AFRICAN COTTON EXPORTS: THREATS & OPPORTUNITIES

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International Cotton Advisory Committee

DG’s Consultative Framework Mechanism on Cotton
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AFRICAN EXPORTS BY REGION

thousand tons

North Africa
Francophone Africa
S and E Africa
COTLOOK A INDEX IN US$ AND CFA FRANC

cents/lb

US$  CFA

CFA franc/lb

Source: Cotton Outlook
### COTTON’S SHARE OF TOTAL EXPORT VALUE FOR SELECT AFRICAN COUNTRIES

<table>
<thead>
<tr>
<th>Country</th>
<th>Average 2000-04</th>
<th>Average 2010-14</th>
<th>Rank Among African Exporters in 2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benin</td>
<td>56%</td>
<td>19%</td>
<td>4</td>
</tr>
<tr>
<td>Burkina Faso</td>
<td>64%</td>
<td>32%</td>
<td>1</td>
</tr>
<tr>
<td>Cameroon</td>
<td>4%</td>
<td>3%</td>
<td>5</td>
</tr>
<tr>
<td>Chad</td>
<td>57%</td>
<td>3%</td>
<td>8</td>
</tr>
<tr>
<td>Côte d’Ivoire</td>
<td>3%</td>
<td>2%</td>
<td>2</td>
</tr>
<tr>
<td>Mali</td>
<td>51%</td>
<td>27%</td>
<td>3</td>
</tr>
<tr>
<td>Mozambique</td>
<td>4%</td>
<td>1%</td>
<td>13</td>
</tr>
<tr>
<td>Togo</td>
<td>16%</td>
<td>6%</td>
<td>10</td>
</tr>
<tr>
<td>Uganda</td>
<td>5%</td>
<td>3%</td>
<td>14</td>
</tr>
<tr>
<td>Zambia</td>
<td>3%</td>
<td>1%</td>
<td>11</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>8%</td>
<td>7%</td>
<td>7</td>
</tr>
</tbody>
</table>

Source: UNCTAD
COTTON EXPORTS: 2013/14 TO 2015/16
Five Largest Exporters and Africa

million tons

US
India
Brazil
Uzbekistan
Australia
Africa
AFRICA’S TOP EXPORTING COUNTRIES

million tons

10/11  11/12  12/13  13/14  14/15  15/16

Burk. Faso  Mali  Côte d'Iv.  Benin  Cameroon  Chad  ROA
CHANGES IN COTTON MILL USE

1996/97
19 million tons

1996/97
19 million tons

2015/16
24.3 million tons

7 Countries: 70%

9 Countries: 86%
COTTON IMPORTS

million tons

World less China

China

-22%

00/01 02/03 06/07 08/09 10/11 12/13 14/15

9.7 5.3 4.4 7.3 1.2 6.1
COTTON IMPORTS BY COUNTRY

million tons

China: 5.3
Vietnam: 1.2
Bangladesh: 1.2
Indonesia: 1.0
Turkey: 0.8
Thailand: 0.5

Legend:
- 11/12
- 12/13
- 13/14
- 14/15
- 15/16
BANGLADESH IMPORTS BY COUNTRY
2013/14

- Former USSR: 53%
- USA: 11%
- India: 13%
- Pakistan: 5%
- Others: 18%
INDONESIA IMPORTS BY COUNTRY
2014/15

ROW 78%
BF 5%
CI 4%
Mali 4%
Benin 3%
Camer 1%
Other Africa 5%
COTTON EXPORTS: 2015/16 to 2020/21

Five Largest Exporters and Africa

million tons
CONCLUSIONS

• Most cotton-producing countries in Africa will remain dependent on cotton lint exports for foreseeable future

• Threats
  ✓ Short-term: increased competition for export markets
  ✓ Inefficient logistics, especially long delivery times

• Opportunities
  ✓ Short-term: for CFA countries, impact of falling prices attenuated by exchange rate movements
  ✓ Long-term: increase yields
  ✓ Long-term: some major competitors unlikely to increase exports
  ✓ Long-term: growth in mill use concentrated in countries (Bangladesh, Vietnam & Indonesia) with little or no domestic production
  ✓ Long-term: increase mill use in Africa
Thank you

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