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Cotton:

Review of the World Situation

ICAC International Cotton Advisory Committee

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Supply and Distribution of Cotton

02 March 2020

Seasons begin on 1 August

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
				Est.	Est.	Proj.
Million Metric Tonnes						
Beginning Stocks						
World Total	21.32	22.95	20.31	18.48	18.71	18.27
China	13.28	14.12	12.65	10.35	9.03	8.88
USA	0.51	0.79	0.83	0.60	0.94	1.01
Production						
World Total	26.23	21.48	23.08	26.68	25.69	25.98
India	6.56	5.75	5.87	6.35	5.35	6.00
China	6.60	5.20	4.90	5.89	6.04	5.80
USA	3.55	2.81	3.74	4.56	4.00	4.38
Pakistan	2.31	1.54	1.66	1.80	1.67	1.35
Brazil	1.56	1.29	1.53	2.01	2.73	2.76
Uzbekistan	0.89	0.83	0.79	0.80	0.64	0.64
Others	4.77	4.07	4.59	5.28	5.27	5.05
Consumption						
World Total	24.59	24.14	24.79	26.34	26.09	26.20
China	7.55	7.60	8.28	8.50	8.25	8.05
India	5.38	5.30	5.15	5.42	5.40	5.54
Pakistan	2.47	2.15	2.15	2.35	2.36	2.36
Europe & Turkey	1.69	1.68	1.61	1.64	1.71	1.78
Bangladesh	1.20	1.32	1.41	1.66	1.58	1.60
Vietnam	0.88	1.01	1.17	1.51	1.51	1.53
USA	0.78	0.75	0.71	0.77	0.71	0.73
Brazil	0.80	0.66	0.69	0.68	0.73	0.73
Others	3.85	3.67	3.64	3.82	3.84	3.88
Exports						
World Total	7.77	7.54	8.19	9.10	9.23	9.41
USA	2.45	1.99	3.25	3.45	3.21	3.59
India	0.91	1.26	0.99	1.13	0.80	0.86
CFA Zone	0.97	0.98	1.00	1.06	1.18	1.28
Brazil	0.85	0.94	0.61	0.91	1.45	1.72
Uzbekistan	0.55	0.50	0.40	0.34	0.13	0.00
Australia	0.53	0.62	0.81	0.90	0.80	0.20
Imports						
World Total	7.80	7.59	8.09	8.98	9.19	9.41
Bangladesh	1.18	1.38	1.41	1.67	1.54	1.61
Vietnam	0.93	1.00	1.20	1.52	1.51	1.54
China	1.80	0.96	1.10	1.32	2.10	1.81
Turkey	0.80	0.92	0.80	0.88	0.76	0.82
Indonesia	0.73	0.64	0.74	0.76	0.69	0.71
Trade Imbalance 1/	0.03	0.06	-0.10	-0.11	-0.05	0.00
Stocks Adjustment 2/	-0.05	-0.03	-0.01	0.00	0.00	0.00
Ending Stocks						
World Total	22.95	20.31	18.48	18.71	18.27	18.05
China	14.12	12.65	10.35	9.03	8.88	8.39
USA	0.79	0.83	0.60	0.94	1.01	1.06
Ending Stocks/Mill Use (%)						
World-Less-China 3/	52	46	49	54	53	53
China 4/	187	166	125	106	108	104
Cotlook A Index 5/	70.78	70.39	82.77	87.98	84.35	

1/ The inclusion of linters and waste, changes in weight during transit, differences in reporting periods and measurement error account for differences between world imports and exports.

2/ Difference between calculated stocks and actual; amounts for forward seasons are anticipated.

3/ World-less-China's ending stocks divided by World-less-China's mill use, multiplied by 100.

4/ China's ending stocks divided by China's mill use, multiplied by 100.

5/ US cents per pound.

Summary of the Outlook for Cotton

Global Ending Stocks Expected to Lower in 2019/20

World ending stocks are projected to decrease by 1% to 18 million tonnes by the end of the 2019/20 season, which would represent approximately 2/3's of the world consumption this season. This reduction of world ending stocks represents a fifth consecutive season of decline from the historic high of the 2014/15 season. The balance of stocks held by China and outside of China is expected to continue with a 5.5% reduction of Chinese ending stocks to 8.4 million tonnes and a 3% increase of ending stocks held by all other countries to 9.6 million tonnes. The global reduction in stocks is expected to be driven by current estimate for steady global consumption amidst a slight 1% increase in global production.

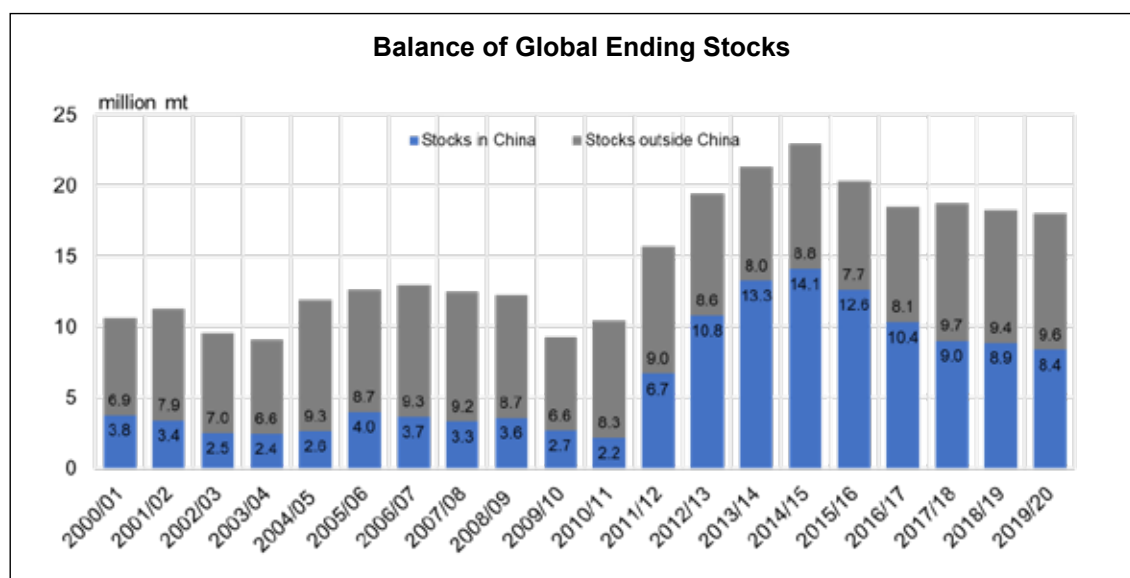
Amongst leading producers, the 2019/20 crop in India is expected to increase 12% to 6 million tonnes. Production in China is expected to decrease 4% to 5.8 million tonnes. Production in the United States is expected to increase 9% from the previous season to 4.4 million tonnes. Production in Brazil is expected to remain at 2.75 million tonnes. Production in Pakistan is expected to decrease 19% from the previous season on a second consecutive season of decline to 1.35 million tonnes. The West Africa region is expected to increase production 14% to 1.3 mil-

lion tonnes with production increases expected from Benin, Mali, Burkina Faso and Cote d'Ivoire. Production in Turkey is expected to decrease 17% to 815,000 tonnes. Production in Uzbekistan is currently expected to remain at 640,000 tonnes. Production in Australia is expected to decrease 65% to 170,000 tonnes due to limited water availability for the irrigated crop.

Ongoing trade uncertainties and concerns for economic growth continue to influence the global cotton trade and textile demand. The Covid-19 outbreak in China has provided additional uncertainty to markets as manufacturing and supply chains in Asia have slowed. Although the further impact of the novel coronavirus remains unknown, the potential for wider global economic slowdown continues to provide additional stress to the sector. Cotton prices have come under pressure, but current projections for global consumption in 2019/20 remain at 26.2 million tonnes, while production is currently projected at 26 million tonnes.

Prices

The Secretariat's current price projection for the year-end average of the Cotlook A Index has been revised to 79 cents per pound this month.



Possible Impacts of the US China Phase One Agreement

By Lihan Wei, Statistician, ICAC

The trade dispute between the United States and China has impacted cotton demand and supply chains over the course of the past 20 months. US cotton, amongst other agricultural commodities, has been subject to additional Chinese import tariffs since 6 July 2018.

Following a period of the A index being above 100 cents/lb in early June 2018, the international reference price began responding to trade issues and tariffs on cotton. The additional tariff lines escalated trade tensions through August and September of 2018 as the A index declined to a 94 cents/lb average. Between October and April, the A index continued to decline, dropping below 80 cents/lb in February before moving to 88 cents/lb in April on a possible trade resolution. As trade negotiations appeared to regress in early May with each side raising tariffs on remaining goods, the A index fell again, reaching a season low of 76 cents/lb on 14 May.

