



COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA

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CONCEPT NOTE FOR THE COTTON TO CLOTHING STRATEGY STAKEHOLDERS REVIEW WORKSHOP

Venue: Hilton Hotel Nairobi Kenya

Dates: 28 – 29 July 2011

Theme:” *Smart partnership for the development regional Cotton to Clothing value Chain*”



1. Introduction

“It is Africa’s Turn”

No country or region in the world has achieved prosperity and a decent socio-economic life for its citizens without the development of a robust industrial sector.

As Africa emerges as an industrializing continent in this century, African leaders are determined to seize emerging opportunities to foster industrial development as an effective, socially responsible and sustainable means towards economic transformation.

This is evidenced by a series of proclamations and declarations at major summits and meetings. The 10th Ordinary Session of the African Union (AU) Assembly of Heads of State (HOS) and Government held in Addis Ababa, Ethiopia, in January 2008 was devoted to the theme of African Industrialization. The dedication of the Assembly to this theme demonstrates the high priority accorded to industry as a dynamic force in converting commodities into high value-added products. The consensus was that: “It is Africans turn”.

As part of the implementation the Abuja treaty of Africa Economic Community using the RECs as the building blocks, the COMESA Secretariat is supporting its member States to design and implement strategies to achieve this continental ambition. The strategies seek to reinvigorate the productive sectors from which most of the people of the region derive their livelihoods. This initiative is timed so that enterprises, trade support organizations and governments in COMESA member countries could take advantage of improvements in the trading environment arising from their stable economies and from a harmonized customs zone. Six sectors have been prioritized by COMESA for value chain strategy development and implementation, and cotton is one of the six. The COMESA Cotton to Clothing strategy developed by stakeholder’s facilitated by COMESA through the support of the EU-AAACP programme funded by the EC through AAACP. The strategy document was the outcome of various Regional Roundtables on the cotton to clothing sector.

The strategy was officially launched during the COMESA Business Council and Heads of states Summit on 4 June 2009. After the official launch, a strategy implementation committee was selected by stakeholders to oversee the implementation process. Seven countries were also selected to pilot the implementation, in which the regional strategy will be validated and prioritized at country level.

To date National Governments, National donor funded programs, COMESA activities, ACTIF secretariat , and regional donor funded programmes like the AGOA Hubs, USAID-COMPETE, Competiveness African Cotton Initiative (COMPACI), EU-All ACP Agricultural Commodities Programme (AAACP) through ITC, CFC,UNCTAD FAO, World Bank as implementing partners have directly or indirectly contributed to the strategy implementation. There maybe also other interventions at regional and National level that have not been documented.

However these interventions have not been synergized to monitor progress made in various sectors. Moreover most of the interventions mentioned above focused either on the cotton or clothing sub-sectors thus ignoring the textile (yarn, fabric, home textiles and made ups) sub-sector which is key to value chain integration.

2. Rationale and methodology

The cotton to clothing strategy was developed by the regional stakeholders facilitated by the COMESA secretariat. The process was made possible by EU funding through the EU-All ACP Agricultural and the Technical support from ITC and USAID funded Regional Agricultural Trade Support (RATES).

We recall that after the launch of the COMESA strategy and the Midterm review of the AAACP programme, the AAACP tranche II cotton activities/interventions were aligned to the regional strategy. Since then, many activities have been implemented by the National Governments, COMESA, ACTIF, IO'S and regional donor funded programmes. Apart from this a lot of changes have occurred in the cotton, textile and clothing industry/market due to the world economic crisis and post –crisis industry/market adjustment. Given these, and the fact that a strategy is not a static document there is a need for stakeholders to review the strategy to bring it update with the National, regional and international social-economic dynamics.

There are also other stakeholders/ programmes such as the Trademark East and Southern Africa, African Union Commission, United National Economic Commission for Africa, United Nations Industrial Development Organization (UNIDO), African Development Bank, Private Banks, the recently launched Chinese and Indian African fund which were not part of the strategy development process and maybe planning or are currently intervening in the sector at various levels.

