



PANAFRICAN COTTON INVESTMENT PROGRAM: VALUE CHAIN, ENGINE FOR RESILIENCE BUILDING IN COTTON REGIONS



Yvonne Chileshe

*Expert - Commodities and Value Chains
African, Caribbean & Pacific (ACP) Secretariat*

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OUTLINE

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Background



- July 2004 - EU-Africa Cotton Partnership launched to contribute to the fight against poverty in African cotton areas by improving the competitiveness, value added and viability of African cotton sectors.
- A Support Programme for the consolidation of the Framework for Action under the EU-Africa Partnership on Cotton was developed to facilitate implementation of activities.
- As the Support Programme drew to a close in 2017, the ACP Group, the European Union and the African Union, agreed to develop a follow-up programme called Pan African Cotton Investment Programme, based on the Pan-African Cotton Road Map (PACRM).
- This was in line with the 2014 Malabo Declaration, on accelerated agricultural growth and transformation, renewed African states' commitment to CAADP, prioritizing value chains with high economic and social impact and Cotton being a key sector.
- Programme was developed in consultation with various stakeholders including public and private sector in the cotton sector.



What is PACIP

Framework Programme aimed at promoting sustainable development of African cotton value chains as one of the instruments for transforming agriculture, creating added value and increasing people's incomes, and promoting integration through trade, in consistency with the Malabo agenda.

Value addition of PACIP:

- *Alignment to Regional Strategies*
- *Focus on the regional market and local dynamics*
- *Public Private Partnership for Transformation*



Strategic Focus Areas

INCREASE PRODUCER INCOME AND COTTON PRODUCTIVITY

ACTIVITES

1. Strengthening and coordinating African cotton research
2. Transfer of results to beneficiaries
3. Facilitation of access to production inputs and efficient management of producer credit
4. Professionalization of producers and promotion of agricultural entrepreneurship and sustainable technological innovations
5. Capacity building of producer organizations (adaptation to the OHADA Act, support to governance and representation)

TARGETS

- a. Yield increases by at least + 50%
- b. Income increases by + 50%



Strategic Focus Areas

INCREASE INVESTMENT IN PROCESSING OF COTTON AND ITS BY PRODUCTS

ACTIVITES

1. Establishment of a favorable business climate and the promotion of transformation
2. Upgrading textile, oil, yarn, fabric including handicrafts enterprises
3. Elaboration of a mapping of existing technologies and actors
4. Support for research to increase industrial productivity
5. Mobilization of private investment and financial resources for the textile industry
6. Establishment of a fund for feasibility studies and business plans
7. Establishment of support funds for processing including handicrafts
8. Set up and run a network of investment agencies

TARGETS

- a. Fiber production + 50%
- b. Yarn production + 100%
- c. Fabric production + 50%
- d. Oil and cake production + 50%
- e. Artisanal production of yarn + 100%
- f. Artisanal production of oil
- g. Private sector investment + 50%



Strategic Focus Areas

IMPROVE THE MARKETING AND CONSUMPTION OF COTTON AND IT'S BY-PRODUCTS

ACTIVITES

1. Definition of an African label
2. Establishment of quality measurement instruments
3. Support to regional centers of excellence
4. Elaboration of a mapping of the actors of the craft markets with a view to the penetration of regional markets
5. Support for existing initiatives (fair, parade, craft and confection)
6. Establishment of a marketing support platform
7. Support to regional trade facilitation (regulatory framework, simplification of procedures, etc.)

TARGETS

- a. African label established
- b. Premium of at least 10% on African fibers
- c. Textile and clothing consumption by craftsmanship + 100%
- d. Clothing market share + 100%
- e. Oil and cake amount + 50%



Strategic Focus Areas

DEVELOP CAPACITIES OF INSTITUTIONS AND PROFESSIONAL ORGANIZATIONS OF COTTON- TEXTILE

ACTIVITES

1. Capitalization and valorization of positive experiences and good farming practices
2. Periodic Organization of a Conference "Cotton Institutions and Policies" in Africa
3. Revitalization of the cotton university through the experience of ROPPA's peasant universities and the dissemination of innovative practices.
4. Promotion of South-South academic exchanges
5. Institutional strengthening of regional training centers
6. Establishment of a ministerial monitoring committee and commercial instruments
7. Accompanying actors for access to innovative financing
8. Support to RECs and countries

TARGETS

- a. Annual conference organized
- b. An organized peasant university / year
- c. The capacities of at least 25 regional organizations / associations are strengthened
- d. The capacities of at least 25 craft associations at regional level are strengthened
- e. At least 50 partnership agreements signed and implemented
- f. The governance of the program functional
- g. Capacities of RECs and strengthened regional groupings
- h. All cotton countries are supported for the implementation of the program



Strategic Focus Areas

REINFORCE CONTRIBUTION OF THE COTTON SYSTEM TO THE IMPLEMENTATION OF THE SDGS

ACTIVITES

1. Support for strengthening the role of cotton in nutrition with a focus on rotational crops
2. Support for activities to mitigate the negative impact of climate change
3. Capacity building of companies in the field of CSR to take care of vulnerable people
4. Targeted support for vulnerable people in access to seeds, local markets and agricultural advice
5. Support for the diversification of the cotton growing system with other types of crops or suitable activities in the area (cashew, livestock, etc.)
6. Support for off-farm activities (crafts, spinners, weavers, etc.)

TARGETS

- a. Reduce by 50% the rate of food insecurity and malnutrition
- b. Reducing extreme poverty in the cotton zones by 100%
- c. Reduce by 50% the immigration in the cotton zones
- d. Increase by 50% the jobs in the cotton zones



PACIP BUDGET

Results	Public Funding in K €	Private funding (Investors) in K €	Contribution of the sector (Inter-professional) in K€	Total by result K€
Result 1 : Improved income and agricultural productivity	20.000	5.000	5.000	30.000
Result 2 : Improved processing capacity of cotton and by-products	20.000	510.000	10.000	540.000
Result 3 : Promotion of regional and international trade of the products of the sector	15.000	20.000	/	35.000
Result 4 : Strengthening of Capacity building and governance	15.000	5.000	2.500	22.500
Result 5 : Strengthening resilience and food security	10.000	5.000	2.500	17.500
TOTAL	80.000	545.000	20.000	645.000



PACIP – *where are we? ..*

- January – PACIP Finalised and incorporated in the Framework Programme on Support for Agricultural Value Chain Development (FPAVCD).
- March – COA adopted FPAVCD which stemmed from the ACP Group New Approach on Support for Development of Agricultural Value Chains .
- FPAVCD aims at empowering among others, family farmers Micro, Small and Medium Enterprises (MSMEs), (*women and youth*), to participate in the transformation and modernisation of the ACP agricultural sector by linking them to the national, regional and global value chains.
- Focus areas; Finance, Capacity Building, Trade and Investment and Climate Risk Management.
- Currently Action Documents on Capacity Building and Finance are being developed.



Conclusion

- Cotton continues being a lifeline for the people of Africa and thus every effort needs to be exerted to ensure that it contributes to poverty reduction, employment creation, especially for the youth and women.
- Deepening regional integration will therefore be critical in attaining the inclusive, sustainable, economic development and transformation of the Cotton and Agricultural sector at large and thus importance of the ACFTA.
- We believe PACIP is among the tools to deliver on this ambition!



THANK YOU!
MERCI BEAUCOUP!

Yvonne Chileshe

Expert - Commodities and value chain development

African, Caribbean & Pacific (ACP) Secretariat

Brussels, Belgium

Email: chileshe@acp.int