



# **COMMON FUND ACTIVITIES RELATED TO BANANAS**

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As the International Commodity Body (ICB) for bananas, the Sub-Group on Bananas offers guidance on project proposals and projects under implementation. The Sub-Group endorsed two projects at its last session.

## **I. STATUS OF PROJECTS ENDORSED BY THE SUB-GROUP ON BANANAS**

### **A. PROJECTS UNDER ACTIVE IMPLEMENTATION**

#### *i) Adding value to bananas – a technical evaluation and workshop on the uses and marketing of banana based products (CFC/FISGB/09FT)*

The objective of this project is to provide a global platform for the development of production technologies and markets for banana-based products through technology and knowledge transfer, as well as the development of contacts between different sectors and regions.

This proposal was submitted in late 2002 to the Common Fund for Commodities (CFC) directly by International Network for the Improvement of Banana and Plantain (INIBAP) after consultation with the Secretariat. It was considered at the July 2003 meeting of the CFC Consultative Committee, which recognized the importance and potential of adding value to and diversifying the banana products of developing countries producing bananas and plantains. The Committee requested a detailed work plan and rationalization of the budget. INIBAP submitted a revised proposal addressing these requests. At its January 2004 meeting, the Committee reviewed the revised document and recommended the proposal for financing. It also recommended that, in preparing the workshop, participation should be widened to include more countries. A suggestion was made to include participants from Ethiopia and Sudan.

In its role as the ICB for bananas the Sub-Group endorsed this fast track project proposal for execution at its last session (March 2004).

INIBAP carried out nine regional studies on how to add value to bananas and methods for the preparation of value-added banana products in collaboration with its regional networks. It organized a four-day workshop bringing together growers, traders, processors and marketers from all banana-producing regions in Manila, Philippines, in October 2005. The studies and workshop report will be posted on the website of INIBAP: [www.inibap.org](http://www.inibap.org).

#### *ii) Farmer-participatory evaluation and dissemination of improved Musa germplasm (CFC/IGCBA-TF/IPGRI)*

The implementation of this project, which was approved in 2000, began in November 2001 and is scheduled to last until December 2006. It is operational in the Democratic Republic of the Congo, Uganda, Guinea, Ecuador, Honduras, Nicaragua and Haiti. The project is managed by INIBAP and has made good progress in most of the participating countries.

According to INIBAP, in the third year of implementation data collection continued on 30 demonstration test plots. In several countries this activity was concluded after two harvests. Six of the seven beneficiary countries have distributed improved plants to farmers for their multiplication plots. Follow up of the performance of cultivars in farmer multiplication plots has been strongest in Nicaragua, Uganda, the Democratic Republic of the Congo and Guinea. Plants have been distributed to over 1 000 farmers in multiplication plots of 20 to 100 plants. Six of the seven countries carried out taste tests during the third year. In addition, the African beneficiary countries have also been training farmers in rapid multiplication techniques.

*iii) Reviving banana cultivation in the Republic of Guinea (CFC/FIGB/04)*

This project was approved by the Sub-Group in 1999. After many delays it was launched in Guinea in April 2003. The project is scheduled to last for three years. The Project Executing Agency (PEA) is the United Nations Office for Project Services (UNOPS). The Government of Guinea provides infrastructure support.

The project aims to revive the production and marketing of bananas in Guinea through assistance to a private company and small growers grouped in a cooperative. Production is to be directed in the first instance to the domestic market in Conakry, and possibly later to neighbouring African countries if quality reaches a satisfactory level.

The immediate objectives of the project are:

- a) The rehabilitation of the infrastructures of former banana plantations
- b) The cultivation of 75 hectares of banana trees (of which 25 hectares belonging to a local private company and 50 hectares belonging to small growers)
- c) The restructuring and modernization of a packing house and a ripening facility
- d) Managerial assistance to the beneficiaries

The main activities carried out in 2003 and 2004 were: the identification and selection of the smallholders who are to benefit from the project; land preparation; building of greenhouses and storage facilities; identification, testing and selection of disease-free banana vitroplants and their suppliers; and procurement of fertilizers, pesticides and equipment. Technicians and small growers were trained in the handling and cultivation of vitroplants. The terms of reference for a market study were prepared and several local consultants were approached. Samples of banana vitroplants were trialled in 2004 and gave promising results. One hundred fifty thousand vitroplants for large-scale planting were delivered in late 2004. They were planted and the fruits harvested by the local company and the small growers in 2005.

**B. OTHER PROJECTS ENDORSED BY THE SUB-GROUP ON BANANAS**

*Promotion of banana exports from Sudan and Ethiopia to the Middle East and Europe*

The CFC indicated that this proposal was probably not suitable as it stood, but that the CFC was prepared to hire consultants to help formulate pilot projects in these countries. The project should focus on organic bananas and not apply to conventional bananas in order to avoid the risk of increasing oversupply of conventional bananas in the international market. The project was reformulated accordingly. In January 2005 the Consultative Committee of the CFC gave its support in principle to the project but gave a detailed list of changes that needed to be made in the project document before it could recommend the project for financing. The CFC submitted a draft appraisal report to FAO in October 2005. The report is being reformulated to include FAO's suggestions.

**II. STRATEGY FOR IMPROVEMENT AND DEVELOPMENT OF BANANAS FOR THE COMMON FUND FOR COMMODITIES**

At its last session the Sub-Group discussed a possible strategy to increase the number of banana project proposals accepted by the CFC. Recent experience indicates that most of the projects submitted by the Sub-Group to the CFC have not been approved.

The representative of the CFC acknowledged that few banana projects have been approved. He suggested that project proposals submitted to the CFC are often too broad and unrealistic in terms of objectives and budget, and in most cases they are considered too research oriented or too ambitious. He recommended that project initiators focus the proposals on a single achievable objective with a realistic budget. Asked whether there was a positive list of criteria tailored to banana projects, he answered that while it was difficult to provide such list, the following recommendations could be put forward:

- a) the proposed projects should relate to technology and the introduction of innovative systems that enhance production in a way that helps small farmers and does not create excess supply
- b) the proposed projects should add value to commodities so as to open new markets

In most cases the CFC now tends to concentrate on poor farmers, which in turn tend to be relatively small farmers in terms of land holdings.

A delegation expressed its concern at possible CFC funding to projects that aim to expand banana exports when FAO statistics indicate that there is excess supply and requested the CFC to take this situation into account when it reviews project proposals. The CFC representative responded that the Fund is conscious of the need to avoid adding to the general surplus of bananas entering international trade.