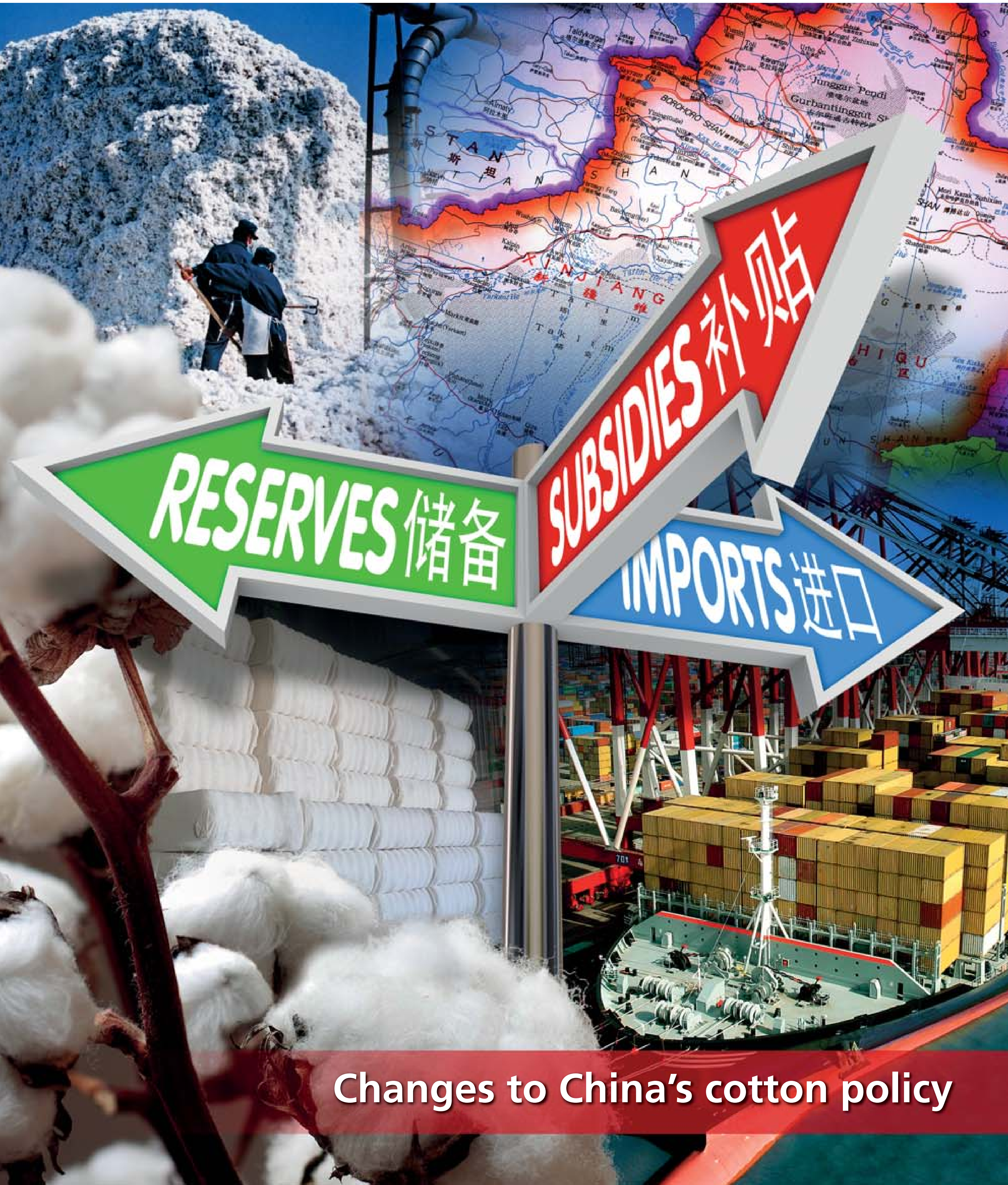
Cotton Outlook

Special Feature

May 2014



Changes to China's cotton policy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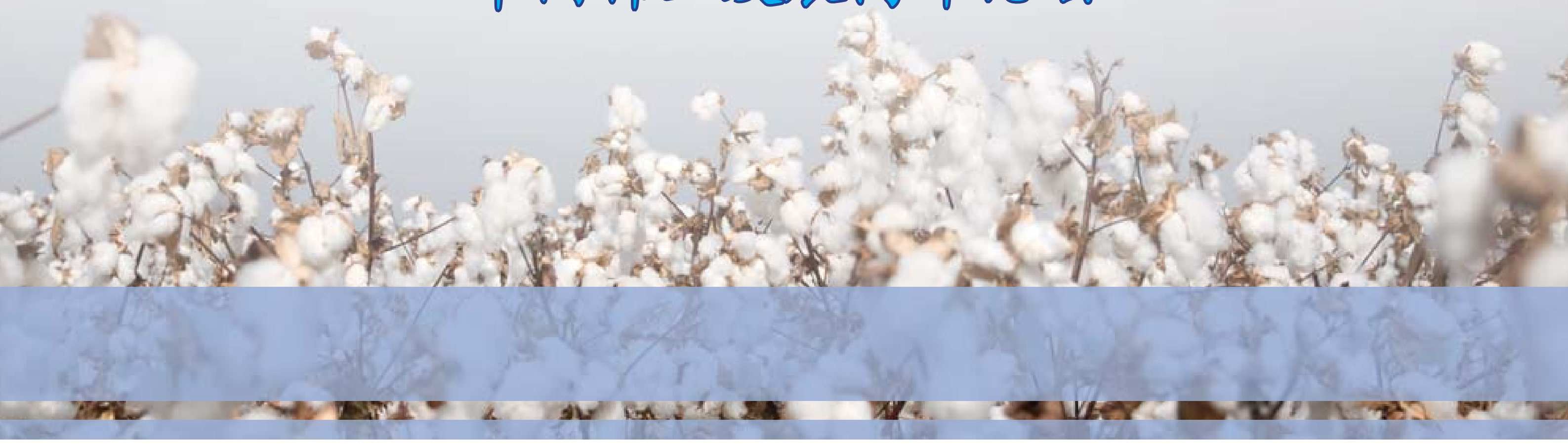
China Trade Summit Forum

中国棉业发展高峰论坛



Cotlook is delighted to be identified once again as a 'co-organiser' of the biennial trade summit, to make a presentation at the event and to produce this Cotton Outlook Special Feature as a complimentary gift to all participants in the event.

Most of the contents of this publication discuss China's cotton policy and the impact of that policy, whether it be on production, consumption or market prices. Many uncertainties remained at the time the articles were written but the authors nonetheless raise some interesting issues, not least in regard to the prospects in Xinjiang and, as Madam Du Min discusses, elsewhere in China.

We are exceedingly grateful to those who have taken the time to put their thoughts on paper, and we trust that you, the reader, will find some useful observations in their writings. Most of all, we hope for more clarification and understanding to emerge from the conference in Xiamen and look forward to meeting you there!

The Cotlook Team in Xiamen will comprise:

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Cotlook非常荣幸再次协同举办本届意义重大的高峰论坛，并进行大会发言，同时在会上敬赠本刊——“Cotlook中国特刊”于各位与会代表。

本刊内容主要关注并讨论中国棉花政策，及其可能对棉花生产、消费和市场价格造成的影响。在部分文章撰写的时候关于政策仍有较多不确定的因素，但是文章的作者们都分别提出了诸多值得深入思考的观点和问题，不仅涵盖了新疆地区，还有杜珉女士探讨的其它内地地区。

我们非常感谢在百忙之中抽出时间将他们的思考撰写成本刊文章的专家作者，并且我们相信您，我们的读者，将通过阅读这些文章深受启发。最后，我们希望本刊起到抛砖引玉的作用，通过此次的厦门会议，使您也使我们得到更多的更进一步的见解。

出席本次中国棉业高峰论坛的Cotlook代表有：

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The New Era Accomplishes a New Cotton Industry

新时代成就新棉业

By Ma Aifang, Director of Information Department, China Cotton Association
马爱芳 中国棉花协会，信息部主任

2014 is a year of milestone for the cotton industry of China.

This year, fundamental changes to China's macro-control policy for cotton are under way. The curtain has been drawn on the temporary purchasing and storage policy, which has been implemented for three years and the pilot target price subsidy policy has taken the stage. In this important period of reform, what kind of changes will emerge on the domestic and global cotton market? This is an issue that both the domestic and overseas cotton industry is concerned about. The 2014 Summit for the Development of Cotton Industry in China, which is sponsored by the China Cotton Association and which will be held in Xiamen, will provide a platform for discussion and communication by the entire cotton industry.

"New Era, New Cotton Industry" is the theme of this summit. Representatives present at the summit will discuss how the cotton industry should make innovation and reform, stabilise production, expand demand and achieve sustainable development under the new circumstances and a new policy environment.

If we want to talk about the "new era", we should first talk about those "old policies". From 2011 to 2013, China implemented a temporary purchasing and storage policy of cotton. This policy was made during a special period when a global financial crisis hit the world and cotton prices fluctuated sharply. In these 3 years, nearly 16 million tons of cotton were purchased and stored by the country, equal to 70% of the actual output. Both the income of farmers and the cotton market remained stable: the cotton price on the domestic market remained around 19,000 yuan/tonne, and the variation was 50% less

2014年对中国棉花产业来说是具有重要里程碑意义的一年。

这一年，中国棉花宏观调控政策将进行彻底变革，实行了三年的棉花临时收储政策落下帷幕，目标价格补贴政策试点开始登台。在这个变革的重要时期，中国和全球的棉花市场将发生什么样的变化？国内外棉业界都十分关心。由中国棉花协会在厦门主办的2014'中国棉业发展高峰论坛提供了一个讨论与交流的平台。

本届会议的主题是"新时代 新棉业"，与会代表将共同探讨在新形势、新政策环境下，棉花产业如何顺势而为，改革创新，以稳定生产、扩大需求为目标，实现产业可持续发展。

说起"新时代"，先要谈谈"旧政策"。在2011到2013棉花年度，中国连续三年实行棉花临时收储政策。这个政策诞生于金融危机下棉价暴涨暴跌的特殊时期，三个年度累计收储量近1600万吨，超过实际产量的七成，实现了棉农收入、棉花市场"双稳定"的预期目标。三年来，在收储政策支撑下，国内棉花市场价格维持在19000元/吨左右，波幅低于国际市场50%左右，也支撑棉纱价格保持相对稳定；同时，敞开收储保障了棉农收益，三个年度收购价格稳中有升，保护了棉农的植棉积极性，国内植棉面积下降幅度趋缓。临时收储政策虽然发挥了重要作用，但是并不能解决全部问题：金融危机持续时间超出预期，全球经济长期低迷不振，纺织行业增速放缓，棉花产业现代化水平不足，导致我国棉花缺乏竞争优势。同时，由于临时收储政策被迫常态化，负面效应也逐渐显现：市场机制弱化、财政负担加重、内外棉价差增大等，这项政策难以为继。

than that on the global market. The price of cotton yarn also remained relatively stable. Meanwhile, this policy guaranteed the income of farmers, and helped sustain farmers' enthusiasm for planting cotton. Although the temporary purchasing and storage policy has played an important role, it cannot solve all problems. The duration of the financial crisis exceeded expectation and the speed of growth of the textile industry slowed. Modernisation of the cotton industry was insufficient. All of these factors resulted in China's cotton industry losing competitive advantage. Meanwhile, the temporary purchasing and storage policy had negative effects, such as a weakened market mechanism, a growing financial burden and an increasing difference between the domestic and global cotton price, making the policy difficult to continue.

A "new era" requires "new policy". Balzac, the famous French writer, used to say, "To make everything perfect, appropriate reform is necessary." Reform is the most urgent task after completing the historical mission of temporary purchasing and storage policy. For a long time, the China Cotton Association has suggested that a long-term mechanism should be established for the development of the cotton industry and support cotton farmers in production processes, so as to enhance yield per unit, cut down costs and ensure the relative stability of cotton cultivation area. The No.1 Document by the Central Government in 2014 has clearly stated that China will adhere to the principle of market-set prices, explore the reform of the disconnection between the pricing mechanism for agricultural products and government subsidy, gradually establish a target price system for agricultural products, guarantee the profits of farmers, and initiate a pilot subsidy program for the target price of cotton in Xinjiang Autonomous Region. In addition, the Central Government gave new ideas on several aspects, such as improving the control system for agricultural product market, promoting agriculture technological innovation and mechanised agriculture, strengthening

"新时代"呼唤"新政策"。法国作家巴尔扎克说过，"一切事物的趋于完善，都是来自适当的改革。"当临时收储政策的历史使命完成后，亟需的就是改革。中国棉花协会很早就提出建立中国棉业发展长效机制，在生产环节扶持棉农，以提高单产，降低成本，实现植棉面积相对稳定。2014年中央一号文件明确提出，坚持市场定价原则，探索推进农产品价格形成机制与政府补贴脱钩的改革，逐步建立农产品目标价格制度，切实保证农民收益，新疆将启动棉花目标价格补贴试点。除此之外，还在健全农产品市场调控制度，推进农业科技创新和农业机械化，加强农产品市场体系建设，扶持发展新型农业经营主体，健全农业社会化服务体系等方面提出新思路。

the marketing system's construction for agricultural products, supporting the development of new agricultural business entities and improving agricultural social services.

A "new era" inevitably brings about "new changes" on the market. By analyzing the situation of supply and demand and from the perspective of policy adjustment, the price of cotton has downside risks. When the temporary purchasing and storage policy was concluded, the market supporting mechanism ceased. The cotton price will gradually return to the market level and the difference between domestic and overseas cotton prices should narrow. Since the global stocks-to-use ratio is forecast to remain at a high level, both domestic and world cotton prices are faced with huge downward pressure. Influenced by various elements, such as costs, exchange rate and sales, it will remain difficult for textile enterprises to regain the growth rate witnessed before the financial crisis occurred. The oversupply of cotton will persist.

