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### COMMITTEE ON COMMODITY PROBLEMS

# INTERGOVERNMENTAL GROUP ON CITRUS FRUIT

## **Fourteenth Session**

Rome, 27-28 March 2007

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

#### I. INTRODUCTION

As the recognized International Commodity Body (ICB) for citrus fruit, the Intergovernmental Group on Citrus Fruit, through its Secretariat, has been involved in three projects financed by the Common Fund for Commodities (CFC). The project titled "New Approach for Diagnosis and Prevention of Tristeza Outbreaks" was completed and closed in 2005. A second project titled "In-Depth Development of Citrus Production" located in China is currently being reviewed for possible premature termination due to irreparable damages caused by floods in the project area. The third project titled "Improving Production of Citrus Planting Material in the Caribbean Basin" is expected to hold its Inauguration Workshop in March 2007. In addition, one project proposal on gum arabic was submitted to the Consultative Committee of the CFC for its review.

#### II. PROJECTS COMPLETED

#### A. NEW APPROACH FOR DIAGNOSIS AND PREVENTION OF TRISTEZA **OUTBREAKS**

This project, executed by the Centro de Citricultura in Faro, Portugal, has now been completed following a second extension that used some of the remaining funds of the project account. The extension allowed for more effective dissemination of project outputs. In the period between the last Group meeting in May 2003 and project closure, 24 additional trainees from 19 different countries were trained by the Universidade do Algarve. In addition, a PDF document was produced from the Citrus Tristeza Virus (CTV) training component, and copies can be made

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available to interested delegates. The project succeeded in its goal of producing a useful citrus *tristeza* test kit and in training technicians from the Middle East, Africa and Latin America. Some of the trainees noted, however, that the technique may be difficult to apply in their countries due to the lack of the required equipment.

### III. ONGOING PROJECTS

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

3. This project aimed at developing a model for upgrading the citrus industry by introducing improved citrus breeds and product presentation. A pilot area was to be tested in China and the output disseminated to Indonesia and Bhutan. The project, endorsed at the Twelfth Session of the Group and approved by the Executive Board of the CFC in 1999, was initially subject to delays due to difficulties securing the loan component, required various redrafts, and was finally signed in June 2002. Although the Project Executing Agency (PEA) (Kaixian County Federation of Supply and Marketing Cooperatives) was able to begin preliminary work based on local resources, thus moving the project forward somewhat, the formal inauguration of the project scheduled to take place between March and May 2003 was cancelled. Subsequent damage by floods in the area targeted by the project in 2004 forced the suspension of activities. The severe environmental problems that followed the floods have forced the stakeholders to review it once more, and consider a possible closure ahead of schedule.

# B. IMPROVING PRODUCTION OF CITRUS PLANTING MATERIAL IN THE CARIBBEAN BASIN

4. The project was endorsed by the Group in 2003. Its objective is to help smallholders to improve the genetic potential of citrus trees in terms of higher productivity, disease/free characteristics and adaptation to market requirements. The improved crops will enhance farmers' diets and increase their income in the framework of a sustainable use of natural resources. The project consists of three components: investment in commercial nurseries, strengthening support services, and training and technical assistance. It includes Cuba, Guatemala, Mexico and Trinidad and Tobago. The Project Agreement was signed in April 2003, with the United Nations Office for Project Services (UNOPS) as the PEA and FAO as the Supervisory Body, but is not yet fully operational. Difficulties in securing loan components and the signature of Project Implementation Agreements (PIAs) between UNOPS and the participating countries led to delays. UNOPS has recently transferred the management of the project to its office in Guatemala, and is advancing on the signature of the PIAs. The total cost of this project, as agreed in April 2003, 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. The governments of the countries concerned, as well as the participating institutions including FAO, contribute the remaining US\$3 381 386 in kind and in cash.

### IV. PROPOSALS

# A. ASSISTING GUM ARABIC PRODUCERS THROUGH SUSTAINABLE IMPROVEMENT OF THEIR LIVELIHOODS

5. This project proposal, which nominates the World Agroforestry Centre (ICRAF) as PEA, has the objective of increasing and sustaining the income of gum arabic producers through improving product quality, defining product quality standards for certification, and adding value through improved harvest and post-harvest practices and primary processing methods. The proposed beneficiary countries are Chad, Kenya, Senegal and Sudan. The project would last for three years, with an estimated cost of US\$4 547 098 of which the amount sought from the Fund is US\$2 200 000. The Consultative Committee of the CFC reviewed the proposal and highlighted a series of issues that need to be addressed before it could be considered again for approval by the

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Executive Board. The Committee observed, *inter alia*, that the proposal was too wide in scope and that the financial size represented a considerable proportion of the annual value of this commodity traded in the world market. The Committee was of the opinion that the proposal in its present form may be more effective by pursuing co-financing arrangements with other donors within the gum arabic sector.

6. The Secretariat would like to urge Group members to present more project proposals, as the number of ongoing projects for citrus fruits is below average. They are reminded that these should be presented 30 days before the next session of the Group or earlier, if possible.