

SURVEY OF COST OF PRODUCTION OF RAW COTTON



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(This document available in English only)

SURVEY OF COST OF PRODUCTION OF RAW COTTON

INTRODUCTION

In recognition of the need for basic information on cotton production costs, the ICAC Secretariat published its first report on the subject for the 30th Plenary Meeting in 1971. The data were collected through a questionnaire sent to member as well as non-member countries. Since then the document has been prepared annually, except in 1973 and 1974. The questionnaire has been refined over the years, and the scope of information expanded through the inclusion of quantities of inputs used, in addition to costs. This year, the analysis contained in the introductory section is supplemented by three summary statistical tables.

However, the response to our questionnaire this year again was far from satisfactory. Some of the large countries failed to supply information, and several respondents gave only partial data. While the latter have been included in country-wise tables for this year, incomplete information did not permit their inclusion in the data pool used for comparative cost analysis. Among all countries that have reported since the 1971 survey, only 11* provided full information for the consecutive surveys through 1977. Therefore, the look at comparative costs -- over time, and between individual countries -- is based primarily on data from these countries. A word of caution is in order for interpreting the Secretariat's findings, as these eleven countries do not necessarily represent the existing cotton cost conditions in the world. Furthermore, the information reported often carries with it an element of subjective assessment. While comparisons between countries are difficult due to differences in methodology, subsidies for inputs provided by some countries, etc., comparisons over time face added problems due to changing exchange rates, currency management practices, and other government policies that influence year-to-year changes in the cost of producing cotton.

The production costs are categorized as direct costs and overhead costs. Direct costs are those that are directly associated with the production of raw cotton -- on-farm production and harvesting costs, as well as off-farm costs such as transportation and ginning. Overhead or indirect costs pertain to items such as management and land rent. Net cost for lint per hectare is obtained by subtracting the value of cottonseed from the total cost per hectare for seed cotton. The net cost is also presented in terms of US cents per pound of lint, after taking into account the average yield per hectare.

Reflecting inflationary pressures, cotton production costs have gone up throughout the Seventies. Per hectare gross costs for the eleven countries included in this tabulation rose, on an average, by 214 percent between 1970 and 1977 (Summary Table 1). The sharpest increases occurred in Iran (370 percent), followed by Paraguay (270 percent). Information on net costs were not available for all the years, but these costs appear to have paralleled the movements in gross costs. Over the years, cost escalation was most noticeable during 1970-74. Year-to-year increases cannot be determined for this period owing to lack of data, but gross costs per hectare rose by 121 percent during this short span. Costs increased further, by an additional 18 percent for the 1975 crop over 1974. The upward pressure eased off in 1976 (up 8 percent), but costs again increased at a higher rate in 1977, by 11 percent over the previous year.

The biggest increases, in absolute terms have occurred in the three largest cost items - labor, power and equipment, and agricultural chemicals (herbicides, insecticides, fungicides, etc.), all in the category of on-farm direct costs. Based on a simple average for eleven countries, labor costs (preharvest and harvest) rose from about \$105 per hectare in 1970 to \$209 in 1977. The rise in labor costs is partly attributable to increasing labor input per hectare -- as evident from data on the quantity of inputs for the last two years -- and partly to rising wage rates.

*Australia, El Salvador, Iran, Israel, Ivory Coast, Nicaragua, Pakistan, Paraguay, Spain, Syria, and the United States.

However, in some countries labor costs showed a decline. This is apparently the result of reduced labor input, replaced by machinery. Greater mechanization has been taking place in a number of countries in recent years in response to the manpower situation -- scarcity of labor, generally accompanied by rising wages -- and/or the desire to improve efficiency of certain farm operations. Information on cost components for eleven countries (Summary Table 2) shows a small, but consistent, increase in the relative share of power and equipment expenditures for harvesting. Meanwhile, the share of labor costs for harvesting has shown a steady decline.

In dollar terms, power and equipment costs (preharvest and harvest) rose from \$31 per hectare in 1970 to \$143 in 1977. However, in contrast to the fast pace of increase in earlier years, this item showed only a modest advance last year.

The per hectare costs of agricultural chemicals, such as herbicides, insecticides, fungicides, etc., have also experienced significant and continuing increases throughout the period, except in 1977. The item rose from a low of \$18 per hectare in 1970 to around \$127 in 1976 -- more or less at a uniform annual rate -- but dropped to some \$124 last year.

There is a paucity of data on quantities of herbicides, etc. used per hectare but, in all likelihood, their use has grown. Prices of such chemicals rose sharply in the years immediately following the substantial increase in the price of oil in late 1973, but last year saw a decline in their prices in several countries. In fact, the same thing appears to have happened to fertilizer prices.

In general, for the eleven countries analyzed here, off-farm direct costs (mainly accounted for by ginning) and overhead costs (mainly accounted for by land rent) rose at a lower rate compared to on-farm direct costs.

It is noted that while total costs of producing cotton have tripled since 1970, productivity, too, has made sharp gains, thereby absorbing some of the rising cost pressure. As a result of excellent yields of the 1977 crop, the increase in net costs per pound for the same eleven countries was negligible, whereas net costs per hectare had risen by over \$68 or 9 percent compared to 1976. Indeed, in some areas, net costs per pound declined substantially -- for instance, in the Chihuahua region of Mexico, by 10-1/2 cents.

A considerable variation exists in production costs among countries -- as also within an individual country -- on account of differences in cultivation practices, particularly the level of input use, climatic conditions, etc. Of course, per unit cost is also a function of yields. Last year, net costs per pound ranged from a little over 23 cents in Pakistan to 127 cents in the Costa Meta region of Colombia (Summary Table 3). For two-thirds of the reporting countries, however, net costs ranged between 40 and 60 cents per pound.

ENQUETE SUR LES COÛTS DE PRODUCTION DU COTON BRUT

INTRODUCTION

S'étant rendu compte qu'il fallait disposer de renseignements de base concernant le prix de revient de la production du coton, le Secrétariat du CCIC a publié son premier rapport consacré à cette question à l'occasion de la 30e Réunion plénière, en 1971. Il réunit les données grâce à un questionnaire qui fut envoyé aux pays membres, ainsi qu'à d'autres pays. Depuis lors, le document a été publié tous les ans, sauf en 1973 et en 1974. Le questionnaire a été rendu plus précis au cours des ans, et son champ a été élargi en demandant que les facteurs de production utilisés soient exprimés non seulement par leurs coûts mais aussi par leurs quantités. Cette année, l'analyse que présente la partie introductive est complétée par trois tableaux statistiques résumés.

Cependant, une fois encore, les réponses que nous avons reçues à notre questionnaire sont loin d'être satisfaisantes. Certains grands pays n'ont pas communiqué de renseignements et plusieurs autres n'ont fourni que des données incomplètes. Ces dernières ont servi à élaborer cette année des tableaux nationaux, mais leur caractère incomplet n'a pas permis de s'en servir pour effectuer les comparaisons de coûts. Parmi tous les pays qui ont répondu au questionnaire depuis l'enquête de 1971, 11* seulement ont fourni des renseignements complets pour toutes les enquêtes jusqu'en 1977. Dans ces conditions, les comparaisons de coûts - leur évolution dans le temps et leurs différences d'un pays à un autre - se fondent essentiellement sur les données concernant ces pays. Il convient d'interpréter avec prudence les conclusions du Secrétariat, car ces onze pays ne représentent nécessairement pas la situation des prix de revient dans le monde. En outre, les renseignements communiqués contiennent souvent un élément de subjectivité. S'il est difficile d'effectuer des comparaisons entre pays en raison des différences de méthode, des subventions que certains pays fournissent pour l'achat des facteurs de production, etc., il est encore plus difficile de poursuivre ces comparaisons dans le temps en raison des variations de taux de change, des pratiques de gestion de la monnaie, et d'autres politiques d'Etat qui exercent d'une année à l'autre une influence changeante sur le prix de revient de la production du coton.

Le prix de revient de la production se subdivise en coûts directs et en frais généraux. Les coûts directs sont ceux qui sont directement associés à la production de coton brut -- production à l'exploitation et coûts de cueillette -- ainsi que coûts en dehors de l'exploitation, tels que transports et égrenage. Les frais généraux, ou coûts indirects, concernent des rubriques telles que la gestion et la location des terres. Le prix de revient de la livre à l'hectare est obtenu en soustrayant la valeur de la graine du coût total du coton-graine à l'hectare. Le prix de revient net est également présenté en cents E.U. la livre de fibre, compte tenu du rendement moyen à l'hectare.

Suivant en cela les pressions inflationnistes, les prix de revient de la production augmentent depuis 1970. Dans le cas des onze pays précités, le prix de revient brut à l'hectare a été majoré en moyenne de 214 pour cent entre 1970 et 1977 (Tableau résumé 1). Les augmentations les plus fortes se sont produites en Iran (370 pour cent), suivi du Paraguay (270 pour cent). On ne dispose pas d'informations concernant le prix de revient net pour toutes les années, mais il semble qu'ils aient suivi un mouvement parallèle à ceux du prix de revient brut. C'est en 1970-74 que l'escalade des coûts a été la plus brutale. Durant cette période, il est impossible de fixer les accroissements annuels en raison du manque de données; cependant, les prix de revient bruts ont augmenté, on le sait, de 121 pour cent en ce bref laps de temps. En 1975, les prix ont à nouveau augmenté de 18 pour cent par rapport à l'année précédente. La poussée à la hausse s'est atténuée en 1976 (augmentation de 8 pour cent) mais les coûts ont repris leur mouvement ascendant en 1977, augmentant de 11 pour cent sur l'année précédente.

*Australie, Côte d'Ivoire, El Salvador, Espagne, Etats-Unis, Iran, Israel, Nicaragua, Pakistan, Paraguay, Syrie.

Les accroissements les plus forts, en chiffre absolus, ont touché les trois éléments les plus importants du prix de revient - main d'oeuvre, énergie et matériel, et produits chimiques (herbicides, insecticides, fongicides, etc.), qui rentrent tous dans la catégorie des coûts directs à l'exploitation. En prenant pour base la moyenne simple pour onze pays, les frais de main d'oeuvre (avant et pendant la cueillette) sont passés d'environ \$105 à l'hectare en 1970 à \$209 en 1977. Cette hausse du prix de la main d'oeuvre est en partie imputable à l'accroissement de la main d'oeuvre exigée à l'hectare - comme le montrent les données concernant la quantité de facteurs de production utilisés pendant les deux dernières années - et en partie à l'élévation du barème des salaires.

