



78th Plenary Meeting – Brisbane (Australia)

MINUTES

Inaugural Session

8:30-10:00 am, Monday 2 December 2019

Chair: Mr. Richard Haire, Chairman of the Cotton Research & Development Corporation (CRDC) of Australia

The Nunukul Yuggera Aboriginal Dance Company performed to welcome delegates to the host country.

The Minister of Agriculture, Australia, provided a welcome by video.

Dr. Alison McMorow, Assistant Secretary, Agricultural Policy Division, Department of Agriculture provided welcoming remarks.

Dr. Adama Coulibaly, Director General, Cote d'Ivoire Cashew and Cotton Council made welcoming remarks on behalf of all delegates from Cote d'Ivoire host of the 77th Plenary Meeting.

Ms. Maha Zakaria, Commercial Counsellor, Economic and Commercial Office, Embassy of Arab Republic of Egypt provided the Report of the Chair ad interim of the Standing Committee. The report highlighted the strategic mission and accomplishments of the past year as well as an outlook for projects and innovations moving forward.

Mr. Kai Hughes gave the report of the Executive Director. Aspirations for 2020 include increasing the profile of cotton research by setting up an ICAC research network in West Africa and the holding of the World Cotton Research Conference in Sharm el Sheikh, Egypt between 3 – 7 October 2020. He stressed the need for increased member involvement through social media and announced the launch of the first of the ICAC's flagship publications – The ICAC Cotton Data Book 2020. The ED highlighted three key areas of impact: communications, partnerships and adding value. The success of the first World Cotton Day was presented as key to promoting cotton fibre and increasing its demand. Innovative projects in progress were reported on including the Soil and Plant Health App and the Virtual Reality Training Modules. The importance of increasing and retaining membership was highlighted and the Executive Director reported on the very recent additions to the membership of Nigeria and Tanzania, with a further 11 countries expressing an interest in membership. However, he noted that attracting consumer countries as members needed to become a priority for ICAC and he would be recruiting a full time member of staff with expertise in textiles to develop this position after consulting ICAC Members who had spinning industries. Finally, he talked about changes to the format of the Plenary Meeting and that he would be conducting a major review of the ICAC Rules and Regulations and Staff Regulations.

The ICAC Researcher of the Year, Dr. John Yu was recognized. Dr. John Yu provided remarks in accepting the award, thanking the ICAC and those who have provided research support.

The Agenda of the 78th Plenary Meeting was officially approved following a nomination by the delegate of Brazil.

Dr. Steve Hatfield-Dodds, Executive Director, ABARES, Department of Agriculture, Australia made the inaugural keynote presentation on Global megatrends for cotton – challenges and opportunities for cotton producers. An overview of the industry included the highly concentrated cotton trade, production is shaped by policies and support, prices, ABARES forecasted price decrease and then recovery over the next five years. Six megatrends were identified as important to the future of the cotton industry.

Growth juggernaut of three billion empowered consumers where increasing income outweighs population growth as a trend impacting the industry. An expanded and empowered middle class will demand higher quality food and fibre. Asia re-emerges, driving a three-fold increase in people in high incomes by 2050. Empowered consumers will shape markets and the cotton industry will need to be prepared and reactive.

More from less. Relentless innovation drives improved productivity and more efficient use of materials, energy, water, land and labour. Change is constant and innovation will be expected to keep pace with the increasing drive for sustainability, productivity and efficiency. Maintaining profitable and competitive food and fibre enterprises will require constant change.

Disruptive technologies. Better consumer intelligence is needed and understanding the consumer through technology will be essential to be engaged thoughtfully and meaningfully. As we shift from a producer dominated system to a consumer dominated system, producers will need to better understand and engage with their consumers.

Fractal geopolitics. The rise of multiple global powers erodes previous certainties, notwithstanding increasing global integration. International trade and relations will become more complex as nations assert their sovereignty, often in pursuit of populist national approval rather than mutual economic gains. Multi-polar arrangement with diverse goals will lead to greater complexity and country objectives will be more difficult to predict. Producer support is trending up in key emerging markets in response to domestic interests over trade liberalisation and international cooperation in policy making.

Cascading planetary risks. Agriculture is already impacted and adapting. Climate and commodity prices will become more volatile, while emerging markets for carbon and ecosystem services could transform landscapes and business models. Income and price elasticity of agricultural commodities will lead to greater variability or volatility. Climate change leads to greater risks for producers. Cascading planetary risks + empowered consumers = challenges (opportunities).

Tough choices. In light of current waves of populism, evidence-based policy making is getting more difficult to do. Fundamentally, humans tend to believe what they wish to believe and such as an industry it will be necessary to address consumer and human behaviour. For the cotton industry, connecting consumers to what they care about and then connect the work and policy to them in a genuine way will be essential for success in the years ahead.