



The regional Cotton to Clothing strategy



At 21st Round of the WTO Director General's Consultative Framework Mechanism on Cotton
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COMESA Membership

- The 19 Member States of COMESA are:

Burundi
Comoros
Congo, DR
Djibouti
Egypt
Eritrea
Ethiopia
Kenya
Libya
Madagascar

Malawi
Mauritius
Rwanda
Seychelles
Sudan
Swaziland
Uganda
Zambia
Zimbabwe

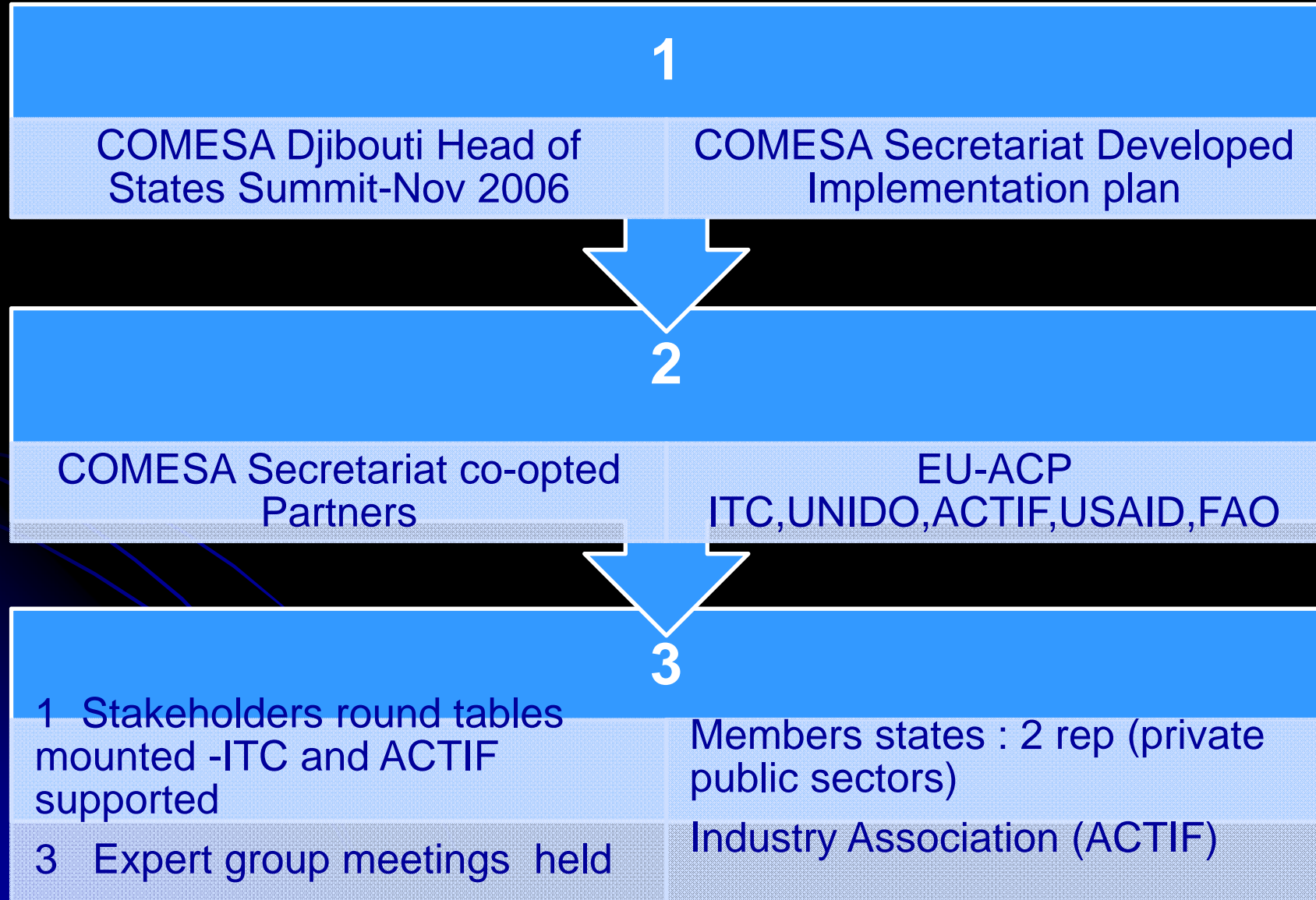
Introduction

- Presentation is a follow up of the statement by Chair of Permanent representatives of COMESA countries at the 20th round of the Consultative Framework Mechanism on Cotton
- We would like the DG for the Consultative Framework Mechanism –it has improved the exchange of information and coordination
- We appreciate the role of the evolving Table on Cotton Development Assistance as centrepiece of a transparent and all-encompassing monitoring process
- Like in the past, it reveals that the aid disbursement has not been well distributed to vulnerable cotton farmers in all African countries.
- There is a need to consider this to ensure **INCLUSION** of all vulnerable farmers in Africa to consolidate the gains made so far in cotton development assistance

