ANNUAL

REPORT

2004 – 2005

CDO ANNUAL REPORT, 2004 – 2005

Contents

Fact File
Who we are

Cotton Development Organisation was established in 1994 by an ACT of Parliament. It has responsibility to monitor the production, processing, and marketing of cotton so as to enhance the quality of lint exported and locally sold, to promote the distribution of high quality cotton seed and generally to facilitate the development of the cotton industry.

CDO's Financial Year

1st November-31st October.

Directory of Offices

Head Office

Plot 15, Clement Hill Road
P.O. Box 7018
Tel:256-41-230309/232968
Fax: 256-41-232975
Kampala, Uganda
Email: cdo@africaonline.co.ug
Website: www.cdouga.org

Field Offices

Northern Field Office
Located at Ngetta Ginnery,
Kitgum Rd,Lira
(oversees the districts of Lira, Apac, Kitgum, Gulu, Kotido, Pader, and Kaberamaido)

North Eastern Field Office
Plot 18, Oumo Rd
P.O. Box 18, Kumi
(oversees the districts of Kumi, Soroti, Katakwi, Pallisa Kapchworwa, Mbale, Sironko)

Busitema Ginning Training School
Located 30 km, Tororo-Jinja Road
P.O. Box 236 Tororo

Mid-West & Central Field Office
Plot 52, Masindi Port Rd
P.O. Box 139, Masindi.
(oversees Masindi, Hoima, Kibaale, Kyenjojo, Kiboga, Luweero, Nakasongola, and Ssembabule)

West Nile Field Office
Located at Pakwach Ginnery
Pakwach-Arua Rd.
P.O. Box 33, Pakwach
(oversees the districts of Nebbi, Arua, Yumbe, Moyo, and Adjumani)

Western Field Office
Plot 913, Kasese- Fort Portal Road
P.O. Box 32, Kasese
(oversees the districts of Kasese, Kabarole, Kyenjojo, Kamwenge, Bushenyi, Rukungiri, Kanungu)

South Eastern Field Office
U.S.S.I.A. Building
Main Street
P.O. Box 682 Iganga
(oversees the districts of Kamuli, Iganga, Bugiri,Jinja, Mayuge, Tororo, Busia, Mukono, and Kayunga)

CDO ANNUAL REPORT, 2004 – 2005

BOARD OF DIRECTORS

Chairman's Statement

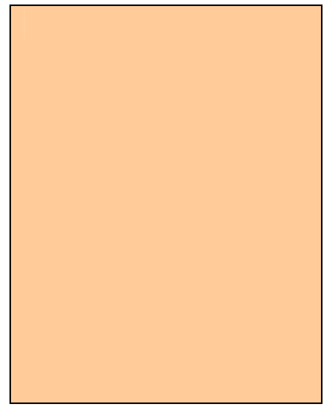
It is a great pleasure to report on the performance of CDO for the Financial Year ended October 31, 2005.

I would like first and foremost to thank God and glorify his name for the successes in the Cotton Sector this season.

I would also like to thank all members of the Board of Directors, Management and staff of Cotton Development Organisation for working as a cohesive group that resulted into the commendable results that I am reporting about.

2004/2005 season registered a tremendous increase in both productivity and overall production, achieving a record total of 254,000 bales from 160,000 bales achieved in 2003/04 season. This is 59% increase in production. I attribute this increase in production to; vigorous campaign to grow more cotton, Ginners Production Support Programme, a good price the previous season, good weather and general vibrancy in the sector.

A statutory instrument on zoning was signed in May 2005, to provide a legal framework for the better operation of the Production Support Programme.



Mr. Richard Parwot

However, Uganda being one of the countries that still sell a large part of our produce in raw form, changes in World lint prices continue to influence the farmgate prices our farmers receive. I am therefore unhappy to note that this season, the price for seed cotton at farmgate was 350/= compared to 600/= last season representing 42% reduction.

CDO will work towards bringing Value Addition programmes to priority status in the immediate future to curtail this recurring price fluctuation.

As we enter the new season 2005/06, we look back with gratification and ask God to take us through the coming season with much more success.
God bless you all.

Mr. Richard R. Parwot
CHAIRMAN, BOAD OF DIRECTOR

SECTION I: AGRONOMY

1.0 Seed dressing and distribution:

During 2004/05, a total of 8,299 MT of seeds were procured, processed and dressed for planting purposes. Out of that, 4,965 MT were delinted seeds, presenting a 24% increase in delinted seed compared to the previous season, and 3,334 MT were fuzzy seeds as indicated in Table 1.

The seed dressing exercise started at the end of February 2005 and ended in June 2005 for the Eastern, Northern and west Nile Regions. For the Western Region, the exercise ended in July 2005.

Table 1. **Seed dressing by Station**

Dressing Station	Region/ Zone	Quantity of seed dressed (MT)	
		Fuzzy	Delinted
Nakivumbi	Busoga	-	1,019
Nyakesi	Tororo/Busia	1,102	-
Kachumbala	North Eastern	1,101	1,086
Ngetta	Northern	716	1,101
Pakwach	West Nile	415	534
Nyakatonzi	Western & Mid Western	-	1,225
TOTAL		**3,334**	**4,965**

Distribution of seeds to farmers started in April 2005 in Teso Zone while in the Eastern, Northern and West Nile Regions, seed distribution started in May 2005. In Western and Mid West and Central regions, seed distribution started in June. Table 2 shows the quantity and type of seed distributed in each Region.

Table 2. **Seed distribution by Region**

Region	Quantity of seed distributed (MT)		Total Quantity
	Fuzzy	Delinted	
Mid West & central	0	480	480
North Eastern	1,101	1,086	2,187
Western	0	745	745
West Nile	415	534	949
South Eastern	1,102	1,019	2,121
Northern	716	1,101	1,817
TOTAL	**3,334**	**4,969**	**8,299**

1.1 Crop establishment and performance:

Planting of cotton started in April/May 2005 in some parts in the Eastern Region but the majority of the crop in all the Regions was planted in July/August 2005. Drought experienced in all the cotton growing areas resulted in repeated planting of the crop. In West Nile and some parts of Eastern Uganda, planting of cotton was abandoned all together due to the prolonged drought. The prolonged drought also resulted in heavy pest attacks and square and flower abortions.

Some of the early-planted cotton started opening in September 2005 but the majority of the crop was to be harvested between December 2005 and February 2006.

Generally, the area under production was much lower compared to the previous year due to low farmer morale resulting from the low farm gate price offered in the previous season and persistent drought that affected all the cotton growing areas. In addition, the acreage planted was not proportional to the seed distributed because of repeated planting and gap filling caused by the drought.

1.2 Cotton production – 2004/05:

Table 3 shows seed cotton production vis-à-vis planting seed distributed and projected cotton production over a four-year period.

Table 3. **Cotton production since 2001/02**

	2001/02	2002/03	2003/04	2004/05
Projected seed cotton production (Kg)	67,000,000	74,000,000	90,000,000	112,000,000
Actual cotton produced during the season (Kg)	63,883,565	57,979,235	84,344,870	130,854,714
Actual production as a percentage of projected production	95.3%	78.8%	93%	117%
Total Quantity of planting seed distributed (MT)	7,209	7,859	10,802	8,299
Fuzzy	6,209	6,088	6,741	3,334
Delinted	1,000	1,771	4,061	4,965

The table shows a 55% increase in cotton production between 2003/04 and 2004/05 season. Factors responsible for the increase include among others favourable price in the previous season, favourable weather in most zones, better quality of planting seed (delinted and graded seed), government intervention in mobilization and sensitisation of farmers and the zoning system that enhanced access to inputs by farmers thereby resulting in improved agricultural practices.

1.3 Ginners' Production Support Program:

The Ginners' Program continued to focus on four major areas:

- Farmer registration.
- Land preparation.
- Establishment of demonstration gardens in collaboration with APEP.
- Provision of pesticides and pumps at subsidized rates.

(i) Farmer registration – This exercise remained costly and problematic because small-scale farmers are many and scattered. However, it was implemented to a higher degree compared to the 2003/04 season.

