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## Senegal

### Cotton and Products Update

#### 2016 West Africa Cotton and Products Update

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**Report Highlights:**

MY 2016/17 seed cotton production from the selected West African countries (Burkina Faso, Mali, Cote d'Ivoire, Chad, and Senegal) could reach 1.9 million tons (3.6 million bales) representing 19 percent increase compared to previous year's. Burkina Faso did not plant Bt cotton in MY2016/17 campaign due to unresolved issue between Monsanto and cotton stakeholders regarding the short fiber length that reduced fiber quality. Consequently, Burkina Faso cotton fiber prices decreased at international market and so did farmer's revenue. Nevertheless, Burkina Faso forecast a 20 percent increase compared to the previous year with 700,000 tons of seed cotton followed by Mali (629,000 tons), Cote d'Ivoire (360,000 tons), Chad (171,000 tons), and Senegal (20,000 tons). Cote d'Ivoire farm gate price is the highest in the region (265 F CFA - \$0.44 per kg).

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**Executive Summary:**

The selected West African Countries (Burkina Faso, Mali, Cote d'Ivoire, Chad, and Senegal) forecast MY2016/17 seed cotton production at 1.9 million tons (3.6 million bales), representing 19 percent increase compared to previous year's.

Even though Burkina Faso decided not to plant Bt cotton in MY 2016/17, seed cotton production may increase 20 percent (700,000 tons) while remaining the top cotton producer in West Africa.

Mali will increase 23 percent seed cotton production (629,000 tons) for MY 2016/17, followed by Cote d'Ivoire (16 percent) and Chad (14 percent). Senegal production may remain the same relative to previous year's.

Cote d'Ivoire farm gate price is fixed at 265 F CFA (\$0.44) per kg and remains the highest in the region. With that, the Government of Cote d'Ivoire hopes to motivate farmers to grow more cotton and increase production after an unsuccessful campaign in 2015-2016.

**MY2015/16 cotton update and MY 2016/17 cotton production for selected West African countries****Burkina Faso**

Burkina Faso produced 581,000 tons of seed cotton in MY 2015/16, same number as USDA official data.

Burkina Faso estimates MY 2016/17 seed cotton production at 700,000 tons, 7 percent less than its initial target. All the planted cotton for MY 2016/17 is conventional. No Bt cotton has been planted due to the non-resolved problem between Monsanto and cotton stakeholders regarding lower quality of the Bt cotton fiber due to its short length, which reduced the value of the fiber in the international market and farmer's revenue.

Cotton companies and producers are requesting financial compensation from the U.S. company.

MY 2016/17 input and farm gate cotton prices remain the same relative to previous year's 235 F CFA (\$0.39) (See table 2).

**Mali**

Mali produced 513,000 tons of seed cotton in MY 2015/16. The Government of Mali (GOM) subsidized the cotton sector for fertilizer and cotton farm gate price for 19 billion CFA (\$31.7 million). The Malian cotton company (CMDT) gain a benefit of 14 billion CFA (\$23.4 million) during the MY2015/16 and gave a total amount of 5 billion CFA (\$8.4 million) to the cotton producers to feed their assistance fund, provide a bonus of 5 CFA per kg (0.8 cents per kg) of seed cotton to the cotton producers, and ensure

the operating budget of the cotton farmers cooperative. The assistance fund is fed by the benefit from cotton fiber sales. If there is no profit in a given year, the CMDT can use the fund to sustain their activities and guaranty the minimum farmer's seed cotton price.

For MY 2016/17, Mali estimates seed cotton production at 645,000 tons, same number as USDA official data but Post believes that the production may not exceed 620,000 tons, 4 percent decrease. Post estimation is based on a abrupt discontinuation of the rainy season in a few localities that could impact the quantity of seed cotton harvested.

Area harvested is estimated at 629, 700 hectares and yield at 0.985 tons per hectare.

MY2016/17 seed cotton farm gate price was fixed at 250 F CFA (\$0.42) per kg, a 5 percent increase compared to previous year.

For MY 2016/17, input prices are maintained at 11,000 F CFA (\$18.33) for a bag of 50 kg.

