



## GUIDE TO MEMBER OBLIGATIONS - retailers and brands

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The BCI has developed Principles of Participation and related Obligations for each membership category. Members are expected to apply these Principles and to comply with the related Obligations in their activities.

The BCI recognises that there are a variety of activities that members can undertake that will promote the goals of the BCI. This document contains illustrative examples of the sorts of things members can do and is intended to help members understand how they can go about applying the Principles of Participation.

**Essential practices:** examples of the minimum actions necessary in the short term to promote the production of Better Cotton.

**Good practices:** examples of actions that will contribute to the full realisation of the goals of the BCI. Members are expected to expand the depth and range of their activities over time.

These examples are intended to be neither prescriptive nor comprehensive, and are provided for guidance only. There will be many other ways that members can apply the Principles and members are encouraged to share their learning and good practices with the BCI Secretariat and with other members. It is intended that this Guide will be updated regularly in light of members' experience.

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Principles	Obligation	Essential practices	Suggested good practices
<p><b>1. Application of the Principles</b></p>	<p><b>1.1</b> Members shall apply these Principles of Participation in their activities and shall comply with the relevant Obligations that relate to their own organisations.</p>	<ul style="list-style-type: none"> <li>• Work is being undertaken towards integrating the Principles of Participation and relevant Obligations within the member organisation’s internal document guiding the member’s operations.</li> <li>• A process is set up for monitoring and reporting on compliance with the present Principles of Participation and applicable Obligations.</li> </ul>	<ul style="list-style-type: none"> <li>• A specific (senior) representative of the member organisation is designated to ensure application of the Principles, internal monitoring, and reporting and communication with BCI.</li> <li>• The designated representative is a member of a senior decision-making body (such as the Operating Board or CSR Committee), or has direct access to this type of body, or is accountable to it.</li> <li>• The members’ compliance with the Principles of Participation and the applicable Obligations is monitored internally and is reported on at least annually internally to an appropriate senior decision-making body.</li> <li>• Relevant staff of the member organisation are informed of the BCI membership of their organisation and of the present Principles of Participation and Obligations.</li> <li>• Relevant staff have the opportunity regularly to discuss and contribute to the members’ activities in support of the BCI</li> <li>• Relevant BCI newsletters or updates are circulated amongst members’ staff.</li> <li>• The relevant Principles of Participation and applicable Obligations are integrated in the member’s own code of conduct (if any) or any internal document guiding the member’s operations.</li> </ul>
<p><b>2. Promotion of BCI</b></p>	<p><b>2.1</b> Members shall promote the long-term objectives of BCI and shall not undertake activities that could bring BCI into disrepute or damage its reputation.</p>	<ul style="list-style-type: none"> <li>• The member organisation communicates about its membership of the BCI on their website, in accordance with BCI’s communication rules.</li> <li>• The member organisation informs its suppliers and wider value chain relationships about the meaning of their BCI membership, in accordance with BCI’s communication rules.</li> </ul>	<ul style="list-style-type: none"> <li>• The member organisation communicates about its membership of the BCI and BCI’s progress on its website, through internal communication updates with all relevant staff, and with their investors and Board of Directors encouraging continued and greater support for the BCI mission, in accordance with BCI’s communications materials and rules.</li> <li>• The member organisation communicates regularly and accurately about the BCI with their customers, suppliers, sub-contractors and wider value chain relationships, encouraging them to also support the BCI, in accordance with BCI’s communications materials and rules.</li> <li>• The member organisation raises the profile of the BCI through relevant international and business forums in which they participate, such as the Global Compact, BSR, etc.</li> </ul>



