Common Fund for Commodities and bamboo value chains



Short brief by Guy Sneyers Chief Operations Officer, CFC, World Bamboo Congress, April 2012

- Young autonomous intergovernmental financial institution, agreement came into force in 1989 and projects started in 1991. Total budget of all projects exceeds 500 million USD
- The CFC carries out:
 - identification, screening, formulation, appraisal, and
 - identification of co-financiers (public or private sector partners of all its projects
- First CFC bamboo project was approved in 2001. INBAR is in charge of the technical supervision of all CFC funded bamboo projects. Total CFC contribution for all CFC bamboo and rattan projects exceeds 8.4 million USD

Common Fund for Commodities and bamboo, a brief history

- Both CFC and INBAR aim to improve socio-economic development of commodity producers.
- Aim is to alleviate poverty through development of commodities in countries particularly in those which are highly dependent on export of a limited number of commodities
- Bamboo is one of the 40 CFC commodities (including rice, dairy, grains, tuber crops, horticultural crops, fishery, coffee, timber, rubber, cotton and base metals such as zinc, copper etc.) with pilot projects in Asia, Africa and Latin America cutting across national boundaries.
- Current priorities:LDCs, poorer strata of the population, public/private partnerships and interventions at the weakest link of the value/supply commodity chains

Mandate / Commodity Focus

- CFC is heavily involved in rice programmes in LAC and Africa. The introduction of innovative agronomic practices of irrigated rice cultivation led to immediate increase of average rice yields by two tons/ha in the major rice growing areas of Brazil/ Venezuela.
- This technology package is now introduced via private sector rice producer associations in all other major rice producing countries in Africa and Latin and Central America
- The lessons learned from these rice programmes can also be applied to some extent to bamboo particularly for the commercially used bamboo species in countries where bamboo applications are not well known

A solution for individual cases: productivity boosts

- Sorghum production in West Africa is a subsistence farming activity involving small farmers who produce for their own domestic needs. They have no access to commercial markets
- CFC linked these small farmers with large breweries who used special varieties of sorghum to substitute imported materials. The beverage industry started to duplicate activities to other African countries thus benefitting both the industry and the small farmers
- In the bamboo sector China's Zhejiang province can easily stand as a model of how small farmers can transform into industrial entrepreneurs, how they can add commercial value to bamboo grown in the area and generally move upwards in the VC by increasing income of the counties/communities concerned

When market access is the problem

- A CFC sisal project in Tanzania has increased profit-ability of the sector through improved, highly efficient fibre extraction technologies coupled with the use of the waste (95% of the total produce) for commercially viable biogas production to participate in the rural electrification programmes and to produce bio-fertilizers
- CFC bamboo projects worldwide have contributed to environmentally sustainable energy (charcoal) production and production of other value added projects including flooring, construction materials, particle board, bamboo shoots, textiles, water purification, paper and handicrafts
- Now I will describe a few CFC/INBAR projects. Chinese top technology is provided by the International Centre for Bamboo and Rattan

Horizontal diversification in sisal... and in bamboo

- A first project sought to identify & develop bamboo & rattan resources in Bangladesh, Myanmar and Nepal to promote the sector as a catalyst for economic growth
- The second project improved the technological know how in the traditional bamboo sector of Ethiopia and Kenya and facilitated development of new products
- In Ghana and Togo an inventory of the rattan resources made countries aware of the higher added value
- Production to consumption value chain movements for bamboo in Cameroon, Nigeria and Sierra Leone were studied and led to actionable recommendations for market driven interventions in the bamboo sector

CFC/INBAR projects for mapping bamboo/rattan resources and move up in the VC

- A recently completed project promoting bamboo shoot production and processing in Bangladesh and Sri Lanka initiated development of new food products in both countries and resulted in access to international markets
- An ongoing programme on development and use of bamboo charcoal for rural energy and water purification recently started in Ghana with EU and CFC support. As a result of this joint programme, bamboo charcoal production and marketing is becoming a very important source of income of the population in the targeted area of Ghana and will also help to increase the availability of clean water and sustainable energy for the population

CFC/INBAR projects for finding new value added bamboo/rattan products and moving up in the VC

- In Nepal and Ethiopia a CFC project on the production and assembly of pre-fabricated bamboo housing panels based on existing Chinese technology was initiated.
- In Sichuan Province (China) the same technology was used for demonstrating the use of prefabricated bamboo houses for the victims of the 2008 earthquake
- In Bhutan the Government adopted a very proactive policy to maintain a minimum coverage of forests. Since timber is the commonly used construction material, Bamboo offers a good alternative at least in the southern parts of the country which has bamboo resources. This construction method is being demonstrated via a CFC/INBAR project

CFC/INBAR housebuilding projects and their VC potential





• In Ecuador and Peru the CFC is supporting a project that aims to develop new value chains including prefab flood resistant housing made out of bamboo for the coastal regions, which due to climate change are more and more prone to storms and floods. The second objective is to promote the role of bamboo forests and plantations for both commodity production as well as to provide ecosystem services such as protection against soil erosion and carbon sequestration.

Mitagation of climate change by construction of flood resistant bamboo houses

THANK YOU

Common Fund for Commodities

For further details please consult www.common-fund.org