

**Asia Regional
Agribusiness
Project:**

**Six-Month Report
for October 1993
to March 1994**



**Regional Agribusiness Project
7250 Woodmont Avenue, Suite 200, Bethesda, Maryland 20814**

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Asia Regional Agribusiness Project:

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for

October 1993 to March 1994

May 1994

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EXECUTIVE SUMMARY

RAP was awarded to Development Alternatives, Inc. (DAI) on September 30, 1993. DAI and representatives of the U.S. Agency for International Development's (USAID's) Asia Bureau met the following week. Project activities began shortly thereafter. Activities were limited until six of the seven project team members joined RAP full time in December. The Agribusiness Specialist, a new hire to replace the original designee, joined RAP full time in March 1994. Activities of RAP included the following.

- In November 1993, the RAP Clearinghouse began operations.
- In December 1993, USAID and RAP staff developed a work plan that establishes strategic analyses and services to be initiated in 1994.
- Volume 1, Issue 1 of *Market Asia* was published in March 1994.
- Discussions were initiated with the U.S. Department of Agriculture and the U.N. Conference on Trade and Development's International Trade Centre about a cooperative venture with RAP to establish a price reporting system for horticultural products in major Asian markets. Discussions involving all parties are scheduled for May 1994.
- A technical report and an Agribusiness Working Group presentation were provided on Hazard Analysis and Critical Control Point and on the International Standards Organization's 9000 Series.
- Initial discussion was held to develop a cooperative effort between the U.S. Chocolate Manufacturers Association, RAP, the Indonesia Agribusiness Development Project, and the Indonesian Cacao Producers Association to establish a certification protocol to ensure appropriate and low pesticide use in cacao production.
- Indicators were recommended to measure the regional impact of USAID projects in Asia.

Activities have focused on Asia Bureau priorities and information requests. The focus of project activities needs to move to Mission-related issues.

SECTION ONE

ACTIVITIES OF THE TECHNICAL ASSISTANCE TEAM

RAP WORK PLAN

The U.S. Agency for International Development (USAID) and the Asia Regional Agribusiness Project (RAP) staff at Development Alternatives, Inc. (DAI) developed a work plan that establishes key activities RAP will initiate in 1994. A summary of these activities is included in Annex F.

MARKET INFORMATION

Newsletter

- Printed 1,500 copies of the first issue of *Market Asia*. The issue had a focus on Japan and articles on Hazard Analysis Critical Control Point (HACCP) and the International Standards Organization's 9000 Series (ISO 9000). Annex D includes the distribution summary and a copy of the issue.
- Prepared a draft Statement of Work (SOW) to analyze *Market Asia* sustainability through early involvement of a commercial publishing house in revenue generation, printing, and distribution, with continuing editorial support from RAP.

Data Collection and Analysis

- First data series diskette, with 1993 seasonal import statistics for fresh horticultural products entering Japan, Hong Kong, and Singapore, was started and is near completion.
- Prepared summary data for selected agribusiness products entering major regional markets (Japan, Hong Kong, Singapore, Korea, and Taiwan), disaggregated by product and supplying country.

RAP Clearinghouse

- Designed RAP library system using CDS/ISIS bibliographic software. Initial subscriptions ordered.
- Initiated Quick Response Service to provide customized research for projects and missions. Requests were received from projects in Sri Lanka, India, Indonesia, and the Philippines. Mission requests were received from USAID/Washington, India, and Nepal. Also responded to non-RAP country requests from Morocco, Egypt, Jordan, Kenya, Bolivia, Guatemala, and the Newly Independent States.

- Investigated electronic dissemination of RAP information, specifically fax-on-demand and bulletin board services. Requested price quotes on fax-on-demand equipment. Fax-on-demand service also being explored with Export Hotline, a free national service that disseminates information on foreign markets. Bulletin board installation to be explored further with existing services and with possible RAP stand-alone service.

Regional Horticultural Price Reporting Service

- Began discussions with price reporting services interested in expansion into Asia region, including USDA/AMS/MNS in Washington and UNCTAD/GATT/ITC/MNS in Geneva. Options are being developed for coordination or collaboration of services.
- Began analytical study to determine the state of current price reporting in the Asia region, along with client needs. Fielded long-term technical assistant Merle Menegay for regional survey.

ENVIRONMENTAL ANALYSIS AND INTEGRATION

- Published technical report, "Ensuring Food Safety and Quality: A Review of HACCP and ISO 9000 Systems (Including a Section on the Newly Proposed U.S. FDA Seafood HACCP Program)."
- Gave oral presentation on these topics to the USAID Agribusiness Working Group.
- Technical report in process, "A Review of the National Pesticide Policies of Asian Countries."
- Provided technical assistance to India's Agricultural Commercialization and Enterprise (ACE) Project and Sri Lanka's Mahaweli Agriculture and Rural Development (MARD II) Project in the evaluation of laboratory capabilities to assess pesticide residues on food exports.
- Planning in progress for a RAP environment team to visit developed and developing countries in Asia. Major output of trip will be an analytical study on export failure, entitled "Food Safety and Phytosanitary Barriers to Trade in Asia."
- Initiated planning for a regional workshop, "Seafood HACCP," by RAP and the U.S. Food and Drug Administration (FDA).

TRADE AND INVESTMENT

Linkage to U.S. Agribusiness

Identified opportunity to link U.S. Chocolate Manufacturers Association (CMA) with Indonesian cacao bean sector, through USAID's Agribusiness Development Project (ADP). Made initial contacts to link CMA, RAP, ADP, and the Indonesian Cacao Producers Association to ensure high-quality cacao

bean supplies through the development of protocols, training, and testing, which will ensure appropriate and low pesticide use in cacao bean production.

Advisory Board

In consultation with USAID, decided to recruit Advisory Board members through trade associations rather than through individual company contacts. List of appropriate disciplines and trade associations developed for member recruitment.

REGIONAL ANALYSIS

Regional Monitoring and Evaluation

Developed impact indicators to measure the regional impact of USAID programs in Asia. Following review by Missions and Bureau staff, mechanisms to gather information will be developed and installed. The indicators also will be used by the Bureau in developing agribusiness plans and initiatives.

Current Status of Agribusiness in Asia

Developed draft document describing current status of agribusiness in Asia, showing each RAP country's production, exports, and percentage share of total value of exports to key Asian markets and market shares of other Asian producers, Europe, and the United States.

Development of Work Plans

Scopes of Work prepared for the following analyses will be initiated in the second quarter 1994: comparative export competitive positions of RAP countries, coordinated marketing strategies, and assessment of potential for regional private-label sourcing to wholesale distributors/chain stores.

ADMINISTRATION

Team Assembly

Three team members worked part time on RAP in October and November. Six of the seven core team members joined the project full time in early December. Time required to work out existing commitments prevented full time participation at an earlier date. The originally designated Agribusiness Specialist decided to decline the position. His replacement joined RAP full time in March.

Work Plan

In December, Asia Bureau and RAP staff developed a work plan defining specific strategic analyses and continuing services to be initiated in 1994.

Subcontracts

Draft subcontracts were reviewed by all subcontractors and are in the process of finalization.

PROBLEMS REQUIRING RESOLUTION

- Project activities have focused on Asia Bureau priorities and information requests related to project start-up and internal issues. Future activities need to focus on Mission needs if RAP is to achieve its objectives.
- RAP needs to develop a higher profile with USAID/Washington. Principal vehicles for accomplishing this will be RAP publications and analytical reports. RAP also will offer to the Agribusiness Working Group briefings on key field trip issues.
- Information requests from the Missions and projects have been very broad, requiring substantial staff research time. We are advising field contacts that information requests need to be more specific.
- Roles of the Oregon Export Service Center (ESC), DPRA Incorporated, and the U.S. Environmental Protection Agency (EPA) in the RAP environmental component need to be further defined and tasks assigned. Capabilities of these organizations will be fully explained to Missions and projects during the May 1994 field trip. Field-level interest in these capabilities will determine future work assignments for these organizations.
- The nature of the RAP food safety and phytosanitary database needs to be defined and user-fee protocols established. The May 1994 field trip will help prioritize the demand for these data and the format in which they should be supplied. Further meetings with TAS, ESC, DPRA, and the RAP market information team will fine-tune the method and the cost of Mission and project access.
- Need to determine mechanism to obtain success stories in nontraditional agricultural export product, integrated pest management (IPM), and pesticide training programs from the Latin America Bureau. Reports apparently are not readily available in Washington. Need to establish working relationship with the regional pesticide project at RENARM (USAID/Guatemala) to determine the level of interest in helping RAP disseminate success stories to Asia clients.
- Trade and investment component activities were restricted by start-up administration demands on the Project Director/Trade and Investment Specialist and by publication support demands on the Research Associate. Regional Analysis component activities were constricted by the necessity to replace the originally designated Agribusiness Specialist.

SECTION TWO

PLANS FOR ACTIVITIES FROM APRIL TO JUNE 1994

MARKET INFORMATION

- Second issue of *Market Asia*, with a focus on Hong Kong, will be published in May 1994.
- Analysis of regional price reporting capability and needs will be completed. Discussions continue with USDA and the International Trade Centre (ITC) of the U.N. Conference on Trade and Development (UNCTAD). System draft submitted to USDA and ITC for comments. Plan for fall 1994 start-up of regional price reporting system.
- First data series diskette is being completed. Second data series diskette (on seasonal horticultural imports into Korea and Taiwan) will be initiated.
- Data for Taiwan and Korea horticultural market surveys will be collected and analyzed. Market survey reports will begin; scheduled completion in late third quarter or early fourth quarter.
- "PROFIT" data sheet format to be determined for distribution through fax-on-demand and bulletin board systems. Initial product and market coverage will be selected and 10 "PROFIT" sheets will be completed by the end of the quarter.
- Association of Southeast Asian Nations (ASEAN) Food Conference presentation on central market horticultural product distribution systems.
- Fax-on-demand and bulletin board services will be initiated.

ENVIRONMENT

- Regional study on "Food Safety and Phytosanitary Barriers to Trade in Asia" will be completed.
- Second regional study will be commissioned on basis of field interest.
- Mechanisms will be established for access to the food safety and phytosanitary database.
- Mechanisms to support and promote IPM and pesticide minimization activities in the region will be established.
- Indonesian cacao pesticide and certification plans will be developed.
- ASEAN Food Conference presentation on seafood HACCP and the role of IPM in the Asian food industry is scheduled for third quarter.

- Proposal is being developed to analyze the feasibility of alternative U.S. technologies to solve wastewater treatment problems in Sri Lanka's poultry industry.
- Success stories in nontraditional export crop IPM, pesticide minimization, and pesticide training and worker safety programs will be developed and disseminated.

TRADE AND INVESTMENT

- A two-week field trip (following evaluation of the Pakistan lessons learned) will initiate two analyses: Comparative Analysis of Export Promotion Center Programs, and Incentives and Disincentives to U.S. Cooperative Ventures in Asia.
- The field trip and subsequent activities in the United States also will initiate implementation of the trade and cooperative venture opportunities referral system and transaction support database.
- Appointments to the RAP Advisory Board will be solicited from appropriate agribusiness organizations, and plans for an initial meeting will be developed.

REGIONAL ANALYSIS

Monitoring and Evaluation

Phases II and III of the Regional Monitoring and Evaluation System will be initiated when the Asia Bureau reaches a decision to proceed.

Initiation of Planned Analyses

A five-week field trip in April and May will initiate work on the following regional analyses: Comparative Export Competitive Positions, and Potential for Regional Private-Label Sourcing to Wholesalers/Chain-Stores. On this trip, the Pakistan Mission will be visited to determine lessons learned in the implementation of recent agribusiness projects. Also, analyses will be initiated on Coordinated Marketing Strategies and the Economic Impact of Genetic Import Regulations.

Development of Work Plans

Scopes of Work will be developed for the following: Feasibility of Voluntary Chain Stores in Selected Asia Markets, and Mechanisms for Generating Self-Sustaining Financing for Agribusiness Activities.

RAP Monitoring and Evaluation Plan

A monitoring and evaluation system for RAP itself will be developed.

