



Cotton Expert House Africa gGmbH · Eulenkrogstraße 82 · 22359 Hamburg · Germany



## Regional Workshop for Eastern & Southern Africa Report

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## 1 Workshop summary

The second regional workshop for Eastern and Southern Africa organised by the Cotton Expert House Africa (CHA) in conjunction with the Cotton Board of Zambia (CBZ) and the Zambia Cotton Ginners Association (ZCGA) was held at the Radisson Blu Hotel in Lusaka/Zambia on May 30<sup>th</sup>-31<sup>st</sup>, 2018. The objective of this workshop was to provide a platform for actors in the African cotton sector to network, share sector information and experience with sustainable cotton production, and identify collaboration opportunities with the Cotton Expert House Africa.

The two-day workshop attracted 55 cotton stakeholders from Tanzania, Kenya, Uganda, Mozambique, Malawi, Ethiopia, Germany and the host country Zambia; mainly from cotton companies, government bodies, ginners associations, farmer organisations, research institutes, non-governmental organisations, sustainable cotton standards and international development entities like GIZ and the Federal German Ministry for Economic Cooperation and Development. The workshop was opened during a welcome dinner on May 29<sup>th</sup> by Mr. Stanislaus Chisakuta, Deputy Director of the Zambian Ministry of Agriculture, Mr. Dafulin Kaonga, Executive Director of the Cotton Board of Zambia, and Mr. Jan Sass, Managing Director of the Cotton Expert House Africa. In his opening remarks, the representative for the Zambian Minister for Agriculture especially emphasized the commitment of the Zambian Government to support the cotton sector from farm to cloth in order to create more job opportunities in the country.

During the workshop, lively discussions were held on the key topic of sustainable cotton standards and verification processes, especially with regard to information on standards such as CmiA and Organic. Moreover, some companies reported on their experiences with co-financing projects with the Cotton Expert House Africa.

In thematic and regional working groups and during the afternoon business-to-business sessions, participants had the opportunity to exchange on relevant topics and share this information with the Cotton Expert House Africa for follow-up.

This document presents a brief summary of the inputs and discussion points during the workshop. The thematic workshop presentations are further made on the knowledge management platform of the Cotton Expert House Africa.

## 2 Opening remarks

**Mr. Stanislaus Chisakuta**, Deputy Director of the Zambian Ministry of Agriculture, read the official welcome speech on behalf of the Permanent Secretary Mr. Julius Shawa and officially opened the workshop. He appreciated the Cotton Expert House Africa and its co-hosting partners for organising the regional workshop and stressed his desire for Zambia and other countries in the region to take full advantage of this partnership to make a difference in the cotton sector.

**Mr. Andreas Pletziger**, Senior Policy Adviser for Agriculture, Innovation and Agricultural Research of the German Federal Ministry for Economic Cooperation and Development (BMZ), highlighted that the German Government (through GIZ) has been supporting sustainability in the African cotton sector for a long time. It aims to make the entire cotton and textile value chain (from field to final consumer) more sustainable by initiating a multi-stakeholder partnership for sustainable textile in 2014. Since then, members have committed to source more sustainably produced cotton with specific uptake volumes. By supporting the Cotton Expert House Africa, BMZ continues the success story of COMPACI.

**Mr. Jan Sass**, Managing Director of the Cotton Expert House Africa, acknowledged the contributions of the co-hosts CBZ and ZCGA for making this meeting a success. He pointed out that through partnerships with African cotton companies the organisation is currently already able to reach 300,000 farmers with its projects and activities. He further emphasized the importance of regional meetings to develop workable solutions for the challenges facing the region and thereby to foster positive change to the economies of the respective countries.

**Mr. Dafulin Kaonga**, Executive Director of the Cotton Board of Zambia, thanked the Cotton Expert House Africa for its support to the Zambian cotton industry and showed his gratitude for the opportunity to co-host this regional cotton workshop in Zambia. His hopes are that the partnership between the Cotton Expert House Africa and the cotton industry will further promote cotton production, cotton productivity and the integration into an African cotton value chain to improve thus farmers' livelihoods.

**Mr. Emmanuel Mbewe**, Chairman of the Zambia Cotton Ginners Association, was delighted to co-host the workshop with the Cotton Board of Zambia and expressed his hopes that the Cotton Expert House Africa and its partners will be able to come up with long-lasting solutions to tackle the challenges faced by ginners and the farmers in the region.

