



PSAC 5TH EXECUTIVE COMMITTEE MEETING

Open for all the PSAC members and observers

Saturday, 2 December 2023

10:30 am – 12:00 pm

Mumbai, India

MEETING MINUTES

Chaired by: Mr. Peter Wakefield

Members attending:

- Ahmed Elbosaty, Merchants and Other Cotton-Related Activities
- Haroldo Cunha, Producers and Ginners
- Khaled Schuman, Brands and Retailers
- Sunduzwayo Banda, Producers and Ginners
- La Rhea Pepper, Producers and Ginners
- Alexandra Perschau, Producers and Ginners
- Christian Schindler, Spinners, Weavers and Machinery Manufacturers
- Cliff White, Merchants and Other Cotton-Related Activities
- Gary Chen, Spinners, Weavers and Machinery Manufacturers
- Steven Chen, Spinners, Weavers and Machinery Manufacturers
- Peter Wakefield, Merchants and Other Cotton-Related Activities
- Terry Townsend, Merchants and Other Cotton-Related Activities

Observers

- Wolfgang Bertenbreiter, Cotton made in Africa
- Dr. Marinus (René) van der Sluijs, Textile Technical Services
- Axel Drieling, Bremen Cotton Exchange
- YU Feng, Taiwan Textile Federation
- Peush Narang, Cotton Council International
- Will Bettendorf, Cotton Council International
- Jean-Paul, Bremen Baumwollbörse
- Rob Wakefield, WIS
- Ching tang Huang, TTRI
- Ron Nickell, Calcot Ltd
- Suresh Kotak, Kotak Industries

ICAC Staff in attendance: Eric Trachtenberg, Mike McCue, Parkhi Vats, Kanwar Usman



- **The agenda was adopted.**
- **Mr. Wakefield reviewed PSAC's work in 2023 and stated that:**

At the beginning of 2023, PSAC and this Executive Committee chose some objectives to work on.

❖ **Objective I - Continue direct discussions with the EU**

- PSAC's committee chairs met with the EU delegate in November 2023 and in that discussion, it was mentioned by EU that EU is ready to hold direct discussions with PSAC if PSAC highlights 'specific points' that needs to be discussed.
- Discussion can be more on strategic points rather than on issues that EU have already made decisions on.
- Experts from EU can be approached to make presentations to the PSAC.
- Items for discussion must concern ICAC, take to the EU delegate, who can send to appropriate departments, if needed to bring people to the PSAC meetings.
- On precise objectives, EU and ICAC/PSAC can work together.
- PSAC Chair further asked that any information on public consultations regarding cotton and textiles be passed to PSAC.
- It was suggested that it will be better if Eric joins these meetings between PSAC and EU in the future.

❖ **Objective II - Choosing PSAC's main objective for 2023**

Mr. Wakefield said that at the beginning of the year, every committee voted for the objective that they would like to work on and almost all of them indicated that they would like to work on the topic of traceability.

- **Choosing PSAC's main objective for 2023**

Subsequently, the PSAC chose the objective for 2023 as 'Private Sector recommendations on policy making on traceability'. It was decided that the ICAC can't form a global standard but what it can do is to study the current and future traceability regulations in the world and learn how best can the private sector adapt to them. Each committee heard presentations on traceability regulations from the USA, Canada, Mexico and EU, and presentations made by US cotton Trust Protocol, Better Cotton, and Textile Exchange.

Based on these recommendations, drafts for each committee were written by the ICAC and circulated to the entire committee to make additional comments. The PSAC Final Statement was also drafted, and later approved by the Standing committee to be presented at the Plenary Meeting. He added that all these documents will be presented by PSAC during PSAC's session tomorrow.



❖ Objective III - PSAC Expansion

Mr Wakefield told the members that in 2023, the PSAC welcomed the following new members and observers:

- Canadian Apparel Federation
- Yield Initiative from Nigeria
- Eastern and Southern Cotton Organization from Zambia
- The African Chamber of Trade and Commerce (ACC)

The Chair added that PSAC will expand this work in 2024 by inviting international organisations like WTO, World Bank, UN bodies, etc., and also by inviting more observers from ICAC non-Member governments.

❖ Objective IV

- Collecting information from the private sector on what other kinds of information they seek from the ICAC Secretariat, apart from current information that ICAC publishes. This objective was announced in the committee meetings but did not receive a lot of comments and is definitely something that we will pursue again next year.

• An explanation of CSITC by the Chair

The Chair Dr Marinus (René) van der Sluijs provided an overview of The ICAC Task force on Commercial Standardization of Instrument Testing of Cotton (CSITC). This Task force was formed in 2003 with the object of ensuring that cotton test results produced by all instrument classing are objective, uniform and reliable, and to introduce the use of instrument testing language into the trading of cotton to replace traditional descriptions of grade or type with more objective and reliable instrument test values.

