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COMMITTEE ON FISHERIES

SUB-COMMITTEE ON FISH TRADE

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DESCRIPTION OF PROJECTS SUPPORTED BY THE COMMON FUND FOR COMMODITIES (CFC)

INTRODUCTION

1. The Agreement establishing the Common Fund for Commodities (CFC) was negotiated in the United Nations Conference on Trade and Development (UNCTAD) and came into force in 1989. Currently¹ the CFC has 106 Member Countries plus the European Community (EC), the African Union (AU) and the Common Market for Eastern and Southern Africa (COMESA). The CFC is an intergovernmental financial institution.
2. The CFC's mandate is to enhance the socio-economic development of commodity producers and contribute to the development of society as a whole. In line with its market-oriented approach, the CFC concentrates on commodity development projects financed from its resources. Many Developing and Least Developed Countries are heavily dependent on commodities which form the backbone of their economies and account for the bulk of their export earnings. The CFC deals with a core aspect of development in many regions of the world.
3. Through cooperation with other development institutions, the private sector and civil society, the CFC endeavours to achieve overall efficiency and promote commodity development. The CFC operates under the approach of commodity focus instead of the traditional country focus. The unique commodity orientation of the CFC has the advantage of seeking generic solutions to commodity problems, thus benefiting many commodity-producing countries. This paper describes all the fisheries related projects that have been financed by the CFC.

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4. Fisheries projects financed by the CFC focus on market access for developing countries, market information on selected fisheries' products, training in quality management, value-added product development and cost benefit analysis for the participating companies. The projects generally have a pilot project character, and results of the projects are circulated through regional dissemination seminars, articles in the FISH INFONetwork magazines and national workshops on the main findings of the project. Project specific publications on market analysis and product development are available through the project executing agencies. A typical CFC fisheries project includes the following components: market analysis, product development, safety and quality improvement, and dissemination of results. Following their completion CFC projects undergo an evaluation.

PROJECTS COMPLETED

INFOPECHE: DEVELOPMENT AND PROMOTION OF VALUE-ADDED FISHERY PRODUCTS - GAMBIA

5. The objectives of the project were to organize the pilot production of value-added fishery products relying on transfer of appropriate processing technology and know-how; to develop market opportunities, including an assessment of trends in European markets and conducting market trials; and to assess the longer-term investment needs for expansion of fish processing in the region.

6. The project comprised the following components:

- a) pilot production of high value fishery products and introduction of quality management standards;
- b) identifying market opportunities and conducting market trials for the new products;
- c) carrying out techno-economic feasibility studies and assessment of longer-term investment needs and investment promotion; and
- d) project monitoring, supervision and evaluation.

7. **Project duration: May 1995 - Dec 1998; total project cost: US\$ 368 550**

Project activities have been completed. A completion report has been submitted and accepted by the Fund. The project has been instrumental in opening up markets for Gambian fisheries products in the EU market, in particular for value-added demersal products.

INFOFISH: EXPORT PROMOTION OF VALUE-ADDED FISHERY PRODUCTS AND THEIR SUSTAINABLE DEVELOPMENT - BANGLADESH

8. The objectives of the project were to demonstrate the technical and financial feasibility of production of value-added fishery products through pilot production using appropriate processing technology and know-how; to develop market opportunities, including assessment of trends in the major markets in Europe, Japan and the United States of America and to conduct market trials; to improve the quality and sustainability of commercial fish processing; to study the feasibility and promotion of value-added shrimp products, and to assess the longer term needs and promote private sector investment for expansion of fish processing in the region.

9. The project consisted of the following components:

- a) promotion of exports of value-added fishery products, particularly shrimps from Bangladesh;
- b) adaptation and transfer of appropriate technologies for the processing of selected value-added fishery products;

- c) promotion of private investment in ventures for the processing and marketing of value-added products; and
- d) Project management, supervision, and technology and information dissemination.

10. Project duration: Oct 1996 - Dec 1999; total project cost: US\$ 609 000

A completion report has been submitted and accepted by the CFC. The CFC undertook an evaluation mission in May 2000 and an ex-post evaluation in June 2002; and found the project very successful. After the completion of this project, the Bangladeshi shrimp industry ventured into many forms of value-addition, which now constitutes a substantial part of exchange earnings coming from shrimp.

INFOPECA: REHABILITATION AND DEVELOPMENT OF THE SEAFOOD PROCESSING INDUSTRY IN RIO GRANDE AND MAR DEL PLATA

11. The project was oriented towards the rehabilitation and development of the traditional industrial seafood sectors located in Rio Grande (South Brazil) and in Mar del Plata (North Eastern Argentina). In both locations the seafood sector faced rapid changes due to regional development and had limited market awareness of the opportunities created by the development of MERCOSUR. A lack of technical knowledge and expertise prevented the development of new products adapted to market expectations.

