



# **All ACP Agricultural Commodities Programme**

## ***SUPPORTING AGRICULTURE AT FIELD LEVEL***



**A Programme funded by  
the European Union**

## **All ACP Agricultural Commodities Programme**

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# PROGRAMME OUTLINE

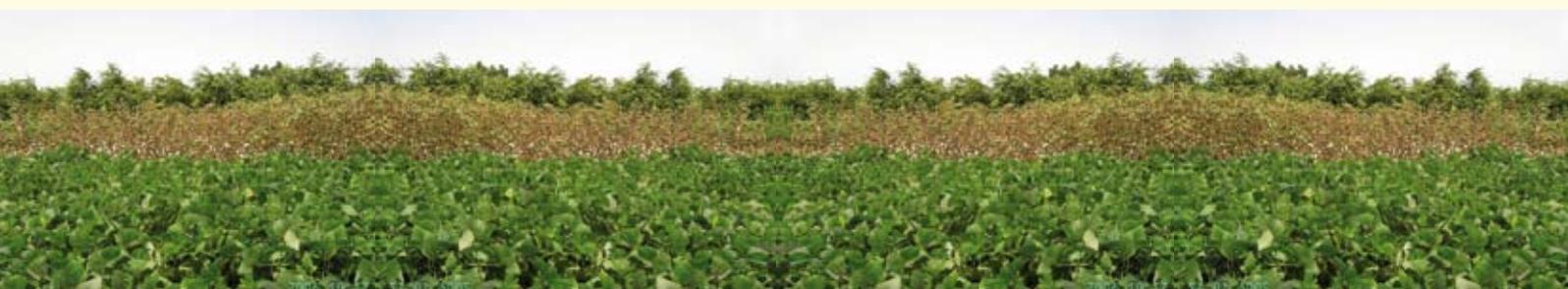
The « **All ACP Agricultural Commodities Programme** » (AAACP) funded by the European Union is operational since September 2007. It has its origins in the EU's action plan on agricultural commodities, dependence and the fight against poverty, as well as from the UE-Africa Partnership on cotton initiated in the context of the negotiations of WTO's Doha cycle and Cotonou's agreement.

**Objective :** the programme aims to improve incomes and livelihoods for ACP producers of traditional or other agricultural commodities, and to reduce income vulnerability at both producer and macro levels.

**Measures :** with this aim, the programme intends to improve the ability of the stakeholders of agricultural value chains to draw up and implement sustainable strategies for their products.

**Actions :** these involve targeted interventions at field level, following requests outlined during consultative regional workshops, and developed through the elaboration of work plans for each ACP region. Support interventions are in keeping with the national or regional strategies.

**Stakeholders :** these actions, financed or co-financed by the EU, are carried out in the field by the five international partner organizations of the programme : Common Fund for Commodities (CFC), Food and Agriculture Organization of the United Nations (FAO), International Trade Centre (ITC), United Nations Conference on Trade and Development (UNCTAD), and the World Bank (WB).





## **Building up interregional synergies**

### **Cotton in Eastern and Southern Africa**

#### ***A regional view***

The cotton programme in Eastern and Southern Africa has a strong regional focus. The Common Market of Eastern and Southern Africa (COMESA) started drawing up a regional strategy for the development of this sector. The programme supports this initiative in order to improve the organization's abilities in finalising and implementing that strategy.



#### **Common problems:**

During the programme's kick-off workshop in Dar Es Salaam in 2008, stakeholders noticed that cotton producers in Eastern Africa and Southern Africa encounter very similar problems on which the COMESA focuses. Thus, a common operational strategy is being developed for all the cotton-producing countries of Eastern and Southern Africa (ESA). The representatives of the profession are directly and closely involved in this process through the intervention of the African Cotton and Textiles Industries Federation (ACTIF). Those analyses and studies have already led in late 2008 to a COMESA-SADC-Tanzania-ACTIF workshop which contributed to the formulation of the regional strategy.



#### ***Close collaboration among International Organizations***

Synergies and opportunities for collaboration among the partner IOs quickly appeared and came true through multiple exchanges, such as through the holding of common working groups. Those opportunities have been strengthened by the programme's regional dimension which allows to capitalise on the experience accumulated in the different countries of the region.



### **FAO-ITC:**

In several countries of the region, the FAO leads projects meant to improve producer-buyer linkage (Uganda, Kenya, Zambia). It also supports the ITC, which is the lead agency for this cotton programme, in its work of global evaluation of the value chain and development of strategies.

### **UNCTAD-ITC:**

UNCTAD brings its know-how about financing, the information systems of commodities markets, and commodity exchanges in developing the regional cotton strategy.

### **WB-CFC-FAO-UNCTAD:**

In collaboration with FAO, the World Bank is developing a risk-management programme meant to address variation of prices. It will also undertake market studies and facilitate political dialogue on cotton-related issues. It is supported by UNCTAD, CFC and FAO in creating awareness and improving capacities in agricultural risks management. CFC is co-funding a major pan-African project on the commercial standardization of cotton testing. Under this project, a Regional Technical Centre is being set up in Tanzania to cover the ESA region.

## **Cotton : the lion's share**

Cotton holds a special place in the AAACP as it benefits from one third of the programme's global budget which amounts to € 45 million. The interventions undertaken are in line with the action plan of the "EU-Africa partnership on cotton".



