
Baseline study on the cotton-to-textile value chain development in the C4 and Côte d'Ivoire for Project Preparation to support the “WTO-FIFA MOU of cooperation on cotton in support of cotton-to-textile value chain development in the C-4 and Côte d'Ivoire”

1 Background

The Cotton Four (C-4) countries, namely Benin, Burkina Faso, Chad and Mali, with Côte d'Ivoire as an observer-member, are amongst the poorest countries in the world. The UN classifies them as Least Developed Countries (LDCs); their annual per capita GDP is [below 1,500 USD](#). The C-4 import most of the goods and services needed by their population, contributing to their vast [balance of payments deficit](#); however, as a group they realize annual revenues ranging from 1,1 billion in 2016 to 1,6 billion USD in 2019 from exports of cotton fibre, thus providing vital livelihoods to millions of people employed along the cotton supply chain. A vast majority of the C-4 populations depending on cotton for the livelihoods are the poorest and more marginalized groups of society, mostly women and youth living in rural areas. Cotton, for them, is a cash crop contributing to food security and enabling access to fundamental services, such as healthcare and education.

Cotton fibre produced in the C-4 is amongst the most sustainable in the world, as constantly [reported](#) by the International Cotton Advisory Committee (ICAC). This is the case because C-4 cotton is handpicked and rain fed; the use of organic fertilizers is predominant while pesticides and herbicides use is lower than in other origins. For example, pesticide use in Mali is zero Kg/ha, 0.01 Kg/ha in Chad, and 0.14 Kg/ha in Burkina Faso as compared to 2.54 Kg/ha in the US, 5.94 in Brazil or 13.07 in China. Nitrogen fertilizer use is 1 Kg/ha in Chad, 2 in Mali, 4 in Burkina Faso and 6 Kg/ha in Benin as compared to 82 in the US, 146 in Brazil or 257 Kg/ha in Australia. Moreover, cotton production and ginning activities give jobs to women and youth. In the absence of local textile and apparel production capacity at the industrial level, local artisanal production of textile items secures additional jobs to the local population. Moreover, various global sustainability schemes run important operations targeting C-4 cotton, including [Cotton made in Africa](#) (CMiA), [Better Cotton](#), the [Organic and Fairtrade Cotton Coalition](#), and others. C-4 cotton is of high quality. It has relatively long fibres, that mostly fall into the medium staple length category (1 1/8 inch, about 28.5 mm) suitable for producing yarns that can be used for a range of applications, and which are processed worldwide to supply materials for fashion and home textiles¹. As cotton is hand-picked nep content is low and so is overall plant trash content.

C-4 cotton face many challenges: it suffers from unfair international market conditions due to highly subsidized production in other countries; it faces important supply chain disruptions and increased agricultural input prices; local value addition activities are hindered by insufficient

¹ For more information see e.g. [African Cotton](#) | [Cotton made in Africa](#) | [CmiA](#).

investments and other limitations, though having become the main objective for local stakeholders from both the public and private sectors.

A Memorandum of Understanding (MoU) between the WTO and FIFA, [signed](#) by WTO's Director-General, Dr. Ngozi Okonjo-Iweala, and FIFA's President Mr. Gianni Infantino on the 27th of September, 2022, in the margins of the WTO Public Forum. The MoU establishes the scope of activities between the two organizations and explicitly names women's economic empowerment, micro small and medium sized enterprises and cotton as some of the key elements for joint work.

The signatories of the MoU, as well as all the national and international partners who will support the implementation of the activities, share the common goal of supporting sustainable cotton production and value addition in the C4 and other African least-developed countries (LDCs) where cotton is of crucial socio-economic importance, while ensuring that football can further promote sustainable development for everyone to benefit from the global football economy.

Cotton production, processing and trade, on the one hand, and football on the other, are catalysts for sustainable economic growth and social inclusion. Enabling the sustainable development of the cotton sector of the C-4, as well as enhancing its integration into international textile and sports apparel value chains, can yield significant results in terms of women and youth empowerment, job creation, enhanced environmental sustainability in cotton farming and processing, and ultimately contribute to the improvement of living conditions of millions of people in some of the world's poorest countries.

In order to achieve these results, the WTO and FIFA invited the contribution, *inter alia*, of the United Nations Industrial Development Organization (UNIDO) and the International Trade Centre (ITC) who are well established WTO partners in cotton-related activities and have the technical expertise to support private sector development in the C-4 and Côte d'Ivoire as needed.

An initial concept note of “*WTO-FIFA MOU – co-operation on cotton in support of cotton-to-textile value chain development in the C-4 and Côte d'Ivoire*” has been worked out by these four entities, WTO, FIFA, UNIDO and ITC, in which both UNIDO and ITC identified as technical partners to support the technical content and budget estimation.