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ANNEX A
SUMMARY OF CLEARINGHOUSE ACTIVITIES

Information Request Log

Date of Request	Request Description	Contact Information	Response	Date of Response
3-20-94	ICICI asparagus, broccoli, and baby corn	A. D. Avdani ACE-ICICI Country Code: India	Provided crop summary information and options for further study	4-01-94
3-09-94	Green Revolution	fmanteiga@usaid.gov Country Code: India	Provided several books on the topic. Given to Manteiga when he came to Washington, DC, week of April 6th	3-25-94
2-28-94	Japanese banana numbers	ASAP/Tom Lenegan Country Code: Nepal	Provided trade data from the Market Asia Data Series #1	2-28-94
2-03-94	Mangosteen and durian	Ricardo Fromader/Pam Michel Country Code: Philippines	Faxed APHIS, Eurostat, and NTDB trade stats. Faxed market reports and Fresh Product Journal's wholesale prices	2-03-94 2-05-94
3-15-94	Nata de coco	Henry Harmon Country Code: Indonesia	Contacted Mike Wehr to see what he could do to help Henry	Ongoing
1-31-94	Would like to know some basic information on different seaweed products, export-import figures, and literature available	Henry Harmon c/o ADP Country Code: Indonesia	Sent data and publications. Sent Aquaculture II CD-ROM	2-10-94
1-08-94	Know the competitive position of Turkish lentils vs. Nepalese lentils	USAID Mission in Nepal Country Code: Nepal	Sent market survey on world lentil production and trade	1-25-94
1-26-94	Needed to know about the associations representing the dried flower industry	DWeller@USAID Gov Pakistan Country Code: Pakistan	Passed on contact information for flower associations, including newly formed New York-based dried flower association	1-26-94
11-24-93	Locate a specific cotton specialist	Mohammed Khalid and Siddiq Akbar Bokhari, Islamabad Country Code: Pakistan	Found Cathy Dennet	11-29-94
12-10-93	Information on seafood price trends, specifically in the Asian region. Also, trade leads for Southeast Asia in seafood and in US and EC markets	Internet: mondher@tunisia EU net Mondher Makni IRSIT/EUNet Tunisia BP 212, 2 Rue Ibn nadime 1082 Cite Mahrajane, Tunis Country Code: Tunisia	Contact information and sample copies of Infish price reports, trade magazines, database in Malaysia. Databases for US and EC	12-14-93
2-04-94	Copy of GAO report on pesticide alert	bmareshwar@usaid.gov Country Code: India	Copy sent	
1-28-94	World market for pectin World grape situation	fmanteiga@usaid.gov Country Code: India	Informed that pectin request being done by ACE project. USDA articles on grape situation sent	2-01-94
1-25-94	Information on how to obtain copy of Univ. of California IPM database on pest control	Isands@usaid.gov on behalf of USAID, Cairo Country Code: EGYPT	Forwarded information	2-01-94
1-19-94	IPM binders from University of California for apple, apricot, cherry, cucurbits, dry beans, fig, grape, lettuce, onion, garlic, peach, nectarine, pear, potato, strawberry, tomato, and walnut	Felipe P. Manteiga New Delhi/USAID Dept. of State Washington, DC 20521-9000 Country Code: India	Acquired and distributed	2-11-94
12-08-93	General Information on RAP and RAP Clearinghouse	Modher Makni IRSIT BP 212 2 Rue Idu Nadime Mahrajane Tunis Country Code: Tunisia	Sent information on project services	12-14-93
2-08-94	Technical information on food safety, HACCP, and ISO 9000	Missions and Projects in India and Morocco Country Code: India	Acquired and distributed to Missions and projects	2-22-94
1-25-94	Technical information on integrated pest management	Missions and projects in Bolivia, Egypt, Guatemala, India, Jordan, Morocco, NIS, and Sri Lanka Country Code: India and Sri Lanka	Acquired and distributed to Missions and projects	2-14-94
2-01-94	Technical information on FDA/USDA testing for unregistered pesticide violations on imported food	Missions and Projects in Kenya, Morocco, and Sri Lanka Country Code: Sri Lanka	Acquired and distributed to Missions and projects	2-14-94
2-23-94	Technical information on treatment of dairy wastewater	Asian Development Bank (Manila), through the ASAP project Country Code: Philippines	Researched, synthesized, and distributed	3-03-94

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ANNEX B
PUBLICATIONS

Susan Exo, *Impact Indicators for Agribusiness Projects in Asia*, March 1994.

Market Asia, Volume 1, Issue 1, March 1994.

Proceedings of the Agricultural Product Quality Workshop, December 1993.

William Scott, *Analysis of Project Parameters of the Agricultural Commercialization and Enterprise Project — India*, March 1994.

H. Michael Wehr, *Ensuring Food Safety and Quality: A Review of HACCP and ISO 9000 Systems*, draft provided to USAID for review, March 1994.

ANNEX C
SHORT-TERM TECHNICAL ASSISTANCE

No.	Short-Term Technical Assistance	Status	Date
A	Analysis of project parameters for Agricultural Commercialization and Enterprise Project – India	Report completed	December 1-17, 1993
B	RAP seminar	Completed	December 21-23, 1993
C	Development of monitoring and evaluation methodology for Asian agribusiness projects	Phase I report approved	February 21-April 4, 1994
D; Abt/A	Background information assembly and analysis for the comparison of major wholesale market facilities in Asia as impacting on vegetable and fruit trade, especially exports	In progress	Start: March 1994
E	Inquiry into the information needs for a price information system: Sri Lanka	Approved for implementation	Dates to be determined
TAS/A	Analytical paper on HACCP and ISO 9000 programs	Report approved	Start: March 1994
TAS/B	National pesticide regulatory policies in Asia	Approved for implementation	Start: March 1994
TAS/C	RAP collaborators meetings	Approved for implementation	Start: January 1994

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ANNEX D
MARKET ASIA

Market Asia

Food and Horticultural Industries

Volume 1 • Issue 1

March/April 1994

New U.S. Food Safety Program to Impact Asian Seafood Exports

The U.S. Food and Drug Administration (FDA) announced on January 23, 1994, a proposal to establish "Procedures for the Safe Processing and Importing of Fish and Fishery Products." The proposed procedures use the Hazard Analysis and Critical Control Point (HACCP) concept for the first time as a regulatory tool to help ensure the safety of foods.

The focus of HACCP is food safety; HACCP is a preventive

system of hazard identification and control. HACCP's risk assessment approach identifies and ranks foods for microbiological, chemical, and physical hazards and then helps identify the critical control points where failure would result in a hazard. Finally, HACCP incorporates a system of monitoring critical control points and taking corrective actions to ensure that safe food is produced.

FDA's Deputy Commissioner for Policy, Michael Taylor, told a

February meeting of food technologists in Washington, D.C., that HACCP is proposed for use in the seafood industry because it provides an efficient system for ensuring food safety. Taylor noted that the seafood program is fundamentally sound but that changes in food processing systems make it increasingly difficult to validate and verify product safety. Taylor said that HACCP is the state-of-the-art in food safety control and that the system has matured sufficiently for the FDA to propose its use.

The proposed FDA procedures would treat imported fishery

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INSIDE

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5 Japanese Phytosanitary Controls

6 Japanese Fresh Fruit and Vegetable Import Performance

8 Japanese Imports: Commodity Profiles

Regional Agribusiness Project: A Profile of the Publishers of *Market Asia*

This is the first issue of the bi-monthly newsletter *Market Asia*, published by the Regional Agribusiness Project (RAP). RAP is a five-year program funded by the U.S. Agency for International Development (USAID) to assist USAID projects and Missions throughout Asia with market information; environmental services; trade and investment facilitation; and analysis of regional food and agribusiness issues, especially related to high-value horticultural products.

Regular features of *Market Asia* will include market and product profiles; selected production, price, and trade statistics; updates on environmental and food safety technologies and guidelines; information and commentary on trade and investment opportunities; and summaries of related regional issue analysis. The newsletter targets Asian and U.S. businesses, entrepreneurs, and associations interested in exploring export, import, and other trade-related opportunities, as

(please turn to p. 2)

Market Asia: Food and Horticultural Industries is published by the Regional Agribusiness Project (RAP). RAP is funded by the U.S. Agency for International Development (USAID) through a contract between USAID's Bureau for Asia and Development Alternatives, Inc. (DAI). DAI collaborates on the implementation of RAP with Fintrac Inc.; Abt Associates Inc.; Technical Assessment Systems, Inc.; DPRA Incorporated; and IMCC.

The views and interpretations contained in this issue should not be attributed to USAID or to the contracting institutions. Reproduction of contents is permitted with an acknowledgment of the source.

Market Asia welcomes comments, suggestions, and contributions. For more information on RAP, or to be included on our mailing list, please write to the editor:

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Publishers (continued from p. 1)

well as U.S. and Asian government agencies.

In addition to *Market Asia*, RAP provides an extensive range of services through its metropolitan Washington, D.C., clearinghouse. The RAP Clearinghouse customizes responses to requests for information on suppliers of processing and other agricultural equipment, product- and market-specific trade trends, postharvest guidelines, phytosanitary regulations, and duty and tariff requirements. It tracks application procedures for U.S. and other technical training programs. It also provides USAID's Asian Missions and projects with worldwide product standards data (food additive requirements, allowable pesticide residue levels, labeling requirements, basic food laws, and the like) and environmental analysis and implementation assistance (plant sanitation assessment, evaluation of food testing laboratory capacity, incorporation of ISO 9000 and HACCP concepts into food processing operations, and development of integrated pest management practices for high-value export crops).

USAID Missions, project contractors and field teams, project counterparts and clients, trade associations, and potential joint venture or trade partners in Asia and the United States are encouraged to contact the RAP Clearinghouse for more details regarding available services. Many services are free; the costs of others are minimal or are shared by the requester and the clearinghouse. 

U.S. Food Safety

(continued from p. 1)

products the same as domestically harvested and processed seafood. Under the proposal, every importer would have to document and implement an HACCP plan describing how the fish or fishery product is prepared, packed, and handled while in control of the importer. The importer would also be required to have on file the HACCP plan used by the foreign processor and to ensure that the seafood is produced under the plan.

Written comments on the proposal are due in Washington, D.C., by March 29. The final rule FDA issues will become effective one year from the date of the proposal. Asian producers can contact the RAP Clearinghouse at (301) 215-7014 for additional details on HACCP or to receive a copy of the FDA seafood HACCP proposal. Future issues of *Market Asia* will provide additional information on HACCP and other food quality protocols (such as ISO 9000).

H. Michael Wehr
Technical Assessment Systems, Inc. 

Electronic Access to RAP

RAP will soon begin providing information through faxback and bulletin board services. The new service will allow Asian and U.S. agribusinesses to access through either fax or modem most information products of the project. RAP's bimonthly magazine, *Market Asia*, will also be made available for electronic retrieval. For more information, see the next issue of *Market Asia* or contact the project.

News in Brief

Bama Pie Company of Tulsa, Oklahoma, opened a processing facility in **Beijing, China** (Beijing Bama Food Processing Company), to supply apple pies to McDonald's restaurants in China and Korea. (*Food Distribution Magazine*, October 1993)

* * * * *

Agrexco, which markets the majority of Israeli fresh produce exports, is sourcing more produce from third countries to supply the **European** market, according to *Fresh Produce Journal* (December 23, 1993). The move reflects a growing preference by wholesalers and retailers to source from year-round suppliers. **Grapes** are one of the products being sourced from other supplying nations; Agrexco estimates it will handle 1,500 metric tons of Thompson Seedless from **India** between February and April this year.

* * * * *

FoodNews (January 12, 1994) reports **Thai pineapple** canners are pushing for higher prices for exported product, after a year of weak prices. Thai canners previously announced they were cutting back on purchases of fresh pineapple because its quality had been affected by harsh weather. Traders interviewed by *FoodNews* in Europe and North America agree prices may move upward.

