Mention of firm names and commercial products does not imply the endorsement of ITC.

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Report and Pictures by: Cynthia Zijlstra-Adriano, ITC
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FOR FURTHER INFORMATION, PLEASE CONTACT

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Sector Competitiveness
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Cover photo: Participants observe contamination checking at one of the largest spinning factories in Thailand

Project INT/75/24E
**Introduction**

The **ITC African Cotton Development Initiative** consists of three main components:

1. **Building cotton trading capacity in developing countries** through the **Cotton Exporter’s Guidebook** published in 2008. To further reach out to cotton stakeholders around the world with a focus on Africa, the ITC developed in 2010 a multi-lingual website on the Cotton Guide.

To access the online cotton exporters’ guide, click [http://www.cottonguide.org](http://www.cottonguide.org)

2. **Facilitating South-south cooperation** in cotton and cotton value-addition including:
   a) Learning from successful cotton producing countries in the south;
   b) Developing capacity to transform cotton through training;
   c) Sourcing cotton inputs from other developing countries, and
   d) Encouraging Intra-African cooperation.

3. **Promoting African cotton** by providing a firm understanding of cotton markets and promoting African cotton in Asian markets through, *inter alia*, buyer/seller meetings.

The International Trade Centre (ITC) defined the objectives and outcomes of the training event on **South-South Cooperation – Promotion of African Cotton and Value Chain Transparency**, under the supervision of: Mr. Matthias Knappe, ITC Programme Manager for Cotton, Textiles and Clothing, Sector Competitiveness Section, Division of Market Development. Also, present was Mr. Mohamed Imamo, ITC Regional Trade Promotion Adviser.

Mr. Pisith Chooyong, ITC national consultant provided technical support and organized the buyers/sellers meeting.

Ms. Cynthia Zijlstra-Adriano (ITC) coordinated the participation of African delegates in the event, managed seminar logistics and prepared this brochure.

The European Commission provides financing to the ITC Cotton Programme under the EU All ACP Agricultural Commodities Programme.

From 19 – 23 July 2010, the International Trade Centre (ITC) conducted a cotton training programme in Bangkok aimed at south-south cooperation and promotion of African cotton to Thailand, together with its partners - the Thailand Textile Manufacturing Association (**TTMA**), the Thailand Textile Weaving Association (**TTWA**), the Department of Export Promotion (**DEP**) and the Public Warehouse Organization (**PWO**) and the Thai Ministry of Commerce. Under the sponsorship of the EU-funded All ACP Commodities Programme, the training focussed on value chain requirements of top spinning and weaving companies of Thailand and the importance of clean cotton. The programme approach is to improve competitiveness of African cotton in Thailand.

A total of 24 delegates from East and Southern Africa from the government, ginning and farming sectors in **Kenya, Malawi, Mozambique, Tanzania, Uganda** and **Zambia** took part in the training seminar. Other representatives include the African Cotton Textile Industries Federation (**ACTIF**), the Common Market for East and Southern (**COMESA**) and the **CRDB Bank** (Tanzania). Moreover, an additional 60 local guests representing various Thai companies from the spinning, textiles, fertilizer/bio seeds and agricultural machinery sectors were present at the seminar, bringing the total to over 80 participants at the event.
The training had the following six objectives:

- Improve understanding of the Thai cotton market;
- Gain a clear understanding of the Thai cotton import procedures, financing, quantity and quality requirements of spinning mills;
- Establish contacts and develop partnerships between the Thai textile industry and African cotton ginners and exporters;
- Establish contacts with Thai agricultural input providers;
- Initiate closer cooperation between Thailand and Africa in the area of textiles and clothing;
- Promote African cotton to Thailand.

Business prospects and opportunities in Thailand

Thailand is the fifth largest cotton importer in the world with annual imports averaging 420,000 tons. In the past, Africa’s share in Thai cotton imports reached 20%, but due to high contamination levels, its market share declined to 10%. As Thai spinners have to meet the increasing demand for quality textiles, there has been a trend towards imports of US, Australian and Brazilian cotton, at the expense of Africa’s market share.

