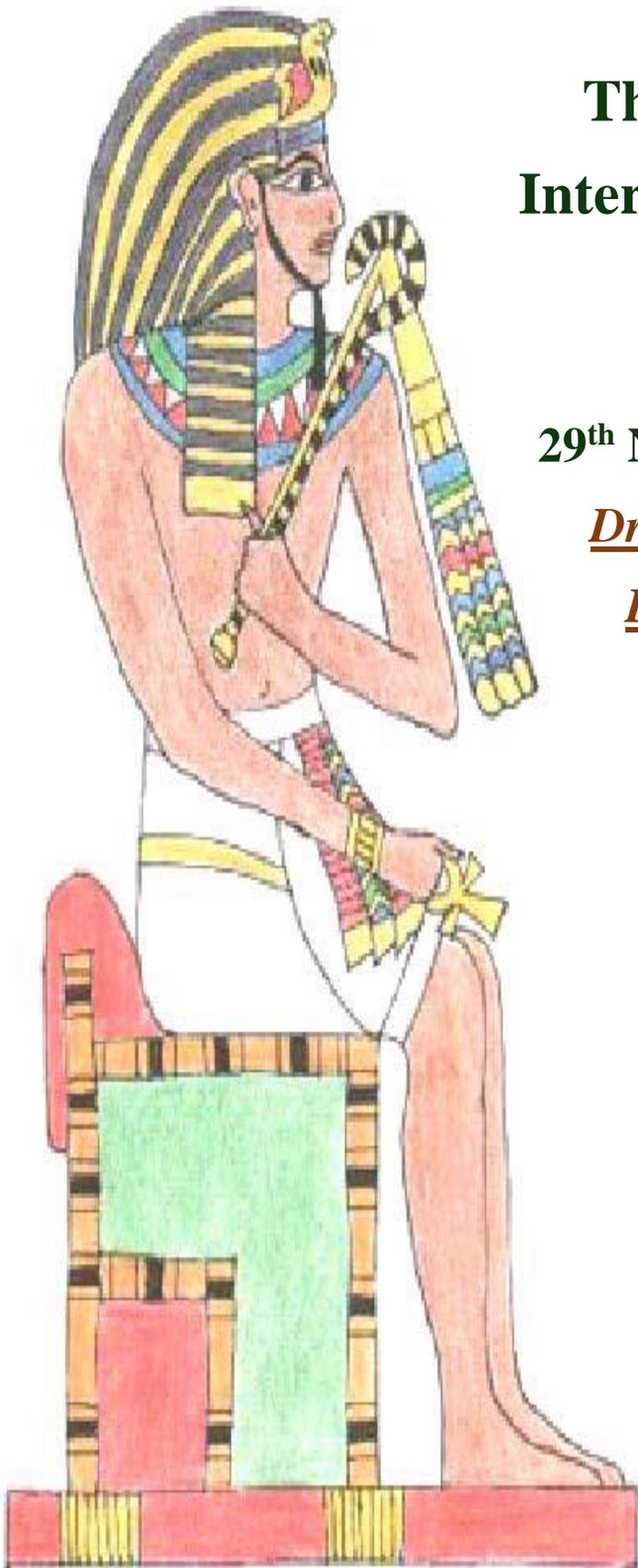


# EGYPT REPORT

## The 80<sup>th</sup> Plenary Meeting International Cotton Advisory Committee

29<sup>th</sup> November – 1<sup>st</sup> December 2022

*Driving Sustainability through  
Innovation and Leadership*



## Egypt Country Report

The Egyptian cotton sector has witnessed significant development as the government has adopted a new and comprehensive strategy for cotton agriculture, manufacturing, and trade. This is shown in the well-coordinated and effectively implemented efforts of concerned ministries to realize sustainability that is considered the worldwide main concern to ensure better quality of our lives, protect our ecosystem and preserve natural resources for future generations. The Egyptian government has implemented new strategies through all stages of cotton.

In terms of cultivation, the "Cotton Research Institute" develops new varieties that are characterized by early maturing and drought resistance to tolerate climate changes. In response to global market requirements, Bio cotton is cultivated to achieve sustainability and reduce environmental pollution. Egypt also initiates the cultivation of naturally colored cotton that will compete in new markets.

Egypt always seeks to participate in international initiatives. In 2020, Egypt joined "Better Cotton Initiative" (BCI) in cooperation with UNIDO, and recently coordinated with "Cotton Connect" to adopt "REEL Cotton Initiative". All these initiatives enhance cotton sustainability and improve farmers' livelihoods that helping to attract global brands investments to Egypt.