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<b>3. Compliance with Antitrust policy</b>	<b>3.1</b> Members shall comply with the BCI Antitrust policy [2 September 2009] and shall not engage in any collaborative activity that involves sharing information on costs, prices, margins, suppliers or customers that could be interpreted as anti-competitive under international or national trade rules.	<ul style="list-style-type: none"> <li>The relevant staff of the member organisation have read the BCI Antitrust policy and comply with it.</li> </ul>	<ul style="list-style-type: none"> <li>The BCI Antitrust policy is included in the member's relevant staff induction procedures and internal compliance policies, and practical requirements for abiding by the policy are highlighted.</li> <li>The member organisation advises BCI of any changes in its national Antitrust law that it considers relevant.</li> </ul>
<b>4. Payment of fees</b>	<b>4.1</b> Members agree to contribute to the costs of running BCI by paying the fee relevant for their category of membership in a timely manner as determined by the BCI Council.	<ul style="list-style-type: none"> <li>The member organisation pays its membership fee within 60 days of receipt of the invoice.</li> </ul>	
<b>5. Communications about BCI</b>	<b>5.1</b> Members shall comply with BCI's Communication Rules covering how their participation in BCI may be described publicly.	<ul style="list-style-type: none"> <li>Relevant staff are aware of the BCI Communication Rules and refer to them for their communication on the organisations membership.</li> </ul>	<ul style="list-style-type: none"> <li>Relevant staff are aware of the BCI Communication Rules and, before any communication is undertaken, check that all communication (written and oral) complies with these rules.</li> <li>When appropriate, the support of BCI's Secretariat is sought in relation to communications, such as in CSR Reports, press releases or media responses.</li> <li>The member organisation does not make any misleading or unsubstantiated claims about the production, procurement or use of Better Cotton.</li> </ul>



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6. Participation in BCI activities	6.1 Members shall contribute to the development of BCI through an appropriate level of meeting attendance, responding to BCI communications, providing information and sharing knowledge.	<ul style="list-style-type: none"> <li>The member provides BCI with updated contact information.</li> <li>The member organisation advises in advance when its representatives are unable to attend a meeting and provides a proxy to another member when relevant.</li> <li>The member organisation provides regular updates (annual) on its activities relevant to BCI.</li> <li>Where draft minutes of meetings are provided to members for review, responses are provided to the BCI Secretariat within the allocated timeframe.</li> </ul>	<ul style="list-style-type: none"> <li>The member organisation attends all meetings (physical and virtual) to which the member organisation is invited.</li> <li>The member prepares in advance for meetings by reading materials, and considering responses, if necessary, through internal consultation.</li> <li>The member provides BCI with updated contact information and makes arrangements for alternative contacts where necessary</li> <li>The member organisation responds to email enquiries and requests within the given deadline.</li> <li>The member organisation systematically forwards information to the BCI on all its relevant activities, such as working with supply chain track-and-trace systems, engagement with complementary initiatives, and farmer support activities (direct or indirect) that offer opportunities or learning for farmers wishing to produce Better Cotton.</li> </ul>
7. Achievement of basic standards and commitment to continuous improvement	7.1 Members shall communicate with their suppliers about their membership of BCI.	<ul style="list-style-type: none"> <li>The member organisation communicates about its membership on its website in a place relevant for suppliers.</li> </ul>	<ul style="list-style-type: none"> <li>The member organisation informs all its current suppliers about its membership of BCI in writing and suggests ways they can be involved in BCI.</li> <li>Membership of the BCI is included on the member's supplier website (or equivalent) and is regularly updated.</li> <li>The member seeks feedback and ideas from suppliers about promoting the goals of the BCI.</li> <li>The member systematically informs new suppliers about the BCI.</li> </ul>
8. Increasing volumes of Better Cotton	8.1 Members shall use increasing volumes of Better Cotton over time.	<ul style="list-style-type: none"> <li>The member organisation embarks on an internal process to develop a long-term cotton strategy with the aim of defining targets and milestones to demonstrate progress over 3 – 6 years.</li> </ul>	<ul style="list-style-type: none"> <li>The member organisation has a strategy covering the next 3 – 6 years for increasing its procurement of Better Cotton, which includes targets and milestones to demonstrate progress.</li> <li>The member consults with the BCI about its strategy to ensure alignment with supply and BCI goals.</li> <li>The member organisation considers the use of Better Cotton based on a balance between enabling market access for the most vulnerable farmers, with quality specification requirements and ease of procurement.</li> </ul>



