THE BENEFITS OF THE RTC ACTIVITIES FOR COTTON PRODUCTION AND THE COTTON VALUE ADDED CHAIN IN THE REGIONS

African Production (ICAC Figures) Plus a Forward Estimate

East	Current Year 2010/11 Metric Tons (000)	Bales 480 lbs	Average last 10 Years Metric Tons (000)	Bales 480 lbs	10 year ave plus 10% increase 2015/16 Metric Tons (000)	Bales 480 lbs
Ethiopia	19	87,281	29	134,138	32	147,551
Kenya	11	50,531	7	30,319	7	33,351
Madagascar	0	0	2	7,809	2	8,590
Malawi	7	32,156	18	83,606	20	91,967
Mozambique	24	110,250	27	124,491	30	136,940
Tanzania	98	450,188	86	396,441	95	436,085
Uganda	30	137,813	24	110,709	27	121,780
Zambia	36	165,375	52	237,497	57	261,247
Zimbabwe	121	555,844	101	462,591	111	508,850
Total	346	1,589,438	346	1,587,600	380	1,746,360
South Africa	9	41,344	15	68,906	17	75,797
Sudan	46	211,313	55	252,656	61	277,922
Total	55	252,656	70	321,563	77	353,719
Grand Total	**401**	**1,842,094**	**416**	**1,909,163**	**457**	**2,100,079**

West	2010/11 Metric Tons (000)	Bales 480 lbs	Average Last 10 Years		10 year ave plus 10% increase Metric Tons (000)	Bales 480 lbs
Benin	98	450,188	119	548,494	131	603,343
Burkina Faso	197	904,969	206	945,853	226	1,040,438
Cameroon	64	294,000	83	379,903	91	417,893
Central African Rep	4	18,375	2	8,269	2	9,096
Chad	13	59,719	49	226,013	54	248,614
Congo	3	13,781	2	6,891	2	7,580
Ghana	8	36,750	5	21,591	5	23,750
Guinea	4	18,375	2	7,809	2	8,590
Ivory Coast	82	376,688	99	452,484	108	497,733
Mali	109	500,719	172	787,828	189	866,611
Niger	2	9,188	1	4,594	1	5,053
Nigeria	61	280,219	71	327,075	78	359,783
Senegal	9	41,344	16	71,203	17	78,323
Togo	14	64,313	39	180,075	43	198,083
Total	668	3,068,625	864	3,968,081	950	4,364,889
Egypt	132	606,375	208	956,419	229	1,052,061
Grand Total	**800**	**3,675,000**	**1,072**	**4,924,500**	**1,179**	**5,416,950**
African Total	**1,201**	**5,517,094**	**1,488**	**6,833,663**	**1,636**	**7,517,029**

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FROM A QUALITY POINT OF VIEW WHAT ARE THE ADVANTAGES OF AFRICAN COTTON?

- COTTON IS MOSTLY HAND PICKED (CLEAN COTTON)
- THE COTTON IS MOSTLY GENTLY GINNED (OLDER GINS)
- A GOOD PERCENTAGE IS ROLLERGINNED (LONGER STAPLE)
- THE MICRONAIRE AVERAGE TENDS TO BE AT THE LOWER END OF THE G5 (3.5/4.9 RANGE)
- MOST AFRICAN COTTON DOES NOT COMPETE DIRECTLY WITH NORTHERN HEMI-SPHERE CROPS (HARVESTED AT DIFFERENT TIME OF THE YEAR)
- QUALITY IS GENERALLY CONSIDERED GOOD .MICRONAIRE,TRASH CONTENT, UNIFORMITY AND STAPLE ARE ALL ACCEPTABLE FOR THE MAJORITY OF THE WORLD'S SPINNERS

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WHAT ARE THE DISADVANTAGES OF AFRICAN COTTON ?

- POOR GINNING QUALITY MIXED WITHIN EACH BALE AND OFTEN SEED FRAGMENTS FOUND IN THE BALES

- LACK OF TRANSPARENCY IN AFRICAN SYSTEM (INDIVIDUAL BALE I.D. TAGS NOT USED)

- MANY BUYERS DON'T KNOW WHO PRODUCED THE COTTON

- MANY PRODUCERS /EXPORTERS CANNOT PROVIDE RELIABLE HVI TEST RESULTS

- AFRICAN COTTON CANNOT BE MIXED WITH OTHER GROWTHS UNLESS THE SPINNERS TEST THE COTTON AT THE FINAL DESTINATION

- MANY SPINNERS HAVE TO PAY TO TEST THE COTTON THEMSELVES

- VERY LITTLE AFRICAN COTTON IS PURCHASED PRIOR TO HARVEST OFTEN LEADING TO A POOR CASH SPOT PRICE

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HOW WILL HVI TESTING IMPROVE THE RETURN TO AFRICAN STAKEHOLDERS ?