Cependant, il y a certains pays où les frais de main d'oeuvre ont reculé. Il semble que cette situation s'explique par le remplacement de l'homme par la machine. Depuis quelques années, un certain nombre de pays ont accéléré la mécanisation de l'agriculture sous l'effet de la conjoncture de la main d'oeuvre - manque d'ouvriers, accompagné d'ordinaire d'une hausse des salaires - ou du désir d'améliorer l'efficacité de certaines opérations. Les renseignements concernant les éléments du prix de revient dans onze pays (Tableau résumé 2) montrent un accroissement modeste mais continu de la part relative de l'énergie et du matériel dans les dépenses occasionnées par la cueillette. Entre-temps, la part de la main d'oeuvre dans les frais de cueillette est en diminution constante.

En termes monétaires, les dépenses d'énergie et de matériel (avant et pendant la cueillette) sont passées de \$31 à l'hectare en 1970 à près de \$143 en 1977. Cependant, alors que la hausse était rapide au début, elle n'a été que modeste l'année dernière.

Les prix de revient à l'hectare des produits chimiques, tels qu'herbicides, insecticides, fongicides, etc., ont également connu des accroissements sensibles et continus pendant toute la période, sauf en 1977. Cette rubrique est passée en effet du chiffre modeste de \$18 à l'hectare en 1970 aux alentours de \$127 en 1976 - à une cadence plus ou moins uniforme - pour tomber à quelque \$124 l'année dernière.

On manque de données au sujet de la quantité d'herbicides, etc., utilisés à l'hectare; il est probable néanmoins que leur usage se soit intensifié. Les prix de ces produits chimiques ont brutalement augmenté au lendemain du relèvement substantiel du prix du pétrole vers la fin de l'année 1973; cependant, ils ont baissé l'année dernière dans plusieurs pays. En fait, il semble qu'il en soit allé de même des prix des engrais.

En règle générale, dans le cas des onze pays qui sont analysés ici, les coûts directs en dehors de l'exploitation (qui correspondent surtout à l'égrenage) et les frais généraux (qui représentent surtout la location des terres) ont augmenté à un rythme plus lent que les coûts directs à l'exploitation.

Il convient de noter que, si l'ensemble du prix de revient de la production de coton a triplé depuis 1970, la productivité a elle aussi réalisé des progrès marquants, ce qui a donc permis d'absorber une partie de la hausse du prix de revient. A la suite des excellents rendements de la récolte de 1977, l'augmentation du prix de revient net à la livre a été négligeable dans ces onze pays, tandis que les coûts à l'hectare se sont accrus de plus de \$60, soit 9 pour cent, par rapport à 1976. En fait, il y a certaines régions où les coûts nets à la livre ont sensiblement reculé - c'est ainsi que dans la région de Chihuahua, au Mexique, ils ont baissé de 10,5 cents.

On observe des variations considérables entre les prix de revient de la production des divers pays - et aussi dans les diverses régions d'un même pays - en raison des différences de façons culturales, notamment du niveau d'utilisation des facteurs de production, des conditions climatiques, etc. Bien entendu, le prix de revient unitaire est également fonction des rendements. L'année dernière, le prix de revient net à la livre est allé d'un peu plus de 23 cents au Pakistan à 127 cents dans la région de la Costa Meta, en Colombie (Tableau résumé 3). Cependant, dans les deux-tiers des pays qui ont répondu au questionnaire, les prix de revient nets ont oscillé entre 40 et 60 cents la livre.

ENCUESTA SOBRE EL COSTO DE LA PRODUCCION DE ALGODON EN RAMA

INTRODUCCION

En reconocimiento de la necesidad de contar con información básica relativa a los costos de producción del algodón, la Secretaría del Comité Consultivo Internacional del Algodón (CCIA) publicó su primer informe sobre el tema para la 30a. Reunión Plenaria celebrada en 1971. Los datos se recopilaron a través de un cuestionario enviado tanto a los países miembros como a los no pertenecientes al CCIA. Desde esa fecha el documento se ha venido preparando anualmente, con excepción de 1973 y 1974. El cuestionario se ha refinado con el paso de los años y el ámbito de la información se ha expandido con la inclusión de las cantidades de los insumos utilizados, además de los costos. Este año, el análisis incorporado a la sección de introducción se suplementa con tres cuadros estadísticos resumidos.

Sin embargo, la respuesta a nuestro cuestionario este año de nuevo estuvo lejos de ser satisfactoria. Algunos de los países grandes no suministraron información, y varios de los que respondieron proporcionaron datos sólo parciales. Si bien estos se han incluido en los cuadros de países correspondientes a este año, el hecho de que la información no fuera completa impidió su inclusión en el conjunto mancomunado de datos utilizados para el análisis comparativo de costos. De todos los países que han enviado informes desde la encuesta realizada en 1971, sólo 11* suministraron información completa para las encuestas consecutivas llevadas a cabo hasta 1977. Por consiguiente, el examen de los costos comparativos - con el paso del tiempo y entre cada uno de los países - se fundamenta primordialmente en los datos de esos países. Al interpretar las conclusiones de la Secretaría conviene hacer la advertencia de que esos once países no representan necesariamente las condiciones actuales de los costos del algodón en el mundo. Además, la información comunicada lleva a menudo con ella un elemento de evaluación subjetiva. Si bien es difícil establecer comparaciones entre países debido a diferencias de metodología, los subsidios para insumos concedidos por algunos países y otros factores, las comparaciones que se hacen teniendo en cuenta distintos períodos se enfrentan a problemas adicionales a causa de las modificaciones de los tipos cambiarios, prácticas de administración de la moneda y otras políticas gubernamentales que influyen en los cambios que se operan de un año para otro en los costos de producir algodón.

Esos costos entran en dos categorías: costos directos y costos generales. Los primeros son los asociados en forma directa con la producción de algodón en rama, es decir, los costos de producción en la finca y los de cosechado, así como los costos que se originan fuera de la finca, como los de transporte y desmote. Los costos generales o indirectos se relacionan con partidas como las de administración y alquiler de la tierra. El costo neto de la fibra de algodón por hectárea se obtiene restando el valor de la semilla de algodón del costo total por hectárea del algodón con semilla. El costo neto también se presenta en términos de centavos de dólar de los Estados Unidos por libra de fibra de algodón, después de tener en cuenta el rendimiento promedio por hectárea.

Los costos de producción del algodón, como reflejo de las presiones inflacionarias, han ascendido en el curso del decenio de 1970. Los costos brutos por hectárea correspondientes a los once países incluidos en esta tabulación se elevaron, en promedio, el 214% entre 1970 y 1977 (véase el Cuadro 1 resumido). Los incrementos más bruscos se registraron en Irán (370%), seguidos por el Paraguay (270%). No se tuvieron datos sobre los costos netos con respecto a todos los años, pero parece que fueron paralelos a los movimientos de los costos brutos. Con el paso de los años se observa que el ascenso de los costos fue más perceptible durante 1970-74. Los incrementos de un año para otro no se pueden determinar con respecto a ese período debido a la

* Australia, Costa de Marfil, El Salvador, España, Estados Unidos, Irán, Israel, Nicaragua, Pakistán, Paraguay y Siria.

falta de datos, pero los costos brutos por hectárea se elevaron en 121% en el curso de ese breve lapso. Los costos aumentaron todavía más, en otro 18%, en 1975 con respecto a la cosecha de 1974. La presión alcista se atenuó en 1976 (el aumento fue de 8%), pero los costos volvieron a elevarse a una tasa más elevada en 1977, cuando ésta alcanzó 11% en relación con el año anterior.

Los mayores aumentos, en términos absolutos, se han registrado en los tres rubros de mayor costo: mano de obra, energía eléctrica y equipo, y productos químicos agrícolas (herbicidas, insecticidas, fungicidas, etc.), todos comprendidos en la categoría de costos directos a nivel de finca. Con base en un promedio sencillo para once países, los costos de la mano de obra (antes y durante la cosecha) se elevaron de unos \$105 por hectárea en 1970 a \$209 en 1977. El incremento de los costos de la mano de obra cabe atribuirlo, en parte, a los mayores insumos de mano de obra por hectárea - como se pone de manifiesto por lo datos sobre la cantidad de insumos correspondientes a los dos últimos años -, y en parte al alza de las tarifas de salarios.

Ahora bien, en algunos países los costos de la mano de obra mostraron un descenso. Al parecer este es el resultado del menor insumo de mano de obra que fue reemplazada por maquinaria. En varios países se ha estado operando un proceso de mayor mecanización en los últimos años como consecuencia de la situación relativa a la fuerza laboral - escasez de mano de obra acompañada, en general, de salarios crecientes o del deseo de mejorar la eficiencia de determinadas operaciones agrícolas, o de ambas cosas. La información relacionada con los componentes de costos de once países (véase el Cuadro 2 resumido) muestra un incremento reducido, pero firme, de la participación relativa de los gastos de energía eléctrica y equipo para la cosecha. Mientras tanto, la proporción de los costos de mano de obra para la cosecha han mostrado un descenso constante.

En términos de dólares, los costos de energía y equipo (antes y durante la cosecha) aumentaron de \$31 por hectárea en 1970 a cerca de \$143 en 1977. Ahora bien, en contraste con el rápido ritmo de crecimiento de años anteriores, esta partida mostró un avance sólo modesto el año pasado.

Los costos por hectárea de productos químicos para la agricultura, como herbicidas, insecticidas, fungicidas y otros, también han experimentado aumentos significantes y continuados en el curso de todo el período, con excepción de 1977. Este rubro se elevó del bajo nivel de \$18 por hectárea en 1970 a alrededor de \$127 en 1976 - a un ritmo anual más o menos uniforme -, pero descendió a alrededor de \$124 el año pasado.

