



A word from the Editor

Roger Peltzer | Project Director

It already began to show during the stakeholder meeting in Ouagadougou: after several difficult years, the cotton sector is picking up again. World market prices are rising; the increased dollar rate has benefited most African producers. The increase in the purchase price of seed cotton has led to an increase in the farmers' production and income (per hectare), as well. Cotton companies are also earning money again. And this, at the very least, is an improvement in the basic conditions on which the success of the COMPACI project rests.

The second COMPACI/Aid by Trade Foundation stakeholder conference in Ouagadougou from November 18-20, 2009, was a great success with the greater part of participant feedback being very positive. It is particularly worth mentioning that a very close work relationship has been developing among the yield managers of the cotton companies liaising under the COMPACI project. This boosts the African ownership of our program. COMPACI is becoming a platform for an intensive exchange of experience between experts in the agricultural sector and those responsible for the management of cotton companies in West Africa and southern/eastern Africa for the first time – something we wish to see strengthened even further.

An important topic in Ouagadougou was the governance of COMPACI and, of course, of the Aid by Trade Foundation (AbTF), the owner of the Cotton made in Africa brand. On the one hand, the two initiatives are independent, while being closely interlinked on the other.

A critical question, which was justly asked in Ouagadougou, referred to the manner in which the African cotton companies, but also the cooperating cotton traders, can have more influence in the discussion regarding essential decisions within the scope of COMPACI and AbTF – in



Explanation of the income of cotton farmers during the field visit of the Ouaga Workshop, Burkina Faso, November 2009

order to prevent the development of a largely "German-dominated" affair in the long term. While the participants at first considered implementing their own Steering Committee with representatives of all major stakeholders for COMPACI, this suggestion was ultimately dismissed. Such an approach would, in part, result in a doubling of the decision-making bodies of the Aid by Trade Foundation, where retailers marketing Cotton made in Africa are already well represented. And since all participating parties feel that it is important to have a committee encompassing retailers, cotton companies, traders and non-governmental organizations, it was decided to expand the Aid by Trade Foundation advisory board. Along with Ibrahim Malloum, Jean Claude Talon and Vamissa Diomande will be future members. Moreover, Richard Rogers of the Bill & Melinda Gates Foundation will join the discussions on the advisory board.

Joining COMPACI and Cotton made in Africa does not only bring advantages to the partners in Africa, but also involves considerable duties. For instance, project progress has to be reported on in regular intervals and in detail. The CmiA verification with the development of the relevant management plans requires a great deal of work. The M&E process has just begun. Moreover, there are many delegations and urgent queries that must be dealt with in a timely manner. This is why the African participants in Ouagadougou justly inquired if those marketing Cotton made in Africa would/had to account for their relevant sales efforts as well. This is something which certainly must be done and which lead to the interview with the Managing Director of the Aid by Trade Foundation, Dr. Johannes Merck, on the successes, problems and challenges related to the marketing of CmiA.

2010 will be another very exciting year for COMPACI in this edition of the Newsletter. With the "initial phase" of our program having been concluded, the focus is now on intensifying the exchanging of experience amongst our African partners. The next stakeholder workshop will take place in Berlin in mid-September. And with a bit of luck, we will then be able to welcome the President or Vice-President of Benin on the eve of the workshop at the Aid by Trade Foundation event. The challenges are still great, but we have a great number of strong and highly motivated partners within COMPACI. We can expect to come a good deal closer to achieving the COMPACI targets in 2010. •

In November 2009, 10,000 Cotton made in Africa school uniforms were distributed to the families of farmers who had actively participated in the COMPACI predecessor program for three years. The materials were produced in Benin, cutting and sewing was performed in the villages.

The financing was carried out by I.C.A. Talon, ProCRGN, the Aid by Trade Foundation, and the participating farmers.

School uniforms have significantly contributed to familiarizing the villages of the cotton farmers in northern Benin with Cotton made in Africa

The school uniforms will greatly help to strengthen the farmers' commitment to the COMPACI program.

All parties plan to continue providing school uniforms in the coming years. •



Students present the new school uniforms by Cotton Made in Africa following the Ouaga Workshop, Burkina Faso, November 2009



Zambia

COMPACI Workshop on Reporting Requirements and Data Collection 15-17 March 2010, Lusaka, Zambia

Rudy van Gent

A workshop conducted in Lusaka, Zambia, from the 15-17th of March, 2010, for the partnering companies in Eastern Africa, i.e. Dunavant (Zambia) Ltd., Cargill Cotton Company (Zambia), Great Lakes Cotton Company (Malawi) and Dunavant (Uganda) Ltd. was well received. COMPACI Project Managers and other staff members of these companies,

Gracious Hamatala	Dunavant (Zambia) Ltd.
Phillip Ntitima	Dunavant (Zambia) Ltd.
Emmanuel Mbewe	Cargill Cotton Company
Nick Ndawa	Cargill Cotton Company
Spencer Zinyemba	Great Lakes Cotton Company
Vishnu Giri	Dunavant (Uganda) Ltd.
Marco Christ	DEG
Stefan Kachelriess	GTZ
Rudy van Gent	GTZ
Tony Isherwood	External Consultant
Ben Sekamatte	External Consultant
Susanne Neubert	Consultant DIE/NORC

along with resource personnel from the DEG and GTZ, as well as external Consultants associated with the COMPACI program (see Table) participated in this workshop.

