



World Cotton Day 2023

Making cotton fair and sustainable for all, from farm to fashion

OCTOBER 2023

World Cotton Day 2023

MAKING COTTON FAIR AND SUSTAINABLE
FOR ALL, FROM FARM TO FASHION



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ABBREVIATIONS

AbTF	Aid by Trade Foundation
ANJE	National Association of Young Entrepreneurs, Portugal
Arise IIP	Arise Integrated Industrial Platforms
BTC	Benin Textile Corporation
Btex	Benin Textile SA
C-4	Cotton Four (Benin, Burkina Faso, Chad and Mali)
C-4+	C4 and Côte d'Ivoire
CmiA	Cotton made in Africa certification
FAO	Food and Agriculture Organization (of the United Nations)
FIFA	International Federation of Association Football
IAEA	International Atomic Energy Agency
ICAC	International Cotton Advisory Committee
IFC	International Finance Corporation
ILO	International Labour Organization
ITC	International Trade Centre
MoU	Memorandum of understanding
STB	Benin Textile Company
UNCTAD	United Nations Conference on Trade and Development
UNIDO	United Nations Industrial Development Organization
UNODC	United Nations Office on Drugs and Crime
WTO	World Trade Organization

INTRODUCTION

World Cotton Day 2023 was jointly hosted by the United Nations Industrial Development Organization (UNIDO) and the Food and Agriculture Organization of the United Nations (FAO), in cooperation with the World Trade Organization (WTO), International Trade Centre (ITC), United Nations Conference on Trade and Development (UNCTAD), International Cotton Advisory Committee (ICAC) and the International Atomic Energy Agency (IAEA).

World Cotton Day was established in 2019, when four cotton producers in sub-Saharan Africa (Benin, Burkina Faso, Chad and Mali, known as the Cotton Four or C-4) proposed a World Cotton Day to raise awareness of the need for value addition and market access for cotton and cotton-based products from least developed countries. The United Nations officially recognized World Cotton Day as an international day to be commemorated annually on 7 October (resolution 75/318).

This year, World Cotton Day was celebrated under the theme "Making cotton fair and sustainable for all, from farm to fashion". It included a high-level plenary session, a "partnership for progress" session and two thematic panels. It offered an all-day exhibition featuring booths showcasing cotton-related activities, programmes and products, and a fashion show displaying cotton fashion and designers from different parts of the world with a special focus on Africa.

To mark that special occasion, the present final report compiles statements, keynote speeches, discussions and summaries of presentations in each session, focusing on enhancing fairness and sustainability in the cotton sector.

The final report starts with the statements of UNIDO, FAO and WTO, highlighting the imperatives to increase the sustainability of the cotton value chain, benefit smallholder farmers, and incentivize financial and technical assistance.

In the high-level plenary session, ministers highlighted the importance of the cotton sector in economic development of developing countries and the challenges it faces. Heads of international organizations exchanged views on taking action to promote the development of the cotton sector and increase synergies based on organizational expertise.

The partnership for progress session brought together global partners of the cotton community, including financial institutions, technical experts, and representatives from developing countries, international organizations and development partners to identify and discuss opportunities for the development of the cotton value chain in Africa, the type of partnerships needed, and the way to catalyse the mobilization of technical and financial resources to cotton supply chain industries in Africa.

The thematic panels united experts and stakeholders to spotlight sustainability and innovation across the cotton life cycle, from cultivation to product creation, and to seek value addition through market development and processing of cotton products.

Pictures of the exhibition and fashion show were displayed to showcase the cotton-related projects, activities and products, with a special focus on Africa.

Welcome and opening remarks



World Cotton Day 2023 was jointly hosted by the United Nations Industrial Development Organization (UNIDO) and the Food and Agriculture Organization (FAO), in cooperation with the WTO, ITC, UNCTAD, ICAC and the IAEA.



VIDEO OF THE SESSION





We need binding rules for compliance with basic social and ecological standards throughout the textile supply chain.

Gerd Müller

Director General of the United Nations Industrial Development Organization

”

I am very pleased to welcome you all to our celebration of World Cotton Day. Our events here are co-hosted by FAO and co-organized with WTO, ITC, UNCTAD, IAEA and ICAC. I am happy about this great cooperation and your participation.

World Cotton Day was started in 2019 when four cotton-producing countries in sub-Saharan Africa – Benin, Burkina Faso, Chad and Mali – organized a forum at WTO. They showed that we need more local value addition and more fair market access for cotton products from least developed countries.

More than 350 million people work in the cotton textile sector around the world, from farming to processing to logistics. Some 250 million people around the world live from cotton production. Cotton is grown

and produced in 80 countries, above all in the Global South. Cotton cultivation is the livelihood of millions of small farmers and their families. Cotton is a critical export commodity for many, many developing countries. The working conditions there are often extremely difficult, even exploitative. That includes the use of child labour. Cotton producing countries need our support in establishing sustainable production and processing and fair conditions on the world market. This year's World Cotton Day has the theme "making cotton fair and sustainable for all, from farm to fashion". Here, we are bringing together representatives from States, development partners, international organizations, the private sector and industry experts. Our topic here has truly global significance.

Aside from difficult working conditions, environmental issues like high water consumption and intensive pesticide use are serious problems, as is what an everyday consumer pays here in Vienna, for example, or in the United States of America or China for an article of clothing. This price must reflect the social, ecological, and economic costs involved in the production! It is simple: this means that work on the plantations and in the textile factories must be paid fairly. The pay must be sufficient to meet the cost of living and comply with minimum standards. Making sure of this is the obligation of the international textile trade in industrialized countries. It is the obligation of every individual consumer as well. A T-shirt for a few Euros available in a shop here in Vienna cannot secure the livelihood of the families who made it. This is why we need binding rules for compliance with basic social and ecological standards throughout the textile supply chain.

Ever since the disaster at Rana Plaza in Bangladesh, I have been personally committed to such standards. The first result of this was the "Grüner Knopf", the Green Button seal of sustainable textiles in Germany, as well as the Cotton Made in Africa brand. These two examples show how it is possible to guarantee sustainability standards from the cotton field to the T-shirt we wear: for the benefit of people and families, and the protection of nature.

Together, let us ensure social, environmental and economic sustainability along the cotton value chain. We can achieve so much, for a fairer cotton economy that helps hundreds of millions of people around the world.





The cotton sector can play a significant role and contribute to our efforts to transform the way we produce, consume, and protect our environment and ecosystems.

Qu Dongyu

Director General of the Food and Agriculture Organization of the United Nations



I am pleased to address you on the occasion of World Cotton Day 2023, and I wish to thank UNIDO for hosting this year's celebration, which reflects the excellent collaboration between our organizations.

World Cotton Day offers an opportunity to renew our commitment to enhancing the efficiency, inclusivity, resilience and sustainability of the cotton sector. It brings together all partners who support the sector, and it reminds us of the significance of cotton for the livelihoods of millions of households globally.

It is estimated that cotton sustains about 80 million growers and over 300 million families across 90 countries in 5 continents. It is a key source of income, particularly for many low-income countries that depend on foreign

exchange to pay for their food import bills, and to access a variety of goods and services from world markets. The cotton sector can play a significant role and contribute to our efforts to transform the way we produce, consume, and protect our environment and ecosystems. The global demand for cotton is projected to increase by 1.8 percent per year over the next decade due to industrialization, urbanization, and population and income growth. Future increases in cotton production are expected to be mostly driven by higher yields, and the need for sustainability remains critical.

We must transform these challenges into opportunities. For this, we need to do things differently – we need to adapt and transform the business model. We need to produce more with less. Increasing productivity is especially critical in Africa and in the Cotton Four (C-4)

countries, where there is a real potential to boost yields in a sustainable manner. Science and innovation can provide the technical support needed by farmers and producers, and we need to mobilize more and better targeted investment, with new financial instruments.

We also need to promote the development of cotton by-products, like edible oil and animal feed, and also for manure to grow mushrooms, for example. This is the experience I had in China, to help farmers generate additional income. It is essential to ensure a level playing field for all players in the global cotton trade for equitable accessibility, affordability and availability.

FAO continues to work with all partners to provide the required technical support needed to transform the cotton industry for the benefit of all. FAO support is guided by our Strategic Framework 2022–2031, based on the aspirations of the Four Betters: better production, better nutrition, a better environment and a better life. The objective is to ensure a better future, which is more prosperous, more equal, and free of hunger and malnutrition ... with no one left behind.





To convert cotton’s potential into reality, we need to mobilize investments and strengthen the technical assistance countries receive.

Ngozi Okonjo-Iweala
Director General of the World Trade Organization



I am delighted to be here in Vienna with you to celebrate this World Cotton Day. This day stands as a testament to the determined efforts of C-4 to draw the international community’s attention to the opportunities presented by West African cotton – and to the challenges that have been faced by the cotton sector in the region.

Twenty years ago, C-4 filed their “Sectoral Initiative on Cotton” at WTO, establishing cotton as a priority on the multilateral trading system’s agenda. Cotton is the subject of regular meetings at WTO that bring together all stakeholders in cotton production and processing, including international organizations, development cooperation agencies, and the private sector.

This year’s theme, “Making cotton fair and sustainable for all, from farm to fashion”, is an imperative for us all, given the sector’s importance for the livelihoods of millions of people worldwide. The stakes are especially high in some of the world’s poorest countries,

where incomes related to cotton can make the difference between extreme poverty and undernourishment or a better life. The road to getting there is long, and will require a lot of work from all actors here today.

C-4 and other least developed country cotton producers are grappling with challenges that include: market distortions that tilt international market conditions against them; price volatility; the impacts of climate change, including increasing temperatures and unpredictable rain patterns (and cotton in West Africa is rain fed); pest problems affecting production; and more downstream, a range of challenges for connecting to international value chains by enhancing value addition activities at the local and regional level.

At WTO, we have a two-pronged mandate on cotton, springing from the original C-4 proposal: one pillar deals with subsidy and tariff reform, the other with the sector’s development aspects, including financial and technical assistance.

On the first, there is no point sugar-coating things: over the past 20 years, WTO members have not made progress on cotton in the context of the negotiations on agriculture. Persistent distortions in international markets impede the fair participation of many cotton-producing countries. This is a collective failure of the membership, one there is no running away from.

The coming weeks offer a short window of opportunity for members to define and pursue what they consider to be an appropriate cotton outcome, notably in relation to cotton trade distorting domestic support in February 2024 at the thirteenth Ministerial Conference as part of an overall agriculture and food security package.

I call on members, and in particular C-4, to engage with each other to explore possible landing zones with the support of the Chair of the agriculture negotiations, Ambassador Acarsoy of Türkiye, and define the contours of a possible outcome on cotton from the thirteenth Ministerial Conference.

