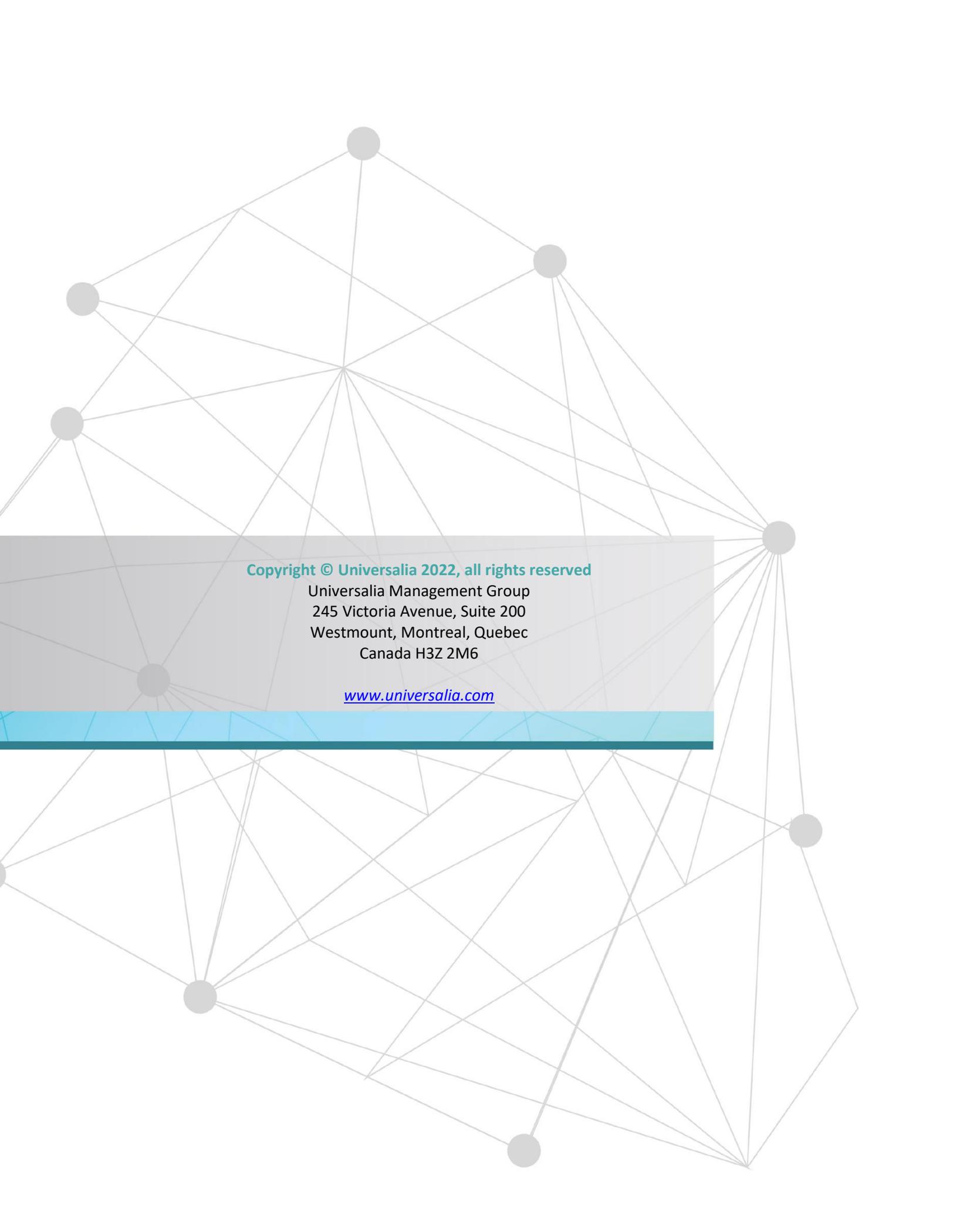


External Interim Evaluation of the Organic Cotton Accelerator Initiative

Submitted to Laudes Foundation

FINAL REPORT | 23 MAY 2022



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Executive Summary

Organic cotton is seen as a way to avoid the negative social and environmental issues associated with conventional cotton production. It is the fibre of choice for a growing number of brands and retailers transitioning toward a more ethical clothing, textile, and fashion industry. More broadly, the organic cotton sector contributes to the adoption of sustainable practices that protect and regenerate soils and build crop and farmer resilience. At the same time, organic cotton has remained a niche fabric, facing social, environmental, industrial, and political barriers to global mainstreaming. These barriers have been evident at the production (farm), market (supply chain), and policy (sectoral) levels.

The Organic Cotton Accelerator (OCA) was established in 2016 to address the barriers to wider adoption of organic cotton. It set out to unite organic cotton brands, retailers, suppliers, farmers, civil society, and philanthropy on a common agenda for joint action to improve organic cotton production and supply. Eight founding members, including Laudes Foundation and other influential industry actors, launched OCA with the intent to improve organic cotton production and supply and to bolster the integrity of the sector.

OCA's work has focused on two programmes. With the Farm Programme, OCA aims to create a secure market and provide fair prices for farmers, while delivering transparency from the start of the supply chain. With the Seed and Innovation (SI) Programme, OCA provides joint investments through its contributing members in seed integrity and supply, research, supply chain traceability, training and capacity building, and industry standards to create the enabling conditions for organic cotton to thrive. Its work is consolidated through the OCA platform, which provides a forum for learning and exchange between its members.

Since 2016, OCA has undergone three phases, each associated with a Laudes Foundation grant. This evaluation assesses the design and implementation of OCA, as well its intended outcomes under the Phase 2 (2018–2020) and Phase 3 (2020–2023) grant agreements with Laudes. In addition, using systems analysis reliant on mixed methods, the evaluation assesses OCA's contributions to systems change in the organic cotton industry. True to its learning focus, the evaluation provides lessons and recommendations to inform the ongoing initiative.

The evaluation used the Laudes Foundation Evaluation Rubric System as a framework of analysis and scoring, choosing rubrics based on their relevance to the OCA initiative. The choice of rubrics, along with baseline and current ratings (which span from harmful through to thrivable) are summarised in **Table 2.1** and then subsequently discussed.

Table 1.1 Summary of Rubrics Ratings

| RUBRIC | | Harmful | Unconductive | Partly Conductive | Conductive/Supportive | Thrivable |
|--------------------------------|--------------------------------------|---------|--------------|-------------------|-----------------------|-----------|
| Process-Related Rubrics | | | | | | |
| A1 | Design | | | | ● | |
| A2 | Implementation | | | | ● | |
| A2 | Monitoring and Adaptation | | | ● | | |
| A4 | Communication and Learning | | | ● | | |
| A5 | Organisation and Network | | | | ● | |
| Early and Later Changes | | | | | | |
| B3 | Progressive Businesses Leading | ● | → | ● | ⇒ | |
| B6 | Multi-stakeholder Movements Pressure | ● | → | ● | ⇒ | |
| B7 | Redefined Value | ● | → | ● | | |
| 2025 Outcomes | | | | | | |
| C3 | Businesses Transforming | ● | → | ● | ⇒ | |

Process-related aspects (A rubrics)

OCA has established a robust organisation and programme design that is trained, as determined by its founders, on key constraints in the organic cotton sector. Through its complementary Farm and SI programmes, OCA fills a niche role as an operationally focused “problem-solver”. The implementation of its programmes demonstrates delivery that is deliberate, inclusive, enabling, and capacity-enhancing. This is evident in OCA’s use of evidence-based approaches that are innovative and solutions-oriented, and that consider local complexities and the input of its stakeholders. The initiative has built robust governance

and financial management to support its work. It has strong leadership and a competent and well-balanced team, and it mobilises action based on a strategic plan. A few weaknesses remain, notably with its monitoring and evaluation (M&E) system coverage and its data collection methodologies. OCA also has room to improve its communications effectiveness and data sharing to better convey the organisation's purpose and the impact of its work.

Early and later changes (B rubrics)

Programmatically, OCA has made noteworthy progress in building momentum for change in what was largely a broken system in 2016. In a short time, OCA's signature direct-to-farm sourcing model has gained strength, producing evidence of its viability through increasing brand buy-in and growing numbers of farmers.

The Farm Programme has experienced exponential growth in the number of farmer participants, including 58,000 certified organic farmers and 21,000 in-conversion farmers, covering a third of organic cotton farmers in India, as of 2021.¹ The number of participating brands has similarly increased from four to ten between 2017 and 2022, including a few large and influential brands. OCA also has garnered interest in the model through its provision of guaranteed premiums for farmers and a stable supply of organic cotton for brands.

OCA's SI Programme has provided training and support services for farmers, while aiming to address two constraints in the sector: non-GM (genetically modified) seed availability and supply chain integrity. Some progress has been made through OCA's capacity building work, support for non-GM seed research, and the development of guidelines for managing GM contamination. Progress to ensure adequate seed availability for farmers and a traceable supply chain remains nascent.

With the launch of a parallel grant-based funding mechanism OCA is leading the development of a loan-based financing model. It aims to be able to sustainably support key aspects of the supply chain, such as premium payments, support services, and training to farmers, as well as conversion from conventional to organic cotton.

OCA's greatest success is in creating processes that have been shifting mindsets in the sector. As a platform, OCA has established itself in the sustainable fashion space as a credible industry meeting place for key stakeholders. Its platform has grown and diversified its membership, from eight founding members to 31 members in 2021, which includes brands, suppliers, and civil society organisations (CSOs), who are increasingly paying attention to environmental and social equity issues affecting the organic cotton sector. OCA intends to increase representation of farmers on the platform to ensure greater inclusivity. While OCA remains small for a Multi-Stakeholder Initiative, its recent governance and operations enhancements have set it up for future growth and influence in the sector.

2025 outcomes (C rubrics)

OCA's efforts to date signal a systems-change trajectory. At this stage, it is early in the journey toward full systems change for organic cotton. After four seasonal cycles of producing organic cotton using the direct-to-farm business model, scaling up is now underway in India, while scaling out globally is advancing with expansion planning in Pakistan. Within the industry, OCA's impact remains modest. While a strong market demand for organic cotton exists, it is hampered by the same supply-side constraints that have preoccupied OCA so far: seed availability, farmer capacity, financing, and supply chain integrity. OCA has contributed to an accumulation of demonstrable farming approaches to support livelihoods and nurture the environment, but these enabling supports to farmers need to be reinforced and their quality

¹ OCA (2021). OCA Farm Programme Impact Report 20/21.

improved. OCA has demonstrated leadership and commitment to a farmer-focused approach that is supported by a small group of lead brands. However, there is much room to grow, both in its programming and its platform presence, to have greater influence and impact in the sector.

On the matter of philanthropy, the evaluation finds that Laudes Foundation support has been instrumental to the systems change now underway in the organic cotton sector. As its role in priming OCA draws to conclusion, and OCA engages sector stakeholders in scaling up and scaling out its Farm and SI programmes, the availability of philanthropic, commercial, and institutional capital will be an important determinant of the magnitude and pace of change in the organic cotton industry.

Acronyms

| | |
|---------|---|
| ASA | Action for Social Advancement |
| CAP | Corrective Action Plan |
| CSO | Civil Society Organisation |
| ERS | Evaluation Rubric System |
| FiBL | Research Institute for Organic Agriculture |
| FIIS | Farm Intelligence and Impact System |
| FPO | Farmer Producer Organisation |
| GM | Genetically Modified |
| GMO | Genetically Modified Organism |
| GNC | Governance and Nominations Committee |
| GOTS | Global Organic Textile Standard |
| HR | Human Resources |
| IC | Investment Committee |
| IP | Implementing Partner |
| ISO/IWA | International Organisation for Standardisation International Workshop Agreement |
| KII | Key Informant Interview |
| KPI | Key Performance Indicator |
| M&E | Monitoring and Evaluation |
| MSI | Multi-Stakeholder Initiative |
| MT | Metric Tonnes |
| NGO | Nongovernmental Organisation |
| OCA | Organic Cotton Accelerator |
| OFCS | Organic and Fairtrade Cotton Secretariat |
| OCF | Organic Cotton Fund |
| OCS | Organic Cotton Standard |
| PIR | Performance Improvement Report |
| ROC | Regenerative Organic Certified |
| SDG | Sustainable Development Goals |
| SGF | Seeding the Green Future |
| SI | Seed and Innovation Programme |
| ToC | Theory of Change |
| ToR | Terms of Reference |
| UFA | Utilisation-Focused Approach |
| US | United States |
| WWF | World Wildlife Fund |

Terminology

| | |
|------------------------------------|--|
| Farmer-centric | A farmer-centric approach puts the needs and issues of farmers first in both the design and implementation of programmes and activities; it also ensures farmer representation in organisational governance and decision-making. |
| Farmer-focused | A farmer-focused organisation, programme, or set of activities primarily targets farmers or address farmer-related issues. |
| Farmer Producer Organisation (FPO) | In India, an FPO is a legal entity formed by a collective or association of farmers. It is made of primary producers who form a company, a cooperative society, or any other legal form that shares costs and benefits among its members. To be considered an FPO, farmers must be shareholders of the organisation. ² |
| Supply chain actor | Supply chain actors (aka suppliers) are all those that participate in the organic cotton supply chain, including buyers, traders, ginners or spinners, and manufacturers. In theory, farmers, FPOs, and retailers and brands are also part of the supply chain, however, this evaluation excludes from this category, and focuses on the actors in the middle of the supply chain. |
| Implementing partner | An implementing partner (IP), in the OCA context, is either a lower-level supply chain actor (such as ginners or spinners) or a nongovernmental organisation that works directly with farmers and FPOs. IPs provide training and support to farmers and FPOs and receive the premiums from the sale of organic cotton, which are then passed on to the farmers and FPOs. |

² National Bank for Agriculture and Rural Development (2015). Farmer Producer Organisations. Frequently Asked Questions, Mumbai. Available at:

<https://www.nabard.org/demo/auth/writereaddata/File/FARMER%20PRODUCER%20ORGANISATIONS.pdf>;

Government of India, Ministry of Agriculture (2013). Policy and Process Guidelines for Farmer Producer Organisations. Available at:

https://www.mofpi.gov.in/sites/default/files/fpo_policy_process_guidelines_1_april_2013.pdf.

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1. Introduction

1.1 Overview of the industry

Cotton sector overview

Cotton is a major nonfood crop grown worldwide and the second most important fibre (after polyester) by volume, accounting for 23% of the fibre market in 2019/20.³ Conventional cotton production is considered environmentally unsustainable due to its dependence on agrochemicals (especially pesticides, many of which are highly or extremely hazardous), widespread use of pesticide-resistant genetically modified (GM) Bt cotton, high water consumption, use of monoculture systems, and the conversion of natural habitats to agricultural use. A 2018 report by the Pesticide Action Network⁴ indicated that in small-scale cotton production systems in India, farmers commonly use large quantities of hazardous pesticides. Use of these chemicals has been linked to detrimental environmental, ecological, and economic impacts such as reduced soil fertility, increased pesticide resistance, and decreased farmer resilience and incomes, as well as negative impacts on farmers' health.

Organic cotton as a way forward

Organic cotton is seen as a way to address the negative environmental and social impact of conventional cotton. Organic cotton uses a range of farming systems, including those that are low input, regenerative, and ecologically sustainable.⁵ The 2020 Organic Cotton Market Report states that farming organically with multi-cropping systems can unlock agronomic, environmental, and economic benefits.⁶ As such, the organic cotton sector is important for enhancing adoption of sustainable practices to protect and regenerate soils and to build crop and farmer resilience.

While organic cotton has shown noteworthy growth in recent years, it accounts for a modest share of all cotton produced, at 0.95% in 2019/20.⁷ Most organic cotton (97%) is produced in just seven countries, with India making up 51%.⁸ Production volume in India increased by 43% in 2018/19 compared to previous years, and the sector is expected to continue growing over the next few years by 12 to 24% annually.⁹ Such growth is not without challenges, however, including assurance of delivery, keeping up with demand, climate change, and others.

³ Textile Exchange (2020). 2020 Preferred Fibre and Materials Market Report, <https://textileexchange.org/2020-preferred-fiber-and-materials-market-report-pfmr-released-2/>.

⁴ Pesticide Action Network UK (2018). A Review of Pesticide Use in Global Cotton Production, http://www.pan-uk.org/cottons_chemical_addiction_updated/.

⁵ Mageshwaran, V; Stankar, V; Shukla, SK; and Kairon, MS (2019). Current Status of Organic Cotton Production in India. *Indian Farming* 69(02): 09–14, https://www.researchgate.net/publication/333045887_Current_status_of_organic_cotton_production_in_India.

⁶ Textile exchange (2020). Organic Cotton Market Report 2020.

⁷ Textile Exchange (2021). Organic Cotton Market Report 2021, p. 27–29.

⁸ The others are China (17%), Kyrgyzstan (10%), Turkey (10%), Tajikistan (5%), Tanzania (2%), and the United States (2%). Textile Exchange (2021). Organic Cotton Market Report 2021.

⁹ *Ibid.*, p. 66.

Certification regime of organic cotton and industry trends

An assurance delivery system in organic cotton has three parts: production and chain of custody standards, audits, and accreditation and certification.¹⁰

Standards are applied to both production and chain of custody. While production standards are typically defined by national laws, global standards also exist. The Global Organic Textile Standard (GOTS) and the Organic Cotton Standard (OCS) both provide chain of custody assurance and are used to verify the presence of organic content in purchased products. In India, two organic certification systems are prevalent: a decentralised organic farming certification system (the Participatory Guarantee Scheme) and an industry-driven system (the National Programme for Organic Production). The latter is facilitated by the Ministry of Commerce and Industry and provides about 70% of all organic certifications in India.

There are positive movements underway in the organic cotton industry due to growing demand for organic, and brands aligning sourcing practices with the Sustainable Development Goals (SDGs), the 2025 Sustainable Cotton Challenge, and the German Partnership for Sustainable Textiles.¹¹ The increasing role of brands and retailers is evident in the 40% growth of OCS and 34% of GOTS certified facilities between 2016 and 2020. Increasingly, sourcing in-conversion cotton (produced by farmers who are in the process of getting certified) is gaining ground among brands and retailers as a strategy to increase the supply of organic cotton. Advocates of the organic cotton movement argue that brands have a key role in expanding organic cotton production and supply.

Threats to the organic cotton industry

Today, a large differential exists between supply and demand, with demand outstripping supply, which may mean farmers are getting better prices for organic cotton. Supply-side threats are likely to further affect the supply of organic cotton, including US sanctions on imports of cotton from China¹² and fraud in India resulting in certain companies being banned by GOTS and Textile Exchange (OCS).¹³

The risks and impacts of climate change (on sustainable water supply, for example) are expected to be felt in countervailing ways: as a driver for growth of the organic movement and as a constraint on cotton production and farmer livelihoods. Many areas where cotton is grown are vulnerable to climate change, crop damage or loss, and disruption to livelihoods along the supply chain.¹⁴ Cognisant that conventional cotton practices exacerbate climate change, the Textile Exchange 2030 Strategy¹⁵ calls for a 45% reduction in carbon dioxide emissions from textile fibre and materials production by 2030. However, the extent to which this strategy is being implemented is not clear.

Continuing challenges in the organic cotton sector

Other challenges of note to the sector occur at production (farm), markets (supply chain), and policy (sectoral) levels.

Production or farm level: Accelerated growth of the sector hinges on the creation of farmer incentives to adopt organic practices. Farmers face major challenges in cotton production, including crop pests and

¹⁰ OCA report (2016). It's all in the garment: developing a scalable assurance delivery system for organic cotton.

¹¹ Textile Exchange (2021). Organic Cotton Market Report 2021.

¹² Due to concerns over the alleged widespread use of forced labour in China's Xinjiang Uygur Autonomous Region.

¹³ Textile Exchange (2021). Organic Cotton Market Report 2021.

¹⁴ Willis Towers Watson (2021). Half of all cotton growing regions face severe climate risks by 2040 if carbon emissions continue to soar, <https://www.willistowerswatson.com/en-CA/News/2021/06/half-of-all-cotton-growing-regions-face-severe-climate-risks-by-2040-if-carbon-emissions-continue-to->

¹⁵ Textile Exchange (2021). Preferred Fibre and Materials Market Report.

diseases, and poor access to services (inputs, finance, markets). Further, climate change is affecting yields and the resilience of farmers who grow cotton, particularly in arid and semi-arid regions. Moreover, farmers rely heavily on credit from commission agents and input dealers, who can be an impediment to organic cotton as they tend to promote the use of agrochemicals.¹⁶ A higher workload, due to the work intensity of organic farming practices, may also be a disincentive and have a negative impact on farmers, especially on women.¹⁷ Achieving exponential growth in organic cotton production is very difficult given the challenges of growing cotton organically (in relation to seeds, inputs, rains, trading relationships, consistency of adoption, pricing, and supplier integrity, for example).

In the face of such challenges, a business case must demonstrate the desirability and viability for farmers starting or continuing their organic journey. The case must be strong enough so that “dropouts” are minimised. It would have to show a means of providing fair premium prices, high-quality non-GM seeds, biological inputs, and access to finance.

Markets or supply chain level: Cotton supply chains worldwide are fragmented due to the large number of actors, especially at lower levels of the supply chain (India alone has 4,000 ginning mills).¹⁸ If organic cotton is to expand, incentives are needed to encourage participation among low-level supply chain actors not currently involved in organics. Such incentives need to support the streamlining of supply chains as well as building accountability, honesty, and transparency in the system. For systemic change, certified and in-transition organic cotton actors also need to be clearly mapped to ensure product traceability. Strong assurance mechanisms (such as third-party verification) and robust supply chain integration will be increasingly important as the organic cotton sector expands. Overall, full knowledge of the supply chain is essential to demonstrate a link between the sustainable sourcing policy and practice of corporations and verified sustainability improvements in the supply chain.¹⁹

Policy or sectoral level: Some policy shifts toward organic production have been underway in recent years, but movement has been slow in developing the business case for organic cotton, mobilising the supply chain, and creating the right conditions for organic production with market-level uptake. Further, policy directions and sectoral support will be required to address the growing movement toward whole farming systems,²⁰ including promotion of biological inputs and seeds and a shift away from subsidies on synthetic fertilisers and agrochemicals.

¹⁶ One survey found 40.3% of farm households are in debt in India, with net savings being negative. NSSO (2019). All India Debt & Investment Survey – 2019, http://mospi.nic.in/sites/default/files/publication_reports/Report_no_588-AIDIS-77Rm-Sept.pdf.

¹⁷ Altenbuchner, Vogel, and Larcher (2017). Effects of organic farming on the empowerment of women: A case study on the perception of female farmers in Odisha, India. *Women’s Studies International Forum*, 64, pp. 28–33, <https://www.sciencedirect.com/science/article/abs/pii/S0277539517301206>.

¹⁸ Patil, PG, and Arude, VG (n.d.). Recent Advances in Cotton Ginning Technology in India, [https://www.icac.org/Content/SEEPDocuments/PdfFiles93cd3183_8866_4c10_95e6_8cb25d4a3c96/PGPatil_India-\(1\).pdf](https://www.icac.org/Content/SEEPDocuments/PdfFiles93cd3183_8866_4c10_95e6_8cb25d4a3c96/PGPatil_India-(1).pdf).

¹⁹ EJF (2009). *Somebody Knows Where Your Cotton Comes From: Unravelling the Supply Chain*. Environmental Justice Foundation, https://ejfoundation.org/resources/downloads/track_and_trace_web.pdf.

²⁰ Both organic certification and Regenerative Organic Certified (ROC) are whole farm system certification schemes, that are not crop-specific. ROC puts additional emphasis on promoting regenerative practices to organic and it includes aspects related to social standards and animal welfare. In terms of market linkages both organic certified and ROC offer the same opportunities.

1.2 The Organic Cotton Accelerator

The Organic Cotton Accelerator (OCA), a multi-stakeholder organisation, is acutely aware of the promise, progress, and challenges of the organic cotton sector and fully dedicated to improving the sector and scaling production of organic cotton and its impact at the farm level. To achieve that mission, OCA unites and welcomes all stakeholders from the sector, from brands and retailers, suppliers and farm groups, to civil society organisations (CSOs) and donors, on a common agenda to take joint action.

That action takes place through OCA's programmes, which focus on two things:

- 1) **Improving farmer profitability and prosperity** through the Farm Programme, with which OCA aims to create a secure market and better prices for farmers, and to deliver transparency from the base of the supply chain for participating brands and retailers.
- 2) **Bolstering the integrity of the organic cotton sector** through the joint investments of OCA contributors (platform members) in seed, research, and industry standards, to create the conditions for a healthy and enduring sector.

The creation of OCA by a lead group of retailers and brands and nonprofit groups was predicated on the need to address the challenges and constraints of the sector. The founding partners, which included Laudes Foundation, recognised the need for a common, collective approach to addressing systemic challenges in the sector by:

- Developing a clear business case for organic cotton farming;
- Addressing the critical shortage of quality, non-GM organic seeds that perform well under low input organic farming conditions;
- Addressing serious integrity issues that are hindering the sector's reputation and growth; and
- Fixing a fragmented sector that has had no central vision or steering organisation setting and implementing a sectoral agenda.

OCA was incubated in 2016, following preliminary discussions at the first Organic Cotton Round Table (OCRT) in Istanbul, Turkey, in 2013. Laudes Foundation (then known as C&A Foundation), was a key supporter of OCA's initial development, with this role evolving as more players have become involved and OCA has developed into a free-standing organisation. Since inception, OCA has undergone three phases: a prototype phase (2016/17), piloting phase (2018/20), and the current fit for purpose phase (2020/23).

OCA's programming focuses on the largest organic cotton producing country, India, with a commitment to reach about 79,000 organic cotton farmers across six Indian states by 2022.²¹ It also has plans to expand to other cotton producing countries, with Pakistan and Turkey prioritised for future geographic expansion.

²¹ OCA's programming currently (up to 2021) covers five states: Gujarat, Madhya Pradesh, Maharashtra, Odisha, and Rajasthan, with aims to expand to Andhra Pradesh. Farm Programme Impact Report 2020/21, p. 23.

2. Evaluation Methodology

2.1 Objectives

In 2021–2022, Laudes Foundation commissioned an external Interim Evaluation of the OCA initiative, of which this is the final report. This evaluation sought to assess the progress and impact of OCA. It examined the extent to which the initiative’s design and implementation have contributed to its ability to realise intended outcomes as set out in the Phase 2 and Phase 3 grant agreements. It has assessed OCA’s contribution to systems change in the organic cotton sector, primarily in India, and with consideration for scaling OCA’s work much beyond. The evaluation has also had a learning focus, providing lessons and recommendations for the ongoing initiative. Informed by the Terms of Reference (see [Appendix IX](#)), this evaluation’s objectives were as follows:

- a. **Results Achievement** – To review the strategy, approach, and design implemented by OCA in achieving or progressing toward outcomes;
- b. **Learning for Continuous Improvement** – To assess factors (in design and implementation) that have contributed to, or impeded, achievement of outcomes;
- c. **Implementation and Fit for Purpose** – To examine the quality of the design and implementation of the initiative, the preconditions, and levers used by the initiative in achieving intended outcomes as well as the impact, sustainability, and scalability of OCA; and
- d. **Strategic Choices** – To distil actionable and strategic recommendations and lessons from the findings.

A detailed description of the evaluation methodology is in [Appendix III](#) the next section provides an overview.

2.2 Design

Universalialia designed the evaluation to be consistent with the Laudes Foundation Evaluation Rubric System (ERS). The foundation is transitioning its portfolio of pre-ERS grant recipients to greater use of the rubrics in planning and reporting. With funded initiatives like OCA, Laudes Foundation is shifting from reliance on logical frameworks (logframes) and Key Performance Indicators (KPIs) to a rubric template that emphasises the contribution of initiatives to systems change.

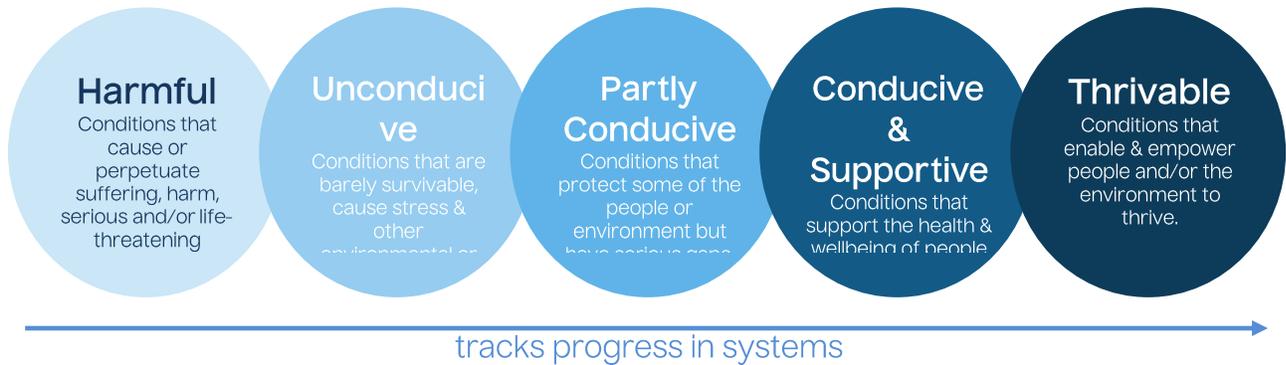
The ERS addresses four dimensions of inquiry:

- **A – Process-related aspects of grant support:** these rubrics focus on the outputs of an initiative, including initiative design, implementation, monitoring and adaptation, communication and learning, and organisation and network capacity;
- **B – Early and later changes:** these rubrics examine the short-term outcomes that are within the sphere of influence of an initiative, while also linking these outcomes to systems change;
- **C – 2025 Outcomes:** these rubrics focus on the medium-term outcomes and the contributions of an initiative to systems change; and

- **D – 2030 impacts**, which relate to long-term, sustained systems change toward which Laudes Foundation’s overall portfolio is contributing.

The evaluation is guided by rubrics A–C and will not touch on the fourth dimension of inquiry. The ERS provides a framework for measuring what “early and later” changes look like among foundation investments using standard criteria and a five-point rating scale, as shown in **Figure 2.1**. For B and C rubrics, the evaluation also provides the baseline rating and the direction of change.

Figure 2.1 Rubrics Rating System²²



During the inception phase of this mandate, the evaluation team consulted with OCA and Laudes Foundation to recast OCA grant outcomes (from the logframe) to be aligned with the most relevant rubrics. These rubrics were used to structure an evaluation matrix (**Appendix IV**). **Table 2.1** shows the criteria from the ERS that the evaluation team used to assess OCA.

²² Laudes Foundation (2021). Measurement and Learning Approach, <https://www.laudesfoundation.org/grants/rubrics?locale=en>.

Table 2.1 Rubrics to be Applied in Assessing Performance²³

| PROCESS-RELATED | EARLY AND LATER CHANGES | 2025 OUTCOMES |
|---|---|--|
| <p>A1. Design Initiative design that addresses important issues or needs</p> <p>A2. Implementation Initiative implementation that is inclusive, enabling, empowering, and capacity-enhancing</p> <p>A3. Monitoring and Adaptation A monitoring system that informs sound adaptive management</p> <p>A4. Communication and Learning Communication that promotes internal and external collective learning</p> <p>A5. Organisation and network capacity Organisation that has the capability and capacity to deliver on outcomes</p> | <p>B3. Progressive businesses leading change Progressive businesses lead the change, which encourages others to follow and lays the foundation for progressive change in policy, the financial sector and the real economy</p> <p>B6. Multi-stakeholder movements pressure Unstoppable multi-stakeholder movements in the sector that are influential and creating pressure</p> <p>B7. Redefined value Businesses and the sector redefining value to refocus the system on what really matters</p> | <p>C3. Businesses transforming Businesses promote and implement bold climate-positive policies, models, and practices that contribute to equity and inclusion</p> |

The evaluation matrix and selected rubrics allowed the evaluation team to assess OCA's overall performance and to bring forward insights and learning to guide OCA's work under the grant from this point until grant closure in 2023 and beyond.

2.3 Data collection

The evaluation followed a mixed method approach to data collection that featured:

- **Document, report, and monitoring data review** of all existing documents and data held by OCA and Laudes Foundation that were deemed relevant to the evaluation;
- **Semi-structured (virtual) interviews** with a purposive sampling of key informants who were selected with the support of core OCA and Laudes Foundation staff; and
- **A survey** of OCA partners and affiliates that generated a breadth of responses that complemented the more textured qualitative data collected through key informant interviews (KIIs).

2.4 Analysis and reporting

Analysis and reporting have been structured according to the ERS. To address the evaluation questions and provide ratings, the evaluation team drew on the following forms of inquiry:

- **Contribution analysis** – on the added value of OCA to the organic cotton sector;

²³ *Ibid.*

- **Contextual and stakeholder analysis** – on relevant factors in the larger system within which OCA operates;
- **Content analysis** – on trends and patterns for each criterion of the rubric;
- **Institutional and organisational “fit for purpose” analysis** – on OCA’s organisational and governance functions and perspectives for scalability and sustainability; and
- **Cost-effectiveness analysis** – on the use of resources (including Laudes Foundation grant resources) that support OCA.

2.5 Limitations

The team was constrained in fulfilling this mandate by the following factors:

- All interactions for this evaluation were conducted remotely due to restrictions stemming from the COVID-19 pandemic. This eliminated the scope for “incidental” knowledge gathering.
- Engagement with stakeholders did not include individual farmers and FPOs. The evaluation team relied on documentation and discussions with implementing partners (IPs) to assess programme implementation, limiting the team’s ability to fully assess OCA’s impact at farm level.
- Use of the recently developed rubrics framework generated challenges due to differing interpretations of the rubrics themselves and how they should be applied in such an evaluative assignment.

None of these challenges and limitations was deemed significant enough to have compromised evaluation findings or the development of conclusions and recommendations.

3. Process-Related Aspects

3.1 OCA design

This section covers the A1 rubric on initiative design. It assesses the extent to which an initiative addresses important issues and needs of a sector to be able to move toward systemic change. For an initiative to be considered *thrivable*, it should: i) have the right mix and intensity of intervention approaches to produce systemic impacts; ii) be appropriately resourced, budgeted, and staffed with the right choice of partners; and iii) have an innovative and exploratory design that builds on past lessons, strong synergy with adjacent initiatives and organisations, and strong alignment with Laudes Foundation objectives.²⁴

Based on this, OCA's design is **conductive and supportive**. Its design addresses important needs in the sector and is innovative and exploratory in nature. The initiative aligns substantially with Laudes' objectives. Early challenges in establishing cooperation among sector actors are abating. In this busy space, where there has been potential for overlapping mandates and approaches, there is scope for greater collaboration, exchange, and learning between OCA and its sector peers.



Conductive
&
Supportive

Finding 1: In its design, OCA squarely tackles the challenges and obstacles identified before its creation. It does this through its two complementary programmes that are supported by a multi-stakeholder platform. OCA's mandate and approach occupy a niche as an operationally focused "problem-solver" for the organic cotton sector.

Before OCA's existence, the organic cotton sector had been facing critical challenges. Foremost among these were: i) lack of integrity and transparency in the sector that was threatening the credibility of organic cotton; ii) limited supply of organic cotton due to a lack of adequate resources, support, and incentives for farmers to continue growing organic; and iii) fragmentation and lack of coordination in the sector that hindered sustainable growth in organic cotton. The sector's issues were recognised by key actors, including Laudes Foundation, as well as several major brands that faced difficulties in meeting demand for organic cotton while facing reputational risks due to integrity issues.²⁵ These actors came together to create OCA to address the sector's challenges.

"When OCA was conceived, the writing on the wall was clear. For those of us committed to organic, we got a sense that if trends continue, organic cotton would have been a thing of the past." – OCA Board

OCA's vision and mission are to "[create] a transparent, responsible and resilient organic cotton supply chain that prioritises farmer prosperity and meeting the sector's shared sustainability goals".²⁶ It features two programmes:

²⁴ Laudes Foundation (2021). Process rubrics, <https://www.laudesfoundation.org/grants/rubrics/a>.

²⁵ OCA was spearheaded in 2013 by key brands, Eileen Fisher, C&A, H&M, and Kering, as well as C&A Foundation, Textile Exchange, and CottonConnect. Dorsey, S. (2016). The Race to Accelerate Global Organic Cotton Production, <https://www.triplepundit.com/story/2016/race-accelerate-global-organic-cotton-production/57201>.

²⁶ OCA (2021). Strategy Roadmap: Accelerating the Organic Cotton Effect, p. 5.

1. **The Farm Programme** is the central pillar of OCA’s mandate. It offers a direct-sourcing model that connects brands to farmers and builds a business case for farmers and brands to participate in an organic supply chain. Most notably, it aims to put farmers’ needs at the centre by guaranteeing a premium price for organic cotton and a secure market.²⁷
2. **The Seed and Innovation (SI) Programme** addresses several enabling conditions required for organic cotton to thrive, notably on seed quality and access for farmers, as well as other types of support for farmers, such as training. The programme also tackles supply chain integrity issues through its Traceability Pilot Project and its efforts to enhance the testing and screening of genetically modified organisms (GMOs).

In addition to these programmes, OCA has made early progress in developing a financing mechanism, the Organic Cotton Fund (OCF), to fill known financing gaps faced by farmers and supply chain actors.

By design, each component of OCA’s programmes is complementary. The Farm Programme is a centrepiece, and both the SI Programme and the envisioned OCF are to enable the Farm Programme by addressing the constraints and challenges that exist in the sector. OCA’s programming is supported by the OCA platform, a multi-stakeholder initiative (MSI) convening sector actors. The platform is meant to serve as a forum for exchange and learning, uniting the sector around a common agenda and shared vision for organic cotton. OCA’s approach is designed to be innovative and exploratory, which is evident in its “scoping-testing-learning-adaptation” approach (see [Section 3.2](#)). Overall, OCA’s design responds well to sector needs and to what OCA aims to accomplish (see [Figure ii.1](#) in [Appendix II](#)).

OCA is one of multiple actors (organisations, networks) operating in the organic cotton industry with points of intersection at operational and strategic levels. These actors have diverse mandates. Some are centred on sustainable cotton while others concentrate on organic cotton specifically, and still others are more broadly focused on organics. Some actors are active at the level of the supply chain while others are more sector or strategy focused in their orientation. OCA, as a more recent entrant to the sector, has had to find its niche. In practice, OCA is the only organisation working exclusively on organic cotton, and it operates on a larger scale taking on wider industry issues that are not necessarily addressed by other organisations.

The OCA platform has distinguished itself for its operational and problem-solving stance on production and supply chain matters, and as a contributor (platform member) from this “ground-level” vantage point to entities like the OCRT (and its regional affiliates) that are positioned more as the convenors of the sector on strategy. OCA has made it a practice to partner with actors involved in the sector. For instance, OCA worked in partnership with other actors in the creation of GMO guidelines for organic cottonseed, and some actors have now engaged in the Farm Programme as IPs. As observed by key informants, in this complex environment, there is continuous scope for OCA and peer organisations to seek opportunities for learning, exchange, and collaboration, and there remain instances where relationships could be explored or strengthened.

A remaining challenge with regard to OCA’s design is the extent to which it can be considered farmer-centric versus brand-centric. By design, OCA’s mission has been farmer-focused from the beginning, with an emphasis on farmer livelihoods. Yet, OCA was designed and conceived by brands and industry actors to address challenges with the supply and integrity of organic cotton and, in a bid to establish a business

²⁷ The Farm Programme features tailored engagement with brands and affiliated supply chain actors that have direct access to farmers. The engagement centres on the creation of annual farm sourcing agreements specifying organic cotton volume, quality, and price. Critical here is the commitment by brands to pay a premium, and by IPs to pass that on to their farmers, to deliver extension services that support production on the farm, to exercise internal controls and organic certification, and, at the time of offtake, to deliver the product into the brand’s supply chain.

case for organic cotton, operations have been geared significantly toward brand needs. Evidence of this is in OCA's initial efforts on traceability and its continuing focus on GMO testing, both of which are critical to the supply chain but yield limited immediate benefits to farmers. As the business case for organic cotton has become clearer, so too has OCA's design commitment to farmers in programming, monitoring and adaptation, and in governance, as discussed in subsequent sections.

Finding 2: OCA's design is substantially aligned with Laudes' mission and vision. In particular, it speaks to the industry and ecosystem building element of the foundation's Sustainable Cotton Programme Strategy that was in play during the granting period.

Laudes Foundation has had significant involvement and influence on OCA since its 2016 inception. The foundation is a founding partner (as C&A Foundation) and it has been, by far, the initiative's most significant donor. While Laudes' funding and influence has diminished as the platform has matured, the foundation remains highly relevant to OCA's work.

All three grant agreements were in place before C&A Foundation's re-launch as Laudes Foundation in 2020. As such, the grants are referenced to C&A Foundation's Sustainable Cotton Programme Strategy. At the time, the foundation's concern with cotton as a key raw material used in the textile sector was on its production, which generates a heavy social and environmental burden. At the time, less than 20% of cotton lint grown globally came from sustainable sources. Moreover, farmers were unsupported and tied into a complex supply chain with a poor record of sector alignment and coordination.²⁸

The Sustainable Cotton Programme Strategy stressed mainstreaming sustainable cotton by attending to farmer capacity building, industry and ecosystem building, and policy advocacy.²⁹ OCA's design, as an intervention for industry, aligned most closely with the industry and ecosystem building element of the strategy, with some coverage of the farmer capacity building element.

Alignment with Laudes Foundation's new five-year strategy remains substantial. The 2025 strategy includes three sectors of intervention,³⁰ of which its interventions under the fashion sector are the most relevant to OCA's work. While complete alignment is not intended or expected, **Table 3.1** shows the extent to which OCA's design aligns to the six interventions under fashion.

²⁸ C&A Foundation (n.d.). Sustainable Cotton Programme Strategy Document.

²⁹ *Ibid.*

³⁰ 1-Finance and capital markets, 2-Fashion, and 3-Built environments. Laudes Foundation (2021). Our 2025 Strategy, <https://www.laudesfoundation.org/what-we-do/our-strategy>.

Table 3.1 Alignment between Laudes Foundation Strategy and OCA Design

| AREAS OF INTERVENTION UNDER FASHION | EXTENT TO WHICH OCA'S PROGRAMMING ALIGNS |
|---|--|
| Ensuring a just transition, including social protection for workers | Not applicable. OCA's work currently does not cover social protection, but labour rights is an area of future interest. ³¹ |
| Promoting incentives for accountability, including transparency and regulatory mechanisms | Alignment. OCA aims to address integrity and transparency in organic cotton and building accountability of brands toward farmers. |
| Promoting collective action, the agency of workers and communities, and the organisations that support them | Not applicable. While this area of intervention speaks specifically to labour rights, which does not apply to OCA's work, as an MSI, OCA promotes collective action by bringing together diverse organisations. It also promotes the agency of farmers and farmer organisations through its work. |
| Enabling legislation to incentivise next generation and circular materials | Not applicable. This area of intervention refers primarily to non-cotton fibres. While OCA's current work does not cover legislative issues, it aims to develop partnerships in this area in the future. ³² |
| Accelerating investments into next generation and circular materials | Alignment. Organic cotton is considered a sustainable material of choice and OCA's main objective is to accelerate investments to scale up its production. |
| Transitioning business models to landscape approaches, creating more income security for farmers, and enabling climate-positive practices | Alignment. OCA's approach aims to change business practices among retailers and supply chain actors in the way that cotton is procured to ensure fair prices and market security for farmers. |

3.2 OCA implementation

The discussion under this rubric considers implementation, on the extent to which OCA activities have been delivered with efficiency, thoroughness, professionalism, good ethics, cultural appropriateness, inclusion, and consistency with relevant legal and professional standards. For an initiative to be considered *thrivable*, it should be delivered with the above characteristics and in ways that play to the strengths of Laudes and its partners. It should also use clear and effective strategies, including innovative and exploratory approaches, where appropriate.

