

Actions in favor of the image of the Mozambican cotton

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1. Abstract

1. The international market has entered into a structural change with high instability. price has become more erratic while exporting volume has been stagnant for one decade so that competition has become harsher than before. Any gain by one country will be at the expense of the others. It is of paramount importance that Mozambique be as active as possible to promote and defend the image of its cotton on the international scene.
2. It is advocated that Mozambique takes advantage of the new communication tools and set up an active web site. Such an action is estimated at 48 000 € for which 28 000 € are requested from external source.
3. It is recommended that Mozambique finally joins ICAC to be present and active among the main operators in the world market. Beyond the membership cost which, is connected to the exportation volume, additional costs are budgeted to enable Mozambique to attend most of the meetings organized or sponsored by ICAC. This actions is budgeted at 206 000 € for which it is advocated that external fund takes charge totally in order to provide the impulsion that the cotton sector stakeholders will be capable to take over later on.
4. The costs summary detailed per component is the following:

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	TOTAL
Web site creation	20 194 €	7 654 €	12 824 €	7 654 €	48 326 €
Membership to ICAC	32 494 €	34 144 €	35 794 €	37 444 €	139 876 €
Membership to African Cotton Association	17 170 €	16 370 €	16 370 €	16 370 €	66 280 €
TOTAL COSTS	69 858 €	58 168 €	64 988 €	61 468 €	254 482 €

2. Reminder of previous main observations

5. The diagnosis study emphasized on, the fact that the world market of cotton entered into a structural change whose features are still unstable. During the last two decades, fluctuations were more frequent and of greater magnitude than what were observed during more than two centuries of international cotton trade. A direct consequence is an erratic trend of the international price. Within a period of 5 years, the international price has reached historical high and historical low. Since 1997, the decreasing trend of the A index seems to remain permanent. It is risky to predict the price evolution of commodities. It would be excessively pessimistic to point out that the A index will no longer augment, however most analysts warn against the illusion of recovering former price levels. International price for cotton will keep on fluctuating but for sure around a new value which is lower than previous reference.
6. There is no sign that this negative trend would be corrected by an adjustment from the offer side. In spite of low prices, some countries succeed in maintaining their production thanks to national support policies, which distort seriously the international market. Such type of distortion should not disappear in the short run even though the Doha Round of the WTO comes out to be successful.

7. The price trend being observed seems to demonstrate a market being oriented by the demand side. Actually, the demand addressed to cotton seems stagnant, as a result of the competition from man-made fiber, but also of changes in consumers' preferences. In such a demand-oriented market, countries, which are furthermore penalized, are those, which suffer from a negative image of its production.
8. Negative image could be related to objective and checkable factors like fiber intrinsic characteristics or its contamination by foreign matters, either organic or inorganic ones. In this regard, Mozambican fiber does not enjoy an honorable ranking according to the most recent surveys implemented by ITMF (International Textile Manufacturer Federation).
9. Negative image could derive from more subjective factors. The ways by which cotton fiber is being produced, with some level of use of chemical, are leading groups of consumers to question the natural image of this fiber. This could deviate more people from wearing cotton. By the same time, man-made fibers are gaining non-price competitiveness. The advantages of the man-made fibers, as compared to cotton, are yet well known: quality regularity at the manufacturing stage, brighter colors and easy care at the users' level. In addition to these conventional advantages, there is a new generation of man-made fibers that provides new functions, which fit better to outdoor activities.
10. Negative image for some countries could result from the information campaigns launched by competing countries. It is already observed that countries, which are criticized for their subsidy policies are counter-attacking by questioning the fact that children are working in the cotton fields in developing countries.
11. A close look to the international exchanges of cotton fiber shows that the exported volumes stagnated somewhat during the last decade; this means that the cotton exporting countries are competing for a global demand, which has become constant. Any gain in the exportation market by one country will be achieved at the expense of other countries. This is the sign of an international competition becoming harsher than before and exporting country has to be more active in its competition in the world market.
12. The analysis recalled above leads to advocate an active approach in defending and promoting the image of the Mozambican cotton, by combining various means. It is recommended to make use of modern means of communication by implementing a dynamic web site which could help reach many people, and also to join international forum related to cotton

3. Setting up a dynamic web site

13. IAM had the initiative of setting up a web site by mid-1999 devoted to help know this institute, the regulation and some general information about the cotton production in Mozambique, as well as a directory of the stakeholders involved in the sector. For reasons we ignore, such initiative did not go through.
14. As requested, we propose a web site destined to help know the Mozambican cotton sector, diffuse the economic importance of this sector and help Mozambican stakeholders point out their opinions on topics that impact on the continuation or the

efficiency of the cotton production in the country. This web site must be bilingual, English and Portuguese.