Let me now say a few words about our development cooperation work. WTO has been actively responding to the demands by the C-4 countries and their partners for support to scale up production, diversify their output, and add value to cotton and its by-products.

With our partners, including all the international organizations represented here today, we are working actively to mobilize financial and technical resources to accompany the efforts of least developed countries, led by C-4, to further develop the sector and the value chains associated with it.

For example, the WTO Secretariat recently concluded a memorandum of understanding (MoU) with FIFA on integrating cotton from C-4+ into national, regional, and global apparel supply chains linked to football. Connecting C-4 cotton to this 270 billion dollar industry would make a material difference to the lives of millions of people in C-4 and beyond.

UNIDO and ITC are currently working on a baseline study that will shed light on the key constraints to expanding value-added production. The results of this study will provide meaningful insights into what kind of investments are required in C-4 and Côte d’Ivoire to capture more value from the sector.

I place a lot of hope in this initiative. The potential is there. We know that cotton fibre produced in C-4 and other least developed countries is of high quality, with long fibres and suitable for a wide range of applications, from fashion to home textiles. It is also among the most sustainable cotton in the world: rain-fed and handpicked, with cultivation that relies predominantly on organic fertilizer, and comparatively low use of pesticides and herbicides.

To convert cotton’s potential into reality, we need to mobilize investments and strengthen the technical assistance countries receive. We also urgently need to support the concrete efforts these countries are making to establish a stable and sustainable business environment at the national and regional levels.

In conclusion, my hope is that this World Cotton Day will serve as a key platform to coordinate our efforts towards delivering real improvements in the lives of cotton producers and traders in the not-too-distant future. I thank UNIDO, FAO, and the other partners for organizing this event and congratulate C-4 once again. Let me also say a special thank you to FIFA. When we started discussing the MoU it was not clear to me what we would do together. But I want to thank them for their contribution and commitment to this work and I look forward to jointly making progress with this work in support of C-4. I wish you all a fruitful and productive exchange.





High-level plenary

In the high-level plenary session, ministers highlighted the importance of the cotton sector in economic development of developing countries and the challenges it faces.



VIDEO OF THE SESSION



I.A KEYNOTE SPEECH



Wanledom Robertine

Minister of Commerce and Industry of Chad

Coordinator of the Cotton-4 countries and Côte d'Ivoire

Today we celebrate World Cotton Day, officially adopted on 30 August 2021, by consensus in United Nations General Assembly resolution 75/318. This adoption marked the culmination of a process initiated in 2019 under the initiative and leadership of C-4 and Côte d'Ivoire, with the support of all partners to whom I reiterate our sincere thanks. This resolution highlights the economic, social and cultural role played by cotton in United Nations member countries, particularly in the least developed among them.

It is clearly established that cotton is an important source of income and a crop that drives agriculture in our countries. Cotton accounts for almost 12 per cent of gross domestic product, 40 per cent of total export earnings, and 70 per cent of agricultural earnings in African and least-developed cotton-producing and exporting countries. Over 80 per cent of the working population is employed along the cotton production and processing value chain.

Recent studies by WTO and FAO, however, have demonstrated the devastating impact of the COVID-19 pandemic on African cotton. In addition, there is now the threat of a food crisis due to the difficult international geopolitical situation, which is weighing on the profitability of the cotton sector as a result of rising prices for agricultural inputs.

For C-4, the development of the cotton sector requires a shared vision, an inclusive and sustainable partnership, and a choice that makes cooperation and negotiation the

preferred instruments for finding the most appropriate solutions to the major systemic and conjunctural challenges facing cotton-producing least developed countries and the C-4 countries in particular.

With this in mind, C-4 reaffirms its commitment to the promotion of the African cotton industry and, accordingly, to the Multilateral Trading System based on fair rules enabling greater integration of our economies into global value chains, thus making the cotton sector a genuine lever for development, poverty alleviation and inclusive growth.

With regard to the trade aspect of cotton, C-4 deplores the fact that the multilateral trading system has so far failed to reach the long-awaited consensus in this crucial area. As such, C-4 reiterates its commitment to working to ensure that the multilateral trading system is strengthened by fair rules and measurable results that will ultimately have a significant impact on the living conditions of millions of people in Africa. People who are not yet able to benefit fully from the advantages and opportunities offered by international trade.

It is essential to develop the cotton value chain and fully understand its various segments. This is how we can generate the greatest benefits for our populations, in terms of job creation, structural transformation and sustainable development.

I.B INVITED PRESENTATION: GLOBAL SUSTAINABLE COTTON OUTLOOK



Eric Trachtenberg

Executive Director of the International Cotton Advisory Committee

Cotton and its value chain can play a major role in economic development, international trade and poverty reduction. The world production of cotton is valued at about 50 billion dollars with global trade at 20 billion dollars. Cotton sustains 24 million growers and benefits 100 million families across 80 countries. It is a priority commodity with high potential for employment creation, given the available opportunities within the sector and its industrial linkage with several other sectors.

Cotton holds potential for a more sustainable future. Cotton occupies 2.3 per cent of the global crop land and uses only 1.73 per cent of the global irrigation water and 4.26 per cent of the global pesticides. There are large opportunities in developing and least developed countries in Africa and Asia. More than 50 per cent of the world's cotton foreseen for 2025 has been converted to more sustainable growing methods, defined as grown according to a list of recognized programmes. In the last five years, the market share of preferred cotton increased from 13 per cent in 2015/16 to 24 per cent in 2020/21. Compared to the 27 per cent market share in 2019/20, however, this is a decrease. Reasons include weather variations, changes in the Better Cotton programme, market conditions and socio-political challenges. The industry thus must significantly accelerate its uptake of preferred cotton in order to meet challenging goals. The aim is also to drive continuous improvement across the programmes. Focus will be on the

dissemination of best practices for soils and implementing regenerative practices that put carbon back into the soil to mitigate and reduce the climate crisis.

Sustainability is not only environmental but also economic and social. Many African countries are dependent on their cotton exports for their economic viability. For the C-4+ countries, cotton is one of the top exported commodities. Sustainable farming and regenerative agriculture techniques have the potential to improve soils, which can improve water infiltration and help reduce the effects of extreme flooding and extreme drought and bring higher yields in the end. Furthermore, cotton is a priority commodity with high employment creation potential, especially for women.

Moving ahead, cotton sectors face challenges such as mitigating environmental impact, upgrading technologies, skill development, improving value addition and adapting small and medium-sized enterprises to changing market conditions. There is a need to make the industry more future proof to address environmental and social concerns, engage national Governments to devise a national or regional sustainable road map, addressing unique challenges and harnessing the power of global partnerships to drive industry-wide transformation and behavioural change for a sustainable cotton-textile future.

I.C HIGH-LEVEL ROUNDTABLE DISCUSSION

Guiding Question

- 1 While Cotton Four countries derive the economic and employment benefits from participation in the cotton to apparel value chain, achieving environmental, social and economic sustainability remains a key challenge. Can you please highlight your views on the key outstanding challenges in Chad to helping farmer, processor and micro, small and medium-sized enterprises address sustainability issues in their supply chains?



MÉDARD LAOUKEIN KOURAYO
Minister for Production and Agricultural Transformation, Chad

“ We would like to say straight away that we believe we need to move towards a policy framework that provides an overall vision of sustainability issues and can offer us a set of indicators to assess and measure progress in resolving the critical sustainability issues affecting cotton farming.

Our current cotton production systems are heavy consumers of chemical fertilizers and pesticides. We must therefore commit ourselves to a significant reduction in the share of conventional cotton in our cotton production.

Promoting organic cotton production will free us from the use of chemicals that are toxic to our environment and very costly for small-scale African producers. Indeed, we believe that the use of appropriate cultivation practices combined with biological control methods can preserve our soils from degradation and protect plants from disease and other threats.

The majority of cotton growers in our sub-Saharan African countries are small-scale producers. And it is these smallholders who are hit the hardest by sustainability issues such



as soil quality degradation, precarious livelihoods, difficult working conditions and the effects of the climate crisis. To cope with the adverse effects of climate change, we need a consistent transfer of agricultural technologies adapted to our environmental realities. We therefore seek the support and guidance of our partners to ensure a smooth transition to climate-resilient agriculture and build resilient communities.

For the C-4 countries, it is fundamental to develop the cotton value chain and master its various segments, so that we can draw the greatest benefits for our populations, in terms of job creation, structural transformation and sustainable development. In order to further promote the cotton sector, we call on our financial and technical partners to work effectively alongside our Governments. In this way, we will achieve sustainable development of the cotton sector.

Guiding Question

- 2 How does the FAO Strategic Framework help to enhance smallholder cotton producers' participation in the market?



QU DONGYU
Director General of the Food and Agriculture Organization

“ FAO works for smallholder farmers. In the world, 84 per cent of family farmers are smallholders. There are a large number of smallholder farmers in Africa and C-4 countries. How to get them to participate in the value chain? First, we have to conduct training by establishing farmer field schools to enable farmers to acquire the best practices for utilizing new technologies and varieties. Second, we need scientific innovation to cover the entire value chain and produce more with less. Third, we need more responsible investment, not only in raw material production but also throughout the entire supply chain,

as this year's theme suggested, from farm to fashion. We need to establish a fair value chain to share the profits. Fourth, we need governance to increase the competitiveness of C-4 countries, not only within the sector, but also with other new products made from alternative artificial fibres. Lastly, we need more partners to support the smallholder farmers. There should be an approach to ensure inter-ministerial cooperation from the Ministry of Agriculture, the Ministry of Trade, the Ministry of Investment and the Ministry of Science and Technology.



Guiding Question

3

As the cotton value chain is long and complicated, how does UNIDO propose to move cotton fibre from farm to fashion in a fair and sustainable way?



GERD MÜLLER

Director General of the United Nations Industrial Development Organization



To me there are three main aspects to any question of value chains. They are especially true of cotton. First, work conditions and fair wages: that people in all parts of the world can have decent, dignified work. Second, when investments are made in developing countries, they must also benefit fairly and not just see their resources exploited. And finally, our responsibility to the planet, to the environment that is the basis of our survival and our prosperity.

The UNIDO approach to cotton works to address all of this: our main focus with cotton is on building all steps of the sustainable value chain. That includes value addition, above all local value addition, through sustainable industrialization approaches. On this topic, the disparity between primary cotton production and further processing also needs to be corrected. We must all put more effort

into improving productive capacity with technology, innovation and investment. Moreover, building the cotton value chain of the future means training to make up for a low-skill labour force and lack of technical knowledge. Those are bottlenecks for any fair and sustainable agricultural value chain, including cotton. On the environmental sustainability side – again, we need improvements in resource-efficient and cleaner production. Higher productivity means nothing if it continues to cause pollution, to overconsume water reserves, to poison fields and rivers. Finally, the UNIDO path forward on cotton is set on partnerships. We want to bring together actors at the corporate, the institutional, and the political levels. Together we can build more and much stronger public-private partnerships, to drive investments, improvements and innovation in the cotton value chain.



