



Better Cotton Growth & Innovation Fund

ANNUAL REPORT
2018-19

A photograph of cotton bolls on a branch, showing various stages of maturity from green to white. The bolls are clustered along a dark brown stem against a light background.

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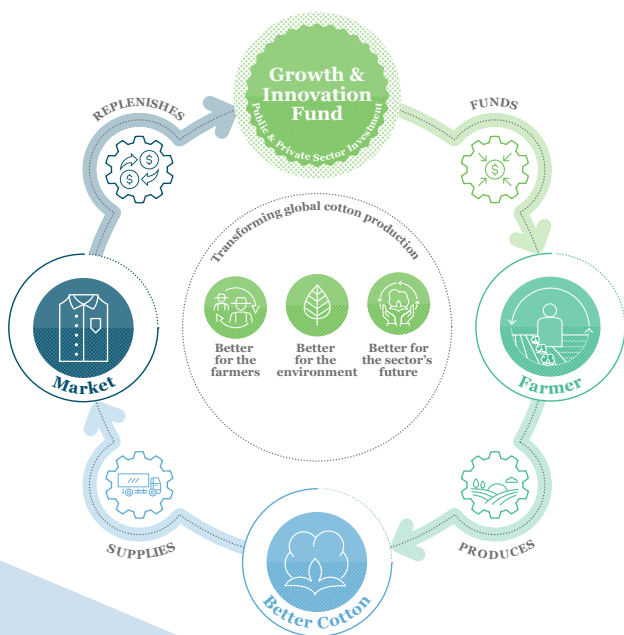
Introduction

The Better Cotton Growth and Innovation Fund (Better Cotton GIF or the Fund) is a global programme designed to support the Better Cotton Initiative (BCI) in its goal of reaching five million farmers in key cotton-producing countries and have Better Cotton account for 30% of global cotton production by 2020.

The Fund identifies, supports and invests in field-level programmes and innovations while fostering adoption of the Better Cotton Standard System by governments, trade associations and other entities. The Better Cotton GIF is governed by the BCI Council in partnership with BCI Retailer and Brand Members, BCI Civil Society Members, and Government Bodies.

The Fund provides a mechanism for BCI Retailer and Brand Members to make investments that can lead to tangible impact at the field level that cannot be achieved alone. It works with Implementing Partners (IPs) to fund farmer capacity building in six countries – China, India, Pakistan, Mozambique, Tajikistan and Turkey.

IDH is a strategic partner to the Better Cotton GIF and plays multiple roles as a strategic partner, fund manager, funder, and partner for delivering innovations.





Programme Update

In the 2018-19 cotton season, the GIF worked with 1.3 million* cotton farmers in India, Pakistan, China, Mozambique, Turkey, and Tajikistan, who received training and support from the Fund through regional Implementing Partners (IPs). The Better Cotton GIF directly invested €11 million* from BCI Retailer and Brand Members, public donors (DFAT), and IDH and mobilized an additional €3.4 million* in co-funding from Implementing Partners (IP) and supply chain partners (social enterprises, ginners, spinning mills, and garment manufacturers), creating a total portfolio value of €14.4 million.

India

India is the largest producer of cotton globally and has a high number of smallholder farmers, who have limited support in dealing with issues related to pests, irrigation and climate variations. Social challenges related to gender empowerment and child labor are also prevalent in the cotton farming sector in the country. To meet these challenges, the Fund invested almost 50% of the total funding allocation in its second year to India to work with 17 Implementing Partners on 23 projects across the country.

Estimated Programme Results 2018-19*

Fund Investment: **€4,300,290** Better Cotton Production: **899,307 MT**

Participating Farmers: **763,870** Area Covered: **1,174,252 ha**

Implementing Partners

AMBUJA CEMENT FOUNDATION | AFPRO
 | BASIL COMMODITIES | BHARAT COTTON
 FACTORY | CAIM | COTTONCONNECT |
 DESHPANDE FOUNDATION | KK FIBERS | LUPIN
 FOUNDATION | MYKAPS | PRATIBHA SYNTEX
 | PRDIS | PUNEET ENTERPRISES | SEWA |
 SPECTRUM | UDYANSH | WWF INDIA

Pakistan

Pakistan is the fourth largest producer of cotton globally with around a quarter of all farmers in the country growing cotton. It also has the third largest spinning capacity in Asia – after China and India – and as such cotton production in Pakistan plays an important role in the economic growth of the country. Approximately 1.5 million smallholder farmers in the country depend on cotton for their livelihood. These farmers are dealing with issues related to pests, quality of cottonseed and poor climatic conditions. In addition, women empowerment remains a serious challenge in many cotton-growing areas in the country. To address some of these issues at the field-level, the Fund invested in 16 projects and worked with seven Implementing Partners in the country in 2018-19.

