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Report Highlights:

Harvested cotton area for marketing year (MY) 2021/22 (August to July) in Mali, Senegal, and Burkina Faso is forecasted to increase 93 percent to 1.43 million hectares from the previous year. The growth in forecasted area is mainly due to an increase in the area harvested in Mali, which jumped 382 percent from last year. This increase followed a year-long boycott in cotton production in Mali. Cotton production in MY 2021/22 is forecasted to increase 96 percent to 2.53 million bales based on the expectation of normal rains during the remainder of the season. Total exports in MY2021/22 are expected to increase 21 percent to 2.48 million bales due to rising international demand and exportable supplies. MY2021/22 consumption and stocks remain nearly unchanged from the previous year at 50,000 bales and 22,000 bales respectively. Harvested area and production levels in MY 2020/21 are estimated at 739,000 hectares and 1.29 million bales, a 44 percent and 43 percent drop, respectively from the previous year.

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Executive Summary:

Harvested cotton area for marketing year (MY) 2021/22 (August to July) in Mali, Senegal, and Burkina Faso is forecasted to increase 93 percent to 1.43 million hectares from the previous year. The growth in forecasted area is mainly due to an increase in the area harvested in Mali, which jumped 382 percent from last year. This increase followed a year-long boycott in cotton production in Mali. Cotton production in MY 2021/22 is forecasted to increase 96 percent to 2.53 million bales based on the expectation of normal rains during the remainder of the season. Total exports in MY2021/22 are expected to increase 21 percent to 2.48 million bales due to rising international demand and exportable supplies. MY2021/22 consumption and stocks remain nearly unchanged from the previous year at 50,000 bales and 22,000 bales respectively. Harvested area and production levels in MY 2020/21 are estimated at 739,000 hectares and 1.29 million bales, a 44 percent and 43 percent drop, respectively from the previous year.

Area and production levels in Mali for MY2021/22 are forecasted to rebound to 382 percent and 387 percent, at 795,000 hectares and 1.46 million bales, respectively. Following a year-long farmers' boycott of cotton production in Mali, cotton production has now resumed. With that resumption, Mali farmers are seeing a 12 percent increase of the farm gate price to 280 Franc CFA ($0.48) per Kg. Additionally, fertilizer prices have not changed from the previous year.

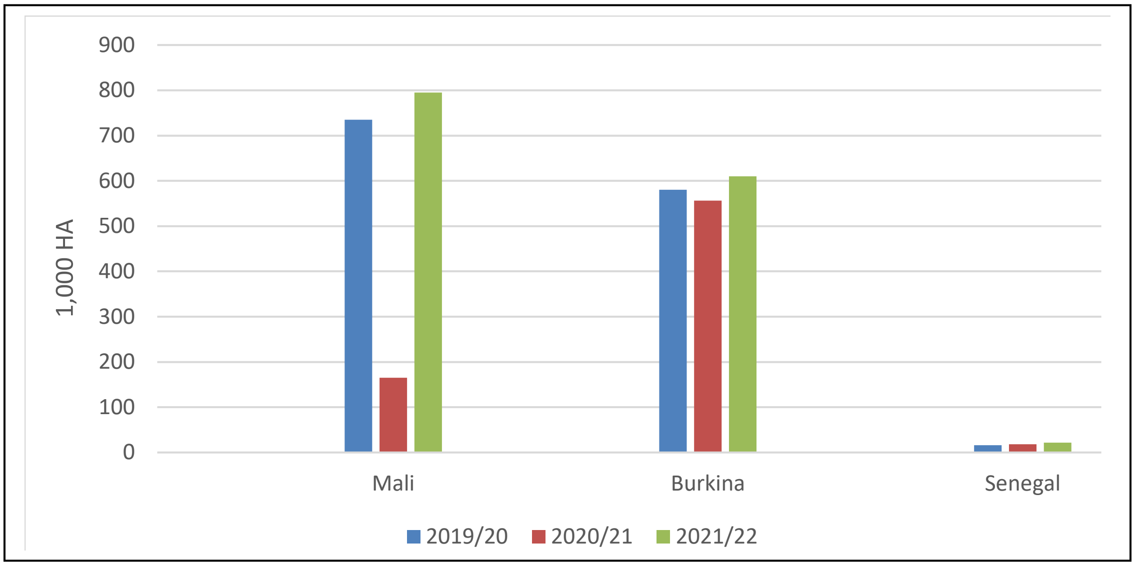
Harvested area for MY2021/22 in Senegal increased to 22,000 hectares, or 22 percent from the previous year. This increase can be attributed to farmers' increased access to tractors, which, if available, would facilitate planting activities. According to private industry contacts, the National Cotton Producer Federation (FNPC) along with the cotton company, Société de Developpement des Fibres Textiles (SODEFITEX), provided agricultural services to farmers which contributed to increase the area planted. Farmers were given the option to pay at harvest after selling their cotton. Cotton production for MY2021/22 is forecasted at 40,000 bales, based on normal rains for the remainder of the season and low pest pressure. Planting was delayed because of the late onset of rains and, as a result, about 30 percent of seed was planted late. This will likely lower yields, particularly if the rainy season does not last until November.