According to the Thailand Textile Manufacturing Association (TTMA), African cotton has very good fibre quality characteristics, often better than those of other origins, but the problem of contamination must be addressed if African cotton is to be competitive in the Thai market.

Demand for cotton is high and Thai spinners have expressed their willingness to work in partnership with African cotton producers to reduce contamination. The seminar on promoting African cotton and increasing transparency in the cotton value chain provided a forum for discussion and cooperation between African cotton producers/exporters and experts from renowned Thai spinning mills and textile companies to address the issues of contamination and develop strategies to control it.

Participants

Amari Watergate Hotel, Bangkok - Group photo with East and Southern African participants, ITC staff and representatives from well-known Thai spinning, textile, fertilizer and agricultural machinery companies
## Participants

<table>
<thead>
<tr>
<th>KENYA</th>
<th>MALAWI</th>
<th>MOZAMBIQUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr. Fanuel Lubanga</td>
<td>Ms. Heather Kachingwe</td>
<td>Ms. Zulfate Walia</td>
</tr>
<tr>
<td>Marketing Officer</td>
<td>Principal Industrial Officer</td>
<td>Cotton Economics Analyst</td>
</tr>
<tr>
<td>Cotton Development Authority</td>
<td>Ministry of Industry &amp; Trade</td>
<td>Cotton Institute of Mozambique</td>
</tr>
<tr>
<td>Mr. Joseph M. Migwi</td>
<td>Mr. Osward Lutepe</td>
<td>Mr. Américo Cândido</td>
</tr>
<tr>
<td>Director</td>
<td>Managing Director</td>
<td>Representative (FONPA)</td>
</tr>
<tr>
<td>Kenyan Cotton Growers Association</td>
<td>Woget Cotton Ginning Co. Ltd.</td>
<td>National Forum - Cotton Producers</td>
</tr>
<tr>
<td>Mr. Peter K. King’oo</td>
<td></td>
<td>Mr. Leovegildo E. Luis</td>
</tr>
<tr>
<td>General Manager</td>
<td></td>
<td>Cotton trader representing small-scale farmers</td>
</tr>
<tr>
<td>Makueni Ginneries Ltd.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TANZANIA</th>
<th>UGANDA</th>
<th>ZAMBIA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr. Jones Bwahama</td>
<td>Mr. Hitesh Panchmatia</td>
<td>Mr. West Chitah</td>
</tr>
<tr>
<td>Zonal Director – Western Cotton Growing Area</td>
<td>Managing Director</td>
<td>Director</td>
</tr>
<tr>
<td>Tanzania Cotton Board</td>
<td>Bon Holdings Ltd. (Ginnery)</td>
<td>Cotton Development Trust</td>
</tr>
<tr>
<td>Mr. George Taaluma Mpanduji</td>
<td>Mr. Adam Bwambale</td>
<td>Mr. Joseph Nkole</td>
</tr>
<tr>
<td>Representative - Tanzania Cotton Growers Association</td>
<td>Secretary Manager</td>
<td>Board Secretary</td>
</tr>
<tr>
<td></td>
<td>Nyakantozi Growers Cooperative Union</td>
<td>Cotton Board of Zambia</td>
</tr>
<tr>
<td>Mrs. Jacqueline Mneney Maleko</td>
<td>Mr. Badru Adiga</td>
<td>Mr. Alick Daka</td>
</tr>
<tr>
<td>Assistant Director</td>
<td>Cotton Classifier</td>
<td>Deputy Director – Crop Branch</td>
</tr>
<tr>
<td>Ministry of Industry, Trade and Marketing</td>
<td>Cotton Development Organization</td>
<td>Ministry of Agriculture and Cooperatives</td>
</tr>
<tr>
<td>Mr. Mohamed Shaweji Salum</td>
<td></td>
<td>Mr. Michael Banda</td>
</tr>
<tr>
<td>Director</td>
<td></td>
<td>Vice-Chairman</td>
</tr>
<tr>
<td>MSK Solutions (Ginnery)</td>
<td></td>
<td>Farmers Ginning &amp; Processing Co.</td>
</tr>
<tr>
<td>Mr. Philip S. Alfred</td>
<td>Mr. Joseph M. Nyagari</td>
<td>Mr. Fred Kong’ong’o</td>
</tr>
<tr>
<td>Director of Corporate Banking</td>
<td>Policy Coordinator</td>
<td>Senior Focal Point</td>
</tr>
<tr>
<td>CRDB Bank</td>
<td>Information Systems Manager</td>
<td>Coordinator</td>
</tr>
<tr>
<td>Mr. Goodluck L. Nkini</td>
<td></td>
<td>EU-AAACP Programme</td>
</tr>
<tr>
<td>Trade Finance Manager</td>
<td></td>
<td></td>
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<tr>
<td>CRDB Bank</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mr. Anderson Y.L. Miabwa</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Director of Credit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CRDB Bank</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Contributing Associations and Companies

