

**Asia Regional  
Agribusiness  
Project:**

**Quarterly Report  
for July to  
September 1994**



**Regional Agribusiness Project  
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## EXECUTIVE SUMMARY

This report summarizes RAP activities for July-September 1994; combined with the previously submitted quarterly report, it constitutes the six-month report required by our contract.

During this six-month period, RAP became fully staffed, with the addition of Kenneth Swanberg to the team; began its planned field visits; and initiated numerous short-term technical assistance assignments. We have structured our work into five categories. They, and the major activities initiated under each, follow.

### 1. Services assisting Missions and projects to achieve their objectives:

- Market information. The Information Clearinghouse continued to operate, and the *Market Asia* newsletter, data diskette products, and the HACCP/ISO 9000 technical report were disseminated.
- Market News Service. A feasibility analysis is in process and will be completed in November. An opportunity for collaboration with the International Trade Centre emerged and was pursued.
- Regional workshops. Planning is under way for workshops on seafood HACCP, packaging and postharvest handling, and good manufacturing practices.
- Trade and collaborative venture development assistance.
- Regional export competitive position analysis for horticultural products. Work continued on this task, scheduled for December completion.
- Analysis of wholesale marketplace modernization. Principal analysis will be completed in November.

### 2. Technical assistance to Missions and projects, usually requested by them, to address specific issues:

- Bangladesh. Various ideas are under consideration.
- India. An evaluation of a food-testing laboratory is planned (this assignment has been transferred to the U.S. Department of Agriculture [USDA]). A keynote speaker for the marine industry conference was secured, and a group was formed in Washington to coordinate USAID projects in India.
- Indonesia. RAP initiated design of a cacao pod borer control project involving the Chocolate Manufacturers Association of America, the Indonesian Cocoa Association (ASKINDO), USAID's Agribusiness Development Project, and the Government of Indonesia.
- Nepal. SUSTAIN agreed to provide dairy processing and new product development assistance.

- Philippines. Work continued on world and regional GATT impact overviews due in November to the Agribusiness Systems Assistance Project (ASAP). Assistance in integrated pest management was provided to ASAP client Bukidnon Resources Company, Inc.
- Sri Lanka. An evaluation of a food-testing laboratory is planned (this assignment has been transferred to USDA); an environmental audit of the Mission's project portfolio is also planned (this assignment will be undertaken by a USAID staff person).

### **3. Policy dialogue and analysis:**

- A paper analyzing agribusiness in Asia is being written and will be ready in November.
- An evaluation of Pakistan Mission agribusiness projects was conducted to identify lessons learned. The evaluation is due in November.
- A white paper (Delphi exercise) on an Asian agribusiness strategy was drafted for the Office of Agriculture and Food Security. It will be completed in November.
- The first issue of the *RAPNET* newsletter featuring electronic discussion groups will be published in October.

### **4. Establishing RAP activities on a sustainable basis:**

- *Market Asia*. A short-term technical assistance consultancy was initiated to develop recommendations and an action plan to have a private publisher take over production of *Market Asia*. The action plan will be completed in November.
- Market News Service. An arrangement was made for USAID and USDA to collaborate with the International Trade Centre in its planned service and secure for USDA desired information on key Asian fruit and vegetable markets.
- Trade and collaborative venture development. A strategy was refined to develop links between existing organizations rather than build a system that depends on RAP.
- Links to regional organizations. Links are still being established to create opportunities for continuing RAP-initiated services. Organizations visited to date include the ASEAN Food Handling Bureau, Asian Productivity Center, Asian Vegetable Research & Development Center, Food & Fertilizer Technology Center, International Institute of Biological Control, and Pesticide Action Network (Asia).

### **5. Cooperation with other Agriculture and Food Security Office projects:**

- Postharvest Collaborative Agribusiness Program (CASP). RAP will look for CASP opportunities in Asia, for CASP to pursue alone and in conjunction with RAP activities.
- Agribusiness and Marketing Improvement Strategies Project (AMIS). RAP and AMIS will jointly explore opportunities in Asia to use the Asia and food marketing experience within AMIS.

## SECTION ONE

### ACTIVITIES OF THE TECHNICAL ASSISTANCE TEAM

#### RAP WORK PLAN

The U.S. Agency for International Development (USAID) and the Regional Agribusiness Project (RAP) staff at Development Alternatives, Inc. (DAI) developed a work plan that established key activities for RAP to initiate in 1994. A summary of these activities is included in Annex A. This report comments on planned activities that are currently in process as well as on activities that have been added since the plan was approved.

#### MARKET INFORMATION

##### Newsletter

Printed and distributed 2,500 copies of Volume 1, Issue 3, *Market Asia*. Feature articles included import trends in Taiwan and Singapore and a profile of Thailand's exports of fresh and processed off-season vegetables and specialty tropical fruits. Other feature articles included an update on Japanese inspections and detentions of imported food products, a profile of USAID/Pakistan's Bulk Wheat Handling Project, GATT Watch, and a new regular feature on Women in Agribusiness. Annex B includes a copy of the issue. Annex C contains a summary of distribution.

