REPORT OF THE WORKSHOP ON
GLOBAL PROGRAMMES FOR COMMODITY CHAINS
- RESULTS AND PROSPECTS -

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1. Summary of the main conclusions and follow up actions

The workshop aimed at reviewing the progress of activities carried out in the GFAR line of action “International cooperation on commodity chains”. It analysed the activity report of the Facilitation Unit set up by IPGRI and Cirad in Montpellier to study the feasibility of establishing global programmes for commodity chains, and it considered the progress of two global programmes in preparation on Coconut and Cocoa. The objectives and work plan of a Facilitation Unit on under-utilised crops, set up by BMZ and hosted by IPGRI were also presented and discussed.

As the Montpellier Facilitation Unit will come to an end this year, the need for a second phase to support global programmes for commodity chains was discussed, and possible next steps were considered.

Progress report

The report of the facilitation unit highlighted the general trends and strategic issues that justify GFAR’s involvement in commodity chains research. The concepts used, “commodity chain” or “filière” approach, and the global programme approach, were detailed and refined. PROMUSA, a global programme on banana served as a possible model for other commodities.

The three main lines of actions undertaken were described: information gathering and dissemination, contacts with stakeholders in several commodity communities, and assistance in the preparation of two global programmes on Coconut and Cocoa.

Problems faced were detailed, lessons learnt were listed, and a SWOT analysis of the facilitation unit concluded the report.

Progress on the two global programmes in preparation was presented. The coconut global programme, PROCORD is almost ready and should be launched officially during the next COCOTECH meeting in July 2002 in Thailand. The cocoa global programme is still in its preparatory phase, but discussions among a large number of different stakeholders have already been initiated.

A Facilitation Unit on under-utilised crops has been set up by BMZ and is being hosted by IPGRI in Rome. Objectives and a proposed work plan were presented to the workshop participants.
Discussions

The workshop then discussed the problems faced in the preparation and management of global programmes for commodity chains, grouped in three main categories, institutional aspects, partnership aspects and financial aspects.

The main conclusions of the different sessions are summarized below:

Institutional aspects

- The participants felt that commodity chains could consider preparing global programmes to work under the GFAR umbrella, and therefore share common values and a common way of operating. However, participants did not consider that a formal GFAR “label” would be relevant, unlike the GFAR Steering Committee.
- The GFAR Secretariat must play an active role in linking stakeholders and helping them to participate, but it must not have an operational function in the preparation or management of GPPs.
- There is a need for a certain degree of formality, for participation and fund raising, but it is recommended to avoid creating new structures with a separate legal status. GPPs should build on existing structures, while ensuring that the existing host institutions do not take control of the programme.

Partnership aspects

- It is essential to have a strong participation of farmers’ organisations in GPPs.
- The seven categories of stakeholders, as established by GFAR, must be adapted to each commodity community. Consumers must be included as important stakeholders in many commodities, or at least their main concerns must be taken into account.
- It is not absolutely necessary to have all the stakeholders on board to start the preparation of a global programme. However, a large dissemination of information is essential to allow other stakeholders to subsequently join the initiative.
- It is also not absolutely necessary to have a perfect representativeness from the beginning. To seek the best representativeness in the different categories of stakeholders could hinder the development of the programme. Once again, a wide dissemination of information could help to refine the quality of representativeness. Competitive bids could also help to discriminate effective representativeness.
- Strong participation of stakeholders and representativeness at a global level can only be achieved if participation and representativeness are satisfactory at national and regional levels in the bottom up approach favoured by GFAR. It was noted that
efforts are being made by GFAR and other institutions to strengthen the organisation at national and regional levels in order to improve participation at a global level.

Financial aspects

- There is a consensus on the fact that funding is required to cover the transaction costs of global programmes, but these must be kept to an “effective minimum”, avoiding bureaucracy and concentrating efforts on the weakest stakeholders.
- During the creation phase, for a limited period, funding opportunities should be identified and short-term projects could be submitted to donors. The GFAR Secretariat could help to identify such possibilities, and even punctually assist some stakeholders from the South to participate in meetings.
- When the global programmes have been set up, the rule for transaction costs must be cost sharing. The inclusion of overheads in projects is considered to be a possible way to deal with this issue. Agreement among donor agencies to include overheads for global programmes coordination in their projects could be a positive and effective step ahead.
- Projects should be submitted to competitive research funding mechanisms, but enhanced exchange of information between GFAR, GPPs and donor agencies could improve the rate of success.

Next steps

- A consensus emerged among the participants on the need to continue the initiative into a second phase, with the following objectives:
  - To help increase effectiveness of the programmes in preparation, in areas other than technical,
  - To identify critical elements and to bring out problems and challenges at a global level for other commodities,
  - To undertake information and communication to promote GFAR objectives and principles as related to commodity chains,
  - To identify and update critical factors from lessons learnt, and to disseminate experience,
  - To consider other commodities than the nine crops selected up to now.

- A proposal should be made to the GFAR Steering Committee for a second phase of this initiative, which will need a full time specialist to act as an “honest broker”.
- It is necessary to prepare a clear work plan for the next three years, indicating objectives, expected outputs and governance mechanisms. This work plan will be submitted to the Steering Committee for endorsement.
- GFAR will then seek interested stakeholders to join and invest in that second phase of the initiative.
- Finally, it is necessary to capitalize on information gathered, and contacts must be established between the Secretariat and the Montpellier facilitation unit in that view.

As a conclusion, we are in a learning process, where flexibility must be the rule, without a strict model to work with, but sharing common values and common ways of operating.

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2. Introduction

Both major cash crops and a range of under utilised crops play an important role in income generation and food security for a large number of rural poor in developing countries. Yet very little attention has been given to these crops by agricultural research at the international level.

GFAR has therefore identified “International Cooperation on Commodity Chains” as one of the four priority areas in the action line “Promoting innovative research partnerships”. This priority refers to many crops, cash crops or under-utilised crops, which are economically very important for many countries in the South, and are grown by small farmers in mixed agricultural farming systems. In addition to their role in poverty alleviation and food security, these crops also contribute to the sustainability of agricultural systems and in some cases play an important role in the preservation of species and ecosystem diversity.

These crops fall into two main groups:

- Major commodity crops, such as citrus, cocoa, coconut, coffee, cotton, oil palm, pineapple, rubber, sugar cane, etc.;
- Neglected or under-utilised crops, which while important at local/regional level, are not of global importance.

Although strategies to provide support for research and development on these two groups of crops differ greatly, adopting a “Commodity Chain” or “Filière” approach has been found to be useful in both groups. Indeed, in both cases, a “Commodity Chain” or “Filière” approach could be used to get a more comprehensive view of the crop and its stakeholders, and to further analyse its constraints and potential. The first group may be considered as globally important commodity crops and can therefore best be addressed at global level. The second group, however, are mainly of local or regional importance and therefore action at regional level rather than a global level would be more appropriate and effective.

But The Global Forum decided to facilitate research cooperation on these crops and to mobilise the involved institutions, networks and financing mechanisms to initiate and promote Global Programmes for Commodity Chains.

GFAR therefore suggested assisting its stakeholders in developing global programmes, benefiting from the example of PROMUSA to expand and adapt the model to other crops. It proposed to begin on a small number of commodity chains jointly identified, based on the priorities expressed by the commodity communities and NARS regional Fora.

The GFAR Steering Committee mandated IPGRI to study the feasibility of establishing global programmes for the major commodity crops (citrus, cocoa, coconut, coffee, cotton, oil palm, pineapple, rubber and sugarcane) and Cirad offered to cooperate on this topic. They jointly established a small facilitation unit, with an expert in commodity chains
seconded by Cirad at INIBAP headquarters, in Montpellier.

