

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

**UNCTAD**



**Promoting cotton by-products in  
Eastern and Southern Africa  
National Capacity Building Workshop Zambia**

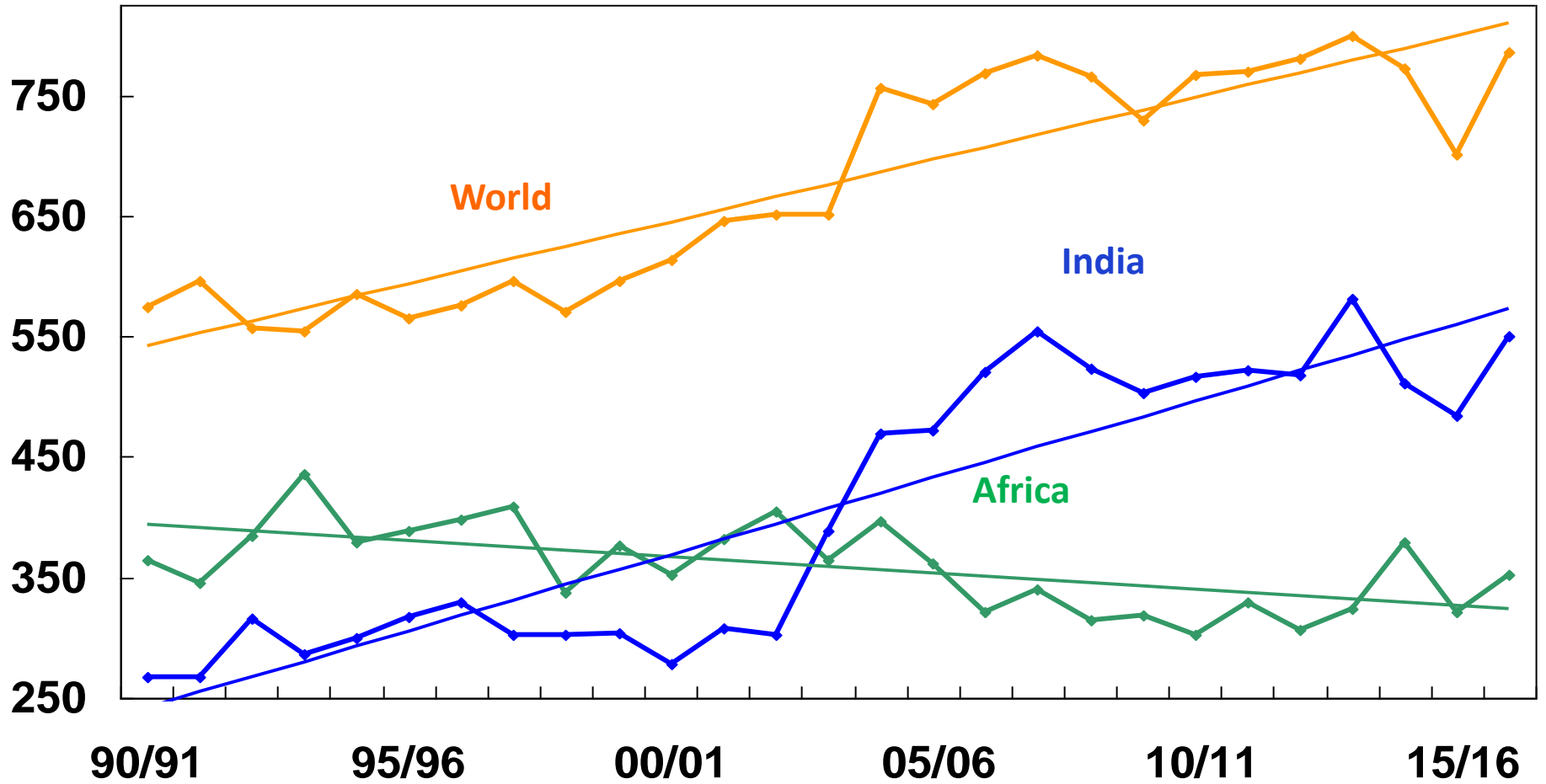
**Increasing seed cotton production**

Lusaka, 6-8 December 2017



# Figure 1: Average yield trends in different regions

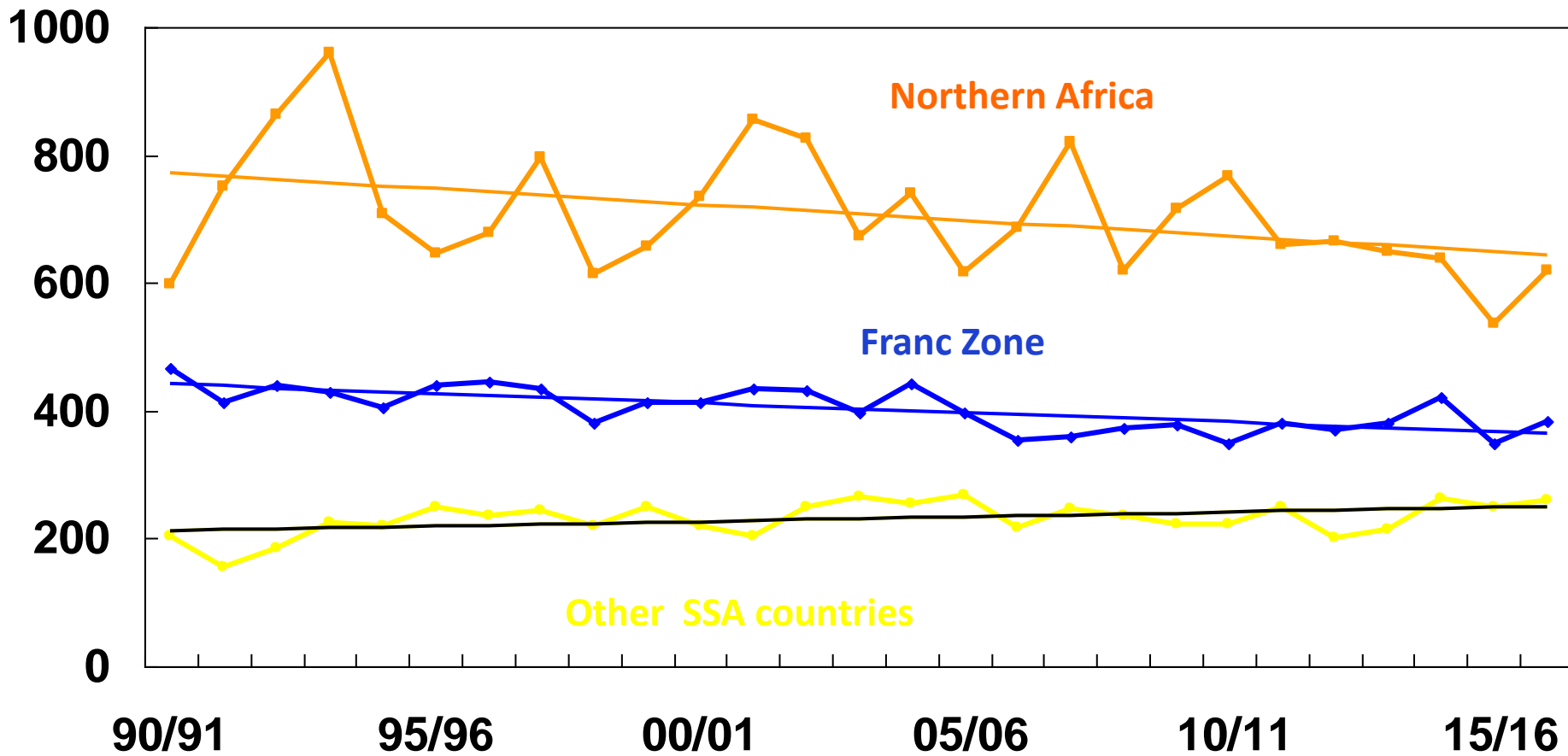
kg of lint per hectare



Source: ICAC

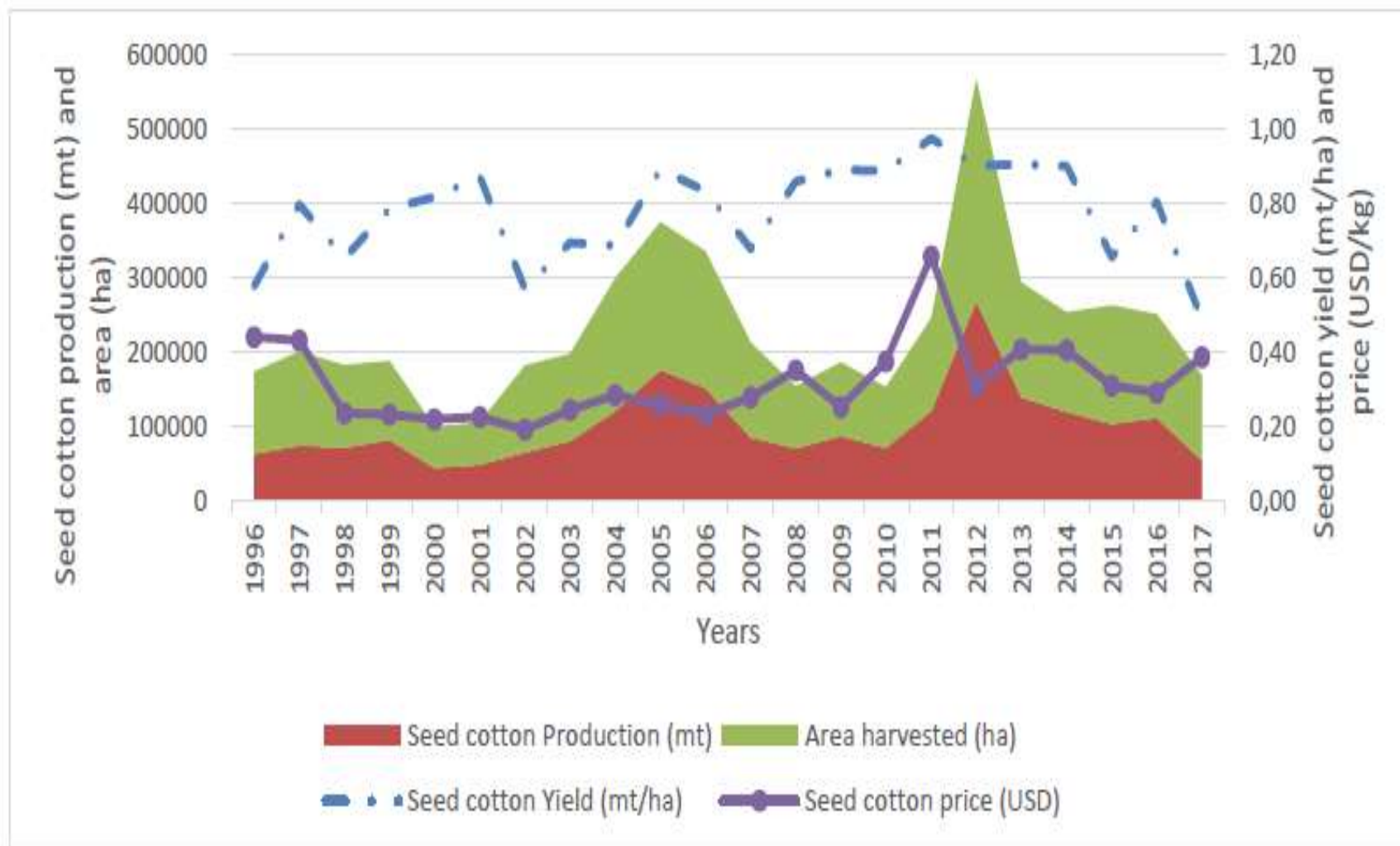
## Figure 2: Average yield by region in Africa

kg lint per hectare



Source: ICAC

Figure 3: Trends in seed cotton production and lagged seed cotton prices in Zambia



Sources: Central Statistics Office (CSO) – production indicators, Cotton Board of Zambia – prices

# Possible reasons for declining seed cotton production

## Extension Service (1)

- ✓ scarcity of capacity to effectively transfer knowledge and skills to the smallholder farmers
- ✓ Existing capacity for extension in smallholder cotton systems in Zambia is not only thin but also extremely scattered in the form small private sector (individual ginners) teams
- ✓ The current extension model has a number of weaknesses: minimal outreach, logistically wasteful, confusing to the farmers, promotes disharmony amongst ginners and could be a cause of side-buying/ selling
- ✓ Sourcing experts by individual ginners is not only unsustainable but also very expensive

# Possible reasons for declining seed cotton production

## Extension (2)

- ✓ Unfavorable agent : farmer ratios
- ✓ Absence / lean public extension
- ✓ Inability by ginners to attract qualified field agents
- ✓ Ginners limited budgets' –funding gaps
- ✓ Poor/negative attitudes of extension agents

