

CICCA Update by Member Organisations



Issue 19 – May 2023

Welcome to this Update, keeping you informed of the new developments at the Member Organisations and Observer Organisations. This publication comes as a result of a decision reached at the 2012 Plenary Meeting that “To facilitate the understanding of the latest cotton related information in the countries of Member Associations and to make CICCA more proactive if necessary, it was agreed that Member Associations would update their countries’ cotton market information on a quarterly basis, and this would be distributed within the CICCA forum.”

Any suggestions and comments would be greatly appreciated. The following Member Associations and Observer Organisations have contributed to this issue:

- [ACSA - American Cotton Shippers Association](#)
- [ACSA - Australian Cotton Shippers Association](#)
- [ALCOTEXA - Alexandria Cotton Exporters’ Association](#)
- [APPA - Asociación para la promoción de la Producción Algodonera](#)
- [BBB - Bremer Baumwollbörse](#)
- [BBM - Bolsa Brasileira de Mercadorias](#)
- [CCA - China Cotton Association](#)
- [Cotton SA](#)
- [GCA - Gdynia Cotton Association](#)
- [ICA - International Cotton Association](#)
- [ICAC - International Cotton Advisory Committee](#)
- [KCA - Karachi Cotton Association](#)
- [JCTA - Japan Cotton Traders’ Association](#)
- [USDA - United States Department of Agriculture](#)

ACA – African Cotton Association

(No update)

ACSA – American Cotton Shippers Association

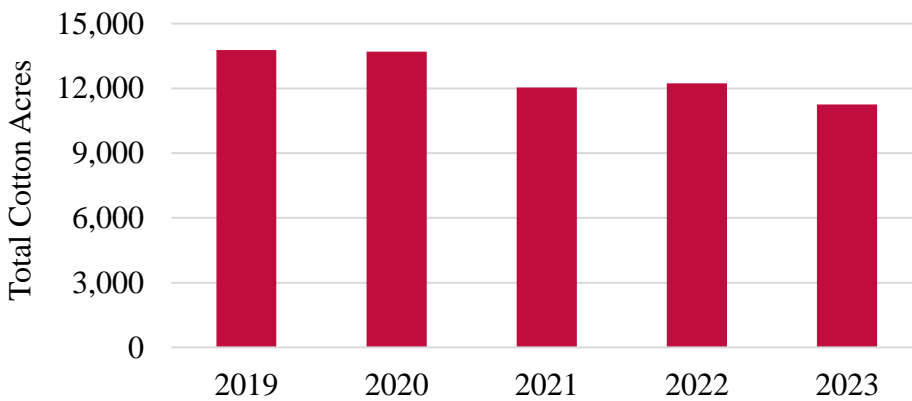
The 2023 planting season is beginning in the United States with approximately 8% of cotton planting completed as of April 17th, slightly behind the 5-year average of 9%. According to the U.S. Department of Agriculture (“USDA”) – National Agricultural Statistics Service’s (“NASS’s”) Prospective Planting report, the U.S. will plant 11,256 acres of cotton during the 2023-2024 marketing year, which is approximately 8% below last year’s number (Table 1). The acreage estimates are based on surveys conducted during the first two weeks of March from a sample of nearly 73,000 farm operators across the country. The National Cotton Council’s estimate is slightly higher at 11,419 acres. This said, ACSA remains optimistic for better conditions during the growing season, particularly in Texas, as the extreme drought

and abandonment of acreage caused by the La Niña appears to be declining (Image 1 & Graph 1).

As for our supply chain, U.S. shippers are currently experiencing a reprieve in our supply chain challenges compared to the past few years, which is merely due to the current global economic downturn (Graphs 2 and 3). However, ACSA believes this relief is temporary, and cargo volumes will increase again. ACSA commends Congress for the passage of the Ocean Shipping Reform Act of 2022 (“OSRA”), which has been described in previous CICC Updates. We believe that OSRA is an excellent starting point to address fundamental flaws in our supply chain. Recently, Members of Congress announced a second iteration OSRA to supplement the previous legislation. ACSA will continue to advocate for our priorities to improve efficiency and provide security for our members as they move cotton both domestically and abroad. These legislative actions, on top of the \$1.2 trillion investment for infrastructure including ports, railroads, bridges that passed in the 117th Congress, will bring much needed support to agricultural exporters and enhance delivery performance to our customers.

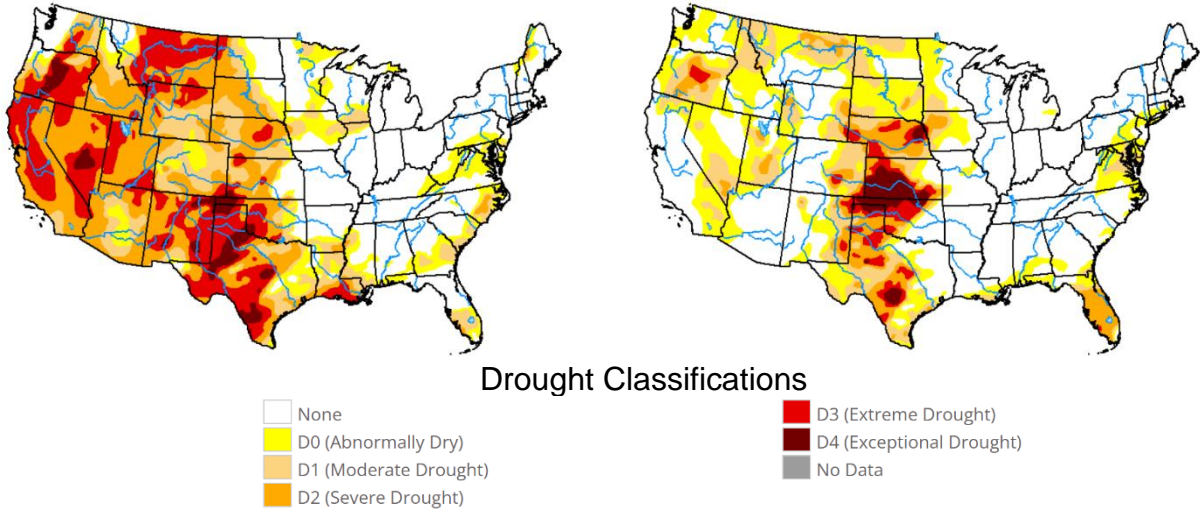
Additionally, ACSA continues to monitor the Biden administration’s green energy goals and initiatives to better understand their potential impacts on the agricultural industry. We believe the United States is in the early stages of a historic land use change, where we will grow food and fiber, provide feedstock for renewable energy, and simultaneously address environmental resource concerns on our land. The administration recently released its [Sustainable Aviation \(“SAF”\) Grand Challenge Roadmap](#). The plan outlines two primary goals for the United States: (1) Produce 3 billion gallons of SAF a year by 2030 and (2) Produce 35 billion gallons of SAF a year by 2050. To reach both goals with an emphasis on the near-term goal, the U.S. will rely heavily on lipid-based pathways, including fats, oils (such as soybeans), and greases. Therefore, while we believe that these goals may be slightly unachievable, given that we currently produce 5 million gallons a year of SAF, it is indicative of the goals and direction of our country (Image 2).

