



USAID FIRMS PROJECT

Initial Assessment of Cotton Contamination Issues

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Data Page

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Abstract

Pakistan has a globally competitive yarn spinning sector and a nascent textile manufacturing sector. The entire textile industry relies heavily on domestically grown cotton fibers for its industrial raw material and is handicapped by pervasive, high levels of contaminants and vegetative trash in the bales of cotton delivered from the existing gins in the country. The solutions to these problems lie in the harvesting, ginning and handling of the seed cotton and lint cotton. The legal situation notwithstanding, all of these segments currently exist under regulatory neglect.

The harvesting is all done by hand and the primitive machinery and equipment in existing cotton gins stand in sharp contrast to the state-of-the-art yarn spinning factories within the country. The work reported here is aimed at (1) fostering improvements in harvesting, ginning and handling procedures and (2) planning toward the technological upgrading of cotton gins. Successful interventions in these segments can enable the delivery of cotton that meets global standards for fiber conditioning and contamination levels.

Acronyms

APTMA	All Pakistan Textiles Mills Association
PCGA	Pakistan Cotton Ginners' Association
RYKCCI	Rahim Yar Khan Chamber of Commerce and Industries
USAID	United States Agency for International Development
USDA	United States Department of Agriculture

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Executive Summary

This project is an integral part of the “FIRMS Cotton Strategy & Interventions” (GBTI II Task Order No. EEM-4-07-07-00008-00, authored by Fahad Kamal & Junaid Lodhi, 15th October 2010). The focus of this project is on diagnosing and recommending actions to alleviate the contamination in ginned cotton fibers. The contamination consists of (1) foreign materials (due to practices and procedures in the harvest and handling of seed cotton) and (2) vegetative trash (due partially to harvesting practices but primarily to inadequate ginning machinery and procedures) in the bales of cotton delivered from the existing gins in the country.

Pakistan has a globally competitive yarn spinning sector and a nascent textile manufacturing sector. The entire textile industry relies heavily on domestically grown cotton fibers for its industrial raw material; therefore, it is seriously handicapped by pervasive, high levels of contaminants and vegetative trash in the bales of cotton. The solutions to these problems lie in the harvesting, ginning and handling of the seed cotton and lint cotton. The legal situation notwithstanding, all of these segments currently exist under regulatory neglect.

The harvesting is all done by hand and the primitive machinery and equipment in existing cotton gins stand in sharp contrast to the state-of-the-art yarn spinning factories within the country. The work reported here is aimed at (1) fostering improvements in harvesting, ginning and handling procedures and (2) planning toward the technological upgrading of cotton gins. Successful interventions in these segments can enable the delivery of cotton that meets global standards for fiber conditioning and contamination levels.

Intensive visitation and dialogue with the ginning enterprises, textile enterprises, and interested business associations were combined with in-depth discussions of legal, regulatory, and policy issues. It was concluded that direct intervention in the ginning sector – combining technological upgrading of the gin plants with a requirement that the participating ginners ensure improved harvesting and ginning procedures – could make it feasible to start a virtuous cycle of structural change. It was also concluded that a necessary condition for success is the dedicated and overt participation of a few (probably two or three) quality-conscious yarn spinning companies in Pakistan. These companies would collaborate to make the premiums for quality cottons explicit and therefore, visible to the entire ginning sector.

The focus was on what could be done in the year ahead; i.e. what could be done in time to affect conditions in the 2011-12 cotton harvest season. The following tasks were identified as critical:

- Enlist the help of key industry leaders and associations to advance knowledge about the project and obtain the cooperation of the industry segments.

- Conduct an open, well-publicized application process that allows all interested gin companies to apply for participation in the upgrading of gin technology.
- For first-year participants, choose those companies that can bring a combination of financial strength, above average technical knowledge, and a strong commitment to improving procedures in harvesting, handling and ginning of cotton. Ideally, these companies would send selected personnel to attend a USDA Cotton Gin School in 2011.
- As quickly as possible, involve a gin construction and operation expert, whose first task is to develop a proposed design and a cost estimate for the gin upgrades. Follow this task immediately with visits to selected gin companies, for the purpose of determining how each one will be designed and constructed to incorporate the modern technology.
- Solidify the selection of yarn spinners that will provide the 'demand-pull' necessary to jumpstart the project and initiate dialogue between them and the ginners, in order to formalize purchasing arrangements for the cotton fibers.

