



INTERNATIONAL COTTON ADVISORY COMMITTEE

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From the Secretariat

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**69TH PLENARY MEETING OF THE
INTERNATIONAL COTTON ADVISORY COMMITTEE
Lubbock, Texas, USA
September 20-25, 2010**

“Cotton Industry Growth Through Global Unity.”

Cost of Cotton Production Rose

The ICAC Secretariat undertakes a survey of the cost of cotton production at three-year intervals. The most recent survey was completed this month using data from 2009/10. Thirty-four countries participated in the latest survey, providing 63 entries, including rainfed and irrigated regions and regions within countries.

During the last three years, the cost of production of seedcotton increased to US\$0.43 per kilogram. The cost of production of cotton lint (net of land rent and the value of seed) increased to \$1.22 per kilogram, a 17% increase from the average cost estimated in 2006/07. Lower yields in 2009/10 compared with 2006/07 were the main factor resulting in the rise in production costs.

The net cost of production averaged about \$1.15 per kilogram in Asia and West Africa. The Fruitful Rim region of the USA, followed by Colombia and China, had the highest costs of production. India, whether irrigated or rainfed, had the lowest production costs for cotton because of recent increases in yields and high values for seed. The value of cotton seed in India is 3 to 4 times greater than the cost of ginning.

The costs of individual inputs vary greatly among producing countries, and input costs have followed different trends during the last three years. The cost of weed control more than doubled between 2006/07 and 2009/10 to US\$0.28 per kilogram of lint production. The cost of fertilizer and irrigation also rose. However, the cost of insect control per kilogram of lint was unchanged, and the cost of planting seed and ginning declined by one and two cents per kilogram of cotton, respectively.

The Secretariat will present a detailed report at the 69th Plenary Meeting starting next week in Lubbock, Texas, USA. The full report, including detailed estimates of costs of all operations, inputs, harvesting and ginning, can be ordered from publications@icac.org.

Additional information about the 69th Plenary Meeting is available on the ICAC web site: www.icac.org.

(Press releases are available via e-mail. To register for this free service, send your contact information to publications@icac.org)

The Secretariat of the Committee publishes information related to world cotton production, supply, demand and prices, and provides technical information on cotton production technology. Detailed statistics are found bimonthly in *COTTON: Review of the World Situation*, \$185 per year via email, \$225 per year in hard copy. A monthly outlook is available by email for \$295 per year. Access to the latest weekly estimates of world cotton supply and use by the Secretariat is available on the Internet for \$460 per year. Access Secretariat reports at www.icac.org.