

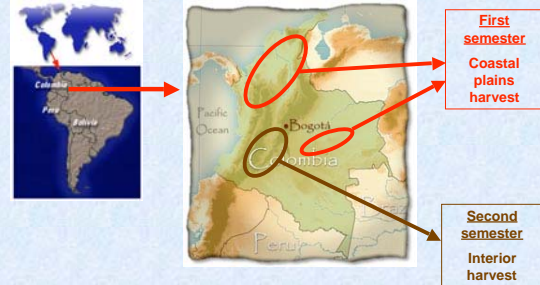
COTTON SITUATION IN COLOMBIA



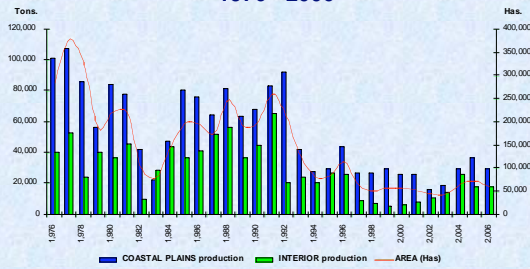
Eduardo Ramírez
Research Associate Program – 2006

Washington D.C. April 2006

COLOMBIAN GEOGRAPHY AND LOCATION OF COTTON CROPS



CHANGE IN AREA AND PRODUCTION, 1976 - 2006



- Colombia was affected by the collapse of international cotton prices leading to a fall in production from which only began to recover in 2002.
- The recovery is the direct result of government policies to recover this sector.

CHANGE IN YIELD: Colombia compares favorably on a world level



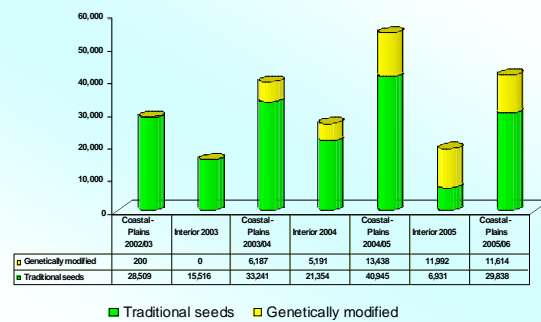
Colombia cotton crops have benefited from access to new technologies such as: genetically modified seeds (Bt), precision seeding, growth control, integrated pest management.

PRODUCTION AND YIELD IN RECENT YEARS

	2003	2004	2005	2006 (p)
Area (Has.)	44.225	65.973	73.306	57.842
Production (Tons.)	34.419	55.558	55.471	45.444
Yield (kg fiber/Ha.)	778	842	757	786



AREAS CROPPED WITH GENETICALLY MODIFIED AND TRADITIONAL SEEDS, 2003 - 2006



CONSUMPTION OF COTTON IN COLOMBIA IN RECENT YEARS

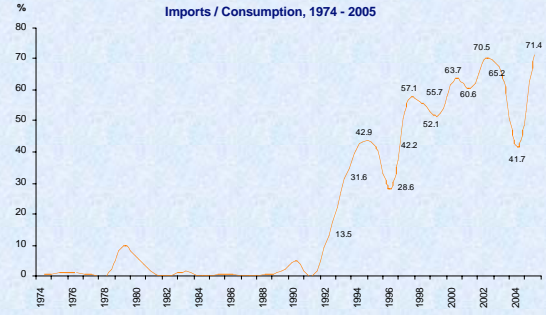
2004 - 2006 (p)

	Tons		
	2004	2005	2006 (p)
Imports	38,720	39,525	57,298
Exports	1,492	1,461	1,477
Changes in stocks	0	1,071	0
Production	55,558	56,130	45,444
Total Consumo interno	92,786	95,265	101,265

- The level of consumption in Colombia was 95.265 Tons. in 2005, 2,7% more than year 2004.
- National production represents between 45% - 55% of total national consumption.