* * * * *

The U.S. Department of Agriculture (USDA) forecasts that Taiwanese accession to the General Agreement on Tariffs and Trade (GATT) will adversely affect some segments of Taiwan's agribusiness sector. **Taiwan** was accepted as an observer of the **GATT** in September 1992. To become a full member, Taiwan needs to remove quantitative restrictions and import bans. Effective import bans through discretionary licensing must be eliminated on rice, sugar, red beans, peanuts, coconut, palm nuts, chicken meat, duck meat, forest mushrooms, day lilies, some cuts of pork, and some livestock breeding stock. Preferential access by country of origin (which mainly favors the United States) and quotas based on quantity or value need to be abolished for apples, pears, and citrus fruits. Tariffs up to 50 percent ad valorem on some fresh fruit and processed products also need to be adjusted. ("Taiwan's GATT Accession: Implications of More Liberal Agricultural Trade," Sophia Wu Huang, *Situation and Outlook Series, Asia and the Pacific Rim*, Economic Research Service, September 1993)

* * * * *

USDA is considering allowing **cold treatment of fruits and vegetables** in the southern **United States** and California. At present, imported fruits and vegetables requiring cold treatment may arrive in the United States only at Atlantic ports north of and including Baltimore; ports on the

Great Lakes and St. Lawrence Seaway; Canadian border ports in and east of North Dakota; and, for air shipments, Baltimore/Washington International and Dulles International airports outside Washington, D.C. (*AgNews Fax*, January 1994)

* * * * *

USDA has proposed allowing the **importation of Japanese Unshu oranges** into certain non-citrus-producing areas of the **United States**. With this change, Unshu oranges could be shipped to or through Alabama, Georgia, Nevada, New Mexico, and North and South Carolina. Now Unshu oranges are barred from states bordering citrus-producing areas. American and Japanese scientists are working together to ensure that Unshu oranges remain free from citrus canker, which triggered current U.S. import restrictions. (*AgNews Fax*, January 1994)

* * * * *

Calgene, the U.S. company responsible for the genetically altered tomato **Flavr Savr**, expects FDA will soon give final approval to market Flavr Savr without any special labeling. Calgene hopes final approval will come in time to sell during the winter. (*The Packer*, January 15, 1994)

* * * * *

The Journal of the National Cancer Institute published a study that
(please turn to p. 5)

A HACCP Primer

In the early 1980s, USDA and FDA established HACCP guidelines to be used in food production to ensure food safety. The HACCP approach does not provide different methods for different food products, but requires that each individual food processor adapt the HACCP system to its individual product and processing and distribution conditions. In 1989, a working group under the auspices of the National Advisory Committee on Microbiological Criteria for Foods completed a guide setting forth the principles of HACCP systems:

- *Assess hazards and risks associated with growing and harvesting raw materials and ingredients and with processing, manufacturing, distributing, marketing, preparing, and consuming food.* Assessment means systematically evaluat-

ing a specific food and its ingredients or components to determine the risk from hazardous microorganisms or their toxins. The hazard assessment is a two-part process consisting of ranking a food according to six hazard characteristics and assigning it a risk category based on the ranking.

- *Determine the critical control points (CCPs) required to control the identified hazards.* A CCP is defined as any point or procedure in a specific food system where loss of control may result in an unacceptable health risk. CCPs may include, but are not limited to, cooking, chilling, sanitizing, formulation control, prevention of cross-contamination, employee hygiene, and environmental hygiene.
- *Establish the critical limits that must be met at each identified CCP.* Critical limits are defined as one or more pre-

scribed tolerances that must be met to ensure that a CCP effectively controls a microbiological health hazard. If any of the control limits is exceeded, the CCP is out of control and a potential hazard can exist.

- *Establish procedures to monitor CCPs.* Monitoring is the scheduled testing or observation of CCPs and their limits, and must be documented. Failure to control a CCP may result in hazardous or unsafe conditions for consumers of the product. Monitoring should be continuous. All records and documents associated with CCP monitoring must be signed by the person doing the monitoring and by a responsible official of the company.
- *Establish corrective actions to be taken when monitoring identifies deviations.* Specific corrective actions must be developed for each CCP in the company's HACCP plan, and they must demonstrate that the CCP has been brought under control. Actions must be documented in the HACCP plan and agreed on with the appropriate regulatory agency prior to approval of the plan.
- *Establish effective record-keeping systems that document the HACCP plan.* The HACCP plan must be on file at the food production site and should include documentation relating to CCP and any actions on critical deviations and disposition of product. The HACCP plan should clearly designate which records will be available for government inspection.

The Indonesia Agribusiness Development Project (ADP) and the Indonesian Department of Fisheries cosponsored a HACCP workshop in 1993. A second phase of HACCP training is currently under way, with senior inspectors of the Indonesia Directorate General of Fisheries participating in a tailored U.S. in-plant inspection tour to examine quality control and inspection procedures for shrimp production. ADP has scheduled quality certifier training in ISO 9000 for March 1994, and plans other training interventions during the year on value-added and clean fish technologies and beef quality standards.

ADP is a USAID program headquartered in Jakarta, providing agribusiness support services and training throughout Indonesia. ADP is designed to increase export performance, job creation, and income generation in Indonesian agribusiness. For more information on the range of available project services and publications, please contact the Agribusiness Development Project, Mampang Plaza, 3rd Floor, Jl. Mampang Prapatan Raya 100, Jakarta, Indonesia (Tel.: 62-21-798-4972/3, Fax: 62-21-798-4971).

- Establish procedures for verification that the HACCP system is working correctly. Verification entails conducting regular tests to determine that the HACCP system is in compliance with the HACCP plan. Both the producer and the regulatory agency have a role in verifying HACCP plan compliance.

(Above principles excerpted from *HACCP Principles for Food Production*, USDA, Food Safety and Inspection Service Report, November 1989) **MA**

News in Brief

(continued from p. 3)

finds eating 2 1/2 servings of raw **fruits and vegetables** reduces a nonsmoker's chance of getting **lung cancer** by 60 percent. The research team from Yale University and the National Cancer Institute demonstrated that a diet rich in vitamin A and beta carotene appears to protect cells from harm. (*The Packer*, January 8, 1994)

* * * * *

USDA is considering revising the list of **fruits and vegetables** allowed for importation into the **United States** and conditions for their entry. USDA will publish a draft list by country of origin and an advance notice of proposed revisions this spring. Produce importers who want more products added to the list can appeal to USDA, which, after performing pest-risk analyses, will prepare a final list of allowable products. (*AgNews Fax*, January 1994) **MA**

Japanese Phytosanitary Controls

In Japan, the Ministry of Agriculture, Forestry and Fisheries is responsible for enforcing plant quarantine regulations. Enforcement offices are located at five major seaports—Yokohama, Nagoya, Kobe, Moji, and Naha—with 14 substations and 78 branches located at other sea- and airports.

Japanese regulations provide for three categories of imported horticultural produce:

- Prohibited items
 - Disease-causing agents and pests in plants;
 - Soil, and plants with soil attached;
 - Plants and plant products as designated in the provisions of the Ministerial Ordinance, which lists horticultural products by producing country; and
 - Packing materials and containers of the above items.

Import bans may be lifted for certain suppliers if the country of origin can show that the specific disease or pest has been eradicated or that a specific postharvest treatment will eliminate the threat of importing the disease or pest into Japan. Items for which bans have been conditionally lifted include Solo papaya from Hawaii, Manila Super mango from the Philippines, Nan Klarngwun mango from Thailand, and Irwin mango from Taiwan. All must undergo vapor heat treatment for disinfection prior to export.

- Items allowed entry and not subject to inspection. These include certain manufactured plant products such as lumber, preserved logs, wood work, bamboo work, and furniture; rattan and cork; fibrous products and coarse fiber (including raw cotton) never used for packing any plants or plant products; processed tea, dried flowers of hop, and dried bamboo shoots; fermented vanilla beans; plants immersed in sulfuric acid, alcohol, acetic acid, sugar, or salt; dried fruit of common apricot, fig, persimmon, kiwi fruit, plum, pear, jujube, date plum, pineapple, banana, papaya, grape, mango, peach, and longan; granulated endocarps of coconut; and dried spices sealed in containers for retail.
- Items allowed entry but subject to import inspection. All plants and plant products such as seedlings, ornamental plants, cut flowers, bulbs, seeds, fruits, vegetables, grains, beans, raw materials for feed, spices, raw materials for herbal medicines, and wood are subject to import inspection (except as noted above).

To obtain the *Guide to Import Plant Quarantine in Japan* (1991, 105 pages), contact the Agricultural Production Bureau of the Ministry of Agriculture, Forestry and Fisheries (Tel.: 81-3-502-8111, Fax: 81-3-593-9564).

Thomas W. Klotzbach, RAP **MA**

Japanese Fresh Fruit and Vegetable Import Performance

Japanese imports of fresh fruits and vegetables increased 22.3 percent from 1988 to 1992, climbing from \$1.5 billion (¥195.7 billion) to \$1.9 billion (¥236.8 billion).¹ Although fresh vegetable imports accounted for only 26 percent of total fresh produce imports in 1992, import growth in fresh vegetables has been stronger than in fruits, which are still the majority of imports.

Fresh Fruits

Fresh fruit imports increased 14.2 percent from 1988 (\$1.2 billion, ¥156.7 billion) to 1992 (\$1.4 billion, ¥177.0 billion). For the period January-October 1994, imports stood at \$1.2 billion (¥133.4 billion).

Bananas accounted for 37.4 percent (or \$552.4 million) of total fruit imports in 1992. Other

significant categories included grapefruit (\$248.3 million, 17.8 percent), oranges (\$154.7 million, 11.1 percent), lemons and limes (\$111.6 million, 8.0 percent), cherries (\$83.4 million, 6.0 percent), kiwi fruit (\$95.9 million, 6.9 percent), pineapples (\$56.9 million, 4.1 percent), strawberries (\$24.2 million, 1.7 percent), melons (\$21.4 million, 1.5 percent), mangoes (\$20.5 million, 1.5 percent), and papayas (\$18.7 million, 1.3 percent).

Of the top 11 imported fruit commodities, mango imports increased the most (52.3 percent). Other major fruit imports recording increased demand included oranges (up 48.9 percent), cherries (up 48.0 percent), and strawberries (up 20.7 percent). Growth rates were lower (less than 5 percent) for grapefruit, bananas, and melons, and imports of lemons and limes, kiwi fruit, pineapples, and papaya all decreased during the same period.

Japan's Pesticide Residue Testing a Key for Imported Foods

Ensuring that imported foods do not contain excessive pesticide residues is a key element of Japan's food safety program. Japan has recently increased its emphasis on pesticides, initiating a program to increase the number of pesticide residue tolerances that imported food must meet and increasing the resources devoted to ensuring that imported foods meet established tolerances.

Over the past two years, Japan has more than doubled the number of pesticide chemical tolerances established for imported foods. Currently, 73 pesticide chemical tolerances must be tested in 130 fruits and vegetables, although not all tolerances apply to all commodities. For pesticide chemicals that lack stated tolerances, Japan may elect to use a tolerance established by Codex Alimentarius or by the exporting country.

Import food inspection is the responsibility of the Ministry of Health and Welfare, 1-2-2 Kasumigaseki, Chiyoda-ku, Tokyo 100, (Tel.: 81-3-591-8983, Fax: 81-3-501-2532), and plant pest and disease control is administered by the Plant Protection Division of the Ministry of Agriculture, Forestry and Fisheries, 1-2-1 Kasumigaseki, Chiyoda-ku, Tokyo 100 (Tel.: 81-3-502-8111, Fax: 81-3-593-9564). Import food inspection is directed by the Ministry of Health and Welfare's Office of Port Health Administration. Pesticide residue testing is usually carried out by one of two large central ministry laboratories in the Tokyo and Osaka areas. Technical assistance and guidance in establishing pesticide tolerances are frequently provided by the Division of Foods within the Institute of Hygienic Sciences.

H. Michael Wehr
Technical Assessment Systems, Inc.

Fresh Vegetables

Japanese imports of fresh vegetables between 1988 and 1992 increased 53.3 percent, from \$304.7 million (¥39.0 billion) to \$472.0 million (¥59.8 billion). For the first 10 months of 1994, imports stood at \$484.8 million (¥54.1 billion).

Four products—mushrooms, pumpkins, asparagus, and cabbage—account for 82.2 percent of all imports by value. Mushrooms, with imports of \$177.0 million in

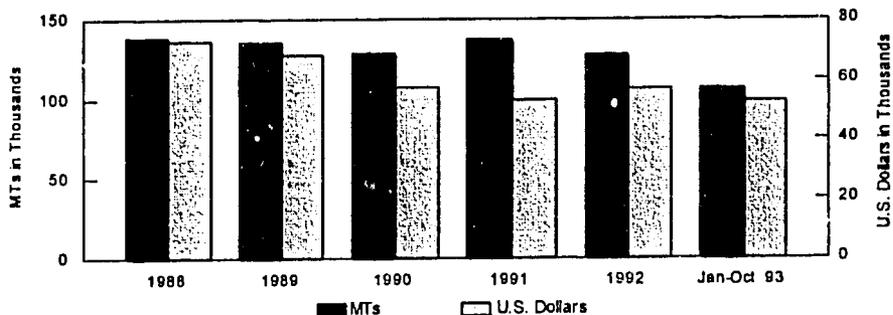
¹ Average exchange rates used for the dollar were ¥128.14 (1988), ¥137.99 (1989), ¥144.82 (1990), ¥134.59 (1991), and ¥126.76 (1992).