Based on this, OCA's implementation is rated **conductive and supportive**. OCA's programme implementation shows the attributes of good delivery using a deliberate, inclusive, enabling, and capacity-enhancing approach. It demonstrates a solutions-oriented focus, and a commitment to using evidence. Regarding these attributes, some vulnerabilities are evident as it navigates the more complex interactions among OCA stakeholders. Implementation has been efficient and in line with the planning as set out in Laudes' grant agreements.



Conductive
&
Supportive

³¹ OCA 2030 Strategy; Klls.

³² *Ibid.*

Finding 3: A deliberate, inclusive, and enabling approach features strongly in OCA's implementation. Activities are suited to the complexities of its mission by virtue of focusing more on "discovery" and "solutions" than being prescriptive, and by being evidence-based. Instances observed where implementation is misaligned with its approach serve more as opportunities to refine than to rethink.

Efficiency through continuity and focus

In implementation, OCA demonstrates a continuity of intent and programming focus across the three phases of OCA's development. In the lead up to OCA's prototyping phase (2016/17), a case was built for the development of a global platform to accelerate organic cotton production.³³ The case introduces four workstreams: two focused on programming to address constraints related to organic cotton supply and demand, one stream addressing organisational aspects (governance and operations) to support the programming workstreams, and a fourth focused on convening and strategy development. Since 2018, OCA's programming focus has remained consistent with this approach.

In 2020, OCA used multiple task forces to review implementation related to the direct-to-farm sourcing model, seed availability, and traceability. Participants in these task forces, both contributors and external stakeholders, brought additional information and insight into the discourse with an intent to inform the scaling up of OCA's work. This resulted in each task force offering a combination of strategic and process recommendations to support the development of OCA's 2030 Strategy.³⁴

Thoroughness and integration

In implementation, the workstreams described above combine in mutually reinforcing ways and with a sensitivity to stakeholder roles and boundaries.

Under the **Farm Programme**, OCA team members consult with participating brand and IP sourcing teams. They reinforce orientations already given with tools and guidelines to support GMO testing, farm-level monitoring, and on-farm training. Where necessary, staff suggest brand-supplier matching options based on fibre needs and volumes. Brands and IPs are supported with costing templates to support negotiations. When the brand and supplier are ready to negotiate, the OCA staff person(s) steps out of the discussion. The Farmer Commitment Agreement, once signed, sets out commitments for OCA, the brand or retailer, and the IP.

The SI Programme works around the edges of the Farm Programme, addressing long standing constraints in the sector.³⁵ Distinct initiatives address issues related to seed availability, GMO testing, traceability, and farmer capacity building, therein strengthening the farmer business case that underpins the Farm Programme. At the same time, the Farm Programme reciprocates as a test bed for SI Programme deliverables as part of scaling these within the organic cotton sector. In so doing, it gives seed producers market access.

Relevant to both the Farm and SI programmes as well as the sector, the OCF is being developed to create a fund structure that supports farmer training in organic agriculture and provide working capital to address financing gaps at the farmer end of the supply chain. Its development is emerging through feasibility studies, demonstration pilots, as well as a strategy, business plan, and eventual launch. In the

³³ The case was comprised of an OCA strategy, farmer business case, and identification of interventions necessary to address known sector constraints. (NewForesight Consulting (2015). Proposal to Laudes Foundation.)

³⁴ OCA's Global Organic Cottonseed Task Force Summary Report, FED Task Force Recommendations Report, and the Strategic Recommendations from OCA's Textile Traceability Task Force.

³⁵ See Section 4.3 for more details on the SI Programme.

first quarter of 2022, a funding component of the OCF was being launched to support the 2022/23 season, while a financing component was under development (discussed in [Sections 4.2](#) and [5.1](#)).

Reinforcing the programmes described above, the self-governed OCA platform provides opportunities for agenda setting, learning and exchange, problem-solving, and industry-level influencing. With support from the Secretariat, it convenes stakeholders in workshops and contributor meetings. Platform members (known as contributors) engage formally and informally, in large and small configurations on such topics as agronomy, industry trends, OCA strategy, and OCA programming issues as they emerge.

Affiliate organisations, with mission-relevant roles, engage with OCA as partners. As a standard practice, OCA uses Memoranda of Understanding (MoUs) to clarify shared intent, roles, and accountabilities. In some instances, these are accompanied with guidelines to help parties communicate consistently about the subject matter.

An innovative and exploratory approach

On multiple levels, OCA adopts a “scoping-testing-learning-adaptation” approach in implementation. For example, the direct-to-farm business model grew from four pilot farm initiatives (2016) to 20 fully fledged farm projects (2021). Templates and team readiness to support parties to the farm sourcing agreements were enhanced with each iteration.³⁶ To address seed issues, the Seeding the Green Future (SGF) project has used a farmer-focused participatory research and training approach in running trials of organic seed cultivars and testing seed applications for different soil and climate conditions.

The diversity of actors among IPs provides additional grist for testing and learning about OCA’s direct-to-farm sourcing model as it matures. Among the IPs are supply chain enterprises operating at various scales and degrees of vertical integration. It can be expected that the type of IP and how it engages with farmers will influence the extent to which the farmer business case can be demonstrated. It also can be expected that the type of farmer engagement model will influence how the integrity of organic cotton is being ensured. In the same vein, the inclusion of a diversity of actors among brands, including larger and smaller brands with their differing supply chain configurations, has enriched opportunities to test and learn about OCA’s business model.

An inclusive and inquisitive approach

OCA’s values-ethics orientation favours inclusion and inquisitiveness over narrow thinking and competition. Across the board, interviewed stakeholders spoke of OCA’s open and engaging style and its interest in finding “common ground” or “constructive solutions” over the practice of differentiating itself and organic cotton within the wider cotton community. Examples include OCA’s interest in engaging across the spectrum of sustainable cotton standards in the development of a common impact measurement framework, and in the search for traceability solutions; and OCA’s preference for constructive engagement for continuous improvement with value chain IPs where farm data reveals nonconformity with Farm Programme expectations or certification standards.³⁷

While enabling, inclusive, and empowering overall, in specific instances OCA’s orchestration of stakeholder engagement deviates from the pattern. These instances, uncovered through interviews, underscore the complexity of OCA’s supply chain ecosystem and the onus on OCA to approach

³⁶ For example, to address the current spike in market prices for organic cotton, OCA partners have converged around the introduction of a Market Variable Premium to sit atop of the standard organic cotton premium. This measure is to address the opportunity cost of IPs selling cotton committed under sourcing agreements on the open market.

³⁷ Cotton 2040 website, KILs.

relationships with intentionality. They may also point to areas of vulnerability in the OCA ecosystem where heightened attention is warranted.

The first instance pertains to OCA's tailored engagement with brand sourcing contacts in the lead up to obtaining a Farm Commitment Agreement. Accounts described brand confusion linked to the tasks of interpreting pricing and costing data and, in some instances, obtaining an optimal IP match for volumes and quality, all within the restrictive period of the cotton season.³⁸ Several factors converge to make this a delicate moment for the OCA programme team and the brands and IPs involved, including the novelty (for some brands) of engaging directly this deeply in the supply chain; the draw on resources that such engagement requires of smaller brand procurement teams; the steadfast positioning of OCA as a "broker" without direct engagement in the negotiations between brands and IPs; and the continuing task of establishing mutually acceptable protocols between brands and IPs for setting premium amounts.³⁹ The difficulties associated with this interaction offer an important multi-stakeholder learning and trust-building opportunity for the parties involved.

The second instance pertains to OCA's entrance into new regions and countries. Here, accounts described uncoordinated communication from OCA to prospective or new partners in an expansion country and lingering uncertainty on the process for convening and engaging at the country level. Toward the latter part of 2020, several stakeholder organisations in this country approached OCA for programme support. This expression of interest led OCA to commission a market study and to communicate the possibility of expansion pending a positive recommendation. Such a recommendation was made at the beginning of 2022. In anticipation of this first venture beyond its launch country, OCA developed a "blueprint" with a sequence of pre-expansion activities that, once initiated, will encompass stakeholder mapping and engagement.⁴⁰ Whether communication with country stakeholders in the initial steps of exploration adequately conveyed OCA's intent and process warrants attention considering the feedback received.

Finding 4: Philanthropy in general, and Laudes Foundation in particular, have been decisive in OCA's implementation, providing financial latitude and a base of relevant experience on which to build. Most of what has been planned in Laudes grant agreements has been implemented. And, while having latitude to spend, the Secretariat has operated within its means with a clear understanding of this time-limited opportunity to build self-reliance as an MSI.

A mix of programmatic and core support funding by Laudes Foundation has been integral to OCA implementation. This, along with other philanthropic contributions, has allowed OCA to develop its direct-to-farm business model and enabling supports.

Funds have been used across all major programming components and to support the development of OCA governance and operations. In large part, activities funded by Laudes Foundation have been completed as planned, as shown in the summary table of indicators (**Appendix VI**). Three budget lines in the Phase 2 grant (representing about 20% of the contract) were unspent toward the close of the contract. These were reallocated with justification related to changing assumptions, sequencing issues, and best use of

³⁸ Regarding the first concern, three brand/retailer informants indicated a measure of confusion or expectation for greater support developing the Farm Commitment Agreement. Most of these agreements are linked to brands engaging in direct-to-farm purchasing for the first time, though a broader range of brands indicated a lack of clarity in the messaging around the direct-to-farm model. Key informants acknowledge the learning and improved clarity that comes with experience (KIIIs).

³⁹ Standardising programme implementation has been one of two focus areas for the FED (Farm Programme) Task Force that issued recommendations in June 2020 to inform the development of the Global 2020 Strategy.

⁴⁰ OCA (2021). OCA 2030 Strategy, p. 39; correspondence with key informants.

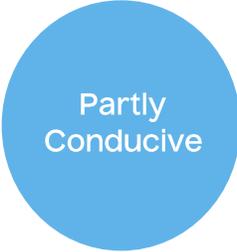
resources, through an amendment letter.⁴¹ In the Phase 3 grant, activities related to OCF development have shifted in character and timing (see [Section 4.2](#) for more).

Work planning occurs within a budgetary framework that is set at the beginning of each year. So far, spending has kept within these parameters. OCA describes itself as a “frugal” organisation, accustomed to making cost-benefit choices. Financial statements show a growth trend in accumulated reserves. Staff growth most often emerges from workload pressures as OCA grows. A cost-benefit calculus is customarily applied to determine whether these pressures should best be addressed through hiring, using consultant resources, or by drawing on in-kind supports. Similarly, when more immediate or specialised needs arise requiring consultant input, the same calculus is used to analyse the cost-effectiveness of candidate solutions. In communications planning, OCA is seeking efficiencies through its communications technologies and strategies. Here the calculus revolves around best utilisation or coverage for cost.

3.3 Monitoring and adaptation

This section covers the A3 rubric on monitoring and adaptive management. The rubric provides a basis for assessing whether the initiative is well monitored and considers the relevance and utility of data, reporting, and the use of monitoring findings for learning, reflection, and adaptive management.

On this rubric OCA is rated **partly conducive**. OCA’s monitoring and evaluation (M&E) system uses a mix of evidence from diverse sources that cover more than minimum compliance requirements. There is some straining of resources as the Farm Programme grows and the scope of the data sought widens, but this is not excessive, and it is being addressed. So far, data collection and reporting have been tailored more to the needs of brands and to a lesser extent IPs, with the intention to improve usefulness for farmers. Finally, there is evidence of good learning and adaptive management within OCA’s monitoring practices. Limitations relate to data quality and timeliness, data specificity across different user groups, and the use of M&E insights for decision-making. There are also untapped opportunities to broaden M&E system coverage to include institutional and platform aspects of OCA’s work more fully.



Partly
Conducive

Finding 5: OCA’s M&E system has been integral to the success of its Farm Programme, where the function is critical to ensuring buy-in from actors, especially brands. The M&E system has had to keep up with significant growth in the organisation and its operations as OCA strives to stay relevant and useful to the various actors involved. OCA demonstrates good adaptive management overall through its use of continuous learning and improvement. The application of M&E beyond the Farm Programme is less well developed.

OCA’s M&E system has been well developed for the Farm Programme, a central pillar of OCA’s work. Hence this section focuses on its use in that programme.⁴²

⁴¹ Reallocated budget lines were the Traceability System (post-2018 pilot activities), the Farm Group Guide, and the Global Farm Index amounting to EUR 227,000. These funds were reallocated toward the Seeding the Green Future Project, OCA new brand and website design, the M&E system, and for OCA Secretariat staffing. (Laudes Letter of Amendment 27 March 2020, Grant Reference No. GR-067218.)

⁴² The SI Programme is implemented primarily by FiBL, which conducts M&E on that programme and provides two annual reports to OCA (at mid-year and end-of-year).

OCA's M&E guidelines outline four key purposes of its M&E system: i) **Performance measurement** (assessing the results of the Farm Programme); ii) **Enhancing transparency and credibility** within the Farm Programme; iii) **Communicating results**; and iv) **Continuous improvement and learning**.⁴³ The system is intended to be results-oriented and includes elements of learning. The guidelines also present a Theory of Change (ToC) and measurement framework with a list of indicators for tracking progress at each level of result.⁴⁴ (The utility of the ToC for OCA as an MSI is discussed under Finding 6. An overview of the structure of OCA's M&E system is provided in Additional Notes in [Appendix II](#).)

Data collection occurs at both the farm and IP levels. Data is both self-reported by IPs and obtained through third-party validators who conduct annual independent data collection and analysis. This dual approach reinforces the credibility of the data collected by IPs and provides opportunities to supplement the data used in their reporting. Both sources of data feed into OCA's reporting system, which consists of several levels of reporting necessitated by OCA's strict data sharing protocol. To ensure confidentiality, OCA takes care to protect the privacy of individual farmers, IPs, and brands.

OCA has three levels of reporting related to users and their needs: 1) for Secretariat and IPs only; 2) for Secretariat, IPs, and associated brands; and 3) for all OCA contributors and external stakeholders.

Level 1 consists of direct reporting to IPs through the Performance Improvement Report (PIR), which provides direct feedback to IPs based on OCA and third-party validator information. IPs are required to develop a Corrective Action Plan (CAP) in response. The PIR is not meant to be punitive; rather, it is to encourage continuous learning and improvement from IPs.

[Appendix V](#) examines a sample of PIRs and shows the types of recommendations suggested by third-party verifiers and the corrective actions taken, demonstrating follow-through by IPs. Some IP stakeholders interviewed questioned the verification process and the usefulness of the data generated as it did not always provide new insights, good practices, or process improvement information for them or for farmers, while one IP appreciated the feedback from the PIRs.

At Level 2, OCA provides individual project reports for each participating brand. The farm project report incorporates information from the PIR and CAP, as well as aggregate and anonymised data on participating farmers. Farm project reports are tailored to each brand, and brands can request additional data to serve their needs.⁴⁵

Finally, at Level 3, OCA produces the annual Farm Programme report, which provides only anonymised and aggregate data for all farm projects and offers a general high-level overview of the programme.

OCA's M&E system has been in a continuous state of improvement and refinement over the years, and this continues. The original purpose of the M&E system was to ensure proof-of-concept for the Farm Programme. During the initial stages of development, the onus was on OCA to demonstrate the extent to

"Brands want a lot of evidence [...] OCA is trying to please brands and contributors. At some point, I do see this as a challenge. More focus is needed on farmers. The verification should be more farmer-centric. It takes time to collect [this data]. They do give us a report, but it is not something we don't know already."
– OCA supply chain partner

⁴³ OCA (2020). Monitoring and Evaluation Guidelines Version 2.2.

⁴⁴ There are 44 indicators, which include both output and outcome indicators, as well as general and contextual indicators (such as agriculture landholding size, cotton market price, and farmer annual income).

⁴⁵ Brands involved in the Farm Programme also have direct communication with their IPs and do not solely rely on OCA data. As one brand noted: "We get an annual report from OCA, which is where we get our data and stories. But we also have monthly calls with our suppliers so we get regular updates directly from them [...] We've had cases where numbers from our suppliers differed from OCA reports, but we will just go and speak to our suppliers to understand [the discrepancies]."

which the direct-to-farm model works, to build trust in the system, and to ensure buy-in from OCA's three key stakeholder groups: brands, suppliers, and farmers. The initiative has mostly succeeded in this regard. The M&E system has facilitated the development of a solid business case, particularly for brands, giving them a reason to continue involvement in OCA's systems-change enterprise.

Brands have been the primary users of OCA's M&E system and most indicators and data are aimed toward brand needs (for example, volumetric data, costing data, and GMO testing data, as well as farmer stories). Indeed, the way it is set up, the M&E system caters more to the data requirements of brands than it does to those of other actors.⁴⁶ While IPs receive direct feedback (through PIRs), the usefulness of the M&E system to IPs, FPOs, and farmers has been limited. OCA acknowledges early brand buy-in as critical to shaping the development of its M&E functions. The OCA team has stated an intention to better support the data needs of ground-level actors, in particular farmers. Attention to the development of social and environmental farm-level data features prominently in its 2030 Strategy.

"[Brands] don't care about agronomy data. That's not what drives them, but this can be used by farmers. Our reports haven't been sharp enough yet to cater to farmers. We are now hiring a new data person to help us produce reports that can help farmers, for example in the use of seed variety as well as other agricultural data to help with farmer production and sharing best practices." – OCA staff

Administratively, the M&E system is facing increased pressure, as OCA reaches more farmers. While brands generally are satisfied with the data and farmer stories they get from OCA, some noted that the data is not always received soon enough to allow for corrective action.⁴⁷ At least seven stakeholders (ranging from OCA staff, brands, board members, and externals) acknowledged that there are methodological issues to overcome to improve the timeliness and quality of the data produced. For instance, growth in the Farm Programme has put a strain on third-party validators to

keep up with increasing sample sizes of farmer and control group subjects.⁴⁸ This has affected the quality of data being collected.⁴⁹ As OCA begins to focus on the collection of socioeconomic and environmental data, additional time, resources, and effort will be required. OCA is aware of this pressure on the M&E function and is taking remedial action. For instance, OCA is hiring an additional company as third-party validator to meet the demands of an expanding programme. Since late 2021, OCA has assigned an existing staff member to a new M&E manager role and hired an M&E officer.

Under its 2030 Strategy, the organisation has committed to build a more robust data system with attention to improving the collection of farm-level data, revising validation methods to ensure best practices, running trials of innovations in data collection and verification, and strengthening reporting for stakeholders, including the general public.⁵⁰ OCA staff acknowledge the need for more timely reporting and data collection that better supports farm-level decision-making and helps to profile socioeconomic and environmental farming conditions on a regional scale. In this vein, OCA has been an active participant

⁴⁶ Four stakeholders (including IPs, donors, and OCA staff) expressed this.

⁴⁷ This was particularly noted by brands with regard to GMO presence in cotton, which is reported in the farm project report. As it currently stands, these reports arrive too late for brands to adjust (KIIs).

⁴⁸ OCA determines the sample size investigated yearly by third-party validators, and requires assessment of a minimum of 10% of farmers, covering all projects. When comparing across years, significant growth is evident, with 197 OCA farmers (10% coverage from 4 farm projects) and 36 control farmers assessed during the 2017/18 season to 4,589 farmers (37% coverage from 15 farm projects) and 54 controls assessed in 2019/20.

⁴⁹ A comparison of PIRs over the years shows that initial PIRs provided much more granular detail about observations, findings, and recommendations; later PIRs provide less detailed information, primarily providing recommendations and fewer observations and findings.

⁵⁰ OCA currently does not share data with the public, except very high-level information in its Annual Reports. See Section 3.4.

in the Cotton 2040 Impacts Alignment Working Group,⁵¹ a collaboration with other sustainable cotton standards to build a more consistent array of farm-level data. From this initiative, OCA intends to integrate indicators on soil, water, climate, gender, and child labour.

A few additional gaps remain in OCA's M&E approach, for instance conducting longitudinal assessments at farmer, FPO, and IP levels that would be sensitive to incremental and transformative change. Although OCA has four years' worth of data, third-party validators have only sampled farmers across projects, providing a snapshot view. While this is convenient, it does not allow for tracking a panel of farmers across multiple years of growing or transitioning toward organic cotton. Another gap relates to the lack of comparative analyses across projects, implementing models, and farming systems that could inform learning.

Finding 6: Monitoring and adaptive management has focused on the programme dimensions of OCA with appropriate links to OCA's strategic priorities for organic cotton. Variables tracking the functioning of the OCA platform itself are mostly pitched at the output level and are insufficient to understand the platform's contribution to impact.

OCA has in place indicators, targets, and collection methods with which to track its marketing and communications deliverables and its platform growth and fundraising, but the focus of its monitoring practice has been its Farm Programme (and its SI Programme to a lesser degree).⁵² As already noted, the use of Farm and SI programming data has been integral to the success of the business model to the extent that it verifies the distribution of premiums to farmers, informs continuous improvement within the supply chain, and builds a body of knowledge on impact to help drive systems change in the sector.

The methods employed to collect farm data and the use to which it can be put continue to evolve as the Farm and SI programmes mature and as OCA extends its reach in the sector. Looking to the future, the 2030 Strategy identifies data management gaps associated with its newly minted strategies as well as a sequence of remedial steps pertaining to data and analytics competencies, data architecture and technology, and data organisation and governance.⁵³ Impetus to widen and advance the use of farm data is also evident in board discussions.

Observations of OCA's ToC, which is contained in the 2030 Strategy (see [Figure ii.3](#) and [Figure ii.4](#), as well as the accompanying discussion in [Appendix II](#)) indicate the presence of a solid framework for tracking OCA's overall progress in enabling desired changes at farm level. However, the results pathways described fall short of what is needed to understand institution and platform performance (for example, industry influence) and contribution to sector outcomes, to test the value propositions for brands, retailers, and suppliers in OCA's reform efforts, or to set out and measure against specific stakeholder commitments in relation to the mission of OCA.⁵⁴

⁵¹ The Cotton 2040 platform brings together key stakeholders in the sustainable cotton sector to accelerate progress and maximise impact, with the Working Group specifically aimed at aligning sustainability impact indicators and metrics. The platform is supported by Laudes Foundation, Forum for the Future, and the Delta Project. (OCA Annual Report, 2020; Forum for the Future. Cotton 2040: Aligning Sustainability Impact Metrics, www.forumforthefuture.org/cotton-2040-aligning-sustainability-impact-metrics).

⁵² The SI Programme constitutes multiple projects with different reporting requirements. The SGF project, for instance, is managed by FiBL, which provides OCA with an annual report on its work. OCA's tracking of GMO contamination is collected and reported by third-party validators. KPIs exist for other aspects of the programme.

⁵³ OCA (2021). p. 72–79.

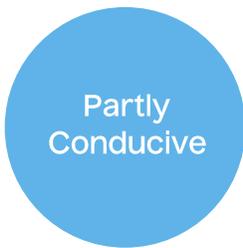
⁵⁴ Regarding commitments, at this stage in OCA's development, these are largely a matter between OCA Secretariat and the contributor with acknowledgement that there is a landscape of possibilities (and accompanying risks) that come with making commitments more transparent.

In keeping with OCA’s farm-focused intent (see Section 4.2), the ToC shows the contribution of and value proposition for farmers explicitly and with detail. For other actors associated with the organic cotton supply chain these features are assumed and implicit at the activity level. Indicators in the ToC track operational variables like stakeholder participation, representation and inclusion, fund development, and platform and institutional capacity.⁵⁵ Less evident are variables that would track and inform the institution’s and platform’s contribution to OCA’s system change ambition as described in the 2030 Strategy. Exploration in this domain would help define OCA as an influencer, a model of multi-stakeholder problem-solving, a mediator, and an attractor within a systems-change process.

3.4 Communication and Learning

This section reports on the A4 rubric for Communication and Learning, which assesses collective learning and communication internal to the organisation and externally. Thus, the section explores communications and awareness pertaining to OCA’s vision, activities, and value proposition, and to the organic cotton sector at large. It also looks at key products and approaches used by OCA.

OCA’s current rating for the A4 rubric is **partly conducive**. OCA’s publicity and other external messaging are well aligned and coherent, but their targeting and reach have been inconsistent at keeping audiences engaged on the purpose and impacts of its work. Internally, OCA’s expanding suite of communications tools and activities are generally well received by its contributors, with gaps noted in the way knowledge products are tailored for different users, housed, and accessed. Among those directly engaged in its mission, OCA embraces and implements well its learning and knowledge sharing. OCA’s new Communication Plan, staff team, and newly developed tools are responding well to the challenges observed.



Partly
Conducive

Finding 7: While contributors see the OCA team as approachable, responsive, and learning-oriented, its communications have not been consistently effective in conveying OCA’s purpose and the impacts of its work. Identified challenges are recognised in OCA’s 2020 Communications Plan and 2030 Strategy, and new measures are coming on stream to hone OCA communications and help the initiative to engage more directly with distinct stakeholder users.

While adequate overall, OCA’s communication efforts have not been *consistently* effective in conveying the purpose and the impacts of its work. This is reflected in the differing perceptions actors hold regarding OCA’s function and the critique of certain stakeholders around the limited public information available on its activities and outcomes. Interview and survey data show an overall understanding among stakeholders of the value OCA brings to the organic cotton industry, but differing understandings of OCA’s niche and purpose in the sector and continuing perceptions of overlap and competition with other actors (see Section 3.1).⁵⁶

⁵⁵ These have been integral to the development of OCA operations and governance capacity, as described in Section 3.5, and are prominent in the design of OCA’s annual Contributor Surveys and consultative processes. Human rights and inclusion aspects are addressed in OCA policies.

⁵⁶ In the 2020 Contributor Survey results, 92% of respondents strongly or somewhat agreed with the statement: “Due to OCA’s communication tools, I understand the value that OCA brings to the organic cotton sector.”

Data sharing and communication effectiveness

OCA is widely seen as an organisation that has been cautious about the information it shares. For some stakeholders, this has been considered insufficient public transparency on what it has achieved or is planning. This approach can be traced to the cautious stance historically taken by OCA to protect confidentiality in its contributor relationships and to an underplaying of its own function in the sector in favour of a wider supply chain and sector focus.⁵⁷

“Any information that comes out of OCA will sound like [it’s] coming from the entire organic cotton sector, so [we] need to be careful about what we say. We want to be transparent but also careful.” – Board

As described in [Section 3.3](#), OCA has three levels of information sharing. The amount and type of information shared is conditioned by the stakeholder type, subject matter interest, and assessment of confidentiality requirements. Information shared with all contributors and external stakeholders (such as through annual reports) is conveyed at a more abstract, less detailed level. Where provided, data is aggregated. For those stakeholders looking to OCA for evidence of impact (benefit to farmers, Farm Programme performance across brands and IPs, for example), the information provides high-level messaging without providing valuable data.

The data provided in these reports is too limited to provide a rounded picture of the effectiveness and impact of OCA’s work at the farm level. The data used (number of farmers and brands, net farmer income, premium payments, among others), while essential, conveys little about the effectiveness of project implementation, including information on farmer training, farmer commitment to organic, uptake by in-conversion farmers, and details on OCA’s seed work. As such, it hampers assessment of gains and challenges faced by OCA in its programmes, as well as of the outcomes of the platform.

In response to requests for increased transparency and public availability of data, OCA has indicated an intent to publicly share data that sheds light on the benefits and business case for organic farmers and related indicators at the aggregate level. As of early 2022, M&E guidelines and adapted farm impact reports are being prepared for publication on the website.

OCA tools

OCA uses a range of tools to communicate its activities and share knowledge internally and externally. These include bimonthly newsletters, contributor meetings, task force meetings, annual reports, and OCA’s annual Organic Cotton Summit.⁵⁸ Knowledge is also shared through webinars.

Newer tools developed by OCA include the Claims Guidelines and a Risk Register, to support contributors in communicating and making credible claims about their involvement with OCA while also safeguarding the credibility of the sector.⁵⁹ The Risk Register is a set of statements reflecting “OCA’s position on challenging topics facing the organic cotton sector, e.g., climate change, water consumption, biodiversity and more”.⁶⁰

⁵⁷ Key informants mentioned the following factors in relation to its cautious stance: its newness to the sector, uneasiness about messaging as if speaking for the sector, and awareness of the communications sensitivities required in a multi-stakeholder setting.

⁵⁸ Open to contributors and non-contributors, the summit was held in 2018 (Bhopal, India) and 2019 (Nagpur, India), but was put on hold for 2020 due to COVID-19 and took place virtually on November 8–9, 2021.

⁵⁹ The OCA Claims Guidelines outlines the types of statements that can be made by contributors based on whether they are also engaged in the Farm Programme. OCA (2021). OCA Claims Guidelines, p. 18, 20–27.

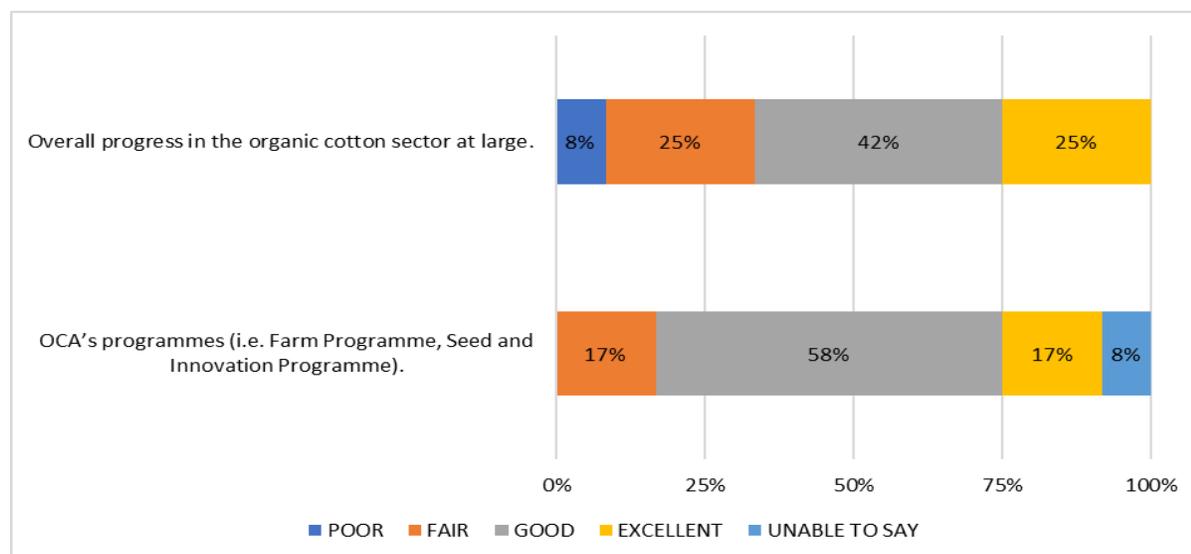
⁶⁰ OCA (2021). Organic Cotton: A Risk Register for OCA Contributors, p. 2.

The onboarding process for new brands includes slide decks, as well as other documents. OCA's 2021 **Contributor Onboarding Deck** provides a clear introduction to, and overview of OCA with explicit reference to contributor engagement and education, as well as the Claims Guidelines and Risk Register. It also outlines OCA's value addition in organic cotton sourcing.⁶¹

The onboarding process has been a source of confusion for brands, with some indicating that the process lacks clarity and could be simpler or better tailored to individual brand needs. Brand informants indicated that the volume and packaging of information could be refined to show more immediately what they are paying for and getting from their involvement, and what the "journey" with OCA looks like. In this regard, packaging of information for brand leaders in roles not directly related to sustainability was also mentioned. Key informants observed that OCA's information seemed to be geared to bigger brands.

Survey responses for the current evaluation show mostly "good" ratings for communications on OCA's Farm and SI programmes and "fair" to "good" ratings on communicating overall progress in the organic cotton sector (Figure 3.1).⁶² The 2020 Contributor Survey results indicate that the *OCA Annual Report 2019* and *OCA Farm Programme Report 2019/20* have been the most helpful communication tools.⁶³ Contributors have voiced interest in having more farmer stories, a centralised information repository, and access to a wider range of data.

Figure 3.1 Perceived Effectiveness of OCA Communication Tools in Keeping Organisations Informed on Select Topics (n = 12)⁶⁴



OCA is currently updating its website, which, once launched, is expected to provide more tailored information and resources for contributors, with clear articulation of who OCA is and what it does,

⁶¹ Note that the evaluation team has not viewed previous onboarding decks, or the compilation of materials provided to contributors during the onboarding process. OCA (2021). OCA Contributor Onboarding Session.

⁶² OCA's 2020 Contributor Survey indicated that contributor meetings, webinars, reporting related to the Farm Programme, and OCA's Annual Reports were all perceived as helpful. Indeed, in the 2020 survey, 88% of contributor respondents found the OCA's communications tools "helpful" or "very helpful".

⁶³ OCA (2021). Contributor Survey 2020 Results, p. 11.

⁶⁴ Question 9: "OCA employs various communications tools (e.g., website, webinars and other learning events, annual reports, and impact studies). How would you rate the effectiveness of these tools in keeping you/your organisation informed about OCA's vision; OCA's value proposition to the organic cotton sector; OCA's programmes (Farm Programme and Seed and Innovation Programme); Overall progress in the organic cotton sector at large."

including an overview of the OCA platform and programmes. It will also have a contributor portal, providing password-protected access to “key collateral”.⁶⁵ This new tool has potential to enhance stakeholder access to important information.

The new OCA Communications Plan outlines a strategic approach for communications leading to the launch of OCA’s 2030 Strategy. The plan speaks to who OCA is trying to reach and how, with an emphasis over the year on: 1) educating and engaging contributors;⁶⁶ 2) establishing a reputation “beyond the OCA community” through partnerships;⁶⁷ and 3) leveraging the new network of partners.⁶⁸ The plan indicates the creation of a new brand ID and communications strategy to “consolidate our Contributors’ understanding of OCA’s role within the sector”.⁶⁹

OCA has expanded its communications team over the years, hiring a brand and communications director (2019) and a global communications manager (2020), with plans to hire a fundraising and partnership manager.⁷⁰

The OCA team itself is recognised as responsive, generous with their time, and open to listening.⁷¹ OCA reports document the role of the organisation during the COVID-19 pandemic, during which the OCA Secretariat hosted “weekly check-ins with Farm Programme brands and Implementing Partners”.⁷² These discussions reportedly fed into OCA’s rapid response planning, and are reflected in articles published on OCA’s website.⁷³ They also influenced OCA’s June 2020 Contributor’s Meeting, which became a “webinar and panel discussion focused on COVID-19”.⁷⁴

Learning role

Finding 8: OCA supports knowledge sharing and learning related to the organic cotton sector, particularly through its Farm and SI programmes. The potential to expand learning is considerable given stakeholder interest in sector developments and the opportunities that can be tapped.

Overall, as described in **Sections 3.1** and **3.2**, OCA’s design and implementation reflects a learning orientation. The initiative routinely exchanges information and seeks feedback from its contributors and its partners through larger scale meetings of the OCA platform (**Section 4.2**), task-oriented working groups (**Section 3.5**), annual Contributor Surveys, as well as through one-on-one or small group conversations. At

⁶⁵ Laudes Foundation and OCA (2021). Mid-Year Monitoring Report, p. 13.

⁶⁶ Through contributor engagement, contributor education, and communication tools, which include the Claims Guidelines and Risk Protocol.

⁶⁷ This includes development of communication products and other efforts to enhance OCA’s media presence (through executive profiling, podcasts, roundtable interviews, webinars) while leveraging the five pillars of purpose, programmes, progress, people, and partners.

⁶⁸ OCA (2020). OCA Communication Plan: Building a solid foundation to communicate our organic cotton platform, p. 4–24.

⁶⁹ *Ibid.*, p. 14.

⁷⁰ OCA (2020). OCA Annual Report 2019, p. 32; OCA (2021). News from OCA, July 2021 [Newsletter].

⁷¹ In one example, a brand contributor recalled how the team provided clear insights on developments regarding the farmer protests in India in 2020/21.

⁷² Laudes Foundation and OCA (2020). End-of-Project Self-Evaluation Report, p. 27.

⁷³ OCA (2020). Mapping the impact of COVID-19 on the Organic Cotton Sector, <https://www.organiccottonaccelerator.org/blog/mapping-the-impact-of-covid-19-on-the-organic-cotton-sector>; OCA (2020). OCA Unites Against COVID-19, <https://www.organiccottonaccelerator.org/blog/oca-unites-against-covid19>.

⁷⁴ OCA (2020). OCA Annual Report 2020, p. 17.

an operational level, the learning orientation is reflected in routine, programme-wide staff learning and sharing sessions.⁷⁵

Within its programmes, OCA has used data to improve its internal operations (as discussed in [Section 3.3](#)). While the Farm Programme initially focused on establishing the business case for organic cotton, increasingly, it has developed tools and identified best practices to support learning and improvement within the sector. The SI Programme has also built-in learning throughout, whether through its piloting approach or through its dissemination and outreach activities. Tools to support learning and improvement include the following:

Farm Programme

- The development of an M&E platform to support aggregation and sharing of farm data with affiliates and other contributors.
- The M&E guidelines for 2020–22 identify learning opportunities, including collective learning sessions with IPs and participating brands “to share the lessons learned from the data, as well as to facilitate knowledge exchange and hands-on experiences in the monitoring work”.⁷⁶ In the 2020/21 season, online capacity building workshops were held for field teams with knowledge transfer from sector experts. Digital tools were also developed to support field staff in conducting farmer outreach.⁷⁷

Seed and Innovation Programme

- Training and capacity building of farmers through a participatory process that promotes two-way learning for IPs and farmers.
- Field monitoring visits that encourage learning and exchange for all programme partners.
- National and international workshops, conferences, symposiums, and webinars that allow for learning and dissemination of programme results and challenges to a wider audience.⁷⁸

In the survey conducted for this evaluation, 10 out of 11 respondents (90.9%) said that they or their organisation had received support from OCA to help them move toward adopting organic cotton or new ways of working in the supply chain. For most, the benefits have accrued through knowledge sharing activities (formal and informal).⁷⁹ To lesser degrees, the support has come through the introduction of new models and approaches (54.6%), tools (45.5%), and skills (27.3%).

⁷⁵ In early November 2021, for example, OCA held its third Organic Cotton Summit. This two-day event was a virtual gathering of about 250 registrants encompassing brands and retailers, suppliers, standards organisations, and philanthropy, among other sector actors.

⁷⁶ OCA (2020). Monitoring and Evaluation Guidelines: Farmer Engagement and Development Projects 2021/22 (version 2.2).

⁷⁷ OCA (2021). Farm Programme Impact Report 2020/21.

⁷⁸ Examples of this include the National Workshop of Organic Cotton Stakeholders held in India in 2018 for all SGF partners, FiBL, Laudes Foundation, and others; International symposium held in Switzerland in 2019, which aimed to bring together researchers to foster innovation in agriculture.

⁷⁹ One respondent noted that OCA is a great partner for brainstorming and exchange, and another noted the greatest benefit has been learning, leading to improvement and interaction with relevant stakeholders.

3.5 Organisation and networking

The discussion under the A5 rubric considers the development of OCA's organisational and networking capacities and assesses whether the initiative has the right knowledge, skills, and capacity to create change and deliver on important outcomes. For an initiative to be considered *thrivable* it should have a strong and clear vision, mission, and strategy; strong, credible, and inclusive leadership; strong governance that provides excellent fiduciary oversight; a strong mix of staff with the required knowledge, skills, and capacities to implement the initiative; a very positive and highly inclusive organisational culture; high financial stability and very strong fundraising capability; strong capability to assess organisational capacity development needs and implement strategies to address them; and a strong organisational learning culture demonstrating an openness to learning and highly effective use of monitoring and adaptive management.⁸⁰

Conductive
&
Supportive

Based on this, OCA's organisation and networking are rated **conductive and supportive**. Most of the above attributes of a "fit for purpose" organisation are in place. Some gaps remain around the incorporation of human rights and climate change drivers into OCA's governance and strategic management, and in the operationalisation of a results monitoring schema for the whole organisation.

Finding 9: The organisation has moved beyond an early period of uncertainty about its role, relationships, and strategic direction. OCA's readiness to lead a systems-change approach in sustainable cotton has advanced considerably. On governance and in operations, there is consolidation with regard to stakeholder ownership and direction, skills acquisition and deployment, and critical systems upgrades. More limited progress is evident in developing a human rights orientation, in OCA's overt inclusion of climate change concerns, and in its alignment to the Sustainable Development Goals.

The evolution of OCA's governance and operations

OCA's organisational journey to the present is summarised in **Figure 3.2** (see also notes in **Appendix II**).

Figure 3.2 OCA Key Organisational Changes, 2016–2021



The diagram describes an organisation in a five-year transition, from a concept to an incubated organisational structure to an independent entity. It shows the elaboration of OCA's governance functions

⁸⁰ Laudes Foundation (2021). Process Rubrics, <https://www.laudesfoundation.org/grants/rubrics/a>.

and the growth of its staffing capability, which has allowed for the development of its programmes and operations. OCA's first Summit in May 2018 was formative for the platform, drawing together a range of stakeholders that would subsequently help shape OCA's new and current governance structure. A leadership transition in 2019 was also formative, occurring against a backdrop of organisational uncertainty. In the year since the launch of its own Secretariat, OCA had struggled to build team cohesion, create a positive and distinct identity in the sector, and bring its growing membership to a sense of shared purpose.⁸¹

Over the past two years, addressing stakeholder concerns related to governance, making headway on a global strategy, building the staff team, and initiating improvements to key office systems has been a focus of attention for the new leadership at OCA. Laudes Foundation grant funds (Phase 2 and 3 grants) have been earmarked accordingly, with the intent to help OCA be ready to scale its change ambitions for the sector.

OCA's board structure has evolved to be compliant with Dutch laws. It is now more attuned to the multi-stakeholder environment in which OCA operates and better positioned to provide strategic direction. The new structure features a Board of Trustees with 11 seats apportioned to represent the different stakeholder constituencies of the MSI. Oversight on OCA's democratic processes is provided by a Governance and Nominations Committee (GNC) (see [Figure 3.3](#) and notes in [Appendix II](#)). In early 2022, OCA was putting the new governance arrangements to work in its first board election. The two governance bodies are functioning as intended despite having to operate remotely in response to the COVID-19 pandemic. Meetings are well facilitated with good documentation, both narrative and financial.⁸²

OCA's Articles of Association have been updated as of 2021, and its 2017 Charter has become a fully fledged Policy Manual. The new manual includes, for the first time, a Contributor Code of Conduct and policies covering conflict of interest,⁸³ the handling of complaints, financial delegation, procurement, and the handling of continuity reserves. In addition, Terms of Reference are set out for OCA governance bodies and for the chairperson role.⁸⁴

⁸¹ KIIs.

⁸² KIIs (Board of Trustees and OCA staff).

⁸³ The inclusion of a code of conduct and policy to address conflicts of interest and stakeholder grievances aligns with what is considered "good practice" in literature examining the development of MSIs. USAID (2019), p. 10; The Partnership Initiative (2012), p55; Federal Ministry of Labour and Social Affairs (Germany) (2020), p. 5–6; and MSI Integrity (2020), p. 6.