Guiding Question

4

IAEA is the world's centre for cooperation in the nuclear field, promoting the safe, secure and peaceful use of nuclear technology. How could nuclear and related techniques be used to support the cotton sector?



RAFAEL MARIANO GROSSI

Director General of the International Atomic Energy Agency



The many challenges facing the cotton sector include low yields resulting from poor farming practices, long droughts, more frequent extreme weather events because of climate change, and soil degradation. Access to affordable fertilizers has also become a major issue. At the same time, both cotton production and the cotton supply chain are coming under intense scrutiny because of high levels of use of water resources, comparatively high greenhouse gas emissions, and the use of hazardous pesticides, among others.

In the face of these challenges, there is a great opportunity to transform the industry. The IAEA has 60 years of experience developing and deploying a wide range of nuclear techniques to help farmers get the best out of their soil, their crops, and the limited water available.

Nuclear techniques are generating a variety of new climate-smart agricultural practices, from more

precise application of fertilizers and improved water usage to more targeted pest and disease control. The nitrogen-15 nuclear technique traces nitrogen in the environment, which enables us to gather precise data on fertilizer use, including whether it is applied in the right amount and at the right growth stage. One often-cited success story is the eradication of the pink bollworm, a major cotton pest for more than 50 years. Using the sterile insect technique integrated with other control methods, it has been possible to eradicate the pink bollworm in seven states in the United States and in parts of Mexico.

In summary, nuclear techniques offer very practical tools to support agriculture across many different crops, including cotton. They help us to gather precise data so we can better manage our precious natural resources, including soil and water.



Guiding Question

5 How does WTO plan to address the longstanding issue of cotton subsidies among its members?



NGOZI OKONJO-IWEALA
Director General of the
World Trade Organization

“As reported by our members, the issue of cotton subsidies is a significant factor affecting global markets, with concrete impacts on the lives of producers and other market actors. It is part of the broader WTO negotiations on agriculture. Members recognize that these subsidies have disproportionately affected the economies of cotton-producing least developed countries in particular. To address this, WTO members are actively engaged in negotiations aimed at reducing subsidies and other measures that cause distortions in international markets.

There is room for further progress, however. The international price of cotton is still affected by domestic trade-distorting measures, affecting least developed countries in particular. The good news is that WTO members are continuing to cooperate with one another and look for ways forward in the negotiations. Many of them are actively working with one another to find equitable solutions. Members have repeatedly stated that they are committed to improving transparency, and regularly notify the WTO Committee on Agriculture of their support to the cotton sector.

When trade ministers met in Geneva in June 2022, they adopted a declaration on food insecurity which emphasized the importance of promptly sharing relevant information about policies that can affect trade and markets for food and agriculture. It explicitly highlights the importance of complying with WTO notification commitments and actively participating in other information exchange mechanisms. So, transparency in domestic support is vital for the functioning of the global trading system. It ensures that countries understand each other's policies, improves the predictability and stability of global markets, and helps to defuse tensions that could otherwise lead to disputes between members.

In the case of cotton, WTO members have put in place since 2013 a specific and unique transparency-monitoring mechanism through biannual cotton trade-related dedicated sessions. It was complemented in 2017 by the launch of the joint ITC-WTO cotton portal which provides valuable complementary up-to-date information on cotton markets and trade related measures.



Guiding Question

6 How do you see the sustainable development of the cotton value chain as a way to alleviate poverty in the least developed countries and contribute to the Sustainable Development Goals?



GHADA FATHI ISMAIL WALY
Director-General of the
United Nations Office at Vienna
Executive Director of the
United Nations Office on Drugs
and Crime

“The United Nations Office on Drugs and Crime (UNODC) is committed to promoting alternative development as a means of addressing poverty and food insecurity. To reduce vulnerable farmers' reliance on illicit crop cultivation, we provide them with sustainable, alternative livelihoods, without which they risk falling back on lucrative cash crops – coca leaf, opium poppy or cannabis – to generate illicit income.

The essence of our work goes beyond merely introducing alternative crops. It extends to establishing alternative businesses that can add value to the crop and enable farmers to generate sustainable, licit income. To this end, it is important to link farmers directly to markets and to develop the agro-industry.

UNODC is looking for opportunities to partner with United Nations entities and other partners from the private and trade sectors, to broaden our efforts in alternative development through inter-agency collaboration aimed at eradicating poverty and reducing inequalities.



Guiding Question

7 What is your vision for the International Cotton Advisory Committee (ICAC) and what is the most valuable contribution the ICAC makes to the global cotton and textile value chain?



ERIC TRACHTENBERG
Executive Director of the International Cotton Advisory Committee

“ ICAC places its primary emphasis on agricultural development within the cotton industry. Our commitment is to understand the obstacles that impede the progress of farmers and to devise strategies for addressing these challenges effectively. ICAC is redoubling its efforts to promote sustainability. We actively collaborate with partners in the pursuit of enhanced traceability, allowing farmers to meet market demands more efficiently. We need to work closely with the brands and be more effective

in looking at life cycle assessments for cotton or certification. In the end, if we want to make the cotton value chain more sustainable, we need to really engage with customers, brands, retail, and then go all the way back to the farmer, so that these changes really matter to every farmer on a day-to-day basis.



Guiding Question

8 How does the work of ITC in the cotton to clothing sector create value and contribute to achieving the Sustainable Development Goals?



DOROTHY TEMBO
Deputy Executive Director of the International Trade Centre

“ ITC sees cotton as the starting point of value addition along the value chain for both the fibre and its by-products. Along those two value chains, we contribute to the 2030 Agenda by reducing poverty, tackling climate change, encouraging responsible production and decent jobs, as well as supporting gender equality throughout the value chain.

Through economic growth and employment creation, our work has a direct and indirect impact on reducing poverty in the countries concerned. For example, yields in Zambia have been more than doubled in collaboration with ICAC, and 3,900 jobs have been created under our Global Textiles and Clothing programme.

Combating climate change is another aspect that we address along the value chain. Companies have achieved resource efficiency gains with our participation. Our GTEX programme helps firms understand and adapt their production according to international requirements, while our global tools

– Sustainability Map and Standards Map – help companies to adhere to requirements and understand their supply chain.

By increasing productivity and efficiency, textile and clothing companies increased lead times between 34 and 73 per cent while companies in Madagascar increased productivity by 50–65 per cent. In our work, we collaborate with the International Labour Organization (ILO) to ensure decent work in the enterprises we work with. This contributes to Goal 8 of the Sustainable Development Goals on decent work and economic growth.

As you can see, working along the cotton value chains of the fibre and by-products touches many Sustainable Development Goals and has vast potential to add value to cotton and improve people’s lives and the planet if directed into the right direction.





Partnerships for progress

The Partnerships for Progress session discussed the role and types of partnerships needed to add value to cotton in West and Central Africa and maximize the impact of its development.



VIDEO OF THE SESSION



II.A OPENING REMARKS



Fatou Haidara

Deputy to the Director General and Managing Director.

Directorate of Global Partnerships and External Relations and Director General's Special Representative for Africa, United Nations Industrial Development Organization

The Partnerships for Progress session discussed the role and types of partnerships needed to add value to cotton in West and Central Africa and maximize the impact of its development. In her opening remarks, Fatou Haidara, Deputy to the Director General of UNIDO, Managing Director of the Directorate of Global Partnerships and External Relations and Director General's Special Representative for Africa of UNIDO, remarked that the main cotton-producing countries in Africa have long sought to add value to their products. This objective seemed difficult to achieve. Things were changing, however. There was evidence of increasing investments in the value-adding segments of the supply chain, and this presented an opportunity for development agencies to build partnerships aimed at maximizing the socioeconomic impact of private and public investment.

The session began with a keynote speech by Angelo Dan, Deputy Permanent Representative of Benin to France, on behalf of the co-sponsoring countries of the cotton sector initiative Cotton Four and Côte d'Ivoire, as well as the 36 African countries producing and exporting cotton and its by-products. This was followed by an economic assessment of the opportunities for value addition in the sector by Navdeep Sodhi, Partner in Gherzi Textile Organization. The session then focused on the partnerships needed for mobilizing technical and financial resources for the cotton sector, with perspectives from various stakeholders, including the private sector, development finance institutions and international organizations, and development partners.



II.B KEYNOTE SPEECH



Brice Angelo Dan

Ambassador, Deputy Permanent Representative of the Republic of Benin in France

In the keynote speech for this session, Brice Angelo Dan, Ambassador and Deputy Permanent Representative of Benin to France, emphasized the strategic importance of cotton for the economic development of African countries, especially in the C-4 countries, where cotton accounted for over 40 per cent of export earnings and up to 70 per cent of agricultural export earnings. He also emphasized the importance of cotton for job creation, improving food security and women's economic empowerment.

For this reason, and while awaiting the necessary changes in the multilateral trade negotiations on the crucial issue of domestic support for cotton, the C-4 countries and Côte d'Ivoire expected their partners to step up technical and financial support to address the constraints that hampered the competitiveness of the African cotton sector. It would be fundamental to develop the cotton value chain, from agronomic research on seeds to the transformation of cotton into textiles and by-products, as well as their marketing. Ambassador Dan referred to the WTO Director General's consultative framework mechanism on cotton and the projects awaiting funding, notably the "Cotton Roadmap" initiative. He welcomed the progress made at the second cotton development partners' conference held in Geneva in July 2022, in particular the funding provided by Afreximbank to support the preparation of cotton value chain development projects in

African countries. He also welcomed the innovative partnership that WTO had since concluded with FIFA, aimed at leveraging football value chains to attract investment and connect local economic operators with regional and global markets.

Mobilizing new partners and attracting investment is what C-4 and Côte d'Ivoire expected to result from the present session. In the words of Ambassador Dan, "rather than talking about development assistance, we prefer to talk about investment assistance. What we want today to develop our cotton is no longer development assistance; it's rather investment, private sector investment to come and support: to come and support our producers, to come and support our small and medium-sized enterprises, who work along the cotton value chain. It's very important that this message gets through!"

II.C TECHNICAL PRESENTATION



Navdeep Sodhi

Partner, Gherzi Textile Organization

In his presentation “Assessment of Cotton Value Chain Development Opportunities in West and Central Africa”, Navdeep Sodhi of the Gherzi Textile Organization pointed out that we were on the cusp of a wave that was changing the face of the industry and would lead to its profound restructuring and consolidation. This wave was characterized by five big trends: first, a long-term increase in demand, with world textile consumption projected to grow by 2 per cent annually, an increase primarily driven by developing countries; second, accelerated shifts in sourcing of apparel; third, environmental and social sustainability profoundly affecting business models in the industry; fourth, digital technologies affecting both the demand and supply of textiles and garments; and fifth, the imperative of developing new textile policy frameworks, with government policies and support measures being a prerequisite for the development of the industry in developing countries.