(ii) **Land preparation –** Ginners acquired tractors from DFCU Leasing Company under a Government supported arrangement. These tractors were deployed in all the Regions to provide tractor hire services to cotton farmers at subsidized rates. The performance of the tractors as at end of September 2005 is summarized below:

Table 4. **Number of tractors received by each Region and area ploughed**

Region	No. of tractors deployed	Area ploughed (acres)	Remarks
South Eastern	7	1,609	
North Eastern	5	492	Acreage ploughed was low due to low farmer response.
Northern	18	4,096	
West Nile	2	13	Acreage ploughed was low due to low farmer response.
Western	17	5,075	
Total	**49**	**11,285**	

Performance was below expectation due to a number of factors, namely:

- The target farmers are too poor to afford the subsidized rates (Shs.25,000 – 35,000 per acre) offered by the ginners.
- Land fragmentation makes tractor use costly. Land fragmentation was very rampant in major cotton growing areas such as Pallisa, Tororo, Teso and Busoga regions.
- Rising fuel prices.
- Farmers operating as individuals therefore making service delivery difficult and expensive.

As a result of the above, ginners have resorted to serving well-to-do farmers and non-cotton projects in order to raise funds to meet their lease obligations.

1.4 Demonstration plots – 6,750 demos were targeted for the season and about 6,708 demos were verified as established (Table 5). In some areas e.g. West Nile, Northern and Western regions, the lead farmers failed to establish the demos due to persistent drought. The crop performance at the demos was also affected by the drought.

Table 5. Cotton Demonstration plots' allocation and establishment

Region/Zone	Lead ginner	No. of demos targeted	No. of demos verified as planted
Busoga	Ms Bon Holdings	720	717
Teso	Ms CN Cotton	410	410
Pallisa/Bugisu	Ms North Bukedi	1,340	1,340
Tororo/Busia	Ms Novo Enterprises	330	330
Northern	Ms Dunavant	1,300	1,278
West Nile	Ms Cop cot	1,000	983
Mid West	Ms Western Ug.	700	700
Western	Ms Nyakatonzi	950	950
	Total	**6,750**	**6,708**

Each demo plot serves 15 – 30 surrounding farmers. The demos are co-funded by the ginners and the Agriculture Productivity Enhancement Program (APEP).

1.5 Pesticides – The major pesticides sold by the Ginners during the season were Dimethoate for first spray and Polytrin and Cypercal for subsequent sprays because they were effective in controlling the pests. The pesticides were sold at subsidized rates of Sh.1,500 and Sh.2,000 per one-acre unit respectively (compared to the market price of Sh.2,500 and Sh.4,000, respectively), except in the seed multiplication areas where they were issued free of charge to the farmers.

1.6 Seed multiplication:

Representatives from Quton Seed Company of Zimbabwe carried out two training sessions for ginners' extension staff and CDO Field Officers in the seed multiplication areas during June and July 2005. The training sessions centered mainly on farmer registration and growers' contracts, seed purity and proper management of the crop in terms of weeding and pest control.

The Quton team also carried out crop inspection in the segregated seed areas during September/October and advised the extension staff on pest monitoring and control and weeding.

Verification of seed acreage indicated 21,265 acres planted compared to the target of 30,000 acres representing 70% of the target acreage (Table 6).

Table 6. **Performance of the seed multiplication Scheme during the 2004/05 season.**

Region/ Zone	Seed multiplication area	Target acreage (acres)	Acreage verified as planted (acres)
South Eastern	Gadumire, Kamuli District	7,500	6,000
Teso	Pingire, Soroti District	2,000	1,000
Pallisa/ Bugisu	Gogonyo, Pallisa District	5,800	3,000
Northern	Kyoga, Lira District	6,500	5,960
West Nile	Rhino Camp, Arua District	3,400	1,116
Mid West & Central	Kigumba & Biiso, Masindi District	2,000	2,625
Western	Kalungi bati & Mubuku, Kasese Dist.	2,800	1,564
	TOTAL	**30,000**	**21,265**

The major problems in the multiplication areas included:

- Drought which affected crop performance,
- Inadequate supply of pesticides resulting in high incidences of pest damage.
- Signing of contracts by the growers was also a big problem as farmers were very skeptical about the contracts.

In Kamuli, Kyoga and Rhino camp the early-planted crop started opening in September 2005.

1.7 Block Farms:

Under CDO's initiative to transform the current small-scale system of cotton production, 2 Block Farms were established at Busitema and Kigumba.

Busitema Block Farm: 510 acres were planted to cotton by about 400 farmers from the surrounding villages.
Kigumba Block Farm: a new farm manager was recruited for the block farm to assist in providing on site supervision of the block activities. 495 acres were planted by about 120 farmers with plot sizes ranging between 1 – 50 acres. By close of the financial year in October, the crop was under severe stress caused by drought.

SECTION II: MARKETING 2004/05 SEASON

2.0 Marketing

The opening of the official cotton marketing season for 2004/05 was declared on December 11th, 2004 with the announcement of the Indicative Farm-gate price of 350/= @ kg of seed cotton. There was high competition for seed cotton in most of the cotton growing regions with the price rising to 400/= per kg of seed cotton in the month of February 2005.

2.1 Cotton price:

The world cotton prices were at a record low with the "A" index averaging US cents 46.55 per lb CIF N. Europe. Based on this price, the indicative price was calculated at UShs.350 per kg farm gate compared to UShs.600 per kg during the previous season.

2.1.1 The limits exhibited by the seed cotton prices were a function of one or a combination of the following variables: intensity of competition, geographical location, world market setting, availability of crop finance and the period in question. Table 7 below shows movement of seed cotton prices across the country.

Table 7. **Movement of seed cotton price in shillings (highs and lows) by Region**

Month	S/Eastern			Northern			West Nile			N/ Eastern			C/Mid Western			Western		
	H	L	AV	H	L	AV	H	L	AV	H	L	AV	H	L	AV	H	L	AV
Dec 2004	350	330	340	350	340	345	340	320	330	350	350	350	-	-	-	-	-	-
Jan 2005	350	340	345	350	340	345	350	350	350	350	350	300	360	355	357.5	350	350	350
Feb 2005	350	340	345	400	340	370	400	350	375	400	350	375	370	360	365	360	360	360
Mar 2005	340	320	330	350	340	345	350	-	350	340	350	345	360	360	360	370	370	370

H- High **L- Low** **AV- Average**

The highest farm-gate price paid was UShs.400 per kg of seed cotton in Nebbi District while the lowest was UShs.320 in Tororo District. Average price of cottonseed was UShs.100/= per kg.

Organic cotton prices were 20% higher than the price offered for conventional cotton.

Table 8: **ORGANIC COTTON PRICES COMPARED TO CONVENTIONAL PRICES**

Marketing Season	Conventional Lint Price US Cts/Lb	Organic Lint Price US Cts/Lb	% Difference
93/94	80	115	43.75
94/95	90	125	38.88
95//96	75	120	60.00
96/97	71	95	33.80
97/98	65	85	30.76
98/99	61	82	34.42
99/2000	40	60	50.00
00/2001	68.0	82	20.0
01/2002	36.28	43.5	20.0
02/2003	54.43	65.0	20.0
03/2004	68.00	80	20.0
04/2005	37.00	44.4	20.0

2.1.2 During the season, 5,809 bales of organic cotton weighing 1,054,844 kgs accounting for 2.29% of total production were produced. The table below shows organic production in Uganda since 1999/2005 cotton season.

Table 9**: ORGANIC COTTON PRODUCTION FROM 1999-2005**

Season	Seed Cotton Purchase (kg)	Bale Production	Weight of Bales (kg)	Average Bale Weight (kg
1999/2000	1,832,480	3,340	611,712	183.15
2000/2001	1,642,458	3,066	574,880	187.50
2001/2002	1,734,187	3,406	626,837	184.04
2002/2003	1,203,753	2,407	435,041	180.74
2003/2004	2,030,465	3,698	675,827	182.75
2004/2005	2,979,969	5,809	1,054,844	181.59
Totals	**11,423,312**	**21,726**	**3,979,141**	**183.29**

Between 2003/04 and 2004/05, there was significant increase in organic production in Uganda from 676 MTs to 1055 MTs representing 56% increase.

