Independent Evaluation of the Cotton 2040 Initiative

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Table of Contents

Executive Summary

Cotton 2040 is designed as a convening initiative for integrating and accelerating action on critical issues to mainstream sustainably grown cotton through a systems-change approach. C&A Foundation has provided the primary source for programmatic support to the implementing partner, Forum for the Future, for Cotton 2040 activities from 2014-2018.

The initiative's approach is intended to align the efforts of key industry stakeholders, including garment sector brands, retailers, and voluntary standards-based organizations focusing on the production of sustainable cotton. As the initiative evolved over time, its objectives have been to develop a shared and enhanced understanding of future challenges and opportunities for the garment sector; identify the areas in which action needs to be taken to create long term viability for the cotton sector; and initiate collaborative action in priority areas to help create systemic change in the sector for sustainability.

Relevance. The evaluation finds that Cotton 2040's strategies and objectives were relevant and appropriate in the context of driving systemic change in the global cotton industry. The initiative sought to engage with appropriate stakeholders and strategies were aligned with the C&A Foundation's vision and mission for sustainable materials. The initiative adopted a phased design and approach, which was appropriate for scoping exercises during initial phases, which provided a basis for implementation. In later implementation phases, the initiative filled an important gap; for many respondents, its principal value addition came by the creation of a neutral space for potential alignment of sustainable cotton standards and codes in terms of traceability and impacts.

Efficiency. Given the complexity of the task of convening a wide range of stakeholders with varied and sometimes opposing assumptions points of view, the evaluation finds that the initiative achieved results commensurate with efforts and funds expended. Several factors, however, impeded efficiency particularly as the initiative moved from scoping and scenario-based planning in earlier phases toward implementation in latter phases. The core approach of the initiative placed primary emphasizes the process of co-creation of a sourcing guide with collaborating partners. Because this was viewed as a critical element in the initiative's approach, development of the guide was dependent on inputs from standards-based sustainable cotton collaborators, and there were differing views among these partners as to the way in which materials should be presented. Interview respondents also pointed to gaps in the implementing partner's technical expertise as a potential constraint to efficiency.

Effectiveness. Despite these critiques, participants involved almost universally viewed the transparent processes adopted by the implementing partner as contributing to the creation of a neutral, 'standard agnostic' space for dialogue among sustainable standards and codes. Standards and codes participated in both the co-creation of a sourcing guide, the development of which required substantial input and negotiation among standards organizations. These experiences provided an opportunity for dialogue among

sustainability standards and codes. Industry respondents also viewed scoping exercises as innovative, enabling them to view the cotton sector's potential futures.

The initiative has created a basis for further stakeholder engagement with standards organizations. However, two key questions remain about the initiative's potential. The first is the degree to which the Cotton UP sourcing guide will have an impact beyond early adopter community of brands and retailers. Second, now that an agreement in principle has been reached with standards and codes-based organizations, further efforts to harmonize impact measures will depend on the ability of the initiative to foster agreement and implementation.

Sustainability. Key interviewees mentioned that field of sustainable cotton is becoming an increasingly "crowded space," and that many initiatives are dependent on financing from a relatively limited pool of philanthropic actors and brands. In terms of the initiative's financial sustainability, because the initiative emphasizes system-wide change rather than providing direct benefits to brands and retailers, the implementing partner reports that obtaining the full amount of expected leveraged funding from brands and retailers has been difficult.

Conclusions

The evaluation found that the initiative is relevant and that its strategies are aligned with goals and objectives of the Foundation and SDGs related to sustainable production and consumption. There were some challenges in terms of efficiency, effectiveness, and sustainability, but at the same time, these were due in part to a variety of mitigating factors related to the process of co-creation described above.

The initiative chose an incremental approach to implementing the initiative, building on a series of smaller short-term grants. Although this approach was useful during scoping and scenario-planning phases, as the initiative moved to implementation of co-creation of a sourcing guide and creating a standards-agnostic neutral environment for collaboration on traceability and impacts, it would have been preferable that these occur within the context of a longer-term strategic and operational plan. To ensure greater efficiency and effectiveness, as the initiative moves forward into more technical areas, especially those involving measuring impacts, it will become increasingly important for the initiative to involve Forum for the Future staff or partners with expertise in measurement, monitoring, piloting data collection, and ensuring data quality and credibility.

Recommendations

For the C&A Foundation

Systemic change initiatives are an appropriate use of resources, particularly for the longer term, and the neutral intermediary approach, which Cotton 2040 has modeled, is appropriate for such interventions. The recommendation is therefore that:

1. The Foundation should consider continuing funding to convening initiatives for sustainable cotton.

For the C&A Foundation and Forum for the Future

Following on the above recommendation, the specific recommendation in the case of Cotton 2040 is that:

2. A monitoring and evaluation tailored for convening initiatives should be developed. In addition to log frames with appropriate milestones for outputs and outcomes, the plan should include criteria for future independent evaluations and an outline of an evaluation plan.

For Forum for the Future

In terms of strategic planning:

3. Initiate a comprehensive medium-term (3-5 years) plan for sustainable cotton interventions, demonstrating clear objectives and pathways and communicating these to the funder and key stakeholders. At a minimum, this plan should:

In terms of work with traceability and impacts:

4. Convene and facilitate collaboration among standards to align traceability and impact measures.

In terms of building demand:

5. Include in its medium-term planning, plans to collect and incorporate user feedback on relevance and usability of the sourcing guide, with a particular focus on smaller and medium size brands and retailers, brands and retailers that have not committed to sustainable sourcing or are in early phases of developing their approach to sustainability, and brands, retailers, and garment manufacturers in Asian and Latin American markets.

I.   Background to the Cotton 2040 Initiative

Cotton 2040 was designed as a convening initiative for integrating and accelerating action on critical issues to mainstream sustainably grown cotton through a systems-change approach. Although there is still a consensus within the development sector that localized initiatives will continue to be important, there is also an increasing realization that a systems approach is required to address the scale and complexity of more intractable problems. This is particularly true for the cotton sector, whose value chain has been described as opaque.[1]

Cotton 2040 is an example of a complex initiative for systems change, in that it aims at creating a shared vision among its collaborators, which requires close coordination among stakeholders, and promotes standardization of terminologies and processes, based on collective action. In the case of cotton, conventional production is often perceived as associated with significant social, environmental and economic impacts, including over-consumption of water, inappropriate or excessive use of pesticides and fertilizers, low incomes of smallholder farmers, and soil degradation. However, most studies reviewing these impacts are geographically localized,[2] with few studies have taken a comprehensive approach in studying social or environmental effects over time and across a variety of cultural and geographic contexts.[3]

The initiative's approach is intended to align the efforts of key industry stakeholders through joint action and collaboration to develop a shared and enhanced understanding of future challenges and opportunities for the cotton sector; identify the areas in which action needs to be taken to create long term viability for the industry; and to initiate collaborative action in priority areas to help create systemic change in the industry for

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[1] See, for example, Human Rights Watch, *Follow the Thread: The Need for Supply Chain Transparency in the Garment and Footwear Industry,* April 20, 2017

[2] See, as recent examples, Christine Altenbuchner et al., 2018. Social, economic and environmental impacts of organic cotton production on the livelihood of smallholder farmers in Odisha, India. Renewable Agriculture and Food Systems, Cambridge University Press, Volume 33 Issue 4; and de Hoop et al., Social and Economic Impact Assessment of Cotton Farming in Madhya Pradesh. American Institutes for Research, 2018.