⁸⁴ The 2017 Charter set out OCA's defining statements, summarised its operating context, explained its governance structure with roles described, and provided high-level expectation related to reporting and evaluation. The document provided a membership structure, budget rules, and guidance related to compliance and dispute settlement. Source: OCA's governance documents (Articles of Association, 2017 Charter, and 2021 Policy Handbook).

Figure 3.3 OCA Governance Structure



The meeting of contributors (centre of the diagram in [Figure 3.3](#)) has occurred three times per year and aims to “provide critical input, support and credibility in order to advance OCA’s mission and optimise impact”.⁸⁵

OCA retains the ad hoc task force modality and uses it selectively at the request of the Secretariat. To date, the mechanism has been deployed to generate recommendations related to the Farm and SI programmes, traceability, and communications to guide the formulation of the 2030 Strategy.⁸⁶ Otherwise, OCA engages stakeholders (members and affiliates) in more informal

working group settings or consultations. Annually since 2019, OCA has tapped into its base with Contributor Surveys to gauge perceptions on the way it undertakes its mandate.

Progress on vision, mission, and strategy

OCA’s vision and mission statements have evolved over the years (see [Table ii. 2](#) in [Appendix II](#)). While in earlier Annual Reports (2016/17), OCA presented its vision, mission, and objectives separately, in its later reports (2019/20), OCA’s identity is presented with the narrative of the “Organic Cotton Effect”. The 2030 strategy further emphasises the “Organic Cotton Effect” and the role of OCA in uniting the sector and the impact of investing in OCA.

The 2030 Strategy, OCA’s first, was approved in 2021. The strategy is shaped around a statement of beliefs that anchor the organisation’s intentions squarely with the interests of the organic cotton farmer. It builds toward a set of strategic priorities distinguishing between those where OCA leads⁸⁷ and where OCA partners.⁸⁸ The delineation acknowledges a need to align with its comparative strengths while also conveying the organisation’s farmer-focused orientation. Each strategic priority where OCA is leading is elaborated with objectives and interventions, and with milestones and strategic targets.⁸⁹ Stakeholders who have reviewed the document find that it reflects well their understanding of what is needed in the organic cotton sector, that it is well crafted, and that it sets out a clear path for OCA’s scaling up and scaling out.⁹⁰ Overall, the strategy positions OCA to align the entire range of supply chain actors with the programming focus that it has honed over the past five years, but centred on the farm level.

⁸⁵ OCA (2021). Policy Manual, p. 25.

⁸⁶ OCA 2030 Strategy, p. 27.

⁸⁷ These include securing farmer’s livelihoods and resilience; prioritising the availability and diversity of good quality non-GMO seeds; leading the scalability of organic farming; delivering robust social and environmental farm-level data; and driving sector change through a collaborative approach.

⁸⁸ These include engaging with policymaking and advocacy; supporting the traceability of organic cotton products; and championing organic farming systems development beyond cotton.

⁸⁹ Those priority areas where OCA is supporting are also broken down into objectives, OCA interventions, and key activities. *Ibid.*, p. 20–29.

⁹⁰ *Ibid.*, p. 80–102 (lead strategic priorities) and p. 103–106 (priorities where OCA partners).

In a trend and ecosystem analysis at the front of the strategy document, climate change mitigation is identified as a recurrent theme warranting attention across “all commitments”. However, in the strategy part of the document, the evaluators found the incorporation of climate change mitigation more implicit than explicit. There is no one place in the Strategy where OCA describes how the climate crisis bears on its choice of strategic priorities and interventions. Climate change impacts (current and projected) were not explicitly considered in the list of criteria for choosing OCA’s expansion countries. And, in OCA’s choice of strategic priorities, it is not immediately obvious where the entry points are for OCA to engage on and respond to the topic. Relatedly, the trend and ecosystem analysis also highlights the relevance of the SDGs. Six of the 17 are highlighted. Yet, in the Strategy itself, the SDGs are not mentioned, leaving the reader unsure of how OCA intends to align with, report against, or use the SDGs as a point of leverage.

The lack of an *explicit* tie-in to climate change and to the SDGs suggests a gap in an otherwise comprehensive document and belies the extent to which the organisation is integrating climate change factors into programme implementation.⁹¹ Key informant commentary (brands and civil society mainly) substantiates the findings of the trend and ecosystem analysis that these are increasingly important factors bearing on OCA systems-change ambitions. Looking forward, the Cotton 2040 platform’s recent release of a global analysis of climate risks to cotton production will be useful to OCA in clarifying its strategic orientation in these areas.⁹² Indeed, as part of the working group stewarding this work, OCA is already apprised of the risks and is incorporating them into its cottonseed breeding programme.

Secretariat – staffing and systems

Since 2018, Secretariat staffing has grown from three to 15 members, distributed between a global office in Amsterdam and a country and regional hub in India. There are mixed views on whether the size of the staff team is well matched to the demands on the organisation.⁹³ Both OCA and non-OCA stakeholders note the full workloads of OCA staff. At the same time, a prevailing worry across the organisation is that it not become staff-heavy and bureaucratic, but rather that it embed its work as much as possible through partnerships and collaborations. As such, the intent is to maintain a small, nimble team, with growth focused on regions.

The skill sets across the two offices cover the major competencies described in the Strategic Plan.⁹⁴ The replacement of one key team position in India has occurred with minimal loss of momentum. Commentary on the calibre of OCA staff is universally positive. Staff members are seen to be approachable, knowledgeable, and energetic.⁹⁵

In 2019, the role of operations manager was created to relieve that burden from the executive director and to put in place more robust systems to manage OCA finances and human resources (HR). On both counts, this has been accomplished. On the finance side, the Secretariat’s ability to track and report revenues, expenditures, and other financial indicators is more fully developed than before. A formal HR system is now in place to support the management of OCA’s growing staffing requirements.

⁹¹ Reported by OCA staff.

⁹² The Cotton 2040 initiative has launched a website to showcase the release of two studies: “Global Climate Risk Assessment for Cotton Production”, and “Physical Climate Risk and Vulnerability Assessment for India” carried out by the climate risk specialist, Acclimatise (<https://www.acclimatise.uk.com>). The site also hosts the interactive tool – the Cotton 2040 Climate Risk Explorer, which shows physical climate risk to cotton growing regions globally. The site can be accessed at: <https://www.acclimatise.uk.com/collaborations/cotton-2040/>.

⁹³ In particular, on whether the team needs growth to scale up, as opposed to staying lean and nimble.

⁹⁴ This includes supply chain management, agronomy, development economics, communications and stakeholder relations, monitoring and evaluation, project management, and finance.

⁹⁵ KIIs (brands, IPs, affiliates, board); evaluation survey of contributors.

Commentary on OCA's current set up for institution and platform planning and management is set out in [Section 3.3](#). At this stage, OCA's capacity to manage for results is confined to its programming arenas. Output indicators exist for many operational aspects of OCA's work, but institution and platform contributions to the system change results that OCA seeks remain to be mapped and tracked.

Leadership and organisational culture

Overall, OCA's leadership is credited with having been able to refocus OCA and its purpose, and to successfully carry it through an organisational consolidation over the past two years.⁹⁶ The leadership qualities in evidence over this period align well with a listing of preferred leadership attributes found in a 2020 study of MSIs (see notes in [Appendix II](#)). Team members feel both part of a whole and supported, and credit OCA's inclusive and engaging leadership for this. Current leadership (that of the executive director and programme director, in particular) is described as calm, empathetic, pragmatic, and collaborative. In addition, the executive director is valued for having longevity in OCA, and both are valued for the relevant technical knowledge they bring to the organisation.⁹⁷ In considering the skills required of OCA's leadership as the organisation moves from consolidating to scaling, key informants noted the rising importance of OCA's leadership also possessing the capacities to give the organisation a stronger outward profile to enhance OCA's external engagements within the sector.

Confidence in OCA's organisation and networking

To varying degrees, the above-mentioned developments in OCA governance and operations are evident to OCA stakeholders. Citing the current strength of the Secretariat, accumulating programme experience, the platform's democratic development, and the emergence of a strategic roadmap, stakeholder feedback indicates a confidence that OCA has mostly or completely achieved a level of readiness to scale up and out. In the survey conducted for this evaluation, respondents see, between "to a moderate" and "to a major extent", a governance structure that holds organisational leaders accountable, organisational capacities (and team skills) to implement its programmes, and a strategy to guide them.

Finding 10: Considerable progress has been made operationally to move OCA toward financial self-reliance. Contributing factors include the introduction of a workable fee-paying regime, an increasing number of contributors to OCA, an expanding Farm Programme that is responsive to global demand for organic cotton, and fiscal prudence on the part of OCA's leadership.

Over the evaluated period, Laudes Foundation has been the single largest donor to OCA. Over three grants spanning back to 2016, it has contributed EUR 4.76 million.⁹⁸ After five years, Laudes Foundation's centrality as a donor appears to be changing. The budget for 2022 shows a decided increase in donor funding from non-Laudes sources, bringing Laudes' share of philanthropy's contribution down from the 90% range (2019/21) to just over 70%.⁹⁹ This change coincides with the launching of OCA's new funding model introduced in [Section 4.2](#) and discussed in [Section 5.1](#).

Contributor Fees and Farm Commitment Fees have become an increasingly important source of income for OCA. Since 2019, those fees have shown increases each year commensurate with the increasing number of contributor memberships. Projections for the 2022/23 season show a continuation of this

⁹⁶ KILs (brands, staff, board); Contributor Surveys, Evaluation Survey.

⁹⁷ The executive director has a background in sustainable market mechanisms, standards, and impact assessment. The programme director comes to OCA with a career background in retail including purchasing and sourcing in raw materials.

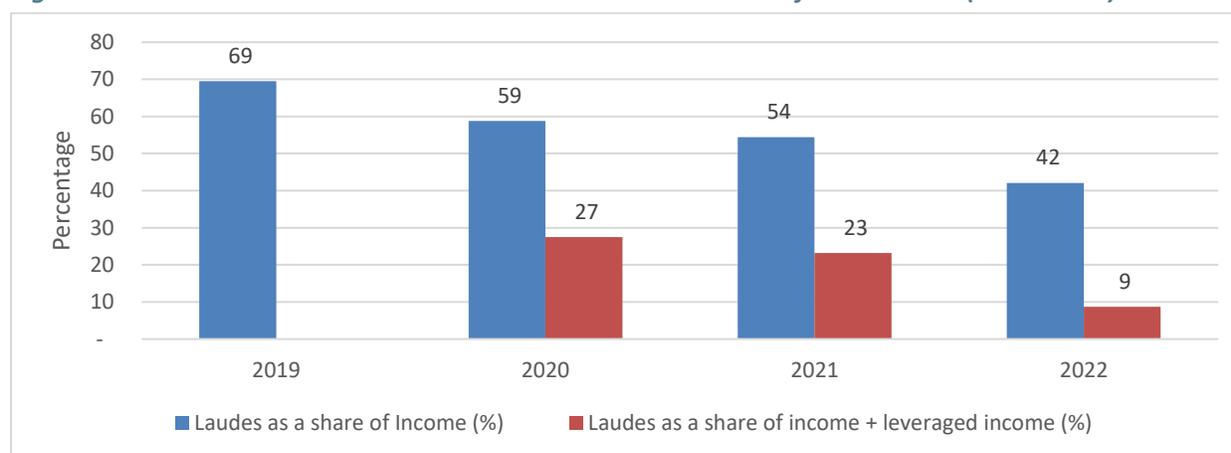
⁹⁸ This represents the three Laudes grants totalling less than EUR 300,000 included in Phase 1 as a contribution from brands.

⁹⁹ Financial data provided by OCA based on audited financial statements and on board-approved budget projections.

trend with the addition of new contributors and an increase in volumes of organic and in-conversion cotton procured.¹⁰⁰ With these income streams now in place, OCA has exceeded expectations regarding its ability to cover staffing and operations costs.¹⁰¹ At the same time, OCA financial statements from 2017 to 2020 combined with data for the current year show that the organisation has accumulated sufficient funds to cover organisational costs for one annual cycle.¹⁰²

Additional notes in [Appendix II](#) describe a third source of revenue designated as leveraged funding. These are financial flows generated through the implementation of OCA activities. Principal among these is the premium amount paid by brands to farmers as per the Farm Commitment Agreements. [Figure 3.4](#) shows the lessening of OCA's reliance on Laudes Foundation with reference to income and to income combined with the value of these leveraged resources.

Figure 3.4 Laudes Foundation Grant Contribution as a Share of OCA Income (2019–2022)¹⁰³



¹⁰⁰ *Ibid.*

¹⁰¹ According to the financial data provided to the evaluators, the sum of all income sources – contributor fees, donors and supporters, fees for service, and Farmer Commitment Fees – less Laudes Foundation contributions for the year represents about 85% of Governance and Operations Expenses in 2020 and is expected to represent closer to 100% in 2021.

¹⁰² In August 2020, the Board of Trustees approved a Continuity Reserve Policy setting out the intention (as per Dutch law) to build reserves to cover 100% of annual fixed organisational costs.

¹⁰³ Financial data provided by OCA is based on audited financial statements and on board-approved budget projections.

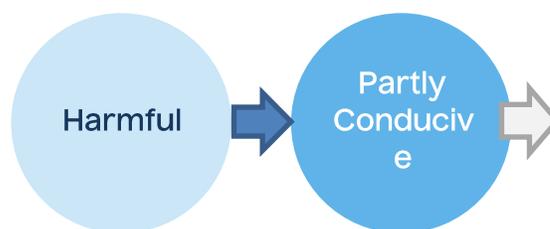
4. Early and Later Changes

4.1 Progressive businesses leading

This section covers rubric B3 on progressive businesses and other sector actors leading the change. For an initiative to be considered *thrivable*, there must be evidence of a growing mass of businesses leading the change that are well advanced in their adoption of new practices (the direct-to-farm approach) and advocating for organic cotton. These businesses should also be recognised as change leaders, while able to influence and persuade others.¹⁰⁴ Specific expectations on OCA are that, increasingly, brands and retailers embed the Farm Programme sourcing model into their operations, and that cotton farmers opt-in to the Farm Programme in increasing numbers.

The baseline rating was **harmful** as few brands were directly sourcing cotton in 2016. Brands still had a transactional mindset and were less willing to commit to buying cotton upfront and to the costs that this entailed. They were disconnected from the lower levels of their supply chains and did not have long-term partnerships with their suppliers. Also, the farmer business case was underdeveloped due to the unavailability of quality organic seeds, lower yields, lack of a secure offtake of organic produce, and premium payments not reaching farmers.

The current rating is **partly conducive, with movement toward conducive**. OCA has been able to bring on board 10 brands that have begun to shift their approach to sourcing organic cotton. Among these are a few large and influential brands that can be considered leaders in the field. In addition, 79,000 farmers are participating in the Farm Programme in India as of 2021/22. While this is a significant proportion of that country's cotton farmer population, further growth is needed, especially among brands and other supply chain actors. The level of influence of participating brands, farmers, and other supply chain actors in the organic cotton industry remains modest.



Finding 11: OCA has built a clear business case for brands and farmers, evidenced by significant growth in the number of participating farmers since 2017 and growing interest from brands to join the Farm Programme. The motivation for supply chain actors to participate in OCA's direct-sourcing model is less evident and all actors continue to face challenges in adopting organic cotton and participating in the direct-to-farm model.

The Farm Programme has been a critical component of OCA's work as it aims to build a business case for organic cotton for sector actors, including brands, farmers, and other supply chain actors. As explained in **Section 3.1**, the Farm Programme was designed to address significant constraints that were observed in the organic cotton supply chain. The programme set out to incentivise farmer engagement in organic cotton farming within an enabling environment supportive of production and supply. This includes building incentives for brands to invest further and deeper into the supply chain to facilitate transparent procurement of organic cotton.

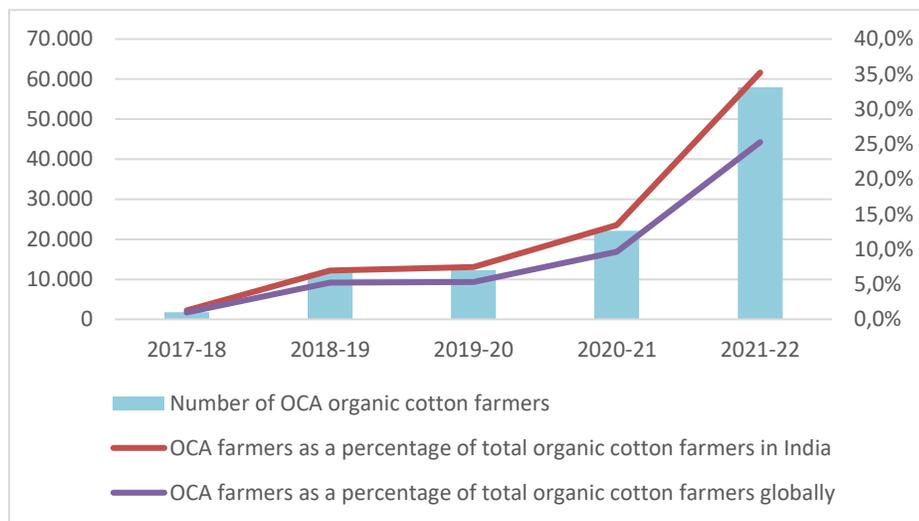
¹⁰⁴ Laudes Foundation (2021). Laudes Rubrics, <https://www.laudesfoundation.org/grants/rubrics/b>.

The programme has grown significantly since 2017, when it began as four sourcing pilot projects – the 2021/22 season features 40 projects. **Table ii. 3** in **Appendix II** summarises the results of the Farm Programme since the pilot season in 2017/18, showing growth in the number of projects, the number of participating farmers, and the amount of organic cotton lint sourced by brands. While the number of participating brands showed slower progress at first, the Farm Programme has grown to include 10 brands, as well as 79,000 farmers, including both organic and in-conversion farmers, for the 2021/22 season. OCA has therefore achieved its target of 8–10 brands by 2022/23, and far surpassed its target of 20,000 farmers by 2021/22. While this is modest on a global scale, the progress and momentum demonstrate important change within India’s cotton sector, the system boundary for this evaluation.

The success of the Farm Programme can be attributed to OCA building a business case for adopting organic cotton farming practices and the increasing numbers of brands and farmers participating in the direct-to-farm sourcing model. While the motivations and business case are most clear for brands and farmers, they are less clear for supply chain actors, especially those at lower levels (such as ginners and spinners) who are a key part of the cotton supply chain. The interests, motivations, and barriers for each group of actors is presented below.

Farmers

Figure 4.1 *OCA Organic Cotton Farmers as a Percentage of Organic Cotton Farmers in India and Globally¹⁰⁵*



The business case for farmers has been central to the success of the Farm Programme, and more broadly, the organic cotton sector. OCA focused its initial efforts on farmers who were already growing organic cotton as it was essential to retain existing farmers who were at risk of dropping out. In 2019/20, organic cotton farmers participating in OCA’s

programme represented 7% of all organic cotton farmers in India and 5% globally. Today, OCA’s farmers represent 35% of organic cotton farmers in India and 25% of organic cotton farmers globally, demonstrating significant uptake by organic farmers of OCA’s direct-sourcing model (see **Figure 4.1**).

Since 2019, OCA has also been working with increasing numbers of in-conversion farmers (239 farmers in 2019/20, 889 farmers in 2020/21).¹⁰⁶ Farmers continue to face considerable barriers converting from conventional farming to organic cotton as it takes at least three years for a farmer to obtain certification. Farmers in the process of conversion have been unable to recoup from buyers the costs associated with

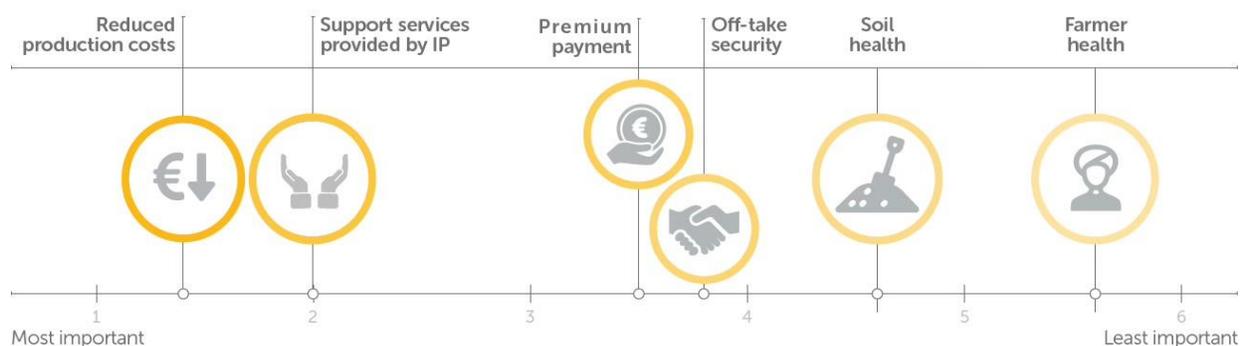
¹⁰⁵ No recent figures are available for global and Indian cotton farmers for 2020/21 and 2021/22. We have used 2019/20 figures instead. In 2019/20, Indian organic cotton farmers made up 72% of global cotton farmers. (Textile Exchange (2021). Organic Cotton Market Report).

¹⁰⁶ Based on figures provided by OCA.

this transitional phase, including compensating for lower yields, thereby limiting farmer incentive to switch to organic.¹⁰⁷ In-conversion farming is essential to accelerate the growth of organic production and to address the widening demand-supply gap.¹⁰⁸ In the 2020/21 season, OCA's in-conversion cotton production made up 3.1% of the total hectares of cotton production¹⁰⁹ and in-conversion farmers are expected to account for over a quarter of all farmers in the 2021/22 season (21,000 farmers).¹¹⁰

Farmer surveys undertaken by OCA to understand motivation and commitment to organics show the different motivating factors for farmers in choosing to pursue organic agriculture. Among these, production costs and support services by IPs were ranked of highest importance, followed by premium payments. Offtake security, soil health, and farmer health were rated of lesser importance (**Figure 4.2**).¹¹¹ When asked what types of support they would need to continue to grow organic, farmers said they needed secure inputs for organic production, cash advances, an increase in premiums, and more clarity on buybacks and premiums. This data shows that while premium payments are important to farmers, other factors warrant consideration in fostering continued farmer buy-in and commitment. Many of these relate to barriers that organic farmers continue to face in growing organic, including lower yields, lack of quality seeds, and the labour intensity of organic production (see **Section 1.1**). The data indicates that support services (that provide access to seed and to credit) and training are key to ensuring retention and continued farmer buy-in. As one OCA contributor put it: “without proper support and training, organic will fail; (indeed) this is where organic has failed in the past.”

Figure 4.2 Motivating Factors for Farmers to Produce Organic Cotton by Level of Importance¹¹²



A key element to OCA's multifaceted strategy for building the farmer business case was improving the net income of farmers who were growing organic. This has been achieved by ensuring farmers are paid the

¹⁰⁷ As stated in the 2021 Organic Cotton Market Report: “Converting to organic production can be a big risk for both individual farmers and farm groups. Without support or long-term guarantees of a market, there is little incentive for farmers to enter the conversion period.” (Textile exchange (2021) Organic Cotton Market Report 2021, p. 10.)

¹⁰⁸ In-conversion cotton featured a “future proofing strategy” at a panel discussion at the 2021 Organic Cotton Summit, organised by OCA. (Textile exchange (2021). Organic Cotton Market Report; KIIs with brands, OCA staff, and industry observers.)

¹⁰⁹ 743 of 24,022 hectares. (Laudes Foundation and OCA (August 2021). Mid-Year Monitoring Report (January 2021–June 2021), p. 11.)

¹¹⁰ OCA (2021). Farm Programme Impact Report 20/21, p. 46.

¹¹¹ To note that the survey asked farmers about their initial motivation for switching to organic, which would have been before they joined OCA, when premium payments were nonexistent.

¹¹² OCA (2020). Farmer Engagement and Development Programme 2019–2020. Results and Learnings from the Field, p. 5.

premium price that is set for their organic cotton, ensuring a secure market, providing prefinanced access to seeds, and supporting farmers with training and other inputs.¹¹³

Through OCA, the average percent margin of premiums paid since 2017 has ranged from 5 to 10% above market price and from 7 to 22% above the minimum support price.¹¹⁴ While the net income of farmers declined slightly in 2020/21 season, the average net income of organic farmers has generally improved since 2017 and is consistently higher than that for conventional farmers, with OCA organic farmers having on average a 9% higher profit compared to conventional farmers.¹¹⁵ Income comparisons were not available between OCA organic farmers and organic cotton farmers not participating in OCA. However, pre-OCA, organic cotton farmers in India often sold their cotton on the open market and without guarantee of a higher premium price.¹¹⁶

In addition to guaranteed premiums, OCA has contributed to the provision of support services to farmers, such as supplies of non-GM seeds through the SI Programme (as further discussed in [Section 4.3](#)) and farmer training provided by IPs. Through the SGF initiative, IPs work with their farmers to ensure that quality requirements for organic cotton fibres are met, and provide training in crop diversification and use of organic fertilisers and pesticides, which have helped farmers improve their yields.¹¹⁷ However, a few stakeholders noted that the quality of training is variable.¹¹⁸ An assessment of the quality of the services provided by IPs and the extent to which they are meeting the needs of farmers is outside the scope of this evaluation. OCA has recognised that quality of training content and delivery is crucial to farmers producing quality organic cotton. Since 2020, OCA has been developing a harmonised Organic Cotton Training Curriculum in collaboration with the Research Institute for Organic Agriculture (FiBL) and funded by the German international development agency (Deutsche Gesellschaft für Internationale Zusammenarbeit, or GIZ). The curriculum was expected to be launched near the end of 2021.

OCA and participating brands are also providing these incentives for in-conversion farmers through in-conversion premium,¹¹⁹ as well as support services that resemble those extended to organic farmer peers.¹²⁰ Following the 2022/23 season, OCA will be able to assess the extent to which its interventions for in-conversion farmers are incentivising and enabling the conversion process.

¹¹³ Prior to OCA, organic farmers sold their cotton on the open market and premium prices did not make into the hands of farmers (KIIs).

¹¹⁴ [Figure ii.7](#) in [Appendix II](#) shows the average percent margin of premiums paid since 2017.

¹¹⁵ Data from third-party reports shows that organic farmers have an 18% lower cost of production, but also a 3% lower revenue (including premiums) compared to conventional farmers. The latter is likely due to lower yields of organic. Nevertheless, because of high premium payments, organic farmers were able to make a higher profit from their cotton than conventional farmers. Data for OCA and non-OCA organic cotton farmers was not available to assess to what extent farmers are benefitting specifically from OCA's approach. (Annual Farm Programme reports).

¹¹⁶ KIIs.

¹¹⁷ SGF Annual Reports; External Evaluation of the SGF (2021).

¹¹⁸ KIIs from two stakeholders noted that quality of training is good but not the best, and that quality of implementation is variable across OCA projects.

¹¹⁹ In-conversion premiums are lower than organic premiums, but increase with each successive year. For this study, exact data on the premiums provided was not available.

¹²⁰ The evaluation was unable to assess the extent to which farmers are changing mindsets or able to influence each other and bring new farmers on board. A presentation by Vivek Rawal from BioRe during the 2021 Organic Cotton Summit (8 November 2021) noted the political nature of in-conversion in India and the importance of changing beliefs and mindsets. Because of this, working with in-conversion farmers can be more challenging than working with existing organic farmers who are already convinced of the benefits of organic.

Brands

Building the business case for brands has been essential to the success of the Farm Programme. OCA has made considerable effort to establish brand buy-in for the direct-to-farm sourcing model. This model has not been an easy sell for all brands, partly explaining the growth trajectory of brand participation in the Farm Programme.¹²¹ Of the initial four farm pilot projects, two failed and two brands left the programme. As described by the brands interviewed, the direct-to-farm model poses challenges. One of them is the requirement that brands change their relationship and patterns of interaction with and across their supply chain. The Farm Programme also requires a long-term commitment of brands with their suppliers, requiring that they make sourcing decisions 12–18 months in advance.¹²² Brands are also required to understand and work directly with their entire supply chain, rather than only with their top-level suppliers.

OCA has benefited from having a small group of dedicated and highly motivated brands to lead the way with its sourcing model. This group includes large and highly influential brands that have now accumulated successive cycles of direct-to-farm procurement. It also includes smaller and, in some instances, innovative brands that can be seen as role models for their commitment to more advanced forms of organic cotton production. Together, these leading brands have the potential to produce ripple effects in the system. For the time being, however, their overall influence in the sector remains modest.

Among the brands surveyed, three motivating factors can be discerned: a commitment to sustainability; a desire for greater organic cotton volumes; and a need for greater assurance of the authenticity of their organic cotton. All brands interviewed for this evaluation noted that sustainability is part of their ethos. This is true both for OCA's founding partners and the brands that joined OCA more recently. A key difference between early and later adopters is their level of understanding of the challenges in the organic cotton supply chain. Early adopters have long been aware of the constraints in the sector. Some had already been running trials of direct-to-farm approaches as a solution before OCA, but faced roadblocks when tackling systemic challenges associated with seed availability and the payment of organic premiums. Later adopters have come on board as their requirements for organic cotton have become more acute and as challenges in doing business in the sector have become more apparent.

Obtaining a high level of commitment and buy-in from newer brands coming on board will continue to be a challenge. Key informants suggest that future entrants may be less experienced integrating sustainability considerations into their purchasing practices. Their motivations, initially at least, may be strongly transactional.¹²³ Recent allegations of fraud, the imposition of sanctions in one large cotton producing country, and a surging market have brought instability to the sector.¹²⁴ Brands are increasingly aware of the constraints in organic cotton supply and see in OCA a way to calm the waters. Along with having a reliable supply, brands increasingly want reassurance and traceability.

Supply chain actors

The business case for supply chain actors to participate in the OCA model remains uncertain and not yet fully explored by the Farm Programme. While the programme has understandably put its focus on farmers and brands, suppliers, and especially those at lower levels of the supply chain such as ginners and spinners play a critical role in the supply chain, not least because the majority of IPs are suppliers. In addition,

¹²¹ OCA also was careful not to engage too many brands at the start while still establishing the business model and calibrating demand to available supply.

¹²² Some fashion brands make sourcing decisions just 4–6 months in advance (KIIs).

¹²³ KIIs (OCA staff and board members).

¹²⁴ [GOTS detects evidence of organic cotton fraud in India \(Press Release, 30 September 2020\)](#); [The Economic Times \(October 8, 2021\). Cotton prices may stay above minimum support levels in 2021-22 cotton year.](#)

Farmer Commitment Agreements, which are the backbone of the Farm Programme, are made between brands and their suppliers, and not directly with farmers. As such, the interest and motivations of suppliers to participate in the Farm Programme cannot be ignored.

Most of OCA's participating suppliers are NGOs or companies that are already dedicated to organic (such as Suminter and Chetna Organic) or already involved in direct-to-farm schemes (Pratibha Syntex). Some were also already involved with participating brands before joining OCA. As such, joining OCA makes practical sense. Interviewed suppliers mentioned the benefits of having secure markets and supports provided by OCA (for example through OCA's monitoring and feedback process). At the same time, suppliers are subject to many competing market forces in the supply chain that test commitments to the more ordered approach of the OCA model.

The impetus to be anything beyond a market player is less prominent for actors in the middle of the supply chain than it is for brands facing a consumer market. Under the direct-to-farm business model, increased transparency in pricing and the presence of buying commitments decreases supplier flexibility to sell on the open market. In conditions where market prices are high, suppliers stand to lose money by selling through OCA. The discipline imposed through the Farmer Commitment Agreements exposes IPs to this possibility, especially when market prices are high. At least one OCA IP has been dropped by a brand for not honouring its commitments through the Farm Programme.¹²⁵ OCA and its brand partners are aware of these risks but note that the programme's success hinges on building trusted, long-term partnerships between brands, suppliers, and farmers. It remains to be seen whether the trust factor alone is enough to keep suppliers on board and whether OCA will be able to attract newer suppliers, especially ones that are not already committed to organic. As a positive signal, most IPs in 2021 are honouring their commitment. The 2021/22 season is the first year where OCA's model has been tested due to exceptionally high cotton prices, and price negotiations between brands and suppliers have been particularly difficult according to brand and OCA key informants. It is still too early to know the results for the 2021/22 season, but it is likely that commitments will be tested further before the season ends.

4.2 Multi-stakeholder movements pressure

This section covers rubric B6 on the creation of OCA as a multi-stakeholder platform. It addresses the progress made by OCA in establishing a movement that creates intense pressure for businesses and industry actors to do the right thing with respect to building a sustainable organic cotton market.¹²⁶ For OCA's MSI to be considered *thrivable*, it needs to: a) attract a diversity of contributors; b) coalesce around a common agenda and exert increasing influence in the sector focused on putting the farmer first; c) adopt a robust system of social and environmental data measurement and reporting to enhance awareness and advocate within the sector; and d) launch a financing mechanism to support the financing needs of the organic cotton sector.¹²⁷

The baseline rating was **harmful**. At OCA's inception (2016), organic cotton was a fragmented sector with no alignment on a common vision for the future and only a few scattered initiatives to tackle supply and demand challenges. In 2018, OCA was in its formative stages with a lead group of stakeholders. The funding and financing environment was uncondusive given that no dedicated fund was in place to address the challenges and financing needs of the organic cotton sector.

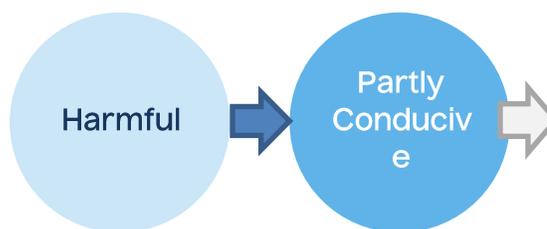
¹²⁵ KIIs.

¹²⁶ Laudes Foundation (2021). Laudes Rubrics, <https://www.laudesfoundation.org/grants/rubrics/b>.

¹²⁷ Taken from the OCA Rubrics Template (Version, September 27, 2021).

The current rating is **partly conducive, with movement toward conducive**.

OCA's size and degree of influence as an MSI has grown, though it remains modest despite significant development in a short period. OCA has been able to expand its contributor base to include a variety of actors, including large and small brands, CSOs, suppliers and manufacturers, and philanthropic donors. To date, however, the farmer voice on the platform is carried via OCA's IPs rather than more directly by any FPO. OCA's fund structure, originally conceived as a single financing mechanism, is now emerging as a project funding modality (launched in 2021), and an impact investment modality is in a final phase of feasibility analysis.



Finding 12: While still modest in size and in its ability to influence change on a global scale for organic cotton, the OCA platform has grown ahead of expectations and widened its base beyond an original group of brands and retailers. The platform is perceived to bring greater predictability and fairness to the sourcing of organic cotton, as well as a useful precompetitive space with which to explore “win-win” scenarios among stakeholders to address sector constraints. Recent governance and operations enhancements at OCA, including the creation of a global strategy, answer well to stakeholder needs and are consistent with MSI good practices.

Progress on the development of the platform has been consistent with expectations, in most respects.¹²⁸ From a baseline of eight founding members in 2016, OCA has grown to 31 official contributors in 2021, out of which 15 are brands and 7 are suppliers.

With 18 months left in Laudes Foundation's Phase 3 grant, OCA increasingly aligns with the defining characteristics of an MSI (see Box 2). Membership is growing and diversifying, the platform's governance and secretariat functions are consolidating, and contributors are coalescing around a shared strategy. With its membership of 31, OCA is small for an MSI.¹²⁹ At this early stage in its development, curating an initial core group of stakeholders with long-term commitment to the sector, diverse perspectives, and a willingness to engage in dialogue is an advised practice in starting an MSI.¹³⁰ Trust is a critical base ingredient and is easier to garner when the numbers are small.

At its present scale, key informants see in OCA the benefit of an uncomplicated bureaucratic structure and a degree of order and predictability that did not previously exist. In the current scenario, a lead pack of contributors is asserting greater control and accumulating experience with direct-to-farm sourcing practices while also demonstrating a willingness to exchange with

“Brands are coming in with an egalitarian approach. I've been in other MSIs where we have (just) been tolerated. I feel like a full partner.” – CSO representative to the Board

“It's important for both sides to come together as CSOs can't change things alone, and industry can't change things alone either.” – Brand/Retailer

¹²⁸ The growth trajectory is shown in Figure ii.4 in [Appendix II](#).

¹²⁹ As a point of comparison, the Better Cotton Initiative has 2,100 members across civil society, producer organisations, suppliers and manufacturers, retailers and brands, and associate categories; the Global Coffee Platform has approximately 470 members across trade, industry, civil society, association, and other supply chain members, and individual categories; and the Roundtable on Responsible Soy has approximately 180 members across producers, industry trade and finance, and civil society categories. (MSI websites).

¹³⁰ The evaluation examined nine studies on MSIs issued between 2004 and 2021. All examine design and implementation practices and offer suggestions regarding challenges and effective practices; USAID (2019), p. 10 and GDI (2015), p. 4, 18.

each other. At the same time, key informants (brands mostly) see in the platform limitations associated with the size of the talent and experience pool for learning and problem-solving, and the influence it can yet muster in the organic cotton industry.¹³¹

On inclusiveness of sector stakeholders, survey respondents rate OCA favourably and in interviews, key informants (brands, CSOs, and IPs) acknowledged a diversifying trend while also seeing the still considerable presence and power of brands and retailers on the platform and in OCA's governance. Survey respondents scored OCA as "inclusive" to a major extent (8/12) or to a moderate extent (4/12) on a four-point scale. Interviews echoed this finding. Noncommercial actors describe the platform as inclusive and appreciate its commitment to long-term supply chain reform.

At the same time, there is a widely acknowledged risk among key informants that the level of inclusivity already gained at OCA could be eroded with the entry of additional brands and retailers (and suppliers) procuring organic cotton on a more traditional transactional basis and with less commitment to sustainable sourcing (see discussion in [Section 4.1](#)). In managing the growth of an MSI like OCA, getting the right mix of stakeholders is foundational.¹³³

Differentials in the population sizes within each category of stakeholder – a vast number of farmers and farmer organisations, a still large number of ginners, spinners, and traders, and then smaller numbers of NGOs, supplier organisations, and brands – complicates the task of coalescing across multiple interests. The diversity in each category adds more complexity. The farmer voice remains underrepresented, filtered as it is through the IP. Underrepresentation is also evident among lower-level supply chain actors such as ginners, spinners, and traders. Language and cultural barriers are seen as impediments to participation of farmers and lower-level suppliers.

Signals indicate that OCA holds both legitimacy and utility as an MSI among its contributors. OCA's own Contributor Surveys administered at the end of 2019 and 2020 show *overall satisfaction* with the platform

Box 2 – Multi-Stakeholder Initiatives¹³²

Definition

"MSIs are organisations (1) focused on bringing about collective action solutions for global public benefit, (2) comprised of actors across the public and private sectors (both for-profit and philanthropic), and (3) whose governance bodies and capabilities are wholly new, rather than simply reliant on those of the constituent actors."

Description:

MSIs first emerged in the 1990s and grew rapidly in the first decade of the twenty-first century. As of 2015, global MSIs numbered approximately 75, operating in agriculture, forestry, and fishing; consumer goods and services; and mining and energy among other sectors. Their goals fall into one or more of three areas: industry and market development, policy and political support, and resource mobilisation and optimisation.

"Makes sense to join (OCA) because we are in the Farm Programmes – not sure what the added value is in OCA for those not in the Farm Programme. In it, we learn all we need to help us manage deeper into the supply chain." – Brand

¹³¹ KII (Board), Evaluation Survey of Contributors.

¹³² 2020 Global Development Incubator's "More than the Sum of its Parts: Making Multi-Stakeholder Initiatives Work".

¹³³ Additional notes in [Appendix II](#) provide an analysis based on a review of the literature on the variables to consider with regard to inclusiveness.

and contributor *likelihood to recommend* to a peer or colleague.¹³⁴ Universally, brand contributor informants indicate that OCA provides appropriate value for the money invested. This sentiment is echoed in OCA's Contributor Surveys. Brand informants value the summits and contributor meetings for the learning and exchange provided, though at least half of those interviewed indicate that they place the greatest value on the Farm Programme itself. They point to the practical significance of this programme for their operations and note the learning that occurs through their interactions with the OCA team.

A less-than-ideal “hub and spoke” configuration is observed in the way platform stakeholders interact with each other and with the Secretariat. In it, OCA team members engage with brands and retailers on a project-by-project basis. The Farm Programme, built around individual farmer sourcing agreements, explains the prevalence of this pattern of interaction. Nevertheless, brands indicate that the precompetitive spirit present in OCA today does support a measure of lateral connectivity among stakeholder groups that would temper the dominant pattern of interaction.¹³⁵

Maintaining platform momentum and guarding against participant fatigue is a factor to manage in the sustainability movement where the span between action and desired results is so large.¹³⁶ With multiple forums calling for the attention of its stakeholder leaders, managing for positive momentum is relevant to OCA. The platform's continuing ability to differentiate itself from other multi-stakeholder efforts will be important in its bid to grow. Boding well for OCA in this regard is the platform's farm and seeds programming, which links directly to desired impacts. To those viewing the platform from a noncommercial vantage, OCA's utility hinges on the opportunities it can provide to foster shared, holistic, longer-term thinking on the organic cotton sector.

As a platform, OCA is exploring where and how to flex its collective influence in the industry to support the systems change it seeks. It has engaged as a member and partner with other organic cotton industry forums such as Textile Exchange's OCRT and Organic Cotton Collective Impact Initiative, and with platforms beyond organic cotton such as the global

“OCA could take more of a role in getting brands inter-linked. More exchange with each other; more dialogue on challenges and headaches encountered as brands shift to this new way of sourcing.” – Brand

organics industry through its membership in the principal umbrella organisation for organics, the International Federation of Organic Agriculture Movements (IFOAM – Organics International). OCA's mandate is compatible with IFOAM's with its vision, “to foster broad adoption of truly sustainable agriculture, value chains, and consumption in line with the principles of organic agriculture”.¹³⁷

¹³⁴ Meaningful comparison between the two data sets is complicated by the inclusion of respondents with limited exposure to the platform at the time of the survey (as indicated by presence of neutral responses). Regardless, all respondents in both years gave positive scores or neutral scores on the Likert scales for the questions related to satisfaction and likelihood to recommend. OCA (2020). Contributor Survey 2019 Results and OCA (2021). Contributor Survey 2020 Results.

¹³⁵ KIIs (Brands).

¹³⁶ Smith, D (2012). Sustainability fatigue: could healthy competition be the cure?

<https://www.theguardian.com/sustainable-business/blog/sustainability-fatigue-healthy-competition-cure>;

Foley and others (2017), p. 7.

¹³⁷ Founded in 1972, IFOAM currently has a membership of 700 organisations and networks and a presence in 100 countries. It is organised through a matrix of regional bodies and sector platforms (including one dedicated to seeds and another to organic farmer organisations). Its 2017/25 Strategic Plan trains IFOAM's focus on supply through capacity development; demand through campaigns to raise consumer awareness and encourage support for organic solutions; and policy and guarantee – advocacy for enabling global and national policies.