Realistically, all of the above tasks should be accomplished by the end of March 2011. This is necessary to make it possible to bring the upgraded gins online in time to operate during the cotton harvest beginning in October 2011.

Adequate progress on these tasks will naturally lead to the planning and execution of many other tasks implicit in this report and others that have not been specifically mentioned. However, focusing on the other tasks before these critical ones are sufficiently advanced would be premature.

1. Introduction

This project is an integral part of the “FIRMS Cotton Strategy & Interventions” (GBTI II Task Order No. EEM-4-07-07-00008-00, authored by Fahad Kamal & Junaid Lodhi, 15th October 2010). This focus of this part is on diagnosing and recommending actions for alleviating the contamination in ginned cotton fibers. Contamination is universally identified by the textile manufacturing sector in Pakistan as its greatest handicap in global competition. Pakistan is the fourth largest cotton producer in the world and the textile industry is dominated by yarn spinners that need to use domestically grown cotton fibers to remain globally competitive. The contamination consists of (1) foreign materials (due to practices and procedures in the harvest and handling of seed cotton) and (2) vegetative trash (due partially to harvesting practices but primarily to inadequate ginning machinery and procedures) in the bales of cotton delivered from the existing gins in the country.

Cotton harvesting in Pakistan is done entirely by hand labor. It is a truism that both the cleanest and the most contaminated seed cotton in the world is hand harvested. Along this spectrum, Pakistan would rank poorly; however, instances of fairly clean harvested seed cotton can be observed. The typical practice in Pakistan is to harvest three times during the growing season; therefore, it is to be expected that both quality and contamination of the cotton fibers will vary over these harvests.

Pakistan is notable for relatively high levels of foreign, non-vegetative contamination; e.g., polypropylene (primarily from disintegration of polypropylene bags used in harvesting the cotton), rocks and dirt, human and animal hair, scraps of clothing, etc. Such problems are unique neither to Pakistan nor to hand-harvesting. Preventing such contamination always requires dedicated procedures and human diligence. Thus, in the U.S., where cotton is 100% machine harvested, operators must watch for plastic bags, papers, etc. and avoid letting these get into the harvester. Avoidance of contamination between the farms and the gins, while at the gins, and even after the cotton fibers are in the bales must also be achieved by following proper procedures.

Notwithstanding these procedural issues for minimizing foreign contamination, the more striking observation of Pakistan cotton is its very high content of vegetative trash. It typically has 8-10% vegetative trash by weight, while most of the world’s ginned cotton fibers have only 2-4%. As a result, the ‘yield’ from Pakistan cotton at the yarn spinning mill (i.e., the percent of gross weight in the bale that is actually converted into yarn) is only about 80%, while that for imported cotton fibers is 90% or more. Accompanying this reduced yield are increased problems throughout the yarn spinning process that cost the factory both time and money. These factors inevitably subtract from the value of the Pakistan cottons and reduce revenues at the farm level.

All observations indicate that failure to remove this vegetative trash is due primarily to inadequate ginning. Particularly striking is the egregious lack of moisture control and

modern cleaning machinery in Pakistan. Thus, in the U.S. higher levels of vegetative trash are often delivered to cotton gins than is the case in Pakistan, yet the ginned cotton fibers in the U.S. easily meet global standards, while those in Pakistan fail miserably.

Improving the contamination problems would enable improved revenues and profits all along the production-marketing-manufacturing chain, thereby providing a 'win' for everyone involved in the cotton/textile complex of Pakistan. The technical feasibility of accomplishing this is not in doubt; however, the technical knowledge is not available domestically and there are currently no incentives provided along the domestic marketing chain for solving these problems. The challenge is enabling its accomplishment from an economic standpoint and achieving an acceptable distribution of incentives throughout the system. This project aims to meet this challenge and foster a virtuous cycle of structural change within the cotton/textile complex of Pakistan.