Table 1: U.S. Cotton 2023 Planting Intentions Compared to Previous Years



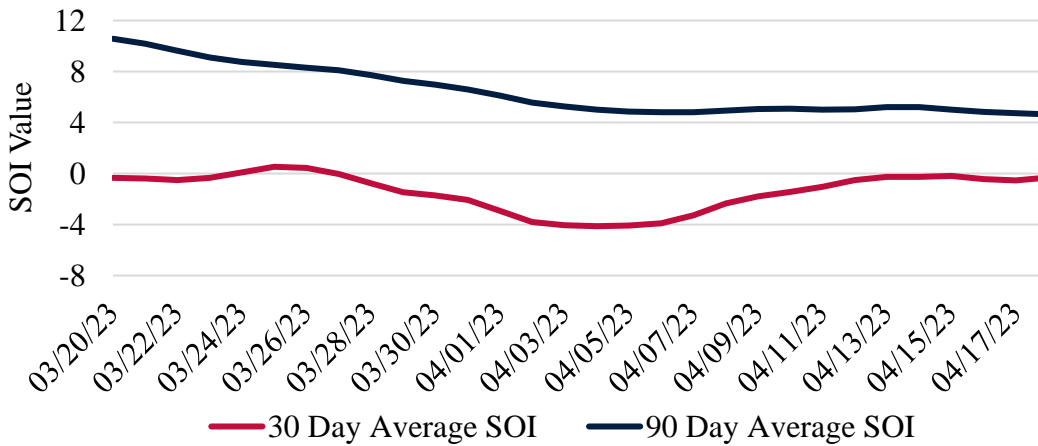
Source: USDA – NASS’s March Prospective Plantings Report

Image 1: Comparing the Current U.S. Drought Monitor to One-Year Ago
 April 12, 2022 April 11, 2023



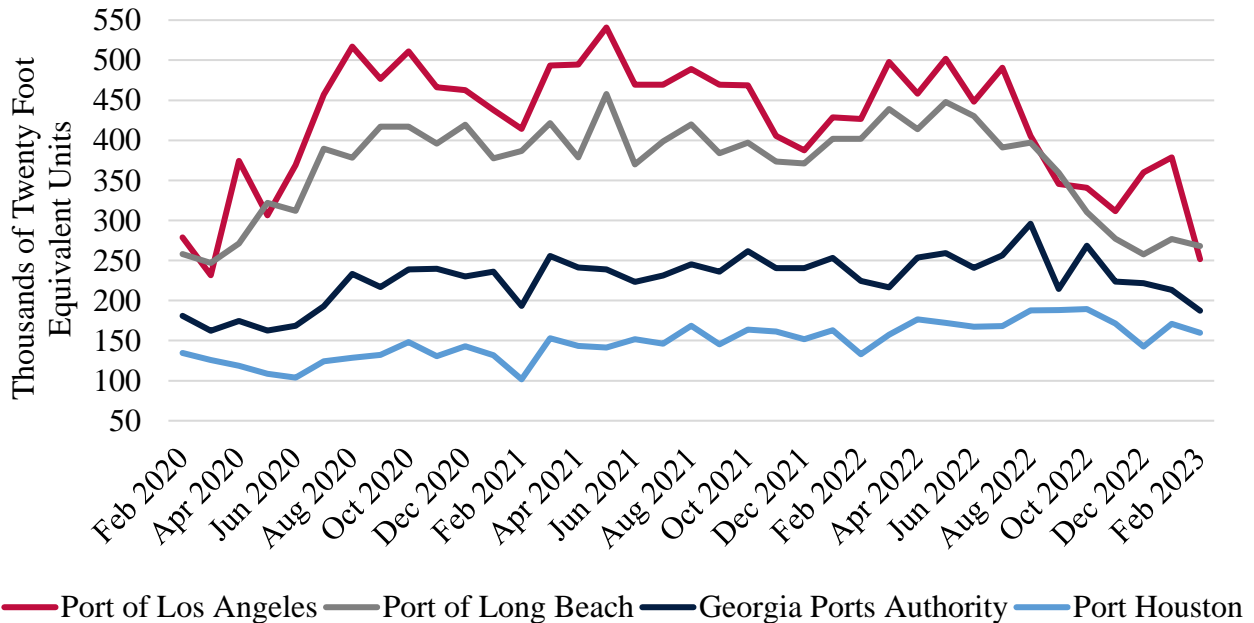
Source: National Drought Mitigation Center as of April 18th

Graph 1: Recent Southern Oscillation Index (SOI) Values



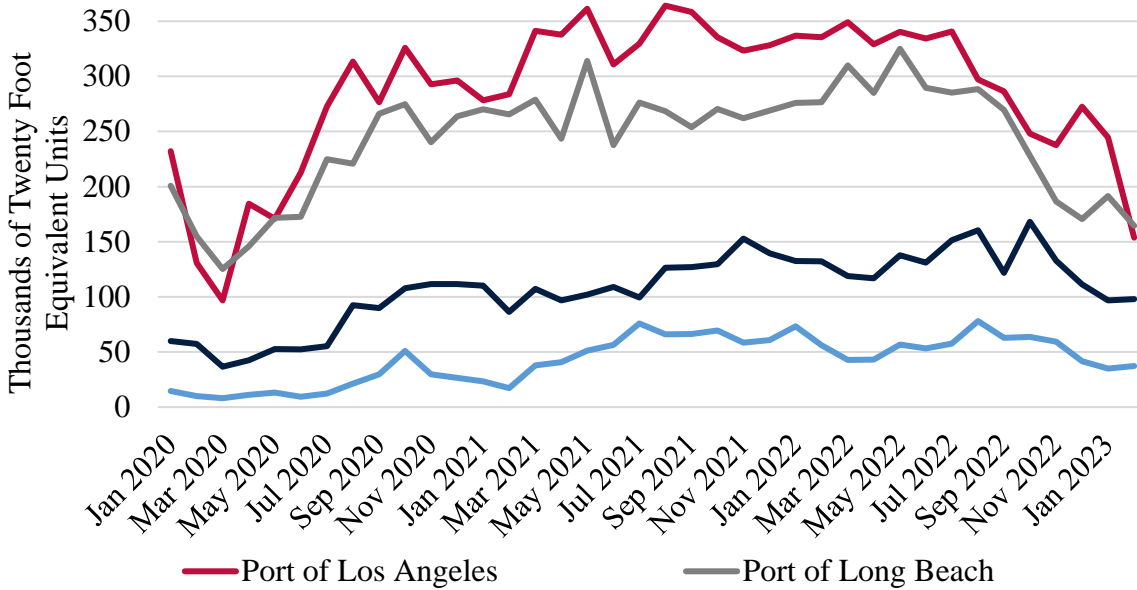
Source: Queensland Government as of April 18th