[3] As an example, there still remain few comprehensive reports on the social or environmental impacts of cotton. The most comprehensive literature review on social impacts was completed over a decade ago by Ergon (2008), Literature Review and Research Evaluation relating to Social Impacts of Global Cotton Production for the ICAC Expert Panel on Social, Environmental and Economic Performance of Cotton. The review of some 168 sources suggests that there are significant negative social impacts associated with cotton cultivation. However, the report also notes that a substantial proportion of the literature reviewed takes the form of case study or 'bearing witness', and may be aligned to an advocacy position, and notes that this may be because many of the organisations most likely to provide resources to undertake social research on the social sustainability of cotton – or equally on labour rights in agriculture – are those organisations which seek to establish that current practices are not yet sustainable and that such literature may be perceived to be motivated. This study therefore suggests that a broader frame of reference is required in order to understand both the positive and negative impacts of cotton production and that harmonized and repeated multi-local studies are needed to properly assess impacts.

sustainability. C&A Foundation has provided Euro 556,386[4] for programmatic support to Forum for the Future from 2014-2018 through a series of programmatic grants in a phased approach as follows:

Phase 1, 2014: Preparing revised scenarios describing potential futures for cotton

Phase 2, 2014-2016: Building a sustainable future

- Presenting scenarios in initial stakeholder meetings

- Formulation of working groups

- Developing action plans for these working groups, including recommendations for stakeholder meetings

- Sourcing financial commitment from stakeholders

Phase 3, 2016-18: Creating a systemic shift towards sustainable cotton

- Collaborative cross-industry initiative for sustainable cotton

- Implementing a traceability work stream across sustainable cotton standards

- Implement a building demand work stream, including developing and promoting the use of a sustainable cotton sourcing guide

Although increasing production and uptake of sustainable cotton products has potential to create positive change, there are still substantial barriers to its uptake, some of which the initiative is attempting to address. The initiative's theory of change is that if assistance is provided to apparel industry professionals to develop and implement *sourcing strategies* across multiple sustainable cotton standards, this will result in reduced confusion and help brands and retailers adopt a strategy for sustainable cotton using a portfolio approach. It will also result in developing common language for *traceability* and *metrics to capture impacts*. Combining these approaches is expected to contribute to greater uptake of sustainable cotton, and to contribute to larger objectives, such as increasing resilience for smallholder cotton farmers and a reduction of deleterious social and environmental impacts.

Structure of the Initiative

Since its inception in 2015, Cotton 2040 identified four potential areas for collaboration: 1) aligning and harmonizing traceability standards; 2) improving resilience among smallholder farmers; 3) accelerating circularity in cotton and 4) building demand for

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[4] This figure does not include an earlier small grant for land-use management, which is not included in the current scope of this evaluation.

sustainable cotton products. With one exception,[5] the initiative works primarily in two workstreams, namely working with brands and other entities to *build demand for sustainable cotton*; and working with standards-based organization to *develop shared language for impacts*. The two major workstreams and associated two working groups are as follows:

- The majority of organizations, including brands, contribute to and participate primarily in work groups related to the building demand workstream.

- The traceability and impact workstream is comprised of a sub-set of the organizations involved in the building demand workstream, and consists of the standards and related organizations, namely Better Cotton Initiative (BCI standard), Cotton Connect (REEL code), Cotton Australia (myBMP standard), Cotton Made in Africa (CMiA standard), Fairtrade Foundation (Fairtrade cotton standard), and organic standards-related organizations (Textile Exchange; Organic Cotton Accelerator).

Building Demand Workstream

As originally conceived, the building demand workstream was to have two activity tracks: 1) creating a sustainable fiber strategy framework; and 2) convening and engaging brands and retailer's chief executive officers (CEO) or other senior leaders. The initial goal of these activities were to provide resources to help companies interested in increasing their sustainable cotton sourcing to define options and develop strategies across different standards; to engage and support internal sourcing and procurement teams to prefer and increase the purchase of sustainable cotton; to research and develop an outreach program for senior executives from across the industry on the value and importance of sustainable cotton; to engage individual companies to use the tool to either begin or increase sustainable cotton sourcing.

During the period from 2016-18, 40 CEOs committed to source 100% of the cotton they use from sustainable sources by 2025 as part of their engagement with the Prince of Wales Charities International Sustainability Unit (ISU). Forum for the Future, as the Cotton 2040 implementing partner, did not work directly with brand and retailer CEOs to the extent originally planned. Rather, Textile Exchange (TE), a Cotton 2040 collaborator, acted as the sustainable cotton sector's primary liaison with the ISU. According to a TE respondent, TE had already been in conversations with ISU during the design phases of Cotton 2040, brokered initial contacts between the Forum and ISU, and after the communique with CEOs was signed, agreed to chart progress towards ISU sustainability goals through TE's preferred fiber and materials report.

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[5] The initiative is working with Burberry, with whom it has conducted scoping exercises related to smallholder farmer resilience. This element does not utilize C&A Foundation funding.

Because of this and other factors, the initiative's building demand workstream shifted focus from directly engaging CEOs to developing resources designed to help brands and retailers to: 1) supporting corporate strategies for cotton sourcing across the range of existing sustainable cotton standards and codes; 2) providing common definitions of sustainable cotton across sustainable cotton standards; and 3) providing tools to support brands and retailers for targeted outreach. To this end, as a key output related to assisting in creating a sustainable cotton fiber framework, the CottonUP guide was launched in mid-2018 and became fully operational by late 2018. Since this launch, the initiative has also committed to an outreach campaign to promote the guide's use and uptake.

Traceability and Impacts Workstream

The lack of traceability back to the farm or plantation level makes it difficult for brands and retailers to understand how much of a positive impact sustainable cotton sourcing is having throughout the supply chain. A dearth of reliable and comparable data on issues related to issues such as water use and pesticide reduction has made it difficult for brands and retailers to tell a convincing story to ethically-minded consumers. Although advances in information and communications technology (ICT) can contribute to making accurate data collection and analysis more feasible, the various sustainability standards, certification systems, and codes of conduct often use different traceability systems and measures of impact, with the result that brands and retailers wanting to source across standards need to navigate multiple entry points and frames of reference. This makes the process of sourcing sustainable cotton across multiple standards more complex and presents a potential barrier to increased uptake.

During 2016 to 2018, a traceability workstream was created, which eventually involved seven organizations using standards, certification systems, and codes. The initial focus was to have been on traceability, but as the initiative progressed, the importance of having a shared language on impacts became increasingly apparent. This led to a more current focus on planning for shared impact metrics and indictors for sustainable cotton, but still with the objective of ensuring progress towards harmonization and alignment for improved efficiency and accuracy in the collection of traceability data. Partners in this workstream include the three major certification bodies, Fairtrade, the Better Cotton Initiative, and Textile Exchange - along with other four other key players, including regionally based initiatives such as Cotton Made in Africa (CMiA) and Best Management Practices (myBMP) promoted by Cotton Australia, as well as the Cotton Connect-initiated REEL program and the Organic Cotton Accelerator (OCA).

Through the traceability and impacts workstream, Cotton 2040 sought to address these and other key challenges to better align activities and efforts of

standards and certifications, brands, retailers and other partners through: 1) developing a roadmap for improved traceability for the industry and consultation with the standards; and 2) aligning approaches across the standards. The initiative identified the main challenges to traceability in cotton supply chains as:

- *Duplication of efforts and excessive cost and time for data handling relating to certification*, which discourages brands and suppliers, particularly those wishing to source using a portfolio approach
- A *weak business imperative* as perceived by suppliers, particularly in light of the extra effort involved in certification processes
- *Certification fraud* and *credibility*
- Lack of consistent, comparable *impact data* to show impact delivered for investment in sustainable cotton
- *Lack of clarity over the complementary roles for mass balance and physically segregated supply* calculations
- Competing needs between *data confidentiality* (competition) and *visibility* (collaboration) in traceability systems.

