STEERING COMMITTEE MEETING
OF THE
INTERNATIONAL COTTON ADVISORY COMMITTEE

COUNTRY STATEMENTS
REPUBLIC OF SOUTH AFRICA

6 DECEMBER 2021

SOUTH AFRICA: COUNTRY STATEMENT

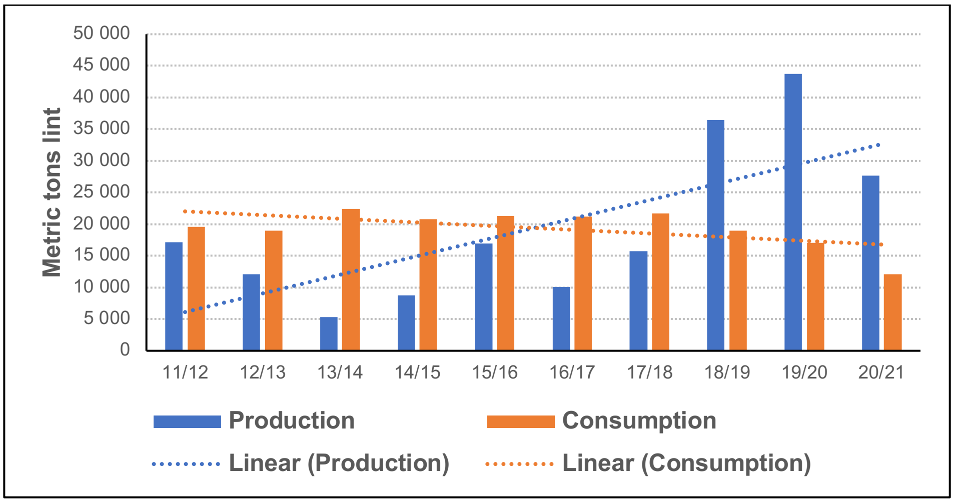
Area and Production

For the 2020/21 marketing year 11 543 ha under irrigation and 16 132 ha on dryland were planted. The major areas suitable for cotton cultivation are situated in the northern, western, and central areas of the country and the potential for future growth exists in new locations through innovations in plant varieties and genetic modification.

The average weighted yield for dryland and irrigated cotton was 1 000 kg of lint per ha. South Africa has produced 27 662 tons of cotton lint in 2020/21 which represents a smaller crop than the previous year, a decline of approximately 37%.

Cotton SA estimates the production of cotton lint to reach about 15 700 tons for the 2021/22 marketing season. This represents a further decrease from the previous season's production levels which can be largely attributed to a decline in plantings due to unfavourable climatic conditions at planting time, especially dryland areas as well as the favourable prices of competing crops.

Cotton area is expected to cover 18 400 hectares in 2021/22, down from 27 675 hectares the previous season. Farmers moved to food crops like maize and soya beans.



Domestic Mill Use

South Africa has 4 cotton spinning mills that consumed a total of 12 054 tons of lint of which about 62% were imported in 2020/21. The reason for the relatively high imports is local spinning mills require lower quality than locally produced. Cotton represented roughly 20% of total textile fibre consumed during 2020/21 which is in line with the international trend.

The Covid-19 pandemic, with the resultant lock-down period in 2020, played a major role in the decline of the textile sector, due to much lower retail sales that impacted on textile production and the spinning of cotton yarn. Consumption was affected negatively by the pandemic as some of the spinners were closed for most of 2020.

Trade

During the 2020/21 marketing year approximately 7 465 tons of lint have been imported. This volume is 38% less than the year before. Most lint imports were from the Southern African Development Community countries (SADC), mostly Zimbabwe and Zambia.

