotton System, the components of which are:
- **Production Principles and Criteria** to provide a global definition of Better Cotton
 - **Farmer Support** to promote enabling mechanisms at a local and global level, working with experienced implementing partners, and stimulating public-private partnership funds to implement these mechanisms
 - **Farm Assessment** to encourage farmers to continuously improve, through measuring results and seasonal learning cycles
 - **Supply Chain** connecting supply with demand through an identifiable bale of 100% Better Cotton lint
 - **Monitoring, Evaluation and Learning** mechanisms to measure progress and change and to ensure the Better Cotton System has the intended impacts on its direct beneficiaries
 - **Tools**, guidelines and learning forums to facilitate the exchange of best practices and knowledge to encourage the scaling up of collective action
- C. The Implementer desires that the Project(s) meets the requirements of the Better Cotton System so that the farmers involved in the Project(s) can grow and sell Better Cotton.
- D. This Agreement details the roles and responsibilities of the Parties for the growing and selling of Better Cotton, that is, cotton that is grown, handled and ginned in accordance with the requirements of the Better Cotton System.

Definitions

A BCI Farmer means a farmer who:

1. Participates in an annual self assessment process; and
2. Has a record keeping system, or is part of a group that does; and
3. Meets the BCI Minimum Production Criteria and therefore produces Better Cotton; and
4. Commits to and demonstrates progress in line with the BCI Progress Requirements and therefore continues to produce Better Cotton.

Better Cotton means cotton that has been assessed by the BCI to have been grown in accordance with the requirements of Better Cotton as defined in the document 'Farm Assessment'.

Better Cotton System means collectively all the following: Production Principles and Criteria 2.0; Farmer Support; Farm Assessment; Supply Chain; Monitoring, Evaluation & Learning; and Tools.

Credibility Check means the process so termed and described in the document 'Farm Assessment'.

Enabling Mechanisms means the collective term for the programme of activities identified by the BCI as being critical for the BCI to focus on to enable farmers to grow Better Cotton. The three areas of activity (individual enabling mechanisms) are: BCI enables knowledge sharing and skills development, BCI enables effective producer organisation, and BCI enables equitable access to responsible financial services.

Farm Assessment means the requirements for determining whether a farmer is growing Better Cotton, as described in the document 'Farm Assessment'.

Farmer Support means the activities that will be carried out to support farmers to grow Better Cotton, as described in the document 'Farmer Support'.

Formulation means activities of the nature detailed in the document 'BCI Step by Step Guide to implementation of the Better Cotton System: Formulation Stage', generally undertaken to develop a detailed project proposal.

Minimum Production Criteria means the Production Criteria so designated in the document 'Production Principles and Criteria 2.0'.

Monitoring, Evaluation & Learning means the activities as described in the document 'Monitoring, Evaluation & Learning'.

National Guidance Material means any information that supports or advises farmers on how they can conform with the requirements of growing Better Cotton, including and not limited to, training manuals, training methodologies, locally appropriate management practices, and best practices and strategies for BCI Enabling Mechanisms.

Parties mean the parties to this Agreement.

Production Principles and Criteria 2.0 means the specific requirements that define Better Cotton, as described in the document 'Production Principles and Criteria 2.0'.

Project(s) means the work organised to implement the Better Cotton System in a specific location that requires time, effort, and planning to complete, as further detailed in the Annexure.

Project Area means the local area(s) in which field activities for the Project(s) are or will be carried out.

Project Farmers means the farmers that the Implementer is working with to support them to grow Better Cotton.

Progress Benchmark means the specific level of activity (as detailed in the document 'Farm Assessment') that farmers must meet to qualify as having achieved the level of progress to which it refers.

Progress Requirements means the combination of Progress Benchmarks (as determined in accordance with the document 'Farm Assessment') that must be attained for a BCI Farmer who meets the Minimum Production Criteria, to continue to grow Better Cotton.

Results Indicators means the information that the BCI requires the Implementer to collect data for both at the onset and during the Project as detailed in the document 'BCI Step by Step Guide to implementation'.

Self Assessment means the process undertaken in accordance with the requirements detailed in the document 'Farm Assessment', and by which it is determined whether a Project Farmer is meeting the Minimum Production Criteria and Progress Requirements.