The "new era" requires a "new cotton industry". Although the cotton industry in China has experienced several years' of low tide, we should still see that, compared with other countries, China's economy has good fundamentals and an enormous basis of domestic demand. There is still room for enhancing the production efficiency of cotton. The textile industry retains strong advantages. In the long run, China will continue to be the world's largest cotton producer and consumer. However, "there is no easy way on the road of reform." The new policy will inevitably change market circumstances. It is difficult to estimate the additional risks and uncertainties. Reform should be made in all sectors of the cotton industry to adapt to the "new era". Firstly, we should clearly understand the situation and have definite objectives. When we look at the cotton production of China, we still have wide gaps with developed countries. When we look at the circulation of cotton, our logistics still lag behind and the efficiency of circulation is low. The competitive advantages of the textile industry are declining. Secondly, we should accelerate innovation and cope with challenges: cotton should be produced by a modern agricultural system, logistics should be modernized and made more efficient. The textile industry should accelerate self-innovation, strengthen brand strategy, discover emerging markets and achieve new developments.

China has always attached great importance to agricultural development. Particularly in recent years, the Central Government has provided more preferential policies to farmers and given more support to the cotton industry. The macro-control mechanism for cotton industry has been improved. The new policy not only protects the fundamental profits of farmers, but also considers the competitiveness of textile enterprises. It is estimated that the new policy will play an important part in enhancing the production efficiency of cotton, stimulating market vitality and coordinating the various sectors of the industrial chain. The "new era" will create "new opportunities". If we could grasp these opportunities, clearly understand the situation at home and abroad, and apply national policy appropriately, it will be a new starting point for both the long-term development of China's cotton industry and the self-development of enterprises.

“新时代”必然引起市场的“新变化”。从政策调整与供求形势的分析来看，棉花价格存在下行风险：临时收储政策结束后，托市机制退出，棉价将逐步回归市场，内外棉价差也将恢复常年水平；全球棉花库存水平再创历史新高，库存消费比居高不下，国内外棉价下跌压力较大；国际需求恢复尚需时日，纺织企业受成本、汇率、销售等多种因素影响，增速回归金融危机之前的水平还存在困难，棉花供大于求形势仍然延续。

“新时代”需要“新棉业”与之相适应。尽管中国棉业经历了几年的低潮期，但也应看到，与其他国家相比，中国经济的基本面较好，有庞大的内需基础，棉花生产效率还有提升空间，纺织产业仍有较强优势，在很长一段时期内，中国作为世界最大的产棉国和用棉国的地位仍难以撼动。然而“改革之路无坦途”，新政策的出台，必然引起市场环境的改变，风险与不确定性增加难以预料，棉花产业的各个环节都需要通过变革去适应“新时代”。首先，要认清形势，有的放矢：从棉花生产来看，与发达国家相比还有很大差距；从棉花流通看，物流落后、效率低下的问题仍然存在；从纺织行业来看，竞争优势有削弱趋势。其次，要加快创新，迎接挑战：棉花生产需要走现代化农业的路子；棉花流通要建立现代物流体系，提高效率，实现现代化；纺织行业要加快自主创新、加强品牌战略、寻找新兴市场，在提升中获得新的发展。

中国历来重视农业发展，特别是近年来惠农力度不断加大，对棉花产业的扶持也不断增多。棉花宏观调控机制进一步完善，新政策既要考虑到保护棉农基本收益，也要考虑到纺织企业竞争力。预计新政策对棉花生产效率提升、市场活力激发，产业链各方协调起到重要作用。“新时代”将带来“新机遇”，抓住这个机遇，分析清国内外形势、运用好国家政策，无论对中国棉业长远发展还企业自身发展都将是一个新的起点。

A Brief Review of China's Recent Cotton Marketing Policy

近年中国棉花市场政策的简要回顾

By Sisilia Zhang, China Business Manager, Cotlook Limited
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According to Cotton Outlook's statistics in March 2014, it is estimated that China's cotton output in 2014/15 will reach 6.13 million tonnes, 10% less than the figure in the past year. The area planted is predicted also to decrease by 10%, from 69.75 million mu (4.65 million hectares) in 2013/14 to 62.76 million mu (4.184 million hectares). Cotton production in China is gradually being mechanized and the labour requirement is decreasing, while cultivation is becoming more concentrated in specific areas. The purpose of this article is to review the development of China's policy, in light of the impending switch to a direct subsidy system.

China's cotton price began rising in September 2010, and at one point reached a record 32,000 yuan per tonne. At the time, fearing a sharp downward price correction, and with the aims of protecting the farmer's interests and guaranteeing cotton production would be maintained, the government launched a unified lint purchasing policy by the China National Cotton Reserves Corporation in 2011/12. In September, 2011, the Corporation began purchasing cotton at a price of 19,800 yuan/tonne for the standard grade (Type 328), and 3.25 million tons were purchased in the 2011/12 season. In 2012/13, taking into consideration of rising labour costs, the government enhanced the intervention price by 600 yuan/tonne, to 20,400 yuan, and 6.51 million tonnes were purchased. In 2013/14, the intervention price remained unchanged, at 20,400 yuan/tonne (for the amended standard grade, Type 3128B). By the end of the season's procurement campaign, on March 31, slightly over 6.3 million tonnes had been purchased, or three percent less than in the preceding season. Taking into account

根据棉花展望Cotton Outlook 2014年3月的统计，2014/15年度中国棉花产量预计为613万吨较上一年度将降低10%左右，而棉花种植面积也将从2013/14年度的6,975万亩（465万公顷），下降10% 到6,276万亩（418.4万公顷）。目前，棉花的生产政策鼓励并正逐步推向机械化的大规模生产，降低棉花种植的劳动密集型程度，中国棉花的种植区域已经开始逐步向优势地区的转移。在密切关注棉花补贴政策的同时，我们有必要回顾一下中国的棉花市场政策。

由于从2010年9月开始，中国棉价一路走高，一度达到历史高位 32,000 元每吨，市场普遍有价格剧烈下跌的预期，中国政府在考虑到保护农民切实利益的前提下，为稳定棉花种植防止棉花生产种植受到价格下跌的强烈影响，做出了于2011/12年度开始，实施由国家棉花储备公司统一收购皮棉的政策。自2011/12年度9月开始，　国家棉花储备公司以328标准级19， 800元/吨的价格进行收储，当年共收储 325万吨。2012/13年度，考虑到人工成本的上升，收储价格每吨提高600元到20， 400元，当年收储 651万吨。2013/14本年度棉花收储价格保持3128B标准级20， 400元/吨不变。截至2014年3月31日，本年度国家储备收储结束累计达到 630万吨，比上一年同期的收储量少3%，估计目前国储库存为1， 290万吨。

从当年的情况出发，国家进行棉花储备政策是从农民利益考虑的，同时是保证棉花产量稳定在一定水平。 由于中国是一个纺织业大国，纺织行业吸收超过两千万劳动力的就业，同时为国家创造着高份额的经济收入，所以作为棉纺织行业的源头，对棉花产业的

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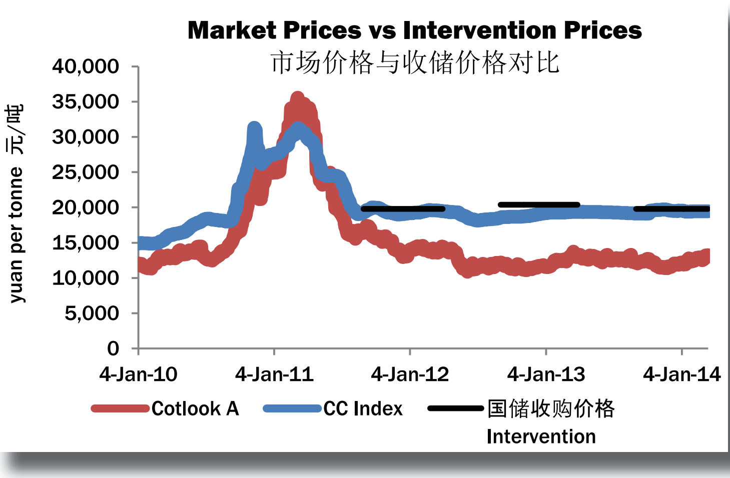


保护对于整个行业链条都起着至关重要的作用。但是，不得不承认的是，国家的储备棉政策很大程度上干预了市场的正常规律，并且给国家带来了巨大的成本负担。在储备棉政策出台之后，一度相当繁荣的郑州商品棉交易失去了原有的活力，成交量持仓量大幅下降，期货市场价格的不完全表达，使得其很大程度上失去本身应有的套期保值作用，使大棉农、纺织企业、交易商失去了一个重要的市场和风险控制的渠道。

both the aforementioned purchases, and onward sales to mills, it is estimated that the inventory in the hands of the National Cotton Reserve on that date was close to 12.9 million tonnes.

The onward sales of state cotton reserves reached 4,221,000 tonnes in the 2012/13 season and almost a further 718,000 by March 31, 2013 in the campaign that commenced in November, 2013. The latter is a small proportion of the quantity actually offered to mills. The pace of sales now depends on the impact of the changes in policy that took effect as from April 1.

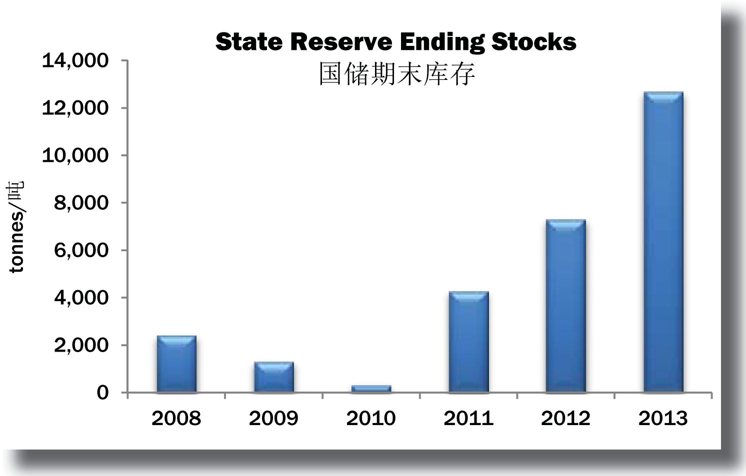
China's cotton reserve policy was made based on the interests of farmers, with the intention of stabilising cotton output. The textile industry, meanwhile, creates jobs for more than 20 million people,

自本世纪初中国加入WTO后，　中国有关棉花进出口的相关政策也发生着改变。　首先，每年中国向世界贸易组织承诺的1%关税的低关税配额，2004年增加到89.4万吨并沿用至今。其次，低关税配额外的增发配额部分，　自2005年起适用滑准税税率，并从2012年起开始施行3:1的滑准税配额，即从国家储备棉购买棉花的企业可以获得其购买储备棉数量三分之一的进口棉花配额。根据北京棉花展望的估计，中国棉花进口本年度预计将达到280万吨，较上一年度降低约为36%，2014/15年的的棉花进口量将进一步降低到220万吨。

今年起滑准税税率再一次发生变化，其中主要的变化有提高了完税基准价，由上一年

and creates wealth the nation. For this reason, the protection of the cotton industry plays a critical role in the entire industrial chain. However, it is now recognised that the state reserve cotton policy intervened in the normal market disciplines, and brought a huge cost burden to the country. Since China launched the reserve cotton policy, commodity cotton transactions in Zhengzhou, which was successful in the past, have lost their vitality. Both trading volume and open interest have decreased significantly. The incomplete expression of futures market prices resulted in the loss of its original hedging effect to a great extent, and resulted in cotton farmers, textile enterprises and dealers losing an important channel for controlling market risks.

Since China joined the WTO in the early part of the century, China's import and export policy for cotton also changed. Firstly, the one percent annual tariff quota to which China is committed under its WTO agreement was increased to 894,000 tonnes in 2004, and it has since stayed at that level. Secondly, voluntary quota, under a sliding-scale tariff, has been issued since 2005. More recently, since 2012, a 3:1 ratio has applied, in that enterprises buying cotton from the state reserve earned entitlement to an import cotton quota equal to one-third of the amount purchased. It is estimated by *Beijing Cotton Outlook* (BCO) that China's cotton imports this season (ending August 31) will reach 2.8 million tonnes, 36% less



的14,000元/吨上调到15,000元/吨，或者大约在110美分/磅（按照6.13元/美元的汇率换算），高于15,000元/吨的价格使用570元/吨的从量税率；并对滑准税税率的计算公式进行了修改。这次改变意味着提高了滑准税的最低征税价格，同时延续了外棉价格越高税率越低这样的思路，鼓励进口价格较高的高等级外棉，提高了纺织用棉企业选购低等级外棉的成本，一定程度上加强了国产棉的市场竞争力。

至本文截稿时，国家已基本确定下一年度将不采用大规模统一的国储棉收购，但国储棉仍将在适当时候扮演必要角色。自4月1日起，国储棉抛储降价到17，250元/吨（此前

than the amount recorded in 2012/13. According to BCO, imports in 2014/15 will further decrease, to 2.2 million tonnes.

The sliding duty rate has changed again this year. Major amendments include an increased trigger point at which the sliding-scale of tax takes effect, from 14,000 yuan to 15,000 yuan per tonne, or 110 cents per lb (at an exchange rate of 6.13 RMB/USD). Values above this level attract a fixed tax rate of 570 yuan per tonne. The principle applied is that "the higher the foreign cotton price, the lower the tax rate", which is intended as an encouragement for enterprises to import mainly higher-grade cotton. In contrast, the tax charged on lower grade imported cotton has increased, thus enhancing to some extent the competitiveness of domestic, lower quality cotton.

At the time this article was written, confirmation had been forthcoming that the government will not make large-scale and unified acquisitions of cotton for the state reserve next season, but the state reserve will still play a role.