Harvested area and production for MY 2021/22 in Burkina Faso are forecasted at 610,000 hectares and 1.03 million bales. The country did not reach its target planted area set at 670,000 hectares. This failure to reach the target is due to security challenges, mostly perpetual terrorist attacks, especially in the Société Cotonnière du Gourma (SOCOMA) zone, that forced many farmers to relocate. Delayed and poorly distributed rainfall in all three cotton production zones also reduced planting intentions.

A June drought in MY 2021/22 delayed planting in Senegal and Burkina Faso and could result in lower yields if rains continue to be untimely and poorly distributed.

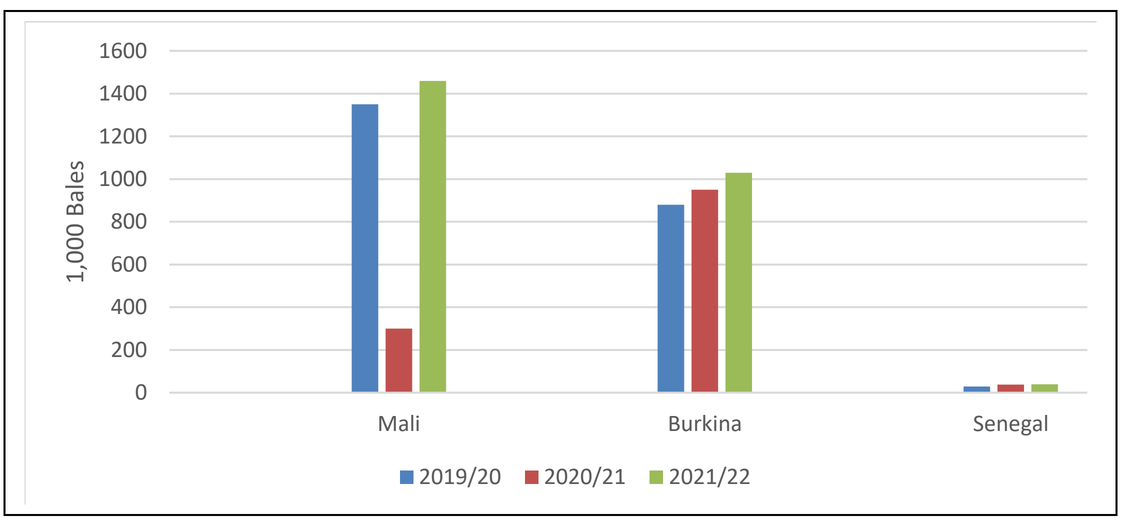
For Mali, Senegal, and Burkina Faso, total MY2020/21 exports are estimated to decrease 4 percent from the previous year, down to 2.04 million bales, based on available supplies. MY2020/21 stocks for the three mentioned countries dropped 97 percent to 23,000 bales due to the resumption of export activities.

