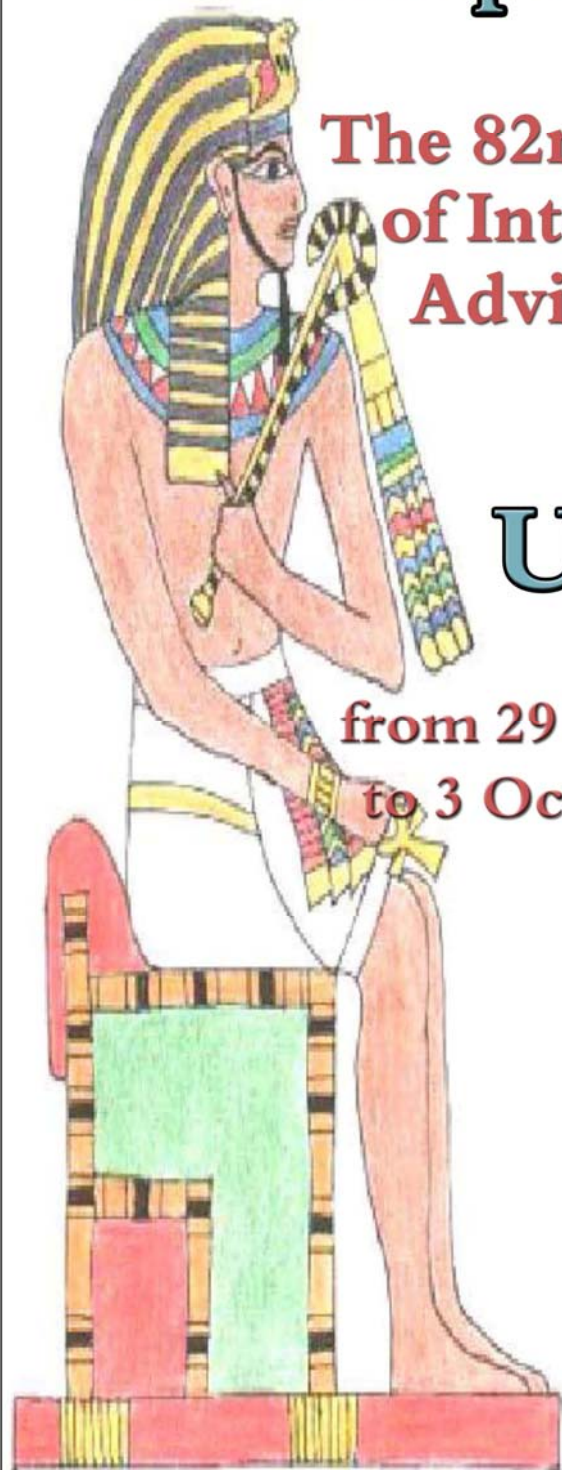


Report of Arab Republic of Egypt

The 82nd Plenary Meeting
of International Cotton
Advisory Committee

Tashkent
Uzbekistan

from 29 September
to 3 October 2024



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Introduction:

The Egyptian delegation is pleased to present, at this important international event, the report of the Arab Republic of Egypt. Egypt is honored to be one of the founding members of the International Cotton Advisory Committee (ICAC) since 1939.

Egyptian cotton is renowned for its softness and long fibers, which make it suitable for producing high-quality textiles. The Egyptian cotton crop is exported worldwide, generating significant revenues.

For the 2023/2024 season, the value of exports is reaching approximately 56 million USD by August 31, 2024.

Egypt continues to strive to address the challenges facing the cotton supply chain, whether in its cultivation, trade, or production.



Global Partnerships to Promote Innovation in Cotton and Textile value Chains:

Global efforts aim to develop more sustainable and efficient cotton and textile supply chains, taking into account the environmental and social challenges facing this industry. Technological innovations and sustainable practices are among the key methods used to improve supply chains.

In this context, the 82nd Annual Meeting of the International Cotton Advisory Committee (ICAC) will be held in Tashkent, Uzbekistan, from September 29 to October 3, 2024, under the theme “Global Partnerships to Promote Innovation in Cotton and Textile Value Chains.” The meeting will address numerous global challenges facing the cotton industry, such as climate change, market competition, and the need to enhance transparency in supply chains.

