



# 60th Plenary Meeting of the INTERNATIONAL COTTON ADVISORY COMMITTEE

## MINUTES

### Inauguration

9:00 AM, Monday September 17, 2001  
Mr. Sylvester Nguni in the Chair

The SECRETARY GENERAL introduced Mr. Sylvester Nguni as Chairman of the Plenary Meeting. Mr. Nguni is Managing Director of The Cotton Company of Zimbabwe.

The CHAIR asked for a moment of silence in honor of the approximately 5,000 people killed in terrorist attacks in New York City, Washington, DC and Pennsylvania the previous week. There was a moment of silence.

In his welcoming remarks, the CHAIR said that it was with great pride that he stood in Victoria Falls, in his own country, as chairman of the 60<sup>th</sup> Plenary Meeting of the International Cotton Advisory Committee. He noted that there had been some sleepless nights over preparations for the meeting, including the news that the conference venue had gone up in smoke just two months earlier. However, all difficulties had been overcome with teamwork and commitment, and he took great pleasure in seeing the large number of friends from so many countries that were attending the meeting. He acknowledged the support of Standard Chartered Bank Zimbabwe as the principal sponsor, as well as the support of Cargill, Lummus the Zimbabwe Farmers Union, the Commercial Cotton Growers Association and The Cotton Company of Zimbabwe. He also acknowledged the help given by officials of the Ministry of Agriculture and other ministries and departments of government. He pointedly observed that without delegates and observers there would be no meeting, and he thanked participants for their support in accepting the invitation of Zimbabwe to meet in Victoria Falls. Mr. Nguni's remarks are a statement of the meeting.

The CHAIR welcomed the Honorable Doctor Joseph M. Made, Minister of Lands, Agriculture and Rural Resettlement and invited him to offer his Inaugural Remarks. [*Dr. Made delivered his remarks on Thursday, September 20.*]

Dr. Made expressed sorrow for the tragic events in the USA and said that the government and people of Zimbabwe are saddened by what had happened. He welcomed all participants to the magnificent backdrop of the Victoria Falls and said that the Zimbabwean government is pleased and privileged to host the 60<sup>th</sup> Plenary Meeting. He recounted briefly the history of cotton production in Zimbabwe from the early years of the last century. He noted that a significant expansion took place in the 1960s and that new varieties bred at Kadoma specifically for local conditions were introduced in the 1960s and 1970s.

The 1969 cotton Marketing and Control Act contributed to the organization of the industry. Under this Act, the Cotton Marketing Board controlled most facets of the industry and helped ensure that cotton from Zimbabwe gained market premiums from assured quality, measures that were essential at the time in order to establish a viable production basis. Until 1980, cotton production was based mainly on large-scale commercial growing areas, but with independence increased production by smallholder farmers in communal areas started. For many farmers, this was their first experience with growing a cash crop, and national production expanded. Economic development started in cotton producing communal farming areas on the back of seed cotton sales, and smallholder farmers effectively adopted the skills required in cotton production.

In 1995 the government deregulated the industry and established the National Cotton Council encompassing all sectors of the industry. The Cotton Marketing Board was privatized and became The Cotton Company of Zimbabwe, and the industry has grown from strength to strength. Seed cotton production, which was 185,000 tons in 1980, reached a record 358,000 tons last year. Smallholders contributed a massive 85% of the 1999 crop, compared with just 20% of the smaller 1980s crop. The expansion of cotton production has increased export-earning capacity and has been a major factor in the social and economic development of rural areas. He reported that by any measure cotton production in Zimbabwe is a success and the lessons learnt and practices applied can be of use in other countries.

Dr. Made said he considered membership in the ICAC valuable to Zimbabwe, and he appreciated the information received from the Secretariat. He said the information provided concerning the distortions caused by subsidies was particularly interesting. He observed that the removal of subsidies in the Zimbabwean cotton industry resulted in efficient production and marketing, customer satisfaction and great strides in social and rural development. He said that the repeal of government measures that distort international trade in cotton will improve the efficiency of trade and will have a multiplier effect on the benefits of cotton production in many producing countries.

Dr. Made concluded by wishing delegates a fruitful and stimulating deliberations.

The CHAIR thanked Dr. Made for his remarks and for the support of the government for the ICAC. Dr. Made's remarks are a statement of the meeting.

The CHAIR introduced the Secretary General to give the Report of the Executive Director.

The SECRETARY GENERAL began by saying that we are all internationalists now. He said that no country could afford an attitude of exceptionalism, believing it can operate individually in exceptional apartness from a sometimes-difficult world of competing ideas and differing values. He asked why, given the uncertainties of travel, did the Committee bother to meet during difficult times. He answered the question by noting that the ICAC had been created 62 years ago, despite the outbreak of World War II, by men of vision who saw beyond the confines of their immediate situation and realized that through a shared commitment to open and candid exchange of views, coupled with cooperation toward the improvement of the world cotton economy, the circumstances of national cotton markets could be improved.

He said that this vision was still valid and provided the rationale for continuing to meet. He congratulated the host country for one of the most broadly representative ICAC meetings in recent history with more than 40 countries represented. He said that we meet not because we don't care about difficulty. We meet because meeting is worth it.

The SECRETARY GENERAL said that the ICAC is meeting during a period of industry crisis caused by the unanticipated decline in cotton prices since December 2000. He noted that the Secretariat did not realize that the changes affecting the market are structural in nature, rather than transient, until well after prices had begun to fall, and that a new understanding of the underlying factors affecting cotton prices is necessary. He said that four factors seem to be influencing the shift in the level of world cotton supply: Improved technology, the strength of the U.S. dollar, the development of new cotton areas and government measures. He observed that rising world production means that a recovery in prices to average levels is not likely soon.

The SECRETARY GENERAL said that the mission of the ICAC is to assist governments in fostering a profitable and healthy world cotton industry. The Committee serves as a catalyst for cooperative action by governments and industry segments in the pursuit of broadly shared goals. The role of the ICAC is to raise awareness, disseminate information and to facilitate cooperative action.

He reviewed the agenda for the 60<sup>th</sup> Plenary Meeting and said that there were six major topics that would receive emphasis during the week, and that our broad objective was to expand understanding and cooperation in the areas of government measures, demand enhancement, good trade practices, improving quality, genetic engineering in cotton, and integrated crop management.

The SECRETARY GENERAL welcomed delegates from non-member countries and said that all participants in ICAC plenary meetings were fully welcome. He expressed the hope that governments would consider joining the Committee, saying that membership in the ICAC provides the avenue for each cotton industry to join fully into the fraternity of cotton countries in discussions of cotton issues of international scope and significance.