The main focus of the workshop was placed on reporting guidelines and requirements for the GTZ/DEG, and the corresponding collection of data. To facilitate and harmonize this process, the collection of output data from the companies will be centralized in the future, and standardized data collection sheets will be used in the bi-annual narrative reports. Reporting deadlines were adjusted to the 30th of April (covering the period October-March) and the 30th of October (covering the period April-September). Discussions were also held regarding how such data

is to be generated, i.e. who within the company structures will be responsible for acquiring the required data, and on appropriate tools/data collection sheets that will have to be made available to support the staff in this process.

Based on a series of trainings that have been conducted over the past few months, an analysis/characterization (age, education, and years of experience within the cotton sector) of field/extension staff of two of the partnering companies was presented, emphasizing the importance of staff being properly motivated to carry out their various duties.

The link between these three elements (reporting requirements, data collection and motivation of field/extension staff) was amply summarized in a presentation on Project Planning and Monitoring.

Last but not least, the Zambia-based Micro Bankers Trust made a presentation on credit schemes, emphasizing the need for the proper screening of potential beneficiaries. •

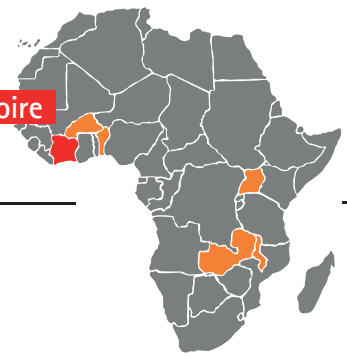


Field visit of the Ouaga Workshop at Burkina Faso, November 2009: AbTF representative Christoph Kaut and COMPACI representative Roger Peltzer receive a chicken from the local population

INFORMATION

DEG and GTZ have created a four-page information sheet about COMPACI and Cotton made in Africa, which explains the programs and aims to understand the basic outlines. This information sheet is available in English, French and German. It can be ordered from Constantin.Brinkmann@deginvest.de and is attached to this newsletter. •

All minutes and results of the Ouagadougou workshop are available after a first registration on www.cotton-made-in-africa.com. For further information please contact Lara.Mockewitz@abt-foundation.org •



Culture attelée – financing draught animals at IVOIRE COTON

Vamissa Diomande



Cultivation using draught animals – so-called harnessed cultivation, in French referred to as Culture attelée – is a major pillar in the corporate strategy of a cotton company like Ivoire Coton with the aim of boosting the farmers' productivity. In the eleven cultivation areas in the north-west of the country, about 28,000 farmers work in the cotton sector for Ivoire Coton. In light of the fluctuating world market prices, it has been shown that only cultivation with draught animals secures an appropriate income for the farmers in the long term. This is why Ivoire Coton systematically provides the cotton farmers with loans for the acquisition of draught animals and agricultural equipment (e.g. carts, ploughs, so-called multi-cultivators or sowing machines). Since 2001/2002, Ivoire Coton has financed some 4,700 oxen and around 9,500 agricultural machines with a credit volume of 2.7 million euros. This makes Ivoire Coton one of the largest micro-financers providing agricultural investment loans in sub-Saharan Africa.

The loans have a term of two to five years with an annual interest rate of 11 per cent. The recovery rate of the loans is at a very high 95 per cent p.a. And since Ivoire Coton is able to refinance itself at approx. 7 per cent p.a. thanks to its good financial standing, the loan financing of the farmers is cost-effective.

The high recovery rate is also due to the fact that Ivoire Coton has a sophisticated system to evaluate the farmers' debt service coverage ability.

The selection of the producers, who are to be granted a loan, relies on the following requirements: smallholders, who have so far exclusively worked by hand, should have at least two hectares of cotton acreage if they wish to use agricultural equipment. Should draught animals be used, the required acreage is seven hectares, of which three or four hectares are to be reserved for cotton, the remainder for vegetables and crops. The yields per hectare should generally be around 1,200 kilograms of cotton and farmers with unpaid loans from input finance (fertilizers) are not eligible. Moreover, two to four persons should be available to ensure the land can be cultivated properly.

If these criteria for credit allocation are fulfilled, the minimum provision for a new farmer is two oxen and one multi-cultivator with annual repayment rates of app. 230 euros (FCFA 150,000) – which corresponds to a farmer's income on one hectare of his acreage after deduction of cost involved in inputs and manpower.

Besides the draught animals and the multi-cultivator, the equipment for the smallholders also includes a sawing machine and a plough. For this equipment, repayment rates are at around 460 euros (FCFA 300,000) corresponding to the income of two hectares of land.

The loan equipment is complemented by training measures for the use of the draught animals and the equipment. In cooperation with private veterinaries, Ivoire Coton also looks after the animals' health and bears all the cost involved in vaccinations and dietary supplement in form of input cost. Moreover, a draught animal can be insured at a rate of around 15 euros (FCFA 10,000). If, for instance, an ox dies, the farmer will receive a remuneration of around 150 euros (FCFA 100,000). Up to 3,500 oxen are insured in this manner every year.