15. It is suggested that the web site starts with a reasonable ambition of information diffusion and put aside for the moment the prospect of interactivity allowing, for instance, visitors to get access to the contents of data base. For the common web sites, a counter shows the number of visitors and to have an idea of the impact of the site. Many web site creation software include now a routine sub-program of log-analyst which helps analyze more efficiently visit statistics. These statistics could help alert on new material in the site but it would be more transparent to propose visitors the possibility of being alerted about any new material.

3.1. Logics of the web site

16. We propose 7 main chapters; each one could be further elaborated up to three levels of sub-headings. This corresponds to the architecture or the tree of links to follow in building up the web site. In some cases we point out the messages to diffuse in order to provide a correct understanding of the Mozambican cotton sector. Refer to the annex for more detail.
17. The first chapter help to get reach to the main players in the cotton sector, i.e. cotton companies, input and service providers, administrative entities and even NGO or projects involved in developing cotton areas.
18. The second chapter is destined to provide general information on the cotton production in Mozambique, i.e. history, geographic distribution, the economic importance, the specific feature of production from smallholders and the challenge to re-launching the textile industry.
19. The third chapter helps to cope with the institutional organization of the cotton sector, by insisting on the role sharing between the private and the public sectors.
20. The fourth chapter deals with the production figures, showing time series and outlook for the running campaign. This heading should help catch the dynamics of the cotton production in the country.
21. The fifth chapter targets at informing about the efforts being engaged to enable Mozambique to comply with the quality requirements of the markets, by informing about the technological characteristics of the lint obtained from the varieties which are grown, by insisting on the advantages of the hand-picking that preserves quality and by the evolution of the classifying system.
22. The sixth chapter is devoted to inform about the various impacts of the cotton production, in terms of cash income for the rural families, of synergy with food production, of increase of farmers' skills and competence through cotton production...
23. The seventh chapter is destined to inform about the production modes in Mozambique and to help obtain a well balanced perception of the use of chemicals and of the contribution of the family labor, including women and children, in producing cotton in Mozambique.
24. A eighth chapter is for archive purpose, it is destined to assembled the files that were displayer earlier in the former seven chapters.

3.2. Managing a dynamic and fruitful site

25. Beyond the conception of the texts to be integrated into the web site, an important task is to identify comprehensive lists of keywords so that the web site could be referenced easily by the main browsers. Any Internet surfer has got the experience of being proposed thousands of web sites that could fit to his request and it is quite natural that only the first tens of answers will be visited. The challenge will be to adjust the keyword listing so that the Mozambican cotton web site will come out among the first. This will require launching trials of advanced search with the main browsers and to re-launch them after adjustment of the keyword lists or of their order.
26. It sound natural that the web site be managed by IAM and be maintained by staff members that this institute assigned specifically. We believe that no new recruitment would be necessary and IAM should identify a web site team of 2 people who will have to allocate 30% of their time to take charge of the routine maintenance of the web site.
27. Internet browsers take many criteria into consideration in order to propose relevant lists of answers to any request; it is a matter of their credibility. One criteria being considered is the update frequency of the web sites. The institution in charge of managing the web site, IAM in our case, must organize itself in order to ensure a sufficient update frequency.
28. Another factor contributing to a lively web site is its linkages with other web sites related to the same area. The web site team of IAM will have then to identify existing cotton web sites (they are numerous) and to propose inter-linkages.