- Lucky Spinning Company Ltd.
- SURATANAPAT Textile Ltd. (Weaving)
- Thai Syntech Industry (Fabric Printing)
- SATIN Textile Ltd. (Home Textiles)
- The Thailand Textile Institute (Industry)
- EDI Diesel Engine Company Ltd. (Farm multi-purpose vehicle)
Inaugural session

Opening remarks and keynote speeches

Matthias Knappe, Programme Manager for Cotton, Textiles and Clothing, International Trade Centre (ITC)

Mr. Phongsak Assakul, President, Thailand Textile Manufacturing Association (TTMA)

Dr. Anukul Tamprasirt, Executive Director, Public Warehouse Organization (PWO)

Stressed that 80% of the world’s cotton was consumed in Asia of which Thailand’s annual cotton consumption alone reached 1.9 million bales. This makes Thailand a market for great export opportunities for African cotton, as the country imports as much as 98% of cotton for its textile industry.

Emphasized that African cotton was rated among the best in the world and that the Thailand Textile Industry was ready to consume more African cotton, but the issue of contamination must be addressed along with quick delivery and adherence to international trade regulations.

Highlighted that cotton trade offers tremendous business opportunities between Africa and Thailand. In a new policy to identify new markets and partners, the Public Warehouse Organization would act as a facilitator and to develop this business potential into a win-win trading solution.

Training-seminar presentations

Technical presentations were delivered by key experts of leading spinning and textile industries in Thailand. An overview of the East and Southern African cotton situations including harvest yields, cotton varieties and progress in contamination reduction was also presented.

1. **The cotton situation in East and Southern Africa**, Delegate from East Africa – provided an overview of the latest cotton crop, existing quality and programmes to improve cotton quality and reduce contamination, which are currently being undertaken by Kenya, Malawi, Mozambique, Tanzania, Uganda and Zambia.

2. **African cotton for Thai spinners**, President, Lucky Spinning Co. Ltd. – focussed on quality requirements of the spinning mill, import procedures, properties of fibre quality and cotton contaminants.

3. **Cotton contamination survey in Thailand**, Former General Manager, Asia Garment, Paradise Apparel and Mitsui Garments – presented statistics of cotton contamination, identified the top 5 contaminants, recommended contamination improvement plans and improvement of African cotton quality.

4. **Impact of contaminated cotton to the spinning processes**, Material Manager, Lucky Spinning – fabric/garment rejections due to contamination, importance of good baling, contamination awareness and elimination, benefits of Bt technology and spinning technologies.

