

ORGANIC ROUTES IN AFRICA

Out of Africa

Clothing retailers and brands are looking at sourcing more organic and Fairtrade cotton from Africa as a number of new development projects start to come on stream.

Cotton is an important cash crop for many African countries and accounts for 50% to 70% of export revenues in countries such as Benin and is the second largest export earner in Tanzania, according to information provided by Organic Exchange.

"Some 10 million people in Central and West Africa depend on cotton revenues. However, African cotton exports are affected by subsidies paid by the United States, European Union and Chinese governments, a practice that undermines world market prices," said a recent report compiled by the OE's Simon Ferrigno.

Because of these economic pressures, many African smallholders are being driven to the margins of economic viability or out of cotton altogether with few alternative cash crops, said the report. This has prompted a switch to the production of organic cotton by some African farmers whose volumes are now over three times higher than in 2000-01.

In Uganda, the second largest producer of organic cotton in Africa, the industry is promoted by NOGAMU, which represents over 35,000

farmers and works with partner organisations throughout the country. Major apparel brands and retailers are now looking closely at increasing their sourcing of more organic cotton from Uganda just as cotton production is set to increase in the northern part of the country following a recent partnership between the

United States Agency for International Development (USAID) and Dunavant (Uganda) Ltd.

The USAID recently handed over equipment to farmers in Padibe, Kitgum district and other tractors and machinery to the Forum for Kalongo Parish Women Associations in Pader district.

2005-2006 Organic Cotton Production Projections and Stocks in Africa (in metric tonnes, CFA Zone = West African Franc Region)

		Beginning Stock August 1	Harvest	Sales/Commitments	Ending Stock	% of Production
AFRICAN CFA ZONE	Benin	36	58	94	0	6
	Burkin Faso	15	200	200	15	20
	Mali	0	722	722	0	71
	Senegal	17	33	33	18	3
	Togo	0	2	0	2	0
	Total	68	1,015	1,049	35	100
OTHER AFRICA	Kenya	2	6	0	8	0
	Malawi	0	4	0	4	0
	Tanzania	0	1,336	1,336	1	54
	Uganda	800	1,100	1,500	400	45
	Zambia	2	23	23	2	1
	Zimbabwe	0	0	0	0	0
Total	804	2,469	2,859	415	100	

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History of organic cotton in Africa

Organic cotton production began in 1994 in Tanzania and Uganda, with Senegal and Zimbabwe joining in 1995 and Benin in 1996. Organic production also recently started in Togo, Kenya and Zambia. Production of this fibre in Africa continues to be strong, and is over three times higher now than in 2000-01.

Production is still concentrated mostly in the East; however, production in West Africa has grown, especially in Mali, through support from buyers in Switzerland, while production in Benin has become more secure and has gained access to export markets through new ties with buyers and the creation of a new trading company. Another new factor in Africa is the growth of Fairtrade cotton, beginning in Senegal and extending now to Mali. Some of the Fairtrade cotton is jointly certified as organic. Thus far, only one project in Senegal has ceased organic cotton production since 2000-01.

Tanzania is currently the largest producer in Sub-Saharan Africa, ahead of Uganda. In Uganda, a new project, NOGAMU, is promoting organic cotton production in traditional cotton growing areas such as Kasese and West Nile. Outspan, a Ugandan trading company, may restart organic cotton production.

A small project in Togo is ongoing, with 300 farmers trained, although the fibre is currently uncertified due to lack of both funding and buyers. New production and trials have begun in Zambia and Kenya. Production is also planned in Malawi. A small number of uncertified producers remain in Zimbabwe together with a support structure that also trains other producers in Southern Africa. Senegal, while still producing little organic cotton, has the potential to transition 2,000 hectares, already certified organic for other crops, to organic cotton.

Kindly provided by Organic Exchange.

"We shall continue assisting you to improve production of food crops and cotton, provided there is trust and transparency," Elzadia Washington-Danaux, the deputy director of USAID, said while handing over a number of tractors and machinery.

Dunavant Uganda Limited is a subsidiary of Dunavant Enterprise, a privately-owned American firm dealing in cotton production. "Current organic cotton production is about 2% countrywide. In the next three years, production is expected to rise to 12%, since northern Uganda still has virgin land," said Ravi Patel, the managing director of Dunavant Uganda.

Reports say that so far, over US\$300,000 had been injected into the project and they expect to spend about US\$1.5 million by the end of this year.

The move from USAID comes just when Phenix Logistics, a local Ugandan garment maker recently received its first order to export apparel to the US from Edun Live, a high end brand owned by rock star and pro-Africa activist, Bono and his wife, Ali Hewson.

According to news reports from Africa, Phenix planned to ship two orders of 50 tonnes or organic cotton last month to Edun Live suppliers and thereafter is expected to ship 20 tonnes per month. The garments will be 100% Ugandan.

Edun Apparel is based in Ireland, but the exports are destined to the USA under the

AGOA (African Growth Opportunity Act) which was signed into law in May 2000. AGOA provides for duty-free access to the US market for virtually all products. Uganda's 2005 exports under AGOA were valued at US\$4.9 million, representing 19% of total Ugandan exports to the United States.

Phenix becomes the second firm to venture into the American market after Apparel Tri Star located in Bugolobi, about three kilometres out of Kampala.

Ethiopian project

UK-based sourcing firm Klowt has now also started to open up new organic cotton sourcing routes in Africa at the request of its clients.

"About two years ago, we had a few tentative enquiries from clients for organic cotton, this is what set the ball rolling and we now have an office in Ethiopia and a secure supply base of organic cotton lint from Uganda," said Klowt's Terry Salmon.

So why Africa and why Ethiopia in particular? Carl Zaturworkski the managing director of Klowt said he made a trip to Ethiopia in 2005, and was impressed by some of the garment making factories and most of all impressed by the people. "Despite being one of the poorest countries in the world, the people are enthusiastic and optimistic but with very little natural resource," he said.

Over the next few months a new venture was born and is now in the stages of being brought to fulfilment. An office has been opened in Addis, there are only two staff at present, but given Klowt's record of growth in China, where it has over 40 staff, it expects this will expand rapidly as the demand for the organic cotton products grow.

"At present the Ethiopian garment making factories have to import fabrics, which makes them uncompetitive," said Salmon, "so Klowt along with a couple of partners are in the process of building a dye house just outside Addis, which will secure a supply of quality fabric."

Klowt is also in the early stages of creating an organic cotton farming project, the objective being to be able to grow the cotton from seed and have it processed into garments in Ethiopia. The farms are going to be based on the highly successful Lango project in Uganda.

Until the Ethiopian cotton is ready for market, Klowt is sourcing certified organic cotton from Uganda, and is spinning this in a certified plant in the country before despatching the yarn to one their ethical factories in China or India.

Klowt has been instrumental in forming a charity called The Rock of Hope, a percentage of the profits from the proceeds of the organic garments goes to this charity which will then help fund projects such as clean water and education in Ethiopia.