3.3. Implementation modalities and budget

29. We favor an approach of externalization in creating the web site according to the architecture introduced above. There are enough competition between companies capable of providing a good quality product at a reasonable cost. Email domain should be allocated automatically by the company retained in setting up the web site. In annex, we attach the addresses of the main companies. It is noteworthy that the company Sislog is in charge of setting up and operating a development gateway to which it will be very easy to link the cotton sector web site in order to reach a wider public. In particular, alert messages could be arranged to help inform of anything new in this web site. The construction of the gateway should be completed by the end of January and there are ideas of connecting such type of gateway to cellular phones and diffuse messages through the tool of SMS (Short Message Service).
30. The budget being estimated includes the training of 2-3 peoples in managing the custom maintenance and updating of the web site (by adding or moving, or changing files attached to the web site). It is common now that during the construction of web sites, a routine procedure is set up to make very easy the site maintenance without need of specific skills in programming.
31. Owing to the fact that the technology in the area of internet is evolving very fast (in terms of programming language, of interactivity...), a web site could be obsolete quickly enough. It is then recommended to have the web site totally rebuild after two years, the resulting cost would not be significantly higher then marginally update an existing site. This option is also flexible in adapting to possible turnover of the staff in charge of the web site maintenance within IAM.
32. The budget totals at 48 000 € of which 28 000 € are expected from an external source.

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33. Indicators to assess this action could be direct or indirect. Direct indicators are fully connected to the action, they are:
- Actual running of the web site
 - Number of visitors to the web site
 - Number of countries represented among the visitors, and percentage of cotton importing countries,
 - Number of inquiries about the Mozambican cotton production, ratio of the inquiries related to the image and ratio related to lint transaction,
 - Number of Mozambican entities registered in the web site directory,
 - Number of link with foreign web sites
34. Indirect indicators are those, which are influenced by the concerned actions, as well as other factors. It is difficult to claim to what extend the action contributes actually to these indicators, they may be:
- Diversification of the clients of the Mozambican cotton fiber,
 - Diversification of the countries using the Mozambican cotton fiber,

4. Joining ICAC

35. The International Cotton Advisory Committee is well known organization with a membership of 42 countries and which is running efficiently for more than half a century. It is functioning with a limited staff and it succeeds in issuing very regularly a list of publications dealing with the various aspects of cotton production and use as well as the main issues impacting on the cotton production and trade.
36. Increase of productivity through an efficient research implementation is one of the challenge ICAC wants to contribute. This is one of the rationale of the launching and sponsoring of the World Cotton Research Conference which will be organized in South Africa in March 2003.
37. Promotion and defense of the image of the cotton fiber is another challenge ICAC is addressing in order to counter the current trend of the demand decrease. ICAC issued several documents in order to show how crucial launching action would be¹ and it is taking the lead in organizing actions in various countries.
38. We advocated that Mozambique joins actively ICAC because this will be a positive way to be in touch with the most important players in the world market in order to better feel the trend of the market but also to promote the image of the Mozambican cotton with importing countries.
39. Direct and indirect benefits from joining ICAC are elaborated in the annexed document that ICAC sent on our request. One indirect benefit, which is not clearly pointed out is that Mozambique will take advantage more easily of the financial support for Mozambicans to attend technical trainings. ICAC is also the technical board to assess project proposals submitted to the Common Fund for Commodities whose objective is to help developing countries to better comply with international market requirements. Several projects have been financed for cotton including using new hedging tools (Zimbabwe, Uganda) or adapting HVI use (Sudan) or to face more

¹ ICAC (1997) Proposals to arrest the decline in cotton's market share. Recommendation from the Standing Committee to the 56th Plenary Meeting of the ICAC, Asuncion, Paraguay, ICAC, Washington, October 1997, No. Working paper II, pp. 89.

efficiently technical issues at the production stage (stickiness caused by Bemisia in Israel, Zimbabwe and Tanzania)...

40. Membership cost is connected to the volume of the cotton being exchanged for a given country. In the case of Mozambique, this cost will be calculated according to its exportation volume and this cost is estimated at US \$ 15 000, since that production and exportation should augment in the next future (owing to a more stable institutional framework and the actions undertaken to improve productivity) this cost should increase also at a reasonable rhythm.
41. It is advocated that Mozambican be an active member, this means that this country will have to take part to the major events organized under the auspices of this organization. We have budgeted attendance to the plenary session for a delegation of 3-members and attendance to two other technical meetings for one person each time.
42. The budget totals at 140 000 €. It is proposed that an external source helps Mozambique to join ICAC during a period of 4 years, providing an impulsion to materialize finally an initiative that Mozambique had had already for several years.
43. Indicators to assess this action could be direct or indirect. Direct indicators are fully connected to the action, they are:
 - Actual membership to ICAC
 - Actual attendance to various meetings organized or sponsored by ICAC
 - Number of participants to meetings and organisms they represent
 - Number of persons benefiting from financial supports provided directly or indirectly by ICAC
44. Indirect indicators are those, which are influenced by the concerned actions, as well as other factors. It is difficult to claim to what extend the action contributes actually to these indicators, they may be:
 - Diversification of the clients of the Mozambican cotton fiber,
 - Diversification of the countries using the Mozambican cotton fiber,