The workshop aimed at discussing the results of the facilitation unit during the last 2.5 years and the need to pursue this initiative. It reviewed the conceptual approach used and the actions undertaken, discussed the problems faced and lessons learnt, and the participants debated on possible next steps and the required follow up actions. After a presentation by the facilitation unit of the main results, the problems faced and the lessons learnt, participants were informed on the current status of the two global programmes in preparation: coconut and cocoa, and on the recent development of a facilitation unit on under-utilized crops being set up by BMZ and hosted by IPGRI (Rome). The problems faced were discussed in three sessions: institutional aspects of global programmes for commodity chains; partnership aspects of global programmes for commodity chains; and financial aspects of global programmes for commodity chains. The last session considered the possible next steps for this initiative.
3. Session 2 - Feasibility of Global Programmes for Commodity chains

The objective of the first working session was to take stock of the various initiatives on global programmes for Commodity Chains after almost three years of activity.

Participants were informed through four presentations:

- Progress report and lessons learnt from the Montpellier Facilitation Unit,
- Progress in the preparation of the Coconut Global Programme,
- Progress in the preparation of the Cocoa Global Programme,
- Information on the Global Facilitating Mechanisms for UOCs.

3.1 Progress report of the Montpellier Facilitation Unit

A detailed report of two and a half years of activity at the Montpellier Facilitation Unit was presented to the workshop participants.

3.1.1 Conceptual approach

The first part of the report details the conceptual approach. It points out the general trends and strategic issues that justify that GFAR selected commodity chains as one of its priority; and it describes the proposed approach, with the concept of “commodity chain” or “filière” approach, and the concept of global programme.

General trends and strategic issues could be summarized as follows:

*From an economical point of view:*

- Most of these crops are of crucial economical importance to generate income for small farmers and to achieve integration in international exchanges for poor countries in the South,

- Government support to smallholders is continuously decreasing, due to liberalisation and privatisation,
- Producers and the industry increasingly need to strengthen their cooperation in order to provide quality products that suit consumers’ demand at a satisfactory price for both.

*There is a need to strengthen research partnership:*

- Research on commodity chains is mainly carried out by specialised NARI with limited resources,
• Research on these crops is persistently under funded,
  • Long lasting low prices for most commodities have dried the traditional support from the commodity communities,
  • Privatisation and liberalisation have significantly decreased government support to the commodity chains,
  • Donors from the public sector have always considered that funding should come from the commodity end users (industry, private sector, etc.), and consequently limited their support,
• The research contribution from the industry and the private sector are almost always limited those sectors that are of interest for their competitiveness. And their priorities hardly ever match with small farmers’ needs.

GFAR added value could consist of:
• The inclusion of commodity crops in research initiatives on agricultural production systems,
• The development of new and innovative partnerships between the public and private sector,
• The development of global commodity research programmes for these crops in which all stakeholders can play a role.

GFAR considered that the model of Global Programmes as developed with PROMUSA could provide an appropriate mechanism for broadening partnerships and creating the desired synergies. It therefore suggested assisting its stakeholders in developing global programmes, benefiting from the example of PROMUSA to expand and adapt the model to other crops. IPGRI and Cirad offered to further this initiative, and set up a small facilitation unit located at INIBAP Headquarters in Montpellier.

3.1.2 Actions undertaken

The second part of the report describes actions undertaken: i) refining the conceptual approach; ii) collection and dissemination of information; iii) contacts with commodity stakeholders; and iv) assistance in the setting-up of global programmes.

Refining the conceptual approach

The facilitation unit adapted the concept of “commodity chain” or “filière” approach to its approach of global programmes.

For most commodities, the production pattern has changed from a simple linear chain: production → trade → industry → consumer (each sector independent from the others) to a much more complex system of relationships between the various actors of the "chain".
To adopt a “commodity chain” or “filière” approach - implies taking into account and trying to have a better understanding of these complex relationships that exist between processes, products and actors involved in the "commodity chain", from the initial seed or plantlet to the final product offered to the consumer.

The concept of Global Programme has been reconsidered using this commodity chain approach. A Global Programme deals only with research, but the participation of stakeholders not directly involved in research work is essential, especially when identifying problems/challenges, for a better understanding of the research processes (and difficulties) and to help in the appropriation of the results.

Three different phases have been identified in the preparation period of a global programme, based on the experiences acquired from PROMUSA, which has been operating since 1997, and from the Coconut and Cocoa Global Programmes presently in preparation:

**Phase I - Identification of a global challenge/problem**

This first phase has two different components: the challenge/problem itself and the lead stakeholder(s) that are prepared to champion the initiative. At first, it is necessary to identify a problem, set of problems or the challenge of global nature, which could be better addressed at a global level rather than at a regional or local level. It is essential to identify all on-going research work that is carried-out on these specific problems, set of problems or challenges, by different research teams, and at different levels from local to global. Global programmes are not set up out of an idea, but they should build on existing achievements and be based on ongoing activities, and their output as a whole must be greater than the sum of their component parts.

**Phase II – Elaboration of a Common Agenda**

Once a problem/challenge has been identified at a global level, the first task of the lead stakeholder(s) is to get an agreement among the other stakeholders to reach a shared vision on the way(s) to approach this problem/challenge. Through consultation processes, which can vary according to the commodities, each community has to approve a common agenda, the future content of their Global Programme. This is particularly important as stakeholders often have different cultures (North-South), with primary objectives that could at first sight be totally conflicting (Producers – Industry, Public Sector – Private sector, etc.).

**Phase III – Implementation of the Global Programme**

After the stakeholders have agreed on a common agenda, and if they agree that the concept of a Global Programme is a suitable tool to implement their objectives, they must approve the form of this Programme. The main points to be discussed relate to
the governance of the programme, the way it will operate, its coordination, the diffusion of information and the funding mechanisms.

Collection and dissemination of information

The initial activities of the facilitation unit focused on collecting information on various commodities, partners, cooperation mechanisms, common projects, possible meetings, etc. The objective was to assess the cooperation mechanisms used in the different commodities, detect some global concerns through their international collaborative projects, and identify stakeholders that could play a role in the initial steps of the establishment of a global programme. This information was then completed by data on the economic and social importance of each commodity chain, as well as an approach of the main problems and challenges that each of them had to face.

Most of the information diffused was about GFAR, its objectives and its priorities, as well as the two basic concepts of the Unit, i.e., the commodity chain approach and the notion of a Global Programme. This was done through publications, individual contacts and meetings, as well as presentations during conferences, workshops, seminars, etc. Propositions for changes in the EGFAR’s Web site are currently being discussed.

Contacts with stakeholders

Three different approaches have been used to establish contacts with the stakeholders:

- GFAR launched an international call for proposals in 1999, to identify “Research Partnership Case Studies” and “New Innovative Research Partnerships”;
- Stakeholders from some commodity chains, who had been informed very early about a “global programme” approach, contacted the facilitation unit.
- Finally, the Unit itself took most of the initiatives for the following up of contacts.

Contacts have been frequent with the Coconut and Cocoa communities and led to the preparation of global programmes.

Contacts have also been made with the Coffee, Rubber and Cotton communities, but without leading to a proposal of global programme. It was not possible to identify either a global problem or the stakeholder(s) to lead the initiative.

Contacts were limited with Sugarcane and Citrus communities, and absent with Oil Palm and Pineapple communities.

Contacts have been made with other crops, Cassava, Date palm and Soybean.

Assistance in the setting up of global programmes

For the two commodities preparing a global programme, the facilitation unit assisted in the different phases, i.e. elaboration of a common agenda, and implementation of the global programme itself.
The status of each programme was presented in the following papers.

### 3.1.3 Problems faced

The problems encountered come under 5 headings:

- **Role and functioning of GFAR**: GFAR is not yet known by most of the commodities stakeholders. Its role is not always easy to understand for actors which relationships are based more often on competition rather than on collaboration. GFAR is frequently seen as a funding agency.

