



Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Voluntary Report - public distribution

Date: 12/3/2002

GAIN Report #IV2009

Cote d'Ivoire

Cotton and Products

Cotton Producer Price

2002

Approved by:

Joe Lopez

U.S. Embassy, Abidjan

Prepared by:

Antoine Anzele

Report Highlights:

Government of Cote d'Ivoire has announced a new cotton producer price for the 2002/2003 marketing year of 180 F CFA/kg for first grade cotton. The 2002/2003 cotton marketing has not started due to political instability and the occupation by the mutiny soldiers of the northern half of the country which embraces the cotton producing areas since September 19, 2002.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Abidjan [IV1], IV

Executive Summary

The Government has announced a new cotton producer price for the 2002/2003 marketing year. The new producer price is 180 F CFA/kg for first grade cotton and represents a fall from the 2001/2002 price level of 190 F CFA/kg. The government's statement did not mention the price of second grade cotton, but it is usually 30 F CFA/kg less than that of first grade cotton. To maintain the new producer price, the government has increased its subsidy from 15 F CFA/kg in 2001/2002 to 25 F CFA/kg in 2002/2003 marketing year due to the continued low level of the world market price.

The 2002/2003 cotton marketing has not started due to the political instability and the occupation by the mutiny soldiers of the northern half of the country which embraces the cotton producing areas since September 19, 2002. Reports from upcountry indicate that farmers have started harvesting their crop. Since the cotton gins remain closed due to security reasons, seed cotton marketing has not started. The prolongation of the crisis will affect the quality of cotton due to the poor on farm storage facilities. Old cotton stocks continued to be stacked at the gins for want of exit points to Abidjan Port in the south. The government claims to have negotiated with the French Interposition Force for the opening of economic corridor to facilitate the transport of cotton and other goods from the occupied areas to Abidjan. However, no activity in that sense has started.

Post maintains its PS&D.

Exchange Rate: U.S.\$1 = 659 F CFA on December 3, 2002.