Completed Issue 4 of *Market Asia* for distribution in October. The issue includes feature articles on integrated pest management and agribusiness, Japanese supermarkets in Hong Kong, Indonesia's fishery sector, the GATT Uruguay Round, and the world mango market (written by Gokul Patniak, Director of India's Agency for Processed Food Export Development). Tables on Japanese horticultural imports for the first half of 1994 and on Dubai's imports of fresh fruits and vegetables also appear in the issue.

Commissioned a short-term consultant to develop recommendations for moving newsletter production, distribution, and advertising sales functions to a commercial publisher. This transfer is in line with RAP's goal of making *Market Asia* a sustainable publication. A final report will be completed in November.

##### Data Collection and Analysis

Collected monthly data on fresh horticultural imports by Korea and Taiwan, for preparation of a second data series product. Data input has been postponed indefinitely because of reporting problems with Korean import data and lack of demand for this product. The data, however, will be used for upcoming market surveys in *Market Asia*.

Continued data collection for an analysis of Thailand's exports of fresh and processed tropical fruits and off-season vegetables. The data will be gathered on a diskette presenting a comprehensive profile of Thailand's highly successful development of horticultural exports.

### **RAP Clearinghouse**

Continued to provide customized research for projects and USAID Missions. A summary of requests during the period is included in Annex D.

### **Regional Price Information Service**

Completed documentation work and draft materials for the feasibility study. Conducted extensive private and public sector interviews with exporters in Sri Lanka, importers and wholesalers in Taiwan, and importers and officials in Japan. Based on information assembled, we have tentatively concluded that a RAP-initiated price reporting service will not be sustainable.

Joseph Pietrus, RAP Project Director and Trade and Investment Specialist, and Terry Long, Chief of USDA's Market News Branch in the Agricultural Marketing Service/Fruit and Vegetable Division, visited the International Trade Centre (ITC) in Geneva to evaluate its price reporting system and discuss USDA and USAID participation in implementing the system. As a result of this visit and initial finds on the Regional Price Information Service feasibility analysis, they recommended that USDA and USAID participate in and provide funding support to ITC's Asian price service.

### **Wholesale Market Analysis**

Merle Menegay, RAP Market Information Specialist, spoke at the plenary session of the 5th ASEAN Food Conference (July 26-29) in Kuala Lumpur, Malaysia, on "Fresh Fruit and Vegetable Marketing: Roles of Urban Wholesale Markets and Supermarkets in Asia."

Field consultants completed drafts of the Taiwan and Hong Kong short-term technical assistance case studies and basic materials for the Singapore case study.

### **Other**

Developed plans for publication of *RAPNET*, an interactive hard copy and electronic newsletter disseminating information useful to USAID Washington, Missions in Asia, and project staff. *RAPNET* will include articles describing Asian agribusiness projects, lessons learned, and effective techniques. Articles will be brief, to stimulate field participation in Internet discussion groups set up on Listserve@USAID.gov. Initial publication is planned for late October.

Merle Menegay completed a five-week trip to Sri Lanka, Indonesia, Malaysia, Taiwan, and Japan. In addition to work on the price information and wholesale market analyses, Dr. Menegay provided assistance for RAP's competitive export positions and regional GATT analyses.

In an unrelated assignment that will benefit RAP, Tom Klotzbach, RAP Market Information Specialist, visited Indonesia for one month under a contract with USAID's Agribusiness Development Project. Mr. Klotzbach evaluated the current state of market information provision by private sector associations and government agencies in Indonesia, with emphasis on export market information. He designed a market information system for Badan Agribisnis, an agency of the Ministry of Agriculture, and will be conducting follow-up training and information product development for both this agency and industry associations.

## **ENVIRONMENTAL ANALYSIS AND INTEGRATION**

### **Pesticide Policies Review Paper**

Completed a technical paper entitled, "Pesticide Regulatory Policies of Selected Countries in Asia," for distribution early in October.

### **Food Safety, Phytosanitary Trade Impact Analyses**

Completed analysis. Publication and distribution are scheduled for November. The focus will be on regional trends that have led to export failure and detentions in developed-country markets. Recently acquired FDA data are being incorporated in the report.

### **Environmental Sustainability Assessments**

At the request of USAID/Sri Lanka, initiated a plan to conduct an environmental assessment of the Mission's entire portfolio. On hearing of the proposed evaluation, a USAID/Washington staffer offered to do the analysis, thereby precluding RAP participation.

Met with USAID environmental offices in Indonesia and Nepal to discuss possible RAP collaboration in minimizing pollutants in waste streams from agricultural processing plants.

### **Regional Seafood HACCP Workshop**

Met on several occasions with FDA Office of Seafood staff to refine the concept for an Asia Regional Seafood HACCP Workshop to be sponsored by RAP. The target date for the workshop is June 1995. Three 2-day events are planned at three distinct sites (Indonesia, Philippines, and one still to be determined).

### **Quality Assurance/IPM Technical Assistance**

John Bowman, RAP Environmental Specialist, spent one week in the Philippines providing technical assistance to Bukidnon Resources Company, Inc. (BRCI), a client of the Agribusiness Systems Assistance Program, in sustainable agricultural practices and market opportunities for tomatoes and potatoes. BRCI is constructing a large processing plant in Northern Mindanao that will be supplied by small and medium-sized farms engaged in contract growing.

At the request of USAID, provided the Plant Protection Division of the Government of Vietnam with regulatory data from the U.S. Environmental Protection Agency pertaining to pesticide residues on rice. Participated in meetings with Plant Protection Division representatives at the USDA facility in Beltsville, Maryland.

