



AGRICULTURE AND FOOD AUTHORITY

FIBRE CROPS DIRECTORATE

COTTON CONFERENCE / ORIGIN AFRICA TRADE FAIR AND ANNUAL GENERAL MEETING OF THE AFRICAN COTTON AND TEXTILE INDUSTRIES FEDERATION (ACTIF)

***“Enhancing Productivity – The Path to Sustainable
Competitiveness”.***

Abstract

This report covers the proceedings of the cotton conference / origin Africa Trade Fair and annual general meeting of the African Cotton and Textile Industries Federation (ACTIF) in dar Es Salaam, Tanzania 28 - 30th October, 2019. It covers a brief overview of the cotton industry in Africa and highlights the challenges and opportunities. It also presents the areas covered during the meeting.

The report concludes by giving the recommendations/conclusions that can be adopted to improve the cotton industry in Kenya.

John Adhola

BACK TO OFFICE REPORT

COTTON CONFERENCE / ORIGIN AFRICA TRADE FAIR AND ANNUAL GENERAL MEETING OF THE AFRICAN COTTON AND TEXTILE INDUSTRIES FEDERATION (ACTIF) IN DAR ES SALAAM, TANZANIA 28 - 30TH OCTOBER, 2019

1.0 Preamble/Introduction/Background

The African Cotton and Textile Industries Federation (ACTIF) is a regional trade body that was formed in June 2005 by the cotton, textile and apparel sectors (public and private) from across the sub-Saharan African countries with a view to create a unified and recognized voice for cotton and textiles in both regional and global trade affairs. It promotes trade and lobbies for global support with the aim of increasing market access for the cotton, textile, and apparel industry for Africa.

Fibre Crops Directorate is a corporate member of ACTIF. The organization in partnership with Ministry of Industry, Trade and Investment and Tanzanian Trade Development Authority (TANTRADE) among other partners organized the above event whose theme was "*Enhancing Productivity – The Path to Sustainable Competitiveness*".

On 29th October 2019 a Political Dialog Forum was held with representatives from eight different African cotton-producing countries. The event is the first of a series on sustainability in the African cotton sector. The event gave a platform to discuss views on sustainability in cotton production. The approach is to provide a forum for Africans to share their perspectives on sustainability. The following concept note provides an overview of key messages and issues to be addressed in the future.

The conference culminated with holding of the ACTIF members' annual general meeting in the afternoon of Wednesday, 30th October, Serena Hotel, Dar es salaam, Tanzania.

2.0 Objectives

The meeting objectives were:

- ✓ To receive status of the Cotton, textile and apparel initiatives and projects in the sub Saharan Africa region from Msingi E.A and Trademark E.A .
- ✓ To discuss strategies for members of ACTIF to take advantage of global supply chain under the changing Market dynamics
- ✓ Explore common areas of interest and collaboration by partner members

- ✓ Understand the Global Organic Textile Standard and its relevance to the Kenyan cotton to textile sub sector
- ✓ Learn and interact with cotton value chain actors in the sub Saharan Africa region

3.0 Methodology

The meeting involved individual presentations, break-out sessions and plenary presentations and discussions.

4.0 Findings

Key messages

- ✓ Existing concepts, definitions and criteria of sustainability try to follow a holistic approach i.e. integrate all the 3 dimensions of sustainability at the same time (environmental, social, economic)
- ✓ Existing concepts, definitions and criteria were developed by entities from industrialized countries
- ✓ Standard systems which are based on these concepts are either not creating more sustainability or are not applicable in the African context
- ✓ Sustainability is often mainly a marketing tool for western brands and retailers
- ✓ To measure sustainability, you need data, but only little data is collected on the African continent
- ✓ African cotton is actually the most sustainable cotton in the world due to low amounts of synthetic inputs and mainly rain feed production systems
- ✓ In the African context, sustainability focuses on the economic dimension i.e. fostering profitability and creating more local value added
- ✓ Donor programmes to support the African cotton economy absorbed big budgets but were not entirely effective and failed to create a sustainable African cotton sector

Possible issues to be followed-up

- ✓ National cotton policies – examples from Africa / examples for Africa
- ✓ Sector/Industrial policies – more profitability and more local value added
- ✓ African meaning of sustainability – definition and criteria
- ✓ Quality of African cotton – creating a quality infrastructure for African cotton
- ✓ Branding and marketing of African cotton
- ✓ Yield increase, improvement of seed systems and benefit of Bt-cotton for African countries