On 1 June 2019, China increased tariffs on 60 billion USD of US goods in retaliation to the US tariff increase on the remaining \$200 billion worth of Chinese imports. The G20 summit in Osaka, Japan, at the end of June provided an opportunity for de-escalation, however the additional \$16 billion of government support to US farmers provided a possible signal of entrenchment in a prolonged trade standoff.

Following several rounds of trade talks, on 6 July 2018, the United States and China implemented tariffs on a range of products and goods. The US Customs and Border Protection (CBP) began collecting a 25% tariff on 818 imported Chinese products valued at 34 billion USD – giving effect to the first round of tariffs, which were revised and announced on June 15, 2018. China responded with retaliatory measures by imposing a 25% tariff on 545 goods originating from the US (worth 34 billion USD), including **agricultural products** of which cotton lint (HS5201) was listed.

Additional tariffs lines were announced by both countries in August 2018, further deepening the trade dispute. While cotton was not listed, other agricultural products were among the 5,207 US products (worth 60 billion USD).

As talks continued to escalate, on 23 August 2019, China announced an additional 75 billion USD in tariffs on US goods, while the United States responded with additional proposals for tariff increases on Chinese goods

The Customs Tariff Commission of China's State Council announced 75 billion USD in tariffs on US goods. Five

and 10% tariffs will be imposed on 5,078 US goods in two batches, from September 1 ([list 1](#)) and December 15, 2019 ([list 2](#)).

The second batch of US goods that were to be affected from 15 **December 2019** included cotton (HS5201) in Part 3 of the list with goods subject to an additional 5% tariff with other items that would have affected a range of consumer goods, including electronics such as smartphones and laptops

On 13 December 2019, two days before the additional 5% tariff on cotton was to have been implemented, the US and China agreed to a phase one deal. The US agreed not to proceed with 15% tariffs on \$160 USD billion worth of consumer goods scheduled to take effect 15 December and would reduce the 1 September tariffs on \$120 USD billion of Chinese goods – halving it from 15 to 7.5%. However, the tariffs on 250 billion USD of Chinese imports were to be maintained with further reductions linked to progress in future rounds of trade negotiations.

On 15 January 2020, China and the United States signed the phase one trade deal in a sign of easing the 20-months of trade tensions between the world's two biggest economies. The phase one deal proposed to reduce US tariffs and increase purchases of US products by China. While the additional tariffs scheduled to be implemented on 15 December were reversed, the agreement would still leave tariffs on 250 billion USD in Chinese products in place. China, on its part, agreed to purchase at least an additional 200 billion USD worth of US goods and services over the next two years – above a baseline of 186 billion USD purchases in 2017 as well as implement intellectual property safeguards, and have a tariff exclusion process in place.

The agreement signed on 15 January 2020 entered into force on 20 February 2020 with commitments by China to facilitate trade and specific values of US agricultural, food and seafood products in 2020 and 2021. The details on specific product purchases in each of the categories were not released to prevent the risk of distorting markets, though broadly, China has agreed to import US agricultural products worth 40 USD billion USD, each year for the next two years.

The trade value of the US agricultural products that China has agreed to purchase under phase one of the trade agreement totalled an estimated 10.4 billion USD in 2018, a 50% decrease from the 20.9 billion USD that these products totalled in 2017 (Table 1). Even before trade tensions

intensified between the two countries, the total value of the package of agriculture products has not exceeded 30 billion USD in the period from 2012 to 2018. Of the agricultural products included, cotton lint (HS5201) has represented between 2 -10% of the total agricultural value of US exports to China. **Table 1.**

Other countries that were able to increase market share and increase exports to China during the trade dispute with the United States include West African countries where cotton production is an important cash crop and source of household income and employment for small farm holders. As Chinese import demand increased be-

tween 2018 and 2019, several countries increased exports to and market share in China. Agriculture contributes a large proportion to GDP (20-45%) in West African countries and while market share to a large manufacturing country like China may remain small, the volume of exports and

Table 1. Value of US Agricultural Products and Cotton Exported to China, 2012-2019

Calendar Year	Total agriculture trade value (billion USD)	% change	Cotton value (billion USD)	% change	Cotton quantity (metric tonnes)	% change
2012	\$ 27.1		\$ 3.4		1,487,296	
2013	\$ 26.7	-1%	\$ 2.2	-36%	1,076,103	-28%
2014	\$ 25.4	-5%	\$ 1.1	-49%	518,029	-52%
2015	\$ 21.5	-16%	\$ 0.9	-23%	477,366	-8%
2016	\$ 22.7	6%	\$ 0.6	-35%	306,167	-36%
2017	\$ 20.9	-8%	\$ 1.0	76%	526,565	72%
2018	\$ 10.4	-50%	\$ 0.9	-5%	485,112	-8%
2019			\$ 0.6	-30%	375,157	-23%

Source: UN Comtrade, 2020

While tariffs on cotton lint increased in 2018, making US cotton 25% more costly to Chinese importers compared to other growths, China also increased the total volume of imports of cotton lint. As China increased its total imports of cotton lint from 1.6 million tonnes in 2018 to 1.85 million tonnes in 2019, US cotton exports to China decreased from 528,000 tonnes in 2018 to 360,000 tonnes in 2019 (Table 2). Market share in China shifted over this period with imports from Brazil increasing by over 170% in 2018 and 2019. Australia, typically a leading global exporter in cotton lint, had reduced supplies over the past season due to lowered production stemming from drought conditions. With enough carryover from a strong production in 2017, Australia was able to retain a 27% share of Chinese imports in 2018. However, as production fell the following season, share and volume to China decreased in 2019.

value to local economy is impactful. Benin exports to China increased by 200% from 2018 to 2019. Burkina Faso exports grew by 64% and Mali's exports more than doubled.

Table 2.

Table 2. Chinese Cotton Lint Imports, 2017-2019

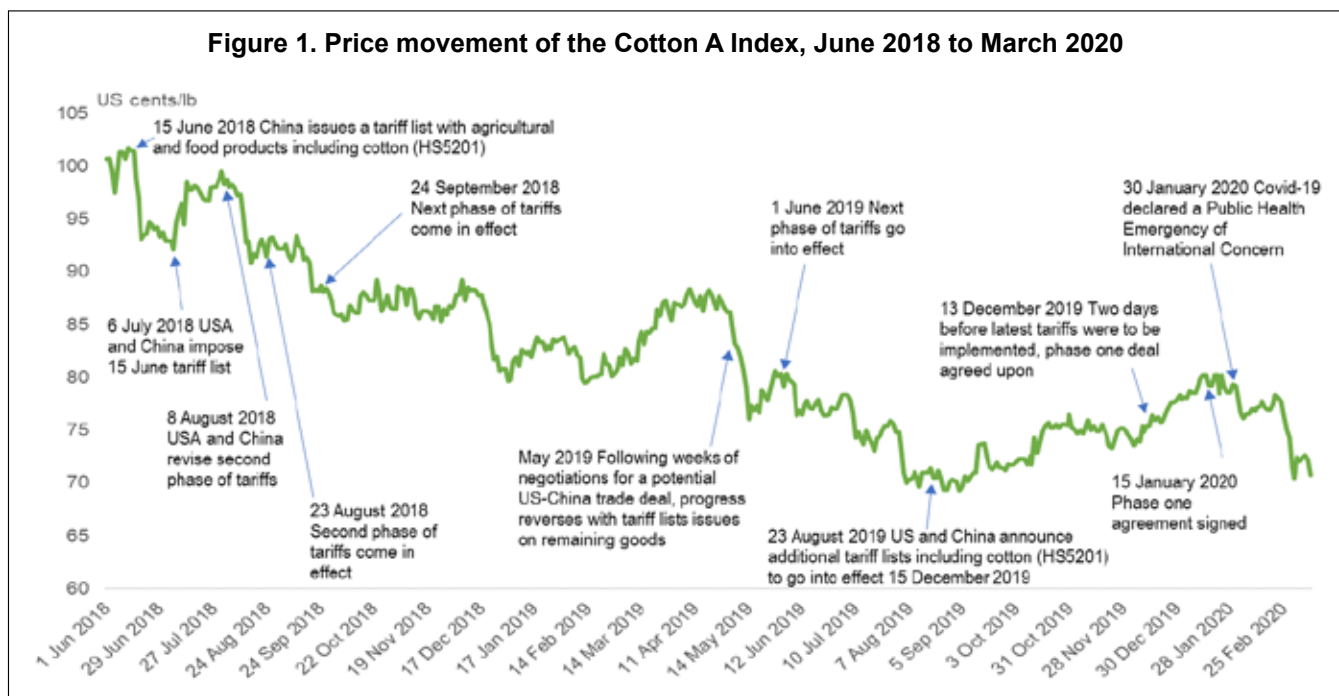
	Volume (metric tonnes)			Share			Volume % change		
	2017	2018	2019	2017	2018	2019	2017	2018	2019
World	1,153,196	1,572,633	1,846,910	100%	100%	100%	29%	36%	17%
Brazil	66,417	185,626	504,887	6%	12%	27%	-17%	179%	172%
Australia	258,103	423,624	397,744	22%	27%	22%	20%	64%	-6%
United States	505,353	528,670	359,989	44%	34%	19%	92%	5%	-32%
India	112,090	171,865	205,899	10%	11%	11%	-5%	53%	20%
Benin	31,453	14,822	44,446	3%	1%	2%	222%	-53%	200%
Burkina Faso	10,005	18,383	30,221	1%	1%	2%	192%	84%	64%
Mali	1,805	9,901	21,669	0%	1%	1%	-62%	449%	119%
Cameroon	5,727	16,429	16,485	0%	1%	1%	-85%	187%	0%
Cote d'Ivoire	5,575	18,073	15,969	0%	1%	1%	-4%	224%	-12%
Togo	8,498	7,199	4,982	1%	0%	0%		-15%	-31%
Chad	200	0	28	0%	0%	0%	-60%	-100%	

