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Report Name: Cotton and Products Annual

Country: Cote d'Ivoire

Post: Accra

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Report Highlights:

Post forecasts market year (MY) 2022/23 cotton fiber production at 990,000 bales (480 lb.) The MY 2021/22 estimate for exports is unchanged at 1.1 million bales. MY 2022/23 export projection is 1 million bales, assuming the entire national production is exported. Annual consumption is stable at 20,000 bales.

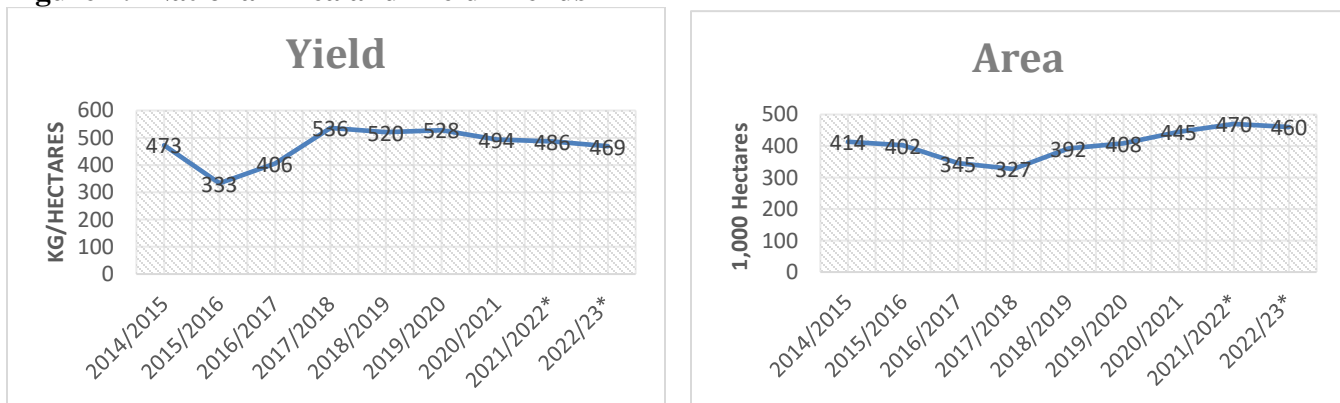
Production:

Post projects MY 2022/23 cotton fiber production at just over 990,000 bales (480lb), a 1.5 percent decrease from the MY 2021/22 estimate of 1.05 million bales (480 lb.). According to industry sources, the MY 2022/23 growing season will see increasing variability in weather patterns such as declining rainfall, shortened and less predictable rainy seasons, especially in the north. Post expects a slight decrease in the area harvested for the upcoming year due to producer's concerns over unpredictable weather patterns and rising prices for inputs. Additionally, Post expects a decrease in yield due to poor crop performance linked to extreme temperature and drought.

For MY 2021/22, Post estimated cotton fiber production at just over 1.05 million bales. Based on official cotton seed production and fiber yield statistics to date, the national fiber production estimate will slightly be reduced for MY 2021/22. Official data shows a slight decrease in the number of cotton producers from 132,525 in MY 2020/21 to 131,515 in MY 2021/22, this trend is expected to continue in MY 2022/23 (see Table 1 below). Input prices for the MY 2021/22 growing season increased 2.3 percent and is leading some producers to abandon cotton farming. The MY 2021/22 growing season has seen a 17 percent increase in the use of lower quality cotton varieties which has led to diminished fiber yields from 43 to 41.6 percent. According to industry sources, 83 percent of cotton fiber deliveries to ginning facilities were rated as first choice, an 8 percent decrease from MY 2020/21. A further decrease is expected in MY 2022/23. Côte d'Ivoire is still one of the largest cotton producers in Sub-Saharan Africa, third behind Mali and Benin. The average landholding of cotton producers remains small at 3.6 hectares.

Currently, six organizations control the country's cotton production, purchasing, transformation, and export. These include: Compagnie Ivoirienne pour le Développement du Textile (CIDT), Compagnie Ivoirienne de Coton (COIC), Ivoire Coton, Societe d'Exploitation Cotonniere (SECO-OLAM), Société Industrielle Cotonniere des Savanes (SICOSA), and Global Cotton.