He noted that the past year has been a successful one for the ICAC. He acknowledged the efforts of the nine members of the Secretariat. He expressed a special thanks to members of the Zimbabwe Organizing Committee who have worked under difficult circumstances to make this meeting a success. He also recognized the efforts already underway in Egypt and Poland to host the 61<sup>st</sup> and 62<sup>nd</sup> Plenary Meetings in 2002 and 2003. He expressed appreciation for the work of the Standing Committee this past year, saying that the four institutions of the ICAC, the Advisory Committee, the Standing Committee, the Private Sector Advisory Panel and the Secretariat, are working well together. The Standing Committee and its officers this past year, Mr. Blum, Mr. Liévano, and Mr.

Malhotra, deserve much credit for their work. He also thanked Mr. Stanley Anthony who serves as Chair of the Expert Panel on Ginning, and Mr. Fritz Grobien who served as Chair of the Private Sector Advisory Panel. The Expert Panel on Ginning and the PSAP have contributed much to the work of the ICAC this year. The *Report of the Executive Director* is attached.

The CHAIR thanked the Secretary General for his remarks and recognized the delegate of Brazil.

The delegate of BRAZIL noted the absence of Mr. Pellegrino, a long-time supporter of the ICAC from Argentina who has traditionally offered words of thanks to the host country at the opening of plenary meetings. As a neighbor of Argentina, Brazil would be happy to substitute for Argentina this year. The delegate said that in the name of all the delegates present, the Brazilian delegation would like to extend its appreciation for the warm welcome received in this magnificent setting in Victoria Falls and the outstanding hospitality and charm of the people. He congratulated the Organizing Committee which, despite all the difficulties and adventures had made this event possible. He also thanked the Secretariat of the ICAC because its hard work had contributed to the success of the plenary meeting. The delegate's remarks are a statement of the meeting.

Seeing that no other delegates wished to speak, the CHAIR adjourned the meeting at 10:45 am.

[The Report of the Chairman of the Standing Committee, which is attached, was presented at the Second Plenary Session.]

## **FIRST PLENARY SESSION**

10:45 AM, Monday September 17, 2001  
Mr. Paddy Zhanda in the Chair

The CHAIR called the meeting to order and introduced Mr. Washington Matsaira, Chief Executive Officer of Standard Chartered Bank Zimbabwe Limited, to present a paper on the world economic outlook. Mr. Matsaira said that since late last year the world economy has been slowing and that the next 12 to 18 months will be very difficult for the majority of African economies, as the continent feels the effects of a reduction in output growth and a decline in investment and trade flows. He also said that as a result of the events of the previous week in the United States, the global downturn will likely last longer than previously anticipated. He mentioned that the economies of Nigeria and South Africa, which together account for over 40% of regional output, continue to under-perform and that despite the April-2001 forecast of the IMF, which suggested that sub-Saharan expansion would be 3.9% in 2001, the region was now expected to expand by 3% this year and by a lower rate in 2002. In addition to the global slowdown, economic performance in Africa is being affected by a sharp fall in commodity prices and a 20% decline in foreign direct investment. With regard to the oil price boom, Mr. Matsaira said that energy is a top export product in sub-Saharan Africa but that most of the African economies are net importers and with high fuel prices and weak export prices, several African countries are feeling a negative impact. He mentioned that because of low foreign direct investment into the region, countries are competing for resources by introducing friendly tax regimes. He said that obtaining foreign resources mainly depended on economic policies that promote local savings and investment as well as development of financial sector programs. He added that finance must play the main role to achieve the African renaissance in the years ahead and that ultimately investment has to be home grown. Finally, Mr. Matsaira said that Standard Chartered Bank has been close to agriculture in several countries in the region, transferring funds from urban to rural areas and that the bank played an important role supporting the economic development of the region. Mr. Matsaira's presentation is a statement of the meeting.

The CHAIR thanked Mr. Matsaira for his presentation and introduced Mr. Gérald Estur, statistician of the Secretariat, to present the world outlook for cotton. Mr. Estur said that world cotton supply is expected to increase by 1.1 million tons to reach a record level of 29.5 million tons in 2001/02, while demand is anticipated to increase by only 200,000 tons. He noted that international cotton prices collapsed from 66 cents per pound in December 2000 to 41.50 cents per pound in September 2001, despite the fact that world ending stocks declined for the third consecutive season to a six-year low of 8.6 million tons in 2000/01. Production in the Northern Hemisphere is expected to rise by 10% or 1.7 million tons. The three biggest producing countries, China (Mainland), the USA and India, will account for most of the increase in world production in 2001/02 with a combined increase of 1.5 million tons. Low cotton prices combined with more attractive soybean prices will likely reduce Southern Hemisphere cotton area in 2001/02. Overall world production in 2001/02 is estimated at 20.85 million tons, 1.5 million tons, or 8%, more than last season and above the previous peak of 20.7 million tons recorded in 1991/92. Most of the increase in production will occur in the high-medium and medium categories. The world economy is decelerating

in 2001 and world textile fiber consumption at the end-use level will increase by 2% in 2001/02. Mill consumption is forecast to increase by 1% to reach a record of 19.9 million tons in 2001/02. U.S. cotton mill use will continue dropping. In spite of official prices for existing stocks, which are above international prices, the stock-reduction policy by China (Mainland)'s government is likely to remain in effect in 2001/02. China (Mainland) is now expected to import 150,000 tons and to maintain exports of around 100,000 tons. World cotton exports are now forecast to increase by 200,000 tons, to 5.9 million tons in 2001/02, 28% of projected world production. The USA will take the lion's share of the increase, with 31% of world exports, up from 25% last season. World cotton imports as a share of world consumption are estimated at 30% in 2001/02, one percentage point higher than last season. World production is expected to exceed consumption by 900,000 tons and world-ending stocks are forecast to increase accordingly. The burden of ending stocks will continue shifting from China (Mainland) to other countries, mainly to the USA. Ending stocks out of China (Mainland) will increase by 1.1 million tons, to 7.5 million tons, bringing the stocks-to-use ratio to 51%, up from 43% last season. International cotton prices will remain in 2001/02 below the long-term average for the fourth consecutive season. Supply and demand estimates suggest that the Cotlook A Index will average 47 cents per pound in 2001/02, ten cents, or 20%, lower than in 2000/01, and the lowest since 1972/73. In the short-term, the downward pressure on prices is likely to intensify with the arrival of the crop to the market. In the longer term, cotton consumption will be stimulated by the historically low prices, which have already improved significantly the profitability of the spinning sector and the competitiveness of cotton. However, if the economic slump affecting the world's biggest economies were to worsen into a recession, cotton consumption would certainly suffer. The *Outlook for Cotton Supply in 2001/02* is a document of the meeting.

The CHAIR opened the floor for comments. There being no questions, the CHAIR thanked the speaker for his presentation and invited delegates from member countries to provide statements.