2. Report On Activities

My two-week trip to Pakistan was undertaken to solidify plans for identifying possible gins to be upgraded and to explore linkages between harvesting, ginning and yarn spinning entities along the marketing chain, in order to enable collaboration for delivery of premium cotton fibers. Preparatory for my visit was an extended field trip by Mr. Junaid Lodhi of the Cotton Growing, Ginning and Spinning Team, USAID FIRMS Project. This trip resulted in a report titled “In-Depth Report to Ginning Facilities – South Punjab.” This report was very well done and it provided the best basis for our efforts to evaluate the condition of the ginning sector and involve it in this project.

I arrived at the Chemonics offices in Lahore on December 20. The first two-and-a-half days on site in Lahore were used for required orientation to procedures and to discuss the thrust of the cotton project with key people in the various divisions of Chemonics.

During the evening of December 21, I was visited at my hotel by [REDACTED]. Mr. [REDACTED] is [REDACTED], located in the Khan Pur District. He is also a naturalized U.S. citizen with multiple business interests in the U.S. He is either kin to or very good friends with Mr. [REDACTED], [REDACTED]; both of these men have attended USDA Cotton Gin Schools in the U.S. Mr. [REDACTED] travel companion, Mr. [REDACTED] is the son of Mr. [REDACTED]

Mr. [REDACTED] expressed his desire to enable several people from the gin industry in Pakistan to attend the USDA Cotton Gin Schools in the U.S. His reasoning is obvious and correct; that both the knowledge and skill levels of critical gin workers need to be upgraded along with the technology used in the new gins. He took pains to emphasize that he did not believe the expenses of sending these people should be subsidized and that all he wanted to arrange was permission for them to come. I told him that I would explore arrangements for the admission of several people and I have discussed this with management personnel at Chemonics.

On the morning of December 22, [REDACTED] and I visited [REDACTED], where we dialogued with Mr. [REDACTED]. This visit also served as preparatory for a later visit with Mr. [REDACTED] (father) at a large ginning company in Rahim Yar Khan. On the afternoon of December 22, Junaid Lodhi and I traveled to Multan. On December 23 we systematically visited four major ginning companies in the region, toured the ginning plants and grounds, and discussed a wide range of ginning issues with the principals of each company. Companies visited were the following:

1. [REDACTED]
2. [REDACTED]
3. [REDACTED]
4. [REDACTED]

At the end of the first day, an informal visit was had with four key participants in the cotton ginning segment:

1. [REDACTED]
2. [REDACTED]
3. [REDACTED]
4. [REDACTED]

The gins visited were representative of the larger ginning operations in Pakistan, with compounds where the gins were located also having cottonseed crushing facilities for producing oil for further refining and meal cake for animal feed. These entrepreneurs also had other investments outside the cotton sector. Nevertheless, among the gin plants there was a wide interval of machinery quality and operational practices on display. Even in the best equipped plants, there was a lack of effective seed-cotton and lint cleaners. Also absent were any meaningful moisture control capabilities throughout the ginning process. Particularly noteworthy was a lack of controlled drying of seed-cotton before ginning.

Discussions throughout the day confirmed and clarified many realities about the harvesting, handling and ginning practices. The ginners buy seed-cotton from farmers and from brokers who aggregate seed-cotton from farmers, and then they sell the ginned cotton fibers to domestic yarn spinning companies or, when feasible, to cotton exporters. They readily admit that their primary focus is on trading, with ginning operations being necessary for engaging in cotton trading. They asserted that domestic yarn spinners did not appreciate cleaner cotton enough to pay an adequate premium for cleaning it better – and that only the export market offered appropriate premiums for clean cotton.

On the second day in Multan the morning was spent visiting at [REDACTED], which is the largest gin machinery maker in Pakistan. We visited with [REDACTED], brothers who own and operate the company. It was startling to observe that the company has only the minimum amount of machine tools and that these are obsolete and poorly maintained. Any machining tasks beyond the most basic must be outsourced and bona fide development of machinery appears to be beyond the capability of the company. In the process of our tour and discussion, we observed very obsolete gin stands and were told that this design constituted the majority of stands existing in Pakistan and even the majority still being sold. We had not seen any evidence of these on our visits, which implies that we did not see any of the more primitive gin plants in the country.