Source: China Customs Statistics, 2020

A phase one agreement between the US-China indicates forward momentum towards calming the trade dispute between the leading global exporter and the leading global importer and consumer of cotton lint that has impacted prices and shifted supply chains. Cotton lint

(HS5201) is listed in the agreement, though quantities were not disclosed and would indicate a reopening of the Chinese market to US exports. However, it remains to be seen how quickly the agreement would be implemented and how much cotton lint China would require for textile manufacturing and possible stock turnover. A rapid implementation of the agreement coupled with increased Chi-

a tenuous global recovery has been made more uncertain in the face of the possible global COVID-19 outbreak, now pandemic, that has brought further economic disruptions. According to the OECD, while a short outbreak could signal a global growth lowered by 0.5%, a more prolonged outbreak could reduce global growth prospects by 1.5%. **Figure 1.**



nese demand would likely cause prices to increase, however several important risks and caveats remain.

While the signing of the phase one agreement in January 2020 seemed to indicate a shift toward a détente in trade tensions or a slowdown of escalation, the COVID-19 outbreak has provided additional uncertainty to a global economic recovery during an already sluggish recovery. Prior to the COVID-19 outbreak, global economic growth had been revised downward to 3.3% for 2020 by the IMF based on fewer growth prospects in emerging economies which for the past several years have been the engine of global economic growth.

In addition to uncertainty in trade policies and geopolitical tensions that have impacted trade, manufacturing and investment, the COVID-19 outbreak has impacted the world with additional uncertainties of the novel coronavirus on human health and wellbeing and spill over effects to the global economy. Not only has the US China trade dispute lowered cotton prices, but the tenuous conflict has weakened investment and growth as it has tested the resiliency of the global economy. The phase one agreement was signed signalling an indication of a possible reprieve and alleviating the global contraction in growth. However,

The phase one agreement is intended to be the first of additional phases of progressive agreement and each of these agreements would require additional negotiations. Implementation of the agreement and future phases of the agreements will always remain a pivotal point in how trade relations will resume. Geopolitical tensions in the past 20 months across the globe appear to indicate a move away from globalisation and the renegotiation of trade agreements across major economies. If uncertainty and trade tensions are the new normal, prices may remain low.

Containment efforts in China extended to a shutdown of regions and a slowdown in manufacturing and trade. Cotton prices are likely to remain under pressure as a slower recovery for China could be expected even when manufacturing and trade activity resume a pre-outbreak pace. China's role in the global economy, the cotton sector and the COVID-19 outbreak are factors to consider yet the overall economic and trade environment indicate an already uncertain environment of slowing growth, slowing demand, political tensions, trade tariffs, move away from globalisation, etc. In a best-case scenario with a short-lived impact from the COVID-19 outbreak, the slowdown in manufacturing and trade could recover, but recovery would still be impacted by geopolitical and trade tensions.

China's role in the global cotton market is pivotal as the leading importer and consumer of cotton lint as well as for the reserves quantities the country maintains. Implementation of phase one of the US-China trade agreement could be extended as the countries recover from the impacts of COVID-19. Yet demand for cotton textiles and apparel which remains linked to consumer demand and middle-class income growth from emerging economies may be slowed as global forecasts project slower growth

in the emerging economies of China and India. The supply chains that have shifted during the US-China trade dispute may remain in place, benefitting Brazil and West African cotton exports, however the overall environment of low prices and uncertainty may impact supply in the coming season. Trade opportunities exist, but the overall global economy remains slow on growth amidst deepening uncertainty.



CSITC – Achieving Accuracy in Cotton Testing

By Yana Pomerants, Executive Assistant, ICAC

Andrew MacDonald, Consultant ABRAPA, National Brazilian Cotton Association

Axel Drieling, Senior Cotton Manager & Member of the Executive Board, Faserinstitut Bremen e.V. (FIBRE)

CSITC – it's a long acronym and not many people know what it stands for. Unfortunately, the complete name is no less confusing, especially for those who have not been exposed to the science of cotton classing and testing. With this article, we intend to clear up any confusion that you might have about CSITC, which stands for 'Commercial Standardisation of Instrument Testing of Cotton'.

Cotton classing has a long and interesting history. In 1907, an international group of cotton industry representatives met in Atlanta, Georgia, to address serious problems that had developed in the marketing of cotton. A resolution was passed recommending the establishment of uniform cotton standards to 'eliminate price differences between markets, provide a means of settling disputes, make the farmer more cognizant of the value of his product, and, therefore, put him in a better bargaining position, and in general be of great benefit to the cotton trade'.

In response to this and similar calls for action over the next several years, laws were passed authorising the United States Department of Agriculture (USDA) to develop cotton grade standards and offer cotton classification services. Under the authority of three laws — the U.S. Cotton Statistics and Estimates Act of 1927, the U.S. Cotton Standards Act of 1923, and the U.S. Cotton Futures Act of 1914 — USDA implemented a classification system. (The Classification of Cotton – Cotton Inc.). At the time, cotton was tested manually, and highly trained people were hired to test the parameters of the cotton.

Currently, manual classing is still done, but many cotton producers and traders are using instruments from Uster, Premier or other manufacturers to test their cotton and it has been proven that instrument testing is more reliable and objective than manual classing. The goal of the CSITC Round Trials is to harmonise testing so all laboratories would achieve the same test results if they tested the same cotton.

An Expert Panel on CSITC was created in 2003 and two years later the name was changed to Task Force on CSITC. The Expert Panel was initially set up to discuss the potential and future of instrument testing during the year and report back to the annual Plenary Meeting of the International Cotton Advisory Committee (ICAC). The Expert Panel identified a real necessity to create parameters for a clearly defined reasonable result variations between instruments, which could be applied worldwide, and thereby increase the adoption of instrument testing. This led the ICAC to agree to change the name from Expert

Panel to Task Force and encourage the work of the Task Force to have a more permanent mandate.

The Task Force on CSITC is chaired by Mr. Andrew MacDonald, Advisor to ABRAPA and AMPA the Brazilian Cotton Growers Association. The Task Force on CSITC had brought together representatives of spinning mills, cotton traders, cotton producers and research. The CSITC Round Trials officially began in 2007. The global objective of this work has been to assist cotton producing countries — especially developing countries — to meet the emerging quality assessment demands of the global cotton market, with the goal of strengthening or at least maintaining their competitive position in the world market by keeping up with modern developments.

Several organisations, ICAC, USDA-AMS, Bremen Fibre Institute and The French Agricultural Research Centre for International Development (CIRAD), had partnered to conduct CSITC relevant activities such as the Round Trials and the development of the *Guideline for Standardised Instrument Testing of Cotton*. The ICAC, the USDA-AMS and Germany's Bremen Fibre Institute (FIBRE) cooperate in jointly conducting the CSITC Round Trials. The aim of the CSITC Round Trials (RT) has been to achieve reliable instrumental test results by conducting regular quarterly round trials. The CSITC Round Trials are performed in order to test High Volume Instruments that are used to test the different parameters of cotton.

The current parameters that the cotton is tested on and used for the instrument evaluations are:

- Micronaire,
- Length,
- Length uniformity,
- Strength,
- Colour Reflectance (Rd), and
- Colour Yellowness (+b).

There are additional parameters that the cotton can be tested on by a High Volume Instrument such as: Trash, Short Fibre Content and Maturity, but these parameters are currently not used in the evaluation of the instruments. Each RT consists of four samples prepared by the USDA which is then sent to participating laboratories. Each sample is tested on ten parameters by participating laboratories six times each day for five days, resulting in a total of 1200 measurements from each instrument. Results are uploaded electronically and sent to FIBRE in Germany for an evaluation. At FIBRE, all the results are compared to the reference values for each cotton and property. Usually the

reference values are the interlaboratory average of all participating instruments (after excluding outliers) and are closely compared to USDA Established Values.