The delegate of BELGIUM, speaking on behalf of the EUROPEAN UNION, congratulated the Organizing Committee and thanked the people of Zimbabwe for their hospitality. He underlined that the EU is not a very important producer of cotton but is a major producer and exporter of textile products. That is the reason why the EU appreciates the role of ICAC. He mentioned that cotton production in the EU was 1.573 million tons of seedcotton and is expected to decline to 1.41 million tons this season. He noted that production accounts for 40% of the cotton mill consumption in the EU, which is the second largest importer in the world. He explained that ginneries receive payments from the EU, which are reduced when national production quotas are exceeded. As a result, the expansion of cotton cultivation is now restricted. The European Union's remarks and country report are statements of the meeting.

On behalf of all delegations, the delegate of BRAZIL thanked the government of Zimbabwe and the organizers of the meeting and expressed his compassion to the people of the United States.

The delegate of SOUTH AFRICA thanked the government of Zimbabwe and the meeting organizers. He also expressed his deepest sympathy to the United States. He stated that the African renaissance of cotton depends on three basic principles: the application of free market principles, increasing productivity throughout the cotton pipeline, and marketing and promotion. He indicated that the level of subsidies in South Africa is very low relative to the OECD average, but 55% of world cotton production benefits from direct income or price support programs, threatening production in Africa. He indicated that 50% of area next season would be planted to GE varieties. Finally, he congratulated the Chairperson and the members of the Standing Committee as well as the executive director for their excellent work since the last meeting. South Africa's remarks and country report are statements of the meeting.

The delegate of PARAGUAY congratulated the organizers of the meeting and thanked the government and the people of Zimbabwe for their hospitality. He indicated that planting intentions for the 2001/02 season are dramatically lower as a result of depressed prices. He said that Paraguay cannot afford to subsidize its cotton production and is suffering from the consequences of government measures in other countries that distort trade. He pointed out that Paraguay has successfully expanded its exports of cotton all over the world, thanks to the improvement of the quality of its production and will continue to export despite its reduced output.

The delegate of INDIA thanked the government of Zimbabwe and the organizing committee and presented his condolences to the people of the United States. He explained the vital importance of the cotton sector for the Indian economy. He mentioned that India has the distinction of growing all the four varieties of cultivated cotton species and of having the largest cotton area in the world. He noted that production and consumption declined in 2000/01 and that the prices of seedcotton as well as of lint were higher than during the previous season. Imports and exports of cotton are now free. He indicated that the government of India has taken several initiatives for

improving quality, productivity and production of cotton in a joint venture between government agencies, the industry and growers. India's country report is a statement of the meeting.

The delegate of EGYPT expressed his thanks to Zimbabwe's government and people for hosting this meeting and to the Secretariat for the excellent preparations. He emphasized that the liberalization of the cotton sector started in 1994 has achieved fruitful results. In particular, the quality of cotton has improved and contamination has been reduced. The number of traders has increased and exports have reached an average of 100,000 tons annually to more than 40 countries by 26 exporting companies. He expressed the delight of the Egyptian people and government that the next plenary meeting will be held in Egypt. Egypt's country report is a statement of the meeting.

The delegate of GREECE thanked the host government and expressed compassion for the tragedy in the USA. He mentioned that cotton production is expected to be about 1.1 million tons of seedcotton this season, down from 1.235 million tons last season. He explained that the decline is partly due to low prices but chiefly due to the restrictive policy recently adopted by the EU, reducing aid when production exceeds the national guaranteed quota. Because of the drop in prices in 2001, exports have been difficult and ending stocks have increased. However, yield and quality are expected to be better in 2001/02 than last season. Greece's country report is a statement of the meeting.

The delegate of UGANDA extended her thanks and gratitude to the government of Zimbabwe and the organizing committee for the excellent arrangement for this plenary meeting despite the difficulties. She also joined the rest of the world in extending her sympathy to the U.S. government and people. She underlined that the rehabilitation stage is now concentrating on increasing productivity and improving quality. She mentioned that production declined by 12% this season because of low prices. The delegate of UGANDA invited all willing investors in the textile and garment manufacturing to invest in Uganda where all possible incentives will be given by the government. Uganda's country report is a statement of the meeting.

The delegate of BRAZIL indicated that their country statement would be provided later. He congratulated the Secretariat for its report on the outlook for supply and demand, which is clearly showing that the dismal situation is created by man-made distortions to the free market.

The delegate of AUSTRALIA joined other delegations in expressing his thanks to the government of Zimbabwe for hosting the meeting and to the organizers for their hard work. He mentioned that Australian cotton production reached a new record of 775,000 tons in 2000/01 and that 735,000 tons were forecast for the coming season. He underlined that the Commonwealth Government assists the cotton sector through its contribution to research and development in partnership with the Australian industry. He mentioned the initiatives taken by the government to support the Australian Textile, Clothing and Footwear industries in order to advance their international competitiveness. Australia's country report is a statement of the meeting.

The CHAIR adjourned the session at noon.

## **SECOND PLENARY SESSION**

2:00 PM, Monday September 17, 2001

Mr. Guy M. Menage in the Chair

The CHAIR opened the Second Plenary Session and invited delegates to provide statements.

The delegate of the UNITED KINGDOM echoed all other delegates' words of congratulations in staging this plenary in difficult circumstances but a wonderful setting. He mentioned that the United Kingdom's main connections with the international cotton industry are in fields other than production and processing of fiber. Cotton trading retains a strong base in the UK, and the provision of trading rules and arbitration gives to the LCA an important role in the global cotton industry. The UK also retains an important role in information services, education and research from which the cotton industry benefits. The United Kingdom's country report is a statement of the meeting.

The delegate of ZIMBABWE extended her welcome to the delegations of all countries and said that her country is honored to host the 60<sup>th</sup> Plenary Meeting expressing the hope that delegates and observers will be enjoying their stay in Victoria Falls. To revitalize its economy, Zimbabwe aims at increasing exports, and the cotton industry will

play a critical role in this regard. The current land reform program has not affected cotton production as the bulk of producers are small-scale farmers, but the depressed international prices have limited the increase in area. Due to unfavorable weather conditions production declined by 6.5% in 2000/01. Zimbabwe's country report is a statement of the meeting.

The delegate of IRAN thanked the government of Zimbabwe for its hospitality and congratulated the Organizing Committee and the Secretariat of ICAC for the excellent organization. He said that the total cotton area in Iran declined by 21%, down to 205,000 hectares in 2001/02 because of a shortage of water, high cost of production, unsuitable marketing conditions and low international prices. The Iranian textile industry consumed 110,000 tons. Iran's country report is a statement of the meeting.

The delegate of SUDAN offered his gratitude to the government and the people of Zimbabwe for their hospitality and the warm welcome received. He said that the Sudanese government is implementing a rehabilitation plan for irrigation and ginning infrastructure as well as spinning and weaving mills. All taxes on cotton have been abolished and commercial banks are encouraged to increase financing of the cotton sector under more favorable terms. Production increased from 52,000 tons to 74,000 tons in 2000/01 but is expected to decline this season because farmers shifted from cotton to grains. He mentioned that the research project on stickiness sponsored by the CFC and the ICAC has just terminated. He thanked and congratulated the Organizing Committee and the Secretariat for the excellent preparations for the meeting. Sudan's country report is a statement of the meeting.