To further reduce the still high number of ill or perished animals in the future, the set-up of veterinary surgeries is being planned to give the farmers direct assistance in emergency cases and to give them advice on appropriate animal husbandry on the spot. The consequent policy of "mechanization" by Ivoire Coton has led to app. 75% of the farmers cooperating with the cotton company using harnessed cultivation in a systematic manner. This is likely to be one of the most valuable achievements in all sub-Saharan Africa. •



Brief CV of Vamissa Diomandé

Name: Dioamandé
First names: Vamissa
Nationality: of Côte d'Ivoire

Positions held:

Since 1998: IVOIRE COTON and FASO COTON
General Manager / Project Director
1990 – 1998: CIDT (other ginning company in Côte d'Ivoire)
Industrial Production Director

Education:

1978 – 1979: Institut Nationale Agronomique (INA) Paris-Grignon, France
Agricultural Engineer specialized in Mechanization/
Machine Operation and Related Economic Sciences
1976 – 1978: Ecole Nationale Supérieure de Statistique et d'Economie
Appliquée (ENSA) Abijan, Côte d'Ivoire
Diploma in General Agricultural Science



Cotton made in Africa

Interview with Dr Johannes Merck | CEO of the Aid by Trade Foundation

1. "Cotton made in Africa" has now been on the market for more than three years. How do you assess the success achieved so far in the marketing of Cotton made in Africa?



Dr Johannes Merck

The development of Cotton made in Africa in the sales market has been very positive. In 2007, we set out with sales of 400,000 articles produced from CmiA cotton. At that time we had two customers: the Otto Group and Tom Tailor. In 2009, 27 textile companies produced 6 million articles in CmiA quality and launched them onto the market. For this year, we are once more striving for a marked growth, i.e. a total sales figure of 13 million textile articles. Along with a great number of German companies, textile traders from France, Spain, Belgium, Switzerland and the US are now active in Cotton made in Africa. It is not only the size of the demand alliance which is important to us, but also the loyalty of our customers to Cotton made in Africa.

It has so far shown that those who join Cotton made in Africa make use of our sustainable raw material, not only for market campaigns in the short term, but rather for the long term. We have not lost a single customer to date. Ergo: product and service are right. That's what I call a proof of concept!

2. However, there are still vast efforts, which need to be made to achieve the aim of making Cotton made in Africa an established product in the textile mass market. What about the challenges that the marketing team of the Aid by Trade Foundation / Atakora has been facing over the past three years?

In the textile industry, there is still some prejudice when it comes to sustainably generated raw material. This concerns quality deficits, delays in supply and – foremost – additional costs. This is why our first task was to convince companies of the fact that Cotton made in Africa can actually be supplied in an almost cost-neutral manner and that supply times are not adversely affected either. We have put a lot of effort into information campaigns and into reducing reserves and have trained the responsible purchasers, import managers and staff in the supply markets by means of workshops. When the feared quality deficits in connection with the use of CmiA cotton failed to materialize, the insecurity with respect to this issue dwindled as well. All in all, we are now able to convincingly demonstrate to our customers that they need not fear any problems with regard to the processing of Cotton made in Africa.

This generally applies to sales, as well. The CmiA presence on the market as an additional "sustainability label" was a challenge for many companies at first. Many of our customers made use of the strong CmiA label as an add-on and to enhance their own brands. Others perceived our appearance as too dominant and therefore felt that incorporation into the existing marketing strategy of the company would be rather difficult. We have positioned Cotton made in Africa as an ingredient brand, i.e. a sub-label, which is meant to support rather than dominate the main label. We continue to recommend the endorsement at the product by means of a hang-tag and web woven label without, however, demanding this of our customers so that Cotton made in Africa can now also be integrated into an existing marketing concept without any problems.

3. How are you planning to set the future strategy to make further use of the marketing potential of Cotton made in Africa?

First of all: many members of the demand alliance of Cotton made in Africa are big companies serving the mass market. They include global players such as REWE, the Otto Group, Tchibo, PUMA or Il Cortes Ingles. In this respect, Cotton made in Africa has already reached its aim.

However, we still need to achieve considerably higher sales figures. For the future, it is therefore important to motivate our big customers to switch a considerable share of their cotton product line to Cotton made in Africa quality in the long term and permanently. To facilitate access to Cotton made in Africa, we have introduced a more flexible price model to generate our license fees. The license fees are now no longer calculated on a purely unit-oriented basis, but can also be settled in terms of percentage, i.e. value. This innovation can offer cost reductions in cases of greater purchase quantities.

Furthermore, we will increasingly address additional markets in Europe and also place a larger focus on North America. As far as the US is concerned, we see the biggest chances for Cotton made in Africa in the medium term. At present, we do not yet have the good and strong networks which have enabled the access and first contact to almost every big retail partner in Europe. To set up this network, we are currently striving for strategic partnerships with the appropriate organizations in the US. The inauguration of our showroom in New York boosts the awareness of Cotton made in Africa in the US and makes the initiative more understandable and perceivable to American companies. To assist our North American customers as well as our European ones when it comes to a smoothly working supply chain management, we are currently setting up a structure aimed at an optimum supply chain support in Central and South America, both vital supply markets for the US.

4. Do you consider it possible that sustainable cotton produced in compliance with CmiA criteria could also be marketed under different labels?