The initiative has also cited the desirability of having a common language and definition when measuring impact, and has committed to identifying areas for greater harmonization between the sustainable cotton standards. To date, this work has been done through convening and working within a pre-competitive multi-stakeholder work group designed to enhance the efforts of industry stakeholders, particularly the sustainable cotton standards, by facilitating collaboration and alignment. In addition, the initiative has received input and participation from the ISEAL Alliance, a global membership association for credible sustainability standards.[6]

Steering group

As of December 2018, the initiative had a steering group for the initiative as a whole, consisting of 18 representatives from 14 organizations, primarily brands and funding partners including the primary funder, C&A Foundation, and organizations involved in establishing standards and norms for sustainable cotton.

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[6] In addition to consultations with ISEAL, initiative staff have been in conversation with other standards and organizations including GOTS and Cotton Inc., but has not yet invited these potential contributors to become part of the working group and do not intend to do so until they make further progress with the current traceability and impact measurement agenda with the existing standards.

II.   Scope and Objectives of the Evaluation

This independent external evaluation of Cotton 2040 is intended to: 1) assess the extent to which the initiative and its two major workstreams have achieved intended objectives; and 2) document significant learning from the initiative. The evaluation covers the grant period from 2014 through 2018. As described below, the evaluation draws on elements of contribution and stakeholder analytic methods to assess the extent to which the initiative's design and implementation contributed to its ability to realize intended systemic outcomes.

The specific objectives of the evaluation are to:

- Assess the relevance of the design and approach within the operational context
- Assess the evidence on Cotton 2040's effectiveness and the extent to which approaches used by Forum for the Future have contributed to accelerating the collective impact of sustainability initiatives in the cotton industry
- Assess factors in design and implementation that have contributed to or impeded achievement of outcomes, and opportunities and challenges in fostering collaborative action for systemic change in the global cotton industry, and as appropriate, identify any missed opportunities or potential for leveraging and building on the various initiative workstreams
- Assess initiative efficiency and its potential for sustainability of the initiative and its varied workstreams
- Distil actionable and strategic recommendations and lessons from the findings

Evaluation Methods

Understanding multi-stakeholder interventions for systems change. Systems change agents almost always work in collaboration, since no single organization has the technical capacity, jurisdiction, or resources to solve society's most intractable problems by itself. The effectiveness of collaboration affects the likelihood of a successful systems change initiative. It is therefore essential to analyze the extent to which stakeholders: (1) prioritize the collaborative's initiative within their own organizations; and (2) commit to a shared path of negotiating common goals and working toward them together with other members.

This evaluation examines outcomes through the lens of contribution analysis, which posits that a multi-stakeholder initiative's design and implementation strategy should lead to a plausible association between the activities of the initiative and the outcomes sought. Contribution analysis does not seek to determine if an initiative has *caused* particular outcomes; rather, it intends to determine whether the initiative *influenced or otherwise*

made an important contribution to the observed result. For these reasons, in multi-stakeholder interventions results cannot be interpreted as attributable to individual partners or organizations, including implementing partners. Results, particularly in terms of efficiency and effectiveness, are dependent—and often highly dependent—on contributions from individual key stakeholders.

The evaluation of participatory initiatives involving multiple stakeholders therefore requires distinct approaches to understanding processes, outcomes, and outputs. It also requires understanding of contribution of various partners in order to assess levels of integration and cooperation among groups stakeholders, including those who either did not express interest in collaborating, or were engaged in early phases but are no longer active collaborators.

Sampling framework

In developing a framework for evaluating systems change, the evaluators sought to identify institutional structures that shape the pathways affecting outcomes, focusing on ways in which the system functioned and the effects of collaboration on the initiatives. The evaluation also sought to determine relationships drawing on a diversity of perspectives. In the inception phase, with input from the implementing partner, an initial stakeholder analysis was made to determine the interviewee pool. An initial iteration yielded 16 potential interview subjects from brands and retailers, standards and codes organizations and other non-governmental organizations, with greater weight given to higher influence/higher interest groups; and relatively equal weight to

Figure 1: Stakeholder analysis matrix

Higher Influence/Lower Interest

These stakeholders are highly influential but they may not be actively engaged with the initiative. However, it was important for the evaluation to consider their reasons for non-engagement, and understand initiative strategies for engaging this group of stakeholders.

Higher Influence/Higher Interest

These key stakeholders have considerable influence and a strong interest in initiative outcomes. Managing these stakeholder relations and actively ensure contributions in decision-making and action through regular engagement is crucial. These stakeholders' perspectives were deemed as essential for understanding the initiative.

Lower Influence/Lower Interest

These stakeholders have a peripheral interest in the initiative and were less likely to be directly involved in the stakeholder development process and were not included in the sample.

Lower Influence/Higher Interest

These stakeholders have a strong interest in the initiative but less power to influence outcomes. Examples include smaller partners or those who acted as consultants and contributors. This group was included in the sample.

individuals with lower interest, but still high influence, and those with higher interest but lower interest in the initiative. In later iterations, the list of interviewees was further expanded to ensure greater inclusion of individuals representing organizations that expressed initial interest in the initiative but did not eventually formally partner with it.

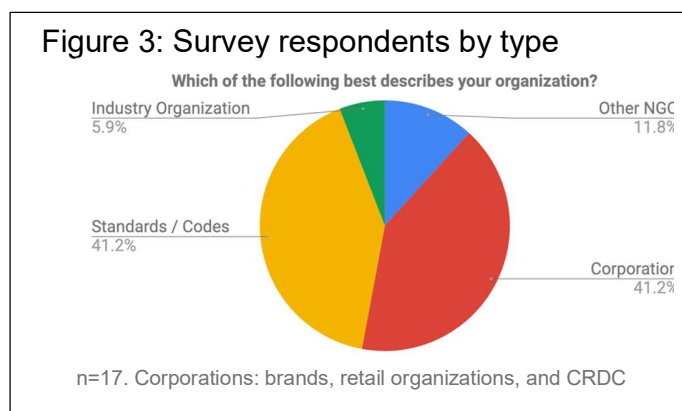The findings, organized by key OECD-DAC evaluation criteria, emergent issues, lessons learned, conclusions, and recommendations below are based on a comprehensive review of approximately 250 documents provided by the funder, implementing partner, and participating organizations; in-depth interviews, generally ranging in duration from 60-90 minutes, with 28 individuals from 23 organizations. Background interviews were

conducted during the week of November 26, 2018, and interviews with stakeholders continued through January 29, 2019. Data from different sources were triangulated to arrive at informed findings.

During the inception phase of this evaluation, it was clear that it would not be feasible to interview all 42 partners and collaborators initially identified as the universe of potential respondents. For this reason, the evaluator also developed an online survey, with invitations sent to all 42 individuals on the list, with two rounds of follow-up reminders. The survey was eventually completed by 17 respondents (response rate: 40.4%). A full list of the organizations that completed interviews and surveys is shown in Figure 2. Those organizations completing only survey are noted in this figure. A breakdown by type of interview and survey respondents is shown in Figure 3.

Figure 2: Interview and survey respondent organizations

Philanthropy/Funder
    C&A Foundation
 	
Brand/Retailer Company
    Adidas
    Aditya Birla
    ASOS
    Burberry (survey only)
    C&A
    Ikea
    Marks and Spencer
    Target (survey only)
 	
Standards / Codes
    Better Cotton Initiative
    Cotton Connect
    Fairtrade
    Organic Cotton Accelerator
    Textile Exchange
	Implementing Agency
	    Forum for the Future
	
	Industry Organization
	    Cotton Australia
	
	Research and Development
	    Cotton Research and
	    Development Corporation
	    (survey only)
	
	Other NGOs
	    Abt Foundation
	    Aid by Trade
	    IDH Sustainable Trade
	    Initiative
	    Fair Fashion Center,
	    Glasgow Caledonia
	    University, NY
	    Made-By (survey only)
	    New Foresight (survey only)

Figure 3: Survey respondents by type

Which of the following best describes your organization?