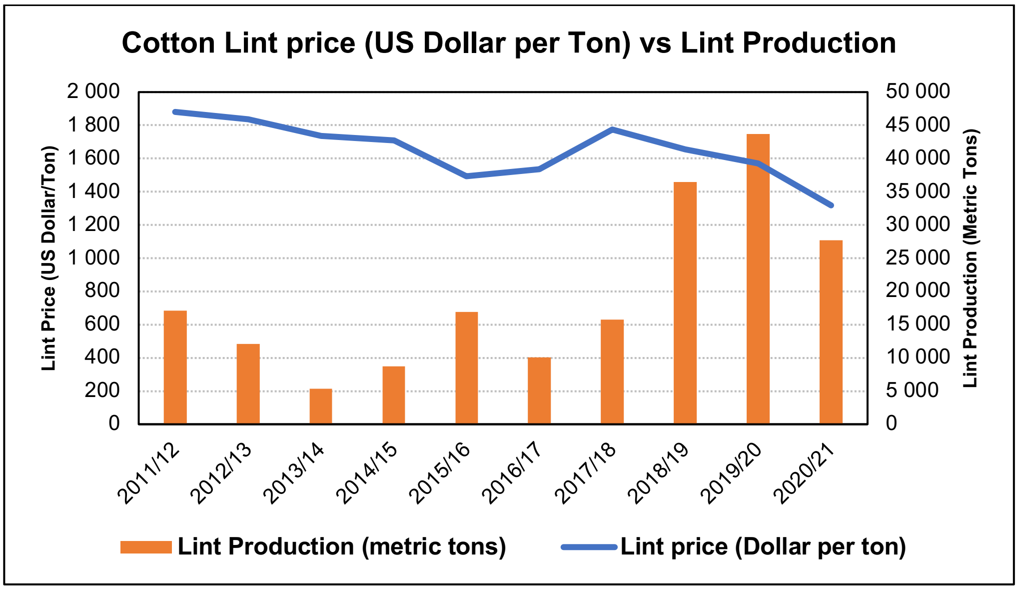
South Africa exported 28 758 tons of lint during 2020/21, about 19.5% less than in 2019/20. It is the third consecutive year that South Africa is a net exporter of lint. Approximately 85 - 90% of lint production is exported.

Standards

South Africa is a participant in the Better Cotton Initiative (BCI) which is a commitment to the production of sustainable cotton. Cotton SA acts as implementing partner.

Prices

The 2020/21 average price received by farmers for cotton lint in 2020/21 was R21.56/kg lint which is marginally lower than the season before. However, the South African price converted to a dollar price showed a decline because of the weakening of the Rand against the US dollar.



Issues facing the South African cotton industry

- Availability of new seed varieties – regulatory process and timeframe to register new technology and varieties.
- Cost of harvesting equipment.
- Availability of harvesting contractors.
- High input costs and financing of inputs.
- Competition from higher value commodities on irrigated land.
- Lack of investment in domestic spinning capacity.

Qualities of the 2020/21 Marketing Season (2019/20 Production Season)

The following graphs show the South African cotton crop performance for the 2020/21 Marketing Year.