Estimated Programme Results 2018-19*

Fund Investment: **€3,610,954** Better Cotton Production: **977,016 MT**

Participating Farmers: **385,506** Area Covered: **1,117,511 ha**

Implementing Partners

CABI | COTTONCONNECT | LOK SANJH |
 MRWO | REEDS | SWRDO |
 WWF PAKISTAN

*The figures presented within the report are 2018-19 season estimates. BCI will publish final season figures in early 2020, once the 2018-19 cotton season is complete.

China

China is one of the leading producers of cotton globally, and a key country for BCI. Around 24 million farmers in the country depend on cotton farming for their livelihood. However, the current landscape reflects that cotton farming is becoming increasingly more challenging for smallholder farmers in the country. To address some of these issues, the Fund worked with four IPs on four projects in 2018-19.

Estimated Programme Results 2018-19*

Fund Investment: **€532,137** Better Cotton Production: **297,155 MT**

Participating Farmers: **97,801** Area Covered: **174,633 ha**

Implementing Partners

COTTONCONNECT | NONGXI COOPERATIVE |
SONGZI AGRICULTURAL EXTENSION CENTER |
ZHONG WANG COOPERATIVE

Mozambique

Cotton is one of the major export crops in Mozambique, supporting livelihoods of around 100,000 farmers in the country. Most of these farmers are smallholders and practice rainfed agriculture. Due to extreme climatic conditions and rising water insecurity risks, the cotton yield in Mozambique is amongst the lowest in the world. The cotton sector in the country is also adversely affected by social challenges such as poor literacy rate and weak public health. To address some of these challenges the Fund worked with three IPs on six projects in 2018-19.

Estimated Programme Results 2018-19*

Fund Investment: **€86,155** Better Cotton Production: **31,396 MT**

Participating Farmers: **110,990** Area Covered: **97,250 ha**

Implementing Partners

OLAM | SANAM | SAN-JFS

Turkey

Turkey is one of the largest cotton trading hubs in the world. Cotton in the country is primary source of income for millions of people in the country and in recent times, its production has been encouraged to reverse the difficulties farmers have faced due to political instabilities at the border. Cotton farmers in Turkey also face other challenges such as overuse of pesticides and fertilizers. BCI started working with its Strategic Partner, the Good Cotton Practices Association (IPUD), in 2011 when leading actors in the Turkish Cotton Sector approached BCI with an aim to start Better Cotton production in their country. The Fund worked with two IPs on two projects in 2018-19.

Estimated Programme Results 2018-19*

Fund Investment: **€184,090** Better Cotton Production: **79,550 MT**

Participating Farmers: **3,000** Area Covered: **45,500 ha**

Implementing Partners

IPUD | WWF TURKEY

Tajikistan

Tajikistan is the first country in Central Asia working with the BCI. It is an important region for the Fund as cotton industry supports over half the rural population in the country. Farmers here face several challenges such as excessive use of pesticides and water shortages, along with air, soil and groundwater pollution. The Fund worked with one IP on one project in 2018-19.

Estimated Programme Results 2018-19*

Fund Investment: **€12,000** Better Cotton Production: **13,267 MT**

Participating Farmers: **954** Area Covered: **14,218 ha**

Implementing Partners

SAROB

*The figures presented within the report are 2018-19 season estimates. BCI will publish final season figures in early 2020, once the 2018-19 cotton season is complete.





Stories from the Field

Enhancement and Conservation of Biodiversity by a BCI Farmer in Pakistan

Khadim Hussain belongs to Basti Pitafi in Rajanpur district in Punjab, Pakistan. He is a registered BCI farmer of the Better Cotton GIF Project in Pakistan, being implemented by Sangtani Women Rural Development Organization (SWRDO). He has 50 acres of land, on which he grows cotton. He joined the BCI programme in 2019 and is receiving trainings on Better Cotton Standard System.

Prior to joining the BCI programme, Khadim was growing cotton in a conventional way. He says that he was very impressed by the trainings on conserving biodiversity and has adopted many innovative ideas to conserve biodiversity in his fields. This includes minimizing use of chemicals to control pest, use of pheromones traps for pest scouting, and installation of yellow tags to control whiteflies. He now knows about the beneficial insects and importance of protecting biodiversity.