5. **Overview of Thai business practices: Do’s and don’ts in doing business with Thailand**, Former General Manager, Asia Garment, Paradise Apparel and Mitsui Garments – presented an overview of Thailand’s culture, infrastructure, Thai textile industry structure and investment opportunities.
## Presentations and discussions

- **Quality and availability of East and Southern African cotton**
- **The problem of contamination and how it can be solved**
- **Trade opportunities**

<table>
<thead>
<tr>
<th>Image</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1.png" alt="East African Regional Delegate shares information on the latest crop, cotton varieties and progress in contamination reduction." /></td>
<td>East African Regional Delegate shares information on the latest crop, cotton varieties and progress in contamination reduction.</td>
</tr>
<tr>
<td><img src="image2.png" alt="Presidents from TTMA and Lucky Spinning answer questions on cotton imports, terms of payment, pricing, textile policies and discuss new spinning technologies." /></td>
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</tr>
<tr>
<td><img src="image3.png" alt="Delegate from a research station in Zambia discusses the problem of cotton stickiness with Thai spinners." /></td>
<td>Delegate from a research station in Zambia discusses the problem of cotton stickiness with Thai spinners.</td>
</tr>
<tr>
<td><img src="image4.png" alt="Delegate from Tanzania stresses on joint ventures and value addition to increase African exporters’ revenues, rather than just exporting cotton." /></td>
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</tr>
<tr>
<td><img src="image5.png" alt="Delegate from the farming sector in Tanzania raises the issue of price determination in view of cotton production in the coming years." /></td>
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</tr>
<tr>
<td><img src="image6.png" alt="Thai spinners using East African cotton comment on its good fibre qualities, staple length, micronaire and emphasize on contamination as weak point." /></td>
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</tr>
<tr>
<td><img src="image7.png" alt="Presentation on African cotton for Thai spinning drew the attention of the participants on different types of contaminants found in fibres." /></td>
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</tr>
<tr>
<td><img src="image8.png" alt="President from the largest spinning factory in Bangkok displays defects in cotton yarn as a result of contaminated cotton." /></td>
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</tr>
<tr>
<td><img src="image9.png" alt="A participant from Tanzania inspects a spool of contaminated cotton yarn." /></td>
<td>A participant from Tanzania inspects a spool of contaminated cotton yarn.</td>
</tr>
<tr>
<td><img src="image10.png" alt="A ginner and government delegate from Malawi inspect flaws in woven fabrics." /></td>
<td>A ginner and government delegate from Malawi inspect flaws in woven fabrics.</td>
</tr>
<tr>
<td><img src="image11.png" alt="Different types of contaminants found in cotton fibres are shown to the participants" /></td>
<td>Different types of contaminants found in cotton fibres are shown to the participants</td>
</tr>
<tr>
<td><img src="image12.png" alt="Delegates from Zambia and Comesa inspect flaws in fabrics and man-made contaminants." /></td>
<td>Delegates from Zambia and Comesa inspect flaws in fabrics and man-made contaminants.</td>
</tr>
</tbody>
</table>
Former G.M. from Asia Garments shares insights on contaminant analysis and improvement recommendations for quality assurance.

Packaging bags made from jute/hessian fibres are among the top contaminants. Use of the green laminated PP woven bags are stronger and protect materials from dust and outside humidity.

Delegate from the farming sector adds that un-laminated PP woven bags can get damaged with threads becoming loose over time. Suggests using cotton bags to better manage moisture content.

Buyers/Sellers Meeting

The participants explored business opportunities at a buyers/sellers meeting during which direct negotiations and interactions took place with cotton traders and local spinners. The networking session was further enhanced with the presence of Thai companies exporting agricultural machinery, organic fertilizers and bio seeds.

Thai spinners are seen assessing fibre qualities of cotton lint samples from Uganda, Tanzania and Kenya. Characteristics that appeal to spinners include length, fineness, strength and consistency of fibres. During this event, Kenyan cotton from Makeuni ginneries won the fiber properties contest carried out by a Thai spinner. These results will allow Kenyan cotton to fetch a price premium in the Thai market.