The delegate of TURKEY expressed his thanks and congratulations to the government of Zimbabwe and the members of the Organizing Committee who made this meeting possible despite difficult conditions. He thanked the chairman of the Standing Committee and the executive director for their efforts and contributions. He regretted the absence of the chairman of the Standing Committee and expressed his sympathy with the feelings of the U.S. people. He mentioned that cotton production in Turkey reached 880,000 tons last season and was expected to climb to a new record of 900,000 tons this season. He noted that Turkey would nevertheless continue to import cotton. Turkey's country report is a statement of the meeting.

The delegate of CHINA (TAIWAN) thanked the Organizing Committee for its hospitality. He underlined that the spinning industry was facing serious difficulties because of a shortage of labor, high wages, high cost of land and low import duties enabled cheap imports of yarn to flood the Taiwanese market. In response to low demand, domestic cotton spinners have moved production overseas, shifted to other businesses or raised the added value of their products to remain competitive. The industry remains totally dependent on imported raw cotton, particularly from the USA. The total number of spindles fell from 4.5 million in 1993 to 2.5 million in 2001, and the utilization rate dropped to 85%. China (Taiwan)'s country report is a statement of the meeting.

The CHAIR invited delegates of non-member countries to present their statements.

The delegate of ANGOLA thanked the ICAC Secretariat for having invited his country to this important meeting. He thanked the government of Zimbabwe and the Organizing Committee for their warm welcome and the excellent preparation of the meeting. He said that cotton production in Angola has dropped dramatically since 1975 because of political instability and a lack of financial resources. The country is in the process of rehabilitating the cotton sector through involvement in ICAC, promotion of cotton cultivation wherever it is possible and safe and rehabilitation of cotton marketing, processing and storage facilities. He announced that the government of Angola is taking steps to become a member of the ICAC in the near future. Angola's country report is a statement of the meeting.

The delegate of ZAMBIA said that the Ministry of Agriculture of Zambia was taking measures to acquire full membership in the ICAC before the 61st Plenary Meeting. He noted that the potential for cotton production in Zambia is largely untapped. The cotton sector in Zambia has been liberalized since 1994 and production has fluctuated between 65,000 and 100,000 tons of seedcotton, while the country has a ginning capacity of 150,000 tons. He thanked the government of Zimbabwe and the ICAC for organizing this meeting and expressed his trust that Zambia will benefit from integration in the international cotton community. Zambia's remarks and country report are statements of the meeting.

The CHAIR noted that no additional delegation wished to speak. The session was adjourned at 3:45 pm.

10:30 AM, Tuesday September 18, 2001  
Mr. W. G. Mashingaidze in the Chair

The CHAIR introduced Mr. Alfonso Liévano, First Vice Chair of the Standing Committee. Mr. Liévano noted that he was presenting the report of Mr. Lawrence Blum, Chair of the Standing Committee. Mr. Blum was unable to attend the plenary meeting. In his report, the Chairman of the Standing Committee extended his thanks and congratulations to the government of Zimbabwe and the organizers of the conference. He said that the theme of this conference, "Cotton: An African Renaissance," captures the rapid development of the Zimbabwe cotton industry that in six short years has transformed itself from a state-controlled sector to what it is today, a free enterprise industry looking optimistically to the future.

In his report, the Chairman of the Standing Committee focused upon the changing role of the Standing Committee. He said that today, the role of the Standing Committee includes that of encouraging and helping the Secretariat to serve as a catalyst for cooperative endeavors by governments and the private sector. Increasingly, he wrote, your Standing Committee is functioning as a vehicle for turning member country interests and their cotton industry interests into ICAC initiatives. However, he assured that the Standing Committee continues to serve its traditional functions of administrative and financial oversight of the Secretariat, and he said the Secretariat continues to receive high marks for its performance in these areas. The report paid special thanks to Mr. Liévano and Mr. Malhotra, First and Second Vice Chairs respectively of the Standing Committee for their good work in chairing subcommittees that expedited and focused the work of the Standing Committee.

The Chairman of the Standing Committee said that the Secretariat was working to improve the information provided to the Committee and cited the cooperative effort with the FAO to publish the World Textile Fiber Consumption Survey as an example. He noted that the resources for this initiative are coming from revenue earned under the Secretariat's business plan.

The Chairman of the Standing Committee said that the Private Sector Advisory Panel, working through the Standing Committee, has helped focus ICAC attention on the need for risk management education; the development of a business plan to explore revenue opportunities, especially through the provision of information services as well as private sector involvement at plenary meetings; the form and structure of plenary meetings; the formation and report of an expert panel on biotechnology; and the distribution of information on the need for good trading practices. He offered a special thanks to the members of the Private Sector Advisory Panel.

The Chairman's report drew attention to the formation of the Consortium for Cotton Promotion, a program focused upon national programs to increase cotton consumption. The report said that the Consortium is an example of the Secretariat's role as a catalyst for cooperative endeavors by governments and the private sector.

The Chairman of the Standing Committee closed by thanking delegates and observers for their participation. He urged countries to send their Standing Committee delegates from Washington to plenary meetings. He noted that the Standing Committee had recommended Mr. Alfonso Liévano of Colombia for the post of Chair, Mr. Ajai Malhotra of India as the First Vice Chair, and Ms. Chigozie Obi-Nnadozie as Second Vice Chair for 2001-2002, and he said that he fully supported their nominations.

The CHAIR thanked Mr. Liévano for delivering the report of the Chair of the Standing Committee.

[*The Report of the Chairman of the Standing Committee is included in the attachments of the Inauguration session.*]

The CHAIR invited delegates of member and non-member countries as well as of international organizations to present statements.

The delegate of SOUTH AFRICA thanked the Chairman of the Standing Committee for the constructive work done during the last year. He also thanked the executive director and his staff for their efficient dealing with the diverse needs of the member countries. He emphasized the considerable progress made by the ICAC during the last years to meet the changing needs of the cotton industry. He said that we should follow the statement of Schumpeter, "creatively destroy" the business organization.

The delegate of CHINA (TAIWAN) introduced Dr. S. F. Chiu from the China Textile Institute to present a report on his research project, which is supported by the government of China (Taiwan). The research is concerned with quality aspects of yarn production. The complete text of his presentation about the application of computer control systems on novel-cotton-yarn manufacturing is a statement of the meeting.

The CHAIR thanked the speaker for his presentation.