At mid-day on the second day, we attended a specially arranged meeting of the Pakistan Cotton Ginners' Association (PCGA). Officiating at the meeting was done by [REDACTED]. The meeting was presided over by [REDACTED]. There were at least 25 gin companies represented at the meeting; a list provided by [REDACTED] of those in attendance is given in Appendix A.

We were given the understanding that, while there may be about 1,200 gins in Pakistan, only about 500 gins were members of the PCGA. The ginners present emphasized what others had emphasized during visits the previous day; i.e., that the price system in Pakistan offers no incentive to improve the harvesting and ginning processes and that if the textile industry in Pakistan wants to get higher value-added cotton fibers as the industrial raw material for textile manufacturing, then some compensation for the added expense of providing these must be forthcoming.

We used the opportunity to say that the project would be structured to make apparent the added value of the cleaner cotton fibers and to exhibit the premiums that were paid for these. We also emphasized that the ginners who participated in the project would have to make three significant commitments:

1. **Financial** – sharing of the costs of upgrading the machinery and equipment.
2. **Harvesting** – becoming involved with harvesting procedures and practices to help ensure the elimination of unnecessary non-lint contamination.
3. **Operational** – adopting best management practices in processing and handling of the cotton.

We returned to Lahore on December 24 and work was interrupted by Christmas on December 25 and by Sunday, December 26. On December 27 the results of the trip were consolidated, a trip report was written, and plans were finalized for the remaining four days of my time there.

We began the day on December 28 by traveling to the factories of [REDACTED]. This yarn spinning company is seen as an important collaborator in the project and I saw this as a crucial indicator of our ability to create the necessary 'demand-pull' through the marketing chain, [REDACTED] met us at the Chemonics offices and traveled with us to the [REDACTED] factories in the Raiwind District outside Lahore. Upon arrival, he introduced us to [REDACTED], who directly managed the operations of the factories. We were given a complete tour and observed a world-class manufacturing business. While the factories were not equipped with advanced robotics (due to the economic utilization of cheap labor), the machinery was modern, consistently utilized, and very well maintained. Both grounds and buildings were clean and in good repair; exemplary of an efficient operation. The most vexing problem faced by the company seemed to be the lack of reliable energy supplies. (A fine looking back-up electrical generating plant was largely useless at this time because of the unavailability of natural gas to power it.)

Discussions with Mr. [REDACTED] were very informative. The company uses predominantly Pakistan cotton, but also imports cotton from the U.S., Australia, Uzbekistan, etc. They were acutely aware of the high contamination levels of Pakistan cotton and could readily quantify the cost to the company from having to deal with this contamination. They have agents that scour the cotton producing areas to identify the better cottons and they gather samples to evaluate before buying the cottons. They invested large amounts of money in machinery to automatically detect foreign

contaminants and they still use some human labor to inspect the fibers as they are fed into the textile mills.

Upon finishing the visit at the factories Mr. [REDACTED] then accompanied us back to Lahore, where we visited the head office of [REDACTED]. There we dialogued with [REDACTED] and the discussions were extraordinarily helpful. It was explained that [REDACTED] would willingly pay a 1.4% price premium for each 1.0% reduction in trash content and a 1.0% premium for each 1.0% reduction in water content below 9%. Mr. [REDACTED] said he would send documentation to the cotton team relating to their willingness to do this. It was emphasized that, due to the acute contamination problems with Pakistan's cotton, [REDACTED] currently tests cotton fibers before buying them and would diligently seek out the gins that delivered the superior fibers. It was also emphasized that other textile companies would likewise seek out such cottons, which would sustain a bona fide demand-pull in the market.