The presentation highlighted the premium that was increasingly placed on cotton, in a world of growing supply of man-made fibres; the need for West and Central African countries to seize the opportunity stemming from the current shifts in textile and apparel sourcing and achieve vertical integration; and the importance of getting the policy fundamentals right, including a predictable and conducive business environment, with attractive investment incentives; human

capacity-building; and infrastructure – especially low-cost energy and good trade logistics.

In a groundbreaking partnership, Gherzi and IFC had started working together to evaluate the potential for setting up textile and apparel manufacturing projects in eight countries in West and Central Africa as well as the potential for creating a regional value chain, the outcomes of which were as follows:

More than 10 projects were identified as economically viable; and potential sponsors were identified. IFC had meanwhile financed some of these, in coastal countries. They could become game changers for the industry in the region;

Certain landlocked or double-landlocked countries had challenges in attracting investment, not only owing to their geographical location but also because of prohibitive power costs. The study found other types of projects, however, that could be established with less energy, such as medical and hygiene cotton, and artisanal products.

The presentation went on to showcase another innovative partnership, that between WTO, FIFA, UNIDO, ITC and Afreximbank to source sports-related clothing and textiles from C-4 +1. In the initial assessment of Gherzi, this objective could be achieved – based on currently existing capacity in Benin – and the scope for other countries to emulate Benin.

Mr. Sodhi concluded his presentation by pointing out the potential development impact of the sector in the region. Processing 10 per cent of the region’s cotton would require an estimated investment of 1.5 billion dollars. This would generate a yearly revenue of 850 million dollars; would result in the direct creation of 50,000 jobs, mostly

for women and youth (not to mention the number of indirect jobs created); would help to create a world class infrastructure; and, above all, would help to achieve the Sustainable Development Goals.



II.D PARTNERS AND STAKEHOLDERS' INTERVENTIONS

PRIVATE SECTOR ENTITIES



Frederik Thor Larsen

CEO Otto International
SCAN-THOR Group

Speaking from the private sector, Frederik Thor Larsen of Otto International, Scan-Thor Group, affirmed that the global fashion industry was looking for alternatives to Asia, and Africa presented an opportunity owing to the good availability of sustainable cotton, shorter transport time to Europe, and lower carbon footprint. Scan-Thor, that finds, trains and develops manufacturers in African countries for major retail clients in Europe, was of the view that producing in Africa could also help the social agenda of creating more jobs and developing African countries. Prices were improving, and Africa was competing with the best Asian prices, but there remained three main obstacles setting back the move of production from Asia to Africa.

First of these was the absence of local fabric production; second, the lack of cross-border and cross-national collaboration; and finally, the lack of speed and flexibility. The biggest problem sat in the place between raw cotton production and final garment production, constituting the missing value chain. Africa was completely dependent on supplies from non-African countries, primarily Asia. Fabric production that existed in Africa was fragmented across the full continent and often not connected with manufacturers in other regions. It was believed that smaller and faster investments in fabric production at

the local level was needed so as to see an African full-circle supply chain develop.

The presentation concluded by emphasizing the continent's significant potential to become the future leading hub of the global fashion industry. To reach this potential and to reach it fast, however, calls for much stronger and faster development of the local supply chain between the raw cotton and the final garment. Otto International-Scan Thor was trying to identify mills and component manufacturers and connect them with the best (garment) manufacturing facilities across the African countries to create a service and create flexibility and, in the end, a good product and a good price for retail clients. The more retail clients, the more garment manufacturers, and the more component manufacturers that could be bundled together, the higher the likelihood of success. The best solutions were found together – so partnerships were the key to success.



Ritesh Kumar

Chief Operating Officer, Arise IIP

Ritesh Kumar of Arise Integrated Industrial Platforms offered an overview of its investments in textiles and garments in West and Central Africa. Arise was a leading developer of integrated industrial platforms and special economic zones in Africa; a company that worked with African Governments on a public-private partnership basis to develop a complete network in several priority sectors, including in textiles and garments. Arise had so far invested in three projects in Benin: Benin Textile SA (Btex), Benin Textile Corporation (BTC) and Société des Textiles du Bénin (STB), with a total investment of 523 million dollars. Btex, which was expected to be operational by the end of the present year, was expected to generate up to 16 million towel sets and 3.5 million seat sets. Btex would be the region's first vertically integrated home textile plant. The next two companies, BTC and STB, would be knitting facilities manufacturing cotton T-shirts or sportswear. In combination, the three enterprises would transform at least 10 per cent of Benin cotton output. Benin now produced 300,000 tons of cotton and Arise would assist in converting close to 30,000 tons of cotton in the region (or 10 per cent) by the coming year. Arise also had two projects in Togo with a total investment of 250 million dollars.

Arise was currently in discussions with Cameroon and Côte d'Ivoire about prospective projects to work on.

The presentation underlined critical requirements for the industry's development in order to persuade more investors and buyers to participate in and buy from this region, respectively:

- Having a clear policy, or “textile policy”, from every country as an industrial platform
- Access to finance in the region and clarity of forex policies
- Energy
- Sustainable and traceable value chain
- Ancillary suppliers' network, starting from the cotton to the end product, or “farm to fashion” – it was very important to have the other ancillary units available, such as accessories, labelling, packaging
- Skills development – Arise had provided a 500-machine factory in Benin and a 500-machine factory in Togo, and there had been a significant amount of progress
- Access to the market
- Building the West African brand.

To conclude his intervention, Mr. Kumar outlined three key aspects that partnerships aiming to develop the industry should address: the need to engage brands and retailers; the need for investment support and engagement with financial institutions; and the need for skills development and catering for the needs of the workforce (health care, housing and transport facilities).



Geoffroy Valéry

President, M2A

Geoffroy Valéry, Chief Executive Officer of M2A, a sports and leisure merchandising company, active mostly in football, rugby, basketball and Formula One racing, explained that what was at stake for his company was to acquire new markets and maximize its sustainable production. The business plan was to diversify sources of supply and harmonize the work between the factories in the different geographical areas. M2A worked with organic and recyclable materials as well as mixtures of polyester and cotton, because polyester is widely used in sports apparel. The company was certified by EcoVadis, Global Organic Textile Standard (GOTS) and OekoTex.

The development of M2A hinged on companies in Africa, and as of now the company was working with various partners in Africa (for example, the Basketball Africa League). The missing part of the equation was the local manufacturing of merchandise in Africa. A promise made to M2A African partners was that M2A would look into

local production in Africa. This promise had yet to be fulfilled. M2A supported factories to develop by sharing manufacturing criteria, for quality and finishing right up to labelling. Today, M2A was ready to assist partners and other stakeholders with their techniques and what was needed by retail markets.

In conclusion, looking to the future, M2A believed that access to these markets was needed. It was also worth noting the strength of sport, defining sport as an important driver and accelerator, especially for consumption. Closing his intervention, Mr. Valéry remarked: *“The power of sport, the power of football, well I think that’s something we need to build on, because sport brings people together so much that we can actually convey a lot of messages through it, including the use of sustainability.”*



FINANCIAL INSTITUTIONS



Hassan Kaleem

Senior Operations Officer-
Upstream, HUB Leader, West
Africa, Manufacturing and
Services, IFC

Hassan Kaleem of the International Finance Corporation (IFC), the private sector arm of the World Bank Group. Started by explaining the type of services IFC provided, from investment support, through advisory services (to help create new markets, unlock investment opportunities and strengthen clients’ performance) and upstream support (to improve a country’s enabling environment, address market gaps and advance specific investment opportunities) to mobilizing and managing capital.

Mr. Kaleem then explained the approach followed by IFC to establish a competitive textiles sector in the West Africa region and its collaboration with Gherzi. Having comprehensively mapped and assessed the situation in eight countries and having developed pre-feasibility studies of potential bankable projects, while in parallel identifying potential project sponsors and investors with the relevant implementation capacity, IFC efforts were now focused on investment promotion and knowledge exchange, in coordination with other regional stakeholders (Turkana Basin Institute (TBI), German Agency for International Cooperation (GIZ) and Governments), since most of the projects were first movers in the region and required infrastructure and enablers that were currently not fully developed in West Africa.

The partnerships between public and private sectors could take the form of building the network in terms of industrial zones, with affordable power and water, sharing best practices and knowledge exchange between regions (e.g. circularity), and developing policies which clearly defined the incentives and advantages for establishing a strong local textile industry.

Mr. Kaleem concluded the presentation by mentioning that IFC financed its first project in Ghana, an export-oriented garment factory. In the process, IFC created 6,000 jobs in one company with multiple factory locations – all with a single investment. If we could replicate this in the region, Mr. Kaleem stressed, and make multiple investments, the impact would be massive on a potentially huge employment sector, mostly for women, and an early industrialization sector. This would really help the region to jump start its industrialization journey.



Abah Ofon

Senior Manager, Export Development, Afreximbank

Abah Ofon of Afreximbank provided an overview of the Bank's industrialization initiatives aimed at supporting the African cotton value chain. Afreximbank was a pan-African trade finance institution established to facilitate, promote and expand intra and extra-Africa trade, and was mandated to promote and finance the export of "non-traditional" African goods and services. The mission of the Bank was "to stimulate a consistent expansion and diversification of African trade to rapidly increase Africa's share of global trade".

The Bank viewed the optimal use of raw cotton in the textile and clothing industry as a great potential for value added benefits and job creation in Africa with a focus on the creativity and power of women and youth. And with the operationalization of the African Continental Free Trade Area agreement, Africa must embrace industrialization and fully engage its human capital and unique craftsmanship in this sector.

The Bank had thus developed several industrialization initiatives aimed at supporting the cotton value chain of Africa and this included providing financing to African businesses to help them to expand and modernize their operations. The Bank supported the development of industrial parks and special economic zones by de-risking the business environment and directly addressing "hard" and "soft" infrastructure constraints inhibiting industrialization and intra-African trade. In that regard, the Bank had disbursed over 1 billion dollars to facilitate the development of tailor-made industrial networks in Gabon, Benin and Togo in a

strategic partnership with Arise. The Arise industrial parks in Benin and Togo offered vertical integration possibilities to textile and apparel investors, with the aim of linking customers to end markets and garment factories with raw material sources to make a complete network. This was extremely important to take advantage of not only opportunities offered by the African Continental Free Trade Area but also the duty free and quota free access to European Union markets—West Africa still played a very minor role as a sourcing base for global apparel exports, with some estimates indicating less than 0.1 per cent of European Union and United States apparel imports coming from the region.