The delegate of POLAND thanked the Organizing Committee, the ICAC and the government of Zimbabwe. He expressed his sympathy and compassion to all Americans. He explained that the Polish cotton sector has been influenced by the strength of the national currency and mentioned that cotton consumption will remain at last year's level of 62,000 tons. He noted that the share of imports from Central Asia is declining in favor of cotton from Syria and the African Franc Zone. The cotton sector is being rapidly privatized in a completely free market. The Gdynia Cotton Association actively defends the principle of sanctity of contracts and supports strongly the Consortium for Cotton Promotion. He indicated that preparation has started for the organization of the 62th Plenary Meeting in Poland in September 2003. Poland's statement on good trade practices and country report are statements of the meeting.

The delegate of COLOMBIA expressed his thanks for the magnificent organization of the meeting in a beautiful country. He emphasized that Colombian cotton farmers have fully played the good game of open trade but that their efforts are threatened by market distortions on an uneven playing field. Unfair competition in international trade has dramatically increased rural unemployment and poverty of the rural population in developing countries. Better market access in a world free of trade-distorting practices is essential for promoting development and reducing poverty in developing countries. His presentation is a statement of the meeting.

The delegate of TOGO thanked the ICAC for its decision to admit his country as a member during the 58<sup>th</sup> Plenary Meeting. He extended his thanks to the Standing Committee, the Secretariat, the government of Zimbabwe, and congratulated the Organizing Committee for its outstanding work. He underlined that seedcotton production in Togo climbed from 24,000 tons in 1980/81 to 188,000 tons in 1998/99. Production declined in the following two seasons because of low prices coupled with adverse weather conditions. However, a revival plan is now in effect and seedcotton production is expected to reach 200,000 tons in the short term, he said. He mentioned the excellent reputation of the quality of the Togolese cotton on the world market. Togo's country report is a statement of the meeting.

Dr. Jean-Philippe Deguine, representative of CIRAD-CA, gratefully acknowledged the Organizing Committee and the government of Zimbabwe for their very warm welcome and for the excellent organization of the meeting. He explained that CIRAD's cooperation activities in the field of agricultural research cover more than 90 countries in the tropical and sub-tropical regions of the world. CIRAD has more than 50 years experience in cotton research throughout the world. CIRAD plays an active role in many regional, thematic and global research networks. The most recent one is the ICGI (International Cotton Genome Initiative); he proposed that a workshop be held during the World Cotton Research Conference-3 in Cape Town in 2003. His presentation is a statement of the meeting.

Mr. Laurie Kitch, who represented FAO, expressed his gratitude to ICAC, the government of Zimbabwe, the Organizing Committee and the numerous sponsors who made this meeting possible. He said that FAO and ICAC have a long history of working together on a broad range of issues related to the promotion of the cotton sector. He said that under its mandate, FAO provides development assistance, information on all aspects of agriculture, advice to governments, and a neutral forum where nations can meet to approve international standards, conventions and agreements. He indicated several web sites of key importance for this conference and described FAO's activities impacting on the cotton sector in Africa. His presentation is a statement of the meeting.

The delegate of COTE D'IVOIRE informed participants that his delegation was comprised of five members demonstrating the interest of his government in this meeting but, unfortunately, travel problems delayed the arrival of the other four delegates. He thanked the executive director for renewing the invitation to attend the plenary meeting and expressed his gratitude to the Organizing Committee and to the government of Zimbabwe for their warm welcome. He indicated that the theme of this meeting is particularly appropriate for Côte d'Ivoire, since a fundamental reform of the cotton sector started in 1998. He reported that cotton production increased from 114,000 tons of lint in 1996/97 to a record of 173,000 tons in 1999/00. Production dropped in 2000/01 to 122,000 tons but is expected to rebound by 15% this season, he said. Anticipating the complete liberalization of the cotton sector in 2002, the seven segments of the industry have created a national cotton council, he said. Côte d'Ivoire's country report is a statement of the meeting.

As no other delegation wished to make a statement, the CHAIR gave the floor to the delegate of Colombia to complete his presentation. The delegate of COLOMBIA called on the ICAC to make a recommendation to the WTO addressing the pressing need to remove all measures that distort international trade and production of



cotton, such as high protection levels, export subsidies and distorting domestic support.

Seeing no other requests for intervention, the CHAIR adjourned the session at noon.

[The Secretariat received a statement from the delegate of Nigeria, and country reports from the delegates of Korea, the Philippines and Tanzania. Although absent, Germany, the United States and Uzbekistan supplied country reports.]

## THIRD PLENARY SESSION

2:00 PM, Tuesday September 18, 2001

Mrs. Nancy Zitsanza in the Chair

The CHAIR called the meeting to order and said that a report by the Secretariat on government measures affecting cotton had been distributed to delegates. The CHAIR said that the report indicates that 55% of world cotton production benefited in 2000/01 from direct income or price support programs and that out of US\$3.6 billion provided worldwide 54% was given to farmers in China (Mainland), 41% to farmers in three industrial countries and 5% in four developing countries. The United States and China (Mainland) continue to be the only two countries that offer export subsidies. The CHAIR mentioned that due to the very low level of prices over the last three years, area dedicated to cotton in countries that do not subsidize cotton declined from 22 million hectares in 1998/99 to 20 million in 2000/01, while area in countries that subsidize cotton increased from 11 million hectares to 11.7 million during the same period. Low prices have bankrupt many producers in developing countries and threaten to increase unemployment as dispossessed cotton growers migrate to the cities. Finally, the Chair noted that the report suggests that a removal of subsidies would result in lower production and higher prices in the short term but that in the long term production would shift to non-subsidizing countries leaving long-term average prices virtually unchanged. The Secretariat estimates that a removal of subsidies worldwide would have had a net effect of 17 cents per pound on average cotton prices in 2000/01. The report titled *Production and Trade Policies Affecting the Cotton Industry* is a document of the meeting.

The CHAIR introduced Mr. Carlos Valderrama, Senior Economist of the Secretariat, to summarize on behalf of the WTO a paper prepared for the meeting. Mr. Valderrama said that the paper by the WTO covers the Agreement on Textiles and Clothing (ATC) and the Agreement on Agriculture (AA). In regard to the ATC the WTO states that the central element is the transitional process for the integration of textiles and clothing into WTO rules and disciplines, that one-third of all textile and clothing products have been integrated into the WTO rules and a further 18% of products will be integrated at the beginning of the third stage on 1 January 2002. Another element is the increase in the annual quota growth rate, which in the first two stages increased by a compound 45% and will increase by a further 27% in the third stage. The final step on 31 December 2004 will be the integration of all remaining products and the removal of all bilateral quotas. The paper states that the integration of products by developed countries has included the least sensitive products not subject to quota. Regarding the AA, the WTO paper notes that member governments of the WTO made a commitment to improve market access and reduce domestic support and export subsidies in agriculture over a period of six years for developed countries and ten years for developing countries. In relation to market access, the agreement stipulates that tariffs should become the only border protection and requires that all non-tariff measures be converted into tariff equivalents. Tariffs are being reduced over the respective periods by an average 36%, with a minimum 15% reduction for each product in developed countries, and by an average 24%, with a minimum of 10% for each product, for developing countries. Least developed countries are not required to reduce tariffs. In relation to domestic support, the WTO indicates that non-distorting subsidies with legitimate policy objectives such as food security and regional and environmental objectives had to be separated into a "Green Box," exempt categories with special treatment for developing countries placed into a "Special and Differentiated Box," direct payments under production-limiting programs under a "Blue Box," and all other subsidies subject to reduction commitments under an "Amber Box." A Total Aggregate Measure of Support is to be reduced in equal installments by 20% in developed countries and by 13% in developing countries over the respective periods. In relation to export subsidies, the WTO paper notes that article XVI of GATT prohibited export subsidies and gave an exemption for primary products that did not provide more than an equitable share of the world export trade to a WTO member country. Using Article 20 as a basis, member governments of the WTO are negotiating the terms for continuation of the reform, which will include further reductions in tariffs; a reduction or elimination of the Amber and Blue boxes; abolition of export subsidies; and tightening of the rules preventing circumvention. Other important aspects to be negotiated include an agreement on disciplines on agricultural export credits. Finally, Mr. Valderrama said that the WTO paper noted that trade now has been rid of a plethora of barriers, making agricultural trade more predictable and guaranteeing

