



International
Trade
Centre

TRADE IMPACT
FOR GOOD

Cotton by-products

Increasing value at origin or empowering farmers to add value to their cotton



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Increasing value at origin incl. through by-product valuation

- As part of ITC's overall approach to support farmers to add value to their cotton for income generation & poverty reduction
 - Value of the fibre
 - Value of the seed
- Valuing the fibre starts by:
 - Utilizing part of the lint to diversify
- Valuing the seed starts by:
 - Understanding the options available to farmers



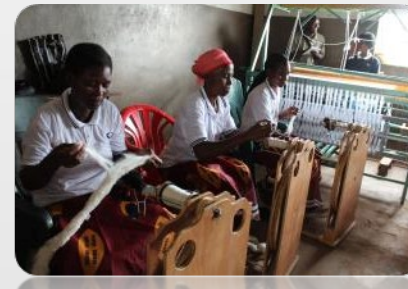
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Increasing value at origin - Fibre

Stimulating artisanal consumption and thereby increasing farmer resilience

- Developing a handloom sector does not only add value to cotton but provides income all year round
- New income earning opportunities enables farmers to build resilience against shocks (price and weather)
- Might also help in boosting yield as cotton farmers will not switch easily to new crops if expectations were not fulfilled
- Example of the Zambia Farmer-owned ginnery but could also work in traditional schemes



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Investing into cotton by-products

Cotton value addition at origin by using the seed

- A growing market and potentially an important complementary source of income for farmers – further increasing farmer resilience
- Ensuring that farmers actually have access to seeds or could be stakeholders in an oil-pressing company
- Requires farmers to get organized such as e.g. cooperatives in Turkey
- Relative value of by-product to the price of lint increase with an upward trend (edible oils and livestock and poultry feeds)



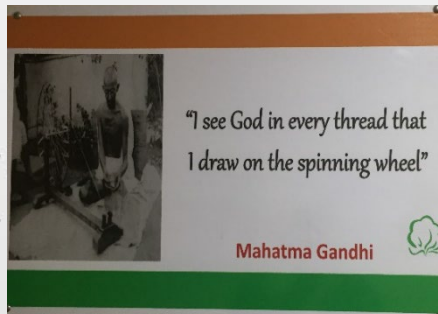
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South-south cooperation to learn from other countries/farmers:

- Understanding what other countries and farmer organizations do with seed-cotton
- Upgrading existing technology
- Policy guidance on the development of both the edible oil and meal production industry with a conducive tax regime
- Policy incentives to encourage investment in or adoption of technologies to add value to linters and cotton stalks (potential for south-south cooperation).



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THANK YOU

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