market is closed and Hong Kong's de-

significant, with Uganda's gold exports contributing a small value addition of

"We only earn from the tax, about $200 (Shs740,000) per kg. Largely, yes," he said,

Democratic Republic of Congo in diversifying their reserves.

Afreximbank in talks with Kenya, Rwanda for textile funding

JULIUS BARIGABA

Textile industry. |

Kenya and Rwanda are among the countries in talks with Afreximbank for funding to invest in their textile sector as the continental lender targets new value addition investments to replicate Benin's success story.

This is part of the bank's blueprint to reverse Africa's $50 billion import bill for cotton products in the next 15-20 years.

Kenya and Rwanda will be supported alongside Nigeria, where the lender has a commitment of $2 billion for the West African economic giant to transform its textile sector, under the bank's financing programme that targets cotton-producing countries dubbed the "C-4+" – Benin, Burkina Faso, Chad, Mali, and Cote d'Ivoire.

The continental lender seeks to build on the success of its investments in Benin to construct special economic zones dedicated to cotton processing and other industries. In Benin, the Afreximbank-supported special industrial zones (SIZs) have produced globally competitive textiles, supplying quality cotton to global brands like Nike, Zara and H&M.

"We are in Cameroon, in Chad, advancements have been made in Cote d'Ivoire, and in Mali. We have commenced active discussions with Kenya and Rwanda and Nigeria, and other countries across the continent," said Afreximbank President George Elombi.

Mr Elombi said at the recent World Trade Organisation (WTO) ministers conference in Yaounde, Cameroon, that the lender currently has a balance sheet of $50 billion – set to rise to $56 billion by the end of this year – with $11 billion in cash sitting in the bank waiting for projects to finance.

"Money is not the issue, the political will is," he said, challenging African trade ministers and civil servants to make decisions that support cotton value addition.

He was speaking in reference to the new phase of the WTO Cotton Partnership initiative – best known by its French translation – "Partenariat Pour le Coton" (PPC), which was launched during the conference.

The initiative focuses on mobilising investment to accelerate the transformation of the cotton-to-textile-and-garment value chain in West and Central African producing countries. The initiative – worth $5 billion in investments to support the textiles value chain – targets Benin, Burkina Faso, Chad, Mali, and Cote d'Ivoire, seeking to create 500,000 jobs and generate $10 billion in import substitution from the African cotton sector by 2030. The PPC was first launched in Abu Dhabi, in 2024 during the 13th WTO ministerial conference to accelerate the industrialisation and investment in the cotton value chain, and reverse the trend where 98 percent of Africa's cotton is exported as raw fibre.

In East Africa, Kenya has the most advanced cotton industry, with earnings of $540-$600 million annually in exports, primarily driven by apparel exports to the US under the African Growth Opportunity Act. But the country imports about $2.2 billion worth of textiles per year.

"We must protect our nascent industries from unfair competition by heavily subsidised industries elsewhere," Mr Elombi said, adding that unless African trade ministers act boldly and fearlessly to reject trade-distorting subsidies, the continent will not reclaim a quarter of the $50 billion import bill.

Subsidies

'Unless African trade ministers act boldly and fearlessly to reject trade-distorting subsidies, the continent will not reclaim even a quarter of the $50 billion import bill.'