



# 60th Plenary Meeting of the INTERNATIONAL COTTON ADVISORY COMMITTEE

## MINUTES FIRST OPEN SESSION

8:30 AM, Tuesday September 18, 2001  
Mr. Michael T. G. Davies in the Chair

The CHAIR began the First Open Session by noting that the Committee has long acknowledged that the highest priority must be assigned to meeting the changing quality needs of textile manufacturers and final consumers through cooperative efforts between producers, consumers and traders. The CHAIR introduced Mr. Peter Dove to present a summary of discussions during a breakout session conducted on Monday on the topic of Improving Ginning in Africa.

Mr. Dove said that with cotton production increasing in Africa and in order to lower operating costs it becomes necessary to invest in high capacity equipment, but new machinery will have to be designed taking into account that cotton in Africa is mostly hand-picked and has a low moisture content. He indicated that hand-picked cotton requires less cleaning. However, contamination remains a major concern for spinners, and ginning must be managed taking into account the quality aspect. Mr. Dove presented recommendations for improving ginning quality in Africa starting with a recommendation to closely monitor the supply of seed to farmers. He recommended that gins should be equipped with by-pass valves on cleaning machines to reduce fiber damage. Mr. Dove said that care should be taken not to use plastic material or polypropylene tarps during harvesting and that price incentives for better quality should be given to farmers. He noted that moisture content should be controlled and cotton with high moisture should be ginned as soon as possible aiming at 6% to 7% of moisture content at the gin to achieve optimum quality. Mr. Dove stressed the importance of a good maintenance of the ginning equipment and of automation of the ginning process. He noted that standardization of the appropriate packaging material is desired and governments should eliminate import barriers for ginning equipment in order to facilitate equipment modernization. Mr. Dove called for better training of gin managers and staff on maintenance and tuning of equipment in order to achieve high capacity and quality ginning, while maintaining high safety procedures. Mr. Dove's summary is a statement of the meeting.

The CHAIR opened the floor for discussion and questions.

The delegate of BRAZIL asked if consideration was given to a new concept of ginning rather than conventional ginning such as rotor, cage, and other types of ginning that would preserve the quality of the fiber, and what would be the possibility of introducing new types of ginning in the future.

Mr. Dove replied that the issue of high capacity ginning of hand-picked cotton was discussed at the breakout session on ginning. He said ginning equipment producers are working on a revolutionary new system of ginning and representatives of these companies could provide all the details on future technology improvements.

The CHAIR asked what governments could do to assist the cotton industry in addition to eliminating import barriers for ginning equipment.

Mr. Dove noted that there is a lot that governments can do but the most important is to provide a duty free import regime for heavy equipment and machinery to benefit cotton producers and the country.

The CHAIR introduced Mr. Geoff Watson of Cargill Zimbabwe to present a report on Methods of Reducing Contamination in Cotton in Zimbabwe. Mr. Watson said that contamination is a major problem for the textile industry affecting the quality of yarn and textile products and Zimbabwe had enjoyed a reputation of contamination-free cotton for many years. He noted that after the liberalization of the cotton market in Zimbabwe in the mid-nineties a threat of increased contamination arose and the National Cotton Council of Zimbabwe was established

to address the issue of quality standards. Mr. Watson said that cotton is grown by 200,000 farmers, with 85% of them cultivating on an average of 5 hectares or less and that 100% of the cotton is hand-picked. He noted that increased competition and wider usage of a cheaper polypropylene packaging material lead to an increased threat of contamination. Mr. Watson reported that the National Cotton Council comprising all sectors of the cotton industry in Zimbabwe addresses the issue of contamination with an educational campaign and the introduction of regulations. He said that ginning companies provided solid polypropylene bags of a dark color for cotton picking and that severe penalties were introduced for contaminated cotton. Mr. Watson said that it is important to eliminate any contamination on the mixing floor before cotton is ginned; furthermore new initiatives were introduced to improve the operations of the mixing floor by adding a separate decanting platform above the actual suction floor. He said that only after cotton is checked for contamination on a decanting platform it is moved to the suction floor. Mr. Watson noted that the process is still at an experimental stage and may be improved in the future. Mr. Watson's presentation is a statement of the meeting.

The CHAIR opened the floor for discussion and questions.

The delegate of INDIA said that cotton in India is also hand-picked and that packaging is one of the major concerns. He asked if there are any cautious shifts from hand-picking to machine-picking in Zimbabwe and if it will lead to significant reduction in contamination. He also asked what would be the most desirable material for packaging and what would be the cost if cotton material were used for packaging compared with plastic bags.

Mr. Watson said that when cotton is produced by small-scale farmers as it is in India, hand-picking is the only method. He noted that the use of cotton material for bale packaging is cost-effective because of reduced contamination and labor costs associated with cleaning compared with the cost of material.

