

Opportunities and Challenges in the Development of Cotton By-Products in Zambia

Presented

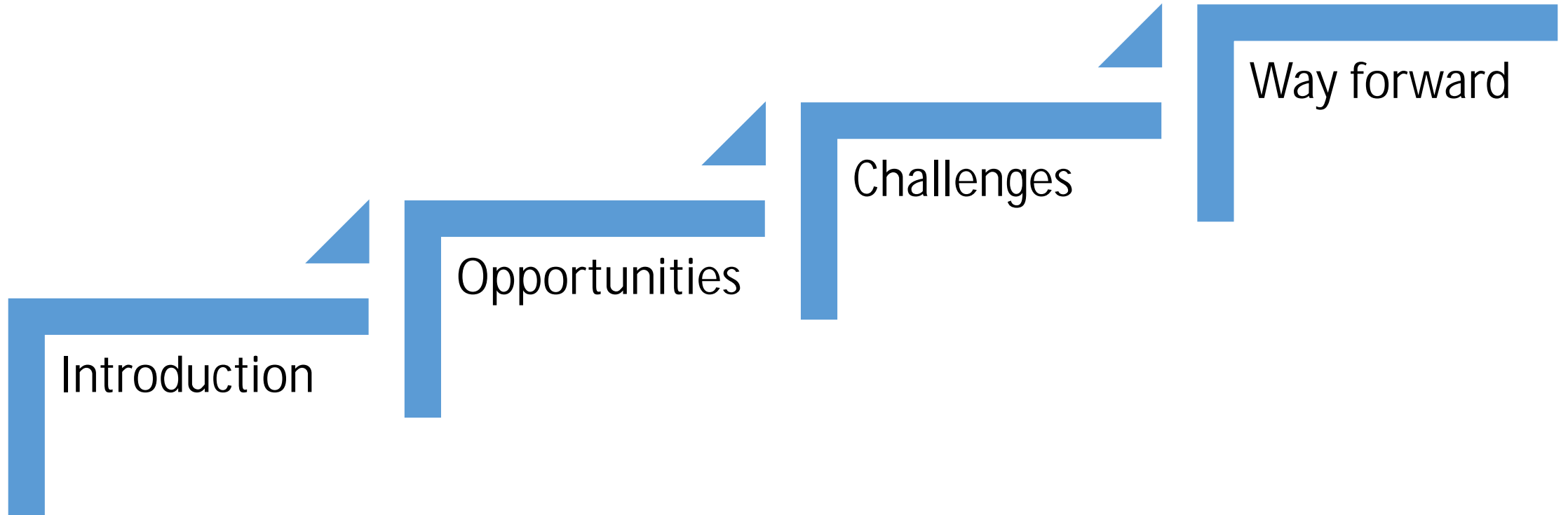
By

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at the WTO Cotton Day, Geneva Switzerland

29th November, 2018

Outline



Introduction

Opportunities

Challenges

Way forward

Introduction

Cotton remains an important cash crop for smallholder farmers in cotton growing areas of Zambia

- Grown by over 250,000 smallholder farmers

Source of income for rural households and creates employment opportunities for people

The crop is also becoming an important feedstock for animal feed production (cotton cake)

At macro level cotton is a source of revenue to the treasury.

- The sector contributes about USD 60 million or more to economy which varies between 0.25% to 1.45% of GDP