In terms of ginning, Egypt has already developed cotton ginning mills and is working to establish new ones. The ginning process is now fully automated using the latest technologies to produce clean cotton bales free from contaminants. The bales are labeled with "Cotton Arbitration and Testing General Organization" CATGO's bale identifying card to prevent the contamination that was used to happen by the traditional marking process. The card contains a barcode to facilitate traceability. The developed ginning mills are equipped with physical properties testing laboratories. Keeping up with the digitization process, a pilot project was launched under the name of "Egyptian cotton data bank" to provide concerned cotton parties with the latest data.

In terms of trade, the government has worked to amend the cotton trading system to benefit both cotton growers and traders. This objective ensures transparency in the pricing mechanism and maintaining Egyptian cotton varieties which, in turn, encouraged farmers to maximize the cultivated area. In 2022/2023, the actual planted area reached 142 thousand ha, with an increase of 30% compared to season 2021/2022, and a further increase is expected in the upcoming seasons.

In terms of industry, Egypt has started implementing an integrated development plan for the spinning and weaving sector with the purpose of establishing several industrial hubs and restructuring existing facilities. A fine spinning mill in "Rubiki" was established, which is considered a massive national project that will reclassify Egypt among the leading manufacturing and exporting countries. In addition, the construction of the textile industrial complex at "El Mahalla Al Kobra" is almost completed, which is considered one of the world's largest spinning and weaving mills. The development plan targets also establishing new mills in "Kafr Al Dawar" and "Damietta". In 2021, for governing the spinning industry, a new role was added to "CATGO"

according to Law No. 140 to supervise and monitor all cotton varieties delivered to local spinning mills.

Furthermore, the government is attentive to promote Egyptian cotton globally through collaboration between the public and private sectors. Thus "Egyptian Cotton Hub" released a new brand, "NIT", to be a unifying mark for Egyptian cotton products, which was historically the name of textile goddess in ancient Egypt. "Egyptian Cotton Hub" is responsible for marketing "NIT" products and opening new markets locally and globally.



## The Egyptian Balance Sheet over the last ten seasons

<i>Season</i>	<b>Area</b> '000' Ha	<b>Production</b> <b>of seed cotton</b> '000' Tonnes	<b>Production</b> <b>of lint cotton</b> '000' Tonnes	<b>Export</b> '000' Tonnes	<b>Spinning</b> <b>Arrivals</b> '000' Tonnes	<b>Stock</b> '000' Tonnes
<i>2012/13</i>	138	302	109	67	72	10
<i>2013/14</i>	118	262	960	45	40	7
<i>2014/15</i>	152	315	112	49	28	45
<i>2015/16</i>	101	162	548	31	33	33
<i>2016/17</i>	53	101	36	37	26	8
<i>2017/18</i>	88	187	70	53	19	5
<i>2018/19</i>	136	321	124	86	20	21
<i>2019/20</i>	97	192	73	67	14	34
<i>2020/21</i>	74	152	59	87	14	2
<i>2021/22</i>	96	199	77	60	13	11



## Prices of Egyptian Cotton Varieties 'cent/lb'

<i>Varieties</i>	<i>Seasons</i>										
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	
<b>Extra Long Staple Cotton</b>	<b>Giza 45</b>										
	<i>range</i>			270-270		800-800	500-780	625-725	550-820		600-600
	<b>Giza 87</b>										
	<i>range</i>			610-610	200-231	165-226	164-475	152-152			
	<b>Giza 88</b>										
	<i>range</i>	136-168	174-223	119-200	106-264	128-170	145-153	115-115			
<b>Giza 93</b>											
<i>range</i>		340-340	218-218	146-197	197-197	227-227	228-228	230-230	166-278	400-400	
<b>Giza 96</b>											
<i>range</i>				165-200		159-177	140-157	120-136	122-214	277-335	
<b>Long Staple Cotton</b>	<b>Giza 92</b>										
	<i>range</i>	290-320	200-286	120-192	191-205		140-158	118-176	114-163	121-186	279-295
	<b>Giza 86</b>										
	<i>range</i>	125-161	151-180	99-130	101-169	120-160	131-148	109-148	101-139	103-190	228-272
	<b>Giza 94</b>										
	<i>range</i>				135-135	137-167	131-153	108-128	100-144	104-199	210-269
	<b>Giza 97</b>										
	<i>range</i>										220-270
<b>Giza 90</b>											
<i>range</i>		138-138	94-95	99-99	103-161	123-130	100-106	104-104			
<b>Giza 95</b>											
<i>range</i>					108-120	117-133	103-115	84-130	84-157	180-223	

### Average Prices of Egyptian cotton varieties for 2021/22 Season

<i>Varieties</i>	<i>Extra Long Staple Cotton</i>				<i>Long Staple Cotton</i>				
	Giza 45	Giza 87	Giza 93	Giza 96	Giza 92	Giza 86	Giza 94	Giza 97	Giza 95
<i>Average</i>	600	380	400	309	289	256	253	256	209