In principle, it is possible that cotton certified in compliance with the Cotton made in Africa criteria is sold by our partners under different trade names without adding the CmiA label as a hang-tag. We have already received various inquiries in this context and will be flexible here. However, it principally applies that all users of CmiA cotton have to pay a license fee. This is the only way to make the production related to CmiA and the corresponding certification independent of third-party support in the long term. However, it is not planned to incorporate Cotton made in Africa as a raw material into other sustainability labels such as FairTrade. We are, instead, aiming for an increase in the demand of our customers in the medium term with the aim of completely integrating the CmiA harvests as CmiA cotton into our customers' textile chains so that cotton is no longer sold as an anonymous raw material on the world market. At the end of the day, smallholders in Africa should have more money in their pockets – everything that serves this aim is looked into and implemented, assuming the evaluation is positive. •

Brief CV of Dr Johannes Merck

Name: Merck
First name: Johannes
Nationality: German

Positions Held:

Since 1989: Within the Otto Group: responsible for the field of Corporate Social Responsibility associated with the following tasks:

Director of Corporate Responsibility Otto Group
Member of the Board, Michael Otto Foundation
Member of the Board, Aid by Trade Foundation
Chairman of the Advisory Board, Systain Consulting GmbH

Since 1986: Working as a Research Assistant for the German Federal Parliament (Bundestag)

Education:

1990: Doctor's degree (Ph.D.)
1979 – 1985: Studies of history and law at Berlin University



Education project of Welthungerhilfe for cotton producers and their families in the area of influence of Faso Coton in Burkina Faso

Caroline Peyre



When it comes to basic education of the population, the West African state of Burkina Faso is rather badly off. Only 23 per cent of adults are literate, a development obstacle with far-reaching consequences (for instance in the context of cotton marketing). To increase the competitiveness of African cotton, the Cotton made in Africa (CmiA) Initiative focuses on sustainable production. This is a big challenge for the farmers because they need to comply with standards and comprehensive guidelines. An education project for cotton producers and their families is now offering them valuable support to enable them to plan, organize and document the production in a professional manner.

In the southern region of central Burkina Faso ("centre sud"), 80 literacy courses for 30 participants each are planned as a first step. In three steps, women and men proceed from the basic level via the follow-up course all the way up to the technical training. It is primarily members of the associations of cotton producers (Groupements de Producteurs de Coton – GPC) who will be considered. Since the curriculum focuses on practical application, the cotton producers will be capable of well-targeted planning, better administration of their loans and improvement of their production and cultivation techniques.

Both the participating men and women and 25 locations for training centers were selected in September of 2009. The basis for the selection was a demand assessment in 50 villages and discussions with the Province Authority for Basic Education and Alphabetization. As part of the first literacy campaign, 25 centers in 18 villages have recently been opened. In November 2009, the training of the heads of the centers, who will also work as teachers, was started. To make allowance for the circumstances, all literacy courses will be held during the dry season, when the farmers are then less busy with their agricultural activities.

The educational project not only endows the participating farmers with important know-how and competence, but also sensitizes them to the fact that sustainable development requires a sound basic education. This should convince them to send their children to school. All in all, the project has been able to reach out to 5,000 adults aged 20 to 59 and their families. •

Report by Caroline Peyre, country consultant of Welthungerhilfe, in charge of the project implementation in Burkina Faso. The project is co-financed by DEG and the Aid by Trade Foundation.

On Welthungerhilfe:

Welthungerhilfe is one of the largest private aid organizations in Germany. It offers prompt disaster aid in terms of reconstruction up to long-term projects of development aid with local partner organizations, based on the principle of aid for self-help. Since its founding in 1962, more than 5,900 projects in 70 countries have been supported with an amount of 2 billion euros – for a world without famine and poverty.

Donation to Girgho Village School

A warm welcome was given to the guests of the pupils of the Girgho village on November 18th, 2009. The visitors were the participants of the stakeholders' conference Cotton made in Africa and COMPACI in Ouagadougou. They used that day to visit the school in the Département de Kombissiri, Province du Bazzèga, within the framework of the conference. They swiftly decided to support this school consisting of five classes for a total of 400 boys and girls. The spontaneous collection produced an amount corresponding to 830 euros.

After intensive discussions among the parents' association and the school administration, the school decided to use the money to buy teaching material. With the generous donation, Welthungerhilfe and its local partner organization Organic acquired a comprehensive "teaching box" for the scientific subjects, which was handed over in Girgho on February 1st, 2010. The box included, for instance, a compass, ruler and set square, a dictionary, scales and weights, a cash box and textbooks worth 630 euros. And since only a full stomach helps to learn well, the remaining money went into five bags of rice, a bag of salt, four big tins of tomato concentrate, 300 stock cubes and 22 liters of edible oil for the school cafeteria.

This valuable contribution adds to the quality of the boys' and girls' classes; it helps them learn in a more descriptive manner on the one hand, and secures a regular meal, on the other. Thanks to the participants of the conference! •



Handing over of the donated "learning box" to the Girgho School on 1 February 2010



Gender Assessment in COMPACI: Review and Strategies

Sarah Schneider | Sarah Schneider is a Junior Project Manager in the cotton program at GTZ



Sarah Schneider

The International Center for Research on Women (ICRW) was assigned to visit the COMPACI partners in the six project countries, to elaborate on a gender-based analysis of cotton production and to identify context-appropriate gender recommendations and strategies. The ICRW team visited participating countries between June and December 2009 and conducted individual interviews and focus group discussions with cotton companies and program

staff, as well as men and women farmers, local leaders and local NGOs. The status of women is low across the board in these countries. They lag behind men in key aspects, such as education, health and political participation. Gender-based violence against women is pervasive and the existence of polygamous households affects some aspects of cotton, such as household labor allocation and decision-making. In participating in the COMPACI project, the cotton companies either contract individual farmers (e.g. Zambia) or register members of affiliated producer organizations (POs). This role allows farmers access to inputs and services, which are provided in different ways in each country.