Pineapples

Japanese imports of fresh pineapple have declined 7.7 percent during the past five years, from 138,157 MTs in 1988 to 127,466 MTs in 1992. The value of pineapple imports has decreased by an even greater amount (22 percent) to \$52.8 million in 1992. Domestic pineapple production on Okinawa is also declining (from 56,200 MTs in 1980 to 31,000 MTs in 1990). Industry sources report, however, that production of vacuum-packed fresh-cut pineapples is increasing. Industry sources estimate that fresh-cut could soon constitute 20 percent of the fresh market.

The Philippines has increased its dominance of the market, expanding its import market share from 94.3 percent in 1988 to 98.4 percent in 1992. The only other significant supplier has been Tai-

JAPANESE ANNUAL IMPORTS OF FRESH PINEAPPLES
1988 - 1993, Metric Tons and U.S. Dollars



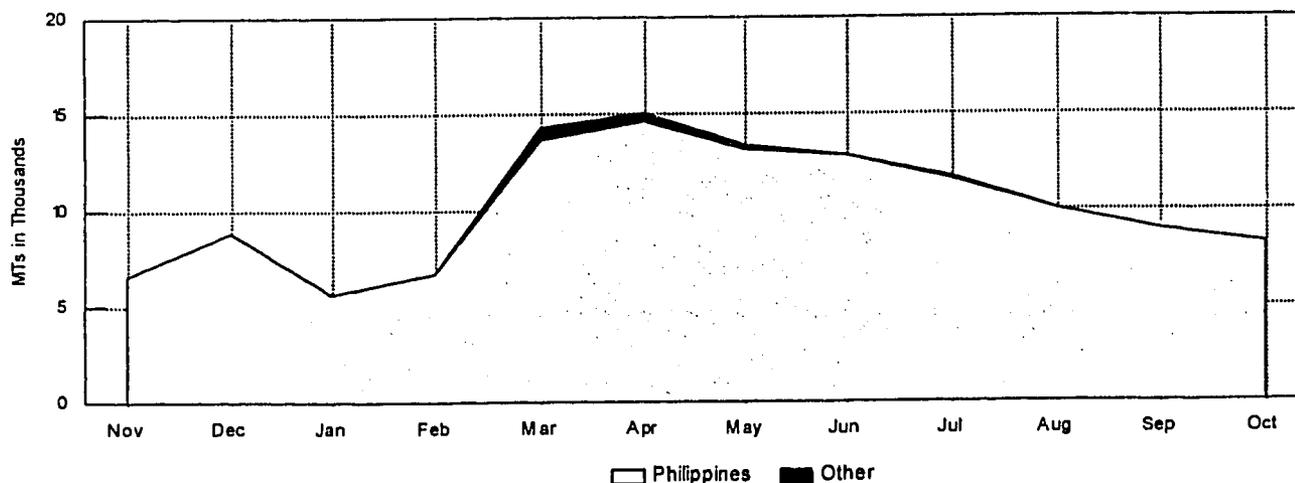
wan, although its exports to Japan have dropped, as reflected by the decline in its market share (from 5.4 percent to 1.5 percent). Minor and occasional suppliers have included Thailand, Indonesia, and the United States.

Monthly pineapple imports were analyzed for November 1992-October 1993. Imports were more than 10,000 MTs per month from March to August, with peak imports of more than 14,000 MTs per month in March and April.

Imports during the rest of the year fluctuated between 6,000 MTs and 8,000 MTs per month, with the lowest levels recorded in January and February. The Philippines was the only supplier to ship product to Japan in every month of the period studied. Taiwan exported to Japan during the period February-May; the United States shipped small amounts between May and August.

JAPANESE MONTHLY IMPORTS OF PINEAPPLES

November 1992 - October 1993, Metric Tons



Mangoes

Japanese imports of mangoes, which fluctuated from 1988 to 1990, have since shown steady growth. Imports in 1992 were up 52 percent in volume (8,059 MTs) and 25 percent in value (\$20.5 million) from 1988. Total imports for the first 10 months of 1993 showed expansion of volume, but weakening in unit value.

For the last five years, the Philippines has increased its market share from 79.4 percent to 90.2 percent. Mexico, the only other large supplier, has seen its share plummet by more than half, from 18.5 percent to 9.1 percent. Statistics for 1992 reveal only minor imports from Taiwan, Thailand, and the United States.

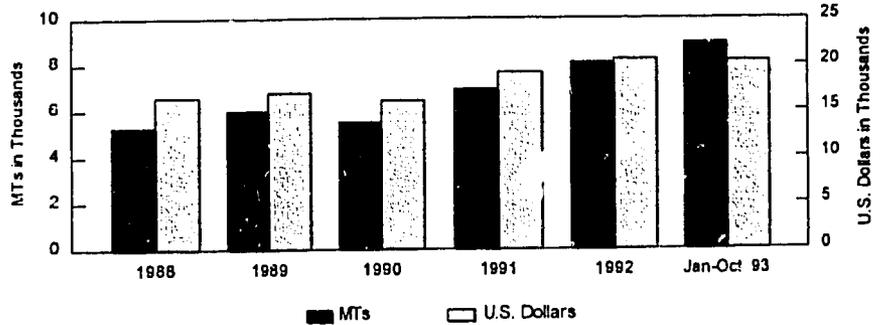
Mango imports are extremely seasonal in nature, with 58 per-

cent over the period November 1992-October 1993 entering in March, April, and May. Imports during these three months ranged between 1,441 MTs and 1,993 MTs per month. Imports were still high in June and July (851 MTs and 942 MTs, respectively), but fell to less than 500

MTs per month in the remaining months. Imports in November and December were less than 150 MTs per month. The Philippines was the only continuous supplier over the period; Mexico supplied product from March to October (the bulk of which entered in June, July, and August).

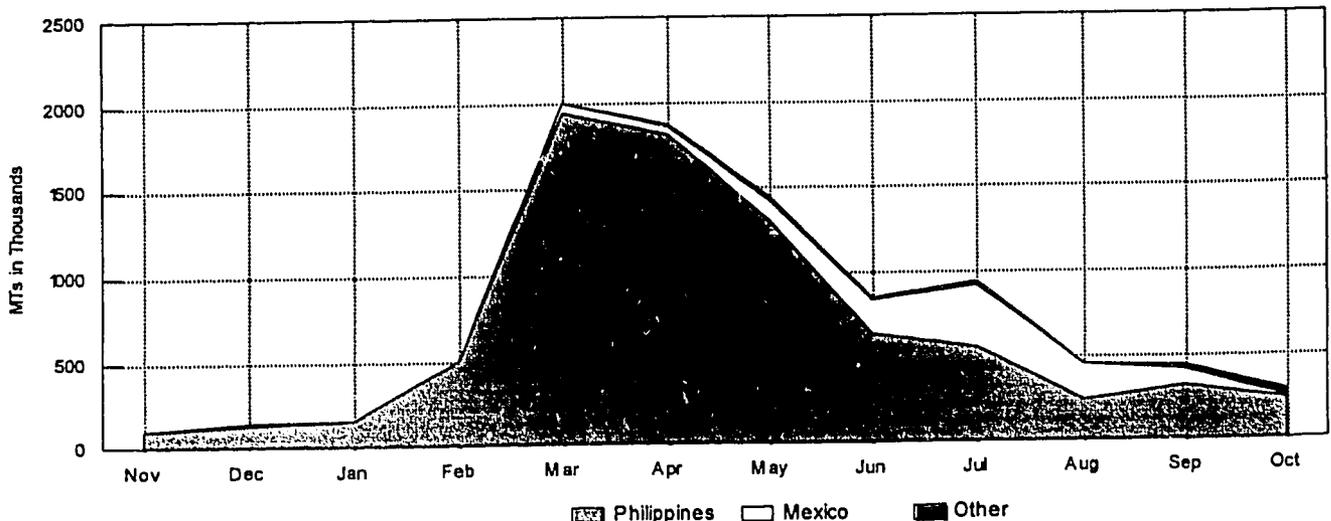
JAPANESE ANNUAL IMPORTS OF FRESH MANGOES

1988 - 1993, Metric Tons and U.S. Dollars



JAPANESE MONTHLY IMPORTS OF MANGOES

November 1992 - October 1993, Metric Tons



21

Melons

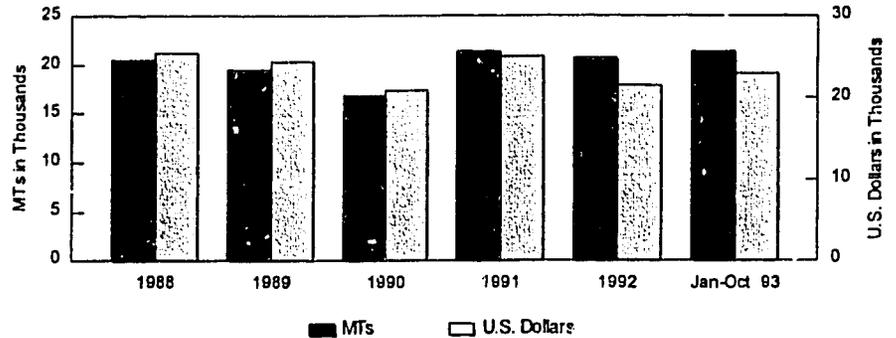
Japanese imports of melons, which had fallen between 1988 and 1990, have since recovered and now stand at 20,695 MTs (1992). However, imported value has fallen during the period by 15.6 percent to \$21.4 million. Total imports for the first 10 months of 1993 were higher than for all of 1992.

The United States, Mexico, and New Zealand supplied almost all import demand for the last five years. The U.S. import share stood at 73.3 percent in 1992, Mexico's at 23.2 percent, and New Zealand's at 3.5 percent.

During the 12-month period ending October 1993, 66 percent of all imports entered Japan between August and October (34

JAPANESE ANNUAL IMPORTS OF FRESH MELONS

1988 - 1993, Metric Tons and U.S. Dollars

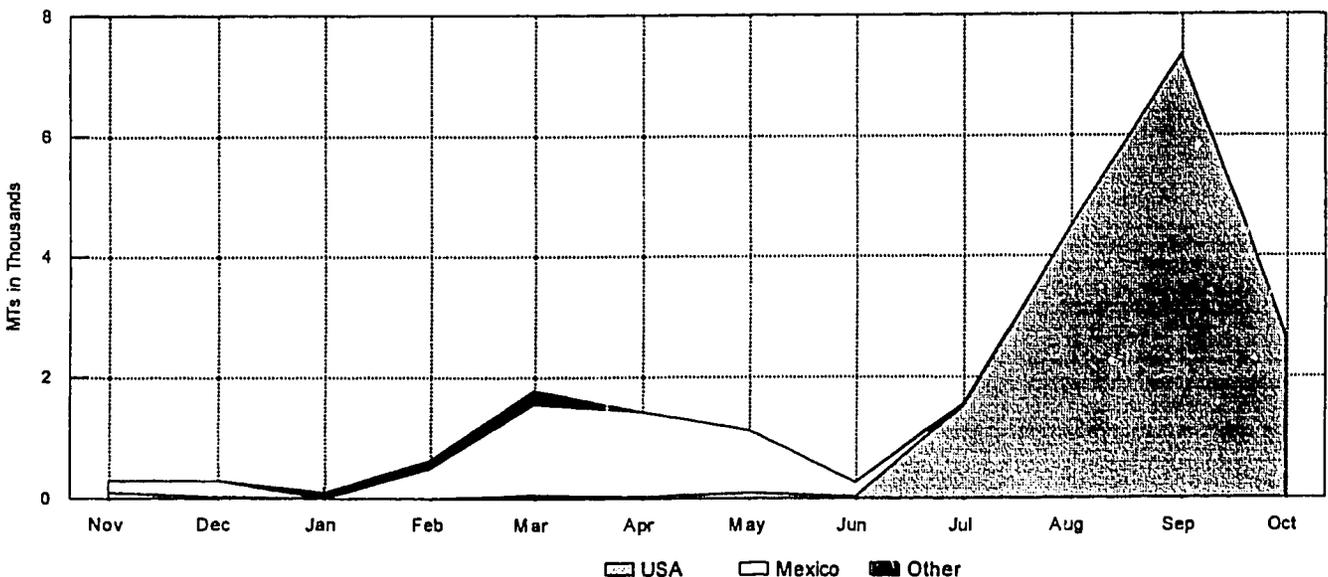


percent in September alone). Monthly imported volume also exceeded 1,000 MTs in March, April, May, and July. During November, December, January, and June, imports were generally less than 300 MTs per month. No country supplied the market ev-

ery month. U.S. exports to Japan were concentrated between July and October, whereas Mexico supplied chiefly during March and May. The bulk of New Zealand exports occurred in February and March.