Keynote Speech: Mr. Kai Hughes, executive director ICAC

- ✓ Mr. Hughes shortly presented the SEEP/FAO/GIZ document “Measuring Sustainability in Cotton Farming Systems” that contains 68 indicators for sustainability. It was an attempt for a holistic approach, but no African or Asian perspectives were integrated
- ✓ There are three dimensions of sustainability: environmental, social and economic
- ✓ Key question according to Mr. Hughes is, if sustainability benefits the small-scale farmers or if it is mainly a marketing tool for western brands and retailers
- ✓ The often-cited Brundtland-report states that sustainability often only covers the environmental dimension, but Mr. Hughes argues that a focus on environment will always also have economic advantages for farmers
- ✓ To measure sustainability, you need data, which small-scale farmers often do not collect, and decisions on how to measure e.g. based on a benchmark or best practices
- ✓ The world market leader Better Cotton Initiative (BCI) works with a set of indicators on farm level and continuous improving based on this, creating an unfair comparison of a small-scale farmer e.g. in Africa and a large-scale farmer e.g. in Australia
- ✓ The pressure to become more sustainable is much higher for developing countries than for the EU or the USA who already fulfill many of the mentioned criteria
- ✓ Mr. Hughes raised the question if the private sector should decide what sustainable is, or if rather governments should implement sustainability criteria and decide what is sustainable in the national context giving farmers guidance
- ✓ A further question is how and where controls take place, especially if developing countries have to fulfill indicators that are developed and frequently changed by industrialized countries
- ✓ Although voluntary sustainability standards exist, neither agricultural extension services nor national laws in most African countries are aligned with existing concepts and economic sustainability only can be achieved through profitability of a farm
- ✓ Furthermore, fiber quality is never considered a decisive component of sustainability, although a better micronaire values means better strength in the fibers and consequently a higher price and profitability for the farmer
- ✓ In addition, good indicators need to be applicable. Meaning that during their design, it has to be considered how they can be implemented
- ✓ Due to current demands, African stakeholders need to address the question if GMO cotton is the right path for Africa

- ✓ In summary, Mr. Hughes voted to revise the definition and application of sustainability, putting the environmental dimension into focus and thereby giving developing countries and especially small-scale farmers the chance to profit from already sustainable producing patterns and to move away from to the needs of consumer countries
- ✓ As a final point, Mr. Hughes suggested to develop global benchmarks, so that production systems could be rated with a star-system in proportion to the benchmark, indicating the sustainability of a system

Q&A Section / Comments from the audience

- ✓ Delegation of Cameroon: To increase the income situation of our (small-scale) farmers is the most important issue; we dramatically reduced the application of glyphosate and the quality of our handpicked cotton fibers is superb
- ✓ Delegation of Burkina Faso: Local processing of cotton in order to create more local value added is the key topic of SICOT 2020 that looks to attract investors and has the highest priority on our government's agenda
- ✓ Panel Discussion: "Consensus or Discrepancy - European and African approaches to sustainability in the cotton economy"

Q: Which of the three dimensions of sustainability do you / does your institution prioritize?

- ✓ African Union: We prioritize industrialization so more value will be added to the final product within Africa
- ✓ Delegation of Tanzania: The continuation of cotton cultivation in Tanzania is only possible if cotton is grown profitably. Therefore, to raise the productivity of cotton growing is the key question for us. The existing voluntary standard systems have to integrate this issue. The COMPACI programme did a lot of very good trainings but the government was not involved. That's why we do not see structural change or sustainability within our local cotton sectors
- ✓ ICAC: Countries with strong cotton associations have a thriving sector

Additional comments

- ✓ Delegation of Zimbabwe: Value addition is key to sustainability, via promotion of cotton by-products (CBP) or integrated textile supply chains in the producing countries
- ✓ Delegation of Tanzania: The question is, where does the donor money go to? What arrives at the level of the small-scale farmers? - Cotton Expert

House Africa: It would be good to have a branding for African cotton – as it is the most sustainable cotton in the world

- ✓ African Union: We need regional value chains in the African textile and clothing industries, to build a continental quality infrastructure and a quality standard for African cotton; AU promotes that approach
- ✓ Delegation of Nigeria: We need to involve intermediate cotton traders who buy the African cotton from the farmers
- ✓ Delegation of Kenya: Cotton is drought resistant and grows in arid areas, it is grown to support self-sufficient farmer livelihoods, that is sustainability
- ✓ Delegation of Cameroon: Let's go for a certificate of origin for African cotton
- ✓ Delegation of Côte d'Ivoire: How can we build integrated textile value chains while our markets are flooded by imports of second-hand clothes?

Recommendations/Conclusion

- ✓ The meeting was officially closed on 30/10/2019 with hard questions like;
 - *"Wanawake wasipowezeshwa wanaweza"*
 - When shall we make clothes for Africans and not for AGOA, European Union etc?
 - How long are we going to cry about Africa? there are national colors and sizes for America, European Union and Chinese. Why not African size?
- ✓ Africa must invest sustainably in the development of the cotton value chain for African through enhanced value addition.