- **Choice of commodity chains as a priority for GFAR**: not all GFAR’s stakeholders identified commodity chains as a priority for the Forum. Many consider that these crops are estates crops (in fact less than 20% as an average), which research must be funded by the private sector (estate companies or the industry). This hinders the dialogue with some categories of stakeholders.

- **Global programme approach**: in many commodity chains, insufficient consideration is given to the “commodity chain approach” to analyse problems and issues according to their global, regional or local components. And for most stakeholders, analysis of a problem is generally limited to their own point of view, with little possibilities to widen their horizons and debate in fair-minded circles. Finally, once all the stakeholders in the commodity chain have considered an issue, it is often difficult to differentiate between the research aspects that therefore must be at the centre of a global programme, and the other issues that must be considered separately, especially what is global and what is local. Participation of different stakeholders and representativeness are other problems faced, with a frequent deficit from farmers and NGOs.

- **Activity of the Facilitation Unit**: the facilitation unit has to find an equilibrium between proactivity and neutrality in its role of “honest broker”. It has also to find the right coordination mechanism with the GFAR secretariat. Finally, the unit had limited means in terms of communication with some commodity chains. Limited financial means have limited personal contacts, whether these be individual or through international meetings, which are essential to establish a successful initial contact with the stakeholders of each commodity chain. Furthermore, in some commodities, difficulties were also encountered in identifying key stakeholders to move initiatives forward.

- **Means that could be mobilized**: for the time being, there are no financial means available for the Unit to help with the different phases of preparation for global programmes. The working method used until now consists of organising meetings between stakeholders during other commodity chain meetings. This *modus operandi* is favourable to those who can attend, who are well organised, and/or who can fund their participation, but does not allow the others, usually the poorest from the southern countries, to participate. This could be an important limiting factor, as we observed that unbalanced participation delays or even impedes the development of global programmes.
3.1.4 Lessons learnt

The functioning of PROMUSA, interactions between the Facilitation Unit and the cocoa and coconut programmes in preparation, and its contacts with other commodity communities allowed the Unit to learn a great deal about the setting up of global programmes:

- the need for frequent and close contacts with most stakeholders within the commodity communities,
- the real complexity of stakeholders’ interactions within each commodity chain, and the lack of general rules,
- the difficulty to identify the research components of a global problem or challenge that could be acceptable to all stakeholders,
- the importance of a strong “buy in” by participants,
- the importance of a balanced participation in the programme,
- the benefit of delegating some aspects of the preparation phase to a smaller working group,
- the importance of legitimate participation,
- the essential role of the working groups,
- the importance of an active secretariat/coordination,
- the difficulty to involve participants from both the public and private sector,
- the importance of funding possibilities

Discussion

The questions related to this presentation highlighted the following points:

- The seven categories of stakeholders as presented by GFAR might seem too restrictive in some cases - some producers are private sector, etc. - it was agreed that stakeholders' participation could be wider and must be adapted to each situation.
- The difference made between "GFAR stakeholders" and "commodity chains stakeholders" was not clear; in fact all are GFAR stakeholder in theory, and we called "GFAR stakeholders" the participants in GFAR constituencies: steering committee, regional fora, sub-regional fora, etc. All agreed that there is an urgent need to establish contacts and strengthen relationships between these two populations of stakeholders.
- The importance of commodities in relation to GFAR objectives was debated. Their contribution to food security and poverty alleviation was emphasized and,
in some cases, they can play an important role to sustain agricultural systems and to preserve species and ecosystem diversity. Public sector involvement must be sustained due to market limitations.

- It was mentioned that focus must not be limited to production aspects, but that global programmes should also take into account social, market and environment aspects.
- Positive impact of global programmes was questioned. It is always difficult to link an activity at the global level with its direct impact at farm level. Long-term effects are expected. In any case, bringing together stakeholders to discuss their problems and try to solve them should be considered as an immediate positive impact.

3.2 **Progress in the preparation of the Coconut Global Programme**

The situation of the global programme in preparation on Coconut was presented to the participants.

### 3.2.1 A Global challenge

Coconut farmers are faced with:
- Declining farm productivity,
- Unstable markets for traditional coconut products
- Inadequate support to the coconut research community to address farmers’ constraints and opportunities

Coconut constituencies (APCC, BUROTROP, etc.) have identified several of the major constraints of the coconut-growing countries, but efforts have been hampered by inadequate and discontinuous funding. The GFAR initiative to strengthen partnership among stakeholders was seen as an opportunity to stimulate existing collaborations and to organize it at a global level. A proposal of global programme for coconut, PROCORD, was discussed and endorsed by APCC, BUROTROP and COGENT.

### 3.2.2 Rationale of the global programme

- There is a need to create a platform for a wider range of coconut research and development activities
- There is virtually no technology and research funding support from the private sector;
- There is no international commodity centre to handle research beyond coconut genetics resources; and
- It is a cost-effective network approach for global coconut research collaboration.

3.2.3 Priority research areas

Priority research areas discussed by the coconut stakeholders remain very close to those highlighted by the TAC CGIAR in the mid 1980s. They consist of:
- Germplasm collection, conservation, evaluation and improvement,
- Productivity and sustainability of coconut-based agro-forestry systems,
- Control of pests and diseases, especially lethal ones,
- Socio-economic issues and policy support,
- Increasing the efficiency and value-added benefits in post harvest processing and utilization,
- Marketing.

3.2.4 Organizational structure

- A coconut stakeholders’ group, where all interested organizations or individuals could participate,
- A coconut support group, where representatives from donors, development agencies and coconut producing countries will contribute funding and giving institutional support to coconut research,
- A coordinating committee, composed of chairs and executive officers from APCC, BUROTROP and COGENT, which will manage the programme, and
- Technical working groups, to develop priority projects and undertake the research work.

CORDPRO will be officially launched during the COCOTECH Meeting of the APCC in Pattaya, Thailand on 5 July 2002.

Discussion

During the discussion, it was stated that some COGENT projects funded by IFAD would be part of the future global programme, as global programmes build on existing initiatives and on-going activities. Their results could help in the choice of future priority setting.

It was also stressed that many existing projects are showing ways of contributing to poverty reduction, when it is absolutely necessary to improve income generation for poor coconut growers.
One of the challenges mentioned was to help stakeholders, especially the poorest, to get a voice at national level.
3.3 Progress in the preparation of the Cocoa Global Programme

Participants were informed on the progress in the preparation of a global cocoa programme.

3.3.1 A global challenge

The cocoa community has been concerned for several years by the sustainability of the cocoa economy. Several initiatives were taken recently by different stakeholders categories, private sector, research, etc.; and a consensus emerged among the major operators involved in the cocoa sector that a concerted action was required and this was expressed in the “Declaration of Intent” signed by a broad range of stakeholders at a meeting in Paris on this issue in March 1999. During this meeting, the concept of global programme was presented to the cocoa community, stressing the necessity to involve NARS and the producers in the process.

3.3.2 Rationale of the programme

If all the stakeholders agreed that a sustainable cocoa economy was the common global challenge, the means to address it differed significantly among the various categories of stakeholders.

At a special meeting held in Malaysia during the Cocoa Research Conference, in October 2000, the cocoa community proposed several topics to define the content of a global programme. They must address the needs of all the categories of stakeholders, from producers to consumers and the industry, not only on technical or economical issues, but also with social and cultural concerns. The participants commissioned COPAL to lead an interim coordination group to further the preparation of the programme.

3.3.3 Research priorities

Nine topics were selected for further investigation under the supervision of lead stakeholders. Research priorities should emerge from this approach. The topics are as follows:

- Achieving a more efficient transfer of technologies;
- Strengthening private sector in producing countries through farmers’ empowerment and promotion and strengthening of farmers’ associations;
- Promoting an efficient value-added commodity chain from producers to consumers;
- Quality improvement for mutual benefit of producers and consumers;
- Improving productivity and quality through breeding and distribution of selected cultivars;
- Promoting agricultural diversification in cocoa based systems to reduce economic dependency;
- Strengthening IPM strategies;
- Analysing public donors’ strategies regarding cocoa sectors in producing countries;
- Analysing cocoa related policies in producing and consuming countries (taxes, subsidies on chocolate ingredients, …).