that foreign markets will remain open for business in the future. The WTO's paper is a statement of the meeting.

The CHAIR asked the Secretary General to present Working Paper III, "Government Measures and the World Cotton Industry," which is included in the attachments of the Second Meeting of the Steering Committee. The SECRETARY GENERAL presented the paper and noted that it contained two alternative proposals for resolutions to be discussed by member governments.

The CHAIR opened the floor for discussion and recognized the delegate of COLOMBIA who said that regarding the issue of government subsidies, in a recent publication by the World Bank, the president of that institution had stated that "rich countries must open their markets and reduce their agricultural subsidies." The delegate asked the Secretariat to distribute the publication to all delegations.

The delegate of GREECE said that any remarks or publications from outside the plenary meeting should not be distributed to delegates.

The delegate of COLOMBIA replied that since the subject of the session was on subsidies it was appropriate to have the views of the World Bank, but that he would not insist that the World Bank press release be distributed.

The delegate of PARAGUAY asked if the intention was to vote for either one of the proposals. The SECRETARY GENERAL replied that the purpose was to find a consensus for a resolution on the issue.

The delegate of BRAZIL said that the subject of subsidies was of high importance for the government of Brazil and for the survival of the cotton industry in his country and that no bland statement should come out of this plenary meeting. The delegate said that the government of Brazil supported option 2 of Working Paper III.

The delegate of INDIA observed that the topic had been discussed in previous plenary meetings and that Working Paper III correctly stated that subsidies result in lower world cotton prices and that the burden of low prices falls heavily on developing countries, an event that is not in the interest of the world cotton economy. The delegate said that the plenary meeting should try to reach a consensus without resorting strictly to either proposal, but adopting a statement, which reflects the views of member governments.

The delegate of SUDAN supported option 2 of the working paper.

The delegate of GREECE said that subsidies in his country were given to farmers for social aspects and existing structural impediments, and in order to allow them to live in a high-income country. The delegate presented an alternative wording to proposal 1, to replace the phrase "to the extent possible" with the phrase "taking into account the social aspects as well as the existing structural impediments and weaknesses."

The delegate of PARAGUAY expressed sympathy and respect for the remarks of the delegate of Greece, but he said that subsidies in industrial countries are creating bigger problems in countries like Paraguay where 25% of the population earns a livelihood from cotton. He said that it was not possible to continue to look at isolated exceptional situations, as the issue was a matter of principle, free trade and human rights. The delegate supported proposal 2, suggested by Brazil, Chad, Egypt and Nigeria.

The delegate of AUSTRALIA supported option 2 and the statement of the Brazilian delegation regarding a stronger set of words. However, the delegate said, the first set of words was agreed to by the USA and Spain. The delegate strongly believed that it was not appropriate in the absence of both countries to impose stronger resolutions not previously agreed to. He proposed to either agree to option 1 or to postpone any decision until the USA and Spain were present. He noted that the recent tragedy prevented delegates from Washington from traveling at this time.

The delegate of ZIMBABWE said that his delegation felt that distortions to trade should be reduced and eventually eliminated and supported the view of Brazil regarding option 2.

The delegate of SOUTH AFRICA said that all measures that intervene and prevent the efficient functioning of the market cause distortions, harming all countries in the short and long term and that singling out only exporting countries does not promote the principle of eliminating all subsidies. The delegate said that South Africa was vehemently opposed to government intervention, but believed that a decision in the absence of the USA and Spain would create more harm than good. He said it was necessary to reach a consensus decision where all members could participate. He said that his delegation was also impatient and would like to take action now but that

democratic rules were not only about governing efficiently but governing well, and thus there was a need to have all member countries participate. He stated that if South Africa had to vote it would vote for proposal 1 without the words "to the extent possible." The delegate suggested to form a working group to formulate and distribute ahead of time a proposal and plan of action for a decision to be taken at the next plenary meeting in Egypt.

The delegate of SOUTH AFRICA also recommended that the third sentence in the first set of recommendations be amended to include the phrase "to the extent possible," after the word "reduce".

The delegate of BRAZIL said that in his opinion it was not the intention of the Standing Committee in Working Paper III to discuss the wording, but to choose between the two proposals. He disagreed with the comments of the Australian delegation, that it is not appropriate to decide the matter at this time.

The delegate of ITALY stated that cotton-producing countries in the European Union should find other products, such as ecological products, that can compete in a free market and expressed support for proposal 2.

The delegate of GREECE said that he did not mean to say that his country was the only country having social problems and structural impediments and stated again that a Greek grower could not survive without subsidies in a high-income country. He also said that in Greece growers would not be able to replace the area currently dedicated to cotton with ecological products. He was of the opinion that subsidies are not disrupting the market and supported the proposal of Australia to postpone the discussion.

The delegate of SOUTH AFRICA asked about the intention of Working Paper III. The SECRETARY GENERAL replied that the tradition of ICAC was to discuss a subject and come to an understanding by consensus.

The delegate of PARAGUAY expressed his opposition to postpone a decision. He said that if a plenary meeting could not make a decision without a member country present, what was the reason to come to Zimbabwe. He wondered what would the plenary do if, for instance, Paraguay or Nigeria would be absent.

The delegate of SUDAN mentioned that delegations have worked on the subject of subsidies for over two years and all continue to have the same different opinions. The delegate said that the decision should not be postponed.

The delegate of BELGIUM proposed to delegate the decision regarding Working Paper III back to the Standing Committee or leave the subject to the Drafting Committee. He added that he was not in a position to join a consensus in the second proposal.

The delegate of GREECE said that his delegation felt isolated without the participation of other countries that support the position of his country. He mentioned that subsidies in his country are provided by the European Union and there was no delegate from the EU to explain the position of all EU member countries. He also mentioned that some delegates were representing the private sector and not governments and in fact some were members of the PSAP.