Another remarkable milestone was the ongoing three-year partnership of the Bank with the National Association of Young Entrepreneurs (*Associação Nacional de Jovens Empresários – ANJE*) of Portugal, to support and promote the African fashion apparel and textile manufacturing industry, in Portugal and across Europe. This partnership was part of the Afreximbank Creative Africa Nexus (CANEX) programme, meaning that in the long run, Afreximbank and ANJE aimed to attract more investment opportunities into the sector. The intervention reached its conclusion with the declaration that Afreximbank was assisting in the establishment of quality assurance centres in Africa in order to support the global surge in demand for African textiles and garments.

INTERNATIONAL ORGANIZATIONS

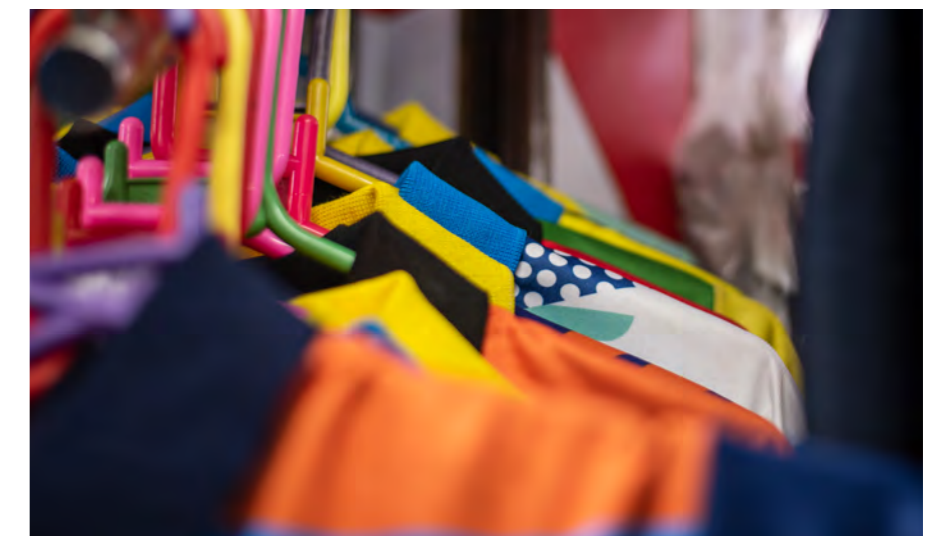


Stephen Fevrier

Senior Advisor to the WTO Director-General

Stephen Fevrier of WTO outlined a number of pertinent figures and numbers regarding the MoU that had brought together WTO, FIFA and C-4 countries in a pioneering alliance. The global football economy, boasting a gross output of 200 billion dollars, presented an important opportunity to support the C-4 value addition efforts. The sports apparel sector was anticipated to balloon to 271.77 billion dollars by 2030, from 195.50 billion dollars in 2022. Mr. Fevrier juxtaposed this with the cotton landscape of Africa, citing that after the COVID-19 pandemic the continent exported about 85 per cent of its raw cotton and imported most of its cotton fabrics and yarn. This was not just a trade pattern – it was a window of untapped opportunity. He invited the audience to envision the transformation potential if cotton processing shifted to the continent, elevating its cotton garment export potential.

Mr. Fevrier continued by outlining the modalities through which this pioneering alliance is proceeding, referring to the partnership comprising the C4+, FIFA, the WTO, UNIDO, ITC and Afreximbank and the baseline study that was being undertaken to devise a realistic strategy to facilitate access for the C4+ countries to the global football and sports apparel value chains. Beyond the preliminary baseline assessment, the project was poised to enter its second phase, where the aim was to attract the needed investment by crafting, together with technical partners UNIDO and ITC, a comprehensive project document. This document would serve as a blueprint for integrating the cotton textile and apparel industries in these nations with global value chains. Mr. Fevrier emphasized in his intervention that, especially for the next phase, the approach was completely open to new partners and to the inclusion of new beneficiary countries.





Céline Zigaul

Senior MA Relationships & Collaboration Services Manager, FIFA

Céline Zigaul of the Fédération Internationale de Football Association (FIFA) provided an intriguing intervention on the connection between football and cotton. By bringing football and cotton together, FIFA aimed to use the visibility and impact of football to bring this important region of West and Central Africa into the world spotlight, contribute to developing the sportswear value chain sector through sustainable means, help to share the economic benefits of football in C-4+ countries, and to contribute to a positive impact on social development,

in particular for women and young people who formed the heart of the value chain from cotton to textiles. The project was currently in its baseline assessment phase, assessing existing capacities and mapping out the precise needs to ensure strategies were firmly rooted in on-the-ground realities. The project was poised to enter its second phase, where the aim was to attract the needed investments by crafting a comprehensive project document to integrate the cotton textile and apparel industries in these nations with global value chains.



Robert Skidmore

Chief Sector and Enterprise Competitiveness, ITC

Robert Skidmore of the International Trade Centre (ITC) outlined efforts in a number of areas – always in partnerships – with funding from the European Union in cotton raw material to clothing industry strategies across the three African regions. While it could be a difficult process, Mr. Skidmore argued that it was absolutely essential that all these components be brought together and pushed in the same direction. Having heard that many of the problems are supranational, the way to solve these problems was to solve them together, either in regions or continentally.

Funding should again be considered for the “Route du Coton” project as many of the elements are still relevant; it would be a regional project to create this value chain. Another recent step in the right direction was with the African Union and the European Union to develop continental value chain studies. The working group looked at 94 value chains, but it was determined that cotton-to-clothing would be one of four that they found to be a priority. Based on that, it was necessary that everyone should think about how to invest in that priority with the African Union.

Moreover, the “Global Textiles and Clothing Programme” – primarily in the North African region – that is funded by Sweden and Switzerland, was also in progress. In the next phase of that programme, ITC would look more closely at how to turn that expertise towards sub-Saharan Africa, in terms of building it as a market and as a way to establish partnerships. ITC also had projects in the apparel sector in Tanzania, Ethiopia and Madagascar. Another partnership that was mentioned was with UNCTAD and WTO related to cotton by-products. That was something that countries requested, and was a good way to address the issue.

Mr. Skidmore closed his statement by saying, *“Together we can think through technical solutions but also how we can make this a reality in the countries.”*





Akos Koszegvary
Chief of Division of Public Private Partnerships, UNIDO

Akos Koszegvary of UNIDO also commented on the importance of partnerships in achieving the Sustainable Development Goals and highlighted the need for private sector engagement and investment. He mentioned the UNIDO commitment to working on a sustainable and fair value chain for the cotton sector and the importance of empowering women and youth in the cotton-to-textile value chain. The speaker invited a high-impact multi-stakeholder

partnership to catalyse the mobilization of technical and financial resources for a fair and sustainable cotton value chain in Africa.

II.E COMMENTS BY DEVELOPMENT PARTNERS



Carl Hallergård
Head of Delegation and Ambassador, Delegation of the European Union to UNIDO

Carl Hallergård, Ambassador of the European Union to UNIDO, highlighted that the European Union had ongoing programmes to support the cotton sector totalling 240 million euros, 97 per cent of which was for sub-Saharan Africa and 90 per cent being for C-4, Cameroon, and Côte d'Ivoire. Mr. Hallergård took note of what Ambassador Dan said, *"what is needed is investment, and assistance to attract investment, not development assistance"*, and believed that this particularly held true for the cotton sector. There were presently three European Union priorities for the sector, and these related to smallholder production, smallholder resilience, and production sustainability.

Furthermore, the European Union paid particular attention to environmental sustainability and natural resources management. The European Union was also engaged in policy dialogue with national Governments and regional organizations on sustainable and inclusive value chains.

Lastly, the European Union had had recent communication on the availability and affordability of fertilizers. Another element and part of the picture – promoting transparency in the trade, facilitating access to fertilizers, and establishing measures to optimize fertilizer use.

II.F CLOSING REMARKS



Emmanuel Tra Bi
Director General of Industry of Côte d'Ivoire

In his closing remarks, Emmanuel Tra Bi, Director General of Industry of Côte d'Ivoire, expressed his appreciation for the valuable and encouraging insights shared by the different speakers. He stressed that for cotton to play an even more strategic role in the economies of producing countries, in food security and in poverty reduction, there was a need to seize the current opportunities for the development of the cotton value chain, especially in West and Central Africa.

For the region to attract the much-needed private and public investment, the Director General emphasized the need for greater coordination of the various cotton interventions. When closing the session, Mr. Tra Bi issued a call, on behalf of C-4 and Côte d'Ivoire,

for the development of an ambitious multi-stakeholder initiative, based on the current partnership involving WTO, FIFA, UNIDO, ITC and Afreximbank. By broadening this partnership to include interested Governments, technical and financial partners, the private sector, and international organizations, there would be greater alignment between the various ongoing initiatives and, importantly, such an initiative would enable and catalyse the mobilization of greater technical and financial resources for a fair and sustainable cotton value chain in Africa.





Thematic panels

World Cotton Day is a recognition of the struggle of the C-4 countries to promote the importance of cotton for the most vulnerable.



VIDEO OF THE SESSION



III.A OPENING REMARKS



Moussa Alassane Diallo
Minister for Industry and Trade
of Mali

Represented by Alassane Demba Toure, First Adviser at the Permanent Mission of Mali in Geneva

World Cotton Day, consecrated by the seventy-fifth session of the United Nations General Assembly, adopted at its ninety-ninth meeting held on 30 August 2021 in New York, is a recognition of the struggle of the C-4 countries to promote the importance of cotton for the most vulnerable. The choice of this year's theme, "Making cotton fair and sustainable for all, from farm to fashion", is certainly indicative of a collective awareness of this sector, which is so important for countries like ours.

Mali, after the perverse effects of COVID-19 and the invasion of insect pests (jassids), has embarked on a process of transformation through a policy at the service of cotton producers. The overall objective for 2025 is to enable cotton production to be transported and ginned, while ensuring very high fibre quality and compliance with industrial performance indicators and operating ratios.

Specific objectives include increasing daily tonnage from 3,968 to 5,367 tons, and ginned tonnage from 3,827 to 4,980 tons. To achieve these major objectives of the Strategic Development Programme for the Cotton Sector (*Développement stratégique de la filière coton*), an action plan has been drawn up to mobilize the current potential of the facilities: extending

industrial capacity by building three new factories; reinforcing seed cotton transport facilities; improving industrial productivity; improving cotton fibre quality; securing facilities and products. The adoption of these measures will undoubtedly help to increase production and thus farmers' incomes, but will also contribute to better marketing of Malian cotton on the world market.