President from one of the largest spinning mills in Bangkok examine the test results of Ugandan cotton lint, which matched the spinners’ requirements.

Delegates from the Tanzania Cotton Board and ginner representative display cotton samples.

A representative from a fertilizer company discusses the benefits of the use of fluid organic fertilizers with the Mozambican delegation.

Managing Director from a fertilizer and bio seeds company displays varieties of treated seeds to a regional delegate.

The Mozambican delegation inquires about application methods of organic fertilizers.

Delegate from the government sector in Tanzania shows interest in buying organic fertilizers.
Participants are seen observing the functioning of walking tractors manufactured by the EDI Diesel Engine company. These light-weight and easy-to-operate farm multi-purpose vehicles are low-cost and can be used by small-scale farmers to relieve the burden of tilling done by hand.

Outcomes and results of the Buyers/Sellers Meeting

- A large well-known Thai spinning factory is willing to buy up to 10,000 tons of cotton lint directly from Africa.

- The same company has signed Memoranda of Understanding with ginneries from Kenya, Malawi, Tanzania and Uganda.

- Kenya submitted a business proposal plan to the Thai spinning factory for 100,000 bales of lint per year over a period of 5 years. This would represent sales revenues for farmers of more than USD 22 million, creating employment for 10,000 small-holder farmers.

- Partnership programmes proposed by the spinners to train African cotton stakeholders on contamination reduction techniques.

- Possibilities to purchase walking tractors and fertilizers are being explored by Tanzania, Kenya, Mozambique and Uganda.
Factory Visits – Training and onsite coaching
Lucky Spinning Co Ltd

One of the biggest spinning mills in Thailand, Lucky Spinning is an internationally accredited state-of-the-art manufacturing plant. Located in Bangkok, the company produces different kinds of quality yarns using Ring Spun, Open End and Air Vortex spinning technologies. The participants gained insights into Vortex technology – the future of textile spinning - which manufactures yarn with unique features that appeal to high-end fashion outlets. Other advantages of this technology include energy saving aspects and higher production speeds.

Participants meet with the President of Lucky Spinning and attend presentations on different spinning processes including Open-End and Vortex technologies. Participants learn that Vortex spinning technology saves energy and has higher production speeds.

Participants also learn that African cotton has the fibre characteristics for this type of spinning technology and that the presence of contaminants in fibres incurs higher costs for the spinning industry.

A trash analyser is used to test and grade cotton samples.
Material Manager explains procedures for cotton sample drawing when the bales arrive.
Participants observe how contamination is checked and cleaned manually. Contaminants are segregated and calculated per No. of pieces/100kgs.

Attention is drawn to avoid strings that cause contamination.
Plant Manager explains the functioning of a contamination-detection system.
Participants see the carding machine which prepares cotton for spinning.

Participants observe Open-end and Vortex spinning processes.
The group discusses formula pricing with the President of Lucky Spinning.
Factory Visits – Training and onsite coaching
EDI Diesel Engine Co Ltd (Tractor Company)

A quick tour of the factory showed participants how “walking tractors” (power tillers) are assembled by EDI Diesel Engine, a company manufacturing farm multi-purpose vehicles (MPV). Walking tractors are so-called as farmers use them while walking. These tractors are versatile and can perform a number of agricultural tasks such as ploughing, cultivation drilling and grass mowing. They are light-weight and low cost with engines designed to be fuel-economic.

Group picture with participants, representatives from the EDI Diesel Engine Co. Ltd and organic fertilizer companies.

Workers in blue are seen manufacturing fuel reservoirs and engines for walking tractors. (Right) Worker demonstrates the use of an agriculture waste disposal machine. Agricultural wastes can be used to increase soil fertility.

Delegates from the farming sectors in Tanzania and Kenya try out the walking tractor (powe tiller) in the field. These light-weight machines are suitable for small-scale farmers to relieve the burden of tilling done by hand.