Initiated planning for technical assistance to USAID/Nepal. Assistance will include pollution control in carpet plants, and new product development in the dairy sector. RAP secured a commitment

from SUSTAIN to provide the dairy sector assistance; the Mission later lost interest in the carpet plant issue.

### **Other**

John Bowman, RAP Environmental Specialist, presented a paper on "The Importance of Integrated Pest Management (IPM) to Agribusiness in Asia" at the 5th ASEAN Food Conference (26-29 July) in Kuala Lumpur, Malaysia. This presentation provided an opportunity to promote upcoming seafood HACCP initiatives by RAP.

While in Malaysia, Dr. Bowman made contact with the ASEAN Food Handling Bureau, initiating discussions on a jointly sponsored regional workshop in packaging technologies tentatively scheduled for spring 1995. He visited the Pesticide Action Network's regional office for Asia and the Pacific and discussed possible joint activities in IPM and Women in Development. He discussed possible collaboration with IPM staff at the regional office of the International Institute for Biological Control, and he reviewed University of Malaysia's IPM research activities at a large cocoa plantation.

Continued to seek opportunities for collaboration with RAP partners. RAP staff visited the Oregon Export Center to review its capabilities, gain familiarity with its Asian food safety database, and discuss future involvement with RAP. We participated in meetings with EPA, World Bank, and the Food and Agricultural Organization to identify a meaningful role for the EPA Participation Agency Service Agreement in RAP. We transferred two planned activities to the USDA's Office of International Cooperation and Development under a Resources Support Service Agreement — the organization of a regional workshop on Asian phytosanitary policies, and the review of pesticide laboratory capabilities in Sri Lanka and India.

## **TRADE AND COLLABORATIVE VENTURES**

### **Transaction Referral and Support**

John Bowman organized and participated in a meeting in Indonesia that resulted in a presentation to USAID on a collaborative IPM project design for control of the cacao pod borer. The meeting brought together representatives of the Chocolate Manufacturers Association of America, the Indonesian Cocoa Association (ASKINDO), USAID's Agribusiness Development Project, and the Government of Indonesia. Follow-up actions will include a meeting between ASKINDO and Indonesian Chamber of Commerce and Industry representatives and FDA import officials in Washington to discuss detained Indonesian cocoa, and a visit with University of Florida IPM specialists.

After learning from the Animal and Plant Health Inspection Service of the USDA that Indian grapes are expected to receive approval for import into the United States in the next six to nine months, notified selected Indian grape producers, the Agricultural & Processed Food Export Association, and USAID/India and offered to provide U.S. market information and contacts.

Initiated, continued, or completed assistance to companies in India, Nepal, Philippines, Sri Lanka, and the United States seeking trade and collaborative venture opportunities. New companies added to our activity list this quarter include an Indian company seeking technology for soya bean products, and a U.S. food processor interested in canning tropical fruits. Activity logs for trade and collaborative ventures are included in Annex E.

### **Advisory Group**

Discussions were held with several people having experience with advisory groups. Included were Frank Baitman and Gerard Helfrich of USAID/India's Trade in Environmental Services and Technologies Programme, John Balis who until May was with USAID/ANE and who is currently with Citizen's Network for Foreign Affairs, and Douglas Freeman of the USDA's Democracy Initiative. They provided comments and suggestions on what can be reasonably expected from an advisory group and how to organize and effectively use such a group.

### **Other**

Secured a keynote speaker on international marine products for the upcoming Confederation of Indian Food Trade and Industry conference on national marine products.

## **REGIONAL ANALYSIS**

### **Comparative Export Position Analysis**

In-country field analysts began data development in India, Sri Lanka, the Philippines, Nepal, and Indonesia. A problem with the proposed analyst in Bangladesh is being resolved with the assistance of the USAID Mission. Merle Menegay secured an invitation to participate in an Asian Vegetable Research & Development Center conference (October 9-13) to review production costs in 12 Asian countries.

### **GATT Analysis**

Fintrac, under a RAP short-term technical assistance assignment, contracted two research assistants to collect and enter into spreadsheet format monthly (last 2 years) and annual (last 10 years) import data. Data were collected on 12 markets (those of Germany, France, the United Kingdom, the Netherlands, Italy, the European Union, the United States, Canada, Japan, Hong Kong, Singapore, and Taiwan) for fresh and processed fruits, vegetables, cut flowers, and meat products.

Completed information development and initial analyses for overviews of Europe, North America, and Asia in a cooperative undertaking with the Philippine Agribusiness Systems Assistance Program. Findings are being summarized for an October meeting in Manila.

### **Agribusiness in Asia Paper**

A draft of the paper was completed and will be finalized when Kenneth Swanberg, RAP Agribusiness Specialist, returns from India.

### **Regional Monitoring and Evaluation (M&E) System**

Implementation of the Regional M&E system recommended in March is on hold, pending organization of the Global Bureau's Office of Agriculture and Food Security.

### **Asian Agribusiness Strategy Paper**

Initiated development of a white paper for use by the Office of Agriculture and Food Security in developing an Asian agribusiness strategy. The methodology being used is a Delphi panel, the members of which include two USAID/Asia field staff, a former USAID/Washington staff member, and eight DAI staff consultants.