Among the key issues to be discussed are the latest developments in cotton genetics and cotton breeding methods to tolerate climate changes, as well as new environmental policies that impact cotton and textile trade. Additionally, the role of digitization in enhancing traceability and transparency, along with future challenges that may affect cotton consumption and the fiber market in general, will be discussed.

With the increasing global demand for sustainable cotton that can be traced, there is a need for greater clarity and transparency regarding the social and environmental challenges associated with the cotton supply chain. In line with Egypt’s new vision, which aims to promote sustainability and improve the living conditions of cotton farmers, efforts are underway to enhance the sustainability of Egyptian cotton. This aims for better integration with global value chains and to support farmers’ livelihoods by adopting more sustainable cotton farming practices.

In 2019, the “Better Cotton” initiative was launched as a part of the Egyptian Cotton Project, funded by the Italian Agency for Development Cooperation, in a pilot project in collaboration with (UNIDO) and relevant stakeholders in the Egyptian cotton sector. This initiative aims to educate and train cotton farmers on the principles of sustainable cotton production. Following the success of the initial trial and the completion of necessary procedures to register Egypt within the initiative, Egypt officially became one of the certified countries for better cotton production in May 2020.

Additionally, in 2022, the REEL Cotton program was launched in collaboration between Cotton Connect and relevant stakeholders in the Egyptian cotton sector. Egypt is also working to achieve traceability in Egyptian cotton to enhance its competitiveness in global markets.

CATGO plays a prominent and crucial role in tracking Egyptian cotton through its supervisory role at all stages of the supply chain, starting from collecting centers to local spinning mills. This provides a large database about Egyptian cotton during these stages, as all cotton within Egypt is classified by CATGO.

CATGO continues its supervisory role in the ginning mills. At this stage, the quantities of cotton entering each gin and the owning companies are registered separately. During the ginning process, CATGO assigns "lot numbers" to cotton bales, allowing identification of the variety, company name, and gin. This also enables tracing back to the collecting centers from which the ginned cotton was sourced.

Moreover, CATGO has launched an electronic service on its website called "the Egyptian Cotton Data Bank", through which users can inquire about test results of cotton bales using their specific lot number.

Egyptian ministries and authorities are committed to providing all its expertise and resources to support and encourage the manufacturing and exporting of Egyptian cotton, highlighting its rightful place in global markets.

First: Cultivated Area for the 2023/2024 Season:

It is worth noting that seven commercial varieties were planted, categorized as of Extra Giza cotton, Super Giza cotton, and Giza cotton varieties, as follows:

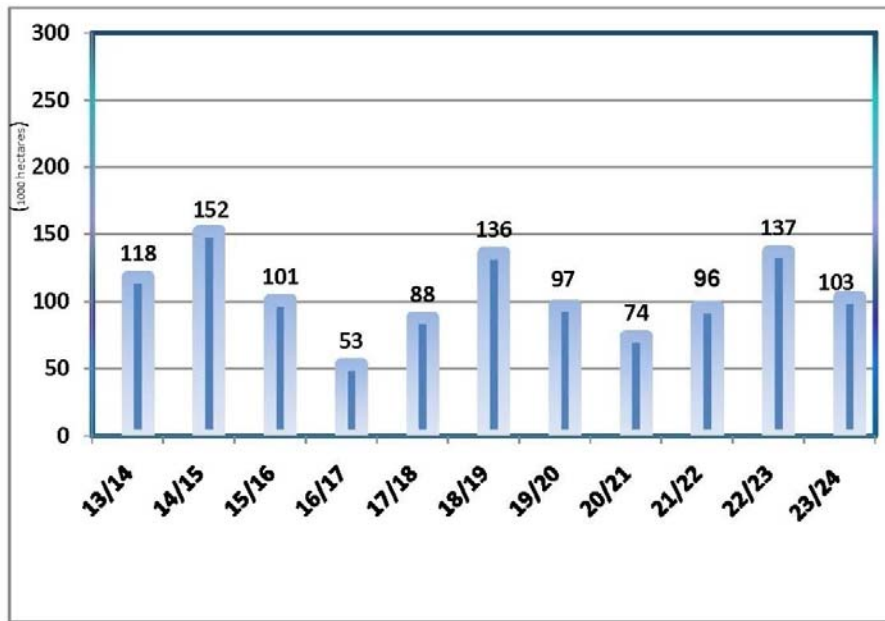
- Extra Giza cotton is cultivated in the Delta region, with varieties Extra Giza 96 and Extra Giza 92.
- Super Giza cotton is also cultivated in the Delta region, with varieties Super Giza 94, Super Giza 86, and Super Giza 97.
- Giza cotton is cultivated in Upper Egypt, with varieties Giza 95 and Giza 98.