Son muy pocos los datos de que se dispone acerca de las cantidades de herbicidas, etc., utilizados por hectárea, pero es muy probable que su empleo haya aumentado. Los precios de productos químicos de esa naturaleza ascendieron bruscamente en los años que siguieron inmediatamente al incremento del precio del petróleo a fines de 1973, pero el año pasado fue testigo de un descenso en los precios de esos productos en varios países. En realidad, lo mismo parece haber acontecido con los precios de fertilizantes.

En términos generales, los costos directos realizados fuera de la finca correspondientes a los once países analizados en el presente documento (atribuibles principalmente al desmote) y los costos generales indirectos (representados en su mayor parte por el alquiler de las tierras) aumentaron a una tasa más baja comparados con los costos directos realizados en la finca.

Cabe señalar que, si bien los costos totales de producir algodón se han triplicado desde 1970, también la productividad ha logrado acentuados incrementos y, en consecuencia, ha absorbido parte de la presión de los costos crecientes. Como resultado de los excelentes rendimientos de la cosecha de 1977, el aumento de los costos netos por libra de los mismos once países mencionados fue insignificante, en tanto que los costos netos por hectárea se acrecentaron en más de \$68, o sea 9%, comparados con los de 1976. Más aún, en algunas zonas los costos netos por libra descendieron sustancialmente, por ejemplo en la región de Chihuahua, México, donde la reducción fue de 10,5 centavos.

Existe una considerable variación en los costos de producción entre los países - como también dentro de cada país - debido a diferencias en las prácticas de cultivo, sobre todo en el nivel de utilización de insumos, condiciones climatológicas y otros factores. Por supuesto, el costo unitario también guarda relación con los rendimientos. El año pasado los costos netos por libra oscilaron entre poco más de 23 centavos de dólar en Pakistán y 125 centavos en la región de Costa Meta, Colombia (véase el Cuadro 3 resumido). Sin embargo, en dos tercios de los países que remitieron informes, los costos netos oscilaron entre 40 y 60 centavos por libra.

Summary Table 1 - Average per hectare cost of raw cotton production for eleven selected countries, 1970 and 1974-77.
 Moyenne du coût de production du coton brut par hectare, pour onze pays sélectionnés, en 1970 et 1974-77.
 Promedio del costo de producción de algodón bruto por hectárea, para once países seleccionados, en 1970 y 1974-77.

Cost items	1970	1974	1975	1976	1977	Rubrique/Rubro
	In U.S. dollars/En dollars des E.U./ En dólares de EE.UU.					
<u>On farm direct costs</u>						<u>Coûts directs à l'exploitation/Costos directos en el fundo agrícola</u>
<u>Preharvesting</u>						<u>Avant la récolte/Antes de la cosecha</u>
Labor	69.7	94.1	108.3	117.1	135.1	Main d'oeuvre/Mano de obra
Power and Equipment	24.2	70.7	90.4	110.1	108.4	Energie et matériel/Fuerza motriz y equipo
Seed	7.7	15.9	9.2	12.9	10.9	Semences/Semilla
Fertilizer	24.5	60.3	67.2	68.8	65.0	Engrais/Fertilizante
Herbicides, fungicides and others	18.2	91.3	109.3	126.9	124.1	Herbicides, fongicidas, et autres/ Herbicides, fungicidas, y otros
Irrigation	14.5	23.2	48.0	30.9	48.3	Irrigation/Irrigación
Custom work	5.5	20.7	21.5	23.2	24.1	Travaux à façon/Trabajo encargado
Others	-	8.4	17.9	21.9	25.9	Autres/Otros
SUB-TOTAL	164.3	384.6	471.8	511.8	542.3	TOTAL PARTIEL/TOTAL PARCIAL
<u>Harvesting</u>						<u>Récolte/Cosecha</u>
Labor	35.1	84.6	83.5	84.6	73.8	Main d'oeuvre/Mano de obra
Power and Equipment	6.6	19.3	26.4	29.9	34.2	Energie et matériel/ Fuerza motriz y equipo
Custom work	2.2	2.0	2.3	2.4	59.5	Travaux à façon/Trabajo encargado
Others	2.3	2.8	3.5	2.0	2.9	Autres/Otros
SUB-TOTAL	46.2	108.7	115.7	118.9	170.4	TOTAL PARTIEL/TOTAL PARCIAL
Interest	5.7	7.7	29.1	32.1	35.7	Intérêt/Intereses
<u>Off farm direct costs</u>						<u>Coûts directs en dehors de l'exploitation/ Costos directos incurridos fuera del fundo agrícola</u>
Transportation	5.4	13.5	13.1	14.7	15.4	Transport/Transporte
Ginnings and ties	23.6	53.8	79.5	63.0	72.0	Egrenage et cerclage/Desmote y amarres
Others	-	4.5	3.0	2.4	3.9	Autres/Otros
SUB-TOTAL	29.0	71.8	95.6	80.1	91.3	TOTAL PARTIEL/TOTAL PARCIAL
<u>I-Total direct costs</u>	245.2	572.8	712.2	742.9	839.7	<u>I-Total des coûts directs/Total de costos directos</u>
<u>Overhead costs</u>						<u>Frais généraux/Costos generales fijos</u>
Management	11.5	37.4	33.7	42.2	36.1	Gestion/Manejo
Land cost (rent)	60.8	82.0	85.4	104.9	104.4	Coût des terrains (loc.)/Costo del terreno (Alq.)
Others	5.2	21.1	12.3	20.6	34.6	Autres/Otros
SUB-TOTAL	77.5	140.5	131.3	167.7	175.1	TOTAL PARTIEL/TOTAL PARCIAL
<u>II-Total overhead costs</u>						<u>II Total frais généraux/Total costos generales fijos</u>
TOTAL COST - Seed cotton	322.7	713.3	843.5	910.7	1,014.8	TOTAL DES COÛTS - coton graine/COSTOS TALES - algodón con semilla
MINUS - Value of cotton- seed	-	-	126.4	124.8	160.7	MOINS valeur de la graine de coton/MENOS valor de la semilla de algodón
Net cost for lint	-	-	717.1	785.9	854.1	Coût net pour la fibre/Costo neto de la fibra
Per pound net cost for lint in US cents	-	-	51.00	54.67	55.00	Coût net pour la fibre en cents des EU la livre/ Costos netos de fibra en centavos E.U.por libra

Summary Table 2 - Relative shares of various cost items for eleven selected countries, 1970 and 1974-77.
 Part relative des différents coûts pour onze pays sélectionnés, en 1970 et 1974-77.
 Participación relativa de varias partidas de costos para once países seleccionados en 1970 y 1974-77

Costs items	1970	1974	1975	1976	1977	Rubrique/Rubro
	Percent/Pourcentage/Porcentaje					
<u>On farm direct costs</u>						<u>Coûts directs à l'exploitation/Costos directos en el fundo agrícola</u>
<u>Preharvesting</u>						<u>Avant la récolte/Antes de la cosecha</u>
Labor	21.6	13.2	12.8	12.9	13.3	Main d'oeuvre/Mano de obra
Power and Equipment	7.5	9.9	10.7	12.1	10.7	Energie et matériel/Fuerza motriz y equipo
Seed	2.4	2.2	1.1	1.4	1.1	Semences/Semilla
Fertilizer	7.6	8.5	8.0	7.6	6.4	Engrais/Fertilizante
Herbicides, fungicides and others	5.6	12.8	13.0	13.9	12.2	Herbicides, fongicides et autres/Herbicidas, fungicidas y otros
Irrigation	4.5	3.2	5.7	3.4	4.8	Irrigation/Irrigación
Custom work	1.7	2.9	2.5	2.6	2.4	Travaux à façon/Trabajo encargado
Others	0.0	1.2	2.1	2.4	2.5	Autres/Otros
SUB-TOTAL	50.9	53.9	55.9	56.3	53.4	TOTAL PARTIEL/TOTAL PARCIAL
<u>Harvesting</u>						<u>Récolte/Cosecha</u>
Labor	10.9	11.9	9.9	9.3	7.3	Main d'oeuvre/Mano de obra
Power and equipment	2.0	2.7	3.1	3.3	3.4	Energie et matériel/Fuerza motriz y equipo
Custom work	0.7	0.3	0.3	0.3	5.7	Travaux à façon/Trabajo encargado
Others	0.7	0.4	0.4	0.2	0.3	Autres/Otros
SUB-TOTAL	14.3	15.3	13.7	13.0	16.8	TOTAL PARTIEL/TOTAL PARCIAL
Interest	1.8	1.1	3.4	3.5	3.5	Intérêt/Intereses
<u>Off farm direct costs</u>						<u>Coûts directs en dehors de l'exploitation/Costos directos incurridos fuera del fundo agrícola</u>
Transportation	1.7	1.9	1.5	1.6	1.5	Transport/Transporte
Ginnings and ties	7.3	7.5	9.4	6.9	7.1	Egrenage et cerclage/Desmote y amarres
Others	0.0	0.6	0.4	0.3	0.4	Autres/Otros
SUB-TOTAL	9.0	10.0	11.3	8.8	9.0	TOTAL PARTIEL/TOTAL PARCIAL
<u>I-Total direct costs</u>	76.0	80.3	84.4	81.5	82.7	<u>I-Total des coûts directs/Total de costos directos</u>
<u>Overhead costs</u>						<u>Frais généraux/Costos generales fijos</u>
Management	3.6	5.2	4.0	4.6	3.5	Gestion/Manejo
Land cost (rent).	18.8	11.5	10.1	11.5	10.3	Coût des terrains (loc.)/Costo del terreno (Alq.)
Others	1.6	3.0	1.5	2.3	3.4	Autres/Otros
<u>II-Total overhead costs</u>	24.0	19.7	15.6	18.5	17.2	<u>II-Total frais généraux/Total costos generales fijos</u>
TOTAL COST - Seed cotton	100.0	100.0	100.0	100.0	100.0	TOTAL DES COÛTS - coton graine/COSTOS TOTALES - Algodón con semilla

Summary Table 3 - Costs of cotton production for all reporting countries, 1977.
 Coûts de production du coton pour tous les pays ayant fourni
 des informations pour 1977.
 Costos de la producción de algodón correspondientes a todos
 los países que enviaron información, 1977.

