MARKETING AND COTTON CAPACITY BUILDING TRAINING EVENT FOR REPRESENTATIVES OF THE AFRICAN COTTON SECTOR

TURKEY, 19 – 26 OCTOBER 2008
Cover Photo taken in the Cotton Fields, Menemen, Turkey

Project INT/75/24/E
Introduction

The ITC African Cotton Development Initiative consists of two main components: 1. Building Cotton Trading Capacity in developing countries, and 2. Facilitating South-South Cooperation in Cotton and Cotton Value-addition. For the first component, ITC developed the Cotton Exporter’s Guide and is envisaging developing Cotton Trading Schools in Africa.

The second component includes: a) Learning from successful cotton producing countries in the south; b) Capacity development in cotton transformation; c) Understanding the cotton markets and promoting African cotton; d) Sourcing cotton inputs in the south; and e) Intra-African cooperation.

Under the second component, ITC organized a detailed programme on South-South cooperation with Turkey. As a first step, a regional seminar was organized in Mwanza, Tanzania in July 2008, for cotton producers, ginners and exporters from Malawi, Mozambique, Tanzania, Uganda and Zambia to understand the Turkish markets and its specific requirements. Turkey is the third largest import market for raw cotton.

As a second step, ITC organized a marketing and cotton capacity building training event in Turkey from 19-26 October 2008. Cotton professionals from both private and public sectors of the cotton industry participated in the training seminar. A tailored programme on all aspects of the cotton value chain was designed with the following objectives:

- Improve knowledge of the Turkish cotton market;
- Understand Turkish requirements for cotton imports, quality and standards;
- Transfer know-how of Turkish cotton growing and processing technologies including good agricultural practices;
- Enhance cotton value addition and learn from the Turkish experience how to develop a textiles and clothing industry;
- Promote African cotton to the priority market of Turkey.

Participants

**BENIN**
Mr. Adéyémi Achamou Fahala
African Cotton Association

**MALAWI**
Mr. Austin Ngwira
Clinton-Hunter Development Initiative
Mr. Bilisoni Itaye
Kotton Development & Investment Company
Mr. Yusuf Shaibu
Ministry of Agriculture and Food Security

**MOZAMBIQUE**
Mr. Gabriel Paposseco
Mozambique Institute for Cotton

**TANZANIA**
Mr. Marco Charles Mtinga
Tanzania Cotton Board
Mr. Samson L. Buyamba
NGS Investment Company Ltd.
Mr. Jackson Yombo
Nyanza Cooperative Union

**UGANDA**
Mr. Adam Bwambale
Nyakatonzi Cooperative Union
Mr. Amdan Khan
Rwenzori Cotton Ginners Co. Ltd.
Mr. Hitesh Panchmatia
Bon Holdings Ltd

**ZAMBIA**
Mr. Joseph Nkole
Cotton Association of Zambia
Ms. Yvonne Nakazwe Willombe
Conservation Farming Unit
Mr. Zunied I. Youssuf
Luangwa Ginnery

Associations and Companies visited in Turkey

- Aegean Textiles and Raw Materials Exporters’ Association
- Izmir Mercantile Exchange
- Karakaslan Rotobar Ginning Factory
- Koçarı and Özaltin Cotton Seed Breeding and Delinting Factory
- Balkan Textile and Cotton Gin Machinery Factory
- Denizli Textiles and Clothing Exporters’ Association (with visits to GAMATEKS, DEBA and AKOVA)
- Nazilli Cotton Research Institute
- Çukobirlik Cotton Cooperatives in Yeşili
- Mersin Free Trade Zone (with visit to IMISK Cotton Warehouses)
- Kahramanmaras (with visits to MATESA and meeting with some spinners)
- ProGen/ÖZbugday Seed Plant and Seed Biotechnology
Program of Events  Monday 20 Oct 2008

● Visit to the Aegean Textiles and Raw Materials Exporters’ Association, Izmir

A presentation made by key executives of the Aegean Textiles and Raw Materials Exporters’ Association provided the African Delegation with insight into the structure and objectives of the Association, in particular the cotton to textiles and clothing value chain in Turkey. Other highlights of the presentation included recent developments related to cotton in the world, followed by the views of a cotton importer on the potential of Turkey’s cotton imports from East Africa.

● Visit to Izmir Mercantile Exchange (IME)

Participants observe trading activities in the cotton pit. Price setting at the Cotton Exchange could provide an opportunity for Africa to emulate. Cotton traders and commission agents at the IME illuminated room examine cotton samples brought by the African representatives.