The SECRETARY GENERAL provided a clarification after the sessions. He reported that all delegates to the 60<sup>th</sup> Plenary Meeting are properly credentialed by their governments. Because of the nature of the ICAC as an International Commodity Body, many governments often designate representatives from the private sector to serve as delegates and heads of delegations to plenary meetings.

The CHAIR observed that there did not seem to be consensus to adopt the second set of resolutions.

The delegate of SUDAN disagreed with the proposal to forward the discussion to the Drafting Committee. He said that there seemed to be a difference of opinion, therefore, delegates should vote on the issue before it went to the Drafting Committee.

The delegate of PARAGUAY said that he was against deferring the resolution, as there is nothing in the Rules and Regulations to prevent a vote on the subject.

The delegate of BRAZIL asked the Chair for a vote on the subject.

The delegate of GREECE said that it was not possible to know if the USA and Spain would have voted for one proposal or the other or for a different wording and that, thus, the matter should not be voted upon.

The delegate of the UNITED KINGDOM noted that there were clearly strong views on the subject and that not all ICAC member countries were represented at the meeting. He also noted that both the PSAP and the Standing Committee recommendations were not unanimous and that as the Secretary General had suggested, ICAC managed to be successful because it operated on a consensus basis. He said that unless member countries could agree to adopt the first version of the resolution, the matter should be referred back to the Standing Committee or to a working group.

The delegate of COLOMBIA said his delegation was of the opinion that there should be a decision about the resolution and in addition a panel should be formed to design a specific timetable for eventual elimination of subsidies, so that the issue could be finally resolved. He mentioned that with distorted markets, Colombia could not compete in international markets and that unemployed cotton growers would be forced to produce illegal crops. He said that the idea of income differentials did not preclude action on the principal of a free market. He added that Colombia has enforced this principal even at the expense of losing its share of the world coffee market to lower-income countries in Asia.

The delegate of SOUTH AFRICA said that every delegation was aware of the fact that his country was against subsidies, but that in his opinion if a vote was taken, justice would not be done.

The delegate of BELGIUM asked what would be the effect of a vote regarding the strength of the resolution.

The delegate of AUSTRALIA supported the position of South Africa.

The CHAIR summarized the options at hand and suggested to continue the discussion on Thursday at 2:30 PM. There being no objections, the CHAIR adjourned the session.

2:30 PM, Thursday September 20, 2001

Mr. Michael Davies in the Chair

The CHAIR called the meeting to order and introduced Mr. Nabil Abdel El-Marsafawy, Chairman of the Trade Holding Company of Egypt, to invite delegates to the 61<sup>st</sup> Plenary Meeting. Mr. El-Marsafawy extended his appreciation to the government of Zimbabwe and the cotton organizations in the country for the excellent organization of the 60<sup>th</sup> Plenary Meeting. He invited delegates to the 61<sup>st</sup> Plenary Meeting to be held in Cairo in October 2002. He said that his country had a clear understanding of the mission and objectives of the conference and that they had designed a creative plan of action. He said Egypt was looking forward to welcoming delegates to Egypt, the cradle of civilization, and presented a welcoming video. Egypt's invitation is a statement of the meeting.

The CHAIR thanked Mr. El-Marsafawy for the invitation and resumed the session. He noted that it was clear a consensus had not been achieved on the subject of government measures and asked the Secretary General to read a wording of the resolution that included all suggestions. The SECRETARY GENERAL read the new version of a resolution on government measures.

The CHAIR asked delegates for comments and recognized the delegate of AUSTRALIA who said that all member governments had been able to participate in the wording of the new proposal. The delegate endorsed the new proposal.

The delegate of SOUTH AFRICA supported the resolution and asked for the creation of a Working Group assisted by the Secretariat and chaired by the incoming chairman of the Standing Committee to investigate a possible action plan to implement the proposal for submission to the 61<sup>st</sup> Plenary Meeting.

The delegates of BRAZIL, ZIMBABWE, COLOMBIA, SUDAN and EGYPT supported the new proposal on government measures and the recommendation by South Africa to create a working group on government measures.

The CHAIR observed that there was a consensus and approved the resolution as read by the Secretary General.

The CHAIR adjourned the session.

## CLOSING SESSION

9:00 AM, Friday September 21, 2001  
Mr. Sylvester R. Nguni in the Chair

The CHAIR called the meeting to order. On behalf of the Organizing Committee, the people of Zimbabwe and himself, he thanked the delegates and observers for finding the time to attend the meeting and hoped that their stay was comfortable and enjoyable in spite of the limited resources at their disposal. He extended his thanks to the Secretariat, in particular to the executive director, for the invaluable assistance and guidance given to the Organizing Committee in preparing for the plenary meeting. He introduced the members of the Organizing Committee who were present, Mr. Rob Jarvis of Quton Seed Company, Mr. Mike Davies of Cargill Zimbabwe, Mr. Bill Altham of the Commercial Cotton Growers Association and Mr. Barry Fisher of the National Cotton Council of Zimbabwe, and thanked all the other stakeholders of the cotton industry as well as the sponsors who made this meeting possible. He wished everybody a safe journey back home. He hoped that those who can would extend their stay and that the others would come back to discover more of Zimbabwe.

The CHAIR invited delegates to make closing comments.

The CHAIR recognized the delegate of the UNITED KINGDOM who thanked the hosts and his fellow delegates and observers for such a successful and enjoyable plenary meeting. He acknowledged all the work undertaken by the Secretariat, interpreters and all the support people who had ensured such an efficient, effective and memorable week. He said that the quality of presentations and debate was very high because of the preparatory work and commitment of all those involved, especially the Organizing Committee, the Secretariat and the meeting's sponsors. He announced that the UK government has commenced discussions with the Liverpool Cotton Association about issuing an invitation to host the 2005 Plenary Meeting in Liverpool and that he hoped that a formal announcement would be made at the next plenary meeting in Egypt.

The delegate of UGANDA, on behalf of her government and her delegation, expressed her sincere gratitude to the government of Zimbabwe, the Secretariat of ICAC under Dr. Townsend, the Organizing Committee and the sponsors. She thanked the support teams of able women and men who worked behind the scenes, without whom the meeting would not have been possible. She commended the organization, which was excellent amid catastrophes. She singled out the breakout sessions, which were found very beneficial and informative especially to the developing countries. She hoped that the same set up would continue at subsequent plenary meetings. She expressed her thanks for the African touch that was given to the evenings and for the generosity of the hosts. She concluded in saying that she looked forward to the next plenary meeting in Egypt.