### **Other**

Kenneth Swanberg began a four-week field trip to Sri Lanka, India, Bangladesh, and the Philippines in mid-September.

## **ADMINISTRATION**

### **Team Staffing**

An opportunity arose for Jason Graef, RAP's Research Assistant, to move into a position with greater responsibility with RAP subcontractor Fintrac. Mr. Graef will join Fintrac in the second half of October. Mr. Graef's responsibilities at Fintrac will include some work on RAP.

By using relatively low-cost consultants on DAI short-term technical assistance (STTA), we have virtually met DAI's contract requirement for STTA level of effort while spending only about one-half of DAI's total STTA budget. (A budget update appears as Annex F, followed by a table in Annex G outlining STTA assignments to date.) We will therefore have funds to retain JoAnn Donovan and Jason Graef's replacement at the full-time level of effort Ms. Donovan and Mr. Graef have contributed since joining the project.

### **Collaboration with Other USAID Projects**

Meetings were held with Bud Paisley and John Lightfoot, Directors of the Office of Agriculture and Food Security's CASP and AMIS projects, respectively. CASP has elected to place its first Agribusiness Center in Honduras rather than in Asia, but retains a strong interest in working in Asia. RAP staff will look for opportunities to collaborate with CASP, and CASP will facilitate collaboration by keeping RAP abreast of its activities and capabilities. Messrs. Lightfoot and Pietrus agreed to hold a joint meeting of the RAP and AMIS staffs to explore areas of mutual interest, including a joint field trip.

### **Subcontracts**

Received final signed subcontracts from the USAID Contracting Officer for Technical Assessment Systems, Inc. (TAS); Abt Associates Inc.; and DPRA. Subcontracts for Fintrac and IMCC are still being finalized.

## **PROBLEMS REQUIRING RESOLUTION**

### **Actions Taken on Previously Cited Problems**

Merle Menegay managed the administrative aspects of five STTA assignments for the Abt subcontract. He will initiate a support STTA for Abt to handle future administrative work, and this position will also be used as a prototype for the other subcontractors to follow.

### **Problems Encountered This Quarter**

Received new directive from USAID Contracting Officer informing RAP of new employee biodata form required of all future consultants. The form also requires verification of highest degree, salary, and employment. This new directive will mean longer delays in securing employee biodata forms from future consultants and will impose extreme difficulties in hiring foreign nationals for STTA assignments.

Were unable to engage DPRA in RAP environmental activities this quarter. DPRA is available to conduct environmental assessments of USAID projects, but Missions have not seen any urgency in having assessments done, or perhaps have done them without outside assistance. One major area to be addressed is that of waste stream management from agroprocessing facilities.

Encountered lower demand for data on entry requirements for RAP food exports than anticipated. We need to develop an awareness strategy to promote the food safety database capacities of TAS, DPRA, the Export Service Center of the Oregon Department of Agriculture, and FINTRAC.

Did not reach consensus on the mechanism for implementing the EPA Participation Agency Service Agreement. This lack of agreement caused a delay in responding to India and Sri Lanka Mission requests to evaluate local processed-food laboratories.

Continued to experience difficulty in implementation of the Trade and Investment Collaboration Component because of administrative and other component demands on the Trade and Collaborative Ventures Specialist. Actions planned to alleviate this problem include maintaining JoAnn Donovan and Jason Graef's replacement full-time and using STTA consultants selectively.

RAP consultants were not allowed to visit Indonesia because Mission planning activities for the November Asia-Pacific Economic Conference occupied the time of Mission staff there. Similarly, RAP staff did not visit Nepal because of national election activity.

## SECTION TWO

### PLANS FOR ACTIVITIES FROM OCTOBER THROUGH DECEMBER 1994

#### MARKET INFORMATION

- Distribute Volume 1, Issue 4 of *Market Asia* in October, and publish and distribute Volume 1, Issue 5 in December (Annex H contains a list of RAP publications).
- Complete consultancy on action program to ensure sustainability of *Market Asia*.
- Publish the first issue of *RAPNET*.
- Prepare and submit to USAID a series of market surveys that RAP staff could conduct on STTA assignments. Preliminary topics include floricultural export opportunities for RAP countries; export opportunities in processed specialty tropical fruit; and agribusiness trade opportunities in and among RAP countries.
- Develop a long-term program to link industry associations in RAP countries through the RAP Clearinghouse. RAP will provide support in market information systems and product development; training in market analysis; and collection and distribution of market information. Associations from each RAP country will be selected to participate.
- Complete feasibility analysis for the Regional Horticultural Price Reporting Service.
- Complete the Taiwan, Singapore, and Hong Kong wholesale market case studies.
- Complete the cross-country comparison study of ways to improve roles for urban wholesale marketplaces. Plan and prepare work for the regional workshops or regional observation trips on this topic in collaboration with USAID projects. Indonesia, Sri Lanka, and the Philippines have already expressed interest in participating in this activity.
- Merle Menegay will participate in the workshop "Agricultural Economics Research on Vegetable Production Systems and Consumption Patterns in Asia" in Thailand, sponsored by the Asian Vegetable Research & Development Center. He will also visit Bangladesh and the Philippines in conjunction with the regional horticultural price information and wholesale market analyses.