### 3.3.4 Organizational structure

At the moment, ICCO provides secretariat facilities (call for meetings, reports, etc.) and the coordination group is the only formal structure of the programme decided by the stakeholders. It is composed of representatives from:

- Farmers’ organisations in producing countries
- National Research Institutions in producing countries
- National Research Institutions in consuming countries
- Public bodies in producing countries
- Consuming countries
- The Industry
- International Research Institutions
- The Trade
- International Cocoa Organisation (ICCO)

Some key issues have been mentioned:

- It is necessary to avoid misunderstanding on the objectives of the initiative: to provide a discussion platform for all stakeholders in the commodity chain, or to promote global research efforts. Some stakeholders favour an informal discussion network, afraid of bureaucracy and high transaction costs. Some also consider that enough research have been done and that priority must be put on transfer of technology.
- The choice of the “hosting” institution for the secretariat is debatable; ICCO can provide secretariat facilities and its mandate facilitates the participation of delegates from producing countries. But attendance is more difficult for non-ICCO members and operations tend to become too formal.
- Funds are necessary to help participation from the south and to ease an efficient scientific coordination, but the programme must not be a funding mechanism, and outputs are not clear enough at that stage to attract donors.
**Discussion**

Most of the discussions related to the ways to promote sustainable cocoa production.

The cocoa programme was given as a good example that GFAR categories of stakeholders can be adapted according to the particularities of each commodity community.

**3.4 Global Facilitating Mechanisms for UOCs**

Participants were informed on the setting up of facilitation mechanism for under utilised and orphan crops.

**3.4.1 Background**

During the GFAR Dresden meeting in May 2000, a working group recommended the involvement of the Global Forum in under-utilized and orphan commodities (UOC) in order to:

- Increase awareness of the work already done on neglected commodities

- Stimulate activities on regional level to support UOC.

The group also suggested establishing a facilitation mechanism to operate at a global level and proposed to create a task force to prepare such an initiative.

In January 2001, the GFAR secretariat called an informal group composed of representatives from FAO, IFAD, IPGRI, ICUC, BMZ, for a brainstorming session to further develop the concept of a global facilitation mechanism.

In a following meeting held in Bonn, in July 2001, it was decided to create a facilitation mechanism. The German government proposed to support this initiative, and the facilitation unit was set up in 2002, hosted at IPGRI headquarters in Rome and funded by BMZ.

**3.4.2 Rationale**
- There is a need for a ‘global framework for action’ for agricultural research and the development of UOC,

- UOC should be included in regional and sub-regional research priorities; and support should be sought from the policy and decision makers,
- There is a need to develop information systems (or strengthen existing ones) to serve the entire UOC community,
- There is a need for technical information such as case studies and who-is-doing-what to facilitate research partnerships and networking.

The objective of the facilitation mechanism is “… to provide a platform for discussion of concepts and policies, and to mobilize support and facilitate the work that is undertaken worldwide on different aspects on UOC at different levels under the umbrella of GFAR, in close cooperation with international organizations such as FAO, IFAD, ICUC and IPGRI.”

The “commodity chain” or “filière” approach, as proposed by the Montpellier Facilitation Unit was considered relevant for UOCs. It was decided to concentrate on crops and not to include animal and forestry issues.

### 3.4.3 Organizational structure

A Steering Committee composed of representatives from FAO, IFAD, IPGRI, ICUC and BMZ will assist and advise the mechanism.

The facilitation unit will consist of a scientist supported by BMZ, and will be hosted at IPGRI headquarters in Rome. It will submit its objectives and plan of action to the GFAR Steering Committee and report on the results. It will establish close contacts with the GFAR Secretariat.

### 3.4.4 Terms of reference

- To establish a specialized information system, providing a gateway function to major information sources on UOC;
- To provide a clearing house mechanism for activities related to R&D of UOC;
- To facilitate coordination between different networks and stakeholders involved in UOC;
- To increase awareness of importance of UOC among the general public and stakeholders;
- To identify, document and disseminate ‘best practices’ and ‘success stories’;
  To encourage and facilitate regional priority setting;
- To advise stakeholders on formulation and implementation of pilot projects based on national priorities;
- To liaise with the GFU on market/cash crops in Montpellier;
- To monitor activities on UOC;
- To report to the GFAR SC on UOC-related matters.

The facilitation mechanism started his work in June 2002.

Discussion

Questions arose on the difference made between crops and commodities when referring to UOCs. In some cases one could consider that crops have got the status of commodities, but not in most cases. But it was stressed that the commodity chain approach, which considers the entire crop system, from the seed to the consumer, could help to have a better analysis of the problems.

Given the huge number of possible UOCs, participants asked what priority crops would be selected. No definite answer could be given to the question at the moment, but, in the first phase, priority will certainly be dedicated to crops or commodity communities that express interest in the initiative.

The voice of stakeholders at a national level was mentioned as a crucial issue. Many UOCs might not be neglected if stakeholders had a voice at national level.

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4. Session 3 - Institutional aspects of Global Programmes for Commodity Chains

The objective of this session was to discuss the institutional aspects of Global Programmes for Commodity Chains highlighted in the facilitation unit’s report and during the presentations of session 2.

As the facilitation unit worked with a GFAR mandate, it was important to remind the participants with GFAR objectives and principles regarding global programmes. The main conclusions of a special workshop on global programmes, co-organized by GFAR and IFAD in Rome, in October 2001, were presented to the participants as an introduction to the debate.

Involving Stakeholders in the Formulation of Global Programs, lessons learned from the Rome Workshop

What is a Stakeholder-driven Global Partnership Programme (GPP)?

- It is a coordinated set of activities carried out by Stakeholders,
- In which there is a clear added-value to collaborate at the global level,
- To solve a set of specific problems: the “Common Agenda”,
- Within at least a “Shared Framework for Action”,
  - which leads to a coordinated set of partnerships
  - to share information and to implement activities
- Within at most an “Integrated Program”,
  - which leads to an integrated plan of action
  - to implement activities.

The objectives of a Stakeholder-driven Global Partnership Programme are:

- To mobilize stakeholders around the main objectives of food security, poverty alleviation and sustainable development,
- To pool resources of stakeholders around a common Research and Development agenda,
- To develop synergies among participants and possibilities of strategic alliances,
- To empower stakeholders through improved knowledge management capacity,
- To increase innovation and development impact through stakeholders’ involvement.

The main characteristics of a Stakeholder-driven Global Partnership Programme initiative are:
They address products/factors/issues critical to the mission of GFAR

They build on four important principles:
- Equity - Complementarity
- Subsidiarity - Synergisms

They promote innovative partnerships based on “open nucleus” principle

They promote action-oriented research networks aimed at innovation.

Some criteria have been identified that may lead to Global Partnership Programmes

- GP must be initiated by proposing stakeholder(s),
- Stakeholders’ involvement must be effective,
- The project must be relevant to the objectives of GFAR,
- It has to be a multi-stakeholders’ initiative,
- A clear added-value is to be identified
- It must be an integrated approach, aimed at innovation that includes research and development action.

GFAR Secretariat could have a role in initiatives that may lead to GPPs:

- It has a facilitation function, from a neutral platform, based on inter-stakeholders dialogues
- GFAR Secretariat is never involved in an operational role
- From a light involvement …to the formulation of an integrated project endorsed by all the stakeholders
- The GPP concept is not “owned” by GFAR Secretariat.

Some issues are strategic in developing stakeholder-led GPPs?