The participants test the Multi-Purpose agricultural machines. The Delegations of Mozambique, Tanzania, and Kenya have shown keen interest in acquiring these machines for their agricultural sectors.
**Factory Visits – Training and onsite coaching**

**SURATANAPAT Textile Ltd**

Suratanapat Textile Ltd are fabric manufacturers of various kinds of textiles, including greige fabrics, home textiles, shirting, denim, fancy fabrics and technical textiles. Suratanapat has a weaving capacity of more than 1,000,000 yards/month.

At the show room, participants meet with the President of Suratanapat, Mr. Somsak Srisuponvanit, who explains the different categories of fabrics produced by the company and yarns used in the production.

<table>
<thead>
<tr>
<th>Fabrics with defects are on display for inspection.</th>
<th>Participants inspect irregularities and fabric defects caused by flaws in yarn.</th>
<th>A finished fabric with defects caused by contamination is emphasized.</th>
</tr>
</thead>
</table>

Participants observe textile warp sizing – a process which increases strength and reduces hairiness of yarn. Executive explains that sizing and waxing of warp yarns are essential to reduce breakage during weaving. Suratanapat Textile Co. uses high performance airjet looms for their weaving operations.

Pattern weaving is done by hand. Women weavers are seen threading weft yarn in the warp. Quality inspection of fabric after weaving.
Factory Visits – Training and onsite coaching
Thai SYNTEC Industry - Fabric Printing and dyeing

During the visit to the Thai SYNTEC Industry, the participants observed different printing and dyeing methods used to colour fabrics as well as quality control inspection procedures of printed fabrics.

A meeting with members of a family business in fabric printing and dyeing. In Thailand, many businesses are family run and owned.

Grey fabrics have to be dry before dyeing and printing.

Participants observe roller printing processes - a technique for printing colour and pattern on fabrics.

Plant Manager explains how copper cylinders with designs are employed and used for roller printing machines.

Rolls of printed fabric are inspected for defects such as misprints.

Participant examines the printed fabrics after quality control.

SATIN Textile Ltd (PASAYA Home Fashion Brand)

SATIN Textiles is Thailand’s textile manufacturer of high quality jacquard upholstery and decorative home furnishing. SATIN Textiles produces special fabrics for export to markets in Europe, Australia, USA, Japan and Asia. PASAYA is the brand of their home fashion products, including curtain and made-ups. Production capacity is around 700,000 yards/month and cotton consumption is 40-50%.

Participants learn of the sophisticated methods of weaving and dyeing techniques employed by SATIN Textiles and measures taken to ensure environmental safety. Chemicals and dye stuffs meet with international standards criteria as well as water treatments and recycle systems.

SATIN’s social responsibility is strong. Their motto: “Quality of Life for the Employee is Equal to the Quality of the Product”
Factory Visits – Training and onsite coaching
SATIN Textile Ltd (PASAYA Home Fashion Brand)

Machine operator demonstrates sophisticated weaving process done by special machines.
Technician explains how top quality dyes are dispensed and distributed using robotic machines.
Participants observe a tube-free automatic dispensing system of dyes at the lab.

Worker inserts grey fabric into a cloth dyeing machine.
Sewing line – manufactured products including shirts, curtains, bed linen and made-ups.
End of line inspection processes. Worker checks defects and cut threads before folding.

The Thailand Textile Institute (THTI)

The Thailand Textile Institute is a non-profit organization that provides support for research and development to the Thai Textile and Clothing industry.

The participants gained insight into the importance of R&D as the driving force to initiate innovative and clean textiles. With consumer demand for more environmentally-friendly textiles, THTI’s strategy for creative textiles resides in innovation, emotional value and universal design.