Figure 1: National Area and Yield Trends



Source: USDA Production, Supply & Distribution (PS&D)
*Indicates Post estimates and projections, not USDA official

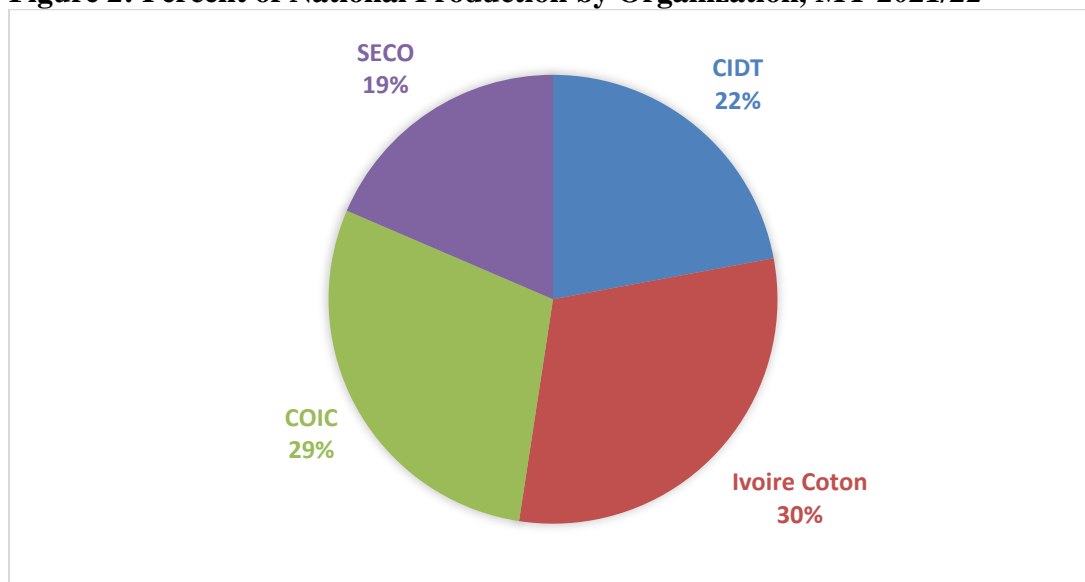
Current estimates show that COIC, and Ivoire Coton control the largest share of national production at a combined 59 percent. SICOSA was removed from the country's zoning scheme in 2019 by the Conseil Coton Anacarde (CCA). The reason was mostly due to the company's failure to meet yield targets and, reportedly, insufficient delivery of inputs to its producers. The sanction on SICOSA is still in place for this year's planting season.

Table 1: Approximate Number of Cotton Producers, Year-to-Year Comparison

Organization	2017/18	2018/19	2019/20	2020/21	2021/22
CIDT	14,553	16,278	22,474	30,588	32,469
Ivoire Coton	30,040	37,925	44,642	49,372	45,543
COIC	20,284	24,697	32,456	33,064	32,791
SECO-OLAM	16,841	17,901	17,691	18,789	20,011
SICOSA	5,335	5,716	--	--	--
Global Cotton	1,354	819	503	712	701
TOTAL	88,407	103,336	117,766	132,525	131,515

Source : Interprofession du Coton (InterCoton)

Figure 2: Percent of National Production by Organization, MY 2021/22



Source: InterCoton

In terms of quality, official statistics indicate that “first choice” cotton decreased from 90 percent last year to 80 percent this growing season. CIDT controls production zones mainly in the central belt of the country and reported that 58 percent of the cotton they received was rated “first choice”, this is down from 73 percent in the previous growing season.

The decreased cotton quality is due to the fact that more marginal land with poorer soil is being planted due to higher local prices for cottonseeds. ¹

Climate change is another factor responsible for the overall poor quality of the cotton harvested this year. Unreliable rains have affected the development of the plants and ambient humidity and moisture content in the cotton affects the color and grade of the fiber. Another impact affecting quality is seed performance. The cotton varieties currently being disseminated (Sicama and Gouassou) throughout the country were introduced during the 2018/19 planting season because they are more tolerant of pests and

¹ [Dégradation de la qualité du coton en Côte d’Ivoire : « le facteur principal réside dans le manque de rigueur de la récolte du coton-graine » | Commodafrica](#)

diseases compared to the Y 331 variety which was previously used. However, the Sicama and Gouassou varieties produce shorter fibers compared to the Y 331 variety.² Promising new varieties, such as CI-123 and CI-128, are being developed by the National Center for Agronomic Research but have yet to be used. Determining whether these new varieties can address quality issues, namely fiber length and color, may take several years to play out.