Participants also assisted a presentation on cotton classing and standardization, followed by a visit to the research laboratories to see HVI testing operations at the Directorate of Foreign Trade in Izmir.

● Field trip to Menemen – observe hand and machine picking of cotton

During the field trip, the participants not only observed cotton combined harvesting, but also made a key finding of Turkish agronomic practices in relation to closer spacing of cotton plants. Based on this observation, participants intend to explore how cotton yield could be further improved in Africa through denser spacing of cotton plants.
Program of Events

Tuesday 21 Oct 2008

- Visit ÖZALTIN cotton seed breeding & delinting factory and BALKAN ginning technology factory

A new discovery for the participants who learned from their visit to Özaltin (Bayer), how linters, a by-product of seed processing using acid delinting processes, can be used to improve soil quality.

A participant from Zambia discovers the sophisticated ginning systems at Balkan. African ginners were impressed to see ginning operations of machine-picked cotton using the Rotobar roller gin developed by Balkan. Balkan is exploring the use of this technology in Africa.

Wednesday 22 Oct 2008

- Visit to the Denizli Textiles and Raw Materials Exporters’ Association (DETKIB)

Textile production has been existing in Denizli for about 2,300 years. Textiles and clothing represent the leading sector of the Denizli economy. This city is world famous for its towel, bathrobe and home textile production. The group visit to the Exporters’ Association (DETKIB) provided an overview of the Turkish cotton-textile-clothing value chain and the importance of a well-functioning institutional infrastructure. Following the presentation, lively discussions ensued between members of the exporters’ association and the African cotton producing countries of possible investment opportunities and bilateral cooperation. There were also guided visits to various textile companies in the Denizli region of Turkey, such as GAMATEKS, DEBA and AKOVA TEKSTIL.

GAMATEKS A.S. is a vertically integrated full service fabric and apparel manufacturing company and has an international reputation as manufacturer of quality garments and fabrics.

DEBA A.S. is an integrated spinning, textile and garment factory.

A new discovery for the participants who learned from their visit to Özaltin (Bayer), how linters, a by-product of seed processing using acid delinting processes, can be used to improve soil quality.

A participant from Uganda discusses with a representative from GAMATEKS.
Program of Events  Wednesday 22 Oct 2008

- Visit to the Nazilli Cotton Research Institute

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<th>Nazilli Cotton Research Institute</th>
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<td>This research institute was established in 1934 in Nazilli, on the western part of Turkey. The Institute has carried out studies to improve the resistance to diseases, such as <em>Verticillium</em> Wilt, high lint percentage and high yielding varieties by using different breeding methods.</td>
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| Storage of more than 500 different cotton seed varieties |

The visit to the Cotton Research Institute was of great interest to all participants as low yield and quality are the major constraints confronted by many African cotton-producing countries. The presentation on the Institute’s activities highlighted how the public sector can help farmers improve yield and cotton quality through research.

The Zambian Cotton Association and the Board have expressed their interest to collaborate in cotton research with regard to Biotechnology to help increase understanding on how to increase yields.

A guided tour to the laboratories provided a sound grasp of the research work undertaken at the Cotton Institute. The participants witnessed HVI quality testing operations and analysis methods and appreciated the explanations given by cotton scientists.

| Cotton quality control equipment |

Program of Events Thursday 23 Oct 2008

- Visit to the Çukobirlik Mihmandar Cooperative in Yemişli

The Çukobirlik Cotton Cooperatives Union serves 34 cooperatives and 65,000 shareholders of the country and region. The Cooperatives Union provides service to all shareholders from planting to marketing the products. Çukobirlik operates >370,000 tons of unginned cotton, and has a warehousing capacity of 150,000 tons. The participants witnessed the newly established open-air storage facilities for seed cotton as well as the roller ginning and saw ginning plants in Yemişli. The participants also learned from this visit how a cooperative system could improve the returns on investment by introducing new systems of seed cotton handling.

- Visit to the Mersin Free Trade Zone & IMISK Cotton warehousing facilities

The participants benefitted from a visit to the Mersin Free Zone. During a presentation, the advantages of Free Zones, such as tax benefits, were emphasized. It was surprising to discover that barter trade is accepted here, which may present a good option for cotton trading where financing is a barrier.

Participants learned that warehousing facilities can provide incentives for investors. This visit produced ideas for African cotton on consignment and to take advantage of such facilities to market cotton bales.