Mr. Virat Tandaechanurat, Executive Director of the Thailand Textile Institute shares insights on the structure of the Institute and answers questions on training programs and collaboration with Africa.
At the Fashion Knowledge Creative Centre, participants from the banking sector in Tanzania discover banana silk fibre yarns made from the fibres of the banana tree.
An array of new generation textile products captures the attention of the participants.
Textile Advisor at THTI explains the development of swimwear clothing products with comfort properties that control temperature and humidity.

Fabrics, new textile products and clothing which have been dyed using natural ingredients are displayed in the show room.

Mission Roundup - Evaluation and Action Plan

Programme Manager leads discussions on lessons learned and the way forward.

Mr. Devadas, President of Lucky Spinning proposes to send experts to African cotton producing countries to provide training on contamination reduction.

Mr. Somsak Srisuponvanit, President of Suratanapat Textile Co. encourages African countries to produce more cotton and explore export opportunities to ASEAN.

Action Plan

Participating delegates representing East and Southern African countries shared discussions with Lucky Spinning regarding contamination reduction strategies. Lucky Spinning has already successfully helped Indian ginners and farmers to produce cleaner cotton by sending their experts to provide training. They offered to apply the same model to help African countries, provided funding for travel can be secured.

In addition, the participating countries propose the following country-specific action plans:

**Kenya**
Kenya will expand and strengthen cotton grower groups to increase their competitiveness. They will set up a Cotton Development Fund to cater for cotton needs in the country. Kenya will join the Regional Cotton Development Body for Eastern Africa. They will seek to obtain government participation and support for cotton farming.

**Malawi**
Malawi will install contamination detection machines, introduce certified packaging materials, expand training programmes, as well as take other measures to improve cotton quality.

**Mozambique**
Mozambique has only one factory implementing automatic separation to reduce contamination and will now encourage other factories, as well, to install such equipment. The knowledge gained during this seminar will be disseminated to all cotton stake holders.
Tanzania
Tanzania will launch a campaign to improve the value of their cotton and to curb contamination by training stakeholders on handling, packaging and packing of cotton. They will encourage ginners to install cleaning machines.

Uganda
The Ugandan delegation will share the knowledge acquired during this training seminar with different national institutions. Uganda will continue to work closely with the ITC to further improve the national cotton industry.

Zambia
Contamination occurs at production, processing and transportation stages. Therefore, Zambia will arrange farmer education to reduce contamination at picking, storage and transportation of cotton to the ginnery. They will standardize cotton grading requirements.

MOZAZIMA
Mozambique, Zambia, Zimbabwe and Malawi (MOZAZIMA), will work together to tackle issues in the cotton sector by fostering regional cooperation. The MOZAZIMA concept was presented during the meeting, outlining the aims to achieve economies of scale, share expertise and jointly develop research and training programmes. A meeting to endorse the MOZAZIMA concept will take place in Lusaka in mid-February 2011.

Closing Session
Group photo of the participants taken during the closing session

Seated from left: Jacqueline Maleko, Fred Kong’ong’o, Osward Lutepo, Peter King’oo, Jones Bwahama, Joseph Migwi, Standing: Fanuel Lubanga, Joseph Nkole, Mr. Devadas, Mohamed Shaweji, Hitesh Panchmatia, George Mpanduji, Cynthia, Americo Cândido, Pisith Chooyong, Adam Bwambale, Matthias Knappe, Heather Kachingwe, Badru Adiga, Michael Banda, Leovegildo Luis, Joseph Nyagari, Zulfate Walla and West Chitah.
**Lessons learned and follow-up activities**

