



European Development Fund



ACP Group of States

**ALL ACP
AGRICULTURAL COMMODITIES
PROGRAMME**

**REGIONAL CONSULTATIVE KICK-OFF
WORKSHOP**

CARRIBEAN REGION

Montego Bay, JAMAICA

01 to 03 APRIL 2008





AIDE MEMOIRE

1. BACKGROUND

Internationally traded agricultural commodities are crucial for the employment and income of millions of people in developing countries. They form a major source of revenue and foreign exchange for many developing countries states. However, commodity prices have followed a declining long-term trend, and for many commodities prices are very volatile. On the whole, ACP commodity sectors have difficulties in adapting to increasingly harsh international competition and changes in the international market environment. At the national level, deregulation is often still in the process of being implemented while state extension and other support services have been reduced without being adequately replaced by the private sector. Countries, sectors and individual producers often lack effective strategies; sectors are insufficiently organised; and regulatory frameworks are not adequately developed and implemented, to counter the situation. Markets at national and regional level often function poorly, with insufficient information with regards, inter alia, to evolution of prices, regulations and standards, and inadequate access to finance and risk management instruments.

Past experiences and the challenges facing Commodity-Dependent Developing Countries (CDDC) today indicate that future support to commodity producers need to be more comprehensive, based on an analysis of the full supply chain, and more integrated into broader national and regional efforts for agriculture and rural development. Strategic approaches, in turn, must be more focussed on stakeholder participation and consensus-building from the outset. Support should duly consider national, regional and international market developments and should support the capacity of the sectors to continuously adjust to these. The issue of producer vulnerability must remain in focus, and tools and approaches to reduce it need to be developed and made accessible. Furthermore, additional efforts are needed to improve national and regional market functioning for both traditional commodities and diversification products. There is a need to seek innovative solutions to some key challenges facing CDDC producers, such as those relating to risk management, finance, and information, and there is scope for improving the sharing of experiences on such solutions among CDDC.

2. THE « ALL ACP AGRICULTURAL COMMODITIES PROGRAMME »

Launched in September 2007, the EU-funded “**All ACP Agricultural Commodities Programme**” (www.euacpcommodities.eu) seeks to be such a comprehensive programme offering innovative approaches to ACP CDDC. The programme has its roots in the *EU Action Plan on Agricultural Commodities, Dependence and Poverty (COM (2004) 89)*, the *EU-Africa Partnership for Cotton Sector Development (COM (2004) 87)* and various ACP initiatives related to agricultural commodities during the Cotonou and Doha negotiations. As such, it recognises fully the link between the production and sale of commodities and poverty reduction.

The overall objective of this EU-funded programme is to improve incomes and livelihoods for ACP producers of traditional and other agricultural commodities, and to reduce income vulnerability at both producer and macro levels. It is motivated by the shared political will to address poverty and to further the Millennium Development Goals (MDGs) in ACP states, with special focus on commodity-dependent countries. The specific objective is to build the capacity of stakeholders all along the commodity value chain to conceive and implement sustainable commodity strategies. These will characteristically enhance farmers' productivity and competitiveness, increase returns to labour, reduce income fluctuations, open up new market opportunities, including through diversification, and facilitate recourse to market-based risk management instruments.



The Programme is expected to achieve four concrete results:

- Commodity Chain Stakeholders in ACP countries/regions have the capacity to develop, adapt and implement effective and sustainable commodity strategies
- Strategic priorities are effectively implemented and access to as well as use of markets, production factors and support services are improved
- Market-based risk management instruments are developed and their use increased
- Effective use is made of the expertise, complementarities and synergies of programme partners in the area of agricultural commodities to the benefit of stakeholders.

While all ACP countries are eligible to programme support, priority beneficiaries are defined as countries that are “**highly dependent on a small number of agricultural products (...) and whose dependence affects a large number of poor people**”. Moreover, sectors already covered by other dedicated EU-funded programmes (e.g. sugar, banana, forestry) are not eligible to Programme support. The programme draws on the experience and expertise of a number of major organisations which are already working actively on various aspects of the “commodity problem”. These partner international organisations (IOs), tasked with implementing Programme activities, are:

- The **Common Fund for Commodities** (CFC) - www.common-fund.org
- The **Food and Agriculture Organisation** (FAO) - www.fao.org
- The **International Trade Centre** (ITC) - www.intracen.org
- The **United Nations Conference on Trade and Development** (UNCTAD) - www.unctad.org
- The **World Bank** (WB) - www.worldbank.org

The Caribbean Kick-Off Workshop (KOW) is part of the regional consultations being held throughout the ACP under the “**All ACP Agricultural Commodities Programme**” to define, *in a participatory manner*, the priority needs of ACP countries that can be addressed by partner international organisations under the Programme mandate. The conclusions and recommendations of these consultations will guide partner IOs and the **Programme Coordination Unit** (CU, vide www.euacpcommodities.eu) in formulating work plans which, when endorsed by the Programme Steering Committee, will give partner international organisations the authority to implement activities identified jointly with the beneficiaries.

3. OBJECTIVES OF THE WORKSHOP

Involvement of national and regional stakeholders is acknowledged as a condition for promoting stakeholder ownership of programmes and projects to ensure their successful implementation. A distinctive feature of the “**All ACP Agricultural Commodities Programme**” is its emphasis on stakeholder participation. It advocates a “*highly participatory approach...engaging all key stakeholders of a commodity chain... in diagnosing the sector, identifying and analyzing options and developing responses.*” The regional kick-off Workshop (KOW) constitute an important programme activity in providing an opportunity for enlisting the active participation of stakeholders from the region in identifying and analysing issues and developing appropriate responses.

