41st Meeting of the Expert Panel on Social, Environmental and Economic Performance (SEEP) of Cotton Production 06 December 2015 Mumbai - India

10:00 hs (Mumbai time) 74rd Plenary Meeting

Members Present: Allan Williams (Chair), Francesca Mancini (Vice-Chair), Bruno Bachelier, Denilson Galbero Guedes, Jens Soth, Leon Piçon, and Wilfried Yameogo.

Lorena Ruiz served as Secretariat from ICAC.

Observers: Soren Moller (FAO), Mandy Piepke (GIZ), Johannes Förster (GIZ), Terry Townsend (Cotton Analytics), Allen Terhaar (CCI), Allan Mcclay (BCI), Jean Paul Gourlot (CIRAD), Slava Zeman (Australia High Commission), Cezar Busato (ABRAPA), Emmanuel Muilua (ZCGA), Bouine Chooka (ZCGA), GJ Lee (Taiwan), Atul Asher (SICA), Patrick Packnett (USDA), Lars Brogaard (DS-CEN-ISO), Wolfgang Bertenbreiter (GIZ), Ashutosh Deshpande (Technoserve), Jack Steijn (Equipoise Cen Iso),

Agenda

- 1. Approval of the Agenda (Chair)
- Testing the Indicators Framework: Discussion of the lessons learned and experiences of the countries that implemented the indicators framework (Chair, members)
- 3. Update on the German Sustainable Textile Initiative
- 4. Priorities for SEEP (Chai, members)
- 5. Key points for SEEP report to Plenary (Chair, members)
- 6. Other business

1. Approval of the Agenda

Allan Williams, Chair of the SEEP panel opened the meeting by welcoming the delegates and observers present. The Chair inquired if there were any proposals for changes or concerns regarding the agenda. Seeing none, the agenda was approved.

2. Testing the Indicators Framework

The Vice Chair, Francesca Mancini, presented an update on the FAO projects using the guidance framework developed by SEEP. In Zambia, a workshop on measuring sustainability in cotton farming system was held in Lusaka in last September. There were 37 participants including the ministry of agriculture, and 61 indicators of relevance were identified. SEEP Framework was very useful to help identify the most problematic practices, and therefore the priority sustainability issues to address. The main outcome of the workshop was a draft monitoring plan and the commitment from the stakeholders to use the designed monitoring

plan in the next several years. Mrs. Mancini noted that in order to continue the monitoring plan, further technical and financial support would be needed.

In Latin America, the indicators framework will be adopted in five countries within the project "Strengthening the cotton sector through south – south co-operation", as monitoring and evaluation system and as a diagnostic tool. In Paraguay in 2015, the guidance Framework helped to develop a comprehensive M&E plan and a national survey was implemented which generated a wealth of baseline data. The implementation of the project will allow to identify the diagnosis and the weaknesses of the sector, and the creation of public policies that adequately address the needs of cotton farmers. In 2016, the indicators framework will be implemented in Bolivia, Colombia and Peru.

The Chair invited Mr. Leon Piçon, member of the SEEP panel to give a briefly presentation on the experiences and lessons learned about BCI implementation in Turkey. Mr. Piçon started his presentation with an overview of the IPUD association. He explained that IPUD's board consists of institutions representing different players within the sector, and mentioned that the association is responsible for the implementation of the Better Cotton Standard in Turkey.

IPUD currently has over 57 members, including Spinners, Ginners, Farmer Unions, Farmers, Exporter Unions, and Commodity Exchanges. Production of cotton lint under BCI standards has increased from 14,400 tons in 2012/13 to an estimated 26,000 tons in 2015/16. Mr. Piçon pointed out that through field level operations and local and national level partnerships, IPUD gathers a valuable amount of information which uses to foster synergy among actors, and to create powerful partnerships in order to solve the challenges facing sustainable cotton production.