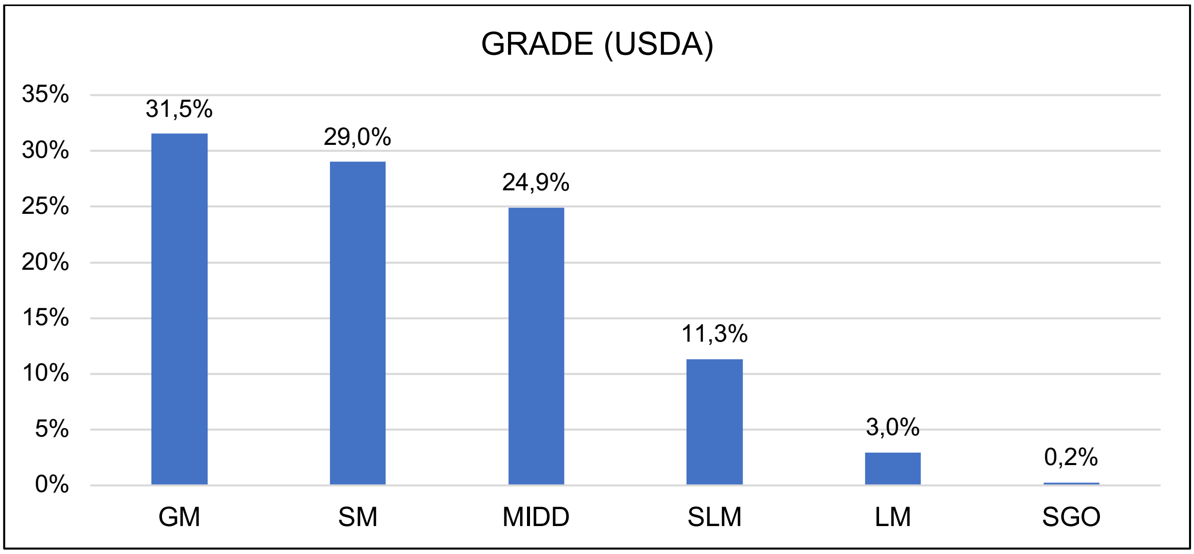


Figure 1: Grade performance 2020/21 marketing year (Upland Cotton Grades)

The graph shows the same trend as the previous year with over 85% of the South African cotton crop classed in the Middling to Good Middling cottons due to the favourable weather conditions experienced in most of the areas during the season.

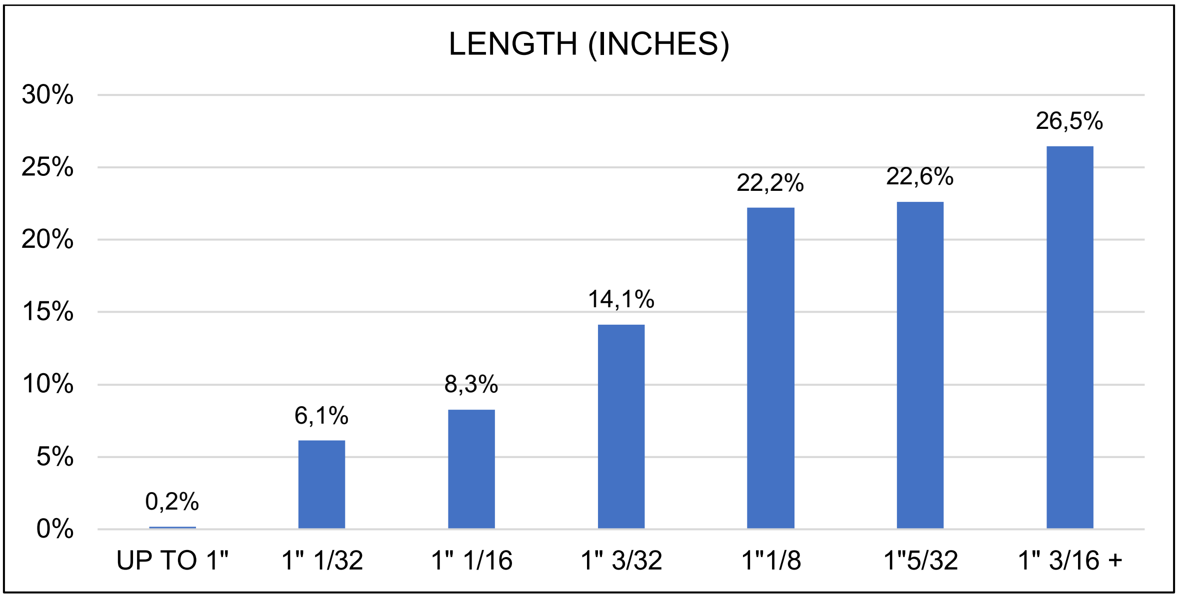


Figure 2: Length performance 2020/21 marketing year (Staple length - inches)

This graph illustrates the trend that about 71% of the 2019/20 South African cotton crop are in the staple length grouping of 1 1/8" and longer. In addition to this, only 14.6% of the crop falls in the shorter staple length ranges.