Graph 2: Total Inbound Containers into Key U.S. Ports



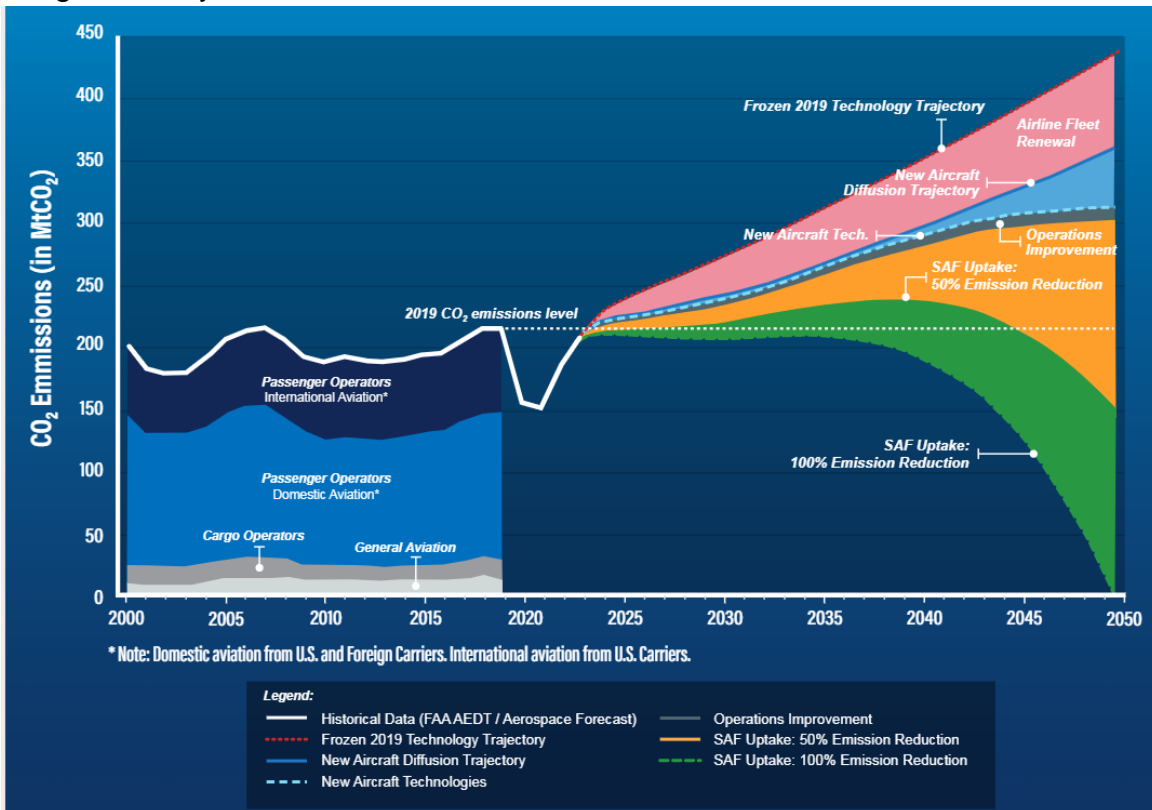
Sources: Port of Long Beach, Port of Los Angeles, Georgia Ports Authority, and Port Houston as of April 16th

Graph 3: Empty Outbound Containers for Major Cotton Exporting Ports



Sources: Port of Long Beach, Port of Los Angeles, Georgia Ports Authority, and Port Houston as of April 16th

Image 2: Analysis of Future Domestic and International Aviation CO₂ Emissions



Source: The Federal Aviation Administration

ACSA – Australian Cotton Shippers Association

Leaving behind the 2022 season, Australian exporters shipped some 4.9 million bales of Australian cotton from March 1, 2022 to February 28, 2023. Not a bad effort considering we are still challenged with available vessel services and containers.

Harvest of the 2023 Australian cotton crop has commenced in Central Queensland. Picking will commence in earnest from May onwards. With an anticipated crop of 5+ million bales, gins will likely operate at capacity 24/7. It will be vitally important that the domestic supply chain – growers, ginners, classers, transporters and warehouses – can maintain an orderly movement of bales from gin to warehouse and on to boats. Whilst we don't anticipate much change with availability of trucks and ships, we do hope that we can enhance the management of these logistics challenges.

Looking forward, Australian merchants anticipate solid sales to India with the Australian and Indian Governments finalising the Australia-India Economic Cooperation and Trade Agreement (ECTA). Australian cotton was granted a duty-free quota for 300,000 bales in 2023. ACSA and Australian merchants have been active with a few in-market visits now that travel is a little easier. ACSA has recently visited Vietnam and Indonesia and at the time of writing, is preparing for visits to India and Bangladesh.

What a big season to look forward to and what good problems to have! There will certainly be challenges in selling a significantly sized crop; ensuring onshore logistics to transport and warehouse cotton and the onerous task of actually exporting, but what a positive year we are going into.

AFCOT – Association Française Cotonnière

(No update)

ALCOTEXA - Alexandria Cotton Exporters' Association

	Commitments (Tons)	Shipped (Tons)	Value (US\$)
1 st Quarter	21,110	4,817.50	67,303,444
2 nd Quarter	36,541	30,512.40	108,222,855
Total	57,651	35,329.90	175,526,299

APPA – Asociación para la promoción de la Producción Algodonera

The 2022/2023 cotton campaign in Argentina was once again characterized, as it happened in the last campaign, by presenting conditions of water and thermal stress throughout the cotton area, although not with the same severity and economic impact, but where estimates

at the moment they report a negative economic impact compared to a relatively normal campaign.

The preparation of the “sowing bed” began with a water deficit and during the sowing period that goes from October to December there were rains that allowed sowing by pulses, but the most important rains occurred in December and January, therefore more than 80% of the area was planted at a late date, which puts a ceiling on productivity since the crop cannot take advantage of the appropriate environmental conditions, such as those of an October/November planting.

This situation led to planting between 10 to 20% less than estimated, reaching a surface similar to the last campaign, that is, between 530,000ha and 550,000ha extensions at the country level.

The harvest progress is around 10~15% with an estimated production of 850,000 to 950,000 tons of raw cotton, which would yield between 260,000 and 280,000 tons of cotton fiber. We insist that these are estimated data since the harvest progress is very low and the situation of the crop in several areas is complex and uncertain since several producers have chosen to extend the reproductive period looking for better yield levels taking the risk of an early frost and the consequent total or great loss of production, estimating that this situation represents 15% of the area.