Following the activities at [REDACTED], we all returned to the Chemonics offices and then [REDACTED] and I prepared to leave for Rahim Yar Khan. We arrived in the evening and stayed at the house of [REDACTED] because the hotel in Rahim Yar Khan was judged to be too insecure. In addition to meeting with members of the Rahim Yar Khan Chamber of Commerce and Industries (RYKCCI), we had plans to visit four additional gin companies:

1. [REDACTED]
2. [REDACTED]
3. [REDACTED]
4. [REDACTED]

First thing in the morning of December 29, we accompanied Mr. [REDACTED] to [REDACTED]. It is a large compound containing four separate gin plants and one of the largest cottonseed crushing plants we observed. Mr. [REDACTED] expressed the desire to replace at least two of the gin plants with one higher capacity plant. All of the gin plants had the cotton inputted by means of long continuous belts, with workers stationed on both sides along much of the belts to remove non-vegetative contaminants and damaged or diseased cotton. Also underway was construction of some large warehouses for the purpose of storing the cotton bales inside. This was the only time we saw or heard of inside storage during our travels. Throughout our visit Mr. [REDACTED] exhibited knowledge about cotton ginning and handling issues that was far above the average in Pakistan. Also, he sources cotton from a wide area, which includes parts of Sindh that were damaged by the flooding. Furthermore, he appears to be quite strong financially; both willing and able to invest significantly if accepted as a participant in the project.

Upon finishing the visit with Mr. [REDACTED] we immediately departed for the facilities of [REDACTED]. Recall that Mr. [REDACTED] is the friend of Mr. [REDACTED] and the father of Mr. [REDACTED]. Mr. [REDACTED] was also present when we arrived at [REDACTED], while Mr [REDACTED] had returned to the U.S. The knowledge Mr. [REDACTED] had gained at the USDA Gin Schools

was apparent; indeed, he was articulate about ginning issues covered at these schools and attuned to the basic requirements of quality ginning. He put his seed cotton through a stick and burr machine before feeding the cotton into the gin plant and he had a continuous belt (which looked about 30 feet long) between the stick and burr machine and the rest of the plant, where he had workers spotting and removing contaminants from the seed cotton. He also had a “Porcupine” lint beater-cleaner, which he was not using because with cotton shortage in Pakistan and globally, he thought it would reduce the revenues he gets this year on his cotton.

Following the tour and discussion with Mr. [REDACTED], he accompanied us to [REDACTED]. This gin is owned by Mr. [REDACTED] [REDACTED] and the primary machinery in it is 47-year-old Lummus machinery that was brought new to Pakistan from the U.K. Without doubt this was the best machinery we saw in our travels; it is a testament to the durability of well-balanced, precision-made machinery. The gin was typical, however, in that it had neither cleaning machinery nor moisture controls.

We were joined at [REDACTED] [REDACTED] by some people with the RYKCCI. After the tour was done, we followed these people to the Chamber’s offices that were nearby, where we were joined by more members. A list of people in attendance there is given in Appendix C.

At the Chamber’s offices, refreshments were served, expressions of hope for the project were heard, and questions were taken. We used the opportunity to again emphasize the commitments expected from gins that wanted to apply to participate in the upgrading envisioned for the project. They used the opportunity to emphasize the willingness to participate and to request that influential organizations like the Chamber of Commerce and Industries be kept informed and utilized to help advance the project. We explained that we heard a similar message from the Pakistan Cotton Ginners’ Association and that we would be diligent to pass this message through to those setting policy for the project.

Upon finishing at the Chamber offices, the group disbanded and we returned to the house of Mr. [REDACTED] for the night. As planned, Mr. [REDACTED] had already returned to Lahore, but the keepers of the house had prepared for us to stay longer. The next day, December 30, was planned to contain the last activities for the trip.

We left on the morning of December 30 and drove to the town of Daharki in the Sindh province, where we visited [REDACTED] [REDACTED]. We were hosted by Mr. [REDACTED] [REDACTED], operator of the company. Also present were seven other investors in the company. The names of those present are given in Appendix C.

