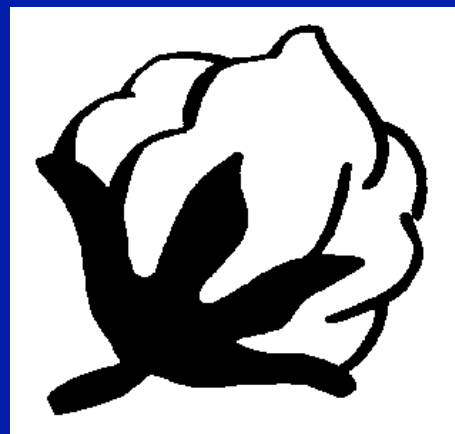
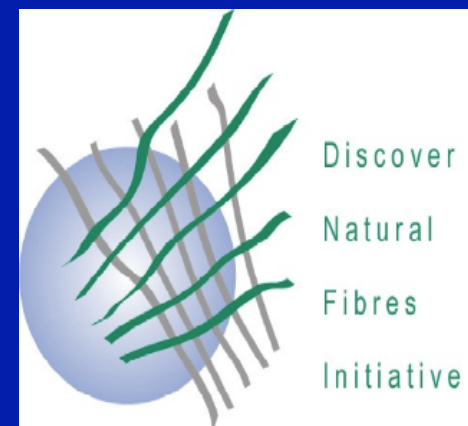