The delegate of COLOMBIA asked for a sample of the bags mentioned in the presentation to take with him to Colombia.

The delegate of EGYPT said that in Egypt efforts are made to reduce contamination and only new jute bags are used for cotton packaging. He said that at ginning mills cotton is checked for contamination in a special room before it is ginned. He noted that ginning with modern equipment should preserve the quality of the fiber, and the producer should deal with the contamination of cotton.

The CHAIR interpreted the question from the Egyptian delegate as to what ginners could do to help reduce the problem of contamination.

Mr. Watson said that ginning equipment manufacturers could do something to help reduce contamination. However, at the moment the solution lies at the cotton producer level. He suggested that the representative of Lummus should address the question.

The representative of Lummus said that contamination should be eliminated before cotton enters the gin, as there is no technology at present to deal with contamination during ginning and especially with polypropylene contamination.

Mr. Watson made a comment that the education of farmers about the negative effects of contamination is the most important thing and should be heightened.

The delegate of TOGO said that his country is working to increase farmers' awareness about the problem of contamination and that this work has some effect, but it would be interesting to know what effects were achieved by the introduction of the stronger plastic bags mentioned by Mr. Watson in his presentation.

Mr. Watson said that the campaign on reducing contamination was started by the National Cotton Council, and it is an ongoing educational process. He noted that the short-term results were excellent and the educational process should be maintained constantly as new farmers enter cotton production every year.

The delegate of PARAGUAY said that the cotton industry in Paraguay faced the problem of contamination for many years and the educational campaign was actively promoted among farmers. He said that last year cotton bags for hand-picking were delivered to farmers together with cottonseed with strict instructions about their usage.

He noted that the results of this action were above expectations in terms of reducing contamination. He said that contamination was reduced dramatically as farmers could deliver their seed cotton only in the supplied bags. He noted that contamination had to be eliminated at the farm level.

The delegate of BRAZIL made a comment saying that contamination remains a major problem for spinners and urged producers who use plastic bags to use bags of bright colors as spinning mills have equipment to remove colored material from cotton but cannot eliminate white or clear material.

The CHAIR introduced Ms. Marsha Powell of Cotton Council International to present a report by Mr. Andrew G. Jordan and Phillip J. Wakelyn on the impact of genetic engineering on cotton quality. Ms. Powell said that transgenic cotton was first introduced in the United States in 1995, and that in 2001 an estimated 10% of world cotton area was planted to transgenic cotton in Argentina, Australia, China (Mainland), Mexico, South Africa, and the USA. She noted that the increasing popularity of transgenic cotton is based on its improved insect resistance and herbicide tolerance, while causing no risks to human or animal health. However, Ms. Powell said that a number of evaluations of the transgenic technology effects on fiber quality were conducted and the only lint quality parameter that showed a statistically significant difference was a slight increase in reflectance among transgenic cotton as compared with conventional cotton. However, the difference is not of practical importance from a textile point of view. Ms. Powell reported that Lewis' studies concluded that there were no impacts of transgenic cotton on fiber quality, and that a number of other studies had similar results. She said that sets of Official Variety Trials conducted by USA state universities resulted in a 3% reduction of micronaire in transgenic cotton compared with conventional varieties, which may be a desirable factor for the textile industry. Ms. Powell noted that transgenic cotton has certain yield advantages due to benefits of insect control. In conclusion she said that no evidence was found of any practical effect of genetically engineered cotton on fiber quality. The report is a statement of the meeting.

The CHAIR opened the floor for discussion and questions.

The delegate of UGANDA expressed her concern about the transfer of the technology to other countries and the effects of the introduction of the new varieties on yields and quality of the fiber produced in those countries.

The delegate of BELGIUM expressed his concern about traceability of cotton and informing the consumer about the presence of transgenic cotton in textile products.

Ms. Powell said that according to experts in the United States it had been communicated to manufacturers and retailers especially in Europe that, although the cotton plant is altered as a result of biotechnology, the fiber itself contains no altered genetic material.

The CHAIR commented that although concerns about transgenic cotton create a problem they also provide an opportunity, as some people could be prepared to pay a premium for organically grown and unaltered cotton.

The delegate of INDIA said that he appreciated the report on the quality aspects of transgenic cotton but would like more attention to be paid to the issue of disease and pest resistance in transgenic cotton.

Ms. Powell said that she would be happy to arrange contacts for the delegate of India with professionals from the United States working on this issue.

The delegate of GREECE pointed to the micronaire decrease in transgenic cotton and said that could be caused by the increased presence of immature fiber in transgenic cotton.