- BY IDENTIFYING THE POOR PERFORMING FARMS,GINS AND EXPORTERS

- HVI RESULTS WILL IDENTIFY THE BEST PERFORMING SECTORS OF THE INDUSTRY AND THEY WILL EVENTUALLY RECEIVE BETTER PRICES.

- HVI RESULTS WILL PROVIDE THE OPPORTUNITY FOR EARLY SELLING AS BUYERS BUILD UP CONFIDENCE IN SUPPLIERS

- BALE TAGS AND HVI RESULTS WILL PROVIDE MUCH NEEDED TRANSPARENCY TO THE ENTIRE COTTON SYSTEM

- COTTON SOLD WITH ACCURATE HVI RESULTS WILL RECEIVE A PREMIUM FROM BUYERS (COTTON WITHOUT HVI WILL BE DISCOUNTED

- USING HVI DATA COTTON COULD BE SOLD ON THE WEB INCREASING THE NUMBER OF POTENTIAL BUYERS FROM HUNDREDS TO THOUSANDS

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WHAT IS THE SUSTAINABILITY OF THE RTC'S IN THE MEDIUM AND LONG TERM?

- THE RTC'S MUST FIND A WAY TO PROVIDE ENOUGH INCOME TO NOT ONLY TO SURVIVE BUT TO GROW

- DONORS WILL BE LOOKING FOR POSITIVE SIGNS OF PROGRESS BEFORE COMMITING TO MORE FUNDING

- DONORS WILL EXPECT SOME FORM OF GUARANTEES

THE BENEFITS OF THE RTC ACTIVITIES FOR COTTON PRODUCTION AND THE COTTON VALUE ADDED CHAIN IN THE REGIONS

WHAT DO WE NEED TO DO?

- CONVINCE ALL AFRICAN COTTON STAKEHOLDERS THAT INSTRUMENT TESTING IS ESSENTIAL AND WILL PROVIDE HIGHER PRICES AND IMPROVE INCOME.

- CONVINCE ALL AFRICAN COTTON STAKEHOLDERS THAT CHECK TESTING TO PROVE ACCURACY AND STANDARDISATION OF RESULTS IS ALSO EQUALLY IMPORTANT.

- MEMBERSHIP BY ALL COTTON STAKEHOLDERS IS THE BEST CHOICE FOR FINANCING THE RTC'S

- DRAFT A SALES ACTION PLAN (SAP) TO SELL THE "SERVICES" PROVIDED BY THE RTC'S

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OBJECTIVES OF SALES ACTION PLAN (SAP)

- PROMOTE THE 100% MACHINE TESTING OF ALL AFRICAN COTTON
- PROMOTE THE USE OF RTC’S 5% CHECK TESTING TO PROVIDE FINAL BUYERS CONFIDENCE IN MACHINE TEST RESULTS PRODUCED IN AFRICA.
- PROMOTE THE RTC’S AS “CENTRES OF EXCELLENCE” FOR MACHINE TESTING IN AFRICA
- PROMOTE THE RTC’S AS TRAINING FACILITIES.
- PROMOTE THE RTC’S AS “COTTON INFORMATION CENTRES”.
- PROMOTE THE SERVICES TO BE PROVIDED BY THE RTC’S
- PROVIDE DETAILS ON HOW THE RTC’S CAN BECOME SELF FUNDED

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ACTIONS

-ALL POSSIBLE AVENUES OF ADVERTISING SHOULD BE USED

PRESENTATIONS AT CONFERENCES USING HANDOUTS OF CDS AND/MEMORY STICKS
LOCAL NEWSPAPERS
LOCAL TV INTERVIEWS
ADS IN COTTON MAGAZINES
THE EXISTING WEB SITE SHOULD BE EXPANDED
INFORMATION PACKS SHOULD BE PRODUCED ON DISKS OR MEMORY STICKS AND DISTRIBUTED
PRESENTATIONS TO GROWER AND GINNERS
PRESENTATIONS TO GOVERNMENTS
NETWORKING TO ADVANCE THE AFRICAN THEME

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ESTABLISH A "BRAND"

- AS WITH ALL GOOD MARKETING INITIATIVES THE NEW SAP STRATEGY SHOULD HAVE A THEME.