The internal fiber purchase market is very active, although somewhat selective in search of good quality fiber, unlike what had happened in the last campaign, while exports are slow due to price differences since the domestic market is paying between 35 and 45% more, in addition to the country's macroeconomic conditions.

BBB – Bremer Baumwollbörse

From 20th to 22nd March 2024, the International Cotton Conference Bremen will take place again. This specialist conference will bring together experts from the global textile supply chain from the cotton farmer to the brand. The Bremen Cotton Exchange and the Faserinstitut Bremen (FIBRE) as organizers will again offer a rich program on different areas of the cotton and textile industry. The conference is a forum for scientifically sound and practically usable new insights into key issues of cotton production, cotton quality, textile processing, innovative cotton-based products and the all-connecting textile chain.

In March 2024, the conference will again be held in a historic location near the Bremen Cotton Exchange. The event is directly on site in Bremen, at the same time participation online will also be possible. The hybrid cotton week offers the perfect setting for networking, business, political talks and socializing – regardless of whether you participate virtually or on-site in Bremen.

<https://cotton-conference-bremen.de/>



**INTERNATIONAL
COTTON
CONFERENCE
BREMEN** | 2024

BBM – Bolsa Brasileira de Mercadorias

2022/23 Brazilian cotton planting was concluded in March and the growing conditions in the fields so far are good. In March, 78.8 thousand tonnes of cotton were shipped from Brazil. In the 2022/23 marketing year, Brazil shipped 1,195 thousand tonnes of cotton overseas.

Below chart with 22/23 crop figures, including planted area and production estimates.

SAFRA 2022/23 | 3º Levantamento
Associações Estaduais

ABRAPA

ESTADOS	SAFRA 2022/23			ALGODÃO EM CAROÇO			ALGODÃO EM PLUMA		CAROÇO DE ALGODÃO	
	ÁREA PLANTADA (ha)	RENDIMENTO DE PLUMA (%)	RENDIMENTO DE CAROÇO (%)	PRODUTIVIDADE ESTIMADA (@/ha)	PRODUTIVIDADE ESTIMADA (kg/ha)	PRODUÇÃO ESTIMADA (ton)	PRODUTIVIDADE ESTIMADA (kg/ha)	PRODUÇÃO ESTIMADA (ton)	PRODUTIVIDADE ESTIMADA (kg/ha)	PRODUÇÃO ESTIMADA (ton)
BA	312.623	41,0%	52,0%	310,0	4.650	1.453.697	1.907	596.016	2.418	755.922
GO	28.555	40,0%	54,0%	297,0	4.455	127.211	1.782	50.885	2.406	68.694
MA	25.928	42,0%	51,0%	309,8	4.648	120.504	1.952	50.612	2.370	61.457
MG	27.188	41,0%	54,0%	294,0	4.410	119.897	1.808	49.158	2.381	64.745
MS	29.062	39,9%	49,3%	310,0	4.650	135.139	1.855	53.920	2.292	66.623
MT	1.185.734	41,3%	55,0%	292,0	4.380	5.193.515	1.809	2.144.922	2.409	2.856.433
PI	16.436	41,0%	54,0%	330,0	4.950	81.358	2.030	33.357	2.673	43.933
PR	1.700	41,0%	52,0%	205,0	3.075	5.228	1.261	2.143	1.599	2.718
SP	13.013	43,0%	52,0%	285,0	4.275	55.631	1.838	23.921	2.223	28.928
Outros*	11.400	38,9%	61,1%	197,1	2.956	33.700	1.149	13.100	1.807	20.600
TOTAL	1.651.638	41,2%	54,2%			7.325.880		3.018.033		3.970.054

Fonte: Associações Estaduais (dados apurados em fevereiro de 2023)
*Conab (fev/23): TO, CE, RN, PB e AL

MÉDIA GERAL DO BRASIL	
ALGODÃO EM CAROÇO - PRODUTIVIDADE REALIZADA (kg/ha)	4.436
ALGODÃO EM PLUMA - PRODUTIVIDADE REALIZADA (kg/ha)	1.827
CAROÇO DE ALGODÃO - PRODUTIVIDADE REALIZADA (kg/ha)	2.404

BCA – Bangladesh Cotton Association

(No update)

CAI – Cotton Association of India

(No update)

CAN - Centro Algodonero Nacional

(No update)

CCA – China Cotton Association

During the first season of 2023, Chinese economy has shown a trend of stabilization and recovery, and the industry confidence has enhanced, the operation rate of textile enterprises has climbed, and the sales are smooth, though the profit is still humble due to low prices. The domestic seed cotton processing delayed due to the COVID-19 wave and Spring Festival, and will draw to a close by the end of April. Both cotton prices home and abroad declined, narrowing down the price gap.

According to the second survey on cotton acreage projection of 2023 in February, the national cotton planting acreage continues to decrease with 42.12 million mu, a year-on-year decrease of 3.7%, by comparison the number of last survey is -1%. In Xinjiang, the acreage projection is 37.68 million mu, down by 0.5% with last year, the same with last survey; at the same time, the number of Yangtze river regions is 1.75 million mu, down by 30.3% with last year, the decrease was 23.1 percentage points higher than the last survey; and Yellow River region is 2.42 million mu, a year-on-year decrease of 17.8%, with decrease 6.6 percentage points higher than the last survey.

According to CCA statistics, the national cotton production was 6.179 million tons nationally, 7% more than the last year; the import volume was 1.6 million tons, 7.4% less than last year; the cotton consumption was 7.6 million tons, and cotton export was 30,000 tons, and the ending stock is 8.469 million tons.

On March 28, in the business forum area of the 2023 China International Fashion and Accessories Fair (CHIC) at the National Exhibition and Convention Center (Shanghai), a themed release event of "Sustainable Cotton - A Promise from the Cotton Field" held by the China Cotton Association. It was one of the promotion activities of China Cotton Sustainable Development Program (CCSD), initiated by CCA in June, 2021. During this event, the first batch of CCSD sustainable cotton certificates were granted to six cotton production companies for 1.20 million mu of cotton acreages with output of 170,000 tons of lint cotton.

China Cotton Demand and Supply Balance Sheet (March 2023) unit: 10,000 tons

Season	Beginning Stock	Production	Import	Consumption	Export	Ending Stock
2022/23	832.02	617.91	160	760	3	846.93
2021/22	814.70	577.39	172.82	730	2.89	832.02
2020/21	790.52	592.37	274.66	842.6	0.25	814.7

Cotton SA

Cotton situation in South Africa

Area and Production

For the 2022/23 marketing year 7 195 ha under irrigation and 10 823 ha on dryland were planted. The average yield for dryland and irrigated cotton was 2 384 kg lint per ha. South Africa has produced 76 659 tons of cotton lint in 2022/23 which represents a smaller crop than the previous year. Cotton SA estimates the production of cotton lint to reach about 72 000 tons for the 2023/24 marketing season. This represents a further decrease from the previous season's production levels which can be largely attributed to the relatively competitive prices of competing crops and unfavourable climatic conditions at planting time, especially dryland areas.

