



Report of the Arab Republic of Egypt

- **The impact of the Covid-19 pandemic on Egypt's cotton sector:**
 - Egypt overcame the impact of Covid-19 pandemic. In the 2021/2022 season, the planted area has increased by 30% to 96,114,00 ha., compared to 74,052,62 ha. in 2020/2021.
 - The production is forecasted to increase to 78,244 tons in 2021/2022 representing an increase of 30% compared to the previous season of 58,016 tons.
 - It is worth mentioning that the marketing system of the 2021 crop depends totally on the auctions in all governorates, unlike the last year which was applied in four governorates only.
 - Cotton prices show a significant increase as they were more than doubled compared with the previous season.
- As it is well known, Egypt plants ELS and LS Cotton and in order to maintain the high quality of cotton; Cotton Research Institute cultivates new hybrid variety characterized by high quality, high yield and early maturing, while maintaining the quality which uniquely identifies the Egyptian cotton that is globally required. The new Giza 97 was registered to be one of the Egyptian commercial varieties.
- **Spinning and Weaving Sector:**

- In the light of the government interest in spinning and weaving sector, high-capacity spinning mills are established. They operate according to the latest technologies to produce a high-volume production in a short time while keeping the aimed high quality in the produced yarn. A spinning mill was established in the industrial zone (El Robaki) which contain thick and thin yarn mills. In addition to the spinning mill in El Mahallah which is considered one of the largest spinning mills in the world (will be launched in ٢٠٢٢).
- CATGO leads of the scene in ٢٠٢١ as one of the main parties of the Egyptian Cotton System. Beside its role of the annually evaluation of Egyptian cotton crop production and issuing certificates of crop properties for trading companies in order to export cotton. A new role was added to CATGO which is monitoring of cotton handling in local mills as well as verifying its origin whether local or imported. In addition to the official certificates of origin of cotton gins whether it is performed by private or governmental companies.
- This task was assigned according to law ١٤٠ for ٢٠٢١ which allowed CATGO to have judicial control over the infringed companies regarding the handling of cotton in local market. This role enhances the control of handling the Egyptian cotton marketing system and keeps the varieties from being mixed and dealing of the crop out of its official system.

- **Traceability:**

- In order to protect the Egyptian cotton, Egypt seeks to apply a traceability system by a cooperation between its cotton dealing organizations which are represented by CATGO, Cotton Research Institute and the holding company. This system helps in eliminating commercial frauds and increasing the quality and the marketing of Egyptian cotton by completing the data of the bale code in order to trace the origin of planted area up to the collecting centers to facilitate the access to the planted area, the agricultural association

and planting basin, starting from seeds distribution and even more by tracing the seeds from previous season.

- One of traceability tools is the Digital Transformation, within the framework of CATGO's plan toward keeping pace with the accelerated development in information technology field and the digital transformation, CATGO has published a web application (Egyptian Cotton Information Bank) to assist in designing the bale identification card (Barcode) which adds the lot data (variety, planting area, gin...etc.) as well as linking it to the HVI results of each lot in addition to providing a search engine to inquire the properties tests results from companies.

- BCI Cotton:

- Egypt recently became a member of the BCI program (May ۲۰۲۰). However, there are proven capabilities which ensure the success of the project in Egypt. This is based on the high level of abilities of the related Cotton Research Institute and the interest of the governmental administrations including the Ministry of Agriculture and Land Reclamation, the Ministry of Trade and Industry, the Ministry of Public Business Sector and the related authorities as CATGO spares no effort to support BCI in Egypt.
- After the successful pilot project in ۲۰۱۹ and the fulfillment of all criteria and terms of BCI, Egypt became officially a member in Better Cotton Program in May ۲۰۲۰. This supports a new path for Egypt towards sustainable planting and production of Egyptian cotton according to international specifications which enhances the competition of Egyptian cotton and increases the volume of exports as well as improves the cotton farmer's life hood. Since ۲۰۲۰/۲۰۲۱ season, farmers who participates in Better Cotton Standard System are qualified to obtain licenses to plant and sell Better Cotton.

- **Better Cotton program is applied in Kafr El Shiekh and Damietta governorates.**
- **According to the planting map of Egyptian cotton, the 2021 crop experiences an increase in planting traceable BCI cotton that has a large demand in EU countries that will import only Better Cotton within the next two years.**
- **BCI cotton is traceable planted cotton to ensure that the farmers:**
 - **follow set planting timeframe,**
 - **receive adequate guidance,**
 - **use automated irrigation systems and the purity of irrigation water as well as apply water management,**
 - **refrain from child labor throughout planting and/or harvesting periods.**
- **Egypt produced approximately 4 thousand kantar of BCI cotton production, representing 1% of total crop of 1.6 million kantar, in addition to expanding planting of organic cotton with a production volume of 6,690 kantar of seed cotton with an exporting price of 3-5 times the inorganic cotton.**
- **Egypt also has two different ongoing experiments other than BCI & Organic Cottons:**
 - **Planting 200 feddan in East Owaynat of short staple cotton under the supervision of the Ministry of Public Business Sector. This year's result seem to be very promising.**
 - **Planting colored cotton under the supervision of Cotton Research Institute which is a subsidiary of the Ministry of Agriculture with a small production volume that is still under trial. This luxury cotton has a demand in the market.**

Regards,

Mohamed Khalil khedr

Government Commissioner Cotton Exporters Association