Country	Net cost per ha. (\$US) Coût net par ha. (\$EU) Costo neto por ha.(\$EU)	Net cost per pound (¢US) Coût net par livre (¢EU) Costo neto por libra(¢EU)
Australia	809.00	50.34
Brazil	611.16	57.82
Colombia:		
Costa Meta	859.92	127.05
Interior	830.64	86.43
El Salvador	937.98	53.80
Honduras	611.05	32.64
India:		
MCU-5	782.73	51.84
Varalaxmi	857.06	49.46
Suvin	719.18	70.30
Hybrid 4	768.70	56.42
320 F	414.50	54.18
Iran	837.00	73.01
Israel	1,608.22	53.24
Ivory Coast	530.25	50.10
Mexico:		
Mexicali, B. Cal	952.05	57.70
Chihuahua, Chih.	897.77	46.91
Torreon, Coah	986.83	38.58
Tapachula, Chis.	726.57	61.03
Mozambique	448.14	41.06
Nicaragua	906.46	62.74
Pakistan	165.13	23.20
Spain	1,631.00	73.98
Syria	1,132.81	54.09
Tanzania	267.45	73.52
Thailand	264.21	40.25
United States:		
Southeast	673.40	98.40
Delta	725.51	58.40
Southwest	486.37	48.60
West	1,269.14	53.00
US acreage	673.67	54.30

Country ARGENTINA Crop year 1977/78

Yield used (kilos per hectare)
 for seed (unginning) cotton 1,000
 of which: cotton lint 315
 cotton seed 585

Item	Average estimated cost per hectare	
	Quantity used per ha. (specify unit)	Cost in US\$
<u>On farm direct costs</u>		
<u>Preharvesting:</u>		
Labor		33.26
Power		-
Equipment		25.92
Seed		12.24
Fertilizer	}	6.96
Herbicides		
Insecticides & fungicides		
Defoliant & other chemicals		-
Irrigation		-
Custom or contract work		13.60
Other (specify) <u>Insurance, fiscal contributions, depreciation</u>		20.48
(A) Subtotal		112.46
<u>Harvesting:</u>		
Labor		73.43
Power		-
Equipment		-
Custom or contract work		-
Other (specify) <u>Bags and ties</u>		3.69
(B) Subtotal		77.12
(C) <u>Interest on operating capital</u>		
<u>Off farm direct costs</u>		
Transportation to gin		
Ginning (including bagging & ties)		
Other (specify) _____		
(D) Subtotal		
I. <u>Total direct costs (A+B+C+D)</u>		
<u>Overhead costs</u>		
Management & administration		
Land cost (typical rental value)		
Other (specify) _____		
II. <u>Total overhead costs</u>		
TOTAL COSTS FOR SEED COTTON (I + II)		
MINUS - value of cottonseed extracted in ginning		
NET COSTS FOR LINT		
Net costs for lint in US cents per pound		Data not available
Date of calculation June 30, 1978 - rate of exchange at that date \$1.00 = 388 Pesos.		
Rate of exchange used for converting local currency into US dollars		
Additional remarks:		

Country AUSTRALIA * Crop year 1977

Yield used (kilos per hectare)
 for seed (unginned) cotton 2,201
 of which: cotton lint 729
 cotton seed 1,294

Item	Average estimated cost per hectare	
	Quantity used per ha. (specify unit)	Cost in US\$
<u>On farm direct costs</u>		
<u>Preharvesting:</u>		
Labor		201.00
Power . . . . .	)	201.00
Equipment		
Seed	25 kgs.	14.00
Fertilizer	60 kgs.	36.00
Herbicides	5 lt.	36.00
Insecticides & fungicides	13 applications	123.00
Defoliant & other chemicals		23.00
Irrigation	7 acre ft./ha.	55.00
Custom or contract work		-
Other (specify) _____		-
(A) Subtotal		689.00
<u>Harvesting:</u>		
Labor		58.00
Power . . . . .	)	50.00
Equipment		
Custom or contract work		-
Other (specify) _____		-
(B) Subtotal		108.00
(C) <u>Interest on operating capital</u>		
<u>Off farm direct costs</u>		
Transportation to gin		6.00
Ginning (including bagging & ties)		120.00
Other (specify) _____		-
(D) Subtotal		126.00
I. <u>Total direct costs (A+B+C+D)</u>		923.00
<u>Overhead costs</u>		
Management & administration		40.00
Land cost (typical rental value)		-
Other (specify) _____		-
II. <u>Total overhead costs</u>		40.00
TOTAL COSTS FOR SEED COTTON (I + II)		963.00
MINUS - value of cottonseed extracted in ginning		154.00
NET COSTS FOR LINT		809.00
Net costs for lint in US cents per pound		50.34
Rate of exchange used for converting local currency into US dollars	\$A1.00 = \$US1.13.	
<u>Additional remarks:</u>		

* In the State of New South Wales only.

Country BRAZIL Crop year 1977/78

Yield used (kilos per hectare)
 for seed (unginned)cotton 1,410.0
 of which:cotton lint 479.4
 cotton seed 846

Sao Paulo State

Item	Average estimated cost per hectare	
	Quantity used per ha. (specify unit)	Cost in US\$
<u>On farm direct costs</u>		
<u>Preharvesting:</u>		
Labor		33.41
Power		-
Equipment		147.29
Seed		15.41
Fertilizer and Lime		43.37
Herbicides . . . . .	)	71.60
Insecticides & fungicides		
Defoliant & other chemicals		-
Irrigation		-
Custom or contract work		-
Other (specify)		-
(A) Subtotal		311.08
<u>Harvesting:</u>		
Labor		133.64
Power		-
Equipment		4.59
Custom or contract work		-
Other (specify)		-
(B) Subtotal		138.23
(C) <u>Interest on operating capital</u>		26.47
<u>Off farm direct costs</u>		
Transportation to gin		13.45
Ginning (including bagging & ties)		66.90
Other (specify) <u>Tax</u>		
(FUNRURAL AND PIS)		20.15
(D) Subtotal		100.50
I. <u>Total direct costs (A+B+C+D)</u>		576.28
<u>Overhead costs</u>		
Management & administration		16.39
Land cost (typical rental value)		102.48
Other (specify) <u>TAX, INSURANCE</u>		8.90
II. <u>Total overhead costs</u>		127.77
TOTAL COSTS FOR SEED COTTON (I + II)		704.04
MINUS - value of cottonseed extracted in ginning		92.88
NET COSTS FOR LINT		611.16
Net costs for lint in US cents per pound		57.82
Rate of exchange used for converting local currency into US dollars	\$1.00 = Cr\$ 17.60	
<u>Additional remarks:</u>		

Country COLOMBIA Crop year 1977/78

Yield used (kilos per hectare)
 for seed (unginned) cotton 916
 of which: cotton lint 307 % lint - 33.48
 cotton seed 531

Item	Average estimated cost per hectare	
	Quantity used per ha. (specify unit)	Cost in US\$
<u>On farm direct costs</u>		
<u>Preharvesting:</u>		
Labor		\$187.68
Power . . . . .	) Machinery	78.64
Equipment		12.19
Seed		41.39
Fertilizer		21.13
Herbicides		258.43
Insecticides & fungicides		-
Defoliant & other chemicals		-
Irrigation		-
Custom or contract work		-
Other (specify) _____		58.97
(A) Subtotal		658.43
<u>Harvesting:</u>		
Labor		81.05
Power . . . . .	) Machinery	-
Equipment		-
Custom or contract work		34.60
Other (specify) _____		
(B) Subtotal		115.65
(C) <u>Interest on operating capital</u>		54.75
<u>Off farm direct costs</u>		
Transportation to gin		10.22
Ginning (including bagging & ties)		25.05
Other (specify) _____		-
(D) Subtotal		35.28
I. <u>Total direct costs (A+B+C+D)</u>		864.11
<u>Overhead costs</u>		
Management & administration		23.59
Land cost (typical rental value)		-
Other (specify) _____		78.63
II. <u>Total overhead costs</u>		102.22
TOTAL COSTS FOR SEED COTTON (I + II)		966.33
MINUS - value of cottonseed extracted in ginning		106.41
NET COSTS FOR LINT		859.92
Net costs for lint in US cents per pound		127.05
Rate of exchange used for converting local currency into US dollars	38.15 Pesos = \$1.00	
<u>Additional remarks:</u>		

Country COLOMBIA Crop year 1977

Yield used (kilos per hectare)
 for seed (unginned) cotton 1,273
 of which: cotton lint 436 Interior (Tolimas)
 cotton seed 724 % lint - 34.25

Item	Average estimated cost per hectare	
	Quantity used per ha. (specify unit)	Cost in US\$
<u>On farm direct costs</u>		
<u>Preharvesting:</u>		
Labor		171.73
Power . . . . .	) Machinery	73.53
Equipment		12.66
Seed		51.17
Fertilizer		23.12
Herbicides		207.13
Insecticides & fungicides		-
Defoliant & other chemicals		-
Irrigation		-
Custom or contract work		69.44
Other (specify) _____		
(A) Subtotal		608.78
<u>Harvesting:</u>		
Labor		98.43
Power . . . . .	) Machinery	-
Equipment		-
Custom or contract work		24.65
Other (specify) _____		
(B) Subtotal		123.08
(C) <u>Interest on operating capital</u>		30.80
<u>Off farm direct costs</u>		
Transportation to gin		6.54
Ginning (including bagging & ties)		32.68
Other (specify) _____		-
(D) Subtotal		39.22
I. <u>Total direct costs (A+B+C+D)</u>		801.88
<u>Overhead costs</u>		
Management & administration		10.89
Land cost (typical rental value)		-
Other (specify) _____		136.17
II. <u>Total overhead costs</u>		147.06
TOTAL COSTS FOR SEED COTTON (I + II)		948.94
MINUS - value of cottonseed extracted in ginning		118.30
NET COSTS FOR LINT		830.64
Net costs for lint in US cents per pound		86.43
Rate of exchange used for converting local currency into US dollars	36.72 Pesos = \$1.00	
<u>Additional remarks:</u>		

Country ECUADOR Crop year 1977

Yield used (kilos per hectare)
 for seed (unginned) cotton 1,452
 of which: cotton lint 522.72
 cotton seed 871.20