He is also now disposing chemical spray bottles responsibly. He makes sure that the insects and birds do not accidentally intake the leftover contents.

He preserves trees that are already existing in his fields and also plants new ones. He has also installed locally-available handmade mud bird nests in the trees for conserving local bird species.

The overall impact of his efforts are leading to protection of environment, and conservation and enhancement of biodiversity. In addition, the natural way of controlling pests are also helping him to bring down his input cost for growing cotton.

Khadim is an inspiration for other farmers like him in the region, who are also encouraged to adopt the Better Cotton practices in the coming cotton season.



Additional Income for a BCI Farmer through Intercropping

Jamir Sayyad was one of the farmers in the Jiwati block of Maharashtra, who started intercropping with cotton last year and has now become a source of information, role model and a guide to other farmers.

Intercropping is one of the important practices available to BCI Farmers. It has emerged as an alternative source of income for farmers from the Block, that has a wide range of impact on pest management, nutritional management, reducing soil moisture stress and more importantly, it has reduced the risk involved in cotton yield.

This year, Jamir has grown Dolichus lablab, green gram, black gram and cauliflower for the first time on his 15-acre plot of land. These crops have helped him earn an additional income of almost Rs. 20,000 per acre.

He is one of the most successful farmers in the area and farmers from nearby villages and even other states are also visiting him to understand his farming techniques and learning from him how BCI has influenced his farming practice. He has been imparting knowledge and sharing his experiences on intercropping with these farmers through frequent exposure visits. Almost 600 farmers have visited him so far this year.

He was also interviewed by Radio Station 'Akashwani', Maharashtra for his success in farming, and was recognized for the changes he has brought in the farming community, through Ambuja Cement Foundation and BCI.

Intercropping is proving to be an improved farming practice especially for a block like Jiwati, where the average yield is less, and farming has a lot of risks involved.



Farmers visiting Jamir's farm



Innovation Projects

Skill development for Field Facilitators in India

Project Implementer: Kuza

The Better Cotton GIF is adopting innovative approaches to drive the next level of growth in the Fund. In 2019, the Fund launched an online skill development tool for Field Facilitators (FF) engaged the projects in India, which will play a key role in improving the delivery and scale of the Better Cotton GIF programme in the country.



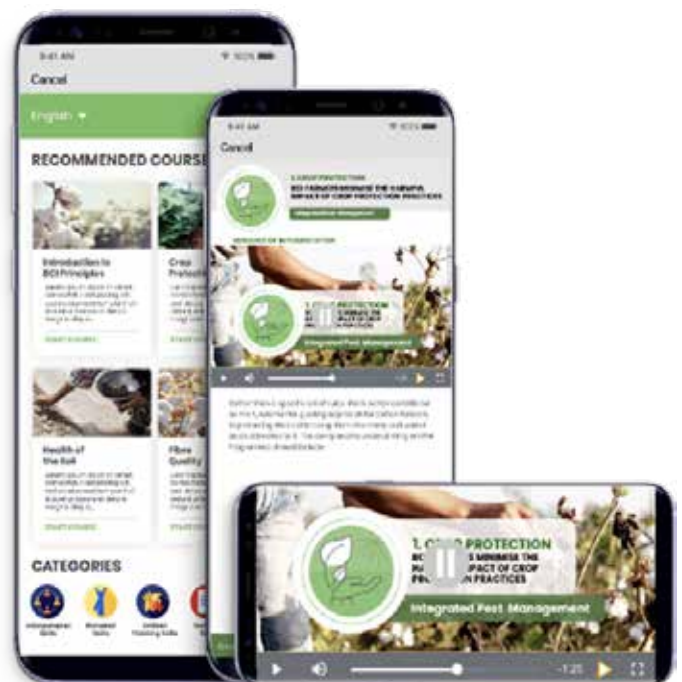
FFs are responsible for delivering training to BCI Farmers and are key to programme delivery at the ground level. However, currently, there exists a significant variation in the knowledge and capability of FFs in terms of agronomic knowledge, decent work, and soft skills required for training and project management.

To address this, the GIF engaged with social development enterprise – Kuza – to pilot the project with Implementing Partners (IPs) in Maharashtra and Gujarat in India. The project aims to ensure that FFs have a uniform skillset and the understanding required to support cotton farmers with the implementation of the Better Cotton Principles and Criteria.