Value Added Cotton:

The local textile industry, as in much of West Africa, remains small and struggles to compete with imported textiles and fabrics. There are a handful of spinning and weaving operations in-country with the ability to produce fabric, yarn, denim, and upholstery fabric. Facilities located in Abidjan, Dimbokro, Agboville, and Bouaké can produce finished wax “pagne”, or decorated fabric used in local fashion. Côte d’Ivoire is a regional leader in producing and exporting authentic wax print fabric.

The small quantity of value-added cotton products exported from the country fall under HS code 5208, *woven fabrics of cotton*. In calendar year 2021, Côte d’Ivoire reported exports of \$26.5 million in woven fabrics, up 13 percent from \$23.3 million in 2020. In 2021, the top five destinations for woven fabric were Guinea (\$6 million), Burkina Faso (\$5.9 million), Niger (\$4.5 million), Mali (\$3.7 million) and Benin (\$3.5 million). In turn, Côte d’Ivoire reported imports of woven fabric in 2021 totaling \$35 million, up 27 percent from 2020, with China (\$12.6 million), Benin (\$9.8 million), Netherlands (\$7.7 million), Pakistan (\$3 million) and Ghana (\$1.3 million) being the top suppliers.

Domestic Consumption:

Cote d’Ivoire exports almost all its fiber production overseas for further processing. In MY 2022/23, Post projects domestic production of textiles and artisanal items will decrease from 25,000 bales to approximately 20,000 bales due to the higher prices for essential commodities and farm inputs which have resulted from the crisis in Ukraine. The six previously mentioned companies operate over twenty functional cotton gins with an estimated installed capacity of 635,000 MT/year. Most of the gins are located in the Savanes District, which encompasses the northern cities of Boundiali, Korhogo, and Ferkessédougou. The remaining facilities are in Woroba (Northwest) and Vallée du Bandama (Central). Korhogo possesses the highest concentration of ginning facilities with at least seven in operation.

² <https://aprocotci.org/actualite-aprocotci/6566/>

Table 2: List of domestic ginning facilities

Company	Facility	District	Approx. Capacity (tons/year)
CIDT	Bouaké	Vallée du Bandama	130,000
	Mankono	Woroba	
	Séguéla	Woroba	
COIC	Korhogo (4)	Savanes	155,000
	Lataha	Savanes	50,000
Global Cotton	Gonfreville	Vallée du Bandama	25,000
Ivoire Coton	Boundiali (2)	Savanes	205,000
	Dianra	Woroba	
	M'Bengue	Savanes	
SECO	Ferkessédougou	Savanes	70,000
	Ouangolodougou	Savanes	

Source: InterCoton

Marketing:

Domestic production is classified into various marketing sale types by a national laboratory based in Bouaké, the *Centre de Classement de Coton en Côte d'Ivoire* (3C-CI). All domestic mills funnel samples to 3C-CI for classification and quality grading. Côte d'Ivoire produces primarily medium-staple upland cotton, and about 5-6 different marketing types with distinct traits and desirability on the market. The most common varieties are Mambo, Bema and Miko, with Miko and Mambo being the most sought after.

Trade:

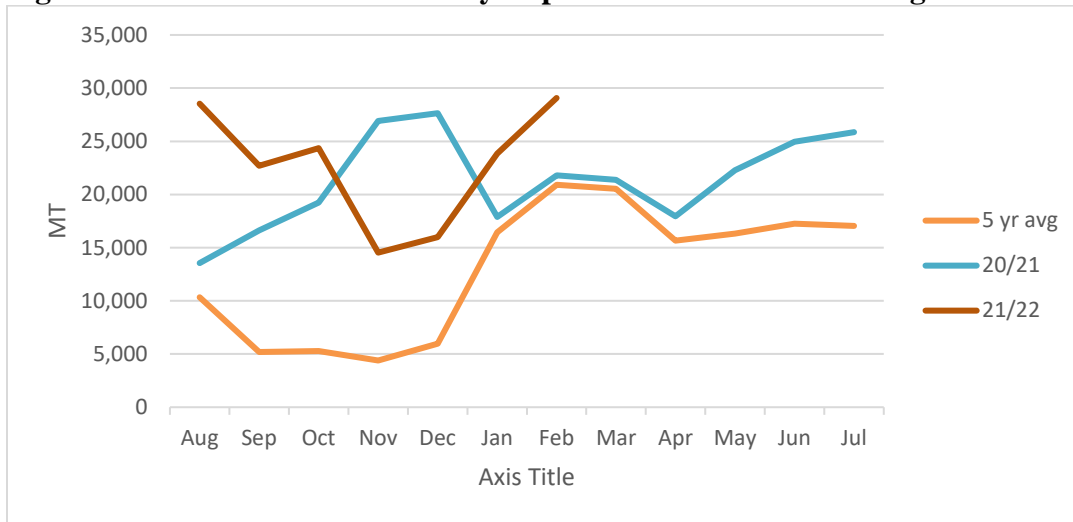
Post projects MY 2022/23 fiber exports at 1 million bales assuming that the entire national crop will be exported along with some residual product from the 2021/22 crop.