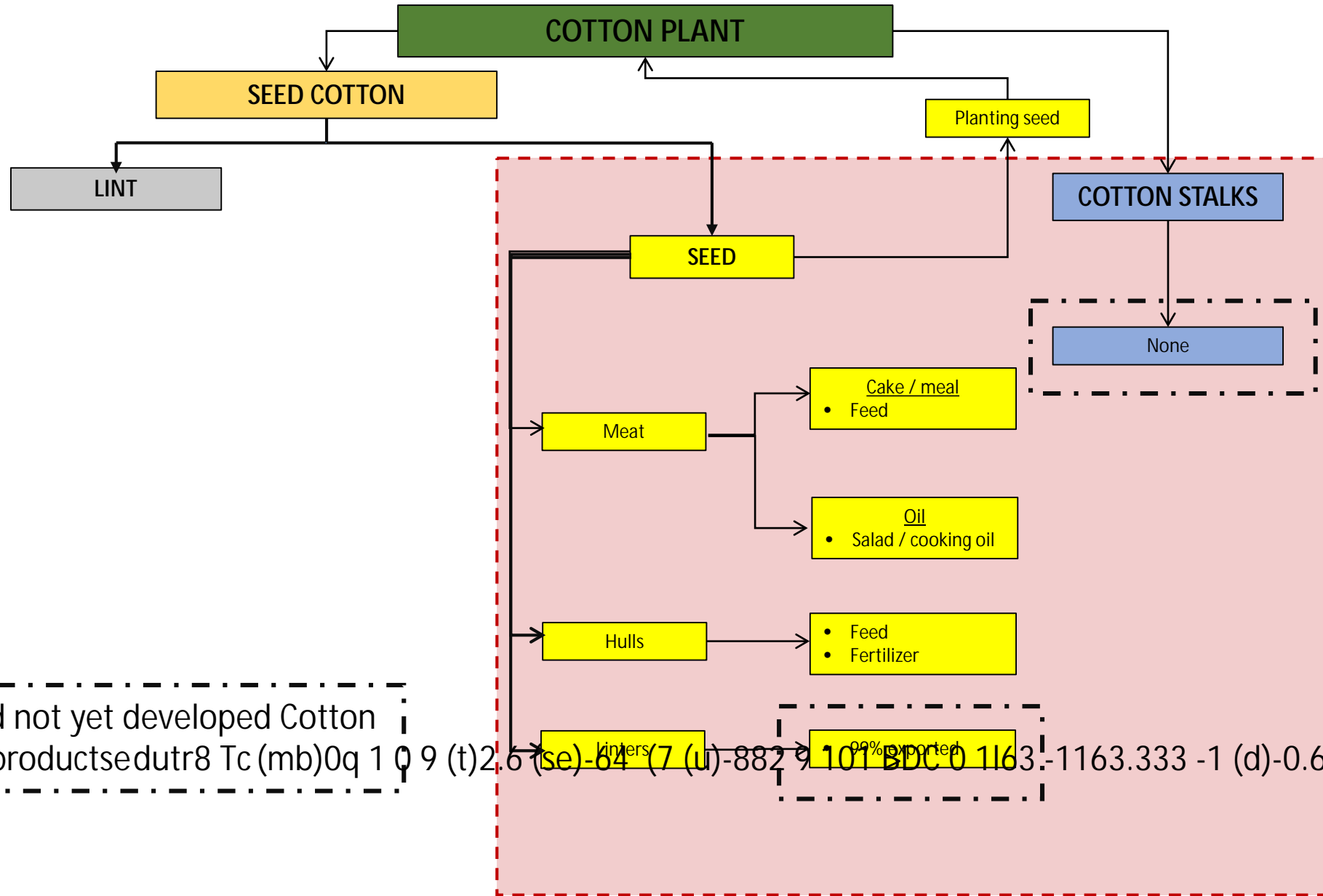
Introduction cont'd

Seed cotton in Zambia is grown mainly for cotton lint and almost all exported because the textile industry is collapsed.

The attractiveness of cotton production is further affected by the reduction in profit margins along the value chain

Therefore, development of cotton by-products could be an avenue that can help farmers and other stakeholders