As from April 1, existing stocks have been auctioned at a lower base price of 17,250 yuan per tonne, rather than the previous 18,000 yuan, which should prove to have augmented greatly the volume taken up by mills. A link has also been made between the amount enterprises buy from reserve stocks of domestic cotton still held in Xinjiang and their entitlement to take up import cotton stocks held by the reserve. It is also understood that mills will qualify for import quota in proportion to the amount they buy from the reserve (widely rumoured to be in a ratio of 4:1 but not officially confirmed). By the time of the conference, many of these new policy features will have been in force for a matter of weeks, and their operation should be clearer. To what extent they will prove to have increased the competitiveness of Chinese mills and their impact on cotton consumption may also be more evident.

The other major change is the introduction of a pilot target price scheme for Xinjiang. Details were sketchy at the time of writing but what is clear from the many comments made, both in Xinjiang and in mainland provinces, is that farmers may turn away from cotton if the changes in policy result in 2014/15 being a season of disappointing price returns.

为18，000元/吨）；并将国储新疆库棉的购买量与国储进口棉的竞拍资格以3:1的比例挂钩；将国储棉购买量与进口棉配额发放之间（目前市场较统一的说法为4:1的比例）挂钩，此举将有力地促进纺织企业购买国储棉。

截止到本次会议开始之时，新政策的实行已进行了数周，其操作程序也已将逐渐清晰，其将在多大程度上促进中国纺织企业竞争力及促进中国棉花的消费也将得到进一步显现。

有关国家在新疆地区计划实行的棉花目标价格细则问题，目前仍是不完全确定的情况，是市场需要密切关注的，是对下一年度棉花种植可以起到指导性作用的政策，也是目前市场普遍持有观望态度的主要原因之一。如果目标价格不能够达到一个令新疆地区和其它内陆地区满意的情况，那么将很可能挫伤棉农的种植热情。

COTLINK INTERNATIONAL

is a well reputed cotton trader operating in Pakistan with the main emphasis of producing and exporting quality cotton to the world markets. We have two ginning factories in the major cotton growing areas of Sindh producing quality cotton needed by our foreign buyers. Our aim is to deliver the best to our buyers in terms of Quality, Quantity and Timely shipments. By virtue of our fair dealings in supplying the correct quality and timely shipments, we are enjoying good reputation among our foreign buyers.

THE FPCCI BEST EXPORT PERFORMANCE AWARD 2012-2013 for export of Raw Cotton have been awarded to **COTLINK INTERNATIONAL** on 8th February 2014 by the Honorable Prime Minister of Pakistan Mian Muhammad Nawaz Sharif. Winning this award is an honor for us to flourish and enhance our market share by maintaining our standard of execution in all areas of operations in particular to quality and timely deliveries. We dedicate this award to all our valued customers/ buyers, associates, well wishers and every single person engaged in the cotton trade from "FIELD TO THE SPINNING MILL". We are endeavoring to add more value to strengthen the economy of our nation in the years to come.

Cotton Market in China Enters 'Post-Reserve' Era

进入后收储时代的中国棉花市场

By Guo Rongmin, General Manager, Beijing Cotton Outlook Consulting Limited
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China has implemented the cotton temporary reserve policy for three consecutive years since 2011/12. The initial aims of the policy were to stabilise cotton prices and protect farmers' interests and those goals have been basically achieved. The cotton reserve in China accounts for around half of world stocks, so major adjustment will be made to the macro-control policy in 2014. The cotton market in China will officially enter the 'post-reserve' era. The changing industrial pattern and the new situation will further test the wisdom of government in decision-making and the capability of enterprises in risk management.

I. The temporary reserve policy will be replaced by target price policy.

By the end of March 31, 2014, a total of 6.31 million tonnes of 2013/14 crop cotton had been purchased by the reserve, including 4.04 million tonnes from Xinjiang. The temporary reserve policy for cotton formally came to an end. 15.96 million tonnes of cotton had been purchased in the three years of its operation (the amount of cotton accumulated by the reserve was actually higher than that number).

In the past three years, state reserve cotton has been sold to meet demands of mills on a number of occasions. During 2012, 4.21 million tonnes were sold, and from November 28, 2013 to March 31, 2014 a further 717,700 were transacted. The auction floor price has since been reduced from 18,000 to 17250 yuan per tonne, and the previous restriction on the amount of cotton that can be bought by mills has been lifted.

中国自2011/12年度起连续三年实行棉花临时收储政策，政策制定的初衷是稳定棉花价格，保护棉农利益，在这方面，政策基本达到了目的；随着全球棉花生产和消费形势的变化，中国的棉花库存已经占全球库存一半，棉花宏观调控政策也将在2014年进行了重大调整。中国的棉花市场正式进入后收储时代，棉花行业格局将发生变化，新形势将进一步考验着政府决策智慧以及企业的风险防范能力。

临时收储政策结束，将启动目标价格政策

截至2014年3月31日，中国2013/14年度累计收储成交631万吨，其中新疆累计成交404万吨；至此，连续执行三年的棉花临时收储政策正式结束。三年中累计收储成交1595万吨（实际到库数量高于成交数量）。

这三年中，为满足纺织企业的需求，自2012年起启动多轮抛储，其中2012年度成交421万吨，2013年度自11月28日至3月31日累计成交71.77万吨；根据相关部门规定，自2014年4月1日起，抛储的竞拍底价由18000元/吨，下调至17250元/吨，纺织企业可不限量购买。

在经过多轮收抛储之后，加上工商业库存，中国的棉花库存目前仍在1300万吨以上。

自1999年度中国放开棉花市场，取消统购统销，包括收储和抛储在内的储备政策一直在棉花市场的宏观调控政策中扮演着举足轻重的作用，并且多次成功起到蓄水池的作用，在价格高涨的时候抛储保护纺织企业的


Memphis
Liverpool

At the end of March, state reserves together with industrial and commercial stocks was still over 13 million tonnes.

The reserve policy has played a vital role in the macro-control of the cotton market since the country opened up the market and abolished the monopoly purchasing system in 1999. Functioning as a reservoir, it protects the interests of mills by auctioning supplies when prices soar and those of cotton farmers by purchasing cotton when prices fall.

As mentioned in an announcement on the official website of the National Development and Reform Commission on April 5, 2014, “The temporary cotton purchasing and reserve program from 2011 has played an important role in stabilising domestic cotton production and protecting farmer’s interests. However, facing the continual declining cotton price in international market, the contradiction between the low import price of cotton and the high temporary purchasing price is becoming more and more prominent. The pressure on the national reserve is increasing rapidly and the market vitality is weakened. The situation is unfavorable for the sustainable and healthy development of the whole industry.” Therefore, approved by the State Council, the National Development and Reform Commission, Ministry of Finance, and Ministry of Agriculture jointly announced that the target price for cotton in 2014 will be 19,800 yuan per ton. After the implementation of cotton target price policy, the temporary purchasing and reserve policy will be abolished and the producer will sell cotton at the market price. When that is lower than the target price, subsidies will be provided to producers in pilot areas on the basis of the margin between the target price and market price, the planting area, output, sales volume, and other factors; when higher, no subsidy will be granted. The detailed method for apportioning/ subsidies will be made locally, in the pilot area, and announced publically.

Although target price systems have been implemented in other countries, it is a new departure in China. Detailed information about the policy was lacking at the time this article was written. When the target price is determined, however, the following issues will be of concern to the market: the manner by which the subsidy for cotton producers is to be determined, whether contingency measures like purchasing and reserve policy will be started or not when the market price is too low, and how mills will be supported when the market price is too high.

“Reduce the reserve” and “protect the cotton producers” will perhaps become the two major factors for decision makers to weigh and balance. Judging from past experience, the healthy and sustainable development of the market requires both an open and fair market and systematic complementary policies based on the entire industrial chain. It is believed that more and detailed information will be determined and released to lead the market to a clearer direction in 2014.

II. The national cotton planting area will continue to decline and the proportion of cotton production in Xinjiang will increase.

According to a sample survey by *Beijing Cotton Outlook* (BCO) of the country’s 13 major cotton pro-

利益，在价格过度下跌时一定程度上保护了棉农利益。

但正如2014年4月5日，在国家发展改革委官方网站上发布的一则公告中所述，“2011年以来，国家实行棉花临时收储政策，对稳定国内棉花生产、保护农民利益发挥了重要作用。但随着国际市场价格持续走低，棉花进口成本大幅低于临时收储价格的矛盾日益突出，国家收储压力急剧增加，市场活力减弱，不利于整个产业的持续健康发展。”因此，经国务院批准，国家发展改革委、财政部、农业部联合发布2014年棉花目标价格为每吨19800元。实行棉花目标价格政策后，取消临时收储政策，生产者按市场价格出售棉花。当市场价格低于目标价格时，国家根据目标价格与市场价格的差价和种植面积、产量或销售量等因素，对试点地区生产者给予补贴；当市场价格高于目标价格时，国家不发放补贴。具体补贴发放办法由试点地区制定并向社会公布。

目标价格制度在其他国家已有相关经验，但在中国还属新鲜事物。截至本文截稿时，还没有相关细则确定。目标价格确定之后，市场依然高度关注以下问题：如何具体确定对于棉花生产者的补贴、棉花价格过低时是否还会启动收储等相关应急措施、市场价格过高时是否以及如何扶持纺织企业等等。

“去库存”、“保棉农”或将成为政策决策者始终要权衡考虑的两个因素。从以往经验来看，市场的健康持续发展，一方面需要市场的公开和公平；另一方面也需要政策从全产业链出发，形成系统性的配套政策。相信在2014年度之前，更多细则的确定和出台将给市场带来更加清晰的方向。

全国植棉面积将继续下降，新疆的产量比重将增加

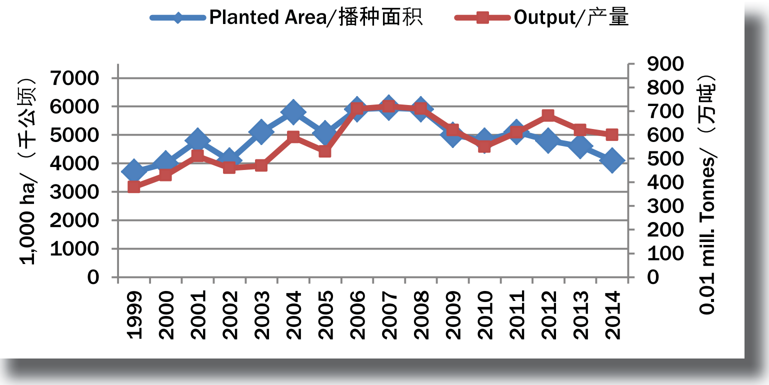
根据中国棉花信息网今年2月份对全国十三个产棉省的主产棉县抽样调查显示， 2014年全国意向种植面积为6276万亩，较2013年减少699万亩，降幅10%；预计总产量613万吨，较2013年下降10%。

这将是中国棉花产量自2011年度达到创历史新高的733万吨（中国棉花信息网数据）以后连续第三年下降。植棉面积下降的主要原因是由于种植棉花费时费力，小规模种植的农户难以实现机械化。植棉效益不如种植粮食以及其他经济作物；今年将取消棉花临时收储政策，并且在新疆实施棉花直补，因此内地不少省份大幅减少了棉花种植意向，其中传统的植棉大省山东、河北等地的意向均下降20%以上。对于依然持观望态度的棉农而言，如果新年度的籽棉价格低于3.5元/斤，明年将肯定会放弃种植棉花。

与内地相反，新疆由于将试点目标价格等

duction regions in February this year, the prospective cotton planting area in 2014 was projected as 62.76 million mu, which is 6.99 million mu less than in 2013, or a decline of 10%; the prospective cotton output was forecast at 6.13 million tonnes, down by 10% compared with 2013.

This would represent a decline for a third consecutive year, after cotton output reached the unprecedented height of 7.33 million tonnes in 2011 (according to BCO's data). Major factors resulting in a reduced planting area include the greater time and effort required to plant cotton and the difficulty of mechanising the process for small-scale planting; the lower economic benefit than that gained from other cash crops; the ending of the temporary purchasing and reserve policy. While a direct subsidy will be granted to Xinjiang farmers, cotton planting intentions elsewhere have been lowered. In traditional cotton planting provinces such as Shandong, Hebei, and the like, the planting intention has dropped by over 20%. For those holding a wait and see attitude, if the price for seed cotton in 2014 is lower than 7 yuan/kilogram, they will certainly give up planting cotton in 2015.



Contrary to the situation in mainland areas, planting intentions in Xinjiang remain comparatively stable, owing to the pilot-scheme target price of 19,800 yuan per tonne, which is higher than the expectation of the industry. With output in decline elsewhere, the proportion of the crop produced in Xinjiang will grow further. According to BCO's estimations, cotton output in Xinjiang in 2013 is expected to be over 4.2 million tonnes, accounting for 62% of national output. After the implementation of the new policy in 2014, the output proportion of Xinjiang in the country will continue to increase, which will provoke the consequent issues such as consumption transfer, supply chain management, and the search for solutions to other problems.