5. Joining the African Cotton Association

45. The creation of the Association Cotonnière Africaine or African Cotton Association (A.C.A.) resulted from a previous meeting in June 2001 when the participants decided to set up a specific African organization in order to preserve the cotton sector which is economically crucial for many countries in Africa while the international situation seems to be harsher than ever owing to the effects of support policies by several developed countries.
46. The A.C.A. was officially established in June 2002 in Abidjan and its status was officially issued. Its objectives aims at:
 - having a specific African device to enable African cotton-related organizations exchanging about their common issues,
 - collecting, processing and diffusing information related to the cotton trade destined to its members, political and economic organisms in Africa,
 - preserving the sanctity of trading contracts,
 - defending the cotton production in Africa against the unfairness of subsidies provided or trade barriers opposed by some countries,

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- participating to alliances with other countries which suffer also from the current unfairness in the cotton trade,
 - organizing the exchange of experiences and the resource grouping from cotton companies in terms of means and expertise notably in the area of agronomy, ginning, logistics, commercial policy,
 - carrying out a specific African type contract and having it enforced.
47. Owing to the objectives being retained and which are relevant from the Mozambican perspective, it is recommended that Mozambique joins in the A.C.A., the sooner the better: it is well known that the first members used to achieve a better influence.
48. The status and the internal rules are available in French so far, we do not think relevant to insert them in the annexes. The can anyway be obtained very easily by addressing oneself to Mr Malloum who is performing as the first President of the association (email : cottontchad@wanadoo.fr).
49. The current status acknowledges three types of memberships. Active members are cotton companies or association of cotton companies, which are involved in Africa in the cotton production, in service provision to the cotton production, in ginning or trading of cotton lint. Associated members are farmers' organizations, association of textile industries, association of crushers. Corresponding members are companies of transportation, customs clearing, banks, insurance, foreign cotton associations, companies involved in the international cotton trade and wholly speaking any entity whose activities contribute to develop cotton sectors.
50. From our understanding, IAM, AAM or individual cotton companies can all claim for being active members of A.C.A. We therefore suggest that at least AAM and IAM be actually members of this new association. Furthermore, we advocate that Mozambique tries to have one of its two institutions be member of the Executive Committee, which should encompass 10-20 members.
51. The ordinary running of the A.C.A. is based upon a General Assembly and the Executive is assumed to meet twice a year. We assume that specific working groups will be set up to address particular issues. We recommend that Mozambique takes part actively to these groups.
52. The subscription fee for members is not yet definitely determined. The fee retained in the proposed budget is only a provisional one. In this budget, we only retain the subscription payment for IAM, and we retained also 4 trips for 1-2 persons to take part to the various activities of the A.C.A.
53. Joining to the A.C.A. amounts to 66 000 €. We propose that this participation benefit totally from an external support during 4 years, afterwards the Mozambican cotton sector should be capable of taking over.

6. Annex 1: Main companies providing service of web site creation

Sislog - Sistemas e Tecnologias de Informação e Comunicação, Lda

xxx.imensis.co.mz

info@sislog.com

tel. 258-1-311311 ; fax 258-1-311308

Mozdesigners

www.mozdesigners.com

mosdesigners@mozdesigners.com

tel. 258-82-329627

Tropicalnet

www.tropical.co.mz

dg@tropical.co.mz

258-82-303736

Virtual Design

www.virdesign.com

tel. 258-82-319766



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7. Annex 2 :Costs and Benefits of Membership in the ICAC

There are direct and indirect costs and benefits associated with membership in the International Cotton Advisory Committee (ICAC). In keeping with the nature of the ICAC as an inter-governmental organization providing support to the cotton industry, every effort is made to keep total membership costs, including direct and indirect costs, to a modest level. The ICAC has been very successful sustaining the membership of developing countries since the creation of the Committee in 1939 by providing tangible benefits in the form of increased access to statistics and technical information and assistance in securing funding for cotton research through the Common Fund for Commodities (CFC). Membership in the ICAC also confers membership in the fraternity of cotton countries in discussions of cotton issues of international scope and significance.