CSITC conducts Round Trials on a quarterly basis. Four samples are sent by participating laboratories; the samples need to be tested five days in a row for:

- Micronaire, strength, length;
- UHML and length uniformity, colour;
- Reflectance Rd, and
- Yellowness +b.

For each property/sample, the difference between the average and reference values is calculated, resulting in the absolute difference. The Overall Evaluation Result (OER) is calculated, describing the overall deviation from the reference values as the average evaluation of the six properties, with Ideal = 0 and Worst \geq



He also provided an outline of the benefits of participation by laboratories/classing facilities, growers/producers, trading and spinning (see the attached presentation for further information).

- **The next item on the agenda was the Proposal to create PSAC's sub-committee on promotion.**

ICAC Director of Communications Mike McCue advised the members that he wanted to reinstitute a subcommittee on promotions, similar to that of PSAC's predecessor, the PSAP. He said that the fact that there are smart people from every sector of the cotton textile value chain in one committee, would make a big difference in the ICAC's effort to promote cotton globally. He specifically mentioned that the help would be most useful in preparation for World Cotton Day, which the ICAC is responsible for coordinating in 2024. He told members that he would be sending an email in January to invite anyone who is interested to join the subcommittee on promotions.

- The proposal was accepted.

- **PSAC Expansion work for 2024**

Mr Wakefield mentioned that PSAC will continue the work to expand PSAC membership, both in terms of members and observers. This also includes discussion on the expansion of the Brands and Retailers committee. We will work internally at ICAC to see if we can relax the rule of only inviting national and international associations at the PSAC and consider inviting private brands at it. This is another key area that we will work in the early part of next year so we can also bring in a replacement Vice Chair (Claudia left the Bremen Cotton Exchange, so she submitted her resignation) and a third member of this committee.

- **Re-election of Executive Committee at the end of 2024**

The Chair reminded that the Chair, Vice Chair and the third representative are up for renewal/reelection at the end of the 2024 year.

- **PSAC's main objective for 2024**

Mr Wakefield reminded everyone that the PSAC needs to choose its objective for 2024 and encouraged discussions to see what topic the committee would like to work on. He also added that PSAC's main objective should be in compliance with the strategic objectives of the ICAC Secretariat.



ICAC Executive Director Eric Trachtenberg spoke about ICAC's strategic elements. First is to strengthen the base by improving administrative processes and controls:

- Agriculture development
 - Sustainability
 - Regulation
 - Textiles
 - Brands and Retail
 - Promotion
-
- **Ms Parkhi Vats** from ICAC spoke about PSAC's previous work on compliance with respect to the upcoming regulations in the world that the cotton industry is or will be subjected to. She highlighted that a topic similar to compliance will go hand in hand with the previous two years of PSAC work and with the ICAC strategic element. She also added that EU has agreed to provide direct consultation.
 - **Mr Saraf** supported the idea that the PSAC should work on compliance issues.
 - **Ms Pepper** mentioned that there are a lot of opportunities to work on not only what's going on with regulations but the methodologies that are being used. They help to retell or reframe the story of cotton so that it gives a holistic picture of what it does for the community, so that it is embedded into the new regulatory measures. Constructive work can be done on these methodologies that are feeding into the upcoming regulations.
 - **Mr Schuman** mentioned that the PSAC should work on the topic of sustainability.
 - **Mr Wakefield** mentioned several other topics that have come up in committee discussions:
 - Regenerative agriculture – it was agreed that as SEEP is working on that topic, PSAC will pursue some other topic.
 - Fraud – how to prevent against fraud in the traceability system?
 - **Mr White** mentioned that PSAC's work on traceability has shown its complexity and that to focus into fraud will be very complex.
 - **Mr Santos** added that PSAC should have a much more coordinated strategy to increase the market share of cotton against manmade fibres and that can be obtained by showing the quality and impact of our work. This should be the priority.



- He added that the topic of traceability is a concern, especially for the Global South. At the end of the day, the consumer does not know or will never know if the cotton from India or the USA are different. A problem in India will affect the entire world of cotton. Therefore, the consistency of the value chain is very important.
 - He strongly felt that PSAC should continue working on traceability and finalize this topic before initiating work on any other topic.
 - Members also mentioned the need to work on production issues, as well as variants of productivity across regions and across countries. The focus should also be on increasing production and yields so that the cotton crop is more desirable to grow.
 - **Mr Fatih** added that the group should work to increase the production of virgin cotton.
 - **The ICAC Secretariat will now summarise the comments and make recommendation to each Permanent Committee so they can agree the topic to 2024.**
-
- **ICAC will get back with the future date and time for the next meeting.**