



International Cotton Advisory Committee

Provisional Minutes

83rd ICAC Plenary Meeting

**March 23-24, 2026
Bremen Parliament Building
Bremen, Germany**





83rd ICAC Plenary Meeting MINUTES

1st Open Session: Facilitating Investment in the Textiles and Apparel Value Chain in Emerging Markets

2:00 pm to 4:00 pm, Monday, March 23, 2026

The Chair, Dr Olivier Zieschank, ITMF Economist, introduced the topic and outlined the structure of the session, noting that:

- The session would consist of five presentations followed by a discussion
- The focus would be on facilitating investment across the textile value chain, particularly in emerging markets

The Chair highlighted current industry challenges, including:

- Prolonged demand weakness across the textile sector since 2022
- A significant decline in investment in certain segments (e.g., spinning capacity)
- Shifting investment patterns, with continued concentration in Asia but increasing activity in emerging markets such as Egypt, Brazil, Mexico, and Uzbekistan

Presentation: India's PM MITRA Initiative

Speaker: Ms. Padmini Singla (Ministry of Textiles, India)

Ms. Singla presented India's MITRA (Mega Integrated Textile Region and Apparel Parks) initiative, aimed at strengthening integrated textile manufacturing ecosystems.

Key points included:

- Development of seven large-scale textile parks across India, combining greenfield and brownfield sites

- Strategic location of parks near fiber clusters to ensure backward linkages
- Integration of the entire value chain, from fiber to finished products

India's broader textile sector context:

- USD 183 billion current market, with a target of USD 350 billion by 2030
- Need for approximately USD 100 billion in investment across the value chain

Policy and investment incentives:

- Financial incentives for manufacturing investments
- Development of integrated infrastructure and support services
- Provision of single-window clearances and investor-friendly regulatory frameworks

Ms. Singla emphasized:

- Sustainability features of the parks, including renewable energy and water management systems
- Alignment with Industry 4.0 and global competitiveness standards

She also introduced Bharat Tex 2026, a major international textile exhibition promoting innovation, sustainability, and global collaboration that is supported by the Ministry of Textiles.

Presentation: Investment Dynamics and Policy Frameworks

Speaker: Mr. Navdeep Sodhi, Gherzi Textil

Mr. Sodhi outlined key global trends shaping investment in the textile industry:

- Long-term growth trajectory of the textile sector
- Shifts in sourcing patterns creating opportunities for emerging markets
- Increasing importance of sustainability and digitalization
- Growing need for integrated and technology-driven business models

He emphasized that:

- Global textile demand is expected to grow steadily, requiring additional fiber processing capacity annually
- Investment remains concentrated in Asia, though emerging economies are gaining traction

Key pillars for attracting investment:

1. Clear national vision

2. Strong industrial policy and incentives
3. Access to competitively priced raw materials
4. Market access through trade agreements
5. Skilled workforce and institutional capacity
6. Infrastructure and industrial clusters
7. Active investment promotion

He concluded that **coherent policy ecosystems** are essential for successful industrial development.

Presentation: Tanzania's Textile Sector Development

Speaker: Ambassador Dr. Elsie Sia Kanza, Ambassador Extraordinary and Plenipotentiary of the United Republic of Tanzania to the United States of America and

The Ambassador presented Tanzania's strategy to develop its textile and apparel sector.

Key highlights:

- Population of over 65 million, with a young and growing workforce
- Target to process 100% of domestically produced cotton by 2030 (currently ~20%)
- Strong economic growth and political stability

Strategic priorities:

- Infrastructure development (transport, energy, and logistics)
- Human capital development
- Improving the business environment

Investment advantages:

- Access to regional markets (EAC, SADC, AfCFTA)
- Duty-free access to the United States under AGOA
- Investment incentives, including tax benefits and regulatory reforms

The Ambassador emphasized:

- The importance of policy coordination across sectors
- The need for stronger integration between agriculture and industry

Presentation: Machinery Perspective on Investment

Speaker: Ms. Pia Terasa, Saurer

Ms. Terasa presented a technical perspective on investment decisions in textile manufacturing.

Key points included:

- Complexity of textile production and multiple technological pathways (ring, rotor, air spinning)
- Importance of aligning machinery selection with product requirements and market demand

Investment considerations:

- Capital costs, energy use, and infrastructure requirements
- Flexibility to respond to fast-changing fashion trends
- Increasing importance of circular economy and recycling

She emphasized:

- The need for long-term investment planning
- Importance of energy efficiency and operational reliability
- Risks associated with low-quality or inflexible equipment

Presentation: Strengthening Cotton Value Chains

Speaker: Mr. Ashwin Chandran, CITI

Mr. Chandran discussed the challenges and opportunities in strengthening cotton-based textile value chains.

Key observations:

- Cotton accounts for approximately 25% of global fiber consumption
- Major cotton-producing countries have limited participation in downstream value-added exports

Challenges identified:

- Lack of integrated value chains

- High logistics costs and long lead times
- Weak global positioning of cotton relative to man-made fibers

Key recommendations:

- Develop integrated “farm-to-fashion” ecosystems
- Improve market access through trade agreements
- Strengthen financing mechanisms
- Enhance sustainability and traceability frameworks

He emphasized that:

- Investment flows toward integrated and competitive ecosystems, not fragmented supply chains
- Cotton’s sustainability narrative must be strengthened and better communicated

Panel Discussion and Q&A

Key Learnings for Emerging Markets

Panelists highlighted several common themes:

- Importance of aligning production with market demand
- Role of foreign direct investment in providing capital, expertise, and market access
- Need for enabling policy environments and ease of doing business
- Importance of long-term, coordinated strategies across the value chain

Successful examples cited included:

- Bangladesh (FDI-driven growth)
- India (technology upgrading schemes)
- Vietnam (industrial zones and infrastructure development)

Sustainability and Circularity

Discussions emphasized:

- Need to address sustainability across energy, water, and materials
- Low current rates of textile recycling globally
- Importance of technological innovation in reducing environmental impact

Panelists noted:

- Sustainability investments are necessary but costly
- Greater responsibility is needed from brands and retailers to support these efforts

Investment Constraints

Participants highlighted:

- Limited access to capital in emerging markets, particularly in Africa
- Importance of attracting both foreign and domestic investment
- Need for coordinated international support mechanisms

Cotton Sector Challenges

Concerns were raised regarding:

- Profitability of cotton production for smallholders
- Price volatility and sustainability pressures
- Need for stronger policy support and value chain integration

Carbon and Sustainability Incentives

Discussions included:

- Potential role of carbon markets and carbon-neutral products
- Limited access of developing countries to carbon finance mechanisms
- Need for more equitable participation in sustainability frameworks

Closing of the Session

The Chair summarized the discussion, emphasizing:

- The importance of coherent, integrated approaches to investment
- The need to strengthen links between cotton production and textile manufacturing
- The critical role of policy, technology, and collaboration

The session concluded at 4:00 pm with thanks to all panelists and participants.