Direct Membership costs:

The direct costs of membership in the ICAC include the annual assessment and travel costs for delegates to attend plenary meeting and technical conferences. There are no direct costs associated with attendance at Standing Committee Meetings in Washington.

The annual assessment for Mozambique to the ICAC would be approximately \$15,000. The assessment is based on a formula linked to trade in cotton and can rise or fall depending on increases or decreases in cotton exports. The total budget of the ICAC has been rising by approximately 3% per year, and when adjusted for inflation the budget has been trending lower for two decades.

The cost of travel to plenary meetings varies with location. The next three plenary meetings will be held in Cairo, Egypt, Gdansk, Poland and Buenos Aires, Argentina, and airfare from Mozambique will be affected accordingly. The host country at each plenary meeting is required to ensure that hotel options convenient to the meeting site are available for less than \$100 per night. Most meals and conference social events are provided free to participants. For the plenary meeting in 2001 in Victoria Falls, average economy class airfare for members of the Secretariat traveling from Washington, DC, was \$1,650. The additional cost of seven nights accommodation and meals was about \$900 per person. Therefore, the total cost of attendance at the plenary meeting in Victoria Falls for the Secretariat was about \$2,500. The average size of a delegation to the plenary meeting is three people, but some delegations consist of just one person. Observers from the private sector generally travel to plenary meetings at own-expense.

The cost of participation in regional technical conferences and the WCRC-3 in South Africa in March 2003 will be far less. Meetings of the Southern and East Africa Cotton Forum (SECAF) are scheduled approximately every other year in a regional location. Most SECAF meetings will be two days. Likewise, the cost of travel and three days lodging to participate in the WCRC-3 will be substantially less than for a plenary meeting. I understand that hotels in Cape Town will cost much less than \$100 per night.

Delegates to the Standing Committee in Washington are drawn from the embassies of member countries. Currently, Ms. Maria Leonor Joaquim serves as Counselor at the Embassy of Mozambique. We have met, and she has attended a Standing Committee meeting as an observer.

Indirect Membership Costs:

The indirect costs of membership include time spent by government officials preparing statements for meetings and providing statistics and technical information to the Secretariat. The Secretariat requests information from member countries approximately four times per year. Most requests require less than one page of information reporting national cotton planted area, production, domestic mill use, exports or imports and an estimate of stocks if available. Some information requests are more extensive, requesting information on cost of production or production practices. Country statements at plenary meetings are most often between five and ten pages in length and can cover any topics of interest to the government. Time spent in travel and attendance at meetings would also be considered an indirect cost.

There are no other fees, dues or contributions in cash or in kind expected of members of the ICAC.

Direct Membership Benefits:

The secretariat is the premier source of international data on the world cotton industry. The Secretariat forecasts cotton supply, use and prices, estimates cotton supply by type, and tracks exports by destination and imports by origin. The Secretariat measures and forecasts cotton consumption and cotton's share of fiber demand in the world and by region and is the primary source in the world for statistics on fiber demand. The secretariat also provides technical information about cotton production. Issues of *the Recorder*, special technical publications, as well as research on the cost of cotton production and cotton production practices help to inform all segments of the cotton research community. The Secretariat has kept abreast of new developments in production research, including organic cotton production, transgenic cotton and developments in fiber testing equipment like HVI.

Sources of ICAC Information and Statistics:

- Coordinating agencies in each government,
- National cotton organizations and associations,
- World Bank, United Nations and the Food and Agriculture Organization,
- Trade publications,
- Government reports,
- Shippers and other business contacts,
- Researchers.

Statistical Information provided:

- World cotton supply and use, 1926/27 - 2002/03,
- Forecasts of season averages of the Cotlook A Index, and data on price spreads,
- Supply of cotton by type: extra-fine, fine, medium, coarse and waste/padding,
- Government policies affecting cotton,
- Production and trade in cotton yarn and fabric,
- Mill use, imports and exports of cotton, chemical fiber and wool,
- Cotton exports by destination & imports by origin.

Technical Information provided:

- Summaries of current research on topics relevant to cotton agronomy,
- Regional technical conferences,
- Annual technical seminars,
- International surveys of cotton production costs and production practices.

ICAC information is used by member governments, international organizations such as FAO, UNCTAD, the World Bank and the WTO and by producers and ginner, machinery manufacturers, cotton shippers, futures market brokers and analysts and persons in textile industries. Subscribers

benefit from timely, accurate reporting, focused on understanding cause and effect relationships, the direction of structural change within the world cotton industry and implications for prices.