The online tool offers access to a wide selection of micro-learning videos on agronomy practices and soft skills. One of the key features of the tool is a standardized assessment tool that enables users to identify skills gaps and then suggest a personalized learning path. This innovative assessment and learning tool will enable IPs to deliver capacity

building to FFs more efficiently and consistently across locations and to further manage the learning process (frequency, timing, curriculum) in an easy and organized manner. The assessment tool could also be used to supplement IPs' current FF hiring process.

The Pilot has been rolled out to 500 FFs from the six IPs in Maharashtra and Gujarat, in regional languages. As next steps, the results from the pilot project will be evaluated and work would be started towards full implementation of the project at a national scale.



Mobile Application for Farmer Outreach in China

Project implementer: Binzhou Nongxi Cooperative (Nongxi)



The Fund worked with an existing mobile application (app) called Nongjibao, developed in 2014 by China Telecom in partnership with the Ministry of Agriculture and China Cotton Research Institute to further support and embed BCI farmer training through a technology-driven engagement model and increase the adoption of BCI practices by deepening and widening our engagement with smallholder cotton farmers across China for greater scale and impact.

The Nongjibao app provided farmers with access to information and knowledge on the latest agricultural science and technology. Additionally, it served as a means to receive immediate on-demand agricultural support from connected agronomists and enables a community of online users to share best practices and lessons learned with one another.



From April 2018 to March 2019, a total of 2,132 users were registered on the app. This included 1,845 farmers, 227 lead farmers, 47 FFs, 9 Producer Unit (PU) managers, 4 IP management staff. With this pilot, farmers were able to access online training materials and consult local agricultural experts through the digital app platform. It also allowed farmers to upload and share photographs and stories of their crops with other users. The PU managers and FFs were able to assign or complete tasks for more effective performance monitoring*.

Innovation Challenge

In 2018, the Better Cotton GIF partnered with Dalberg to develop an Innovation Challenge set to pilot in 2019. The Innovation Challenge will create an open pipeline of ideas that, with Better Cotton GIF seed funding, will be developed into new viable service delivery models to improve farmer livelihoods and achieve greater field-level impact. Through this Innovation Challenge, the Fund aims to drive an independent process for pioneering pipeline development and funding and utilize its vast network of partners and expertise to actively drive and enable innovation in the cotton sector, addressing the many challenges it faces today.

** Due to technical challenges, the project with Nongjibao will be discontinued in the coming season. Taking the learnings from this project, GIF will explore partnership options with other service providers in the region.*





Gender sensitization for FFs in India

IDH organized a gender awareness programme for its Implementing Partners in India, including the IPs from the Better Cotton Growth and Innovation Fund.

IDH Gender Consultant, Sangita Shete, conducted gender sensitization trainings with 19 IPs in 30 locations across India. The trainings focused on approximately 2,000 field-level workers who provide extension services to over one million farmers in the country.

In the trainings, the field extension workers are made aware of mainstreaming gender equality in their work, labor division based on gender, access to resources, decision making, gender awareness in project activities, and project planning for gender inclusion.



“ In cotton farming, male farmers are mostly involved in decision-making work such as selecting seeds, farm inputs, and market-related activities, while the women are doing more labor-intensive work such as weeding and cotton picking. We were earlier training the men and women farmers separately based on the work they do. After the gender sensitization training, we understood this gap and realized our role in promoting gender equality at the field level. We are now sensitizing all farmers about the benefits of empowering women farmers and are working towards providing equal access to resources to women farmers. ”

Gurpreet Singh
Field Facilitator
WWF India



“ The activities in the gender training session demonstrated in a very practical manner the situation of women farmers and farm workers. This made the field facilitators realize the extent to which disparity exists and its impact on overall social development. My team of FFs and I will now take these learnings to the farmers to whom we are providing extension services to help them understand the value of women’s contributions and contribute towards their capacity building and empowerment. ”

Sangitaben Dave
Producer Unit Coordinator,
CottonConnect

Annexure 1: Better Cotton GIF Summary 2018-19

	China	India	Mozambique	Pakistan	Tajikistan	Turkey
No. of Implementing partners	4	17	3	7	1	2
No. of Projects	4	23	3	16	1	2