On a regional level, OCA has engaged with the Organic and Fairtrade Cotton Secretariat (OFCS) in Madhya Pradesh, India, on an initiative to boost organic seed availability to farmers. This builds on the organic cotton breeding activities carried out under the OCA/FIBL, Seeding the Green Future initiative and is consistent with the recommendations of the OCA initiated Global Seed Task Force (2019–2020) (see discussion of these initiatives in **Section 4.3**).¹³⁸

In a slightly different way, platform influence in the industry manifests through the demonstration effect of peer supply chain stakeholders aligning with and benefitting from OCA and, in particular, from its Farm Programme. In addition, peer pressure is observed to play a part in keeping contributors to their farm commitments, even without any declaration of collective volume commitment or system of performance disclosure in place.¹³⁹

To this point, a policy advocacy role has been beyond OCA's mandate. At the same time, its leadership recognises the strategic relevance of advocacy at a policy level for bringing about systems change in organic cotton. Movement toward a greater policy role is reflected in its 2030 Strategy, which includes global and regional policymaking and advocacy as one of its eight priorities.¹⁴⁰ The strategy recognises that OCA's pragmatic, solution-focused industry and supply chain orientation may not always be compatible with a policy advocacy stance and designates this priority as one where it will rely on partner engagement.

Finding 13: After a period of conceptualisation that lasted longer than anticipated, OCA has launched a grant-based funding mechanism and is in the final stages of developing larger scale loan-based financing mechanism to introduce additional financial resources to the organic cotton sector.

In its incubation phase (2016/17), OCA identified funding and financing as a key to addressing the known production constraints in the organic cotton sector. Since then, the creation of a “fit for purpose” OCF has been listed as a core activity across the three phases of Laudes Foundation funding. Initial expectations were to have in place a revolving loan fund launched by the second quarter of 2017.¹⁴¹ In practice, it has taken longer to see a financing mechanism take shape. Board discussions in 2017 indicated difficulty in designing a fund until OCA's own change pathways were more clearly laid out.¹⁴²

Today, the scaling of organic farming is as one OCA's five strategic priorities for the period to 2030. To catalyse this, two discreet approaches have emerged, one grant-based, the other loan-based:

- A **grant funding model** anchored to Farmer Commitment Agreements, and specifically to the premiums paid to farmers and the Farm Commitment Fees that are used to support extension services provided by IPs. Through this mechanism, donor funds are matched with brand and

¹³⁸ A 2018 co-creation of Laudes Foundation, Action for Social Advancement (ASA), Solidaridad Network, and WWF India, the OFCS platform brings together government, research institutions, and NGOs to address drivers affecting organic cotton in the State of Madhya Pradesh. In 2020, OFCS spearheaded an MoU with the State Agricultural University, seed suppliers, seed breeders, smallholders, and private companies to commercialise the most promising lines of non-GMO seed. See: <https://www.laudesfoundation.org/latest/news/2020/07/sowing-seeds-for-an-organic-cotton-future>.

¹³⁹ KIIs.

¹⁴⁰ OCA (2021). 2030 Strategy, p. 24.

¹⁴¹ NewForesight (2016). p. 46.

¹⁴² Senior Board Minutes, 6 November 2017.

retailer payments to support the costs of capacity building for organic and in-conversion farmers, as well as for the costs for certification and GM testing.¹⁴³

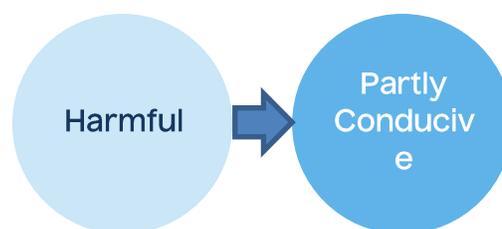
- A **financing model** – a loan fund – that, if judged feasible, would attract impact investors and brands and retailers to foster global organic cotton. As conceived, the OCF is to provide financing solutions to organic cotton farmers and farm groups (mainly through local financial intermediaries) and to support the transition from conventional to organic cotton production in selected countries. Investors would be attracted by the prospect of making Environmental, Social, and Governance (ESG) impacts and earning a return on investment (see Additional Notes in [Appendix II](#)).

4.3 Redefined value

This section covers the B7 rubric, which relates to redefining value in the sector to refocus the system on what really matters. The rubric covers ways in which risk, value, and performance are measured to place greater value on the environment and climate and on social equity.¹⁴⁴ For OCA, this is examined through the SI Programme’s enabling contributions to ensuring quality cottonseed supply and supports for farmers, as well as to putting in place methodologies and practices to ensure the integrity and transparency of the organic cotton supply chain. For the initiative to be considered *thrivable*, the enabling conditions need to be in place to ensure supply and availability of quality seeds and a system needs to be in place to ensure the integrity of the organic cotton supply.

The baseline rating for this rubric is **harmful**. Before OCA, brands had paid little attention to seed quality and supply, considered a key constraint for organic cultivation. In 2016, there were no non-GM cotton cultivars available and no data on their performance, nor were there any seed producers certifying non-GMO seeds and providing seeds to farmers. As a result, farm groups would receive contaminated seed and supply chains suffered from contaminated cotton, with no effective way to assess it. Furthermore, traceability in the organic cotton supply chain was lacking, affecting the integrity of the organic cotton supply.

The current rating for this rubric is **partly conducive**. OCA is making progress through the SI Programme in developing and providing non-GM seeds to farmers through its participatory breeding programme and the certification of seed companies for non-GMO production. OCA has also contributed to improving the capacity for GMO testing, thereby improving the assessment of GMO contamination along the supply



¹⁴³ The German Partnership for Sustainable Textiles, supported with funds from GIZ, is the first to use this mechanism with an in-conversion pilot involving 500 cotton producers in South Odisha, India. Starting in 2022, using OCA’s direct-to-farm sourcing model, participating brands and IPs will procure in-conversion cotton in an arrangement that provides a minimum support price, a full organic cotton premium, provision of non-GM seed packages, and extension supports that include training to support conversion to organic production and encourage inclusion of women in lead roles. Additional funding has been made available through the retailer Kering and Conservation International that will be used in much the same way with an additional 50,000 in-conversion farmers. Kering Announcement, “Kering and Conservation International Announce First Grantees for Regenerative Fund for Nature”, <https://www.kering.com/en/news/kering-and-conservation-international-announce-first-grantees-for-regenerative-fund-for-nature>.

¹⁴⁴ Laudes Foundation (2021). Laudes Rubrics, <https://www.laudesfoundation.org/grants/rubrics/b>.

chain. Through its engagement in participatory research, launch of production guidelines, and facilitation of a seed network, the SI Programme is drawing attention across the supply chain to the environmental and farm-level requirements for organic cotton to thrive. Through this and the Farm Programme, OCA's initiatives are positioned to shift mindsets and support a redefining of value within the supply chain, with some evidence this is already occurring within the scope of OCA's programmes. There are also positive signs of increasing attention to measuring environmental, climate, and social equity within OCA's activities. While this represents nascent progress, several major challenges remain with regard to seed availability and traceability in the sector.

Finding 14: OCA's SI Programme has been designed to address key constraints in the organic cotton sector, with a focus on enhancing organic cotton integrity and seed supply. While progress has been made in assessing GM contamination in the supply chain, traceability remains a challenge. OCA's work on seed supply and availability has attracted the attention of brands, although much work remains to ensure the availability of non-GM seed for farmers.

OCA was created to address constraints in the organic cotton sector related to supply and integrity issues (see [Section 3.1](#)). While the Farm Programme targets a dimension of supply by building an organic cotton business case for sector actors and facilitating direct brand-to-farm links (see [Section 4.1](#)), the SI Programme addresses the enabling conditions required for organic cotton integrity, namely seed quality and supply, and supply chain integrity. To this end, the SI Programme features initiatives tackling seed availability, access, and quality; farmer capacity in organic production; GM contamination; and traceability across the supply chain. Some of these constraints, notably GM contamination and traceability, were known concerns to brands. Others, like seed supply, were less known and understood. While progress has been made in achieving the SI Programme performance targets (see [Appendix VI](#) for all Phase 3 grant targets), challenges remain in achieving results from certain SI Programme components. Progress and challenges are discussed below as they pertain to the two key aspects of the SI Programme components: supply chain integrity and seed supply.

Organic Cotton Supply Chain Integrity

The integrity of organic cotton within the supply chain is key concern of brands. OCA has made some progress in this area, particularly in improving the assessment of GMO contamination within the supply chain. The initiative provided leadership in developing international standards for **GMO screening** and developing **internal guidelines** for testing cottonseed and cotton lint for GM presence (see [Box 3](#)).

Through partnership with GOTS and Textile Exchange, OCA developed the ISO/IWA 32 GMO screening protocol, which brings a common, standard approach to GMO screening for laboratories.¹⁴⁵ In line with this, OCA, GOTS, and Textile Exchange launched a proficiency test for laboratories that perform GMO testing against the international ISO reference protocol. As of 2021, 21 laboratories worldwide had been accredited for screening, having successfully passed the proficiency test. GMO screening from accredited laboratories was made mandatory within GOTS, OCS, and OCA Farm Programme supply chains.

The internal guidelines for GMO testing for OCA's third-party validators have also allowed OCA to track GMO presence within its own supply chain, with data then shared with brands participating in the Farm Programme. OCA tests for GMO presence at the seed lot, farm, and ginning stages of the supply chain.

¹⁴⁵ OCA Annual Report 2020; KIIs (OCA staff); OCA (January 2022). OCA, GOTS, and Textile Exchange Expand the Successful GM Cotton Testing Lab Initiative, available at: <https://www.organiccottonaccelerator.org/blog/oca-gots-and-textile-exchange-expand-the-successful-gm-cotton-testing-lab-initiative>.

Results of GMO testing across multiple years show a decline in the detection of GMO contamination since 2017.¹⁴⁶

Another concern for OCA partners, especially brands, is enhancing traceability across the supply chain that goes beyond GMO contamination. The aim is to bring greater transparency to the organic cotton supply chain by being able to trace cotton from farmer to consumer. In 2018, OCA developed the **Organic Cotton Traceability pilot project** in partnership with Laudes Foundation, Fashion for Good, and Bext360. The pilot tested the use of a combination of technologies such as blockchain, machine vision, microbiome sequencing, and markers to trace the origin, purity, and distribution of organic cotton. While the pilot showed some positive results, it was put on hold for several reasons, one being that other actors were already working in this area. There were concerns at the time that OCA's scope was too wide and that it was preferable for the organisation to maintain its focus on supply-side issues.¹⁴⁹

Box 3. GMO Testing

ISO/IWA GMO screening protocol

In 2019, OCA initiated and led development of the ISO/IWA¹⁴⁷ 32 protocol through a participatory process with laboratories and experts. The protocol sets guidelines for laboratories to test for the presence of GMOs in cotton and processed cotton fibres.

Internal Guidelines for GMO Testing

OCA has also developed internal guidelines for GMO testing for its third-party validators. The purpose of the guidelines is to ensure “effective, uniform, and credible testing for GMO presence in cotton sown, grown and harvested across the different [Farm Programme] projects in India”.¹⁴⁸ The guidelines set out the roles and responsibilities of the third-party validators and IPs with regard to GMO testing, as well as providing the technical aspects of testing (such as sampling requirements and testing stages). Testing occurs at various stages, allowing for some level of traceability from seed to gin, which can help identify where GMO contamination may occur.

Traceability remains a challenging issue due to its complexity and the lack of an adequate technological solution that is feasible to implement. In 2019, OCA set up a task force to develop a comprehensive and harmonised traceability vision and roadmap for the organic cotton sector. As set out in its 2030 Strategy, OCA will take steps to partner with other organisations already working on traceability and provide support, but it will not take a lead role on the topic.

Organic cottonseed supply and availability

Cottonseed is the starting point of the organic cotton value chain. The paucity of non-GM seed suitable for organic agriculture has been an ongoing challenge, particularly for Indian cotton farmers, due to the widespread use of GM cotton. This issue had attracted limited interest and support before the creation of OCA, especially among brands. FiBL has had a cotton breeding programme in India since 2011 funded by C&A Foundation, among others. OCA partnered with FiBL in 2017 as a main funder, continuing the work of FiBL through the SGF initiative. SGF has undergone two phases since 2017.¹⁵⁰ The programme involves three of OCA's Farm Programme IPs – Chetna Organic, Pratibha Syntex, and Action for Social Advancement (ASA) – as well as other implementing actors and research partners in India. The initiative

¹⁴⁶ OCA internal documents.

¹⁴⁷ The International Organisation for Standardisation International Workshop Agreement (ISO/IWA) protocol ensures screening of genes that are involved in all known GM cotton events across the four used commercial species.

¹⁴⁸ OCA (2021). Recommended Guidelines for GMO Testing in Organic Cotton Projects in India, p. 5.

¹⁴⁹ Based on interviews with two stakeholders.

¹⁵⁰ Phase I (April 2017 to March 2018) and Phase II (April 2018 to March 2022). Phase I was entirely funded by OCA, whereas Phase II is funded by OCA and the Mercator Foundation. Seeding the Green Future – History, <https://www.sgf-cotton.org/about/history.html>.

works directly with farmers using a participatory approach to develop appropriate non-GM breeding lines suitable for local conditions. Since 2017, eight breeding lines have been developed and are showing promising results, although as of early 2022 none were yet ready for commercial use (this is targeted for 2022/23).

OCA's **Seed Assurance Project** has contributed to addressing the issue by working with seed companies to ensure availability and access to non-GM seeds for farmers, while minimising the risk of contamination. OCA has partnered with three Indian seed companies, providing capacity building support, as well as market data and feedback to help improve the seed lines. OCA has also developed the Non-GM Cottonseed Production Guidelines (2020) with plans for verification audits against the guidelines to be piloted to create a baseline for continuous improvement.¹⁵¹

"Access to seed is one of the critical problems of the sector. GM seed is everywhere. There are not many seed retailers selling non-GM, or the seeds are not ideally suited to local conditions. So, working on this is essential. OCA is working on this and moving in the right direction, but there has been no big impact yet" – OCA Board member

"Seed development – I hear that it is a gap on the production side. I was not aware of this before OCA. Brands are blind to these deficits. I've been learning a lot about this through OCA." – Brand

Despite this progress, many stakeholders noted that access to quality seed remains a significant challenge and that there is a long way to go before concrete results are seen. As such, the evaluation was unable to assess the extent to which seed supply is meeting needs, and especially whether supply has been able to keep up with the significant growth of farmers in the Farm Programme.¹⁵² Nevertheless, OCA has contributed to bringing greater awareness to brands and partners about the challenges surrounding seed availability and ensuring continued investments in this area.

Finding 15: OCA's initiatives are positioned to shift mindsets and support a redefining of value in the organic cotton sector, with some indication of this evident within the scope of OCA programmes and initiatives. A purposive focus on *measuring* environmental, climate, and social equity impacts has not been reflected in OCA's early activities, though there is indication that this is forthcoming.

Through its programmes, OCA is contributing to a shift in mindsets and ways that different actors in the sector work. Examples are:

- Brands and retailers recognising the net benefit of long-term commitments, deepening engagement with the entirety of the supply chain and maintaining direct relationships with farmer organisations over short-term procurement, and continued reliance on tier one suppliers procuring from the open market.
- IPs being more open to work with greater transparency in pricing through OCA's open-costing system.
- Brands and retailers acknowledging the need to extend the payment of premiums to support not just organic cotton farmers but also in-conversion farmers as they complete their multiyear transition.

¹⁵¹ OCA (August 2020). Mid-year Monitoring Report.

¹⁵² The evaluation team was not able to assess seed access due to limited data and limitations in the evaluation design that did not allow for assessments to be conducted in India and directly with farmers.

- Brands recognising the need to support and provide resources for farmer training and capacity building, seed development, and other inputs.¹⁵³
- IPs and farmers opening minds and opportunities for female farmers to receive training under the SGF programme (for example, a doubling of female farmers from 2018/19 to 2019/20).¹⁵⁴

Many of the changes identified are nascent, with more time required to substantiate impacts observed so far. A main concern for brands continues to be sourcing an adequate supply of organic cotton to meet their procurement targets, despite growing awareness on their part of the need to support farmers with a longer-term perspective. At least seven non-brand stakeholders pointed to the need for brands to invest more in areas that benefit farmers, such as seed availability and capacity building, and away from issues like traceability and GMO contamination, which have minimal impact on farmer well-being and environmental sustainability.

“Organic cotton lost its way when balance of actors shifted from philanthropy to private-sector funders – so focus shifted from farmers to the market. Buyers focused on cost of production, rather than on investment in the sector.” – OCA Board of Trustees

Within the realm of organic cotton production, OCA staff and board members have expressed a desire to shift mindsets toward a more holistic view of organic, enlarging the focus beyond GMOs toward other social and environmental aspects of organic cotton (such as new M&E indicators on climate and labour rights).¹⁵⁵ This intention is reflected in the OCA 2030 Strategy’s priority to “deliver robust social and environmental farm level data”. The strategic priority has the objective of demonstrating “positive social and environmental impact of organic cotton farming” and includes several OCA interventions to that effect, including the collection and reporting of environmental impact data.¹⁵⁶ A related strategic target for OCA is, by 2023, to “establish [a] baseline for reporting on environmental farm level data, including soil health, crop biodiversity, carbon sequestration and water use”.¹⁵⁷ In its Farm Programme Impact Report for 2020/21, OCA included reporting on hectares of regenerative organic cotton production, which made up 3.7% of the total hectares of cotton production with OCA (891 of 24,022 ha).¹⁵⁸ It is still too early to tell the effects this will have on shifting values in the industry toward measuring and reporting on environmental, climate, and social equity.

¹⁵³ Stakeholder interviews indicate that brands (and specifically their sustainability teams) are increasingly understanding of the challenges at the farm level, especially regarding seed availability and integrity, and of the long-term investments needed to address sector constraints.

¹⁵⁴ Female training participation decreased during COVID-19. Laudes Foundation and OCA (2020) End-of-Project Self-Evaluation Report, p. 16.

¹⁵⁵ KIIs (OCA staff); minutes of the June 28, 29 2021 Board of Trustee’s meeting.

¹⁵⁶ OCA (2021). OCA 2030 Strategy Report, p. 25.

¹⁵⁷ *Ibid.*, p. 28.

¹⁵⁸ OCA (2021). Farm Programme Impact Report 20/21, p. 9.

5. 2025 Outcomes

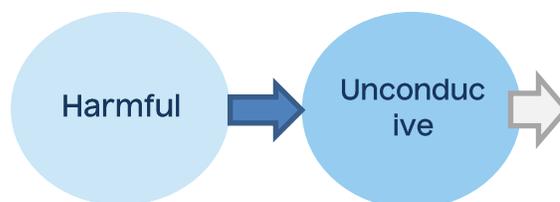
5.1 Businesses transforming

Rubric C3 focuses squarely on the progress made by businesses toward adopting a comprehensive and coherent mix of bold, climate-positive industry policies, business models, and practices.¹⁵⁹ The discussion in this section addresses progress to 2021, that is, the extent to which farmers, and the manufacturers and brands to whom they sell, have taken up these new ways of working in the organic cotton industry and system, primarily in India, while acknowledging the global nature of the system.

Specific expectations are that within the organic cotton industry: a) implementation of the direct-to-farm business model is undertaken by a critical number of farmers and brands; b) the business model has attracted high levels of philanthropic, commercial, and institutional capital; c) farmers are provided adequate support services to continue in their organic cotton journey; and d) the organic cotton supply chain has a high degree of integrity and transparency.¹⁶⁰ *Thrivable* success hinges on the existence of a business case underpinning the direct-to-farm modality, the means to ensure the authenticity the organic cotton produced, and a sufficient, sustainable flow of investment to scale up and scale out the initiative.

The baseline rating for the overall system was **harmful**. The business case for farmers and other actors in the organic cotton supply chain was undeveloped and the industry was unpredictable, without transparency, and with little to no assurance against GMO contamination. Also, there was little availability of philanthropic, commercial, and institutional capital beyond those philanthropic resources invested to champion the business case for organic cotton.

The current rating is **unconducive, with movement toward partly conducive**. The impact of OCA's presence on the global organic cotton market has been modest and focused on one country, India. There, progress has been made scaling the organic cotton industry in a climate-positive way. OCA's use of key market drivers has helped in building the direct-to-farm business model, which shows steady gains in volumes of organic cotton procured and numbers of farmers engaged, but with a small number of brands engaged to date. Continuing this positive trajectory requires increasing attention to an array of country and regional drivers that hold potential to enable or frustrate progress. There is evidence of growing financial commitments being made toward transforming the cotton system, but they have yet to reach the levels required. For the most part, organic cotton remains a fragmented industry with multiple financing needs.



¹⁵⁹ Laudes Foundation (2020). Evaluation Rubric System, <https://www.laudesfoundation.org/grants/rubrics>.

¹⁶⁰ These three expectations are based on the “initiative outcomes” in the rubrics table prepared for Laudes Foundation during the formative stages of the evaluation.

System change momentum

Finding 16: After four growing seasons, OCA's direct-to-farm business model is gaining traction. At this still early stage in its development, OCA's impact on the global organic cotton market remains modest. On volumes produced and on number of farmers engaged, trends are positive, but these remain limited to a single growing country with a small number of leading brands.

Section 1.1 profiles a global cotton industry with upwards of 100 million farmers producing around one million metric tonnes of cotton each year.¹⁶¹ In this cotton universe over the past decade, sustainably produced cotton has increased its share of total production, reaching about 30% in 2019–20.¹⁶²

Supporting this trend under the 2025 Sustainable Cotton Challenge, more than 120 brands, retailers, and other supply chain actors have committed to source nothing but sustainable cotton by 2025. At that point, if realised, 50% of the cotton in the world will be grown under Textile Exchange's list of recognised organic and sustainable cotton initiatives, known as Preferred Cotton.¹⁶³ The 2020 Sustainable Cotton Ranking website lists 11 companies as "leading the way" on sustainable cotton.¹⁶⁴ Of these, five are OCA contributors and among them four are participants in the Farm Programme.

As the name suggests, OCA's immediate domain of systems change nests within and contributes to this larger push for sustainable cotton.¹⁶⁵ Intrinsic to OCA's change ambition is the consolidation of organic farming practice and its expansion through conversion to address growing demand.¹⁶⁶

With 58,000 certified organic farmers engaged in the Farm Programme in the 2021–22 season, OCA's coverage of organic cotton in its launch country, India, is 35%.¹⁶⁷ On a global scale, this level of participation amounts to 25%.¹⁶⁸ At the same time, OCA is converting an additional 21,000 conventional farmers, a number that will increase the size of the organic farmer pool in India by as much as 13% after the conversion period.

A similar pattern is evident on the production side. In the third (2019/20) season of the Farm Programme, organic cotton lint procured by brands through the Farm Programme grew to 15.4% of India's organic cotton production for that season, a significant growth since 2017/18 (1.3%). In 2020/21, the procurement of organic cotton through the Farm Programme increased by a further 63%.¹⁶⁹

Given the strength of the market for organic cotton and growing brand and retailer support for OCA's incorporation of in-conversion cotton into the programme, the growth trend is set to continue. There is no specific target for 2025, but OCA's 2030 Strategy sets a target of 150,000 farmers across multiple

¹⁶¹ IISD and SSI (2020). p. 2.

¹⁶² Textile Exchange (2021). Preferred Fibre and Materials Market Report 2021, p. 13.

¹⁶³ *Ibid.* p. 18.

¹⁶⁴ The Sustainable Cotton Ranking is a joint initiative by Pesticide Action Network UK, Solidaridad, and WWF and assesses consumer-facing companies that are significant cotton users (over 10,000 metric tonnes of cotton lint per year). Seventy-seven companies assessed in 2020 are rated on their sustainable cotton policies, their uptake, and their traceability. Two other OCA contributors are on the list but ranked lower (at numbers 15 and 30), <https://www.sustainablecottonranking.org/check-the-scores>.

¹⁶⁵ Most OCA contributors (~20) are also signatories to the 2025 Sustainable Cotton Challenge.

¹⁶⁶ As per the discussions in the recently held Organic Cotton Summit, Textile Exchange and OCA have reached out to more than 75 brands, out of which 27 have integrated "in-conversion" in their sourcing practices.

¹⁶⁷ The growth trend in the Farm Programme is discussed in Section 4.1.

¹⁶⁸ Based 2019/20 figures for global organic cotton farmers (229,280) and Indian organic cotton farmers (164,677). More recent totals were not available. (Textile Exchange [2021]. Organic Cotton Market Report).

¹⁶⁹ Lint procured grew from 19 metric tonnes to 31 metric tonnes between 2019/20 and 2020/21. Cotton fibre production for India in the 2020/21 season was not available in early 2022.

countries by the end of the decade with the volume of organic cotton processed via OCA farmers reaching 100,000 metric tonnes.¹⁷⁰ This would represent a shift in the share of organic cotton to total cotton produced from less than 1% currently, to about 10% based on current annual volumes.¹⁷¹

While growth in farmers and volumes looks promising, OCA's efforts have focused on India with initial expansion-related activities underway in Pakistan and Turkey. And while also growing, the number of brands coming on board remains modest, with a small number of highly committed leading brands accounting for much of the growth in farmers and organic cotton volumes. **Table ii.6 in Appendix II** provides an assessment of brand influence and potential for impact on the sector of six of the most influential brands that participate in OCA's Farm Programme. Based on the data in the 2020 Sustainable Cotton Ranking, four out of the six are considered large or influential enough to have a considerable impact on the sector and, among these, three were rated as "leading the way".

Factors influencing systems improvement toward 2025 and beyond

Through the OCA initiative, a stable, independently monitored regimen of support has given OCA organic farmers a consistent income advantage over their peers in conventional cotton. This includes premium payments, secure markets, provision of non-GM seed, training, and extension services, along with lower input costs compared to those routinely incurred by conventional farmers. The prospect that this advantage will be durable rests on several assumptions: that farmer knowledge and skills will continue to deepen through the accumulation of experience; that input costs will go down and productivity will go up with the application of good organic practices; and that with localised expansion, the benefits of landscape approaches can take hold thus strengthening the resilience of the farming systems. Making headway on non-GM seed availability is particularly complex and incremental. Financing and the spread of knowledge at the farm level are critical ingredients for this process to obtain the scale and coverage that safeguards seed availability.

Strong market growth for organic cotton over the past few seasons is forecast to continue to at least 2026 according to market intelligence reports.¹⁷² This gives impetus to the change process described above.

At the same time, fashion industry observers see brands and retailers in a period of turmoil where a few companies are faring well and many are failing or being absorbed by others. The COVID-19 pandemic has exacerbated this trend. It has dampened sales, reduced profits, and added stresses to supply chain relationships. In the short run, these stresses have intensified use of the transactional business practices between brands and their suppliers that OCA has been trying to shift. In the longer run, this unsatisfactory situation is expected to yield to one more amenable to OCA's change ambitions, where brands become more directly engaged in, and intentional about, their supply chains.¹⁷³

The presence of an enabling policy environment is described by key informants and shown in sector studies to be an important precondition for successful systems change. On its journey so far, OCA has encountered policy gaps across different jurisdictions and on a variety of topics, including the promotion of organic cotton as a preferred alternative; pricing; non-GM seed availability and seed testing; the availability and use of biological inputs and controls on the use chemical inputs; incentives to support conversion and controls on the use of subsidies to support conventional farming practices; implementation of certification schemes; the presence of credit facilities to address financing needs; and

¹⁷⁰ OCA (2021). OCA 2030 Strategy, p. 29.

¹⁷¹ OCA (2021). OCA 2030 Strategy; Textile Exchange (2021). Organic Cotton Market Report.

¹⁷² Mordor Intelligence (n.d.). Cotton Market – Growth, Trends, COVID-19 Impact, and Forecasts (2021–2026), <https://www.mordorintelligence.com/industry-reports/cotton-market>.

¹⁷³ In their annual survey of the fashion sector, 73% of the sourcing community expected the trend toward deeper partnerships to accelerate over the coming year. (BoF and McKinsey & Co 2021. p. 73–75).

the demarcation of growing zones to insulate organic growing areas from GM contamination.¹⁷⁴ For the cotton system to change, in India and globally, and for that change to be sustainable, such policy gaps will need to be addressed strategically at first, and then comprehensively and systematically.

Financial sustainability of the direct-to-farm business model

Finding 17: On attracting philanthropic and business investments to advance systems change in organic cotton, OCA has generated interest and investments in its business model as well as potential for further growth. There is early traction in attracting grant-based funding to the sector on a cost-sharing basis with brands. Introducing a commercial financing mechanism to support the development of organic farming systems is proving more challenging due to the large investment needed, the presence of a fragmented sector with multiple financing needs, and the vast number of farmer beneficiaries.

The availability of philanthropic, commercial, and institutional capital will be an important determinant of the magnitude and pace of change in the organic cotton industry. Beyond the payment of organic cotton premiums, brand commitment to the direct-to-farm business model is secured through contributor and Farm Commitment Fees, these provide a steady stream of resources to ensure premium payments are received, and that farmers obtain seed inputs, training, and other support services.

Two additional investment approaches, introduced in [Section 4.2](#), are now coming to the fore, one targeting philanthropy, the other targeting investors. The newly minted funding model encourages philanthropic investments through a grants mechanism that matches donor and brand resources to implement projects anchored to (direct-to-farm) Farmer Commitment Agreements. OCA's leadership is encouraged by the uptake of donors using this mechanism after only a few months. They see in the mechanism a clear and attractive role for philanthropy in supplementing market-derived revenue to expand organic cotton production and strengthen farmer livelihoods. They also see in the model the prospect of securing donors from an expanding list of candidates as the direct-to-farm business model becomes prominent in other cotton producing countries.

Demonstrating feasibility on the larger scale financing structure centred on impact investors is a more complicated proposition. Factors to overcome include:

- OCA's still relatively small market share of the organic cotton market;
- The cost-effectiveness challenge of differentiating financing packets to target a variety of financing needs and at a scale that is manageable for small and marginal landholders;
- The multijurisdictional lending landscape;
- The need to structure the fund to protect investment funds with guarantees; and
- The challenge of meeting investor "impact" criteria over and above a simple return on investment.¹⁷⁵

There are differing views on the extent to which brands and retailers can be tapped for additional support. One point of view, shared primarily by non-brand stakeholders, is that OCA could make a case for a levy on organic cotton sales to support the development of seeds and regenerative approaches at the farm level. The brand perspective was that they are already making sufficient investments through premium payments and Farm Commitment Fees. As noted earlier, industry studies show the same variance in brand and retailer willingness, though with signals suggestive of greater willingness to co-invest in the future.

¹⁷⁴ Key informant interviews – Brands, IPs, staff team. CABI (2020). National Organic Cotton Policy Gaps (Pakistan), p. 32.

¹⁷⁵ OCA (2021). 2030 Global Strategy, p. 67; KII (OCA staff).

Drivers of system change

Finding 18: Progress on scaling and sustainability of organic cotton will depend on the continuous management of distinct and often competing agendas along the supply chain and advocacy where needed. OCA has made good use of global market drivers to garner the support of brands and retailers. Now, as OCA deepens its programming within production countries, it is challenged to go further, identifying and engaging those drivers best able to strengthen farming systems.

There are multiple dichotomies with competing motivations to manage as OCA considers its scaling ambitions. Most prominent and evident from the findings of this evaluation is the task of balancing the short-term requirements of brands and retailers for organic cotton with the need to stabilise and strengthen the social, economic, and environmental aspects of organic cotton farming, all of which requires long-term investment.

A related task is balancing the push for economies of scale with the push for economies of scope. Here, the tension centres on the cost-benefit of a more singular focus on organic cotton production versus a focus on obtaining value from the yields of a more holistic organic farming system. This dichotomy brings into focus the presence of a continuum of relevant farm system typologies,¹⁷⁶ as well as the constraints and opportunities posed by the climate emergency.

A third area relates to a duality of choices at an operational level. On one hand, there is the current need to tailor interactions with supply chain stakeholders understanding their unique characteristics, especially because expansion will bring an enduring requirement to build buy-in and interest in the direct-to-farm sourcing model. On the other hand, there is the need to standardise operations and processes for efficiency, quality assurance, and breadth of impact. Orchestrated action on both sides of this dichotomy will be key to the sector's success.

OCA's readiness to address the dichotomies together with its current level of organisational readiness to operate as an MSI (see [Sections 3.5](#) and [4.2](#)) suggest that it is on the right trajectory to contribute toward wider system shifts and transformation in the organic cotton sector.

Drivers observed to be supportive of the scaling of organic cotton are:

- Increased environmental and social awareness among consumers and growing demand for organics,¹⁷⁷
- An increased number of companies making commitments to global compacts, such as the SDGs and others,¹⁷⁸ and setting procurement targets for sustainable and organic cotton; and

¹⁷⁶ How organic relates to regenerative agriculture was the topic of a workshop at the November 2021 Organic Cotton Summit. The panellists described a spectrum spanning from conventional (monoculture) cotton to Regenerative Organic Certified (ROC) cotton production anchored on biodiversity and social equity principles (a focus on soil health, animal welfare, and social fairness) with an appeal to indigenous practices. Organic cotton production lies in the middle of this spectrum. Advocates of ROC cotton argue that regenerative organic methods are a responsible way to address climate change and that a step-by-step conversion process is feasible with appropriate supports. The workshop entitled, "How Does Organic Related to Regenerative Agriculture" (November 8) can be accessed at: <https://www.ocanational.org/virtualsummit>. More information on ROC can be accessed at: <https://rodaleinstitute.org/wp-content/uploads/rodale-white-paper.pdf>.

¹⁷⁷ OCA (2021). OCA 2030 Strategy Report, p. 16; BOF and McKinsey (2021). p. 65; and Klls.

¹⁷⁸ These include the 2025 Sustainable Cotton Challenge <https://textileexchange.org/2025-sustainable-cotton-challenge/> and the German Partnership for Sustainable Textiles, <https://www.textilbuendnis.com/en/textilbuendnis-mitglieder-beziehen-ueber-die-haelfte-der-weltweit-verfuegbaren-bio-baumwolle/>.

- A sizeable gap between global demand for and supply of organic cotton, on account of the above-mentioned shifts in brand and retailer procurement patterns along with disruptions in the sustainable cotton supply chain occasioned by sanctions against China and fraud allegations in India.¹⁷⁹

For as long as those market drivers prevail, they warrant continued attention to ensure successful scaling and sustainability.

As OCA deepens its involvement in India and expands into new production countries, it will become increasingly important to act on those drivers closest to the supply dynamics of the organic cotton sector. As indicated under Finding 16, policy remains an important driver that will challenge the ability to scale up in India and beyond. For example, the government of Baluchistan's growing interest in organic cotton following a successful pilot project could enhance OCA's planned scale up in Pakistan. Similarly, in India, the Ministry of Agriculture's endorsement and promotion of the newly created organic cotton curriculum could greatly increase its reach and impact once launched in 2023. In commerce, the potential for the Indian seed industry to become a source of support in the development and distribution of organic cottonseed depends on the extent to which the business case and the policy environment for such can be established.¹⁸⁰

Replicating the MSI model within more specific geographies is one way to bring attention to these drivers. At least one precedent exists for this with the 2020 formation of the OFCS. A co-creation of Laudes Foundation and three other entities, the platform brings together government, research institutions, and NGOs to address drivers affecting organic cotton in Madhya Pradesh.

All in all, the task of discerning opportunities to engage drivers – to accelerate change, deepen impact, or to mitigate against factors dampening progress – will be complex. It will require consideration across multiple streams of systems change work and multiple jurisdictional landscapes.

¹⁷⁹ Textile Exchange (2021). Organic Cotton Market Report, p. 8.

¹⁸⁰ KIIs and OCA Annual Reports.

6. Conclusions and Recommendations

6.1 Conclusions

This evaluation assessed the progress and impact of OCA since 2018, under Phases 2 and 3 of Laudes Foundation grants. It examined the initiative's Farm and SI programmes, its development of a fund mechanism, and its function as a multi-stakeholder platform. In addition to assessing the effectiveness, efficiency, and impact of OCA, the evaluation used the Laudes Foundation rubrics to gauge OCA's contribution to systems change in both the Indian and global organic cotton industry. **Table 6.1** compiles the ratings for each rubric assessed and summarises the key findings of the evaluation.

Table 6.1 *Compendium of Rubrics Ratings and Analysis*

| RUBRIC | RATING |
|--|---|
| PROCESS-RELATED | |
| A1. Design | Conductive & supportive. OCA's design is innovative and exploratory and addresses important needs in the sector. The initiative aligns substantially with Laudes' objectives. Early challenges in establishing cooperation among sector actors are abating. In this busy space, where the potential for overlapping mandates and approaches has existed, there is scope for yet greater collaboration, exchange, and learning between OCA and its sector peers. |
| A2. Implementation | Conductive & supportive. OCA's programme implementation shows the attributes of good delivery using a deliberate, inclusive, enabling, and capacity-enhancing approach. It demonstrates a solutions-oriented focus and a commitment to using evidence. Some vulnerabilities are evident as OCA navigates the more complex interactions among its stakeholders. Implementation has been efficient and in line with the planning set out in Laudes' grant agreements. |
| A3. Monitoring and adaptation | Partly conductive. OCA's monitoring and evaluation system uses a mix of evidence from various sources and covers more than minimum compliance requirements. Resources have been strained as the Farm Programme grows and the scope of the data sought widens, but this is not excessive and is currently being addressed. So far, data collection and reporting have been tailored more to the needs of brands and less to those of IPs, with an intention to improve usefulness for farmers. Finally, OCA's monitoring practices show signs of good learning and adaptive management. Limitations were observed in data quality and timeliness, data specificity across different user groups, and the use of M&E insights for decision-making. Finally, untapped opportunities exist to broaden M&E system coverage to include institutional and platform aspects of OCA's work. |
| A4. Communication and learning | Partly conductive. For those engaged, the initiative demonstrates an openness to learning and reflection on its mission, but it has not been as effective in its communications to the wider community. Its internal communication systems are good and facilitate learning, but with some notable challenges for its external communications. Publicity and other external messaging are well aligned and coherent, though with untapped potential to extend influence and improve OCA's impact in the organic cotton sector. OCA's new Communication Plan, staff team, and newly developed tools are responding well to the challenges observed. |
| A5. Organisation and network capacity | Conductive & supportive. Most of the attributes of a "fit for purpose" organisation are in place including a clear vision, mission, and strategy; strong, credible, and inclusive |

| RUBRIC | RATING |
|---|---|
| | leadership; strong governance with good fiduciary oversight; a strong mix of staff with requisite knowledge, skills, and capacities; financial stability and strong fundraising capability; and a good organisational learning culture. Gaps remain around the incorporation of human rights and climate change drivers into OCA's governance and strategic management, and in the operationalisation of a results monitoring schema for the whole organisation. |
| EARLY AND LATER CHANGES | |
| B3. Progressive businesses leading | Partly conducive, with movement toward conducive. OCA has been able to bring on board 10 brands that have begun to shift their approach to sourcing organic cotton. Among these are a few large and influential brands considered leaders in the field. In addition, as of 2021/22, 79,000 farmers are participating in the Farm Programme in India, OCA's launch country. While this is a considerable proportion of that country's cotton farmer population, further growth is needed, especially among brands and other supply chain actors. The level of influence of participating brands, farmers, and other supply chain actors in the organic cotton industry remains modest at this stage. |
| B6. Multi-stakeholder movements pressure | Partly conducive, with movement toward conducive. OCA's size and level of influence as an MSI is modest, despite significant platform development in a short period. It has expanded its contributor base to include large and small brands, CSOs, suppliers and manufacturers, and philanthropic donors. To date, though, the farmer voice remains at a distance, carried by OCA's IPs. Support is coalescing around its 2030 Strategy, and OCA's financing is taking shape with a project funding mechanism in place and an impact financing mechanism in a final feasibility phase. |
| B7. Redefined value | Partly conducive. OCA is making progress on seed supply and supply chain integrity. Through the SI Programme, the initiative is developing and providing non-GM seeds to farmers with its participatory breeding programme and the certification of seed companies for non-GMO production. OCA has also contributed to improving the capacity for GMO testing, thereby improving the assessment of GMO contamination along the supply chain. Through its engagement in participatory research, launch of production guidelines, and facilitation of a seed network, the SI Programme is drawing increasing attention across the supply chain to the environmental and farm-level requirements for organic cotton to thrive. Through this and the Farm Programme, OCA is positioned to shift mindsets and support a redefining of value within the sector toward these key constraints in the supply chain, with some evidence that this is already occurring. There are also positive signs of increasing attention to measuring environmental, climate, and social equity within OCA's activities. While this represents nascent progress, several major challenges remain with regard to seed availability and traceability in the sector. |
| 2025 OUTCOMES | |
| C3. Businesses transforming | Unconductive, with movement toward partly conducive. The impact of OCA's presence on the global organic cotton market has been modest and focused on India. Preliminary progress is being made on planning for scaling and sustainability of organic cotton. OCA's use of key market drivers has helped in building the direct-to-farm business model, which shows steady gains in volumes of organic cotton procured and numbers of farmers engaged, but with only a few brands engaged so far. Continuing this positive trajectory will require increasing attention to an array of country and regional drivers that hold potential to enable or frustrate progress. There is evidence of growing financial commitments to transforming the cotton system, but |

| RUBRIC | RATING |
|--------|--|
| | these have yet to reach the levels required. Organic cotton remains a fragmented industry with multiple financing needs. |

6.2 Recommendations

Eight recommendations for OCA under three headings address the challenges identified in this evaluation. The first area addresses topics associated with the early and later stage outcomes of OCA's engagement with the organic cotton industry (the B rubrics, mainly). The second addresses topics pertaining to OCA's contribution to systems change in global organic cotton. Under the third heading, recommendations address topics identified through the design and delivery of the OCA initiative over the period evaluated. A single final recommendation applies to Laudes Foundation and other philanthropic interests supporting systems change in fashion and materials.

Regarding early and later changes

Recommendation 1: OCA should clarify its claim of being a farmer-centric or farmer-first organisation, as the claim is not fully reflected in its approaches. A more realistic positioning for OCA would be to describe itself as poly-centric with a farmer focus. This positioning would reflect OCA's awareness of the existing power structure that holds actors along the supply chain in relation to each other, as well as its commitment to strengthen farmers and endeavour to create a fair and balanced platform where all have an equal voice. Putting this into practice will entail more meaningful engagement with farmers and farmer producer organisations and ensuring that a farmer-focused programming approach is fully realised. OCA should better integrate the voice of farmers into its governance and programmes, such as by strategically engaging FPOs and farmers directly on the platform and more fully obtaining farmer perspectives on their needs and on the quality of services experienced. Mechanisms that could be pertinent to OCA's engagement with farmers include informal and formal consultations or periodic dialogue with farmer representatives (from various localities, regions, or countries); creating an advisory board, caucus, or working group made of up farm leader representatives (from various localities, regions, or countries); implementing training and capacity building opportunities for farmer representatives to enhance their capacities to participate in OCA; and the systematic inclusion of farmers in farm-related pilot initiatives.¹⁸¹

Related rubrics: A5 and B6.

Recommendation 2: While OCA has made significant efforts to build partnerships with brands, it needs to better engage with supply chain actors, especially those at lower levels who work more closely with farmers. Those lower-level actors are important to the success of OCA's farm sourcing model. A holistic and transparent supply chain will need the participation of actors from across the supply chain. OCA should develop a more strategic approach to the selection of its IPs, demonstrating the advantages of the direct-to-farm model over the benefits of being contributing platform members. Investment at this level of the supply chain should yield mutually beneficial partnerships, create opportunities for these actors to differentiate themselves in the marketplace, and thereby incentivise additional engagement of these actors in the reform of organic cotton. **Related rubrics: B3 and B6.**

¹⁸¹ The Partnership Initiative (2012), p. 52.