Item	Average estimated cost per hectare	
	Quantity used per ha. (specify unit)	Cost in US\$
<u>On farm direct costs</u>		
<u>Preharvesting:</u>		
Labor	44 working days	144.60
Power	1 ploughing, 2 harrowings	38.46
Equipment	10 aerial controls	38.46
Seed	20 pounds	6.15
Fertilizer	4 qq. Abano, 2 qq.Urea,	100.19
Herbicides	3 sulfato	-
Insecticides & fungicides	2 lts.Lazo + 1.5 kgs. Diuron	23.08
Defoliant & other chemicals	10 applications	99.04
Irrigation		-
Custom or contract work		-
Other (specify) <u>Transportation of</u>		
<u>fertilizer</u>	9 bags	5.19
(A) Subtotal		455.17
<u>Harvesting:</u>		
Labor	56 working days	129.61
Power		-
Equipment		-
Custom or contract work	Stalk destruction	23.08
Other (specify) _____		-
(B) Subtotal		152.69
(C) <u>Interest on operating capital</u>		-
<u>Off farm direct costs</u>		
Transportation to gin		17.31
Ginning (including bagging & ties)		-
Other (specify) _____		-
(D) Subtotal		17.31
I. <u>Total direct costs (A+B+C+D)</u>		625.17
<u>Overhead costs</u>		
Management & administration		31.26
Land cost (typical rental value)		-
Other (specify) <u>Unforeseen items</u>		
<u>and interest on capital</u>		104.72
II. <u>Total overhead costs</u>		135.98
TOTAL COSTS FOR SEED COTTON (I + II)		761.15
MINUS - value of cottonseed extracted in ginning		
NET COSTS FOR LINT		
<u>Net costs for lint in US cents per pound</u>		
<u>Rate of exchange used for converting</u> <u>local currency into US dollars</u>		
<u>Additional remarks:</u>		

Cotton trading in Ecuador takes place as follows - the farmer sells the raw cotton directly to the gin, receiving a set price; the gin then sells the seed and lint to various industries.

Country EL SALVADOR Crop year 1977/78

Yield used (kilos per hectare)
 for seed (unginned) cotton' 2,241
 of which: cotton lint 790.86
 cotton seed 1,326.64

Item	Average estimated cost per hectare	
	Quantity used per ha. (specify unit)	Cost in US\$
<u>On farm direct costs</u>		
<u>Preharvesting:</u>		
Labor	51 8-hour days	115.70
Power	12 passes	99.58
Equipment	-	-
Seed	42.78 kgs.	4.56
Fertilizer	658.18 kgs.	86.35
Herbicides	-	-
Insecticides & fungicides	117.33 lt.	243.07
Defoliant & other chemicals	-	-
Irrigation	-	-
Custom or contract work	-	-
Other (specify) <u>Aerial service</u>	-	65.83
(A) Subtotal		615.09
<u>Harvesting:</u>		
Labor	54 8-hour days	166.20
Power	-	-
Equipment	-	-
Custom or contract work	-	-
Other (specify) _____	-	-
(B) Subtotal		166.20
(C) <u>Interest on operating capital</u>		62.03
<u>Off farm direct costs</u>		
Transportation to gin		20.03
Ginning (including bagging & ties)		37.78
Other (specify) _____		-
(D) Subtotal		57.80
I. <u>Total direct costs (A+B+C+D)</u>		901.12
<u>Overhead costs</u>		
Management & administration		35.06
Land cost (typical rental value)		143.12
Other (specify) _____		-
II. <u>Total overhead costs</u>		178.18
TOTAL COSTS FOR SEED COTTON (I + II)		1,079.30
MINUS - value of cottonseed extracted in ginning		141.32
NET COSTS FOR LINT		937.98
Net costs for lint in US cents per pound		53.80
Rate of exchange used for converting local currency into US dollars	Colons 2.50 = \$1.00.	

Additional remarks: For this cost table we have used the following 1977/78 production data:
 Production of lint and seed: 4,946,454.50 quintals = 227,536,907 kgs.
 Production of lint: 1,745,261.67 quintals = 80,282,036.82 kgs. Production of
 seed cotton: 2,927,587.45 quintals = 134,669,022.70 kgs. Planted area: 145,245 manzanas =
 Planted area: 145,245 manzanas = 101,511.73 ha. Conversion factors: 1 manzana = 0.6989 ha.
 1 Spanish quintal = 46 kgs. 1 Spanish gallon of 5 bottles = 3.75 liters.

Country HONDURAS Crop year 1977/78

Yield used (kilos per hectare)
 for seed (unginned) cotton 1,769
 of which: cotton lint 849
 cotton seed 920

Item	Average estimated cost per hectare	
	Quantity used per ha. (specify unit)	Cost in US\$
<u>On farm direct costs</u>		
<u>Preharvesting:</u>		
Labor		51.64
Power		35.86
Equipment		-
Seed		10.00
Fertilizer		100.40
Herbicides		21.52
Insecticides & fungicides		268.93
Defoliant & other chemicals . . . . .	) No information	
Irrigation		
Custom or contract work		
Other (specify) <u>Technical assistance</u>		13.61
(A) Subtotal		501.96
<u>Harvesting:</u>		
Labor . . . . .	) The crop is hand-picked.	68.65
Power		
Equipment		
Custom or contract work		
Other (specify) <u>Commercialisation</u>		24.63
<u>Classing</u>	1.23	
(B) Subtotal		94.51
(C) <u>Interest on operating capital</u>		22.45
<u>Off farm direct costs</u>		
Transportation to gin		21.52
Ginning (including bagging & ties)		75.78
Other (specify) _____		-
(D) Subtotal		97.30
I. <u>Total direct costs (A+B+C+D)</u>		716.22
<u>Overhead costs</u>		
Management & administration		16.33
Land cost (typical rental value)		-
Other (specify) _____		-
II. <u>Total overhead costs</u>		16.33
TOTAL COSTS FOR SEED COTTON (I + II)		732.55
MINUS - value of cottonseed extracted in ginning		121.50
NET COSTS FOR LINT		611.05
Net costs for lint in US cents per pound		32.64
Rate of exchange used for converting local currency into US dollars	2.00 Lempiras = \$1.00.	
<u>Additional remarks:</u>		

Item	Average estimated cost per hectare				
	MCU-5	Varalaxmi	Savin	Hybrid 4	320 F
Yield used (kilos per hectare) for seed (unginned) cotton of which: cotton lint cotton seed	2,053 685 *1,300	2,357 786 1,500	1,393 464 900	1,850 618 1,200	1,043 347 650
	Cost in \$US				
<u>On farm direct costs</u>					
<u>Preharvesting:</u>					
Labor	126.98	121.34	112.35	138.13	82.85
Power	-	-	-	-	-
Equipment	-	-	-	-	-
Seed	3.84	35.37	5.16	15.35	2.28
Fertilizer	76.74	81.29	80.46	82.49	31.89
Herbicides	-	-	-	-	-
Insecticides & fungicides	207.31	196.76	207.31	179.86	21.34
Defoliant & other chemicals	-	-	-	-	-
Irrigation	30.34	26.74	26.98	34.41	7.79
Custom or contract work	-	-	-	-	-
Other (specify) _____	72.06	57.79	49.64	43.53	12.23
(A) Subtotal	517.27	519.30	481.89	493.76	158.39
<u>Harvesting:</u>					
Labor	48.20	45.32	39.45	48.56	29.50
Power	-	-	-	-	-
Equipment	-	-	-	-	-
Custom or contract work	-	-	-	-	-
Other (specify) _____	-	-	-	-	-
(B) Subtotal	48.20	45.32	39.45	48.56	29.50
(C) <u>Interest on operating capital</u>	32.73	32.37	29.26	29.38	11.27
<u>Off farm direct costs</u>					
Transportation to gin	2.40	3.00	1.80	2.16	3.60
Ginning (including bagging & ties)	215.83	299.76	143.88	239.81	157.07
Other (specify) _____	-	-	-	-	-
(D) Subtotal	218.23	302.76	145.68	241.97	160.67
I. <u>Total direct costs (A+B+C+D)</u>	816.43	899.75	696.28	813.67	359.83
<u>Overhead costs</u>					
Management & administration	-	-	-	-	-
Land cost (typical rental value)*	149.88	149.88	149.88	143.88	143.88
Other (specify) <u>Depreciation, etc.</u>	8.27	8.27	7.91	-	11.51
II. <u>Total overhead costs</u>	158.15	158.15	157.79	143.88	155.39
TOTAL COSTS FOR SEED COTTON (I + II)	974.58	1057.90	854.07	957.55	515.22
MINUS - value of cottonseed extracted in ginning**	191.85	200.84	134.89	188.85	100.72
NET COSTS FOR LINT	782.73	857.06	719.18	768.70	414.50
^{1/} Net costs for lint in US cents per pound	51.84	49.46	70.30	56.42	54.18
Rate of exchange used for converting local currency into US dollars	8.34 Rupees = \$1.00				
<u>Additional remarks:</u>					

* Provisional estimate. ** Estimated.
1/ Computed by ICAC Secretariat.