Each laboratory gets an intense analysis for each of its instruments, so that the laboratory can determine in which instrument module and for which properties systematic deviations or excessively high variations occur. In addition, each instrument gets an Overall Evaluation Result (OER) that summarises the proficiency of the instrument with a single rating (one number). Based on the evaluations, the laboratory is informed about the deviations and given instructions on how to correct the problems. The CSITC organisers also offer their support to the laboratories on how to improve.

in RTs have reduced their testing results variation by an average of 30%. Figure 1 represents the median OER for all instruments, which shows a 30% decrease in variation between laboratories as an average of all evaluated cotton properties. Figure 2 shows that specifically for strength, the variation, given as the inter-laboratory standard deviation, has decreased a great deal due to their participation in the RTs.

At this point, the CSITC Task Force is looking toward the future of making instrument testing more accessible and promoting the RTs to a larger number of laboratories in the cotton sector. Last year was a good one for CSITC: the laboratories that participated in RTs achieved their goals of reducing variation and ensuring their instruments were producing accurate and consistent results. In 2019, there were a total of 90 registered CSITC laboratories, with 65 to 75 participating laboratories and 100 to 130 instruments evaluated in each of the quarterly RTs (due to seasonal participation). Those numbers have remained fairly consistent since 2011. The annual OER of 0.350 in 2019 was the lowest yearly average to date, and the OER of 0.318 achieved in the third quarter was the best result ever posted.

Since 2010, participating laboratories have seen reductions in variation for all measured properties:

- Micronaire: 32%
- Strength: 32%
- Length UHML: 28%
- Length Uniformity: 30%
- Colour Reflectance: 63%
- Colour Yellowness: 38%

Thanks to the enormous amount of work and support from members of the Task Force, a level of harmony has been achieved within the principle 'commercial' users of testing instruments of all types. There has been consistency of results for participating testing lines that had never have been imagined.

The job of CSITC is not done, as noted by the Chair of the Task Force, Mr Andrew MacDonald. He emphasised the need to attract even more users of testing instruments, such as cotton traders and spinners, in the negotiations on quality basis. For the good of the global industry, anyone who deals in cotton should do away with manual classing and look forward to the future of perfecting the cotton business of, buying, selling or merchandising cotton, to the spinning cotton into good quality yarn, with verifiable electronic computerized quality results which would be a win-win situation for all concerned in the cotton business.



Figure 1. Overall Evaluation Results (all properties), Representing the Inter-instrument Variation

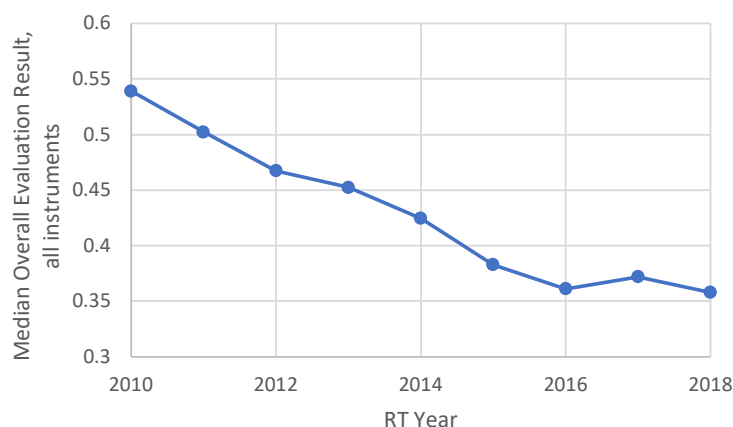
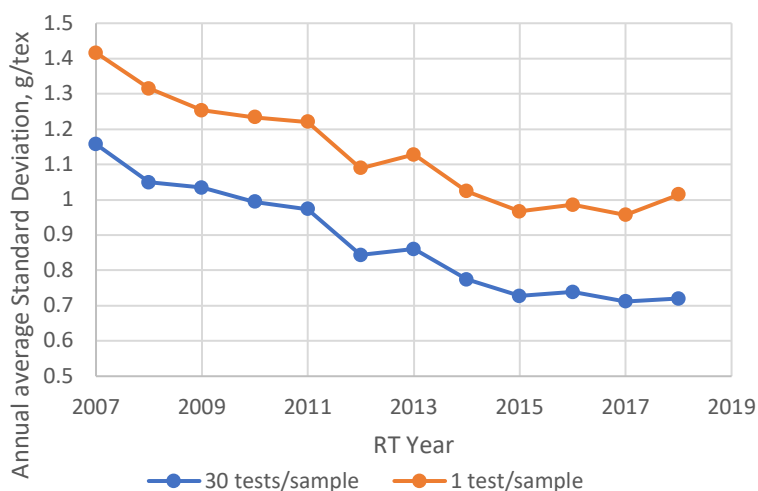


Figure 2. Strength: Inter-instrument Standard Deviation



Participation in the RTs allows the cotton producers, traders and spinners to agree on the quality of cotton that they are working with and avoid lengthy and costly arbitration disputes. Since 2011, laboratories participating

Current Developments in Cotton Support to Production

By Andrei Guitchounts, Director of Trade Analysis, ICAC

India Has Launched MSP operations

India has a Minimum Support Price (MSP) system that becomes operational during seasons when market prices are below the MSP during at least part of those seasons and functions through direct cotton purchases by the government-owned Cotton Corporation of India (CCI). CCI sells this cotton later to domestic mills or exporters, sometimes at a loss that is covered by the government of India.

The 2018/19 MSP for long staple Shankar-6 was increased substantially to Rs5,400 per 100kg of seed cotton, equivalent to 102 cent/pound of lint, at the season average exchange rate from Rs4,270 (87 cents per pound) in 2017/18. In 2017/18, CCI purchased 70,000 tonnes of cotton from producers and 180,000 tonnes were acquired during 2018/19.

According to its data, CCI sold about 62,000 tonnes of the MSP cotton it acquired during those two seasons, leaving a balance of 188,000 tonnes in CCI warehouses. It is believed that this quantity still remains unsold. The sales made by CCI during the previous two seasons incurred losses of \$40 million in 2017/18 and \$45 million in 2018/19, which represent a subsidy by the Government of India.

The MSP for 2019/20 was raised to Rs5,500 per 100kg of seed cotton, equivalent to 103 cent/pound of lint. Since the beginning of the season (October 1, 2019) CCI has purchased an estimated 650,000 tonnes of cotton (approximately 25% of arrivals), as domestic prices fell below the MSP due to an oversupply situation. The purchase is the largest in five years. CCI has not conducted any commercial operations this season and the rate of MSP operations could rise to 50% of arrivals, according to some estimates. Government purchases are providing some support to domestic prices and discourages exports.

Cotton farmers in India benefit from debt forgiveness and fertiliser subsidies from their government. India also provides some backing in the form of subsidies for crop insurance, although the value of this support is unknown. In addition, the government of India provides support to cotton production through several programs, such as the development of infrastructure facilities for production and distribution of quality seeds. Under the government's Technology Mission, support was provided for the modernisation of ginning and pressing units and the improvement of cotton marketing in recent years. No information on these programs is publicly available. In addition, the government supports the textile sector with a number of programs that provide direct support and soft loans.

US Farmers Received Compensation for Tariff Dispute Losses

The Market Facilitation Program (MFP) for 2019 was authorised by President Trump to provide up to \$16 billion as a support package to farmers affected by retaliatory tariffs on US agricultural goods and other trade disruptions. Cotton was one of the eligible crops. Payments were made by three tranches: August and November 2019 and again in February 2020. County payment rates ranged from \$15 to \$150 per acre, depending on the impact of trade retaliation on that county. The per-acre payments were not dependent on which eligible crops were planted in 2019, but plantings had to be made by 1 August 2019. MFP payments were limited to a combined \$250,000 per person or legal entity. Eligible recipients must also have an average adjusted gross income (AGI) of less than \$900,000 unless at least 75% of the person's or legal entity's AGI is derived from farming, ranching, or forestry-related activities. Applicants must also comply with the provisions of the Highly Erodible Land and Wetland Conservation regulations. The 2018 MFP paid out \$8.6 billion to more than one million farmers.

During the second week of February 2020, the extra-long staple competitiveness payment went into effect in USA for the first time in a decade and was equal to 6 cents per pound. The ELS competitiveness program provides a subsidy to exporters of US Pima when, for four consecutive weeks, adjusted (for transportation) average quotes for comparable foreign growth (LFQ) are lower than US Pima quotes; and the adjusted LFQ is less than 113% of the current crop year loan rate level for ELS, currently at 95.75 cents per pound.