The Chair invited Mr. Bruno Bachelier from CIRAD, to present an update on the project implemented in West and Central Africa. Mr. Bachelier mentioned that CIRAD is, since May 2015, leading a project called Technical innovations and africanization of sustainability indicators for cotton cultivation funded by the EU ACP. The project has been implemented in 9 countries of West and Central Africa (Benin, Burkina Faso, Cameroon, Ivory Coast, Guinea, Mali, Niger, Togo, and Senegal). One of the main objectives of the project is to adapt the SEEP indicators Framework. A workshop was implemented in Dakar, Senegal from 17-18 September 2015. There were 42 participants including cotton growers, cotton companies, researches and officials bodies. The members agreed on the use of 70 indicators and the data collection is currently in progress. A meeting will be held in May 2016 to analyze the main findings of the projects.

The Chair encouraged all members to participate in the deliberation of what the opportunities might be for extending participation and utilizing the SEEP Framework in other countries. Mrs. Mancini mentioned that Malawi and Benin might be implementing the indicators framework in 2016. No other comments were made in this matter.

3. Update on the German Sustainable Textile Initiative

Mr. Johannes Förster, from the German Federal Enterprise for International Cooperation (GIZ), was invited to present an update on the German Sustainable Textile Initiative, led by the German Development Minister. Mr. Förster mentioned the two main objectives of the initiative, which aim to improved working conditions in the production of fibers and textiles, and minimized chemical exposure in the production of fibers and textiles.

He also noted that participation has increased since the foundation of the partnership, increasing the number of members from 33 in 2014 to over 160 members in 2015, including various stakeholders: Business, Non-governmental organizations, standard organizations, German government, trade unions and other members. The benefits of participating in the partnership are: presentation of company activities, scope of action through combined strength, platform of knowledge and innovative solutions, influence on political framework conditions, and consumer communication. The Partnership has developed a joint clarification action plan, electing a steering committee and create three working groups (Chemicals, Social standards and leaving wages, and Process). Three more working groups are planning to start in 2016 (Natural Fibers, Implementations and Internationalization, and Communications).

5. Priorities for SEEP

There was a consensus that the current main goal of the SEEP panel is to get more people to participate in the testing of the framework and to publish a summary of results once the pilot testing studies are completed in the countries under study at this time. It was proposed to hold a face to face meeting in 2016 prior to the Plenary Meeting in Pakistan, to follow up on the projects that have implemented the framework.

6. Key points for SEEP report to Plenary

The Chair provided a summary of the main lessons learned by the implementation of the guidance framework in 16 different countries. The framework proved to be a very useful resource for all activities. The framework provided a focal point for discussions on sustainability in cotton production. The testing experience encouragingly showed that data on many of the indicators is already being collected. The testing also indicated that there might be a need to develop indicators that are more specific to rain-fed production conditions. The Chair also observed that because of many reasons the economic indicators are sensitive to measure. He suggested that other smart ways or a better understanding of the economic performance should be studied given the fact that economic performance is one of the pillars of sustainability. The Chair also mentioned that most of the projects are still going on and a final report on the results and findings has not yet been produced.

The Chair expressed his concern about some of the metrics based initiatives, which are increasing in their importance and implications for the cotton industry. He focused on the EU policy called "Product Environmental Footprint Category Rules-PEFCR", which provides specific guidance for calculating and reporting products' life cycle environmental impacts, and allows comparison between products based on different technologies or productions systems. He noted that one important issue for cotton is that the methodology behind the PEFCR came out of industrial background, and when it comes to agriculture there is a huge variability between countries, regions, farms, production systems, weather conditions, etc. Therefore, there are still questions as to whether LCI is an appropriate technology to use in agriculture. Furthermore, the PEFCR process envisages that if a person buys a t-shirt made from cotton that comes from Australia, Turkey or the US, the person could use that production system as a distinction, and the cotton industry has always maintained that competing with each other on this sort of basis, is not in the best interest of the industry.

In their deliberations on this matter, SEEP panel requested a guidance from the secretariat on how to address this issue, and whether to establish a dialogue in order to raise the concerns of the cotton industry.

7. Other business

The Chair expressed his concerns regarding the lack of participation by some SEEP members. He also emphasized the need to confirm with current members their interest in maintaining their involvement in the SEEP Panel. He requested the secretariat to prepare a report on the list of participants and their participations over the life of the panel, to provide guidance on how to proceed further with this matter.

Seeing no other business, the CHAIR thanked delegates and observers for their presence and declared the meeting closed. The meeting was adjourned at 12:30 p.m.