- How to develop participatory mechanisms in all phases and levels
- How to assure effective involvement by stakeholders and “ownership”
- How to assure dialogue across “Knowledge Systems”
- How to link the “Local” with the “Global”
- How to bring together quality of science with stakeholder-driven process
- How to develop a sustainable funding strategy
- How to develop Public/Private sector partnerships and alliances
- How to develop learning processes and knowledge pools in GPPs.
Some organizational and management issues are also important in developing stakeholder-led GPPs:

- Light and flexible organizational structure: no single model
- To build on existing organizations and to integrates on-going activities
- Coordination and collective decision-making: governance by Steering Committee
- Need for a Facilitating Unit and/or Secretariat.
- Decentralized operational units
- Monitoring and evaluation

Finally, if we compare GPPs and the Challenge Programmes of the CGIAR, we can consider that in both cases the same development objectives are being addressed. But discriminating parameters can be highlighted:

- Approval process
- Funding strategy
- Role played by the stakeholders in the development and implementation of the process
- Knowledge generation and knowledge utilization.

**Discussion**

The participants debated on three main issues: i) what is, for commodity chains, the added value of working under the umbrella of GFAR? ii) What could (must?) be the role of GFAR Secretariat in the setting up of GPPs? iii) Organizational aspects of GPPs.

**GFAR added value**

GFAR principles are considered relevant to commodity chains, even if all of them have not yet started the preparation of a global programme.

The approach is not limited to cash crops.

Participants involved in the preparation of global programmes confirmed that the commodity chain approach, as proposed by the Montpellier Facilitation Unit and endorsed by GFAR is relevant to set up global programmes.
Many participants also stressed that the GFAR approach on global programmes is what the developing countries need in terms of development. The approach could be considered as tremendously participatory, at the expenses of efficiency and innovation. However, GPPs do not intend to solve all the problems, but rather to complement other approaches at local and regional (or even global) levels in an innovative partnership approach.

Most of the participants were uncomfortable with the idea of a GFAR "label" for global programmes. As a matter of fact, it was pointed that the GFAR Steering Committee discussed the issue of a GFAR "label" and concluded that this was not relevant.

Finally, participants agreed that the principal added value brought by GFAR is to lead stakeholders from different origins to share the same values in order to address global problems or challenges that will have direct impacts on development. They could also share organizational and methodological approaches.

**Role of GFAR Secretariat**

The role of the GFAR Secretariat to support the setting up of global programmes was largely debated.

It was stated that the Secretariat has neither the competence nor the work force to become involved in all initiatives that may lead to a global programme; this is not its role but that of facilitation units when they could be set up. The GFAR Secretariat should not be involved in operational aspects, but should ensure transparency, disseminate information and re-channel existing funds to new channels.

Many participants insisted on this particular aspect of fund raising. Some stated that as GFAR is bringing new ideas for research without new funding possibilities, the Secretariat should help identifying new mechanisms to obtain funds.

These new initiatives need to be sold to commodity chains’ stakeholders and the Secretariat could help disseminating success stories.

**Organizational aspects**

Three issues were discussed on this topic: the relevance of a "legal status" for GPPs; the role of organisms that could host GPPs' secretariat/coordination; and the neutrality of facilitation units.
Some stakeholders, especially those from the South that faced difficulties to justify to their constituencies their participation in meetings organised to prepare global programmes, raised the issue of a “legal status” for GPPs. It was also stated that GPPs without status could have difficulties to receive funds from some donor agencies (but the main objective of GPPs is not to receive funds). Most of the participants expressed doubts on the feasibility of such a “legal status”, especially as GPPs must be flexible and open structures.

It was also pointed out that these problems could be easily solved if GPPs’ coordination mechanisms are hosted in official organisms, which could send letters of invitation and channel funds. Some participants expressed reservations in the choice of intergovernmental bodies to provide coordination facilities for GPPs. Among identified possible limiting factors are: driving forces at political level, intellectual property rights, domination of the agenda, etc.

It was also mentioned that stakeholders who are not members of these organizations could be reluctant to participate in GPPs that are coordinated by these organisations. But some of these commodity organizations have an official status of “International Commodity Body” for the Common Fund for Commodities, and they are the only channels for all projects to be funded by CFC.

As a conclusion, participants concurred with the need to have an official host organization with the necessary commitment. This host organization must confine itself to assist the programme and not to manage or coordinate it directly, especially if it is an intergovernmental organization.

Participants insisted on the need for neutrality for facilitation units. It was not possible to draw rules to build neutrality, but all agreed that a reputation of “honest broker” is earned while performing.
5. Session 4 - Partnership aspects of Global Programmes for Commodity chains

The objective of this session was to discuss the partnership aspects of Global Programmes for Commodity Chains highlighted in the facilitation unit’s report and during the presentations of session 2.

As an introduction to this session, several categories of stakeholders attending the workshop expressed their opinion on GFAR activities especially on global programmes for commodity chains:

- E. Contini and R. Vieira, both from EMBRAPA, for FORAGRO,
- C. Maikut, from IFAP, for Farmers’ Associations,
- M. End, from BCCCA, for the Private sector,
- J. Cock, from CIAT, for IARCs
- K. Adomefa, from CORAF/WECARD, for FARA.

5.1 FORAGRO

After a short presentation of EMBRAPA and its activities in commodity chains research, the FORAGRO representative expressed great interest of its Forum in the results of the Montpellier Facilitation Unit. FORAGRO is supportive of Global Programmes on Commodity Chains for the following reasons:

- Commodity chains play a fundamental role in many developing countries,
- Lack of resources is a general situation for research in these countries,
- Tropical crops usually do not benefit from research work in the North,
- Global Programmes can aggregate scarce forces.

The importance of involving key institutions in this initiative, from both North and South, was pointed out.

Two strategies could help the small producers: aggregate value to the products and find alternative uses for these products.

Capacity building was mentioned as a crucial and essential issue.

EMBRAPA is interested in participating in initiatives on global programmes on commodity chains.
5.2 **Farmers’ Associations**

After a short presentation of IFAP, some important issues and concerns were listed:

- To alleviate poverty, farmers need market opportunities and fair prices, but they also need technical back-up support and assistance, including capacity building;
- It is essential to strengthen the market power of the farmers, relative to other commodity chain partners. The market have failed to perform adequately and there is a need to correct unbalances;
- It is crucial to secure access to resources, land, water rights, credit, genetic resources, etc.
- Development could not succeed without efficient rural infrastructures;
- It is imperative to strengthen the organization of farmers’ associations.

Global Programmes represent a good opportunity for partnership, but effective partnership is among equals, and many farmers are unequal players.

IFAP is supportive of the GFAR initiative and is committed to play an active role in the whole process of Global Programmes, for both commodity chains and under-utilized crops.

5.3 **Private Sector**

The representative from the Private Sector described their involvement in the activities of a commodity chain (Cocoa) and how they participate in the preparation of the global programme on Cocoa.

Sustainable production of good quality cocoa is a real concern for the industry, which is ready to participate in the global programme on sustainable cocoa production.

BCCCA supports many projects in breeding, agronomy, agro-forestry, bio-control and post-harvest, and the related networks (INGENIC and INCOPED). Some of these projects could be included in the global programme (which build on ongoing activities).

5.4 **IARCs**

An International Tropical Fruits Programme was presented to the participants. Characteristics of tropical fruits were detailed, as well as opportunities that they offer to rural development, especially to offer possibilities of diversification to staple food growers.
To major questions are to be answered: what to grow successfully, and how to sell it a good price. Issues on these questions were developed and actions to be taken by National Organisations and International Centres were recorded:

National agencies will have to take the responsibility of specific crops: centres of excellence and rural agri-business.

International centres will have a pan tropical vision and provide support to local agencies, in terms of information gathering and dissemination, Germplasm, crop management and market intelligence. They will also conduct necessary basic research on general topics like flowering, fruit flies and post-harvest losses.

Some aspects of this approach could perfectly fall into a global programme approach, and contacts need to be established to further develop the idea.