Figure 1: Cotton Area Harvested in Mali, Senegal, and Burkina Faso in 2019/20, 2020/21 and 2021/22 in 1,000 HA



Source: FAS Dakar and government and private industry contacts

Figure 2: Cotton production in Mali, Senegal, and Burkina Faso, in 2019/20, 2020/21 and 2021/22 in 1,000 Bales



Source: FAS Dakar and government and private industry contacts

Mali

Production

Cotton area for MY2021/22 in Mali is forecasted to increase to 795,000 hectares, or 382 percent, due to farm gate price increase of 12 percent, unchanged fertilizer and urea prices from the previous year, and access to inputs and financing which motivated farmers to return to cotton production following a massive cotton production boycott the previous year. According to industry contacts, a partnership created between the Office de la Haute Vallée du Niger (OHVN), the Compagnie Malienne pour le Développement des Textiles (CMDT), and the Confederation of Cotton Farmers Cooperatives was able to provide input credit to all farmers whether or not they paid their previous debt to the cotton company.

In 2020/21, most farmers boycotted cotton production and switched to other crops, such as cereals, creating a loss in cash flow. Some farmers still owe money to the cotton company for inputs they received in 2020/21. The cotton company agreed to allow farmers to postpone the payment to next year (2022/23). A large quantity of unused input stock from the previous year, in addition to a small amount of input ordered in 2021/22, was enough to be distributed on time to all farmers in all cotton production zones. In the MY 2021/22, COVID-19 and situational insecurity due to multiple, unpredictable terrorist attacks have not prevented farmers from planting cotton, and the Government of Mali took necessary measures to help protect farmers as they accessed their fields in two regions (Bougouni and Koutiala).

Production in MY 2021/22 is forecasted to increase to 1.46 million bales, or 387 percent, assuming normal rainfall and low pest pressure. In May and June, Mali received good rainfall (more than the rainfall during the same period last year) which was well dispersed. This resulted in an increase in the rate of early planting. In MY 2021/22, CMDT is also planning to increase extensions services to help farmers improve productivity.

Harvested area in MY2020/21 is estimated at 165,000 hectares, dropping 78 percent from the previous year. This drop in area was due to a farmer boycott of cotton production and excess rains that caused flooding and damaged crops. Cotton production in MY 2020/21 is estimated to decrease 78 percent from the previous year at 300,000 bales. Please refer to the September 2020 Cotton and Products Update (Dakar) for more details.

Consumption and Value-Added Cotton

Consumption in MY2021/22 remains at 25,000 bales, unchanged from previous years.

Trade

Post estimates that 2021/22 cotton exports may increase 62 percent at 1.43 million bales from the previous year on expectations of higher exportable supplies and strong international demand. Due to low cotton production in 2020/21, exports for 2020/21 are down 25 percent from the previous year at 886,000 bales. According to the International Trade Center (ITC), in trade year (TY) 2020, the top three Malian cotton importers were China (64.7 percent), India (13.2 percent) and Thailand (8.7 percent).

Stocks

Stocks for 2021/22 and 2020/21 remain estimated at 10,000 bales on expectation of increase international demand.

Policy

Following the February 2021 national cotton conferences, the Government of Mali (GOM) took several actions such as promoting the development of cotton processing units, maintaining the price of fertilizer and urea to farmers, and increasing the cotton farm gate price. On March 2021, in an interview at Radio France International (RFI), the ministry of agriculture said that the GOM wishes to develop the cotton processing industry sector which represents only two percent of the total production. For that, the GOM is providing incentives such as tax exemptions on customs clearance for cotton processing equipment, free imports of parts at certain prices, and facilitation of the creation and strengthen of cotton fiber processing units. Mali also ambitions to develop projects in the whole cotton value chain.

