

The cotton by-products project: unlocking the hidden value



Why inequalities
matter for sustainable
development

The cotton by-products project: unlocking the hidden value

Reducing inequalities by
transferring technology and
know-how for the development
of cotton by-products in
African LDCs



Cotton by-products represent an untapped opportunity for African countries to increase the benefits they derive from their cotton production. Cotton is grown mainly for its fibre, or lint - the raw material in cotton textiles. Nevertheless, commercial applications exist for other parts of the cotton plant, such as the stalks, husks, cottonseed and short-staple fibres. In some countries, such as China, India and the USA, by-products from the non-lint parts of the plant have been commercialised, adding value and income, as well as reducing waste in the cotton value chain.

With the support of



Example of prospective gains from project implementation

Socio-economic and environmental impacts of cotton stalks and other biomass processing into pellets and briquettes in Zambia

An 8 Ton-per-day briquetting mill can create the following jobs:

- Over 400 youths and women each supplying over 5 MT of cotton stalks and other agro-residues at US\$ 25 per ton.
- Up to 6 biomass pre-processing jobs (tractor and biomass chipping and baling operators and loaders).
- Up to 10 unskilled, 2 skilled machine operators, and a supervisor in the biomass processing plant/mill.
- Up to 3 drivers for value-added products distribution/transportation to markets.

Moreover:

- Zambia is losing about 0.62% of its forests annually mainly due to wood extraction for charcoal and firewood.
- Cotton stalks provide good raw materials for producing cheaper, healthier and eco-friendly cooking and heating fuels.

Source: UNCTAD, 2019 (forthcoming), Cotton Stalks and other Biomass Processing into Pellets and Briquettes Investment Profile, Zambian Cotton and Cotton By-Products.

Overarching project principles

- Umbrella project based on country-specific approach
- Inclusiveness (increasing income to farmers, prioritizing job creation, particularly for women and youth)
- Poverty reduction, food security, the circular economy, gender equality and energetic sustainability (where and if electricity-dependent technologies are concerned)

Pilot beneficiary countries

French-speaking Africa region (C-4 region):

- **Benin**
- **Burkina Faso**
- **Chad**
- **Mali**

COMESA, SADC/EAC region:

- **Mozambique** (SADC)
- **Tanzania** (EAC, SADC)
- **Uganda** (COMESA, EAC)
- **Zambia** (COMESA, SADC)

Country-level stakeholders

- Cotton farmers;
- Farmer associations;
- Ginners;
- Weavers/spinners;
- Garment/textile manufacturers;
- Ginner associations;
- Inter-professional bodies;
- Trade schools specialising in training weavers/textile producers;
- Oil millers;
- Oil-millers associations;
- Processors of waste from ginning and their associations;
- Government bodies;
- Other support institutions (including for technology replication);
- UEMOA Commission;
- COMESA Secretariat;
- EAC secretariat;
- SADC secretariat;
- African Cotton Association;
- National EIF structures.

Project preparation phase (from approval to December 2019)

This project preparation phase has three core components:

- 1) analytical work;
- 2) resource mobilization/stakeholder coordination;
- 3) preparation of project document for implementation phase based on secured support

1. Analytical work

- Cotton by-product production;
- Cotton by-product utilisation;
- Trade in cotton by-products;
- Identified national priorities for cotton and cotton by-products
- Identification and preliminary assessment of capacities of various stakeholder groups to be able to add value to cotton by-products
- Based on the above, preliminary identification of priority areas for cotton by-product development by country, including a logical framework approach to cotton value addition through by-product development

2. Resource mobilization/stakeholder coordination

Mobilize technical and financial resources so as to make sure that pledges of technical and financial support (for a minimum of 10mln USD) are confirmed at the WTO Partners Conference of 7 October 2019

3. Activities for implementation phase (as of January 2020)

1. Mechanism to support country-specific project preparation and submission, including through:
 - Calculation of the return on investment (RoI);
 - Estimate of socio-economic and environmental sustainability of proposed actions;
 - Analysis of cotton by products value chain;
 - Human rights impact analysis;
 - Food security impact analysis;
 - Food safety-related assessments, including for market access purposes;
 - Energetic sustainability analysis (where and if electricity-dependent technologies are concerned);
 - Calculation of potential additional transport costs from field to further processing.
2. Mechanism to accompany first steps of potential private sector investors in project countries (and subscription to set of principles for responsible investments, e.g. [here](#)).
3. Coordination with EU Value Chain Analysis tool.
4. Quality infrastructure for food safety (needs assessment and investment promotion/facilitation).
5. Reporting and communication, constant enlargement of partnership, website.
6. + your suggestions!!

Summary of activities for 2019

Key output and relevant activities	2019								2020
	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	
Output 1: Feasibility studies in C-4 countries + Mozambique									
ACTIVITY 1.1: Individual country analyses									
ACTIVITY 1.2: Identification and preliminary assessment of capacities of various stakeholder									
ACTIVITY 1.3: Assessment of the present state of policy support									
ACTIVITY 1.4: Based on the above, preliminary identification of priority areas for cotton by-product development by country (pairing of countries and products)									
ACTIVITY 1.5: Desk research and compilation of findings from UNCTAD studies									
Output 2. Development of project proposal									
ACTIVITY 2.1: Coordinate, supervise, and incorporate in project proposal the technical work produced under Output 1									
ACTIVITY 2.2: Organize 1 regional validation workshop in the C-4 region									
ACTIVITY 2.3: Organize 1 national validation workshop in Mozambique									
ACTIVITY 2.4: Incorporate recommendations and feedback from both events into the project proposal.									
ACTIVITY 2.5: Finalize and submit to donors/partners project proposal including all the sections described in the ToRs of PO									
Output 3. Resource mobilization									
ACTIVITY 3.1: Mobilize technical and financial resources so as to make sure that pledges of technical and financial support (for a minimum of 10mln USD) are confirmed at the WTO Partners Conference of 7 October 2019.									
ACTIVITY 3.2: Present and promote project actions at important development and cotton sector events (including UNCTAD Regional Workshop on by-products in Johannesburg, EU Development Days, Global Review of Aid for Trade, WTO Cotton Days, ICAC Plenary meeting 2019, etc.).									

Beginning of project implementation phase

Thanks for your attention! Please send your comments and questions to:

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