A Strategy for the ESA Region

- Responds to development priorities, private sector's concerns and market's requirements
- Has High political/public endorsement - strategy favour political cohesion and policy convergence
- Provides an enabling framework for the design and implementation of regionally integrated projects
- Coordination capacity-....mechanisms in place to secure implementation at national levels-PPP approach
- Provides a framework to donors and institutions for support

Regional Cotton –Textile-Clothing strategy process flow



2009

Zimbabwe Heads of States Summit: Business Forum

Private sector
Investing/trading

Public sector
Creating enabling
Environment

THE LAUNCH OF THE STRATEGY

The development goals

- To enhance cotton production and farmer incomes;
- To increase investment and efficiency in textile and clothing manufacturing; and
- To expand trade-regional and connect to global value chain .

Key Strategic objectives

- To increase the production of quality cotton to raise farmer incomes
- Improve access to affordable agricultural inputs and farm credit
- To improve the production of quality lint and enhance market penetration.
- To enhance competitiveness and increase trade in the textile sub-sector
- To diversify product line and improve manufacturing efficiency in the clothing sub-sector
- To diversify markets in the clothing sub-sector
- Establish an institutional framework for the implementation of the regime strategy

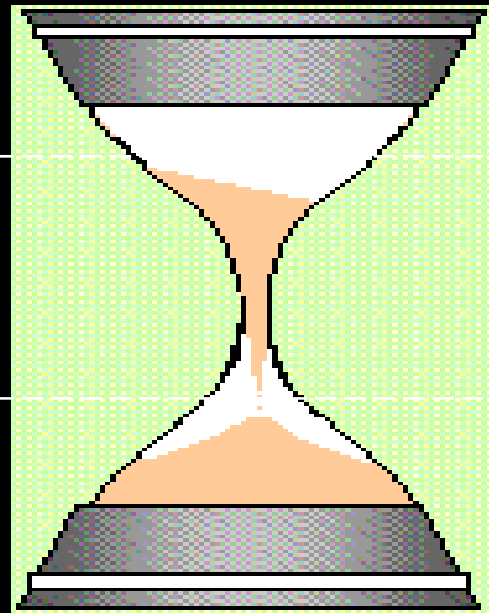
Focus Area: New Value proposition

Embracing the 5F + 1 strategy: to capture the cotton value chain

- Farm
 - Fibre
 - Fabric
 - Fashion
 - Foreign markets
- Plus +
- Fair Trade

Why strategy: A Race Against Time

Value
Chain



Cotton
Production

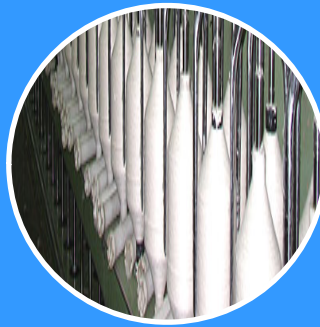
Spinning/Knitting/
Weaving

Cutting & Sewing

What is the strategy for?



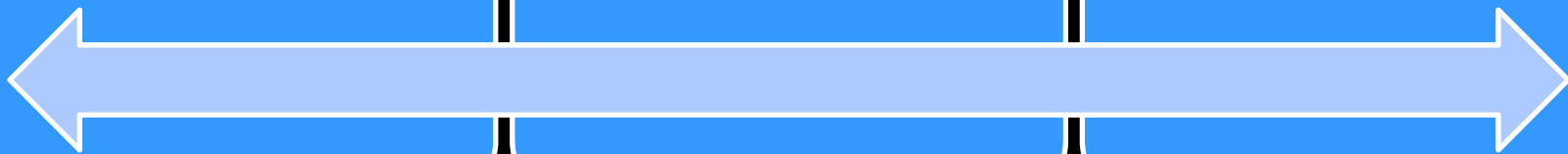
Synergise /strengthen
National strategies