AFRICAN COTTON PRODUCTION: SUSTAINABILITY & COSTS



DG's Consultative
Framework Mechanism
on Cotton – 26th Round

23 November 2016



José Sette
Executive Director
International Cotton Advisory Committee

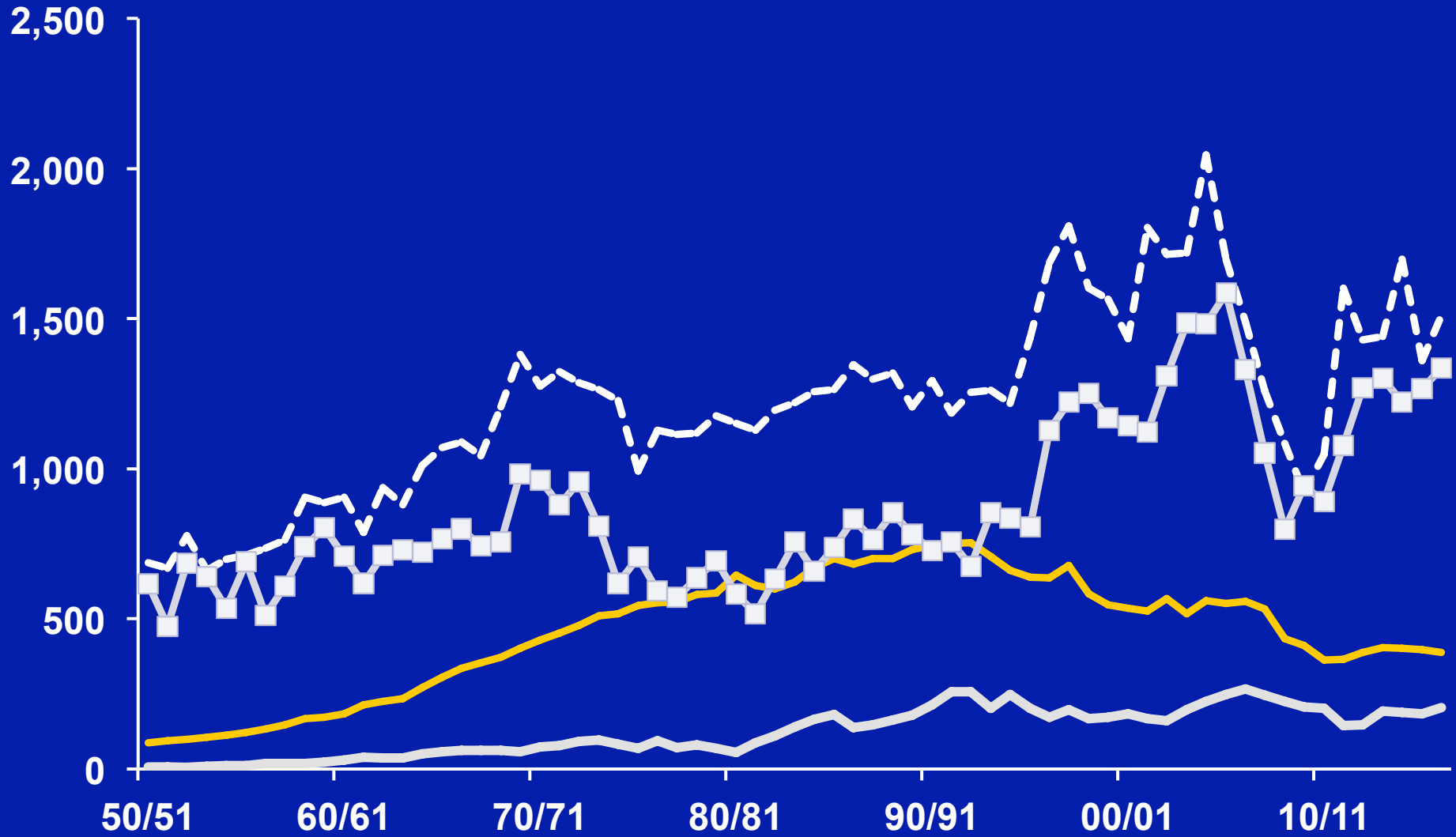
SUMMARY

1. African Cotton in the World Context
2. Measuring Sustainability
3. Production Costs



AFRICAN COTTON LINT

thousand tons

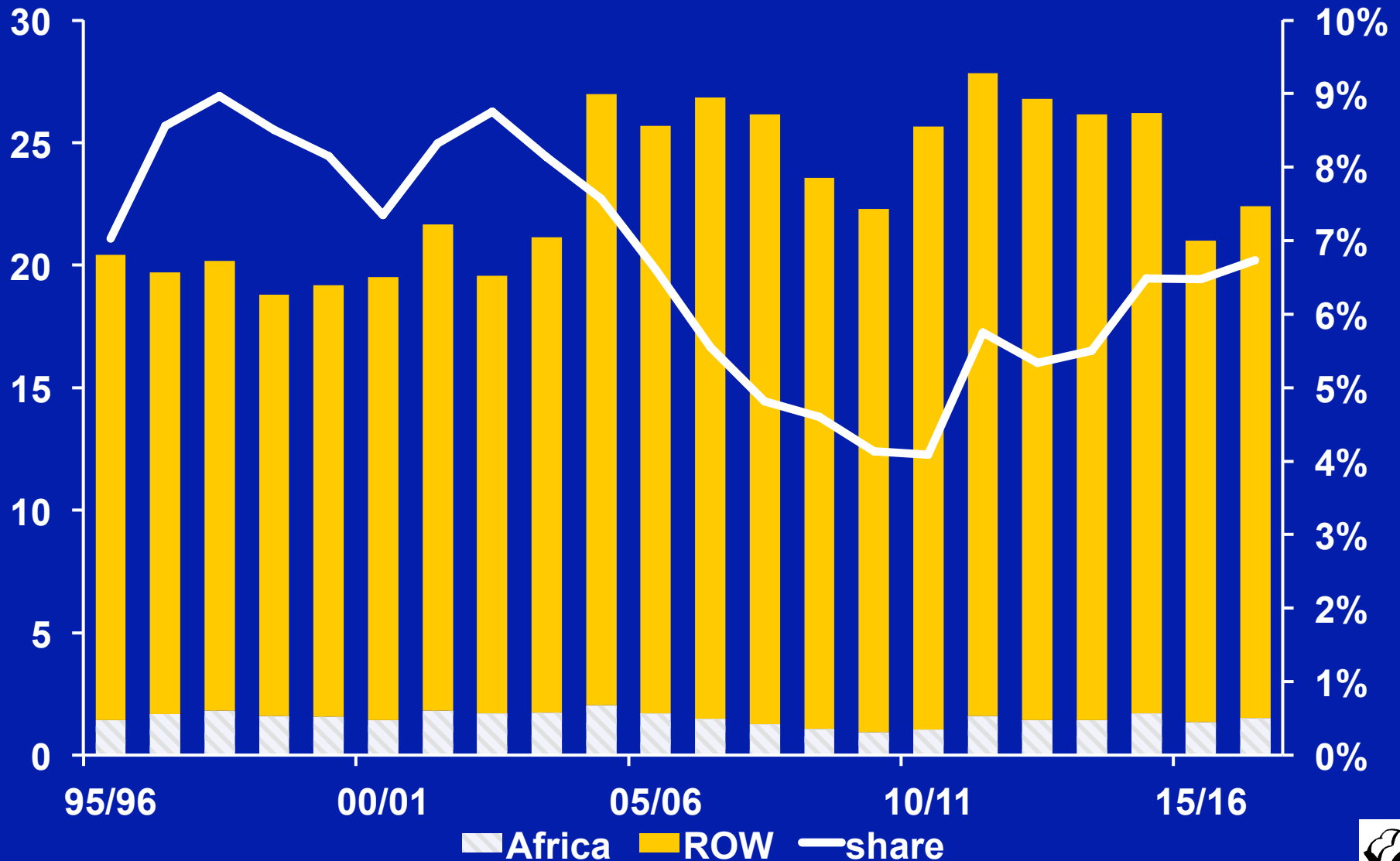


-- Production — Consumption —■— Exports — Imports



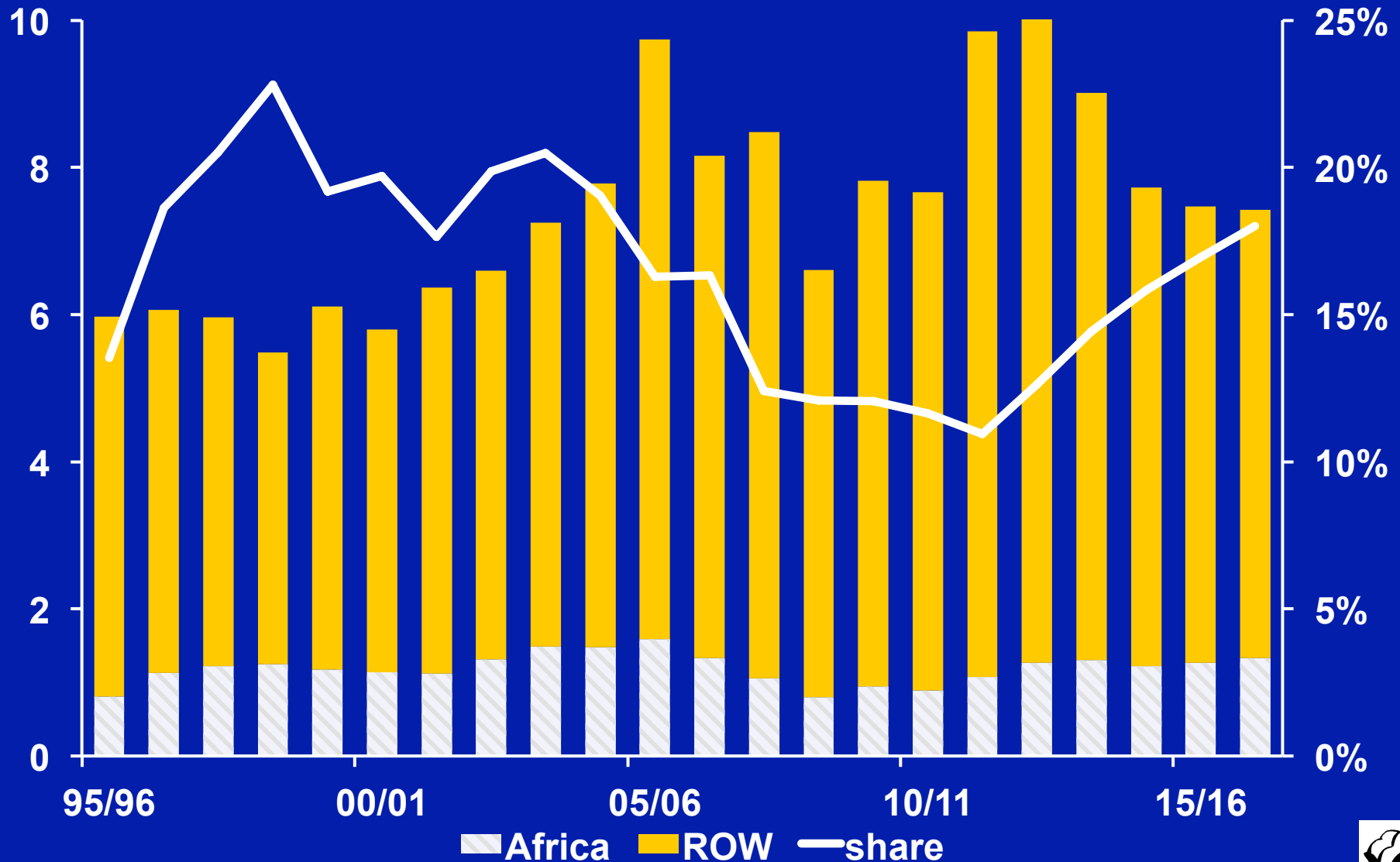
AFRICA'S SHARE OF WORLD PRODUCTION

million tons



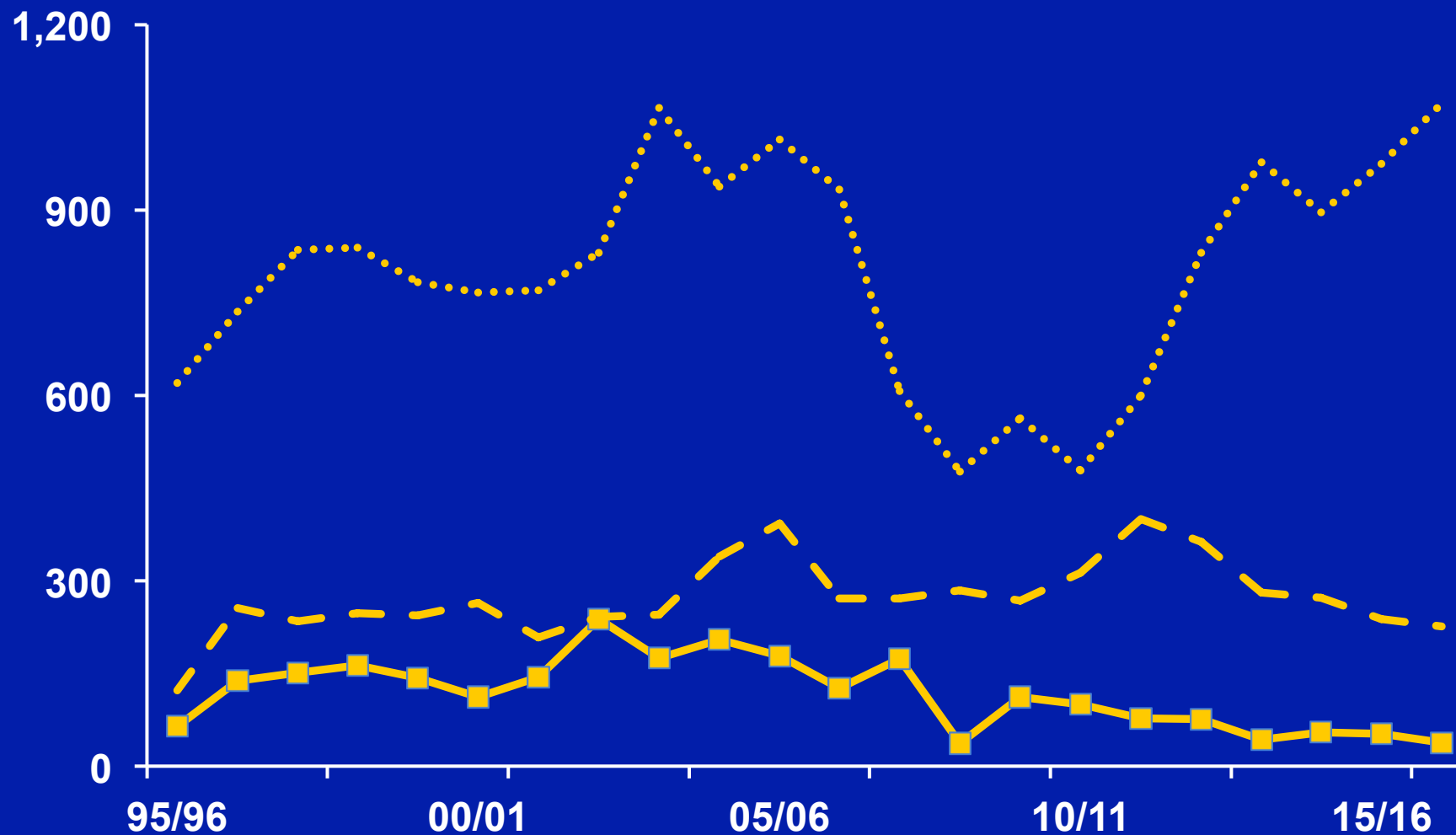
AFRICA'S SHARE OF WORLD EXPORTS

million tons