Following is a list of ICAC Secretariat publications available free to member governments and national cotton industry organizations in member governments:

type available for export. (**Hard copy** in **October**, US\$125; **Internet**, US\$100.)

ICAC PUBLICATIONS CONTENTS

COTTON TODAY!

Current Estimates of World Cotton Supply and Distribution. (Updated **daily**, Internet only, US\$1,500 per year)

COTTON THIS MONTH

This 8-to-10 page report, sent at the beginning of each month, provides information on the latest events affecting the world cotton market and presents up-to-date supply, demand and price projections. (In English, French or Spanish; **Monthly**, by fax US\$275 per year; Internet, US\$225 per year)

COTTON: REVIEW OF THE WORLD SITUATION

Detailed examination of the world cotton market. Provides projections of world supply and demand by country and international cotton prices. Includes review articles on different producing and consuming countries and topics related to the world cotton industry. Projections for 2000 and 2001. (In English, French, or Spanish, **bi-monthly**, hard copy, US\$175 per year; Internet, US\$150 per year)

THE ICAC RECORDER

Latest scientific and technological developments in cotton production. Easy-to-read articles and analysis about cotton technology. Bibliographies of published reports of research on cotton. (In English, French and Spanish, **quarterly**, hard copy, US\$160 per year; Internet, US\$125 per year)

COTTON: WORLD STATISTICS

World cotton supply/demand statistics since 1940/41 and by country since 1980/81. Includes production, area, yield, consumption, imports, exports and stocks. Projections for 1999/00 through 2002/03. Monthly and season average prices of cotton and polyester in North Europe; comparisons of ICAC forecasts since 1988 with actual results. (Hard copy in **October**, US\$175; Internet, tables updated only in **October** and **April**, US\$150)

WORLD TEXTILE DEMAND

Comprehensive analyses and projections of world end-use consumption of textiles, mill use and production of cotton and chemical yarn and fabric for over 100 countries. Provides analysis of the events that have an impact on world textile demand and cotton's share of textile market. World textile end-use demand projections for 1998 and 1999 as well as projections to 2005. Yarn and fabric projections for 1999 and 2000. (**Hard copy** in **October**, US\$300; **Internet**, updated only in **October** and **April**, US\$275)

WORLD COTTON TRADE

Trade developments in raw cotton since 1980. Analysis of world trade by region. Import/export projections by country. Matrices of trade flows. Seasonal estimates of export commitments to date. (**Hard copy** in **October**, US\$175; **Internet**, tables updated only in **October** and **April**, US\$150)

THE OUTLOOK FOR COTTON SUPPLY

Provides an overview of factors affecting world cotton prices, including the outlook for production and consumption in major countries, changes in world stocks and government policies affecting trade in cotton and textiles. The publication provides statistics on aggregate world cotton supply and use, with forecasts of average prices for 2000/01. The publication also provides separate estimates of supply and use for each of the six major types of cotton and notes the likely quantity of each

ICAC DOCUMENTS ON CD-ROM

Includes all issues of *Cotton: Review of the World Situation* in English, French and Spanish (up to March 2000), *Cotton This Month* in English, French, and Spanish (up to May 2000) and *THE ICAC RECORDER* (March 1989 to March 2000, English; March 1994 to March 2000, French and Spanish) and all statistics appearing in *COTTON: WORLD STATISTICS* (1924 to present), *WORLD TEXTILE DEMAND* (1970 to present), *WORLD COTTON TRADE* (1970 to present). Includes proceedings (English, French and Spanish), Country Statements and Technical Seminars (English) from the Plenary Meetings from 1989 to 1999. Also includes two studies: *Survey of the Cost of Production of Raw Cotton* and *Survey of Cotton Production Practices*. (**Annual**, June 2000, US\$395)

PROCEEDINGS

Summaries of all deliberations of the ICAC Plenary Meeting. (In English, French and Spanish, **October**, hard copy, US\$50; Internet, US\$25)

INSECTICIDE RESISTANCE AND ITS MANAGEMENT IN COTTON INSECTS

ICAC Review article on Cotton Production Research No. 5. (55 pages, hard copy, March 1999, US\$75)