COLOMBIA HAS BEEN A NET IMPORTER OF COTTON SINCE 1993

Imports / Consumption, 1974 - 2005



Size of Producers Associations, 2005

RANGO HECTAREAS	TOTALES				
	INTERIOR	COSTA	NACIONAL		
> 6.000 Has	1	0	1	19	➔ AFILIADOS: 13 NO AFILIADOS: 6
< 6.000 >= 1.500 Has	1	10	11		
< 1.500 >= 1.000	1	6	7	33	➔ AFILIADOS: 16 NO AFILIADOS: 17
< 1.000 >= 800	4	2	6		
< 800 >= 500	3	6	9		
< 500	6	12	18		
TOTAL GREMIOS	16	36	52		

	Has/ Gremio	Algodón Semilla Tons/ha
Promedio Costa Llanos sin Patrimonio Autónomo	1.178	1.983
Promedio Interior	1.183	2.615

Cálculos: Unidad de Estadística y Análisis Económico - CONALGODÓN

COLOMBIA: BALANCE OF TRADE COTTON FIBER

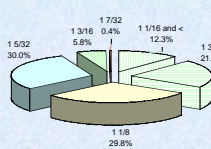
COLOMBIA: Balance of trade Cotton fiber, 2003 - 2005

Year	Tons.			US\$ Thousands		
	Imports	Exports	Balance of Trade	Imports	Exports	Balance of Trade
2003	64,556	0	-64,556	83,797	0	-83,797
2004	38,720	1,492	-37,228	58,120	2,147	-55,974
2005	39,525	1,461	-38,064	47,885	1,985	-45,901

THE QUALITY OF COLOMBIAN FIBER 2005

LENGTH			
Inches	Centimetres	Quantity (Tons)	Share %
1 1/16 and <	2.70 and <	6,829	12.3%
1 3/32	2.78	12,062	21.7%
1 1/8	2.86	16,533	29.8%
1 5/32	2.94	16,656	30.0%
1 3/16	3.02	3,230	5.8%
1 7/32	3.10	223	0.4%
Total		55,533	100.0%

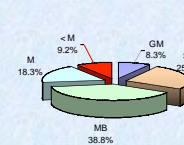
Distribution of Supply by Length



THE QUALITY OF COLOMBIAN FIBER (Cont.)

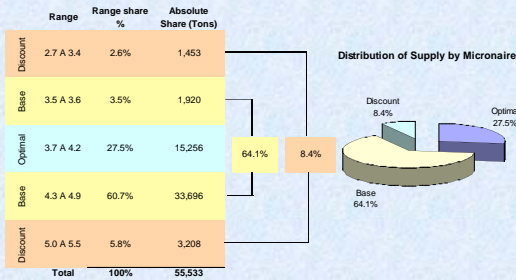
GRADE		
Grade	Quantity (Tons)	Share %
GM	4,595	8.3%
SM	14,115	25.4%
MB	21,557	38.8%
M	10,153	18.3%
< M	5,113	9.2%
Total	55,533	100.0%

Distribution of Supply by Grade



THE QUALITY OF COLOMBIAN FIBER (Cont.)

MICRONAIRE

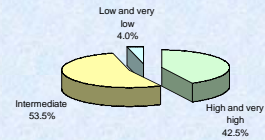


THE QUALITY OF COLOMBIAN FIBER (Cont.)

UNIFORMITY

	Range	Quantity (Tons)	Share %
High and very high	> 83	23,603	42.5%
Intermediate	80 - 82	29,736	53.5%
Low and very low	< 79	2,194	4.0%
Total		55,533	100%

Distribution of Supply by Uniformity

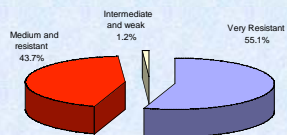


THE QUALITY OF COLOMBIAN FIBER (Cont.)

STRENGTH

	Range	Quantity (Tons)	Share %
Very Resistant	> 30	30,592	55.1%
Medium and resistant	26 - 29	24,260	43.7%
Intermediate and weak	< 25	681	1.2%
Total		55,533	100%

Distribution of Supply by Fibre Strength



STRATEGIES AND GOALS 2006 - 2015

Cotton gins and growers group together in Conalgodón and are working in strategies to improve better conditions of cotton crops:

- Investments in technical assistance, investigation and credit systems.
- To reorganize cotton grower's associations to achieve lower cost of production and better credit conditions.
- To return to international markets to export high quality of Colombian fiber.
- To incentive better agricultural and environmental practices.
- To search ways to let down agrochemical prices, to lower costs of production.

STRATEGIES AND GOALS 2006 - 2015

- Increase campaigns against contamination.

More information at:



WWW.CONALGODON.COM

Thank you!