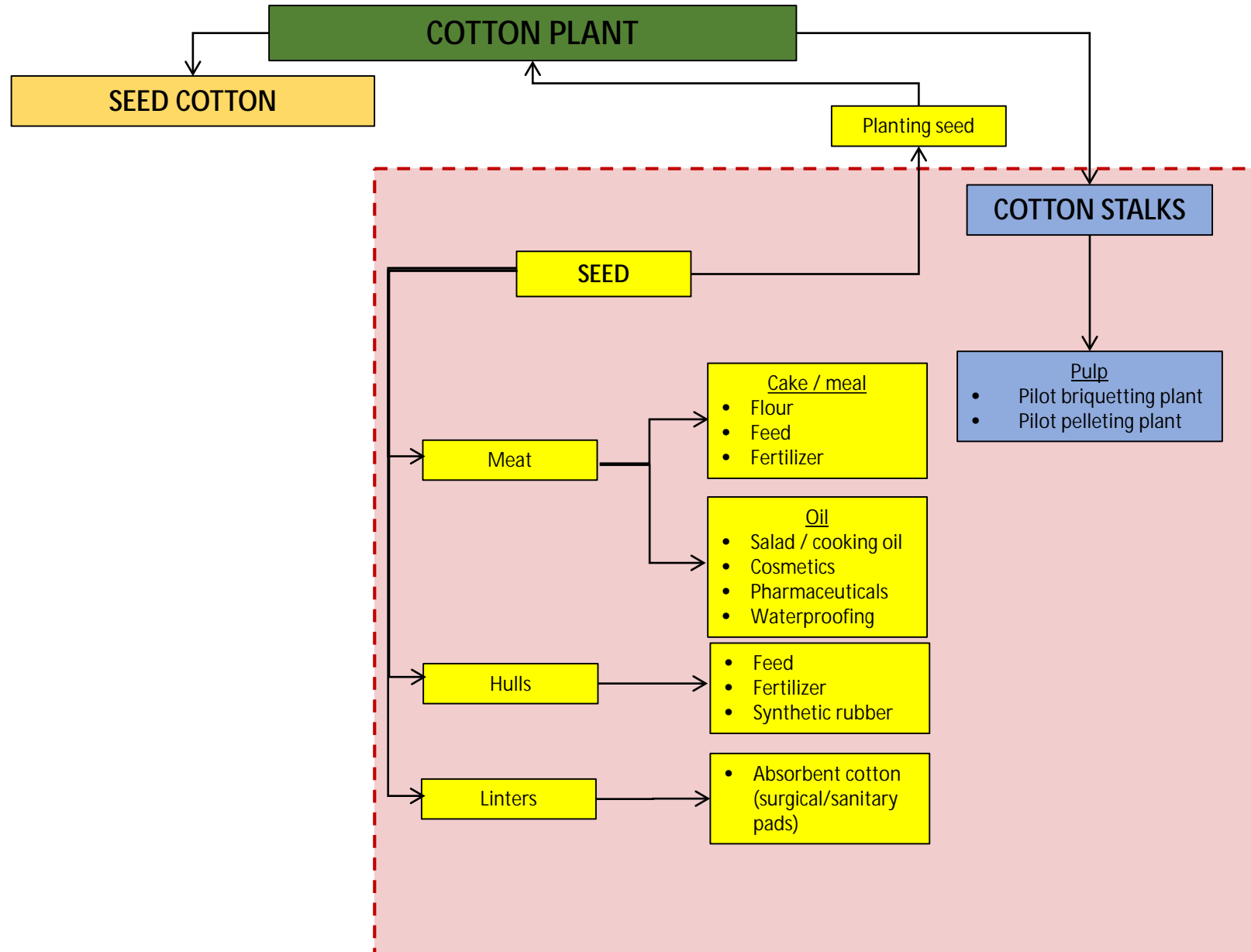
Zambia Cotton By-Product Value Chain



Partially and not yet developed Cotton by products

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Zambia Cotton By-Product Value Chain



Source: Adapted from Cotton Development Organisation, Uganda

Opportunities

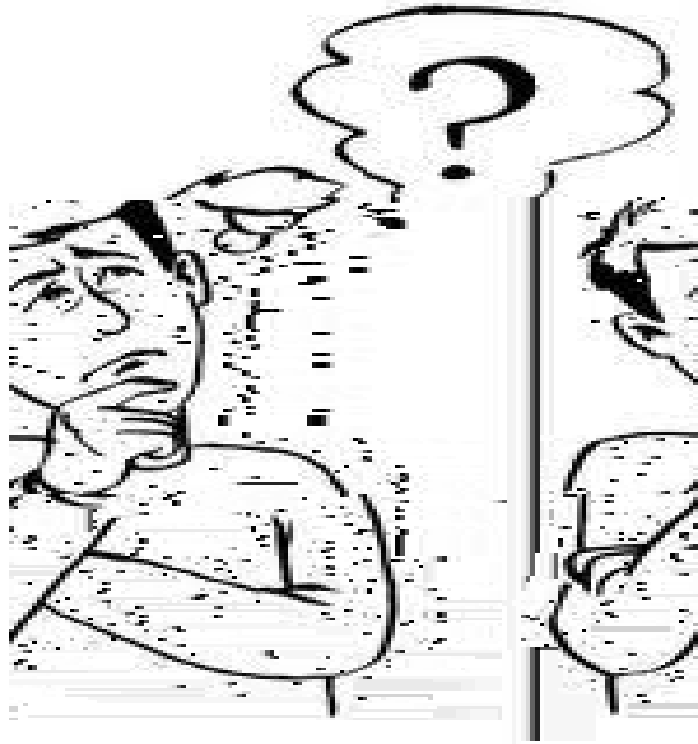
Domestic demand for cotton by-products is high D•0.002 Tw30 Tw1 Tc 30.304 6d(pr)1Cav7 2-2.9Epr1.7oki3 (1.n3

Key Challenges

Low seed cotton production due to poor yield (450-850kg/ha against 2500kg variety potential)

- low adoption of technologies
- Uncoordinated extension messages
- Climate change
- Lack of price setting mechanism (price fes

Area (ha), lint output (mt)



What should be done to
actualize the development of
the cotton by-products in
Zambia

General recommendation



Specific Recommendations

To enhance Seed cotton Production

- Promote the adoption of new technologies eg hybrid seed, CSA practices)
- Coordinated extension services (private/public)
- Government to increase funding to the cotton research institution
- Offer tax incentives for inputs for seed cotton production
- Introduction of a price setting mechanism (price formula)

Specific Recommendations

By-Products

- Continued Government support to the UNCTAD Pilot Project for the development of two cotton by-products in Zambia
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Acknowledgements

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Thank you