Regarding 2025 outcomes

Recommendation 3: As OCA scales up and out, it should pay greater attention to the various drivers of change that affect the supply dynamics in each production country setting. These include market and supply chain dynamics; barriers for farmers and farmer commitment to organic cultivation; and policy and legislative opportunities and barriers; among others. With constraints on time and resources, OCA will need continuous discernment to determine which drivers are most pertinent and the mix of activities best suited to advance OCA's systems change ambitions. **Related rubrics: B7 and C3.**

Regarding process-related aspects

Recommendation 4: OCA should better communicate and incorporate a holistic perspective of "organic" in its strategies, communications, M&E system, and programmes. For instance, OCA should communicate its interest in moving organic beyond a focus on non-GMO. It should also introduce and better anchor climate change, the SDGs, and social equity content in its strategy, approach, and programmes. It could do this by measuring and communicating the social and environmental impacts of its work and by integrating those effects in its strategy for scaling up. While there are positive indications that OCA is heading in this direction, through the inclusion of new socio-environmental indicators in its M&E system, this needs to be more explicit and intentional, and better communicated in its public reports. **Related rubrics: A4, A5, B7, and C3.**

Recommendation 5: OCA should better delineate its role and value in the cotton industry, and communicate both to its external stakeholders and members (particularly those contributors getting involved in direct-to-farm programming for the first time). As part of this challenge, OCA should enhance the user experience in using the wealth of information available, while preserving its record of diligence on matters of confidentiality. **Related rubrics: A2 and A4.**

Recommendation 6: Building on a strong foundation of M&E practice, OCA should enhance system capacities to undertake comparative and longitudinal assessments within its Farm and SI programmes. For longitudinal assessments, tracking of farmers across years would be important to assess the extent to which OCA's programmes and services are meeting farmers' needs and to better understand the barriers for retention of farmers within the system. Comparative assessments would enable OCA to assess implementation across countries, regions, IPs, and implementing modalities. M&E system improvements should be geared toward making better assessments of impact, effectiveness, and efficiency across OCA's programmes and toward feeding information into the OCA setting that supports mind shifts over what is important and incentivises change. **Related rubrics: A3, B3, and B7.**

Recommendation 7: While OCA tracks some organisational and institutional components of its mandate (through the Contributor Survey, for example), it should further develop its system to improve monitoring and reporting on the outcomes and impacts of the platform. The system primarily provides reporting on outputs. As yet, however, the array of outcome and impact data is insufficient to assess the effectiveness of the platform. Literature on MSI evaluation provides insight on the kinds of platform and institutional variables that could be considered. Variables that might be included are representation, participation and equity, accountability, capacities, platform resources, adaptive management (based on review, complaints and conflicts), leadership, facilitation and communication, and trust and commitment.¹⁸² A focus on cross-cutting themes (such as human rights and inclusion) in relation to a the

¹⁸² Kusters, K., and others (2017). Advocating for participatory approaches to MSI evaluation, the authors suggest three components (perspectives) are important to consider: looking ahead – to consider priorities for multi-

platform's governance and accountability mechanisms is also suggested.¹⁸³ Tracking OCA as a sector influencer is another area for consideration, together with better understanding of the prevalence of policy and regulation as drivers of systems change. With stakeholder groups, sensitivity to their distinct results pathways in OCA makes it possible to test value propositions and measure contributions against commitments.¹⁸⁴ MSI literature also recommends the use of time-bound, measurable commitments by platform members both for transparency and to differentiate actors among peers on the basis of good (or bad) performance.¹⁸⁵ **Related rubrics: A3, A5, and B6.**

Recommendation 8: OCA should be yet more intentional about integrating learning on reflexive systems change into its work. It should consider doing so by identifying in its setting the more complex and repeating instances of stakeholder interaction, identifying where it is positioned, how it has been supportive, and how it can further strengthen and build on appropriate roles. OCA should develop its understanding of what is required for systems change at scale, how trust figures across stakeholder perspectives, clarifying roles for OCA so others know what to expect, and identifying tools and processes to streamline relevant workstreams. Two candidate instances for this “learning lab work” pertain to country expansion and to engagement around the formulation of Farm Commitment Agreements. Learning labs could take the form of facilitated group discussions using After Action Review methods either virtually or in person.¹⁸⁶ Looking inward like this is an important facet of system change work that builds adaptive management capacity.¹⁸⁷ **Related rubric: A2 and A5.**

Recommendation for Laudes Foundation

Recommendation 9: In the remaining period of the current grant, Laudes Foundation and OCA should analyse the continuing role of philanthropy in the service of OCA's mission and identify additional catalytic roles that would be of mutual relevance to OCA and the foundation. Philanthropy can play a critical role addressing the costs of system change work that lie beyond what can be asked for through a fee-for-

stakeholder collaboration in a landscape; looking inward – to consider priorities to assess the process within a multi-stakeholder platform; and looking backward – to compare actual outcomes to original objectives.

¹⁸³ MSI Integrity and others (2017).

¹⁸⁴ Thorpe, J., and others (2021) p. 10–16.

¹⁸⁵ Commitments are to be relevant to the shared vision and strategy for the MSI and its planned results. Process and substance related commitments are differentiated; the first focused on the ways of working, the second on the material contribution. The Partnership Initiative (2012), p. 48 and 57; Federal Ministry of Labour and Social Affairs (Germany) (2020), p. 5.

¹⁸⁶ After Action Review methodology is widely documented as an organisational best practice. It revolves around four critical lines of inquiry: What was expected to happen? What actually occurred? What went well and why? What can be improved and how? It is described succinctly in a 2005 article in the Harvard Business Review's online magazine, <https://hbr.org/2005/07/learning-in-the-thick-of-it>.

¹⁸⁷ In the literature, much of the work on “organisational learning”, “self-referencing”, or “adaptive management and governance” can be traced to biologists Humberto Maturana and Francisco Varela. In the early 1970s, they developed the theory of autopoiesis. Drawing on cell biology they observed that cells, as living systems, are self-referential. They maintain and renew themselves by regulating their composition and conserving their boundaries. This is done recursively. As systems, they are closed but are “coupled” with their medium or environment and their boundaries are semi-permeable. It is through this interaction with the outside that adaptation occurs. Autopoiesis has come to the fore in social theories and the study of organisations. Systems thinker Gregory Vigneaux looks at the relevance of autopoiesis to risk management in organisations in his 2019 blog <https://gregoryvig.com/definingrisk/>. A more extensive exploration of how organisations learn from their environments can be found at: van Assche, K., Valentinov, V. and Verschraegen, G. (2021), “Adaptive governance: learning from what organizations do and managing the role they play”, *Kybernetes*, Vol. ahead-of-print No. ahead-of-print. <https://doi.org/10.1108/K-11-2020-0759>.

service regimen, or that bear high risk for low return. As has been demonstrated with this initiative, philanthropy can also be critical in priming systems at their start or fuelling aspects of organisation and network growth with capacity and research inputs. Supporting OCA to gainfully incorporate understanding of the climate emergency, to advance industry understanding of the continuum of sustainable practices relevant to organic cotton, to attract impact investors, and to engage more fully in policy (for example, through research and advocacy-related support) are four areas where there may be a catalytic role to play.

Appendix I List of Findings

- Finding 1: In its design, OCA squarely tackles the challenges and obstacles identified before its creation. It does this through its two complementary programmes that are supported by a multi-stakeholder platform. OCA's mandate and approach occupy a niche as an operationally focused "problem-solver" for the organic cotton sector.
- Finding 2: OCA's design is substantially aligned with Laudes' mission and vision. In particular, it speaks to the industry and ecosystem building element of the foundation's Sustainable Cotton Programme Strategy that was in play during the granting period.
- Finding 3: A deliberate, inclusive, and enabling approach features strongly in OCA's implementation. Activities are suited to the complexities of its mission by virtue of focusing more on "discovery" and "solutions" than being prescriptive, and by being evidence-based. Instances observed where implementation is misaligned with its approach serve more as opportunities to refine than to rethink.
- Finding 4: Philanthropy in general, and Laudes Foundation in particular, have been decisive in OCA's implementation, providing financial latitude and a base of relevant experience on which to build. Most of what has been planned in Laudes grant agreements has been implemented. And, while having latitude to spend, the Secretariat has operated within its means with a clear understanding of this time-limited opportunity to build self-reliance as an MSI.
- Finding 5: OCA's M&E system has been integral to the success of its Farm Programme, where the function is critical to ensuring buy-in from actors, especially brands. The M&E system has had to keep up with significant growth in the organisation and its operations as OCA strives to stay relevant and useful to the various actors involved. OCA demonstrates good adaptive management overall through its use of continuous learning and improvement. The application of M&E beyond the Farm Programme is less well developed.
- Finding 6: Monitoring and adaptive management has focused on the programme dimensions of OCA with appropriate links to OCA's strategic priorities for organic cotton. Variables tracking the functioning of the OCA platform itself are mostly pitched at the output level and are insufficient to understand the platform's contribution to impact.
- Finding 7: While contributors see the OCA team as approachable, responsive, and learning-oriented, its communications have not been consistently effective in conveying OCA's purpose and the impacts of its work. Identified challenges are recognised in OCA's 2020 Communications Plan and 2030 Strategy, and new measures are coming on stream to hone OCA communications and help the initiative to engage more directly with distinct stakeholder users.
- Finding 8: OCA supports knowledge sharing and learning related to the organic cotton sector, particularly through its Farm and SI programmes. The potential to expand learning is considerable given stakeholder interest in sector developments and the opportunities that can be tapped.
- Finding 9: The organisation has moved beyond an early period of uncertainty about its role, relationships, and strategic direction. OCA's readiness to lead a systems-change approach in sustainable cotton has advanced considerably. On governance and in operations, there is consolidation with regard to stakeholder ownership and direction, skills acquisition and deployment, and critical systems upgrades. More limited progress is evident in developing a

human rights orientation, in OCA's overt inclusion of climate change concerns, and in its alignment to the Sustainable Development Goals.

- Finding 10: Considerable progress has been made operationally to move OCA toward financial self-reliance. Contributing factors include the introduction of a workable fee-paying regime, an increasing number of contributors to OCA, an expanding Farm Programme that is responsive to global demand for organic cotton, and fiscal prudence on the part of OCA's leadership.
- Finding 11: OCA has built a clear business case for brands and farmers, evidenced by significant growth in the number of participating farmers since 2017 and growing interest from brands to join the Farm Programme. The motivation for supply chain actors to participate in OCA's direct-sourcing model is less evident and all actors continue to face challenges in adopting organic cotton and participating in the direct-to-farm model.
- Finding 12: While still modest in size and in its ability to influence change on a global scale for organic cotton, the OCA platform has grown ahead of expectations and widened its base beyond an original group of brands and retailers. The platform is perceived to bring greater predictability and fairness to the sourcing of organic cotton, as well as a useful precompetitive space with which to explore "win-win" scenarios among stakeholders to address sector constraints. Recent governance and operations enhancements at OCA, including the creation of a global strategy, answer well to stakeholder needs and are consistent with MSI good practices.
- Finding 13: After a period of conceptualisation that lasted longer than anticipated, OCA has launched a grant-based funding mechanism and is in the final stages of developing larger scale loan-based financing mechanism to introduce additional financial resources to the organic cotton sector.
- Finding 14: OCA's SI Programme has been designed to address key constraints in the organic cotton sector, with a focus on enhancing organic cotton integrity and seed supply. While progress has been made in assessing GM contamination in the supply chain, traceability remains a challenge. OCA's work on seed supply and availability has attracted the attention of brands, although much work remains to ensure the availability of non-GM seed for farmers.
- Finding 15: OCA's initiatives are positioned to shift mindsets and support a redefining of value in the organic cotton sector, with some indication of this evident within the scope of OCA programmes and initiatives. A purposive focus on *measuring* environmental, climate, and social equity impacts has not been reflected in OCA's early activities, though there is indication that this is forthcoming.
- Finding 16: After four growing seasons, OCA's direct-to-farm business model is gaining traction. At this still early stage in its development, OCA's impact on the global organic cotton market remains modest. On volumes produced and on number of farmers engaged, trends are positive, but these remain limited to a single growing country with a small number of leading brands.
- Finding 17: On attracting philanthropic and business investments to advance systems change in organic cotton, OCA has generated interest and investments in its business model as well as potential for further growth. There is early traction in attracting grant-based funding to the sector on a cost-sharing basis with brands. Introducing a commercial financing mechanism to support the development of organic farming systems is proving more challenging due to the large investment needed, the presence of a fragmented sector with multiple financing needs, and the vast number of farmer beneficiaries.

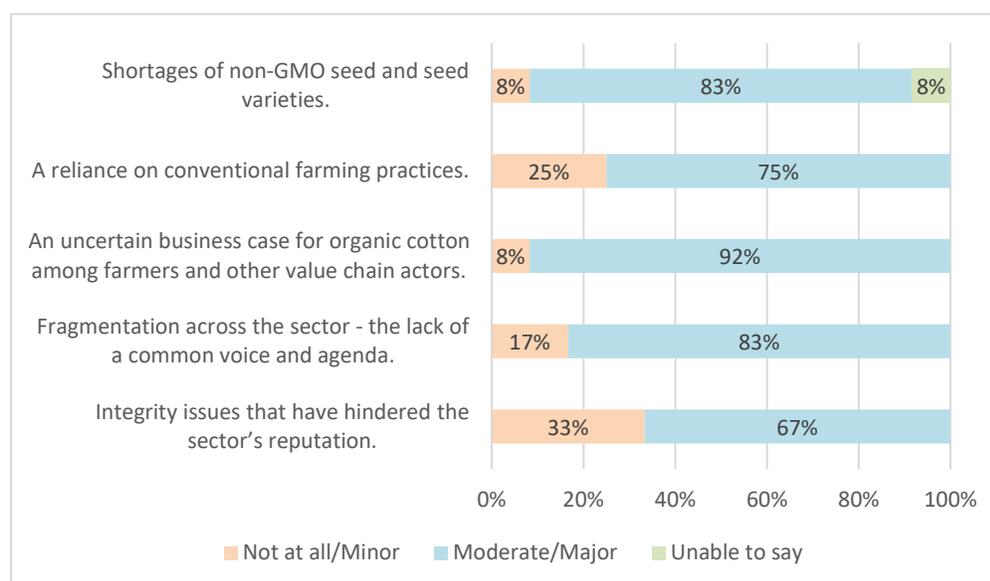
Finding 18: Progress on scaling and sustainability of organic cotton will depend on the continuous management of distinct and often competing agendas along the supply chain and advocacy where needed. OCA has made good use of global market drivers to garner the support of brands and retailers. Now, as OCA deepens its programming within production countries, it is challenged to go further, identifying and engaging those drivers best able to strengthen farming systems.

Appendix II Additional Notes Supporting the Narrative

OCA design

Extent to which OCA is addressing historic constraints in the sector

Figure ii.1 *Perceptions on Extent to which OCA is Addressing Historic Constraints in the Sector (n=12)¹⁸⁸*



OCA Implementation

A diversity of actors among IPs provides additional grist for testing and learning about OCA's direct-to-farm business model as it matures – **Table ii. 1** characterises the different farmer engagement models employed by IPs. Relational dynamics likely differ across this range. It can be expected that the type of IP and how the IP engages with farmers will influence the extent to which the farmer business case can be demonstrated. As well, it can be expected that the type of farmer engagement model will influence how the integrity of organic cotton is being ensured. There are several good practices across different implementing modalities and partners with respect to the quality of implementation, farming system approach, land area certification, and community development approach.

¹⁸⁸ Question 4: Please rate the extent to which OCA is addressing the following historic constraints in the organic cotton sector.

Table ii. 1 Type of IP and Farmer Engagement¹⁸⁹

| TYPE OF IP | SPECIFIC FUNCTION IN THE SUPPLY CHAIN | FARMER ENGAGEMENT MODEL | IP EXAMPLE |
|--------------------|---------------------------------------|---|--------------------------------|
| Supply chain actor | Ginner, Spinner, and Manufacturer | IP working through NGOs. It is not clear whether farmer groups are used as engagement model | Pratibha Textile, Arvind Mills |
| Supply chain actor | Processor, Trader, Exporter | IP working with farmers and with farmer groups | Suminter |
| Supply chain actor | Ginner, Spinner, and Trader | IP working with farmers through contract farming approach | Spectrum International |
| NGOs | Decentralised ginning in some cases | IP working with farmers through farmer groups | AKF, ASA, Chetna |

On factors constraining implementation of OCA – On a day-to-day basis, OCA encounters constraints on the realisation of its mission from sources that in some instances lie at the edge of or beyond its sphere of influence. These encounters occur at all points between farm and market and at all scales of implementation from global to local. Be they market, policy, or climate related; geopolitical; criminal or other; these constraints challenge OCA’s implementation approach while also allowing it to demonstrate its merits for converting problems into solutions.

On the brand/retailer side of the organic cotton supply chain, shifting a deep-seated transactional approach and mindset driving procurement has been a pre-occupation of OCA during these early years as it engages the sector to refine its direct-to-farm sourcing model and to hone a narrative that supports a new way of working. Here, the progress made countering transaction-focused mindsets and demonstrating the merits of the business case – evidenced by the number of brands investing as OCA Contributors and adjusting their sourcing practices accordingly – suggests that an inclusive and enabling implementation approach is giving the initiative traction on its mission.

On the supply side, where OCA is becoming increasingly focused, the constraints on OCA’s work are considerable and likely more complex and broad ranging than those featured on the demand side. Indeed, as OCA expands beyond India it will take on multiple supply landscapes each with unique characteristics. It is still early-on to be assessing the extent to which OCA’s way of working is also allowing it to make headway here (see discussion on drivers of systems change in 5.1).

Farm-level implementation challenges for OCA to manage in strengthening the supply side of organic cotton include:

- a. Logistical challenge of GMO testing;
- b. Quality assurance across different modalities of IP arrangement and farmer engagement/training models;¹⁹⁰
- c. Credibility of certifications especially in the trader/ginner-led IP model;
- d. Checking of potential farmer exploitation in contract farming modalities;
- e. Farmer retention in the organic journey;
- f. IP expectations around more focus and investments on farmer capacity building;

¹⁸⁹ KIIs

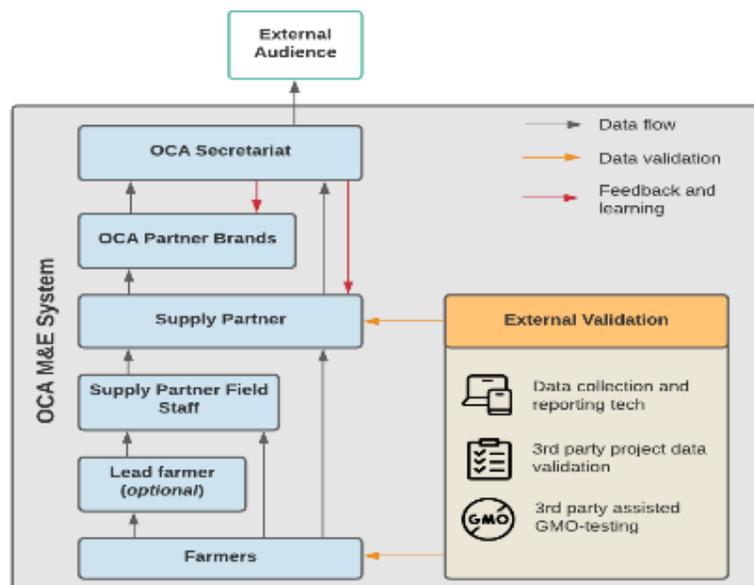
¹⁹⁰ In interviews, several IPs specifically commented on this matter.

- g. Farmers' traditional relationships with intermediaries/dealers who are recommending and selling pesticides, or with commissioning agents/traders in the supply chain who provide them with money in time of need;
- h. Ensuring the organic integrity of farms while also securing an economic return for farmers; and
- i. New potential carbon credit revenue streams that are currently being introduced and which run the risk of benefitting IPs to the exclusion of farmers.

Monitoring and adaptation

Figure ii.2 provides an overview of the structure of OCA's M&E system. Data collection occurs at the farm level and at the IP/Supply Partner level, with IPs being responsible for data collection on the ground for each farm project they manage.¹⁹¹ Data from all farm projects are aggregated into OCA's Farm Intelligence and Impact System (FIIS).¹⁹² In addition to self-reported data from IPs, OCA also employs third-party validators who conduct annual independent data collection and analysis. This approach is to ensure credibility of data from IPs by checking the accuracy of IP reporting, while also providing opportunities to collect additional data beyond the standard indicators that IPs use in their reporting. For instance, third-party validators collect qualitative data from farmers (through surveys and focus groups) allowing generation of the "change" stories from farmers that brands appreciate. Third-party validators also collect data from control groups of farmers who grow conventional cotton. The data serves as a basis for differentiating conventional and OCA farmed organic cotton and, with that, provides evidence to inform on the benefits of OCA's sourcing model. The M&E system also generates more complex data like labour costs and farmer household income.

Figure ii.2 OCA's M&E System



¹⁹¹ IPs can either nominate a lead farmer or using their own staff for data collection. OCA provides some flexibility for IPs in terms of data collection processes, which can be done using a mobile application, Excel, or paper-based approach. All IPs are, however, required to report on OCA's standard indicators to collect uniform data across projects. Additional indicators may be collected as per brand needs. OCA also supports IPs to integrate OCA's indicators into existing M&E systems that the IP may have in place. (OCA M&E guidelines, 2021).

¹⁹² In 2018, OCA developed and implemented the FIIS, which acts as a central database. It provides aggregate sourcing and impact data for all farm projects, as well as visualisations to help with communication.

An examination of OCA's Theory of Change (version from OCA's 2030 Strategic Plan – Figure ii.3, below)

The evaluation offers the following observations of current OCA strategic orientation and readiness to measure platform performance:

- The OCA platform's Theory of Change, as drafted in the 2030 Strategy, is inclusive of OCA and key supply chain actors at the activity level. In it, OCA animates/supports (level 1, bottom) and IPs, seed producers/ research partners, brands & retailers, and investors/ donors take action on the supply chain (level 2).
- From outputs to impact (levels 3 to 5), results statements are trained on farm level changes. The causal logic is inclusive of economic, social, and environmental dimensions; accommodating of alternative farming models; and sensitive to the platform's diminishing level of control/influence with each level of result. Overall, the Theory of Change reflects the organisation's "farm first" orientation and programmatic focus.
- In the Theory of Change:
 - The value proposition for farmers is explicit and detailed, while for all other actors in the supply chain, it is assumed and implicit at the activity level.
 - The platform/institutional dimensions of the OCA platform are implicit within the activity levels (levels 1 and 2).

Figure ii.3 Simplified Theory of Change Diagram (OCA)

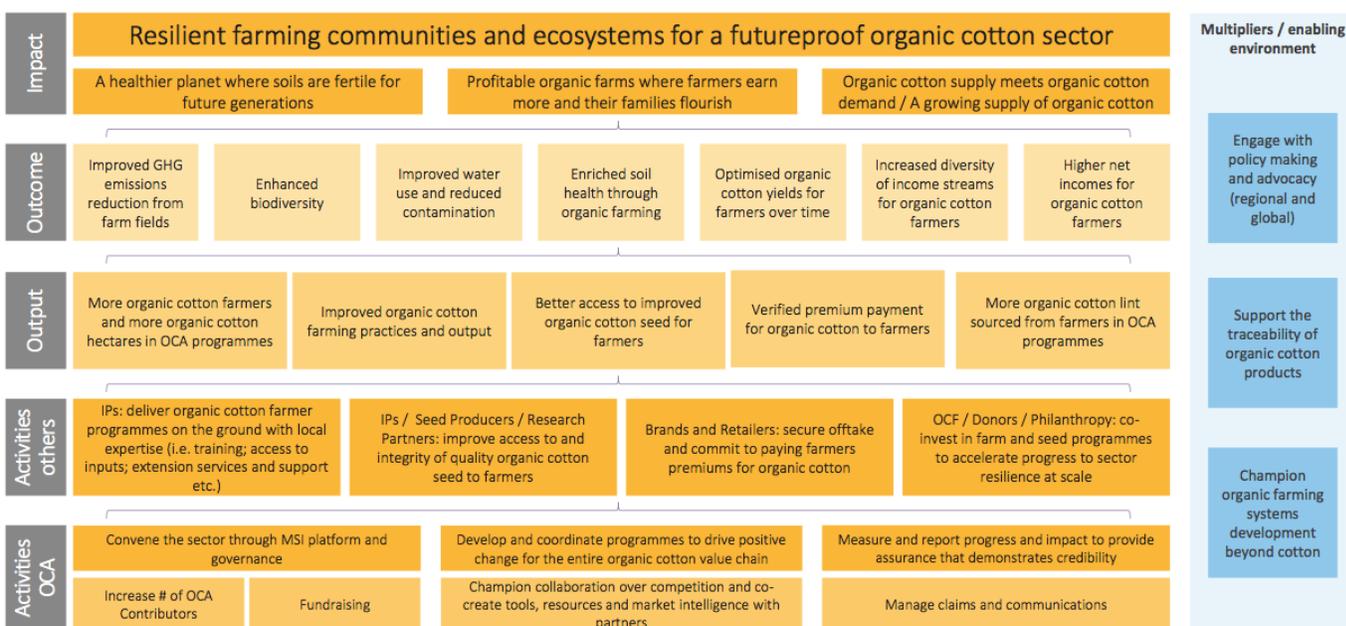
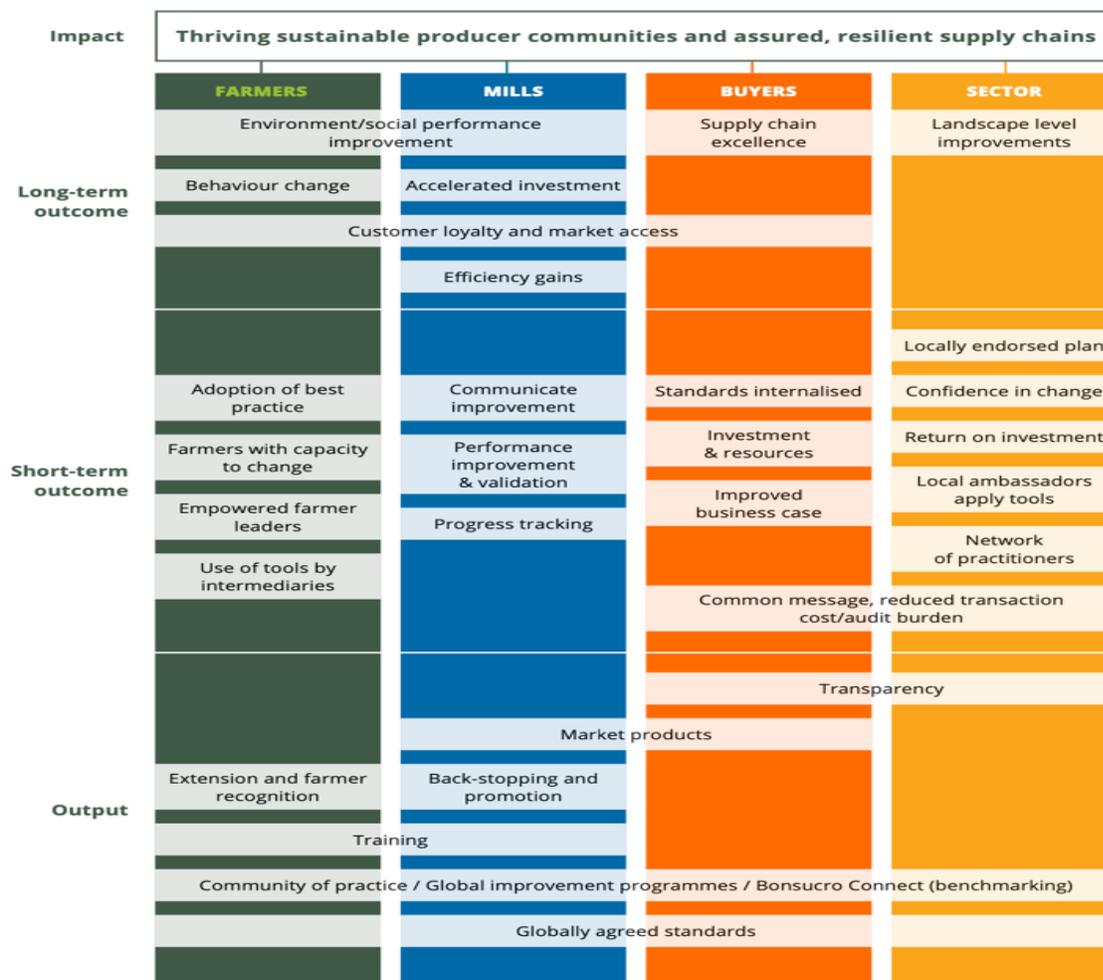


Figure ii.4 Simplified Theory of Change Diagram¹⁹³



The (simplified) theory of change diagram in Figure ii.4, above is taken from the MSI, Bon Sucro, a global sustainability platform for sugarcane. It differs from OCAs by setting out more explicit results pathways, by key stakeholder group. Some results are shared, some are particular to the stakeholder group.¹⁹⁴

Organisation and network

Historical overview of OCA: OCA was incorporated as a foundation (stitching) on 30 August 2016. It began with two governing bodies. The first was a Senior Board consisting of five members representing brands and retail (two), supply chain (one), civil society (one) and philanthropy (one). The Senior Board met three times per year, providing strategic guidance and high-level scrutiny of financial statements and budget plans. The second was the more operational Investment Committee consisting of representatives of seven

¹⁹³ Thorpe, J., Guijt J., Sprenger T. and Stibbe D. (2021). Multi Stakeholder Platforms as System Change Agents: A guide for assessing effectiveness. IDS Institute of Development Studies and Wageningen University & Research.

¹⁹⁴ The Bonsucro theory of change diagram is used in a 2021 guide on assessing multi-stakeholder platform effectiveness, by the Institute of Development Studies and Wageningen Research. Accessible at: <https://edepot.wur.nl/548294>.

organisations (five brands, Textile Exchange and C&A Foundation).¹⁹⁵ A secretariat was established to be the executive arm of the foundation. Initially, the secretariat function was hosted by the organisation NewForesight Consulting, the same organisation that undertook the original design work for the organisation in 2015. During their tenure, OCA established its India office. A permanent secretariat was created with the hiring of an executive director in February 2018, and the tenure of NewForesight's interim Secretariat ended a month later. Within the year, the programme director and two programme officer roles were added, giving the organisation a Secretariat staff of two in India and three in Amsterdam.¹⁹⁶

Alongside this early evolution of OCA's operations and governance functions (2017–18), the organisation introduced the Farm Sourcing Pilots and set in motion OCA's M&E system to underpin the Farm Programme with third-party validated farm data. Investments also started in the SI Programme. In May of 2018, OCA organised its first Organic Cotton Summit in India (open to all interested stakeholders) and later in the year brought its Contributors together to review OCA's progress to date and discuss the design of the organisation's new governance framework, which went on to be approved by the Senior Board in 2019.¹⁹⁷

Around this time, OCA entered a leadership transition. The outgoing executive director was replaced on an interim basis by the programme director, a move that was to become permanent in January 2020.¹⁹⁸ The leadership change occurred against a backdrop of organisational uncertainty. In the year since the establishment of an independent secretariat, OCA had struggled to build team cohesion, create a positive and distinct identity for OCA in the sector, and coalesce its growing membership around a shared purpose.¹⁹⁹

Over the past two years, addressing stakeholder concerns related to governance, making headway on a global strategy, building the staff team, and initiating improvements to key office systems has been a focus of attention for the new leadership at OCA. Laudes Foundation grant funds (Phase 2 and 3 grants) have been earmarked accordingly with the intent to help OCA be ready to scale its change ambitions for the sector.

The new structure features a Board of Trustees and an overarching GNC. The GNC is to periodically review OCA's policies and procedures, and lead nominations and elections processes. A total of 11 Board seats are available and are designated for brands and retailers (3), suppliers and manufacturers (2), organic cotton farm groups and IPs (2), civil society organisations (2), and philanthropic or independent partners (2). The term of office is three years with a maximum of two consecutive Board terms. Where the size of the constituency is greater than ten Contributors, seats are to be filled in a democratic process that involves that constituency. On an annual cycle, the GNC initiates a nominations process to generate a slate of candidates. For constituencies with less than ten Contributors, the Board of Trustees elects from

¹⁹⁵ OCA's initial governance structure was adapted from the model proposed by NewForesight Consulting in the Phase I grant proposal. The model included: A Senior Board for executive decisions (followed); An Advisory Council (AC) for expertise (3–7 key organic stakeholders put aside by the Senior Board in early 2017); Independent Chairperson for guidance and to lead AC meetings (not used); Investment Committee (IC) for guidance with representatives of brand/retailer and major donors (followed); Daily Board for guidance with two members who speak for the group and have regular contact with IC; and OCA Secretariat for operations with weekly contact with Daily Board, six reports to IC per year and hosted by NewForesight and independent over two years.

¹⁹⁶ OCA (2018). OCA Annual Report 2017 and OCA (2019) OCA Annual Report 2018; minutes of 6 February Senior Board Meeting.

¹⁹⁷ *Ibid.*

¹⁹⁸ OCA (2020). OCA Annual Report 2019.

¹⁹⁹ KIIs.

among the nominees. Candidates can only be nominated by Trustees or by the members of the GNC. With each Board rotation, the policy states a commitment to achieving a balance in gender representation.

On adherences to global guidelines: In advising on adherence by the MSI to global codes of conduct, reference is given to the *UN Guiding Principles on Business and Human Rights* and the *OECD Guidelines for Multinational Enterprises*. The UN document sets out existing obligations for States and business enterprises to respect internationally recognised human rights. Of particular relevance in this document is Principle 30, “Industry, multi-stakeholder and other collaborative initiatives that are based on respect for human rights–related standards should ensure that effective grievance mechanisms are available.” Principle 31 follows with effectiveness criteria for grievance mechanisms. The OECD document is broader in its scope. It represents a joint statement by member states to multinational corporations recommending good practices in such areas as: disclosure, human rights, employment and industrial relations, environment, and competition. See OHCHR (2011), p. 3–28; and OECD (2011), p. 19–63. On human rights matters (p. 31–34), OECD guidance draws on the UN Guiding Principles including its Principles for Implementation. As it stands, neither of these documents are referenced in OCA’s related policy documents. As part of having in place a grievance mechanism, the UN document in particular calls on companies to make explicit policy commitments to respect human rights, to undertake due diligence in managing those commitments, and to have in place a process for remediation.²⁰⁰

Evolution of OCA’s Vision and Mission Statements

Table ii. 2 OCA’s Vision and Mission Statements, 2017–2021

| SOURCE | VISION AND MISSION STATEMENTS |
|--|---|
| 2017/2018 Annual Reports | <p>“The vision of OCA is to create a prosperous organic cotton sector that benefits everyone – from farmer to consumer [...]</p> <p>Our mission is for our investments to tackle the challenges in the sector and realise the benefits that organic cotton can bring for people, planet and long-term prosperity.”</p> |
| 2019/2020 Annual Reports | <p>“Envision a future where, every time a farmer switches to organic cotton, there is a ripple effect of positivity; farmers earn more, their families and communities flourish, and their land and soils are fertile for future generations, protecting our planet. Call this the Organic Cotton Effect. Committed to galvanising the collaborative effort required to realise this vision. Believe that by working together we can create the conditions for organic cotton to thrive, delivering positive change for people and the planet.”</p> |
| OCA 2030 Strategy “Organic Cotton Effect” | <p>“We envision a future where, every time a farmer switches to organic cotton, there is a ripple effect of positivity; farmers earn more, their families and communities flourish, and their land and soils are fertile for future generations, protecting our planet. We call this the Organic Cotton Effect. But we’re not there yet – and it’s going to take a collaborative effort to realise this vision. OCA unites the sector to unleash the potential of organic cotton and deliver positive change for people and the planet. We believe that working together we can create the conditions for organic cotton to thrive. Every dollar invested in OCA programmes improves farmer profitability and prosperity, contributes to environmental sustainability, and ultimately bolsters the integrity of the cotton sector. We support farmers because they are the catalysts for this change. They are stewards of the land; support the farmer, you strengthen the sector, and you safeguard the planet. Change is possible. The time to act is now.”</p> |

²⁰⁰ OHCHR (2011). p. 26.

On the attributes of good MSI leader²⁰¹

Diplomacy

- Excellent public speaking skills and effective communication to a wide range of audiences
- Orientation as a chief cheerleader, or even evangelist
- Strong coordination skills
- Political negotiating skills
- Ability to be seen as a neutral party who is sympathetic to the interests of particular stakeholders, but who, in practice, can balance across all of them
- Little ego or need to put themselves in the spotlight

Entrepreneurial management

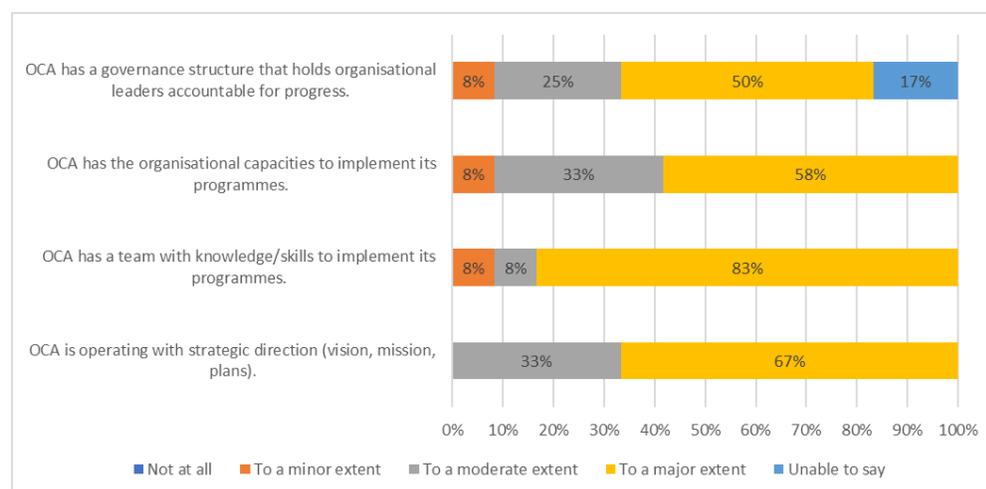
- Fundraising skills
- Ability to take a stance and push back without alienating stakeholders
- Productivity in ambiguous and uncertain environments
- Strong builder (as opposed to operator) who executes effectively

Technical

- Experience navigating and speaking the same language as the different kinds of organisations involved, such as government or the UN system
- At a minimum, some technical grounding (note: sometimes stronger technical skills are required)

On Perception about Platform Governance and Operations

Figure ii.5 2021 Contributor/Affiliate Perceptions of Platform Governance and Operations (n=12)²⁰²



²⁰¹ Taken from: More than the Sum of its Parts: Making Multi-Stakeholder Initiatives Work, The Global Development Incubator, p. 37. Accessed at: <https://globaldevincubator.org/wp-content/uploads/2016/02/Making-MSIs-Work.pdf>.

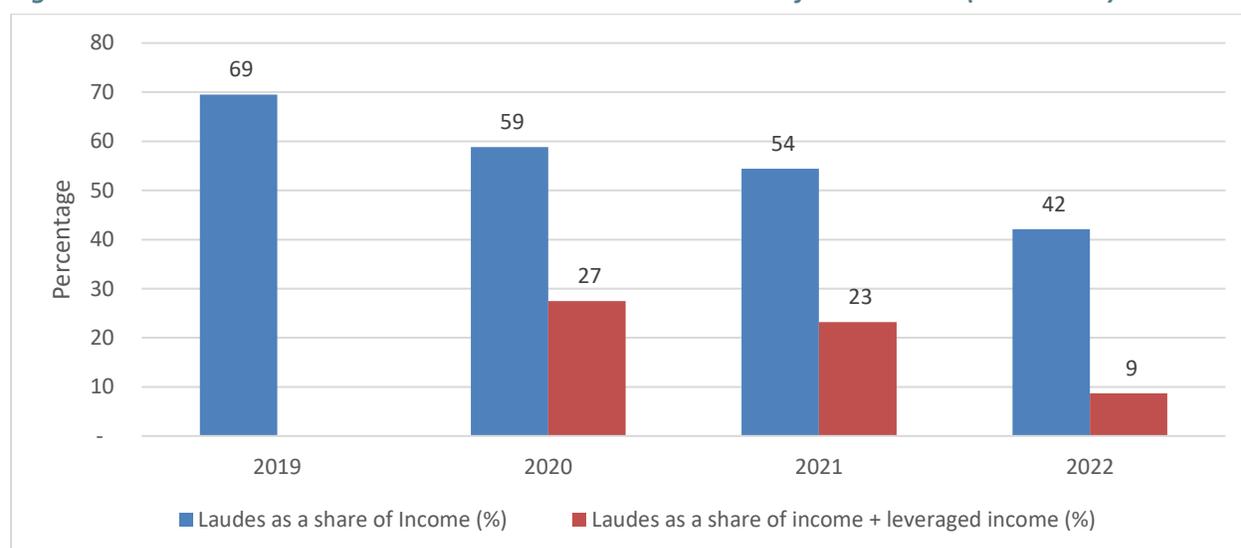
²⁰² Question 8: OCA is governed by a Board of Trustees and managed by a Secretariat. Rate the extent to which: [see specific choices in figure].

On OCA's Journey Toward Self-reliance

As discussed in the main text, Contributor Fees and Farm Commitment Fees have become an increasingly important source of income for OCA over the evaluation period. A third source of revenue, designated as leveraged funding, refers to financial flows generated to support the organic cotton supply chain through OCA's programming. OCA began tracking these financial flows in 2020. By far, the largest proportion of these flows are the premiums paid by brands/ retailers to farmers as per the Farmer Commitment Agreements (around 60% in 2020). The second largest category of leveraged funding (around 32% in 2020) is that assessed by IPs to cover the costs of support services provided at the farm level. This is paid by brands and retailers through the Farm Commitment Fee. The third category of leveraged funding (around 9% in 2020) has so far been in the form of donor co-financing to support the implementation of SI programming.²⁰³

Figure ii.6 shows the changing profile of Laudes Foundation's grant contribution as a share of OCA's total income over the period 2019 to 2022 (projected). Since 2019, Laudes' contribution to OCA's total annual income has declined each year on account of increased revenues through Contributor and Farm Commitment Fees. When leveraged funding (described above) is factored in to show a full picture of resources generated annually through OCA's work, Laudes' contribution is significantly lower on account of the sharply increasing number of farmers receiving premiums and the value of the funds transferred by brands to support IP services to farmers.

Figure ii.6 Laudes Foundation Grant Contribution as a Share of OCA Income (2019–2022)²⁰⁴



²⁰³ *Ibid.*

²⁰⁴ Financial data provided by OCA based on audited financial statements and on Board-approved budget projections.

Progressive businesses leading

Farm Programme Results

Table ii. 3 Farm Programme Results 2017/18 to 2020/21

| | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 ²⁰⁵ |
|---|---------|---------|--------------------------------------|---|--|
| Number of farm projects ²⁰⁶ | 4 | 11 | 15 | 20 | ~40 |
| Number of active farmers in OCA Farm Programme ²⁰⁷ | 1,797 | 11,639 | 12,271 (including 239 in-conversion) | 22,146 ²⁰⁸ (including 889 in-conversion) | 79,000 (including 58,000 certified and 21,000 in-conversion) |
| Volume of organic cotton lint contracted by brands (MT) ²⁰⁹ | 1,100 | 4,760 | 6,392 | 12,140 | ~34,000 |
| Volume of organic cotton lint procured by brands (MT) ²¹⁰ | 1,100 | 11,670 | 19,134 | 31,290 | N/A |
| Organic cotton procured by brands as a percentage of total organic cotton production in India | 1.3% | 9.6% | 15.4% | N/A | N/A |
| Number of brands participating in the Programme ²¹¹ | 4 | 6 | 4 | 6 | 10 |

²⁰⁵ The 2021/22 season was still in progress at the time this report was prepared. The numbers presented here are based on preliminary figures provided in the 2020/21 Farm Programme Report

²⁰⁶ 2017/18–2019/20: Annual Farm Programme reports; 2020/21: KIIs.