AFRICAN EXPORTS BY REGION

thousand tons



■ North Africa ●●● Francophone Africa - - - S and E Africa



COTLOOK A INDEX IN US\$ AND CFA FRANC

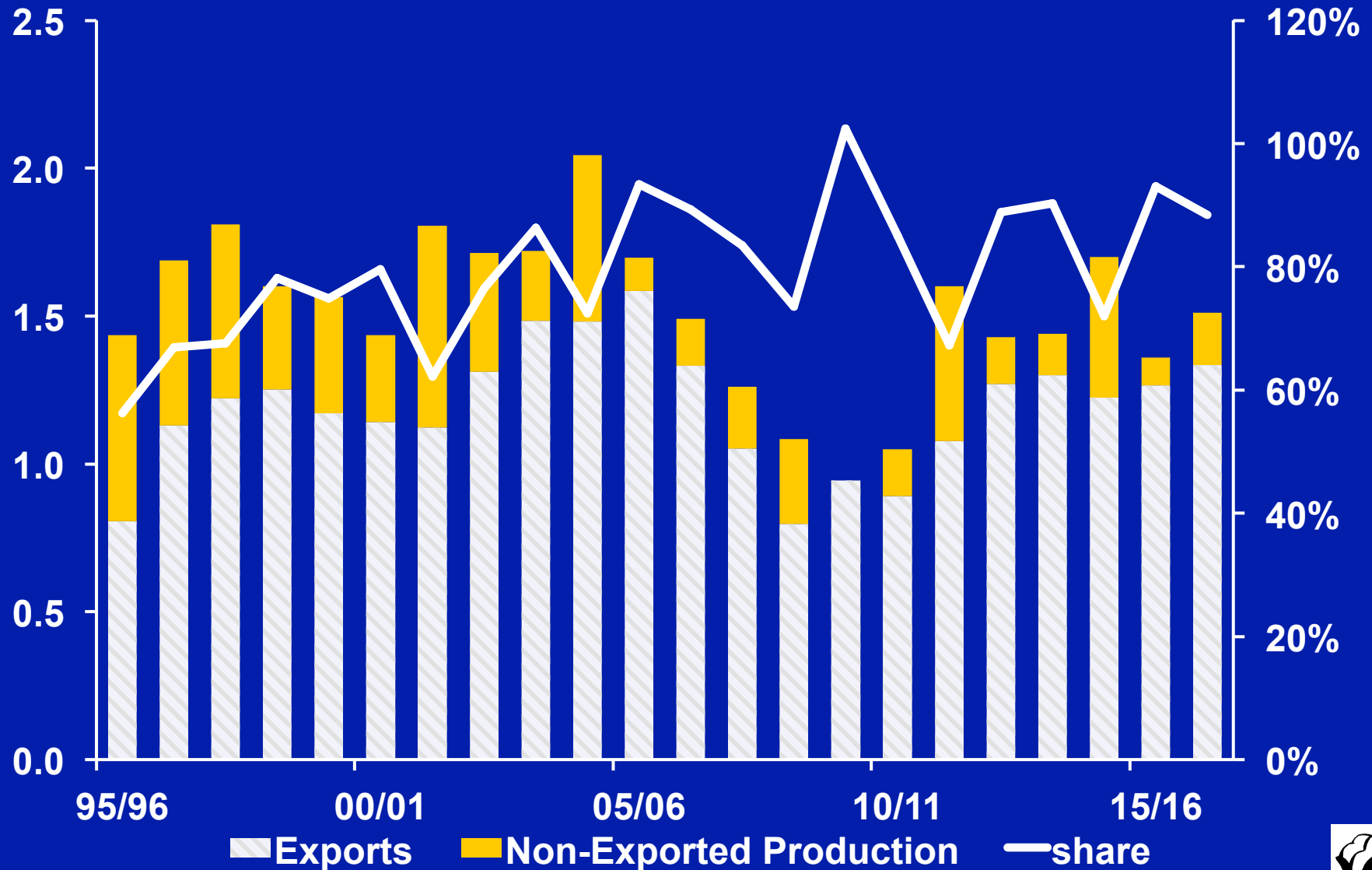


Source: Cotton Outlook



AFRICA'S EXPORTS AS SHARE OF PRODUCTION

million tons



COTTON'S SHARE OF TOTAL EXPORT REVENUE FOR SELECT AFRICAN COUNTRIES

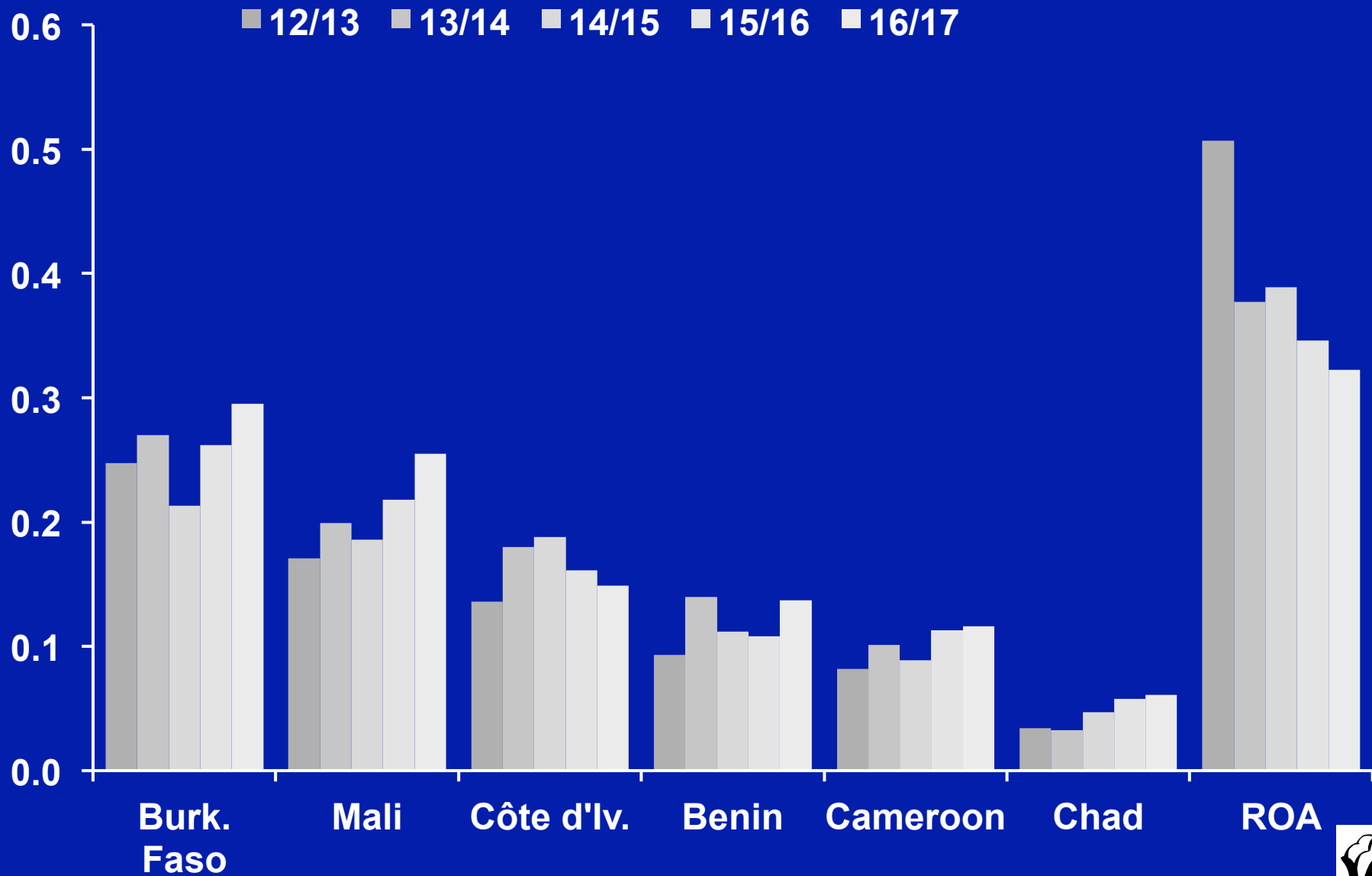
Country	Average 2000-05	Average 2010-15	Rank Among African Exporters in 2015/16
Benin	54%	20%	5
Burkina Faso	66%	26%	1
Cameroon	4%	3%	4
Chad	49%	3%	6
Côte d'Ivoire	3%	2%	3
Mali	50%	19%	2
Mozambique	3%	1%	13
Togo	15%	3%	11
Uganda	5%	3%	14
Zambia	4%	1%	7
Zimbabwe	7%	6%	12