The CHAIR thanked the presenters for their reports on ginning, contamination, and transgenic cotton issues. He said that the focus of the discussion was on what governments could do to aid the industry and in terms of ginning governments could provide benefits for improvements of capital equipment. He noted that the contamination problem should be handled by the industry rather than by governments. As far as transgenic cotton is concerned, it is clear that it has almost no effect on the quality of the fiber, however public concern remains an issue and should be dealt with.

The CHAIR adjourned the session at 10:00 a.m.

## SECOND OPEN SESSION

4:00 PM, Tuesday September 18, 2001  
Mr. Danny Chipps in the Chair

The CHAIR opened the session by saying that it had been scheduled in response to concerns over the decline in cotton's share of world fiber mill use and with the objective of encouraging more countries to emulate the best practices to expand national cotton promotion efforts. The CHAIR introduced Mr. Andrew Macdonald, Coordinator of the Consortium for Cotton Promotion, to present a report of the Consortium on Promotion on Fostering Expanded Efforts to Enhance the Demand for Cotton.

Mr. Macdonald said that we are all conscious that cotton is not maintaining its market share in the consumption of textile fibers. He noted that the cotton industry must review the basic concepts of promotion and should convince the consumer, through promotion, of the advantages of cotton. He said that the agenda of the Consortium is to encourage national market programs to boost cotton consumption, to act as a clearinghouse for the enhancement of ideas on cotton promotion and to explore a proposal to create a world cotton emblem. Mr. Macdonald said that organizations from Australia, Brazil, Egypt, Germany, Italy, India, Poland, South Africa, Turkey and Zimbabwe have joined the Consortium and that a number of other countries have expressed an interest in joining. He described promotional efforts in Australia, Poland and South Africa that include advertising, quality marks, and emblems. He presented proposals from Zimbabwe, India and Brazil on international cotton promotion and the creation of an international cotton emblem. Mr. Macdonald proposed to create a Cotton Fashion Day, a Cotton Experience Day and to stress the natural character of the fiber. He said that it is necessary to work to encourage cotton demand and urged national organizations to join the Consortium. His report is a statement of the meeting.

The CHAIR introduced Mr. Peter Dorward of Zimbabwe to present a statement on boosting mill use of cotton in Africa.

Mr. Dorward said that textile industry representatives from Mozambique, Zambia, Uganda, South Africa, and Zimbabwe proposed to advise and assist member and non-member countries of the ICAC in the development and implementation of sound industrial policies resulting in increased domestic consumption of cotton, and to expand the value added benefits for the African people. As an example, countries should eliminate barriers to imports on machinery used in the textile industry. He said that national legislation should ensure that the spinning capacity in Africa would increase. He noted that subsidies provided by industrial nations distort markets and limit investments in Africa. He indicated that government policies should help industrialists and entrepreneurs to succeed in a fair competition. He said that African countries should industrialize based on own resources and comparative advantages. Mr. Dorward's report is a statement of the meeting.

The CHAIR commented that textile industries in Africa are relatively small and there is a certain amount of mistrust between some governments and the private sector. He said that an open debate is needed between the private sector and governments, and sound policies should be worked out in order to enhance domestic industries and cotton consumption. No other comments were offered.

The CHAIR introduced Mr. Laurie Kitch to present a report from FAO.

Mr. Kitch said that cotton is a crucial factor in the economies of many developing countries. He noted that cotton needed to secure world markets in order to continue to provide the means for economic and social advancements. He said that regardless of the specific limitations, the choice of a fiber by a manufacturer is dependent upon consumption of end-use product. He noted that cotton's market share declined by 10 percentage points between 1986 and 2000, and that can be partly associated with the decline in investment in the promotion of cotton, with the exception of the United States. He said that the creation of the Consortium for Cotton Promotion increases the chances that cotton consumption would expand. He said that the Secretariats of FAO and ICAC have agreed to undertake a one-time survey to meet the needs of the next world cotton market projections and trade policy analysis. He noted that the survey would be completed by the end of 2002 and should be consistent with the previous FAO Fiber Consumption Surveys. He concluded that this work would provide a tool to know the market share of cotton and develop strategies to enhance demand in specific markets. Mr. Kitch's report is a statement

of the meeting.

The CHAIR asked if the statistics on cotton consumption include all cotton used including industrial and non-mill consumption.

The SECRETARY GENERAL clarified that consumption statistics include all kinds of cotton uses and net-trade of cotton and chemical fibers on a retail level.

The CHAIR recognized the delegate of BRAZIL who withdrew his earlier proposal to vote on the issue of subsidies and called for an additional meeting to work out a wording of the Statement on the issue of government measures. The delegate confirmed his capacity as an official delegate appointed by the government of Brazil.

The CHAIR adjourned the meeting at 5:20 p.m.