



## ALL ACP AGRICULTURAL COMMODITIES PROGRAMME

### CENTRAL AFRICA BRIEF

At the request of stakeholders, support to the Central Africa region focuses on three main sectors: cassava; coffee; and cotton. Overall, some 22 interventions are being funded under the AAACP for an aggregate amount of € 3.8M, of which about a third has been disbursed as at end of June 2010.

In the case of **cassava**, the starting point in Cameroon was an existing strategy which ITC helped to update. The attention now is on its implementation, with WB-SDN and FAO supporting processing and marketing respectively.

As for **coffee**, the programme has harnessed the competencies of its partner IOs to provide a whole range of assistance for the revitalisation of the sector. Support runs from facilitating strategy formulation to improving quality through new technologies and assisting in product and market development.

Support to the **cotton** sector is at the planning stage, although stakeholders have already taken part in study tours funded by the programme.

Other interventions have been or are being implemented in favour of Arabic gum in Chad, palm oil in Cameroon, and cereals in the region as a whole.

#### Cassava

The selection of cassava is explained by the fact that it is a major staple food in the entire Central Africa region. In Cameroon, which is the main producer of agriculture commodities in the region, roots & tubers account for about 70% of the cultivated land, and 46% of staple food produced. More than 90% of smallholders, mainly women, are involved in trading part of the family plots production. The AAACP has developed an integrated support package for the sector combining the complementary skills of partner International Organisations.

Former development programmes have focused on cultivation and primary processing. Their success has led to a glut in local markets. The updating of a sectoral strategy, formulated for Cameroon under JITAP in 2007, helped to focus stakeholders' minds on markets and product development at a quality level to ensure profitable sales and decent income for communities. The updating process was followed by the development of an implementation plan and the identification of priorities for action.

As part of strategy implementation, a scoping study coordinated by WB is currently underway to take stock of the cassava processing industries (cottage industry-type as well as semi industrial processing). In close cooperation with PNDRT, the study will make recommendations as to the choice of processing technologies to be subsequently piloted.

A survey by FAO of existing finance and credit access and risk management schemes is also underway with a view to upgrade them.

Support has also targeted appropriate policies to enhance value addition and improve livelihoods within staple food commodity chains more broadly.

Building on the success of the application of the Business Model approach for Oil Palm, FAO in collaboration with the International Institute of Tropical Agriculture (IITA) are strengthening the market and supply linkages





between seven cooperatives involved in cassava production and potential buyers. in the Southern and Eastern parts of Cameroon.

The results from existing and ongoing market appraisals, including a sub-regional study being carried out by the World Bank under the AAACP, are being used to guide cooperatives in the development of business model strategies that will reinforce or catalyze market linkages with agro-processors and industrial buyers of raw or semi-processed produce. Specifically business model activities, which are being implemented by local market facilitators, are firstly reviewing the governance structures of the cooperatives, as well as overseeing training in cassava-specific agribusiness management topics including marketing, financial, contract and logistics management as well as training in farm management and production practices to strengthen service provision to members.

In collaboration with FAO, ITC supports identification and evaluation of regional and international market opportunities. Joint ventures with major multi-national European importers and industrial users of cassava are currently being explored. FAO will also provide assistance in addressing major market obstacles, possibly through support to the development of a market information system for cassava and other roots and tuber crops.

## Coffee

Coffee production in Central Africa has suffered significantly from continuous decline in world prices; discouraged growers turned to other commodities instead. In Cameroon, which is the main coffee producing country in the region, production is one third of output in the late eighties.

Coffee prices are now improving. In response, the Government of Cameroon has called upon the AAACP to support the revival of the sector. The programme has developed an integrated package combining the complementary skills of partner International Organizations. Support began with the participatory formulation of a new strategy, aimed at increasing output and improving quality; modernizing and professionalizing internal marketing chains; and securing new markets through improved and competitive products.

The creation of a coffee exchange was seen as one of possible means to modernize and increase the transparency of coffee marketing. UNCTAD guided stakeholders in examining the prerequisites for establishing a commodity exchange and its potential benefits. A Road map will be delivered at the end of the activity. In parallel, it also contributed to the setting up of a Market Information hub hosted by National Cocoa and Coffee Board (NCCB).

In direct support of the conclusions of the strategy development work, WB-ARMT undertook a risk assessment of the coffee supply chain identifying the major shocks to the industry caused by changes in public policy and price volatility. Risk mitigation measures were proposed in a restitution workshop bringing together value-chain stakeholders in Douala.

To improve quality, the World Bank is investigating the feasibility of introducing new eco-pulping technologies which have been successfully tested in Kenya and Rwanda. These will be tested in small Central Washing Stations in four different coffee growing regions of Cameroon. The AAACP will co-finance a comprehensive package of services which will ensure that (i) coffee pulping equipments are properly installed in the selected coffee cooperatives and (ii) farmer organizations receive proper training in crop husbandry practices to help them deliver quality coffee cherries. Equipment is being funded by the “*Programme d’Appui à la Compétitivité Agricole – PACA*”, a WB value chain programme in Cameroun, thus illustrating the leveraging potential of the AAACP.





ITC complements the foregoing support by focusing on capacity building in export and market development, and guiding local actors on building linkages with regional and international trade fairs and associations. Thus, key sector stakeholders have been introduced to buyers, investors and quality inspectors.

To ensure that the benefits of this model approach - characterized by collaboration among and complementarity of partner implementation agencies - are disseminated beyond Cameroon, a dissemination event will be organized. It will seek to share lessons learned and experiences gained with other countries of the region and abroad.

## Cotton

Cotton has been confirmed as a strategic activity in Central Africa during the Mid Term Review workshop organized in May 2009. As in the case of West Africa, actions proposed to support this sector fall within the framework of the EU-Africa Partnership on Cotton which was agreed upon during the Paris forum in 2004, and the ensuing Action Framework resulting.

Interventions in support of the cotton sector in Central Africa will be centred around the definition and implementation of strategies. The approach is to focus on assisting ECCAS/CEEAC in defining a strategy on how it can support the development of the sector across the region.