The partnership and the action plan have both been approved in July 2004 during the « Forum de Paris ». The "Comité d'orientation et de suivi coton" (COS-coton), set up in 2004, was entrusted with the coordination and monitoring of the implementation of the action plan.

## Supporting sectoral strategies

### Fruits and Vegetables in Samoa

#### *Governmental priorities*

##### **Coordination committee:**

In Samoa, the formulation of a global strategy for the development of the fruits and vegetables sector is one of the government's highest priorities regarding agriculture. There are twin-objectives : enhance supplies to the local market and promote exports. This priority has been communicated at the programme's kick-off workshop for the Pacific region in February 2008. The workshop participants (farmers, NGO's, manufacturers, representatives from the department of Agriculture and Fishing) recommended it as an activity to be developed in the frame of the programme. A coordination committee bringing together all actors active in the value chain has been set up. On its side, the government decided to contribute financially to the programme alongside the EU. The final aim is to make the fruits and vegetables sector more attractive to produces buyers, but also to investors interested in the development of exports.



## ***Complementarities among the implementing agencies***

### **Forward and backward linkages:**

In Samoa , activities will benefit from the know-how and methods developed by ITC and FAO. These two organizations work together using complementary approaches.

In the context of the AAACP, ITC's interventions involve the value chain as a whole while the FAO works more specifically on organization and professionalization of farmers and their relations with buyers. Besides, in Samoa, the FAO has infrastructures (offices, logistics) and a local team which are made available for the joint activities with ITC. The two organizations share their resources, networks and know-how for enhanced efficiency and to maximize their impact on beneficiaries.

### **Concrete solutions:**

In practical terms, the stakeholders of the value chain identify the problems which they face and work on how to resolve them during workshops. Thus, following a request from the stakeholders of the fruits and vegetables value chain in Samoa, a preliminary assessment of financial problems in the value chain was prepared. This was then discussed during a joint ITC-FAO workshop held in March 2009 and bringing all actors together.

### **New producer-buyer linkages:**

A feasibility study has been completed by FAO during the first quarter of 2009 about possible new forms of relationships between producers and buyers, such as production's contracts. Additional funds from other programmes could allow the funding of pilot financial risks management tools in Samoa and other Pacific islands.

## Answering farmers' questions

### Diversification and new markets in Jamaica



#### ***Reorientation of the agricultural sector***

Since a few years, Jamaica has been diversifying its exports of agricultural products. Traditionally, sugar and bananas used to be the main exports. These two products, as coming from an ACP country, benefitted from privileged access to the European market. But the reform of the European banana, then sugar policies, by removing those advantages, caused a sudden decrease of export earnings. The government has undertaken to offset the shortfall for farmers by promoting other agricultural products from Jamaica and by trying to better exploit the significant market associated with the thriving tourism industry.

#### **Well-known products:**

Jamaican agricultural production is indeed very diversified and includes famous and sought products such as ackee, the Jamaican hot pepper, ginger which has an AOC, and many other spices. Processing is another opportunity with fruit juice packaging. The efforts made in that direction have begun to yield results, as export earnings from non-traditional produces are getting close to those of the sugar sector. But reaching for the international market and the one linked to the tourism industry requires improving the value chain as a whole in order to reach a level of professionalization which would meet the requirements of these two markets.



### **Active regional organizations:**

The AAACP contributes to this broad diversification enterprise. It has brought together three partner IOs : ITC, WB and FAO, as well as three Caribbean regional organizations : CARICOM (Caribbean Community), CARDI (Caribbean Agricultural Research and Development Institute) and IICA (Inter-American Institute for Cooperation on Agriculture).

The challenge is to answer local farmers' questions on how to position themselves successfully on the international and touristic markets. What products are in demand ? What standards have to be adhered to? What quality standards (grading, aspect, taste), what packaging and what labelling ?

### ***Diversified know-how***

Fulfilling such a demand requires a range of know-how in terms of expertise and of advice. It fully justifies the simultaneous intervention of those different organisations with complementary competencies. The presence of regional agricultural research organisations in the consortium ensures a transfer of that know-how and its diffusion in the countries of the region.

### **Complementarity and synergies:**

In the programme planned following consultations with farmers, the FAO is tasked with promoting the professionalization of farmers and their grouping for the marketing of their products to wholesalers or to processors. This includes aspects as varied as the use of fertilizers and pesticides in accordance with international health standards, the organization of bulking of products or the negotiation of selling prices for what has been produced. The ITC works more downstream on the strictly commercial part : complying with standards, grading, packing and labelling, market researches. The World Bank is called upon to bring its know-how in terms of climatic risk management in a region known for its frequent cataclysmic hurricanes.



## Conclusion

The « All ACP Agricultural Commodities Programme » is an innovative response to the problems facing ACP agricultural producers. It harnesses the expertise and experience of five major international organizations in seeking to address the challenges besetting ACP farmers and other agricultural stakeholders. As such, it is also an experiment in the implementation of the *Paris Declaration on Aid Effectiveness*.

Thus, stakeholder participation and alignment on national/regional strategies have underpinned the regional consultations that took place in the early phase of the programme and the elaboration of support activities.

In reaching its cruising speed, the AAACP will continue to strive for co-ordination of implementing agencies and full participation of ACP partners.

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« Samoan farmer »