Industry Organization
5.9%

Other NGO
11.8%

Standards / Codes
41.2%

Corporation
41.2%

n=17. Corporations: brands, retail organizations, and CRDC

As a background question, respondents were asked to identify those issues that they viewed as most important in terms of challenges to the uptake of sustainable cotton (Figure 4). Among the most important issues were costs, lack of alignment on key issues critical to the industry's future, lack of credible traceability mechanisms, and finding appropriate data for telling the story on the impacts of sustainability efforts.

Figure 4: Key issues identified by survey respondents

Costs related to sourcing sustainable cotton	4.1
Lack of alignment on key issues critical to the industry's future	3.9
Lack of credible traceability mechanisms	3.8
Finding appropriate data for "telling the story" on the impacts of sustainability efforts	3.6
Variation among sustainable cotton standards	3.4
Lack of consumer awareness about sustainable cotton	3.4
Difficulties related to finding sources of sustainable cotton	3.4
Lack of awareness within the industry on sustainable cotton	3.4

Based on a scale of 1 to 5, with 1 as least important, and 5 as most important. n=17

Emerging areas of interest

Several topics also emerged in interview discussions with brands and standards organizations. Although not all directly related to the evaluation of the initiative, these themes provide important information for consideration in future designs:

1. Nearly unanimously, sustainability managers within large brand and retailing organizations expressed a desire to have more hard data on the social, economic, and environmental impacts of sustainable cotton programs.

2. Brands are making large investments in support of sustainable initiatives, but to a large extent, view themselves as taking "a leap of faith" in the lack of cohesive and credible data on impacts on the variety of standards and codes.

3. As the focus shifted more toward facilitation of impact measures with standards and codes organizations, some brands voiced concerned that the initiative had lost its "mile high" perspective on demonstrating a broad overview of the cotton and garment sector. However, as discussed elsewhere, this point of view is tempered by those of other respondents indicating that having a niche and a clear focus allows initiatives to better distinguish themselves within what some respondents termed a "crowded space," and can contribute to sustainability.

III.   Key Findings

Given the complexity of the task of convening a wide range of stakeholders with varied and sometimes opposing assumptions and points of view, the evaluation finds that the initiative achieved results commensurate with efforts and funds expended.

The initiative has achieved some momentum through its contributions to enabling systemic change for sustainability, given the challenges that exist within the sector. Initiative partners adopted a methodical and incremental approach in its processes in its formative phases, from initial scoping exercises through scenario-building. Industry respondents in particularly viewed these efforts as innovative, enabling them to view the cotton and garment sector's potential futures.

Standards and codes organizations participated most heavily in both the co-creation of the sourcing guide. The guide's development required substantial input and negotiation, which afforded the initiative the opportunity to develop higher levels of trust and respect among partners that previously worked in relative isolation from each other. Several factors, however, impeded efficiency particularly as the initiative moved from scoping and scenario-based planning in earlier phases toward implementation in latter phases. Key among these factors are:

1. The implementing partner had developed some knowledge of the apparel and cotton sector prior to this initiative, and, as a result of their involvement with Cotton 2040, has since deepened this understanding. Notwithstanding this, several respondents pointed to gaps in technical expertise related to cotton sector within the implementing partner as a potential constraint to efficiency. Because Forum for the future is primarily a convening organization, it is dependent on research and the involvement of technical and industry expertise provided through consultancy contracts. As one example, because Forum for the Future lacked the specific technical expertise required to develop a sourcing guide, the organization contracted with one of the participating codes organizations, Cotton Connect, to develop the first scoping and production of first draft of the guide, creating the potential for a perception of conflict of interest by other participating standards-based organizations.

2. The core approach of the initiative places primary emphasizes the process of co-creation with collaborating partners. Because this was viewed as a critical element in the initiative's approach, development of the guide was dependent on inputs from collaborators, particularly voluntary standards-based organizations, several of whom, according to Forum for the Future, did not produce agreed-on deliverables in a timely manner or did not provide content in a way specified

according to agreed parameters. Further, there were differing views among standards as to the way in which materials should be presented.[7]

The following sections describe findings by relevance, efficiency, effectiveness and results, and sustainability. Evaluation criteria are shown in Figure 5 below.

Figure 5: Evaluation Criteria

Evaluation Criteria	Rating		
	Poor	**Adequate**	**Good**
Relevance	Initiative not relevant to and not well designed for promotion of sustainability initiatives in the global cotton industry	Some initiative activities relevant to and appropriately designed to promote sustainability initiatives in the global cotton industry	Initiative relevant to and well designed for promotion of sustainability initiatives in the global cotton industry
Efficiency	Insufficient results were achieved for the effort and money expended	Results achieved were commensurate with effort and money expended	Results achieved exceeded expectations for the effort and money expended
Effectiveness & Results	The initiative achieved few or none of the target outputs and outcomes compared to expected results in a timely manner. Little momentum has been built for relevant workstreams.	The initiative achieved more than 75% of the targets /outputs and outcomes compared to expected results in a timely manner. Adequate momentum has been built for relevant workstreams.	The initiative achieved or exceeded 100% of the targets/ outputs as compared to expected results in a timely manner. Good momentum has been built for relevant workstreams.
Sustainability	Initiative activities unlikely to continue after program funding ends	Some parts of initiative activities are likely to continue after program funding ends	All activities are likely to continue after funding ends

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[7] In written feedback in response to a presentation of emerging evaluation findings in New Delhi in January 2019, Forum staff also noted that after the initial scoping was conducted by Cotton Connect between March-May 2017, by October of that year, there were continued differing views between standards on how to present the challenges of unsustainably grown cotton and articulate the characteristics of sustainable cotton.

Relevance

Figure 6: Relevance

- Strategies were aligned to C&A Foundation's vision and mission of economic security, livelihoods, improved environment

- A thoughtful and well-researched conceptual framework, scenario planning and identification of key issues for future intervention

- Phased and incremental design was appropriate, particularly during scenario and exploratory phases, but longer-range planning should be incorporated in further phases

- Process of identifying collaborators was appropriate, particularly in early phases, but further expansion of collaborative base will be required in subsequent phases

Evaluation Criteria	Rating
Relevance	**Good** Initiative relevant to and well designed for promotion of sustainability initiatives in the global cotton industry

To what extent are the initiative strategies and objectives aligned to the C&A Foundation's (CAF) current vision and mission as well as to promotion of sustainable cotton?

Cotton 2040's strategies and objectives were relevant and appropriate in the context of driving systemic change in the global cotton industry. The initiative sought to engage with the most appropriate and relevant stakeholders and strategies were aligned with the C&A Foundation's vision and mission, particularly in terms of its efforts to: 1) demonstrate a social, economic, and environmental case for sustainable cotton; 2) strengthen industry cooperation to support sustainable cotton; and 3) address barriers of lack of transparency and limited traceability within the garment sector.

To what extent does the initiative contribute towards the achievement of the Sustainable Development Goals (SDG)?
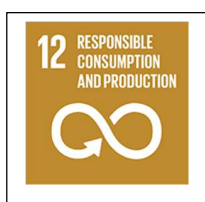
The initiative's design and strategies also support UN Sustainable Development Goals, particularly Goal 12, which is related to responsible consumption and production. The initiative's focus, especially in latter phases, sought to address this goal by providing guidance to brands and retailers through a sourcing guide and work with cotton standards on aligning impact and traceability standards. These efforts were intended to assist companies seeking to achieve sustainable management and efficient use of natural resources (sub-goal 12:2) and adopting sustainable practices and integrating sustainability information into their reporting cycle (sub-goal 12:6).

To what extent were the strategies and approaches of Cotton 2040 relevant and appropriate in the context of driving systemic change in the global cotton industry? To what extent was the design employed by the initiative relevant and appropriate in achieving the intended objectives?