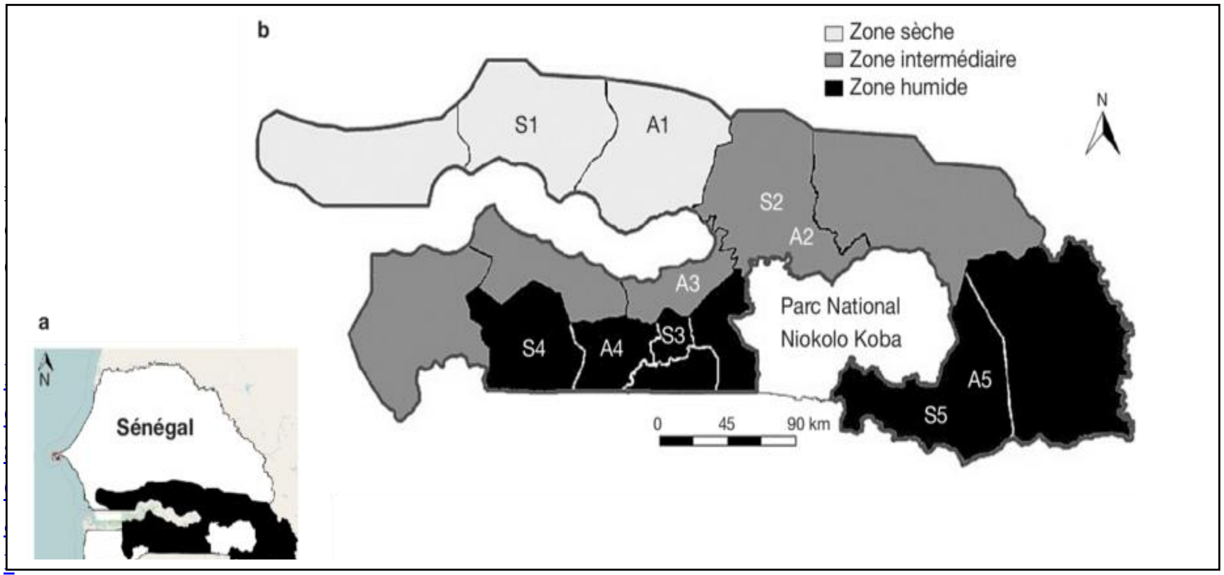
Senegal

Production

Harvested area in Senegal for MY2021/22 is forecast at 22,000 hectares, or 22 percent higher than the previous year. This increase is based on expectations of a strong farm gate price, and an increase in access to financing and agricultural equipment, such as tractors. This will allow farmers to plant more cotton seed. The cotton farm gate price has not yet been officially announced but farmers believe it could be higher than last year. In the previous year, the market price for peanuts was higher than the cotton price (300 Franc CFA- $0.52- per Kg). Peanuts often compete with cotton and some farmers prefer to switch to peanuts if the market price is better. Moreover, peanuts require fewer inputs (i.e., fertilizers) and could be more profitable. This year, the SODEFITEX and the National Federation of Cotton Producer’s association (FNPC) offered to farmers the possibility of the benefit of tractor services to prepare the soil and pay later at the time of harvest time. This service has contributed to an increase in area planted.

Cotton production in MY2021/22 is forecast to increase to 40,000 bales, or five percent, based on the assumption of a good rainy season and low pest pressure. Rains started at the beginning of June but there was a long period of drought which discouraged farmers from planting early. According to industry contacts, approximately 60 to 65 percent of cotton seed was planted between the first week of June to the third week of July. Nearly 25 percent of cotton seed was planted late, from the last week of July through August and the yields for this late-planted seed is expected to fall, especially if the rainy season does not last until November. In June 2021, Senegal received about 20 percent less rain than the same period last year.

Figure 3: Senegal - Cotton Production and Agro-Climatic Zones



Source: [Researchgate]

Consumption and Value-Added Cotton

Consumption in MY2021/22 and MY2020/21 remained unchanged at zero bales as Senegal's cotton spinning and textile industry is still not operating. The Nouvelle Société Textile Sénégalaise (NSTS), located in the city of Thiès, is the only Senegalese cotton processing company and it stopped operating about 10 years ago. Despite multiple relaunches, NSTS has failed to reopen due mainly to financial difficulties.

Trade

Senegalese exports in MY2021/22 and MY2020/21 are estimated at 41,000 bales each year. This is based on available supply and higher international demand. According to the ITC, in trade year 2020, Bangladesh (83 percent), Turkey (9.6 percent), and Portugal (3.1 percent) were the top importers of Senegalese product.

Stocks

Stocks for 2021/22 and 2020/21 are estimated at 2,000 bales and 3,000 bales, respectively, in anticipation of more exportable supplies.