<table>
<thead>
<tr>
<th>LESSONS LEARNT</th>
<th>FOLLOW UP</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>COTTON QUALITY AND PRODUCTION</strong></td>
<td></td>
</tr>
<tr>
<td>A close collaboration and cooperation with Thai spinning factories is possible to improve on quality and reduce contamination.</td>
<td>Interested countries such as Malawi, Kenya, Tanzania, Uganda and Zambia will elaborate a proposal of when the Thai spinning factory can visit their countries and work with selected ginneries and associated farmers.</td>
</tr>
<tr>
<td>A training programme can be developed and applied at gin and farm levels in Thailand, following similar initiatives already successfully implemented in India</td>
<td>Country representatives will cost-share activities. Tripartite arrangements are envisaged in which the spinner will provide staff time and training material, ITC will cover the air ticket of the spinners, while the country will cover local expenditures (per diem) for the personnel of the Thai spinning factory.</td>
</tr>
<tr>
<td>The importance of reducing cotton contamination</td>
<td>Disseminate the knowledge gained during this seminar to all cotton stakeholders</td>
</tr>
<tr>
<td>Improve on quality of cotton fibres</td>
<td>Improve training and education of farmers, ginneries and local governments, including through the involvement of African spinning factories</td>
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<td></td>
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</tr>
<tr>
<td>Improve on quality of cotton fibres</td>
<td>Install contamination detectors</td>
</tr>
<tr>
<td>Improve on quality of cotton fibres</td>
<td>Install cotton cleaning machines</td>
</tr>
<tr>
<td>Improve on quality of cotton fibres</td>
<td>Improve bale storage conditions</td>
</tr>
<tr>
<td>Improve on quality of cotton fibres</td>
<td>Use certified packaging materials, e.g. cotton bags and threads</td>
</tr>
<tr>
<td>Low grade cotton has a market value</td>
<td>Ginning machines to be modernized to reduce short fibres of lint.</td>
</tr>
<tr>
<td>Low grade cotton has a market value</td>
<td>Develop new and improved cotton seed varieties.</td>
</tr>
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<td>Low grade cotton has a market value</td>
<td>Standardize cotton grading requirements along the region</td>
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<td>Low grade cotton has a market value</td>
<td>Give qualifications to ginneries who meet quality standards and requirements</td>
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<td>Low grade cotton has a market value</td>
<td>Improve production management practices to increase yield</td>
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<td>Obtain more value by re-ginning motes, long considered ginning waste, which can be used for home furnishing industry, as nutrients for mushroom growing, etc.</td>
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<td>Low grade cotton has a market value</td>
<td>Valuation of cotton linters</td>
</tr>
<tr>
<td><strong>COTTON TRADE</strong></td>
<td></td>
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<td>More direct relations between Thai cotton-consuming spinning factories and cotton ginneries from Africa are possible and vital. While many Thai spinners are still sceptical of direct trade relationships, more progressive spinners engage in direct sales contracts.</td>
<td>Ginners to elaborate possibilities to sell FOB or C&amp;F as preferred by the market.</td>
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<td>Ginners to collaborate with their local banks to ensure that sales contracts to credit-worthy Thai spinners could be approved.</td>
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<tr>
<td>Direct sales could be combined with capacity-building provided by the spinner to the ginner, thereby forging long-term relationships.</td>
<td>Enlarge economy of scale through regional cooperation (e.g. MOZAZIMA)</td>
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<td>The issue of small scale production to meet the volume requirements of the Thai market</td>
<td>ESA countries could pool their harvests and sell greater volumes together</td>
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<td>Create larger cotton grower groups to increase their competitiveness</td>
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</tbody>
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### Cotton Trade

<table>
<thead>
<tr>
<th>Lessons Learnt</th>
<th>Follow Up</th>
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</thead>
</table>
| Potential benefits of cooperation with Thai importers | Establish direct business links between African cotton ginners and Thai spinners  
Invite Thai experts to train African farmers and ginners on how to reduce contamination and improve cotton quality  
Liaise with Thai input providers (machinery, fertilizers, etc.) |
| Facilitate financial transactions for cotton exports | Create financial partnerships with banks  
Establish Modalities of Payment, including L/Cs  
Clearly define shipping costs (FOB, CIF)  
Define insurance conditions  
Involve Trade Associations |