The initiative adopted an incremental approach to systems change for sustainable cotton, beginning with scoping and scenario planning, with a later implementation phase focused on production of a sustainable cotton sourcing guide and achieving an agreement in principle to develop a harmonized approach to developing more robust traceability systems and impact measurement. Although this phased design was appropriate, particularly during scenario and exploratory phases (phases 1-2), the initiative may have better benefited by contextualizing its activities within a broader, longer-term strategic plan as it approached the implementation phase.

To what extent did the initiative engage with the most appropriate and relevant stakeholders for facilitating collective impact in the sustainable cotton industry?

Since its inception, the initiative sought to engage a broad spectrum of stakeholders, including industry representatives, particularly large brands and retailers, as well as major standards and code-based sustainable cotton implementing organizations. During the initial phases, the initiative conducted a careful mapping of relevant potential stakeholders, and conducted a series of outreach sessions to engage collaboration partners. Although the initiative was able to recruit a core of key committed co-funding partners, it was unable to engage with all of the corporate partners that it initially targeted for a variety of reasons. One brand non-participant indicated that although the initiative was "way ahead of its time in addressing issues such as climate change, which is much more mainstreamed now than five years ago when the initiative began," the respondent indicated that the brand preferred to partner with organizations that had more on-the-ground piloting initiatives. Another brand non-participant respondent indicated that although the brand does support existing sustainable cotton initiatives, the main materials used in its production are synthetics. Therefore, cotton is not a primary focus of activities in that company.

What specific, existing gaps were filled by the initiative in maximizing the impact of sustainability initiatives across the global cotton industry?

The initiative has filled three existing gaps and added value to sustainability initiatives across the global cotton industry through 1) presenting an overview of the industry through scenario planning; 2) developing and co-creating a sourcing guide for sustainable cotton; and 3) initiating dialogue among standards, codes, and implementing organization for traceability and impact.

Efficiency

Figure 7: Efficiency • Initiative tracked and reported on outputs and outcomes in a credible, systematic manner. Documentation clear and well organized • Evidence and perception of room for improvement in organizational efficiency in terms of stakeholders and staff involved in various processes • Long process from conceptualization to final delivery of key deliverable mitigated by contribution to dialogue among standards • Costs commensurate with results	**Evaluation Criteria** / **Rating** Efficiency — **Adequate** Results achieved were commensurate with efforts and money expended

Did the initiative employ monitoring systems to track outputs and outcomes in a credible, systematic manner?

Outputs and outcomes were tracked and reported on in a systematic manner, and documentary materials were clear, well organized, and presented a factual and credible assessment of progress.

To what extent has the initiative and its different workstreams been cost-effective? Has the initiative made efficient use of funding?

It was not within the scope of this evaluation to conduct a formal benefits-costs assessment. However, based on a review of outputs, budgets and expenditures, including unplanned cost overruns, the evaluation finds that efforts and funds expended were commensurate with level of effort, particularly given the complexity of the task of convening a wide range of stakeholders with varied and sometimes opposing assumptions and points of view.

To what extent have the modalities of the Cotton 2040 been executed in an efficient manner?

As discussed in the section on relevance above, the bulk of the work in earlier initiative phases was dedicated to achieving a shared understanding of the scope of the problems within the cotton and garment sector and in developing future scenarios. By the implementation phase (Phase 3), as the initiative began activities related to creating a systemic shift towards sustainable cotton, there was a greater focus on one activity related to building demand, namely on the development of the CottonUP guide. Because many of the organizations contributing to the guide as part of the building demand

workstream were also involved in the traceability and impacts workstream, efforts in one workstream contributed to the other.

Several respondents indicated that efficiencies could be improved. Some suggested that, as opposed to monthly calls, which were not always well attended and sometimes lacked a clear agenda, the implementing partner should more clearly identify areas of concern or requests for feedback from individual organizations, and that some issues would be best discussed through more one-on-one conversations, as opposed those topics of concern to the collaborative as a whole. In response to these critiques, Forum indicated that, as part of the building demand workstream, particularly for its calls in 2018, it shared a timeline setting out key activities for the coming 4-6 months. Calls finished with a look ahead to upcoming deadlines, milestones and details of the next call or in-person meeting, and were followed up with minutes summarizing key actions and comments from the calls.[8]

To what extent might a different approach have yielded results for the initiative?

Certain factors impeded efficiency, particularly as the initiative moved from scoping and scenario-based planning in earlier phases toward implementation. A key example relates to the development of the CottonUP sourcing guide. There was an initial misestimation of the time and resources necessary to produce and roll-out this guide as well as mitigating factors. Development of the CottonUP guide began in March 2017, was launched in June 2018, and was finalized and rolled in the second half of 2018 (see the brief case study on the chronology of the CottonUP guide in Figure 7 below).

Forum for the Future, with input from a survey of working group members conducted the initial scoping of subject areas for inclusion in the sourcing guide. Forum then reported on its findings in a working group meeting and solicited feedback on the structure of the guide. During this process, Forum also contracted with grants to external technical experts to help accomplish large elements of the creation of the guide, including Cotton Connect for an initial draft, and with Made-By, which developed content for the *working with suppliers'* section of the guide.

The fact that the guide had a relatively long gestation and creation period was due to several factors: First, from the point of view of the initiative, it was important that the guide be based on detailed scoping; and second, that the process involved co-creation of content, which was seen as necessary to more effectively engage various standards and codes, most of which had previously worked in relative isolation.

The primary mitigating factor for the relatively long duration of the process has to do with the core approach of the initiative, which placed primary emphasizes the process of co-creation with collaborating partners. Because Forum viewed this as a critical element of the initiative's approach, development of the guide was dependent on inputs from

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[8] Sources: Email communication from Forum, January 22, 2019. Evaluator review of weekly agendas and slides prepared for Building Demand workstream. See, as one example of six-month timeline, slides prepared and disseminated for January 17, 2018 call.

collaborators, particularly voluntary standards-based organizations, several of whom, according to Forum, either did not produce agreed-on deliverables in a timely manner or did not provide content in a way specified according to agreed parameters.

A second and related factor has to do with the key role that the implementing partner views itself playing. Forum for the Future views its primary strengths as an independent convener and facilitator, rather than as a contributor of technical or sector-specific knowledge to the initiative. Although Forum has achieved some knowledge of the sector over several years and engaged technical and industry experts on short-term contracts, it lacks some of the specific technical expertise that would otherwise allow it to authoritatively adjudicate highly technical differences in opinions and positions raised by contributing members. This means that although Forum, as the implementing partner, placed effort on building a harmonious relationship among organizations with various views—which is an important prerequisite to achieving eventual results—the organization is sometimes perceived as lacking the authority or technical expertise to intervene when technical or methodological issues arise (Figure 9). Together, these two factors contributed to an initial misestimation of the time and resources necessary to produce the CottonUP guide, work on which began in March 2017, was launched in June 2018, and was finalized and rolled in the latter half of 2018 (Figure 10).