新政，目标价格19800元/吨也高于此前的业内预期，因此植棉意向相对稳定。随着全国棉花面积和产量的下降，新疆在棉花行业的资源比例将进一步增加；据中国棉花信息网统计，2013年新疆棉花产量预计在420万吨以上，占全国产量62%；2014年实施新政之后，新疆产量的比重进一步提高，将引发后续的消费转移、物流配送等相关问题的推动和解决。

中国棉花消费但难以明显转好

近年来中国国内棉花价格受收储价格支撑处于高位，国内外棉花价差一度达到5000元/吨，纺织企业使用国产棉的成本上升，不少企业降低棉花用量，增加进口棉花以及化纤的用量，另一方面棉纱的进口量也大幅增加，进一步抵消了棉花的消费量。受下游市场需求不旺等因素影响，纺织产品市场疲软、销路不畅、产品积压，企业普遍开工不足，少数企业出现停工停产现象。对于中国棉花消费的数字，各机构见仁见智，差异较大；据中国棉花信息网预测，目前年度棉花消费在770万吨左右。

据中国海关统计，2012/13年度（2012.09.01-2013.8.31）中国累计进口棉纱194.36万吨，同比增加48.01%；进口棉纱约折合大约200万吨的棉花消费；随着近期国内外价差缩小，棉纱进口量也有所下降。2013年9月至2014年2月，中国累计进口棉纱106.66万吨，较上年度同期增加20.49万吨，同比增加 23.77%，增幅较去年同期缩减30.3个百分点。中国的棉纱进口主要来自印度、巴基斯坦和越南等国家。

Cotton planting area in 2014 (February)
2014年棉花种植面积（2月）

Province/主产省	Planting area 2014年面积	2013	Change 主产棉区	Output 2014年产量	2013	Change 主产棉区
Xinjiang Uygur Autonomous Region 新疆	3230	3296	-2%	400	420	-5%
Gansu/甘肃	81	85	-5%	6	7	-14%
Shanxi/山西	25	35	-29%	2	3	-33%
Shannxi/陕西	25	30	-17%	3	3	0%
Shandong/山东	711	867	-18%	54	68	-21%
Hebei/河北	569	720	-21%	36	45	-20%
Henan/河南	158	210	-25%	8	12	-33%
Tianjin/天津	61	68	-10%	5	6	-17%
Hubei/湖北	546	621	-12%	37	42	-12%
Anhui/安徽	293	345	-15%	22	26	-15%
Hunan/湖南	230	255	-10%	16	20	-20%
Jiangsu/江苏	170	200	-15%	13	15	-13%
Jiangxi/江西	117	133	-12%	7	8	-13%
Primary cotton regions/主产棉区	**6216**	**6865**	**-9%**	**609**	**675**	**-10%**
Other/其他地区	60	80	-25%	4	5	-20%
Total/全国合计	**6276**	**6945**	**-10%**	**613**	**680**	**-10%**

III. Hard for cotton consumption to turn better.

Under the temporary reserve policy, the cotton price in China has remained high in recent years. The differential between domestic and international prices once reached 5,000 yuan/tonne. The divergence has had two principal effects: on the one hand, many mills reduced the amount of domestic cotton consumption and turned instead to imports or to chemical fibres; on the other hand, imports of cotton yarn have increased sharply, offsetting partially the lower consumption of cotton. Influenced by slackened downstream demand, textile markets turned very weak with low sales and excessive inventory. Most enterprises have been operating below capacity and some even stopped their production. As for the figure of China cotton consumption, opinions between different organizations vary to quite a great extent. BCO estimates that cotton consumption this season will be about 7.7 million tonnes.

According to the General Administration of Customs, cotton yarn imports in 2012/13 (the beginning of September through the end of August) totalled 1.9436 million tonnes, which represented a year-on-year increase of 48.01%. That tonnage would represent about two million tonnes of cotton consumption. From September 2013 through February 2014, cotton yarn imports were 1.0666 million tonnes, showing an increase of 204,900 tonnes (23.77 percent) compared with the same period in the previous year. Most imports are from India, Pakistan, and Vietnam.

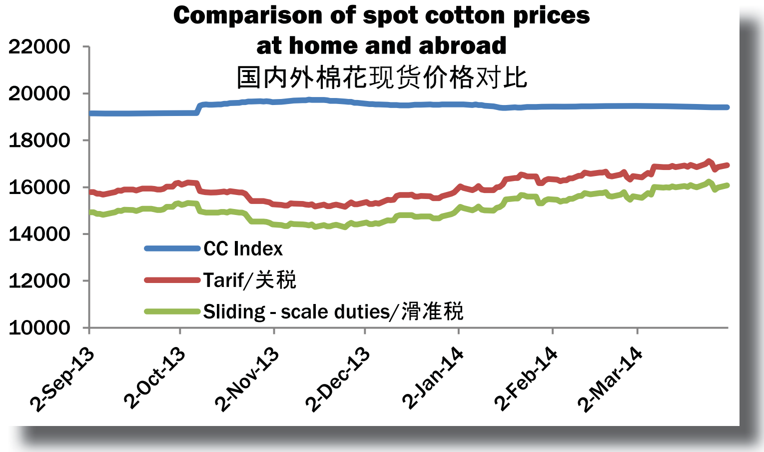
With the implementation of the new macro control policy, the prospect of a narrower price differential between domestic and imported supplies implies a slowdown in cotton yarn imports. However, a recovery in cotton consumption is hard to foresee if the international economic environment fails to improve significantly. The target price policy promises to provide protection for cotton producers, but does not mention whether there will be additional import quota or related subsidies for mills when the market price is higher than the target price or higher than the price in the international market

IV. The price margin of cotton at home and abroad is expected to narrow and the import of cotton will probably drop.

After abolishing the cotton state reserve procurement policy, a narrower price margin is expected to result in lower imports and more cotton moving out of the reserve. In 2011, China imported 5.44 million tonnes of cotton, which marked a new record. The number dropped to 4.4 million tonnes in 2012. It is estimated by Beijing Cotton Outlook that imports will amount to 2.8 million tonnes in the 2013/14 season, falling to 2.2 million tonnes in the year 2014/15.

Decreasing imports may lead to further intensification of the competition for business in the import market and test participants' experience, strategy and risk prevention practices.

随着中国棉花新的宏观调控政策的实施，内外棉花、棉纱价差有望缩小，这将导致棉纱进口速度的放缓，有利于棉花消费的走稳，但在国际经济环境没有明显转好的情况下，棉花消费也难以出现明显转机。近期相关部门公布了棉花目标价格政策，针对棉花生产者进行一定保护；但政策没有提及如果市场价格高于目标价格、或者超过国际市场价格一定幅度之后，是否会对纺织企业通过增发进口配额或者发放相关补贴等方式进行支持。如果相关政策出台，将有利于棉花消费。



内外棉花价差有望缩小，中国棉花进口或将下降

在取消棉花收储政策之后，国内外棉花价差有望进一步缩小。在价差缩小、国内棉花消费没有明显转好、抛储量增加的情况下，中国的棉花进口或将从前几年的高位下滑。2011年度，中国进口棉花544万吨，创历史新高；2012年度之后进口下滑至440万吨，据中国棉花信息网预测，2013/14年度预计进口280万吨，而2014/15年度将进一步下滑至220万吨左右。

进口棉数量的下降，将进一步加剧进口棉市场的竞争和压力；也更加考验进口棉市场主体的经验策略和风险防范。

Cotton reserve and consumption in China

中国棉花产存量资源表

March 2014　2014年3月

Unit: 0.01 million tonnes/单位：万吨

	2012/13	2013/14	2014/15
Initial Stock 期初库存	633	1044	1236
Output 产量	757	680	613
Import 进口量	440	283	220
Consumption 消费量	785	770	770
Export 出口量	1	1	1
Final Stock 期末库存	1044	1236	1298

The Current Status of Cotton Production and Processing in Xinjiang and an Analysis of Price Subsidy Intentions

新疆棉花生产、加工现状与价格补贴意向分析

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1.1 The current status of cotton production in Xinjiang

Xinjiang Autonomous Region is the largest cotton production area of China. It is also the cotton production area with the most development potential. Under the support of national policy, science and technology and investment, Xinjiang ranks first in all cotton production regions in China in terms of cotton planting area, total output and yield per unit. Xinjiang Autonomous Region, together with the Yangtze River Basin and the Yellow River Basin, are the three major cotton production areas in China. In recent years, owing to the decreasing comparative benefit of planting cotton, areas planted in the Yellow River and the Yangtze River basins have been decreasing, resulting in lower output. By contrast, cotton output in Xinjiang has maintained a stable trend of development in general. In 2012/13, Xinjiang accounted for 50% of the total output in China. In 2013, the area planted in the region was 25.379 million mu, 680,000 mu (2.8%) more than in the preceding year. The area cultivated by local farmers was 16.55 million mu, 91,000 mu more, from which the lint output was around 3.5 million tons, 1.1% less. Yield per unit decreased by 2.5%. When calculated by the seed cotton price of 8.9 yuan, the return to the farmer per mu was 806 yuan, 20.2 yuan less than a year earlier. Meanwhile, the Xinjiang Production and Construction Corps (PCC, or military group) planted 8.828 million mu in 2013, which represented an increase of 589,000 mu. The PCC's total output was 1.48 million tonnes, 4.4% higher on the year. The average cost of production per mu was 1924.3 yuan (853.6 yuan for inputs, 1070.7 yuan for labour), which was 108.7

1.1新疆棉花生产现状

新疆棉区是我国最大棉花生产基地，也是最具发展潜力棉区。在国家政策、科技、投入支持下，新疆棉花面积、总产、单产居全国各植棉省之首。与长江、黄河棉区构成我国棉花三足鼎立之势。近年来由于植棉比较效益下滑，黄河、长江棉区植棉面积下降，造成总产降低，而新疆棉花生产总体保持稳定发展态势，2012-2013年新疆棉花总产已占据全国二分之一，呈现半壁江山态势。2013年棉花面积2537.9万亩，较上年增加68万亩，增加2.8%。地方面积1655万亩，增加9.1万亩。兵团面积882.8万亩，增加58.9万亩，总产148万吨，增长4.4%。全区亩均成本1924.3元，增加108.7元，增长6%。物化成本853.6元，人工成本1070.7元，全区总产350万吨左右，降1.1%，单产减少2.5%。以8.9元价格计算，亩收益806元，较上年减少20.2元。据此，新疆棉花生产关系到我国棉花产业的发展和稳定，一方面坚持棉花大区地位不动摇、稳定新疆棉花生产极为重要。另一方面要针对问题着力提高效率和效益。

1.2新疆棉花生产发展方向目标

2013年新疆自治区农村工作会议已召开。会议对新疆棉花产业提出了发展方向目标。对实现新疆社会稳定和长治久安具有重要作用。会议强调：要加强农业现代化建设。要抓改革、调结构、拓市场、促增收。要稳粮、调棉、优果、兴蓄。要增产增收增效，高产优质高效生态安全。要发展清洁化轻简化生产。要抓好白色污染，做到不增加新污染，减少旧的残膜。要加强农业基础设施现代化建设，农业用水由95%降到90%。开展4个千万工程建设（1千万亩小麦、高产田、1千

yuan (6%) more. Xinjiang will remain a major cotton production area.

1.2 The development direction and objectives of cotton production in Xinjiang

At the Rural Works Conference in Xinjiang in 2013, the autonomous region's government proposed the orientation and objectives for the development of the cotton industry, with a view to ensuring social stability. The conference emphasized issues such as strengthening agricultural modernisation, expanding markets and increasing output, ensuring quality and developing clean and simplified production. Topics addressed included reduction of agricultural plastic film residues and lowering water use. One aim is to implement the construction of four "10 Million Projects" (10 million mu of high yielding fields of wheat, corn and cotton, and 10 million for cattle and sheep). The high yielding cotton fields are to be developed over the next seven years.

1.3 Problems facing Xinjiang's cotton production

The core problem in the cotton production in Xinjiang Autonomous Region is the decreasing comparative benefit. This problem must be solved from various aspects, such as policy, science, investment and via the market.

2. The current status of cotton processing in Xinjiang

Currently, cotton enterprises in Xinjiang can be divided into three types: state-owned, private enterprise and individual traders. Due to the different conditions in different areas, business owners of these three types have different market shares. In Aksu, for instance, state-owned companies account for 35% of all cotton businesses, private enterprises for 60% and individual businesses for 5%. Meanwhile, only a few ginning enterprises in Xinjiang are capable of pressing 20,000 tonnes or more of lint. Most can produce less than 5,000 tonnes.

2.1 The scale and quantity of cotton processing plants in Xinjiang

Xinjiang and its autonomous prefectures have promulgated various policies to encourage the development of the cotton processing industry. In the past, the entrance barriers for enterprises to purchase cotton were relaxed and the number of cotton ginning factories expanded rapidly. In consequence, overcapacity prevailed and competition for seed cotton was fierce. The result was greater price volatility. Furthermore, some smaller enterprises did not observe the purchasing policy of the central Government in regard to quality standards, which contributed to quality deficiencies.

2.2 Problems existed in cotton processing

2.2.1 With the opening-up of the market, many plants processed cotton by mixing different cotton grades.

万亩玉米高产田、1千万亩棉花高产田、新增1千万只肉羊牛）。会议提出要进一步巩固棉花产业地位，要“稳定面积、科学投入、提高单产、改善品质”，棉花总产稳定在350万吨左右。抓好1000万亩棉花高产田建设。即用7年时间开展1千万亩高产棉田建设，使1000万亩棉田贡献棉花总产的80%。其中500万亩棉花单产皮棉达到180公斤/亩，500万亩单产皮棉达到150公斤/亩。

1.3新疆棉花生产存在问题

新疆棉花生产目前核心问题是比较效益下滑问题。必须从政策、科技、投入、市场等全面入手解决。

2.新疆棉花加工现状

目前，新疆棉花经营企业主要有三种：棉麻公司系统、民营企业、个体户。由于各地情况不同，三类经营者所占市场份额差异较大，阿克苏地区棉麻公司占棉花经营总量的35%左右，民营企业占60%左右，个体户占5%左右，巴州和昌吉州介于上述两者之间。与此同时，新疆超过2万吨皮棉加工能力企业仅有几家，绝大多数是在5000吨以下。

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Some smaller enterprises failed previously to separate seed cotton in a logical manner and even larger enterprises sometimes used only a few grade definitions throughout the season. Some contractors, not familiar with cotton processing techniques, attempted to reduce costs by dispensing with professional technicians and failed to maintain machinery properly. Checks were lacking as to foreign fibre content before processing and to the quality of output. Cotton grade mixing was commonplace.

2.2.2 Unsound standard inspection system for cotton

In China, the previous physical standard for cotton grade was made for hand-picked cotton. As agriculture developed on a larger scale, the planting area of machine-harvested cotton in Xinjiang production and construction corps increased. Machine-harvested cotton is completely different from hand-picked cotton in terms of length, maturity, colour, fiber strength, appearance and quality. Therefore, to achieve the quality standard and guarantee the grades of cotton, enterprises have made great efforts in processing machine-harvested cotton. The appearance and quality of machine-harvested cotton is continually improving. Some cotton has the same attributes as hand-picked cotton. However, over-processing can change the characteristics of the lint produced, particularly in regard to high short-fibre content.