MY 2021/22 fiber exports remain at a little over 1.1 million bales. This estimate represents a 12 percent decrease from the current USDA official figure.

Exports for 2021/22 have increased by 31 percent due to the availability of additional supply from the previous year. Exports this year have been strong, approximately 730,000 bales have been shipped (a 10 percent increase from last year) due to a surge in world fiber prices which increased 44 percent in 2021. This is the largest annual percentage gain since 2010.³

³ <http://www.commodafrica.com/13-01-2022-la-production-africaine-de-coton-confirmer-en-hausse-de-44-en-202122>

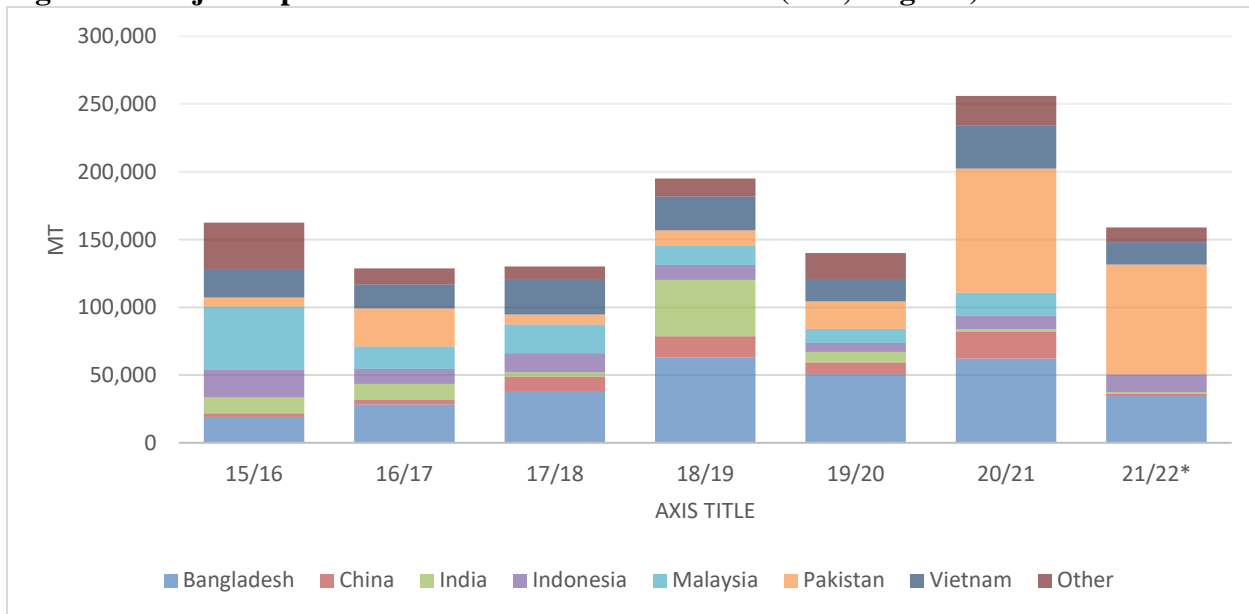
Figure 3: MYs 20/21-21/22 Monthly Export Pace vs. 5-Year Average



Data Source: TDM

Major export destinations are to Asian markets, primarily to Pakistan then followed by Bangladesh. This is the second consecutive year that Pakistan has imported over 365,000 bales of Ivoirian cotton.