JAPANESE MONTHLY IMPORTS OF MELONS

November 1992 - October 1993, Metric Tons



22

Papayas

Papaya imports to Japan have remained steady during the last five years, ranging from 5,197 MTs to 5,743 MTs; their value, however, has declined. Although 1992 import value has increased over 1988 levels, it was the lowest in four years and now stands at \$18.7 million. Preliminary estimates suggest that 1993 papaya imports have decreased slightly. Industry sources report that papayas are bought primarily by the hotel and catering sectors, rarely by individual consumers through the retail system.

The United States (Hawaii) has supplied nearly all Japanese import requirements for the last five years, including 99.8 percent of total imports in 1992. Imports

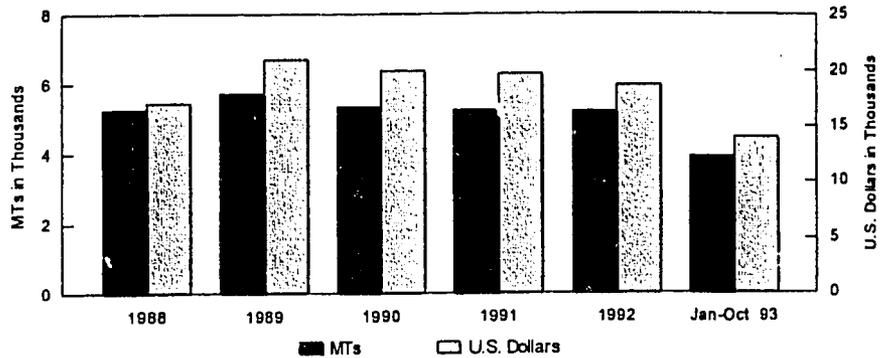
during the 12-month period ending October 1993 averaged 402 MTs per month. Monthly import statistics showed a low of 341 MTs in February and a high of

471 MTs in March. No seasonal demand pattern is evident.

Thomas W. Klotzbach, RAP
Jason Graef, RAP
Robert Galinsky, Fintrac Inc. 

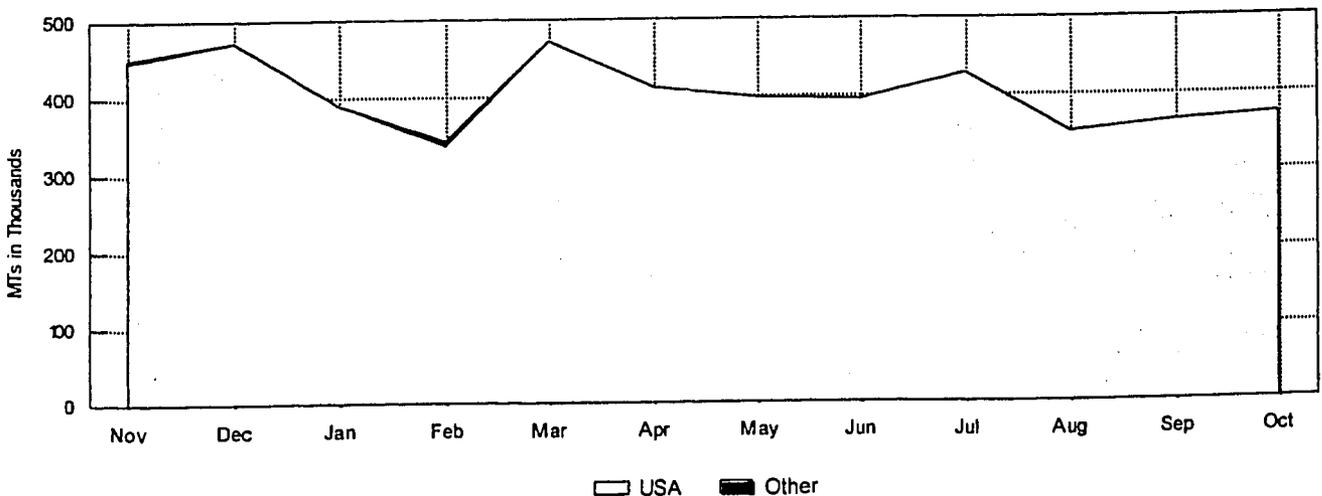
JAPANESE ANNUAL IMPORTS OF FRESH PAPAYAS

1988 - 1993, Metric Tons and U.S. Dollars



JAPANESE MONTHLY IMPORTS OF PAPAYAS

November 1992 - October 1993, Metric Tons



Japanese Imports of Selected Fresh Fruits and Vegetables

	Metric Tons										US\$000s									
	1988	1989	1990	1991	1992	Jan-Oct 93	1988	1989	1990	1991	1992	Jan-Oct 93	1988	1989	1990	1991	1992	Jan-Oct 93		
Tomatoes	3	80,780	86,646	62,781	11	8	60,009	60,009	60,009	60,009	60,009	60,009	11	23	11	27	11	23	11	
Onions	112,443	187	226	312	35,138	304	277	430	527	735	945	1,209	28,209	28,209	31,581	31,581	31,581	31,581	31,581	
Shallots	2,238	3,945	3,945	3,945	6,691	16,706	16,706	16,706	16,706	16,706	16,706	16,706	3,407	3,407	2,666	3,518	3,518	3,518	3,518	
Leeks and other alliacious vegetables	5,462	5,866	5,805	6,405	5,616	6,488	6,488	6,488	6,488	6,488	6,488	6,488	10,028	10,028	9,282	11,116	9,272	10,211	10,211	
Cauliflowers and headed broccoli	157	697	1,316	1,675	1,158	1,578	1,578	1,578	1,578	1,578	1,578	1,578	1,401	1,401	2,571	2,571	2,571	2,571	2,571	
Brussels sprouts	6,158	5,360	8,068	45,544	28,472	45,482	45,482	45,482	45,482	45,482	45,482	45,482	14,633	14,633	14,633	14,633	14,633	14,633	14,633	
Cabbage (head) lettuce	104	34	36	5,537	995	4,527	995	995	995	995	995	995	240	240	387	7,709	1,668	6,472	6,472	
Iceberg lettuce	450	512	630	607	580	458	458	458	458	458	458	2,744	2,744	3,857	3,475	2,963	2,963	2,963	2,963	
Other leafy cabbage lettuce	1,127	1,484	3,658	10,007	2,967	9,154	9,154	9,154	9,154	9,154	9,154	689	719	2,288	5,301	1,854	1,854	1,854	1,854	
Carrots and turnips	681	821	1,144	1,063	76	1,063	1,063	1,063	1,063	1,063	1,063	2,009	2,009	2,245	1,666	1,666	1,666	1,666	1,666	
Cucumbers and gherkins	8	231	143	709	286	1,160	286	286	286	286	286	165	165	267	1,371	2,321	540	540	540	
Beans (Vigna spp., Phaseolus spp.)	68	191	483	206	285	588	588	588	588	588	588	309	309	775	1,507	1,065	1,387	3,073	3,073	
Other fresh beans	3,635	1,719	2,828	2,348	3,634	5,484	5,484	5,484	5,484	5,484	5,484	6,429	6,429	6,429	6,429	6,429	6,429	6,429	6,429	
Globe artichokes	5	7	5	5	5	5	5	5	5	5	5	32	32	24	24	27	27	27	27	
Aubergines (eggplants)	1,926	0,736	11,007	12,482	15,045	14,921	14,921	14,921	14,921	14,921	14,921	68,088	68,088	68,088	68,088	68,088	68,088	68,088	68,088	
Other fresh vegetables	7	410	710	1,626	758	1,919	1,919	1,919	1,919	1,919	1,919	527	527	527	527	527	527	527	527	
Spinach, New Zealand spinach, and orache spinach	1,430	2,210	2,661	1,435	2,244	1,875	1,875	1,875	1,875	1,875	1,875	85,386	104,580	109,660	110,742	145,840	98,135	98,135	98,135	
Mushrooms	1,076	1,014	902	2,108	6,277	9,853	9,853	9,853	9,853	9,853	9,853	6,883	6,883	6,883	6,883	6,883	6,883	6,883	6,883	
Truffles	2	3	4	4	4	4	4	4	4	4	4	902	1,574	1,924	2,674	2,665	1,516	1,516	1,516	
Spinach, New Zealand spinach, and orache spinach	21	3	3	3	3	3	3	3	3	3	3	8	8	11	11	8	29	29	29	
Pumpkins	81,978	81,751	89,151	101,080	122,188	99,486	99,486	99,486	99,486	99,486	99,486	57,232	52,196	67,175	60,861	86,746	76,581	76,581	76,581	
Other fresh vegetables	240,560	206,381	235,822	271,818	245,957	287,567	287,567	287,567	287,567	287,567	287,567	304,661	298,970	336,323	429,504	472,034	484,814	484,814	484,814	
Bananas	760,409	773,723	757,521	603,339	777,175	771,399	771,399	771,399	771,399	771,399	771,399	433,427	439,933	419,623	485,271	522,394	429,672	429,672	429,672	
Other citrus fruit (1)	138,157	135,383	128,250	137,789	127,466	106,472	106,472	106,472	106,472	106,472	106,472	72,886	67,911	57,310	53,008	56,860	52,752	52,752	52,752	
Apples	18,370	2,084	2,163	2,065	3,659	3,782	3,782	3,782	3,782	3,782	3,782	16,418	16,936	16,016	19,056	20,497	20,347	20,347	20,347	
Mangoes	5,291	5,966	5,510	6,885	8,059	8,913	8,913	8,913	8,913	8,913	8,913	16,418	16,936	16,016	19,056	20,497	20,347	20,347	20,347	
Guavas and guava	115,347	128,372	145,188	82,017	171,701	157,631	157,631	157,631	157,631	157,631	157,631	127,482	134,404	144,084	134,366	154,711	146,535	146,535	146,535	
Other citrus fruit (1)	118,906	112,300	103,884	89,079	93,416	73,253	73,253	73,253	73,253	73,253	73,253	123,837	132,886	125,131	152,906	111,648	104,083	104,083	104,083	
Lemons and Limes (1)	25,006	275,350	158,656	290,784	244,578	244,578	244,578	244,578	244,578	244,578	244,578	20,958	20,958	20,958	20,958	20,958	20,958	20,958	20,958	
Other citrus fruit (1)	2	9	9	54	54	4	4	4	4	4	4	8	8	25	123	4	15	15	15	
Guavas	7,623	7,741	12,040	7,568	7,732	5,673	5,673	5,673	5,673	5,673	5,673	14,388	14,388	14,388	14,388	14,388	14,388	14,388	14,388	
Melons (including watermelons)	20,485	19,368	16,772	21,359	20,685	21,265	21,265	21,265	21,265	21,265	21,265	24,411	24,411	20,764	24,958	21,413	22,892	22,892	22,892	
Other fresh melons	6,240	6,574	6,368	5,271	5,197	5,197	5,197	5,197	5,197	5,197	5,197	17,069	17,069	17,069	17,069	17,069	17,069	17,069	17,069	
Apples	8,525	8,196	6,898	5,814	12,617	12,633	12,633	12,633	12,633	12,633	12,633	48,531	53,157	49,353	46,477	63,417	91,252	91,252	91,252	
Other fresh apples	190	99	95	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	
Plums and sloes	2,681	2,967	3,244	3,639	3,418	3,221	3,221	3,221	3,221	3,221	3,221	7	7	85	73	213	245	218	218	
Raspberries, blackberries, mulberries, loganberries	1	8	7	17	19	19	19	19	19	19	19	13	13	16	13	16	17	17	17	
Other fresh berries	1,573	50,175	58,860	2,063	2,063	2,063	2,063	2,063	2,063	2,063	2,063	2,063	2,063	2,063	2,063	2,063	2,063	2,063	2,063	
Cranberries, bilberries, etc.	2,102	2,314	2,135	2,244	2,022	2,255	2,255	2,255	2,255	2,255	2,255	7,382	6,310	7,796	6,573	7,302	8,825	8,825	8,825	
Other fresh fruits	1,480,882	1,531,450	1,404,912	1,271,657	1,531,814	1,427,811	1,427,811	1,427,811	1,427,811	1,427,811	1,427,811	1,222,750	1,283,823	1,185,249	1,312,395	1,396,235	1,195,328	1,195,328	1,195,328	
TOTAL FRESH FRUITS																				