2.2.3 Imperfect credit system construction in cotton processing enterprises

An increasing number of enterprises have participated in technological reform. Their acceptance of

2.1新疆棉花加工厂的规模与数量

由于自治区和各地州出台了鼓励发展棉花深加工产业的政策,在强调拓宽棉花经营渠道的同时,降低了棉花收购企业的进人壁垒,使得轧花厂数量迅速扩张。截至2006年，区内具有资格认证的棉花加工企业就有820多家，加工能力在526万吨左右，高于疆内产棉总量的一倍还多，出现棉花加工企业间恶性竞争现象。为了争夺原料，棉花加工企业竞相抢购棉花，加工企业之间的无序竞争经常导致棉价异常波动和棉区间价格的不平衡。而且，一些中小企业在棉花收购竞争中没有按照国家规定的“一试五定”政策收购，降低了收购标准，导致棉花质量下降。

2.2棉花加工存在的问题

2.2.1随着市场的放开，棉花混等级加工现象严重

代加工客户由于收购数量不多，棉垛少，收购的棉花不能分级堆放，一般按棉花上市的先后和霜前霜后分垛，一些大客户从收购开始到结束，也只分2、3、4级花。而且大多数加工企业把加工承包给他人，加工承包人有些并不精通棉花加工工艺，为了节约成本，减少专业技术人员，设备零部件磨损后不及时更换，为了提高加工速度“开快车”，在籽棉加工前缺少专人挑拣、排除异性纤维，这些都无法保证加工质量。甚至有些企业利用加工设备便利条件，使用两个吸棉管道，将两垛不同等级的棉花人为混在一起加工。


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instrument inspection was motivated by economic interests. When enterprises saw they could make profits, samples were sent for inspection. Some even acted fraudulently. When profit was absent, they found various excuses to refuse to accept inspections, or to decline to use the results of such inspections.

In 2008, instances emerged of serious fraud - use of false bar codes, changing samples, deliberate manipulation of moisture content and changes of packaging. In 2009, some enterprises were able to sell cotton in a rising market without a notarial survey being conducted; others submitted to instrument inspection, but replaced the bar codes so as to be able to sell the cotton as higher in grade than that shown by the test results.

3. An analysis on the direct subsidy intention of cotton

Government cotton policy has been a key determinant of market prices and has impacted farmer's planting intentions. Under the temporary purchasing and storage policy, the market price of seed cotton in Xinjiang was 8.5-9.5 yuan/kg. This price greatly enhanced the enthusiasm of Xinjiang farmers to plant cotton. However, this year's change in policy to a direct subsidy or target price subsidy has become a hot topic in the cotton industry.

The No.1 Document released by the Central Government earlier this year, included a proposal to introduce a pilot programme of "subsidy based on target price" for the first time, and signalled the end of the temporary cotton purchasing and storage policy, which has strong administrative features. The critical point of a target price subsidy scheme is to give subsidy for increased output, i.e. subsidy should be linked to output, not to those who merely contract to plant cotton, A direct subsidy policy seems to be simple, but it is difficult to implement.

3.1 Challenges for direct subsidy

According to comprehensive analysis, the practice of subsidy has the following challenges:

3.1.1 Difficult to determine subsidy price

If the subsidy is too high, it will bring negative impact on grain production and affect planting area. If too low, it may be difficult to guarantee the area planted to cotton, since the degree of mechanisation of cotton planting is much lower than that for grain. Consequently, the production cost is significantly higher.

3.1.2 Difficult to determine the object of subsidy

It is impossible for China to copy the support system used for farmers in the United States. There are only 20,000 cotton farmers in the United States, whereas China has 40 million. It would be difficult to provide subsidies to all farmers in a precise manner.

3.1.3 Difficult to determine the methods of subsidy

(1) Subsidy based on cultivated area

Firstly, some dishonest farmers would falsify figures for cultivated area and thereby obtain subsidies dishonestly. Secondly, clear rules would be required

2.2.2棉花标准检验体系不健全

我国的棉花品级实物标准是以手摘棉制作的。随着农业规模化的发展，兵团机采棉种植面积不断增加。2009年，农一师机采棉面积占到总棉花种植面积的34%。机采棉在长度、成熟度、色泽、断裂比强度外观质量等与手摘棉完全不同。因此，加工企业为了达到实物标准的外观质量，保证棉花品级，在机采棉加工上很下工夫，使机采棉外观质量不断改善，有些已经完全达到手摘棉外观质量，但过度加工使棉花内在质量发生变化，最典型的特点是短纤维率高，造成棉花有效使用率降低，是资源的浪费。

2.2.3棉花加工企业诚信体系建设不完善

随着检验体制改革的推进，新体制企业技改数量不断增加，但企业参加仪器化公证检验态度受经济利益驱动，有利可图时，积极主动送检，甚至不惜弄虚作假，无利可图时，找出各种理由拒绝送检或送检后不使用公检结果。

2008年度，国家棉花收储中出现了伪造条码，调换样品，人为降低回潮率，改包重回包等严重问题。2009年度，由于棉花购销两旺、价格持续上升，一些企业逃避公证检验，还有些企业虽然按仪器化检验，但交易时又将棉包条码撕掉，重新自检虚高等级销售。

3.棉花直补意向分析

棉价政策走向、棉花收储与抛储、进口与配额、目标价格与直补等是引导市场涨跌，引导棉花种植意向的关键。2010年国家出台制定了棉花临时收储政策，收储价格在新疆总体还是传导到了棉农，2013年棉花市场价格每公斤籽棉8.5-9.5元。极大地调动了新疆棉农的植棉积极性。新的年度棉花介个政策是延续收储还是执行直补还是执行目标价格补贴，已成为棉业届关注的热点问题。

随着2014年中央一号文件的出炉，首次提出在新疆开展棉花“目标价格补贴”试点工作，这也标志着行政色彩浓厚的棉花临时收储政策将结束，由市场决定棉价，棉农直补政策将出台。对于目标价格补贴关键要补到增产上，关键要补到只要种地就能拿到补贴，谁种棉就补谁。由于不是谁承包补谁。直补政策形式上简单，但操作难度较大，应积极探索补贴试点改革。

3.1直补面临的问题

综合分析认为，补贴操作存在以下几个方面的问题：

3.1.1补贴价格难定

补贴价格过高会冲击粮食生产，影响其种植面积，定价过低则可能导致棉花种植面积难以保障，主要是由于国内棉花种植机械化程度远低于粮食种植，造成生产成本明显高于粮食作物。

as to whether cotton farmers on contracted land would be eligible for obtaining government subsidies.

(2) Subsidy based on the output of seed cotton

Two challenges exist if subsidy was to be based on the output of seed cotton. Firstly, the transaction and marketing of seed cotton are complex tasks and accurate statistical monitoring would be difficult. Secondly, it would be feared that some cotton dealers and cotton ginning mills would plot to circumvent the system and so gain subsidy dishonestly.

3.2 The intention of direct subsidy

Currently, China has the following four subsidies that apply to cotton: for superior crop varieties, for agricultural machinery, for means of production and, under the new pilot scheme in Xinjiang, for prices. Subsidy for superior crop varieties and subsidy for agricultural machinery have played a positive role in promoting cotton production. However, compared with grain subsidies, which have reached 170 billion yuan, the amount of cotton subsidies is still low.

Investigation shows there are four possibilities for cotton price subsidy:

The first would involve giving subsidy based on cultivated area. Comprehensive analysis of experts shows that the theoretical amount of subsidy should be above 300 yuan/mu, because the yield per unit of cotton in Xinjiang is 50% higher than that of inland areas, and Xinjiang has higher demands for labour, time and agricultural materials than other cotton production areas. Consideration was made on the following two aspects: on the one hand, the cotton planting cost is nearly 2,000 yuan/mu, and labor cost is increasing year by year, and it is improbable that the costs of seeds, fertilizer, water and machinery will decrease; on the other hand, raising the yield per unit area of cotton significantly is difficult and fields in some areas still produce merely around 200 kilograms (and they would therefore qualify for a lower subsidy than 300 yuan/mu).

The second would base subsidy on output, in a similar fashion to the scheme already in place for grain. In other words, subsidies could be granted against bills of sale by taking the method of “purchasing and granting subsidy in the same year” (immediate selling and immediate cashing). All cashing of the subsidy would be finished in the same year.

The third would be to complete purchasing and storage and give subsidy at that time, so as to guarantee the interests of farmers as much as possible.

The fourth would be to set a reasonable target price for seed cotton of 8.5 yuan/kg (giving a lint value of lint price: 22.5 yuan/kg). (A target price of 9 yuan/kg was calculated based on the material investment cost of cotton production and labor cost in Xinjiang in the past several years.)

3.1.2补贴对象难定

中国不可能照搬美国棉农直补模式，美国只有2万名棉花农场主，容易定位，而中国有4000万棉农，如何准确地将补贴发放到位有一定难度。

3.1.3补贴方式难定

（1）按种植面积补贴

首先是存在虚、假、乱报种植面积，套取国家政策补贴的问题；其次对于承包土地的棉农，其是否享有政府补贴，需要明确。

（2）按籽棉产量补贴

按籽棉产量补贴存在两方面问题：一是籽棉交售非常繁琐、统计困难；二是棉贩和轧花厂存在联合造假套取国家政策补贴的问题。

3.2直补意向

目前我国补贴政策主要有良种补贴、农机补贴、生产资料补贴和价格补贴四大补贴。良种补贴和农机补贴对于促进棉花生产发挥了一定积极作用。但与粮食补贴相比，粮食补贴已达1700亿元，棉花补贴总体很少。新疆棉区做为棉花“直补”试点已确定，对种植棉花的农民进行补贴，鼓励农民种植棉花，促进棉花产业可持续健康发展具有重要意义。

通过调研的方式了解到，对棉花补贴有四种期望：第一是按种植面积补。具体补贴是由于新疆棉区单产高于内地近50%，且植棉用工、用时、农资等需求皆高于其它棉区，业内综合分析棉花直补的理论金额应在300元/亩以上。主要从以下两方面考虑：一方面，棉花成本接近2000元/亩左右，人工成本逐年上升，种子、化肥、水、机力费等物化成本也不可能再下降。另一方面，棉花单产短期难以大幅提高，仍存在亩产200公斤左右的中低产棉田。补贴低于300元/亩,植棉吸引力不大。

第二是按产量进行补贴，棉花直补可采用现行的“粮食直补”兑付模式进行，即：根据销售票据采取当年收购当年补贴的方式（即时销售即时兑付），兑付时间应于当年完成。第三是收储与试点补贴齐头并进，最大限度保障棉农利益。第四是目标价格应核算在8.5元/公斤（合皮棉价22.5元/公斤）以上较为合理，每公斤9元的目标价格是根据新疆多年的棉花生产物化投入成本和人工成本核算出来的。

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Reflection on Cotton Production and Development in the Yellow River Basin and the Yangtze River Basin of China

中国黄河长江流域棉花生产发展思考

By Du Min[1], Rural Economy Research Center of Ministry of Agriculture, China

杜 珉[1] 中国农业部农村经济研究中心

In 2014, the No.1 Document by the Central Government has clearly pointed out that the aim is "to initiate a pilot subsidy program for the target price of cotton in Xinjiang Autonomous Region". How should cotton production develop in the Yellow River Basin and Yangtze River Basin, which are two major cotton production regions in China? This issue also attracted the attention of cotton industry in China. As is commonly known, when looking back to the history of cotton production in China, there are three major cotton production regions: the Yellow River region, the Yangtze River Delta, and the inland areas in Northwest China. In the past 10 years, this pattern has changed significantly. In 2012, China had a planted area of 70.322 million mu and a total output of 6.836 million tonnes. Northwest China accounted for shares of 37.7% and 52.9% respectively, 16% and 22% higher than the percentage ten years earlier. Comparable figures in the Yellow River region were 35% and 24.7%, respectively, 16% and 15.3% lower than a decade previously, while those for the Yangtze River Delta were 24.7% and 22.3%, relatively remained at around 20 million mu and 1.5 million tonnes, respectively.

Objective analysis shows that apart from the low scale of planting and mechanisation, climate conditions, rapidly increasing labour costs and decreasing

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2014年中国中央一号文件明确提出“启动新疆棉花目标价格补贴试点”，同样属于中国棉花主产区的黄河与长江两大区域的棉花生产如何发展？也受到业界的关注。众所周知，在中国棉花生产发展历史上形成了黄河、长江与西北内陆棉区“三足鼎立”格局。最近10年，这一格局发生了较大变化，2012年，中国棉花种植面积和产量分别为7032.2万亩和683.6万吨，其中，西北内陆棉区分别占到37.7%和52.9%，比10年前分别增长16和22个百分点；黄河流域棉区分别占35%和24.7%，比10年前分别下降了16和15.3个百分点；长江流域分别占全国总量的24.7%和22.3%，种植面积和产量总体维持在2000万亩和150万吨左右。

客观分析，黄河长江流域棉花生产萎缩，除了受种植规模、机械化水平低、自然气候条件和人工成本增长较快，种植棉花比较效益降低等因素外，与原有的种植模式，如粮棉、菜棉或瓜棉等两熟套种的改变有极大关系。套种棉田的小麦需人工割晒，影响了套种作物的机械使用率。随着小麦、玉米等粮食作物机械化使用率的提高与专业化统防统治等社会化服务水平提高，粮棉套种越来越不具备优势，农民不得不放弃种植棉花。比如黄河流域原来以小麦棉花套种为主的河南省，2012年棉花种植面积仅为385万亩，比10年前减少约1000万亩，减幅达72%

尽管如此，未来两大流域棉花生产对中国棉花产业仍有着不可替代的发展意义。长

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comparative benefit of planting cotton, the shrinking size of cotton production in the two regions in question is inseparable from changes in agricultural practices. Formerly, inter-planting grains and cotton was a common feature but increasing mechanisation of food crop harvesting has rendered this practice less and less advantageous, with cotton losing out. For example, in the past, in Henan Province in the Yellow River region, farmers used to plant wheat and cotton in fields at the same time. However, in 2012, the cotton planting area in the province was merely 3.85 million mu, 10 million mu or 72% less than 10 years earlier.