²⁰⁷ 2017/18–2019/20: Annual Farm Programme reports; 2020/21: Internal communication with OCA staff.

²⁰⁸ Figure does not include two projects where no cotton lint uptake from brand occurred.

²⁰⁹ Shows amount of cotton committed to at the beginning of the season in metric tonnes. Sources: 2017/18: End-of-Year Monitoring Report (2019); 2018/19: Phase III grant report; 2019/20: End-of-Project Self-Evaluation Report (2020); 2021/2021: Internal communication with OCA staff.

²¹⁰ Based on self-reported data from IPs. Sources: 2018/19 and 2019/20 Farm Programme reports; 2017/18: Internal communication with OCA staff; 2020/21 figures are not yet available.

²¹¹ 2017/18–2019/20: Farm Programme reports; 2020/21: Internal communication with OCA staff.

Premium Payments to Farmers

Figure ii.7 Average Margin of Premiums for OCA Sourced Organic Cotton (%) and Average Net Incomes for Farmers (euros per hectare)²¹²

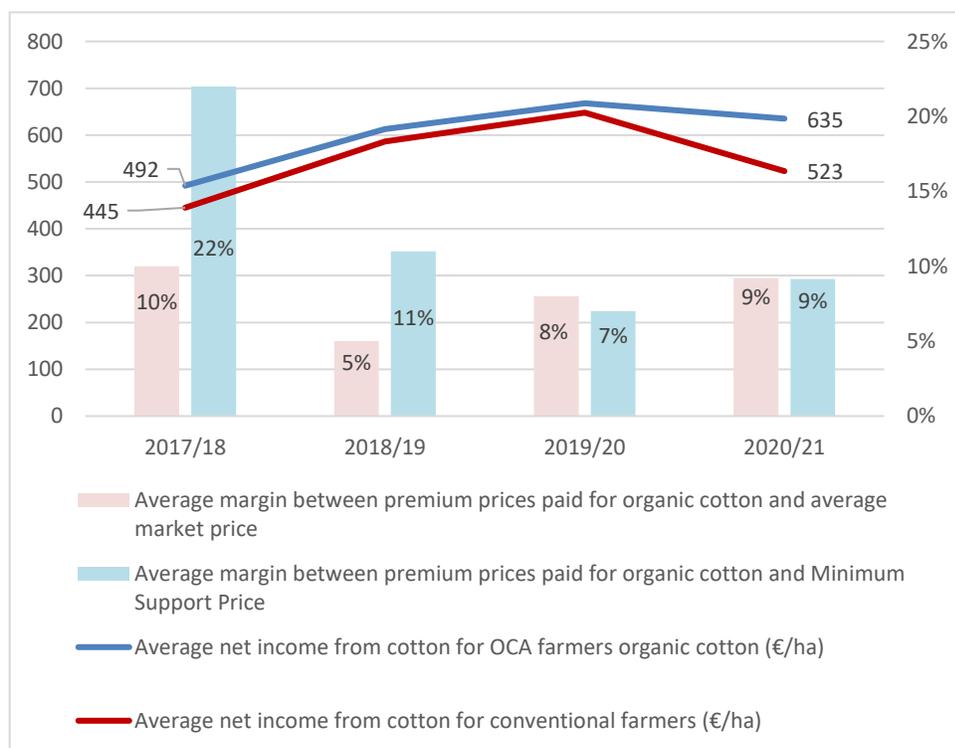
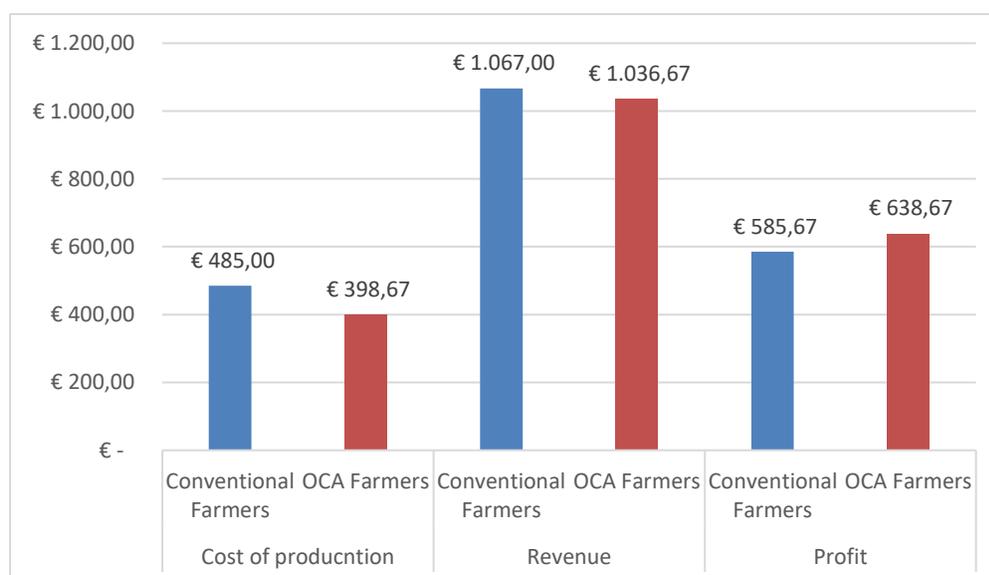


Figure ii.8 Cost of Production, Revenue and Profit (average euros per ha) for OCA Organic Farmers and Conventional Farmers²¹³



²¹² Farm Programme reports; OCA Annual Reports; Internal communication with OCA staff.

²¹³ Farm Programme reports.

Multi-stakeholder movements pressure

On OCA’s convening function: The origins of a “convening” function for OCA trace back to a 2015 scoping and priority setting exercise that advanced the case for a global organic cotton platform. The document proposed the creation and implementation of an “actionable communications strategy” by a newly formed secretariat, geared to supporting OCA’s supply chain interventions. Under two work streams dedicated to building the organisation, this included: creating awareness of OCA and organic cotton, attracting new members and supporting them with their external communications, engaging relevant stakeholders in building a strategy for the organic cotton sector, and convening members around a strategy and sector reform agenda.

The convening function, as described above, is reflected in Laudes Foundation OCA Phase 1 (2016–17) and Phase 2 log frames (2018–2020). The latter sets out an expectation that by 2020, OCA would have an increased number of additional paying affiliate organisations, resources allocated to marketing and communications, and an approved OCA Strategic Plan. The Phase 3 log frame (2020–22) layers additional outcome expectations related to platform recruitment and fundraising and to the use of branding and communications tools to strengthen OCA’s identity. In addition, it commits to the creation of a global strategy for OCA and the assembly of financing to support its implementation.

The growth trajectory of the OCA platform: This is shown in [Table ii. 4](#). The composition of OCA’s membership has widened beyond a founding core of brands and retailers to include manufacturer/suppliers, CSOs, and philanthropic donors. In addition, the platform has approved its first global strategy document (discussed in [Section 3.5](#)).

Table ii. 4 Number of OCA Contributors, 2017–2021²¹⁴

| INDICATOR | BASELINE | TARGETS | 2017 | 2018 | 2019 | 2020 | 2021 |
|------------------------|------------------------------------|----------------------------------|------------------|-------------------|-------------------|-------------------|-------------------|
| Number of Contributors | 8 Founding Partners ²¹⁵ | 2019: 15 2020: 20 2021: 25 | 9 ²¹⁶ | 14 ²¹⁷ | 29 ²¹⁸ | 26 ²¹⁹ | 31 ²²⁰ |

On OCA’s growth as an MSI: In managing the growth of an MSI like OCA, getting the right mix of stakeholders is foundational. In one study of MSI practices, two variables were put forward for consideration in developing an inclusion strategy: a) the ability of the initiative to influence the stakeholder group, and b) the ability of the stakeholder groups to influence progress on the initiative (See [Figure ii.9](#) below). Another study draws attention to observed trade-off situations wherein inclusive

²¹⁴ OCA website, Annual Reports, and communication with OCA staff.

²¹⁵ Laudes, H&M, Kering, Eileen Fisher, Textile exchange, Tchibo, Inditex and C&A. Source: OCA website.

²¹⁶ New (1): KappAhl.

²¹⁷ New (5): Carrefour, Superdry, Carrefour Foundation, Pratibha Syntex and Patagonia (Patagonia joined late 2018 and was a member as of 2019). Source: 2020 End-of-Year Self Monitoring Report; 2018 Annual Report.

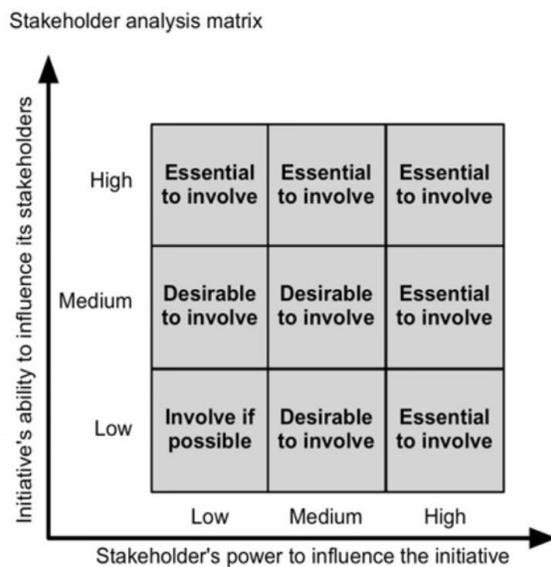
²¹⁸ Existing: C&A, H&M, Inditex, Eileen Fisher, Tchibo, KappAhl, Kering, Patagonia, Superdry, Carrefour, TRAIID, Pratibha Syntex, RESET, CottonConnect, Textile Exchange, FiBL, PAN UK, ASA, Coyuchi, Reset, Solidaridad Asia, Spectrum International, Fashion for Good, Soil Association, and the International Institute for Sustainable Development (IISD). Sources: 2020 End-of-Year Self Monitoring Report; 2019 Annual Report.

²¹⁹ New (five): Aga Khan Foundation, Artistic Milliners, Bestseller, GIZ, and Solidaridad Europe; two dropped out (Carrefour Foundation and TRAIID – were only Contributor the year they have OCA a grant). Source: 2020 Annual Report.

²²⁰ This is the official number at the time of writing; there are an additional nine new Contributors to add this year pending a formal announcement.

practices (low eligibility criteria) work against the continued participation of others.²²¹ A third study observes an inverse relationship between platform ambition (as expressed in goal commitments) and participation.²²² All three angle of analysis are relevant to the OCA platform in its still early pursuit of its platform objective to, “unite the sector to drive change through strong engagement and results”.²²³ They stimulate platform strategy questions along the following lines: a) To wield desired influence in the sector, are there any sector actors missing from the OCA table? Or is it just a case of numbers/coverage? b) For OCA, what are the thresholds of participation (around use of stakeholder entry/engagement practices, for example) that, if exceeded, might dampen brand/IP or others’ engagement? c) For OCA, are there ambition thresholds (related to contributor performance commitments, or to engagement on social and/or environmental aspirations, among others) that might condition brand/IP or other’ engagement?

Figure ii.9 Stakeholder Analysis Matrix²²⁴



On platform legitimacy and utility – media coverage: Media coverage of OCA activities has increased considerably over the past three years as shown in [Figure ii.10](#), which shows the number of media mentions between 2019 and 2021.²²⁵ The coverage, found mostly in sourcing and sustainable materials outlets, is focused on positive developments relevant to OCA’s mission.²²⁶ Much of it in the first six months of 2021 relates to OCA’s release of the Non-GM Cottonseed Production Guidelines and to the breakthrough development of a screening protocol for detecting the presence of GM cotton and a related proficiency test with which to assess eligibility of labs to conduct GMO testing as per the protocol.²²⁷ More

²²¹ GDI (2015), p. 26.

²²² Federal Ministry of Labour and Social Affairs (Germany) (2020), p. 9.

²²³ OCA (2021), p. 25.

²²⁴ IISD (2004), p. 4.

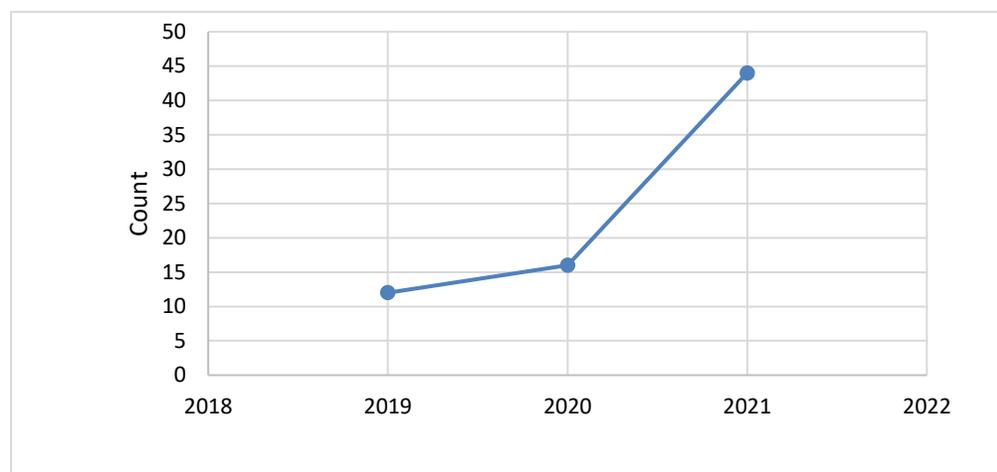
²²⁵ The 2021 count only includes media coverage captured between January and June. Examples of media coverage (2019–2021) include interviews, news releases, brand sourcing announcements, editorials, social media announcements, among others.

²²⁶ In a Board discussion (17 May 2021) it was confirmed that to that point, OCA had not received any critical press coverage.

²²⁷ The screening protocol and related proficiency test were developed in a partnership with the Global Organic Textile Standard (GOTS) and Textile Exchange. Note, the media coverage reported under 2021 only accounts for the first six months of the year.

recent media uptake has focused on OCA’s hosting of the GIZ funded pilot on in-conversion cotton with the Partnership for Sustainable Textiles, and on OCA becoming a grantee under the Kering – Conservation International Regenerative Fund for Nature initiative.²²⁸

Figure ii.10 Media Coverage of OCA (# of media mentions), 2019–2021²²⁹



Since 2018, a positive trend in OCA-related referencing is also evident among its brand Contributors. In a scan of ten brand websites (seven Farm Programme participating brands and three randomly selected contributor brands not participating in the Farm Programme), references to OCA or the Farm Programme were found on six of the ten sites. For the most part, the references reside on company sustainability pages and in annual reports, and they range from a brief mention to a story. References tend to be more detailed among Farm Programme Contributors, where participation in OCA is linked to their own sourcing and sustainability targets.

On Platform legitimacy and utility – “Insularity”: Insularity is posed as a risk to the platform to the extent that it relies on those directly engaged along the supply chain without also tapping into larger policy and programming contexts.²³⁰ OCA’s leadership has demonstrated sensitivity to this risk by intentionally and selectively reaching toward the edges of its ecosystem for relevant new perspectives and connections. Two examples of this are: the organisation’s practice, to date, of including external resources on its Task Forces; and, securing dedicated time on the agenda at the January 2020 Board of Trustees meeting to hear, “strategic insights from the field”.²³¹ OCA also makes it a practice to engage platforms with mandates that are wider in scope than its own.²³²

²²⁸ An announcement on this pilot went out at the very end of June 2021. EcoTextile News coverage is available at: <https://www.ecotextile.com/2021062527987/materials-production-news/oca-links-up-with-german-cohort-for-new-pilot.html>. The Kering-CI award was mentioned as part of a longer article on corporate social responsibility. See: <https://www.fashionnetwork.com/news/Luxury-prada-kering-lvmh-boost-social-environmental-commitment,1331100.html>.

²²⁹ Laudes Foundation and OCA (2021). Mid-Year Monitoring Report; Laudes Foundation and OCA (2020). End-of-Project Self-Evaluation Report.

²³⁰ An affiliate key informant.

²³¹ Task Force ToRs and member lists illustrate a desire to reach out to relevant experts in the field. This is particularly notable for the Global Seed Task Force and the Traceability Task Force. At the January 2020 meeting, viewpoints were solicited from the following perspectives: researcher community, IP and supply chain, farmer producer organisation, and trainer.

²³² OCA’s participation in Fashion for Good and Textile Exchange are notable examples.

On the financing vehicles emerging under the OCF: Two discreet approaches have emerged to secure the funding (grant-based) and financing (loan-based) flows for the scaling effort:

- The **funding model** is anchored to Farmer Commitment Agreements, and specifically to the premiums paid to farmers and the Farm Commitment Fees that are used to support extension services provided by IPs. Through this mechanism, donor funds are matched with brand/retailer payments to support the costs of capacity building for organic and in-conversion farmers, as well as for the costs for certification and GM testing. Where in-conversion cotton is concerned, donors are to play a critical role in covering the additional farmer supports required in the transition period. For donors, there is a compelling vision, a business model, and supply chain arrangements established, the prospect of private sector matching funds, and a clear exit strategy. For supply chain actors, donor support enables more rapid advances in farmer capacity and farm systems improvements than could be accommodated within normal business cost parameters.²³³
- The **financing model** is a fund. Its intent would be to attract impact investors and brands and retailers to foster global organic cotton. As conceived, the OCF is to: provide finance solutions to organic cotton farmers and farm groups (mainly through local [financial] intermediaries) and, to support the transition from conventional to organic cotton production in selected countries. Investors would be attracted by the prospect of making Environmental, Social, and Governance (ESG) impacts and earning a return on investment. Solutions could be loans, guarantees or credit enhancements to farm groups, and/or capacity building through grants aimed at building creditworthiness. Philanthropy would have a role to play in the fund by providing buffer capital. Most likely, the OCF would exist as a separate legal entity that is run by an external fund manager. OCA would occupy a seat on its Board and provide verification services to support the fund's due diligence functions. At its September 2021 meeting, OCA's Board of Trustees committed to a feasibility study that will set OCA up to make a "go/no go" decision by the middle of 2022.

²³³ The German Partnership for Sustainable Textiles, supported with funds from the GIZ, is the first to use this mechanism with an in-conversion pilot involving 500 cotton producers in South Odisha, India. Starting in 2022, using OCA's direct-to-farm sourcing model, participating brands and IPs will procure in-conversion cotton in an arrangement that provides a minimum support price, a full organic cotton premium, provision of non-GM seed packages, and extension supports that include training to support conversion to organic production and encourage inclusion of women in lead roles. Additional funding has been made available through the retailer Kering and Conservation International that will be used in much the same way with an additional 50,000 in-conversion farmers. Kering Announcement, "Kering and Conservation International Announce First Grantees for Regenerative Fund for Nature", <https://www.kering.com/en/news/kering-and-conservation-international-announce-first-grantees-for-regenerative-fund-for-nature>.

Redefined value

Seed and Innovation Programme Results – SGF Project

Table ii. 5 SGF Project Results, 2017/18 – 2020/21²³⁴

| INDICATOR | 2017/18 | 2018/19 | 2019/20 | 2020/21 |
|--|--|---|---|---|
| Number of new cotton lines developed for local growing conditions ²³⁵ | 8 breeding populations were advanced from F1 to F2 generation | 8 breeding lines introduced to farm trials for multi-location testing | Performance testing of 6 best-advanced cotton lines | 8 advanced lines introduced to on-farm trials for multi-location testing under organic conditions |
| Number of training sessions delivered on professional breeding and cultivar development and selection ²³⁶ | - | 43 | 41 | 95 |
| Number of farmers trained on professional breeding and cultivar development and selection | 1,879 farmers trained in cotton cultivar evaluation for participatory plant breeding 63 farmers trained in testing new cultivars in their fields as well as basic training on seed multiplication | 1,042 | 1,285 | 1,357 |

5.1 Businesses transforming

On brand influence and motivation: A small number of brands are recognised for their leadership in the field. The 2020 Sustainable Cotton Ranking website lists 11 companies as leading the change on sustainable cotton, of which five are OCA Contributors and four (out of the five) are participants in the Farm Programme.²³⁷ There is no consolidated data on uptake of organic cotton by brands publicly available to make an assessment of their influence on the sector but **Table ii.6** below provides an assessment of brand influence and potential for impact on the sector of six of the most influential brands that participate in OCA's Farm Programme. Of these six, only four are considered large or influential

²³⁴ Note that results reported in SGF projects are confidential in nature.

²³⁵ Mid-Year Monitoring Report 2 (2019); 2018/2019: End-of-Year Monitoring Report (2019); 2019/2020: End-of-Project Self-Evaluation Report (2020); 2020/2021: End-of-Year Monitoring Report (2020).

²³⁶ Includes farmer exposure visits.

²³⁷ The sustainable cotton ranking is a joint initiative by Pesticide Action Network UK, Solidaridad and WWF and assesses consumer-facing companies with a significant cotton use (over 10,000 MT of cotton lint per year). 77 companies were assessed in 2020 are rated based on their sustainable cotton policies, their uptake and traceability. Two other OCA Contributors are on the list but ranked lower (at 15th and 30th)

<https://www.sustainablecottonranking.org/check-the-scores>.

enough to have a considerable impact on the sector, and of these four, only three are considered as leading the way (Brands 1, 3, and 4).

Table ii.6 Sample of Brands Participating in Farm Programme

| | SIZE ²³⁸ | DEGREE OF INFLUENCE ²³⁹ | SUSTAINABILITY RANKING CATEGORY ²⁴⁰ | PUBLIC SUSTAINABILITY COMMITMENTS RELATED TO ORGANIC COTTON ²⁴¹ | MOTIVATIONS, CONCERNS AND VALUE ADD OF OCA/FARM PROGRAMME |
|---------|---------------------|------------------------------------|--|---|---|
| Brand 1 | Large | High | Leading the way | Sourced 100% sustainable cotton in 2020, of which 20% is organic. | <p><u>Motivations:</u> Need to scale organic; authenticity of organic; having direct connection to farmers; high-level commitment from managers.</p> <p><u>Concerns:</u> quality of impact data</p> <p><u>Value add:</u> Can ensure better planning of our sourcing; OCA's operational involvement on the ground; data and transparency</p> |
| Brand 2 | Large | High | Starting the journey | Commitment to 100% sustainable cotton by 2023. Organic cotton sourced or commitments not available. | <p><u>Motivation:</u> Commitment to sustainability; building long-term relationship with farmers; Need for volume and quality of organic.</p> <p><u>Concerns:</u> not enough control over IPs and prices</p> <p><u>Value add:</u> OCA is the only organisation doing organic at significant scale</p> |

²³⁸ Size based on annual revenue (Large: > USD 20 billion; Medium: USD 1–20 billion; Small: < USD 1 billion).

²³⁹ Based on presence globally and notoriety of the brand (High: global presence and/or over 3,000 retail stores; Low: regional and/or less than 1,500 retail stores).

²⁴⁰ According to Sustainable Cotton Ranking.

²⁴¹ Based on public statements on brand websites and/or reporting in brand sustainability reports.

| | SIZE ²³⁸ | DEGREE OF INFLUENCE ²³⁹ | SUSTAINABILITY RANKING CATEGORY ²⁴⁰ | PUBLIC SUSTAINABILITY COMMITMENTS RELATED TO ORGANIC COTTON ²⁴¹ | MOTIVATIONS, CONCERNS AND VALUE ADD OF OCA/FARM PROGRAMME |
|---------|---------------------|------------------------------------|--|---|---|
| Brand 3 | Medium | Medium | Leading the way | 96% of cotton sourced sustainably in 2020, of which 40% is organic. | <u>Motivation</u> : Dedicated to direct-to-farm model. <u>Concerns</u> : Volumes from OCA are small. “We had to defend it to our sourcing”. Not fully convinced by OCA model, waiting for this year’s results. <u>Value add</u> : Addressing issues on the ground like premium payments, integrity issues. Brings credibility to the sector |
| Brand 4 | Large | Medium | Leading the way | Commitment to 100% sustainable cotton by 2022; 30% organic by 2025. | <u>Motivation</u> : “New way of sourcing is needed” <u>Concerns</u> : Crowding within OCA if too many brands and not enough volume <u>Value add</u> : industry-wide approach; expertise; source of verification |
| Brand 5 | Medium | Low | Leading the way | Target of 100% organic cotton by 2020; 80% of cotton sourced was organic in 2018. | <u>Motivation</u> : Wanted secure source of organic cotton due to consumer pressure; wants to be the most sustainable brand. <u>Critique</u> : OCA should be bolder, build more learning/exchange, push the agenda further <u>Value add</u> : support with direct-to-farm approach: interlinking all the supply chain actors: on-the-ground knowledge; open costing |
| Brand 6 | Small | Low | Not ranked due to size | 100% of cotton sourced is already organic. | <u>Motivation</u> : Sourcing organic for a long time. Already had plans to test direct-to-farm model. OCA was good timing. <u>Value add</u> : 3 rd party validation, GMO testing, and support from OCA due to challenges with direct-to-farm approach. |

Appendix III Methodology

1. Overall Approach and Design

In 2021–2022, Laudes Foundation commissioned an external Interim Evaluation of the OCA initiative, of which this is the final report. This evaluation sought to assess the progress and impact of OCA to date. It examined the extent to which the initiative’s design and implementation have contributed to its ability to realise intended outcomes as set out in the Phase 2 and Phase 3 grant agreements. The evaluation has also had a learning focus, providing lessons learned and recommendations for the ongoing initiative. It has sought to assess OCA’s contribution to systems change of the organic cotton sector, primarily in India, and with considerations for scaling OCA’s work much beyond. Informed by the ToR (see [Appendix IX](#)), this evaluation’s objectives were as follows:

- a. **Results Achievement** – To review the strategy, approach and design implemented by OCA in achieving and/or progressing toward outcomes;
- b. **Learning for Continuous Improvement** – To assess factors (in design and implementation) that have contributed to, or impeded achievement of outcomes;
- c. **Implementation and Fit for Purpose** – To examine the quality of the design and implementation of the initiative, the preconditions, and levers used by the initiative in achieving intended outcomes as well as the impact, sustainability, and scalability of OCA; and
- d. **Strategic Choices** – To distil actionable and strategic recommendations and lessons from the findings.

1.1 Utilisation-Focused and Participatory Review

For this evaluation, Universalialia adopted a Utilisation-Focused Approach (UFA).²⁴² This approach prioritises the usefulness of an evaluation to its intended users. As such, it reflects the ToR requirement to ensure the evaluation generates learning, informs decision-making, and supports improved performance. UFA is a well-tested approach that increases the likelihood for relevance and for utility of recommendations and their uptake. Tailored participatory and iterative processes with key stakeholders are essential to a successful application. While cognisant of its need to maintain independence, the evaluation team engaged OCA and Laudes Foundation in the evaluation design to address the above-mentioned objectives.

The methodology herein describes how the evaluation team paid attention to grant performance (to date) against anticipated outputs and outcomes; to the contributions of Laudes Foundation’s grants to OCA’s organisational capacity and potency as a Multi-Stakeholder Initiative (MSI) in the organic cotton sector; to OCA’s operating contexts (from farm to retailer) to understand constraints and enablers as well as opportunities leveraged and missed; and to the prospects for and progress toward sustainable systems change. The team ensured that stakeholders were appropriately identified, that data collection tools were attuned to their vantage points on OCA’s work, and that data collection logistics supported meaningful engagement.

This process of validation also occurred at an aggregate level with key OCA and Laudes Foundation personnel in a workshop setting. This supported an understanding among stakeholders of the data and reasoning that supports the conclusions and recommendations before delivery of the final report.

²⁴² Patton, Michael Quinn. (2008). *Utilisation-Focused Evaluation*: 4th edition. Thousand Oaks, Ca: Sage Publications.

Contributions sought from OCA and Laudes Foundation stakeholders are important to the quality of each step toward relevant and useful recommendations.

Key stakeholders for this evaluation were understood to be: relevant OCA staff (both those in platform management and on programming aspects); OCA's founding members and current Board of Trustees; key staff at Laudes Foundation involved with this initiative; retailers and brands; value chain affiliates (farmer producer organisations [FPOs], cotton processing companies); and associates (civil society organisations [CSOs], IPs, research bodies, and other organisations that support OCA's mandate).

1.2 Systems-Level Approach

This is a multifaceted study that took into consideration the non-linearity and complexity of systems-level change. It integrated and built upon lessons learned about the approach and trajectory of actions since the inception of the initiative in 2016. The evaluation provides both a formative and summative (till date) assessment of programmatic, operational and contextual factors enabling/inhibiting OCA to create transformative changes in the organic cotton sector. A rounded assessment of OCA's success to date under Laudes Foundation grants required that the evaluation team understand the contextual factors – climate, strategy/policy and industry/market – that bear on organic cotton stakeholder traits and relationships, the initiative's progress in relation to intended outcomes, and the organisational aspects of building and maintaining the multi-stakeholder platform that is OCA.

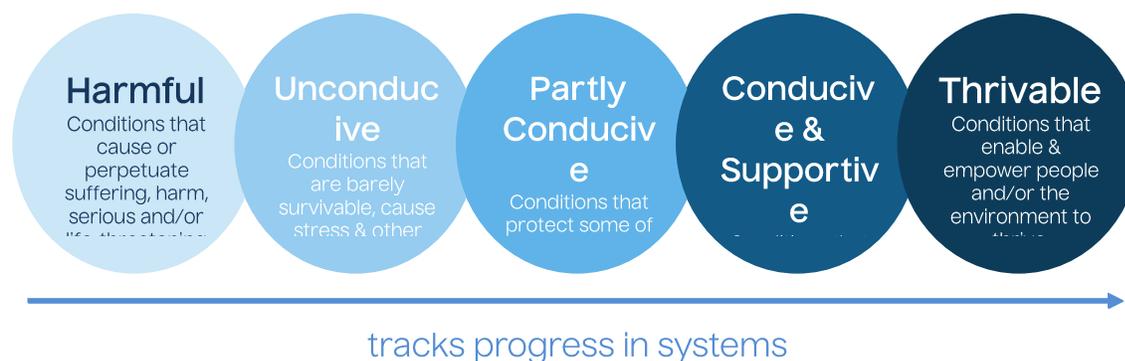
1.3 Rubrics Rating System

Laudes Foundation is transitioning its portfolio of pre-Evaluation Rubric System (ERS) grant recipients toward greater use of the rubrics in planning and reporting. With funded initiatives like OCA, the foundation is shifting from a reliance on logical frameworks and Key Performance Indicators (KPIs) toward a rubric template that gives emphasis to systems change. As part of the inception phase of this mandate, the evaluation team initiated a process with OCA and Laudes Foundation to assign OCA grant outcomes to the most relevant Laudes Foundation rubrics and to show this assignment in the new rubric template. The rubrics identified to have been the most relevant to Laudes Foundation's investment in OCA were used to structure the evaluation matrix (see [Section 2.2](#)).

The ERS provides a framework for measuring what “good” looks like among Laudes Foundation investments using a set of standard criteria and a rating on a five-point scale, as laid out in [Figure iii.1](#).²⁴³ The evaluation team made use of the ERS in the development of the evaluation matrix and to assess the performance to date of OCA and the contributions made through Laudes Foundation grants. The evaluation provides a rating for each rubric assessed. For B and C rubrics, the evaluation also provides the baseline rating and the direction of change.

²⁴³ The rubrics, rating system and criteria can be found on Laudes website at: <https://www.laudesfoundation.org/grants/rubrics?locale=en>.

Figure iii.1 Rubrics Rating System



At an advanced stage in report preparation, the team engaged key contacts in OCA and Laudes Foundation in a debriefing discussion over the use of rubrics. The purpose of this discussion was twofold: to assess the application rubrics ratings during the evaluation, and to consider the implications of their continued use in onward planning and reporting. Universalialia expects that the evaluation findings will inform the continued development of the rubrics table for OCA that will supersede the logframe for the remainder of the Phase 3 grant.

1.3 Evaluation Matrix

The matrix guided the development of data collection tools and framed the analysis of findings. Its creation was informed by the key evaluation questions set out in the ToR, a preliminary review of key grant documents, and familiarisation discussions with key OCA and Laudes Foundation staff. This includes discussion related to the selection of rubrics that were used by the evaluation team to organise, interpret, and report evaluation findings in relation to Laudes Foundation's Theory of Change (ToC). These rubrics were drawn from the ERS.

The ERS addresses four dimensions of inquiry: **A – Process-related aspects of grant support**: these rubrics focus on the outputs of an initiative, including initiative design, implementation, monitoring and adaptation, communication and learning, and organisation and network capacity; **B – Early and later changes**: these rubrics primarily look at the short-term outcomes that are within the sphere of influence of an initiative, while also linking these to elements of larger systems change; and **C – 2025 Outcomes**: these rubrics focus on the medium-term outcomes and the contributions of an initiative to systems change. While guided by rubrics A–C, this evaluation will not touch on the fourth dimension of inquiry, **D – 2030 impacts**, which relate to long-term, sustained systems change toward which Laudes Foundation's overall portfolio is contributing. The ERS provides a framework for measuring what "early and later" changes look like among Laudes Foundation investments using a set of standard criteria and a rating on a five-point scale, as laid out in **Figure iii.1**.

Table iii.1 below shows the criteria from the ERS that were assessed by the evaluation team, based on the rubrics most relevant to this mandate (9 out of 21 listed in the full collection of ERS criteria).

Table iii.1 Rubrics to be Applied in Assessing Performance²⁴⁴

| PROCESS-RELATED | EARLY AND LATER CHANGES | 2025 OUTCOMES |
|--|--|---|
| <p>A1. Design Initiative design that addresses the important issues and/or needs.</p> <p>A2. Implementation Initiative implementation that is inclusive, enabling, empowering, and capacity-enhancing.</p> <p>A3. Monitoring and Adaptation A monitoring system that informs sound adaptive management.</p> <p>A4. Communication and Learning Communication that promotes internal and external collective learning.</p> <p>A5. Organisation and network capacity Organisation that has the capability and capacity to deliver on outcomes.</p> | <p>B3. Progressive businesses leading change Progressive businesses lead the change, which encourages others to follow and lays the foundation for progressive change in policy, the financial sector, and the real economy.</p> <p>B6. Multi-stakeholder movements pressure Unstoppable multi-stakeholder movements in the sector are influential and creating pressure.</p> <p>B7. Redefined value Businesses and the sector redefining value to refocus the system on what really matters.</p> | <p>C3. Businesses transforming Businesses promote and implement bold climate-positive policies, models, and practices that contribute to equity and inclusion.</p> |

The evaluation matrix organises the key questions from the ToR under these criteria, provides sub-questions for each along with a listing of baseline conditions (mostly) sourced from the grant design document. The matrix also identifies indicators (signposts of change to guide the evaluator), data sources, and methods of data collection.

For this mandate, key questions were understood to be the following (see the full evaluation matrix in for details).

²⁴⁴ Laudes Foundation (2021). Measurement and Learning Approach, <https://www.laudesfoundation.org/grants/rubrics?locale=en>.

Table iii.2 Key Questions to be Answered by the Evaluation

| GROUPS OF CRITERIA | KEY QUESTIONS |
|---------------------------------------|--|
| <p>Process-related</p> | <p>A1. Design</p> <p>A1.1. How has the design, including the governance model, identify and allow creation of solutions for 1) the most important issues/needs; 2) the strengthening of organisations and networks; 3) the creation of and influence on a sector wide agenda for fixing problems in the organic cotton sector?</p> <p>A1.2. Has OCA been engaging with the ‘most appropriate and relevant’ stakeholders who could facilitate collective impact in the organic cotton sector?</p> <p>A1.3. How well is the initiative aligned to Laudes Foundation’s vision and mission and OCA’s strengths, capacities, and priorities?</p> <p>A2. Implementation</p> <p>A2.1. How well is Organic Cotton Accelerator being executed?</p> <p>A2.2. Did the approaches and implemented activities align with and contribute to the intended outcomes of the Organic Cotton Accelerator?</p> <p>A3. Monitoring and adaptation</p> <p>A3.1. What monitoring approaches have been put in place to inform adaptive management?</p> <p>A4. Communication and learning</p> <p>A4.1. How was communication conducted both internally and externally?</p> <p>A5. Organisation and network capacity</p> <p>A5.1. Is OCA fit for purpose for turning organic cotton into a prosperous sector that benefits all (from farmer to consumer) and aligning informed and reinforced multi-stakeholder initiatives and business strategies for that change?</p> |
| <p>Early and Later Changes</p> | <p>B3. Progressive businesses leading</p> <p>B3.1. What have been the results of the Organic Cotton Accelerator (till date) with regard to the Farm Programme (sourcing pilots and projects)?</p> <p>B3.2. How well has the initiative been able to contribute to influencing mindsets, beliefs, and assumptions to create alignment with the vision for an organic cotton system?</p> <p>B3.3. How well has OCA been able to promote business model in the organic cotton sector that is just (provision of fair value to farmers) and environmentally sustainable?</p> <p>B3.4. Regarding the Farm Programme, what unintended results (positive or negative) has the processes employed by OCA produced?</p> <p>B3.5. What external and internal factors as well as challenges and risks have influenced the implementation of the Farm Programme, successes and failures? And why?</p> <p>B6. Multi-stakeholder movements pressure</p> <p>B6.1. What have been the results of the Organic Cotton Accelerator (till date) with regard to the Strategy and Governance, and the Organic Cotton Fund (OCF)?</p> <p>B6.2. Has Organic Cotton Accelerator functioned effectively and efficiently till date in convening business and industry actors around organic cotton?</p> <p>B6.3. Does OCA have the influence as an MSI to influence systems change in the organic cotton sector?</p> <p>B6.4. Has OCA sufficiently involved/ engaged/ collaborated with relevant actors and stakeholders in inclusive, powerful, and transformative ways?</p> |

| GROUPS OF CRITERIA | KEY QUESTIONS |
|----------------------|--|
| | <p>B6.5. What has been the effectiveness of engagement with OCA affiliate members (brands, civil society partners, <i>etc.</i>) and other stakeholders that are not OCA affiliate members (suppliers, implementing partners, <i>etc.</i>) in achieving the programme results?</p> <p>B6.6. Is OCA on the appropriate trajectory (using both foresight and agility) to strengthen action for enabling systemic change as a Multi-Stakeholder Initiative given the challenges that exist in that context?</p> <p>B7. Redefined Value</p> <p>B7.1. What have been the results of the Organic Cotton Accelerator (till date) with regard to the Seed and Innovation (SI) programme?</p> <p>B7.2. Regarding SI, what unintended results (positive or negative) has the processes employed by OCA produced?</p> <p>B7.3. What external and internal factors as well as challenges and risks have influenced the implementation of SI, successes and failures? And why?</p> <p>B7.4. How well has OCA been able to design, implement and in the new ways of working it creates ensured that the beneficiary groups (farmers and brands) are achieving the key outcomes they need and desire?</p> |
| 2025 Outcomes | <p>C3. Businesses transforming</p> <p>C3.1. Is OCA on the correct trajectory to contribute toward wider system shifts and industry transformation in the organic cotton sector?</p> <p>C3.2. What are the drivers (both positive and negative) that influence the implementation of OCA's strategic approach?</p> <p>C3.3. What are the main lessons learned from this initiative?</p> <p>C3.4. To what extent are there signs that the initiative is on track to promote a widespread and thorough implementation of sustainable practices?</p> <p>C3.5. Where has the initiative been able to build the foundations for its financial sustainability?</p> <p>C3.6. To what extent has OCA been able to assure viability (such as those for pilots) both for long-term and for scale?</p> <p>C3.7. What are the main factors that promoted and/or reduced OCA's sustainability and results?</p> <p>C3.8. How likely is it that this initiative would be effective in other contexts?</p> <p>C3.9. What strategies or approaches adopted by the OCA could produce medium-term and long-term impacts for the sector?</p> |

2. Data Collection Methods

The Interim Evaluation followed a mixed method approach to data collection that features:

- **Document, report and monitoring data review** of documents and data held by OCA and Laudes Foundation that were deemed of relevance to the evaluation;
- **Semi-structured (virtual) interviews** with a purposive sampling of key informants, selected with the support of core OCA and Laudes Foundation staff. This included informants from global and national level private sector and nongovernmental organisations, including OCA Contributors, as well as some non-OCA affiliated stakeholders. It also included local level stakeholders through a purposive

sampling of local organisations including NGOs and private sector entities acting as OCA IPs, as well as a few non-OCA actors working in the organic cotton supply chain;

- **A survey** of OCA partners and affiliates to complement the more textured qualitative data collected through KIIs.

2.1 In Depth Document Review and Database Analysis

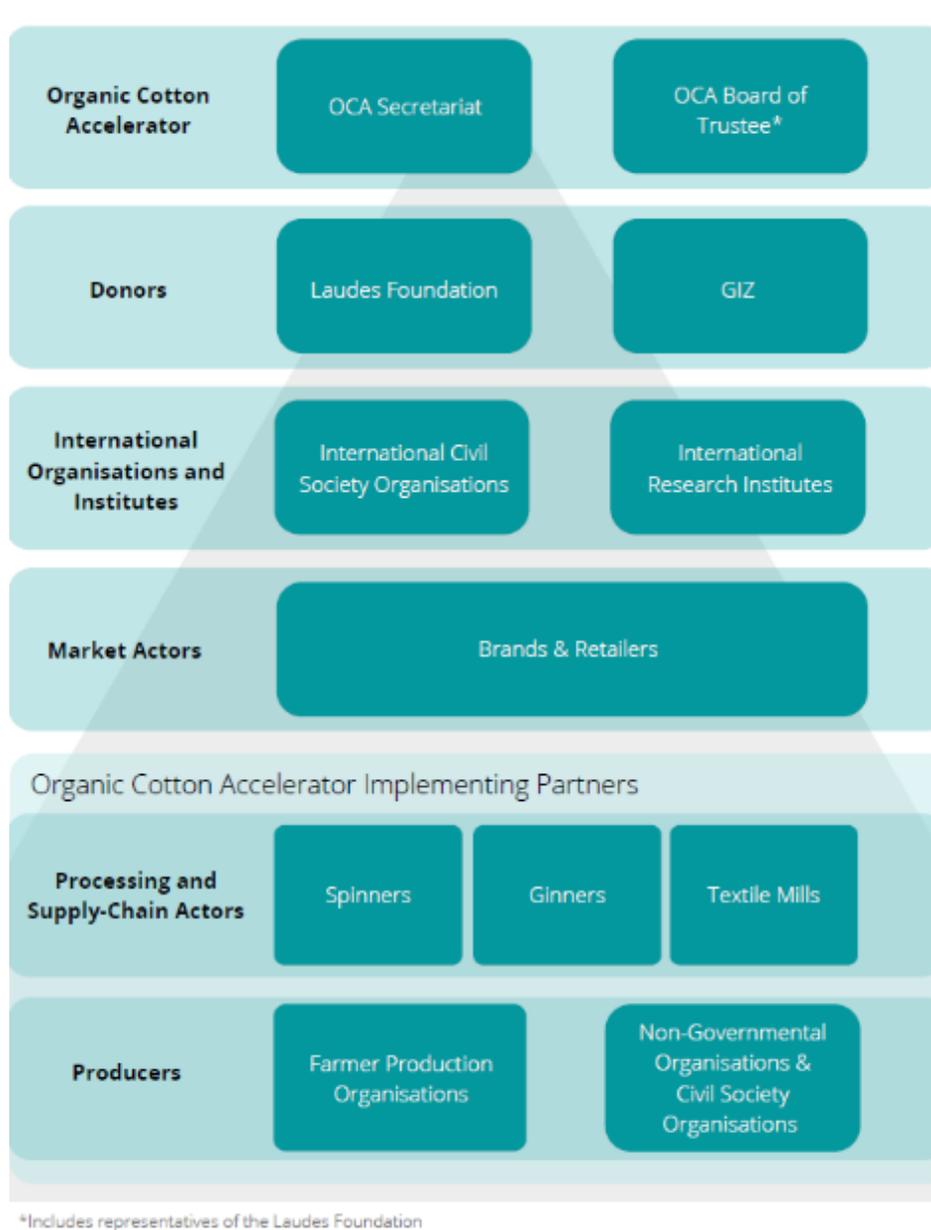
The bulk of the portfolio and document review consisted of: OCA's defining documents; Laudes Foundation grant agreements, plans, and reports; OCA communications and knowledge products; third-party assessments of IP activities; and relevant sector studies. The evaluation matrix guided the evaluation team in the document review process. A list of documents reviewed is set out in [Appendix VIII](#) **A general portfolio review** included a review of OCA strategies and commitments regarding Laudes grant allocations and priorities, as well as a review of activities implemented to date under the specified grants, including those pertaining to the Farm Programme, the Seed and Innovation Programme, and the development, to date, of the Organic Cotton Fund (OCF). The review took stock of OCA's institutional strategy development that was recently completed with Laudes Foundation support.