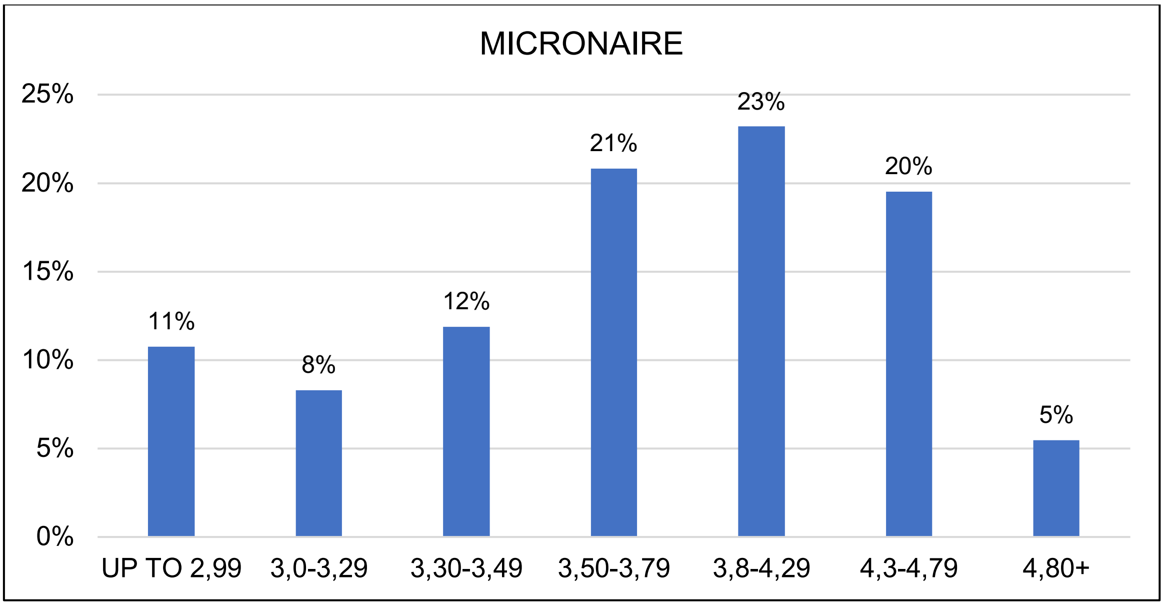


Figure 3: Micronaire performance 2020/21 marketing year

This graph shows that 64% of the 2019/20 South African cotton crop is within the base micronaire range and 23% in the premium range.