> Figure 8: Respondent voices on convening initiatives
>
> *A good practice for convening organizations is having somebody on the team from industry. This helps with translating ideas and increasing credibility. Cotton 2040 should consider having at least one manager or director from industry. There are many people in the latter stages of their careers that have considerable experience and would be willing to contribute expertise.*

> Figure 9: Respondent voices from standards
>
> *There are now reasonable voices on all sides. Before the organic advocates and the other, more incremental standards saw themselves as inimical. . . a result of this initiative is a general trend toward greater collaboration.*
>
> *Between the standards there is a (small) number of contentious issues – Forum to date has taken a very soft approach to our meetings, almost avoiding discussions on the issues where we all know we disagree. I would encourage Forum to focus less on creating a harmonious atmosphere and more on creating a forum where we really can tackle these difficult disagreements. . . We all come into the room with strong views and we need to be properly challenged if the underlying disagreements are to be resolved.*
>
> *Infighting is our own worst enemy, and Cotton 2040 should play a stronger role in keeping us on track and getting us into shape. If we are to work together for greater accountability, we need a clear target—for example, what are the five things that we want to accomplish as a collaborative?*

Figure 10: A chronology of the CottonUP guide

• Scoping for the guide began in March 2017 and a first draft was prepared by Cotton Connect by May, at which time, the initiative held a workshop in Berlin at which partners, including Cotton Connect and the Forum presented to brands (Chanel, Target) and standards (Better Cotton Initiative, Cotton Australia, Cotton Made in Africa, the Fairtrade Foundation, Textile Exchange, Value Added in Africa) and a decision was reached to create an online guide.

• From the period from June - Sept 2017, while revisions and copy editing were underway, Forum, drawing on the expertise of its media staff and consultants developed page schematics (wireframes) as a visual guide representing the skeletal framework of the guide's website.

• A preview for the industry was presented at the Oct 2017 Textile Exchange Conference. Forum for the Future facilitated an in-person workshop to explore the guide from various perspectives including website design and navigation, structure, and content. Collaborators indicated that significant changes were still required, from consolidating sections, providing deeper information in pages relating to sourcing sustainable cotton, and continuing and important differing views between standards on how the challenges of less sustainably grown cotton should be presented, and identifying and articulating an agreed-on set of characteristics of sustainable cotton.

• From November 2017 to January 2018, a new section on working with suppliers was drafted with a small grant to technical partner, Made-By, and several project partners provided detailed feedback to this new section, which was updated. During this period, Forum also worked with its web designer to change the website's structure in light of feedback from the Textile Exchange Conference, and in January, collaborators signed off on the revised wireframes and website structure.

• From February to March 2018, the implementer addressed many detailed comments and edits provided by partners and the funder; working with external experts to refine technical sections; refining profiles of cotton standards; a final review by the C&A Foundation; and continued copyediting to ensure copy was fit for online use.

• From March to April, the new content was integrated into the website; and preparations were made for piloting. This involved lining up partners, creating surveys, and planning for launch

• From April to May, the guide was piloted with partners and another iteration of materials was conducted, addressing feedback from piloting, refining imagery, renewed copyediting and working with standards to update information, because many standards had not followed the guidelines provided.

• In June partners signed off and the site was launched. During the latter half of the year, refinements were made as the site was rolled out.

What mechanisms—formal or informal—have been put into practice to capture and use results. To what extent have experiences and lessons been used for learning and adaptive management?

In general, the initiative's incremental approach to implementation has allowed the initiative a level of flexibility in adapting to changing circumstances. The primary way in which management of the initiative has been addressed is through the steering committee, and all significant strategic decisions concerning the initiative are taken by this committee, which consists of stakeholders authorized to sign agreements on behalf of their respective organizations.

However, some respondents have questioned whether the processes and structure of the steering committee should be strengthened, for example, by revisiting the voting and decision-making structure. In addressing this issue, Forum noted that with only the traceability/impacts workstream fully live at the time of the evaluation, the group of partners in that workstream was pretty much identical to the steering group, although different individuals participated in the working groups and steering committee. Forum also noted that as it seeks to involve more organisations in the building demand and potentially other workstreams, it will be important to reconsider the governance structure, and to draw on its experience from other multi-stakeholder collaborations they have facilitated, such as the Sustainable Shipping Initiative, Tea2030 and the Protein Challenge 2040.

Effectiveness and Results

Figure 11: Effectiveness and Results

- The initiative achieved more than 75% of targets, outputs and outcomes compared to expected results

- Given the challenges that exist within the sector achieved adequate momentum in facilitating systemic change for sustainability

- Scenario planning, in particular, was cited by brands as a key factor for generating initial enthusiasm. Industry respondents viewed these efforts as innovative, enabling them to view the cotton and garment sector's potential futures

- Standards organizations appreciated that the initiative provided a neutral facilitation space and forum to discuss and share on issues related to traceability and impact but indicate the need for stronger leadership

- Because implementation is in early stages, longer-term results leading to systemic changes in the cotton and apparel sector will depend on the usefulness and usability of the sourcing guide and the alignment of traceability and impact measures among standards

Evaluation Criteria	Rating
Effectiveness/Results	**Adequate** Achieved more than 75% of targets, outputs and outcomes compared to expected results in a timely manner. Adequate momentum has been built for relevant work streams.

Were the logframe targets appropriate and relevant?

The initiative did not have a results frameworks in the initial phases of scoping and scenario-planning. As it moved into its implementation phase, it incorporated this element into its planning. The logical frameworks (logframes) for the initiative developed during the latter implementation phase were appropriate and relevant.

The *traceability and impact data* logframe targeted September 2018 for having an MoU signed on work towards common indicators, and after the evaluation period, by May 2019, for having an MoU confirming agreement on proposals towards standard data exchange format and a set of common terms and a way forward to implement them. The logframe also indicated that in terms of external communications, a joint communications plan and sharing messages in partnership with sustainable cotton standards, program and codes would be launched. The communications plan was intended to demonstrate the commitment and progress of sustainable cotton standards and improvements in traceability and impact data.

The *building demand* logframe targeted having a fully-developed and user-tested digital version of the guide, a business case and campaign including a comprehensive overview of sustainable cotton standards, business models and traceability systems; guidance and best practice on sustainable cotton procurement; and a clear and compelling business case narrative. In addition to the above, the logframe indicated that a survey would be undertaken, and that feedback from surveys would be incorporated and that the number of participating companies advocating sustainable cotton through events and communications channels would be measured.

To what extent did the initiative meet the logframe targets overall and for the different workstreams?

The initiative has achieved most of its targets. Key outputs from its later implementation phase included: 1) the CottonUP guide, which was designed to enhance industry sourcing strategies across multiple sustainable cotton standards; and 2) the achievement of a formal agreement among seven standards and codes to work toward harmonization of traceability and impact measurement. Other outputs are pending for future phases of implementation. These include the development of a survey to measure use and effectiveness of the CottonUP guide, which has been recently released; and a standard data exchange format and a set of common terms for impact measurement, which is planned for 2019.

What were the results of the Cotton 2040 initiative and its different workstreams? How effectively did the initiative strengthen action to enable systemic change for sustainability in the cotton industry, given the challenges that exist in the context?

Cotton 2040 contributed through convening the cotton and apparel sector, by helping to clarify options for sourcing sustainable cotton, and by creating and appropriate structure for collaboration and identifying and engaging appropriate partners (Figure 12). Almost universally, participants involved viewed the transparent processes supporting these efforts as contributing to the creation of a neutral, 'standard agnostic' space for dialogue among sustainable standards and codes. Because standards and codes participated most heavily in both the co-creation of the sourcing guide, this afforded the initiative the opportunity to develop higher levels of trust and respect among sustainability standards and codes. In the words of one standards representative, "the guide was the vehicle by which the group developed collaboration and this has led to better relations among the standards."

In their survey responses (Figure 12), collaborating partners rated effectiveness on several criteria. With the exception of "convening the cotton and apparel sector," for which standards rated the effectiveness somewhat higher (4.1) than brands and retailers (3.8), brands tended to rate effectiveness higher than standards, particularly in terms of "creating an appropriate structure for collaboration."[9]

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[9] Figures 12 and 13 below provide reponses for all respondents (n=17) including 4 responses from respondents from other than brands or standards (other NGOs; trade group; research organization); n=6 for brands / retailers;

Figure 12: Effectiveness as perceived by survey respondents	All	Brands	Standards
Convening the cotton and apparel sector	4.1	3.8	4.1
Helping to clarify options for sourcing sustainable cotton	4.0	4.2	3.7
Creating an appropriate structure for collaboration	3.9	4.2	3.3
Identifying and engaging appropriate partners	3.8	3.7	3.7
Facilitating relationship building among key stakeholders	3.8	4.2	3.3
Leveraging existing efforts for sustainable cotton	3.7	3.8	3.6
Enhancing collaboration among existing partners for building demand for sustainable cotton	3.4	3.5	3.0

Scale of 1-5 with 1 being "not effective" and 5 being "very effective."