#### ENVIRONMENT

- Complete analytical report on food safety and phytosanitary barriers to trade.
- Initiate a regional, analytical comparison of food standards employed by the six RAP countries. Focus on food additives, pesticide residues, and microbiological standards, and determine the impact GATT will have on these countries given these differences in food standards.

- Continue planning for proposed workshops in seafood HACCP, packaging, postharvest handling, and good manufacturing practices.
- Develop an STTA for a regional study of integrated pest management sponsored by the private sector in Asia.
- Inform Mission and projects of RAP accessibility to food safety and phytosanitary databases.
- Initiate planning for an STTA that will contrast the lessons learned by the Export Service Center Seal of Quality programs established in various developing countries.
- Explore collaboration with the IPM Collaborative Research Support Project, the Environmental Health Project, and the Asian Environmental Partnership.
- John Bowman will travel to India and Bangladesh on a fact-finding mission on food safety and environmental issues.

### **TRADE AND COLLABORATIVE VENTURES**

- With approval from the Indonesia Mission and the Agribusiness Development Project, initiate planning actions to implement the cacao pod borer control project.
- Continue work on requests from India, Nepal, and the Philippines. Establish and further develop contacts in other RAP countries that will generate additional requests.
- Initiate actions to establish an Advisory Group.
- Initiate linkages with U.S. industry associations to generate leads for U.S. agribusiness development interests in Asia.
- Joseph Pietrus will travel to the Philippines and either Bangladesh or Sri Lanka. In addition to doing project work, he will serve as a resource person for an Asian Development Bank seminar on privatization.

### **REGIONAL ANALYSIS**

- Complete report on lessons learned from Pakistan agribusiness projects.
- Complete analysis and report of world and regional effects of implementing Uruguay Round provisions of GATT for the Agribusiness Systems Assistance Program.
- Complete paper on Agribusiness in Asia.
- Complete data gathering and analysis for comparative export position competitive analysis. Initiate planning for regional conference on this subject.
- Complete development of RAP internal monitoring and evaluation system.

## **ADMINISTRATION**

- Develop and submit to the RAP USAID Project Officer for review the RAP work plan for 1995.
- Restructure the job responsibilities of the Project Administrator and Research Assistant, dividing administrative and research responsibilities. This division of labor will foster timeliness and continuity in their work during periods of overload and leave.

**ANNEX A**  
**LIST OF RAP ACTIVITIES AND**  
**PROJECT WORK PLAN**

## 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 of distributors in the major world markets will be augmented by statistical projections on expected consumption patterns. New and emerging technologies will also be identified (for example, all-natural fruit coatings, new research in alternative postharvest treatment for pests, and new processing technologies) that increase the profitability, marketability, and reputation of Asian products.

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## **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 will be developed with nongovernmental organizations and community organizations to gather information on the local pest management practices that lead to export failure. The results of this analysis will indicate the directions that improving food safety must take in agribusiness project countries and will assist in establishing a Food Standard Data Base and Interpretive Service.

## **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.

## **Regional Market Analyses**

### **Analysis of Genetic Import Restrictions on Economic Growth**

RAP will prepare economic analyses of export opportunities lost because of overly restrictive genetic import policies, including country-by-country status reports. The export markets serviced by Mission agribusinesses have grown increasingly sophisticated. Discriminating buyers in foreign markets

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
Spices and essential oils	Volumes

The analysis will identify potential products that can be sourced on a multicountry basis and will analyze the potential for such sourcing, including issues related to seasonality, variety, quality, importing country standards, and competitors. A follow-up study will locate interested brokers for products identified.

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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 marketing costs, inhibited competition, and sometimes diverted exportable commodities that were promoted by agribusiness projects. This analytical study will compare functioning wholesale facilities in Taiwan and Korea with the problematic facilities in various USAID-supported countries. The study will assess policies needed to define institutional jurisdiction over market organization and marketplace operations; what national and city policies will induce both private and public sector participation in important decisions on improvements to market facilities; how to rectify urban problems of traffic congestion and garbage disposal as generated by wholesale facilities; how to manage wastes by converting them into salable products through new small-scale enterprises; and how to manage a range of associated

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*.<sup>1</sup>

### **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:

- Training in rapid marketing-appraisal techniques;
- Development of agricultural marketing information systems;

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<sup>1</sup> *Asian Agribusiness News* was the name used for the newsletter in the RAP proposal. The newsletter's name became *Market Asia* before publication.

- 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 States, Codex, Japan, European Community, Taiwan, and South Korea) with possible expansion to Australia, People's Republic of China, Singapore, Canada, and Mexico. This information includes:

- Basic food law requirements;
- Summary of import procedures;
- Mandatory certifications and documentation (for example, phytosanitary);

- 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**

The Market Analyses will provide comprehensive market and product coverage and information that differ from the brief profiles available in the Market Information Bulletins. Publications will include complete market analyses of a specific market for a range of products (for example, the Japanese market for tropical fruits and vegetables), broad-based surveys of a particular product (such as the world market for passion fruit juice concentrate), and directories (such as fresh fruit and vegetable importers in key Asian and Middle Eastern markets, and sources of new and used food-processing equipment in the United States). Most publications will be in hard copy (except for statistical data, which will be available on

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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.