2.1.3 World lint prices, CIF N.W Europe "A" Index closed in September, 2005 at US cents 51.00 @ lb. Table 10 below shows comparison in world cotton price movements for the two seasons.

Table 10**. Indicative International lint cotton price**.

Season	**Month price (US cents/lb of lint) CIF N.Europe.**			
	January	**February**	**March**	**Average**
2003/2004	77	75	75	75.66
2004/2005	48.50	48.00	51.00	49.1

2.1.4 Realised FOT lint prices were lower than indicative prices in the two comparative seasons. Table 11 below shows the comparative figures.

Table 11**. Average realised prices (Actual prices)**

Season	**Month/price US cents/lb of lint FOT Tororo**		
	January	**February**	**March**
2003/2004	68	70	68
2004/2005	39.5	40	40

2.2 Sales/Exports

2.2.1 At the close of the 2004/2005 cotton season, a total of **254,000** standard bales @ 185 kgs had been produced expected to fetch the country US$ **44.42** million in earnings. Local consumption for the season stood at 5,800 bales or 4% of total bales produced.

2.2.2 Field reports received at Head Office showed that as at 31st October, 2005, up to 234,539 bales of lint had been dispatched from the ginneries to different destinations.

2.2.3 Significant local consumers were mainly Southern Range Nyanza (3,100 bales) and Phenix Logistics (U) Ltd (2,100 bales). Others were African Textile Mill Mbale (800 bales).

Table 12: **Performance of Ginners -2004/2005 Season**

Ginners	Ginneries	Seed Cotton (kgs)	No. of Bales	Lint (Kgs)	Market Share
Copcot (EA) Ltd	Parombo, R/Camp, P'kwch, B'nika, M'sndi, Hoima	18,685,158	35,405	6,626,327	14.5
Dunavant	Iceme, Odokomit, Ngetta, Nakasongola, Kitgum,	16,649,608	30,384	5,881,197	12.8
North Bukedi Cotton	Iki Iki, Kabole, Bugema	14,933,216	27,207	5,279,407	11.5
Bon Holdings Ltd	Nakivmb', Bulumba, Lukhonge, Luzinga	8,651,215	16,649	3,034,833	6.6
Cottco (U) Ltd	Kasese, Masindi, Parombo	8,473,868	14,942	2,979,595	6.5
Pramukh Agro Indust	Busembatia, Ladoto	7,567,614	14,650	2,688,316	5.9
Nyakatonzi Co-op Union	Kasese	6,674,739	11,828	2,205,970	4.8
Rwenzori Ginners Ltd	Rwenzori	6,484,056	10,150	2,237,086	4.9
South Base Agro Indust	Busolwe, Jaber	4,931,384	9,007	1,698,250	3.7
Novo Enterprises Ltd	Nyakesi	4,486,846	8,236	1,558,353	3.4
Bushenyi Cotton Ltd	Bushenyi	4,230,486	7,500	1,421,548	3.09
CN Cotton Ltd	Kachumbala	3,960,752	7,500	1,428,575	3.0
Bestlines Ltd	Dabani	3,624,395	6,684	1,275,418	2.8
Twin Brothers Ltd	Aduku	3,292,350	6,707	1,228,542	2.7
Lango C-op Union Ltd	Ngetta	2,979,969	5,809	1,054,844	2.3
Kumi Cotton Ltd	Mukhongoro, Arapai	2,817,451	5,150	1,007,833	2.2
Price Oils Ltd	Kasese, Hoima	2,339,288	4,485	835,178	1.8
Magnetic Enterps	Kabulubulu	1,538,920	3,893	773,054	1.7
Rafiki Cotton	Aboke	1,206,410	4,403	814,555	1.8
Mutuma Commercial Ag	Kabulubulu	1,538,920	2,985	555,142	1.21
Kakyu Hardware Ltd	Kasese	1,206,410	1,861	345,588	0.8
Union Export Services	Bulumba	801,256	1,499	281,202	0.6
Intraco	Bulumba. Busembatia	681,613	1,298	241,718	0.5
Balawoli Ginners	Balawoli	608,224	1,133	210,612	0.5
SAI Cotton Ltd	Soroti	256,959	444	91,435	0.19
Dure Estates	Masindi	239,650	478	87,766	0.2
Serere Demo. Farm	Kachumbala	19,800	42	7,575	0.02
Total		**128,880,557**	**240,329**	**45,849,919**	**100.00**

Table 13**: Performance of Ginners -2003/2004 Season**

Ginners	Ginneries	Seed Cotton (kgs)	No. of Bales	Lint (Kgs)	Share % age
Dunavant	Iceme, Ngetta, Nakasongola	10,333,518	18,473	3,666,387	12.5
Muddu Awulira Enterp Ltd	Parombo, Kasese	10,545,166	17,775	3,654,923	12.5
North Bukedi Cot. Co.	Iki Iki, Kabole	9,153,641	16,740	3,151,377	10.8
Cop Cot (EA) Ltd	Rhino Camp, Pakwach, Bamun'ka	8,624,967	16,181	3,044,402	10.4
Rwenzori Ginners Ltd	Rwenzori	6,215,815	9,194	2,112,328	7.2
Bon Holdings Ltd	Nakivumbi, Bulumba, Lukhonge	5,961,344	11,214	2,052,311	7.0
Nyakatonzi Co-op Union	Kasese, Rwenzori	6,197,551	10,707	2,047,573	7.0
CN Cotton Ltd	Kachumbala	3,873,254	7,741	1,421,909	4.9
Novo Enterprises Ltd	Nyakesi	3,264,063	5,916	1,110,698	3.8
South Base Agro Ind.	Busolwe, Jaber	3,040,926	5,787	1,072,271	3.7
Pramukh Agro Ind.	Busembatia	3,086,471	5,750	1,067,514	3.7
Lango Co-op Union	Ngetta	2,030,465	3,698	675,827	2.3
Bestlines Ltd	Dabani	1,755,032	3,155	602,760	2.1
Pride Oils Ltd	Kibuku	1,740,977	3,150	587,819	2.0
Magnetic Enterps Ltd	Hoima, Kasese, Rwenzori, Nyakatonzi	1,693,536	2,909	579,923	2.0
Teso AgriBase Ltd	Kachumbala	1,626,130	3,000	560,463	1.9
Cottco (U) Ltd	Masindi	1,609,003	2,994	559,245	1.9
Twin Brothers Ltd	Aduku	1,233,456	2,500	455,024	1.6
Intraco	Bulumba, Busembatia	739,613	1,376	252,778	0.9
UNEX	Bulumba	753,524	1,421	262,083	0.9
Kakyu Hardware Ltd	Kasese	526,250	947	176,048	0.6
Mutuma Commercial Ag.	Kabulubulu	287,467	547	103,163	0.4
Nzana Procurement	Arapai	26,607	50	9,216	0.03
Busitema Demo. Farm	Busitema	22,764	42	7,827	0.03
Serere Demo. Farm	Kachumbala	3,330	8	1,304	0.004
Total		**84,344,870**	**151,275**	**29,235,173**	**100**

Table 14: **International Markets For Uganda's Lint**

Most of Uganda's cotton lint was destined for the European market. Table 14 below shows Uganda's lint destinations for the season 2004/2005.