Step By Step Guide means the BCI Step By Step Guide to Implementation provided by the BCI to the Implementer once the Agreement has been entered into, and which provides detailed guidance information, tools, reporting formats, and forms designed to assist the Implementer to fulfil their responsibilities under this Agreement.

The BCI and the Implementer (Parties) agree as follows:

1. Membership and Partnership of the Better Cotton Initiative

1.1. The Implementer agrees to either:

- a) Apply for membership of the Better Cotton Initiative Association; or
- b) Where the nature of the organisation precludes them from being a member, enter into a written form of general cooperation (such as a Public Partner) with the Better Cotton Initiative.

1.2. The BCI agrees to advise the Implementer of the most appropriate category of membership to apply for.

2. Support for implementation

2.1. The BCI agrees to support the Implementer to implement the Better Cotton System.

2.2. In particular, the BCI agrees to:

- a) Provide a training workshop on the implementation of the Better Cotton System within 6 months of entering into this Agreement, and to provide the Implementer at least 2 months notice of the time and date of the workshop. Refresher trainings will be organised by the BCI in collaboration with the Implementer as appropriate and funding permitting.
- b) Provide a manual in the form of the BCI Step By Step Guide that includes tools, reporting formats, and forms designed to assist the Implementer to fulfil their responsibilities under this Agreement.
- c) Share any information that may be relevant to the Implementer for the Project Area, such as previous research undertaken or existing National Guidance Material held by the BCI.
- d) Work with the Implementer to secure funding for the Project(s), where possible.
- e) Work with the Implementer to have national-level Enabling Mechanisms available to support the Project(s).
- f) Provide information on a regular basis to the Implementer about the nature and extent of Better Cotton supply and demand globally.
- g) Provide a direct link to the BCI Regional Coordinator for consistent advice, support and clarification.
- h) Provide coordination with ginners in the Project Area.
- i) Organise a learning based review on the effectiveness of this Implementation Partnership Agreement at least once within 3 years of the Agreement coming into force.
- j) Provide a platform for discussing sustainability issues in the cotton sector at a national level (the National Stakeholder Council)

3. Implementing Better Cotton – General Requirements

3.1. The Implementer agrees to promote the mission and long-term objectives of the BCI, and to respect the BCI strategic approaches in their operations. These can be downloaded here:

[http://www.bettercotton.org/files/BCSInfoPack/About the BCI final eng ext.pdf](http://www.bettercotton.org/files/BCSInfoPack/About%20the%20BCI%20final%20eng%20ext.pdf)

3.2. The Implementer agrees to take overall responsibility¹ for implementing all the components of the Better Cotton System in accordance with the requirements detailed in the BCI Information Pack (http://www.bettercotton.org/index/140/better_cotton_system.html), and in the Step-by-Step Guide.

3.3. The Implementer agrees to attend the training workshop on the implementation of the Better Cotton System as organised by the BCI per clause 2.2.a.

¹ The Implementer may delegate certain activities to its local partners.

- 3.4. The Implementer agrees to inform the BCI as soon as practicable of any barriers or difficulties being faced in implementation of the Better Cotton System.
- 3.5. The Implementer agrees to provide reports to the BCI Secretariat on an annual basis in accordance with the Step By Step Guide.
- 3.6. The Implementer agrees to collect the information and data relevant to the Better Cotton System as required to be reported to the BCI, and store this information for a minimum period of 5 years from the date of collection.
- 3.7. The Implementer accepts that BCI may undertake reasonable checks to verify their activities and reporting.
- 3.8. The Implementer agrees to include BCI Project Services Costs amounting to 12% of the total costs of the project within the project budget that is then transferred to the BCI Secretariat.