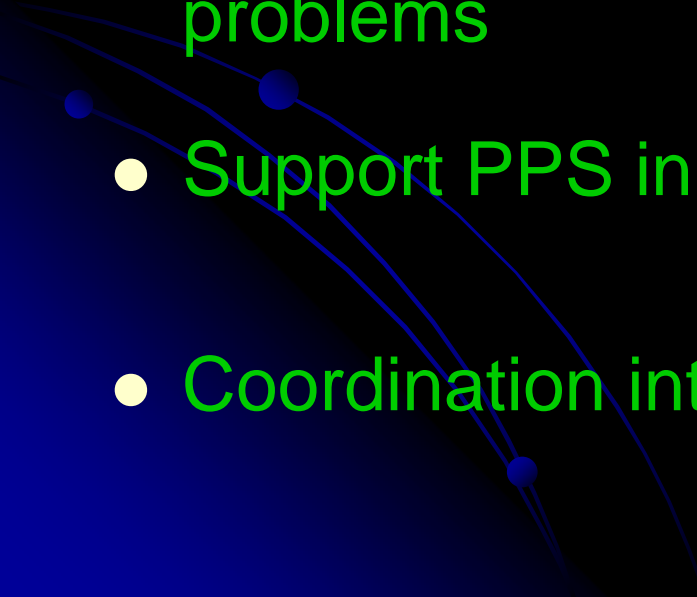
Develop
programmes/Projects



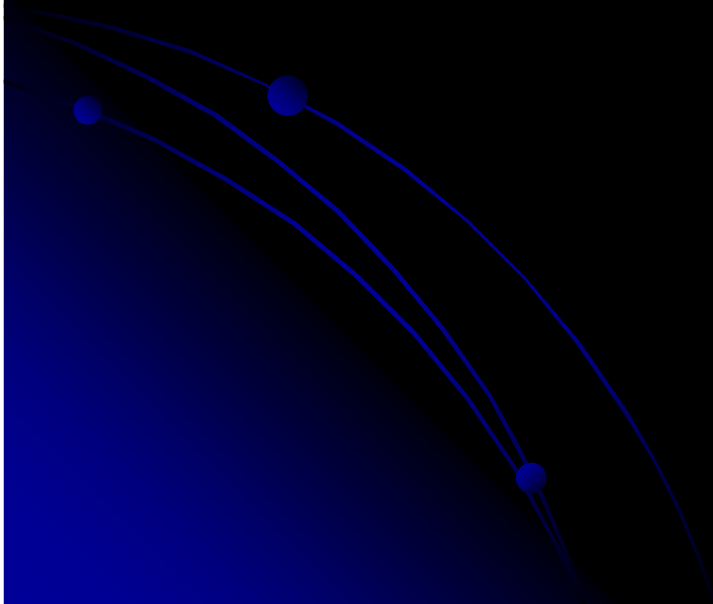
Co-ordinate donor
value chain activities



The Strategy & Development partners

- Develop synergies, avoid parallel programs
 - Joint approach-studies, market information
 - Framework to apply local solutions for local problems
 - Support PPS initiatives
 - Coordination interventions in the sector
- 

PRIORITY PROJECTS



Activity 1: Capacity building of National ACTORS

- ❖ **The key objective is to implement capacity building initiatives for the national associations and cotton boards to strengthen their ability to support the various national level programs**
- ❖ **Direct Beneficiaries**
 - ❖ **National Associations from 8 Countries**
- ❖ **Estimated duration: 24 Months**
- ❖ **Target Countries: All cotton and textile producing Countries in ESA region**

Activity 2: Market prospects for cotton by-products

- ❖ **Key objective is to identify and promote the market potential and economic value that can be generated through cotton by-products which can act as a complimentary source of income for farmers.**
- ❖ **Targeted countries: Zambia, Uganda, Ethiopia, Malawi, Zimbabwe, Kenya and Tanzania**
- ❖ **Direct Beneficiaries**
 - ❖ **Cotton producers**
 - ❖ **Ginners**
 - ❖ **Cotton by-product industry stakeholders e.g. cotton seed oil sector**
- ❖ **Estimated Duration: 24 months**

Activity 3: Attract investments in primary, secondary and end value chain

- ❖ **The objective to work with investments promotion agencies to develop sector specific investments profiles along the value chain to showcase East & Southern Africa African region as an investment destination**
- ❖ **Direct Beneficiaries**
 - ❖ **Ginners**
 - ❖ **Spinners**
 - ❖ **Fabric manufacturers**
 - ❖ **Processors**
 - ❖ **Garment manufacturers**
- ❖ **Estimated duration: 36 Months**

