



From the Secretariat

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## ICAC INTERLAKEN PLENARY SYNOPSIS

### ***“Shaping Sustainability in the Cotton Value Chain”***

The 71<sup>st</sup> Plenary Meeting of the International Cotton Advisory Committee (ICAC), held in the Swiss city of Interlaken, featured a week of intensive discussion and debate on issues facing today’s global cotton industry. The over-arching theme of the meeting –sustainability in the cotton value chain – informed virtually all aspects of the week’s discussions.

The meeting acknowledged the importance of **robust statistics** – produced in an independent, reliable, transparent and timely manner. The ICAC Secretariat’s own statistics point to a continued, substantial rise in stocks in 2012/13, but cotton plantings are expected to fall in 2013/14.

The Secretariat has been instructed to renew efforts to **forecast prices**. Having reached a record in March last year, world prices have since been in decline, and risk falling below the support levels maintained by some producing countries. A major topic of concern at the Plenary was the threat of a further loss of cotton’s market share to competing fibers – manufacturing capacity in polyester, already the dominant fiber, is set to increase.

ICAC’s Plenary Statement endorsed the **rule of law** in trade matters, both in relation to the Doha Trade Round (in which cotton has a privileged position), and as far as the sanctity of cotton contracts is concerned. Governments were enjoined to promote effective enforcement of arbitration awards, the number of which has increased dramatically, as a result of recent market volatility.

The Statement embraced the **technical aspects of ICAC’s work**, which likewise formed an important part of the Plenary’s proceedings. These included a Round Table on Biotechnology in cotton, a presentation on the work of ICAC’s Expert Panel on cotton’s Social, Environmental and Economic Performance, and an entire session devoted to technical matters. Next year’s Technical Seminar will address the problem of stagnating yields.

A strong feature of the week’s discussions was the prioritization of the **supply chain** concept, when discussing cotton. Similarly, the phrase Life Cycle Assessment has entered the cotton lexicon. Not only the theme, but also the form of the meeting, broke new ground. The *World Café* approach to the sustainability debate allowed all participants in the meeting to voice their views in a novel and collaborative forum.

In the context of cotton, there was consensus that the sustainability should not be considered a fixed point, but a continuous process - or, to use the term preferred by several speakers, a ‘journey’.

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The Secretariat of the Committee publishes information related to world cotton production, supply, demand and prices, and provides technical information on cotton production technology. Detailed statistics are found bimonthly in *COTTON: Review of the World Situation*, \$190 per year via email, \$230 per year in hard copy. A monthly outlook is available by email for \$300 per year. Access to the latest weekly estimates of world cotton supply and use by the Secretariat is available on the Internet for \$460 per year. Access Secretariat reports at <http://icac.org>.