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EU declaration, ICAC, ABIDJAN, 3 December 2018

Ladies and gentlemen,

We are particularly pleased to benefit from this opportunity to present the position of the European Union on the cotton sector development.

EU strategy

EU will continue supporting cotton value chains, based on the promotion of good agricultural practices and the management of critical functions, such as the maintenance of rural road networks. Future support should ensure the implementation of strategies at the national level to ensure their efficiency and appropriation by the beneficiaries.

The EU is discussing financing post 2020 within the so called Multi Financial Framework. Strategy proposals for 2021-2027 will have to include interventions to improve internal competitiveness with a focus on the quality of the product and sustainable cropping practices, including soil fertility management to maintain productivity and enable a decent living of the population.

The support of all the actors and especially the private sector is therefore a political priority for the EU. At present, the production of certified and sustainably produced cotton is significantly higher than the demand within the supply chain. The development of local textile production in cotton producing countries is a promising long-term perspective and global consumers and textile distribution companies need to be encouraged in their efforts to widen the perspective for sustainable certified cotton.

EU support

EU support is to be based on national reform strategies and business financing (blending logic/European external Investment Plan EIP). The EU strategy for cotton would be in a subsidiarity logic, the national level appearing therefore the most relevant.

It would be based on two complementary axes (reinforced by a transversal component).

I) support for national strategies and reforms: the implementation of policies and strategies improving the production environment, and particularly private investment appears to be the main condition for the dynamism of cotton chains.

These policies and strategies must in particular define the role of the State/public services and that of the private sector in relation to the management of the different functions of production, processing and marketing (e.g. research, Agricultural Council, rural trails, etc.). Funding for these critical functions must also be provided and ensured.

As an indication, the policy debate and our support could include:

- i) Public-private dialogue platforms to improve the governance of the sector and resolve distortions
- ii) Production objectives and rules/standards (social, environmental aspects)

iii) Targeted funding for some reforms • Targeted subsidies to better guarantee a fair purchase price to producers for different cotton qualities, smoothing processes, etc...

It should be noted that most of the major cotton-producing countries already benefit from budget support in the agricultural/food security sector. As a result, the tool for budget support could be prioritised and mobilized, particularly at the level of policy dialogue to ensure the progress of reforms. Furthermore, EU has competences to carry out value chain analyses and monitor their dynamism (VC4D)

II) investment in agricultural and agro-industrial production factors: EIP has the vocation of promoting external investment, particularly for employment, through in particular blending operations.

III) transversal component: EU is here to promote this strategy within the ICAC.

In November the Clear Cotton Project was launched in Brussels. This focuses on Eliminating Child Labour and forced labour in the cotton, textile and garment value chains, in close collaboration with ILO and FAO. It targets Burkina Faso, Mali, Pakistan and Peru. We can share more info about these projects and their objectives.

ICAC role

The ICAC strategy review is very much welcome. We fully support main messages of the draft ICAC Strategic Plan reinforcing traditional core missions of this organization serving as the most important source of impartial and true information about cotton, an objective forum for discussion and a clearinghouse for new projects and technical information. As a cotton-producer and processing member, EU appreciates the access to statistics on the widely understood cotton sector and the envisaged ICAC actions towards consumers' education regarding the ecological and economic benefits of cotton and promoting cotton as a source of sustainable raw material for various applications.

Nevertheless, we remain concerned regarding new outputs and services to be undertaken by the ICAC and concepts for increasing revenues if we want a sustainable organization. In particular, we believe that the ICAC as an intergovernmental organization should more carefully discuss pros and cons of the ideas to establish new forms of membership. The draft plan contains no basic information on the rights and obligations related with the new forms of cooperation, i.e. paid associate membership and partnerships which are both offered to the very same stakeholders of the cotton sector (international organizations, national industry associations, private sector firms). We believe that both options might not be appealing to entities already collaborating with the ICAC, if not accompanied with new services, products and opportunities.

EU participation

We believe that our message on the notable EU support to cotton producing countries (in form of EU-African Partnership in Cotton, support to Better Cotton and Cotton Made in Africa initiatives) should go hand in hand with new European private sector initiatives aiming at promoting internal consumption of cotton and educating consumers on sustainability of its production and processing in order to create new markets for cotton goods.

Therefore, the Gdynia Cotton Association, which represents stakeholders of the Polish cotton sector, is willing to discuss with national Cotton Associations the idea of launching a multiannual social campaign to provide European consumers with reliable information on global textile market, life cycle of textile products, environmental

impact of natural and synthetic fibres and to fight disinformation related to the cultivation and processing of cotton.

Social concern

Cotton production is produced in more than 75 countries and represents a significant source of income for dwellers in developing countries. For many of these countries, the cotton value chain, especially if extended to textile and garments production, is central to economic growth but is often associated with poor working conditions. Both child labour and forced labour remains a particular challenge. Our Clear Cotton Project is a benchmark in this area.

We need an integrated approach to promote enhanced national legislation and policies, to address the basic needs and rights of children engaged or at risk of child labour, and of victims of forced labour.

And we need to engage more — in a tripartite mode - the concept of living wage and livelihoods in cotton value chains, especially in Africa. We want to engage with the National Governments and ICAC what we can do together to enhance social standards at all levels in the chain, especially at farm level.

Environmental conclusion

The increased usage of synthetic textiles has become an important source of environmental pollution with microplastics and polyester microfibres — issue which is the backbone of the recent European Parliament decision to ban single-use plastic items by 2021. European Union wants to be in the vanguard of environmental-friendly actions also in this area, taking into account the fact that promoting European and global growth of production and consumption of cotton and other natural fibres would also be broadly consistent with the most of SDGs (in particular SDG1, SDG2, SDG8 and SDG9).

We need to inbuild an agenda which looks at the contribution of ICAC members to the delivery of the SDG agenda- in all fora, including Geneva, New York and beyond.

EU delegation