RAP will also assist Missions, projects, and their clients in identifying resource persons for technical assistance, speaking and workshop engagements, and so forth in food safety, food technology, integrated pest management, agro-industrial pollution control, and the like. RAP staff services will be provided at no cost; however, user Missions, agribusiness projects, associations, and agribusinesses are expected to cover other costs.

### **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.

# WORK PLAN

Project Activities	Coordinator	1993			1994											
		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>STRATEGIC ANALYSES</b>																
<b>MARKET INFORMATION</b>																
Critical Assessment of Price Information System	MM/TK					XXXXXXXXXXXXXXXXXXXXXXXXXXXX										
Wholesale Market Place Study	MM						XXXXXXXXXXXXXXXXXXXXXXXXXX									
Market Access/Behavior Study	MM													XXXXXXXXXXXXXXXXXX		
Future Market Prospects Study	TK													XXXXXXXXXXXXXXXXXX		
<b>ENVIRONMENTAL ANALYSES &amp; INTEGRATION</b>																
HACCP/ISO 9000 Review Paper	JB						XXXXX									
Pesticide Policies Review Paper	JB							XXXXXXXXXX								
Food Safety/Phytosanitary Trade Impact	JB						XXXXXXXXXXXXXXXXXXXXXXXXXXXX									
Food Safety Implications for Pesticide Policy	JB											XXXXXXXXXXXXXXXXXXXXXXXXXX				
Environmental Sustainability Assessment	JB											XXXXXXXXXXXXXXXXXXXXXXXXXX				
<b>AGRIBUSINESS</b>																
Monitoring and Evaluation System, Phase I	JP						XXXXXXXXXX									
Monitoring and Evaluation System, Phase II	JP															To Be Determined by AID
Monitoring and Evaluation System, Phase III	JP															To Be Determined by AID
Coordinated Marketing Strategies/Analysis	KS															XXXXXXXXXXXXXXXXXXXXXXXXXX
Comparative Analysis of Export Competitive Position	KS															XXXXXXXXXXXXXXXXXXXXXXXXXXXX
Regional Private Label Sourcing for Voluntary Chains	KS															XX
Genetic Restrictions Impact	KS															XXXXXXXXXXXXXXXXXXXXXXXXXXXX
Voluntary Wholesale Retail Chain Feasibility	KS															XXXXXXXXXXXXXXXXXXXXXXXXXXXX
<b>TRADE AND INVESTMENT</b>																
Export and Investment Promotion Center, Analysis	JP															XXXXXXXXXXXXXXXXXXXXXXXXXXXX
Export and Investment Promotion Center, Workshop	JP															X
Incentive/Disincentives to Venture Development	JP															XXXXXXXXXXXXXXXXXXXXXXXXXXXX

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# WORK PLAN

Project Activities	Coordinator	1993			1994											
		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>SERVICE ACTIVITIES</b>																
<b>CLEARINGHOUSE SERVICES</b>																
Define Scope and Content of System	TK/MM/JP	XXXXXXXXXX			XXXXXXXXXXXXXXXXXX											
Install Fax-on-Demand and Bulletin Board Systems	TK/JG	XXXXXXXXXX														
Provide Quick Response Information Services	TK/MM/JG	XX														
<b>MARKET INFORMATION SERVICES</b>																
Publications Dates for Market Asia	TK/JG/MM	<div style="display: flex; justify-content: space-around;"> <span>X</span> </div>														
Price Reports																
Determine Collaboration with ITC, USDA, and FFTC	MM/TK	XXXXXXXXXXXXXXXXXXXXXXXXXXXX														
Conduct Feasibility Analysis and System Development	MM/TK	XXXXXXXXXXXXXXXXXXXX														
Recruit and Train Market Reporters	MM/TK	XXXXXXXXXX														
Publication Dates		<div style="display: flex; justify-content: space-around;"> <span>X</span> </div>														
Issue Data Service Diskettes																
Japan, Hong Kong, and Singapore	TK/JG	<div style="display: flex; justify-content: space-around;"> <span>X</span> </div>														
Taiwan and Korea	TK/JG	<div style="display: flex; justify-content: space-around;"> <span>X</span> </div>														
Middle East	TK/JG	<div style="display: flex; justify-content: space-around;"> <span>X</span> </div>														
Market Information Bulletins: Japan	TK/JG	XXXXXXXXXXXXXXXXXXXX														
Market Information Bulletins: Hong Kong	TK/JG	XXXXXXXXXX														
Market Information Bulletins: Singapore	TK/JG	XXXXXXXXXX														
Produce Horticultural Market Profiles: Taiwan	TK/MM/JG	XXXXXXXXXX														
Produce Horticultural Market Profiles: Korea	TK/MM/JG	XXXXXXXXXX														
Assemble Information and Distribute Notes from the Field	JG	XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX														
Assemble Information and Distribute Market Alerts	JG/TK/MM	XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX														
Publish Training Catalog	JG	<div style="display: flex; justify-content: space-around;"> <span>X</span> <span>X</span> </div>														
Publish Food Show Catalog	JG	<div style="display: flex; justify-content: space-around;"> <span>X</span> </div>														

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Key: JB-JBowman, JD-JDonovan, JG-JGraef, JP-Pietrus, KS-KSwanberg,MM-MMenegay, RG-RGross, TK-TKlotzbach

