

ANNUAL REPORT COTTON PRODUCTION 2020 SEASON

OVERVIEW

During the period under review the government continued enhancing promotional campaigns to revive the cotton sub-sector under the Big 4 Agenda. Under the programme, the growers received 24 MT of superior seed of Hybrid Bt Cotton for 10,000 acres. It was during the season that the ban on commercialization and environmental released with conditionalities for Bt Cotton was lifted by NEMA. This brought a lot excitement among the farmers who had waited for a long time for commercialization.

The COVID 19 pandemic affected the industry heavily during the period as most cotton textile mills and factories closed in most of leading world producers like China. This caused flooding of the market with cotton lint, hence destabilizing the market at the international level. This was further aggravated by USA-China trade wars escalating during the same period further leading to falling of seed cotton prices due forces of supply and demand in the world market. The prices dropped upto the equivalent of Ksh 38/- per kg. This caused the Directorate to re-negotiate with the ginner, spinners and other stakeholders to lower the price to 48/= from the earlier agreed price of Ksh 52/- (arrived at from a price support of Ksh 6/= per Kg) as this would have made our cotton highly uncompetitive.

PRODUCTION

During the period under review, farmers from a total of 23 counties planted cotton. This was the same number in the previous season, though West Pokot could not grow the crop due to insecurity issues in the county. At the same time, Kakamega, Matungu constituency engaged in cotton production for the first time after many years.

A total of **3,495 MT** was produced over an area of **9,987 Ha** during the period under review. In comparison to the previous period, this was a 45% drop (from 18000 Ha to 9,837 Ha) in area.

Despite a fall in area, production increased by 16% from 3,015MT to 3,495 MT, as yield per acre increased due to use of superior seed provided to the farmers by the government during the period under review as farm input support. *[See Table 1 and Table 2]*

Table 1: Cotton Production - Comparison 2019 and 2020

Year	2019	2020
Area (Ha)	18,000	9,987
Seed Cotton (MT)	3,015	3,495
Yields (MT/Ha)	0.17	0.35
*Seed cotton price (Ksh/kg)	52	52 & 48
Seed cotton Value (Million Ksh)	157	177
No. of bales (185 kg lint)	5,432	6,196
Value of lint (@ Ksh 180/- per Kg	190	206
Lint prices Ksh/kg	163	180

***Note:** There were two price regimes offered: Eastern region @ Ksh 52/ = per Kg and Western & Coastal region @ Ksh 48/= per Kg

PRICES OF SEED COTTON AND LINT

The prices for Western and coastal regions were re-negotiated by stakeholders from the earlier agreed upon of Ksh 52/= per Kg to 48/= due to shocks in international prices (at approx. Ksh 38/= per Kg) arising from oversupply of cotton in the international market.

The harvesting of seed cotton in these areas (Western and Coastal) coincided with the oversupply in the international market. This glut had been occasioned by massive closure of Textile and garment factories in most of the leading cotton producing countries due to Covid – 19 Pandemic. Another reason for the glut resulted from USA-China trade wars, which made it difficult for USA to offload its cotton to China as usual, leading to oversupply.

Maintaining a price of Ksh 52/= per Kg of seed cotton for the regions would have resulted in our cotton being highly uncompetitive.

The price for the same regions was re-negotiated downwards from Ksh 190/= per Kg to 180/= as indicated in table 2 below.

Table 2: Seed Cotton Production

County	ha	seed cotton(mt)	Value seed Cotton (Kes)	No. Lint-Bales	Value Of Lint (Kes) @180/Kg
Baringo	200	157	7,263,941	283	9,424,896
Bungoma	120	52	2,496,000	94	3,120,000
Busia	1237	150	7,500,000	270	9,000,000
Elgeyo Marakwet	41	30	1,441,608	54	1,805,340
Embu	160	55	2,689,253	99	3,281,700
Homa Bay	1383	468	22,464,000	843	28,080,000
Isiolo	5	5	239,252	8	276,060
Kakamega	32	6	268,800	10	342,000
Kilifi	60	31	1,498,337	56	1,875,068
Kirinyaga	12	8	410,800	14	474,000

County	ha	seed cotton(mt)	Value seed Cotton (Kes)	No. Lint-Bales	Value Of Lint (Kes) @180/Kg
Kisumu	99	79	3,859,794	142	4,726,278
Kitui	1600	297	14,806,260	536	17,845,920
Kwale	100	28	1,320,000	50	1,650,000
Lamu	620	811	46,623,175	1461	48,651,300
Machakos	400	46	2,269,288	83	2,778,720
Makueni	1000	117	5,489,470	212	7,046,880
Meru	600	694	36,495,207	1250	41,636,773
Migori	40	3	144,000	5	180,000
Murang'a	8	1	49,000	2	60,000
Siaya	1940	189	9,067,992	340	11,334,990
Taita Taveta	40	86	1,590,408	54	1,786,830
Tana River	90	136	6,516,864	245	8,158,500
Tharaka Nithi	200	47	2,400,441	84	2,801,340
Total	9,987	3,495	176,903,889	6,196	206,336,595

Although overall production during the period was higher in comparison to the previous period, the targets in terms of area, production and productivity could not be achieved and was much lower than targeted due to a number of factors during the season. These were:

1. Heavy rains and floods in Nyanza and Western regions
The unexpected heavy rains and floods experience in the two regions spoilt the party literally as they came when the crop had already started developing. Most of the crop was destroyed and farmers had to replant again after floods subsided. This was already late in the season causing lower yields than earlier anticipated
2. The government support of superior seed for 10,000 acres out of a target of 60,000 acres due budget constraints implied the acreage was far much lower than expected. Most of the farmers were not ready to plant the hybrid seed, as they were risk averse and out of fear that it would not perform well, only planted 40% part of the seed, while retaining the rest for the following season in case it performed well.
3. Late delivery of superior seed
The transition from conventional to superior seed (Bt Cotton) had a lot logistical challenges that led to delays in the seed reaching the farmers on time. The seed was to be flown from India, undergo trials by Kephis and then be delivered to the various counties. Some farmers refused to plant since it was already late and planting the seed could not guarantee a crop. Those who planted late missed the first rains leading to lower yields than expected of yield of 1500 kg per Ha.

CONCLUSION

The use of superior seed holds one of the major keys to unlock higher productivity and production of cotton. At the same time, crop husbandry and agronomic practices have to be taken into account to ensure the full benefits of this seed. There are very good promises going by the production received from the first ever use of Bt cotton among the smallholder farmers.