Even so, in the future, cotton production in these two regions still has irreplaceable significance for the development of the cotton industry in China. The cotton planting area and output in the Yangtze River Basin and the Yellow River Basin together still account for 60% and 50%, respectively, of China's total area and output. The two regions have made great contributions to satisfy the domestic demand for cotton. On the one hand, Xinjiang Autonomous Region

江、黄河流域棉区棉花种植面积和产量仍占全国的60%和50%，对满足棉花的国内需求具有重要的贡献。一方面，新疆继续发展棉花生产的资源环境约束趋紧，尤其是水资源制约加大。另一方面，黄河长江流域棉区棉花生产在后备耕地资源仍具有潜力，即两大流域具有的盐碱地、滩涂瘠薄地,由于棉花具有耐盐碱和耐旱的作物特性,这些土地均可改造为棉田。据调查，黄河长江流域棉区约有盐碱和滩涂地3000余万亩，这些盐碱、滩地经过改造后均适宜棉花种植。中国有关政府部门将会从长远和战略高度出发，采取切实可行的措施促进两个流域棉花生产持续、健康发展。

一是增加对棉花生产的补贴。根据WTO《农业协定》，“黄箱”补贴的比重最多不超过农业产值的8.5%，目前，我国棉花补贴额仅占棉花产值的0.7%，仍具有较大的政策空间。加大对两大流域棉花生产的扶持，增加

has been further restrained in developing the resources and environment of cotton production. In particular, more constraints have been placed on water resources. On the other hand, the Yellow River Basin and the Yangtze River Basin still have potential in the form of land reserves that could be cultivated. Saline-alkali land, inter-tidal land and waste land in these regions could be modified for growing cotton, since cotton is an alkali-resisting and drought-enduring crop. According to surveys, there are more than 30 million mu of saline-alkali land and inter-tidal land that could be used for cotton in the two regions combined. In the long run, government departments will implement measures to encourage the sustainable and sound development of cotton production in these two regions.

1. **Increase the subsidy for cotton production**. According to the "Agreement on Agriculture" of WTO, the proportion of "amber-box" subsidies paid by any country should not exceed 8.5% of agricultural production value. So far, in China, subsidies on cotton only account for 0.7% of the total cotton output. There is still sufficient room for policy-making. The government should give more support to cotton production in the Yellow River Basin and the Yangtze River Basin, and increase the amount of production subsidy. The following measures should be the focus: increase the amount of subsidy for cultivating superior crop varieties; launch comprehensive subsidies for cotton agricultural capital; enhance the amount of subsidy for purchasing agricultural machinery, including that for purchasing a single large cotton picking machinery; augment the insurance amount for cotton production, and increase the premium-sharing proportion of central and regional governments.

2. Give more support to cotton production on saline-alkali land, inter-tidal zone and waste land. Improve the existing irrigation and drainage conditions of cotton fields in inter-tidal zone and saline-alkali land. Initiate farmland works in fields, including the construction for arterial drainage, land formation (fill and level up waste ditches and waste dams), improve fertility conditions, construct infrastructure such as roads, storage facilities and processing equipment.

3. **Carry out production demonstration for high-quality cotton and pollution control in cotton fields**. Assistance should be given for disposing of hazardous waste, such as plastic film residue, pesticide bottles and bags, for enhancing soil fertility and water-saving practices and for encouraging the use of biodegradable mulch films.

In addition, departments under the Ministry of Agriculture suggest that if the cotton price is still too low in the Yellow River Basin and the Yangtze River Basin after the central Government has launched the "Target Price Subsidy Policy", the government could also underpin the purchasing of cotton in these two cotton belts by using the "Cost + Rate of Profit" method.

生产补贴额度，主要是提高良种补贴额度，出台棉花农资综合补贴，提高农机购置补贴，提高大型棉花采摘机单机补贴金额，提高棉花生产保险额度，增大中央和自治区财政对保费率的承担比例。

二是加大对盐碱滩涂荒地发展棉花生产的扶持力度。改善现有滩涂、盐碱地棉田灌排条件，开展田间工程建设，主要包括排水干渠、平整土地（填平废沟、废堤、水垱）、培肥地力和配套机耕道路等。建造库房，用于种子、农业机械等的储藏；建设晒场，用于种子和籽棉晾晒。配备棉种精选处理设备以及用于秸秆还田、耕翻、整地、播种覆膜、机械施肥、病虫化调防控及排灌等的农业机械。

三是开展良好棉花生产示范与棉田污染治理。建立有害垃圾收集处理站，收集处理农膜残留、农药瓶袋。配套有害物品物流运输车，定期收集、运输处理有害垃圾。建设残膜、残药、有毒包装物等垃圾回收站，并定期收集处理，以减少污染源；配套有害垃圾专用运输车。棉花采摘后进行秸秆粉碎还田，增加土壤有机质，提高土壤肥力。建立农业生态补偿机制，对采用棉花节水灌溉技术的农户给予一定的经济补偿。通过以旧换新，地膜购置补贴等形式，向农户推广使用0.01毫米厚度以上地膜。给予从事废旧地膜、滴管软管等回收的网点和企业适当补贴，通过贴息、减免税收等优惠措施，扶持相关企业开发新型的可降解地膜，研发地膜回收机等相关设备。

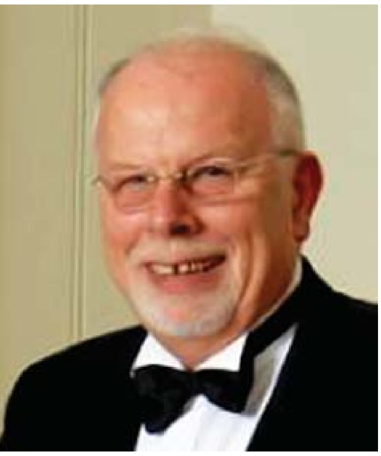
另外，农业部有关部门也在建议，国家在新疆出台"目标价格补贴政策"后，如果黄河长江流域棉花价格过低，国家也可通过"成本+利润率"的方法在这两个棉区启动托底收购。

Impact of China's Policies on World Cotton Consumption

中国棉花政策对全球棉花消费量的影响

By Ray Butler, Managing Director, Cotlook Limited
Ray Butler　Cotlook 棉花展望有限责任公司，　常务董事

In 2010/11, as world prices ran up to unprecedented levels, China's state-held stocks were rapidly depleted as the government sought to maintain price stability. Subsequently, Beijing adopted a temporary state reserve policy to rebuild those stocks and restore what it considered to be a vital, macro-control lever in the cotton market. The consequences, some of them perhaps unintended, have included a sharp decline in China's cotton consumption, a build-up of state reserves to perhaps 1.5 times the amount used annually by Chinese mills and an increase in China's cotton yarn imports. Furthermore, China's textile industry has turned increasingly to more competitively-priced man-made fibres.



The state reserve policy became regarded as unsustainable, and a policy change is under way. The nature of that change could have a far reaching impact on cotton consumption rates both within China and in those countries that have recently enjoyed increased cotton yarn export sales.

Description and background of China's cotton policy

The cotton world has been focused on developments in China since the door to economic reform was opened by Deng Xiao Ping and China's subsequent adherence to the WTO.

Under China's WTO agreement, specific quota and duty arrangements were prescribed. For cotton, a standard import duty was set of 40 percent but a provision was included for an amount to be imported annually subject to a tariff of one percent.

在2010/11棉花年度，全球棉价上涨到前所未有的高度，中国政府为维持棉价稳定，导致国家棉储备量迅速下降。中国政府采取了一项临时棉花收储政策，以试图恢复原有的棉花储备量，这被视为对棉花市场起到重要影响的宏观调控政策。这项政策也产生了一部分意想不到的结果，导致中国棉花消费量急速下降，棉花库存堆积，其数量超出纺织厂棉消费量的1.5倍，此外，中国对棉纱的进口量激增，纺织厂越来越倾向于生产具有价格优势的人造纤维。

国家棉花收储政策被认为不具备可持续性，目前，中国正在对这项政策进行调整。而政策的调整，不仅将对中国的棉花消费量产生深远影响，对于那些棉纱出口量激增的国家而言，同样影响深远。

棉花政策概述及背景

自从邓小平提出改革开放政策，中国加入世贸组织以来，中国市场就一直是全球瞩目的焦点。

中国的世贸组织协定对配额与关税有具体规定。棉花的标准进口税率被设定在40%，同时附加条款中规定，即部分年进口量适用1%的进口关税。多年来，1%低关税配额下的年进口量的最大配额一直是89.4万公吨。此外，中国执行低关税配额外的进口配额发放，主要针对“加工贸易”（只要制成品用于出口，就能免税）以及滑准税配额，配额设置机制也在适时地进行调整变动。

上述政策与国家储备政策结合实施，成为政府调控棉花市场的两项重要举措。

采取上述措施的目的，主要是为了保护棉

That amount has for several years been set annually at a maximum level of 894,000 tonnes. In addition, China has exercised the right to allocate specific cotton import quotas, either for the 'processing trade' (effectively duty-free, provided the manufactured goods are exported) or subject to a sliding-scale tariff quota under a mechanism that has been amended over time.

These arrangements have remained in place in combination with a government state reserve policy, hence in principle lending the government two important levers for exercising macro control of the cotton market.

The stated purpose of such controls has been primarily to protect the cotton farmer and rural incomes, something that has been especially important in two regards: attempting to stem the flow of population to urban centres; the political necessity of safeguarding the social structure in Xinjiang.

From an international cotton market perspective, the fact that decisions of such significance have been in the hands of politicians, rather than a result of market signals, have sometimes placed trading decisions in substantial doubt.

The effects of the state reserve policy

The effect of the policy in the 2011/12 season was for government stocks to rise from an estimated 320,000 tonnes to almost 4.6 million. A year later the figure was close to 7.3 million and Cotton Outlook's estimate of the current (March 31, 2013) figure was almost 12.9 million tonnes.

The state reserve policy has had substantial consequences, both internally and externally. Our view is that many of these were unintended by the policymakers and that their result leaves the government in an invidious position.

Firstly, there has been, and remains, a huge financial cost, not merely in financing the actual purchase of cotton from ginners but also in carrying the cotton (2,000 yuan per tonne per year for 10 million tonnes would be 20 billion yuan – substantially in excess of US$3 billion) and in disposing of the reserve at a lower price when selling to mills.

Secondly, internal commercial markets have been rendered ineffective. Zhengzhou cotton futures, which reached a peak open interest of 887,158 contracts, each of 5 tonnes, on July 28, 2011, saw that dwindle to as little as 76,844 contracts by September 30 last year, since when the figure had been only briefly above 100,000 until late December. Since that point, a revival of activity and open interest has been witnessed, as the potential ramifications of the impending changes in government came under the spotlight.

Thirdly, imports of cotton yarn, which are not under quota control and subject to various rates of import duty, ranging from zero to a few percent, de-

农的利益，确保农民收入，这些措施的重要性也在于两方面：首先，防止农村人口过多流入城市；其次，维护新疆社会结构的政治必要性。

从国际棉花市场的角度来看，政策的制定权主要在政府手中，而不是市场决定的结果，有时，这类贸易决策会产生巨大的疑惑性。

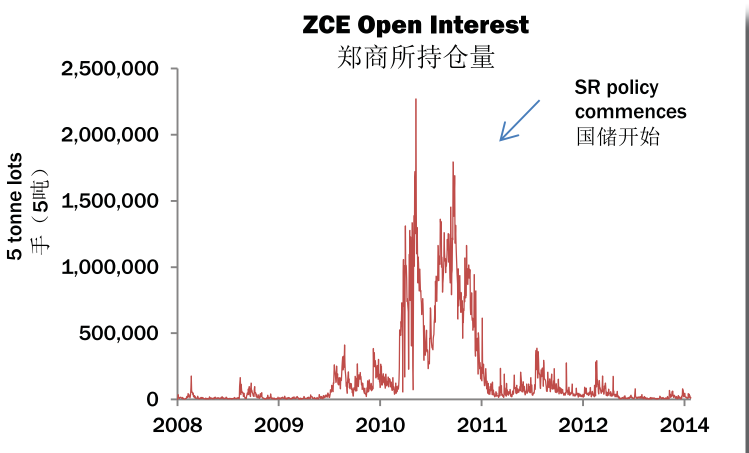
国家收储政策的效果

2011/12年度的政策导致政府棉储备量从32万公吨上升到460万公吨。一年后，这一数值接近730万公吨，据《棉花展望》估计，当前（2013年3月31日）的数值接近1290万公吨。

国家收储政策不论是对国内还是国外，都产生了巨大的影响。我们认为，许多结果是决策者当初未曾预料到的，也使政府落入也使政府落入一个较为尴尬的境地。

首先，收储政策产生了巨额的财务成本，政府花钱从轧棉厂购买、运输棉花（每年支付2000元/公吨，为1000万公吨棉花就需支付200亿元——相当于30亿美元），然后，再以低价将库存棉花卖给纺织厂。

其次，国内商品交易市场不能发挥作用。郑州商品交易所棉花期货的未平仓量在高峰时曾达到887158个合约数，每个合约为5公吨棉花，2011年7月28日，截止到去年9月30日，合约数减少到76844个，直到去年12月底，这一数值才刚超出100000个。此后，市

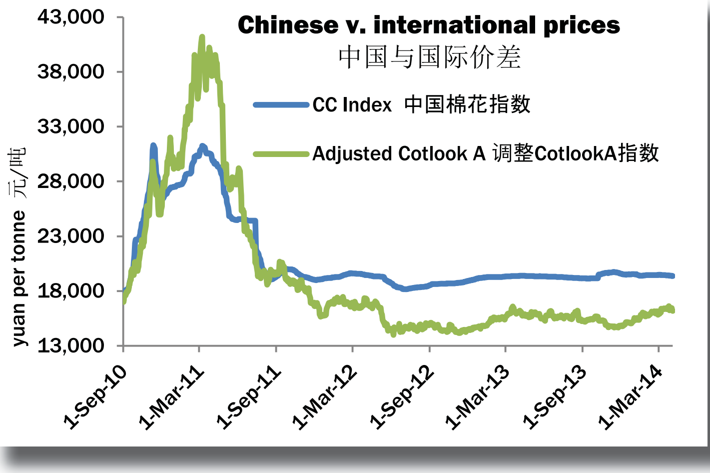


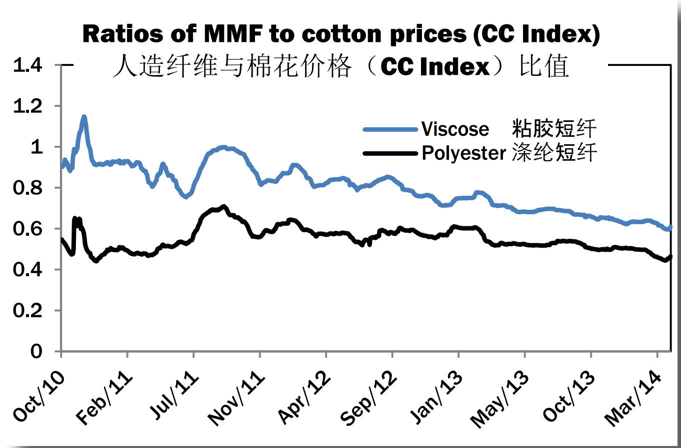
pending on the country of origin, have skyrocketed as textile enterprises look to remain competitive in their production of textiles.

