



Global Cotton Market Trends 2018: Perspectives for Organic Cotton Development in Colombia

Executive Summary

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Overview

Used in hundreds of everyday items, cotton is ever present in our lives. It is a key raw material for the textile industry and represents about 30% of all fibre used in the sector. Globally, around 30 million hectares are planted with cotton, accounting for more than 2% of total arable land, and producing approximately **25 million metric tonnes (MT) of cotton annually**. Grown **in around 80 countries**, more than 100 million households around the world are directly engaged in cotton cultivation, relying on it for their income.

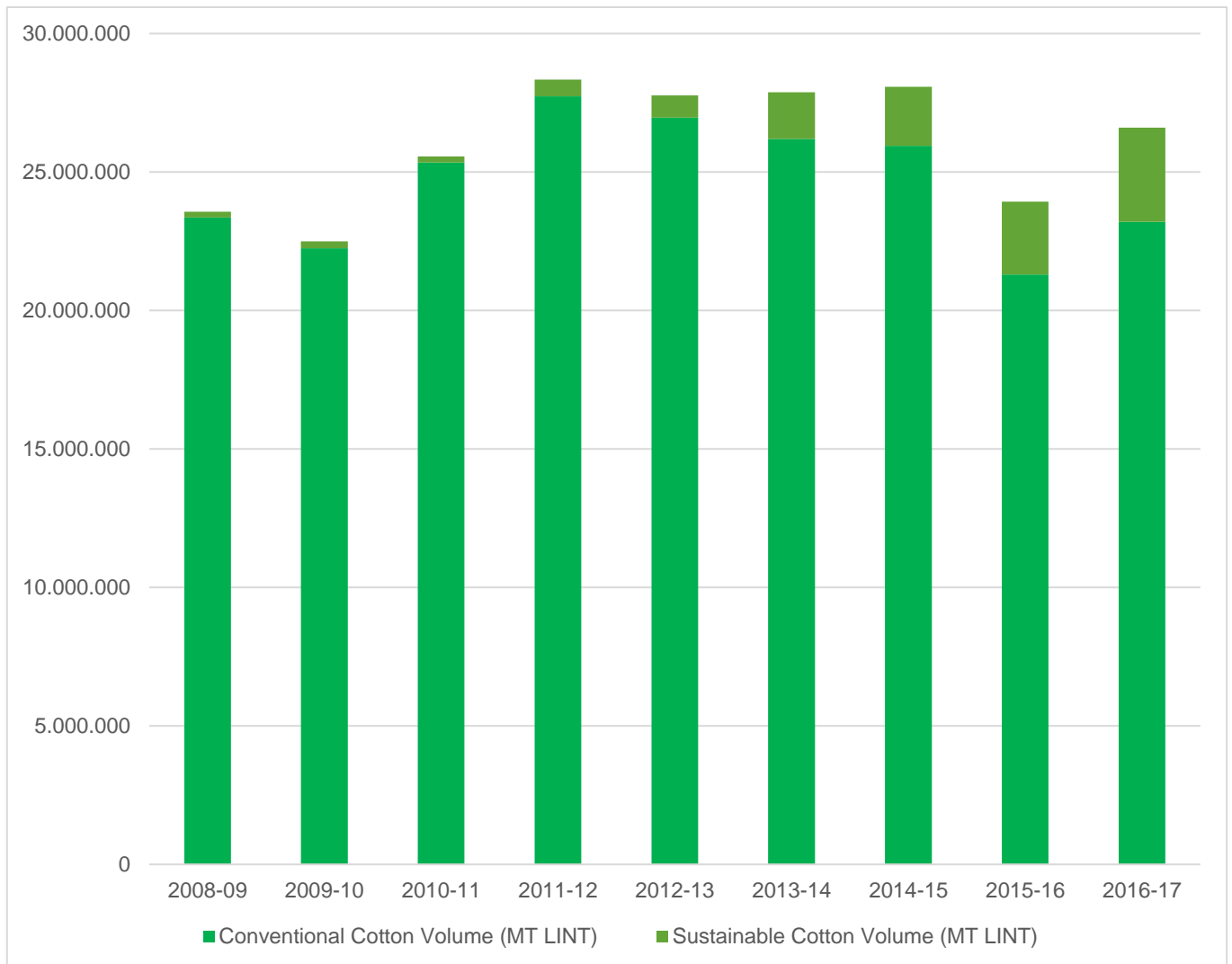
Global producers

There were **18 organic cotton producing countries in 2015-2016**. While the number of producing countries remains the same as 2014-15, Colombia, Ethiopia and Madagascar were replaced by Thailand and Pakistan. The top seven countries - India, China, Kyrgyzstan, Turkey, Tajikistan, US and Tanzania - account for 97 per cent of total production. Overall, production decreased by 4 per cent. Primary reduction came from India, the fall was offset by increase in Kyrgyzstan and Tajikistan.

Market share

Cultivation of more sustainable cotton has never been higher than it is today, reaching **2.6 million metric tons in 2015/16** and **3.4 million metric tons in 2016/17** – respectively **12% and 15% of the total global supply**. However, only just over a fifth (21%) of this amount is actively sourced as more sustainable cotton by companies with the remainder traded as conventional cotton. The share of sustainable cotton increased **from 3% in 2012/13 to 15% in 2016/2017**.

Figure 1 - Global cotton volume 2008/2017.

