

Common Fund for Commodities Cotton Projects



M. Rafiq Chaudhry
Technical Information section

International Cotton Advisory Committee

Common Fund Projects

CFC
ICAC as ICB

July 1989
October 1990

International Commodity Body



ICAC can sponsor projects for funding from CFC

ICAC as International Commodity Body

ICAC established criteria and procedures for CFC projects
May 1991
December 1992

ICAC established priority ranking
December 1992
March 1993
February 1994

Review of Projects by ICAC

Projects are reviewed by the ICAC Secretariat



Technically feasible
International in scope
Proper format

Project Preparation Help

Help from CFC

1. Project Preparation Manual from CFC is available at
<http://www.common-fund.org/?pag=19>

2. Project Preparation Unit at CFC

Help from ICAC

1. Project Profile Format

2. Sample Project

Approval by ICAC

- ICAC Secretariat submits the projects to the SC (2 months) and defends them with the SC for sending to CFC
- Approval is granted by the Standing Committee

• Fast Track projects have been sent directly to CFC but we brief the Standing Committee after approval

Approval by CFC

- International review by CFC Secretariat
- Consideration of the Consultative Committee of (Meets in January and July each year)
- Approval by the Executive Board of CFC
- Project Agreement (Among CFC, ICAC and the Country)

Cost of CFC/ICAC Projects

Total projects = 22	
Regular = 12	
Fast track = 10	
Total cost	= US\$70 million
CFC grant	= US\$25 million (36%)
Counterpart contribution	= US\$20 million (29%)
Co-financing	= US\$16 million (23%)
Loan	= US\$6 million (8%)

Current Projects

Production efficiency	- Kenya and Mozambique
Contamination free cotton	- Burkina Faso, Cote d'Ivoire & Mali
Cotton by product	- India
PROCOTTON	- Expected in July 2010

Benefits of CFC/ICAC Projects

1. Additional source of funding from CFC
2. Additional funding from local resources
3. Collaborative approach to common problems
4. Enhanced international collaboration
5. Helped strengthen ICAC's role and relationship with its member countries

Concerns and Problems

1. Project approval process - Lengthy
2. CFC-ICAC membership - Non-members
3. Technical issues - Limitations from CFC
4. Project preparation - Lack of initiative

Lessons Learnt

1. Lack of new ideas
2. Lack of abilities to develop a project proposal
3. Need a strong Project Executing Agency
4. Projects must originate from countries
5. Good accounting for project funds

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Cotton Projects**



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