In 2012, import volume increased by an impressive 87 percent, followed by an additional 43 percent gain in 2013.

The impact on prices

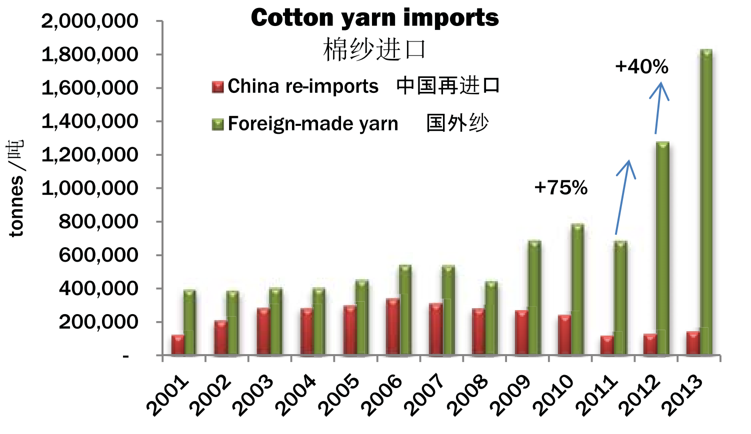
To demonstrate the extent of the divide that has arisen since 2011 between Chinese and international cotton values, the accompanying chart compares the Cotlook A Index, adjusted to approximate delivered mill China terms, with the China Cotton Index. The A Index includes sliding-scale duty – the gap shown would of course be wider if a tariff of merely one percent is applied.





Domestic cotton values have also been running at levels much higher than the prices ruling internally for man-made fibres. The average ratio of polyester staple to cotton prices over the last three years has been 50 percent, compared with viscose staple at 82 percent. More recently, the polyester staple/cotton price ratio dropped below 50 percent for the first time since April, 2011, when cotton was still retreating from its record high. The latest value (March 31) shows a proportion of 45 percent. The viscose /cotton ratio has declined to 60 percent.

The predominant effects, therefore, have been, on the one-hand, to boost China's cotton yarn imports and on the other



场又开始复苏，未平仓量再次出现，政府对收储政策将做出哪些调整，会有哪些潜在的波及面，这一点成为人们关注焦点。

第三，棉纱进口量激增。由于棉纱进口量不受配额限制，国家将根据进口地的不同，分别收取从零至百分之几的进口税。纺织企业希望在纺织品生产方面继续保持竞争力，而选择进口外纱。2012年，进口额增长到87%，此后，2013年又增长了43%。

对价格的影响

为显示出2011年以来，中国与国际棉价之间的差异，图中我们将Cotlook A指数（已根据中国纺织厂的交货条件进行调整）与中国棉价指数进行比较。此处Cotlook A指数将滑准税计算在内，而如果按照1%的关税计算Cotlook A指数，两个指数之间的差异还将更大。

国内棉价的价格远远高于人造纤维的价格。在过去3年间，涤纶与棉花的平均价格比为50%，粘胶纤维与棉花的价格比为82%。2011年4月，当棉价持续下跌时，涤纶与棉花的价格比首次跌破50%。最近（3月31）的价格显示，两者的价格比为45%。粘胶纤维与棉花的价格比也下降至60%。

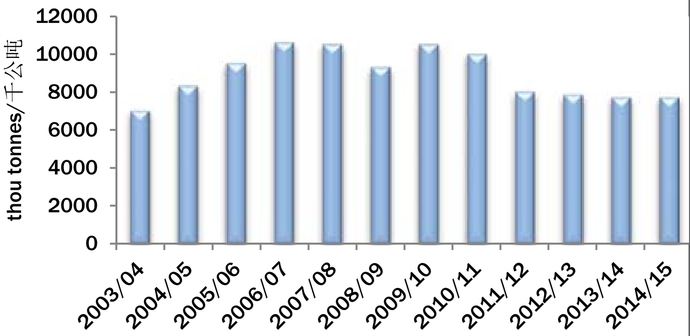
这一系列变化的主要影响在于，一方面，它提升了中国的棉纱进口量，另一方面，促使国内棉企转向生产更具竞争力的人造纤维，甚至在以往以生产棉制品为主的生产线上，情况也是如此。

多年来，中国一直具备自给自足的棉花生产能力，而现在，它已经失去了这种能力，棉花生产只是为了满足国内市场的需求。由于耕地面积是有限的而且中国要首先保证粮食的种植面积，抛开因科学新技术增加的单产不考虑，天气状况和棉花的种植面积，都是决定产量的主要因素。而中国在化纤和纱线生产方面能够，并且已经完全实现自给自足。

hand to induce the domestic industry to switch to more competitive man-made fibres, even in product lines that might customarily be considered the principal domain of cotton.

China lost the capacity to be self-sufficient in cotton for all its requirements a number of years ago. This was replaced by an aim to be self-sufficient at least in respect of meeting the demands of the domestic market. However, finite availability of usable arable land for food crop production inevitably poses a constraint on the area that can be devoted to cotton, leaving yield enhancement, and the vagaries of the weather's impact on each season's crop, as the main determinants of the level of output. In contrast, China can, and has become, more than self-sufficient in polyester fibre and yarn production.

China Consumption
中国棉花消费量



The impact on China's cotton fibre consumption

China's cotton consumption recorded growth – often double digit – in every cotton season from 1999/2000 through to the onset of the financial crisis in 2008, reaching a peak of 10,600,000 tonnes in the 2006/07 season. That level was almost achieved once again in 2009/10, before the run-up in prices and the subsequent implementation of the state reserve policy. Since then, cotton use has declined by around 25 percent, to less than eight million tonnes.

The beneficiaries of China's appetite for imported cotton yarn have been spinners in numerous countries. Everyone has shared in the gain to some extent, though top of the list is undoubtedly India, from where imports more than doubled in 2012 and in 2013, to reach in excess of 620,000 tonnes. India thus last year overtook Pakistan – traditionally the leading source of China's cotton yarn imports - as the major import supplier. However, Pakistan's volume has also grown. Other suppliers to record strong increases have included Vietnam, Indonesia, Thailand, Uzbekistan, and even the United States.

World cotton consumption has shown a partial recovery from the losses that occurred in 2010/11 and 2011/12 but these have been insufficient to close the gap with world cotton production, which has been in surplus now, by our reckoning, for

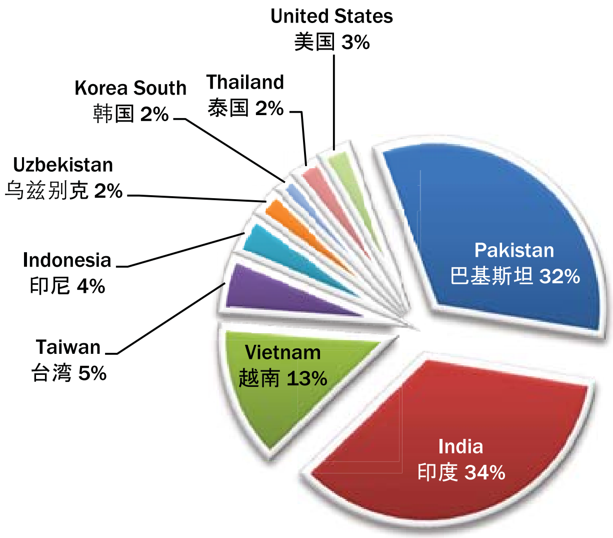
对中国棉花消耗量的影响

自1999/2000年度开始，到2008年全球金融危机爆发以来，中国的棉花消费量持续以两位数百分比增加，在2006/07达到顶峰，为1060万公吨。在2009/10，棉消耗量再次达到这一数值，随后，棉价飙升，中国政府采取国家收储政策。此后，棉花消耗量下降了25%左右，不到800万公吨。

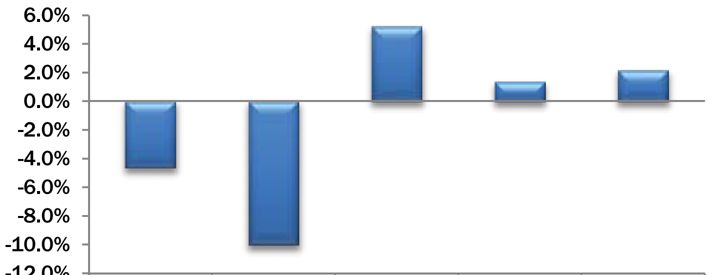
许多国家都受益于中国的棉纱进口。每个国家都占一定份额，但印度无疑是最大的进口地，2012年与2013年，印度棉纱进口量翻了一番，超过62万公吨。印度在去年取代巴基斯坦——中国首要的棉纱进口国——成为中国主要的棉纱供应国。不过，中国从巴基斯坦的进口量也在增长。而其他国家的进口量，包括越南、印尼、泰国、乌兹别克斯坦，甚至美国在内，也出现强劲增长。

全球棉消耗量自2010/11年度与2011/12年度下降后，已出现一部分回升，但回升的幅度还不足以弥补消耗量与全球棉产量之间的差距，因为全球棉产量已经持续四个年度过剩，而据我们估计，这种过剩状况还将持续到第五个年度。

Sources of cotton yarn in 2013
2013年棉纱来源



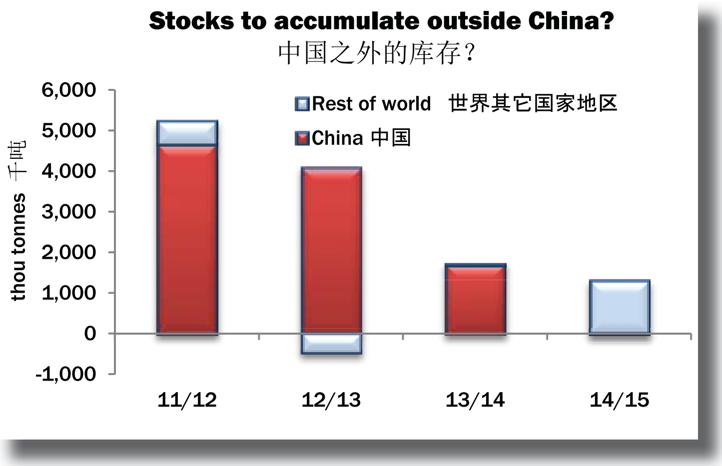
Changes in world cotton use
世界用棉变化



	2010/11	2011/12	2012/13	2013/14	2014/15
World	-4.6%	-10.0%	5.2%	1.4%	2%

four seasons, and which we believe will soon be five.

Unlike in the past few seasons, however, we foresee addition to stocks in 2014/15 occurring principally outside China, as China imports less and as it seeks to reduce the level of government reserves.



不过，我们预计2014/15年度将不同于以往几年，由于中国的棉进口量在减少并且政府试图降低棉储备量，那么我们预计中国以外地区的棉花库存将增加，。

Conclusion

So, the scenario I am describing is one in which consumption outside of China has expanded but has not fully compensated for the loss in China itself. Chinese entrepreneurs have invested (and continue to do so) in cotton spinning capacity (and further textile processing capacity) outside of China, on economic grounds, which would encompass raw material, labour and energy costs. The raw cotton cost element, however, is a function of China's government policy. The changes now in train in Beijing's policy have implications for cotton prices in China. Should competitiveness be partially restored, the influences that might be brought on patterns of trade in cotton yarn and on the location and quantity of cotton consumption could prove significant.

结论

上述的情况是中国之外的地区棉花消费量增长的前提下，然而仍不足以弥补中国本身遭受的损失。中国企业家在中国之外的地区，（正在持续）加大对棉纺业（与纺织品加工业）的投资，投资将涵盖原材料、劳动力与能源支出。不过，原料开支这一因素取决于中国政府的政策。中国政府的政策调整将对棉价产生影响，棉纱贸易模式将出现转变，棉花消耗量也会显著回升，使棉产业恢复一部分竞争力。

Cotton Futures Steady Operation and Sound Development

棉花期货运行平稳 市场功能稳定发挥

By Ji Guangpo, Senior Specialist, Zhengzhou Commodity Exchange
姬广坡 郑州商品交易所，资深专员

Since the Zhengzhou Commodity Exchange (ZCE) launched wheat futures trading on May 28, 1993, 13 categories of futures have been listed to date on the Exchange, including nine agricultural products (strong gluten wheat, common wheat, cotton, sugar, early indica rice, rapeseed, rapeseed oil, rapeseed meal, Japonica rice) and four industrial products (PTA, methanol, glass, thermal coal). Among these products, cotton futures have been operating successfully for nearly 10 years since their launch in 2004, with a total trading volume of 287 million contracts (counting only the sale or purchase each as one contract, and each of 5 tonnes) and a total transaction amount of 33.60 trillion yuan. 807,700 tonnes of cotton have completed delivery. About one quarter of all cotton enterprises have opened accounts at the Exchange, which is the highest proportion among all agricultural products listed by ZCE.