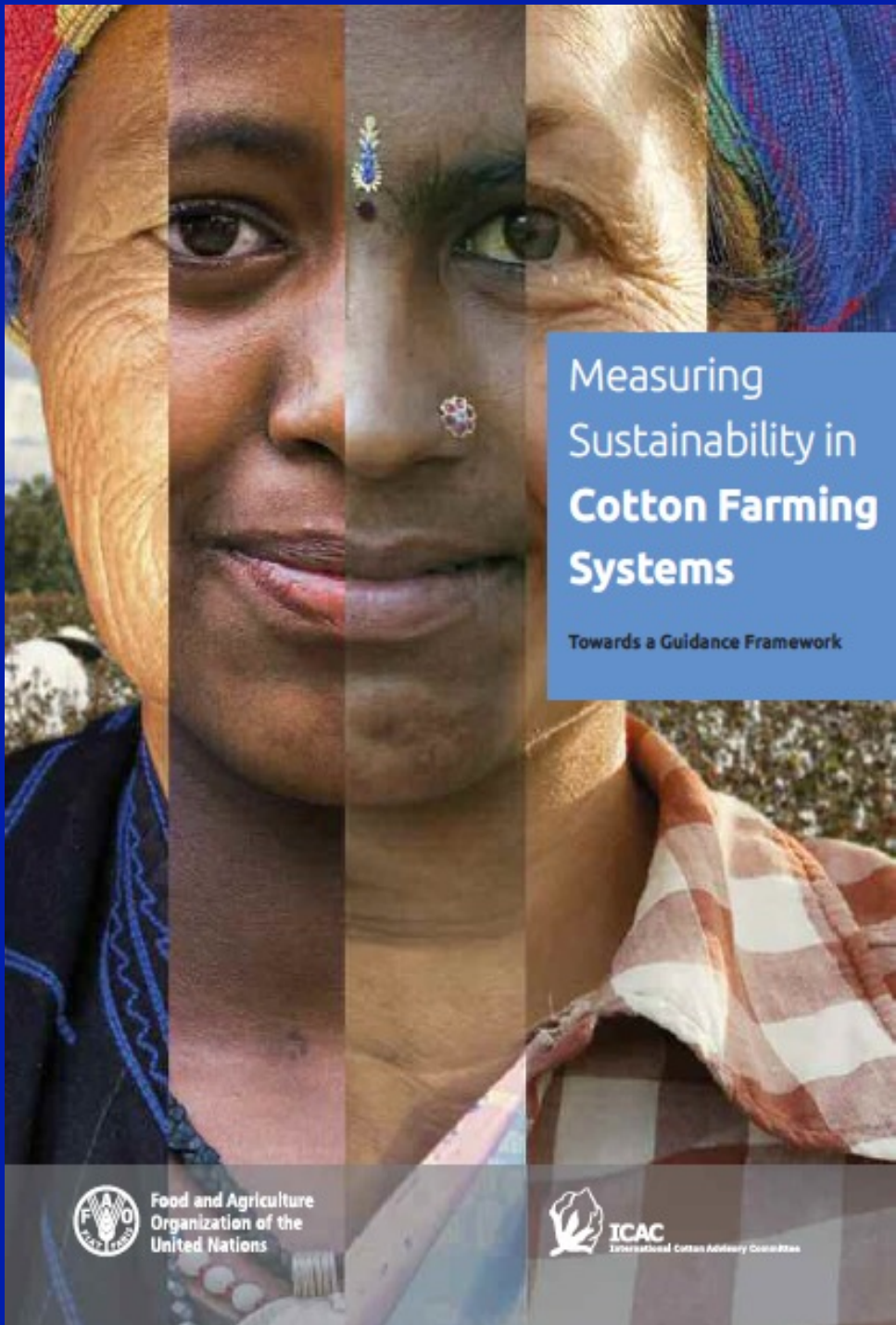
Source: UNCTAD



AFRICA'S TOP EXPORTING COUNTRIES

million tons





Measuring Sustainability in Cotton Farming Systems

Towards a Guidance Framework



Food and Agriculture
Organization of the
United Nations



ICAC
International Cotton Advisory Committee

SEEP INTRODUCTION

- **SEEP** = Expert Panel on the Social, Environmental and Economic Performance of Cotton
- Advisory body of ICAC
- First meeting in September 2007
- Collaboration with FAO
- Today:
15 experts from 9 countries,
multi-faceted aspects of the cotton sector
well represented

SEEP TASKS

1. Provide the ICAC with objective, science-based information on the negative and positive social, environmental and economic aspects of global cotton production
2. Gather information from around the world on costs of agricultural labour and the factors that affect those costs to assess their impacts on the social performance of cotton; and
3. Make recommendations for further action as appropriate to improve the social, environmental and economic performance of the cotton industry.

STATUS OF THE SUSTAINABILITY INDICATOR FRAMEWORK DEVELOPED BY SEEP / FAO

- 11 countries conducted pilot tests of the indicator framework:
Australia, **Benin**, Bolivia, **Cameroon**, China, Paraguay, Peru, **Senegal**, **Togo**, Unites States and **Zambia**.
- 3 more Latin American countries will conduct a test run in 2017:
Argentina, Colombia and Ecuador.
- 6 countries conducted workshops to discuss the framework:
Burkina Faso, **Côte d'Ivoire**, **Guinea**, **Mali** and **Niger**.

Full report

downloadable

Website

EXPERIENCES FROM PILOTS IN BENIN

- *Guidance and starting point:*
Multi-stakeholder workshop of GOs, NGOs and academia guided by FAO.
- *Characteristic of pilot test:*
39 indicators selected and 105 farming households in a particular district surveyed.