Beyond these general requirements, the specific requirements for the Implementer are:

4. Planning

- 4.1. The Implementer agrees to carry out an in-depth analysis before implementing the Better Cotton System as required in the Step By Step Guide (Formulation stage). This analysis of the situation in the potential Project Area(s) needs to be done to see how the system could be implemented with partners so that:
 - a) Better Cotton is grown in accordance with the BCI Production Principles and Criteria
 - b) Farmers are supported to grow Better Cotton through the promotion of the BCI Enabling Mechanisms at a local level
 - c) Supply is connected with demand in the form of an identifiable Better Cotton Bale
 - d) Farmers are assessed and encouraged to continuously improve through measuring results and seasonal learning cycles
- 4.2. While the exact activities to be carried out by the Implementer to complete the in-depth analysis (and the time required to complete them) will be dependent on whether work has already been done by BCI, the Implementer, and or, other stakeholders in the potential Project Area(s), the Implementer agrees to provide to the BCI a Formulation Report and a 3 to 5 year Implementation Plan in the format provided in the Step by Step Guide.

5. Working with farmers

The BCI Farm Assessment document in particular, provides definitions and further explanation on the terms referred to in this section (5). (http://www.bettercotton.org/files/BCSInfoPack/2C_Farm_Assessment_final_eng_ext.pdf)

The Implementer agrees to undertake such activities as required in the Step-by-Step Guide to support the Project Farmers to qualify as BCI Farmers and continue to grow and sell Better Cotton. In particular the Implementer agrees to, and / or support the Producer Unit to:

- 5.1. Categorise farmers in the support programme into 3 categories (Family Smallholdings, Smallholder Employers, Large Farm Employers)
- 5.2. Organise farmers into Learning Groups and identify a facilitator/scribe (for smallholders only)
- 5.3. Set up a data management system and appoint a Documentation Officer at the level of the Producer Unit
- 5.4. Translate relevant information about the Better Cotton System into the appropriate local language (e.g. dissemination and awareness raising material on BCI Production Principles for farmers and workers, business case for farmers, self assessment forms, farmer field books, etc.)
- 5.5. Ensure Project Farmers submit a first Results Indicators Form to the Producer Unit (baseline data)
- 5.6. Submit first Results Indicators Report to the BCI Regional Coordinator (baseline data)

- 5.7. Define and deliver a specific farm support programme (on the basis of needs and benchmarks) in order to achieve the 'DO' Benchmarks on all Minimum Production Criteria that integrates all three BCI Enabling Mechanisms
- 5.8. Send a Producer Unit Report to the BCI Regional Coordinator at least 4 weeks before harvest
- 5.9. Provide feedback to Project Farmers on decisions by BCI about compliance
- 5.10. After harvest facilitate the collection of Results Indicators Forms from Learning Groups/Large Farm Employers
- 5.11. Submit a Results Indicators Report to the BCI Regional Coordinator not later than 8 weeks after harvest is completed
- 5.12. Facilitate the selection and planning of Progress Requirements
- 5.13. Take any other reasonable steps required to support the Project Farmers to produce Better Cotton.

6. Project Information and partners

- 6.1. The Implementer agrees to provide the information detailed in the Annex. If the information is not available or known at the time of signing this Agreement, the Implementer agrees to provide the information to the nominated BCI Representative (clause 16) within one week of the information becoming available.
- 6.2. The Implementer confirms that any retailer/brand funding or promoting any projects related to this Agreement is a member of the Better Cotton Initiative.

7. Monitoring, Credibility Checks and Verification

- 7.1. The Implementer agrees to support the BCI Farm Assessment mechanisms, for monitoring and learning purposes, and in particular agrees to, and / or support the Producer Unit to:
 - a) For Smallholders: Facilitate/organise at least one peer to peer review between Learning Groups of the same Producer Unit per season
 - b) For Large Farm Employers: Facilitate/organise at least one exchange review per Producer Unit per season
 - c) Carry out 2nd Party Credibility Checks, a minimum percentage level as defined within the Step by Step Guide
 - d) Facilitate and verify the annual completion of the Self Assessment Form before harvest
- 7.2. The Implementer agrees to cooperate with the BCI for the purpose of the BCI undertaking both 2nd party credibility checks (by the Regional Coordinator) and 3rd party verification (by independent parties), on the information provided by the Project regarding its compliance with the requirements of the Better Cotton System. Such cooperation shall include, and not be limited to:
 - a) Identifying the BCI Farmers for participation in a credibility check or 3rd party verification process
 - b) Advising the BCI of the names and addresses of Project Farmers.
 - c) Facilitating the support and participation of Project Farmers in a credibility check or 3rd party verification process
 - d) Allowing the BCI (or its nominated representative) access to the Project Area and access to any parties involved in supporting Project Farmers.
 - e) Providing copies of any documents used or generated by the Implementer to work with the Project Farmers on the Minimum Production Criteria and Progress Requirements.
 - f) Providing copies of any documents used or generated by the Implementer to work with Project Farmers on the requirements of the Better Cotton System, as provided in the Step by Step Guide.