## Possible way forward to increase seed cotton production

- ✓ Multi-ginner synergy: Centralize training
- ✓ Advocate multi-ginner extension to reduce the cost per cotton company
- ✓ Inclusion of a ToT module to improve extensionist-farmer-relationship
- ✓ Policy intervention to make it mandatory for every ginner to develop a staff development plan;
- ✓ Multi-ginner sourcing of experts lowers per gin costs;
- ✓ Establish a centralized mechanism for agents / farmer training

## Possible reasons for declining seed cotton production

- **Inputs**

- ✓ Seed quality and quantity used
- ✓ Deteriorating characteristics of the older cotton variety
- ✓ Minimal use of mineral fertilizer if any
- ✓ Deviation of cotton inputs for other crops
- ✓ Poor quality of pesticide inputs
- ✓ Possible development of pesticide resistance
- ✓ Poor knowledge in pesticide use and application
- ✓ Poor crop husbandry
- ✓ Labor shortage



# Possible way forward to increase seed cotton production

## Inputs

- ✓ Revise pesticides regulatory framework
- ✓ Phasing out old pesticides
- ✓ Rotation of pesticides to avoid resistance
- ✓ Training in application techniques
- ✓ Strengthening research to continue the search for and optimize alternative options for the control of cotton pests
- ✓ Ensuring adequate input and delivery to farmers in terms of quantity and quality
- ✓ Strengthening research on cotton breeding
- ✓ Introduction of new varieties from other countries

# Possible reasons for declining seed cotton production

## Economics

- ✓ Fluctuating of seed cotton producer price
- ✓ Fluctuating exchange rates
- ✓ Competition from other crops, e.g. soybean, groundnuts
- ✓ Opportunity costs for farm labor
- ✓ Decreasing investment in farmer trainings (loyalty of farmers, side selling)
- ✓ Decreasing pre-financing of inputs (loan recovery)
- ✓ Low investment in environmental programs (CA)

# Possible way forward to increase seed cotton production

## **Economics**

- ✓ Contract sanctity
- ✓ Development of a price setting mechanism
- ✓ Set up a price smoothing fund
- ✓ Pre-planting prices (?)
- ✓ Improving cotton industry data collection
- ✓ Mechanisation
- ✓ Set-up of agricultural credit systems
- ✓ Levelling the playing field

# Possible reasons for declining seed cotton production

## **Climate change**

- ✓ Unpredictable weather pattern
- ✓ Crop husbandry techniques not yet adapted to the new climatic conditions
- ✓ Lack of available adapted varieties

## **Possible way forward**

- ✓ Development and research on new agricultural managing practices
- ✓ Strengthening research on cotton breeding

# Possible reasons for declining seed cotton production

## Policy Framework

- ✓ No or low interference by the MoA or MoTCl in the cotton sector
- ✓ Weak governing bodies
- ✓ Cotton Act out dated
- ✓ Price setting discussions between Ginner Association (ZCGA) and Producer Association (CAZ) not allowed
- ✓ Price setting transparency
- ✓ No stringent conditions of market entry

# Possible way forward to increase seed cotton production

Stringent conditions of market entry to ensure that:

- Companies applying for operating licences shall fulfill the following:
  - ✓ Provision of adequate inputs (seed and chemicals)
  - ✓ Effective extension provision (ratio: farm to extension agent, qualification of extension staff, training material and approach)
  - ✓ Having an own operational gin
  - ✓ Before starting to submit proven record of contracted farmer
  - ✓ If a company is found involved in side trading to revoke the operating licence
- Development of a price setting mechanism
- Enhance multi-stakeholders representation
- Change of cotton sector model

## **What could be the way forward to increase cotton production in Zambia**

- **Fostering a good extension-farmer relationship given the strategic role of extension agents in delivery of productivity enhancing innovations for a sustainable increasing cotton production?**
- **Ensuring adequate input and delivery to farmers in terms of quantity and quality?**
- **Scaling-up of GAP/CA/IPPM training to farmers by improving extension service delivery?**
- **Strengthening research in terms of cotton breeding and pest management?**
- **Re-visiting the policy framework?**
- **Stringent conditions of market entry of new companies?**

Thank you very much for your attention!



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