In mid-January 2020, the first phase of a trade agreement between USA and China went into effect. The agreement provides for increased Chinese purchases of US agricultural products, including cotton, to average \$40 billion per year in 2020 and 2021. Based on the agreement China increased its projection for imports in 2019/20 by 200,000 tonnes to 1.8 million tonnes, respectively.



Recovery of Latin American Cotton Depends on Restoring Inter-institutional Coordination in the Sector

*By Adriana Gregolin, Regional Coordinator of the GCP/RLA/199/BRA Project
Strengthening of the Cotton Sector through South-South Cooperation*

Cotton in Latin America and the Caribbean had a fundamental role in agricultural development since pre-Columbian times, when its fiber was intended for clothing, ornament, rituals, and elements of sacred and social nature. At the present time, it continues to maintain its commercial nature regionally, though on a smaller scale, without losing economic importance in the value chain and significance in its crop's historical identity.

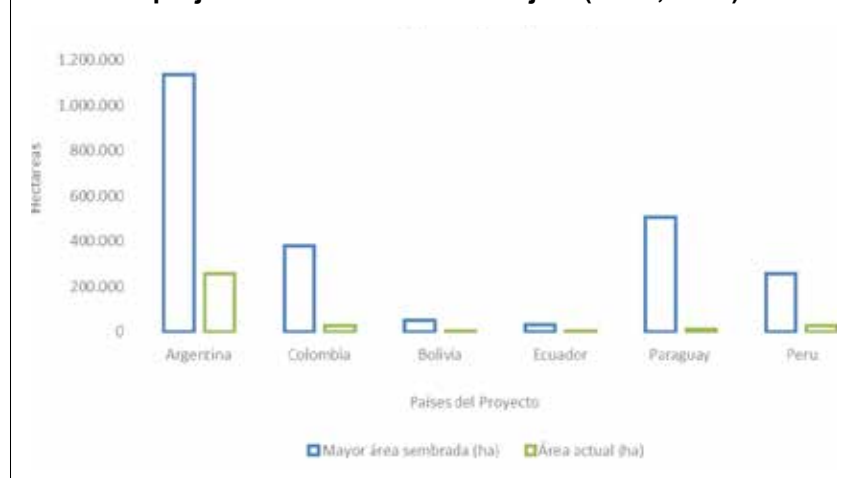
Currently, about 12 countries grow cotton in the region, with Brazil, Argentina and Mexico being the leading producers and income generators in this activity. The cotton boom through the 60s - 90s allowed establishing a competitive sector that brought development and opportunities to farmers and stakeholders involved in the value chain, thus producing significant incomes. However, weak or inefficient land development and distribution policies, strong international subsidies in competing countries, low productive capacity, technology and competitiveness, poor technical assistance and low investment in research, caused a reduction in cotton area and production by more than 90% compared to six decades ago.

ers, a great majority small-holders, who still are producing cotton. Over the years, the decrease in production area also meant a reduction in the volume of cotton produced, since the production model did not change throughout the years.

Although there was a significant decrease in area as seen in the previous chart, farmers continue producing cotton because of its commercial value over its medium or large areas, and because it is a key product for family economies that generates income in their diversified farms. Cotton is part of an important production system, in a consortium or as a crop rotation with food crops. It also fulfills the role of the leading marketing and job creation crop in cotton farms. To deal with the current productive environment and the market shift towards a more sustainable and environmentally friendly production demand, a series of measures and initiatives is necessary to increase the national capacities of the sector's institutions, as well as of family farmers who are involved in the crop.

In this regional environment, Brazil is the leading cotton producer in the region, 4th in the world and 2nd world exporter (ICAC, 2019). It joined the Food and Agriculture Organization of the United Nations – FAO- to support seven countries in the region in the implementation of the + Cotton Initiative: Paraguay, Peru, Colombia, Bolivia, Ecuador, Argentina, and Haiti. The objective of this Trilateral South-South Cooperation (hereinafter TSSC) is to strengthen the cotton sector through technological and social innovation, strategic alliances and inclusive markets. For that purpose, it is coordinated in each country with a number of public and private institutional stakeholders, such as governments, ministries, research and extension institutions, among others; incorporating the experiences and knowledge of collaborative Brazilian institutions, such as EMBRAPA, EMPAER, ASBRAER, and ABRAPA, in the initiative and execution of actions, encompassing main issues such as research, rural extension, productive improvement, sustainability, partnership, markets and value chains for cotton promotion.

Chart 1. Comparison of major and minor planted areas in project countries +Cotton Project (ICAC, 2018)



This reduction occurred in a conventional cotton production environment, from the perspective of a tradable agricultural product, without added value, and mostly a family business, resulting today in almost 300,000 produc-

Associated with the technical and productive improvements, the TSSC invested in a work with Farm Schools to strengthen the rural generational shift, with a focus on good agricultural practices, innovation, technical assistance and rural extension systems (ATER, by its acronym in Spanish) and management mechanisms, reaching 400 young people from these schools. The work leads to its sixth year with 7,900 farmers and 2,386 technicians trained directly and more than 100,000 farmers with access to knowledge through the services provided by the ministries.



Harnessing the knowledge produced to generate more information and structural policies for the sector could be a central path to create sustainable production models. However, taking advantage of the opportunities that the world offer in the sustainable production and fashion sector goes through a commitment of governmental bodies, private sector, universities, unions and producers. The proposals of existing National Cotton Plans in partner countries of Latin America are a key support tool to move forward in research, formalization, financing and innovation that will boost the sector in a comprehensive manner.

Countries must capitalize on the contributions of institutions that operate in the cotton sector and associate with different institutions that work in the value chain links. Professionalize processes and field work should be the brand to achieve success vis-a-vis the opportunity window offered by the so-called sustainable cottons in search of differentiation in the markets and environmental care commitment.

Currently, cotton production in the TSSC partner countries in Latin America and the Caribbean faces the challenge of repositioning itself in the market, taking advantage of the existing opportunity in the growing demand for sustainable cottons worldwide. As published in the Sustainable Cotton Ranking (2020), sustainable cotton production in

the 2008/09 season accounted for 1% of the total, compared to fiber production in 2017/18, which accounted for 21%. It is estimated that by 2020, the sustainable cotton percentage will be 30% of the world's total cotton output, thus showing a growing supply driven by an increase in demand for an environmental and social sustainable product.

Production of a sustainable cotton, with differentiation and certification seals, results from the adoption of good production practices. The Project developed, implemented and validated these good practices, with important improvements in cotton yield a little over 40% and reduction in pesticide use by 50% - 60%, with a visible effect on soil recovery, irrigation water use efficiency and climate-smart agriculture.

The International Cotton Advisory Committee (ICAC) is an international reference in generating and disseminating regular information on world production of lint and by-products, commercial trends, thus contributing to the exchange of knowledge and decision-making by governments of cotton producing, consuming and marketing countries.

ICAC's representation in Latin America and the Caribbean is still valued by the countries, however, the relationship is not the same, while production falls and governments' lack of interest in maintaining cotton fiber production increases. It is for this reason that Brazil and Argentina are the only member countries of ICAC.

In the ups-and-downs of cotton production, with gradual recoveries and increased production area, the government's commitment to generate initiatives is key to sustaining ongoing development of the cotton value chain and improving rural services, financing conditions, agricultural field production and commercialization through established contracts and sustainable markets. Establishing a coordinated action among the ongoing initiatives in the countries, together with the +Cotton project, Governments and the ICAC, may be a way to ensure the adoption of new technologies that allow a competitive, stable, sus-



tainable and valued-added production. Organizations such as the Latin American Association for Cotton Research and Development (ALIDA) and the ICAC Expert Panel on the Social, Environmental and Economic Performance of Cotton Production (SEEP), are venues that support the consolidation of references to establish a framework for understanding current cotton production and its considerations and points to improve in the future, especially in countries like Peru, Bolivia, Paraguay and Colombia, where sustainability indicators were identified in an unprecedented way in the region.



Reinsertion of countries in the region as ICAC members is key to upgrade the Latin American dialogue to another level. In addition, it would allow strengthening the technical exchange, generating data and projections, contributing to market establishment and recognition,

standardizing and measuring crop and textile processing sustainability indicators. Likewise, it would provide the strengthening of this strategic organization for the cotton production chain worldwide.

Time has come to reaffirm the commitment towards producers and institutions that over the past 5 years have worked in the Latin American cotton sector with a focus on strengthening capacities to restore to the countries their cotton producer, consumer and exporter potential differentiated by its quality and sustainability characteristics.