5.5 FARA

The representative from FARA described the history and objectives of CORAF/WECARD, and detailed the priority setting and strategy development.

The methodology of priority setting is a bottom-up approach, starting at national level in the 21 countries, then in the three different ecological zones, and finally at the sub-regional level.

Identified priorities fall in three different categories: commodities, system-based priorities, and thematic priorities (genetic resource management for instance).

Some important guiding principles for the regional cooperation were highlighted:

- NARS are considered as basic structures of regional cooperation,
- Regional cooperation is expected to assist, and not to replace efforts made by NARS,
- The sub-regional cooperation should promote and efficient and effective use of resources for agricultural production, avoiding environment damages.

Development objectives and priority research areas were presented for the three ecological zones.

Discussion

The representative from IFAP was asked to describe the Committee for Science and Technology recently created by the farmers’ association to link farmers and research.
The objective of IFAP, with support from GFAR Secretariat, is to stimulate farmers' involvement in agricultural research, by networking and exchange of information. In Uganda, the farmers' organisation is taking part in a task force preparing a reform of the NARS.

To a question on the importance of the links between farmers' associations and research, IFAP answered that they are still few. IFAP is helping to empower farmers' associations to influence the research agenda of NARS, but it is a new process that needs time to achieve results. Extension services are an important component in this plan for modernisation of agriculture.

GFAR Secretariat also mentioned the existence of a National Agriculture Research Forum in South Africa, which plays an advisory role for the Ministry of Agriculture.

Further discussion included three main topics: participation of stakeholders in GPPs, representativeness of stakeholders in GPPs and the role of lead stakeholders.

Participation of stakeholders

Some participants questioned the seven categories of stakeholders listed by GFAR, as farmers might be in the private sector, etc. The GFAR Secretariat mentioned that they now use Business and Industry rather than Private Sector.

A consensus emerged that the categories of stakeholders need to be adapted to each situation. The cocoa programme illustrates this flexibility, with more than seven categories of stakeholders in the coordination group. Consumers, for instance is a category that will be included in many commodities.

An important issue is how to bring stakeholders to the table of a global programme. It is vital to discover what they are interested in and propose a win-win approach: instead of cutting the pie and splitting the benefits, demonstrate that research efforts at a global level could lead to a bigger pie.

It is also recommended, to facilitate the debate, to start discussing issues that are not competitive among stakeholders; other matters could be kept for later, when trust exists between stakeholders' representatives.

It would be preferable to have all the categories of stakeholders participating in the GPP. But it may be necessary to start with a limited number of “meaningful” categories, as long as they can efficiently prepare the programme. A large dissemination of information on the process of preparation could allow other categories of stakeholders to join later.
Participation of categories from the South is often difficult, either for financial reasons or because representatives cannot be easily identified. It was stressed that the better the participation of stakeholders at national and regional level, the better the participation at a global level. It is then a real challenge for GFAR to help its stakeholders to get organised at national and regional level.

Global programmes must gather all the stakeholders that could effectively and efficiently participate and bring interesting ideas, avoiding leaving out those who could hinder the initiative.

Representativeness of stakeholders

Representativeness of participating stakeholders is essential to the success of any global programme. But it may be difficult to set up criteria to decide who is representative of what. Even at the GFAR level, it has not been possible to resolve this difficult issue.

Looking for a perfect representativeness might lead to impeding any initiative of global programme. A pragmatic approach is to start the process, even with an imperfect representation, but to widely inform the commodity community on the progress of the initiative, so that other stakeholders could express their views on the way they are represented, and suggest necessary changes.

As in the case of participation, good representativeness at a global level is directly dependent on the quality of representativeness at national and regional levels.

It was mentioned that competitive bids by donors could help identify who is representative of who, and where.

Lead stakeholder(s)

Finding a stakeholder ready to take the lead in the preparation of a global programme is an essential starting point for any global programme.

It is then necessary to find a balance between proactivity and neutrality so that this leader could really forward the initiative, without temptation of control or domination. It may sometimes be necessary to find the means to encourage and support these lead stakeholders’ actions.

GFAR Secretariat mentioned that they have an operational budget to support: i) strategic thinking; ii) research partnership; iii) regional fora; and iv) information and communication.
6. Session 5 – Financing aspects of Global Programmes for Commodity Chains

The objective of this session was to discuss the financial aspects of GPPs for Commodity Chains highlighted in the facilitation unit’s report and during the presentations of session 2.

As an introduction to this session, the representatives of some important donor agencies described their funding mechanisms and expressed their opinion on the importance of commodity chains and related GFAR activities, especially on global programmes for commodity chains:

- R. Cooke, from IFAD,
- R. Carreau, from EU / AIDCO,
- P. Singh, from the CFC,
- E. Rosenquist, from USDA/ARS,
- H. Palmier, from the World Bank

6.1 IFAD

IFAD focuses on rural poverty alleviation through agricultural and rural development: 75% of the world’s poor people live in rural areas and depend primarily on agriculture.

IFAD has an interest in global programmes because:

- Unless the poor have the power to participate in deciding which technology to use, they are unlikely to benefit from it,
- Better farm technology will most benefit the farmers who are active partners in setting priorities,
- While research is critical, even within the sphere of technology, it is not enough on its own and the rural poor need more information about technological options; it is imperative that the capacity of the poor to evaluate advice is enhanced.

GFAR global programmes offer a forum and a tool to answer some of these challenges.

IFAD has also an interest in major commodities:

- There is an evidence that regions that produce commercial crops are generally better-off than regions under subsistence crops only,
- Continuing exclusive emphasis on food crop production will not allow for a significant impact on rural poverty,
Access to competitive markets is crucial for the rural poor, but many rural markets are characterised by extreme asymmetry of relations, which are inequitable and frequently uncompetitive;

Market access is unfair to the poor along three dimensions: i) a physical dimension as the poor are usually very far from the markets; ii) a political dimension due to the poor’s inability to influence the market; iii) and a structural dimension, with the lack of market intermediaries.

IFAD is currently funding a project on “Sustainable Use of Coconut Genetic Resources”

6.2 EU/AIDCO

EU policy for research cooperation with developing countries changed recently.

In the past, EU funded research projects through STD and then INCO programmes. As for now, EU will set up competitive funds to implement strategies defined at regional and/or national levels. It will strengthen national institutions and support networks and networking activities. A special workshop at the end of June will discuss how to adapt competitive funds at regional level.

EU will continue to support the CGIAR research system at an international level, but with focus on specific subjects. EU considers that GFAR approach is in accordance with its policy; it accepts it as positive and will support GFAR’s initiatives. In particular, it appreciates the development of GPPs on commodity chains, which create added value at marginal cost, and will follow closely the progress of these activities.

6.3 CFC

CFC main mandate is to alleviate poverty through development focusing on commodities in countries, which are highly dependent on the commodity concerned. Promoting equilibrium between supply and demand, with a view to sustaining real income from commodity production is an important consideration for the Fund.

CFC funds projects, which focus on specific commodity problems or opportunities, cutting across boundaries:

Projects aimed at improving the structural conditions in markets and at enhancing the long-term competitiveness and prospects of particular commodities, which include: i) research and development; ii) productivity and quality improvements;
iii) transfer of technology, diversification and processing; iv) improvement of marketing and market access,

Projects which assist Developing Countries and, in particular Least Developed Countries (LDCs) to function effectively in a liberalised global economy, which include: i) physical market development; ii) enhancement of market infrastructure; iii) facilitation of private sector initiatives; iv) and commodity price risk management.

Eligibility criteria are the following:

- General commodity perspective (multi-country)
- Pilot projects
- CFC member countries
- Priority for LDCs
- Directed to the poorer strata of populations: small producers, small exporters
- Demand driven
- Small to medium size projects
- Sustainable results
- Objectives achievable within the project
- Quantitative and qualitative targets

Many projects funded by the Fund could be part of a global programme in the different commodities. As GFAR and CFC policies have many common objectives, it is suggested to maintain constant dialogue between the two institutions and early consultation on project ideas.