Country IRAN Crop year 1977/78

Yield used (kilos per hectare)
 for seed(unginned) cotton 1,600
 of which: cotton lint 520
 cotton seed

Item	Average estimated cost per hectare	
	Quantity used per ha. (specify unit)	Cost in US\$
<u>On farm direct costs</u>		
<u>Preharvesting:</u>		
Labor	45 working days	191.00
Power . . . . .	)	45.00
Equipment		
Seed	50 kgs.	7.00
Fertilizer	200 kgs.	33.00
Herbicides		-
Insecticides & fungicides	4 sprayings	110.00
Defoliant & other chemicals		-
Irrigation		70.00
Custom or contract work		-
Other (specify) _____		-
(A) Subtotal		456.00
<u>Harvesting:</u>		
Labor	30 working days	150.00
Power		-
Equipment		-
Custom or contract work		-
Other (specify) _____		-
(B) Subtotal		150.00
(C) <u>Interest on operating capital</u>		55.00
<u>Off farm direct costs</u>		
Transportation to gin		11.00
Ginning (including bagging & ties)		40.00
Other (specify) _____		-
(D) Subtotal		51.00
I. <u>Total direct costs (A+B+C+D)</u>		712.00
<u>Overhead costs</u>		
Management & administration		45.00
Land cost (typical rental value)		210.00
Other (specify) <u>Collection</u>		20.00
II. <u>Total overhead costs</u>		275.00
TOTAL COSTS FOR SEED COTTON (I + II)		987.00
MINUS - value of cottonseed extracted in ginning		150.00
NET COSTS FOR LINT		837.00
Net costs for lint in US cents per pound		73.01
Rate of exchange used for converting local currency into US dollars	70.60 Rials = \$1.00.	
<u>Additional remarks:</u>		

Country ISRAEL Crop year 1977/78

Yield used (kilos per hectare)
 for seed (unginned) cotton 4,150
 of which: cotton lint 1,370
 cotton seed 2,310

Item	Average estimated cost per hectare	
	Quantity used per ha. (specify unit)	Cost in US\$
<u>On farm direct costs</u>		
<u>Preharvesting:</u>		
Labor	80 hours	167.00
Power	-	-
Equipment	37 hours	335.00
Seed	18 kgs.	10.80
1/Fertilizer		89.60
2/Herbicides		46.93
3/Insecticides & fungicides		154.20
Defoliant & other chemicals	35 kgs.	16.10
Irrigation	4750 cu. m.	254.13
Custom or contract work	-	-
Other (specify) <u>Plane spraying</u>	14 times	109.76
<u>Insect control - field inspection</u>		5.40
(A) Subtotal		1,188.92
<u>Harvesting:</u>		
Labor	18.5 hours	38.54
Power	-	-
Equipment	1.72 hours	222.05
Custom or contract work	-	-
Other (specify) _____	-	-
(B) Subtotal		260.59
(C) <u>Interest on operating capital 8%</u>		115.96
<u>Off farm direct costs</u>		
Transportation to gin		12.10
Ginning (including bagging & ties)		172.92
Other (specify) _____		-
(D) Subtotal		185.02
I. <u>Total direct costs (A+B+C+D)</u>		1,750.49
<u>Overhead costs</u>		
Management & administration		76.61
Land cost (typical rental value)		7.00
Other (specify) <u>R & O Fund</u>		6.40
<u>water & irrigation network depreciation</u>		214.50
Cotton Board commission		14.22
Warehouse fund		1.00
II. <u>Total overhead costs</u>		319.73
TOTAL COSTS FOR SEED COTTON (I + II)		2,070.22
MINUS - value of cottonseed extracted in ginning		462.00
NET COSTS FOR LINT		1,608.22
Net costs for lint in US cents per pound		53.24
Rate of exchange used for converting local currency into US dollars	12 IL = \$1.00	
<u>Additional remarks:</u>		
1/ Fertilizer: 500 kgs. superphosphate at \$79.80/ton, 50 kgs. liquid ammonia at \$57.50, 130 kgs. ammonium sulphate at \$92.25/ton, transport at \$3.20/ton.		
2/ Herbicides: cotoran, prometrin, treflan, cobex, etc.		
3/ Insecticides: 11-12 applications of a wide range of insecticides.		
2 - 3 applications of defoliant.		

Country IVORY COAST Crop year 1977/78

Yield used (kilos per hectare)
 for seed (unginned) cotton 1,200
 of which: cotton lint 480
 cotton seed 675

Item	Average estimated cost per hectare	
	Quantity used per ha. (specify unit)	Cost in US\$
<u>On farm direct costs</u>		
<u>Preharvesting:</u>		
Labor	96 working days	124.75
Power	-	-
Equipment	Small equipment	3.25
Seed	40 kgs.	1.75
Fertilizer	200 kgs.NPK + 50 kgs.Urea	77.25
Herbicides	-	-
Insecticides & fungicides	14 lt. + machine	69.50
Defoliant & other chemicals	-	-
Irrigation	-	-
Custom or contract work	-	-
Other (specify) _____	-	-
(A) Subtotal		276.50
<u>Harvesting:</u>		
Labor	42 working days	54.50
Power	-	-
Equipment	-	-
Custom or contract work	-	-
Other (specify) <u>Transport</u>	5 working days	6.50
<u>Stalk destruction</u>	10 working days	13.00
(B) Subtotal		74.00
(C) <u>Interest on operating capital</u>		-
<u>Off farm direct costs</u>		
Transportation to gin		31.50
Ginning (including bagging & ties)		76.50
Other (specify) <u>Purchasing costs</u>		14.00
(D) Subtotal		122.00
I. <u>Total direct costs (A+B+C+D)</u>		472.50
<u>Overhead costs</u>		
Management & administration		-
Land cost (typical rental value)		-
Other (specify) <u>Supervision</u>		87.00
II. <u>Total overhead costs</u>		87.00
TOTAL COSTS FOR SEED COTTON (I + II)		559.50
MINUS - value of cottonseed extracted in ginning		29.25
NET COSTS FOR LINT		530.25
Net costs for lint in US cents per pound		50.10
Rate of exchange used for converting local currency into US dollars	230 F. CFA = \$1.00	
<u>Additional remarks:</u>		

In the case of manual cultivation - 1 working day = 300 F.CFA = \$1.3.

Country MEXICO Crop year 1977/78

Yield used (kilos per hectare)
 for seed (unginned) cotton 2,376
 of which: cotton lint 745
 cotton seed 1,156

Mexicali, Baja California (North)

Item	Average estimated cost per hectare	
	Quantity used per ha. (specify unit)	Cost in US\$
<u>On farm direct costs</u>		
<u>Preharvesting:</u>		
Labor		88.88
Power)	
Equipment . . . . .	)	75.33
Seed		23.11
Fertilizer		43.68
Herbicides		35.82
Insecticides & fungicides		175.55
Defoliant & other chemicals		29.77
Irrigation		37.77
Custom or contract work		-
Other (specify) _____		-
(A) Subtotal		509.95
<u>Harvesting:</u>		
Labor		192.71
Power		6.66
Equipment		4.44
Custom or contract work		-
Other (specify) <u>Insurance</u>		88.88
(B) Subtotal		292.69
(C) <u>Interest on operating capital</u>		71.37
<u>Off farm direct costs</u>		
Transportation to gin		16.40
Ginning (including bagging & ties)		116.57
Other (specify) _____		-
(D) Subtotal		132.97
I. <u>Total direct costs (A+B+C+D)</u>		1,006.98
<u>Overhead costs</u>		
Management & administration		-
Land cost (typical rental value)		-
Other (specify) <u>Fiscal taxes, land</u> <u>& technical & entomological services</u>		99.20
II. <u>Total overhead costs</u>		99.20
TOTAL COSTS FOR SEED COTTON (I + II)		1,106.18
MINUS - value of cottonseed extracted in ginning		154.13
NET COSTS FOR LINT		952.05
Net costs for lint in US cents per pound		57.96
Rate of exchange used for converting local currency into US dollars	22.50 Pesos = \$1.00.	
<u>Additional remarks:</u>		

Country MEXICO Crop year 1977/78

Yield used (kilos per hectare)
 for seed (unginned) cotton 2,460
 of which: cotton lint 868
 cotton seed 1,350

Chihuahua, Chih.

Item	Average estimated cost per hectare	
	Quantity used per ha. (specify unit)	Cost in US\$
<u>On farm direct costs</u>		
<u>Preharvesting:</u>		
Labor		112.93
Power		73.28
Equipment		34.31
Seed		26.66
Fertilizer		49.78
Herbicides		5.33
Insecticides & fungicides		94.58
Defoliantes & other chemicals		12.44
Irrigation		35.56
Custom or contract work		-
Other (specify) _____		-
(A) Subtotal		444.87
<u>Harvesting:</u>		
Labor		110.00
Power		2.13
Equipment		2.13
Custom or contract work		-
Other (specify) <u>Insurance</u>		96.66
(B) Subtotal		210.92
(C) <u>Interest on operating capital</u>		78.69
<u>Off farm direct costs</u>		
Transportation to gin		9.78
Ginning (including bagging & ties)		95.61
Other (specify) <u>Taxes & penalties</u>		27.28
(D) Subtotal		132.66
I. <u>Total direct costs (A+B+C+D)</u>		867.14
<u>Overhead costs</u>		
Management & administration 10%		65.58
Land cost (typical rental value)		155.55
Other (specify) _____		-
II. <u>Total overhead costs</u>		221.13
TOTAL COSTS FOR SEED COTTON (I + II)		1,088.27
MINUS - value of cottonseed extracted in ginning		190.50
NET COSTS FOR LINT		897.77
Net costs for lint in US cents per pound		46.91
Rate of exchange used for converting local currency into US dollars	22.50 Pesos = \$1.00	

Additional remarks:

Costs cover pump irrigated acreage. 'Guesstimate' for gravity irrigated acreage is only \$22.9. An average production of 3.92 bales per ha. has been estimated for both systems.

Country MEXICO Crop year 1977/78

Yield used (kilos per hectare)
 for seed (unginned) cotton 2,216
 of which: cotton lint 540
 cotton seed 1,500

Tapachula, Chis.

Item	Average estimated cost per hectare	
	Quantity used per ha. (specify unit)	Cost in US\$
<u>On farm direct costs</u>		
<u>Preharvesting:</u>		
Labor		44.66
Power		76.66
Equipment		38.66
Seed		7.77
Fertilizer		43.15
Herbicides		5.33
Insecticides & fungicides		238.31 ^{1/}
Defoliant & other chemicals		11.11
Irrigation		7.11
Custom or contract work		-
Other (specify) _____		-
(A) Subtotal		472.76
<u>Harvesting:</u>		
Labor		68.22
Power		1.33
Equipment		4.00
Custom or contract work		-
Other (specify) _____		-
(B) Subtotal		73.55
(C) Interest on operating capital		53.43
<u>Off farm direct costs</u>		
Transportation to gin		10.88
Ginning (including bagging & ties)		62.22
Other (specify) <u>Taxes and penalties</u>		27.29
(D) Subtotal		100.39
I. Total direct costs (A+B+C+D)		700.13
<u>Overhead costs</u>		
Management & administration		56.71
Land cost (typical rental value)		88.88
Other (specify) _____		-
II. Total overhead costs		145.59
TOTAL COSTS FOR SEED COTTON (I + II)		845.72
MINUS - value of cottonseed extracted in ginning		119.15
NET COSTS FOR LINT		726.57
Net costs for lint in US cents per pound		61.03
Rate of exchange used for converting local currency into US dollars	22.50 Pesos = \$1.00	
<u>Additional remarks:</u>		

^{1/} The projected 40% cost increase over 1976/77 is a rough estimate.