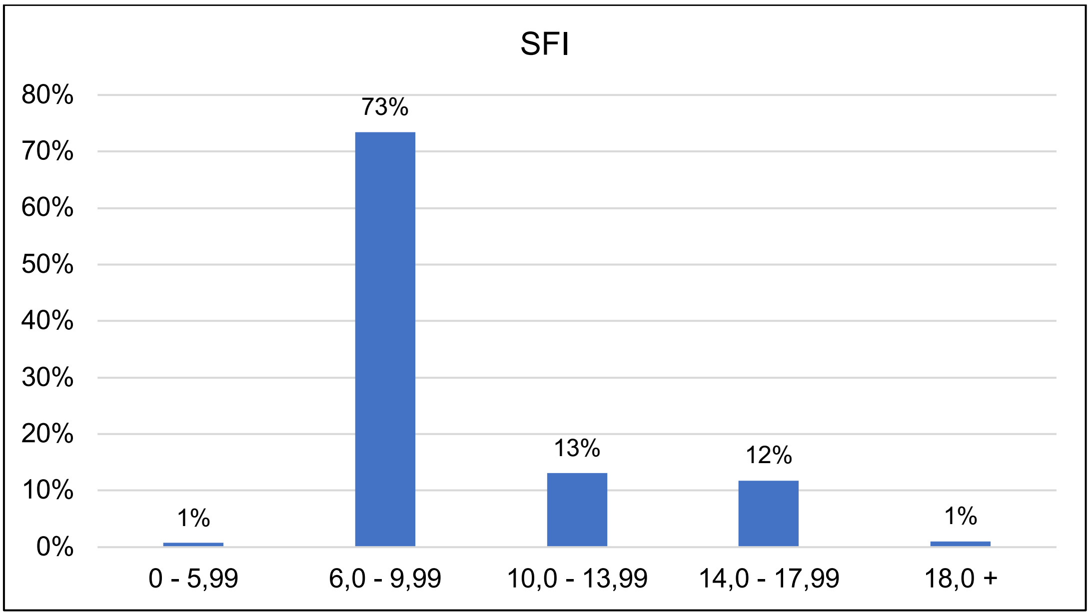


Figure 4: Short Fibre Index (SFI) performance 2020/21 marketing year

This graph shows that 74% of the South African cotton crop falls within the low range of short fibre content (up to 9%). This is as expected with the volumes of longer staple fibres in the South African cotton crop.

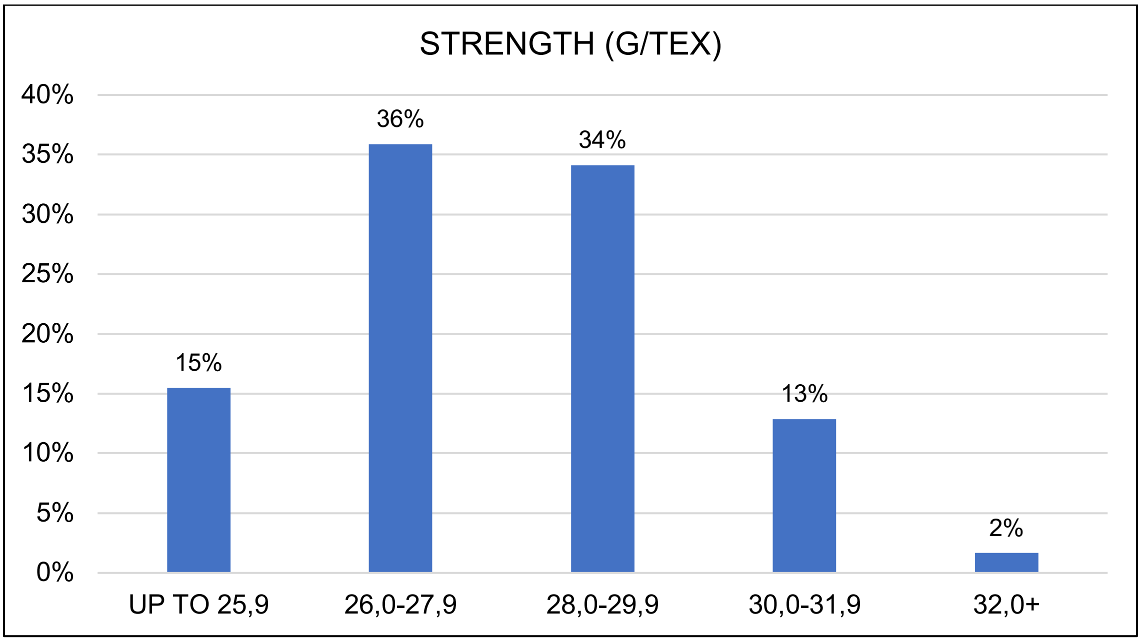


Figure 5: Strength performance (g/tex) 2020/21 marketing year

Overall lower fibre strength values were observed in the South African cotton crop, with only 49% of the cotton crop above 28 g/tex. This was due to late planting of the crop in certain areas.