In order to fulfill this commitment and recover the Latin American cotton, actions must be focused on resuming inter-institutional coordination in the sector. This must be a coordinated action between governments, unions, producers, private textile and clothing companies, consultative committees, research and rural extension institutions, universities and international collaborative institutions, among other stakeholders that are part of the value chain or strategic partners who work with cotton producers of medium and large family farms; thus generating in this way a common language for sustainable and inclusive territorial development, which includes the different chain links and establishes the necessary measures to comprehensively strengthen cotton production and marketing toward a differentiated value-added product and coming from Latin America and the Caribbean region.





2017/18 Supply and Use of Cotton by Country 2 March 2020

	Area	Yield	Prod	Beg Stocks	Imports	Cons	Exports	End Stocks	S/U *	S/MU **
	000 Ha	Kgs/Ha	000 Metric Tonnes						Ratio	Ratio
Canada				0	0	0		0	0.12	0.12
Cuba	4	269	1	1	2	3		1	0.19	0.19
Dom. Rep.					1	1		0	0.47	0.47
Mexico	212	1,580	335	141	212	435	71	182	0.36	0.42
USA	4,492	1,014	4,555	599	1	768	3,450	936	0.22	1.22
N. America	4,713	1,038	4,893	742	217	1,209	3,522	1,120	0.24	0.93
El Salvador				9	35	35		9	0.27	0.27
Guatemala				7	27	27		7	0.26	0.26
Honduras	0	318	0	0		0		0		
C. America	2	512	1	16	62	63	0	16	0.26	0.26
Argentina	328	688	226	301	2	146	37	347	1.90	2.38
Bolivia	4	639	3	2	1	3	0	2	0.50	0.53
Brazil	1,175	1,707	2,006	1,163	18	680	909	1,598	1.01	2.35
Chile				0	0	0		0	0.41	0.41
Colombia	10	937	10	6	28	40		4	0.10	0.10
Ecuador	1	439	1	3	10	10		3	0.31	0.31
Paraguay	10	419	4	1	2	3	3	2	0.34	0.65
Peru	26	814	22	25	53	60	1	39	0.64	0.64
Uruguay				0	0	0		0	0.06	0.06
Venezuela	14	390	6	3	5	11		3	0.30	0.30
S. America	1,570	1,450	2,276	1,504	119	953	949	1,997	1.05	2.10
Algeria				0	2	2		0	0.04	0.04
Egypt	91	747	68	90	117	127	50	98	0.56	0.78
Morocco				3	8	8		3	0.35	0.35
Sudan	180	444	80	14		18	60	16	0.21	0.90
Tunisia				3	12	12		3	0.22	0.22
N. Africa	271	546	148	109	139	166	110	120	0.43	0.72
Benin	530	485	257	87		2	196	146	0.74	74.45
Burkina Faso	879	292	257	120		4	236	137	0.57	34.19
Cameroon	183	586	107	58		2	103	60	0.58	31.75
Cent. Afr. Rep.	33	21	1	3			3	0	0.10	
Chad	119	55	7	55		0	47	14	0.29	43.38
Cote d'Ivoire	326	538	176	21		2	138	56	0.40	27.63
Guinea	12	245	3	1			3	1	0.38	
Madagascar				3				3		
Mali	704	424	299	61		5	289	66	0.22	13.17
Niger	5	429	2	0		1	1	0	0.12	0.25
Senegal	20	277	6	2	1	1	7	1	0.13	1.28
Togo	169	285	48	14			42	19	0.45	
F. Africa	2,979	390	1,161	425	1	17	1,065	504	0.47	29.74
Angola	3	301	1	0		1	0	0	0.33	0.48
Ethiopia	60	700	42	19	6	41	7	19	0.39	0.46
Ghana	15	132	2	12		1	1	12	6.03	9.33
Kenya	21	193	4	0	2	5	0	2	0.32	0.33
Malawi	90	78	7	12		3	13	3	0.16	0.87
Mozambique	124	201	25	20			30	15	0.49	
Nigeria	261	196	51	18	1	28	20	22	0.45	0.79
South Africa	34	1,120	38	12	16	20	7	39	1.45	1.93
Tanzania	350	154	54	51		43	39	23	0.28	0.54
Uganda	109	343	37	22		4	34	22	0.60	6.05
Congo, Dr				2	7	7		2	0.30	0.30
Zambia	126	326	41	34		2	40	34	0.80	
Zimbabwe	202	203	41	22		3	35	25	0.65	8.80
S. Africa	1,415	244	346	238	57	183	228	230	0.56	1.25
Kazakhstan	116	634	73	36	0	13	46	51	0.87	3.90
Kyrgyzstan	14	810	11	4	3	1	13	4	0.28	4.19
Tajikistan	187	532	100	27		15	78	34	0.36	2.29
Turkmenistan	545	559	304	86		140	159	91	0.30	0.65
Uzbekistan	1,208	662	800	259	1	464	337	259	0.32	0.56
C. Asia	2,069	622	1,288	413	4	632	634	439	2.14	0.69



2017/18 Supply and Use of Cotton by Country (cont'd) 2 March 2020

	Area	Yield	Prod	Beg Stocks	Imports	Cons	Exports	End Stocks	S/U *	S/MU **
	000 Ha	Kgs/Ha	000 Metric Tonnes						Ratio	Ratio
Austria				1	3	3		1	0.18	0.18
Azerbaijan	139	537	75	15		17	39	34	0.61	2.00
Belarus				4	11	11		4	0.34	0.34
Belgium				1	7	3	4	1	0.19	0.42
Bulgaria	1	324	0	1	5	5	0	1	0.18	0.19
Czech Rep.				0	2	2		0	0.09	0.09
Denmark					0	0			0.12	
Estonia										
Finland										
France				2	10	8	2	2	0.15	0.19
Germany				9	26	22	4	9	0.34	0.41
Greece	243	906	220	24	7	16	234	0	0.00	0.01
Hungary				0				0		
Ireland				0	0	0		0	0.10	0.10
Italy				6	37	34	2	8	0.21	0.22
Latvia				0	0	0	0	0	0.03	0.04
Lithuania				0				0		
Moldova				1	2	2		1	0.34	0.34
Netherlands				0	4	4		0	0.11	
Norway										
Poland				1	4	3	0	1	0.51	0.56
Portugal				6	40	39	1	7	0.18	0.19
Romania				0	0	0		0	0.10	0.10
Russia				7	41	41	0	6	0.15	0.15
Slovak Rep.										
Spain	70	943	66	25	3	3	52	38	0.69	11.04
Sweden				0	0	0		0		
Switzerland				0	1	0	0	0	0.19	0.32
Ukraine				0	2	2		0	0.26	0.26
United Kingdom				0	0	0		0	0.13	0.13
Former Yugoslavia				1	7	7		1	0.19	0.19
Europe	454	796	361	106	216	228	338	117	0.21	0.51
Including EU-28	314	912	286	77	151	146	299	70	0.16	0.48
China	3,350	1,758	5,890	10,352	1,320	8,500	30	9,033	1.06	1.06
Taiwan				29	138	146		21	0.14	0.14
Hong Kong				30	1	0	0	30	61.83	
Sub Total	3,350	1,758	5,890	10,411	1,458	8,646	30	9,084	1.05	1.05
Australia	526	2,011	1,058	252		6	900	404	0.45	63.62
Indonesia	6	615	4	85	762	778	2	70	0.09	0.09
Japan				8	57	58		8	0.13	0.13
Korea, D.R.				1	5	5		1	0.24	0.24
Korea, Rep.				47	197	201	2	40	0.20	0.20
Malaysia				13	161	128	33	13	0.08	0.10
Philippines	0	567	0	4	14	13		5	0.35	0.35
Singapore				0	6		6	0	0.05	
Thailand	2	517	1	52	250	248		56	0.22	0.22
Vietnam	0	1,000	0	181	1,521	1,506		196	0.13	0.13
E. Asia	552	1,939	1,070	647	2,972	2,950	943	796	0.20	0.27
Afghanistan	38	387	15	7		4	12	5	0.31	1.20
Bangladesh	45	764	34	379	1,671	1,662		422	0.25	0.25
India	12,235	519	6,350	1,829	365	5,423	1,132	1,989	0.30	0.37
Myanmar	249	634	158	62	57	207		69	0.34	0.34
Pakistan	2,665	674	1,795	734	671	2,346	46	808	0.34	0.34
Sri Lanka				0	2	2		0	0.12	0.12
S. Asia	15,235	548	8,354	3,011	2,766	9,647	1,190	3,295	0.30	0.34
Iran	79	709	56	42	71	116	0	52	0.45	0.45
Iraq	10	361	3	2	5	8		2	0.24	0.24
Israel	7	1,853	13	2			13	2	0.14	
Syria	25	954	23	11		22	4	9	0.34	0.39
Turkey	462	1,714	792	802	876	1,481	71	918	0.59	0.62
Sub Total	585	1,519	889	862	974	1,650	87	987	0.57	0.60
World Total	33,195	804	26,676	18,484	8,984	26,344	9,095	18,706	0.71	0.71

*/ Ending stocks divided by consumption plus exports.