Ginnery	Ginner	Bale Production	Bales sold	Buyer	Destination
Aboke	Rafiki	3,203	2,000	Olam International	United Kingdom
Aduku	Twin Brothers	6,707	4,250	Olam International	Singapore
			1,957	South Range Textile	"Uganda
			500	Plexus	United Kingdom
Arapai	Kumi cotton Co.	1,750	400	ATM/S.R Nyanza	Uganda
			1,350	Dunavant	South Africa
Balawoli	Gomba Fishing Co.	1,133	1,133	Plexus	United Kingdom
Bamunanika	Copcot (EA) Ltd	1,024	800	Reinhart	Portugal
Bugema	Bugema Cotton Co.	3,764	3,764	Plexus/CDI	UK/Switzerland
Bulumba	Intraco	1,187	1,187	Nytil Jinja	Uganda
Bulumba	Bon Holdings Ltd	3,480	700	Plexus	Switzerland
			2,780	Boan Spinner & Trader	Japan
Bulumba	Union Exp Serv. (UNEX)	1,499	1,499	Boan Spinner & Trader	Japan
Busembatia	Pramukh Agro Ind Ltd	10,450	4,000	Dunavant	Switzerland
			6,450	Olam International	Singapore
Busembatia	Intraco	111	111	Nytil Jinja	Uganda
Bushenyi	Bushenyi Cotton	7,500	7,500	Dunavant SA	Switzerland
Busitema	Ginning School	11	-	-	
Busolwe	South Base Agro Ind Ltd	6,468	50	African Textile Mills	Uganda
			2,500	Dunavant SA	Switzerland
			700	Albert Miller	Germany
			743	Volcot	Switzerland
			1,542	Olam International	Singapore
			600	Cotton Distributors Inc	Switzerland
			333	Annik Ind Ltd	Uganda
Dabani	Bestlines Ltd	6,684	4,600	Dunavant SA	Switzerland
			2,084	Olam International	Switzerland
Hoima	Cottco	596	250	Plexus	United Kingdom
Hoima	Magnetic Entp.	1,907	1,000	Reinhart	Portugal
Hoima	Copcot (EA) Ltd	517	450	Reinhart	Portugal
Iceme	Dunavant Ltd	18,188	18,188	Dunavant SA	Switzerland
Iki Iki	Bugema Cotton Co.	12,775	200	African textile Mills	Uganda
			12,575	CDI./Plexus	Switzerland/UK
Jaber	Pride Oils Ltd	2,539	2,358	Olam International	Singapore
Kabole	Bugema Cotton Co.	10,668	10,668	CDI/Plexus	Switzerland
Kabulubulu	Mutuma Commercial Ag.	2,985	1,600	Olam International	Singapore
			300	Dunavant SA	United States
			900	Plexus	United Kingdom
Kachumbala	CN Cotton Ltd	7,500	100	S.R. Nyanza	Uganda
			7,400	Olam Inter/Dunavant	Singapore/SA
Kachumbala	Serere	42	42		

Ginnery	Ginner	Bale Production	Bales sold	Buyer	Destination
Kibuku	Pride Oils Ltd	4,485	4,485	Olam International	Singapore
Kitgum	Dunavant Ltd	981	981	Dunavant SA	Switzerland
Ladoto	Pramukh Agro. Ind Ltd	4,200	200	S.R Nyanza (Uganda)	Uganda
			4,000	Albert Miller /Dunavant/Olam Intern	South Africa/Germany
Lukhonge	Bon Holdings Ltd	1,195	1,195	Olam International	Singapore
Luzinga	Bon Holdings Ltd	740	400	Boan Spinners	Japan
Masindi	Cottco	6,582	2,500	Olam International	
			2,740	Plexus	United Kingdom
Masindi	Dure Estates	478	228	Jinda Intern Textiles	Uganda
Masindi	Copcot (EA) Ltd	801	801	Reinhart	Portugal
Mukongoro	Kumi Cotton Ltd	3,400	1,900	Olam International	Singapore
			1,500	Albert Miller	Germany
Nakasongola	Dunavant Ltd	2,355	2,355	Dunavant	Asia
Nakivumbi	Bon Holdings Ltd	11,234	10,000	Boan Spinners	Japan
			1,200	Plexus	United Kingdom
Ngetta	Lango Coop Union	5,809	5,450	Boweevil	Netherlands
			350	Phenix Logistics	Uganda
Ngetta	Dunavant Ltd	3,226	3,226	Dunavant SA	Switzerland
Nyakatonzi	Nyakatonzi Union	11,828	2,966	Dunavant SA	Switzerland
			2,558	Olam International	Singapore
			264	Sotexki	DR Congo
			1,100	Cotton Distributors Inc	Switzerland
			1,500	Volcot	Switzerland
			1,500	Bauman	United Kingdom
			350	Phenix Logistics	Uganda
			1,590	Riftcot	Kenya
Nyakatonzi	Kakyu Hardware	2,180	1,500	Dunavant SA	Switzerland
			680	Olam International	Singapore
Nyakesi	Novo Enterprises Ltd	8,236	1,200	Albert Miller	Germany
			1,850	Plexus	United Kingdom
			1,200	Volcot	Switzerland
			700	Sunflag	Kenya
			3,286	Dunavant SA	Switzerland
Odokomit	Dunavant Ltd	5,634	200	Phenix Logistics	Uganda
			5,431	Dunavant SA	Switzerland
Parombo	Copcot (EA) Ltd	20,934	20,900	Reinhart	Portugal
Parombo	Cottco	2,479	900	Plexus	United Kingdom
Pakwach	Copcot (EA) Ltd	3,178	2,700	Reinhart	Portugal
Rwenzori	Rwenzori Ginners	10,150	1,766	Plexus	United Kingdom
			2,686	Cotton Distributors Inc	Switzerland
			2,766	Olam International	Singapore
			2,932	Dunavant SA	Switzerland
Rhino Camp	Copcot (EA) Ltd	8,951	8,951	Reinhart	Portugal
Sai Agri Business	SAI Agri Business Co Ltd	444	3	African Textile Mills	Uganda
			441	Olam International	Singapore
Total		**108,639**	**104,570**		

2.3 Stakeholders In The Cotton Industry

Stakeholders included farmers, Seed cotton buyers, Ginners, Exporters, Textile millers, Cottonseed buyers and Oil Millers.

In the season 2004/05 CDO registered 20 exporters the same number as in the previous season 2003/04. 31 ginneries were registered to gin this season compared to 23 ginneries in the previous season. Tables 8 & 9 below show the registered ginners and exporters for the 2004/05 season.

Table 15**: REGISTERED EXPORTERS 2004/2005 SEASON**

S. NO	DATE OF REGISTRATION	EXPORTERS NAME
1.	14/12/2004	North Bukedi Cotton Co. Ltd
2.	14/12/2004	Bon Holdings Ltd
3.	16/12/2004	Pride Oils Ltd
4.	16/12/2004	Best Lines Ltd
5.	16/12/2004	South Base Agro Industries Ltd
6.	29/12/2004	Pramukh Agro Industries Ltd
7.	31/12/2004	CN Coton Ltd
8.	04/01/2005	Copcot EA Ltd
9.	04/01/2005	Mutuma Commercial Agencies
10.	04/01/2005	Kumi Cotton Ltd
11.	04/01/2005	Dunavant (U) Ltd
12.	07/01/2005	NOVO Enterprises Ltd
13.	12/01/2005	Rwenzori Cotton Ginners Ltd.
14.	14/01/2005	Nyakatonzi Growers Co-operative Union
15.	21/01/2005	Lango Co-operative Union Ltd
16.	31/01/2005	Union Export Services Ltd
17.	31/01/2005	Balawoli Cotton Ginner Ltd
18.	07/02/2005	Cottco (U) Ltd
19.	23/02/2005	SAI Agri Business Ltd
20.	09/03/2005	Bushenyi Cotton Co. Ltd