Domestic Mill Use

South Africa has 4 cotton spinning mills that consumed about 16 000 tons of lint of which about nearly 70% is imported in 2022/23. 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 2022/23 which is in line with international trends.

Trade

During the 2022/23 marketing year approximately 10 000 tons of lint have been imported. Most lint imports were from the Southern African Developing Countries (SADC), mostly Zimbabwe and Zambia. After being a net exporter for a couple of years, South Africa is now a net importer of cotton lint.

Standards

South Africa is a participant in the Better Cotton standard which is a commitment to the production of sustainable cotton. Cotton SA acts as the programme partner.

Industry

The local cotton industry is currently performing far below its potential. If planted on a larger scale it could play a much bigger role in the economy of the country, since it has a multi-sectoral role and is important socio-economically.

Excessive rain after planting has forced farmers in some production areas to abandon their crops before the growing process could begin. Moreover, favourable prices of competing crops have resulted in cotton plantings not increasing over the previous season.

The increasing power outages have also begun to take its toll, especially in the irrigated areas where irrigation could not take place at the scheduled times. Yields in general will be negatively affected by this.

Issues facing the South African cotton industry

- Availability of new seed varieties – regulatory process and timeframe to register new technology and varieties.
- Cost and availability of harvesting equipment.
- High input costs.
- Affordable finance for inputs and capital goods.
- Weather conditions.
- Competition from higher value commodities on irrigated land.
- Lack of investment in domestic spinning capacity.

TEXTILES: VALUE OF SALES (EX-FACTORY)

R 'Million	2018	2019	2020	2021	2022
Manufacturing	2 323 822	2 396 753	2 145 195	2 528 214	2 923 252
n, weave, finish	7 134	7 555	7 281	8 903	9 178
Other textiles	15 836	17 168	14 755	17 326	19 184
Total Textiles	22 970	24 723	22 036	26 229	28 362
Knitting mills (fabrics & garments)	2 562	2 524	1 943	2 218	2 531
Wearing apparel	17 922	18 393	15 685	17 246	20 077
TOTAL Textiles & Clothing	43 454	45 642	39 664	45 692	50 970

Source: Stats SA (Actual values) Include all products

SOUTH AFRICAN FIBRE CONSUMPTION**

TONS	2018	2019	2020	2021	2022
Cotton*	18 907	19 195	16 463	19 396	
Wool & mohair	3 430	4 075	4 300	796	
Jute, sisal, etc	9 218	12 247	12 696	9 787	
Polyester	30 843	26 301	16 315	17 800	
Nylon	10 292	10 212	12 060	10 894	
Acrylic	2 640	4 432	3 936	2 526	
Viscose	428	516	403	455	
Polyprop/HDPE	17 337	17 703	21 382	23 818	
Other	4 408	923	1 769	1 800	
TOTAL	106 037	95 604	89 324	87 345	

*Source: Cotton SA ** Preliminary/estimates

TEXTILE & TEXTILE ARTICLE EXPORTS

	2018		2019		2020		2021		2022	
	Tons	R'000	Tons	R'000	Tons	R'000	Tons	R'000	Tons	R'000
FIBRES	53 723	1 851 626	55 483	1 831 569	54 957	2 196 264	59 071	2 389 787	42 344	2 435 234
Cotton	15 183	377 176	15 622	384 149	9 852	292 525	14 434	423 187	6 153	252 622
YARN	55 879	2 181 113	53 124	2 162 561	43 894	1 749 716	55 496	2 460 039	54 639	2 977 285
Cotton	9 293	386 991	8 445	370 166	8 507	357 085	11 309	562 893	10 692	736 098
FABRICS	168 453	7 818 152	166	804 680	142	710 846	145	877 700	150 279	1 115 615
Cotton	19 387	1 416 185	837	1 431 113	779	1 144 162	865	1 443 803	15 134	1 715 428
Domestic	26 796	1 985 376	18 300	205 054	13 351	163 698	15 498	203 178	204 64	216 184
Other	-	6 268 673	25 064	625 550	18 395	1 352 696	22 157	735 584	-	787 472
TEXTILES (TOTAL)	-	201 049	-	203 469	-	262 183	-	230 144	-	266 052
CLOTHING (TOTAL)	-	244 339	-	268 700	-	244 490	-	281 129	-	335 571

Source: SARS

R '000 (fob)	2018	2019	2020	2021	2022
FIBRES – Total	7 246 663	6 361 820	6 134 726	7 682 808	6 572 601
Cotton (all fibres)	409 767	389 521	309 801	347 824	230 842
YARNS – Total	407 095	434 719	444 076	492 609	580 066
Cotton	54 330	45 746	36 017	117 394	18 292
FABRICS – Total	1 289 305	1 323 452	1 091 467	1 464 874	1 985 733
Cotton	466 539	451 015	365 912	555 972	709 979
DOMESTIC TEXTILES	636 115	602 560	539 634	643 633	718 178
MISCELLANEOUS	3 001 900	3 214 102	3 957 279	3 993 592	4 051 523
TOTAL – TEXTILES	12 581 078	11 936 653	12 167 182	14 277 516	13 908 101
GARMENTS –Total	5 296 132	5 591 297	4 946 905	6 075 954	6 377 493