EXPERIENCES FROM OTHER PILOTS

1) CAMEROON, TOGO AND SENEGAL

- *Guidance and starting point:*
One year EU-funded project with integration of the African Cotton Association under guidance of CIRAD
- *Characteristics of pilot test:*
Indicator application --- see table→
Data sets existing on the level of cotton companies integrated

	94
same	7
modified	36
new	27
n/a	24

2) CHINA (w/CIRAD & Gov't of China)

3) BOLIVIA, PARAGUAY & PERU (w/FAO & ABC)

4) AUSTRALIA (CRDC)

PRELIMINARY HIGHLIGHTS

- **Framework is comprehensive and relevant to country contexts**
- **Framework helps raise awareness about sustainability issues in cotton production**
- **Framework serves as crystallization point for local cotton discussions**
- **Methodological guidance would streamline application of the framework**
- **Some indicators are calculated based on many raw data points -> tools for the raw data processing will be helpful to allow harmonized data gathering. In one case, data base tool for data recording and indicator retrieving was developed.**

NEXT STEP: “LESSONS LEARNED” REPORT

- **Bring together experiences and lessons learned from pilot tests with a summarizing “Lessons Learned Report”**
- **Report will contain three methodological steps:**
 - **A summary table of all indicators, by pilot test activity, showing which of them have been used, modified for the regional context or which were identified as difficult to implement.**
 - **An analysis how the utilized indicators were applied and how corresponding raw data were collected.**
 - **An organizational assessment of the roles of different actors in the pilot countries and how they collaborated to implement the framework.**
- **Report efforts supported by GIZ**



Discover
Natural
Fibres
Initiative



COST OF PRODUCTION OF RAW COTTON

October 2016

INTERNATIONAL COTTON ADVISORY COMMITTEE

COST OF PRODUCTION OF RAW COTTON

Periodicity	Every three years
Current data	2015/16
Data sources	Coordinating Agencies & others
Nr. of countries	31
Production	87% of world area

NET COST OF LINT PRODUCTION - WORLD

US\$/kg lint

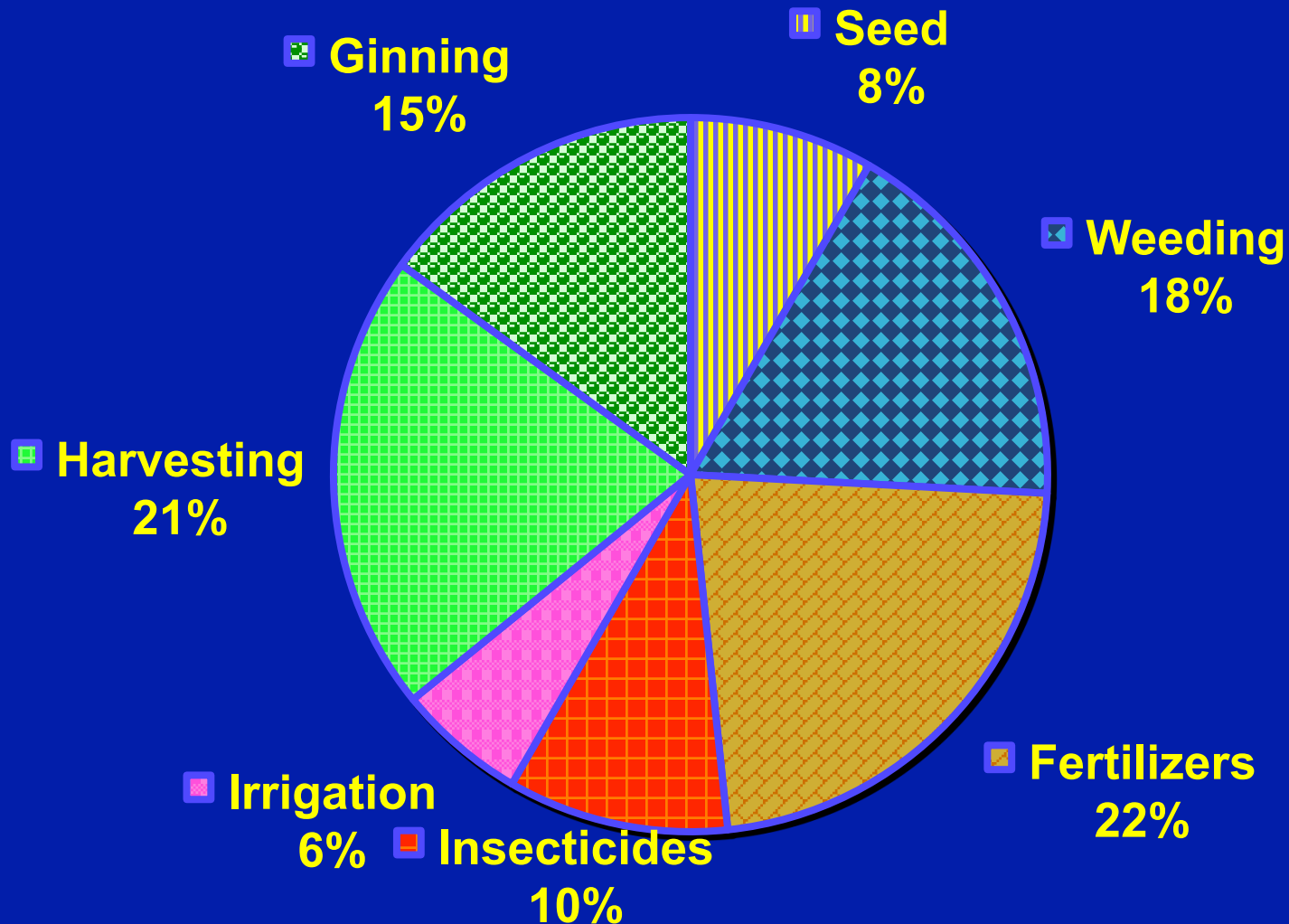


COMPONENTS OF COST OF PRODUCTION 2015/16

(US\$/kg)

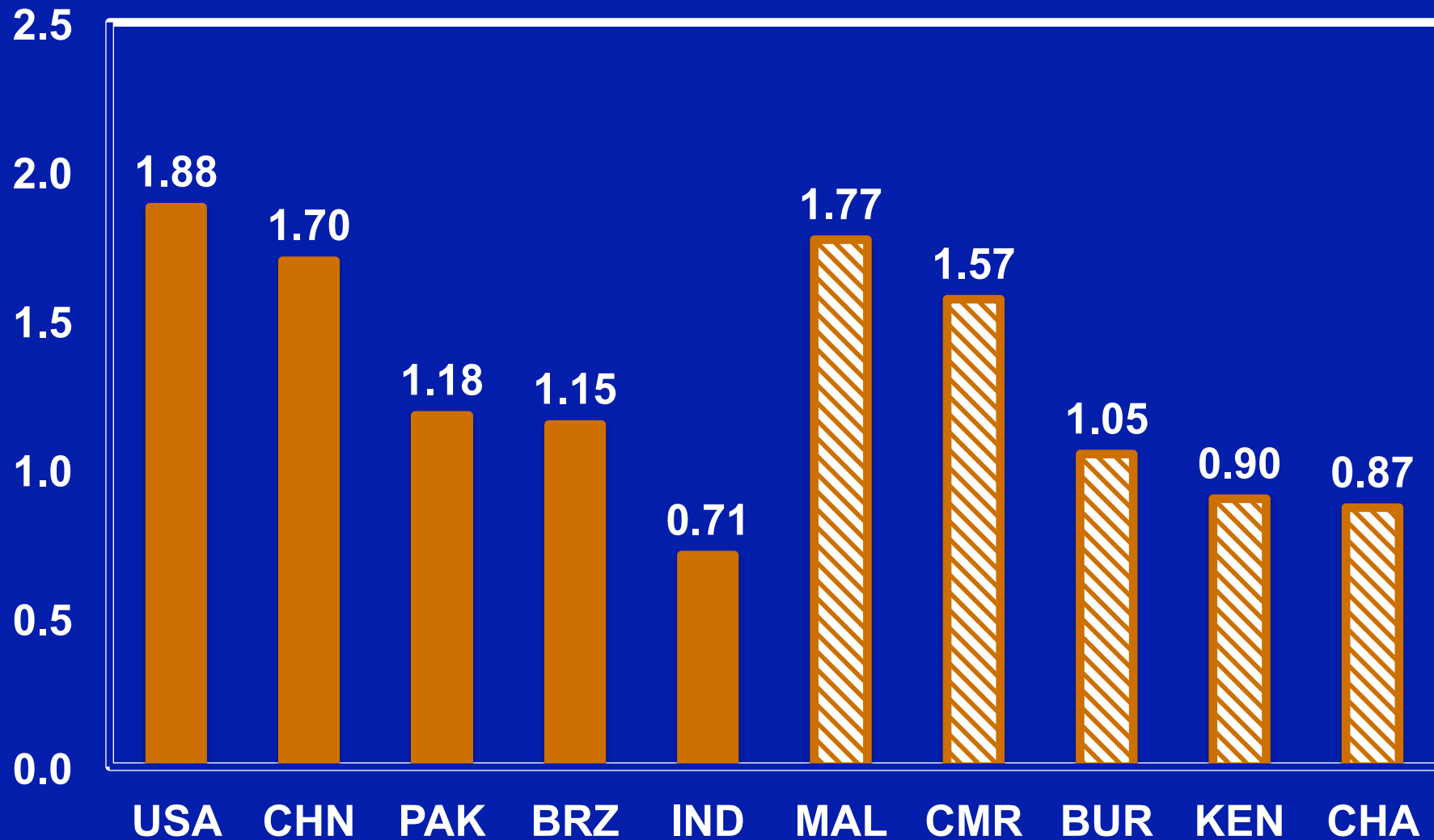
Seed	= 0.10
Weeding	= 0.21
Fertilizer	= 0.27
Insecticides	= 0.12
Irrigation	= 0.07
Harvesting	= 0.25
Ginning	= 0.18