The objectives of the regional kick off workshops generally can be summarized as follows:

- to present and promote Programme components
- to share information on the state of development of ACP commodity chains



- to initiate the constitution of national/regional ACP stakeholder teams, and
- to elicit inputs from stakeholders so as to define agricultural sector development priorities and guide the drafting of the Programme Work Plans in line with national and regional priorities, and taking into account other ongoing/planned development activities

Presenting Programme components: This is a basic requirement for active participation. The purpose, scope and expected results of the Programme, as well as its implementation and management mechanisms, will be clearly explained to stakeholders. The importance of the KOW as a forum for identification of priority needs and activities and of shaping work plans will be strongly underlined. Particular attention will be paid to the role and areas of responsibility of the various development partners involved, as well as those of the Programme Coordination Unit.

Sharing information on the ACP commodity chains: The information to be shared will draw essentially on the existing knowledge base of the different international organisations involved in the Programme and the baseline information screening (BIS) process initiated since the launch of the Programme. The BIS aims at providing informed guidance to workshop participants in the selection of priority beneficiaries of the Programme. The findings of the BIS process and preliminary overviews of the state of agriculture in the region will generally assist in facilitating discussions.

Setting up ACP stakeholder teams: The teams of stakeholders which are to be one of the outputs of the regional consultative process, would, through their composition, represent the various links in the commodity chains. The need for teams that cut horizontally across sectors, rather than regrouping representatives of the various links in the chain, can also be considered, as well as regional teams. Where such teams already exist, the Programme will work with the existing structures rather than duplicating them.

Inputs for the work plans: The programme has been designed in such a way that the ACP development partners have a say in defining programme activities, thereby guiding allocation of the financial resources entrusted to the partner international organisations by the EU. These crucial inputs of the ACP development partners are to result from the exchanges during the KOW. The KOWs are expected to identify activities which would be included in the IOs' work plans. Participation in the KOW will thus enable ACP stakeholders to shape the work plans of the implementation agencies (the five partner IOs) by providing inputs on their needs and priorities. These work plans will subsequently be endorsed by the Programme Steering Committee, and their implementation monitored by the Coordination Unit. **These regional consultative kick-off workshops constitute therefore an important forum for determining the agricultural and agri-business sector development priorities of the region and for identifying programme activities to match those needs.** . Consequently, it is important that there is active participation of a representative cross-section of ACP stakeholders in these consultations.

4. EXPECTED WORKSHOP OUTPUTS

The proposed workshop is a major activity of the “**All ACP Agricultural Commodities Programme**”. Its outputs are important milestones of programme implementation. They include:

- A clear understanding by stakeholders of the programme processes, its implementation mechanisms, services on offer, and programme scope.
- Meaningful inputs from workshop participants to guide drafting of the work plans of the implementation agencies – i.e. the five partner international organizations
- The setting up of national/regional stakeholder teams to interact with the Coordination Unit and the International Organisations in coordinating and



managing the progress of implementation of Programme activities, in synergy with other development activities as appropriate.

5. PARTICIPANTS

Reflecting the value chain approach, Programme documents define the ACP stakeholders as including “*individuals and organizations engaged in the production of agricultural commodities, their transformation and sale, transport, either local or for export, those providing services such as storage, financial services and shipping insurance, as well as policy makers and regulators...*”.

In line with the foregoing, it is expected that the consultative regional kick-off workshop will bring together:

- Professional and inter-professional organisations involved in agricultural commodities : production, transport, trade, storage, etc.;
- Representatives from key enterprises involved in agricultural value chains in the region;
- Government agencies and ministries involved in management, control and supervision of agricultural commodities (including definition of national and regional strategies, and implementation of activities related thereto);
- Financial institutions : banks, cooperatives, credit organisms ;
- Quality control and certification bodies;
- Research and development centres;
- Universities; and
- other Non State Actors

The Programme will fund the participation of a limited number of stakeholders from across the various priority agriculture-related sectors of the region. The cost of economy class tickets by the most direct route will be met by the Programme. Per diems will be paid to cover the cost of accommodation and allied expenses in Montego Bay, as well as the cost of visas. **Visas will be delivered on arrival.**

6. DETAILS OF WORKSHOP

Venue: Montego Bay, Jamaica

Dates: Tuesday 01 to Thursday 03 April, 2008

- a. **Day 1** : Interactive presentation of services proposed by partner International Organisations under the framework of the programme, taking into account needs expressed by participants;
- b. **Day 2**: Assessment of market opportunities, evaluation of value chain performance, identification of agricultural and agri-business sectors development priorities and matching of sectors requirements with programme support;
- c. **Day 3**: Planning and prioritisation of agricultural and agri-business sectors development activity needs.

A draft programme is annexed



7. BACKGROUND DOCUMENTS

Background documents on the workshop can be downloaded from the Programme website (www.euacpcommodities.eu) under "Events".

Organisations/individuals wishing to contribute to these documents can contact the Programme Coordination Unit.

8. CONTACT DETAILS

Additional information on the Caribbean and other regional consultative workshops can be obtained from the Coordination Unit by contacting

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