AGROCHEMICALS USED ON COTTON

The Technical Information Section undertook a detailed survey on the use of fertilizers, insecticides, herbicides and growth regulators on cotton. In addition to the use of these chemicals per hectare and area, changes in the insect pattern, insecticide resistance and expected trends in the use of these chemicals are given in the report. Farmers' understanding of agrochemical application, particularly application of insecticides, is also covered. (28 pages, hard copy, October 1995, US\$25)

BALE SURVEY

The current report includes data on bale size, shape, weight, wrapping specifications, information given on the bale, sampling procedures, and impediments and suggestions for improving the standardization of bales. Information on 42 countries is available in the report. (23 pages, hard copy, October 1995, US\$25)

CLASSING AND GRADING OF COTTON

Classing and grading systems in various countries are reviewed in this report. Local seedcotton and lint standards have been compared to universal standards. HVI use and futures plans are also included. (38 pages, hard copy, October 1998, US\$50; Internet, US\$25)

CURRENT RESEARCH PROJECTS IN COTTON

Contains detailed information on the structure of research in several countries, institutions involved in cotton research, their contact persons and addresses and the source of funding for cotton research in each country. The publication includes detailed descriptions of current projects by discipline of research (agronomy, breeding, biotechnology, etc.) and the researchers responsible for these projects. (Hard copy, October 2000, US\$75)

GROWING ORGANIC COTTON

Since 1993, the ICAC Secretariat has published a number of reports on organic cotton in addition to papers presented at international meetings. All these articles have been compiled and published in English, French and Spanish. (81 pages, October 1996, hard copy, US\$50; Internet, US\$25)

TECHNICAL SEMINARS PAPERS OF THE ICAC PLENARY MEETINGS

A Technical Seminar on a selected topic is held every year during the Plenary Meeting.

New Sources of Genetic Resistance To Cotton Pests Short Season Cotton: How Far Can It Go? (\$25), 1995; Common Fund Projects (\$25), 1996; Summaries of the WCRC-2 and Cotton Contamination, (\$25), 1998; Fiber Quality Needs of the Modern Spinning Industry and Advances in Ginning Research (\$75), 1999; Global Challenges: Environment, Field Production and Processing of Cotton (\$75), 2000

SURVEY OF THE COST OF PRODUCTION OF RAW COTTON

The current report has data on 29 countries for the 1997/98 season. Many countries have reported data by region or type of cotton. The total number of entries by country and region is 55. The costs of all field operations starting from pre-sowing to harvesting and ginning and economic and fixed costs have been determined and computed to determine the cost of production of cotton per hectare and per kilogram. (109 pages, October 1998, US\$150)

SURVEY OF COTTON PRODUCTION PRACTICES

Cotton growing conditions vary from country to country and sometimes even from region to region within a country. The report contains data on climatic conditions, area under each variety and their fiber characteristics, insects, diseases, weeds and the methods used to control them, use of fertilizers, farm size, rotations and ginning methods. (October 1999, hard copy, US\$150, Internet, US\$100)

THE WORLD COTTON MARKET: PROJECTION TO 2005

Results of a joint ICAC-FAO econometric study to forecast developments in cotton supply and demand to 2005. Includes projections by country of cotton production, mill consumption of cotton, final end-use of cotton, cotton market share, end use of all textile fibers, cotton exports and imports and net imports of cotton manufactures. (62 pages, September 1999, hard copy or Internet, US\$75)

STATEMENTS

Statements of the Plenary Meeting during the plenary sessions. Also contains official statements of most of ICAC member countries regarding the domestic cotton and textile situation. (Hard copy, **October**, US\$150; Internet, US \$100)

The ICAC Research Associate Program is an annual training program for up to 26 researchers. Member countries may nominate researchers to participate in each Research Associate Program. Generally, one nomination from each country is accepted. Research Associates must arrange for their own travel to and from Washington, DC, and all expenses during each ten-day program within the USA are paid by the Secretariat.

The ICAC helped to sponsor the first two world cotton research conferences in Australia in 1994 and Greece in 1998, and we are working now with South Africa to organize the third world conference in 2003. The ICAC also helps to sponsor regional technical consultations around the world, including the Southern and East Africa Cotton Forum (SEACF).

The ICAC is the International Commodity Body for cotton before the Common Fund for Commodities. Ten CFC projects are bringing a total of \$20 million into cotton research. A small project involving the identification of cotton diseases in Southern and East Africa was recently approved by the CFC. It is expected that the initial phase of the project will lead to a larger effort by 2003 to develop means of control for diseases in the region.