The findings of the study can be summarized as follows:

Women provide much of the labor for cotton production on household or male-owned plots. They often have their own plots where they grow food crops and some cotton. However, productivity on women's fields is limited, since they have to work in the men's fields and take care of their household and other farm-related chores before they can look after their own cotton fields. Furthermore, their access to inputs, credit and extension is very limited.

Most extension agents and participants in the training sessions are men. In spite of their high labor contribution, women are underrepresented in all project activities and outreach efforts in all countries, and there is limited awareness (with some exceptions) among project staff of the potentially missed opportunity caused by the exclusion of women. Though exceptions exist, for instance in Zambia, where gender barriers in cotton production are addressed by incorporating discussions on gender dynamics in extension meetings with agents who work directly with farmers.

Women are significantly underrepresented as members in POs and even more underrepresented in leadership positions (e.g. 10% of PO members in Benin are women, 5% in Zambia and 24% in Uganda). One underlying reason for this is a gender bias manifested in the criteria entailing PO membership across the 6 countries. According to those criteria, a PO member must own a minimum amount of land for cotton production and have 'head of household' status. Furthermore, male members of POs in Benin and Burkina Faso reportedly did not want to encourage women to join their Pos, because they felt women were higher credit risks (members assume joint liability for repayment) and their membership would require other members to contribute more. Yet sometimes women find ways around this by e.g. using someone else's name (usually male) when joining a PO.

Uganda has proven to be the famous exception to the rule of prevailing gender inequality in cotton communities. Gender sensitization approaches, which were introduced in refugee camps during civil war, influenced the emergence of new norms, in which men share resources, work and income with their wives, who, in turn, often influenced PO byelaws containing clauses establishing certain spousal rights.

Most cotton companies make payments to the person in the contract, usually a man, who rarely shares information regarding earned income and residuals after loan repayment with the wife at home. An important question is how limited or no returns to women affect their incentives in cotton relative to other crops or income generating activities. However, some households reported (e.g. Benin, Malawi) that husbands and wives share the earnings and jointly decide on how they should be spent. In ethnic communities, in which cotton-related income and influence in decision-making were shared more equally within the household (e.g. Mossis in Burkina Faso), women have more incentives to prioritize cotton or to increase other production. Dunavant Zambia see women as a key to success when developing a group of loyal and productive farmers, as they consider women more likely to honor the terms of their contracts.

Gender bias among cotton company staff in all possible countries (which varies by degree) affects how women producers are perceived and their potential to be incorporated into the project, including access to inputs and training, and thus, field and project activity. None of the cotton companies have gender policies. Men dominate all staff positions – from headquarters to the field. The few female employees tend to be in administrative or support positions, with very few in positions of authority. In all of these countries, positions in ginneries are considered to be more appropriate for men, due to the highly demanding physical work, high workload and, according to male informants, technical education needed. However, the majority of the seasonal workers employed in Uganda are women. Great Lakes Cotton in Malawi wants to increase the share of women on its permanent staff from 24% (at present) to 30% over the period of the COMPACI project.

The ability to track and assess progress in addressing gender issues depends on sound M&E which, in turn, requires sex disaggregated data. Some COMPACI implementing partners collect sex disaggregated data, but none disaggregate data by headship or marital status, and none conduct gender analysis to identify and respond to gender-related issues. As a first result of the ICRW mission, reporting formats within COMPACI and data collection forms for M&E done by NORC have been modified in order to also collect gender-related data in the future.

According to the results, it was concluded that women have important roles in production, but are underrepresented as members of POs and project staff, and have fewer contracts, less access to inputs, lower attendance at trainings, and less access to returns from cotton production than men. Addressing gender issues in the cotton sector by increasing the number of female producers and improving their productivity presents an opportunity to confront the cotton sector's challenge of falling production levels.

ICRW has provided the implementing partner in each country a context-specific matrix of gender recommendations aimed at increasing women's productivity, their participation in POs, their access to contracts, payments and credits, and at enhancing gender capacity in cotton companies. The reports and recommendations have been sent to the cotton companies for comment. The individual gender strategies for each country and company will be then discussed mutually between the COMPACI team and the cotton companies (subgrantees). •



Promotion the Role of Women in Rural Areas

Ibrahim Malloum

The development of Africa essentially depends on the improvement of living conditions in rural areas, where women play a central part in the family. To improve the living conditions in the country it is therefore vital to strengthen of the role of women. This, in particular, requires better access to education for women to enhance their position as wives, mothers and keepers of the cultural heritage and economic fortune of the family.

Even if the role of women varies from one country and region to the next, the following essential similarities can be identified for the cotton regions of sub-Saharan Africa.

The exhausting and dangerous field work is generally carried out by men. This especially applies to land reclamation, chopping trees and ploughing. Spraying pesticides is also almost exclusively performed by men, whereas sowing is a female task, also for cultural reasons. Women are associated with fertility, which necessary for a rich harvest. While weeding is another job mainly carried out by women, the whole family is involved at harvest time.

As a rule, the fields belong to men. In individual cases, women may also be the owners. Women may also work fields which do not belong to them.

Besides the family fields, which are usually administered by the men, women frequently have patches of land to work on their own and use to grow crops, vegetables, peanuts, cassava and yams. The income from these patches goes directly to the women, who generally use it to buy additional food for the families.

While it is thus mainly in the women's hands to feed the family, it is the men who administer the income from the family fields. This income is usually spent on investments into house building, health care, the children's school, the purchase of farm animals or also for big family festivities.

Animal husbandry is the job of the men and boys of the family, while the women milk the cows and sell milk and dairy products.