### **Cote d'Ivoire**

Cote d'Ivoire produced 310,000 tons of seed cotton during MY 2015/16 with a yield of 0.956 tons per hectare.

For MY2016/17, Cote d'Ivoire forecasts seed cotton production at 360,000 tons, a 16 percent increase compared to the previous year and 10 percent decrease compared to the country initial target, despite the increase of the farm gate cotton price for MY 2016/17 (265 F CFA - \$0.44 per kg) which is the highest in the region. The primary objective of this increase (6 percent compared to previous year's) is to motivate farmers to grow more cotton because of the difficult cropping season last year with only 310,000 tons.

Area harvested is estimated at 344,000 hectares.

Input prices for MY 2016/17 are set at 14,000 F CFA (\$23.3) for 50 kg bag of Fertilizer and 13,400 F CFA (\$22.3)for 50 kg bag of urea

### **Senegal**

MY2015/16 seed cotton production reached 20,300 tons and the yield for MY 2015/16 was 0.683 tons per hectare.

Senegal continues to estimate the MY2016/17seed production at 25,000 tons despite that the rainy season started late and rainfalls were not regular. However, Post assesses MY 2016/17 seed cotton production at 20,000 tons.

MY 2016/17 input (fertilizer and Urea) prices remain the same relative to the previous year and farm

gate cotton price have not been fixed yet.

## **Chad**

Chad seed cotton production for MY 2015/16 is estimated at 150,000 tons.

Chad forecasts MY2016/17 seed cotton production at 171,000 tons, a 5 percent decrease compared to its initial target and 12 percent increase compared to USDA official forecast.

Area harvested for MY 2016/17 is estimated at 315,000 hectares, a 5 percent increase compared to the previous year's.

Yield for MY 2016/17 is estimated at 0.543 tons per hectare.

Inputs and cotton farm gate prices have not been fixed yet.

## **Capacity Building**

From October 22 to November 5, 2016, Post accompanied a group of 9 participants from Senegal (2), Cote d'Ivoire (3), Mali (2), and Chad (9) to participate to the 2016 FAS Cochran program on Cotton Production and Classification. The program was implemented by the Borlaug Institute for International Agriculture in Texas A&M and funded through USDA by Senator Thad Cochran. The program focused on the cotton value chain from seed to textile. First, participants visited a cotton seed germplasm collection bank to learn more about the mechanism of creating good quality of seed variety using breeding and biotechnology research techniques to enhance yield, fiber quality, resistance and tolerance to stress and disease.

The group visited several research institutes working on improving methods of production, harvesting (stripper, picker), ginning, textile manufacturing, use of natural fibers, equipment maintenance, as well as a cotton ball compress. The group also toured warehouses and storage shipping facilities.

Participants also travelled to Louisiana to visit cotton research facilities supporting US cotton industry application and innovation in cotton fiber to increase its value. In Memphis, participants visited the USDA Agricultural Marketing Service (AMS) cotton and Tobacco facilities where 99.7 percent of US cotton grading and random sampling of certified samples are done. The laboratory produces about 60,000 samples per day accepted by The International Cotton Advisory Committee (ICAC), a governments' association of cotton producing, consuming and trading countries which acts as the international commodity body for cotton and cotton textiles. The AMS is also in charge of cotton marketing. The visit ended in Raleigh, North Carolina where participants visited a spinning mill and several cotton research laboratories focusing on spinning, product development, dyeing and finishing.

It was a very comprehensive training program for the participants, who were cotton classification specialist in their respective countries. They learned the necessary steps for producing a good quality cotton fiber from seed, ginning, spinning, and textile as well as latest innovation for harvesting,

humidifying, ginning, and classifying cotton.

