

Competitive African Cotton Initiative in Malawi

Empowering small-scale cotton farmers in Sub-Saharan Africa

Background

Around 10% of the world cotton trade originates from Sub-Saharan Africa (SSA), the fourth largest cotton exporter. Besides coffee and cocoa the natural fibre is one of the most important agricultural export goods of the African continent.

Cotton is grown in West and Southeast Africa by 3.4 million small-scale farmers. In total 15.4 million people in SSA live directly from cotton production.

Often, the production is carried out in small-scale structures under rain-fed conditions – without artificial irrigation – and is part of a highly diversified production system. The small-holder farmers are integrated in the cotton value-chain through out-grower schemes. Due to lack of knowledge of appropriate methods of sustainable cotton production, weak access to services, a poor linkage to international markets and often unfavourable political framework conditions, inadequate use has been made of the potential of the cotton sector for poverty alleviation and economic development in SSA.

The initiative

Against this background, the Competitive African Cotton Initiative (COMPACI) aims at enabling 680,000 small-scale farmers in twelve countries of SSA to sustainably increase the productivity of their cotton and food crops production by the end of 2016, thereby raising their income by 45%. In this way, the initiative reaches nearly 30% of all cotton farmers in SSA. Since cotton sales contribute up to 50% of the smallholders' cash income, it allows them to improve their living conditions. In Malawi, COMPACI aims at targeting 58,000 small-scale farmers by the end of 2016.

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| Approach | Enable small-scale cotton farmers to sustainably improve their living conditions | |
| Project region and number of cooperating farmers | Benin: | 65,000 |
| | Burkina Faso: | 40,000 |
| | Cameroon: | 75,000 |
| | Côte d'Ivoire: | 96,000 |
| | Ethiopia: | 10,000 |
| | Ghana: | 8,000 |
| | Malawi: | 58,000 |
| | Mozambique: | 60,000 |
| | Tanzania: | 49,500 |
| | Uganda: | 12,000 |
| | Zambia: | 250,000 |
| | Zimbabwe: | 10,300 |
| Partners | GIZ, DEG, AbtF, Gatsby Foundation, private cotton companies in SSA Partnering cotton company in Malawi: GLCC | |
| Co-funded by | Bill and Melinda Gates Foundation, AbtF, Gatsby Foundation | |
| Overall project term | 01 / 2009–12 / 2012 01 / 2013–12 / 2016 | |

The Strategy

- Training of small-scale cotton farmers in sustainable production / cultivation techniques according to Cotton made in Africa (CmiA) Standard;
- Linking farmers to global market for sustainable cotton through verification of cotton production according to CmiA;
- Business management training in form of 'Farmer Business Schools';
- Strengthening producer groups;
- Advising African governments in the introduction / implementation of national cotton sector strategies;
- Collaboration with Pan African cotton associations.



Cotton from smallholder farmers is prepared for ginning at COMPACI's private partner Great Lakes Cotton company.



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Strong partnership

The Bill and Melinda Gates Foundation and the Federal Ministry for Economic Collaboration and Development (BMZ) are providing funding for the implementation of COMPACI, which GIZ and the Deutsche Investitions- und Entwicklungsgesellschaft (DEG) were commissioned to implement. Local implementation partners are private cotton companies active in Africa and contribute a significant share of over 50% to the financing of the programme. Since January 2013, the programme has entered its second phase and receives additional funding from the Aid by Trade Foundation (AbTF) and the Gatsby Foundation.

Cotton made in Africa

Cotton made in Africa (CmiA) is an initiative founded in 2005 by the Aid by Trade Foundation (AbTF), promoting sustainable cotton cultivation in SSA in order to improve living conditions of cotton farmers and their families sustainably. The cotton produced according to the CmiA-standard is traded at world market prices. In order to produce textiles with the CmiA label, textile companies of the demand alliance pay a licence fee to the AbTF. The revenues are invested by the AbTF and used to finance, among others, agricultural trainings of farmers, community projects within the project region as well as the verification of adherence to the sustainability criteria of the CmiA standard.



Impact

(as at 12/2014)

- Over 699,600 smallholder farmers were trained in Basic Agricultural Techniques, thereof over 49,400 in Malawi.
- 90,500 producers were trained through Farmer Business School trainings, thereof 11,300 in Malawi.
- 59,200 female farmers were organised in women's cooperatives, thereof 1,500 in Malawi.
- 693,500 farmers were trained in safe pesticide use and handling, thereof 49,700 in Malawi.
- A cross-border system has been established to measure results and is being implemented by the independent research organization National Opinion Research Center (NORC).

Long-term targets

- Increased economically, environmentally and socially sustainable cotton production;
- Significant increase in efficiency of cotton production and thereby in farmers' income;
- Increase in food crop production and thereby increase of food security of small-scale farming families.

Outlook

By 2016, BMZ and the Gates Foundation will withdraw from co-financing the programme. Training, community projects and CmiA verification then are to be financed insofar as possible through the licence revenues generated by the sales of CmiA-cotton and local cotton companies.

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