IMPORTS OF TEXTILE & TEXTILE PRODUCTS

Source: SARS

GCA – Gdynia Cotton Association

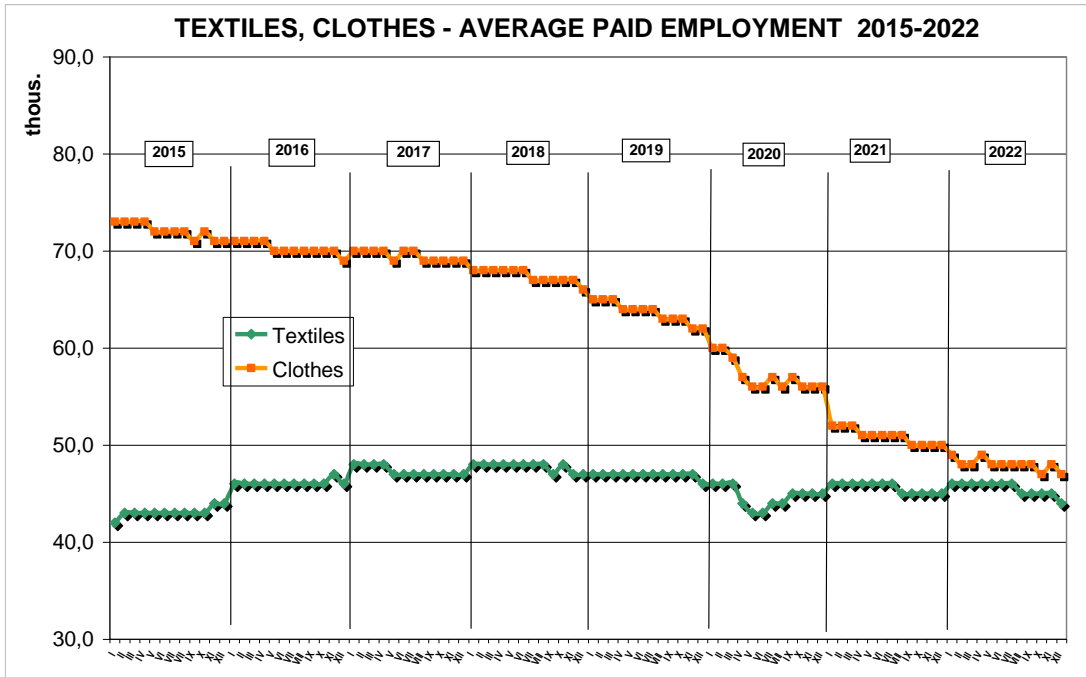
Condition of the 2022 global economy which depended on the aftermath of the war provoked by Russia, on inflation, and on drop of retail sales had adverse impact on the global industrial production – including the volume of manufacture of textiles' and clothes' in Poland.

EMPLOYMENT

The Statistics Poland official data for 12 months of 2022 show that the employment in **textile industry**, in plants employing 9 or more persons has lowered when compared to December 2021, and in the end of 2022 amounted **44 thousand people**.

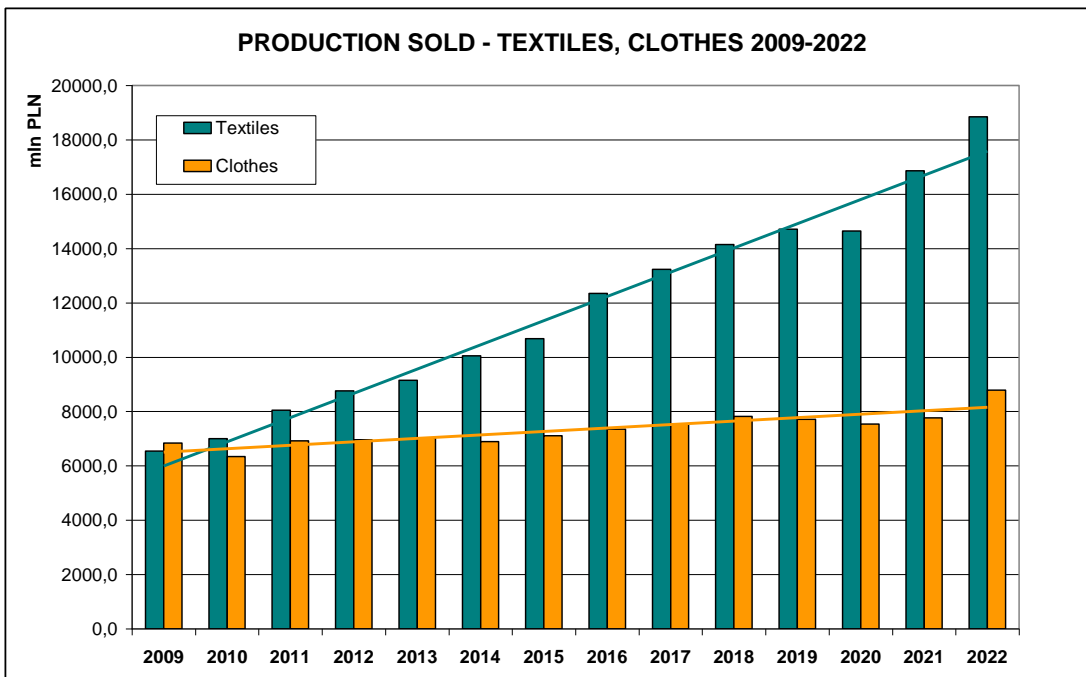
In the **apparel industry**, the downfall trend of the average employment has continued. When compared to December 2021 it lowered by 3,0 thousand people, and at the end of 2022 it was **47 thousand**.

In total, both industries employed 91 thousand people in plants of 9 or more persons in the end of 2022.



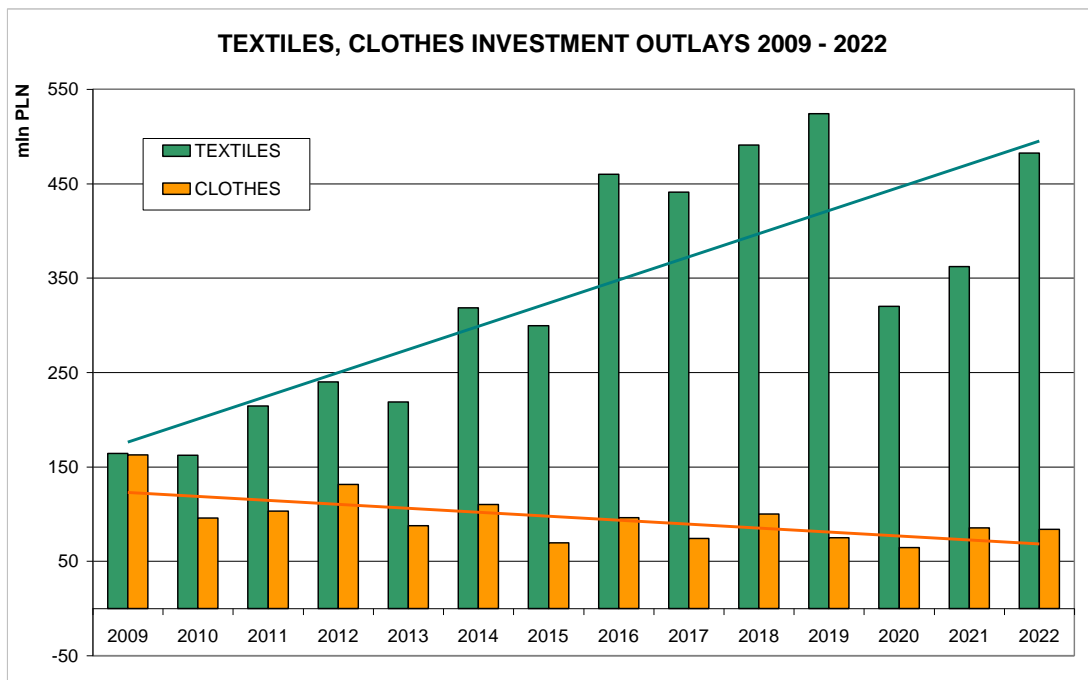
PRODUCTION SOLD

The **12-month period of 2022**, in spite of obstacles following from the impact of Russian invasion on the global economy, from inflation, and from the drop of retail sales, brought an increase of the volume of production sold in both industries. The value of production sold of the Polish **textile industry**, when compared 2021, **increased by 11,8%**, whereas the value of production of sold in the **apparel industry** resulted to be **higher by 13,2%**.