12. The main objectives of the project were to contribute to the development of Latin American regional emerging seafood markets; provide technical assistance for the development of products with high quality standards making such products competitive on the international as well as the regional markets; and give assistance to enterprises in the two important industrial fishery ports mentioned above to prepare investment programmes for upgrading their plants. The Project comprised the following components:

- a) development of value-added products;
- b) assistance in the implementation of quality control systems;
- c) assistance in the preparation of investment programmes for the participating companies;
- d) project coordination, supervision and monitoring.

13. Project duration: Mar 1999 - Nov 2001; total project cost: US\$ 960 553

The project elaborated a range of value added products; however, the economic crisis in Argentina prevented any substantial adoption of this product range by the companies, which under these circumstances could not sustain the necessary investments in their production lines in order to produce value-added products.

ONGOING PROJECTS

INFOSAMAK: TECHNICAL INFORMATION SERVICES FOR SMALLHOLDER FISHERIES AND PROMOTION OF INTER-REGIONAL TRADE - MOROCCO, MAURITANIA, TUNISIA AND YEMEN

14. The objective of the project is to improve fishery sector productivity and expand access to markets. In doing so, the project will introduce measures for quality enhancement and certification, develop a production and marketing strategy for selected value-added products, assess investment needs and private sector investment, and strengthen the capacities of INFOSAMAK and national institutions involved in quality management and certification.

15. The project comprises the following components:

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- a) identification of markets for value-added fishery products, assessment of market requirements and opportunities in intra-regional and inter-regional markets, and market promotion;
 - b) quality improvements and certification;
 - c) assessment of investment needs for fish processing, inter-regional fish trade development, and for smallholder fish production including aquaculture development;
 - d) strengthening the capacity of INFOSAMAK; and
 - e) project supervision, monitoring and evaluation.

16. Project duration Jun 2002-Jun 2006; total project cost: US\$ 1 233 000

The project has been very successful in bringing together all the main players from the region. Intra-regional trade among Arab countries has increased, especially for raw material traded from Yemen, Mauritania and Oman to Morocco and Tunisia, as a result of the contacts and collaboration established by this project. All participating companies reported a more than 10% increase in their revenue during the project period. The only outstanding activity is the final project dissemination seminar.

COMESA AND LAKE VICTORIA FISHERIES ORGANIZATION: PRODUCTION AND MARKETING OF VALUE-ADDED FISHERY PRODUCTS IN EASTERN AND SOUTHERN AFRICA

17. The project aims at developing and promoting production of improved processed and value-added products from inland waters (Nile perch and dagaa). Pilot production is carried out in Kenya, Tanzania and Uganda. Activities involve the promotion or improvement of existing small-scale cottage enterprises, many of which are run by women, and a restructuring of industrial processing companies, taking into account market demand.

18. In order to ensure economic and financial viability of these initiatives, the project also designs and implements, on a pilot scale, specific supporting investment and credit programmes in close co-operation with national and sub-regional financial institutions to ensure sustainable production of value added products and expansion of such activities after project completion.

19. Project duration: Jun 2002-Dec 2006; total project cost: US\$ 544 005

The project implementation was delayed due to various administrative problems. However, the project resumed in March 2006, and is expected to help in achieve better market access for Nile perch products to European and other markets and better utilization of dagaa fish for human consumption.

INFOFISH: PROMOTION OF PROCESSING AND MARKETING OF VALUE-ADDED TUNA PRODUCTS FROM ISLAND COUNTRIES IN THE ASIA-PACIFIC - MALDIVES, PAPUA NEW GUINEA

20. The main objectives of the project are the promotion of export processing and domestic marketing of value-added tuna products from island countries in the Asia-Pacific region. The project comprises the following components:

- a) promotion of marketing and export of value-added tuna products from Papua New Guinea and Maldives;
- b) adaptation and transfer of appropriate technologies for processing and presentation of selected value-added tuna products;
- c) promotion and investment in ventures for processing and marketing of value-added products; and

- d) dissemination of technology and information.

21. **Project duration: Mar 2003-Sep 2006; total project cost: US\$ 1 100 000**

The project resulted in significant increase of tuna exports, especially from Papua New Guinea. Companies from this country participated under this project in the Brussels Seafood Exhibition 2005, and returned with US\$17 millions of new orders. The findings of the project were disseminated in national workshops in Sri Lanka, India and Pakistan.

INFOPECSA: DEVELOPMENT OF PROCESSING AND MARKETING OF TILAPIA PRODUCED IN BIG LATIN AMERICAN RIVER BASINS

22. The main objectives of the project are to contribute to the development of emerging Latin American fresh water aquaculture production. The project comprises the following components:

- a) provide market information;
- b) develop value added products from tilapia;
- c) train producers in quality management;
- d) development of seals of origin;
- e) help producers to access credit; and
- f) disseminate the results of the project.

