



FINAL MINUTES

45TH Meeting of the Expert Panel on Social, Environmental and Economic Performance of Cotton
Production - SEEP
Sunday, October 22, 2018
Tashkent – Uzbekistan

Members:

Mr. Allan Williams (in the Chair)
Mr. Jens Soth, EU
Mr. Marcelo Paytas, Argentina
Mr. Kater Hake, USA
Mr. Michel Fok (for Bruno Bachelier)
Mr. Andrew Macdonald (for Savio Pereira)
Mr. Jean Pierre Guinko, Burkina Faso
Mr. Ta Dolphin Yu, Taiwan
Mr. Alan Mcclay, BCI

Observers:

Mr. Fatih Dogan
Mr. Axel Drieling
Mr. Wolfgang Bertenbreiter
Ms. Mandy Piepke
Ms. Claudia Fontana
Mr. Fabrizio Meliado
Ms. Hui Lan Wang
Ms. Yudi Yang
Mr. James Johnson
Mr. Lyman Stone
Mr. Patrick Packnett
Mrs. Renate Hahlen
Mr. Terry Townsend.

Secretariat:

Mr. Kai Hughes, Executive Director
Ms. Lorena Ruiz, Economist
Dr. Keshav Kranthi, Head Technical Information Section
Ms. Yana Pomerants, Executive Assistant
Ms. Lihan Wei, Statistician

1. Welcome and Introductions

Allan Williams, Chair of the SEEP panel opened the meeting by welcoming the delegates and observers present. The Chair ask all participants to introduce themselves and to give a brief introduction.

2. Approval of the Agenda

The Chair inquired if there were any proposals for changes or concerns regarding the agenda. Seeing none, the agenda was approved.

3. ICAC Strategic Review

Kai Hughes commented that his first task as the new director of ICAC is to conduct a strategic review of the organization. This initiative was endorsed by the Standing Committee. A dedicated committee will be formed and it will work as an advisory committee. The main responsibilities and functions of the committee will be to oversee the strategic review process and outline the scope and delivery schedule; establish measurable goals and objectives; and recommend to the Standing Committee any needed changes. A survey will be also conducted among all stake holders.

The Chair noted that the SEEP panel could play a more active role by either working collectively and provide consensus ideas of what would be ideal for the organization; or rely on the process proposed by the Executive Director of ICAC and give individual thoughts or suggestions on the focus areas the organization should work on.

Members of SEEP agreed that a group discussion within the committee will provide a better synergy and will have a greater impact on the strategic review process. The SEEP panel will include this issue as a dedicated item in a future meeting.

4. Recap of Meeting in Rome

The Chair noted that one of the main objectives of the meeting in held in Rome on October 19th was to identify working areas for the SEEP panel for the next two years. The chair mentioned that a series of presentations were provided by various participants, including FAO staff working in cotton, Better Cotton Initiative, GIZ and a SEEP member.

The Chair highlighted the key issues of the meeting, which are described as follows:

- Application of the indicators framework in Benin: a national stakeholder workshop selected a subset of indicators for the agricultural context of Benin. 40 indicators with emphasis on pest and pesticide management were selected. The project was conducted by FAO and collected data for cotton and maize. One of the main challenges identified by the pilot test, was the data collection, due to the complexity of the information and that it requires training and guidance on the implementation of the framework. The use of an app could facilitate the data collection process and the framework is highly adaptable to any crop system.

Mr. Terry Townsend asked if the information collected by cotton initiatives, such as BCI and CmiA, were harmonized with the indicators framework suggested by SEEP. Mr. Alan McClay responded that a benchmarking among all initiatives is needed. He also mentioned that BCI will be more than happy to share the information they have collected.

- Reducing Child labor in Cotton: the FAO project will start in 2018 and will be implemented by the ILO in partnership with the FAO. The aim of the project is to eliminate child labor and forced labor in the cotton, textile, and garment value chains in target producing countries through an integrated approach.