6.4 USDA/ARS

The USDA program receives funds through the Congressional appropriation process, but also from other sources, among which the Industry (the U.S. chocolate industry for example). Crops of interest are cocoa, coffee, bananas, tropical tree fruits, plantain and subsistence crops. Originally tied to Central and South America, these activities have been expanded to encompass West Africa. All research results obtained are maintained in the public domain.

The major program initiatives are:

- Molecular-marker assisted breeding (cocoa),
• Biochemical elicitors of disease resistance (cocoa),
• Integrated pest management of plant disease (cocoa),
• Integrated pest management of insect pests (coffee),
• Propagation, maintenance and characterisation of cocoa collections.

Working in close collaboration with many countries and international institutions, in the South and in the North, USDA is well aware of many problems that have been mentioned in the previous presentations.

USDA/ARS is not primarily a donor organisation. But within the long-term research and technology transfer objectives mandated by Congress, it can participate in international research initiatives. It appreciates GPPs proposals on commodity chains as very positive and will consider how it could support it. It could, for example, assist and financially support a recognised international germplasm exchange and molecular data base management system maintained by a recognised international body.

6.5 World Bank

The World Bank recently refined and updated its strategy for rural development. Commodities are mentioned at regional level action, as perennial crops are essential in agricultural production systems for food security and poverty alleviation. There was a decline in the Bank support to agriculture, but it is hoped to reverse the trend and start reinvesting in agricultural development.

The World Bank essentially works at national level, but it welcomes the GFAR concepts of partnership, its bottom up approach and the involvement of all the stakeholders. It will support any Global Programme on commodity chains that really bring added value to development.

The World Bank wants to pursue efforts in investment in tree crops, especially on high value commodities. Coffee is very important for the Bank and studies have started in Cameroon on Rubber and Oil Palm. A tree crop initiative is being set up in West Africa.

The World Bank remains a Bank for Development, which does not specifically fund research, considered as a tool.

Discussion

The discussion started with some questions to clarify specific aspects of the previous presentations, especially those of CFC and the World Bank.
The Common Fund is specialised in funding commodity chains activities, and it was essential to clarify the mechanisms involved and to explore how CFC and GFAR could cooperate in the setting up of global programmes. Early consultation between the two institutions was recommended on any new idea or initiative. The importance of International Commodity Bodies in the life cycle of projects was pointed out, which cannot be left out of the various initiatives. Several donors mentioned projects in their portfolio that could be part of a global programme, and specific examples were given for Cocoa and Coconut.

Many participants were pleased to hear that the World Bank is willing to invest again in agriculture, and especially in plantation crops. Other donor agencies are very interested in this position as many projects are co-financed by several donors.

Finally, it was suggested that GPPs, which gather most of the stakeholders' categories, could act as advisory bodies to donor agencies interested in funding commodity chains activities, even if not specifically research.

The discussion then focused on the funding of GPPs, with three main issues:

- Financing transaction costs in the preparation phase,
- Financing transaction costs for on-going global programmes,
- Financing working groups projects.

**Transaction costs in the preparation phase**

Funding of transaction costs in a preparation phase of GPPs is a general issue for GFAR and this issue must be addressed in close contact with the GFAR Secretariat.

In the preparation phase, transaction costs relate to priority setting and participation. They include:

- Funding the participation of stakeholders, especially the poorest, to meetings aimed at defining priorities and preparing the setting up of the programme
- Funding or co-funding of the coordination role of a lead stakeholder; some lead stakeholders can afford to pay for it, but it must not be a discriminating factor
- Co-funding some meetings essential to the preparation of the programme.

They are time bounded - 2 to 3 years - and the amounts are not very high (a maximum of 200 000 US $ per year), which make them eligible as projects.
Several possible sources were identified, among which Europe and its accompanying measures, bilateral donors - France, Italy, The Netherlands, for instance - which have agreements with GFAR, the GFAR Secretariat itself, and may be some fast track facilities of CFC.

**Transaction costs for on-going global programmes**

In the case of on going programmes, the costs are not very high, but they are not time bounded and many donors, and even stakeholders from the private sector, are reluctant to fund coordination mechanisms on the long term, fearing to fall into a bureaucratic system.

So, for on-going programmes, two principles were highlighted:

- Cost sharing is the rule among stakeholders
- Transaction costs must be reduced to the effective minimum.

It was admitted that the declining prices of most commodities could represent a serious limiting factor for many stakeholders from the South, and that this could hamper the sustainability of commodity chains research in many developing countries. Donor agencies suggested building this cost sharing on projects' overheads, as it is done for CGIAR. The feasibility of such an operation might not be easy to achieve, but could be really facilitated if donor agencies agree to work in this direction in collaboration with GFAR.

The World Bank stated that they work at national level: They are strengthening NARS and they could help producers to participate in GPPs.

**Projects**

Projects are the backbone of working groups' activities. They must follow the competitive bids approach, but it is recommended that close links be established between GPPS and donor agencies to have a good circulation of information, and give the best chances to GPPs to prepare good proposals.

From the presentations made during the workshop, several possibilities have been identified to fund projects, either from the private sector or donor agencies.
In any cases, special attention must be given to the weakest stakeholders and regional fora must be actively involved.
7. Session 6 – Next steps to support Global Programmes for Commodity Chains

The activities developed by the Montpellier Commodity Chains Facilitation Unit (FU) increased GFAR’s experience in the following areas:

- It refined the concepts which can lead a commodity chain initiative up to a global programme;
- It helped commodity communities to identify research priorities at a global level;
- It helped two commodity chains projects - coconut and cacao - to get organized and to prepare global programmes;
- It disseminated relevant information;
- It worked at catalysing the initiation of other commodity chain projects – coffee, cotton, rubber and sugarcane; and
- It helped serve the needs of the GFAR Steering Committee.

As the term of the FU will end soon, the issue for discussion in this session was whether there is a need to continue this facilitation initiative, and which mechanism would be the most appropriate to keep on supporting a GFAR’s commodity chains initiative.

Discussion

Many participants agreed on the need to continue this initiative of a facilitation mechanism and the discussion went on the rationale of such a proposal.

It was stressed that a Facilitation Unit must not be a permanent structure but as a needed mechanism to add value, based on the investment of stakeholders, and under the control of the GFAR Steering Committee.

It must have a detailed work plan and expected outputs, and clearly distinguish what is within the competence of a FU and what is within the competence of GPPs.

A second phase of the initiative should focus less on concept development and should emphasize other commodities to help emergence of possible new global programmes.

Five issues were listed as important in the prolongation of a facilitation mechanism for commodity chains:

- To help increase the effectiveness of the first two global programmes in preparation, in other areas than technical,
- To identify critical elements and to bring out problems and challenges at a global level for other commodities,
- To undertake information and communication to promote GFAR objectives and principles as related to commodity chains,
- To identify and update critical factors from lessons learnt, and to disseminate experience,
- To consider other commodities than the nine crops selected up to now.

It was proposed that the GFAR Secretariat could address some of these issues, but it has clearly neither the competence nor the work force to do it efficiently. As for information gathering and dissemination, EGFAR has no comparative advantage to provide it directly. It could provide access, upload information from stakeholders, develop platforms, and create links with regional fora. But it is faced with a serious problem in updating information.

In fact, generic issues could be left to the GFAR Secretariat, and all what is specific of commodity chains under the responsibility of GPPs and FU.

It was stressed that to be effective as an "honest broker", it is necessary to have somebody full time, to keep the momentum and establish strong and sustainable links between stakeholders. Neutrality is an important issue for a strong and proactive facilitation unit to be efficient.

The cost of a facilitation unit was questioned. It consists of the cost of 1 full time specialist, part time secretariat support, a travel budget, and, if possible, some seed money to help organise meetings between stakeholders.

