Government Assistance to the Cotton Sector

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International Cotton Advisory Committee
OVERALL TRENDS IN AGRICULTURAL SUPPORT
Support for agriculture

Billion USD, OECD countries and selected economies

- Market price support
- Budgetary producer support
- General services
- Consumer support
- Total support (% of value of production)

The share of expenditure on innovation, biosecurity and infrastructure is declining

All 38 OECD countries, the five non-OECD EU Member States and eleven emerging and developing economies.
Source: OECD (2023), *Agriculture Policy Monitoring and Evaluation, 2023*
Repurposing agricultural support to transform food systems
KEY MESSAGES

- Government agricultural support policies are not fit for today’s food systems
- Agricultural producer support measures can have negative effects
- Six-Steps approach to develop and implement a repurposing strategy:
  1. Measuring the support provided,
  2. Understanding its positive and negative impacts,
  3. Identifying repurposing options,
  4. Forecasting their impacts,
  5. Refining the proposed strategy and detailing its implementation plan,
  6. Monitoring the implemented strategy.

https://www.fao.org/3/CB6683EN/CB6683EN.pdf
Government Assistance to the Cotton Sector
Government Support

Cotton Prices
Cotton Prices

- Covid-19
- Post-covid Commodity Price Rally
- Russia-Ukraine War
- Sell-off in Commodities
- Lower Global Cotton Production
Government Assistance and Cotton Prices

Billion US$

- Government Support
- Cotlook A Index

Years: 99/00, 01/02, 03/04, 05/06, 07/08, 09/10, 11/12, 13/14, 15/16, 17/18, 19/20, 21/22

Key Values:
- 84, 71, 85, 4.8, 132, 8.0, 102
World Cotton Production Under Assistance

Million tonnes

Without Assistance  With Assistance  % Share with Assistance

Share

0% 20% 40% 60% 80% 100%

70% 66% 60%

97/98 98/99 99/00 00/01 01/02 02/03 03/04 04/05 05/06 06/07 07/08 08/09 09/10 10/11 11/12 12/13 13/14 14/15 15/16 16/17 17/18 18/19 19/20 20/21 21/22 22/23
## Average Assistance per Pound of Lint Produced

### Graph

![Graph showing average assistance per pound of lint produced over the years from 1997/98 to 2021/22.](image)

### Table

<table>
<thead>
<tr>
<th>Country</th>
<th>Lint Production (Thousand tonnes)</th>
<th>Average Assistance per Pound of Lint Produced (US cents)</th>
<th>Total Assistance (US$ Million)</th>
<th>Lint Production (Thousand tonnes)</th>
<th>Average Assistance per Pound of Lint Produced (US cents)</th>
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<th>Lint Production (Thousand tonnes)</th>
<th>Average Assistance per Pound of Lint Produced (US cents)</th>
<th>Total Assistance (US$ Million)</th>
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Looking Ahead
Thank You