How effectively has Cotton 2040 contributed to wider system shifts and industry transformation for sustainability in the global cotton industry?

As of 2018, the initiative has created a basis for further stakeholder engagement with standards. Agreement in principle had been reached through MOUs, that standards would collaborate on traceability and impact, but progress toward achieving concrete results is still in incipient phase. Some standards organizations are actively promoting the CottonUP guide with brands and retailers, and the implementing partner has a signed memoranda of agreement with all the participating standards and codes organizations to work toward a shared understanding and language on impact measurement. Although momentum and a level of trust for future work with standards and codes has been built, two key questions remain about the initiative's potential effectiveness and results:

- The first question is the degree to which the CottonUP guide will have an impact *beyond the early adopter community* of responsible brands and retailers and its usefulness for brands that have not yet committed to sustainable cotton sourcing or are in very early stages in this process, including brands outside of Europe and the United States. Several respondents indicated that the particular focus of outreach in future phases should be on smaller and medium size brands and retailers, brands that are in earlier stages of commitment to sustainability, and brands and garment manufacturers in Asian and Latin American markets.[10]

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n=7 for codes and standards organizations. On a 5-point scale with 1 being not effective and 5 being very effective. Because of the small number of respondents, there is no assumption of statistical significance.

[10] Forum has acknowledged the importance of this, particularly in Asia. Cotton Australia and BCI are already engaging Australian brands, and Forum is exploring a partnership with the Global Association for Sustainable Supply Chains from Japan who are keen to develop a Japanese version of the guide and collaborate with Cotton 2040 on rolling it out to brands in the region. One brand in particular, Toyoshima, has already expressed interest in contributing. Forum is also working with Cotton 2040 partner Aditya Birla on two workshops with their sourcing teams in India, and in future phases, plans to work with this partner on wider outreach to brands and retailers in the region, likely in India, Sri Lanka, and Pakistan.

- Now that a modicum of agreement has been reached, the second question relates to the ability of the initiative to *foster agreement and implementation of a harmonized approach* to traceability and impact measurement. Although agreement in principle has been reached, much work is still required to develop a shared agreement on the definition of sustainable cotton and on aligning how impacts are measured. Progress toward achieving concrete results will depend on the ability of all initiative partners to address areas of remaining differences in approaches to impact measurement. Doing so, will also require substantial review, and building on the work of organizations such as International Social and Environmental Accreditation and Labelling Alliance (ISEAL), the Pesticide Action Network (PAN-UK), the International Cotton Advisory Committee (ICAC)[11], and other actors in sustainable agriculture such as the Committee on Sustainability Assessment (COSA).

Some aspects of the initiative are still in earlier stages of development or address potential elements of the initiative that are beyond its current scope. For these reasons, some data presented in the following chart (Figure 13) should be treated as baseline measures that can be used in future surveys or evaluations. For example, "promoting a systemic shift toward sustainable cotton" is a longer-term goal, and arguably is in very early stages, and "communicating the results of cotton sustainability initiatives" is not within the current scope of the initiative, but may be important as the initiative progresses.

Also, as discussed above, alignment on standards traceability is an incipient area for which the initiative has recently reached an initial agreement with standards and codes to work towards a standard data exchange format and a set of common terms. Similarly, Forum has indicated that making it easier for brands and retailers to source sustainable cotton is the focus of the next stage of the outreach, now that the guide has been prepared. Also, for some questions, certain groups have better visibility regarding specific issues. An illustrative question on aligning the approaches of sustainable cotton standards on traceability and impact data, for which standards had a much higher level of involvement than brands and retailers, and viewed the effectiveness of these efforts as higher than did brands/retailers.

Figure 13: Effectiveness as perceived by survey respondents	All	Brands	Standards
Promoting a systemic shift towards sustainable cotton	3.3	3.4	3.0
Contributing to the environmental and business case for sustainable cotton	3.3	3.4	3.4
Aligning the approaches of sustainable cotton standards on traceability and impact data	3.2	2.8	3.5
Making it easier for brands and retailers to create sourcing strategies for sustainable cotton	3.1	3.3	2.7
Communicating the results of cotton sustainability initiatives	3.0	2.8	3.3

Scale of 1-5 with 1 being "not effective" and 5 being "very effective."

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[11] In particular, See joint Food and Agricultural Organization (FAO) and ICAC report: Measuring Sustainability in Cotton Farming Systems: Towards a Guidance Framework, 2015.

What are the main lessons learned from the initiative? What are the drivers (both positive and negative) that influenced the achievement of the workstreams?

The initiative conducted a thorough scoping and scenario planning exercise, identifying a number of areas of potential collaboration, and four workstreams were eventually identified. As the initiative progressed, and as it became apparent that immediately addressing all of these areas of interest—including smallholder resilience and circularity—would either not be feasible or would potentially duplicate other existing efforts. For this reason, the eventual scope of intervention was reduced to two workstreams: building demand and traceability/impacts. From the perspective of the implementing partner, during the diagnostic phase it is essential to consult all relevant stakeholders to develop an understanding of where systems need to change and the appropriate intervention points.

Although the evaluation finds that it was appropriate to conduct scoping and scenario exercises to map the terrain of potential intervention areas, an unexpected outcome is that by doing so, the expectation, particularly among some brands and retailers, was that the initiative would address each of these issues. At the same, narrowing the scope of intervention was also viewed by some collaborators as a positive outcome; rather than proposing to tackle many relatively intractable issues simultaneously, focusing on one or two areas of impact can provide the initiative with greater differentiation within a crowded space was viewed by some as an opportunity for the initiative to better communicate its core approach to key funders, potentially contributing to greater eventual financial sustainability.

The implementing partner conceived of its primary role as a neutral convener. However, as it embarked on developing a guide for sourcing sustainable cotton, it increasingly took on the role of facilitator, mediator, and to a limited extent, technical assistance provider. Although there are some similar elements between these roles, there are also many cases in which these roles require divergent skill-sets. For example, as the initiative moves from brokering an agreement in principle among standards and codes towards developing more harmonized traceability and impact measures, technical skills will be increasingly required. The initiative has, in the past, approached this issue through short-term technical consultancy contracts, but as the initiative eventually moves

> Figure 14: Respondent voices
>
> *A clear learning from all of our systems change projects is that it's critical not to rush the diagnostic phase; taking time to consult all relevant stakeholders and come to an accurate picture of how the system needs to change and where the intervention points are, and what specific actions need to be taken, is the foundation of all the action that follows.*
>
> *--Implementing partner*

forward with measuring impacts or facilitating development of pilot data collection methods, there will likely be a much greater need to involve persons and organizations with such expertise and knowledge.

Sustainability

Figure 15: Sustainability

- Initiative has achieved adequate progress in leveraging matching funding, but given its current trajectory, matching funding will not be sufficient to continue its major workstreams without continued funding from C&A Foundation

- Because of its emphasis on system-wide change, demonstrating value-added to brands is likely to continue to remain an issue in terms of leveraging funding

Evaluation Criteria	Rating
Sustainability	**Adequate** Some parts of initiative activities are likely to continue after program funding ends.