As a conclusion, participants came to an agreement on the clear need for a second phase of the facilitation unit, but with a clear governance mechanism, on a time bound of three years, with detailed objectives, work plan and expected outputs. Farmers will have to be involved in the initiative, and tropical fruits must be included in the agenda of this second phase.

The Montpellier facilitation unit is expected to prepare a draft of objectives, expected outputs and work plan, to be submitted to the GFAR Steering Committee for approval. If the proposal is endorsed by the Steering Committee, the Secretariat will have to seek for interested stakeholders to invest in the second phase.
8. Annexes

8.1 Annex 1 - Welcome address by GFAR

(See separate Powerpoint file)
8.2 Annex 2 - Welcome address by Cirad

Introductory words

Mr. Chairman, Dear colleagues,

First of all let me welcome you all here in Montpellier, and particularly those who come from abroad. I guess for most of you that it is not the first time you are visiting Montpellier.

I would like also to convey to you the apologies of Dr. Gerard Matheron, President of Agropolis, who unfortunately was not able to attend this inaugural session as he would have liked to have done.

It's a great pleasure for Cirad to co-sponsor this workshop that aims at reviewing the outcomes of a two and a half-year period of activity of the facilitation unit on international commodity chain research cooperation.

As you may remember, Cirad and IPGRI have been commissioned by the GFAR Steering Committee to set up the facilitation unit on commodity chain at its meeting held in Beijing in May 1999.

A program of work was then proposed and approved in October 1999 in Washington. The first task of the facilitation unit was to mobilize the ARD international community to elaborate concrete proposals to be discussed at the global meeting of GFAR in Dresden in May 2000. It was very successful in bringing to the attention of the international ARD community a domain that had been neglected in the past. A few concrete proposals emerged in Dresden.

At this stage, important progress has been achieved both in terms of clarifying the concepts and in a few domains such as Coconut, Cocoa. The consultation in other potential areas still needs further development.

This workshop is then very timely to review progress made so far, to draw lessons learnt during this first phase, including lessons to be drawn from failures or slow progress and to discuss future direction to be taken.
The lessons learnt are of two different types:

- The first type relates to How to organize international cooperation on commodities that are mainly driven by market, and that are characterized by real conflicts of interest between different stakeholders. A key question then is: What is the relevance for the public sector to invest in technology generation and discrimination in such areas? That question was largely discussed before the Dresden conference.

You may remember that the line of action on commodity chain was not immediately consensual within GFAR. There was a long discussion in Beijing before the Steering Committee decided to commission IPGRI and CIRAD to develop a concept note. Today, there is no longer any question that these commodities play a critical role in achieving global challenges.

IARCs, such as IITA and ICRAF, are developing programs on perennial crops, tree crops of international importance. US Aid is supporting research activities and cooperation in Cocoa, Oil palm..., not yet in cotton, but ... This is undoubtedly an achievement of the work done by the facilitation unit.

The workshop will enable these issues to be reviewed, but thanks to GFAR action and particularly to the work of this facilitation unit no doubt that an important shift has already been made.

- The second category of lessons to be drawn from the initiative relates to the clarification of the concept of Global Partnership Programs under the umbrella of GFAR.

This goes far beyond the only domain of commodity chains. The facilitation unit has developed concept notes, case studies that help to better what the GPPs are and what specific added value they bring compared to other models of international cooperation.

It may be said that the Challenge Programs proposed by the change and management Task Force of the CGIAR has borrowed from that concept.

The workshop hosted by IFAD in October 2001 on GPPs and CPs was helpful in clarifying the differences and complementarities between them both.

Mr. Chairman, Dear colleagues, I do not wish my introductory speech to be too long nor to go directly to the conclusions at the very beginning of our discussion.
However, I want to underline the fact that while the commodity chain approach, "filières" in French, was a concept widely used by both economists and agronomists in the sixties and seventies, nowadays it has almost been abandoned. Only a few international agricultural research centres and Cirad continue to program research activities along with a commodity chain approach.

Indeed, many international events such as the WTO conference held in Doha demonstrate that international marketed tropical commodities are critical to meet the global challenges of poverty eradication, food security and safety, and sustainable management of natural resources and environment.

The NEPAD project also demonstrates that there will not be any sustainable development without an equitable market function, and it underlines that sustainable development shall be based on a priority to be given to efficient family agriculture.

In a few months from now, in Johannesburg, the WSSD will recognize that sustainable development has to reconcile and better articulate economic, social and environmental objectives and actions. Perennial and international cash crops have an important role to play in meeting this global challenge.

I am sure that the outcome of this workshop will provide appropriate information for the discussions in Johannesburg, as well as for the World Food Summit in Rome in a few weeks.

Thank you for your attention.

Alain Derevier
Montpellier, June 6, 2002
On behalf of IPGRI, it is a pleasure for me to welcome you to this workshop in Montpellier. The aim of the meeting is to consider present and future outlooks for the development of Global Programmes for Commodity Chains.

On an introductory note, I would like to set the context of the meeting in order to allow us to be able to discuss this topic with a common understanding of the issues.

Alain Derevier has referred to the concept of the Commodity Chains and Hubert Omont will also expand on this concept. I would like to dwell somewhat on the “Global” aspect with you.

In the past two decades, discussions around the term “Globalisation” have become more and more frequent. Although initially restricted to the economic sense, more recently, Globalisation has also become a reality in other fields, among which Agricultural Research for Development.

The development of GFAR is probably one of the most tangible outcomes. With the acceptance of the fact that so many elements are interlinked at a global level, we can no longer ignore what is happening on the other side of the globe. In fact, the development of GFAR has evolved in parallel with the concept of a Global System for Agricultural Research, in which numerous players are both acting and indeed interacting. It is also important to note the complementary role played by each of the partners in a Global System. One of the achievements of GFAR has been to formalise the recognition of the role of the numerous actors and to provide a forum for these actors to exchange views and to develop a common understanding of the Global System as well as giving the actors a responsibility as “stakeholders” in that Global System. The forum indeed allows the numerous stakeholders to get to know each other and to understand respective views, concerns and beliefs and to work towards a common vision.

What has happened in the way of globalisation at the level of agricultural research, within GFAR, is also emerging at the level of individual commodities. The realisation that it is beneficial and necessary for the numerous stakeholders to get together and to identify common views and a common agenda has led to the concept of a Global Program.

In parallel with the development of GFAR, a first initiative emerged on banana and plantain in the form of the Global Programme for Musa Improvement – PROMUSA. Launched in 1997 as a joint initiative between INIBAP and the World Bank, it has
developed over the last five years as a successful example of a multi-stakeholder initiative collaborating at an international level.

Very early on, the GFAR Secretariat Committee recognised the value of this initiative as a model for other commodities. This stimulated IPGRI and CIRAD to further develop the concept of the Global Programme for Commodities and to set up a small facilitation unit, at INIBAP here in Montpellier, in order to facilitate the emergence of other global programmes for different commodities.

Early on in the initiative, it was recognised that this model was not only applicable to major commodities or industrial crops but also to staple food crops and to neglected or orphan crops. Germany has recently provided support to set up another facilitation unit for NOCs based at the IPGRI headquarters in Rome.

As will be shown in Hubert Omont’s presentation, the concept of Global Programmes really represents a paradigm shift and a tremendous opportunity to overcome some constraints encountered by individual stakeholders. The purpose of our two-day meeting is to review the work carried out over the last two and a half years and to hold a “brainstorming” session on the lessons learnt, examine the potential for the future and develop a plan on where to go from here.

I would like the meeting to be really informal with a maximum participation. We have a very broad representation of the numerous stakeholders and this is an excellent opportunity to take stock and together to look ahead.

I wish this meeting every success.

Emile FRISON
Director of INIBAP
8.4 Annex 4 - List of participants

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