

Cotton Textiles & Apparel sector

Introduction

The Kenya Kwanza Manifesto has reinforced the resolve by the Government to revitalize the Cotton Textiles & Apparel sector by developing both backward and forward linkages. The Ministry has also identified the Cotton Value Chain as one with a potential to contribute to the growth of Manufacturing Sector to GDP 20% by 2025. Kenya's vision 2030, its Medium-Term Plans and Kenya Kwanza Manifesto has prioritized Cotton Textile and Apparel as a key Value Chain of focus to deliver the industrialization and social transformation for investment attraction, creation of multiple jobs, and growth of export earnings. As a country we are aware that global production costs continue to rise in the traditional markets of Asia and Europe and thus expect Textiles & Apparels manufacturing to move to Africa; we are preparing to capture this opportunity growth. The opportunities for the sector are enormous; with duty free quota free market access to the United States under AGOA, EU/UK, AfCFTA, COMESA and EAC; we sit in a privileged position.

Sector Status

Cotton is produced in 24 counties with an estimation of 25,000-45,000 farmers, 8 ginneries, 3 cotton and 5 non-cotton mills. Apart from the lint, we also have by-products such as oil and seedcake for animal feeds and the value chain has the potential to create 1M jobs by 2030. This year, the government in partnership with private sector distributed 35, 771kg of conventional seed in the Eastern region and 19, 352kgs of Bt cotton across the Nyanza, coastal and Western Regions.

We have 31 Export Processing companies manufacturing apparels for the US and European markets, over 170 medium and large companies and more than 70,000 micro and small ones outside EPZs. Kenya imports over USD 815 million worth of textiles and apparels with 93% importation of fabric which can be substituted locally through supply chain development.

Government Interventions include;

- Buy Kenya Build Kenya initiative for public procurement of uniforms for disciplined forces.
- Cotton Seed Development program
- Digital Farmer Registration for easy access of credit facilities and payments
- Training and capacity building of extension service staff.
- Strengthening of Farmer Associations and Cooperatives.
- Cotton Aggregation and development of better Minimum Support Price (MSP) to farmer.

- Engage seed suppliers to consider licensing local seed merchants to use the *Bt and hybrid* trait in their registered varieties and to open distribution centres in all cotton growing counties.
- Support national public education and awareness through exhibitions and field days.
- Establishment of 2 Ginneries in Lamu and Busia in partnership with private sector.
- Negotiating for renewal of Africa Growth Opportunity Act
- Establishing a Cotton Textile & Apparels Coordination Unit