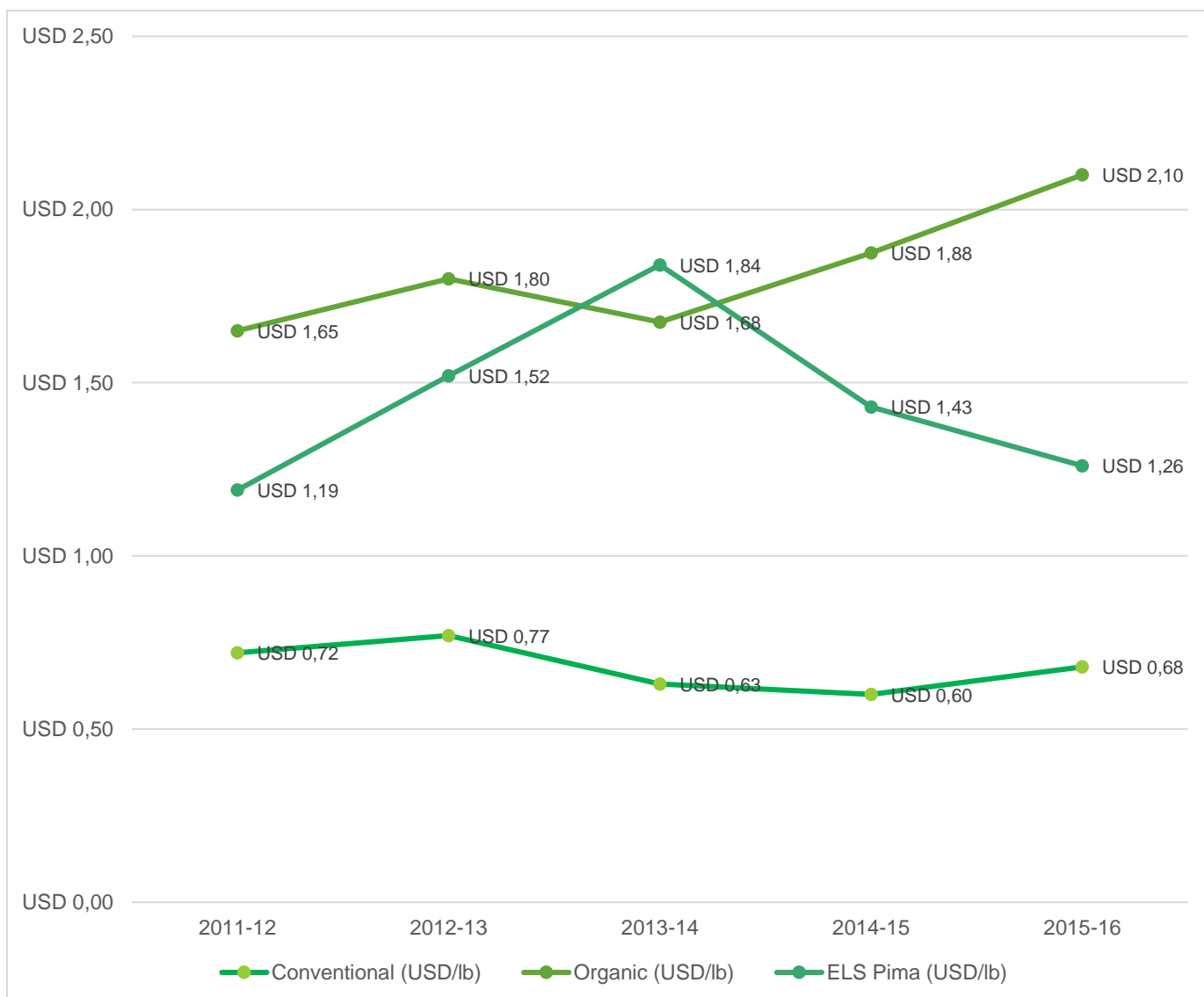


Source: Textile Exchange Organic Cotton Market Report © 2016.

Pricing

In the 5-year term **2011-2016**, organic cotton fiber sold for **over USD 1,60 per pound of fiber** and for comparatively higher prices than conventional small and long staple cotton fibers. Organic cotton price per pound has experience **steady growth since 2013**.

Figure 2 – Global cotton price per pound over 5 years (USD/lb)



Source: United States Department of Agriculture.

Table 2 – Global cotton price per metric ton over 5 years (USD/MT)

YEAR	Conventional (USD/lb)	Conventional (USD/MT)	Organic (USD/lb)	Organic (USD/MT)	ELS Pima (USD/lb)	ELS Pima (USD/MT)
2011-12	0.72	1,587.31	1.65	3,637.59	1.19	2,623.47
2012-13	0.77	1,697.54	1.80	3,968.28	1.52	3,350.99
2013-14	0.63	1,388.90	1.68	3,692.71	1.84	4,056.46
2014-15	0.60	1,322.76	1.88	4,133.63	1.43	3,152.58
2015-16	0.68	1,499.13	2.10	4,629.66	1.26	2,777.80

Certification scheme

In the cotton season 2015/2016, the **Better Cotton Initiative** certified almost the entire global sustainable cotton output (**95%**). Better Cotton was followed by Organic Cotton (4%) and Fair Trade (1%).

Figure 3 – Sustainable cotton produce 2015/2016 per certification scheme.

SCHEME	MT	%
Better cotton	2.500.000	95%
Organic cotton	112.488	4%
Fair trade	16.640	1%