



Promoting cotton by-products in Eastern and Southern Africa

UN Development Account Project 1617K

Implemented by UNCTAD

In partnership with COMESA and UNECA

CONCEPT NOTE

National capacity-building workshop

Hotel Slipway

Dar es Salaam, Tanzania

15-17 November 2017

1. Background

Cotton was traditionally Tanzania's second most important cash crop in value terms, after coffee. But from 2014-16, the average value of cotton exports fell below USD 10 million per year, placing it well down the list of top export crops.¹ Nevertheless, cotton remains the most widely cultivated cash crop in the country, sown by an estimated 400,000 smallholder farmers on a total of 350,000 to 450,000 hectares (ha) each year.² Consequently, it is estimated that cotton and its related value chains support directly or indirectly the livelihoods of up to 40% of Tanzania's population.³

As a cash crop widely cultivated in rural areas, cotton has significant potential to contribute to poverty reduction efforts in Tanzania. For example, under its Big Results Now (BRN) programme, the Government of Tanzania aims to accelerate economic development and reduce poverty by improving productivity in key sectors, including agriculture. Thus, after the sector produced a record harvest in 2005, of 126,229 metric tonnes (MT) of lint, from 357,260 MT of seed cotton, the Government set an objective to increase lint output to 270,000 MT by 2015 and to increase domestic processing to 50% of lint production.

Despite these objectives, development efforts were undermined by unpredictable fluctuations in annual seed cotton production, which never surpassed the record harvest in 2005. For example, the average annual seed cotton harvest from 2010-14 was approximately 252,000 MT.⁴ The development of value addition has also stalled, with 70% of lint still exported as of 2010.⁵

Meanwhile, the utilization of cotton by-products remains largely undeveloped in Tanzania. On the farm, cotton stalks are left in the fields or burned for fuel. After ginning, the different by-products derived from cottonseeds - oil, cake, husks and linters - do not feature prominently in the wider cotton value chain. These by-products therefore have an unrealized potential to contribute to Tanzania's efforts to foster economic growth, job creation and poverty reduction by adding value to the country's main cash crops.

¹ Bank of Tanzania

² FAOStat

³ UNCTAD, 2017. Cotton and its by-products sector in Tanzania. UNCTAD, New York and Geneva. UNCTAD/SUC/MISC/2017/1.

Available at: http://unctad.org/en/PublicationsLibrary/sucmisc2017d1_en.pdf

⁴ FAOStat

⁵ UNCTAD, 2017.

In this context, the United Nations Conference on Trade and Development (UNCTAD), with the support of its partners, the United Nations Economic Commission for Africa (UNECA) and the Common Market for Eastern and Southern Africa (COMESA), designed a project to address some of these challenges, in particular to fill the data and policy gaps that restrain the development of value added activities on cotton by-products. UNCTAD is implementing the project in four ESA countries: Tanzania, Zambia, Uganda and Zimbabwe. The Ministry of Industry, Trade and Investment is the project's government focal point in Tanzania.

To address the data gap in Tanzania, the project commissioned a survey on cotton by-products in the country (Activity 1.1). The survey findings and final report will inform the project's subsequent activities, including a three-day national capacity-building workshop.

The workshop will comprise a two-day programme on 15-16 November for stakeholders to identify opportunities in cotton by-products and devise strategies to realise them (A 1.3), followed by a one-day workshop on 17 November for policy-makers to identify policies to support these strategies (A 2.1).

2. Stakeholder Workshop, 15-16 November

Expected outcomes

According to the project's logical framework, the two-day stakeholder workshop (A 1.3) is intended to contribute to the project's achievements in Tanzania, as follows:

Expected project achievements	Indicators	Expected outcomes from the stakeholder workshop (A 1.3)
<p>EA1 Improved capacity of cotton value chain stakeholders to assess the potential value, market situation and prospects for cotton by-products.</p>	<p>IA 1.1 Tanzania has collected and analysed statistics on the cotton by-products value chain, including the availability of raw material, processing and market conditions of these by-products (i.e., cotton seed and/or stalk).</p> <p>IA 1.2 Tanzania has developed and adopted a national action plan, aiming to increase the value added of cotton by-products.</p>	<p>(i) Disseminate the survey findings (A1.1);</p> <p>(ii) Build capacity of cotton value chain stakeholders to evaluate investment opportunities and the market potential for value addition to cotton by-products;</p> <p>(iii) Agree on the key elements of a national action plan to add more value to cotton by-products, including the evidence-based policies and investment profiles planned for this project; and</p> <p>(iv) Discuss and establish a multi-stakeholder committee to monitor the implementation of the action plan.</p>

Outline of programme

According to the expected outcomes, the preliminary two-day workshop programme will comprise sessions on the following topics:

- Presentation and discussion of the survey findings;
- Actions needed to increase seed cotton production in Tanzania;
- Identification of priority cotton by-products activities for development;
- Formulating strategies for priority cotton by-products activities;
- Recommendations for a national action plan on developing cotton by-products (deliverable);

- Coordination of the cotton value chain and identification of a new or existing multi-stakeholder oversight committee for implementation of the national action plan (deliverable); and
- Adoption of deliverables and closing.

3. Policy Workshop, 17 November

Expected outcomes

According to the project’s logical framework, the one-day policy workshop is intended to contribute to the project’s achievements in Tanzania, as follows:

Expected project achievements	Indicators	Expected outcomes from the policy workshop (A 2.1)
EA2 Improved capacity of policymakers to (a) formulate evidence-based policies that improve the value added of cotton by-products; and (b) devise investment profiles to attract potential investors.	<p>IA 2.1 Tanzania has drafted concrete policies to enhance the value added of cotton by-products.</p> <p>IA 2.2 Cotton by-product investment profiles developed in Tanzania.</p>	<p>(i) Assess the current policy framework for cotton by-products value addition in Tanzania, based on the findings of the survey (A1.1);</p> <p>(ii) Review policy best practices with respect to cotton by-products; and</p> <p>(iii) Identify policy gaps and their remedies to develop cotton by-products in Tanzania.</p>

Outline of programme

According to the expected outcomes, the preliminary one-day workshop programme will comprise sessions on the following topics:

- Presentation and discussion of the survey findings and the draft action plan from the stakeholder workshop;
- Identification of policy gaps with respect to: cotton cultivation and value addition to cotton by-products;
- Review policy best practices with respect to increasing value addition to cotton by-products;
- Formulate policy proposals to remedy gaps and inform investment profiles (deliverable); and
- Adoption of deliverables and closing.

4. Venue

UNCTAD will hold the workshop at the Slipway Hotel, located 7km from the centre of Dar es Salaam, on Yacht Club Road in the Masaki neighbourhood. Participants can contact the hotel directly at the following coordinates: tel - +255.22.260.0893, email – reception@hotelslipway.com.

5. Participants

Commercial stakeholders from throughout the cotton by-products value chain will participate in the workshop, including, for example: farmers, intermediaries, ginners, oil millers and stock feed producers. Representatives from business, investment and entrepreneurship will also be invited.

Policy makers and regulators will be the other key participants. In addition, the workshop will welcome participants from civil society and the press.

Gender mainstreaming is a programming priority in all UN activities. UNCTAD therefore aims for women to comprise 50 per cent of farmers participating in the workshop and 30 per cent of total participants.

The project plan provides for 60 participants at the stakeholder workshop (15-16 November) and 20 participants at the policy workshop (17 November). UNCTAD will adjust the number of participants as necessary, in consultation with the Ministry of Industry, Trade and Investment.

6. Press

UNCTAD will arrange press coverage of this event, including the opening, in collaboration with the Ministry of Industry, Trade and Investment and the UNDP office in Dar es Salaam. Photos taken at the workshop will be used for communications purposes, including in the workshop report.

7. Logistics

For information on logistics – e.g. invitations, visas, accommodation, travel and workshop documentation – please consult the Logistics Note, available on the project site (see below).

8. Contacts

General information on the project, including the project document, background materials and activity reports, can be found at the project site:

<http://unctad.org/en/Pages/SUC/Commodities/SUC-Project-1617K.aspx>

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