8. Supply Chain Implementation

- 8.1. The Implementer agrees to identify during the formulation stage willing ginners potentially able to and interested in ginning the seed cotton of Project Farmers, and to provide a list of willing ginners to the BCI Regional Coordinator within 1 month after the commencement of a Project.

- 8.2. The Implementer agrees to collaborate with the local BCI Regional Coordinator in developing and maintaining relationships with ginners, and / or other buyers of seed cotton from the Project Farmers.
- 8.3. In particular, the Implementer agrees to, and / or support the Producer Unit to:
- a) Ensure that Better Cotton is segregated from other cotton until the Better Cotton is delivered to the gin.
 - b) For BCI Farmers who sell seed cotton, ensure that the weight of the seed cotton produced by individual farmers, and the weight of lots of Better Cotton delivered to the gin (where cotton from different farmers is aggregated) is recorded, and the information is recorded in the Chain of Custody documentation, and archived.
 - c) For BCI Farmers who sell lint cotton, ensure that the weight of lint cotton produced by individual farmers, and the weight of Better Cotton ginned (where cotton from different farmers is aggregated) is recorded, and the information is recorded in the Chain of Custody documentation, and archived.
 - d) Ensure that there is a documented Chain of Custody of the Better Cotton, so that the Learning Group / Large Farm Employer who produced the Better Cotton can be identified.

9. National Guidance Material

- 9.1. The Implementer agrees to develop and share with the BCI all National Guidance Material developed.
- 9.2. The Implementer agrees that the BCI shall be allowed to share with BCI members or partners the National Guidance Material provided by the Implementer, subject to any third-party restrictions on reproducing or distributing such National Guidance Material highlighted to the BCI at the time of sharing of the National Guidance Material.
- 9.3. The Implementer agrees to participate in dissemination workshops on lessons learnt and National Guidance Material development, as appropriate
- 9.4. The Implementer acknowledges that the permission granted to share information by this clause shall survive the termination or expiry of this Agreement.

10. Communicating about the Partnership

- 10.1. The Implementer agrees that it will abide by the BCI Communication Rules when communicating its involvement and / or collaboration with the BCI.
- 10.2. The Implementer agrees to act as an ambassador of the BCI and to accurately communicate the BCI's mission, objectives, approach and progress to stakeholders.
- 10.3. The BCI agrees to:
- a) Provide the Implementer with a letter of endorsement to support their formal engagement with stakeholders relevant to the Project Area, upon request.
 - b) Provide the Implementer with access to the on-line membership platform.
- 10.4. While it is the intention of the parties that the details of this Agreement be kept confidential, it is noted that external communications (by either Party) may refer to:
- a) The existence of the partnership between the BCI and the Implementer.
 - b) The fact that the BCI and the Implementer are collaborating in order that cotton from the Project Area might be able to be grown and sold as Better Cotton.
 - c) The information as laid out in BCI's Communications Rules (http://www.bettercotton.org/index/171/communication_rules.html)