Table 16: **REGISTERED GINNERS IN 2004/2005 SEASON**

S.No	Ginner's Name	Ginnery Name
1.	Pramukh Agro Industries Ltd	Busembatia
2.	CN Cotton Ltd	Kachumbala
3.	Kumi Cotton Ltd	Mukhongoro
4.	Kumi Cotton Ltd	Arapai
5.	North Bukedi Cotton Co. Ltd	Kabole
6.	North Bukedi Cotton Co. Ltd	Iki-Iki
7.	North Bukedi Cotton Co. Ltd	Bugema
8.	Pramukh Agro Industries Ltd	Ladoto
9.	South Base Agro Industries Ltd	Busolwe
10.	South Base Agro Industries Ltd	Jaber
11.	Balawoli Cotton Ginnery Ltd	Balawoli
12.	NOVO Enterprises Ltd	Nyakesi
13.	Olam (U) Ltd	Kibuku
14.	Country Farm	Soroti
15.	Bon Holdings Ltd	Nakivumbi
16.	Bon Holdings Ltd	Bulumba
17.	Bestlines Ltd	Dabani
18.	Twin Brothers	Aduku
19.	Masaba Cotton Co.	Lukhonge
20.	Western Uganda Cotton Company	Masindi
21.	Copcot EA	Parombo
22.	Copcot EA	Pakwach
23.	Copcot EA	Rhino Camp
24.	Dunavant (U) Ltd	Iceme
25.	Dunavant (U) Ltd	Odokomit
26.	Rwenzori Cotton Ginners Ltd	Rwenzori
27.	Mutuma Commercial Agency Ltd	Kiyunga
28.	Jinda International Textiles	JITCO
29.	Bushenyi Cotton Ltd	Bushenyi
30.	Western Uganda Cotton Ltd	Kasese
31.	Magnetic Enterprises Ltd	Hoima

Table 17. **Number of Registered Ginners and Cotton Exporters 2003/04and 2004/05 season.**

	2003/04	**2004/05**
Cotton Ginners	23	31
Lint Exporters	20	20

Table 18: **Contract Ginners**

S.NO	**Ginner's Name**	**Ginnery Name**
1.	COPCOT EA	Masindi
2.	Western (U) Cotton	Pakwach
3.	Intraco (U) Ltd	Bulumba
4.	Western (U) Cotton	Parombo
5.	COPCOT EA	Hoima

2.4 Uganda's cotton production has been growing over the years since liberalisation. **Table 19** below shows total production and earning since the liberalisation of the Cotton Subsector.

Table 19. **Production trends and earnings since liberalisation of the Cotton Sector**

YEAR	PRODUCTION (Bales)	EARNINGS FROM EXPORTS		EARNINGS BY FARMER		SALE OF SEEDS BY GINNERS	
		Ave. FOB Price ($/kg lint)	Value ($ million)	Ave Farmgate Price (Shs/kg seed cotton)	Value (Shs billion)	Ave. Price per MT(Shs)	Value (Shs' Billion)
1		3	4	5	5	6	7
1994/95	33,000	2.10	12.82	400	7.39	100,000	1.22
1995/96	56,416	1.98	20.67	350	11.06	100,000	2.09
1996/97	110,700	1.86	38.09	320	19.84	100,000	4.09
1997/98	32,000	1.79	10.60	390	6.99	120,000	1.42
1998/99	82,000	1.68	25.49	400	18.37	130,000	3.94
1999/00	117,000	1.34	29.00	300	19.66	150,000	6.49
2000/2001	100,000	1.50	27.75	420	23.5	150,000	5.21
2001/2002	120,000	0.8	17.76	270	18.14	130,000	5.77
2002/2003	110,000	1.20	24.42	500	30.80	170,000	6.49
2003/2004	160,000	1.50	44.40	650	58.2	200,000	11.1
2004/2005	254,000	0.80	37.59	350	47.04	110,000	8.39
Totals over time	**1,175,116**		**288.59**		**263.79**		**63.21**

2.5 WORLD OVERVIEW

2.5.1 **Price trends in 2004/05**

2.5.2 The lowest price recorded was in July 2004 of 58.87 cts per pound C.I.F Europe. International cotton prices, as measured by the Cotlook "A" Index varied by 11% above and 10% below the average during 2004/05. In response to higher prices in 2003/04, World cotton area rose in 2004/05 to the highest since 1995/96. As a result, in anticipation of a record crop in 2004/05, prices fell from a peak of 80 cents per pound at the end of October 2003, to 76 cents per pound in January 2004.

The 2004/05 Cotlook "A" Index (Forward Cotlook "A" Index) was introduced in mid-March 2004 at 71.60 cts per pound with a discount of less than one to the 2003/04 Cotlook "A" Index (Current Cotlook "A" Index). As estimates of the crop kept growing, the 2004/05 Index fell to 50 cents per pound on August 1, 2004. Prices further dropped to a season low of 46.85 cents per pound in mid-November 2004, the lowest since July 2002. The Cotlook "A" Index rebounded to near the season high of 57.70 cents per pound at the end of April 2005.

2.6 Production and Consumption

2.6.1 By the end of the season, the world production estimate (Cotlook) was 26,165,000MT and 24,621,000MT for the 2004/05 and 2005/06 seasons respectively.

2.6.2 World cotton consumption was projected to be 23,304,000MT for the 2004/05 season and in the 2005/06 season consumption was projected to be 21,388,000MT.

2.6.3 Production in the next season 2005/2006 was expected to increase as shown in Table 21.

Table 21: **Estimated Cotton Outlook Forecasts**

	World Total (Excl. China)	China	World Total
	- thousands of tonnes-		
	6,045	**2,702**	**8,747**
ICAC	**6,383**	**1,728**	**8,111**
Cotton Outlook Forecasts:			
Production 2004/2005	19,845	6,320	26,165
	-1,378	1,378*	
Estimated Beginning Stocks Aug 1, 2004	18,467	7,698	26,165
USDA	15,004	8,300	23,304
Net change in stock 2004/2005	**3,463**	**-602**	**2,861**
Production 2005/2006	18,921	5,7000	24,621
Net Trade with China 2005/2006	-2,975	2,975**	
New supply 2005/2006	15,946	8,675	24,621
Consumption 2005/2006	15,175	9,000	24,175
Net change in stock 2005/2006	**771**	**-325**	**446**
Suggested Ending Stocks July 31, 2006			
Based on USDA	**10,280**	**1,775**	**12,055**
Based on ICAC	**10,618**	**801**	**11,419**

* 2004/05 exports 7, imports 1,385 ** 2005/06 exports 25, imports 3,000.

2.7 Global Stocks

Table 22. **World Supply and Demand**

SEASON	MILLION TONS	
	CONSUMPTION	PRODUCTION
1994/95	16.5	17
1996/97	15.5	18
1998/99	16.1	15.5
2000/01	15.8	19
2001/02	19.6	20
2002/03	19.3	21.12
2003/04	20.22	21.01
2004/05*	30.04	21.18

Source: ICAC * Forecasts

Table 23: **World cotton Supply and Demand**

	2004/2005		200506		2006/07	
	Million Tons	Change/Month	Million Tons	Change/Month	Million Tons	Change/Month
Beginning Stocks	8.11	**0.00**	**10.39**	**-0.11**	**10.86**	**0.17**
Production	26.20	**0.01**	**24.40**	**0.29**	**24.83**	**0.05**
Supply	34.32	**0.01**	**34.78**	**0.18**	**35.68**	**0.21**
Consumption	23.40	**0.02**	**23.93**	**0.01**	**34.61**	**0.01**
Exports	7.65	**0.11**	**8.09**	**0.07**	**8.16**	**-0.05**
Ending Stocks	10.39	**-0.11**	**10.86**	**0.17**	**11.08**	**0.20**

2.8 Outlook for World Cotton Supply

7-year high prices in early 2004, near ideal weather and the expanding use of new technologies boosted World production to a record of 26.2 million tonnes in 2004/05, up to 2.5 million tonnes (27%). This was the largest year to year increase ever and production outpaced consumption by 2.8 million tons. As a result, average international prices dropped 16 cents to 52 cents per pound in 2004/05, the third lowest in 32 seasons.

Lower cotton prices were expected to reduce World production in 2005/06 and the rate of growth in consumption was expected to decelerate.
World production was forecasted to decline by 8% and consumÿÿion is expected to rise 2% in ÿÿ05/06. Market fundamentals suggest that the Cotlook "A" Index will average 65 cts per lb in 2005/06, 13 cents above (25%) the previous average.

Table 24**: ICAC Price Projections**

	Projection	Change/Month
2005/06	62*	-3
2006/07	61*	-4

** Season-average Cotlook "A" Index (U.S. cents per pound)*
95% confidence internal extends 12 cents above & below the point estimate.