# WORK PLAN

Project Activities	Coordinator	1993			1994											
		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>ENVIRONMENTAL ANALYSIS AND INTEGRATION</b>																
Food Standard Database Access	JB															
Define Capabilities of Subcontractors	JB															
Define Response Mechanism	JB															
Determine Fee Structuring	JB															
Implement Database	JB															
Quality Control Technical Assistance/IPM technical assistance	JB															
U.S. Cooperative Ventures Opportunities	JB															
<b>TRADE AND INVESTMENT FACILITATION</b>																
Establish Trade and Investment Referral Service																
Determine Dissemination System	JP/TK/JG															
Establish Lead Development Referral and Publicity Program	JP															
Implement System	JP															
Establish Transaction Support Service	JP															
Senior Advisory Group Meetings	JP															
Identify Training in Market Information Service Trainers	MM/TK															
<b>TRAVEL SCHEDULE - CORE STAFF</b>																
J. Bowman																
T. Klotzbach																
M. Menegay																
J. Pietrus																
K. Swanberg																
<b>ADMINISTRATIVE COMPONENT</b>																
Technical Reports	JP		x	x				x				x			x	
Financial Reports	RG/JD					x	x	x	x	x	x	x	x	x	x	x
Semi-Annual Review	JD															x
Fiscal Year 1995 Work Plan	JP															x

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Key: JB-JBowman, JD-JDonovan, JG-JGraef, JP-Pietrus, KS-KSwanberg,MM-MMenegay, RG-RGross, TK-TKlotzbach

**ANNEX B**  
***MARKET ASIA***

# Market Asia

## Food and Horticultural Industries

Volume 1 • Issue 3

July/August 1994

### Update on Food Exports to Japan

The Food Inspection Division of the Tokyo Quarantine Station publishes data on imports that violate Japan's import standards. The most recent data available were published in 1992 and contain information on the sources, food categories, and causes of import violations for 1991. Data from 1992 and 1993 have been entered into the Food Inspection Division's database but are not yet available to the general public.

Table 1, on page 6, classifies these violations based on food

group and region. With 1,170 violations, Asian food products accounted for more than 50 percent of the total 1991 violations recorded by the Tokyo Quarantine Station. Combined violations from Europe and North America (505 and 439, respectively) were less than half of Asian violations.

Among food products from all three regions, the largest number of violations occurred in the food group "Meat/Poultry & products." Asian products were found to have 291 violations in this group—the most violations for

any one region. Excessive use of antibiotics was the primary problem, accounting for 78 percent of these violations. Contamination by *E. coli* bacteria was the second largest problem.

The next major food group of concern for Asian exports to Japan was "Fruits/Vegetables & products," in which there were 255 violations, more than five times the number of violations from Europe or North America. Sixty-three percent of these violations were the result of excessive residues of sulfur dioxide on or in the foods. The second most common cause of violation (28

*(please turn to p. 6)*

### INSIDE

**2** USAID Promotes Wheat Handling Efficiency, Quality in Pakistan

**3** Recent Developments in Singapore Food Retailing

**8** Taiwan's Fruit and Vegetable Imports Down 14 Percent

**10** Market Profile: Singapore

**13** Producer Profile: Thailand

### Indian Floricultural Industry Growing

Indian fresh and dried cut flower exports are poised for growth, according to a recent report in *India Today* (May 31, 1994). With an estimated 34,000 hectares in floriculture, and lower per acre investment and labor costs, India is not only expanding exports but is also witnessing growing domestic demand. An article in *The Economic Times* (March 8, 1994) indicates two Dutch firms are investing in the industry with funding from the Netherlands Development Finance Company and the Dutch Development Board. A Thai firm is also assist-

ing in the start-up of an orchid project near Madras.

Data obtained by RAP show that India's exports to the European Union of floricultural products increased from ECU4.4 million in 1991 to ECU4.8 million in 1992. U.S. imports of floricultural products from India have grown from \$1.6 million in 1991 to \$3.2 million in 1993. Both markets offer significant opportunities for expanded trade, with total imports of floricultural products estimated at ECU4.3 billion (ECU629 million from non-EU suppliers) for the EU and \$649 million for the United States. **WZA**

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*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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## USAID Promotes Wheat Handling Efficiency, Quality in Pakistan

A unique U.S. Agency for International Development (USAID) project in Pakistan is demonstrating that small, well-chosen development projects can produce major sustainable changes. The Bulk Wheat Handling Project used USAID funding to finance technical assistance from Kansas State University (KSU), the assistance of the Punjab Province Food Department (PFD), and the importation of selected U.S. equipment to in-

troduce bulk wheat handling technology.

Wheat bread is a dietary staple in Pakistan. Annual per capita wheat flour consumption approximates 120 kilograms (265 pounds), mostly in the form of breads. Pakistan produces approximately 14 million metric tons (MT) of wheat and imports 2 million MT. Domestic wheat is packaged exclusively in bags, usually contains more than 6 percent foreign material, and is handled inefficiently.

*(please turn to p. 18)*

## Millers Laud USAID Bulk Handling Program

"I would like to congratulate USAID and the Punjab Food Department for the success of the bulk handling system. Started last year on an experimental basis, the system has four principal benefits to flour millers. First, impurities in the wheat have been reduced to almost one-half that in wheat packed in bags. Second, we are very much satisfied with the system for determining the weight of the wheat delivered. Third, the amount of time required to load and unload trucks has been reduced from one hour to 15-20 minutes. Finally, there is the reduction in mill labor."