The price of futures actively interacts with the price of spot goods. Enterprises use hedging tools to avoid business risks. So far, the market is under steady operation and sound development, has been recognised by cotton enterprises and had increasing influence all over the world. The *Wall Street Journal* has written that "Cotton futures dealers pay attention to price fluctuation in ZCE and China has made major strides in making its voice heard in the global cotton market"

1. Cotton futures mature gradually

In 2011, the transaction volume of ZCE exceeded that of the Intercontinental Exchange (ICE) for the first time. In 2013, 7.45 million cotton contracts

郑州商品交易所（以下简称"郑商所"）自1993年5月28日率先推出小麦期货交易以来，目前已挂牌上市十三个期货品种，包括九个农产品（强麦、普麦、棉花、白糖、早籼稻、油菜籽、菜油、菜粕、粳稻）和四个工业品（PTA、甲醇、玻璃、动力煤）。其中棉花期货自2004年上市至今已成功运行近十年，累计交易量2.87亿手，交易金额33.60万亿元，实现交割80.77万吨。涉棉企业累计开户5000余户，占行业比例25%左右，是郑商所上市品种中企业开户比例最高的品种。

该品种运行十年来，期现价格联动密切，企业开展套期保值回避经营风险效果显著，没有出现过任何风险事件，市场功能已初步发挥，目前运行平稳，发展健康，深得业内企业的认可和赞许。我国棉花期货在全球影响越来越大，华尔街日报曾刊文评述郑商所棉花期货在国际棉花市场的地位："国外的棉花期货交易者每天都要关注郑州棉花期货价格的波动情况，中国已经在全球棉花话语权方面迈出重要步伐。"

一、棉花期货功能发挥稳定，品种逐渐成熟

2011年郑州棉花期货交易量首超洲际交易所（ICE），成为全球棉花期货交易量最大的品种。2013年累计成交棉花期货合约745万手（每手５吨），共计折合3725万吨棉花，成交金额0.74万亿元，分别比上年减少64.57%和64.64%。交易量减少的主要原因是国家对棉花实行临时收、抛储政策，期货交易量大幅萎缩。

棉花期货推出后，涉棉企业的开户数逐年增加，截止到2013年年底在期货市场开户的

(each of 5 tonnes) were transacted, which is equivalent to 37.25 million tonnes of cotton, at a value of 740 billion yuan. These figures were 64.57% and 64.64% lower, respectively, than those for the preceding year. The decline was attributed mainly to the influence of the government's temporary state reserve policy.

Since cotton futures were launched, the number of cotton enterprises that have opened accounts on the futures market has increased year by year, to reach 5,025 by the end of 2015. Cotton enterprises are actively using the price discovery function of cotton futures to arrange production rationally, achieve stable profitability by hedging and realize stable business operation. The position of cotton futures has been further solidified.

2. Cotton futures play a positive role in price discovery, influencing planting decisions and increasing farmers' incomes

Zhengzhou cotton futures reflect expected changes in supply and demand, and portray the cotton price trend at home and abroad. Following its launch the cotton futures contract maintained a high correlation with the domestic spot price and with the price of overseas futures price, and provided a powerful tool to cotton enterprises and investors for price discovery.

The market also served to protected the interests of cotton farmers and increase their incomes, by assisting in their decision making about planting.

3. Cotton futures effectively regularized market order and helped to enhance the overall quality of domestic cotton

A national quality standard applies for cotton futures, with samples inspected by the China Fibre Inspection Bureau. Only those that conform to the standard can be sold on the futures market. Cotton futures have therefore stimulated ginners to enhance their awareness of quality standardisation, make improvement in processing techniques, and helped eliminate ginners with low processing quality. As the scale of the cotton futures market expands, the quality of domestic cotton will be further enhanced.

涉棉企业数量已达5025余家，占涉棉企业的25%左右。涉棉企业正积极利用棉花期货的价格发现功能合理安排生产，通过套期保值稳定利润，实现稳健经营，棉花期货的地位得到进一步巩固。

二、棉花期货在发现价格、促进种植结构调整、增加农民收入等方面发挥积极作用

郑棉期货价格提前反映了棉花供求关系变化，与国内外棉价走势基本一致。棉花期货上市后，其价格走势与国内现货价格及国外期货价格始终保持了较高的关联度，为棉企及投资者发现棉花价格提供了强有力的工具。郑棉期货合理地体现了市场对于价格变化的理性预期，帮助产业客户稳定经营，从而实现了期货市场在更高层面上服务于实体经济的目标。涉棉企业利用期货市场套期保值，规避了市场风险，提高了企业效益。

棉花期货市场有效保护了棉农的利益，切实增加了农民收入。棉花期货的预期价格对棉农的生产决策提供了科学性和预期性指导，促进了种植结构调整，稳定了近年棉花种植面积，促进了农村组织形态转变，提高棉农组织化程度和诚信度。

三、棉花期货有效地规范了市场秩序，提高了我国棉花整体质量

棉花期货执行国家标准，交割时由中国纤维检验局进行公检，只有经检验达到国家标准要求的棉花才能通过期货市场售出。棉花期货促使加工企业提高质量标准化意识，改进加工工艺，淘汰了一批加工质量低下的轧花企业。随着棉花期货市场规模的扩大，我国棉花质量水平将进一步提高。做精做细已上市期货品种是郑商所今年的重点工作之一。在棉花期货十年管理经验的基础上，积极拓展棉花产业链上下游品种，研发棉纱期

ZCE's accumulated 10 years of experiences in cotton futures management is now being used to explore other contract possibilities, including cotton yarn futures. In May 2013, the Exchange submitted a "Request for Project Approval of Cotton Yarn Futures" to the futures supervision authority (China's Securites Regulatory Commission). Currently, a widespread study is in progress and the hope is that a contract can be introduced as soon as possible, so as to provide good service to all cotton textile enterprises in China.

In the entire industrial chain of cotton production, trade and textile manufacturing, China has about 4,000 textile enterprises above a designated size (i.e. annual revenue over 20 million yuan), with about 50 million employees in total. Data from the National Bureau of Statistics show that these enterprises produce more than 23 million tonnes of cotton yarn, with an output value above 600 billion yuan. In recent years, as cotton prices have fluctuated more and more dramatically, and the amount of imported cotton yarn has increased year by year, the cotton textile industry in China has become exposed to more business risks. China Cotton Textile Association has advocated repeatedly that enterprises should take various measures to reduce those risks and ensure the stable operation of the industry. In particular, the association has requested the listing of cotton yarn futures at an early juncture.

货，健全棉花棉纱期货品种体系，是做精做细棉花工作的一部分。

棉纱是棉花产业链上的直接下游品种，纺纱成本中棉花成本占60%以上。在贯穿棉花生产、贸易、纺织链条上，我国仅规模以上纺织企业就达4千家左右，从业人员约五千万人。中国棉纺织协会数据显示，规模以上纺织企业棉纱产量2000万吨左右。近年随着棉花价格波动幅度增加和进口棉纱逐年增多等因素的影响，棉纺织业经营风险骤然增加，棉纺织行业协会多次呼吁要多管齐下，降低经营风险，确保行业平稳运行，其中呼声较高的是尽快研究上市棉纱期货，给纺织企业提供套期保值回避经营风险的工具。

Shanghai International Cotton Trade Centre
A Comprehensive Service Platform for Imported Cotton

建设上海国际棉花交易中心
打造进口棉综合服务平台

(An English language summary of the article by Yang Baofu, Vice General Manager, China National Cotton Exchange)

杨宝富 全国棉花交易市场，副总经理

In September 2013, the China (Shanghai) Pilot Free Trade Zone (Shanghai Free Trade Zone) was founded. The Zone has four missions: trade and investment liberalisation, financial internationalisation and administrative simplification. The Zone aims to play a leading role in financial product innovation, offshore business, opening-up of financial industry, and both outward and inward investment.

The China National Cotton Exchange ("Cotton Exchange") intends to make full use of the special policies of the Shanghai Free Trade Zone by building the Shanghai International Cotton Trade Centre, through which it will carry out offshore imported cotton transactions, and provide support services to enterprises, so as to accelerate the growth of China's cotton industry.

The Shanghai International Cotton Trade Centre will aim to provide a comprehensive service platform for imported cotton, combining transactions, capital provision and logistics supervision, along with information and risk control.

In taking this path, the CNCE will lean on its experience of trading domestic cotton electronically, which it believes can be transferred to an import model. By providing a means of settling accounts between buyers and sellers, the confidence of both sides will be enhanced.

The Exchange's experience in handling bidding and auction processes has been enhanced by its state reserve activities. The aim is to introduce imported cotton to a bidding and auction transaction platform. In this way, enterprises can expect to obtain the most reasonable purchasing and selling prices.

2013年9月，中国（上海）自由贸易试验区（以下简称“上海自贸区”）成立。上海自贸区承担着贸易自由化、投资自由化、金融国际化和行政精简化四项使命，在金融市场产品创新、离岸业务、金融业对外开放以及内资外投和外资内投方面“先行先试”。全国棉花交易市场（以下简称“交易市场”）可充分利用上海自贸区的特殊政策，在上海自贸区建设上海国际棉花交易中心，开展进口棉离岸交易，并提供配套服务，服务于棉花产业的发展。

上海国际棉花交易中心的定位

上海国际棉花交易中心的定位是：打造集交易、资金、物流监管、信息以及风险管控为一体的进口棉综合服务平台。

上海国际棉花交易中心的运行模式

进口棉交易平台

根据中国市场进口棉贸易主体、贸易品种的特点，进口棉交易平台主要提供以下几种交易模式：

进口棉网上超市交易

借鉴国产棉网上超市的成功经验，可以开展进口棉网上超市交易。为增加进口棉买卖双方对交易平台的信任度，交易市场可以作为卖方的买方、买方的卖方参与结算，提高企业参与进口棉交易的积极性。

竞买竞卖交易

利用交易市场在政策棉竞买竞卖交易中的经验，将进口棉引入竞买竞卖交易平台，通

The broad intention is that the Centre will pool requirements if prospective buyers and publish these details for dealers to see. By this means, a sales channel will be provided to foreign enterprises.

The centre will also provide access to capital and logistics services, letter of credit facilities (including those for consignment enterprises). Full use will be made of existing warehouse resources and other services to be offered will include inventory management, cargo handling and distribution.

Information, such as data transaction analysis and imported cotton offering prices will be made available through www.cottonjchina.org, a website operated by Beijing Cotton Outlook Consulting Limited.

The intention is for the Shanghai Centre to cooperate with the overseas branches formed by the China National Cotton Exchange, namely CNCE USA LLC in the United States, CNCE HONG KONG CORPORATION LIMITED in Hong Kong, and CNCE International Trading Company in the Zhangjiagang Bonded Area. These companies will provide supporting services to the Shanghai International Cotton Trade Centre, agency L/C establishment service of processing trade quota to domestic textile enterprises, and various extended services, including bonded cotton pledge and value maintenance service to domestic enterprises.

The CNCE firmly believes that, as China adjusts its cotton industry policies, imported cotton will inevitably play an important part in China's textile and cotton industry and that the Shanghai International Cotton Trade Centre will play a positive role in promoting the sound development of China's cotton industry.

过进口棉的竞价交易，购销企业可以在同一交易日内获得最合理的购销价格。

团购交易

利用交易市场在进口棉方面的供需资源，将国际招标采购模式与电子商务网上团购模式相结合，交易市场通过信息平台向所有交易商发布团购信息，交易商通过网上自助服务平台提供拟购棉意向，为国内用棉企业探索一条低成本的进口棉采购渠道，同时为国外的企业提供销售渠道。

进口棉配套服务平台

1、资金服务：充分利用交易市场现有的资金服务和物流监管平台优势，为采购进口棉的国内企业提供买方融资、代开信用证服务；与进口棉寄售企业合作，为其提供的信用证融资业务。

2、仓储物流服务：利用交易市场现有的仓储资源与信息系统，建设一套集信息采集、视频监控、库存管理为一体的进口棉物流监管系统，为进口棉经营企业提供代客理货业务、质押进口棉的监管服务以及物流配送服务。

（1）理货监管业务：利用交易市场位于沿海各港口的保税监管仓库，向国外棉商提供统一的物流外包服务，实现保税

进口棉从监管、仓储、物流为一体的“一站式”服务。

（2）物流配送服务：充分利用交易市场物流监管体系的优势，采用第三方物流配送方式，与当地大型物流公司合作，为进口棉经营企业提供配送服务。

（3）融资监管服务：与银行合作，为质押进口棉企业提供监管服务。

3、信息服务：利用中国棉花信息网的信息平台优势，上海国际棉花交易中心为参与进口棉购销的企业提供成交数据分析、进口棉综合报价、发布进口棉价格指数，提供信息咨询等服务，从而为从事进口棉企业决策时提供信息支持。

4、利用交易市场保税区和境外公司做好配套服务。为做好进口棉的配套服务工作，交易市场已在美国成立公司（CNCE USA LLC），在香港成立公司（CNCE HONG KONG CORPORATION LIMITED），在张家港保税区成立全国棉花交易市场张家港保税区国际贸易公司，这些公司可以为上海国际棉花交易中心提供支持，为国内纺织企业提供加工贸易配额的代理开证、为国内的企业从事进口棉提供保税棉质押、代客保值等延伸服务。

我们相信，随着国家棉花产业政策的调整，进口棉必将为平衡我国纺织用棉方面发挥重要的作用。上海国际棉花交易中心的成立，必将对促进我国棉花产业的健康发展起到积极的促进作用。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