Country MOZAMBIQUE Crop year 1977/78

Yield used (kilos per hectare)
 for seed (unginned) cotton 1,500
 of which: cotton lint 495
 cotton seed 960

Item	Average estimated cost per hectare	
	Quantity used per ha. (specify unit)	Cost in US\$
<u>On farm direct costs</u>		
<u>Preharvesting:</u>		
Labor	30 days	56.25
Power	18 hours	112.50
Equipment	18 hours	13.37
Seed	20 kgs.	2.50
Fertilizer	-	-
Herbicides	-	-
Insecticides & fungicides	-	82.50
Defoliant & other chemicals	-	-
Irrigation	-	-
Custom or contract work	-	-
Other (specify)	-	-
(A) Subtotal		267.12
<u>Harvesting:</u>		
Labor	50 days	93.75
Power	2 hours	12.50
Equipment	2 hours	1.58
Custom or contract work	-	-
Other (specify)	-	3.75
(B) Subtotal		111.58
(C) <u>Interest on operating capital</u>		15.16
<u>Off farm direct costs</u>		
Transportation to gin		37.50
Ginning (including bagging & ties) 1/		43.31
Other (specify) <u>Insurance for</u> <u>cotton lint and seed</u>		11.72
(D) Subtotal		92.53
I. <u>Total direct costs (A+B+C+D)</u>		486.39
<u>Overhead costs</u>		
Management & administration		19.22
Land cost (typical rental value)		-
Other (specify) <u>Circulation tax of</u> <u>5% on FOB value of lint (medium)</u>		34.03
II. <u>Total overhead costs</u>		53.25
TOTAL COSTS FOR SEED COTTON (I + II)		539.64
MINUS - value of cottonseed extracted in ginning		91.50
NET COSTS FOR LINT		448.14
Net costs for lint in US cents per pound		41.06
Rate of exchange used for converting local currency into US dollars	32 Escudos = \$1.00	
<u>Additional remarks:</u>		
1/ Official price.		

Country NICARAGUA Crop year 1977/78

Yield used (kilos per hectare)
 for seed (unginned) cotton 2,244.72
 of which: cotton lint 655.28
 cotton seed 1,079.43

Item	Average estimated cost per hectare	
	Quantity used per ha. (specify unit)	Cost in US\$
<u>On farm direct costs</u>		
<u>Preharvesting:</u>		
Labor		101.63
Power		64.86
Equipment		-
Seed		10.55
Fertilizer		89.34
Herbicides		12.28
Insecticides & fungicides		227.55
Defoliant & other chemicals		-
Irrigation		-
Custom or contract work		19.56
Other (specify) <u>Insecticide appli-</u> <u>cation and other costs</u>		56.35
(A) Subtotal		582.12
<u>Harvesting:</u>		
Labor		122.67
Power		-
Equipment		-
Custom or contract work		-
Other (specify) _____		-
(B) Subtotal		122.67
(C) <u>Interest on operating capital</u>		40.79
<u>Off farm direct costs</u>		
Transportation to gin		7.58
Ginning (including bagging & ties)		49.39
Other (specify) <u>Penalty, transport</u> <u>to port, loading and classing</u>		28.78
(D) Subtotal		85.75
I. <u>Total direct costs (A+B+C+D)</u>		831.33
<u>Overhead costs</u>		
Management & administration		21.29
Land cost (typical rental value)		145.35
Other (specify) _____		10.48
II. <u>Total overhead costs</u>		177.12
TOTAL COSTS FOR SEED COTTON (I + II)		1,008.45
MINUS - value of cottonseed extracted in ginning		101.99
NET COSTS FOR LINT		906.46
Net costs for lint in US cents per pound		62.74
Rate of exchange used for converting local currency into US dollars	7.00 Cordobas = \$1.00	
<u>Additional remarks:</u>		

Country PAKISTAN Crop year 1977/78

Yield used (kilos per hectare)
 for seed (unginned) cotton 968.49
 of which: cotton lint 322.81
 cotton seed 645.68

Item	Average estimated cost per hectare			
	Quantity used per ha. (specify unit)	Cost in US\$		
<u>On farm direct costs</u>				
<u>Preharvesting:</u>				
Labor	42 man-days	42.42		
Power	}	32.44		
Equipment				
Seed			24.71 seers	4.24
Fertilizer			Urea 1 bag, DAP ½ bag	22.45
Herbicides	}	21.21		
Insecticides & fungicides				
Defoliant & other chemicals				
Irrigation	7 irrigations	8.74		
Custom or contract work		-		
Other (specify) _____		-		
(A) Subtotal		131.50		
<u>Harvesting:</u>				
Labor	27.18 man-days	27.45		
Power		-		
Equipment		-		
Custom or contract work		-		
Other (specify) _____		-		
(B) Subtotal		27.45		
(C) <u>Interest on operating capital</u>		8.07		
<u>Off farm direct costs</u>				
Transportation to gin		3.74		
Ginning (including bagging & ties)		24.81		
Other (specify) _____		-		
(D) Subtotal		28.55		
I. <u>Total direct costs (A+B+C+D)</u>		195.57		
<u>Overhead costs</u>				
Management & administration		3.49		
Land cost (typical rental value)		62.40		
Other (specify) _____		-		
II. <u>Total overhead costs</u>		65.89		
TOTAL COSTS FOR SEED COTTON (I + II)		261.46		
MINUS - value of cottonseed extracted in ginning		96.33		
NET COSTS FOR LINT		165.13		
Net costs for lint in US cents per pound		23.20		
Rate of exchange used for converting local currency into US dollars	9.90 Rs. = \$1.00			
<u>Additional remarks:</u>				

Country PARAGUAY Crop year 1977/78

Yield used (kilos per hectare)
for seed (unginned) cotton 1,011
of which: cotton lint 325.5
cotton seed 606.6

Item	Average estimated cost per hectare	
	Quantity used per ha. (specify unit)	Cost in US\$
<u>On farm direct costs</u>		
<u>Preharvesting:</u>		
Labor	72 working days	138.46
Power	-	-
Equipment	-	-
Seed	25 kgs.	6.15
Fertilizer	-	-
Herbicides	-	-
Insecticides & fungicides	6 liters	46.15
Defoliant & other chemicals	-	-
Irrigation	-	-
Custom or contract work <u>1/</u>	6	11.54
Other (specify) _____	-	-
(A) Subtotal		202.30
<u>Harvesting:</u>		
Labor	26 working days	50.00
Power	-	-
Equipment	-	-
Custom or contract work <u>2/</u>	-	1.73
Other (specify) _____	-	-
(B) Subtotal		51.73
(C) <u>Interest on operating capital</u>		22.86
<u>Off farm direct costs</u>		
Transportation to gin		7.78
Ginning (including bagging & ties)		-
Other (specify) _____		-
(D) Subtotal		7.78
I. <u>Total direct costs (A+B+C+D)</u>		284.67
<u>Overhead costs</u>		
Management & administration		-
Land cost (typical rental value)		38.46
Other (specify) _____		-
II. <u>Total overhead costs</u>		38.46
TOTAL COSTS FOR SEED COTTON (I + II)		323.13
MINUS - value of cottonseed extracted in ginning		-
NET COSTS FOR LINT		-
<u>Net costs for lint in US cents per pound</u>		
Rate of exchange used for converting local currency into US dollars	130 Guaranes = \$1.00	
<u>Additional remarks:</u>		

1/ Stalk destruction. 2/ Bagging.
In Paraguay, cotton is grown on small parcels of land averaging 2.5 ha. and using small equipment. Raw cotton is sold to lint exporting firms which carry out the ginning.

Country SOUTH AFRICA Crop year 1977

Vaalharts Irrigation Scheme

Yield used (kilos per hectare)
 for seed (unginned) cotton 2,870
 of which: cotton lint -
 cotton seed -

Item	Average estimated cost per hectare	
	Quantity used per ha. (specify unit)	Cost in US\$
<u>On farm direct costs</u>		
<u>Preharvesting:</u>		
Labor	253.21 man hours	42.78
Power	28.92 hours	100.12
Equipment	28.92 hours	15.26
Seed	34 kqs	15.44
Fertilizer	800 kqs.	78.11
Herbicides	1 concentrate	12.45
Insecticides & fungicides	15.4 concentrate	52.49
Defoliant & other chemicals	1.9 concentrate	8.48
Irrigation	428 mm	8.04
Custom or contract work		-
Other (specify) _____		-
(A) Subtotal		333.17
<u>Harvesting:</u>		
Labor		-
Power		-
Equipment		-
Custom or contract work		151.55
Other (specify) _____		-
(B) Subtotal		151.55
(C) <u>Interest on operating capital</u>		-
<u>Off farm direct costs</u>		
Transportation to gin		-
Ginning (including bagging & ties) Other (specify) <u>Levy by ginneries</u>		16.30
(D) Subtotal		16.30
I. <u>Total direct costs (A+B+C+D)</u>		501.02
<u>Overhead costs</u>		
Management & administration		-
Land cost (typical rental value) Other (specify) <u>fixed improvements</u> <u>vehicles and administration costs.</u>		142.18
Crop insurance		215.76
II. <u>Total overhead costs</u>		381.62
TOTAL COSTS FOR SEED COTTON (I + II)		882.64
MINUS - value of cottonseed extracted in ginning		
NET COSTS FOR LINT		
<u>Net costs for lint in US cents per pound</u>		
Rate of exchange used for converting local currency into US dollars	1 Rand = \$1.1525	
<u>Additional remarks:</u>		

- No costs are included for management or interest on capital.
- This Division* does not have any information available on the value of extracted cotton seed.