2.9 Trade Policies affecting the Cotton Industry

Government measures protecting cotton producers and exporters remain in place in several counties. As a result, world cotton area is declining only by 1% to an estimated 35.4 million hectares in 2005/06, 2.3 million hectares above the 10 year average.

Direct income and price support provided to the Cotton Industry in 2004/05 is estimated at US$4.7 billion up from US$3.4 billion the previous season. Increases in direct support to the cotton industry were the result of a decline in market prices and increased production (due to increase in both area and yield).

Nine countries offered direct income and price support in 2004/05 ranging from an estimate $2.2 billion in USA to $11 million in Colombia Direct Support in 2003/04 varied in a range from $1.3 billion in China (Mainland) to $6 million in Mexico. See Table below.

Table 25: **Level of Direct Assistance Provided by Governments to the Cotton Sector Through Production Programs***

Country	2001/02			2002/03*		
	Production	Average Assistance per Pound produced	Assistance to Production	Production	Average Assistance per Pound Produced	Assistance to Production
	1,000 tons	US cents	US $ millions	1,000 tons	US cents	US$ Millions
China (Mainland)	4871	12	1303	6320	8	1145
USA	3975	12	1021	5062	20	2244
Greece	333	104	761	390	97	736
Spain	98	108	233	110	95	230
Turkey	910	1	22	900	6	115
Egypt	198	2	9	290	14	89
Mexico	68	4	6	138	16	49
Benin				175	9	34
Colombia				61	8	11
All Countries	**10 453**	**15**	**3354**	**13 446**	**16**	**4753**

*Income and price support programs only. Credit and other assistance not included. ** Preliminary

Table 26: **Level of Direct Assistance Provided by Governments to the Cotton Sector Through Export Programmes**

Country	2003/04			2004/05**		
	Exports	Average Assistance per Pound Exported	Assistance to Exports	Exports	Average Assistance per Pound Exported	Assistance to Exports
	1,000 tons	US cents	US $ millions	1,000 tons	US cents	US$ Millions
USA	2996	4	235	3048	7	455
Upland cotton	2878	3	190	2874	4	250
Pima	118	19	49	174	53	205
Egypt	89	1	2	130	3	8
India				175	2	7
Total	3085	3	237	3353	6	470

* Preliminary

SECTION III: GINNING

3.0 Training

Seventeen (18) students completed their training in Ginning Engineering, for the academic year 2003/2004. Another batch of 18 students was recruited for training as ginning engineers (9) and ginning technicians (9) for the academic year 2004/2005.

3.1 National Ginning Output

A total of 36 ginneries were registered for ginning and at the close of 2004/2005 season, up to **240,329** standard bales @ 185 kgs had been ginned.

In the course of the 2004/2005 cotton season, Lint Outturn (GOT) was carried out in all the ginneries. The National average Lint Ginning Outturn was 35.26%.

Table 26: **National GOT 2004/2005**

	Comparison of Actual GOT Lint Outturns for the season 2004/2005			
G/No	**Ginnery**	**District**	**Bales produced @ 185 kg**	**Got Exercise (%)**
1	Aduku	Apac	6,707	36.14
2	Arapai	Soroti	1,750	34.41
3	Balawoli	Kamuli	1,133	35.25
4	Bamunanika	Luwero	1,024	35.03
5	Bugema	Mbale	3,764	35.17
6	Bulumba	Iganga	6,166	35.17
7	Busembatia	"	10,561	35.88
8	Bushenyi	Bushenyi	7,500	34.37
9	Busolwe	Butaleja	6,468	36.09
10	Dabani	Busia	6,684	36.17
11	GEOCOTTCO	Kasese	7,271	33.59
12	Icheme	Apac	18,188	35.45
13	Iki-Iki	Pallisa	12,775	34.47
14	Jaber	Apac	2,539	35.50
15	Kabole	Pallisa	10,668	35.46
16	Kabulubulu	Kaberamaido	2,985	35.65
17	Kachumbala	Kumi	7,542	36.27
18	Nyakatonzi	Kasese	14,386	33.65

19	Kitgum	Kitgum	981	36.34
20	Kibuku	Pallisa	4,485	34.96
21	Ladoto	Pallisa	4,200	33.72
22	Lukhonge	Mbale	1,195	34.99
23	Mukhongoro	Kumi	3,400	34.83
24	Nakasongola	Nakasongola	2,355	35.92
25	Nakivumbi	Iganga	11,234	35.24
26	Ngetta	Lira	9,035	35.26
27	Nyakesi	Tororo	8,236	34.88
28	Odokomit	Lira	5,634	36.40
29	Parombo	Nebbi	23,413	36.27
30	Pakwach	Nebbi	3,178	34.84
31	Rhino Camp	Arua	8,951	36.45
32	Rwenzori	Kasese	10,150	33.95
33	Soroti	Soroti	445	35.33
34	Luzinga	Kamuli	760	-
35	Aboke	Apac	4,521	-
36	Busitema	Busia	11	-
	Total		**230,329**	**35.26**

SECTION IV: CLASSIFICATION

4.0 Classing Laboratories:

During the season under review the section closed its Tororo Classing Laboratory/office. All the cotton classing and quality control activities were now conducted at the head office. This was prompted by the desire to once again centralise the classing service. It was realised that the majority of the ginners conduct their transactions in Kampala, it was therefore essential that they got all their documents at one go through a kind of 'one- stop centre'. The cumulative lint classification for the season amounted to 254,000 bales.

Both roller and saw ginned cotton was classed. Roller ginned cotton accounted for 98.44% of the season's production while saw ginned accounted for 1.56%.

4.1 High Volume Instrument (HVI) Testing:

This system which was installed in the Tororo office was shifted to the Head Office. The section continued to run this state of the art technology for cotton testing. The HVI enables measurement of all the lint quality parameters and provides data essential for effective marketing, variety research/improvement and utilization of lint. The system has therefore been useful to the ginners, spinners and the National Agriculture Research Organisation/Cotton Programme(NARO).

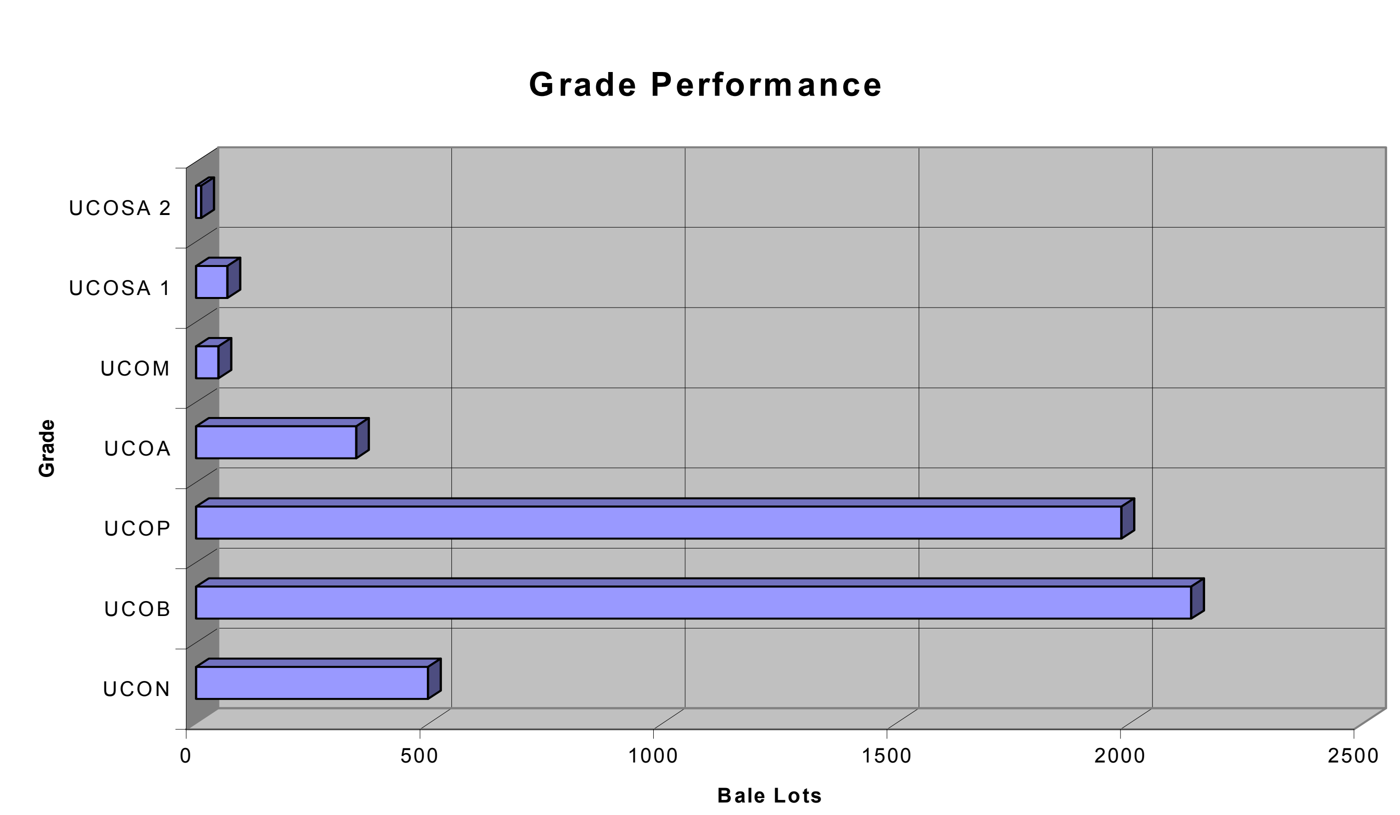
4.2 Quality Performance:

The lint quality in the season under review showed a positive trend as compared to the previous season. The table below and the corresponding graphs illustrate this.

Table 27 : Quality Performance for 2003/4 and 2004/05 Season

Grade/ Season	UCON	UCOB	UCOP	UCOA	UCOM	UCOSA 1	UCOSA 2
2003/04	31.74 (1%)	825.24 (26%)	1428.30 (45%)	698.28 (22%)	190.44 (6%)	Not ginned	Not ginned
2004/05	497.33 (9.79%)	2130.55 (41.94%)	1981.70 (39.01%)	342.90 (6.75%)	48.26 (0.95%)	67.56 (1.33%)	11.70 (0.23%)

(Note: The figures are in lots, each lot equals 50 bales).
Graph: An illustration of grade performance for the season 2004/05



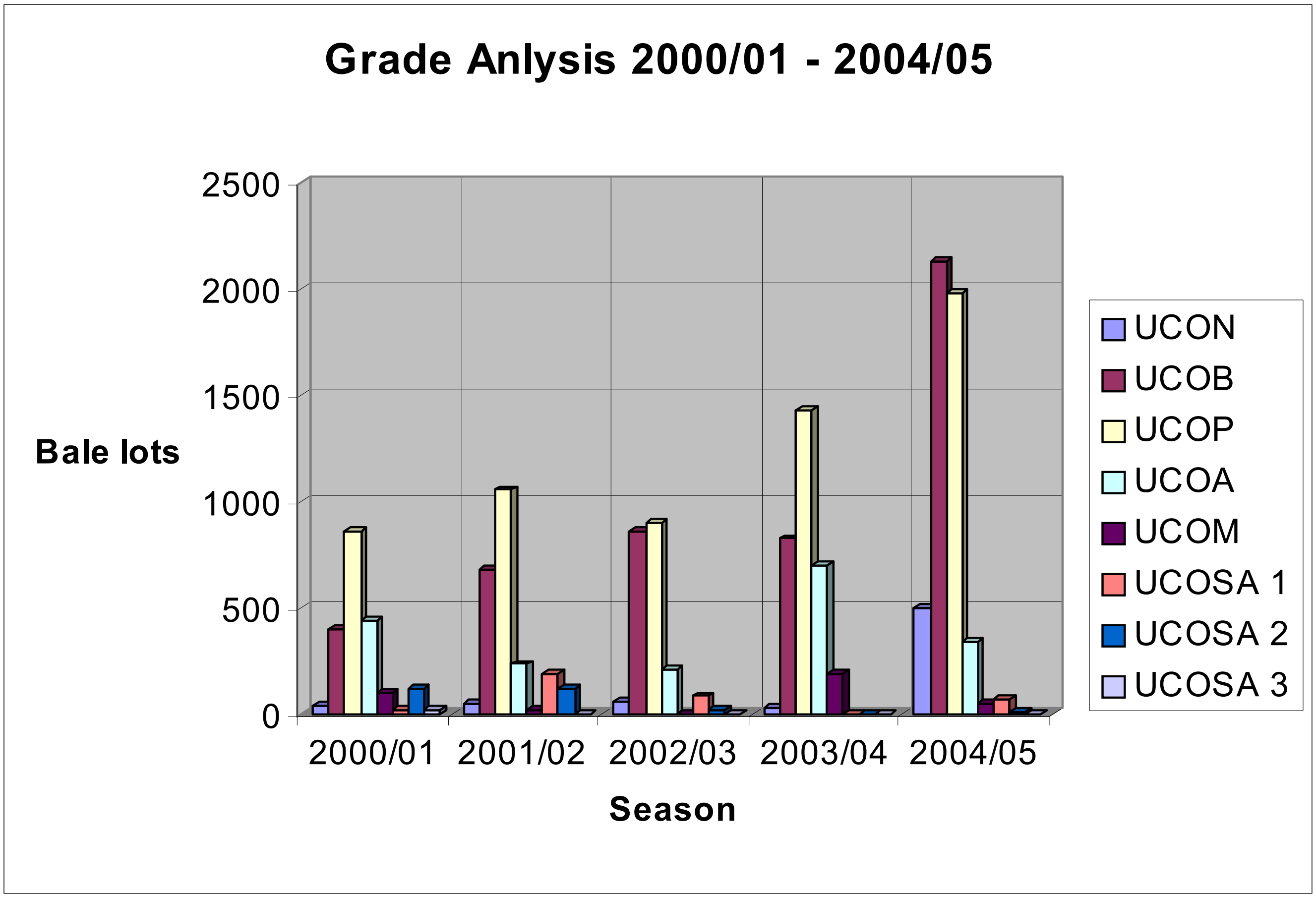
There is an observable general upward movement in cotton quality standard over time. Table 1 highlights this movement over the period 2000/01 to 2004/05.

Table 28: Performance By Grade For Season 2000/01 - 2004/05:

GRADE	*SEASON AND % OF TOTAL LOTS*				
	2000/01	**2001/02**	**2002/03**	**2003/04**	**2004/05**
UCON	40 (2%)	46.91 (2%)	64.20 (3%)	31.74 (1%)	497.33 (9.79%)
UCOB	400 (20%)	680.30 (29%)	856 (40%)	825.24 (26%)	2130.55 (41.94%)
UCOP	860 (43%)	1,055.64 (45%)	898.80 (42%)	1,428.30 (45%)	1,981.70 (39.01%)
UCOA	440 (22%)	234.58 (10%)	214 (10%)	698.28 (22%)	342.90 (6.75%)
UCOM	100 (5%)	23.49 (1%)	0 (0%)	190.44 (6%)	48.26 (0.95%)
UCOSA 1	20 (1%)	187.67 (8%)	85.60 (4%)	No saw gin	67.56 (1.33%)
UCOSA 2	120 (6%)	117.29 (5%)	21.4 (1%)	No saw gin	11.70 (0.23%)
UCOSA 3	20 (1%)	0 (0%)	0 (0%)	No saw gin	0 (0%)
TOTAL LOTS	2,000	2,345.88	2140	3,174	5,080
TOTALBALES	100,000	117,294	107,000	158,700	254,000

4.3 Comparative Grade Analysis:

The bar graph below gives an indication of the trend of comparative grade production over the last five seasons i.e. 2000/01 through 2004/05.



Overall, the season exhibited an improvement in both quantity and quality of lint produced.

SECTION V: ADMINISTRATION

5.0 Board of Directors

The Board of Directors continued steering the affairs of the Organisation and promoting the objectives of the Organisation.