Note: (1) includes dried

Source: Japan Tariff Association

Trade Show Calendar 1994/95

- March 7-11 **Foodex Japan: Makuhari Messe (Nipon Convention Center) Chiba.** An annual exhibit that attracts almost 90,000 attendees, FOODEX Japan is the Pacific's largest specialty food show, featuring 2,400 international booths. Exhibit provides latest information on advances in the food and beverage industry. An annual symposium on current events in the food and beverage industry is also held. Contact the Japan Management Association, 3-1-22 Shibakoen, Minato-ku, Tokyo 105, Japan (Tel.: 03-3434-6211, Fax: 03-3434-1836).
- March 20-23 **Food and Drink EXPO: United Kingdom.** This combination of four fairs (**Food and Drink Fair, Catering Fair, Fresh Produce Fair, and Food Services Fair**) will provide a commercial forum where exhibitors and visitors from both catering and retail can network; 800 international exhibitors and 30,000 attendees are expected. Contact Sascha Lobkowicz, Blenheim Group PLC, Blenheim House, 630 Chiswick High Road, London W4 5BG, UK (Tel.: 081-742-2828, 081-747-3856).
- April 3-7 **Tropical Pineapple Conference: Bali International Convention Centre.** This meeting of producers and end users of pineapple concentrate will feature wide-ranging discussions about the problems facing both, and provide the basis for aligning future production and promotion with real market conditions. The goal is to establish scientific and practical bases for production technology, quality standards, and analysis for producers of pineapple juice and pineapple concentrate. Participants will visit plantations and factories. Contact Club Tropical, Thiersteinerallee 89, P.O. Box 144, CH-4018 Basel, Switzerland (Tel.: 061-331-5595, Fax: 061-331-2009).
- April 12-15 **Food and Hotel Asia: Singapore.** Held biennially, this food and beverage show draws 1,000 attendees and features exhibitions of food products and consumables, processing and service equipment, accounting and stock control systems, communication and security systems, cleaning and maintenance, housekeeping products, furniture and furnishings, shop fittings, shelvings, and storage systems. Contact Singapore Exhibition Services Pte Ltd, 11 Dhoby Ghaut #15-09, Cathay Bldg., Singapore 0922 (Tel.: 65-338-4747, Fax: 65-339-5651, Telex RS 23597 SINGEX).
- April 17-20 **Middle East Agriculture '94: Dubai World Trade Centre.** This is the fifth in a series of agriculture, irrigation, and agroindustry exhibitions for the Arab Gulf Market. Contact Overseas Exhibitions Services, Ltd., 11 Manchester Square, London W1M 5AB, UK (Tel.: 44-071-0486-1951, Fax: 44-071-935-8625) or Kallman Associates, 20 Harrison Ave., Waldwick, NJ 07463-1709 USA (Tel.: 201-652-7070, Fax: 201-652-3898).
- April 20-24 **Thailand Food Fair.** This food and beverage show features exhibits of the many foods available for trade in Thailand. Intended for those interested in importing food products from Thailand. Draws a large international contingent. Contact Thailand Trade Center, 5 World Trade Center, Suite 3443, New York, NY 10048 USA (Tel.: 212-466-1777, Fax: 212-524-0972).

- June 21-23 **Tokyo International Seafood Show: Tokyo International Fairground, Harumi, Japan.** The first year of the show was 1993, and it attracted 171 exhibitors from 20 countries, in addition to 10,300 visitors. It features both fresh and processed seafood including salmon, catfish, seabass, shrimp, lobster, finfish, clams, squid, and cuttlefish. Contact the Embassy of Japan, 2520 Massachusetts Ave., N.W., Washington, D.C. 20008 USA (Tel.: 202-939-6700).
- June 22-26 **Taipei International Food Industry Show: Taipei World Trade Center Exhibition Hall, Taiwan.** This annual show features exhibits covering beverages, food processing machinery, food packaging machinery and materials, frozen prepared foods, food ingredients and additives, refrigeration equipment, meat products, canned food, and preparation equipment. More than 240 exhibitors and 87,214 visitors attended the last show. Contact China External Trade Development Council (CETRA), Taipei World Trade Center Exhibit Hall, 5 Hsin Yi Rd., Sec. 5, Taipei, Taiwan, ROC (Tel.: 886-2-725-1111, Fax: 886-2-725-1314).
- July 9-13 **International Floriculture Conference and Short Course: Cincinnati Convention Center, Ohio.** This annual show is for trade only. Seminars are offered with 150 speakers covering topics such as new technology, disease, insects, production methods, management, marketing, customer service, and merchandising. Past events have drawn more than 5,000 attendees and 623 exhibits. Contact Bonnie Haws-Norris, International Floriculture Association, 2130 Stella Ct., Ste. 200, Columbus, OH 43215 USA (Tel.: 614-487-1216).
- July 26-29 **5th ASEAN Food Conference: Kuala Lumpur, Malaysia.** This four-day conference will review issues in food science and technology as they affect food industries, the environment, and consumers. Key conference topics include harmonization of standards to enhance safety, emerging technologies, food trends and marketing, food distribution systems, food nutrition and health, food biotechnology, and small- and medium-scale food industries development. Contact Adinan Husin or Faridah Modh, Food Technology Research Centre, MARDI, P.O. Box 12301, G.P.O., 50774, Kuala Lumpur, Malaysia (Tel.: 603-9486401, Fax: 603-9422906).
- September 28-October 1 **Society of American Florists Convention: Keystone, Colorado.** This annual convention includes a floriculture exhibition and attracts retailers, growers, and wholesalers. Featured at the convention are seminars and programs on current business, marketing, and care and handling issues, in addition to new products, trends, and colors. Contact the Society of American Florists, 1601 Duke Street, Alexandria, VA 22314-3406 USA (Tel.: 703-836-8700, Fax: 703-836-8705).
- September 29-October 2 **International Trade Fair for Horticulture (Plantec): Frankfurt, Germany.** Held annually, Plantec features potted plants, cut flowers, nursery plants, perennials, bulbs, vegetables, seeds, greenhouses, shop fittings, machinery, equipment, fertilizers, plant protection agents, and horticultural requisites. Attendance will be 20,000 visitors; exhibitors will number 750. Contact Messe Frankfurt GmbH, Postfach 97 01 26, D-6000 Frankfurt 1, Germany (Tel.: 49-69-75-75-6618, Fax: 49-69-75-75-6610).
- October 9-12 **National Frozen Food Convention: Walt Disney World Dolphin Hotel, Orlando, Florida.** An annual exhibit that brings together virtually all segments of the frozen food industry, the National Frozen Food Convention attracts 2,000 attendees

Publications of Interest

Japanese Food and Agrimarket: A Multifaceted Opportunity, edited by A. Desmond O'Rourke, is a collection of essays that describe the Japanese market for agricultural goods. Topics covered include general consumption patterns; food distribution systems; and markets for beef, fruits and vegetables, wheat, and wood products. Published in 1994 by the Food Products Press, The Haworth Press, Inc., Binghamton, NY 13904-1580 USA.

Improvement of Agricultural Statistics in Asia and the Pacific, published in 1993 by the

Asian Productivity Organization, is a result of a conference held by the Asian Productivity Organization. This publication includes a findings paper and profiles of 14 Asian countries. Asian Productivity Organization, 4-14, Akasaka 8-Chome Minato-Ku, Tokyo 107 Japan (Tel.: 30-3408-7221, Fax: 30-3408-7220).

Fructidor International 1994, an international trade directory of the fruit and vegetable industry, is now available from Fructidor, 20 bis avenue des Deux-Routes, BP 369-84028 Avignon Cedex 1-France (Tel.: 33-90-88-33-00, Fax: 33-90-88-28-49).

Trade with Dried Fruit (DM89.00) and ***The Fresh Fruit Trade*** (DM89.00) focus on the German market and are available from Protrade: Department of Foodstuffs and Agricultural Products, Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) GmbH, P.O. Box 5180 D-65726, Eshborn, Germany (Tel.: 49-61 96/76-42 02, Fax: 49-61 96 79-74 14).

Green Europe: The New Regulation of the Agricultural Markets (Volume 1/93) by Jeanine Ekemans offers information on the basic regulations governing all the agricultural
(please turn to p. 2)

Price Reporting Service

The Market News Service of the International Trade Center operated by the U.N. Conference on Trade and Development (UNCTAD)/GATT produces many price reports.

Weekly

- Fruits and Vegetables: 72 tropical and off-season products in selected European, Middle Eastern, and

States, Japan, Hong Kong, Singapore, and selected markets in Europe and the Middle East.

- Rice: 15 different varieties and qualities (of Southeast Asian origin) in world markets.

Biweekly

- Hides, Skins, and Semifinished

Monthly

- Fruit Juices: 10 products in selected European markets.
- Pharmaceutical Raw Materials: More than 100 of the most-used substances in the production of essential drugs (generic) as traded on major market centers.

The RAP Clearinghouse
Development Alternatives, Inc.
7250 Woodmont Avenue, Suite 200
Bethesda, Maryland 20814 USA

Publications

(continued from p. 19)

products that come under the common agricultural policy.

Green Europe focuses on crop products, livestock products, and specialized crops. DG X-Agricultural Information Communities, Rue de Treves 120, 1049 Brussels (Tel.: 32-02-29-99-426, Fax: 32-

1992. Cost \$1,950 for complete set. Order stock #12179 from The World Bank, Office of the Publisher, 1818 H Street, N.W., Washington, D.C. 20433, USA (Tel.: 202-473-2033).

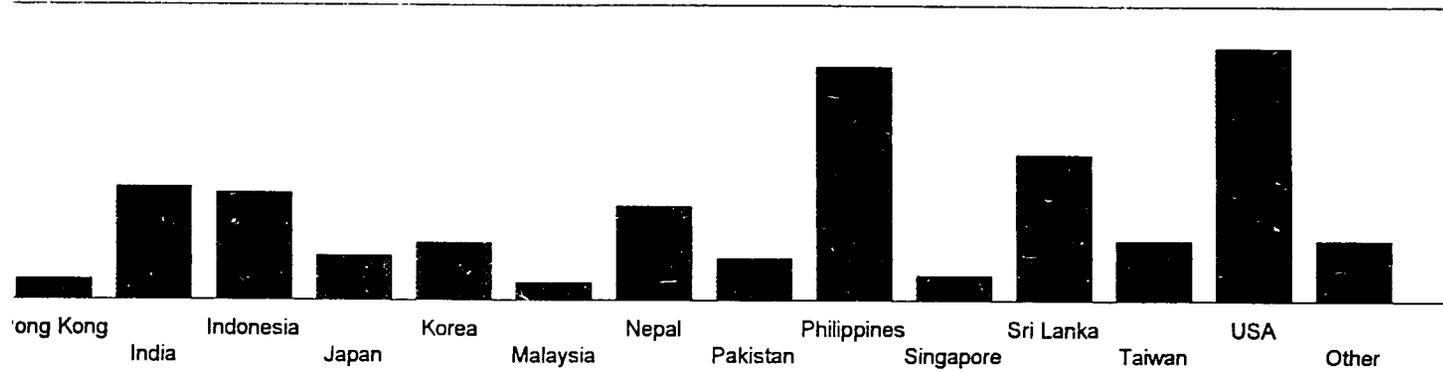
CRC Handbook of Alternative Cash Crops, by James A. Duke and Judith L. duCellier, 536 pages; \$129.95 in the United States,

Asian Horticultural Trade Data on Diskette

RAP announces the release of its first electronic data package: "Asian Horticultural Import Statistics—Japan, Hong Kong, Singapore" (*Market Asia* Data Series 9401). Data give 1993 value and volume of monthly fresh fruit and vegetable imports by supplier

ANNEX E
DISTRIBUTION OF
MARKET ASIA

Distribution of Market Asia, by Country

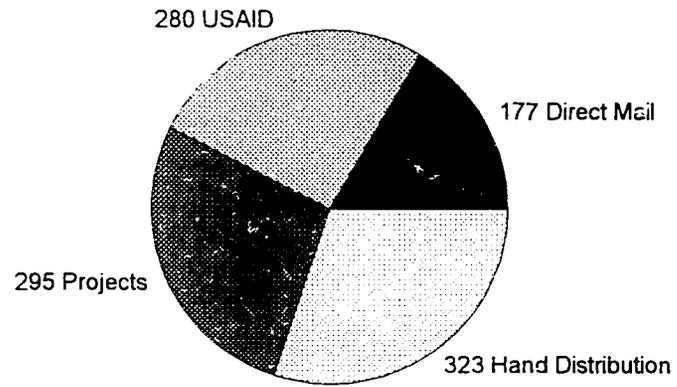


Distribution of Market Asia, by Country

India	95
Indonesia	90
Japan	37
Korea	48
Malaysia	15
Nepal	79
Pakistan	35
Philippines	198
Singapore	21
Sri Lanka	124
Taiwan	50
USA	215
Other	51
Total	1075

02

Distribution of Market Asia, by Method



Distribution of Market Asia, by Method

Direct Mail	177
USAID	280
Projects	295
Hand Distribution	323
<hr/>	
Total	1075

CV
1

F-1

ANNEX F
BUDGET MONITOR

NAME OF CONTRACTOR: DEVELOPMENT ALTERNATIVES, INC.

