Comparative Analysis of Cotton Sector Reforms in SSA

Farm Yields and Returns to Farmers

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Outline

- Trends
- Comparing across countries
- Questions for Zambia
Yield Trends

Yield in kilograms of lint per hectare

Year

World
WC
SEA

Persistent yield gap
Yield Trends

![Graph showing yield trends over time for different regions.]

This gap reflects an irrigation gap

Persistent yield gap

Comparing Across Countries

- Farm productivity crucial if cotton is to reduce poverty
- But lack of comparable data across countries
- Focus Group interviews
- These were very useful, allowing reasonable cross-country comparisons without farm surveys
- But better data are needed!
  - Possible focus of continuing work
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<th>Country</th>
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**Yield by Producer Type (kg/ha)**

*WCA: modest variability*
Yields by Group

ES: Much greater variability

Distribution of Farmers Across Groups
Distribution of Farmers Across Groups

WCA: ~30%-40% in top group. Many years of investment, widespread AT

ESA (except Zim): ~5% in top group. Many fewer years of investment, much less AT
Returns to Farmers

Net earnings per ha after deducting value of all labor

Returns to Farmers

Net earnings per ha after deducting value of all labor

Similar input use but much lower yields
Questions for Zambia

- Slow yield growth partly a result of rapid sectoral growth
  - New farmers every year
- As sector matures, mean yields could increase as learning becomes broader
  - If input distribution is maintained!
- But we think the lack of widespread AT puts a cap on average yield that Zambia can attain
  - Inability to conduct all activities in timely fashion

Questions for Zambia (2)

- How many farmers will be able to sustain the “five non-negotiables” without AT or ability to hire labor?
- How many will choose to do so if prices are depressed due to the Kwacha overvaluation?