**Table 1: Seed Cotton Production: MY 2014/15 – MY 2016/17 (Aug-Jul)**

Selected Countries	2014/15	2015/16	2016/17	2014/15	2015/16	2016/17
	Post Updated Data Production	Post Forecasted Data Production	Post Forecasted Data Production	Post Updated Data Production	Post Forecasted Data Production	Post Forecasted Data Production
	(000 Bales)	(000 Bales)	(000 Bales)	(000 Tons)	(000 Tons)	(000 Tons)
Burkina Faso	1,349	1,100	1,330	710	581	700
Mali	1,042	975	1,195	548	513	629
Cote d'Ivoire	855	589	684	450	310	360
Chad	270	285	325	142	150	171
Senegal	50	38	38	26	20	20
<b>Total</b>	<b>3,566</b>	<b>2,985</b>	<b>3,572</b>	<b>1,876</b>	<b>1,574</b>	<b>1,880</b>

(Source: FAS Dakar estimates and official country data)

\*1 Bale = 480 lbs

**Table 2: Official Farm Gate Price for First Quality Seed Cotton\*:  
MY 2014/15 - MY 2016/17**

Selected Countries	Official 2014/15 Farm Gate Price for First Quality (F CFA)	Official 2015/16 Farm Gate Price for First Quality (F CFA)	Official 2016/17 Farm Gate Price for First Quality (F CFA)
Burkina Faso	225 (\$0.37)	235 (\$0.39)	235 (\$0.39)
Mali	235 (\$0.39)	237.5 (\$0.40)	250 (\$ 0.42)
Cote d'Ivoire	250 (\$0.42)	250 (\$0.42)	265 (\$0.44)
Chad	240 (\$0.40)	240 (\$0.40)	N/A
Senegal	255 (\$0.42)	255 (\$0.42)	N/A

\*(Source: Official sources; \$1= 600 F CFA; F CFA per kg)

**Table 3: Input prices for fertilizer and Urea MY 2014/15 - MY 2016/17**

Countries	Official 2014/15 Input	Official 2015/16 Input	Official 2016/17 Input
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	Price (F CFA)	Price (F CFA)	Price (F CFA)
Burkina Faso	Fertilizer: 14,800 (\$24.6) Urea: 14,800 (\$24.6)	Fertilizer: 15,000 (\$25.8) Urea: 15,000 (\$25.8)	Fertilizer: 15,000 (\$25.8) Urea: 15,000 (\$25.8)
Mali	Fertilizer: 11,000 (\$18.3) Urea: 11,000 F (\$18.3)	Fertilizer: 11,000 (\$18.3) Urea: 11,000 (\$18.3)	Fertilizer: 11,000 (\$18.3) Urea: 11,000 (\$18.3)
Cote d'Ivoire	Fertilizer: 14,495 (\$24.1) Urea: 13,310 (\$22.1)	N/A	Fertilizer: 14,000 (\$23.3) Urea: 13,400 (\$22.3)
Chad	Fertilizer: 16,000 (\$26.6) Urea: 15,000 F (\$25)	Fertilizer: 16,000 (\$26.6) Urea: 15,000 (\$25)	Fertilizer: 16,000 (\$26.6) Urea: 15,000 (\$25)
Senegal	Fertilizer: 12,500 (\$20.8) Urea: 10,500 (\$17.5)	Fertilizer: 11,880 (\$19.67) Urea: 9,500 (\$15.83)	Fertilizer: 11,880 (\$19.67) Urea: 9,500 (\$15.83)

\*(Source: Official sources; \$1= 600 F CFA; F CFA per kg)

**Production, Supply and Demand Data Statistics** (1000 Hectares (HA), 1000 480 lb. Bales, PERCENT, KG/HA)

Cotton	2014/2015		2015/2016		2016/2017	
Market Begin Year	Aug 2014		Aug 2015		Aug 2016	
Burkina	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	660	650	660	663	700	740
Beginning Stocks	230	230	515	314	300	235
Production	1350	1349	1100	1100	1300	1330
Imports	0	0	0	0	0	0
MY Imports from U.S.	0	0	0	0	0	0
Total Supply	1580	1579	1615	1414	1600	1565
Exports	1050	1250	1300	1164	1250	1150
Use	15	15	15	15	15	15
Loss	0	0	0	0	0	0
Total Dom. Cons.	15	15	15	15	15	15
Ending Stocks	515	314	300	235	335	400
Total Distribution	1580	1579	1615	1414	1600	1565