#3200

PROJ. #: 499-0009
 PIO / T: (1) 499-0009-3-3672517/01/02 \$532,895
 (2) 499-0009-3-3672533 \$174,298
 (3) 499-0009-3-3672547 \$13,307
 APPROPRIATION (1) 72-1131021
 (2) 72-1131021
 (3) 72-1131021
 BPC: (1) HDVA-93-37499-KG12
 (2) HDVA-93-37499-EG12
 (3) HDVA-93-37499-KG12

ASIA REGIONAL AGBUS. PROJECT

CONTRACT NO.: AEP-0009-C-00-3057
 REPORTING PERIOD: MARCH 1-31, 1994
 SUBMISSION NO: 6
 SUBMISSION DATE: APRIL 26, 1994

CATEGORY	BUDGET AMOUNT	INCEPTION TO LAST REPORTED PERIOD	THIS PERIOD	CUMULATIVE AMOUNT	REMAINING AMOUNT	PERCENT OF BUDGET EXPENDED
SALARIES AND WAGES	\$1,224,513.00	\$66,560.82	\$29,279.34	\$95,840.18	\$1,128,672.84	7.83%
FRINGE BENEFITS	146,446.00	10,307.68	3,719.25	14,026.93	132,419.07	9.58%
OVERHEAD	1,069,348.00	59,957.43	25,738.91	85,696.34	983,651.66	8.01%
TRAVEL, TRANS. & PERDIEM	584,010.00	2,112.71	0.00	2,112.71	581,897.29	0.36%
OTHER DIRECT COSTS	320,509.00	17,233.87	6,728.60	23,962.47	296,546.53	7.48%
SUBCONTRACTORS	1,522,404.00	56,775.73	6,051.53	62,827.28	1,459,576.74	4.13%
SUBTOTAL	\$4,867,230.00	\$212,948.24	\$71,517.63	\$284,465.87	\$4,582,764.13	5.84%
FEE AT 4.71%	229,415.00	10,029.87	3,368.49	13,398.36	216,016.64	
TOTAL EST BUDGET	\$5,096,645.00	\$222,978.11	\$74,886.12	\$297,864.23	\$4,798,780.77	5.84%

The undersigned hereby certifies: (i) the fiscal report and any attachments have been prepared from the books and records of the Contractor in accordance with the terms of this Contract, and to the best of my knowledge and belief, that they are correct, that the sum claimed under this contract is proper and due, that all the costs of contract performance (except as herewith reported in writing) have been accrued or paid or will be paid currently by the Contractor when due in the ordinary course of business, that the work reflected by the costs above has been performed, that the quantities and amounts involved are consistent with the requirements of this Contract., that all required Contracting Officer approvals have been obtained, and (ii) appropriate refund to AID will be made promptly upon request in the event of disallowance of costs not reimbursable under the terms of this Contract.

By M. Aliece Baldwin
 M. ALIECE BALDWIN
 TITLE: PROJECT ACCOUNTANT
 DATE: APRIL 26, 1994

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ANNEX G
ANNUAL WORK PLAN

WORK PLAN

es	Coordinator	1993			1994												
		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
LYSES																	
System	MM/TK				XXXXXXXXXXXXXXXXXXXXXXXXXX												
	MM					XXXXXXXXXXXXXXXXXXXXXXXXXX											
	MM															XXXXXXXXXXXXXXXXXXXX	
	TK															XXXXXXXXXXXXXXXXXXXX	
TEGRATION																	
	JB					XXXXX											
	JB						XXXXXXXXXX										
	JB					XXXXXXXXXXXXXXXXXXXXXXXXXX											
olicy	JB											XXXXXXXXXXXXXXXXXXXX					
it	JB											XXXXXXXXXXXXXXXXXXXX					
e I	JP					XXXXXXXXXX											
e II	JP																To Be Determined by AID
e III	JP																To Be Determined by AID
is	KS											XXXXXXXXXXXXXXXXXXXX					
five Position	KS											XXXXXXXXXXXXXXXXXXXX					
inary Chains	KS											XXXXXXXXXXXXXXXXXXXX					
	KS											XXXXXXXXXXXXXXXXXXXX					
bility	KS												XXXXXXXXXXXXXXXXXXXX				
																XXXXXXXXXXXXXXXXXXXX	
r, Analysis	JP												XXXXXXXXXXXXXXXXXXXX				
r, Workshop	JP																X
opmen'	JP												XXXXXXXXXXXXXXXXXXXX				

WORK PLAN

95	Coordinator	1993			1994												
		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
ACTIVITIES																	
	TK/MM/JP	XXXXXXXXXXXX					XXXXXXXXXXXX										
ed Systems	TK/JG								XXXXXXXXXXXX								
ervices	TK/MM/JG		XXXXX	XX													
	TK/JG/MM						X		X		X		X		X		X
IDA, and FFTC	MM/TK				XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX												
tem Development	MM/TK						XXXXXXXXXXXXXXXXXXXXXXXXXXXX										
	MM/TK										XXXXXXXXXXXX						
													X	X	X	X	X
	TK/JG									X							
	TK/JG											X					
	TK/JG														X		
	TK/JG				XXXXXXXXXXXXXXXXXXXXXXXXXXXX												
ig	TK/JG											XXXXXXXXXXXX					
e	TK/JG																XXXXXXXXXXXX
Taiwan	TK/MM/JG									XXXXXXXXXXXX							
Korea	TK/MM/JG															XXXXXXXXXXXX	
les from the Field	JG												XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX				
rket Alerts	JG/TK/MM												XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX				
	JG							X								X	
	JG															X	

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WORK PLAN

as	Coordinator	1993			1994												
		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
INTEGRATION																	
	JB																
s	JB				XXXXXXXXXXXX												
	JB				XXXXXXXXXXXXXXXXXXXX												
	JB				XXXXX												
	JB				XX												
1 technical assistance	JB				XX												
i	JB				XX												
ATION																	
Service																	
	JP/TK/JG				XXXXXXXXXXXX												
land & Publicity Program	JP				XXXXXXXXXXXX												
	JP				XX												
	JP				XX												
	JP				X												
Service Trainers	MM/TK				XXXXXXXXXXXXXXXXXXXXXXXX												
RE STAFF																	
					XXXXXXX			XXXXXXX									
					X												
					XXXXXXX			XXXXXXX			XXXXXXX						
					XXXXX			XXXXXX			XXXXXX						
					XXXXX			XXXXXX			XXXXXXX						
VENT																	
	JP		X	X	X			X			X						
	RG/JD				X	X	X	X	X	X	X	X	X	X	X	X	X
	JD				X												
	JP				X												

G-5

ANNEX H
REGIONAL AGRIBUSINESS PROJECT

STRATEGIC ANALYSES

The purpose of the Asia Regional Agribusiness Project (RAP) is to increase the effectiveness of Bureau agribusiness projects and programs in promoting market efficiencies and increased trade and investment in an environmentally sustainable manner. RAP has four components:

- Market information;
- Environmental support;
- Trade and investment facilitation; and
- Regional analysis.

RAP will provide technical support and strategic analyses that will strengthen mission programs and monitor impact on economic growth. Strategic activities include:

- Analytical studies of issues, common to several countries, on regional agribusiness trade and investment;
- Evaluation of the impact of USAID's agribusiness activities in Asia; and
- Assessment of trends of regional significance for the Asia and Near East Bureau.

In Asian countries, value-added agriculture is a major contributor to economic growth. The agribusiness projects offer opportunities for promoting USAID's primary strategic objectives — sustainable economic growth, strengthening of democratic institutions, the environment, and health and population planning. RAP will develop standard criteria for a monitoring and evaluation system to measure and compare the sustainable development impact of the USAID Asian agribusiness efforts as a whole, by individual project and for cross-cutting themes (for example, gender integration and participation). The system will allow USAID project, Mission, and Bureau managers to assess and plan activities consistent with project, country, regional, and global strategies.

Market Information

Future Market Prospects: Opportunities in Developing Technologies and Products

This analytical study will profile lessons learned in selected product development (such as kiwifruit, carambola, ugly fruit, chilled sliced fruit, nontraditional dried fruits, and pre-cut vegetables) and will provide information on expected market opportunities in the next five years. Informal surveys

Assessment of Options for the Collection and Dissemination of Price Information to Agribusinesses in Asia

USAID agribusiness projects and agribusinesses in Asia often lack the timely, routine price information from key demand centers in Asia necessary for analysis of the merits and sustainability of exporting particular local commodities. Should there be access to alternative market outlets or establishment of several trading channels to one importing country or to more than one country with adjustments on a month-to-month basis? Routine, reliable price and market condition information is needed from a sustainable, credible, and well-grounded information system. This analytical study will assess needs, different mechanisms for, and costs associated with the establishment of market information systems, including collaborative efforts with regional information systems (such as Food and Fertilizer Technology Center in Taipei, the ASEAN Food Handling Bureau in Kuala Lumpur, and the Association of Food Marketing Agencies in Bangkok) and nonregional price reporting services that have expressed an interest in expanding services to the Asia region (such as USDA's Market News Service and the UNCTAD/GATT International Trade Centre Market News Service). Issues of product and market coverage will be addressed, as well as collection, processing, and distribution mechanisms.

Environmental Analysis and Integration

Comparative Assessment of the Environmental Sustainability of USAID Agribusiness Projects in Asia

USAID agribusiness projects need to take a leadership role in promoting environmental sustainability. This study will inventory the impact of Asia agribusiness projects, policies, and systems on environmental sustainability. Focus areas will be natural resource degradation, agrochemical usage, integrated pest management, food safety, and waste stream management by agro-industries. Recommendations will be made to mitigate environmental problems where appropriate. Lessons learned from USAID agribusiness initiatives (for example, PROEXAG) in other regions will be incorporated into the analysis.

Analysis of Food Safety and Phytosanitary Issues Affecting Asian Agribusiness Trade

Agricultural products from Asian countries can be held up or rejected at foreign ports of entry because of food safety (chemical or microbial contamination) or phytosanitary (presence of live pests or pathogens) considerations. The amount and kinds of product rejected by the importers will be examined historically: Which products have been rejected the most, and why? Are certain exporting countries treated preferentially in the import process, and, if so, why? Which food safety and phytosanitary restrictions are in place simply as trade barriers, with little or no scientific basis for merit? To what extent do problems arise from lack of good manufacturing practices? Is laboratory testing capacity in the exporter countries of sufficient accuracy and precision to adequately prevent import failures? Contacts

Implications of Food Safety Trends for Pesticide Use in Producing Countries

Using information gained in the analysis of food safety and phytosanitary issues affecting agribusiness trade in Asia, the study will inventory and review official producing-country government policies and practices on pesticide import, local manufacture, usage, worker safety, disposal, and the like. The effects of these policies and practices on constraints to export promotion, environmental sustainability, and the role of integrated pest management and environmentally friendly technologies in mitigating the effects of inadequate policy will be analyzed, comparing Asian countries. The focus will be on policies that are most likely to result in constraints to successful export promotion of commodities targeted by the Mission projects.