INVESTMENT OUTLAYS

In **2022**, irrespective of the effects of the war provoked by Russia, in the **textile branch** the outlays rose by as much as **33,2%** but they were still lower than in 2019. In the **apparel industry**, the investment outlays were **lower by 1,9%** only, but they were still lower than before the Covid-19 pandemics in 2019.



FOREIGN TRADE

Irrespective of limitations related to the condition of the global economy and disturbances of chains of supply, **foreign trade results for 2022** show that the **total value of imports** of textiles and clothes (**18,963 EUR billions**) was higher by 21,5% than the value of imports in 2021.

The total value of **exports of textiles and clothes (14,380 EUR billions)** in 2022 also rose and it was higher by 12% than the value of 2021 exports.

The **deficit in foreign trade of the Polish textile-clothing industry in 2022** was as much as **EUR 4,58 billion**, whereas in 2021 it was EUR 2,76 billion.

2022 MARKET OF COTTON RAW MATERIALS IN POLAND

In **2022** in total, there were 12,847 tonnes of cotton raw materials imported to Poland, for the amount of EUR 32,136 million, including:

- 7.612 tonnes of cotton (CN 5201) for EUR 18,579 million
- 5.235 tonnes of carded or combed cotton, including: combers (5203) for EUR 13,557 million.

ICA – International Cotton Association

- **October Outreach**
 - October saw Alex Hsu (ICA Past President) and Bill Kingdon (ICA Managing Director) travel to Vietnam and South Korea to engage with the local cotton communities. Read the full story: <https://ica-ltd.org/october-outreach/>
- **Trade Matters in Pakistan (October)**
 - The ICA visited Pakistan in October to deliver training and establish safe trading networks. Robert Jiang (ICA Business Operations and Development Manager), Jon Dickinson (Arbitrator and Consultant) and Konstantinos Dimitriou (Vamvaki Ltd) delivered a Trade Matters training course to 160 delegates. Casandra German (ICA Safe Trading Officer) was also on the trip, liaising with local firms to establish safe trading networks. Read the full story: <https://ica-ltd.org/trade-matters-in-pakistan/>
- **New leadership team voted in at the ICA (November)**
 - A new leadership team has been voted in at the ICA following its annual general meeting. Mr Tim North (Tim North Consulting) takes on the role of ICA President. Tim will be supported by Ms Kim Hanna (President – TransGlobal Inspections) as First Vice-President and Mr Mohamed Bashir (Chairman, Gul Ahmed Textile Mills Limited) as Second Vice-President. Read the full story: <https://ica-ltd.org/new-leadership-team-voted-in-at-the-ica/>
- **450+ ‘Together Again’ at ICA Las Vegas 2022 (November)**
 - 450+ delegates from the global cotton community gathered from 8 – 10 November at Las Vegas 2022 – the ICA’s first traditional trade event and gala dinner in three years. Delegates came together in the Park MGM, Las Vegas to take part in the three-day event, which saw a variety of top industry speakers take to the stage. Read the full story: <https://ica-ltd.org/450-together-again-at-ica-las-vegas-2022/>
- **Outstanding Service Awards (November)**
 - This year at our Las Vegas 2022 trade event, the ICA introduced a new award, intended to recognise outstanding service by our members who go the extra mile to contribute to the greater good of the industry and their peers in the Association, without a thought for their own reward or advancement. Nominations were sought from across the members, in more than 50 countries, and the unanimous decision earlier this year was that the first recipient of this award should be Andrew Macdonald, who sadly passed away in January 2022. There was another individual who our members recognised has provided outstanding service to the ICA, and this was Jamie Welsh. Read the full story: <https://ica-ltd.org/outstanding-service-awards/>
- **New edition ICA Bylaws & Rules (January)**
 - A new edition of the ICA Bylaws & Rules and Articles of Association came into effect on 1 January 2023. Read the full story: <https://ica-ltd.org/coming-soon/>
- **Trade Matters in Vietnam (February)**
 - In association with VCOSA, the ICA delivered a three day Trade Matters training course from 15-17 February in Ho Chi Minh City, Vietnam. The training incorporated interactive training modules covering contract making and performance, bylaws & rules, arbitration, safe trading. An ICA delegation

consisting of Kim Hanna (ICA Vice President), Robert Jiang (ICA Business Operations & Development Manager) and Mateus Gimenez (ICA Safe Trading Officer) conducted the workshop. Read the full story: <https://ica-ltd.org/trade-matters-in-vietnam/>

- **International Women’s Day (March)**
 - To celebrate this year’s International Women’s Day (8 March), we invited some men and women from the industry to share their views on this year’s theme of #EmbraceEquity. Read the full story here: <https://ica-ltd.org/international-womens-day-3/>
- **Trade Matters in Bangladesh (March)**
 - In association with the Bangladesh Cotton Association and Bangladesh Textile Mills Association, the ICA recently visited Bangladesh to deliver training and establish safe trading networks. Robert Jiang (ICA Business Operations and Development Manager) and David Wookey (Sterling Cotton Limited) delivered a two day Trade Matters training course to roughly 40 delegates. Read the full story: <https://ica-ltd.org/trade-matters-in-bangladesh/>

ICAC – International Cotton Advisory Committee

The Private Sector Advisory Council (PSAC) is now up and running, with four Permanent Committees:

- **Permanent Committee on Producers and Ginners**
- **Permanent Committee on Merchants and Other Cotton-Related Activities**
- **Permanent Committee on Spinners, Weavers and Machinery Manufacturers**
- **Permanent Committee on Brands and Retailers**

There is also an Executive Committee (consisting of three nominated members from each Permanent Committee).

One of the benefits for ICAC Member organisations will be the use of the new, interactive data portal which was launched last year. It’s a powerful tool that is updated throughout the month, providing the most current data available.

It will be part of a brand-new ICAC website, which is expected to be completed in June 2023. It will be a better reflection of the modern ICAC, especially the work we’re doing on the ground all over the world.

Plans are underway now for 7 October — World Cotton Day. The goal is to hold an in-person event every four years, so this would be the first in-person World Cotton Day event since the launch in Geneva in 2019. It is difficult to coordinate with so many major international organisations, but the ICAC and the PSAC are working on a major event to be held in Taiwan. An announcement of the ICAC’s plans for 7 October will be made soon. The theme for this (and future) WCDs will be ‘Cotton For Good’.