STRUCTURE OF COST OF LINT PRODUCTION – WORLD



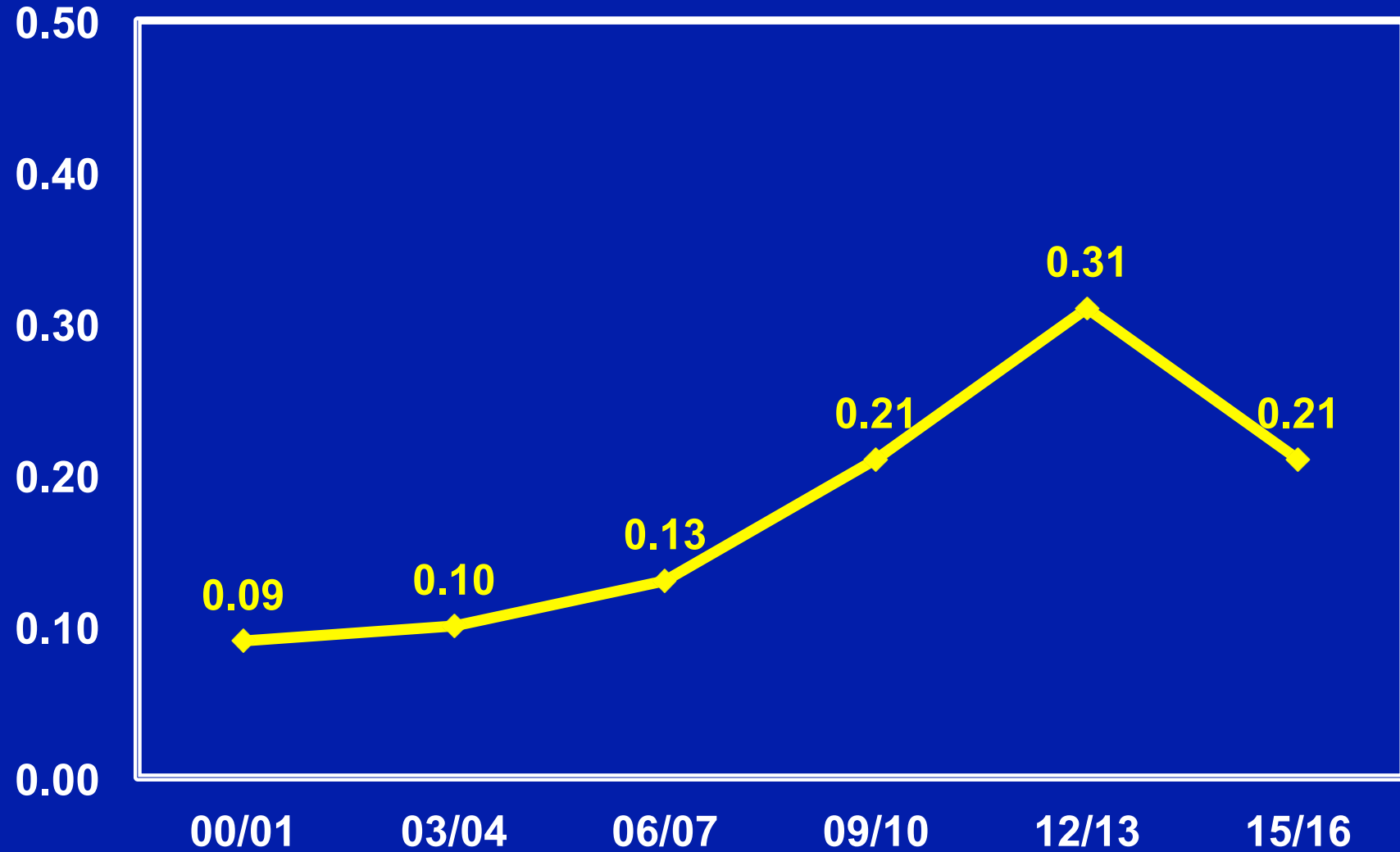
COST OF PRODUCTION IN TOP 5 PRODUCERS & AFRICA