This concept is to work with partners to support the WTO-FIFA MOU on cotton in support of cotton-to-textile value chain development in the C-4 and Côte d'Ivoire. Through the proposal, a baseline study will be conducted at this inception stage to collect and analyse the data from both supply and demand sides and to assess the feasibility and develop a project of cotton value chain development in the C4 and Côte d'Ivoire. In addition, the baseline study will further highlight the need of “*Cotton Roadmap Initiative in C4*” for mobilizing the resource and promoting the investment.

2 Project Objective

- The primary objective of the project is to design and deliver a baseline report to collect and analyse the data from both supply and demand sides of cotton value chain in the C4 and Côte d'Ivoire.

- The secondary objective is to assess the feasibility, mobilize the resource and develop a fully-fledged project document of cotton value chain development in the C4 and Côte d'Ivoire to support the WTO-FIFA MOU.
- The ultimate objective is to further mobilize resources for the development of cotton to textile value chains in the C-4 and Côte d'Ivoire as outlined in the C-4's [Cotton Roadmap project](#).

This will institutionalize project preparation in-house and enable the partners to jointly prepare the project document and fund mobilization together in a sustainable manner.

3 Scope of work

The expected results of the baseline study are:

- (i) The supply capacity of cotton value chain in the C4 and Côte d'Ivoire and the need and requirement of the target markets are well evaluated;
- (ii) The compatibility of existing legal and policy frameworks to the implementation of cotton value chain development are analysed; and
- (iii) A fully-fledged project document is developed based on the baseline reports.

The proposed intervention is as outlined below:

Outcome

A fully-fledged project document is developed based on the baseline report for submission to fund mobilization and approvals.

Output

Baseline Report, and Full-fledged Project Document

Activities:

- Design the questionnaire and conduct survey at both supply and demand sides /*2.5months*
- Project baseline report prepared /*1.5months*
- Project baseline and stakeholders map are defined /*2months*
- Project Document is developed, formulated and approved /*2months*
- Submission for funding mobilization and agreement of full scope project formulated

4 Schedule

The total duration of the proposed intervention is estimated up to be 8 months with the planned starting date of Jun. 1st, 2023, and the primarily results of the study is to be presented the world cotton day celebration on October 4th, 2023

5 Financing of the project and estimated costs

The required fund for the PA will be mainly supported by two external partners, in which one is the Afreximbank and the other is the FIFA. The Afreximbank has committed to providing the half of funds (45/50K USD) from the 300K EUR already committed during the Cotton Partners Conference of July 2022; and the FIFA is to contribute to another half of the funds for the baseline analysis (45K USD).

UNIDO is to provide kind-of contribution on the technical and admin support from HQ to the field. ITC as another key technical partner is to provide the kind-of contribution on the technical support for the baseline study.

Indicative Budget (for baseline study and estimated by ITC and UNIDO)*

Budget line	Total Budget (USD)	Benin	Burkina Faso	Mali	Chad	Côte d'Ivoire
11-00 Int. Cons/Staff	15,000	3,000	3,000	3,000	3,000	3,000
11-10 IC Travel	10,000					
15-00 Local Travel (NCs)	12,500	2,500	2,500	2,500	2,500	2,500
16-00 Staff Travel (UNIDO & ITC)	17,000					
17-00 Nat. Consult	28,000	7000	7000	7000	7000	
17-01 Tech/Admin Support	0					
43-00 Premises	1571					
SC-Support Costs (13%)	10,929					
Total	95,000					

**Indicative budget lines may be subject to change within $\pm 15\%$ among BLs based on the assessment need.*

6 Logical Framework

Outcome	A fully-fledged project document developed based on the baseline report for submission to fund mobilization and approvals.		
Output 1	Activity	Estimated Completion Date	KPI' s / Indicators
	• Baseline Report, and Full-fledged Project Document	Jan 31 st , 2024	
Activity 1.1	Develop ToRs of International and National consultants with ITC	Jun. 1 st , 2023	
Activity 1.2	Design the questionnaire for supply and demand sides	Jun. 15 th , 2023	
Activity 1.3	Conduct survey and data collection in the fields	Jul. 30 th , 2023	
Activity 1.4	Project baseline report prepared	Sep. 15 th , 2023	
Activity 1.5	Baseline study report completion for Partner conference of World Cotton Day 2023	Sep. 30 th , 2023	
Activity 1.6	Project Document is developed, formulated and approved	Nov. 30 th , 2023	
Activity 1.7	Submission for funding mobilization and agreement of full scope project formulated	Dec. 15 th , 2023	

Annex 1: The WTO-FIFA MOU-cooperation on cotton in support of cotton-to-textile value chain development in the C-4 and Côte d'Ivoire