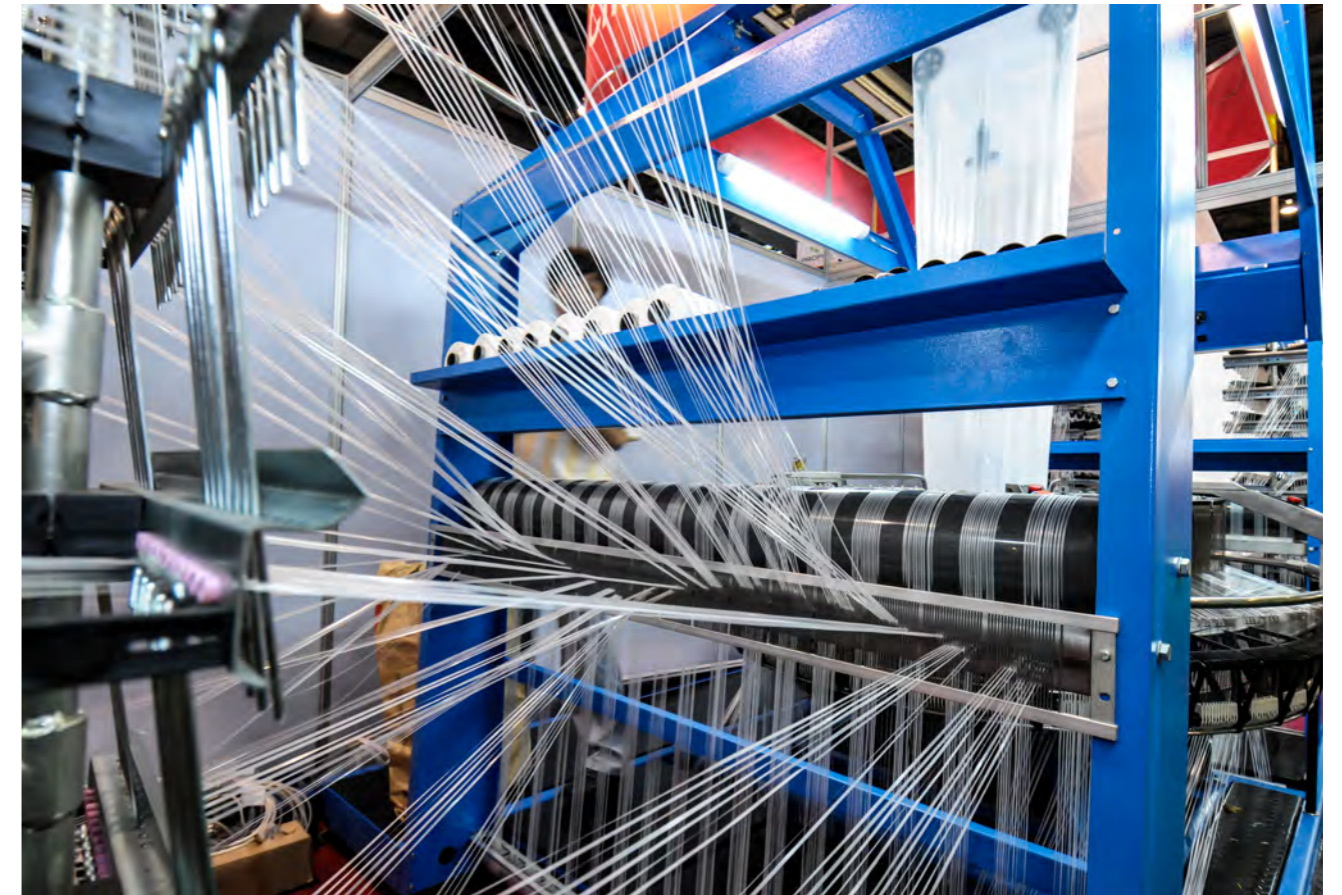
C-4 is delighted that WTO and FIFA signed a memorandum of understanding in Geneva on 27 September 2022, highlighting the issue of cotton in the C-4 countries in particular. We look forward to the swift implementation of this memorandum of understanding.

C-4 reaffirms its commitment to the promotion of the African cotton industry and, consequently, to the multilateral trading system, and has faith in its capacity to enable greater integration of our economies into global value chains, thus making the cotton trade a genuine lever for development, poverty reduction and inclusive growth, a real project for the empowerment of women and girls, and above all an important factor in the fight against poverty and undernourishment.

As far as the cotton trade is concerned, C-4 deplores the fact that the multilateral trading system has so far failed to reach the long-awaited consensus in this crucial area. We urge our technical and financial partners to

contribute to the realization of integrative programmes and projects likely to promote the production, processing and marketing of cotton and its by-products. We need a significant response to the current trends in cotton productivity and processing in Africa, which fully justify the urgency attached to this issue. It is essential to

develop the cotton value chain and master its various segments. Only in this way can we derive the greatest benefits for our populations, in terms of job creation, structural transformation and sustainable development.



III.B PANEL 1: SUSTAINABILITY AND INNOVATION



Panel 1 seeks to unite experts and stakeholders to spotlight sustainability and innovation across the cotton life cycle, from cultivation to product creation. The Better Cotton Initiative (BCI) will explore the intricacies of sustainability certification and implementing farm-level innovations. The FMC Corporation will discuss innovative and sustainable approaches to improving cotton yields and fibre quality. The Tessellation Group and Arise Integrated Industrial Platforms (Arise IIP) will discuss the dynamic potential of innovations for sustainable fabric and textile production. Together, we aim to inspire further collaboration and constructive dialogue that advances sustainability and innovation in the cotton-to-textile industry.



Jacky Broomhead

Senior Traceability Programme Manager, Better Cotton

Jacky Broomhead is the Better Cotton Senior Traceability Manager and has a wealth of project management, supply chain and data standardization knowledge. Jacky has a background in fashion and management consulting with tertiary qualifications in design, film theory, business, and marketing. Prior to Better Cotton, she worked for

the supply chain standards body GS1 UK, where she helped to launch the apparel department and worked on radio frequency identification and data standardization projects across the retail trade.



Gustavo Bosio

Director, EMEA Region, Government Affairs, FMC Corporation

Gustavo Bosio is the FMC Corporation Director of Government Affairs for the Europe, Middle East and Africa region. Gustavo studied law and international relations at the University of Cordoba, in Argentina. He specialized in international economic law, with a focus on international trade law. Gustavo worked as a diplomat and negotiator, representing Israel at WTO and the United Nations in Geneva.

After this experience in the public sector, he moved to the private sector, where he spent many years in global and regional government affairs roles at a major multinational company based in Switzerland. He also worked as an independent consultant on international trade and sustainability projects, prior to joining FMC Corporation in April 2022.



Wesley Choi

President of Ventures, Tessellation Group

Wesley Choi has over 20 years of general management and investment experience, and is currently President of qonvolv Ventures, established in 2023, the corporate ventures arm of Tessellation Group. qonvolv Ventures aims to be the hub of industry knowledge and technologies for innovative growth in fashion industry

and beyond, and conducts both incubation of creative solutions as new businesses and investments in emerging technologies in manufacturing excellence, digital value chain, green tech, and enablement of future workforce.



Ramakrishnan Janarthanan

Chief Project Officer, ARISE Integrated Industrial Platforms

Ramakrishnan Janarthanan is the Chief Project Officer of Arise. He has over 40 years of experience in managing textile plants, establishing a business, turning around plants, managing turnkey projects and managing large textile operations. Prior to joining Africa

Textile Management Services (ATMS), he managed leading mills in India, Africa, Canada, and the United States.

1.1 Highlighting progress in cotton: Better Cotton Initiative journey to launch a traceability solution.



JACKY BROOMHEAD
Senior Traceability Programme
Manager, Better Cotton

“ Better Cotton is the world’s leading sustainability initiative for cotton, accounting for more than one-fifth of global cotton production. Our mission is to help cotton communities survive and thrive, while protecting and restoring the environment. Better Cotton has a network of around 2.2 million Better Cotton licensed farmers and over 15,000 organizations in the global cotton value chain, which uniquely positions them to develop a scalable solution for traceable cotton.

The legislative landscape is shaping the operational requirements of stakeholders in the fashion and textile sectors. Soon, companies will have to comply with emerging regulations surrounding supply chain due diligence, customs, and green claims. To respond to these changes, Better Cotton has developed a traceability solution to establish the origin of sustainable cotton and track this through to the end product.

Better Cotton’s traceability solution is an ambitious, first-of-its-kind development that strives to meet industry demand and demonstrate the origin of Better Cotton by providing greater supply chain visibility. Based on extensive consultation with over 1,500 stakeholders, including Better Cotton members, suppliers and industry consultants, the solution will be launched at the end of 2023 with selected supply chains and opened to the wider industry from 2024 onwards.

Traceability for Better Cotton means recording and monitoring the movement of cotton throughout the supply chain. Value chains will have the opportunity

to use the Better Cotton new physical chain of custody models and track this cotton using the Better Cotton Platform (BCP), an online system used by more than 9,000 organizations that are part of Better Cotton supply chains. BCP electronically documents the volumes of cotton sourced and sold as traceable Better Cotton, in turn establishing visibility of the supply chain.

Traceable cotton will allow Better Cotton farmers, suppliers and manufacturers to continue to have access to international markets that will be increasingly regulated. It will also provide the foundations for future opportunities around farmer financing mechanisms, through which companies could have visibility of the sustainability credentials of a cotton farmer’s operations and could reward producers for continuous progress. Better Cotton brands and retailers will be able to verify the country of origin of the Better Cotton in their end products and access data that gives them more visibility over their supply chain.

Better Cotton, the world’s leading sustainability initiative for cotton, will launch its first-of-a-kind traceability solution with selected supply chains at the end of 2023. As a result, Better Cotton members will be able to source traceable Better Cotton, and Better Cotton farmers, manufacturers and suppliers will continue to access increasingly regulated markets. After a successful launch, the solution will be open to all organizations interested in sourcing traceable Better Cotton.

1.2 Effective, innovative, and sustainable crop protection.



GUSTAVO BOSIO
Director, EMEA Region, Government
Affairs, FMC Corporation

“ FMC is a leading agricultural sciences company that advances farming through innovation and sustainable crop protection technologies. FMC is passionate about bringing innovative solutions to growers, maximizing their productivity, profitability, and sustainability.

There are three main issues affecting West African cotton growers. First, the cotton yields in West Africa are low compared to other cotton-producing regions in the world. In the past 30 years, higher volumes from West Africa were driven mainly by an increase in planted area, with only a modest increase in yields per hectare. Second, the heritage use of broad-spectrum insecticides, which has created an imbalance between pests and beneficial insects, led to destructive outbreaks. The Jassid outbreak resulted in yield losses in West African cotton crops ranging from 26 to 60 per cent, depending on the country. Third is the region’s farmers’ lack of consistent access to the most effective crop protection solutions and technical expertise.