The total cultivated area for cotton in the 2023/2024 season reached approximately 103,147 hectares, compared to 136,640 hectares in the 2022/2023 season, a decrease of about 33,493 hectares or by 24.5%.

The Super Giza 94 variety ranked the first, with a cultivated area of about 70,557 hectares, representing around 68.40% of the total cotton-planted area. This increase is attributed to producers' preference for this variety due to the high local demand from spinning mills, in addition to global demand from various countries.

The Super Giza 86 variety came in the second place, with a cultivated area of around 12,113 hectares, representing 11.74% of the total cultivated area. (See Table 1 in the appendices).

Total cotton planted area (000 hectares) from season 2013/2014 to 2023/2024



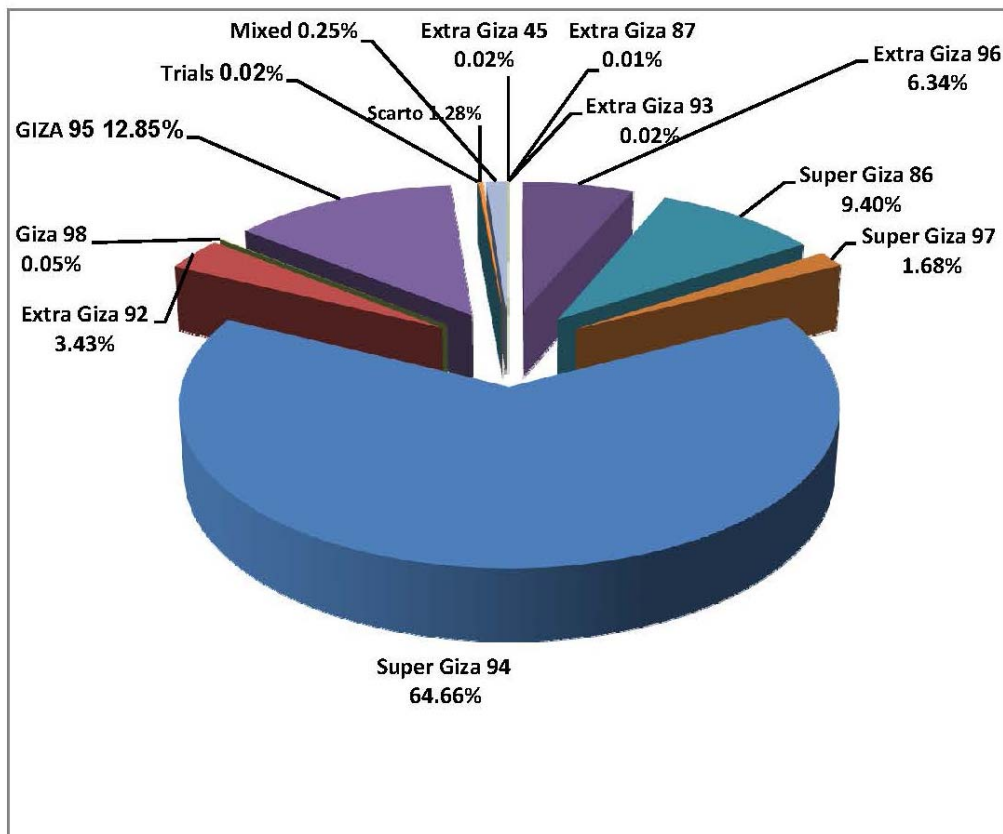
EGYPT is striving to sustain cotton cultivation through research programs based on the latest global technologies and specific plans aimed at developing new varieties and strains of commercial varieties. All these efforts aim to increase the yield of lint cotton and seeds, generating more income for producers.