Finally, please don't forget that there are a number of ICAC publications available including monthly publications like Cotton This Month to quarterly publications like The ICAC Recorder and the Review of the World Situation and finally, annual publications such as the report on government assistance measures.

The ICAC Flagship publication is the Cotton Data Book which regroups the data and analyses of three major ICAC technical publications, previously released every three years. With this compilation, our subscribers will be updated yearly on the cost of production, the production practices and research in cotton with the addition of the sustainability aspect of the cotton industry. The new improved report contains data from more than 30 countries on the costs of all field operations — starting from pre-sowing to harvesting and ginning — as well as economic and fixed costs are determined and computed to calculate the cost of production of cotton per hectare and per kilogram. It also includes data per country on varieties of cotton and their fibre characteristics, insects, diseases, weeds and the methods used to control them; the use of fertilisers, farm size, rotations, harvesting and ginning. The research part of the publication focuses on research systems, variety approval processes, funding sources, input supplies (seed, fertiliser and pesticides), technology transfer with cotton maps for various countries and a list research institutions/organization, farmers associations, ginners association and textile associations. Released annually during the last quarter of the year.

ICE – Izmir Commodity Exchange

(No update)

ITMF – International Textile Manufacturers Federation

(No update)

JCTA – Japan Cotton Traders' Association

Cotton Imports into Japan returns to slow pace

In 2022, we faced on unexpected situation due to extreme weather conditions caused by climate change, the spread of Covid-19 infection by Omicron variant, Russia's invasion of Ukraine, soaring international commodity prices, the Shanghai lockdown, accelerating inflation and economic recession in the U.S. and Europe, and other factors.

Under the circumstances, the environment surrounding Japan's textile industry continues to be in tough situation.

However, Japan's cotton imports in 2022 remained steady despite the intense consolidation and closure of spinning mills, and rose 15% year-on-year to 197,000 bales, exceeding the previous year's level for the second consecutive year.

The increase can be attributed to the fact that consumer demand for cotton products is on the road to recovery, inventory adjustments have run their course, and the rebound from the previous year's reluctance to buy cotton products under the uncertainty of Covid-19 infection.

On the other hand, cotton imports into Japan returns to slower pace during first quarter of the 2023 being 24 percent below the comparable period of 2022.

The main sources of supply were the United States, followed by Australia, Greece and Brazil. Imports of U.S. cotton accounted for 44 percent of total imports and remains the largest supplier. Greece cotton decreased by 67 percent. Similarly, Brazilian cotton fell by 61 percent. In contrast, Australian cotton rose by 33 percent the comparable period of 2022.

The United States, Australia, Greece and Brazil account for around 90 percent of total imports of Japan in recent years, which suggest that oligopoly is on the rise.

Cotton Day 2023

Japan Spinners' Association (JSA) with sponsorship of Cotton Council International (CCI), along with the leadership of the U.S. cotton industry, will hold its annual Cotton Day in Tokyo, Japan on May 10, 2023. This year's event, will hold both virtual and in-person, featured the theme "The Journey to a Smart Cotton Future".

The event includes insightful sessions for growth and prosperity. The event has sessions about the recent global cotton scenario, and the U.S. Cotton Trust Protocol. It also includes the latest CCI updates.

In addition, Cotton Day Japan 2023 will feature eminent speakers and panelists.

KCA – Karachi Cotton Association

Mr. Muhammad Atif Dada, Chairman, The Karachi Cotton Association is pleased to share with the Global Cotton Community that they have Launched their Social Media Accounts, the most influential social media tool in social networking like Facebook, Twitter, and LinkedIn. Social media is typically used for social interaction and access to news and information, and decision making. It is a valuable communication tool with others locally and worldwide, as well as to share, create, and spread information.

Follow us on Social Media:

<https://www.facebook.com/thekarachicottonassociation/>

<https://twitter.com/kcapakofficial>

<https://www.linkedin.com/in/karachicottonassociation/>

Visit of Mr. Muhammad Atif Dada, Chairman, the KCA to BCI Office Lahore:



Ms. Lena Staafgard, Chief Operating Officer of Better Cotton Initiative, Sweden alongwith Mr. Muhammad Atif Dada, Chairman, The KCA & Director, BCI, Pakistan inaugurated BCI Office at Lahore. The New Luxurious office is a testament to Better Cotton's Commitment to create a work friendly environment that fosters collaboration and innovation. Better Cotton is the world's largest cotton sustainability programme to help cotton communities thrive, while protecting & restoring the environment.

USDA – United States Department of Agriculture

USDA Classification of the 2022-23 Domestic Crop and Expectations for 2023-24

The 2022-23 U.S. cotton crop produced approximately 13.66 million bales of Upland cotton and approximately 455,000 bales of Pima cotton for an overall total of 14.11 million bales, all of which was classed by High Volume Instrument and visual determination by USDA, AMS, Cotton and Tobacco Program (Program). This represented a significant decrease overall from the previous year's crop. The Upland crop saw a decrease by 19 percent; however, the Pima saw an increase by 42 percent from the previous year. Although there was a significant decrease from last year, the crop totals have surpassed the original 2022-23 estimates which were anticipated at 12 million bales for Upland and 400,000 bales for Pima. The 2022-23 classification of certificated bales (futures) for cotton merchants has significantly decreased again this year. Approximately 8,571 bales have been classed compared to 30,434 bales in the previous year, a decrease of 72 percent. Despite the decrease in production, the quality of the crop overall was slightly improved over the previous year. On March 31, 2023, USDA National Agricultural Statistics Service (NASS) reported that all cotton planted area for 2023 is expected to total 11.3 million acres according to their survey-based estimates. This is down by 18 percent from last year.

Universal Cotton Standards

The Program conducted the 2023 Universal Upland Guide Box Review on March 23, 2023, in Memphis, Tennessee with representatives from the U.S. cotton segments and the International Cotton Association in attendance. All master guides were approved for the matching of the new Universal Grade Standards which will be reviewed by the industry segments on June 21, 2023, in Memphis, Tennessee. The new guides and practical forms of the American Pima Grade Standards will be reviewed in Visalia, California on July 19, 2023.



Guide Box Review March 23, 2023 – Industry representatives reviewing the 2023 Guides with the 1986 Original Universal Standards

Leadership Changes

As was announced in the last report, the USDA, AMS Cotton and Tobacco Program's Deputy Administrator, Darryl Earnest retired effective April 30, 2023. USDA has initiated the process for selecting Mr. Earnest's successor. During the interim, the Program's two Associate Deputy Administrators, Ms. Monica Alexander, and Mr. Ronald Robbins, will serve as the Acting Deputy Administrator on a rotational basis.