An **industry analysis** was conducted to generate relevant insight on the development of organic cotton and its supply chain. It shows trends that bear positively and negatively on the development of a larger, more coherent, and more strategic organic cotton sector. The scope of the analysis included relevant trends evident in conventional and better cotton sectors; and supply chain dynamics up to the brand/retailer level. The purpose of the analysis was to understand where and how OCA has and could make system change inroads.

2.2 Semi-Structured Interviews

During the inception phase, the evaluation team prepared a stakeholder map/list based on a preliminary review of key documents and scoping interviews. The map provides a strong grasp of the stakeholder landscape, globally and in India for a virtual field visit, as well as the basis for discussions leading to a clear and shared understanding of the value of collecting interview data from these stakeholders. [Figure iii.2](#) below provides a diagrammatic overview of the different stakeholder categories.

Figure iii.2 Updated Stakeholder Map



The evaluation team conducted a series of semi-structured interviews (and Focus Group Discussions in cases where it was feasible to convene more than one stakeholder) with stakeholders from the above categories. A total of 42 stakeholders were consulted, as reflected in **Table iii.3** below. Interviews were between 60 and 75 minutes in length and were guided by a protocol derived from the evaluation matrix. Notetaking was structured in such a way that interview content for key questions could be compared across informants.

After finalising the interview list, the evaluation team prepared a draft communiqué that was sent by OCA to identified individuals, providing a basis for the evaluation team to initiate contact, secure a commitment, and arrange a time. Lines of inquiry for the interview were provided to each informant prior to the interview session.

One consultant on the evaluation team was responsible for reaching out to India-based stakeholders and leading interviews.

Table iii.3 Revised Stakeholder Sampling

| STAKEHOLDER TYPE | LOCATION | STAKEHOLDERS | NUMBER OF INTERVIEWEES |
|--|-------------------------|--|------------------------|
| OCA | International | OCA Secretariat | 7 |
| | International | OCA Board members | (8) ²⁴⁵ |
| Donors | International | Laudes Foundation ²⁴⁶ | 3 |
| | International | GIZ | 2 |
| International organisation and CSOs | India and International | Research organisations and Standard Bodies (FiBL, Fairtrade, GOTS, Textile Exchange) | 4 |
| | | International CSOs (Pesticide Action Network UK, Solidaridad Network, Forum for the Future) | 3 |
| Market actors | International | Retailers and brands with a mix of founding members and long-term partners (C&A, H&M, Tchibo GmbH, Inditex), newly recruited partners (ESPRIT), larger brands (Patagonia, BESTSELLER A/S) and smaller brands (Coyuchi) | 11 |
| Farmer producer organisations and supply chain actors | India | Supply chain actors/ OCA implementing partners and associated farm groups (Pratibha Syntex/Vasudha Organic, Spectrum International, Suminter India Organics, Artistic Milliners) | 4 |
| | India | NGOs/ OCA implementing partners supporting farm groups (ASA, Agha Khan Foundation, Chetna Organic, and World Wildlife Fund [WWF] Pakistan) as well as one non-OCA NGO/Farm group (Grameena Vikas Kendram Society) | 6 |
| Other | India | OCA Third-party verifiers (Global Research) | 1 |
| | International | Fashion media (Eco Textile News) | 1 |
| Total | | | 42 |

2.3 Survey

Concurrently with the semi-structured interviews, the evaluation team designed and conducted a short survey targeting industry actors in the organic cotton and textile sectors. The survey was deployed among all OCA Contributors, which includes brands, suppliers, farm groups, and CSOs for a total of 30 potential

²⁴⁵ Not counted in the total as several OCA Board members are also representatives of brands, supply chain actors, and CSOs, which are represented elsewhere on this list.

²⁴⁶ Laudes Foundation staff will be interviewed for their role as both a donor and an affiliate member of OCA.

respondents.²⁴⁷ Ultimately, the survey received 18 responses, including 11 complete responses, one partially complete response, and six incomplete responses.²⁴⁸ Select findings from the survey were included in KIIs to add specificity to the conversations and to help the team interpret what the survey is describing.

The survey design featured predominantly closed-ended questions using a 4-point Likert scale. This allowed the team to combine the breadth perspective afforded by a survey with the depth perspective generated through KIIs. The survey was administered to those also involved in KIIs so that the statistical snapshot could be comprehensive of the stakeholder landscape. Using SurveyMonkey's branching options, the survey tailored questions based on actor profiles and previous responses to questions.

The survey was designed to capture perceptual data on a range of evaluation criteria and questions drawn from the evaluation matrix, adapted to survey format. A draft survey was prepared in advance and validated with foundation and OCA staff, shortly after Inception Report acceptance.

The evaluation team is committed to preserving the confidentiality and anonymity of respondents. Where numbers of respondents were small on any given question, the evaluators merged response categories. With open-ended questions, care was taken to use quotes that could not be attributed to any individual organisation.

2.4 Data Management

The evaluation team used a series of online data management tools to ensure that the team was able to manage the evaluation process and large quantities of data produced in an effective and coherent way. Thus, the team relied on Dedoose data management software to organise all document reviews, interviews, and relevant virtual field mission data under predefined headings (or codes) that align with the evaluation criteria and the key and sub-questions under those criteria. This facilitated both the clustering of themes across different data sources and types of informants and the sharing of data across the evaluation team.

2.5 Data Analysis

The evaluation team conducted the following types of analysis to make sense of the data:

- **Contribution analysis** – The team examined the extent of causality between grant activities and anticipated organisational development and programmatic outcomes identified in the grant agreements. This included an assessment of constraints and enabling factors. Across the areas of support in the two grants, the analysis teased out where activities showed causal versus contribution links to outcomes including those that may be related more to the work of OCA as a whole. This brought a focus on the added value dimensions of the Laudes contribution, to date, that allowed the evaluation to identify ways to optimise grant resources for greater impact in the latter part of the grant cycle. As part of this, the team gathered stakeholder perspectives on the prospects for OCA as an MSI in scaling and contributing to wider systemic shifts and industry-related transformations.
- **Contextual and stakeholder analysis** – The organisational ecosystem within which OCA operates is comprised of a vast and distinct array of **stakeholders** connected in detailed **reciprocal relationships** in a global fashion supply chain buffeted by a **context** of climate, strategy/policy, and industry/market forces. A systems perspective of OCA's work will support a contribution analysis. Based on the data gathered and the sector expertise resident on the team, the evaluation team

²⁴⁷ Based on the list of OCA Contributors reached by OCA's annual Contributor surveys.

²⁴⁸ That is, no responses beyond initial two questions.

mapped its understanding of the ecosystem(s) where OCA evolves, and the array of actors with which it interacts. Building on the stakeholder mapping and analysis, a contextual analysis allowed the evaluation team to understand the relevance of the OCA as an MSI and identify enabling and hindering factors relevant to its effectiveness in nested contexts across the global supply chain. Some of these actors were specific to organic cotton, others were associated with the larger supply chain that links cotton producers to brands and retailers. As per the evaluation matrix, the team examine stakeholder inclusion, shared intent, and reciprocity, and identified ways that partnerships and collaborations are being made, reinforced, or strengthened. As such, it addressed evaluation issues in the ToR that pertain to “**integration and cooperation**”.

- **Content analysis** – Document and interview notes were analysed to identify common trends, themes, and patterns for each of the key units of analysis. Interpretive content analysis was used to flag diverging views and opposite trends. Emerging issues and trends constituted the raw material for crafting preliminary hypotheses and observations that were subsequently refined to feed into the draft and final reports. A key output of the content analysis was the rubric analysis described above.
- **Institutional/organisational (“fit for purpose”) analysis** – The team looked at management activities pertinent to the implementation of the grant. It assessed the effects of the grant so far on OCA operations, finance, communications, and approach to M&E. The team assessed the effectiveness and efficiency of the OCA operating model as set out under the OCA’s newly minted Global Strategy, to confirm its degree of fit for purpose to assume the challenges associated with its growth and planning for the future.
- **Cost-effectiveness analysis** – The evaluation was anchored in a cost-effectiveness framework, aiming to assess whether and to what extent grant resources to support OCA have been used wisely and impactfully.

Overall, the analysis tasks outlined above were supported by the following:

- **Cross-referencing and triangulation:** As data was gathered using different methods from different sources, validity has been ensured through cross-referencing and triangulation (pursuing a convergence of multiple data sources).
- **Validation of findings:** The team undertook a sense-making workshop with OCA and Laudes Foundation after conducting the synthesis and analysis of data, which served as an important touchpoint for the evaluation team. This ensured that the evaluation team was on track with our analysis and had strong buy-in from OCA. Following preparation and submission of the Draft Report, OCA and Laudes Foundation will also have the opportunity to provide written feedback to the evaluation team. This will be captured in a response matrix and integrated into the final report. This whole process is expected to increase the accuracy, robustness, reliability, value, and user-orientation of findings and recommendations.
- **Quality assurance:** Prior to submission of the Draft and Final Reports, the evaluation team will also ensure that the deliverables have undergone rigorous internal quality control processes.

2.6 Limitations

Several factors constrained the team in fulfilling this mandate as per the ToR.

- All interactions for this evaluation were carried out remotely due to restrictions stemming from the COVID-19 pandemic. This eliminated the scope for “incidental” knowledge gathering.

- Engagement with stakeholders did not include individual farmers and FPOs. The evaluation team relied on documentation and discussions with implementing partners (IPs) to assess programme implementation on the ground, limiting the team's ability to fully assess OCA's impact at farm level.
- Use of the recently developed rubrics framework generated challenges due to differing interpretations of the rubrics themselves and how they should be applied in such an evaluative assignment.

Nevertheless, none of these challenges and limitations was deemed significant enough to have compromised evaluation findings or the development of conclusions and recommendations.

Appendix IV Evaluation Matrix

| RUBRIC CATEGORIES | RUBRICS | KEY QUESTIONS | SUB-QUESTIONS | BASELINE | INDICATORS | DATA SOURCES | DATA COLLECTION METHODS |
|-------------------------|------------|--|--|----------|--|---|--|
| Process-related aspects | A1. Design | A1.1. How well has the Organic Cotton Accelerator's (OCA) design, including the governance model, identified and allowed creation of solutions for: | <p>A1.1.1. the most important issues/needs in the organic cotton sector?</p> <p>A1.1.2. the strengthening of organisations and networks?</p> <p>A1.1.3. the creation of, and influence on a sector wide agenda for fixing problems in the organic cotton sector?</p> | | <ul style="list-style-type: none"> • Presence of data and judgement on the needs assessment process • Consistency of designs with assessed needs opportunities • Evidence of leveraging, by activity (other initiatives, financing support) • Perceptions of the appropriateness of the choice of activities | <p>Documents</p> <p>OCA staff</p> <p>Laudes Foundation staff</p> | <p>Doc Review</p> <p>KII</p> <p>Survey</p> |
| | | A1.2. Has OCA been engaging with the 'most appropriate and relevant' stakeholders who could facilitate collective impact in the organic cotton sector? Has | <p>A1.2.1. Has OCA reached out to an appropriate range of stakeholders? Are there any notable omissions?</p> <p>A1.2.2. How effective is the initiative in engaging and motivating relevant partners? Has</p> | | <ul style="list-style-type: none"> • Peer assessment within the sector of the targeting decisions taken by OCA, to date • Stakeholder perceptions of OCA's relevance/ utility and inclusiveness | <p>Documents</p> <p>OCA staff</p> <p>Laudes Foundation staff</p> <p>Affiliates and Partners</p> | <p>Doc Review</p> <p>KII</p> <p>Survey</p> |

| RUBRIC CATEGORIES | RUBRICS | KEY QUESTIONS | SUB-QUESTIONS | BASELINE | INDICATORS | DATA SOURCES | DATA COLLECTION METHODS |
|-------------------|--------------------|---|---|----------|--|--|-------------------------|
| | | OCA employed foresight and action to tackle various challenges in the sector? | A1.2.3. What factors have been most prominent in attracting some stakeholders and in keeping others from engaging with OCA? | | | | |
| | | A1.3. How well is the initiative aligned to the Laudes Foundation’s vision and mission and OCA’s strengths, capacities, and priorities? | A1.3.1 In what ways does OCA reinforce Laudes’ Foundation’s vision, model of philanthropy and materials strategy? A1.3.2 In what ways do the Phase 2 and 3 grants align to OCA’s strengths, and its current capacities and priorities? | | <ul style="list-style-type: none"> Consistency of OCA activities with Laudes Foundation’s strategic commitments Evidence of reciprocity and mutual reinforcement in the relationship Consistency of grant agreements (designs) to OCA’s own strategy and planning documents | Documents OCA Staff OCA Founders/ Board Laudes Foundation Staff | Doc Review KII |
| | A2. Implementation | A2.1. How well is the OCA initiative being executed? | A2.1.1. To what extent have plans and targets under the grant logframes been realised, to date? What are factors supporting/ inhibiting progress? | | <ul style="list-style-type: none"> Consistency of implementation of activities and spending to OCA objectives and expectations Examples of adaptive management Listing of factors supporting/ inhibiting | Documents OCA staff Laudes Foundation staff | Doc Review KII |

| RUBRIC CATEGORIES | RUBRICS | KEY QUESTIONS | SUB-QUESTIONS | BASELINE | INDICATORS | DATA SOURCES | DATA COLLECTION METHODS |
|-------------------|---------|---|--|----------|---|--|------------------------------|
| | | A2.2. Did the approaches and implemented activities align with, and contribute to the intended outcomes of the OCA? | <p>A2.2.1. To what extent are the activities and targets of the grants harmonised with the work programmes of OCA as a whole?</p> <p>A2.2.2. Are the activities implemented by the OCA executed in an efficient manner?</p> <p>A2.2.3. Are the programme targets being achieved on time?</p> <p>A2.2.4. Are the targets realistic given the scale of operations?</p> <p>A.2.2.5 What trade-offs and adjustments, if any, have been made by OCA in order to drive efficiency?</p> | | <ul style="list-style-type: none"> • Comparison of grant design (budget, activities, targets) with OCA working documents • Comparison of actual to planned outputs • Perceptions regarding the plausibility of targets • Comparison of cost/outcomes benchmark data (if relevant comparators exist) • Deviations on actual to planned spending to achieve greater economy • Evidence of costs savings | <p>Documents</p> <p>OCA staff</p> <p>Laudes Foundation staff</p> | <p>Doc Review</p> <p>KII</p> |

| RUBRIC CATEGORIES | RUBRICS | KEY QUESTIONS | SUB-QUESTIONS | BASELINE | INDICATORS | DATA SOURCES | DATA COLLECTION METHODS |
|-------------------|-------------------------------|--|---|----------|---|--|------------------------------|
| | A3. Monitoring and Adaptation | A3.1. What monitoring approaches have been put in place to inform adaptive management? | <p>A3.1.1. What mechanisms (formal and informal) are in use to capture results and inform management?</p> <p>A3.1.2. To what extent does the flow of data: a) guide management decisions, b) inform reporting and communication, c) enrich team learning at OCA?</p> <p>A3.1.3. How has data and knowledge been collected and used by OCA to evaluate momentum in the industry?</p> | | <ul style="list-style-type: none"> • Coherence of results-based planning and management arrangements • Evidence that: • OCA M&E system guidelines routinely updated and accessible • Indicators in place for Marketing Plan and Global Seed Strategy • Grant related indicators in log frames for both Phases • Data utilised in learning & decision-making | <p>Documents</p> <p>OCA staff</p> <p>Laudes Foundation staff</p> <p>OCA Founders/Board</p> | <p>Doc Review</p> <p>KII</p> |

| RUBRIC CATEGORIES | RUBRICS | KEY QUESTIONS | SUB-QUESTIONS | BASELINE | INDICATORS | DATA SOURCES | DATA COLLECTION METHODS |
|-------------------|---------------------------------------|---|---|--|---|---|--|
| | A4: Communication and Learning | A4.1. How was communication conducted both internally and externally? | <p>A4.1.1. To what extent are stakeholder groups (internal and external) made aware of progress in OCA activities and in the sector at large?</p> <p>A4.1.2. To what extent are stakeholder groups (internal and external) clear on OCA's vision and value proposition</p> <p>A4.1.3. What communicative products or approaches have been useful to OCA and did any gaps exist?</p> | | <ul style="list-style-type: none"> Stakeholder perception of the distinctness of OCA activities Stakeholder perceptions on OCA's vision, mission, programme, and value-added contributions to the organic cotton sector | <p>Documents</p> <p>OCA Staff</p> <p>OCA Founders/Board</p> <p>Laudes Foundation Staff</p> <p>Affiliates and Partners</p> | <p>Doc Review</p> <p>KII</p> <p>Survey</p> |
| | A5: Organisation and Network Capacity | A5.1. Is OCA fit for purpose for turning organic cotton into a prosperous | A5.1.1. Does OCA have a strong and clear vision, mission, and strategy? | <p>In 2018...</p> <ul style="list-style-type: none"> Operational systems nascent and non-standardised | <ul style="list-style-type: none"> Before-after comparison of OCA HR skills profile | <p>Documents</p> <p>OCA staff</p> <p>Laudes Foundation staff</p> <p>Affiliates and Partners</p> | <p>Doc Review</p> <p>KII</p> <p>Survey</p> |

| RUBRIC CATEGORIES | RUBRICS | KEY QUESTIONS | SUB-QUESTIONS | BASELINE | INDICATORS | DATA SOURCES | DATA COLLECTION METHODS |
|-------------------|---------|--|--|---|---|--------------|-------------------------|
| | | sector that benefits all (from farmer to consumer) and aligning informed and reinforced multi-stakeholder initiatives and business strategies for that change? | <p>A5.1.2. Does OCA have a strong governance structure that provides fiduciary oversight and holds organisational leaders accountable for progress toward achieving its mission?</p> <p>A5.1.1. Does OCA have the right mix of staff with the knowledge, skills and capacity needed to implement the programme (quantity and quality) effectively and efficiently, particularly in the context in which it operates (namely at the level of farmers, and business actors/ brands)?</p> | <ul style="list-style-type: none"> Staffing levels commensurate with scale (but growth occurring) No long-term global strategy for OCA <p>No dedicated fund addressing the challenges and financing needs of the sector</p> | <ul style="list-style-type: none"> Before-after comparison re: status of key systems Alignment of key systems to international standards Stakeholder perceptions of “fit for purpose” (HR, structure, systems, strategies) | | |

| RUBRIC CATEGORIES | RUBRICS | KEY QUESTIONS | SUB-QUESTIONS | BASELINE | INDICATORS | DATA SOURCES | DATA COLLECTION METHODS |
|-------------------------|------------------------------------|---|---|--|---|---|-----------------------------|
| Early and later changes | B3. Progressive Businesses Leading | B3.1. What have been the results of the OCA (till date) for the OCA Programme: - Farm Programme (sourcing pilots and projects)? | B3.1.1. Has the programme met the intended results overall? B3.1.2. What is the evidence of OCA's overall effectiveness, and with respect to the Farm Programme? B3.1.3. What factors have led to and influenced these results? | <ul style="list-style-type: none"> No organisation of brands/ retailers in 2016, four in 2019/20 10,000 farmers in Farm Programme in 2019/20 | <ul style="list-style-type: none"> Comparison of: a) reported actual to planned outcomes as per the Implementation M&E and Disbursement schedules, b) stakeholder accounts of achievements with what has been reported | Documents OCA Staff OCA Founders/Board Laudes Foundation Staff Affiliates and Partners Farmer Production Organisations | Doc Review KII |
| | | B3.2. How well has the initiative been able to contribute to influencing mindsets, beliefs, and assumptions to create alignment with the vision for an organic cotton system? | B3.2.1 What are the principal pressures (external or internal) on supply chain actors that favour greater coherence in the organic cotton sector? B3.2.2 Has OCA engaged those drivers, to date? | | <ul style="list-style-type: none"> Stakeholder perceptions of OCA successes/ challenges to date in wielding influence where it is needed Stakeholder perceptions of the value, validity and attractiveness of OCA's business model claims Accounts of businesses and retailers demonstrating supportive leadership in the organic cotton sector as a result of OCA's influence | OCA Staff OCA Founders/Board Affiliates and Partners Farmer Production Organisations National/ International Research Bodies | Doc Review KII Survey |

| RUBRIC CATEGORIES | RUBRICS | KEY QUESTIONS | SUB-QUESTIONS | BASELINE | INDICATORS | DATA SOURCES | DATA COLLECTION METHODS |
|-------------------|---------|--|--|--|--|---|---|
| | | B3.3. How well has OCA been able to promote a business model in the organic cotton sector that is just (provision of fair value to farmers) and environmentally sustainable? | B3.3.1 In what ways and to what extent has the OCA been able to argue the case for gainful, environmentally friendly participation in the organic cotton supply chain? | | <ul style="list-style-type: none"> Stakeholder perceptions of OCA successes/ challenges to date in wielding influence where it is needed Stakeholder perceptions of the value, validity and attractiveness of OCA's business model claims Accounts of businesses and retailers demonstrating supportive leadership in the organic cotton sector as a result of OCA's influence Listing of surprise results, by frequency of mentions/source Perceptions of their strategic significance | OCA Staff OCA Founders/Board Affiliates and Partners Farmer Production Organisations National/ International Research Bodies OCA Staff Affiliates and Partners Farmer Production Organisations | Doc Review KII Survey Doc Review KIIs e-Survey |
| | | B3.4. Regarding the Farm Programme, what unintended results (positive or negative) has the processes employed by OCA produced? | B3.4.1. Are any of the results that have been observed unexpected? What implications might these have on OCA's system change initiative? | | | | |
| | | | B3.5. What external and internal factors as well as challenges and risks have influenced the implementation of the Farm | B3.5.1. What have been the most significant factors constraining/ enabling implementation of the Farm Programme? How so? | | <ul style="list-style-type: none"> Accounts of "unexpected" occurrences and their implications for OCA | OCA Staff OCA Founders/Board Affiliates and Partners Farmer Production Organisations |

| RUBRIC CATEGORIES | RUBRICS | KEY QUESTIONS | SUB-QUESTIONS | BASELINE | INDICATORS | DATA SOURCES | DATA COLLECTION METHODS |
|-------------------|--|---|--|---|---|---|------------------------------|
| | | programme, successes and failures? And why? | | | | | |
| | B6. Multi-stakeholder Movements Pressure | <p>B6.1. What have been the results of the OCA (till date) for the OCA programmes:</p> <ul style="list-style-type: none"> • Strategy and Governance. • Organic Cotton Fund (OCF)? | <p>B6.1.1. Has the OCA platform met its intended results till date?</p> <p>B6.1.2. What is the evidence of OCA's overall effectiveness, and with respect to:</p> <ul style="list-style-type: none"> • Strategy and governance per log frame target • OCF | <p>Transitioned to OCA Foundation (2016) with 9 affiliates; no strategy and governance framework yet</p> <ul style="list-style-type: none"> • Secretariat growing with still “nascent systems” (2020) • Branding inconsistent/incoherent/minimal (2020) • Value proposition unclear (2020) • Global strategy not developed (2020) • Number of funders as compared to the number of Contributors is disproportionate (2020) • Heavy reliance on Laudes grants (2020) | <p>Phase 2</p> <ul style="list-style-type: none"> • Approved OCA 2.0 Strategy • Approved governance framework • Resources for marketing and communications • Increase in the number of paying affiliates. <p>Phase 3</p> <ul style="list-style-type: none"> • Endorsed: new branding and comms protocol, website and other comms systems • Trend in number of invitations to sector forums • Trend in website traffic • Trend in number of new contributor organisations investing in OCA • Extent of non-Laudes | <p>Documents</p> <p>OCA Staff</p> <p>OCA Founders/Board</p> <p>Laudes Foundation Staff</p> <p>Affiliates and Partners</p> | <p>Doc Review</p> <p>KII</p> |

| RUBRIC CATEGORIES | RUBRICS | KEY QUESTIONS | SUB-QUESTIONS | BASELINE | INDICATORS | DATA SOURCES | DATA COLLECTION METHODS |
|-------------------|---------|--|--|---|---|--|-------------------------|
| | | | | | <ul style="list-style-type: none"> • Foundation revenue covering most staffing/ ops. reserves • Trends in level of Secretariat ops reserves • Provision of OCF financing to support the organic cotton supply chain • Evidence of sustained commitment from funders | | |
| | | B6.2. Has the OCA functioned effectively and efficiently till date in convening business and industry actors around organic cotton? ²⁴⁹ | B.6.2.1. As an MSI, what are perceived to be the OCA's greatest strengths and challenges, organisationally, to date: Considerations: <ul style="list-style-type: none"> • Style of engagement/ recruitment | <ul style="list-style-type: none"> • Secretariat growing with still "nascent systems" (2020) • Branding inconsistent/ incoherent/minimal (2020) • Value proposition unclear (2020) • Global strategy not developed (2020) | <ul style="list-style-type: none"> • Perceptions of OCAs performance against own expectations and what is observed about MSIs in the literature • Stakeholder accounts showing before-after comparisons on each of the points for consideration | OCA Staff OCA Founders/Board Affiliates and Partners | KII Survey |

²⁴⁹ This question will consider, among other things:

- Functional structure – To what extent OCA is "fit for purpose" – both as an entity and as a multi-stakeholder initiative?
- Adequacy and appropriateness in development of OCA 2.0 and strengthening of the governance function
- Quality of relationships; selection of partnerships / coordination / collaboration / cooperation and communication
- Identify factors that enabled or impeded the partnership and collaboration function
- Adequacy of governance, human and financial capacities, and systems in place to support the operations and attainment of results.

| RUBRIC CATEGORIES | RUBRICS | KEY QUESTIONS | SUB-QUESTIONS | BASELINE | INDICATORS | DATA SOURCES | DATA COLLECTION METHODS |
|-------------------|---------|--|---|---|---|---|-------------------------|
| | | | <ul style="list-style-type: none"> • Appropriateness of organisational structure and governance functions • Ease of internal/external communications • Adequacy of systems supporting IT, HR, planning and budgeting • Ability to attract financing | <ul style="list-style-type: none"> • Number of funders as compared to the number of Contributors disproportionate (2020) • Heavy reliance on Laudes grants (2020) | | | |
| | | B6.3. Does OCA have sufficient influence as an MSI to influence systems change in the organic cotton sector? | <p>B6.3.1. How has OCA contributed toward changing narratives (mental models and assumptions) of business actors (brands), farmers, within the organic cotton sector?</p> <p>B6.3.2. How effective has OCA been in identifying and prioritising enablers for the industry to thrive?</p> | | <ul style="list-style-type: none"> • Stakeholder perceptions of the OCA's influence on the sector as an MSI • Stakeholder perceptions of the OCA's ability to read context and pivot in strategically advantageous ways? • Evidence of narrative change as articulated by different stakeholders • Comparison of perceptions regarding "influence" to what is | <p>OCA Staff</p> <p>OCA Founders/Board</p> <p>Affiliates and Partners</p> <p>Farmer Production Organisations</p> <p>National/ International Research Bodies</p> | KII Survey |

| RUBRIC CATEGORIES | RUBRICS | KEY QUESTIONS | SUB-QUESTIONS | BASELINE | INDICATORS | DATA SOURCES | DATA COLLECTION METHODS |
|-------------------|---------|--|---|----------|--|--|--------------------------------|
| | | | | | observed about MSI influence in the literature | | |
| | | B6.4. Has OCA sufficiently involved/ engaged/ collaborated with relevant actors and stakeholders in inclusive, powerful and transformative ways? | <p>B6.4.1. To what extent has OCA involved/ engaged/ collaborated with relevant actors and stakeholders in inclusive, powerful and transformative ways?</p> <p>B6.4.2. How well has the multi-stakeholder approach enabled legitimacy and accountability?</p> | | <ul style="list-style-type: none"> Engagement and OCA platform recruitment trends, by stakeholder type Comparison of actual to planned outreach/ recruitment Stakeholder perceptions of the change in the OCA's profile and influence with growth Stakeholder perceptions of the extent to which lines of accountability keep the MSI in check | OCA Staff OCA Founders/Board Partners and Affiliates | Doc Review KIIs e-Survey |

| RUBRIC CATEGORIES | RUBRICS | KEY QUESTIONS | SUB-QUESTIONS | BASELINE | INDICATORS | DATA SOURCES | DATA COLLECTION METHODS |
|-------------------|---------|--|--|----------|--|--|---|
| | | B6.5. What has been the effectiveness of engagement with OCA affiliate members (brands, civil society partners, etc.) and other stakeholders that are not OCA affiliate members (suppliers, implementing partners, etc.) in achieving the programme results? | B6.5.1. How do partners and affiliates assess the benefits of their engagement with the OCA? | | <ul style="list-style-type: none"> Stakeholder perceptions of the benefits/costs of engagement in the OCA? Consistency between KII feedback and OCA's own survey data | OCA Staff OCA Founders/Board Partners and Affiliates | Doc Review KIIs e-Survey |
| | | B6.6. Is OCA on the appropriate trajectory (using both foresight and agility) to strengthen action for enabling systemic change as a Multi-Stakeholder | B6.6.1. Do planned activities and targets make sense given the progress to date and the intelligence gathered showing where the potential for movement building is greatest? | | <ul style="list-style-type: none"> Stakeholder perceptions of the readiness of OCA as an MSI to leverage resources toward systems change Consistency between strategic needs/ opportunities as perceived by stakeholders and the | OCA Staff OCA Founders/Board Partners and Affiliates OCA Staff OCA Founders/Board Affiliates and Partners Farmer Production Organisations National/ International Research Bodies | Doc Review KIIs e-Survey Doc Review KII |

| RUBRIC CATEGORIES | RUBRICS | KEY QUESTIONS | SUB-QUESTIONS | BASELINE | INDICATORS | DATA SOURCES | DATA COLLECTION METHODS |
|-------------------|---------------------|---|--|--|---|--------------|-------------------------|
| | | Initiative given the challenges that exist in that context? | | | contents of the Global Strategy (2021/25) | | |
| | B7. Redefined value | B7.1. What have been the results of the OCA (till date) – Seed and Innovation Programme (SI)? | <p>B7.1.1. Has OCA met the intended results overall?</p> <p>B7.1.2. What is the evidence of OCA’s overall effectiveness, and with respect to SI?</p> | <ul style="list-style-type: none"> In 2018... no SGF cultivars had been released, no performance data on cultivars had been shared, no seed producers had been certified, there was no Global Seed Strategy, and no system for traceability | <ul style="list-style-type: none"> Evidence of robust non-GM lines of cottonseed introduced for commercial use Evidence of a larger number of farmers using SGF performance information to make production decisions Evidence of growth in the number of seed producers certified against non-GMO cottonseed production module Global seed strategy launched as per approved strategy (indicators to be determined) Progress against planned launch of traceability strategy and roll out of selected system | | |

| RUBRIC CATEGORIES | RUBRICS | KEY QUESTIONS | SUB-QUESTIONS | BASELINE | INDICATORS | DATA SOURCES | DATA COLLECTION METHODS |
|-------------------|---------|---|--|----------|---|---|--------------------------------|
| | | B7.2. Regarding SI, what unintended results (positive or negative) has the processes employed by OCA produced? | B7.2.1. Are any of the results that have been observed unexpected? What implications might these have on OCA's system change initiative? | | <ul style="list-style-type: none"> • Listing of unintended results, by frequency of mentions/source • Perceptions of their strategic significance | OCA Staff Affiliates and Partners Farmer Production Organisations | Doc Review KIIs e-Survey |
| | | B7.3. What external and internal factors as well as challenges and risks have influenced the implementation of SI, successes and failures? And why? | B7.3.1. What have been the most significant factors constraining/enabling implementation of SI? How so? | | <ul style="list-style-type: none"> • Accounts of "unexpected" occurrences and their implications for OCA | OCA Staff OCA Founders/Board Affiliates and Partners Farmer Production Organisations | Doc Review KIIs e-Survey |

| RUBRIC CATEGORIES | RUBRICS | KEY QUESTIONS | SUB-QUESTIONS | BASELINE | INDICATORS | DATA SOURCES | DATA COLLECTION METHODS |
|-------------------|---------|---|--|----------|---|--|-----------------------------|
| | | B7.4. How well has OCA been able to design, implement and in the new ways of working it creates ensured that the beneficiary groups (farmers and brands) are achieving the key outcomes they need and desire? | <p>B7.4.1. To what extent has the OCA provided the knowledge, skills, models and tools required to help supply chain actors (brands, suppliers and farmers) place value on farmer livelihoods and environmental sustainability in the organic cotton sector?</p> <p>B7.4.2. What, if any, gaps in support can be observed and why?</p> | | <ul style="list-style-type: none"> Stakeholder perceptions of the utility of supports provided in building new ways of working | <p>OCA Staff</p> <p>Affiliates and Partners</p> <p>Farmer Production Organisations</p> | <p>KIIs</p> <p>e-Survey</p> |

| RUBRIC CATEGORIES | RUBRICS | KEY QUESTIONS | SUB-QUESTIONS | BASELINE | INDICATORS | DATA SOURCES | DATA COLLECTION METHODS |
|-------------------|-----------------------------|---|--|----------|--|--|-----------------------------|
| 2025 Outcomes | C3. Businesses Transforming | C3.1. Is OCA on the correct trajectory to contribute toward wider system shifts and industry transformation in the organic cotton sector? | <p>C3.1.1. Is OCA making sufficient headway against planned longer-term outcomes</p> <p>C3.1.2. To what extent is OCA able to discern system advances from its research and pilot activities?</p> <p>C3.1.3. Which strategies and processes, if not all as a whole, can be replicated?</p> | | <ul style="list-style-type: none"> • % of farmers (a) verified as having received promised differential above market price and (b) demonstrating continued commitment to organic farming practices • Extent of qPCR testing of seed samples • % of seed samples testing negative • Extent of endorsement/adoption of OCA brand • Change in contributor understanding of OCA value proposition • Provision of OCF financing to support organic cotton supply chain – metrics pending • Availability of evidence showing replicability/adaptability of pilot models | OCA Staff OCA Founders/Board Affiliates and Partners | Doc Review KII Survey |

| RUBRIC CATEGORIES | RUBRICS | KEY QUESTIONS | SUB-QUESTIONS | BASELINE | INDICATORS | DATA SOURCES | DATA COLLECTION METHODS |
|-------------------|---------|--|---|----------|---|--|-----------------------------|
| | | C3.2. What are the drivers (both positive and negative) that influence the implementation of OCA's strategic approach? | <p>C3.2.1. What drivers require OCA's attention for the platform to achieve scale and sustainability?</p> <p>C3.2.2. What should OCA do to scale and sustain these in the future?</p> | | <ul style="list-style-type: none"> Stakeholder perception of the drivers (a) most needing OCA's attention and (b) advice on how Evidence of promising scaling and sustainability efforts to be considered for replication | OCA Staff OCA Founders/Board Affiliates and Partners | Doc Review KII Survey |
| | | C3.3. What are the main lessons learned from the initiative? | <p>C3.3.1. What can we learn about the systems change being pursued by OCA from those actors engaging the most in the OCA?</p> <p>C3.3.2. What can we learn from the more hesitant actors? What is holding them back?</p> | | <ul style="list-style-type: none"> Stakeholder perceptions of the prevailing merits/drawbacks to engaging in the organic cotton sector? | OCA Staff OCA Founders/Board Affiliates and Partners | Doc Review KII Survey |

| RUBRIC CATEGORIES | RUBRICS | KEY QUESTIONS | SUB-QUESTIONS | BASELINE | INDICATORS | DATA SOURCES | DATA COLLECTION METHODS |
|-------------------|---------|--|---|----------|---|---|--|
| | | C3.4. To what extent are there signs that the initiative is on track to promote a widespread and thorough implementation of sustainable practices? | <p>C3.4.1. What sustainability thresholds need to be reached for OCA to be able to say that the work of OCA has been successful?</p> <p>C3.4.2. What aspects of OCA's programmatic offerings are most scalable?</p> | | <ul style="list-style-type: none"> Level of stakeholder agreement on sustainability thresholds and actions required of the OCA Patterns evidence showing where scalability is plausible | <p>OCA Staff</p> <p>OCA Founders/Board</p> <p>Affiliates and Partners</p> <p>National/International Research Bodies</p> | <p>Doc Review</p> <p>KII</p> <p>Survey</p> |
| | | C3.5. Where has the initiative been able to build the foundations for its financial sustainability? | <p>C3.5.1. To what extent has OCA garnered co-financing or additional funding beyond that of Laudes Foundation's support?</p> <p>C3.5.2. How has the revenue mix altered over time?</p> | | <ul style="list-style-type: none"> Before-after comparisons across organisational/financial metrics | <p>OCA Staff</p> <p>OCA Founders/Board</p> <p>Affiliates and Partners</p> | <p>Doc Review</p> <p>KII</p> |

| RUBRIC CATEGORIES | RUBRICS | KEY QUESTIONS | SUB-QUESTIONS | BASELINE | INDICATORS | DATA SOURCES | DATA COLLECTION METHODS |
|-------------------|---------|---|---|----------|--|---|-----------------------------|
| | | C3.6. To what extent has OCA been able to assure viability (such as those for pilots) both for long-term and for scale? | C3.6.1. To what extent have OCA sponsored pilots developed into net income generating activities for farmers and others engaged in the organic cotton supply chain? C3.6.2. What were the missed opportunities? | | <ul style="list-style-type: none"> • Uptake, financial performance and efficacy of pilots • Listing of “if only” moments related to pilot design/ implementation and scaling. Suggestions for future practice | OCA Staff OCA Founders/Board Affiliates and Partners National/International Research Bodies | Doc Review KII Survey |
| | | C3.7. What are the main factors that promoted and/or reduced OCA’s sustainability and results? | C3.7.1. Among the factors bearing positively and negatively on the sector, which stand out for their impact on OCA’s drive for sustainability? C3.7.2. What would be different today regarding the system change in process had there not been a Pandemic? | | <ul style="list-style-type: none"> • Listing of the most prominent factors (enabling and constraining) bearing on OCA’s bid for sustainable change in the organic cotton industry • Patterns of stakeholder response in setting out non-Covid, counterfactual accounts | OCA Staff OCA Founders/Board Affiliates and Partners National/International Research Bodies | Doc Review KII Survey |

| RUBRIC CATEGORIES | RUBRICS | KEY QUESTIONS | SUB-QUESTIONS | BASELINE | INDICATORS | DATA SOURCES | DATA COLLECTION METHODS |
|-------------------|---------|--|--|----------|--|---|--|
| | | C3.8. How likely is it that this initiative would be effective in other contexts? | <p>C3.8.1. What country/regional context factors most strongly influence the prospects for sustainable systems change in the organic cotton sector?</p> <p>C3.8.2. What is the likelihood that an accelerator initiative like OCA could be effective in each of the top five organic cotton producing countries?</p> | | <ul style="list-style-type: none"> Stakeholder perceptions of the importance of country context on the design and implementation of an accelerator model the likes of OCA | <p>OCA Staff</p> <p>OCA Founders/Board Affiliates and Partners</p> <p>National/International Research Bodies</p> | <p>Doc Review</p> <p>KII</p> <p>Survey</p> |
| | | C3.9. What strategies or approaches adopted by the OCA could produce medium-term and long-term impacts for the sector? | <p>C3.9.1. Which strategies developed and tested by OCA partners and affiliates are showing the greatest yield of benefits for the sector in India?</p> <p>C3.9.2. What mix of strategies is most needed to enlarge the systems change in production areas outside of India?</p> | | <ul style="list-style-type: none"> Stakeholder perceptions of the importance of country context on the design and implementation of an accelerator model the likes of OCA | <p>OCA Staff</p> <p>OCA Founders/Board Affiliates and Partners</p> <p>Farmer Production Organisations</p> <p>National/International Research Bodies</p> | <p>Doc Review</p> <p>KII</p> <p>Survey</p> |

Appendix V Review of Performance Improvement Reports

OCA, through its third-party verification system, produces Performance Improvement Reports (PIRs). These contain specific observations on implementation strengths and weaknesses (areas of improvement) of each IP facilitated project. The analysis presented in **Table v. 1** covers a cross-section of PIRs spanning three cotton seasons. It indicates several strengths of the Farm Programme as well as several areas where improvements are warranted. As well, the analysis identifies factors that constrain implementation. The PIRs also contain recommendations and corrective actions for the IPs. Over the following season, the IPs are expected to act on these recommendations and demonstrate continuous improvement across the farm projects. **Table v. 1** sets out the corrective actions taken the following year based on recommendations provided the previous year, and shows corrective action pending (still to be taken).