Subtotals and total include countries not shown.

**/ Ending stocks divided by consumption.



2018/19 Supply and Use of Cotton by Country 2 March 2020

	Area	Yield	Prod	Beg Stocks	Imports	Cons	Exports	End Stocks	S/U *	S/MU **
	000 Ha	Kgs/Ha	000 Metric Tonnes						Ratio	Ratio
Canada				0	0	0		0	0.12	0.12
Cuba	4	269	1	1	2	3		1	0.19	0.19
Dom. Rep.					1	1		0	0.47	0.47
Mexico	245	1,692	414	182	95	440	69	182	0.36	0.41
USA	4,130	968	3,999	936	1	712	3,214	1,010	0.26	1.42
N. America	4,384	1,007	4,415	1,120	100	1,158	3,283	1,194	0.27	1.03
El Salvador				9	35	35		9	0.26	0.26
Guatemala				7	27	27		7	0.26	0.26
Honduras	0	318	0	0		0		0		
C. America	1	522	1	16	62	63		16	0.26	0.26
Argentina	333	773	257	347	1	167	118	320	1.12	1.91
Bolivia	4	640	3	2	1	3	0	2	0.50	0.53
Brazil	1,618	1,685	2,726	1,598	4	730	1,446	2,152	0.99	2.95
Chile				0	0	0		0	0.41	0.41
Colombia	15	870	13	4	27	40		4	0.10	0.10
Ecuador	1	439	1	3	10	11		3	0.31	0.31
Paraguay	10	420	4	2	2	3	2	3	0.72	1.35
Peru	27	819	22	39	38	59	1	39	0.64	0.65
Uruguay				0	0	0		0	0.06	0.06
Venezuela	15	392	6	3	5	10		3	0.30	0.30
S. America	2,023	1,498	3,032	1,997	87	1,024	1,567	2,525	0.97	2.47
Algeria				0	1	1		0	0.05	0.05
Egypt	142	782	111	98	110	127	75	118	0.58	0.93
Morocco				3	7	7		3	0.38	0.38
Sudan	180	578	104	16		18	86	16	0.15	0.89
Tunisia				3	12	12		3	0.22	0.22
N. Africa	322	668	215	120	131	165	161	139	0.43	0.84
Benin	656	449	295	146		1	292	147	0.50	107.48
Burkina Faso	646	283	183	137		3	200	116	0.57	38.82
Cameroon	250	530	132	60		2	125	66	0.52	34.85
Cent. Afr. Rep.	32	251	8	0			4	4	0.93	
Chad	60	117	7	14		0	14	6	0.43	24.32
Cote D'Ivoire	392	514	202	56		2	195	61	0.31	29.77
Guinea	12	286	3	1			3	2	0.58	
Madagascar				3				3		
Mali	698	395	276	66		2	300	40	0.13	19.79
Niger	4	469	2	0		1	1	0	0.11	0.25
Senegal	22	285	6	1		1	5	1	0.18	1.41
Togo	180	313	56	19			47	28	0.59	
F. Africa	2,953	396	1,171	504		12	1,187	475	0.40	38.60
Angola	3	304	1	0		1	0	0	0.34	0.48
Ethiopia	78	737	57	19	6	52	7	22	0.37	0.42
Ghana	15	373	5	12		1	4	12	2.22	9.28
Kenya	13	149	2	2	1	3	0	1	0.33	0.34
Malawi	86	248	21	3		3	9	12	0.99	3.99
Mozambique	124	222	28	15			27	15	0.56	
Nigeria	250	205	51	22	1	28	29	17	0.31	0.63
South Africa	44	1,103	49	39	15	19	31	53	1.05	2.77
Tanzania	420	193	81	23		44	43	18	0.20	0.40
Uganda	81	430	35	22		2	33	22	0.63	12.94
Congo, Dr				2	7	7		2	0.30	0.30
Zambia	121	392	47	34		2	47	32	0.67	
Zimbabwe	212	292	62	25		3	44	39	0.83	13.98
S. Africa	1,468	302	443	230	54	191	276	259	0.55	1.35
Kazakhstan	113	665	75	51	0	13	58	55	0.76	4.14
Kyrgyzstan	14	851	12	4	3	1	13	5	0.33	4.79
Tajikistan	191	535	102	34		15	85	36	0.36	2.43
Turkmenistan	534	561	300	91		141	143	106	0.37	0.75
Uzbekistan	900	712	641	259		630	127	144	0.19	0.23
C. Asia	1,752	645	1,130	439	3	800	427	345	2.01	0.43



2018/19 Supply and Use of Cotton by Country (cont'd) 2 March 2020

	Area	Yield	Prod	Beg Stocks	Imports	Cons	Exports	End Stocks	S/U *	S/MU **
	000 Ha	Kgs/Ha	000 Metric Tonnes						Ratio	Ratio
Austria				1	3	3		1	0.18	0.18
Azerbaijan	143	672	96	34		20	66	44	0.50	2.13
Belarus				4	11	11		4	0.34	0.34
Belgium				1	7	3	4	1	0.19	0.43
Bulgaria	1	324	0	1	6	6	0	1	0.17	0.17
Czech Rep.				0	2	2		0	0.04	0.04
Denmark					0	0			0.12	
Estonia										
Finland										
France				2	9	8	1	1	0.14	0.17
Germany				9	24	21	4	8	0.31	0.36
Greece	243	1,268	308	0	7	16	298	0	0.00	0.01
Hungary				0				0		
Ireland				0	0	0		0	0.11	0.11
Italy				8	34	32	2	8	0.22	0.23
Latvia				0	0	0	0	0	0.03	0.04
Lithuania				0				0		
Moldova				1	2	2		1	0.34	0.34
Netherlands				0	4	4		0	0.11	
Norway										
Poland				1	2	2	0	1	0.60	0.63
Portugal				7	42	41	1	9	0.21	0.21
Romania				0	0	0		0	0.10	0.10
Russia	0	1,750	0	6	40	41	0	6	0.14	0.14
Slovak Rep.										
Spain	70	929	65	38	3	3	52	37	0.54	11.08
Sweden				0	0	0		0		
Switzerland				0	1	0	0	0	0.19	0.33
Ukraine				0	2	2		0	0.26	0.26
United Kingdom				0	0	0		0	0.12	0.12
Former Yugoslavia				1	7	7		1	0.19	0.19
Europe	771	673	519	117	217	60	545	211	0.35	3.51
Including EU-28	314	1,190	373	70	145	145	299	68	0.15	0.47
China	3,367	1,794	6,040	9,033	2,100	8,250	30	8,885	1.07	1.08
Taiwan				21	138	138		21	0.15	0.15
Hong Kong				30	0	0	0	30	51.93	
Sub Total	3,367	1,794	6,040	9,084	2,239	8,389	30	8,936	1.06	1.07
Australia	343	1,414	485	404		6	800	83	0.10	13.79
Indonesia	6	618	3	70	685	700		59	0.08	0.08
Japan				8	50	51		7	0.14	0.14
Korea, D.R.				1	5	5		1	0.24	0.24
Korea, Rep.				40	170	171	1	38	0.22	0.22
Malaysia				13	165	95	70	13	0.08	0.14
Philippines	0	570	0	5	13	13		5	0.35	0.35
Singapore				0	6		6	0	0.05	
Thailand	2	520	1	56	234	236		56	0.24	0.24
Vietnam	0	667	0	196	1,510	1,506		200	0.13	0.13
E. Asia	368	1,349	496	796	2,839	2,790	878	464	0.13	0.17
Afghanistan	36	387	14	5		4	11	4	0.25	0.90
Bangladesh	45	768	35	422	1,544	1,579		422	0.27	0.27
India	12,600	425	5,350	1,989	340	5,400	800	1,479	0.24	0.27
Myanmar	239	637	152	69	55	207	0	69	0.33	0.34
Pakistan	2,325	718	1,670	808	668	2,358	46	743	0.31	0.32
Sri Lanka				0	2	2		0	0.12	0.12
S. Asia	15,248	474	7,223	3,295	2,610	9,552	1,190	2,719	0.26	0.28
Iran	71	710	50	52	71	116		58	0.50	0.50
Iraq	9	362	3	2	5	8		2	0.24	0.24
Israel	4	2,009	9	2			8	2	0.27	
Syria	18	958	18	9		14	4	9	0.49	0.61
Turkey	520	1,878	977	918	762	1,555	105	997	0.60	0.64
Sub Total	626	1,691	1,058	987	855	1,713	117	1,071	0.59	0.63
World Total	32,970	779	25,693	18,706	9,187	26,085	9,234	18,267	0.70	0.70

*/ Ending stocks divided by consumption plus exports.