Figure 4: Major Export Destinations of Ivoirian Cotton (MY, Aug-Jul)



Data Source: Trade Data Monitor (TDM)

*YTD Exports (Aug-Feb)

The Port of Abidjan, one of the largest in the region, is the primary route for cotton exports. Exporters prefer Abidjan given the port's central role in the importation of rice, fertilizer, and many other goods for the region. Côte d'Ivoire is also strategically placed to handle a large volume of cotton exports from

the Sahel. The country's second port, San Pedro, most commonly associated with cocoa bean exports, is also positioned to handle cotton exports from Côte d'Ivoire and the region. However, the recent political crisis in Burkina Faso and Mali have caused the West African Community to raise an embargo on various commodities exported from the two countries. This development will limit exports from the port of San Pedro this year. In the future, it is expected that this port will see a considerable amount of Malian and Burkinabe cotton exports. As of December 31st, 2021, 132,000 bales have been exported through the port of San Pedro.

Stocks:

As Côte d'Ivoire's cotton is almost exclusively exported, the country does not hold extensive stocks. Producers sell the crop immediately and the harvest enters processing and export channels. In recent years, exports have been slower to peak, often carrying over into the next planting season. Post projects MY 2021/22 ending stocks to be 279,000 bales as the Ukrainian crisis could slowdown global demand and impact shipping logistics. MY 2022/23 ending stocks are estimated at 249,000 bales. With limited domestic usage, the pace of trade will continue to dictate carry over stock levels in the country.

Prices:

The Government of Cote d'Ivoire (GOCI), through le *Conseil du coton et de l'Anacarde* (CCA), leads market surveys every April or May of each year to establish farm gate prices for harvested cotton, which are generally announced in advance of the May/June planting season. For the 2021/22 campaign, the price for first choice cotton was set at 300 CFA franc (\$0.50) per kilo, and 275 CFA (\$0.46) for second choice cotton, which are unchanged from the previous planting season.

Policy:

Until the early 2000's, the Ivoirian cotton sector was controlled by the then-public CIDT. The sector subsequently underwent significant reorganization and privatization, with the CIDT itself eventually being privatized in 2016. In addition to privatizing the cotton sector, GOCI reforms have also focused on zoning and timing of production. One idea behind this approach is to incentivize those companies to make longer-term investments in their areas of influence and thus promote the sector's overall health and growth. This is seen best by the free fertilizer the ginning companies give to cotton producers to cultivate corn, rice, or other subsistence crops. The goal of these actions is to sustain availability of food in the regions where they work and live. In addition to cashew, cotton has been identified as one of the leading sectors in terms of importance for the country's northern and central economies.

The CCA is the industry's regulatory body for issues such as pricing. Intercoton coordinates activities between all actors, and is also involved with pricing, as well as classification, tracking, and research. GOCI has indicated it wishes to use 25-50 percent of its cotton domestically by 2025.

Production, Supply and Distribution Table:

Cotton	2020/2021		2021/2022		2022/2023	
	Aug 2020		Aug 2021		Aug 2022	
Market Year Begins	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Cote d'Ivoire	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	0	0	0	0	0	0
Area Harvested (1000 HA)	445	445	475	470	0	460
Beginning Stocks 1000 480 lb. Bales	584	584	385	374	0	279
Production 1000 480 lb. Bales	1010	1010	1100	1050	0	990
Imports 1000 480 lb. Bales	0	0	0	0	0	0
MY Imports from U.S. 1000 480 lb. Bales	0	0	0	0	0	0
Total Supply 1000 480 lb. Bales	1594	1594	1485	1424	0	1269
Exports 1000 480 lb. Bales	1179	1200	1275	1120	0	1000
Use 1000 480 lb. Bales	30	20	30	25	0	20
Loss 1000 480 lb. Bales	0	0	0	0	0	0
Total Dom. Cons. 1000 480 lb. Bales	30	20	30	25	0	20
Ending Stocks 1000 480 lb. Bales	385	374	180	279	0	249
Total Distribution 1000 480 lb. Bales	1594	1594	1485	1424	0	1269
Stock to Use % (PERCENT)	31.84	30.66	13.79	24.37	0	24.41
Yield (KG/HA)	494	494	504	486	0	469
(1000 HA) ,1000 480 lb. Bales, (PERCENT), (KG/HA)						

Attachments:

No Attachments

End of Report