Second: Production and yield:

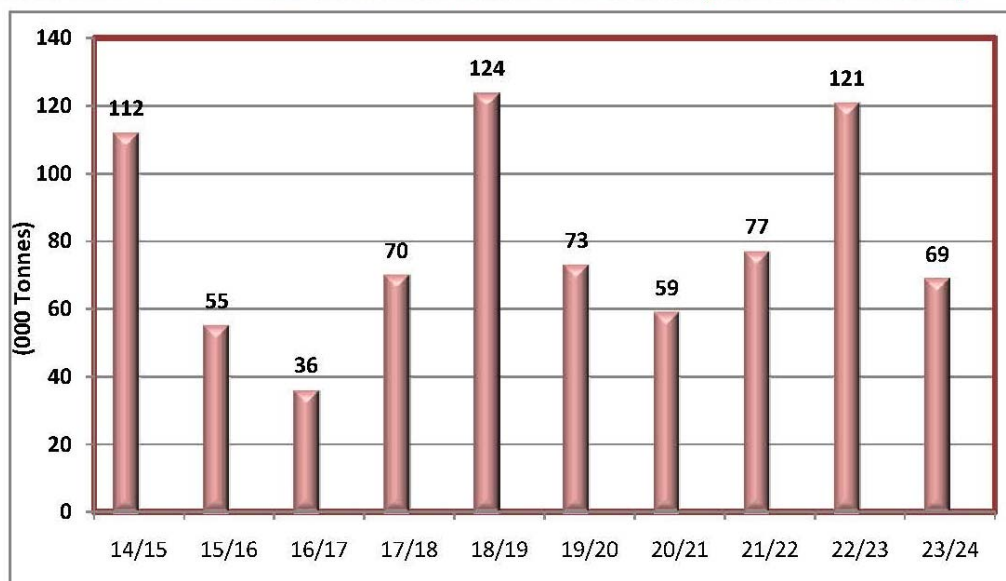
Production of lint cotton in the 2023/2024 season reached 69,316 tons, compared to 120,558 tons in the 2022/2023 season, a decrease of 51,242 tons or by 42.5%, while yield reached 672 kg per hectare in the 2023/2024 season, compared to 882 kg per hectare in the 2022/2023 season.

The Super Giza 94 variety ranked the first, with a production of 44,822 tons, representing 64.66% of the total production. It was followed by the Giza 95 variety, with a production of 8,904 tons, representing 12.85% of the total production. (See Table 2 in the appendices).

Lint cotton by variety as a percentage (season 2023/2024)



Total Lint cotton Production from seasons 2014/2015 to 2023/2024 (000 tonnes lint cotton)



The Egyptian strategy for cotton:

EGYPT is implementing a comprehensive strategy to promote Egyptian cotton and encourage new investments in the related industries. The Ministry of Agriculture and Land Reclamation and the Agricultural Research Center are responsible for:

- Developing new early-maturing varieties that are drought and salinity tolerant and adapt to climate change.
- Increasing awareness of Farmers on the importance of sustainable agriculture and efficient water use, expanding the use of biological pest control, natural fertilizers, and reducing the use of chemical fertilizers and pesticides, as part of the national strategy for combating climate change.
- Expanding the cultivated areas of Egyptian cotton to meet the needs of local spinning mills and fulfilling global market requirements for Egyptian raw cotton .

The New Cotton Marketing System:

The Egyptian state has amended the marketing system for raw cotton by implementing a new trading system ensuring complete transparency in price determination while preserving the rights of all stakeholders. This new system resulted in:

- Preserving Egyptian cotton varieties.
- Increasing farmers' interest in producing clean cotton with high quality to benefit from price premiums, which has clearly contributed to reducing a large percentage of contaminants.
- Using a bale identifying card attached to cotton sacs to record information to protect the cotton inside from any contamination with undesirable materials, such as dyes or inks.
- Encouraging participation in initiatives and programs aimed at sustainability and providing technical support through various ministries and authorities, while applying international standards at various stages of production and manufacturing to provide better marketing opportunities for Egyptian cotton and its products globally.

Implementation of the Cotton Ginning Mills Development Plan Through:

The development of old ginning mills and the establishment of new ones that rely on modern technology at various stages to produce cotton bales free of contaminants . These developed ginning mills will be equipped with laboratories affiliated to CATGO to test moisture regain and the physical properties of Egyptian cotton.