Policy

The Senegalese cotton company Société de Développement et des Fibres Textiles (SODEFITEX) and the National Federation of Cotton Producers (FNPC) allowed farmers to use more agricultural equipment to increase area planted. Additionally, they facilitated for payment of such inputs after farmers harvested their field and received payment for their cotton. Even though farm gate price has not yet been announced, farmers believe it might be higher than last year price which was already below the peanut market price last year. Input prices remain the same as in the previous year.

Burkina Faso

Production

Harvested area for MY2021/22 in Burkina Faso is forecast to increase to 610,000 hectares, or 10 percent from the previous year. This increase in area is based on an expectation that farmers will be motivated to plant more cotton if fertilizer prices remain the same as last year and that farm gate prices will increase approximately 12 percent. However, these expectations fail to account for the security situation which keeps many farmers from working their fields, especially in the Société Cotonnière du Gourma (SOCOMA) zone where there have been many farmer displacements. Additionally, rainfall deficits at the beginning of the season, coupled with the delay in delivering fertilizers and insecticides, and a drop in the availability of labor (as more youth are now working in goldmining) prevented farmers from planting more. About 50,000 hectares were not planted, with area reductions in FASOCOTON (7,000 ha), SOCOMA (13,000 ha), and SOFITEX (30,000 ha) zones. Production in MY2021/22 is forecasted at 1.03 million bales, assuming normal rainfall and low pest pressure during the entire season.

Harvested area MY2020/21 is estimated at 556,000 HA. The production level for MY2020/21 has been revised to 950,000 bales, based on updates from industry contacts.

Consumption and Value-Added Cotton

Consumption for MY2021/22 and MY2020/21 is estimated at 25,000 bales.
Radio France International (RFI) reported in March 2021 that a young pharmacist launched the first factory to transform raw cotton into hydrophilic cotton used in medicines and certain beauty centers. The company, named the Burkina Faso Cotton Manufacturing Company, supplies Burkina Faso and Mali with cotton and processes about 15 MT per month. With a monthly production of 90,000 units, the company had a turnover of 180 million CFA francs ($ 313,043) in 2020. It operates with around thirty employees. The goal is to increase staff with the launch of other products.

Trade

Cotton exports in MY2021/22 are forecast at 1.0 million bales, down 10 percent from the previous year due to low carry-over stocks from the previous year which reduced exportable supplies. Cotton exports for MY2020/21 are forecast at 1.12 million bales, up approximately 20 percent from the previous year based on expectations of increasing international demand. In TY 2020, ITC reported that Burkina Faso exported mainly to Singapore (27.8 percent), Switzerland (26.9 percent), Mauritius (12.7 percent), Greece (10.5 percent), and France (7.8 percent).

Stocks

In MY2021/22 and MY2020/21 stocks are expected to remain at the same level at 10,000 bales. All cotton fiber is conveyed by truck or train from ginning companies to neighboring countries, Cote d'Ivoire, Lomé, Benin, and Ghana, where it is stored in warehouses located at ports before being loaded onto boats for exportation.

Policy

Burkina Faso's government will likely continue to support cotton producers by subsidizing cotton prices, fertilizers, and seed.

Table 1. West Africa: Fixed Farm Gate Prices for Grade One Cotton

(CFA francs)	**Official 2018/19 Farm Gate Price**	**Official 2019/20 Farm Gate Price**	**Official 20/21 Farm Gate Price**	**Official 21/22 Farm Gate Price**
Burkina Faso	250 ($0.43)	265 ($0.46)	240 ($0.41)	270 ($0.47)
Mali	255 ($0.44)	275 ($0.48)	250 ($0.43)	280 ($0.49)
Senegal	300 ($0.52)	300 ($0.52)	300 ($0.52)	TBD