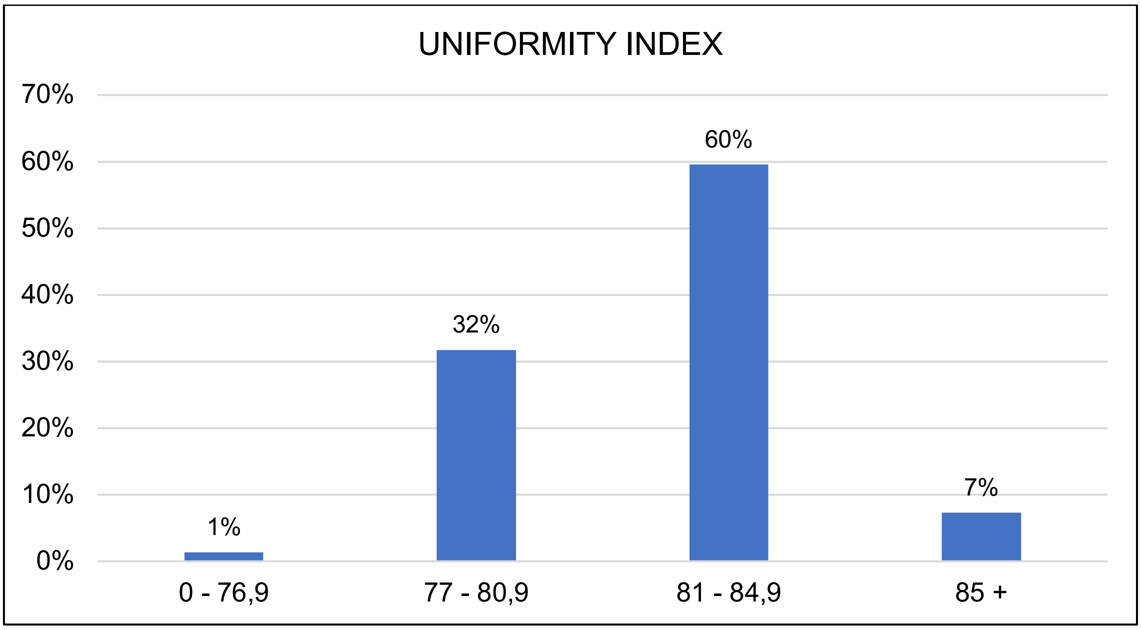


Figure 6: Uniformity Index performance 2020/21 marketing year

This graph shows that 67% of the South African cotton falls within the medium to high uniformity range (81% and better).