The grounds where the gin of SSD Cotton is located also contain a well constructed and maintained flour milling plant. Mr. [REDACTED] commented that on adjacent land he was planning to construct a rice milling plant. The gin and cottonseed crushing facility on the grounds did not benefit from the same care as manifested by the flour milling plant. The gin machines were probably the worst I saw during my visits and Mr. [REDACTED] conversation did not reveal a strong focus on the ginning operations. He has replaced a pneumatic feeding system to the gin with a continuous belt feeding system, similar to

that at the [REDACTED], but Mr. [REDACTED] made clear that his motivation for doing so was to reduce energy usage. There were no workers inspecting the cotton for contamination along the belt. Nevertheless, Mr. [REDACTED] and his associates appear to be successful, diversified businessmen with substantial financial strength. Mr. [REDACTED] expressed his willingness to fully engage the gin upgrading project if allowed to participate. Furthermore, his business sources all of its cotton from the Sindh areas that were seriously impacted by the 2010 floods.

After finishing this tour and discussion, we made the drive back to the house of Mr. [REDACTED] with the expectation of going to the airport in Rahim Yar Khan, in order to return that evening to Lahore. However, we learned that fog in Lahore was causing lengthy delays in flights. Ultimately, our flight was cancelled and we had to spend another night in Rahim Yar Khan, finally returning the following afternoon on December 31.

A meeting had been arranged by [REDACTED] on the morning of December 31, to be held at the Chemonics offices, with the guests to be Mr. [REDACTED]. It was planned as an informal recap of issues and clarification of procedures. The logic of involving these two men was that Mr. [REDACTED] provided a vital link to the PCGA and Mr. [REDACTED] provided a vital link to the RYKCCI. Since [REDACTED] and I were stranded in Rahim Yar Khan, we could only communicate by telephone and email before the meeting was held. Representing Chemonics at the meeting were [REDACTED]. After the meeting ended and before [REDACTED] and I flew out of Rahim Yar Khan, they informed us that they believed the objectives of the meeting were fulfilled.

Upon getting back into Lahore, I only had time to get packed in order to go to the Lahore Airport at 6:00 a.m. the next morning, January 1, 2011, in order to return to the U.S.

3. Conclusions and Recommendations

The larger, more progressive participants in the cotton ginning sector of Pakistan can probably be largely circumscribed by their membership in the PCGA. These members are aware of the likelihood of aid money for upgrading and are sensitive to receiving some of the funding. Other civic entities, such as the RYKCCI, are also attentive to the potential in the project. These associations must be engaged, both to find the good candidates for upgrading and to maintain positive attitudes about the conduct of the process. Also, it is critically important that linkages be fostered between these associations and the All Pakistan Textiles Mills Association (APTMA), because a measure of overt collaboration will be necessary to jump-start this project. Of course several other 'stakeholders' have been identified, but the linkages between the ginner and textile stakeholders will be most critical.

The foregoing political/cultural realities notwithstanding, the logic of this project is a direct intervention in the structure of the ginning sector for the purpose of infusing a change in technology and procedures. An open, well-publicized application process should be conducted to allow all interested gin companies to apply. However, since participation will involve the combination of a substantial in-kind contribution to ginning technology by USAID with a substantial financial commitment by participating gins, the companies chosen must have a combination of (1) financial strength, (2) above average technical knowledge, and (3) a strong commitment to improving procedures in harvesting, handling and ginning of cotton.

Designing and constructing new gins that have the right balance of technological sophistication to efficiently deliver uncontaminated cotton in Pakistan must be done without the benefit of any existing examples within the country. It will require a 'leap' to the use of heretofore nonexistent machinery and equipment – along with procedures and practices that are tailored to minimize the non-vegetative contaminants in the fibers. Prudence indicates the need for a start that is slow and deliberate enough to allow for the surprises inherent with a 'learning curve' and still demonstrate success in the first season of execution. Those ginners who participate in the first year run a heightened risk of unplanned expenses; therefore, they should have both financial strength and flexible attitudes befitting the role of 'pioneers' that they must fill.