11. Communicating about the Project

- 11.1. The BCI agrees that the Implementer may refer to their Project(s) as a BCI Project, as long as the Step By Step Guide is being used in the Project Area and the necessary annual reporting to BCI is delivered.
- 11.2. The Implementer agrees that the BCI may describe the Project(s) of the Implementer as a BCI project(s).
- 11.3. The Implementer agrees not to use the term Better Cotton in any way other than to describe cotton that has been expressly stated by the BCI as complying with the requirements of the Better Cotton System.
- 11.4. The Implementer agrees information provided to the BCI in the Formulation Report, Implementation Plan, Producer Unit Report, and Results Indicator Report may be used for communication purposes by the BCI, either through the BCI website, or through the BCI on-line membership portal, and at the discretion of the BCI.
- 11.5. The Implementer agrees to provide to BCI information about the Project(s) suitable for use in BCI communications about BCI projects (for example quotes, photographs and case studies), in line with the communication requirements detailed in the Step by Step Guide to Implementation.
- 11.6. The Implementer agrees not to send directly to any BCI member, without the prior express approval of the BCI, the Formulation Report, Implementation Plan, Producer Unit Report, or Results Indicator Report.
- 11.7. The BCI agrees to refer any questions specific about the Project to the Implementer, including any media enquiries.
- 11.8. The Implementer agrees to refer any questions that are beyond the scope of the Project(s) and specific to the Better Cotton Initiative, to the local BCI Regional Coordinator.

12. Fundraising for farmer support

- 12.1. The Implementer agrees to start fundraising activities, where funds are needed, during the Formulation Stage to ensure that confirmation of funding is available 3 month before planting starts.
- 12.2. Both Parties agree to give the other at least two working days notice, by email, of any planned approach to a prospective funder. A period of less than two days is acceptable where the designated funding coordinators have exchanged written confirmation (email being sufficient) that they are aware and see no conflict in the approach being made.
- 12.3. Neither Party will imply in any way that they are fundraising on behalf of the other Party.

13. Administrative and Financial Arrangements

- 13.1. Except as provided by clause 3.8, each Party shall bear their own costs of undertaking their respective obligations under this Agreement.
- 13.2. Nevertheless, separate agreement may be reached regarding the cost-sharing for any specific activity required for the implementation of the Better Cotton System.

14. Duration, Termination, Modification

- 14.1. This Agreement shall become effective on the date it is signed by the second Party, and shall have an initial duration period of three years, or for the life of the Project as described in the Implementation Plan provided to BCI (whichever is the longer), unless terminated earlier by either Party upon three months notice in writing to the other Party.
- 14.2. The Implementer expressly acknowledges that any cotton harvested subsequent to the termination of this Agreement, in the absence of another agreement, cannot be called Better Cotton.
- 14.3. In the event of termination of this Agreement, any cost-sharing agreements and project documents concluded pursuant to this Agreement may also be terminated in accordance with the termination provision contained in such agreements. In such cases, the Parties agree to work together to come to a mutually beneficial transition plan.

15. Dispute Resolution

- 15.1. Any difference of opinion between the Parties will be settled, in the first instance, through amicable dialogue.
- 15.2. Any difference of opinion persisting as to endanger implementation of the activities within this Agreement will be dealt with through the BCI Grievance Management Process.
- 15.3. Disputes in the execution of related cost-sharing agreements will be resolved according to the provisions of the respective agreements.

16. Execution

- 16.1. This Agreement may be signed by any number of counterparts, and all of those counterparts taken together constitute one and the same instrument.
- 16.2. The BCI nominates [NAME & EMAIL & MOBILE PHONE NUMBER] as the nominated representative under this Agreement.
- 16.3. The Implementer nominates [NAME & EMAIL & MOBILE PHONE NUMBER] as the nominated representative under this Agreement.

<p>[IMPLEMENTER]</p> <p>Signed by:</p> <p>.....</p> <p>Insert name</p> <p>Insert title</p> <p>Date:</p> <p>Address:</p>	<p>BETTER COTTON INITIATIVE</p> <p>Signed by:</p> <p>.....</p> <p>Lise Melvin</p> <p>Executive Director</p> <p>Date:</p> <p>Address:</p>
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ANNEXURE: Details of Project(s) (Each discrete project should be listed separately)

Project title:

Location (Country / State(s) / District(s) / Village(s) as applicable):

Project Manager / Coordinator: name / address / telephone / mobile / fax / email

Local Partner(s): organisation name / contact person / email / telephone

Willing ginning company(s): name / location

Contact details of ginning company(s): full address / telephone numbers

Cotton quality parameters:

Estimated number of farmers over 3-5 year period:

Estimated total volume of cotton lint over 3-5 year period:

Projected volume of Better Cotton lint over 3-5 year period:

Duration of Project:

Total Cost of the project (in EUR)

Funder(s):

Current funds committed: name / period