The tenure of the existing Board of Directors expired on 30th April 2005 and was extended by the Minister of Agriculture, Animal Industry and Fisheries until a new Board would be constituted and inaugurated.

5.1 Staffing

5.1.1 Employment levels

In the 2004/05 season, CDO employed a total of 38 members comprising of:

Senior staff (Hq)	8
Support staff	14
Field staff	7
Ginning Training School	9
Total	**38**

During the same period the organization had 8 casual staff one at each regional office and one at Busitema Ginning school.

5.1.2 New staff

During the season the following staff joined the Organisation:

1. Mr. Hilary B. Magunda joined as the Board Secretary in February 2005.
2. Mr. Ian Kakuru joined as Farm manager responsible for the Kigumba Demonstration Block farm in Masindi, in August 2005.

5.1.3 Staff training

Seven field staff were trained in effective and efficient leadership.

Mr. Badru Adiga a Classifier trainee trained in Classing with Zimbabwe COTTCO between September 2005 and October 2005.

5.1.4 Conferences and workshops

The following attended ICAC conference in Mumbai India in November 2004 and Washington DC in September 2005.

(i)	Mr. Richard Parwot	Chairman Board of Directors
(ii)	Mrs. Jolly Sabune	Managing Director CDO
(iii)	Dr. Serunjogi Lastus	Member of CDO Board of Directors

Ms. Damalie Lubwama the Agronomist attended a cotton workshop in Lusaka Zambia in January 2005 and in Jeddah in March 2005.

Mr. Hans Muzoora the Principal Market Information and Monitoring officer attended the Asia African Summit on cotton in April 2005 and a conference in Europe in October 2005.

1.1.5 Resignations and Retirement

In the period under review, the following staff members left the services of CDO:

(i) Mr. James Arinaitwe the Board Secretary left in January 2005.
(ii) Ms. Achola Betty the Receptionist left in January 2005.

Table 20: Ginnery Contact and Owner ship in Uganda 2004/2005

SR NO.	GINNERY	CAPACITY	OWNERSHIP/OPERATOR	REGISTERED ADDRESS	POSTAL ADDRESS	TEL.	FAX.	E-MAIL ADDRESS
1	Aboke	15,000	Muddu Awulira Ent. (Contract)	Aboke – Apac	P.O Box 55, Lira	041-250406	041-342870	N/A
2	Arapai	13,500	Teso AgriBase Ltd (Contract)	Arapai – Soroti	P.O Box 5158, Kla	041-285390	041-222083	N/A
3	Balawoli	31,500	Balawoli Cotton Ginnery Ltd	Balawoli – Kamuli	P.O Box 196, Kamuli	041-343066	041-234335	N/A
4	Bamunanika	13,500	Bamunanika Ginnery Ltd	Baminanika- Luweero	P.O Box 1615, Kla	077-425452	-	N/A
5	Bugema	54,000	North Bukedi Cotton Company	Bunghoko – Mbale	P.O Box 2496, Mbale	045-34023	045-35215	N/A
6	Bulumba	16,500	Busoga Growers Co-op. Union	Bulumba – Kamuli	P.O Box , 3794 Kla	077-586975	-	N/A
7	Bulumba		Union Export Services Ltd (UNEX)	Bulumba – Kamuli				unex@starcom.co.ug
8	Bulumba		INTRACO (U) Ltd	Bulumba – Kamuli				hkyeyamwa@uol.co.ug
9	Busembatia		Pramukh Agro Industries	Bugweri – Iganga	P.O Box 996, Jinja	043-122522	043-122523	nileagro@utlonline.co.ug
10	Busolwe	15,000	South Base Agro Industries	Busolwe – Tororo	P.O Box 22787, Kla	077-425626	041-343563	kkuganda@hotmail.com
11	Busolwe		Global Cotton Ltd	Busolwe – Tororo				dr-anap@rediffmail.com
12	Clark	50,400	Clark Cotton Company (U) Ltd	Kyoga – Soroti	P.O Box 7518, Kla		077-702070	jjetsteen@infocom.co.ug
13	Coo-orom	20,250	West Acholi Coop Union	Gulu – Town	P.O Box 225, Gulu	-	-	N/A
14	DabaniDabani	15,000	Minar Trading Co. Ltd	Dabani – Busia	P.O Box 8506, Kla	041-257816	041-341306	devan.khagram@riftcotton.com
15	Hoima	15,000	Magnetic Enterprises	Hoima Town – Hoima	P.O Box 1914, Kla	041-348638	041-251652	N/A
16	Iceme	10,000	Dunavant Ltd	Iceme – Apac	P.O Box 5103 Kla	041-345202	031-263020	ravipatel@dunavant.co.ug
17	Iki-Iki	21,000	North Bukedi Cotton Company	Iki-iki – Pallisa	P.O Box 2496, Mbale	045-34023	045-35125	peokei@hotmail.com
18	Kabole	16,500	North Bukedi Cotton Company	Kabole – Pallisa	P.O Box 2496, Mbale	077-777123	045-35125	“
19	Kabulubulu	15,000	Twin Brothers Ltd	Kaberamaido-Soroti	P.O Box 172, Lira	041-257503	-	N/A
20	Kachumbala	22,500	C.N. Cotton	Kachumbala-Kumi	P.O Box 231, Soroti	045-61193	045-33993	cncottonug@yahoo.com
21	Kachumbala		C.N. Cotton	Kachumbala-Kumi	P.O Box 231, Soroti	045-61193	043-33993	nileagro@utlonline.co.ug
22	Kasese	22,500	Nyakatonzi Growers Coop.	Kasese Town	P.O Box 32, Kasese	0483-44370	0483-44836	ngcu@utlonline.co.ug
23	Kasese		Muddu Awulira Ent.	Kasese Town	P.O Box 32, Kasese	0483-44370	0483-44836	N/A
24	Kasese		Kyaku Hardware spares		P.O Box 32, Kasese			N/A
25	Kitgum		East Acholi Coop Union	Kitgum Town	P.O Box 8506, Kla	041-257816	041-341306	N/A
26	Ladoto		Ladoto Ginnery					N/A
27	Lukhonge	15,000	Masaaba Cotton Co.	Lukhonge – Mbale	P.O Box 7518, Kla	041-222666	041-222634	N/A
28	Masindi	15,000	Muddu Awulira Ent. (Contract)	Kihande – Masindi	P.O Box 22575, Kla	041-257503	041-257504	N/A
29	Masindi	15,000	Bunyoro Growers Co-op.	Kihande – Masindi	P.O Box 1, Masindi	077-513775	-	N/A
30	Mukhongoro	8,100	Teso AgriBase Ltd	Mukhongoro – Kumi	P.O. Box 5158, Kla	077-467871	041-222083	N/A
31	Nakasongola		Dunavant Ltd	Nakasongola-Luwero	P.O. Box 5103 Kla	041-345202	041-345193	rauto@africaonline.com
32	Nakivumbi	31,500	Bon Holdings Ltd	Nakivumbi – Iganga	P.O Box 3794, Kla	075-770033	041-344218	bon@spacenet.co.ug
33	Ngetta	22,500	Lango Co-operative Union Ltd	Ngetta- Lira	P.O Box 50 Lira	041-531489	041-531489	pmoryang@afsat.com
34	Nyakesi	22,500	South Bukedi Coop Union Ltd/Novo	Nyakesi – Tororo	P.O Box 101, Tororo	045-44327	045-45070	novo@africaonline.co.ug
35	Nyakesi		Novo Enterprises	Nyakesi – Tororo	P.O Box 101, Tororo			N/A
36	Pakwach	22,500	South West Nile Coop Union Ltd	Pakwach – Nebbi	P.O Box 33, Pakwach	077-417524	-	N/A
37	Parombo		Muddu Awulira Ent. (Contract)	Parombo	P.O Box 22575, Kla	041-257503	041-257504	N/A
38	Rwenzori	15,000	Rwenzori Cotton Ginners	Kasese – Busongora	P.O Box 164, Kasese	0483-44485	-	rcglc2000@yahoo.com