Table v. 1 *Strengths and Improvements Observed in a Cross-section of PIRs over Three Cotton Seasons (2018, 2019, 2020) and Corrective Actions Taken or Pending as per the PIRs during Two Cotton Seasons (2019, 2020)²⁵⁰*

| THEME | SUB-THEME | STRENGTHS OBSERVED | IMPROVEMENTS SUGGESTED | CORRECTIVE ACTIONS TAKEN | CORRECTIVE ACTIONS PENDING |
|--|--------------------------------------|--|--|---|--|
| Creation of enabling environment by the IP | Project and team | <ul style="list-style-type: none"> Field staff have a good understanding of organic practices Long standing work and relationships with farmers (some IPs) | <ul style="list-style-type: none"> Avoiding risks due to parallel GMO production in the project villages Further capacity building of staff on data collection, record keeping, GMO contamination issues | <ul style="list-style-type: none"> Risks of GMO contamination explained to the farmers Extension staff placed nearby villages, helpful for better outreach | <ul style="list-style-type: none"> Staff need more capacity building on practical content that address specific risks and digital tools for extension |
| | Input supply including non-GMO seeds | <ul style="list-style-type: none"> Packets of non-GMO seeds provided to the farmers Different innovative solutions explored for increasing the | <ul style="list-style-type: none"> Ensure that all farmers get non-GMO seeds Increased preparation, availability, and use of biological inputs | <ul style="list-style-type: none"> Expansion in production and supply of biological inputs Most of the farmers reported receipt of non-GMO seeds Demo group of farmers received other services | <ul style="list-style-type: none"> The production and supply of biological inputs is still not sufficient for the demand; need for innovative solutions |

²⁵⁰ A synthesis from a sample of PIRs (produced by TPAs) of 2018, 2019, and 2020 season, shared with the evaluation team.

| THEME | SUB-THEME | STRENGTHS OBSERVED | IMPROVEMENTS SUGGESTED | CORRECTIVE ACTIONS TAKEN | CORRECTIVE ACTIONS PENDING |
|-------|-----------------------------------|--|---|--|---|
| | | supply of biological inputs | | such as intercrop seeds, yellow sticky traps, pheromone traps, tetrabeds for composting, and biological inputs such as Amrutpani, Dasparni, and Kandapani | |
| | Farmer training and field support | <ul style="list-style-type: none"> Farmer field schools, women group meetings, demonstration models and other platforms used for training | <ul style="list-style-type: none"> Focused farmer “handholding” and training throughout the season, including in far-off villages Non-formal and activity-based training to illiterate farmers Better communication between project staff and farmers to provide better inputs, advisory and marketing support | <ul style="list-style-type: none"> Training to farmers on risk management of organic cotton and preparation of biological inputs Training of farmers through audio, video, and other methods Project team (especially staff resident in villages) monitored the sowing and provided hand holding support to the farmers | <ul style="list-style-type: none"> Deeper farmer training and engagements (reduced due to covid-19) More focus on training farmers on preventive approach |
| | Procurement and premium | <ul style="list-style-type: none"> Payments increasingly moving toward bank transfers (rather than cash) Procurement schedules and processes working well (some IPs) | <ul style="list-style-type: none"> Improve negotiation with brands for better procurement rate to farmers Better communication of procurement schedules in advance, avoiding the scenario of farmers selling organic cotton in the open market Need for better awareness of farmers about premium and deductions | <ul style="list-style-type: none"> Improving procedures of procurement and better communication with farmers | <ul style="list-style-type: none"> More clarity regarding procurement schedules among the farmers More movement needed toward bank /digital payments |

| THEME | SUB-THEME | STRENGTHS OBSERVED | IMPROVEMENTS SUGGESTED | CORRECTIVE ACTIONS TAKEN | CORRECTIVE ACTIONS PENDING |
|------------------|--|--|---|--|--|
| | | | <ul style="list-style-type: none"> • Improve proportion of digital /bank payment of premium | | |
| | Documentation, data collection and reporting | <ul style="list-style-type: none"> • Strong documentation and data collection systems (some IPs) | <ul style="list-style-type: none"> • Strong internal mechanism at IP level to assure quality of data collected; improve data verification and updating system • Effective M&E system to identify and address risks | <ul style="list-style-type: none"> • Movement seen toward improved data collection and M&E system | <ul style="list-style-type: none"> • Internal review and quality control of data; credible data and not just estimates • Improved M&E systems to capture progress and risks • Compare data longitudinally over a period of time |
| Farmer practices | Adoption of organic production practices | <ul style="list-style-type: none"> • Trend of increasing proportion of farmers adopting organic practices is seen • Farmers reporting of non-adoption of restrictive practices • Promoting organic practices in the entire land and supporting farmers for multiple crops | <ul style="list-style-type: none"> • Increase proportion of farmers consistently adopting the organic practices • Increase compliance with segregated harvest, transportation, and storage • More focus on training farmers on preventive approach such as avoiding moisture loss by intercropping, closer planting, mulching, growing border barrier crops, to avoid incidence and resurgence of sucking pests. IP need to map risks and plan preventive strategies | <ul style="list-style-type: none"> • Adoption related challenges being discussed and resolved • Segregated harvest, storage, and transportation training provided to the farmers | <ul style="list-style-type: none"> • Better demonstrate farmer business case by holistic support on livelihoods • More work on promoting organic practices in the entire land and supporting farmers for multiple crops |
| GMO integrity | GMO contamination | <ul style="list-style-type: none"> • Trend of decreasing GMO detection levels is observed | <ul style="list-style-type: none"> • Compliance with sample number of GMO testing at seed and ginning stages • Assessment of possible risks at each stage of transfer of ownership of cotton (seed, field, | <ul style="list-style-type: none"> • As an internal mechanism, each heap was tested for GM contamination using the Bt Strip test and the heap was only sent for | <ul style="list-style-type: none"> • Review and implementation of procedures for traceability at ginning level |

| THEME | SUB-THEME | STRENGTHS OBSERVED | IMPROVEMENTS SUGGESTED | CORRECTIVE ACTIONS TAKEN | CORRECTIVE ACTIONS PENDING |
|-------|-----------|---|---|--|---|
| | | | ginning) and implement appropriate action (like ensuring the planting of non-GMO seeds, maintaining buffer zones, segregated harvest, transport, and storage of seed cotton, segregated ginning, <i>etc.</i> , with adequate labelling for traceability) to reduce such risks | ginning if the result was negative. This was observed as best practice across all OCA projects | <ul style="list-style-type: none"> IP needs to communicate the ginning update (arrivals, bales available, <i>etc.</i>) to the TPA adequately, so that the required sample at gin stage can be collected and tested on time |
| Other | | <ul style="list-style-type: none"> Farmers are recommended to adopt cropping systems and other practices based on the weather patterns | <ul style="list-style-type: none"> More support is needed on preparing farmers toward managing uncertainties (climatic and non-climatic) so that their yield and income from organic cultivation are stable and sustainable | <ul style="list-style-type: none"> Better compliance to assess and address possible risks at each stage of transfer of ownership of cotton – seed, field, ginning – and implement appropriate actions | <ul style="list-style-type: none"> Better compliance to assess and address possible risks at each stage of transfer of ownership of cotton – seed, field, ginning – and implement appropriate actions |

Appendix VI Progress on Phase 3 Grant Targets

| FARM PROGRAMME | | |
|---|--|--|
| OUTCOME | TARGET | STATUS |
| 1. Increase in farmers that are paid a differential per the agreement between brand and supplier to improve the farmer business case | 1. 100% of farmers in the Farm Programme are paid the promised differential (average of 5–15% on top of seed cotton market price) through sale/procurement of organic cotton to the brand's supply chain in the programme by 2022/23 season. | 2017/18–2020/21: The average margin between the premium prices paid for organic cotton and the average market price has ranged from 3% to 10%. The average margin between premium prices paid for organic cotton and the minimum support price has ranged from 7% to 22%. ²⁵¹ |
| 2. Improved integrity control at the source (reduced GMO contamination levels of organic cotton produce) | 2. 100% of cottonseed distributed to project farmers originate from seed lots of which samples have been tested negative for GMO presence, year on year. | An overall decline in the detection of GMO contamination in testing has been observed from 2017/18 to 2020/21. In 2018/19 and 2019/20 seasons, contaminated seed lots were kept aside but some projects ended up procuring contaminated lots. ²⁵² The 2021 mid-year monitoring report reports GMO detection in 7/298 samples at the seed stage; these lots were not procured. ²⁵³ |
| 3. Increase in number of brands and retailers that participate in the Farm Programme | 3. 8–10 brands and retailers participate in OCA Farm Programme through signed agreements by 2022/23. | In 2021/21, 6 brands participated in Farm Programme. ²⁵⁴ Ten brands are participating in the programme in 2021/22 season. ²⁵⁵ |
| 4. Increase in number of farmers participating in the Farm Programme | 4. At least 15,000 farmers will be engaged in the programme for the 2020/21 season, and at least 20,000 farmers for the 2021/22 season, and at least 25,000 for the 2022/23 season. | In 2020/21, there were 22,146 active farmers in the Farm Programme. ²⁵⁶ |

²⁵¹ Farm Programme reports; OCA Annual Reports; Internal communication with OCA staff.

²⁵² Laudes Foundation and OCA (2020). End-of-Project Self-Evaluation Report (July 2020), p. 10.

²⁵³ Laudes Foundation and OCA (August 2021). Mid-Year Monitoring Report (January 2021–June 2021), p. 4.

²⁵⁴ Internal communication with OCA staff.

²⁵⁵ Laudes Foundation and OCA (August 2021). Mid-Year Monitoring Report (January 2021–June 2021), p. 4.

²⁵⁶ Internal communication with OCA staff. Figure does not include two projects where no cotton lint uptake from brand occurred.

| | | Approximately 60,000 farmers are anticipated for 2021/22. ²⁵⁷ |
|--|--|---|
| FARM PROGRAMME | | |
| OUTCOME | TARGET | STATUS |
| SGF 1. New portfolio of non-GM cotton cultivars with improved agronomic performance, high fibre quality, adapted to local growing conditions developed | 1. At least 3 new non-GM cotton lines released for commercial multiplication at the end of the 2022/23 cotton season, accompanied by performance ranges on key parameters for the (recommended) growing conditions | 8 advanced lines introduced to on-farm trials in multiple locations (under organic conditions) in 2020/21. Selected from 12 candidate lines – top 3 performing cultivars will be made available for multiplication at scale (subject to sustained performance). ²⁵⁸ |
| SGF 2. SGF performance information on cultivars is accessible to and used by organic farm groups for informed decision on seed use for improved performance on desired traits | 2. All OCA farmer groups are using SGF performance information for better seed sourcing decisions by 2023, with a 75% rating it as good value | Past season's Cultivar Evaluation data available to OCA as of September 2021 (planned, per August report). Investment planned for efficiently disseminating information with farm groups. |
| Non-GMO Cotton Seed Assurance Programme 3. Increasing number of non-GMO packages coming from non-GMO certified seed producers | 3. Seed packages of at least 2 seed producers certified against non-GMO cottonseed production module by 2023 | Three seed producers onboarded to non-GM Seed Assurance Programme, with capacity building support provided. |
| 4. Number of commercially released cotton cultivars in 'Organic Cottonseed Performance Database' (in line with OCA Global Strategy Plan 2030)²⁵⁹ | 4. Information of at least 60 commercially released cotton cultivars available in 'Organic Cottonseed Performance Database' by 2030 | The SGF performance data that will be shared with OCA by FiBL contains the performance evaluation results of over 62 different cultivars and breeding lines, resulting from over 430 trials in research stations and farmers' fields since 2017. The SGF data showcases both the performance of genetic material from the SGF programme, and that of |

²⁵⁷ Laudes Foundation and OCA (August 2021). Mid-Year Monitoring Report (January 2021–June 2021), p. 6.

²⁵⁸ Laudes Foundation and OCA (August 2021). Mid-Year Monitoring Report (January 2021–June 2021).

²⁵⁹ In the original logframe in the Phase 3 grant agreement, this is stated as "TBD (in line with Global Seed Strategy approved by BoT, delivered by Jan 2021 (or date Board meeting))".

| | | commercially released reference cultivars. Hence, the exact number of commercially released cultivars within the performance database will be known upon reception of the data by September 2021. |
|--|---|---|
| FARM PROGRAMME | | |
| OUTCOME | TARGET | STATUS |
| Textiles Traceability Task Force 5. Development of organic cotton traceability system, either within a broader sector system or stand-alone | 5. Traceability system for organic cotton piloted and in use (either as part of broader sector system or stand-alone) by OCA Contributors from the industry | Exploring opportunities to partner, per 2030 strategy. |
| OCF | | |
| OUTCOME | TARGET | STATUS |
| OCF Strategy Development 1. TBD in July 2020, following the delivery of OCF feasibility study | 1. TBD in July 2020, following the delivery of OCF feasibility study | At September 2021 meeting, OCA Board of Trustees committed to a feasibility study, since conducted, ²⁶⁰ that will set OCA up to make a “go/no go” decision by mid-2022. |
| OCF Pilot 2. TBD following the delivery of OCF feasibility study and confirmation of (financial) pilot partners, latest by March 2021 | 2. TBD following the delivery of OCF feasibility study and confirmation of (financial) pilot partners, latest by March 2021 | March 2021 completion of OCF Pilot, Project deck, with critical steps and implementation guide. ²⁶¹ |
| Business Plan 3. TBD following the delivery of pilot report in 2022 | 3. TBD following the delivery of pilot report in 2022 | Planned merging of OCF (yet to be developed) and OCF Pilot Projects in 2022/23. ²⁶² |
| OCA SECRETARIAT, BRAND AND COMMUNICATIONS PLATFORM AND GLOBAL STRATEGY 2021–2025 DEVELOPMENT | | |
| OUTCOME | TARGET | STATUS |

²⁶⁰ Laudes Foundation and OCA (August 2021). Mid-Year Monitoring Report (January 2021–June 2021), p. 10.

²⁶¹ *Ibid.*, p. 10.

²⁶² *Ibid.*, p. 11.

OCA Secretariat**1. Secretariat is fit for purpose to deliver mission and vision of OCA'**

1. For the purpose of this grant, the OCA Secretariat will perform toward achieving the targets as set out in this log frame.

| OCA SECRETARIAT, BRAND AND COMMUNICATIONS PLATFORM AND GLOBAL STRATEGY 2021–2025 DEVELOPMENT | | |
|---|--|---|
| OUTCOME | TARGET | STATUS |
| OCA Secretariat 2. OCA is an operationally and financially healthy organisation | 2. OCA has documented and implemented internationally compliant operational policies, processes, procedures, and financial administration systems by the end of 2020 | Completed, with number of policies, systems, and relevant documents developed. ²⁶³ |
| Brand and Communications Platform 3. Contributors and OCA adopt and use new narrative communications and risk protocol for organic cotton | 3. Increased visibility for OCA by September 2020: (i) New OCA branding, comms protocol, website/digital and other comms systems are endorsed and adopted by majority (50%) of Contributors (ii) Invitation to sector forums increase (iii) Increase in website traffic | OCA Communications Plan outlines strategic approach for communications leading to launch of OCA's 2030 Strategy, including creation of new brand ID and communications strategy. Key tools developed including claims guidelines and risk protocol, Contributor onboarding deck. New website under development which will include a Contributor portal with access to "key collateral" (password protected). Positioning paper on in-conversion cotton under development (planned release for Q3 2021). Organic Cotton Summit (2021 virtual two-day event had ~250 registered participants) and OCRT. Percent endorsement and adoption of various comms systems among Contributors and data on website traffic not available to evaluators at time of writing. |
| Brand and Communications Platform 4. Increased visibility of OCA due to strong brand identity and strong value proposition among the sector; OCA is trusted symbol of integrity/impact | 4. 75% of the Contributors understand OCA value proposition by January 2021 | 55% of respondents to OCA's 2020 Contributor survey strongly agree and 37% agree somewhat in response to question "Due to OCA's communication tools, I understand the value that OCA brings to the organic cotton sector." 44 media coverage mentions of OCA issues in 2021 (between January–June). Interviews with executive director and Programme Manager conducted. |

²⁶³ Laudes Foundation and OCA (August 2021). Mid-Year Monitoring Report (January 2021–June 2021), p. 12

| OCA SECRETARIAT, BRAND AND COMMUNICATIONS PLATFORM AND GLOBAL STRATEGY 2021–2025 DEVELOPMENT | | |
|---|--|--|
| OUTCOME | TARGET | STATUS |
| Global Strategy 2021–2025 5. Five-year global strategy is approved by Board of Trustees (BoT); funding is identified and/or partially secured | 5. Global Strategy is approved by BoT in January 2021 (or BoT meeting date) and first-year Farm and SI Programme budget is secured | Strategy Plan 2030 approved by BoT in March 2021. 2021 programme budgets secured. Media launch for strategy under development at time of 2021 mid-year monitoring report. |
| Recruitment and Fundraising 6. OCA has additional Contributors who increasingly fund the Secretariat staffing operations and engage in the global platform | 6. Several (min 20) new Contributor organisations invest in OCA by end of 2023; non-C&AF revenue is able to cover 75% of staffing and operational costs by end of 2023; Secretariat operating reserves equal to 3 mos. (33%) of average annual approved budget by end of 2023. | In 2021, OCA had 29 Contributors. ²⁶⁴ OCA financial statements from 2017 to 2020 combined with data for the current year show that the organisation has accumulated sufficient funds to cover organisational costs for one annual cycle. ²⁶⁵ Laudes Foundation's contribution to OCA's total annual income was reduced from 69% to 59% between 2019–2020. During this time, 16 organisations (12 brands and retailers, three manufacturer/suppliers and one nonprofit) were paying Contributor fees. The share of Laudes' contribution is expected to decline further on account of rising Contributor and Farm Commitment Fees. The yet to be finalised figures for 2021 show Laudes' contribution at 54% and the budget estimate for 2022 at 42% of total annual income. When leveraged funding is factored in to show a full revenue picture, Laudes' contribution was 27% in 2020. |
| Recruitment and Fundraising 7. OCA has secured finance from philanthropic and institutional capital to execute on Global Strategy 2021–2025 | 7. 100% of funding (philanthropic, commercial and institutional) is identified and committed to execute fully on five-year global strategy by end of 2023. | |

²⁶⁴ This is the official number at the time of writing; there are an additional nine new Contributors to add this year pending a formal announcement.

²⁶⁵ In August 2020, the Board of Trustees approved a Continuity Reserve Policy setting out the intention (as per Dutch Law) to build reserves to cover 100% of annual fixed organisational costs.

Appendix VII Stakeholders Consulted

A total of 42 stakeholders were consulted, including 22 women and 20 men.

Table vii. 1 List of Key Informants

| STAKEHOLDER CATEGORY | ORGANISATION | FIRST NAME | LAST NAME |
|----------------------|-------------------|-----------------|---------------|
| Donors | Laudes Foundation | Anita | Chester* |
| | | Lakshmi | Poti |
| | | Leslie | Johnston* |
| | GIZ | Gina | Burgard |
| | | Vikash | Sinha |
| OCA Secretariat | OCA | Sharon | Essigman |
| | | Lily | Fallala |
| | | Kavya | Jain |
| | | Sanchit | Kukreja |
| | | Ruud | Schute |
| | | Bart | Vollard |
| | | Mathilde | Tournebize |
| Brand & retailer | Tchibo GmbH | Cristina | Graack |
| | | Katharina | Heye |
| | Patagonia | Rachel | Kepnes |
| | BESTSELLER A/S | Danique | Lodewijks |
| | C&A | Catherine | Louies* |
| | | Martha | Wallis |
| | | Sharafat | Mallik |
| | H&M | Harsha | Vardhan* |
| | Coyuchi | Margot | Lyons |
| | Inditex | Germán | Garcia Ibáñez |
| ESPRIT | Kristina | Seidler-Lynders | |
| Standard body | GOTS | Rahul | Bhajekar |
| | Fairtrade | Subindu | Garkhel |

| STAKEHOLDER CATEGORY | ORGANISATION | FIRST NAME | LAST NAME |
|--|-------------------------------------|-------------|---------------|
| | Textile Exchange | Amish | Gosai |
| Research institute | FiBL | Amritbir | Riar |
| International CSO | Forum for the Future | Charlene | Collison |
| | Solidaridad Network | Isabelle | Roger* |
| | Pesticide Action Network UK | Keith | Tyrell* |
| Supply chain actor | Artistic Milliners | Faisza | Jamil |
| OCA Implementing Partner [Supply chain actor/ Farm group] | Pratibha Syntex / Vasudha Organic | Shreyaskar | Chaudhary* |
| | Spectrum International | Amit | Shah |
| | Suminter India Organics | Baby | Raphael |
| OCA Implementing Partner [NGO/ Farm group] | Chetna Organic | Arun | Ambatipudi |
| | WWF Pakistan | Asad | Imran |
| | | Hammad Naqi | Khan* |
| | Action for Social Advancement (ASA) | Ashis | Mondal |
| | Aga Khan Foundation | Tinni | Sawhney |
| | Grameena Vikas Kendram Society | Sanne | van Dungen |
| External | External Media | Simon | Ferrigno |
| Third-party validator | Global Research | Davuluri | Venkateswarlu |

*Current or former OCA Board Members

Appendix VIII Documents Consulted

Governance & foundational documents

- C&A Foundation (2016). Building a Viable Organic Cotton Accelerator Entity (Phase I Grant Agreement).
- C&A Foundation (2018). Organic Cotton Accelerator Phase II – Grant Reference No. 6913 (Phase II Grant Agreement).
- C&A Foundation (June 2019). C&A Foundation Phase II Grant (2018–2020) EOY Reporting.
- C&A Foundation (November 2019). C&A Foundation Phase II Grant (6913) Budget Utilisation (July 2018 – October 2019) Unaudited Figures.
- C&A Foundation & OCA (2019). Annex B1: C&A Foundation Phase II Programme Allocation.
- C&A Foundation & OCA (January 2019). Mid-Year Monitoring Report.
- C&A Foundation & OCA (June 2019). End-of-Year 1 Monitoring Report.
- C&A Foundation & OCA (November 2019). Mid-Year Monitoring Report 2.
- Laudes Foundation & OCA (July 2020). End-of-Project Self-Evaluation Report.
- Laudes Foundation & OCA (2020). End-of-Year Monitoring Report (July 2020–December 2020).
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Appendix IX Terms of Reference



Terms of Reference

External Interim Evaluation of the Organic Cotton Accelerator Initiative funded by Laudes Foundation

Laudes Foundation seeks an Evaluation Team for undertaking external interim evaluation of the Organic Cotton Accelerator initiative that is funded by Laudes Foundation. **Complete proposals must be submitted to by 25 June 2021.** More details are given below in the terms of reference.

I. Introduction

Laudes Foundation is an independent foundation and part of the Brenninkmeijer family enterprise. Launched in 2020, we build on the six generations of entrepreneurship and philanthropy and stand next to the COFRA businesses and the family's other private philanthropic activities, including Porticus, Good Energies Foundation and Argidius Foundation. Although independent from them, we learn from their past and present experiences. In particular, Laudes Foundation will advance the industry-changing work of C&A Foundation.

Laudes Foundation is commissioning an interim evaluation of the Organic Cotton Accelerator (OCA), a multi-stakeholder initiative to arrive at an objective assessment of the extent to which OCA met its goals till date and the extent to which it is fit for purpose, to document the missed opportunities and provide a focused set of recommendations and lessons that will enhance learning and inform the strategies and programmatic decisions of OCA and similar initiatives. The OCA initiative aims to create the conditions for organic cotton to thrive; by convening the sector around a common agenda, improving farmer prosperity and bolstering the integrity of the organic cotton sector

The terms of reference present a brief description of the initiative; scope and objectives; evaluation methodology; stakeholder involvement; roles and responsibilities; evaluation process; deliverables; audience and dissemination; consultant qualifications. .

The evaluation is required to be completed and submitted to Laudes Foundation by 30 September 2021.

¹ External Interim Evaluation of the Organic Cotton Accelerator (OCA) initiative

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II. The Initiative

The Organic Cotton Accelerator is a multi-stakeholder organisation with the mission to turn organic cotton in a prosperous sector that benefits all - from farmer to consumer. It was founded on the premise of addressing the key challenges of the organic cotton sector which were:

- No clear business case for organic cotton farmers - at present it is not profitable for farmers to grow organic cotton
- A critical shortage of quality non-GMO organic seeds that perform well under low input organic farming conditions
- Serious integrity issues hindering the sector's reputation and growth
- Fragmentation in the sector with no central vision or a steering organisation setting and implementing a sector agenda

To fix a broken sector, the foundation, C&A business and other brands collaboratively incubated a platform (OCA) that aimed to build on existing initiatives, mobilize action and unite different stakeholders to work towards a common organic cotton sector vision and agenda. The initiative's objectives are to foster industry collaboration for a more prosperous organic cotton sector. The initiative, incubated in 2016, has been funded from 2018 onwards through a series of implementation and core funding grants. OCA's first phase in 2016-2017 was a prototype phase for a) sourcing pilots with brands designed to improve the business case for organic cotton farmers and to secure the integrity of organic cotton b) seed breeding programmes in India to start addressing the acute shortage of non-GMO seeds and c) traceability. The second phase (2018 to 2020) was aimed at designing pilots and interventions to scale based on the results of phase one. The scope of the second phase was broadened by not only adding more partners/members but also by creating the appropriate structures to attract funding and investing it in the correct interventions while OCA securing its own sustainability as an organisation. The third phase (2020-2023) is being used to make OCA fit-for-purpose, build a five-year strategy including exploring geographic expansion, bolster its Secretariat capacity, refine sourcing pilots, accelerate solutions to non-GMO seed access, and catalyse increased funding. The approach involves the following activities:

- Grow the FED Programme - Increase in participating brands and retailers, and farmers engaged. Pilot new farmer payment models and develop scalable business models.
- Improve seed and integrity - Release new non-GMO cultivars for commercial multiplication, enable improved seed sourcing decision through access to seed performance information, and pilot an end-to-end traceability system for organic cotton

^{2]} External Internal Evaluation of the Organic Cotton Accelerator (OCA) initiative.

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- Pilot Organic Cotton Fund - Conduct a feasibility study, develop a business plan for OCF and operationalise the fund
- Strengthen communication - Define value proposition and brand narrative, and attract increased investments to support sustainability of operations.

Certification alone is not enough for impact for cotton farmers. OCA as a market-based sector-level MSI will continue to support the production and uptake of organic cotton, while the foundation will expand its approach to address bigger challenges around sustainable land use, climate crisis, and growing inequality.

Laudes Foundation has provided approximately EUR 1.2 million from 2018-2020 and EUR 3.6 million from 2020-2023 onwards for support to Organic Cotton Accelerator. Additional grant related details will be provided to the evaluation team by OCA and Laudes Foundation.

III. Scope

The interim evaluation should assess the progress and impact of the initiative till date¹. The evaluation will also generate lessons learned and recommendations for the ongoing initiative and will feed into any other external evaluations of initiatives implemented by OCA. The evaluation must assess the extent to which the initiative's design and implementation contributed to its ability to realise intended outcomes till date. It must identify missed opportunities and potential for leveraging and building upon the initiative, as required. The interim evaluation will cover the grants from 2018 onwards to:

- Assess the relevance and value of OCA (role of multi-stakeholder initiatives) to the organic cotton sector
- Assess factors (in design and implementation) that have contributed to or impeded achievement of outcomes
- Examine the opportunities and challenges in fostering collaborative action for systemic change in the global cotton industry
- Distil actionable and strategic recommendations and lessons from the findings, for the next few years.

The objectives should be considered within the context of the non-linearity of systems level change, review the approach and the journey taken so far, to ensure that all of the lessons accumulated over the past three years can be integrated and built upon. This to ensure that the effectiveness of the initiative can be maximised going into their next phase of work.

¹ Please see logframe for the grant in Annex 1

² External Interim Evaluation of the Organic Cotton Accelerator (OCA) initiative

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IV. Objectives and Questions

The Evaluation Objectives are to:

1. Review the strategy, approach and design implemented by Organic Cotton Accelerator in achieving and / or progress towards outcomes
2. Assess factors (in design and implementation) that have contributed to or impeded achievement of outcomes
3. Examine the quality of the design and implementation of the initiative, the preconditions, and levers used by the initiative in achieving intended outcomes as well as assess the impact, sustainability and scalability of OCA
4. Distil actionable and strategic recommendations and lessons from the findings.

Evaluation Questions: The evaluation questions will be designed in order to allow a sound assessment of the relevant rubrics and may include, but are not limited to the following:

A. Design and Implementation

- How has the design, including the governance model, identify and allow creation of solutions for 1) the most important issues/needs; 2) the strengthening of organisations and networks ; 3) the creation of and influence on a sector wide agenda for fixing problems in the organic cotton sector?
- Has OCA been engaging with the 'most appropriate and relevant' stakeholders who could facilitate collective impact in the organic cotton sector? How effective is the initiative in engaging and motivating relevant partners? Has OCA employed foresight and action to tackle various challenges in the sector?
- How well is the initiative aligned to Laudes Foundation's vision and mission and OCA's strengths, capacities and priorities?
- How well is Organic Cotton Accelerator being executed? Did the actions that the initiative undertook result in unstoppable momentum towards an organic cotton sector?
- Did the approaches and implemented activities align with and contribute to the intended outcomes of the Organic Cotton Accelerator? Are the activities implemented by the Organic Cotton Accelerator executed in an efficient manner? Are the programme targets being achieved on time? Are the targets realistic given the scale of operations?
- What trade-offs and adjustments, if any, have been made by OCA in order to drive efficiency?
- Is OCA fit for purpose? Is the staffing and resources at an appropriate level to effectively and efficiently implement the programme (quantity and quality), particularly in the context in which it operates (namely at the level of farmers, and business actors/ brands)?
- What monitoring approaches have been put in place to inform adaptive management? How has data and knowledge been collected and used by OCA to evaluate momentum in the industry?
- How was communication conducted both internally and externally? What communicative products or approaches have been useful to OCA and did any gaps exist?

4. External Interim Evaluation of the Organic Cotton Accelerator (OCA) initiative

B. Outcomes / Results

- What have been the results of the Organic Cotton Accelerator (till date)? Has OCA meet the intended results overall? What is the evidence of OCA's overall effectiveness, and with respect to:
 - Farmer engagement and development (FED) programme (sourcing pilots and projects)
 - Seed integrity and community investment (SICI)
 - Strategy and governance per the logframe targets
 - Organic cotton fund (OCF)
- How well has the initiative been able to contribute to influencing mindsets, beliefs and assumptions to create alignment with the vision for an organic cotton system?
- Is OCA on the appropriate trajectory (using both foresight and agility) to strengthen action for enabling systemic change as a multi-stakeholder initiative given the challenges that exist in that context?
- Does OCA have the influence as a MSI to contribute towards changing narratives (mental models and assumptions) of business actors (brands), farmers, within the organic cotton sector? How effective has OCA been in identifying and prioritising enablers for the industry to thrive?
- Is OCA on the correct trajectory to contribute towards wider system shifts and industry transformation in the organic cotton sector? Which of these strategies and processes, if not all as a whole, can be replicated?
- Has Organic Cotton Accelerator functioned effectively and efficiently till date? This question will consider (*inter alia*):
 - Functional structure – To what extent was OCA 'fit for purpose' – both as an entity and as a multi-stakeholder initiative?
 - Adequacy and appropriateness in development of OCA 2.0 and strengthening of the governance function
 - Quality of relationships; selection of partnerships / coordination / collaboration / cooperation and communication
 - Identify factors that enabled or impeded the partnership and collaboration function
 - Adequacy of governance, human and financial capacities and systems in place to support the operations and attainment of results.
- How well has OCA been able to promote business model in the organic cotton sector that is just (provision of fair value to farmers) and environmentally sustainable?
- How well has OCA been able to design, implement and in the new ways of working it creates ensured that the beneficiary groups (farmers and brands) are achieving the key outcomes they need and desire? What, if any, gaps in support can be observed and why?
- What unintended results (positive or negative) did the processes employed by the Organic Cotton Accelerator produce?
- Did OCA sufficiently involve/engage/collaborate with relevant actors and stakeholders in inclusive, powerful and transformative ways? If so, how? How did the multi-stakeholder approach enable legitimacy and accountability?

5 | External Interim Evaluation of the Organic Cotton Accelerator (OCA) initiative

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- What has been the effectiveness of engagement with OCA affiliate members (brands, civil society partners, etc.) and other stakeholders that are not OCA affiliate members (suppliers, implementing partners etc.) in achieving the programme results?
- What external and internal factors as well as challenges and risks have influenced the implementation, successes and failures? And why?
- What are the drivers (both positive and negative) that influence the implementation of OCA's strategic approach? What should OCA do to scale and sustain these in the future?
- What are the main lessons learned from the initiative?

C. Long-term value

- To what extent are there signs that the initiative is on track to promote a widespread and thorough implementation of sustainable practices?
- Where has the initiative been able to build the foundations for its financial sustainability? To what extent has OCA garnered co-financing or additional funding beyond that of Laudes Foundation's support?
- To what extent has OCA been able to assure viability (such as those for pilots) both for long-term and for scale? What were the missed opportunities?
- What are the main factors that promoted and/or reduced OCA's sustainability and results?
- How likely is it that this initiative would be effective in other contexts?
- What strategies or approaches adopted by the OCA could produce medium-term and long-term impacts for the sector?

V. Methodology

The evaluation should employ a mixed methods approach to ensure sufficient data gathering. The evaluation design will be primarily based on a review of the existing documents and key informant interviews. The evaluation methods for assessing the effectiveness of initiatives working on systems change and with convening and collaboration are mixed leaning more towards qualitative methods. The qualitative data will be used to triangulate evidence and provide critical insight into the evaluation questions above. It is often challenging though, because of the many stakeholders involved and each has a different perspective. Institutional affiliations also affect the intended outcomes and their diversity². It is expected that evaluation methodological framework will draw on how to measure the outcomes of OCA as both a multi-stakeholder initiative and as an entity; and collective impact and will include, as appropriate:

² Multi-Stakeholder Engagement Process – A UNDP Capacity Development Resource, November 2008 United Nations Development Programme (Accessed on 9 October 2019 - <http://www.undp.org/content/dam/undp/library/publication/en/publications/capacity-development/drivers-of-change/accountability/multi-stakeholder-engagement-processes/Engagement-Processes-cp7.pdf>)

⁶ External Interim Evaluation of the Organic Cotton Accelerator (OCA) initiative

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- Contribution analysis
- Stakeholder analysis assessment
- Integration and cooperation assessment
- Fit for purpose assessment

In doing so, the evaluation will be required to employ a mixed-methodological approach to ensure that evidence gathered can be sufficiently triangulated to deliver aggregate qualitative judgments on the basis of a broad range of data: documentary; interviews with staff of OCA, Laudes Foundation³ and affiliate members; and a structured micro-survey.

Qualitative data will be used to provide critical insight into health and effectiveness of the initiative, how it has contributed to systems change, and how it has supported the delivery of results or not. The evaluation will also review the strategic approach of OCA and employ a fit for purpose review. The evaluation will follow, but is not restricted to, the below mentioned data collection methods. Attention needs to be paid to triangulating feedback different actors in order to ensure validity. Rigorous qualitative approaches (e.g., content analyses) should be employed to analyse and examine data, causality and contextual influencing factors, where possible.

Portfolio and documentary review will be conducted based on all existing initiative related documents and data held by Organic Cotton Accelerator. The review (alongside initial interviews) will be conducted first.

OCA will provide all information, documentation, data and access reasonably requested by the consultants and will not be required to disclose any confidential information (of itself or any third party) nor any information containing personal data.

Semi-structured Interviews will be conducted with informants including:

- OCA staff and board members
- OCA affiliate members (Brands / other actors etc.)
- Laudes Foundation staff⁴
- Industry level partners and actors (business, supply chain actors, etc.)

Structured micro-surveys will be considered to complement and inform qualitative data streams gathered internally and externally. In doing so, consideration should be given to tailored surveys to stakeholders to get relevant feedback on the performance and value addition of OCA thus far.

⁴ Laudes Foundation staff must be interviewed for their roles both as a donor and as an affiliate member of OCA.

⁷ External Interim Evaluation of the Organic Cotton Accelerator (OCA) initiative

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Rubric and Rating system: The evaluation team will use the evaluation rubric and rating system (Harmful, Unconductive, Partly Conductive, Conducive and Supportive, and Thrivable) that rates OCA's overall performance. The assessment of each rubric will take into account both the systemic change context and the maturity of the initiative. The rating will be developed in consultation between OCA and the evaluators.

Sampling: Purposive sampling will be done for identification of key stakeholders and business actors for surveys, interview and focus groups. Stakeholder Involvement is critical to the successful execution of the evaluation. The evaluation is expected to employ a participatory approach providing for meaningful involvement of partners engaged in the initiative.

VI. Stakeholder Involvement

Stakeholder involvement is critical to the successful execution of the evaluation. The evaluation consultancy is expected to retain independence in coming to judgments about the initiative but employ participatory and collaborative approach providing for meaningful involvement of Laudes Foundation and OCA management and staff, and actors (government, NGOs, business actors, etc.) involved in the partnership.

The key stakeholders are:

- Relevant OCA staff both part of management and those involved in the initiative
- OCA Board members
- Key staff at Laudes Foundation involved with this initiative
- Relevant staff at industry actors
- Affiliate members
- NGOs and business actors involved

The draft report will be discussed in a meeting and also circulated to relevant OCA and Laudes Foundation staff and management for review and comments prior to finalisation.

VII. Roles and Responsibilities

The Senior Evaluation Manager at Laudes Foundation⁵ (the Evaluation Manager) is responsible for:

- Overall responsibility and accountability for management and delivery of the evaluation up to and including approval of the final report;

⁵ The Senior Evaluation Manager at the Laudes Foundation is not involved in the management of the initiative or the day to day operations.

⁸ External Interim Evaluation of the Organic Cotton Accelerator (OCA) initiative

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- Technical guidance for the evaluation consultants throughout the implementation of the evaluation up to and including participation / observation of remote data collection where possible;
- Leadership of the evaluation draft report review process including collating comments and facilitating discussion and management responses; and
- In all of these roles, necessary support will be provided by other members of the Laudes Foundation Effective Philanthropy Team – Director of Effective Philanthropy.

The Programme Manager at Laudes Foundation is responsible for:

- Co-selection of rubrics for the OCA initiative grant;
- Facilitation on the evaluation including access to initiative related data, all documents, and access to stakeholders (internal and external);
- Reviewing and commenting on drafts of the inception and evaluation report; and
- Preparing a management response, as and when necessary.

The Programme Manager at Organic Cotton Accelerator is responsible for:

- Finalisation of of rubrics for the OCA initiative grant;
- Facilitation and day-to-day assistance to the evaluation consultants including access to initiative data, all documents, and access to stakeholders for data collection;
- Reviewing and commenting on drafts of the inception and evaluation report;
- Preparing a management response, as and when necessary.

The evaluation consultants are responsible for:

- Defining the use of the rubrics in the evaluation;
- Conducting all necessary qualitative and quantitative assessments and fieldwork;
- Day-to-day management of the evaluation;
- Regular formal and informal reporting to the Evaluation Manager;
- Participation in key evaluation related meetings (kick off meeting, inception report meeting and draft findings meeting etc.)
- Production of deliverables (inception report and evaluation report) in accordance with the Terms of Reference and contractual arrangements.

The evaluation consultants will report to Ms. Savi Mull, Senior Evaluation Manager, Laudes Foundation on all issues related to the evaluation, contracts, fees and expenses, and deliverables and commenting / responses processes.

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VIII. Evaluation Process

The evaluation will be carried out in conformity with the principles and standards set out in Laudes Foundation [minimum requirements](#) and [policy](#) for Monitoring and Evaluation.

The consultants will prepare an evaluation **inception report** and **work-plan** that will operationalise the Terms of Reference and outline the use of [rubrics rating system](#) in the evaluation. The inception report will be based on initial documentary review and preliminary interviews with different actors.

The inception report and work-plan will address the following elements: expectations of the evaluation; roles and responsibilities within the evaluation consulting team; elaboration of the initiative programme theory, as appropriate; selected rubrics for the initiative; any refinements and elaboration to evaluation questions; methods – qualitative and quantitative and data collection, including possible constraints; outline of the final evaluation report and an evaluation matrix linking questions – methods – data sources and indicators.

The inception report and work-plan will be approved by the Evaluation Manager and act as an agreement between the consultants and the Laudes Foundation on how the evaluation is to be conducted.

The consultants will prepare the **draft and final evaluation reports** that describe the evaluation methodology, findings, recommendations and key lessons.

If significant differences arise regarding the interpretation of evidence between Laudes Foundation and Organic Cotton Accelerator programme management on the external evaluation report, an opportunity will be provided to formulate a management response to the findings and recommendations. This will be published with the final report.

The main activities and evaluation timetable for this consultancy is set out below:

| Evaluation Process | Deadline | Responsibility |
|--|-------------------|---|
| Selection and contracting of consultancy | 1 July 2021 | Laudes Foundation (Senior Evaluation Manager) |
| Inception report preparation | 20 July 2021 | Consultant Team |
| Completion of documentary review / interviews and data collection (remote) | 30 August 2021 | Consultant Team |
| Draft report for comment | 15 September 2021 | Consultant Team / Senior Evaluation Manager (facilitator) |

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| | | |
|--|-----------------------|--|
| Final report | 30 September 2021 | Consultant Team |
| Preparation and copy-editing of report | October 2021 | Laudes Foundation (Effective Philanthropy Team) |
| Dissemination of the evaluation | November 2021 onwards | Laudes Foundation (Effective Philanthropy Team) |

IX. Deliverables

The evaluation requires the consultant to submit the following deliverables:

- Inception report
- End of Data Collection – initial findings workshop or a virtual call to Laudes Foundation and OCA staff
- Draft evaluation report
- Findings/Sense-making Meeting (in person meeting with relevant Laudes Foundation and Organic Cotton Accelerator staff)
- Final evaluation report, not to exceed 30 pages, with a two page executive summary

X. Audience and Dissemination

Main audiences for the evaluation will be: Laudes Foundation and Organic Cotton Accelerator. The final evaluation report will be published by Laudes Foundation and Organic Cotton Accelerator and disseminated through websites and social media.

Learning products including a lessons notes will be developed after the completion of the evaluation.

XI. Consultant Requirements and Level of Effort

Applicants may be individual consultant, a group of individual consultants with a designated team lead, or consulting companies with relevant evaluation expertise. Applicants must have at a minimum the following qualifications:

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- Substantial experience in conducting evaluations of a high standard with experience in supply chains, multi-stakeholder initiatives sustainable cotton and/or initiative promoting collaboration;
- Programmatic / strategic evaluation experience to inform further development of operations related to field building and multi-stakeholder initiatives;
- Additional experience is expected in:
 - Methods for evaluating systems change and/or collaborative initiatives;
 - Theory-based evaluation designs;
 - Qualitative methods;
 - Local context (country; region)
- Strong facilitation skills and proven ability to lead participatory processes;
- Team composition must be consider appropriate diversity and gender-balance;
- At least one member of the team must be familiar with the Indian context and fluent in Hindi;
- Fluency in English (spoken and written) is essential; and
- No conflict of interest with Laudes Foundation and Organic Cotton Accelerator.

The expected level of effort for the evaluation is approximately 30-40 working days. This is an estimate – the level of effort proposed must be aligned with the proposed methodology.

Please submit the following to Ms. Savi Mull, Senior Evaluation Manager, Laudes Foundation s.mull@laudesfoundation.org by 25 June 2021.

A. Technical Proposal

- A narrative proposal (no more than 5 - 6 pages excluding annexes) and including the following sections:
 - a) **Evaluation Methodology:** Describe your overall approach and evaluation methodology including, and not limited to, evaluation questions, evaluation design and methodology.
 - b) **Relevant Experience:** Provide details of projects of similar scope, complexity and nature you have worked on previously. Please include any experience with multi stakeholder initiatives and system change initiatives. Include also any experience with formative and/or summative evaluations in sustainable cotton.
 - c) **Specific Expertise:** Describe your level of knowledge and expertise conducting partnerships and systems change initiative evaluations.
 - d) **Key Personnel and Staffing:** Describe the key personnel. Include CVs (no more than 2 pages each and attached as annex) of key personnel who would be part of the proposed plan.
 - e) **Timeline:** Include a detailed timeline of key activities.
 - f) **Sample reports:** Two sample evaluation reports authored by the team lead (will be treated as confidential and used for purposes of selection)

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B. Financial proposal

- The financial proposal should include a line-item budget and a budget narrative that includes costs of proofreading and formatting the deliverables. The cost estimates used to prepare the budget should be presented in Euros.

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