



INTERNATIONAL COTTON ADVISORY COMMITTEE

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Minutes

First Breakout Session: Reducing Contamination in Picking & Handling

Chair: Mr. Sohail Harral, Senior Vice President, Pakistan Ginners Association (PCGA)

Speakers:

Mr. Karan Prem Lohana, Sindh Agro Industries, "Cotton Contamination."

Mr. S. Shabbir Raza, Pakistan Cotton Standards Institute, "Reducing Contamination in Picking and Handling."

Reducing Contamination in Picking and Handling

Mr. Karan Prem Lohana noted that cotton is highly significant in the economy of Pakistan, but contamination results in losses of about \$3 billion annually in the cotton value chain. The cost of removing contamination from cotton lint is estimated at 3 cents per pound.

Inefficient quality control, lack of monitoring and supervision, lack of quality assurance systems and most importantly, a lack of awareness, are the reasons for significant contamination in Pakistan cotton.

Contamination in cotton can consist of many things, including metal parts, polypropylene, feathers, human hair, clothing and bits of fabric, wrappers, cigarette residues, coir and jute, oil, sand and stones and other things. The average level of contamination in cotton in Pakistan is 19 grams per bale of 175 kilograms.

The solutions to the problem of contamination are to pick cotton at the right time of day, using the right techniques, to handle, store and move cotton using proper hygiene, and to gin cotton properly. However, in order to encourage farmers, country merchants and ginners to employ proper techniques, they must be educated as to the importance of producing contamination-free cotton, and incentives must be provided to encourage adoption of such practices.

There have been numerous projects in Pakistan to reduce contamination funded by state and national governments in Pakistan, bilateral aid programs and education programs funded by international multilateral agencies. Many of these projects have resulted in significant reductions in contamination to under 2 grams per 175-kilogram bale, but the benefits tend to dissipate after each project has ended.

Mr. S. Shabbir Raza reported that contamination in cotton is the most serious problem facing the spinning industry. He estimated that economic losses from contamination cost the cotton value chain, from raw cotton to garments, in Pakistan \$1.4 billion per year. He noted that several campaigns to produce contamination-free cotton or clean cotton have been launched in certain districts in Punjab in 2001, and in Sindh and Punjab in 2005/06, 2006/07 and 2007/08. As reported by Mr. Lohana earlier, each campaign was successful in reducing contamination from an average of 19 grams per bale to less than 5 grams per bale in one case and less than 2 grams per bale in other cases.

Mr. Raza described an extensive work plan consisting of administrative, operational and marketing arrangements to produce high quality, clean cotton. Under the work plan, willing ginners and growers register with PCSI and agree to follow recommended procedures, growers receive price premiums, PCSI supervises operations at each gin and evaluates seed cotton and lint quality, and buyers willingly pay premiums for high quality, contamination-free cotton. PCSI has implemented parts of the work plan, and the Karachi Cotton Association (KCA) has switched its variety based marketing system to a system based on grades subject to quality premiums and discounts. PCSI has established a network of cotton testing laboratories in various locations in Punjab and Sindh with Uster HVI 1000s and Shirley Analyzers. And, PCSI has launched training and awareness campaigns.

There was robust discussion with numerous questions following each presentation. It was noted that Pakistan is not the only country with a contamination problem, and that there is no cotton that is truly contamination free. However, it was acknowledged that the problem in Pakistan is relatively severe.

There was agreement in the Breakout Session that the keys to reducing contamination are improved awareness and incentives.

However, it was noted that the marketing system in Pakistan undermines efforts to provide incentives to growers. In Pakistan, farmers sell to intermediaries (middlemen or country merchants) who aggregate lots of seed cotton from multiple small holders for delivery to gins. Consequently, it is difficult to identify sources of contamination and reward delivery of clean seed cotton upon inspection at gins. Furthermore, farmers present in the Breakout Session reported that picking costs are already high, making the payment of additional incentives to pickers untenable. Some growers felt that machine-picking is the ultimate solution to reducing contamination. It was also reported by ginners in the Breakout Session that even when they go to extensive efforts to ensure contamination-free cotton, they could not find textile mill buyers willing to pay premiums for such cotton.

Regarding the work plan developed by PCSI, one ginner indicated that market participants lack confidence in the accuracy of HVI readings provided by PCSI, and PCSI was encouraged to participate in the Round Trials conducted under the auspices of the Task Force on Commercial Standardization of Instrument Testing of Cotton (CSITC).

In Conclusion, the Chair noted that contamination is a serious problem in Pakistan, and that the keys to improvement are increased awareness and harnessing market incentives. He noted that a more streamlined market structure is needed so that farmers can be rewarded for delivering seed cotton without contamination. The Chair advocated for implementation of the Cotton Control Act, and he called upon “government” to assist industry in the achievement of these objectives.

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