US\$/kg lint



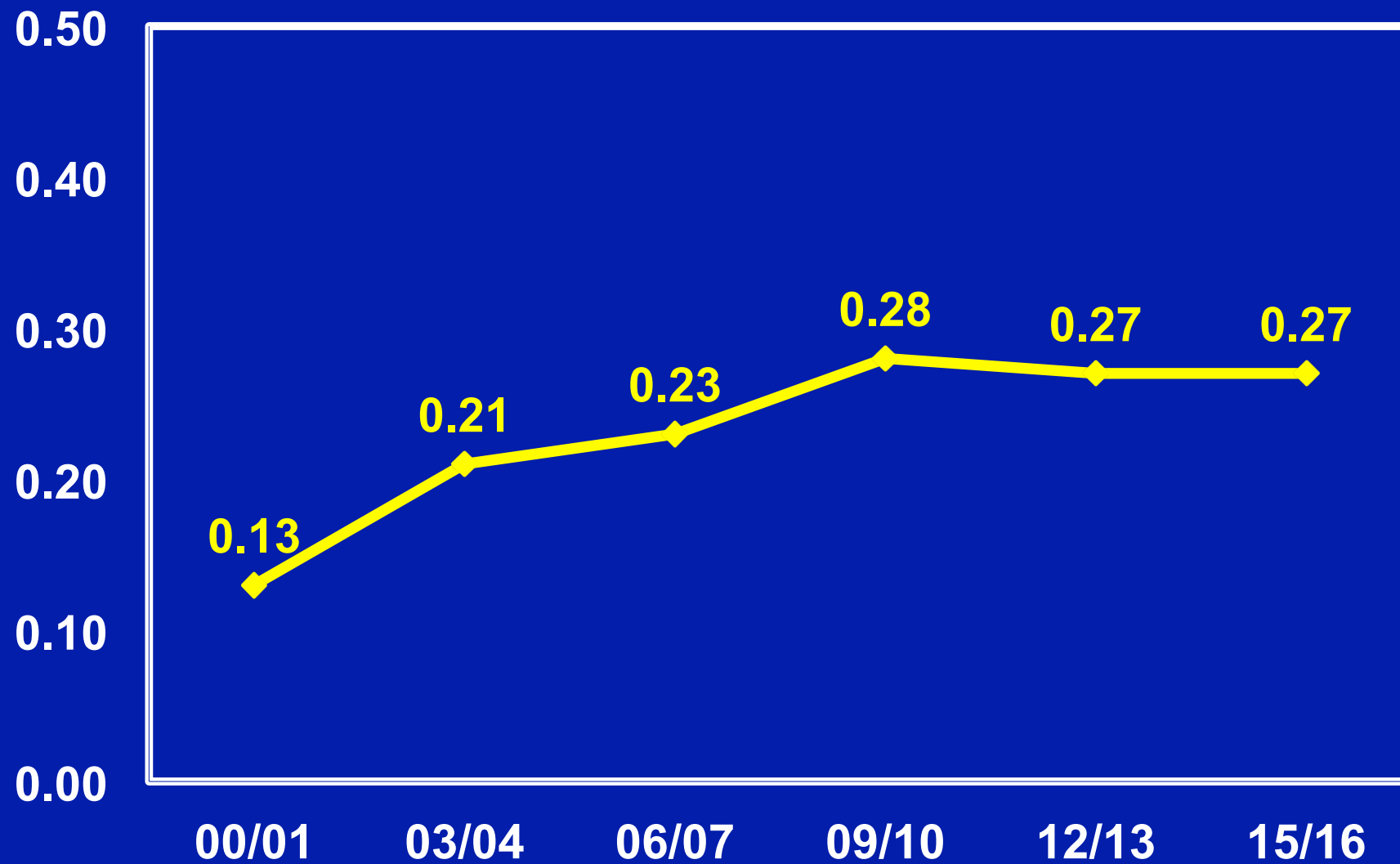
COST OF WEEDING

US\$/kg lint



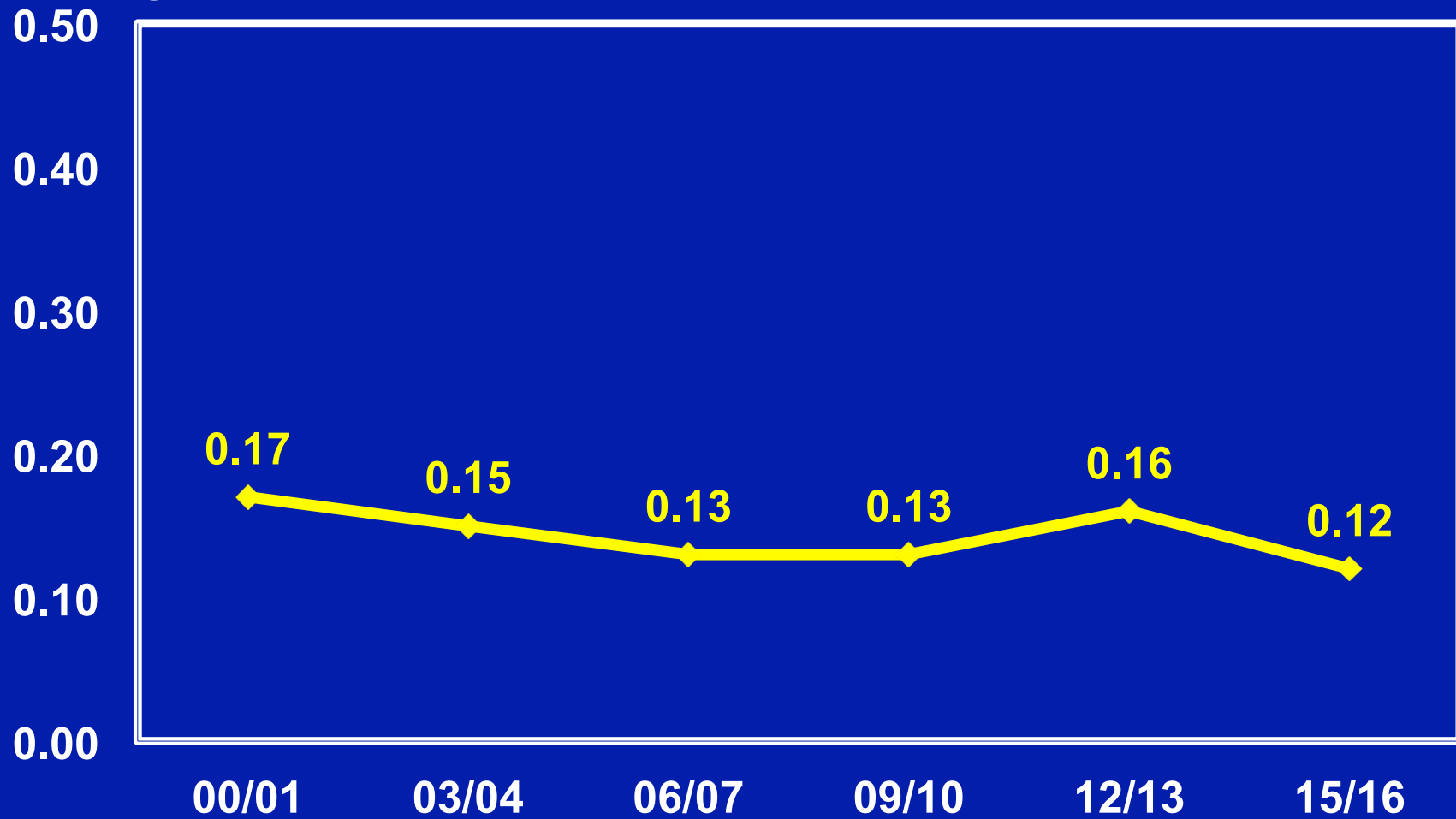
COST OF FERTILIZER

US\$/kg lint



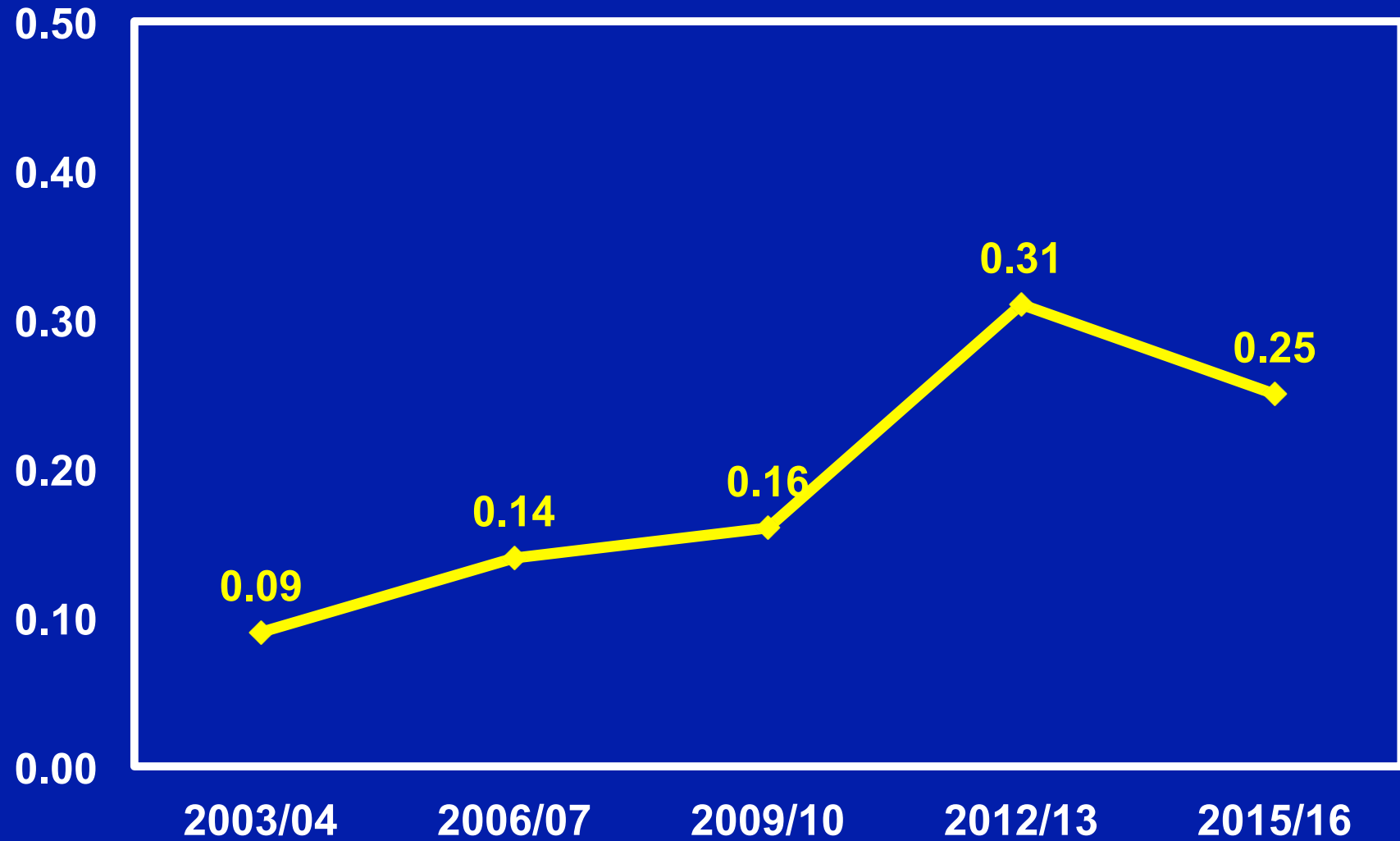
COST OF INSECTICIDES

US\$/kg lint



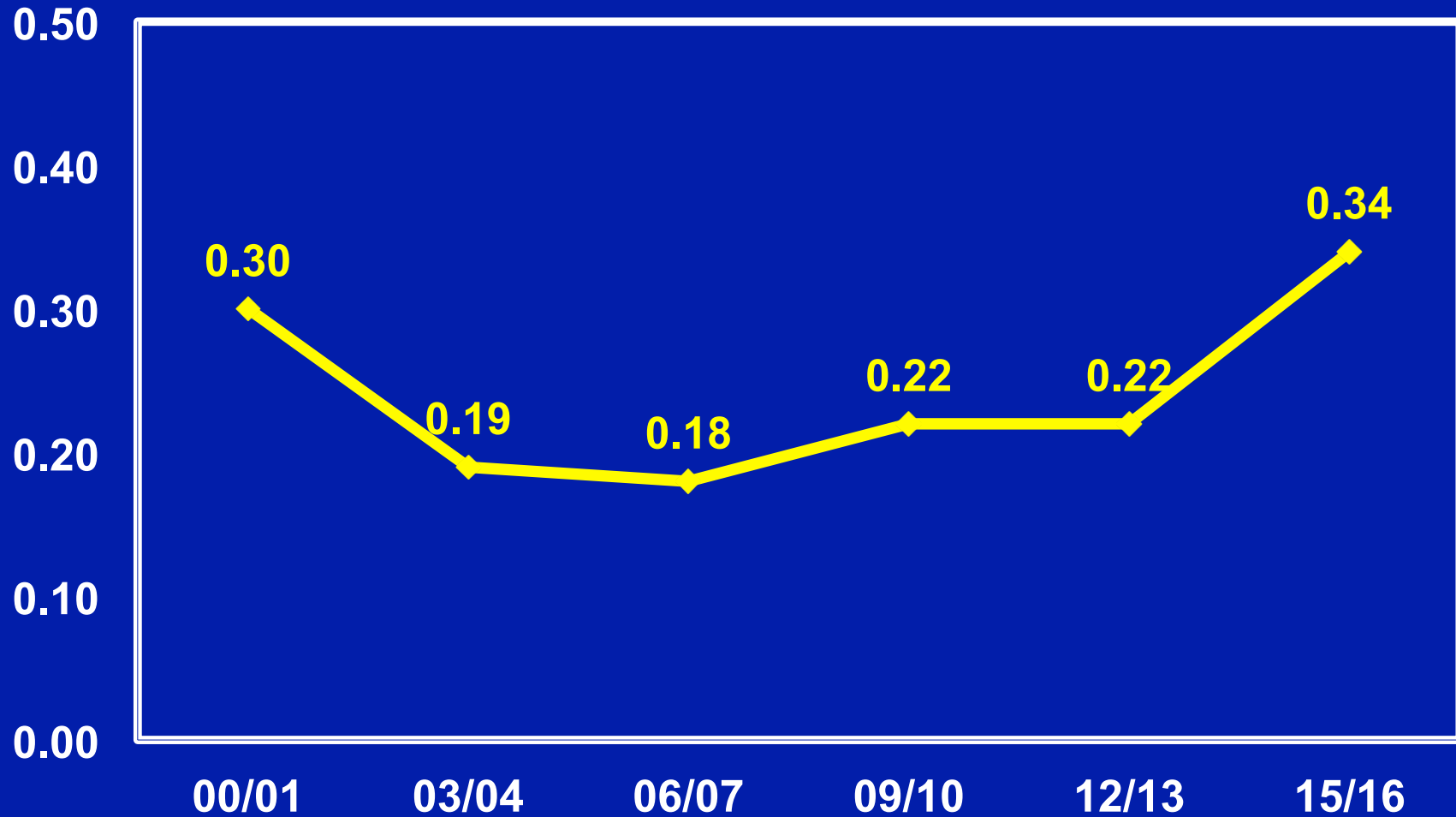
COST OF PICKING