Cotton bales are labelled with CATGO's bale identifying cards including a QR code that contains all data, to facilitate traceability of these cotton bales in the subsequent stages of the manufacturing process.

Additionally, the Egyptian Cotton Data Bank project has been launched on the official website of CATGO, to provide all cotton stakeholders with the latest data and information regarding Egyptian cotton.

The Egyptian state has adopted an ambitious plan to develop and modernize the spinning, weaving, and apparel industries by:

Encouraging the private sector to participate and pump new investments into industrial and free zones by providing land, infrastructure, energy and water resources, as well as a trained workforce, while offering all necessary facilities to facilitate the work of international companies. The government offers a **golden license** which is a single approval for establishing, operating and managing the project including building permission. It may be granted to companies by a decision of the Council of Ministers that aim to facilitate procedures and save investors time.

Modernizing and upgrading state-owned spinning and weaving mills and establishing new factories using the latest global technologies . The spinning mills in the "Mahalla" textile industry complex have already been operated. The largest factory in the Middle East is expected to be opened before the end of this year, followed by the rest of the other factories.

Total cotton planted area by variety (hectares)
from season 2014/2015 to 2024/2025

	season	14/15	15/16	16/17	17/18	18/19	19/20	20 /21	21/22	22/23	23/24	24/25 Estimates
	variety											
Egyptian Cotton Varieties	Extra Giza 45	57	40		23	26	62	29	10			
	Extra Giza 87	226	2,435	2,275	1,246	3	13	26	12			
	Extra Giza 88	765	208	419	337							
	Extra Giza 93	39	62			10	12	157	66			
	Extra Giza 96				2,173	3,680	1,253	684	1,678	2,885	4,543	5,094
	Extra Giza 92	3,529		231	2,033	3,538	2,779	2,816	3,206	4,342	3,450	3,750
	Super Giza 86	135,143	86,798	34,371	27,510	35,684	17,420	10,215	11,245	18,630	12,113	14,961
	Super Giza 97								666	3,868	1,693	8,065
	Super Giza 94			7,314	44,660	79,494	62,162	54,462	72,853	96,216	70,557	78,038
	Giza 98									2	35	302
	Giza 95			2,212	6,213	11,366	11,624	5,526	6,282	10,624	10,667	16,247
	Giza 80	160										
	Giza 90	12,122	8,433	5,917	3,423	2,170	1,353					
	Others	117	2,721	501	31	25	45	141	100	73	89	151
Grand total	152,158	100,697	53,240	87,649	135,996	96,723	74,056	96,118	136,640	103,147	126,608	

Table 1

Lint cotton Production by variety

From season 2014/2015 to 2023/2024 (tonnes)

Season Variety	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24
	Extra Giza 45	32	20	4	6	9	27	8	10	8
Extra Giza 87	82	1,355	1,376	521	1	13	20	3	1	5
Extra Giza 88	500	128	172	230	2					
Extra Giza 93	28	63	1		11	9	98	104	17	14
Extra Giza 96			256	1,579	3,174	1,151	606	1,323	3,258	4,396
Extra Giza 92	2,973	30	253	1,407	3,228	2,086	2,143	2,351	3,505	2,379
Super Giza 86	95,321	43,908	19,700	23,700	32,531	12,535	5,947	8,835	12,629	6,514
Super Giza 97							40	616	3,307	1,163
Super Giza 94		638	8,193	33,956	70,601	46,455	45,577	56,498	85,567	44,822
Giza 95		1,682	1,865	5,884	10,588	8,428	3,568	5,965	10,574	8,904
Giza 98										32
Giza 80	80									
Giza 90	10,116	5,698	3,680	1,790	1,905	547				
Trials	255	89	1	1	30	17	12	13	20	12
Mixed	786	292	242	274	623	367	182	306	303	175
Scarto	1,780	924	610	1,019	1,728	1,122	947	1,090	1,370	885
Grand Total	111,953	54,829	36,354	70,368	124,432	72,756	59,148	77,114	120,558	69,316

Note: In 2023/2024, the largest quantity of lint cotton was for super Giza 94 at 64.66% followed by Giza 95 at 12.85% and then Super Giza 86 at 9.40% of total production

In 2023/2024, the Production of Upland cotton reached 12 Tons, where this figure is not included in the total production in the table above

Table 2