FMC believes that the access to more innovative and more sustainable synthetic and biological crop protection products, as well as digital and precision agriculture technology, will bring more value to cotton growers. The future of cotton production has to be based on effective integrated pest management programmes. This requires a coordinated approach between many stakeholders, to bring together chemical and biological crop protection solutions, as well as digital and precision agricultural technologies, underpinned

by enhanced agronomic practices. This will lead to improved quantities (yields), quality and a sustainable footprint of African cotton.

FMC presents a case of its solution in Greece. Greek farmers used broad spectrum insecticides with no integrated pest management approach to crop protection, resulting in beneficial insect loss, and leading to outbreaks of pests like Helicoverpa. During the 2010–2012 pandemic appearance of Helicoverpa, old chemistries were unable to combat the pest, and this made way for Rynaxypyr, an insecticide from the diamides family. The FMC active ingredient Rynaxypyr, found in Coragen, had great results and long-lasting cover, as well as high efficacy in protecting beneficial insects. This tool gave growers a sustainable solution and became a staple in farmers’ toolbox – the reference point for Helicoverpa in cotton. This paved the way to implement integrated pest management programmes in cotton. Following the launch of Coragen, scientists, customers, and growers alike agreed that the cotton crop in Greece would not have stood a chance without Coragen. In Greece there are around 260 thousand ha of cotton (2022) and it is estimated that almost 100 per cent of it is treated with this product. Greece was the first country to adopt the FMC precision agriculture app Arc™ farm intelligence in cotton and it has been a key tool for Greek cotton growers. It gives them the information they need to operate more effectively and sustainably through the power of data and machine learning.

1.3 Innovation in sustainable solutions: ECOHUESTM waterless dyeing technology for cotton textiles.



WESLEY CHOI
President of Ventures,
Tessellation Group

Textile dyeing is a particularly thirsty step, accounting for 85 per cent of the total water usage in the industrial process, or 5 trillion litres of water a year. The wastewater contains high chemical concentrations, making treatment challenging and often energy intensive. Treated improperly, wastewater salinity could severely threaten freshwater ecosystems, soil health, and groundwater conditions. As the world's largest textile-exporting country, China's latest five-year plan states aggressive targets to reduce the industry's water usage. Water stewardship has become a critical factor in securing a licence to operate in the industry, and solutions in the market are yet to catch up.

This is what we at Tessellation Group set out to tackle. Qonvolv Ventures is the ventures arm of the Tessellation Group. Our team has been granted exclusive access to the research and development team and licences to key technologies related to dyeing of a vertically integrated manufacturer with over 40 years of experience in textiles and apparel.

Traditional water-based industrial dyeing has appalling fixation rates with only around 60 per cent of dyestuff staying on the textile. Cotton and other cellulose fibres (e.g. linen) employ a dyeing mechanism called "reactive dyeing", where the dyestuff reacts with the fibres to give permanent coloration. The presence of water in the process, however, causes hydrolysis on the dyes, an undesirable side reaction that makes a portion of the dyes incapable of reacting with the fibres any more. This side effect has an impact on colour consistency across batches. The inactive dyes also become residues that need

more water to be washed off from the textile. There are attempts in the industry to take water out of the dyeing equation. Existing approaches, however, such as the "D5 Suspension System" and "Supercritical CO₂", either still require water or only work on limited synthetic fibres. Dyeing of cotton and other cellulose fibres, therefore, remains stuck with millennia-old water-based methods. This is the challenge our technology has successfully cracked.

The core innovation of our waterless reactive dyeing technology involves: first, a proprietary organic dyeing medium to replace water, which is inexpensive, safe, and capable of providing a stable dyeing environment; second, a set of production control parameters and equipment to achieve high dyeing performance tailored to the new medium; and third, an industrial system design that allows the medium to be fully recycled. Our solution is groundbreaking as, for the first time in textile history, we have a way to manipulate dyestuff solubility to allow reactive dyeing to occur in a non-aqueous medium, eliminating the hydrolysis issue altogether. This allows the average dyestuff utilization rate to leap from 60 to 97 per cent. Our solution cuts 100 per cent of freshwater, 100 per cent of salt and around 80 per cent of alkali used in dyeing, and halves the dyeing time, not to mention the reduced need for downstream wastewater treatment, all of which amount to significant savings in resources. The technology is now recognized as a "National Key Research and Development Programme" by the Ministry of Science and Technology of China and was awarded "International Leading Technology" status by the China Textile Association.

1.4 Value chain innovations in Africa.



RAMAKRISHNAN JANARTHANAN
Chief Project Officer, ARISE Integrated
Industrial Platforms

Arise is a pan-African developer of industrial systems, specializing in identifying industrial gaps in African countries and designing tailor-made solutions for sustainable local raw material transformation, export enhancement, and trade promotion.

Sustainability is one of the main pledges in Arise textile project conception and implementation. The sustainability road map of Arise is inspired by and aligned with the United Nations Sustainable Development Goals. To develop a complete and operational value chain for an integrated textile industry, Arise is adopting a strict internal policy following international standards and initiatives to sanitize the fashion supply chain.

There are three pillars to the Arise textile project. The first pillar is traceability. Arise applies "Cotton made in Africa" (CmiA) certification to its cotton products, which secures the adherence to national legislation and international frameworks on human, labour and environmental requirements at the farm and ginning level. Arise also deploys physical traceability tools. Its pilot project, FibreTrace, uses the blockchain tool HIP from CmiA which requires segregation and separation of CmiA cotton on all supply chain levels. Moreover, the textile products of the Arise project are from preferred fibres such as organic or recycled material. The second pillar is operational sustainability. From the perspective of social compliance, Arise endeavours to address human and labour rights

risk, create equitable and safe working conditions, ensure worker involvement, ethical recruitment practices and adequate wages, prevent forced and child labour, provide effective grievance systems, conduct vocational training and promote local entrepreneurship development. To protect the environment and reduce greenhouse gas emissions, Arise conducts a life cycle assessment for cotton products, the indicators of which include global warming potential, water use, eutrophication potential on freshwater and acidification potential. Arise adopts energy-efficient latest machineries and compressors, and uses automated systems to track energy and greenhouse gas emissions. Circularity is the last pillar. The processing and dyeing consume water. The wastewater contains chemicals and is sent to a zero liquid discharge treatment plant. That treatment enables reuse of 95 per cent of the water, significantly reducing the amount of freshwater needed. Sixty per cent of the salt is recovered in the process and reused as well.

The textile projects have a positive impact on reducing carbon emissions associated with processing and logistics, reducing unemployment rates and alleviating poverty, promoting more efficient use of resources and minimizing waste production and energy use, increasing visibility and control over the supply chain, and capturing a larger share of the value chain and higher profit margins.

III.C PANEL 2: COMPETITIVENESS AND TRADE



Panel 2 aims to seek value addition through market development and processing of cotton products. The Institute of Cotton Research, Chinese Academy of Agricultural Sciences, will introduce the simultaneous improvement of fibre quality and yield for cotton. The African Chamber of Trade and Commerce will share its approach to facilitating greater investment in various sectors of the African cotton industry. The Aid by Trade Foundation (AbTF) will discuss their way of sourcing Cotton made in Africa (CmiA) certified raw cotton and bringing benefits to African cotton sectors. The International Labour Organization (ILO) will highlight how good labour market governance can enhance the competitiveness and inclusive growth of the cotton sector. Together, we aim to inspire further collaboration and constructive dialogue that advances competitiveness and trade in the cotton-to-textile industry.



Youlu Yuan

Professor, Institute of Cotton Research, Chinese Academy of Agricultural Sciences

Youlu Yuan is the professor and chair of the working group on structural genomics of the International Cotton Genome Initiative (ICGI) (2021–2023), Principal Investigator (PI) of cotton molecular breeding unit, Director of Biotechnology Research Department, Institute of Cotton Research, Chinese Academy of Agricultural Sciences. He

focuses on the genetics of cotton fibre quality and fibre yield and molecular breeding. He has published 193 papers with 61 SCI papers as the first or corresponding author, and developed 13 cotton varieties: CCRI170, CCRI196, CCRI114, CCRI127, with good fibre quality.



Mary Concilia Anchang

President, African Chamber for Trade and Commerce

As Executive Chair of the African Chamber of Trade and Commerce Mary Concilia Anchang is leaving no stone unturned to source the funds needed to face global competition for the socioeconomic welfare of the continent. Her pressing challenge centres around efforts to guarantee sustainability and resilience within international standards in the cotton

plant, through an outgrower initiative in partnership with the Zambia Cotton Board, for meaningful impact on the African cotton value and supply chain from farm to market, through the FICOTA Project.



Christian Barthel

Head of Business Development, Aid by Trade Foundation

Christian Barthel has been working for more than 30 years in the textile industry in different positions in Germany, Turkey, and China. In 2007, Christian joined AbTF to build up solid and reliable solutions for retailers and brands and to establish sustainable sourcing of raw materials in the global textile value chains. Cotton made in

Africa is the first and largest standard of AbTF, which also has been trying to strengthen textile production on the African continent and thus create more added value in the individual countries.



Arianna Rossi

Senior Research and Policy Coordinator, International Labour Organization

Arianna Rossi is Senior Research and Policy Coordinator for the ILO action programme on decent work in supply chains. In this capacity, she coordinates the organization's research, evidence and policy advice on working conditions, job creation and labour rights in supply chains. Prior to that, she was Senior Research Specialist for the Better Work

programme, a partnership of ILO with the International Finance Corporation. She has authored academic journal articles and books covering policy-relevant empirical research with a particular focus on working conditions, gender equality and labour rights in global value chains and the garment industry.

2.1 Simultaneous improvement of cotton fibre quality and yield for high quality variety.



YOULU YUAN

Professor, Institute of Cotton Research, Chinese Academy of Agricultural Sciences

“The simultaneous improvement of fibre quality and yield for cotton is strongly limited by the narrow genetic backgrounds of *Gossypium hirsutum* (Gh) and the negative genetic correlations among traits. An effective way to overcome the bottlenecks is to introgress the favourable alleles of *Gossypium barbadense* (Gb) for fibre quality into Gh with high yield.

To identify quantitative trait loci (QTLs) or genes associated with fibre quality and yield, a recombinant inbred line population was developed in upland cotton. Six fibre yield and quality traits were evaluated in 17 environments, and 198 stable QTLs were identified. Thirty-seven QTL clusters were identified, in which 92.8 per cent of paired traits with significant medium or high positive correlations had the same QTL additive effect directions, and all of the paired traits with significant medium or high negative correlations had opposite additive effect directions. Six important QTL clusters that included both fibre quality and yield traits were identified with opposite additive effect directions.

