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Integrated Programme for Commodities

Third Preparatory Meeting on Vegetable Oils and Oilseeds

Geneva, 8 October 1979

Item 2(a) of the provisional agenda

CONSIDERATION OF OUTSTANDING ISSUES ON VEGETABLE OILS  
AND OILSEEDS: RESEARCH AND DEVELOPMENT

Further work on research and development

Note by the UNCTAD secretariat

1. It will be recalled that a report entitled "Role of research and development and improved market intelligence in improving the competitive position of developing countries" (TD/B/IPC/OILS/7), prepared by the FAO secretariat in consultation with the UNCTAD secretariat, was submitted to the Second Preparatory Meeting on Vegetable Oils and Oilseeds (13-17 February 1978). However, the late distribution of the document precluded its being examined at that meeting and hampered discussion of the subject in general.
2. The report reviewed briefly a number of research and development activities concerning oilseeds and oilseed products, identified shortcomings in current activities and emphasized the importance of actual or potential international involvement in such activities. It pointed to the need for close co-ordination between research activities of a scientific and technological character relating to production, through post-harvesting and storage, processing and by-product utilization, and those of a marketing character.
3. The general conclusions on research and development can be summarized as follows:
  - (a) As regards production, there is need for: much more research of a basic nature as well as for much more adaptive research, in order to make findings of global and regional interest, suited to local conditions and technologies; increased numbers of skilled technicians and field equipment; improved functioning of quarantine regulations; dissemination of research results; the application of research results at the field level through the development of suitable outreach programmes, for example to provide certified seeds from improved varieties; and the use of co-operative research networks to multiply research efforts.

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- (b) As regards processing, the need is to identify, assess and develop appropriate technologies to suit the conditions of developing countries. The direction of research should be to develop: small-to-medium-scale oilseed crushing units to satisfy the requirements of local communities in developing countries; post-harvest technologies, to reduce aflatoxin, especially for groundnuts and copra, which directly endanger human health and also indirectly endanger through products fed to animals; new edible protein products based on oilseed meals or composite flours made with cereals; and technologies for the better use of by-products, especially rice flour, which is still largely wasted in many countries but has a potential to provide sizeable quantities of oil. Intensified research in these areas requires strengthening the institutional infrastructure of developing countries, especially by training manpower and increasing the numbers and competence of research personnel, and establishing pilot and proto-type plants to prove the commercial feasibility of processes.
- (c) As regards end-uses research, the requirement is to initiate research which furthers the interest of developing countries by paying greater attention to the needs of markets in developing countries, which are of increasing importance not only for oil (in both edible and inedible uses) but also for edible oilseed protein.
- (d) Although a considerable amount of technical research and development work is being carried out on oilseeds of interest to developing countries, the total resources available have been small and the lack of funds has hampered progress in research. If the research needs are to be met, funds would need to be greatly increased.
- (e) There is a need for closer integration between scientific, technological and development work and that which is market-oriented; inter-action between the two is necessary to obtain maximum benefits.

4. Attention is also drawn to paragraph 3 of the report of the Second Preparatory Meeting (TD/B/IPC/OILS/8), which states that: "As possible guidance for further deliberations on the role of research and development it was suggested that, as a major factor for market expansion in the medium and long-term, end-use research could have an important stabilizing effect and thus should not be neglected. It was equally important, however, to promote production research since competitiveness was bound to remain an essential condition for a proper balance between supply and demand. Further work on the subject would have to take into account on-going activities and, most specially, the fact that government and industry had in this case different although mutually supporting roles. In all this, consideration should be given to the scope for international co-operation in research and development activity and also the extent to which advantage can be taken of research and development carried out by private sector".

5. At the Third Preparatory Meeting Governments may wish to consider the development of an internationally co-ordinated programme of research for oilseeds and oils, with priorities chosen in the light of the specific requirements of developing countries. In that case there would be a need to identify a set of criteria for project formulation and to provide guidelines on priorities. In this context attention is drawn to the criteria adopted for sisal and henequen and for coir. 1/ The next stage would be the identification and costing of a package of projects. These could be examined by a panel of experts and their recommendations considered by Governments of producing and consuming countries at a later stage. Should a programme be agreed upon, it would be necessary to devise an arrangement, with responsibility for its implementation.

6. Governments may also wish to take account of the decision taken on the establishment of the Common Fund when considering the question of an internationally co-ordinated programme of research and development for vegetable oils and oilseeds. At the third session of the United Nations Negotiating Conference on a Common Fund Under the Integrated Programme for Commodities (12-16 March 1979) agreement was reached on the fundamental elements of the Common Fund, including its objectives, purposes, financial resources and structure, and organization, management and voting. It was agreed that the measures to be financed by the Common Fund through its second window would include research and development and productivity improvement, among other measures listed. These measures would also need to be jointly sponsored and followed up by producers and consumers, within the framework of international commodity bodies, to be eligible for Common Fund financing.

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1/ TD/B/IPC/HARD FIBRES/9, para.7, and TD/B/IPC/HARD FIBRES/12, para.3(3).