23. **Project duration: Mar 2003 – Jun 2006; total project cost: US\$ 1 477 560**

Small-scale and displaced fish farmers in Brazil took full advantage of this project, and new market opportunities, both inside Brazil and in export markets, were realized through this project. The project activities in Venezuela have been hindered by several obstacles, and consequently the project performance is behind schedule.

APPROVED PROJECTS

INFOPECHE: FISHERIES IMPROVEMENT IN MAURITANIA AND GUINEA

24. The main objectives of the project are:

- a) To organize pilot production of value-added fishery products relying on transfer of appropriate processing technology and know how;
- b) to develop market opportunities, including an assessment of trends in European fish markets and conducting marketing trials; and
- c) to assess the longer-term investment needs for expansion of fish processing in the region.

25. **Project duration: 36 months; total project cost: US\$ 1 117 800**

Planned to start in late 2006.

INFOPECSA: IMPROVING MARKETING EFFICIENCY OF ARTISANAL FISHERMEN IN CENTRAL AMERICA AND SOUTHERN MEXICO

26. The main objectives of the project are:

- a) Training of artisanal fishermen and women in fish handling, fish processing, fish marketing and quality management;
- b) Promote pilot production using various processing and packaging equipment;
- c) Promotion of value-added products;

- d) Assistance in assessing credits;
- e) Disseminate the results of the project.

27. **Project duration: 36 months; total project cost: US\$ 1 621 310**
Planned to start in March 2006

***INFOFISH: IMPROVED MARKET ACCESS FOR ORGANIC/AQUACULTURE
PRODUCTS FROM ASIA***

28. The project will be proactive in facilitating greater market access for organic products and other aquaculture products from promoting improved farming/processing practices to assure their safety and sustainability. The project location is Thailand, Malaysia and Myanmar.

29. **Project duration: 36 months; total project cost: US\$ 1 582 000**
Planned to start in August 2006

SUBMITTED PROJECTS

***INFOSA: IMPROVING MARKETING EFFICIENCY OF THE SMALL-SCALE
FISHERIES SECTOR IN MOZAMBIQUE AND ANGOLA***

30. The project will help artisanal fishermen in Mozambique and Angola in getting better returns from their production through market research and product development. The project duration is envisaged to be three years and the total cost is estimated at US\$ 1 157 200. The project had not been approved at the time of writing this report (February 2006).

FAST TRACK PROJECTS

31. Three small, so-called fast track projects were financed by the CFC in the field of fisheries:

- Valorisation of Fishery Products in Mauritania and Guinea (Nouakchott, Mauritania, 3-5 March 2003, US\$ 40 000).
- Seminar on Improving Marketing Efficiency of Artisanal Fishermen in Central America and Southern Mexico, (Havana, Cuba, 21 November 2003, US\$ 40 000).
- Regional Consultation for the Identification of Technical Assistance Needs of Tsunami Affected Coastal Fishing Communities (Jakarta, Indonesia, 6-10 February 2006, US\$ 81 000).

SUMMARY OF PROJECT GRANT FUNDING BY SOURCES

Project Grant Funding in US\$

Project description and duration	Total	CFC	%	Co-financing ¹	%
Development and promotion of value-added fishery products – Gambia 32 months	368 550	261 450	71	107 100	29
Export promotion of value-added fishery products and their sustainable development – Bangladesh 36 months	609 000	357 000	59	252 000	41
Technical information services for smallholder fisheries and promotion of inter-regional trade – Morocco, Mauritania, Tunisia and Yemen 36 months	1 233 000	425 000	34	808 000	66
Rehabilitation and development of the seafood processing industry – Brazil and Argentina 24 months	960 553	649 250	68	311 300	32
Production and marketing of value-added fishery products in eastern and southern Africa 24 months	544 005	378 525	69	165 480	31
Promotion of processing and marketing of value-added tuna products from island countries in the Asia-Pacific – Maldives, Papua New Guinea 36 months	1 100 000	759 610	69	341 000	31
Development of processing and marketing of tilapia produced in big Latin American river basins – Brazil and Venezuela ² 24 months	1 477 560	875 160	59	602 400	41
Fisheries improvement in Mauritania and Guinea 36 months	1 117 800	621 300	58	496 500	42
Improving marketing efficiency of artisanal fishermen in central America and southern Mexico 36 months	1 621 310	1 020 160	60	601 150	40
Improved market access for organic/aquaculture products from Asia 36 months	1 582 000	1 015 607	61	566 393	39
Grand Total (US\$)	10 613 778	6 363 062	60	4 251 323	40