The delegate of AUSTRALIA said that the theme "An African Renaissance" was well chosen and that the opportunity for the exchange of information on practices and technologies between established and developing cotton producing countries has been a successful outcome of this meeting. The forthcoming Cotton Research Conference in Cape Town will provide an opportunity for continuing the African renaissance. He welcomed those having expressed an interest in visiting Australia to study the various aspects of its cotton industry. He also welcomed the discussion on good trade practices, in particular the positive steps taken to pressure the reduction and elimination of trade distorting government measures. He thanked the ICAC Secretariat for its professionalism and determination in getting here and doing the job according to its usual high standards. He acknowledged Dr. Townsend's leadership of the ICAC during the past year. He thanked the Organizing Committee for putting together this exceptional meeting and said that the arrangements exceeded all expectations.

The CHAIR recognized the delegate of CHINA (TAIWAN) who expressed his thanks to the government of Zimbabwe, the organizer and the sponsors of the meeting for the hospitality provided to all the participants. He extended his thanks to Dr. Townsend and his staff. He said that the wonderful arrangements would be memorable.

The delegate of TANZANIA, on behalf of his government and his delegation, thanked the Zimbabwean government for their warm hospitality and for organizing the 60<sup>th</sup> Plenary Meeting so well. He thanked the ICAC for the wonderful preparations. He requested ICAC to consider allowing more time for the Thursday session on production research and for the breakout sessions. He said he was looking forward to attending the next plenary meeting in Egypt.

The delegate of COLOMBIA, on behalf of his government, extended his sincerest thanks to Mr. Sylvester Nguni, the Organizing Committee and the government of Zimbabwe for the excellent plenary meeting, which adopted an

ambitious work agenda for the benefit of the world cotton industry. He thanked the people of Zimbabwe, particularly the people of Victoria Falls, for their warm welcome. He said that the African renaissance would lead the rest of the world to acknowledge the importance of fostering equity in international trade, which is a prerequisite for progress of all the people of the world. He thanked the executive director, Dr. Terry Townsend, for his leadership and the excellent preparations for the plenary meeting. He said that the Colombian delegation was deeply affected by the tragic events in the USA and he regretted the absence of the delegation of the United States of America. He said that he was sorry that Dr. Francisco Davila was unable to head the Colombian delegation because of his health and he wished him a prompt recovery to resume his activities in the cotton sector.

Mr. Alfonso Llevano thanked the delegates for his nomination as Chairman of the Standing Committee and said that he was deeply honored. He announced his intention to move forward with the work agenda defined by this plenary and to activate the working group in charge of identifying effective strategies to reduce the distortions on international cotton trade. The CHAIR congratulated Mr. Liévano on his nomination.

The delegate of TURKEY expressed his gratitude to the ICAC, the government of Zimbabwe, the Organizing Committee and the numerous sponsors for arranging such an excellent meeting. He thanked all the members of the Organizing Committee for their efforts to make the meeting a very successful one and for the exciting social events and safari tours. He said that he hoped to meet everybody again in Cairo in 2002.

The CHAIR recognized the delegate of SUDAN who thanked the government and the people of Zimbabwe for their hospitality and warm welcome. He extended his thanks to the Organizing Committee and to the Secretariat for their efforts and their excellent work. He said that he was looking forward to the next plenary meeting in Egypt.

The delegate of SOUTH AFRICA extended his sincere thanks to the government of Zimbabwe, the Organizing Committee and the sponsors for this well organized and successful meeting. He noted that their efficient performance reflects most positively on the whole of Africa. He thanked the organizers by name, the National Cotton Council of Zimbabwe, comprising of the Cotton Company of Zimbabwe, the Zimbabwe Farmers Union, Cargill Zimbabwe, Quton Seed Company, and the Commercial Cotton Growers Association. He also thanked the sponsors by name, the Standard Chartered Bank of Zimbabwe, Lummus Corporation, Syngenta and Continental Eagle Corporation. He acknowledged that the hard work and good organization of Mr. Nguni's team produced both a productive work outcome as well as a most enjoyable free time entertainment. He rated the meeting as a most successful one. He thanked Dr. Terry Townsend and his staff for their hard work both up-front and behind the scenes. He expressed his appreciation to his fellow delegates for their contribution to the fruitful debates. He concluded his remarks in wishing all participants a safe return home to a world of hopefully more tolerance and reason.

The delegate of EGYPT extended his thanks and appreciation to the government of Zimbabwe for their warm welcome and gracious hospitality. He extended his gratitude to Dr. Terry Townsend and the Secretariat for their excellent work and to the Organizing Committee and all those who helped in this successful meeting. He said that he was looking forward to welcoming all the participants in Egypt next year.

The delegate of POLAND thanked the government and the people of Zimbabwe for the perfect organization and their warm hospitality. He congratulated Dr. Townsend and his staff for the excellent preparations for the meeting.

The delegate of INDIA praised a very enlightening, productive and enjoyable week against the backdrop of the majestic Victoria Falls. He thanked the delegates and the ICAC Secretariat for their contribution, cooperation and guidance in making the 60<sup>th</sup> Plenary Meeting such a fruitful one. On behalf of the Indian government, the Indian delegation and himself, he thanked the people of Zimbabwe.

The delegate of the PHILIPPINES, on behalf of his government and his delegation, added his congratulations and deepest gratitude to the ICAC and the Zimbabwean Organizing Committee for a successful, fruitful and enjoyable meeting. He thanked the government of Zimbabwe and the Organizing Committee, especially Mr. Nguni, chairman of the plenary meeting, for the warmth, generosity and hospitality extended to all participants and for making their stay not only comfortable but also memorable. He concluded by saying that he was looking forward to seeing all participants in Cairo next year.

The delegate of IRAN joined the other delegates in expressing his thanks to the people and the government of Zimbabwe, the Organizing Committee, the Secretariat and the sponsors.

On behalf of his country, the delegate of BURKINA FASO thanked the Zimbabwean authorities for hosting the plenary meeting in such a pleasant setting, the Organizing Committee for their constant efforts to make the meeting a success, and the Secretariat for the quality of the program. He wished that more countries would seek membership in the ICAC which is the ideal forum for defending the vested interests of the cotton sector and for exchanging ideas. He concluded in regretting the number of absentees due to terrorism in the USA and expressed his wishes for a peaceful world.

The delegate of TOGO joined the other delegations in their congratulations. He added that his delegation was going home after the discussions more confident about the issues of GE cotton and government measures distorting the economy of cotton.

The delegate of BRAZIL said that he was very happy to have participated in the important discussions about the cotton situation in the world and he expressed his thanks to the Organizing Committee, the Cotton Company of Zimbabwe, the Secretariat and the Zimbabwean people.

The delegate of BELGIUM heartily endorsed the praises of all the other delegations.

There being no other comments, the CHAIR invited all participants to the "Brai" closing lunch. He wished them a safe journey back home, reiterating his hope that they could extend their stay or come back on another occasion to discover more of Zimbabwe. The CHAIR declared the 60<sup>th</sup> Plenary Meeting officially closed and adjourned the session at 10 am.