



78th Plenary Meeting of the International Cotton Advisory Committee (ICAC)

Brisbane, December 2, 2019

National Statement of Switzerland

Mr Executive Director,
Distinguished representatives of Member States,
Dear colleagues,

Thank you for convening this important debate.

Even though no cotton is grown on Swiss soil, Switzerland and the “fiber of life” are deeply interconnected: Cotton had been woven in Switzerland as early as 1380. Geneva, even before it became part of Switzerland, developed into one of the principal gateways into Europe for raw and spun cotton. And not too long ago, one of Switzerland’s main economic drivers was the textile industry. But also today, cotton remains an important commodity for Switzerland. Roughly one fourth of the global cotton trade is conducted by Switzerland-based companies.

Switzerland is not only home to many of the major trading companies, our country also hosts the International Textile Manufacturers Federation (ITMF) as well as many dedicated NGOs that support the growth of sustainable cotton all around the world. Along with over 200 Swiss textile companies, Switzerland remains an important player in today’s world cotton market.

Switzerland welcomes that the first World Cotton Day was hosted in Geneva last October. This important meeting brought together senior government officials, cotton and textile industry professionals, national and international organisations, and private sector business executives to discuss and reflect the importance of Cotton as a global commodity. We acknowledge the organization of this event by the WTO in collaboration with the FAO, UNCTAD, ITC and of course also the ICAC. There are certainly many synergies between ICAC, WTO and the other co-organisers and we hope to see future World Cotton Days again in Geneva.

Switzerland welcomes the recent ICAC strategy review and we support the reforms that were introduced. ICAC should continue to serve as an important source of objective information about cotton as well as a forum to discuss developments in the world of cotton. The education of the consumer regarding the ecological and economic benefits of cotton must remain an important task of ICAC. We believe it will important for the organization to strengthen its activities in the field of sustainable cotton and in particular organic and Fairtrade cotton and there are many reasons why Switzerland is of this opinion:

On the supply side, many cotton farmers in developing face numerous challenges: monoculture cropping systems, water scarcity and over application of chemical pesticides and fertilizer have sometimes led to health problems, depleted soil fertility, and reducing yields. In some places, the low yields combined with volatile world market prices resulted in negative gross margins and increased indebtedness of farmers. Despite the low profitability of conventional cotton, farmers sometimes have few other options due to lack of market access knowledge on and experience of alternative cash crop production systems. Under such circumstances, organic agriculture can offer a way out of indebtedness and reduces exposure to health hazards of farming families. With a reduction of expensive and harmful chemical inputs, farmers will have a better income and a better quality of life.

Organizations like ICAC also play a significant role for the demand side: Educating consumers about the benefits of organic cotton will create an increased demand for such products, allowing cotton growers to get a fair price for their high quality product.

Another challenge that the organization needs to address is of socio-economic nature: Growing cotton remains a significant source of income for thousands of families in over 80 countries around the globe. This number rises significantly if one looks at the extended cotton value chain, including textile production. This value chain is in some countries often associated with poor working conditions. Forced labor, as well as a child labor, remain a significant challenge in some countries. ICAC can help to address these issues by applying an integrated approach to promote national legislation, the sharing of good practices and the development of innovative policies.

Switzerland is also directly engaged in a number of projects and programs in the cotton sector. This includes Switzerland's support to «IDH – the sustainable trade initiative» with its strong footprint in the cotton sector but also the cooperation with the "Better Cotton Initiative" through the Delta Project "Bridging the Gap in Measuring Real-Time Sustainability Performance". In addition, Switzerland supports the cotton sector in the frame of the Global Programme Food Security through the public-private-partnership project on Water Efficiency in Rice and Cotton (WAPRO), active in Pakistan, India, Tajikistan, Kyrgyzstan, Myanmar and Madagascar as well as the project on "Long-term farming system comparisons of conventional and organic production in the tropics (SYSCOM)", which also tackles the cotton sector. Last but not least Switzerland also contributes to the "Cotton Reform Multi-Donors Trust Fund" of the World Bank in Uzbekistan.

Let me close by underlining that ICAC is as strong as the member countries want it to be. Let us work together to support ICAC as the leading forum for discussion of cotton issues of international significance.

Thank you.