Subtotals and total include countries not shown.

**/ Ending stocks divided by consumption.



2019/20 Supply and Use of Cotton by Country 2 March 2020

	Area	Yield	Prod	Beg Stocks	Imports	Cons	Exports	End Stocks	S/U *	S/MU **
	000 Ha	Kgs/Ha	000 Metric Tonnes						Ratio	Ratio
Canada				0	0	0		0	0.13	0.13
Cuba	4	269	1	1	2	3		1	0.19	0.19
Dom. Rep.					1	1		0	0.47	0.47
Mexico	224	1,644	369	182	141	440	69	182	0.36	0.41
USA	4,177	1,048	4,377	1,010	1	734	3,592	1,062	0.25	1.45
N. America	4,410	1,077	4,748	1,194	145	1,180	3,661	1,246	0.26	1.06
El Salvador				9	35	35		9	0.24	0.24
Guatemala				7	27	27		6	0.23	0.23
Honduras	0	318	0	0		0		0		
C. America	1	522	0	16	61	63		15	0.24	0.24
Argentina	485	737	358	320	1	169	186	323	0.91	1.91
Bolivia	4	641	3	2	1	3	0	2	0.50	0.53
Brazil	1,662	1,658	2,755	2,152	3	734	1,722	2,454	1.00	3.35
Chile				0	0	0		0	0.41	0.41
Colombia	21	847	17	4	23	40		4	0.10	0.10
Ecuador	1	439	1	3	10	11		3	0.31	0.31
Paraguay	10	420	4	3	1	2	4	2	0.34	0.98
Peru	26	819	22	39	38	59	1	39	0.65	0.66
Uruguay				0	0	0		0	0.06	0.06
Venezuela	14	392	6	3	5	10		3	0.30	0.30
S. America	2,224	1,423	3,165	2,525	82	1,028	1,913	2,831	0.96	2.75
Algeria				0	1	1		0	0.07	0.07
Egypt	102	657	67	118	111	124	54	118	0.66	0.95
Morocco				3	7	7		3	0.40	0.40
Sudan	180	722	130	16		18	112	16	0.12	0.89
Tunisia				3	12	12		3	0.22	0.22
N. Africa	282	699	197	139	131	162	166	139	0.42	0.86
Benin	700	450	315	147		1	294	168	0.57	174.80
Burkina Faso	735	283	208	116		3	203	119	0.58	39.53
Cameroon	250	559	140	66		2	141	63	0.44	33.10
Cent. Afr. Rep.	34	252	9	4			9	4	0.44	
Chad	248	298	74	6		0	60	20	0.33	100.61
Cote d'Ivoire	426	514	219	61		2	209	68	0.32	33.53
Guinea	12	287	4	2			4	2	0.44	
Madagascar				3				3		
Mali	782	390	305	40		2	295	47	0.16	23.63
Niger	5	470	2	0		1	1	0	0.11	0.25
Senegal	20	255	5	1		1	5	0	0.05	0.38
Togo	180	311	56	28			59	25	0.43	
F. Africa	3,392	394	1,336	475		12	1,280	520	0.40	43.89
Angola	3	308	1	0		1	0	0	0.33	0.48
Ethiopia	82	741	60	22	3	54	7	24	0.40	0.45
Ghana	15	375	6	12		1	4	12	2.14	9.24
Kenya	25	220	6	1	1	4	0	4	0.87	0.88
Malawi	85	249	21	12		3	18	12	0.55	3.92
Mozambique	124	223	28	15			27	16	0.58	
Nigeria	250	205	51	17	1	28	25	17	0.33	0.63
South Africa	43	891	39	53	14	19	24	63	1.46	3.31
Tanzania	441	247	109	18		45	46	36	0.40	0.79
Uganda	89	416	37	22		4	33	22	0.59	5.95
Congo, Dr				2	7	7		2	0.30	0.30
Zambia	118	393	46	32		2	47	30	0.61	
Zimbabwe	212	292	62	39		3	59	39	0.64	13.99
S. Africa	1,508	311	469	259	52	197	292	290	0.59	1.47
Kazakhstan	117	669	78	55	0	13	65	55	0.70	4.08
Kyrgyzstan	14	855	12	5	3	1	13	5	0.36	5.41
Tajikistan	196	538	106	36		15	91	36	0.34	2.43
Turkmenistan	545	564	307	106		141	166	106	0.34	0.75
Uzbekistan	900	712	641	144		641		144	0.22	0.22
C. Asia	1,772	646	1,144	345	3	812	335	345	1.97	0.43



2019/20 Supply and Use of Cotton by Country (cont'd) 2 March 2020

	Area	Yield	Prod	Beg Stocks	Imports	Cons	Exports	End Stocks	S/U *	S/MU **
	000 Ha	Kgs/Ha	000 Metric Tonnes						Ratio	Ratio
Austria				1	3	3		1	0.19	0.19
Azerbaijan	146	677	99	44		29	70	44	0.44	1.50
Belarus				4	11	11		4	0.34	0.34
Belgium				1	7	3	4	1	0.19	0.44
Bulgaria	1	324	0	1	6	6	0	1	0.17	0.17
Czech Rep.				0	2	2		0	0.07	0.07
Denmark										
Estonia										
Finland										
France				1	8	8	1	1	0.11	0.12
Germany				8	23	20	4	7	0.27	0.32
Greece	250	1,268	317	0	7	16	303	5	0.02	0.30
Hungary				0				0		
Ireland				0	0	0		0	0.12	0.12
Italy				8	32	31	1	8	0.23	0.24
Latvia				0	0	0	0	0	0.03	0.04
Lithuania				0				0		
Moldova				1	2	2		1	0.34	0.34
Netherlands				0	4	4		0	0.11	
Norway										
Poland				1	2	2	0	1	0.59	0.65
Portugal				9	42	41	1	10	0.24	0.24
Romania				0	0	0		0	0.11	0.11
Russia	0	1,759	0	6	40	41	0	5	0.13	0.13
Slovak Rep.										
Spain	70	929	65	37	3	3	52	37	0.53	11.18
Sweden				0	0	0		0		
Switzerland				0	1	0	0	0	0.19	0.34
Ukraine				0	2	2		0	0.27	0.27
United Kingdom				0	0	0		0	0.11	0.11
Former Yugoslavia				1	7	7		1	0.19	0.19
Europe	751	672	505	125	217	48	637	210	0.31	4.35
Including EU-28	321	1,192	382	68	141	141	299	72	0.16	0.51
China	3,300	1,758	5,800	8,885	1,810	8,050	30	8,395	1.04	1.04
Taiwan				21	131	131		21	0.16	0.16
Hong Kong				30	0	0	0	30	53.01	
Sub Total	3,300	1,758	5,800	8,936	1,942	8,182	30	8,446	1.03	1.03
Australia	90	1,889	170	83		6	197	51	0.25	8.81
Indonesia	5	621	3	59	711	707		65	0.09	0.09
Japan				7	51	51		7	0.14	0.14
Korea, D.R.				1	5	5		1	0.24	0.24
Korea, Rep.				38	162	163		37	0.22	0.22
Malaysia				13	173	101	72	13	0.08	0.13
Philippines	0	573	0	5	14	14		5	0.34	0.34
Singapore				0	6		6	0	0.05	
Thailand	2	522	1	56	241	243		56	0.23	0.23
Vietnam	0	667	0	200	1,544	1,529		215	0.14	0.14
E. Asia	114	1,582	181	464	2,906	2,824	275	452	0.15	0.16
Afghanistan	36	387	14	4		4	11	3	0.19	0.68
Bangladesh	46	772	35	422	1,614	1,603		469	0.29	0.29
India	12,700	472	6,000	1,479	350	5,535	857	1,438	0.22	0.26
Myanmar	246	640	158	69	44	212		59	0.28	0.28
Pakistan	2,631	513	1,350	743	967	2,358	30	672	0.28	0.29
Sri Lanka				0	2	2		0	0.11	0.11
S. Asia	15,662	483	7,559	2,719	2,976	9,716	1,190	2,640	0.25	0.27
Iran	71	711	50	58	65	116		58	0.50	0.50
Iraq	9	362	3	2	5	8		2	0.24	0.24
Israel	4	2,009	9	2			9	2	0.26	
Syria	18	968	17	9		14	3	9	0.51	0.63
Turkey	520	1,567	815	997	818	1,633	79	918	0.54	0.56
Sub Total	625	1,434	896	1,071	906	1,790	91	992	0.53	0.55
World Total	33,758	770	25,977	18,267	9,410	26,200	9,410	18,044	0.69	0.69

*/ Ending stocks divided by consumption plus exports.

Subtotals and total include countries not shown.

**/ Ending stocks divided by consumption.



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