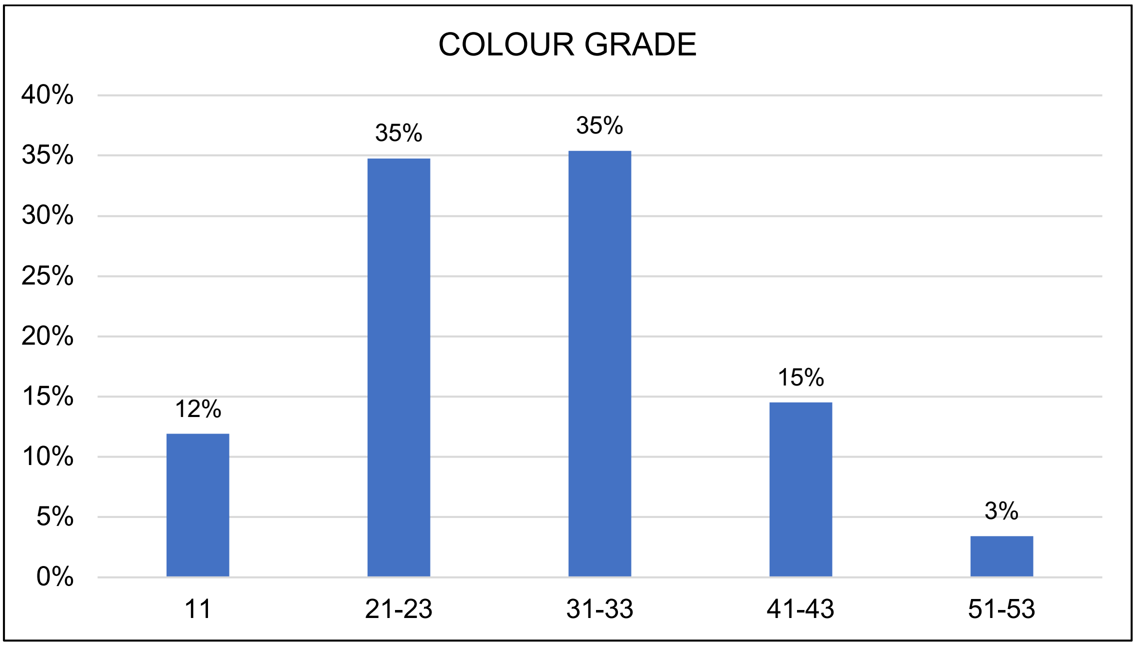


Figure 7: Colour grade ranges (HVI Colour Grade) 2020/21 marketing year

This graph shows that 82% of the 2019/20 South African cotton crop was classed in the white colour grade categories.

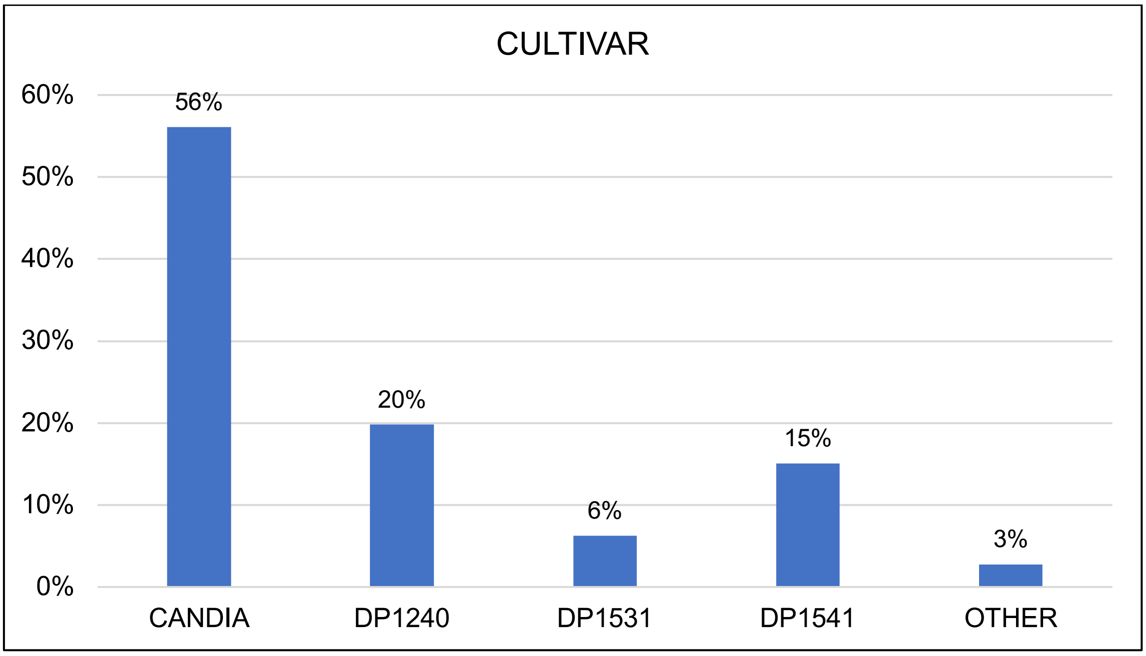


Figure 8: Cultivar adoption 2020/21 marketing year

All the cotton planted in South Africa is biotech cotton cultivars, with Candia cultivar comprises 56% of the crop. The Delta Pine cultivars have seen a shift with more DP1240 planted than the DP1541 cultivar.