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MEMO

September 3, 2024

To: NCGA Member Associations and Bale Packaging Suppliers

From: Gary Adams, President & CEO

Subject: Recommendations of the NCC Board of Directors

During the National Cotton Council's Mid-Year Board meeting, the Board of Directors made several recommendations to enhance the competitiveness of U.S. cotton in the global marketplace. One of the recommendations is to establish a phase-out period for woven polypropylene bagging and wire ties as acceptable bale packaging materials for CCC loan eligibility. For years, both domestic and foreign textile customers have made complaints regarding woven polypropylene as a cause of contamination, and wire ties continue to be a safety concern while handling and opening bales.

To be clear, no immediate changes are required of gins and warehouses that are using woven polypropylene or wire ties. Removing the approval of woven polypropylene and wire ties will require action by the Joint Cotton Industry Bale Packaging Committee (JCIBPC), and the JCIBPC will determine a reasonable phase-out period for both products. We anticipate this phase-out period will provide sufficient time for cotton gins to make necessary adjustments and for suppliers and manufacturers to consume products that are in the pipeline and inventory. In addition to a phase out of woven polypropylene and wire ties, the Board's recommendation included the development of a more durable polyethylene PE bag and of a lighter weight cotton bag.

NCC will develop a plan of action to carry out the Board's recommendations. If you have any questions, please contact Lauren Krogman at lkrogman@cotton.org or Harrison Ashley at hashley@cotton.org or by telephone at (901) 274-9030.