The Chair mentioned that according from the experience of Australia, the social and labor indicators are generally more difficult and problematic to collect. A collaboration and the implementation of the indicators

in the ILO project could fill in the gaps in the testing and the understanding of some of the practical issues associated with implementing the framework.

- Update on the Partnership on sustainable textiles: The GIZ representative gave a broad report of the activities of the partnership in 2017. Four initiatives were implemented: systemic improvement of labor conditions Tamil Nadu State/South India; water management in the cotton supply chain in Pakistan; sustainable chemical and environmental management in the textile sector; and strengthening availability of GMO free seed in central Asia.

The chair asked Ms. Piepke who was providing funding to those initiatives. Ms. Piepke responded that the money comes from the members of the textile partnership (brands and retailers) and also from the German government.

- Cotton sustainability issues: investment perspective: An economist from FAO presented an investor's perspective of the cotton sector. One of the main concerns was related to the lack of context and the fact that by banning cotton production, would not necessarily result in a reduction or disappearance of issues such as child or forced labor, intensive water and pesticide usage, etc. The cotton sector is highly exposed to media attention and providing best practice examples, could be of further help to practitioners who work in development projects in the cotton industry.

- Better Cotton Initiative: the BCI cotton initiative collects two major categories of data: data on farming processes and practices, which measures the performance level on practices, and is related to compliance (for example farmers use efficient irrigation practices); and data on outcomes, called results indicators, and measures performance on outcomes (for example farmers use less water for irrigation).

- Interim Evaluation of the SEEP indicator framework: At the Plenary Meeting in Islamabad, governments suggested an evaluation of the experiences implementing the pilot test in different countries. The GIZ funded the report that was undertaken by Jens Soth from Helvetas. The main objectives of the report were to get an overview of which indicators have been used, modified or not used; identify the need for modification or local adaptation for several indicators; compile existing models on how cotton stakeholders could interact on a national level to implement the framework; and give guidance for further pilot tests and suggest further working steps to refine the indicator framework in a way that it can be taken up by further countries.

Although the report and the recommendations are not yet finalized, mayor conclusions and the proposed next steps were presented:

Mayor Conclusions:

- The draft report covers the experiences of the pilot tests in six countries in detail (Australia, Bolivia, Paraguay, Peru, US, Zambia) and integrates the key findings of another 5 countries (Benin, China, Cameroon, Senegal, Togo). Pilot tests in three more countries (Argentina, Colombia and Ecuador) are ongoing and it is hoped that these can be integrated into the final report.
- The utilization of the indicator framework allows for identification of improvement options in all areas of cotton farming and all pillars of the sustainability concept.
- The framework allows to act as crystallization point to convene national cotton stakeholders and align them to collaborate with one overarching goal.
- The implementation of the framework allows for internal as well as external communication of changes on the way towards sustainability.
- The utilization of the indicators collects a multitude of relevant data that can also be taken up by academia and thus find their way into scientific coverage of the topic.

- The data generated by the utilization of the indicator framework allow for cross-country comparisons and benchmarking and thus for an even increased opportunity to identify entry points for improving the cotton farming systems.
- The experience of the pilots showed that the latest and statistically reliable information about cotton farmers can be compiled. Based on this it becomes possible to decision makers to promote strategic changes within the sector.

Proposed next steps:

- Integration of the experiences of the ongoing pilot tests (Argentina, Colombia, Ecuador) and the pilots not fully covered yet in the report at hand (Francophone Africa, China).
- Compilation of the survey questions utilized for the individual indicators (already started within this interim evaluation) and collaborate with COSA to refine them.
- Convene delegates responsible for the various pilots (virtually or face-to-face) and discuss advantages and disadvantages of several organizational models.
- Allow the raw data tool developed by CIRAD based on the pilot test in China to be expanded to a general tool applicable also in other country contexts.
- Develop a guidance manual for the utilization of the different indicators and integrate the raw data tool mentioned above.
- Support and assist the conduction of further pilot tests.
- Pilot test should prepare to use a maximum of 40 indicators to be economically reasonable. The most frequently used indicators revealed in this study should be utilized in any case.
- Pilot test should be kicked off by a stakeholder workshop that convenes a broad range of national cotton stakeholders
- The actors implementing the pilot test should conduct a thorough screening of databases and agricultural data monitoring schemes already existing in the country.
- It might be a reasonable idea to develop the proposed guidance manual for the indicator utilization in collaboration with further tests.
- Pilot tests should take into account already elaborated survey questions and developed tools for raw data processing.

The Chair noted that at the meeting held in Rome, Ms. Francesca Mancini expressed her concerns on some of the aspects of the report, specially the suggestions of modifying the numbers of indicators recommended by the panel in 2015. Mr. Williams commented that the purpose of having 68 core indicators was that the framework needs to be applicable for many cotton producing countries, which have different environmental, agro-ecological, climatic, social-economics and political conditions.

SEEP is aiming to have the report finalized by the end of the year, so that it is available in early 2018. It was agreed that the final report will be socialized among members and participants.

- a. A 'user manual', based on the practical experiences of the pilot tests to date, would be an extremely useful document to support the implementation of the guidance framework.
- b. Similarly, case studies describing the benefits that have been gained from using the guidance framework would also be extremely useful. The framework provides an excellent starting point for identifying and prioritizing issues in discussions at both a national level, and a more direct field or project level.
- c. The development of tools, such as an app to allow data entry directly with an iPad would simplify the data collection process.
- d. Pilot tests should ideally be kicked off by a stakeholder workshop that convenes a broad range of national cotton stakeholders.
- e. The actors implementing the pilot test should conduct a thorough screening of databases and agricultural data monitoring schemes already existing in the country.

5. Discussion and Finalization of Plenary Meeting Report

In the SEEP meeting held in Rome, members agreed to work on 3 specific areas over the next 1-2 years. The areas were identified following a full-day meeting, during which members identified a range of potential activities and then discussed and debated which ones were to be prioritized. The working areas identified are:

- **Soil Health Tool:** a focus on soil health across the range of cotton production regions. SEEP considers this a critical area as recent Life Cycle Assessments highlight that the most significant impacts associated with cotton production are nitrogen fertilizer use and water use. And soil health fundamentally influences these two aspects of cotton production - the ability of soils to capture, store and release nitrogen and water. The anticipated outcome, to be developed over the next 12-18 months, is the sharing of site specific practices that may find utility in other regions. SEEP's role would be to geographically expand the existing knowledge base on soil health and organize it into cotton grower relevant practices and information. The document would serve as a resource for the cotton industry to improve its environmental footprint and resource use efficiency regarding the critical inputs of fertilizer and water. The idea was put together by Kater Hake and Bill Norman.

Dr. Keshav Kranthi suggested that the SEEP panel should make a formal request to BCI, CmiA, Textile Exchange and Fairtrade, to evaluate and examine all 68 indicators for their relevance, utility and the best way to use the framework on the ground. He noted that it would be extremely important to harmonized the framework among all cotton initiatives.

- **Continued testing and implementation of the guidance framework:** Since the guidance framework was published in 2015, a number of countries have been pilot testing the framework in a range of ways, including initiating discussions on sustainability in the cotton sector, and publishing sustainability performance metrics.

- **Alternative ways to report on the sustainability of cotton:** SEEP members agreed that the panel should work on developing alternative ways of reporting on the sustainability of cotton production. The message to consumers, retailers and brands should concentrate on the positive improvements of the cotton sector and provide a holistic approach. The use of the data and the evidence collected by the different initiatives could help to demonstrate the improvements achieved so far.

6. Other business

The CHAIR thanked delegates and observers for their presence and declared the meeting closed.

The meeting was adjourned at 2:00 p.m.