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	<b>8.2</b> Where possible, members shall notify BCI of annual cotton procurement plans.	<ul style="list-style-type: none"> <li>The member organisation updates BCI on the development of its cotton strategy.</li> </ul>	<ul style="list-style-type: none"> <li>The member organisation communicates its procurement plans for Better Cotton to BCI as early as possible (1 year in advance), including quality specifications.</li> <li>Any changes to procurement plans are communicated to BCI .</li> </ul>
	<b>8.3</b> Members shall seek to develop systems to monitor and report to BCI on total cotton volumes and Better Cotton volumes used.	<ul style="list-style-type: none"> <li>Within 1 year of membership, the member organisation has committed to and has a plan in place to set up the systems necessary to monitor and report to BCI on total cotton volumes and Better Cotton volumes used.</li> </ul>	<ul style="list-style-type: none"> <li>Within 1 year of membership, the member organisation has established the systems necessary to monitor and report to BCI on total cotton volumes and Better Cotton volumes used.</li> <li>The member organisation supports suppliers to work with any track-and-trace system it uses for Better Cotton, providing training and incentives to work with the system.</li> </ul>
<b>9. Support for farmers</b>	<b>9.1</b> Members shall provide additional financial support consistent with their scale for activities to support smallholder farming communities, according to their identified needs and BCI goals.	<ul style="list-style-type: none"> <li>Matched funding is made available by the member organisation to access public/foundation funding for farmer support or additional funding (beyond the membership fee) is provided to the BCI to coordinate national level implementation.</li> <li>This additional funding is at least equivalent to its membership fee.</li> </ul>	<ul style="list-style-type: none"> <li>Matched funding is made available by the member organisation to access public/foundation funding for farmer support.</li> <li>This additional funding is at least three times the level of its membership fee and                             <ul style="list-style-type: none"> <li>Is available within a year of joining the BCI</li> <li>Is available for support work in any of the BCI focus regions</li> <li>Is available for any type of support work to enable farmers to produce Better Cotton</li> <li>is committed for at least a 3-year period.</li> </ul> </li> </ul>
<b>10. Assessment and reporting</b>	<b>10.1</b> Members shall report to BCI on the application of the Principles of Participation in line with the reporting requirements agreed by the Council.	<ul style="list-style-type: none"> <li>The member organisation reports annually within the given timeframe on the application of all these Principles to the BCI Secretariat, with supporting materials and key learning points.</li> </ul>	
	<b>10.2</b> Members accept that BCI may undertake reasonable checks to verify their participation.	<ul style="list-style-type: none"> <li>The member organisation provides documents within 1 month as requested by BCI to support their annual reporting.</li> <li>The member facilitates any other verification processes developed by BCI.</li> </ul>	



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<b>11. Working with suppliers to promote the use of Better Cotton</b>	<b>11.1</b> Members shall take steps to encourage their key suppliers to join BCI.	<ul style="list-style-type: none"> <li>The member organisation's suppliers are actively encouraged to join BCI, with an explanation provided about the benefits and advantages of doing so, in line with any BCI communication materials provided for this purpose.</li> </ul>	<ul style="list-style-type: none"> <li>The member organisation provides regular information to suppliers and holds workshops with interested suppliers to explain how to work with the Better Cotton System.</li> <li>The member organisation's suppliers are actively encouraged to join BCI, with an explanation provided about the benefits and advantages of doing so, in line with any BCI communication materials provided for this purpose.</li> </ul>
	<b>11.2</b> Members shall prioritise the purchase of Better Cotton and develop longer-term relationships with suppliers of Better Cotton, where possible.	<ul style="list-style-type: none"> <li>The member organisation participates in any working group(s) offered by BCI to share best practices on working with the cotton supply chain.</li> </ul>	<ul style="list-style-type: none"> <li>The member organisation involves its suppliers in the review of its long term cotton strategy.</li> <li>The member provides support and training for suppliers using Better Cotton</li> <li>The member organisation supports suppliers to work with any track-and-trace system it uses for Better Cotton, providing training and incentives to work with the system.</li> <li>The member develops processes that recognise suppliers of Better Cotton and integrates this information within its purchasing processes.</li> </ul>