Annexure 2: Better Cotton GIF Project-wide summary 2018-19

CHINA

Project Name	Farmers	Area in (Ha)	Projected BC (MT)
Cotton Connect-Xinjiang-Hebei-MF+SH	14,201	99,000	189,500
Zhong Wang Cooperative-Xinjiang-MF+SH	400	7,000	15,000
Nongxi Cotton Cooperative-Shandong-SH	35,200	57,300	77,355
Songzi Agriculture Exstention Center-Hubei-SH	48,000	11,333	15,300
TOTAL	97,801	174,633	297,155

INDIA

Project Name	Farmers	Area in (Ha)	Projected BC (MT)
PRDIS - Andhra Pradesh & Telangana	24,000	30,000	20,000
ACF - Gujarat	21,500	18,400	18,400
AFPRO - Gujarat	45,750	74,000	63,000
Basil Commodities - Gujarat	48,000	124,000	124,000
CottonConnect - Gujarat	43,597	68,636	55,089
Spectrum - Gujarat	16,100	43,172	37,776
SEWA - Gujarat	4,500	8,000	5,333
Bharat Cotton factory - Haryana & Punjab	10,792	24,000	19,500
MYKAPS - Karnataka	7,107	6,250	2,708
Pratibha - Madhya Pradesh	17,615	34,278	21,900
K.K. Fibres - Madhya Pradesh	25,000	32,000	19,520
Udyansh - Madhya Pradesh	11,514	11,314	4,594

Project Name	Farmers	Area in (Ha)	Projected BC (MT)
ACF - Maharashtra	50000	106,000	74,200
AFPRO - Maharashtra	26,000	48,000	28,560
Spectrum - Maharashtra	13,974	34,254	26,238
CottonConnect - Maharashtra	22,421	26,248	15,158
Lupin Foundation - Maharashtra	40,000	35,000	17,000
CAIM-CottonConnect - Maharashtra	150,000	160,000	117,000
LD-Puneet - Maharashtra	10,000	20,000	13,200
ACF - Punjab	33,000	42,000	30,000
WWF India - Punjab, Maharashtra & Telangana	89,000	139,900	109,011
ACF - Rajasthan	14,000	28,000	22,400
Deshpande Foundation Telangana	40,000	60,800	54,720
TOTAL	763,870	1,174,252	899,307

MOZAMBIQUE

Project Name	Farmers	Area in (Ha)	Projected BC (MT)
OLAM - Nampula, Manica, Tete	31,990	33,600	6,720
SANAM - Nampula	48,000	35,750	17,875
San JFS - Niassa	31,000	27,900	6,801
TOTAL	110,990	97,250	31,396

PAKISTAN

Project Name	Farmers	Area in (Ha)	Projected BC (MT)
WWF PAK - Khanewal, Punjab (old Jhang)	38,528	97,383	90,977
WWF PAK - Rahimyar Khan, Punjab	24,540	65,000	70,000
WWF PAK - Bahawalpur, Punjab	38,730	140,000	105,000
WWF PAK - Multan, Punjab (old Mianwali)	14,340	31,000	25,800
WWF PAK - Muzaffargarh, Punjab	30,316	90,000	78,000
SWRDO - Rajanpur, Punjab	14,113	47,632	37,648
REED Society - Vehari, Punjab	24,000	97,127	73,600
REED Society - Rahim Yar Khan, Punjab	15,600	85,000	70,011
MRWO - Lodhran, Punjab	13,500	28,000	22,100

Project Name	Farmers	Area in (Ha)	Projected BC (MT)
Lok Sanjh - Bahawalnagar, Punjab	33,500	68,005	55,764
Lok Sanjh - Tobatek Singh, Punjab	31,761	36,689	30,305
Lok Sanjh - Layyah, Punjab	28,000	52,080	42,706
Cotton Connect - Nawabshah, Sindh	20,055	48,020	46,050
WWF PAK - Sukkur, Sindh	28,460	120,000	110,000
CABI - Matiari, Sindh	15,002	42,340	45,178
CABI - Mirpur Khas, Sindh	15,061	69,235	73,877
TOTAL	385,506	1,117,511	977,016

TAJIKISTAN

Project Name	Farmers	Area in (Ha)	Projected BC (MT)
SAROB - SOGD & KHATLON OBLAST	954	14,218	13,267
TOTAL	954	14,218	13,267

TURKEY

Project Name	Farmers	Area in (Ha)	Projected BC (MT)
IPUD - Istanbul	2,000	40,000	72,400
WWF	1,000	5,500	7,150
TOTAL	3,000	45,500	79,550

