



## 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

#### Regional workshop

*Premier Hotel O.R. Tambo  
Johannesburg, South Africa  
28-30 May 2019*

**Hosted by: Cotton South Africa**

#### 1. Introduction

Cotton remains an important crop in Eastern and Southern Africa (ESA), generating export revenues, value added and cash income for rural populations. Although cotton is grown primarily for its lint – the raw material in cotton textiles – other parts of the plant also have commercial value. For example, mature industries exist in many cotton producing countries in Africa to process cottonseed into edible oil and livestock feed. Nevertheless, technologies to add value to other parts of the cotton plant – such as cotton stalks, linters or ginning waste – are largely absent in African countries, amounting to unrealised economic opportunities.

Cotton by-products industries are underdeveloped in ESA owing to several impediments, including: inadequate policies to support the development of cotton by-products industries; insufficient data to assess the viability of investments in cotton by-products; and a lack information about value-added technologies available in other countries.

The United Nations Conference on Trade and Development (UNCTAD) designed the technical cooperation project “Promoting cotton by-products in ESA” to address some of these gaps and assist ESA countries in capitalising on opportunities in cotton by-products. The project is funded by the multi-donor United Nations Development Account. Together with its partners, the Common Market for Eastern and Southern Africa (COMESA) and the United Nations Economic Commission for Africa (UNECA), UNCTAD is implementing the project from 2016-19 in Uganda, the United Republic of Tanzania, Zambia and Zimbabwe.

Project activities began with national surveys, which provided baseline data and stakeholders’ views on the challenges facing the development cotton by-products industries in their countries. Survey findings informed national capacity-building workshops, where stakeholders in each country agreed on a National Action Plan, comprising 2-4 priority cotton by-products for development and supporting policy recommendations

Based on the by-products selected in the National Action Plans, UNCTAD arranged a study visit in early 2019 to Nagpur, India, where several cotton by-products have reached commercial viability over the last decade. Organised by the Central Institute for Research on Cotton Technology (CIRCOT), the study visit demonstrated to project participants the technologies and business models that have thrived in India, as well as connecting them with relevant machine fabricators.

In the meantime, UNCTAD has also worked with the investment promotion authorities in each country to draft investment profiles for the selected cotton by-products – tools that they can use to attract investments to these value-added processing activities.

According to the project plan, UNCTAD now proposes to hold a regional workshop, where project countries will:

- Exchange lessons from the project;
- Advise on necessary follow-on work; and
- Present the commercial and policy initiatives they have developed through the project activities.

To inform the discussions at the regional workshop, UNCTAD has commissioned a consultant to draft a synthesis report, which will review the knowledge and lessons accumulated through the project's activities and deliverables. The author will also summarise interviews with participants, looking at how the experience and knowledge they acquired affects their outlook for the development of cotton by-products in their countries. Participants will receive a draft of the report before the workshop, where the author will present a summary.

UNCTAD has agreed with Cotton SA, the cotton industry association in South Africa, to host the regional workshop in Johannesburg, from 28-30 May 2019. Holding the workshop in South Africa will allow project participants to step out of their local contexts and exchange ideas in a new setting, as well as to observe the features of cotton production in South Africa that differ from their home countries. The workshop will therefore comprise working sessions at the hotel on 28-29 May, followed by a field visit to the Marblehall cotton-growing area, north of Johannesburg, on 30 May.

## **2. Hosted by Cotton SA**

Cotton SA represents all stakeholders in the South African cotton industry, from farmers to value-added processors. It acts as an industry forum, advises the Government, publishes information on the cotton value chain, develops smallholder cotton farmers and plays a key role in the Sustainable Cotton Cluster.

Cotton SA's motivation in hosting the workshop is to learn how it might use project countries' experiences to promote the development of cotton by-products in South Africa, as a means of maximising the value added to the crop and creating new income opportunities, especially for smallholder farmers.

### 3. Objectives

According to the project’s logical framework, the regional workshop (A 2.4) is intended to contribute to the following expected achievement:

Expected project achievements	Indicators
<b>EA 2</b> Improved capacity of policymakers in the beneficiary countries/region 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><b>IA 2.1</b> At least, three of the four target countries have drafted concrete policies to enhance the value added of cotton by-products.</p> <p><b>IA 2.2</b> Cotton by-product investment profiles developed in three of the four target countries.</p>

The objectives of the workshop are therefore to:

- a) Share lessons and experiences among project countries;
- b) Identify follow-on activities necessary to sustain the work of the project;
- c) Present commercial and policy initiatives developed during the project to partners and donors; and
- d) Identify opportunities to extend and replicate the project’s work in other cotton-producing countries in Africa.

### 4. Participants

UNCTAD will welcome approximately 35 participants to the regional workshop. These will include eight participants each from Uganda, Zambia and Zimbabwe and two from the United Republic of Tanzania. Representatives from partner agencies COMESA and UNECA will participate, as will those from other institutions with mandates in cotton, such as ICAC, ITC and the WTO.

Since the country delegations will present their proposals for follow-on projects at the workshop, UNCTAD has invited donors with relevant portfolios to attend.

On its side, Cotton SA will invite 30 participants from the South African cotton value chain.

Gender balance is a priority for UNCTAD. For this workshop, UNCTAD and its project partners aim for women to comprise a minimum of one third of participants.

### 5. Travel and logistics

UNCTAD will provide each sponsored participant with a return flight to Johannesburg in economy class, a daily subsistence allowance and terminal expenses, according to United Nations travel rules.

Most participants will arrive in Johannesburg on Monday, 27 May and depart on Friday, 31 May.

For convenience, Cotton SA has reserved meeting facilities and rooms for participants at the Premier O.R. Tambo Hotel, near the O.R. Tambo International Airport in Johannesburg.

For the field visit on Thursday, 30 May, Cotton SA has arranged a luxury coach bus for the group.

## 6. Contact

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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