Trade and Investment Facilitation

Comparative Analysis of Export Promotion Service Centers

Several Asia agribusiness projects have established a proactive effort to increase local agribusiness exports — for example, the Agricultural Enterprise Center in Nepal, the Information Service under the Agro-Enterprise Development Project in Sri Lanka, and FRLD in the Philippines. In addition, the Mahaweli Agriculture and Rural Development Project in Sri Lanka and the Agribusiness Development Project in Indonesia have aggressive export product development and promotion components. This analysis will catalogue these activities, their results, and lessons learned, particularly as they relate to export service promotion service centers, and will develop recommendations for improved services and sustainability. Two or more similar efforts — public or private sector — outside Asia will be reviewed. Implications of the Bumpers and Lautenberg amendments will be considered to ensure that activities are in compliance. The analysis will assess the usefulness of information exchange between projects and may organize a regional workshop to foster networking supportive of sustainability.

Incentives and Disincentives to International Investment and Trade in Asia

Agribusiness projects involving joint ventures with U.S. agribusiness companies have been seen as vehicles to raise small farmer income. Such joint ventures include export marketing agreements, technology transfer, small farmer contract production, equity investment, and other forms of cooperation. The degree to which such activities can begin and be sustained depends in large part on an enabling climate — allowing the private sector to operate. Through contacts with U.S. agribusinesses that have considered or are involved in agribusiness ventures in Asia and with the Asia agribusiness projects, this analysis will identify policy, regulatory, economic, cultural, and other factors that encourage and discourage joint venture development and success in project countries. The study will also assess the effectiveness of joint ventures in raising small farmer income. The results can be used by USAID in policy and program design and by agribusiness projects and RAP to better inform potential U.S. joint venture partners.

now demand state-of-the-art, high-value agricultural products with specific requirements in shape, size, color, composition, and taste. Many of the Asian Missions have agribusiness clients that complain about the lack of easy access to the high-quality foreign germ plasm necessary to meet the quality demands of foreign markets. In some situations, certain germ plasm is not allowed into some countries. In other situations, unreasonable phytosanitary requirements and quarantine periods hamper the start-up of local seed supply. Also, liberal government policy on intellectual property rights often discourages foreign seed establishments from providing their most promising genetic materials.

One or more regional workshops may be held to discuss the effect of genetic import restrictions on marketing and export trade and to compare the severity of the constraints among countries. Key participants would include private sector establishments and associations that require easier access to seed, and public sector officials responsible for seed import policy, inspections, intellectual property rights legislation, and the like. The private and public sector participants in the workshop would develop a standard set of genetic import guidelines for Asia.

Comparison of Market Access and Market Behavior for Selected Asian Countries

The promotion of exports by agribusiness projects in Asia to other Asian countries is constrained by government import regulations and implementation procedures (including implicit policy agendas) and by the trading customs and practices. Without clearly understanding both aspects, agribusiness exporters will spend large sums on market analysis, trial shipments, and improved technologies, only to find that a government's implicit agenda may be to restrict imports from a particular country or that local importers view exports from a particular country as inferior, thus not warranting serious consideration in the long run. This study will document the official and unofficial aspects of market entry and will assess key trading customs and practices within the local business culture.

Assessment of a Coordinated Marketing Strategy

Individual agribusiness projects in Asia may be limited in their product marketing efforts by relatively short time periods over which they can deliver an individual product, by limited production quantities, by market desire for variety (such as cut flowers), or by other factors. The agricultural diversity potential of the various projects, when considered together, may provide an opportunity to overcome these difficulties by sourcing the product from two or more project countries. The following table provides some examples:

<u>Product</u>	<u>Potential Problems That Coordinated Marketing May Alleviate</u>
Baby corn	Volumes and growing season
Cut flowers	Varieties and growing season

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Comparative Analyses of Export Competitive Positions

Most agribusiness projects in Asia include a major effort to increase exports of high-value horticultural products. Different projects are targeting the same product/market niches (similar to the "green bean syndrome" experienced in Africa). At the same time, Asia Missions have expressed concern that some governments are creating nonsustainable export positions through the use of subsidies (for example, for transportation, credit, inputs, or prices). This analysis will determine the impact of existing subsidies on delivered-to-market costs. The results can be used by projects to establish their product/market focus and by Missions to encourage policy reform. The initial study will focus on the transportation aspect of the comparative analyses.

Assessment of Regional Private Label Sourcing

The Independent Grocers Alliance (IGA) in the United States has assisted the development of IGA-type voluntary wholesale-retail food distribution chains in Australia, Korea, Japan, and New Zealand. In establishing these chains, IGA found that food processor preparation of private-label packaged goods for such chains is not as well established as in the United States. This analysis will test the feasibility of producing processed foods through private-label contracts in Asia project countries for distribution through voluntary chains in the aforementioned — and other — export markets. The same analysis can be used to explore the feasibility of private-label production for established chains in these and other markets as well. IGA has indicated its interest in participating in the analysis and implementation of this concept.

Feasibility of Forming Voluntary Wholesale-Retail Food Store Chains

Unlike many other countries in which USAID operates, many Asian countries have huge urban centers that demand large volumes of fresh and processed foods daily. Experience in Latin America under similar circumstances led to the formation of voluntary wholesale-retail chains, creating a more efficient distribution system than that existing with assembly and terminal markets. This analysis will determine the feasibility of forming independent retail operators into voluntary wholesale-retail chains in selected Asian cities. The analysis will compare the benefits that could be obtained through the voluntary structure with the existing wholesale-retail structure or other existing chain store structure. IGA has indicated its interest in participating in the analysis and implementation of this concept.

Comparison of Major Wholesale Market Facilities, Especially Exports, in Asia on Vegetable and Fruit Trade

In several Asian countries (for example, Indonesia, the Philippines, and Sri Lanka), location and deteriorating conditions of major wholesale market facilities for fresh vegetables and fruits have increased

concerns, such as rationalization of market fees, monitoring of daily prices and volume throughput, and assessing domestic demand for export-quality commodities.

SERVICE ACTIVITIES

Service activities are continuing in nature, providing support in specific areas through regularly scheduled or on-request services. They are designed to help Missions, projects, and clients solve specific information and implementation needs. The market information documents will be advertised through RAP publication lists on the bulletin board and fax-on-demand services, as well as through *Market Asia*.¹

Clearinghouse Services

Quick Response Service

Started in November 1993, this service provides customized reference services to project clients, who require specialized information, on a timely basis, in marketing, environment, and trade and investment (for example, sources of equipment for a specific processing operation, trade trends for a specific product and market, literature searches on postharvest handling methods for a specific product, duties and tariffs for a specific set of products or countries, phytosanitary regulations for a particular set of products, integrated pest management guidelines for a specialty crop, information on trade shows and Missions, and assistance to companies with specific trade and investment questions). Information requests must be specific. Information requests which require substantial RAP staff time are charged to those requesting the information, using agreed-upon fees.

Information on production techniques, processing technologies, commodity crops, and aquaculture will not be provided.

Training Catalog

RAP will provide a catalog of training programs at universities and other institutions in the United States and overseas.

Short-Term Technical Assistance and Training

RAP staff members will be available to Missions and their agribusiness projects for short-term consultancies and to conduct training, depending on scheduling and availability of funds. Following is a list of the skill areas:

- Applied research on agricultural marketing systems;
- Monitoring and evaluation of marketing projects;
- Development of marketing research methodologies;
- Crop protection;
- Integrated pest management;
- Seed quality;
- Agribusiness privatization;
- Agribusiness marketing and strategic planning;
- Investment and Trade Mission organization and support;
- New venture feasibility analyses;
- Industry association needs assessments;
- Industry association design and training of service products; and
- Training in market analysis.

Missions can also buy in to RAP for services and expertise not funded under the core contract.

Market Information

Newsletter

Market Asia is published every two months, starting in February 1994. Regular features will include market and product profiles, market news in brief, trade show and event calendar, trade and investment opportunities, list of current *Market Asia* relevant publications, and environmental issues. Summary statistics will include import and export, production, price levels, and transportation costs.

Access to and Interpretation of Food Standard Database

Various databases provide information on food product standards of major export markets (United

- Listings of responsible agencies and contact officials, by commodity;
- Food additive requirements and tolerances;
- Maximum allowable residue levels for pesticides;
- Microbiological standards;
- Labeling requirements of products with specific standards of identity; and
- Tariffs.

RAP has established links with organizations that can access these databases and answer questions related to these issues on a fee-for-service basis. RAP will serve as a central access point for providing information and interpretation for Asia Missions, agribusiness projects, and agribusinesses.

Asian Price Information Service (including Market Conditions)

Depending on identification of clients, commodities, markets, and potential to pay, an Asian price information service could be established. The service may distribute wholesale prices on selected fresh and processed agricultural products in key regional markets, such as Japan, Hong Kong, Singapore, Korea, and Taiwan. A feasibility analysis (see the Strategic Analysis No. 2, "Assessment of Options for the Collection and Dissemination of Price Information to Asian Agribusinesses") will determine field requirements for supporting a sustainable regional service, including an evaluation of possible collaboration with other institutions (such as ITC, USDA, and the Food and Fertilizer Technology Center, or FFTC).

Market Information Bulletins

Brief profiles on key Asian agribusiness products will be disseminated regularly through RAP's electronic information system. Product profiles will include both high-volume and niche-market products. Market focus will concentrate on Asia (Japan, Korea, Taiwan, Hong Kong, and Singapore), the Middle East, Europe, and the United States. Bulletins will include import procedures (for example, a description of the regulatory agencies involved in the import process, phytosanitary regulations, pesticide residue tolerances, and quotas) within major markets and brief market profiles for specific products (such as pineapple, papaya, durian, mango, asparagus, baby corn, melons, and orchids and other cut flowers). Mission requests will be given priority attention.

Market Analyses and Reference Materials

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diskette), and a modest fee will be charged to recoup printing costs. This service will begin by the middle of 1994.

Market Alert Service

Ad hoc alert for emergency situations, such as overexpansion of production (for example, vanilla or shrimp) or market regulatory actions (such as immediate changes in quota or phytosanitary regulations). The service will be distributed via various forms of electronic media to projects, missions and broader clientele. Details and updates to be printed in *Market Asia*.

Sharing Field Experiences

A quarterly bulletin — an information-sharing service for mission projects and clients — on lessons learned and a listing of project activities and publications. Information on market surveys, production and market trials, trade show attendance, training courses, and so forth. This publication will be made available to projects and missions through electronic mail, and summaries will be published in *Market Asia*.

Environmental Analysis and Integration

Export Quality Control Technical Assistance

On request, RAP will help missions and projects develop scopes of work and identify available consultants for the following technical services that are in increasing demand by Asia agribusinesses:

- Assessment of food processing establishments (plant sanitation, waste stream management, and so forth);
- Assessment of food testing labs to evaluate capability in residue analysis, microbiology, and so forth;
- Incorporation of International Standards Office requirements (ISO 9000), good manufacturing practices, and Hazard Analysis and Critical Control Point (HACCP) concepts into food processing operations; and
- Development of integrated pest management practices for high-value export crops. RAP has a special interest in assisting medium-scale and large commercial and contract growers who are unfamiliar with or skeptical of integrated pest management.

U.S. Joint Venture Opportunities

Develop linkages between U.S. environmental equipment and technology suppliers and opportunities in RAP country markets. Focus will be on agro-industrial pollution control technologies and environmentally friendly agrochemicals and biocontrol products.

Trade and Investment Facilitation

Investment and Trade Opportunity Referral Service

On request from missions and projects, RAP will screen, profile, and disseminate information about trade and investment opportunities related to USAID's agribusiness projects in Asia. Leads will be provided by Mission and project staff. RAP staff will prepare profiles based on information provided or, for more complex opportunities, developed by RAP staff. Dissemination will be through RAP's printed, electronic, and personal communication links to the private sector.

Transaction Support

RAP will provide information and services to support the completion of investment and trade transactions. Investor and supplier profiles will be prepared to allow early identification of sound potential business partners for specific opportunities. A database of financial, accounting, legal, business, and other consultants will be maintained for referrals.