Two sets of chromosome segment substitution lines were generated by crossing Hai1 (Gb, donor-parent) with cultivar CCRI36 (Gh) and CCRI45 (Gh) as genetic backgrounds, and cultivated in 6 and 8 environments, respectively. The k-mer genotyping strategy was improved and applied to the population genetic analysis of 743 genomic sequencing data. In total, 291 major introgressed segments were identified with stable genetic effects. Thirty-nine

introgression segments were detected with stable favourable additive effects for simultaneous improvement of two or more traits in Gh genetic background, including six which could increase FL/FS and LP.

The combining of genome-wide introgressions and k-mer genotyping strategy showed significant advantages in exploring genetic resources.

Through the genome-wide comprehensive mining, a total of 11 clusters (segments) were discovered for the stable simultaneous improvement of FL/FS and LP, which could provide information about the genetic basis of cotton fibre quality and yield and help cotton breeders to improve fibre quality and yield simultaneously. Three cotton varieties of CCRI70, CCRI 127 and CCRI 703 were introduced with good fibre quality.

2.2 African cotton for textiles, accessories and fashion: makes Africa a possible textile distribution market.



MARY CONCILIA ANCHANG

President, African Chamber for Trade and Commerce

“The International Forum for Transformation of African Cotton, Textiles and Accessories (FICOTA) and Fashion project sets out to address the African cotton industry, its value and supply chain structures, through its measured added value. The project is a dense concept, which seeks to address African cotton “from the farm to the market” as a sustainable and resilient sector of agriculture, which promotes and validates agribusiness challenges, promoting welfare conditions for women and adult youth in rural and suburban communities. The purpose is to work with the various sector stakeholders, Governments, development partners, donor organizations and foundations willing to invest in various sectors of the African cotton Industry.

This will not only prove the concept that cotton is a resilient and strategically sustainable plant but also a viable investment, whose production and transformation in industrial quantities, within recognized international standards, can affect the lives of many actors throughout the whole value chain in Africa. Cotton’s sustainability is what we seek to propose as one of the solutions to rural exodus, and clandestine immigration arising from unskilled, high vulnerability rates and idling human capital in Africa. Through industrial or intensified agriculture by the use of adapted farming techniques for quantitative and qualitative yields, with appropriate financing and institutional support through public and private partnerships, we hope to transform African cotton to meet market demands by nurturing talent in the vibrant textile and fashion industry sector.

Meeting the need to craft new trades and markets for cotton fibre testing, laboratory testing experts, arbitrators, with trades in ginning, spinning, weaving, dyeing and designing of cotton for the production and processing of cotton into textiles, garments, accessories and fashion markets is the ultimate target we seek to achieve through the FICOTA African Fashion Project.

The African fashion incubator is a product of the FICOTA project. The purpose and vision is to promote talent in cultural and creative industries for artisans. This should facilitate and reinforce incentives by Governments and development partners to build adapted, functional Infrastructures to accompany local initiatives to create competence. This should guarantee sustainability and resilience based on acquired expertise during research, farming, harvest, post-harvest, quality control and transformation into lint, textiles, clothes, accessories and fashion in cotton and its by-products. Training young African women and adult youth in entrepreneurial skills in the sector of agribusiness, through the value chain and supply chains, is a priority.

FICOTA seeks to validate the African Chamber for Trade and Commerce sector-oriented, bottom-top, all-inclusive business model, by promoting the use of country or regional adapted systems, in order to optimize cotton yield, while promoting compliance and traceability schemes within the continent. FICOTA observes that the need for African cotton to meet international standards at production is critical. How we set the benchmarks is crucial on the FICOTA agenda.

2.3 Cotton made in Africa - from farm to fashion?



CHRISTIAN BARTHEL
Head of Business Development,
Aid by Trade Foundation

AbTF is an internationally recognized non-profit organization for sustainable raw materials. Its network includes partners along the global textile supply chains as well as government and non-governmental organizations. AbTF forged an international alliance of fashion brands and retailers that source Cotton made in Africa (CmiA) certified raw cotton and has it processed into textiles.

Today more than 40 per cent of all African cotton is CmiA certified, making it one of the biggest cotton standards worldwide and the largest in Africa. Its goal is to help people to help themselves via trade in order to improve the living and working conditions of small-scale cotton farmers and to protect our environment. The CmiA approach brings a growing network of 900,000 farmers, 11 growing countries and around 260 registered spinning mills which are demanding the CmiA cotton.

CmiA provides the sustainable cotton tracker (SCOT) system to track cotton from field to fashion, gives extensive support to retailers to implement CmiA cotton into their international supply chain, established two cotton implementation systems (Mass Balance and Hard Identify Preserved), and works in 11 cotton-producing countries with reliable and recognized sustainable cotton standards identifying a variety of cotton qualities.

Africa has a huge potential for more textile production. Many African countries are significant producers of cotton, which is a primary raw material for the textile industry. The label

“made in Africa” is gaining traction. The demand for African designs, textiles, and garments is rising both within and outside the continent. Africa has a rich history of textile designs, patterns, and techniques that are unique to the continent. With the global shift towards sustainable and eco-friendly fashion, Africa has the opportunity to lead in circular fashion skills and business models.

Africa faces many challenges, however. Much of the equipment used in the African textile industry is imported from Asia and Europe. Some regions may lack the necessary infrastructure for large-scale textile production. While there is a vast labour pool, there might be a shortage of skilled labour specific to the textile industry. Large-scale textile production can have environmental impacts, and without proper regulations, it might lead to pollution and other environmental issues.

There are key actions we can take to boost the development of textile production in sub-Saharan Africa: first is to invest in infrastructure to ensure consistent power supply and efficient transportation; second, establish training centres to facilitate skills development and knowledge exchange; third, provide low-interest loans and grants to textile manufacturers; fourth, modernize equipment; fifth, strengthen the entire textile value chain and promote local cotton production; and sixth, encourage the use of organic cotton and sustainable dyes.

2.4 Sustainable supply chain for decent work, competitiveness and inclusive growth.



ARIANNA ROSSI
Senior Research and Policy
Coordinator, International Labour
Organization

The cotton and garment supply chain creates opportunities for employment and decent work by creating new formal jobs, especially for women and youth, reducing working poverty and increasing labour productivity. It also poses challenges, however, in terms of precarious jobs with violations of core labour standards, low added value production and limited opportunities to upgrade.

How to generate a virtuous circle that harnesses trade and investment incentives to support developing country participation in cotton and garment supply chains, to achieve higher competitiveness, inclusive growth and decent work? The work of ILO shows the potential in creating a win-win scenario for garment factories that promote decent work and see competitiveness gains as a result. The ILO-IFC Better Work Programme has been harnessing trade and investment incentives as key drivers to support good labour governance and drive decent work forwards. The exposure to the Better Work overall model is tied to higher per worker productivity and increasing profitability. This

approach in turn translates to broader inclusive growth and development outcomes beyond the workplace. Instead of hampering trade flows or competitiveness, labour provisions in trade agreements reduce trade costs and increase employment opportunities, particularly for women. As with labour provisions in trade agreements, the presence of Better Work in a given garment-producing country does not hamper an industry's competitive positioning. On the contrary, garment exports from producing countries increase with the presence of a Better Work programme.

There needs to be no trade-off between decent work and competitiveness. Evidence shows that investing in good labour market governance is an essential dimension of competitiveness and inclusive growth, and that a race to the bottom in terms of labour conditions does not lead to resilience or sustainability.



IV

Closing remarks



VIDEO OF THE SESSION





I am thankful for the valuable contributions from international organizations, the private sector, technical experts, development partners and financial institutions during today's discussions. They have allowed us to lay a solid foundation for future actions.

Gunther Beger

Managing Director of Directorate of SDG Innovation and Economic Transformation,
United Nations Industrial Development Organization



Thank you for joining us today to commemorate World Cotton Day 2023 in Vienna. I am thankful for the valuable contributions from international organizations, the private sector, technical experts, development partners and financial institutions during today's discussions. They have allowed us to lay a solid foundation for future actions.

During the High-Level Plenary, Ministers of States, Heads of international organizations, national representatives, and development partners provided insights on challenges and opportunities of the cotton sector in developing countries, and identified collaboration opportunities with the private sector and investors for the cotton value chain industries in developing countries.

The Partnership for Progress session brought together representatives from C-4, private sector, financial institutions, technical experts, international organizations and development partners to identify and discuss opportunities for the development of the cotton value chain in Africa through partnerships.

All speakers agreed that Africa – and West Africa in particular – holds great potential in terms of increasing value addition in the light of current market dynamics. A number of important initiatives are currently being developed in West Africa and speakers agreed on the need for greater coordination to ensure synergies and increased impact.

When closing the session, the Director General of Industry of Côte d'Ivoire issued

a call, on behalf of C-4, for the development of an ambitious multi-stakeholder initiative, based on the current partnership involving WTO, FIFA, UNIDO, ITC and Afreximbank. By broadening this partnership to include interested Governments, technical and financial partners, the private sector and international organizations, there would be greater alignment between the various ongoing initiatives and, importantly, such an initiative would enable and catalyse the mobilization of greater technical and financial resources for a fair and sustainable cotton value chain in Africa. On behalf of the co-organizers of this World Cotton Day, I would like to formally assure C-4 of our commitment to develop this initiative and report at the next appropriate occasion on the steps taken.

The thematic panels united experts and stakeholders to highlight sustainability and innovation across the cotton life cycle, emphasized value addition through market development and processing of cotton products, and discussed competitiveness and trade policies.

UNIDO, together with ITC, WTO and FIFA has recently launched the preparations for a project aimed to support the cotton-to-textile value chain development in Benin, Burkina Faso, Chad and Mali, the Cotton Four countries, as well as in Côte d'Ivoire. We stand ready to continue engaging with all our partners on this project and on further initiatives in support of our Member States and shared objectives.

Thank you again for your participation and for joining forces with UNIDO on this important topic!



Side activities

Celebration at UNIDO



VIDEO OF THE SESSION

Making cotton fair and sustainable
for all, from farm to fashion



VIDEO OF THE SESSION

COTTON EXHIBITION AND BOOTHS



FASHION SHOW (I)



FASHION SHOW (II)



RELATED LINKS

- [1] World Cotton Day 2023 official website
<https://www.unido.org/events/world-cotton-day-2023>

 - [2] United Nations World Cotton Day website
<https://www.un.org/en/observances/cotton-day>

 - [3] WTO World Cotton Day website
https://www.wto.org/english/tratop_e/agric_e/wcd2021_e.htm

 - [4] World Cotton Day 2023: Making cotton fair and sustainable for all, from farm to fashion
<https://www.youtube.com/watch?v=sdmKjC8UeP4&t=37s>
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