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COMMITTEE ON COMMODITY PROBLEMS

INTERGOVERNMENTAL GROUP ON CITRUS FRUIT

Thirteenth Session

Havana, Cuba 20-23 May 2003

PROGRESS REPORT ON CITRUS PROJECTS SUBMITTED TO THE COMMON FUND FOR COMMODITIES

I. INTRODUCTION

1. As the recognized International Commodity Body (ICB) for citrus fruit, the Group has submitted several project proposals for financing to the Common Fund for Commodities (CFC). The project titled "New Approach for Diagnosis and Prevention of *Tristeza* Outbreaks" has twice been extended, allowing more effective dissemination of project outputs. A second project titled "In-Depth Development of Citrus Production" has now been formally inaugurated in China after some delays in organizing the loan components of the project. It is expected that the project titled "Integrated Pest Management for Citrus Production in Latin America and the Caribbean" will be signed in the near future.

II. PROJECT FIGCF/03 "NEW APPROACH FOR DIAGNOSIS AND PREVENTION OF *TRISTEZA* OUTBREAKS"

2. This project, being executed by the Centro de Citricultura in Faro, Portugal, has now been extended to enable more laboratory technicians to become familiar with the outputs of the project, which include a test kit for *tristeza*. From all indications the project has succeeded in its goal of producing an improved citrus *tristeza* test kit. Training sessions for technicians in Latin America were conducted in Cuba, and in Morocco for technicians from the Middle East and North Africa by the Universidade do Algarve. It is anticipated that more technicians can be trained under the project, as funds remain in the project account. Some further extension of the project to widen dissemination to citrus technicians is expected before the project is closed. The total cost of this project was US\$843 459, of which the CFC contributed a grant of US\$611 765. As part of the

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project a CD Rom was prepared covering the results. Copies of that CD Rom can be made available to interested delegates.

III. IN-DEPTH DEVELOPMENT OF CITRUS IN KAIXIAN COUNTY, CHONGQING CITY, CHINA

3. This project was endorsed at the Twelfth Session of the Group and approved by the Executive Board of the CFC in 1999. Significant delays were encountered in agreeing the loan arrangements, partially due to a change in the guarantor in China. It had originally been anticipated that Kaixian County would guarantee the loan, but Chinese authorities later decided that the Municipality of Chongqing should be the guarantor. This change required redrafting of the project document, further delaying implementation. The final project document was signed in June 2002. However, the Project Executing Agency was able to begin preliminary work based on local resources, thus moving the project forward somewhat. Formal inauguration of the project is to take place between March and May 2003. The total cost of the project is US\$2 777 996, of which the CFC grant contribution is US\$697 959 and the loan contribution is US\$502 004. Project outputs are also to be disseminated in Indonesia.

IV. PROJECT PROPOSAL BY IACNET, "INTEGRATED PEST MANAGEMENT FOR CITRUS PRODUCTION IN LATIN AMERICA AND THE CARIBBEAN"

4. This proposal, endorsed in principle by the Group at its Twelfth Session, was approved by the CFC Executive Board with FAO as Project Executing Agency (PEA). Unfortunately, due to differences between the CFC and FAO audit and procurement rules, the PEA had to be changed to the United Nations Operations Service (UNOPS). This change led to delays, which have been added to in the re-drafting of the project documents. Currently UNOPS and the CFC are attempting to find a mutually satisfactory draft so the project document can be finalized and submitted to FAO and UNOPS for signature. It is anticipated that the project documents will be signed in the very near future, permitting the grant component of the project to be enacted and the project initiated. Once the grant component is begun, negotiations on the loan portion of the project and drafting of the loan agreements can be expedited by the CFC directly with the authorities concerned in Mexico, Guatemala, Cuba and Trinidad and Tobago. The total cost of this project is US\$6 645 796, of which the CFC is contributing US\$1 542 690 as a grant and US\$1 721 720 as a loan.

V. NEW PROJECT PROPOSALS

5. Group members are urged to present draft project ideas at least 30 days before the next session of the Group, if possible. If project proposals are to be made during the Thirteenth Session of the Group those making the proposals must bring 120 copies of the proposals to the meeting as reproduction facilities in Cuba are very limited.

VI. THE ADOPTION OF OTHER VEGETABLES AND FRUITS BY THE GROUP FOR PURPOSES OF COMMON FUND PROJECT ACTIVITIES

6. The Common Fund for Commodities has received numerous requests from developing countries for projects for specific vegetables, fruits and nuts and for dates. To this point the Consultative Committee and Executive Board of the Fund could not consider these requests as there was no International Commodity Body to review and endorse them for submission to the Common Fund. In 1999 the FAO Sub-Group on Tropical Fruits of the Intergovernmental Group on Bananas and Tropical Fruits adopted a number of commodities for purposes of CFC projects,

in order to assist and facilitate the presentation and implementation of projects in what were known as “orphan commodities” in the CFC. These included cashew nuts, cut flowers, essential oils, medicinal herbs and spices.

7. The CFC has now requested that the Intergovernmental Group on Citrus Fruit adopt a number of “orphan commodities”, including some vegetables and some fruits for the purpose of Common Fund project evaluation, endorsement, submission and supervision. Any work on these commodities would be limited to CFC related needs, and would not detract from the normal analytic, economic, phytosanitary and market based studies on citrus fruits traditionally prepared for the Group.

8. The fruits and vegetables, listed below, have been identified as of importance by the CFC to developing countries. This list has been prepared by the CFC on the basis of requests received by the Fund from the member countries from time to time:

Vegetables

1. Asparagus
2. Aubergines
3. Baby corn
4. Black beans
5. Cabbages
6. Capsicum
7. Green beans
8. Green peppers/chillies
9. Green peas
10. Okra
11. Onions
12. Paprika
13. Tomatoes

Fruits (of interest to developing countries)

1. Apples
2. Apricots
3. Melons
4. Pears
5. Plums
6. Strawberries

Other

1. Almonds
2. Dates
3. Gum Arabic

9. If the Group agrees, these orphan commodities will be adopted by the Intergovernmental Group on Citrus Fruit only for purposes of project preparation, appraisal, evaluation, submission and supervision.

VII. CONCLUSIONS AND RECOMMENDATIONS

10. The Group has submitted far fewer project proposals than other ICBs. The Group may wish to consider submission of other citrus projects deemed necessary for a more effective development of the industry among developing countries eligible for CFC financing.

11. The Group may wish to encourage the CFC to accelerate its consideration of projects presented and to streamline the drafting of project documents to avoid the delays encountered in citrus projects previously submitted to the Fund.

12. It is recommended that the Group adopt the vegetable, fruit and other orphan commodities proposed by the CFC for CFC project related work.