US\$/kg lint



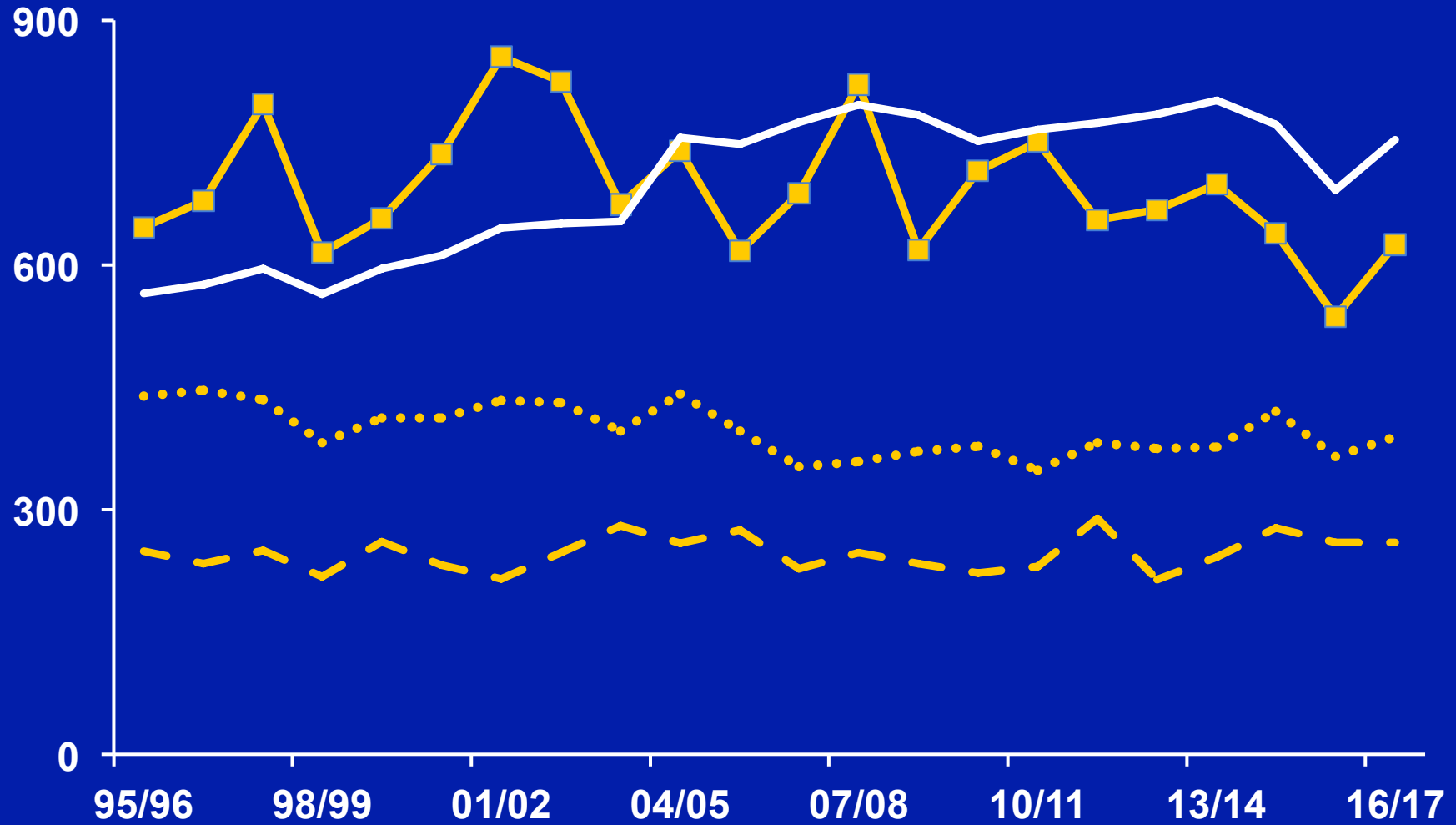
SEED VALUE AFTER GINNING

US\$/kg Seed Produced



AVERAGE COTTON LINT YIELD IN AFRICA

kg/ha



—■— North Africa ••• Francophone - - - S and E Africa — World



Thank you

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www.icac.org