Even if the women in sub-Saharan Africa appear to be very reserved and will not make any public comments on issues of income distribution in the family, they do have their say in any spending decisions – frequently the decisive one. This is a central element of the African culture in sub-Saharan Africa, which is frequently underestimated by outsiders. Considering these circumstances, a policy aimed at the promotion of women should not contest the traditional family structure, but rather boost the women's education and qualification in particular. •



Brief CV of Ibrahim Malloum

Name: Malloum
First names: Ibrahim
Nationality: of Chad

Positions Held:

Since 2007: SOMDIAA | Business Manager for Cotton
2002 – 2007: African Cotton Association (ACA)
Founding President
1997 – 1999: Cotonchad | Managing Director
1991 – 1999: Cotonchad | Business Manager at Cotontchad

Education:

Institut Catholique des Hautes Etudes
Commerciales (ICHEC) in Brussels, Belgium

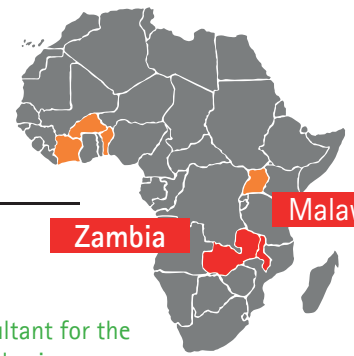
Memphis Cotton School, USA



INFORMATION

The Aid by Trade Foundation is happy to announce the publication of our Cotton made in Africa verification criteria, verification governance and verification process. You will find the CmiA verification documents on our web page at www.cottonmadeinafrica.org. We are looking forward to receiving your comments and feedback by 15 May 2010.

PLEASE NOTE that the date for our meeting to discuss the CmiA progress and verification system has been advanced from 7 June 2010 to 28 May at the NABU in Berlin.



Zambia

Malawi

Compaci Farmer Training Takes Off in Malawi and Zambia

The author, Dr. Ben Sekamatte, is a cotton Research & Development specialist and extension consultant for the COMPACI program with Dunavant Uganda, Cargill Zambia and Great Lakes Cotton Company in Malawi

Introduction

Amidst scares of a likely bad season due to extended drought, it is amazing how rapidly the acronym COMPACI is being domesticated across villages in Zambia's eastern province, in the Shire valley, Balaka and Salima districts of Malawi, and in remote war and poverty ravaged Kitgum and Pader districts of northern Uganda. The popular "Five -Finger" story, an extension package of good cotton production practices that has been evolving since early 2000 in Uganda and is now gaining wider acceptance in other countries, is spreading along with the COMPACI acronym. Initially accepted and customized by the Dunavant Zambia-DEG YIELD program, the pioneer of the Cotton Made in Africa (CMiA) program, the five finger model is now in a position to benefit farmers in sub-Saharan Africa through COMPACI.

Following the Ouagadougou Workshop

The Ouagadougou workshop and the informal interactions among different participants that took place created valuable opportunities, including the realization by many participants that they could share tested approaches to productivity enhancement. I enjoyed, for example, moments either at lunch or dinner, when Dunavant Zambia's gracious Hamatala shared success stories of the YIELD program and how different components have evolved into unique innovations like the successful Dunavant Zambia farmer credit scheme with his 'competitors' Emmanuel Mbewe of Cargill and Amos and Spencer of GLCC. This created high enthusiasm among the participants to the extent that plans to immediately embark on training farmers were nearly completed between Emmanuel Mbewe of Cargill Zambia and GLCC's Amos and Spencer before departing from Ouagadougou.

This venture is now up and running in both GLCC Malawi and Cargill Zambia

During the months of December 2009 and January 2010, 107 and 282 COMPACI project extension staff from Cargill Zambia and GLCC Malawi, respectively, underwent training using the five-finger approach (customized by the author).

An important undertaking during the training sessions in Malawi and Zambia was the characterization of the capacity of individual extension staff for the work they are employed to do. We then looked at information on their age, levels of formal education, experience in cotton and duration of service under the company. We also undertook a direct gender classification. These parameters are considered key factors in tailoring appropriate training programs and determining the ideal approach for delivering the knowledge and skills message. While some differences exist between companies regarding the above parameters, there are common extension staff characteristics namely: (i) Majority

of them belongs to the 18-24 years age range, maximum ordinary level school certificate of education, (ii) largely new to the sector, 90% below 3 years in the sector and same percentage less than 3 years working for the same company. (iii) Overall less women, though the recent expansion of GLCC to occupy production areas previously occupied by Cargill Malawi has increased female presence to over 30%. The presence of women is greater than 17% in Cargill Zambia and less than 10% in the Dunavant Uganda program.



These trainings included sessions that enabled a broad perception of the attitudes of these largely young, inexperienced, poorly educated, yet eager to learn extension agents. Four indications emerged to form key lessons for the COMPACI project: (i) Before the training, 90% of the participants believed that the price to the farmer was the key determinant of cotton profitability, and consequently, (ii) the extension agents largely lacked the understanding of the business

concept and how to define profit to the farmer. (iii) It was easy to detect grave mistrust between the majority of farmer-level company staff and management. In many cases extension agents believed management to be unfair and exploitative, a situation surely unhealthy for business. This lesson has significant implications on efforts to strengthen farmer and extension staff loyalty to the ginning companies, (iv) 40 - 60% of female participants came with babies (3 months - 2 years); This created significant incoherence - especially in GLCC with larger female numbers - due to repeated breaks to breast feed; crying babies outside training venues were disruptive to the extent that the GLCC COMPACI project manager Spencer had to pronounce strict observance of the 3-month maternity leave and declare a ban on bringing kids to training sessions.