Picture shows an informative presentation of the Mersin Free Zone, by Edvar Mum, General Manager

Picture shows Mr. Sahap Dogan, Manager of IMISK warehouses, discussing trade opportunities and possible business cooperation with the participants
Program of Events

Thursday 23 Oct 2008

- Meeting with the Chairman, Chamber of Commerce & Industry in Kahramanmaraş and selected spinners from the region

Kahramanmaraş is one of the biggest textile industry cities of Turkey. At an evening dinner, the participants had the pleasure of meeting the Chairman of the Chamber of Commerce and Industry of Kahramanmaraş, Mr Mehmet Bayduk, and selected spinners from 11 different companies of the region. This was a unique opportunity for the representatives of the African cotton producing countries to promote their cotton samples directly to the spinners. The meeting enabled the participants to interact with them and develop possible partnerships and business transactions.

| Ugandan Delegation displays cotton samples to the Chairman | Malawian Delegation exchanging information with spinners and the Chairman | The African Cotton Association (ACA), Benin promotes ACA activities to the spinners |

Friday 24 Oct 2008

- Visit Textile Plant (Matesa Integrated Factory) in Kahramanmaraş

The visit to Matesa Textile Complex, a vertically integrated company, provided insights into the complexity of cotton value addition and ways to achieve it.

| Spinning mill processing control systems and methods. In the opening room, participants observe bale openers picking up raw cotton flocs from the surface | Matesa Denim Factory, one of the biggest in Turkey since 2006. A representative from the African Cotton Association is seen beside a jeans manufacturing operator | A participant from Malawi (Kotton Development & Investment Company) discusses future cooperation with Mr. Fatih Dogan |

At Matesa, the problem of cotton contamination was also discussed. Many of the participants posed questions on how to handle contamination claims. On the premises of the Textile Factory, the participants had the opportunity to inspect high-tech machines employed by the factory, which detect and discard contaminated raw cotton.
Program of Events  
Friday 24 Oct 2008

- Visit Textile Plant (Matesa Integrated Factory) in Kahramanmaraş

Hi-tech machines that detect and discard contaminants in raw cotton
Participants inspect contaminated raw cotton
Contaminated cotton specimen

Saturday 25 Oct 2008

- Field trip to ProGen / Özbudagday to visit Seed Plant and Paymar Oil Factory

The visit to ProGen/Özbudagday seed production and processing facilities showed the participants the integrated system of seed development and planting using advanced research and technology. As the major constraint facing farmers and ginnerers in Africa is low yield, the participants saw a grand opportunity of having high yielding Turkish cottonseed varieties to be researched and introduced to the farmers in their respective countries.

At the Paymar Oil Factory, the participants also observed further extraction of oil from advanced oil-seed crushing machines.

Visit to ProGen with Ali Özbudagday, Chairman, Board of Directors (second from left).
Participants observe pre-cleaning methods from the separating machine before cottonseed crushing.
Participants at the Plant take notes of seed quality control requirements.

Seed germination

Özbudagday Seed Biotechnology /Quality control laboratories
The International Trade Centre (ITC) defined the objectives and outcomes of the marketing and cotton capacity-building training programme in Turkey, under the supervision of Matthias Knappe, Programme Manager, Cotton, Textiles and Clothing, Sector Competitiveness.

Dr. Sebahattin Gazanfer, ITC Consultant and Adviser to the Aegean Exporters’ Association in Turkey, organized the training programme along the cotton-to-textile clothing value chain.

Cynthia Zijlstra-Adriano conceptualized and prepared the Cotton Activities Brochure. All photos taken by Cynthia. Photos of the Aegean Exporters’ Association and the Çukobirlik Mihmandar Cooperative have been reproduced by courtesy of the respective associations.

The Government of Denmark provides financing to the ITC Cotton Programme.

Next Steps

- Use the Mersin Free Zone Cotton Warehouse to send cotton bales on consignment from Africa to test the Turkish market
- Cooperate with the Aegean Textile and Raw Material Exporters’ Association and the Denizli Textile and Clothing Exporters’ Association to organize a field trip of interested spinning companies to Africa
- Follow up of individual business opportunities identified such as utilizing Turkish seed breeding and ginning technology
- Finalize cooperation arrangements in the area of cotton research and seed development
- Capacity building on institution building using the example of the Aegean Textile and Raw Material Exporters’ Association and the Denizli Textile and Clothing Association.

FOR FURTHER INFORMATION, PLEASE CONTACT

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