

Newsletter 5, April 2019

PROMOTING COTTON BY-PRODUCTS in Eastern and Southern Africa

Countries: United-Republic of Tanzania, Uganda, Zambia and Zimbabwe

Duration: 2016–19

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

Study visit to Nagpur, India

From 14-18 January 2019, the **Central Institute for Research on Cotton Technology (CIRCOT)** hosted 20 project participants from Uganda, Zambia and Zimbabwe for a study visit of cotton by-product businesses and supply chains in Nagpur, India. UNCTAD aimed for the study visit to demonstrate the by-product processing technologies that have achieved commercial viability in India, including learning from entrepreneurs how they run their businesses and market their products. The study visit allowed participants to establish contacts with fabricators that could export processing equipment to their home countries.

The study visit programme was organised around the priority cotton by-products that the three countries had selected as part of their National Action Plans, namely: i) absorbent cotton wool, ii) biomass briquettes and pellets from cotton stalks; and iii) the removal of gossypol from cottonseed meal. CIRCOT organised a comprehensive programme, composed of lectures by its scientists, visits to farms and factories, as well as a business forum with approximately 50 processors and machine fabricators.



Among the many site visits, participants were particularly impressed by the vibrant value chain they saw for biomass briquettes and pellets from cotton stalks. They saw farmers collecting and chipping stalks in the field, simple but profitable processing plants and industrial users that adopted these biomass fuels for their many economic and environmental advantages.



The owner of a briquetting plant summarised well the compelling business case for his product: he receives more orders than he can fill and buys all the biomass raw material he can find from farmers in the surrounding area.

Study visit participants from the three African countries included farmers, business owners, policy makers and researchers – all of them recognised that these commercial applications for cotton stalks were feasible in their countries and represented attractive new income opportunities for farmers and entrepreneurs.

Regional workshop scheduled for late May in Pretoria, South Africa

UNCTAD has agreed with **CottonSA**, the cotton industry association in South Africa, to host the project's regional workshop in Pretoria, 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, for example: irrigation, machine picking and Bt cotton. On its side, **CottonSA** expressed its interest in hosting the workshop to learn how it might use project countries' experiences to promote the development of cotton by-products in South Africa.



Since the project will close at the end of 2019, the regional workshop will serve as a wrap-up activity, at which the countries will exchange lessons from the project and present the commercial and policy initiatives they have decided to pursue. Given that the countries will present their follow-on project plans, UNCTAD has invited several donors and institutional partners to the workshop.

Joint WTO-UNCTAD-ITC initiative on cotton by-products

Based on the knowledge and expertise built during its project "Promoting cotton by-products in Eastern and Southern Africa", UNCTAD has undertaken a joint initiative on cotton by-products with the World Trade Organization (WTO) and International Trade Centre (ITC).

The three sister trade agencies aim to respond to growing Member State requests for technical assistance on this topic. Member States granted a mandate for the initiative at the WTO Cotton Days proceedings on 29 November 2018.

As a first step, the WTO has applied for funding from the Enhanced Integrated Framework (EIF) for a two-phase project to be implemented in eight or nine countries in Africa. A feasibility study will identify the priority by-products for development in the countries, informing a pilot project in the second phase. The partner agencies aim to launch the pilot project at the 12th Ministerial Conference of the WTO, in Astana, Kazakhstan in June 2020.



Next steps

In the coming months, the UNCTAD project team will undertake the following activities:

1. Assist project countries in drafting concept notes for their commercial and policy initiatives, for presentation at the regional workshop in May.
2. Disseminate project deliverables and lessons at international fora, including the WTO Cotton Days in Geneva in June, UNCTAD's Trade and Development Board in September and the 78th Plenary Meeting of the International Cotton Advisory Committee (ICAC) in December.
3. Brief other cotton-producing countries in Africa on project results, should any of them wish to replicate the exercise.
4. Submit follow-on project proposals to donors; and
5. Work with our partner agencies to advance the joint WTO-UNCTAD-ITC initiative on cotton by-products.

Contact us

For information about the project, please do not hesitate to contact the UNCTAD project team.

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