Activity 4: SMEs cluster development

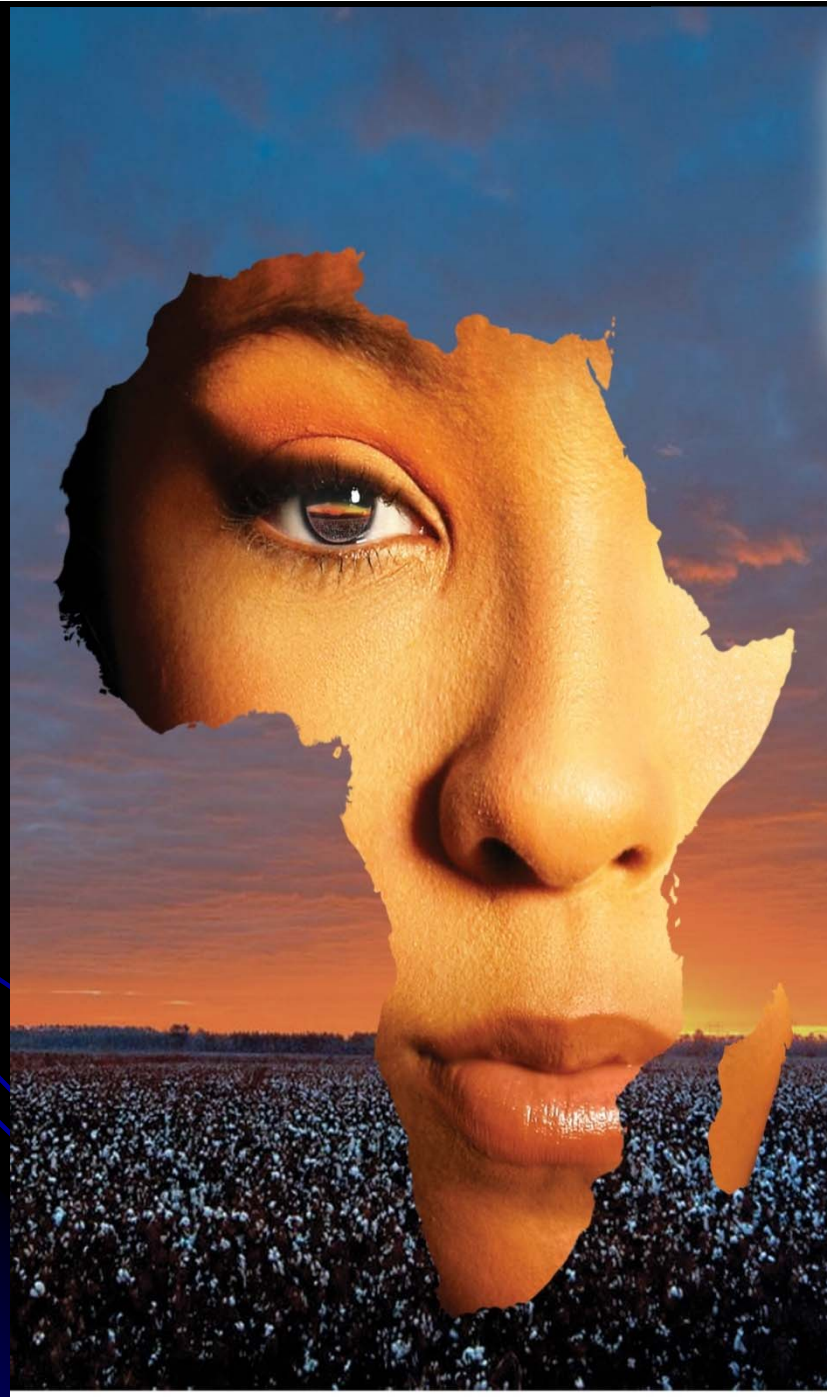
- ❖ **Key objective is to assist the SMEs in spinning, fabric garment manufacturer in the region to achieve competitive productivity and quality levels to enhance presence in global value chain**
- ❖ **Projected Impact groups**
 - ❖ **Selected SMEs in the identified countries**
 - ❖ **National Associations**
 - ❖ **Women and Youth**
 - ❖ **Cotton farmers**
- ❖ **Estimated Duration: 36 months**

CHANGING PARADIGM OF AFRICA

- 3) Investment friendly policies, regulations and incentives have been established across the region including the set up of special economic zones to take care of the investors needs.
- 4) An increasing number of factories maintain strong social and environmental compliance and are already accessing both US & EU markets;
- 5) Raw material availability, with Africa accounting for 5% of the worlds cotton production, and huge investment being undertaken to produce high quality fabric;
- 6) Competitive production & transit times available to meet the needs for fast fashion;



*Changing Perceptions, Building
Synergy & Doing Business*




10th – 12th November 2014
HOTEL INTERCONTINENTAL
Nairobi, Kenya

***Africa's Cotton,
Textile & Machinery
Trade Fair***

*fiber ● fabric ● clothing ●
fashion ● accessories ● home ●
décor ● machinery*

www.originafrica.org

Conclusion

- Need for inclusive approach to Cotton Development aid disbursement in Africa
 - Paradigm shift from cotton production to value chain approach for more job creation and inclusive growth
 - Combine development assistance with FDI in the value chain to connect the region directly to global supply chain
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It's time the LIONS of AFRICA ROAR in this new decade and take up more space in global trade.....FYI , at independence Africa's share of global trade was 3% and now 50 years on it is 2%.....this reduction equates the total value of AID Africa receives annually

**Thank you
for your attention**