<b>Cotton</b>	<b>2014/2015</b>		<b>2015/2016</b>		<b>2016/2017</b>	
<b>Market Begin Year</b>	<b>Aug 2014</b>		<b>Aug 2015</b>		<b>Aug 2016</b>	
<b>Mali</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>
<b>Area Harvested</b>	540	540	545	545	700	630
<b>Beginning Stocks</b>	271	271	436	388	386	398
<b>Production</b>	1040	1042	975	975	1225	1178
<b>Imports</b>	0	0	0	0	0	0
<b>MY Imports from U.S.</b>	0	0	0	0	0	0
<b>Total Supply</b>	1311	1313	1411	1363	1611	1576
<b>Exports</b>	850	900	1000	940	1150	1150
<b>Use</b>	25	25	25	25	25	25
<b>Loss</b>	0	0	0	0	0	0
<b>Total Dom. Cons.</b>	25	25	25	25	25	25
<b>Ending Stocks</b>	436	388	386	398	436	401
<b>Total Distribution</b>	1311	1313	1411	1363	1611	1576

<b>Cotton</b>	<b>2014/2015</b>		<b>2015/2016</b>		<b>2016/2017</b>	
<b>Market Begin Year</b>	<b>Aug 2014</b>		<b>Aug 2015</b>		<b>Aug 2016</b>	
<b>Cote d'Ivoire</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>
<b>Area Harvested</b>	415	415	400	402	350	344
<b>Beginning Stocks</b>	310	310	285	365	120	174
<b>Production</b>	855	855	590	589	660	684
<b>Imports</b>	0	0	0	0	0	0
<b>MY Imports from U.S.</b>	0	0	0	0	0	0
<b>Total Supply</b>	1165	1165	875	954	780	858
<b>Exports</b>	850	800	725	750	600	680
<b>Use</b>	30	0	30	30	30	30
<b>Loss</b>	0	0	0	0	0	0
<b>Total Dom. Cons.</b>	30	0	30	30	30	30
<b>Ending Stocks</b>	285	365	120	174	150	148
<b>Total Distribution</b>	1165	1165	875	954	780	858



<b>Cotton</b>	<b>2014/2015</b>		<b>2015/2016</b>		<b>2016/2017</b>	
<b>Market Begin Year</b>	<b>Aug 2014</b>		<b>Aug 2015</b>		<b>Aug 2016</b>	
<b>Chad</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>
<b>Area Harvested</b>	255	256	290	292	300	0
<b>Beginning Stocks</b>	36	36	76	46	61	51
<b>Production</b>	270	270	285	285	290	325
<b>Imports</b>	0	0	0	0	0	0
<b>MY Imports from U.S.</b>	0	0	0	0	0	0
<b>Total Supply</b>	306	306	361	331	351	376
<b>Exports</b>	220	250	290	270	275	315
<b>Use</b>	10	10	10	10	10	10
<b>Loss</b>	0	0	0	0	0	0
<b>Total Dom. Cons.</b>	10	10	10	10	10	10
<b>Ending Stocks</b>	76	46	61	51	66	51
<b>Total Distribution</b>	306	306	361	331	351	376

<b>Cotton</b>	<b>2014/2015</b>		<b>2015/2016</b>		<b>2016/2017</b>	
<b>Market Begin Year</b>	<b>Aug 2014</b>		<b>Aug 2015</b>		<b>Aug 2016</b>	
<b>Senegal</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>
<b>Area Harvested</b>	25	25	30	30	25	25
<b>Beginning Stocks</b>	13	13	8	13	6	6
<b>Production</b>	50	50	38	38	40	38
<b>Imports</b>	0	0	0	0	0	0
<b>MY Imports from U.S.</b>	0	0	0	0	0	0
<b>Total Supply</b>	63	63	46	51	46	44
<b>Exports</b>	50	45	35	40	35	35
<b>Use</b>	5	5	5	5	5	5
<b>Loss</b>	0	0	0	0	0	0
<b>Total Dom. Cons.</b>	5	5	5	5	5	5

<b>Ending Stocks</b>	8	13	6	6	6	4
<b>Total Distribution</b>	63	63	46	51	46	44