Source: Official government data; **$1= 575 CFA francs; CFA francs per KG**

Table 2. West Africa: Pricing for NPK (Nitrogen, Phosphorus, Potassium) and Urea

(CFA francs)	**Official 2018/19 Input Prices**	**Official 2019/20 Input Prices**	**Official 2020/21 Input Prices**	**Official 2021/22 Input Prices**
Burkina Faso	NPK: 15,000 ($26.09) Urea: 15,000 ($26.09)	NPK: 14,000 ($24.35) Urea: 14,000 ($24.35)	NPK: 14,000 ($24.35) Urea: 14,000 ($24.35)	NPK: 14,000 ($24.35) Urea: 14,000 ($24.35)
Mali	NPK: 11,000 ($19.13) Urea: 11,000 ($19.13)	NPK: 11,000 ($19.13) Urea: 11,000 ($19.13)	NPK: 11,000 ($19.13) Urea: 11,000 ($19.13)	NPK: 11,000 ($19.13) Urea: 11,000 ($19.13)
Senegal	NPK: 14,675 ($25.52) Urea: 13,000 ($22.60)	NPK: 14,675 ($25.52) Urea: 13,112 ($22.80)	NPK: 15,012 ($26.11) Urea: 13,112 ($22.80)	NPK: 15,012 ($26.11) Urea: 13,112 ($22.80)

Source: Official government data; **$1= 575 CFA francs; CFA francs per 50 KG Bag**

Production, Supply, and Distribution Data Statistics

Cotton	2019/2020		2020/2021		2021/2022	
Market Year Begins	**Aug 2019**		**Aug 2020**		**Aug 2021**	
Mali	**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)	735	735	165	165	800	795
Beginning Stocks 1000 480 lb. Bales	471	471	621	621	281	10
Production 1000 480 lb. Bales	1350	1350	285	300	1475	1460
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	1821	1821	906	921	1756	1470
Exports 1000 480 lb. Bales	1175	1175	600	886	1300	1435
Use 1000 480 lb. Bales	25	25	25	25	25	25
Loss 1000 480 lb. Bales	0	0	0	0	0	0
Total Dom. Cons. 1000 480 lb. Bales	25	25	25	25	25	25
Ending Stocks 1000 480 lb. Bales	621	621	281	10	431	10
Total Distribution 1000 480 lb. Bales	1821	1821	906	921	1756	1470
Stock to Use % (PERCENT)	51.75	51.75	44.96	1.1	32.53	0.68
Yield (KG/HA)	400	400	376	396	401	400

Cotton	2019/2020		2020/2021		2021/2022	
Market Year Begins	**Aug 2019**		**Aug 2020**		**Aug 2021**	
Senegal	**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)	16	16	18	18	19	22
Beginning Stocks 1000 480 lb. Bales	5	5	6	6	2	3
Production 1000 480 lb. Bales	29	29	38	38	30	40
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	34	34	44	44	32	43
Exports 1000 480 lb. Bales	28	28	42	41	30	41
Use 1000 480 lb. Bales	0	0	0	0	0	0
Loss 1000 480 lb. Bales	0	0	0	0	0	0
Total Dom. Cons. 1000 480 lb. Bales	0	0	0	0	0	0
Ending Stocks 1000 480 lb. Bales	6	6	2	3	2	2
Total Distribution 1000 480 lb. Bales	34	34	44	44	32	43
Stock to Use % (PERCENT)	21.43	21.43	4.76	7.32	6.67	4.88
Yield (KG/HA)	395	395	460	460	344	396

Cotton	2019/2020		2020/2021		2021/2022	
Market Year Begins	Aug 2019		Aug 2020		Aug 2021	
Burkina	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)	580	580	556	556	660	610
Beginning Stocks 1000 480 lb. Bales	280	280	205	205	245	10
Production 1000 480 lb. Bales	880	880	915	950	1025	1030
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	1160	1160	1120	1155	1270	1040
Exports 1000 480 lb. Bales	930	930	850	1120	1000	1005
Use 1000 480 lb. Bales	25	25	25	25	25	25
Loss 1000 480 lb. Bales	0	0	0	0	0	0
Total Dom. Cons. 1000 480 lb. Bales	25	25	25	25	25	25
Ending Stocks 1000 480 lb. Bales	205	205	245	10	245	10
Total Distribution 1000 480 lb. Bales	1160	1160	1120	1155	1270	1040
Stock to Use % (PERCENT)	21.47	21.47	28	0.87	23.9	0.97
Yield (KG/HA)	330	330	358	372	338	368

Attachments:

No Attachments