Several respondents mentioned that many initiatives are dependent on financing from a relatively limited pool of philanthropic actors and brands. Because the initiative emphasizes system-wide change rather than direct benefits to financial sponsors, demonstrating value-added to brands and other financial support partners is likely to continue to remain an issue in terms of leveraging funding. Within such a context, the initiative has achieved adequate progress in leveraging matching funding, but given its current trajectory, matching funding will not be sufficient to continue its major workstreams without continued funding from the foundation or other collaborating partners. Over the medium-term (3 to 5 years), sustainability can be improved by having a longer-term planning horizon and communicating this vision to collaborating partners. Financial sustainability, in particular, will require improved marketing of the initiative to a broader funding base.

Figure 14: Respondent voices: A "crowded space"

Brands are supporting a lot of organizations: SAC, SCAP, WRAP, OCA, Copenhagen Fashion Summit, German Textile Alliance Initiatives, Fashion for Good, ZDHC, Fashion Positive, Cotton2040, BCI, CMiA, SCP, Canopy, Leather Working Group, Ellen MacArthur Foundation, Circular Economy . . . a full mix of the alphabet. There are also several groups working on water, and then add on the BlueSign, Cradle2Cradle. … and this doesn't count some of the regional groups. . . or the funds going into the on the ground projects – water improvements in mills, farming projects, etc.

--Follow-up email communication with interviewee

It was also important for the evaluation to gauge perceptions of contribution of the initiative to the objectives of collaborating organizations as a proxy for initiative sustainability in

terms of potential for continued leveraged funding. For this reason, survey respondents were asked the following question: *How useful do you feel your participation with Cotton 2040 has been in advancing your organization's objectives related to sustainable cotton?*

On a scale of 1-5 with one representing not very useful, and 5 representing very useful, the average across categories of respondents was 3.0. Corporate respondents were somewhat more positive in their assessment of contribution to their own organization's objectives (3.2) than were standards organizations (2.8). However, for the initiative to achieve an increased level of financial sustainability, greater emphasis will need to be placed on demonstrating value-added to collaborating partners.

IV.   Conclusions

The evaluation found that the initiative is relevant and that its strategies are aligned with goals and objectives of the Foundation and SDGs related to sustainable production and consumption. There were some challenges in terms of efficiency, effectiveness, and sustainability, but these were due in part to mitigating factors related to specific challenges involved with the process of co-creation with collaborating partners. As an important example, the sourcing guide was dependent on inputs from voluntary standards-based organizations, several of whom did not produce agreed-on deliverables in a timely manner, or did not provide content in a way specified according to agreed parameters.

The initiative chose an incremental approach to implementing the initiative, building on a series of smaller short-term grants. Although this approach was useful during scoping and scenario-planning phases, as the initiative moved to implementation of co-creation of a sourcing guide and creating a standards-agnostic neutral environment for collaboration on traceability and impacts, it would have been preferable that these occur within the context of a longer-term strategic and operational plan. In program planning, there is always greater visibility in terms of annual planning. Nevertheless, as it entered the implementation phase, it would have been preferable that initiative develop a longer-term plan or roadmap, incorporating some level of flexibility to allow for changing circumstances and priorities. Clearly communicating a medium-term future vision of the initiative to key partners collaborators could have contributed to greater clarity in terms of the various milestones required to reach longer-term objectives.

Program planning for participatory interventions involving a range of stakeholders certainly requires flexibility and reorientation, and this appropriately occurred as the initiative progressively narrowed its implementation focus on developing a sourcing guide and obtaining commitment across standards to align traceability and impact measures. To ensure greater future efficiency and effectiveness, as the initiative moves forward into more technical areas, especially those involving definitions of impacts, it will become increasingly important for the initiative to involve core team members and partners with expertise in measurement, monitoring, piloting data collection, and ensuring data quality and credibility.

V. Recommendations

For the C&A Foundation

Systemic change initiatives are an appropriate use of resources, particularly for the longer term, and the neutral intermediary approach that Cotton 2040 has modeled, is appropriate for such interventions. The recommendation is therefore that:

1. **The Foundation should consider continuing funding to convening initiatives for sustainable cotton.**

For the C&A Foundation and Forum for the Future

Following on the above recommendation, it is important to note that there are important considerations when engaging in convening initiatives. Because systems change initiatives take time, and require building trust among stakeholders, and the impact of systemic change initiatives often become visible only several years after interventions occur. Moreover, although empirically verifiable milestones on outputs are appropriate, judging the impacts of such initiatives are more subject to expert interpretation than other interventions. Therefore, the specific recommendation in the case of Cotton 2040 is that:

2. **A monitoring and evaluation tailored for convening initiatives should be developed.** In addition to logframes with appropriate milestones for outputs and outcomes, the plan should include criteria for future independent evaluations and an outline of an evaluation plan. This plan should strive to strike a balance between aspirational and achievable goals.

For Forum for the Future

Strategic planning. To date, the initiative has adopted an incremental approach to systems change for sustainable cotton. Although this approach was justifiable and useful in early stages, future proposals should be contextualized within a broader timeframe. The evaluation, therefore, recommends that Forum:

3. **Initiate and communicate the results of a comprehensive medium-term (3-5 years) plan for sustainable cotton interventions, demonstrating clear objectives and pathways over this period.** At a minimum, this plan should:

   o Detail further steps building on the workstreams and outputs completed in 2018.

   o Assess the structure and functioning of the governance structure, and propose changes as required.

Traceability and Impacts. Momentum and trust have been built with standards and codes. Forum has correctly identified a pressing and immediate need to harmonize or align traceability and impact measurement systems across standards as a response to the expressed desire of brand and retailers for greater transparency throughout the value chain, particularly as related to the relative lack of valid, comparable, and credible impact data. At the same time, there continue to exist varied assumptions about the appropriate pathways to sustainability in the cotton sector among standards and implementing organizations. Based on its previous scoping on traceability and impacts of sustainable cotton, and the memoranda of understanding with the current certification bodies, codes and implementing organizations that have participated to date in the relevant workstream, the recommendation is that Forum for the Future:

4. **Convene and facilitate collaboration among standards to align traceability and impact measures.** Priority should be given to:

   o Further identifying and incorporate into the initiative industry experts with a strong background in impact measurement in the cotton sector.

   o Facilitating an open dialogue on existing or potential conflicts of interest within the certification system that can potentially contribute to diminished credibility of reported data

   o Arriving at a formalized consensus on the way forward to: 1) strengthening independent monitoring for traceability and impacts within the cotton and garment sector; 2) reducing potential and real conflicts of interest within that monitoring system; and 3) the role that technological innovations within that context will play.

   o In-depth reviews and discussions of the relevant impact measures, definitions, and data collection and analysis methodologies promoted by organizations such as the International Cotton Advisory Committee (ICAC), the International Social and Environmental Accreditation and Labelling Alliance (ISEAL), and the Committee on Sustainability Assessment (COSA) and the relevance and feasibility of these measures and methods for individual workstream members.

   o A comprehensive review of baseline and other studies that have been conducted to date on sustainability within the cotton and garment sector, to identify appropriate data collection and analytical methods.

   o Development of an agreement on shared indicators and data collection methodologies and commitment by individual standards to pilot these standards.

Building demand. As part of its building demand workstream, initiative partners invested considerable financial and human resources in the development of the CottonUP guide. Partners have identified further themes for this guide, including sections on the business case for sustainable cotton. Forum for the Future also has in place a mechanism to track CottonUP registration and usage, but because of the relatively recency of its launch, apart from anecdotal evidence from some standards organizations, has yet to document user feedback on its relevance and usability for brands and retailers. Therefore, the evaluator recommends that Forum for the Future:

5. Include in its medium-term planning, **plans to collect and incorporate user feedback on relevance and usability of the sourcing guide**, with a particular focus on smaller and medium size brands and retailers, brands and retailers that have not committed to sustainable sourcing or are in early phases of developing their approach to sustainability, and brands, retailers, and garment manufacturers in Asian and Latin American markets.