Recent development such as the inclusion of Industry in the ongoing EAC, SADC and COMESA Tripartite framework need to be taken into consideration to ensure that the strategy informs the development of the envisioned Tripartite Industrial Policy. There is also the African Union lead Accelerated Industrial Development in Africa (AIDA) that seeks to speed up Africa's Industrialization. The need to align the cotton production component to CAADP framework for effective coordination and implementation at National and regional level.

The meeting will purpose to bring all these stakeholders together with the initial group that prepared the strategy to review the document to come up with the best way forward based on the recent development and each stakeholder's group key competencies. The review workshop will take the participatory approach that was utilized during the strategy development. The proposed duration of the workshop will be two (2) days.

Objective of Workshop

The overall objective is to review the status of the strategy implementation; and to expand stakeholder's participation, ownership and contribution to the Cotton to clothing sector in the region. The specific objective will be to come up with a plan of action (programmes) to synergized various interventions that are already ongoing or yet to start for better results. The outcome of this meeting can also be used to inform discussions at the Pan-Africa All ACP Agricultural Commodities programme Cotton dissemination workshop and donor conference scheduled for November 2011 funded by the EU through the All ACP Agricultural Commodities programme.

Expected outcome

1. Expanded stakeholders ownership/participation in the strategy implementation process
2. Formation of a Public Private sector plus Development Partnership working group for CtC development in ESA region
3. Updated list of ongoing cotton to clothing programme in the region.
4. A Road map for Strategy implementation in the ESA region with clear targets/milestones for the next 3 years
5. A Concept note for a textile and apparel sub-sector programme

3. Participants

The participants targeted for these meetings will be the Cotton to clothing value chain stakeholders that is, from farm to fashion. The meeting will also target the regional based donor agencies like the Delegation of the European Commission, USAID, CIDA, GIZ, DFID. The Indian and Chinese delegation will be targeted given that they have recently announced the creation of the Africa fund, to explore how the fund can support the Cotton to Clothing sector in the region. The Africa Union Commission, the United Nations Economic Commission for Africa, United Nations Industrial Development Organization and the United Nations Development Programme will also be involved. The EAC and SADC under the tripartite framework are also to be part of the process.

Regional projects like Trademark East and Southern Africa, East and Central Africa and Southern Africa AGOA hubs will also be invited. The regional private sector professional organization like ACTIF and the Southern Africa Confederation of Agricultural Unions will play a Central role in the review process.

4. Proposed programme outline

I. Day one

Official opening

Key note Presentation: The South-South exchange: What the region can learn from Bangladesh value chain development and possible areas of partnership

Introduction of the regional strategy /Objective

Session 1:

Roundtable on innovative financial solutions for the Sector

Session 2:

Presentations: Updates on various on-going/planned regional/Sub-regional projects-activities

Session 3:

Summary of National Intervention / status of the Industry by

- ACTIF (Ginning to Clothing)
- SACAU (Farm level)

Session 4:

Conclusion and closing of day one

II. Day two

- Proposed Action plan based on the strategy activities and day one deliberations
- Discussions and Alignment of various programme interventions with the strategy
- Review/or formation of the thematic working group for coordination of the action plan. The possible thematic areas include;
 - i. Industrial policy and institutional direction
 - ii. Upgrading production and trade capacities
 - iii. Human resources development for industry
 - iv. Industrial innovation systems, R&D Science and technology development
 - v. Financing and resource mobilization and Sustainable development

5. Planning

The meeting will be organized by COMESA and ACTIF in partnership with the Kenyan Government with technical support from ITC and UNCTAD through the EU-All ACP Agricultural commodities programme (AAACP) funding.

No	Workshops	May	June	July	August
1	Finalization of Concept note ,Budget and Venue				
2	Preparation participants list and sending of invitation letters				
3	Workshop				
4	Technical support to finalized, validate and publish the document				