These and many other lessons from initial engagements are inevitably essential in the understanding of effective approaches to training extension staff who will spearhead the changing of currently inefficient smallholder cotton producers into loyal, profit seeking and knowledge demanding farmers. •

Brief CV of Dr. Ben Sekamatte

Name: Sekamatte First Names: Benon Muyinza
 Nationality: Uganda

Positions Held:
 Since 2009: COMPACI Extension Consultant for Malawi, Zambia & Uganda
 Part-time Associate consultant with Afril and NIDA

2008- 2009: DFID - Research into Use Program (RIUP) Southern Africa Task Manager,
 2006-2007: School of Biological Science, University of Zambia, part-time lecturer
 2005 - 2007: Yield Enhancement through Empowerment, Learning & Discipline (YIELD) Program- Dunavant Zambia Program Manager

2003 - 2005: USAID/APEP (Agricultural Productivity Enhancement Program) Uganda.
 2003: UNEP/TSBF/GEF Makerere University Management of Below Ground Biodiversity for Sustainable Land Use Project

Education:
 2001: Ph.D. Integrated Pest Management, Makerere University Kampala, Uganda
 1994: M. Sc. Agricultural Entomology, Makerere University, Kampala, Uganda
 1988: B. Sc. (Hons.-Botany, Chemistry, Zoology), Makerere University Kampala, Uganda



A Route to Improve Lint Quality in Benin

Tony Isherwood

In November 2009 Tony Isherwood undertook a consultancy mission to Benin on behalf of the COMPACI Program with the objective to advise, with his background as former Managing Director of Dunavant Zambia, on potential measures to improve lint quality. The COMPACI Newsletter features the conclusions of the report.

The consultant is aware that the underlying problems of the cotton sector in Benin are well understood by the ginners and that these suggestions for improving lint quality are not new. However, it is relevant to bring these issues out so as to present a knowledge base for the partners in the CmiA/COMPACI projects and foster discussion on what could be achieved in the short or medium term.

1. In Benin the current harvesting system (late, single pick, which admixes potentially best quality bottom crop with lower quality top crop) and an unbalanced grading system at the producer markets, which buys and then bulks up 98% to 99% of the crop as a single A Grade, are notable constraints to the ginners achieving premium lint prices.

2. Seed cotton in Zambia is, in theory, bought at three different grades (A, B and C) although competitive buying pressure frequently forces ginners to over-grade and thus over-pay for seed cotton at the local buying/marketing centers. However, re-grading of each bags at the gin is possible as producers deliver their seed cotton in 80 kg jute bags which are provided free by the ginners (together with free polyethylene picking bags to prevent the use of polypropylene fertilizer bags) and the seed cotton is then transported in these bags to the gin versus in bulk as in Benin.

3. Appropriate gin re-grading, not just into the three standard purchase seed cotton grades, but into further sub-grades, is the key to ginning out optimal quantities of consistent and evenly running lots of top lint types. At Dunavant gins the seed cotton is re-graded into up to 18 different sub-grades depending on the season. The re-grading is done purely on appearance, taking into account color (white, creamy, dull), trash, immature cotton, soil stain, insect stain, etc., or combinations of these. The re-graded seed cotton is then stored in separate stacks (still in their jute bags) at the gins prior to ginning. These sub-grades are each processed separately to produce the best possible percentages of top lint types.

4. This gin re-grading and storage process also enables minimum 32 ton bale lots of even running lint (homogeneous grade and fiber characteristics) to be produced. These lots are attractive to spinners who are therefore willing to pay a price premium for such single container or truck loads of lint. However, it is recognized that the substantial changes this would require in seed cotton handling systems at producer and market levels, as well at the gin, would be a major deterrent to adoption in Benin.

5. On the other hand the highly visible and strict measures to prevent and/or eliminate polypropylene contamination, which have also contributed to the added value which spinners attach to certain Zambian lint, could be considered. There is of course still a cost involved, though this would not be of the same magnitude as a complete change in the seed cotton handling chain. In its simplest form this would require incoming bulked seed cotton to be off loaded and passed over so called cleaning tables prior to being fed into the gin, i.e. separate off loaders would have to unload the incoming trucks and place the seed cotton at start of the cleaning system which would then place the cleaned seed cotton straight onto the floor beneath the existing telescope feeders for feeding into the gin.

6. These cleaning tables can be of varying design and sophistication (and therefore cost) ranging from complex purpose-built cleaning stations through simpler open belt systems (Lummus produce these) to very simple static tables as found in some gins in Malawi. In all three systems the underlying principle is unchanged. The seed cotton is examined by hand by teams of women who remove polypropylene and any other non-cotton plant contaminants which would later affect spinning and, in particular, yarn/cloth dye uptake.

7. It should be noted that some ginners remain uncertain of the cost/benefit of cleaning tables particularly when the lint is being sold to spinners who can use low cost/high productivity labor to carry out a similar function themselves, or who now have contamination detection equipment installed.

8. A well recognized phenomenon in lint trading is that spinners' complaints/claims tend to increase in times of depressed demand for yarn or when they are using lint which is expensive or has been bought a price higher than those currently ruling. This may be a part explanation for the contamination complaint(s) received by the CmiA Sourcing Centre.