- I RECOMMEND AN AFRICA THEME BE ADOPTED AND LESS RELEVANCE TO WEST AND EAST SHOULD BE MADE.

- WHILST FULLY REALISING THAT INDIVIDUAL LABORATORY PERFORMANCE IS CONFIDENTIAL IF AFRICAN TESTING IS TO COMPETE WITH INTERNATIONAL STANDARDS THEN SOME SYSTEM OF CERTIFICATION OR ACCREDITATION NEEDS TO EVENTUALLY BE IMPLEMENTED.

- THE SAP SHOULD TRY TO ENCOURAGE AN "AFRICA CERT". USA EXPORTERS SELL THEIR COTTON ON USDA OR USA CLASS. AFRICAN COTTON SHOULD TRY TO FIND A SYSTEM THAT WORKS FOR AFRICA.

- AN APPROPRIATE OR CATCHY NAME COULD BE "AFRICAN WHITE GOLD" CERT OR "WHITE GOLD" CERT. IN THIS WAY SPINNERS WOULD BUY AFRICAN COTTON GUARANTEED WITH A "WHITE GOLD" CERT. THIS COULD BECOME THE "BRAND".

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CONCLUSIONS

- THE FIRST STEP ALONG THE PATH OF SUCCESS FOR THE RTC'S IS TO FIRSTLY CONVINCE ALL MEMBERS OF THE COTTON COMMUNITY IN AFRICA THAT MACHINE INSTRUMENT TESTING IS THE ONLY WAY FORWARD. ONCE ENOUGH MACHINES ARE INSTALLED THE NEED FOR STANDARDISATION OF TESTING, CHECK TESTING AND REGIONAL ROUND TRIALS BECOMES OBVIOUS.

- NOMINATED PEOPLE NEED TO GO AND "KNOCK ON DOORS" TO CONVINCE COTTON ENTITIES TO JOIN AND SUPPORT MACHINE TESTING AND THE RTC PROJECT. THEY HAVE TO BE PERSUADED THAT THE FACILITIES AT THE RTC'S ARE "STATE OF THE ART" AND CAPABLE OF PROVIDING ACCURATE TEST RESULTS AND FINALLY THEY NEED TO ALSO BE CONVINCED THAT THE SYSTEM WILL PRODUCE A GREATER INCOME FROM THEIR COTTON TRANSACTIONS .

- THE MONETARY BENEFIT OF INSTRUMENT TESTING (ESTIMATED AT BETWEEN U$2.00 CENTS PER LB AND U$ 3.00 PER KILO OF LINT) THAT SUPPLIERS WILL ACHIEVE BY SELLING AT A HIGHER PRICE HAS TO BE FIRMLY MENTIONED IN EVERY COMMUNICATION. A GREAT DEAL OF WORK NEEDS TO BE DONE CONVINCING ALL CONCERNED IN AFRICA THAT MACHINE RESULTS LEAD TO HIGHER PRICES BEING PAID BY BUYERS.

- OUTSIDE OF AFRICA THE RTC'S MUST STRIVE FOR INTERNATIONAL RECOGNITION AND CREATE AN IMAGE OF ACCURACY AND RELIABILITY.

- IN MY OPINION WITHOUT DOUBT ONE OF THE MAIN PROBLEMS FACING THE RTC'S ARE THE LARGE NUMBER OF DIFFERENT ENTITIES INVOLVED. THE FOUR LOCAL PARTNERS CERFITEX, SOFITEX, TBS AND THE TCB ARE TRYING TO WORK WITH A MELTING POT OF COUNTRIES, RELIGIONS, POLITICAL SYSTEMS, TRIBES, ETHNIC GROUPS AND NUMEROUS LANGUAGES IN AFRICA. OUTSIDE OF AFRICA THEY HAVE THE ICAC, CFC, UN, EU, FIBRE AND CIRAD TO SATISFY.

- AFRICA IS NOT READY FOR AN EU TYPE OF STRUCTURE AND IT HAS YET TO UNDERSTAND THE TRUE VALUE OF PAYING FOR SERVICE AND CONSULTING. THE JOB OF SELLING AND CONVINCING OUR CONCEPT IN AFRICA WILL TAKE TIME AND PATIENCE.