### 3 Presentations

#### **Keynote presentation “Benefits of sustainable cotton and ways to get there”**

Mr. Jan Sass, Managing Director of the Cotton Expert House Africa, set the scene for the workshop topic on sustainable cotton certification and verification by giving a keynote presentation on the benefits of sustainable cotton production and ways to get there. Starting with the challenges of conventional cotton production (especially for the environment and the work force) and the rising global demand for sustainably produced raw materials as part of the UN Sustainable Development Goals, he argued for more efforts to produce and market sustainable cotton from Africa. A comparison of the four common sustainability standards for cotton – Cotton made in Africa (CmiA), Better Cotton (BCI), Fairtrade and Organic – gave an overview of the different criteria and certification procedures. He further clarified the role of the sustainability standards to lead the specific certification and verification process with the cotton companies and the efforts of the Cotton Expert House Africa and other entities to support the implementation in the field through co-financing opportunities.

#### **Updates on co-financing projects of the Cotton Expert House Africa**

In her presentation, Dr. Gudrun Krause, Operational Manager at the Cotton Expert House Africa, gave insights into current co-financing projects between the Cotton Expert House Africa and different African cotton companies and outlined the funding conditions. With an 8 Mio. EUR co-financing grant from the German Government (BMZ/GIZ) for the period 11/2017-12/2020 and approximately 2 Mio. EUR available for the first funding cycle 2017/2018, the Cotton Expert House Africa is able to support cotton companies with the implementation of sustainability measures that benefit smallholder cotton farmers. Up to now, co-financing projects have been signed with companies in Zambia, Tanzania, Burkina Faso and Ivory Coast. In Eastern and Southern Africa, project partners include CBZ/ZCGA, Alliance Zambia, Alliance Tanzania, Biosustain Tanzania and NWK Zambia (final stages). More project proposals and contracts with cotton companies in Uganda, Mozambique and Ethiopia are currently in preparation.

#### **Presentations of cotton companies/organisation on the implementation of co-financing projects**

Mr. Sunduzwayo Banda, Agribusiness Manager of the Cotton Board of Zambia, presented CBZ/ZCGA's development of an online farmer registration database and input verification system to prevent double contracting of cotton farmers and the distribution of cotton inputs with uncertain quality characteristics.

On behalf of Biosustain Tanzania and Alliance Ginners Ltd. Tanzania, the Senior Consultant Rudy van Gent presented co-financed support measures to train cotton farmers on organic cotton production techniques and basic business skills.

Mr. John Tembo, Project Manager at Alliance Ginners Ltd. Zambia, gave insights into the co-financed cotton out-grower development programme in central, southern and eastern Zambia. Through capacity building, seed improvements and the promotion of bio-pesticides, Alliance Ginners Zambia aims to improve cotton productivity and the profitability of cotton production.

Mr. Asefa Aga, General Manager of the Ethiopian Cotton Producers, Ginners and Exporters Association, talked about the benefits Ethiopian smallholder farmers have drawn from using molasses traps and engaging in different sustainable cotton production trainings since 2014. Going forward, he stressed the need to engage large commercial cotton farms under sustainable cotton standards such as CmiA and focus on a stronger connection to regional spinning mills and textile companies.

#### **Sector updates on the African Cotton and Textile Industry**

Ms. Belinda Edmonds, Executive Director of the African Cotton and Textiles Industry Federation (ACTIF), gave an urging speech on the need for African cotton stakeholders to collaborate in order to stay relevant on the global cotton market. She further presented ACTIF's mandate to represent the interests of African cotton and textile actors in regional institutions and international trade negotiations and invited the participants to join the ITMF and Origin Africa fair in Nairobi/Kenya on September 07<sup>th</sup>-11<sup>th</sup>, 2018.

### **Information on the sustainability verification according to Cotton made in Africa (CmiA)**

Ms. Alexandra Perschau, responsible Manager for Standard and Outreach Africa at the Cotton made in Africa/Aid by Trade Foundation (AbTF), presented the standard's social business approach, its regional outreach and global supply chain activities to improve the management of cotton companies and achieve sustainability improvements for people, planet and profits. In her presentation, she gave valuable insights into the concrete steps of the CmiA verification process and presented lessons learnt for further improvements of the CmiA sustainability standard and for the certified cotton companies.

### **Information on organic crop requirements, inspection and certification**

Mr. Rudy van Gent, Senior Cotton Expert and Consultant for organic cotton production in Tanzania, presented information on the cotton production requirements for organic cotton, e.g. concerning soil health, organic pest management, and use of beneficial insects. He also gave an overview of the different organic standards and the challenges with converting to certifiable organic production. His experience from Tanzania stimulated a lively debate on the benefits of "going organic".

