

Tapping into social conscience

COTTON

Matthew Green considers prospects for a niche product

Luxurious lingerie sold in Victoria's Secret stores in US malls may seem an unlikely source of hope for women tilling the soil in Burkina Faso. But a pledge by the brand's owners to help the west African country boost its small but growing organic cotton harvest has already been greeted as cause for celebration.

Hammered by the lowest prices for conventional cotton since the Great Depression in the 1930s, farmers in sub-Saharan Africa's biggest producer are turning to organic cotton to command a premium. The growers are the latest group of peasant producers in the developing world to tap rising demand for products that soothe social and environmental consciences in the west. While the trend could provide a future for some of the millions of farmers stranded on the edges of the world economy, the story of Burkina Faso shows that success still depends on the whims of retailers half a world away.

On the plains of the country's cotton-growing heartland, just south of the Sahara, women who joined an organic cotton scheme set up by Helvetas, the Swiss Association for International Co-operation, in 2004, believe the crop will prove their salvation.

"We've used the money we've made to send our children to school," says Sory Korotoumou, president of a women's group in the village of Tiefora. "Some of us have even bought oxen to drag our ploughs," she says. Certified as organic cotton by Ecocert, the organisation

that certifies that cotton is cultivated under European Union regulations for organic farming, and as fair trade by the Fairtrade Labelling Organisation International, a kilo will sell for CFA Fr306 this year, compared to CFA Fr145 for the conventional variety, Helvetas says.

The premium is a huge incentive for farmers, pulverised by the rising cost of inputs and falls in the global cotton price due in part to US subsidies for its own growers. Already some of the poorest people in the world, the roughly 2.5m Burkinabé dependent on cotton are struggling alongside millions of other impoverished growers in African producers such as Mali, Chad and Benin.

For all its benefits, organic remains a niche activity. Burkina Faso's production has risen from an experimental five tonnes in 2004 to 240 tonnes this year, now involving about 1,500 farmers, Helvetas says. The country's conventional harvest weighs more than 700,000 tonnes. But the organisation believes the organic crop could one day account for one-fifth of the country's production.

"In all of west Africa, the cotton system is more or less bankrupt," says Tobias Meier, head of fair trade at Helvetas. "I really believe organic cotton in combination with fair trade cotton could help hundreds of thousands of farmers."

Burkina Faso and other African producers will have to compete with a range of emerging organic cotton growers, spurred on by demand from operators such as Wal-Mart and Nike. Cotton traders say world organic output has risen almost a hundred-fold to 100,000 tonnes in the past five years, with Turkey the

lead producer. The crop still only accounts for less than half a per cent of the global harvest.

While still a minor organic producer, Burkina Faso has found a ready market among German and Swiss clothing companies. Britain's Marks and Spencer has recently begun sourcing fair trade cotton from Burkina Faso as well, while Victoria's Secret could open up the US market.

Limited Brands, Victoria Secret's Ohio-based parent company, says it signed a memorandum of understanding with the Burkina Faso cotton grower's union, the UNPCB, in July to advise it on developing the organic variety.

Alok Industries, the Indian textiles company, and MAS Intimates, the Sri Lankan garment-maker, were also party to the accord, under

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which MAS will give \$250,000 to the UNPCB to help it boost organic production. "This has been advanced as part of a premium for the country to improve the production of organic cotton," says a spokeswoman for MAS Holdings, parent company of MAS Intimates.

Limited Brands emphasises that it is still too early to say whether Victoria's Secret will commit itself to purchasing the harvest, though Burkinabé officials are already delighted. "The contract with the Americans allows us to diversify our buyers," says Delphine Zoungrana, a UNPCB agron-

omist. "The biggest constraint is having enough technical advisers."

Going organic is not easy. The process is labour intensive, and the crop is vulnerable to pests. Most producers see it as a complement to the usual variety, rather than a replacement. The real key to the future of cotton, which accounts for about one-third of the economy, will be returning the conventional sector to profitability.

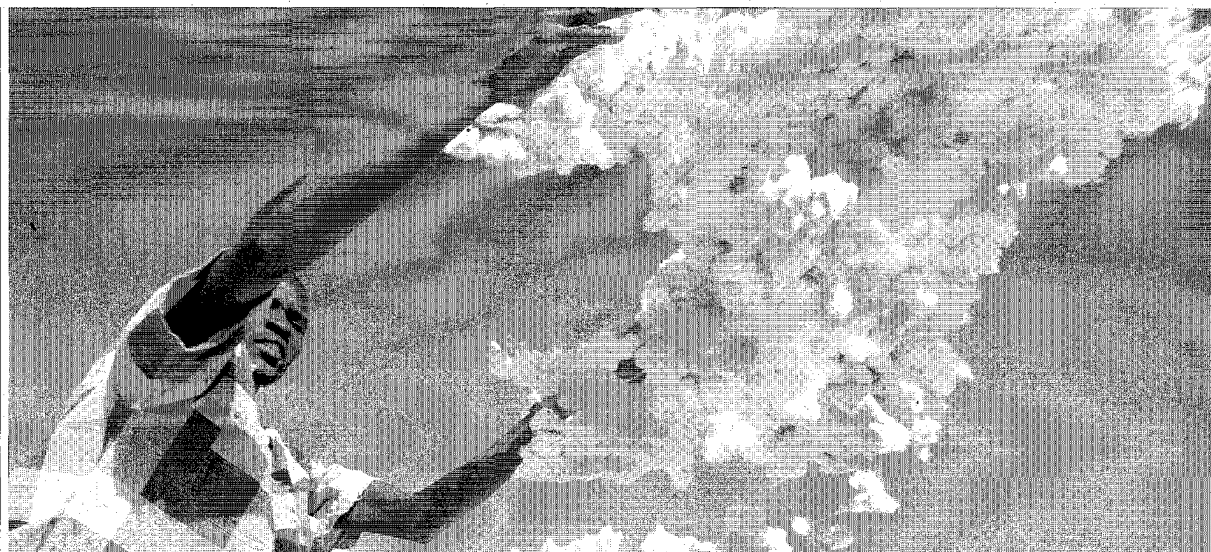
Burkina Faso has tripled production in the past six years, but competition from more efficient producers in India and Brazil may squeeze them harder. The government has already had to bail out struggling cotton companies, while donors say it must overhaul the price-setting mechanism to make the industry sustainable.

Burkina Faso has also begun experimenting with genetically-modified cotton to improve yields, much to the horror of advocates of the organic version, which much be kept strictly segregated to avoid contamination.

Ultimately though, judgments about the appetite for organic products made in corporate headquarters in Europe and the US will perhaps have the greatest impact on farmers' long-term prospects. "There's still more demand for organic cotton than many merchants can meet," says Andre



Paratte, a cotton trader with Paul Reinhart, one of Europe's largest dealers. "But the future depends on whether the big retailers take the next step."



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