The idea of arranging for key gin employees to attend the USDA Ginning Schools is a good one, because the technical knowledge will hasten the development of skills needed to run and maintain precision machinery. Furthermore, persistent technical oversight should be provided to the participating gins during at least the first year of operation, with at least annual visits for inspection, adjustment, and advisement during the out years. As earlier indicated, the recommendation is that both the schooling expenses and the technical assistance in the out years should be paid for by the

participating gin companies. These actions would be expected to save the companies more than the cost of supporting them.

The feedback obtained from this trip strongly corroborates the consensus of the Cotton Team that the textile sector must provide the 'demand-pull' necessary to incentivize the required improvements in ginning machinery and practices. The stage seems to be set for recruiting the financial help of key players in the textile industry, based on their obvious need for fibers that are adequate for making first-class textiles suitable for global markets.

It is hoped the information that [REDACTED] promised to send is now in the hands of the [REDACTED]; if not, this should be accomplished without further delay. To make this project provide a threshold of demand-pull, only two or three textile companies may be necessary. But these must be arranged and brought firmly within the project. It is worth reemphasizing that, while few textile operations are likely to be directly involved, APTMA must be properly involved to ensure that the yarn spinning sector is generally informed about this project.

The focus now is on what can be done in the year ahead; i.e., what can be done in time to affect conditions in the 2011-12 cotton harvest season. With this focus the critical tasks are identified to be the following:

- Enlist the help of key industry leaders and associations to advance the knowledge about the project and obtain the cooperation of the industry segments.
- Conduct an open, well-publicized application process that allows all interested gin companies to apply for participation in the upgrading of gin technology.
- For first-year participants, choose those gin companies that can bring a combination of financial strength, above average technical knowledge, and a strong commitment to improving procedures in harvesting, handling and ginning of cotton. Ideally, these companies would send selected personnel to attend a USDA Cotton Gin School in 2011.
- As quickly as possible, involve a gin construction and operation expert, whose first task is to develop a proposed design and a cost estimate for the gin upgrades. Follow this task immediately with visits to selected gin companies, for the purpose of determining how each one will be designed and constructed to incorporate the modern technology.
- Solidify the selection of yarn spinners that will provide the 'demand-pull' necessary to jump start the project and initiate dialogue between them and the ginners, in order to formalize purchasing arrangements for the cotton fibers.

Realistically, all of the above tasks should be accomplished by the end of March 2011. This is necessary to make it possible to bring the upgraded gins on line in time to operate during the cotton harvest beginning in October 2011.

Adequate progress on these tasks will naturally lead to the planning and execution of many other tasks implicit in this report (and others that have not been specifically mentioned). However, focusing on the other tasks would be premature before these critical ones are sufficiently advanced.

Press Release Format

Your Name: Melvin Dean Ethridge

Component: PSD/BDS/BEE (circle one)

Period of Performance: 20/12/2010 – 31/12/2010

1. Briefly describe the nature of the assistance you will provide in Pakistan:

The purpose of this project is to facilitate an integrated evaluation of the value-added marketing chain between the cotton farming segment and the textile manufacturing segment in Pakistan. The overall objective is to enable the delivery of cotton fibers to textile mills that are not contaminated by foreign substances and are suitable for making first-quality yarns for the global markets. Primary junctures within the marketing chain that will be targeted include harvesting, handling of seed cotton, ginning, and handling and storage of cotton bales.

My responsibilities include the following: Educate Cotton Team about cotton growing, harvesting, ginning and processing. Dialogue with Cotton Team and other expert units of Chemonics and help develop a coherent plan for actions. Visit cotton ginning and yarn spinning enterprises to increase understanding of issues and to impart understanding of project objectives and procedures. Participate in dialogues with cotton and textile associations and with affiliated segments of the cotton/textile industry to advance understanding of all involved.

2. If you will participate in a seminar, conference, workshop or other event while in Pakistan, please describe your specific contribution (e.g. what you will speak about):

Official meetings were held with the PCGA and with the RYKCCI. While touring gin plants, three informal group meetings were held with interested people in the ginning sector. In all of these, my charge was to explain how contaminants can be prevented and removed from the cotton fibers and explain the intent and general approach of the project for addressing the cotton contamination issues in Pakistan.

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