## **4 Thematic Group Discussions**

During the workshop, participants had the opportunity to engage in extensive group discussions with their peer stakeholders from the region. The first group work session picked up thematic topics from the morning presentations on seed varieties and qualities, ICT tools for management and data collection, management plans, cost and efficiency of extension services, value addition, and bio-pesticides.

- ❖ **Discussion group (1) on seed varieties and qualities** identified limited choices for climate-adapted varieties and the lack of systems to maintain seed purity and qualities as the core challenges for their countries. They therefore voiced the need for the Cotton Expert House Africa to support local research institutes to develop suitable varieties and engage in seed purification activities in collaboration with CIRAD to share best practices from different countries.
- ❖ **Discussion group (2) on ICT tools for data collection and management** recognized benefits of ICT solutions for smoothing processes, reducing the use of paper and improving the management of monitoring data. In view of support from the Cotton Expert House Africa, they voiced the need for appropriate hard and software and trainings on the use of ICT tools.
- ❖ **Discussion group (3) on management plans** emphasized the cotton companies' lack of human capacity to develop clear management plans that are implementable in reality and are linked with the cotton companies' strategic plans. This is sometimes also due to a lack of understanding of what sustainable cotton production actually means and what aspects like for instance IPPM entail. In this context, the Cotton Expert House Africa can help with proactive exchange, facilitation of the initial engagement between cotton companies interested in following the "sustainability path" and standards, and consulting inputs to develop clear management plans.
- ❖ **Discussion group (4) on improving the costs and efficiency of extension services** focused especially on Zambia and proposed the set-up of a training entity or training centre for extension providers from the cotton companies, hosted by the Cotton Board of Zambia. The idea came up that the Cotton Expert House Africa could execute a respective feasibility study.
- ❖ **Discussion group (5) on bio-pesticides** emphasized farmers' strong demand for greater availability of bio-pesticides. A more widespread commercialization of bio-pesticides is still hampered by a lack of official registration and recognition. The Cotton Expert House Africa should be involved in evaluating the suitability of bio-pesticides (i.e. their content, application rates etc.) in different countries and agro-ecological zones to ease the official recognition process. Based on the results, the Cotton Expert House Africa should take the lead in promoting the use of bio-pesticides.
- ❖ **Discussion group (6) on value addition** underlined the difficulties with attracting domestic and international actors to invest in value addition infrastructure and the lack of qualified local experts (e.g. with a university degree in textile engineering). The group expressed the need for the Cotton Expert House Africa to conduct country-specific SWOT analyses for textile value addition, engage in a dialogue with the respective governments on how to set up business parks and attract investors and identify African ginners that could also branch out into further value addition through spinning.

The second group work session focused on the participants' country-specific experiences, benefits, and challenges with the verification processes of CmiA, BCI or Organic (Fairtrade not represented).

- ❖ In **Uganda, Tanzania, Kenya**, where cotton companies have either certified their activities according to CmiA (Uganda, Tanzania) or Organic (Tanzania), difficulties included making the certification criteria understood before/during the verification process, demonstrating tangible market benefits to the farmers (e.g. Kenya's experience with BCI), and marketing the produced volumes as sustainable/organic cotton (e.g. Tanzania's experience with Organic cotton). However, Uganda also stated benefits: Here, CmiA sustainability certification including farmer trainings and community projects has improved the loyalty of surrounding cotton farmers. Further, the vertical integration into a local value chain ensures the uptake of CmiA-certified cotton by Fine Spinners. A recommendation from the group included strengthening business-oriented training modules for farmers so that they will appreciate the sustainable business model.
- ❖ In **Zambia, Mozambique and Malawi**, where cotton companies' activities are certified according to CmiA (Zambia, Mozambique) or BCI (Mozambique), criticism on the deadline (15.01.) of the CmiA self-assessments was mentioned, since it overlaps with the main marketing period. Instead, the end of March was proposed as more suitable. Other challenges observed included missing clarity about the proper disposal of chemical containers and the definition of child labour. The group recognized that farmers have benefited from the activities implemented as part of the certification processes, but wished for a price premium for their sustainable cotton certification efforts.
- ❖ In **Burkina Faso**, where cotton is certified according to either CmiA, Organic or Fairtrade, the main challenges relate to training and certifying of a large number of farmers on sustainability topics, especially on religion-sensitive topics like gender and access to land.

The finding from these two discussion rounds will inform the Pan-African Conference, which will take place from November 1<sup>st</sup>- 3<sup>rd</sup>, 2018 in Entebbe/Uganda.