(* Division of Agricultural Production Economics, Dept. of Agriculture)

Country SPAIN Crop year 1977/78

Andalucia

Yield used (kilos per hectare)
 for seed (unginned) cotton 3,000
 of which: cotton lint 1,000
 cotton seed 1,900

Item	Average estimated cost per hectare	
	Quantity used per ha. (specify unit)	Cost in US\$
<u>On farm direct costs</u>		
<u>Preharvesting:</u>		
Labor	110 hours	158.00
Power . . . . .	) Various	74.00
Equipment		75 kgs.	31.00
Seed	900 kgs. various	141.00
Fertilizer	1.7 lt.	23.00
Herbicides	7 treatments	125.00
Insecticides & fungicides		-
Defoliant & other chemicals . . .	7 irrigations	25.00
Irrigation	150 hours for irriga- and other	215.00
Custom or contract work		
Other (specify) _____		-
(A) Subtotal		792.00
<u>Harvesting:</u>		
Labor		-
Power		-
Equipment		-
Custom or contract work		637.00
Other (specify) _____		-
(B) Subtotal		637.00
(C) Interest on operating capital		28.00
<u>Off farm direct costs</u>		
Transportation to gin		19.00
Ginning (including bagging & ties)		90.00
Other (specify) _____		-
(D) Subtotal		109.00
I. Total direct costs (A+B+C+D)		1,566.00
<u>Overhead costs</u>		
Management & administration		125.00
Land cost (typical rental value)		225.00
Other (specify) _____		-
II. Total overhead costs		350.00
TOTAL COSTS FOR SEED COTTON (I + II)		1,916.00
MINUS - value of cottonseed extracted in ginning		285.00
NET COSTS FOR LINT		1,631.00
Net costs for lint in US cents per pound		73.98
Rate of exchange used for converting local currency into US dollars	80 Pesetas = \$1.00	
<u>Additional remarks:</u>		

There was a sharp increase in labour costs compared to a year earlier, especially during harvest due to adverse weather conditions.

Country SYRIA Crop year 1978/79

Yield used (kilos per hectare)
 for seed (unginned) cotton 2,500
 of which: cotton lint 950
 cotton seed 1,550

Item	Average estimated cost per hectare	
	Quantity used per ha. (specify unit)	Cost in US\$
<u>On farm direct costs</u>		
<u>Preharvesting:</u>		
Labor		207.69
Power		193.59
Equipment		-
Seed	100 kgs. per ha.	15.38
Fertilizer	880 kgs. Calnitro and super Phosphate	95.64
Herbicides		-
Insecticides & fungicides		38.46
Defoliant & other chemicals		-
Irrigation		115.38
Custom or contract work		-
Other (specify) <u>Sacks & cords</u>	About 20 sacks per ha.	41.03
<u>Miscellaneous</u>		6.41
(A) Subtotal		713.58
<u>Harvesting:</u>		
Labor		128.21
Power		-
Equipment		-
Custom or contract work		-
Other (specify) <u>Warehouse and guarding</u>		12.82
(B) Subtotal		141.03
(C) <u>Interest on operating capital</u>		51.28
<u>Off farm direct costs</u>		
Transportation to gin		38.46
Ginning (including bagging & ties)		89.74
Other (specify) _____		-
(D) Subtotal		128.20
I. <u>Total direct costs (A+B+C+D)</u>		1,034.09
<u>Overhead costs</u>		
Management & administration		-
Land cost (typical rental value)		217.95
Other (specify) _____		-
II. <u>Total overhead costs</u>		217.95
TOTAL COSTS FOR SEED COTTON (I + II)		1,252.04
MINUS - value of cottonseed extracted in ginning		119.23
NET COSTS FOR LINT		1,132.31
Net costs for lint in US cents per pound		54.09
Rate of exchange used for converting local currency into US dollars	3.90 Syrian pounds = \$1.00	
<u>Additional remarks:</u>		

Country TANZANIA Crop year 1977/78

Yield used (kilos per hectare)
 for seed (unginned)cotton 500
 of which: cotton lint 165
 cotton seed 335

Item	Average estimated cost per hectare	
	Quantity used per ha. (specify unit)	Cost in US\$
<u>On farm direct costs</u>		
<u>Preharvesting:</u>		
Labor	55 man-days	70.59
Power		77.26
Equipment		3.64
Seed	25 kgs./ha.	3.15
Fertilizer	188 kgs./ha.	31.38
Herbicides		-
Insecticides & fungicides	12.5 lt./ha.	47.34
Defoliants & other chemicals		-
Irrigation		-
Custom or contract work		-
Other (specify) _____		-
(A) Subtotal		233.36
<u>Harvesting:</u>		
Labor	22 man-days	29.43
Power		-
Equipment		-
Custom or contract work		-
Other (specify) _____		-
(B) Subtotal		29.43
(C) <u>Interest on operating capital</u>		-
<u>Off farm direct costs</u>		
Transportation to gin		4.04
Ginning (including bagging & ties)		24.63
Other (specify) <u>Cost of storage</u>		1.47
<u>Depreciation on bags</u>		3.41
(D) Subtotal		33.55
I. <u>Total direct costs (A+B+C+D)</u>		296.34
<u>Overhead costs</u>		
Management & administration		5.55
Land cost (typical rental value)		-
Other (specify) _____		-
II. <u>Total overhead costs</u>		5.55
TOTAL COSTS FOR SEED COTTON (I + II)		301.89
MINUS - value of cottonseed extracted in ginning		34.44
NET COSTS FOR LINT		267.45
Net costs for lint in US cents per pound		73.52
Rate of exchange used for converting local currency into US dollars	7.92742 Tanzanian Shs. = \$1.00.	
<u>Additional remarks:</u>		

Upland cotton: Average yields and production costs per hectare planted,
U.S. and selected regions, 1977 1/

Country UNITED STATES Crop year 1977

Yield used (kilos per hectare)
- for seed (unginned) cotton 903 (Southeast) 1,667 (Delta)
- for cotton lint 310 (Southeast) 564 (Delta)

Item	Average estimated cost per hectare	
	Southeast	Delta
<u>Cost in US\$</u>		
<u>On farm direct costs</u>		
<u>Preharvesting:</u>		
Labor	28.60	33.39
Power	108.66	167.84
Equipment		
Seed	13.59	14.33
Fertilizer and lime	102.04	54.29
Other chemicals 3/	115.32	99.52
Purchased irrigation water 4/	-	-
Custom or contract work	17.93	7.58
Other (specify) _____	-	-
(A) Subtotal	386.14	376.95
<u>Harvesting:</u>		
Labor	16.08	19.61
Power	108.63	111.89
Equipment		
Custom or contract work	18.67	5.06
Other (specify) _____	-	-
(B) Subtotal	143.38	136.57
(C) Interest on operating capital	10.57	7.83
<u>Off farm direct costs</u>		
Transportation to gin	6.84	12.42
Ginning (including bagging & ties) Other (specify) _____	38.88	83.68
(D) Subtotal	45.72	96.11
I. Total direct costs (A+B+C+D)	585.81	617.45
<u>Overhead costs</u>		
Management & administration 6/	25.56	51.99
Land cost (typical rental value)	74.10	103.74
Other (specify) <u>General farm overhead</u>	21.34	25.64
II. Total overhead costs	121.01	181.37
TOTAL COSTS FOR SEED COTTON (I + II)	706.81	798.82
MINUS - value of cottonseed extracted in ginning	33.39	73.31
NET COSTS FOR LINT	673.40	725.51
Net costs for lint in US cents per pound	98.4 2/	58.4
Rate of exchange used for converting local currency into US dollars	-	-

Additional remarks:

1/ States included in each region are as follows: Southeast - North Carolina, South Carolina, Georgia and Alabama; Delta - Arkansas, Louisiana, Mississippi and bordering areas in Missouri and Tennessee; Southwest - Oklahoma, Texas and the High Plains of New Mexico; West - Arizona and California. 2/ Average yields per acre in the Southeast were very low in 1977, resulting in above-average costs per pound in that region.

Country UNITED STATES Crop year 1977

Yield used (kilos per hectare)

- for seed (unginned) cotton

2,049
454

(Southwest)

3,369
1,087

(West)

2,011
562

(United States)

Item	Average estimated cost per hectare		
	Southwest	West	United States
<u>On farm direct costs</u>			
<u>Preharvesting:</u>			
Labor	31.74	89.29	38.43
Power	117.47	228.48	143.28
Equipment)))
Seed	13.81	16.57	14.33
Fertilizer and lime	21.07	81.44	44.19
Other chemicals 3/	14.08	51.45	49.25
Purchased irrigation water 4/	5/	62.15	8.87
Custom or contract work	12.92	59.06	18.92
Other (specify) _____	-	-	-
(A) Subtotal	211.09	588.43	317.27
<u>Harvesting:</u>			
Labor	7.93	29.76	16.47
Power	78.30	158.77	103.76
Equipment)))
Custom or contract work	11.91	54.51	16.13
Other (specify) _____	-	-	-
(B) Subtotal	98.13	243.05	136.37
(C) <u>Interest on operating capital</u>	6.42	16.92	8.57
<u>Off farm direct costs</u>			
Transportation to gin	10.00	23.96	12.40
Ginning (including bagging & ties)	80.57	167.05	90.87
Other (specify) _____	-	-	-
(D) Subtotal	90.57	191.01	103.27
I. <u>Total direct costs (A+B+C+D)</u>	406.22	1,039.40	565.48
<u>Overhead costs</u>			
Management & administration 6/	37.52	110.09	50.91
Land cost (typical rental value)	74.10	197.60	98.80
Other (specify) <u>General farm overhead</u>	19.56	58.61	26.68
II. <u>Total overhead costs</u>	131.18	366.30	176.38
TOTAL COSTS FOR SEED COTTON (I + II)	537.40	1,405.70	741.86
MINUS - value of cottonseed extracted in ginning	51.03	136.57	68.20
NET COSTS FOR LINT	486.37	1,269.14	673.67
Net costs for lint in US cents per pound	48.6	53.0	54.3
Rate of exchange used for converting local currency into US dollars	-	-	-

3/ Includes insecticides, fungicides, herbicides, dessicants and defoliants.

4/ Other irrigation costs, including labour, power and equipment, are included in preharvest labour, power and equipment items. 5/ Less than one dollar per acre.

6/ Based on 7 percent of estimated value of production.

Source: ESCA, U.S. Department of Agriculture.