9. If the cotton industry in Benin wishes to increase the percentages of premium lint qualities without any changes at the gin, it will be necessary to introduce new additional strictly administered and priced seed cotton grades. This implies that the grading system at the markets where too high a percentage is bought as A grade and the cotton then bulked for transport to the gins, will have to be changed. Such changes should aim at reduced admixing of lower and higher grades of seed cotton. Producers would need to be given an incentive to better separate various seed cotton grades when harvesting the cotton, and particularly be price encouraged to do a first pick of the bottom crop. Better lint prices and higher gin volume throughputs could create the necessary 'pricing space' to award better prices for the top seed cotton grades while reducing prices for poorly harvested cotton. •



Brief CV of Tony Isherwood

Name: Isherwood

First Name: Antony William Emile

Nationality: South Africa

Positions Held:

Since 2009: Consultant to the COMPACI Project

2003 – 2008: Dunavant Zambia Ltd.

Managing Director from 2003 to 2006 with profit responsibility for six cotton gins.

1979 – 2002: Clark Cotton (Pty) Ltd (now Cargill)

3 years as Executive Director, Clark Cotton Zambia Ltd.

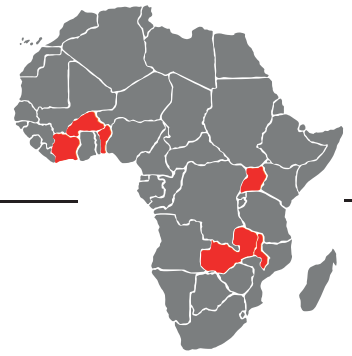
1974 – 1978: Pickstone Group of Companies

(Fruit Farms & Nurseries) Managing Director

1967 – 1974: Monsanto SA (Pty) Ltd, Swaziland Irrigation

Research Agronomist in each case.

Education: Cambridge Higher School Certificate, Zimbabwe
B.Sc Agriculture – University of Pietermaritzburg, South Africa



Cotton Production of the COMPACI Partners – Facts and Figures

Roger Peltzer | Project Director

The harvesting season 2009/10 saw a happy end for Ivoire Coton. As compared to the previous year, cotton production was increased from 50,000 tons to approx. 85,000 tons of seed cotton. This is associated with an increase in the Ivory Coast's "market share" from 40% to 43%. Many smallholders have also returned to cotton production, allowing Ivoire Coton to contract 28,000 farmers by the end of the season. The yield per hectare has also increased from 940 kg/ha to 1,030 kg/ha. Ivoire Coton is optimistic to further boost the production in the 2010/11 season. While purchase prices are once again attractive for the farmers, prices for fertilizers have decreased. These framework conditions also had a positive influence on the production of CmiA cotton in Benin, where the production of seed cotton was managed to allow for an increase from 19,500 tons to 25,000 tons and the number of participating farmers from 9,500 to 20,000. The yield rose from 1,040 kg/ha to 1,128 kg/ha.

Developments at Faso Coton have not been so positive.

While the yield per hectare increased from approx. 700 kg/ha in 2008/09 to 875 kg/ha in 2009/10, the production of seed cotton decreased from 16,500 tons to an estimated 14,800 tons. This is largely due to the low purchase prices for cotton, which is considerably below the level in Benin and the Ivory Coast. With the formula agreed in the compensation fund ("fonds de lissage"), price increases have a rather delayed effect on the purchase prices for the farmers. It is in light of this background that no considerable production increase for cotton is expected for the coming season either. The market share of Faso Coton is small, with the company holding just 5%. As far as Dunavant Zambia is concerned, 2009 saw a mild improvement compared to the previous year. 45,600 tons of seed cotton were produced (previous year: 43,000 tons). The market share rose from 38.2% to 41.4%. The farmers' productivity was boosted from 332 kg/ha to 454 kg/ha. The number of contracted farmers was 76,500, with 46,000 of them attending the COMPACI training measures. For 2010, production for Dunavant is expected to be around the previous year's level, whereas the number of participating farmers will decline to about 70,000. A drought at the time of sowing caused a decline in acreage which is, however, likely to



be compensated for by an increase in productivity. The very attractive "subsidized" corn prices make a stronger recovery of the cotton sector in Zambia more difficult.

Malawi, on the other hand, enjoyed a record harvest in 2009 with approx. 74,000 tons of seed cotton. As Cargill retreated from the market, 34,000 tons (= 46% market share) were processed by the COMPACI partner GLCC. However, there is still no established system of pre-financing contracts with the farmers. This will be introduced by COMPACI. On the whole, GLCC cooperates with approx. 90,000 to 100,000 farmers who, however, only cultivate an average of 0.6 hectares of cotton. The 2010 harvest is likely to account for only about 50 per cent of the harvest volume of 2009. The reasons are (like in Zambia) a drought at time of sowing, but most importantly: the excessive purchase price for seed cotton fixed by the government in 2009, which then did not materialize, frustrated many farmers. •

COTTON CALENDAR 2010

- 01/04** Going public of CMIA verification matrix and verification scheme
- 26/04** Advisory Board Meeting AbtF in Paris
- 28/05** CMIA verification public hearing in Berlin
- 01 - 03/06** IMPM workshop in Natitingo, Benin
- 13/09+14/09** Compaci/CMIA stakeholder conference, Berlin
- 15/09** Forum AbtF, Berlin
- October** Conservation farming workshop Lusaka, Zambia
- 25/10** Advisory Board Meeting AbtF, Hamburg (?)

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