Indirect Membership Benefits:

Membership in the ICAC allows countries to participate fully in international discussions important to the cotton sector. The plenary meetings of the Committee are important and popular. The ICAC serves a unique role in the cotton world as the only international organization that includes both consumers and producers and serves as a forum for both government and private industry to consult on matters of mutual concern.

The major accomplishments of the 60th Plenary Meeting in Victoria Falls, Zimbabwe included:

- An agreement by member governments to make valid arbitral awards enforceable under member countries' laws,
- The Committee acknowledged that the use of genetically engineered cotton varieties is safe,
- The Committee will work toward the elimination of barriers to imports of machinery and replacement parts used in ginning and cotton spinning, and
- The Committee endorsed programs to reduce contamination of cotton through education campaigns and free distribution to farmers of clean bags to be used during harvest, coupled with the enforcement of price penalties for delivery of contaminated cotton and the use of internal checks at gins.
- The Committee also agreed to advise their WTO negotiators to move forward with constructive proposals to reduce the trade and production distortions caused by some government policies.

The theme of the 61st Plenary Meeting in Cairo, Egypt during 20-25 October will be "*The 21st Century Cotton Industry: Growth Through Private Investment.*" This theme will provide a suitable platform to continue discussions from the meeting in Zimbabwe in 2001. Major topics during the 61st Plenary Meeting will include 1) government measures and progress on talks on agriculture under the WTO, 2) encouraging investment in the cotton industry, 3) market-based incentives for a spinnability-oriented quality evaluation system, 4) measurement and definition of contamination, 5) incentives for good trade practices, 6) cotton promotion, and 7) price risk management. There will be a technical seminar on the subject of "Technology, Management and Processing for Quality Fiber."

By joining the ICAC, delegates from Mozambique can participate fully in all sessions and workshops of each plenary meeting, as well as meetings of the Standing Committee in Washington where the agenda of each plenary meeting is determined. The Government of Mozambique and its cotton and cotton textile industries will benefit from membership in the Committee, and a delegation from Mozambique will be fully welcome at the Plenary Meeting in Cairo.

8. Annex 3: Costs of this component

	Year 1		Year 2		Year 3		Year 4		Total	
	Outsource	Beneficiary	Outsource	Beneficiary	Outsource	Beneficiary	Outsource	Beneficiary	Global	Beneficiary
Web site creation										
Staff (2 persons 30% of their time, 400 € monthly)		2 880		2 880		2 880		2 880	11 520	0
Externalizing web site creation, installation, training for routine update	4 700				4 700				9 400	9 400
Routine maintenance (15%)	705		705		705		705		2 820	2 820
Site hosting	35		35		35		35		140	140
Conception texts and translation	2 500	2 500	1 800	1 800	1 800	1 800	1 800	1 800	15 800	7 900
Computer, printer and software	3 800								3 800	3 800
Peripheral devices (scanner...)	1 500								1 500	1 500
Miscellaneous & change fluctuations (10%)	1 324	250	254	180	724	180	254	180	3 346	2 556
Total	14 564	5 630	2 794	4 860	7 964	4 860	2 794	4 860	48 326	28 116
Membership to ICAC										
Membership cost	15 500		17 000		18 500		20 000		71 000	71 000
Attendance to Plenary session (3 member delegation)	9 000		9 000		9 000		9 000		36 000	36 000
Attendance to technical meetings sponsored by ICAC (2 times, one person by year, 7 days)	5 040		5 040		5 040		5 040		20 160	20 160
Miscellaneous & change fluctuations (10%)	2 954		3 104		3 254		3 404		12 716	12 716
Total	32 494	0	34 144	0	35 794	0	37 444	0	139 876	139 876
Membership to African Cotton Association										
Membership cost	3 860		3 060		3 060		3 060		13 040	13 040
Attendance to General Assembly (2 member delegation)	6 000		6 000		6 000		6 000		24 000	24 000
Attendance to Executive Committee and working groups (3 times, one person, 7 days per year)	7 310		7 310		7 310		7 310		29 240	29 240
Miscellaneous & change fluctuations (10%)	1 717		1 637		1 637		1 637		6 628	6 628
Total	17 170	0	16 370	0	16 370	0	16 370	0	66 280	66 280
Global total	64 228	5 630	53 308	4 860	60 128	4 860	56 608	4 860	254 482	234 272
										20 210