

YESS STANDARD FOR SPINNING MILLS SUMMARY OF MATERIAL CHANGES MADE IN VERSION 2.0

13 September 2022

Version 1.0 of the *YESS Standard for Spinning Mills* (previously named *YESS Cotton Standard* and *YESS Standard for Spinners*) was released in 2019 and applies to cotton yarn spinning mills (also referred to as “spinners”), where mixing of various sources of cotton lint or other fibers occurs.

Adjustments were made to the *YESS Standard for Spinning Mills* and associated Assessment Workbook as we obtained insights and feedback throughout the development of the *YESS Standard for Fabric Mills: Knitting and Weaving Operations Only* (*YESS Standard for Fabric Mills*) and the 2021-2022 YESS Pilot.

Although all the changes below were made specifically to the *YESS Standard for Spinning Mills*, some of them were also incorporated into the first draft of the *YESS Standard for Fabric Mills*, which was used during the YESS Pilot, but was not shared publicly. As a result, there are some references in this document to the *YESS Standards*, which refer to both.

In addition to the below, changes were made to streamline, align, and simplify the two standards, assessment workbooks, and supporting documents, to the greatest extent possible.

Material changes to the *YESS Standard for Spinning Mills* include the following:

- The name of the standard has been changed to *YESS Standard for Spinning Mills*.
- The following sections of the initial standards were removed to streamline the *YESS Standards* (and make them a more user-friendly resource):
 - *YESS Standards Introduction*. This introduces YESS, *YESS Standards*, and Organisation for Economic Co-operation and Development (OECD) [Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector](#) (OECD *Due Diligence Guidance*). This introduction document is available along with the standards.
 - *Sampling Guidance*. This was moved to the Assessment Procedure.
 - *Methodology for Determination of Low-Risk and High-Risk Countries for the YESS Standard* has been replaced with a *Sample Procedure to Identify High-Risk Origins for Cotton Lint* and will be one of many resources we make available to mills. This

approach aligns with OECD's expectations that mills identify high-risk origins based on credible and current sources and is the minimum a mill is expected to do.

- The flow of the standard has been adjusted to align with an initial implementation of due diligence. It begins by outlining foundational requirements of a due diligence management system that is required by all mills, such as establishing policies, conducting supplier due diligence, and validating cotton origin (OECD Step 1); identifying red flags (OECD Step 2); and tracking and communicating progress (OECD Steps 4 and 5). This is followed by implementing additional due diligence required of a mill that sources from high-risk supply chains by establishing a mitigation process (OECD Step 3). And finally, the standards include a brief section on the requirement to provide for or cooperate in remediation when the mill contributed to harm from forced labor (OECD Step 6).
- A step-by-step approach to the development of a full due diligence management system (that conforms with all requirements set forth in the *YESS Standards*) over a three-year period (YESS Conformance Continuum) has been adopted. In the first year of the YESS Conformance Continuum, spinners and textile mills are expected to develop and implement a foundational due diligence management system, identify high-risk supply chains, and report on their program and intention to strengthen their due diligence efforts. Immediately after their first assessment, participating facilities will need to build off this knowledge to assess and respond to risks by developing and implementing a risk mitigation plan and completing all sections of their public report (Phase 2 of the YESS Conformance Continuum). By the third year, spinners and mills are expected to cooperate in remediation, if warranted.
- A requirement that all products and byproducts can be traced back to a laydown (ideally containing only cotton from low-risk sources) has been added.
- The requirement to inspect every transaction from a high-risk country has been replaced with the same sampling guidelines provided for low-risk transactions.
- An allowance for facilities actively sourcing from high-risk supply chains to “assess” in addition to “cease, prevent, or mitigate” potential or actual forced labor in cotton production.
- Accommodate community- or district-level assessments of forced labor in addition to farm-level assessments. This change will allow spinners and other interested stakeholders to leverage credible information across a community or district to prioritize or assess relative risk of different regions within a high-risk country.
- Remove the language suggesting that unassessed cotton should be considered produced with forced labor, focusing instead on the need to assess sources.