"I now call your attention to actions which USAID and the Food Department can take to make this program more successful and effective. There is a need to encourage and assist local fabricators in the manufacture of bulk handling equipment suitable to local conditions. Flour millers need training and technical assistance in the use of bulk handling systems. Any imported equipment and vehicles should enter the country duty free. And finally the Food Department, USAID, and private sector millers should establish a joint program to extend the opportunities demonstrated to the entire flour milling sector."

*(From remarks by Mr. Majid Abdullah, Director of Sunny Flour Mills (Pvt) Limited and President of the Pakistan Flour Millers Association, at a special Association meeting on May 7, 1994)*

## Recent Developments in Singapore Food Retailing

Because Singapore has a population of only 3 million, its food retail market is considered small and relatively saturated. Nevertheless, the sector has been undergoing dramatic changes. The entry of David's Holdings into Southeast Asia, for example, is shaking up traditional distribution patterns. David's is a large grocery wholesaling operation from Australia. The company is assuming warehousing and distribution functions that traditionally have been performed by a large number of importers and wholesalers on the island. In Singapore, David's Holdings is a joint venture with NTUC Fair Price Supermarkets. David's Holdings currently serves this retailer and Cold Storage Retail—the two largest supermarket chains—but hopes to extend its reach to other retailers in Singapore as well.

As the population of Singapore becomes more affluent, its market segments are beginning to merge. Traditionally, there have been two major segments in the food retail market. The first major segment has consisted of middle- and lower-income, largely Chinese, consumers. This segment is extremely price conscious and more traditional in its shopping habits and food tastes. Most of this group resides in housing estates (HDB) and has been served by retailers such as NTUC Fair Price, Oriental Emporium, Econ Mini-mart, and small provision shops.

In contrast, Cold Storage, 7-Eleven, and several Japanese retailers have been targeting the expatriate population and upper-income Singaporeans, the second major market segment. Stores of these retailers are generally located in the downtown and more wealthy residential areas.

With its buy-out by Dairy Farm Asia last year, Cold Storage has changed its traditional strategy. The company has reduced its prices significantly, increased its offerings of private-label merchandise, and begun to open stores in HDB. It is attempting to compete with Fair Price by emphasizing its perishables with the slogan "Fresher and Better Every Day."

NTUC Fair Price has responded to this challenge by continuing to open new stores in Singapore. It has attempted to maintain its low-price image, most recently by absorbing the cost of the new 3 percent General Services Tax on some items. Most important, however, NTUC has begun to venture overseas. Two stores have recently been opened in Malaysia, and three more are expected to open in the near future. Retail outlets are also reported to be planned for China and for other ASEAN countries.

Dee Richmond  
D. Richmond & Associates, Pte Ltd **MA**

*(Dee Richmond is Managing Director of D. Richmond & Associates, Pte Ltd, an agribusiness and food marketing consulting company in Singapore.)*

## Export Hotline Offers Trade Information via Fax

The Export Hotline Market Service has 4,500 reports covering 78 countries and 50 industries, with information on how to export, including sample import and export documents, government programs, trade shows, key contacts, shipping, direct marketing, and more. Electronic yellow pages listing buyers and sellers by four-digit harmonized codes help producers locate companies that buy and sell their products. A users' manual that lists all the harmonized codes for easy access to the directory comes free with membership. Companies can place profile advertisements in the Export Hotline for an annual fee of \$50. To receive information via fax, users just call the Hotline, specify the information desired, and wait as the documents are immediately sent to their fax machines. To register for this free service, call International Strategies (Tel.: 1-800-872-9767, Fax: 1-617-292-7788).

Note: *Market Asia* and other RAP market and technical reports will soon be available through the Export Hotline.

## News in Brief

### New Indian Mango Treatment Extends Shelf Life

The Central Food Technology Research Institute (CFTRI) in Mysore, India, has developed new treatments to extend the shelf life of mangoes, according to a recent report in *BusinessWorld* (May 18-31, 1994). The treatments are a combination of widely used pre- and postharvest methods. First, a fungal treatment is applied to the mangoes prior to harvest. After harvest, the sap is removed from the mango stalk and the mango is again treated for fungal infections. The mangoes are packed in specially corrugated fiber board cartons and placed in humidity-controlled refrigerated containers for transport. According to the report, the treatments can extend shelf life to more than one month. CFTRI is developing similar treatments for bananas and other fruits. The immediate benefit of using the new techniques is to enable exports to be sent by ship, at a considerable cost savings over air freight, making Indian mangoes more competitive on the world market.

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### Singapore Removes Import Duties on Selected Products

On January 1, 1994, the Government of Singapore added 406 items to its duty-free import list, which now comprises 5,736 items or 96

percent of Singapore's imports. Imports affected by the move include biscuits, birds' eggs, sugar confectionaries, artificial sweeteners, furniture, garments, clothing accessories, leather handbags, and imitation jewelry, most of which had duties of 5 percent ad valorem. According to a U.S. and Foreign Commercial Service report, the measure has been seen by economic analysts as a means to soften the impact of a 3 percent goods and services tax implemented on April 1, 1994. (From a U.S. Embassy/Singapore cable dated 1/10/94)

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### Sri Lanka Company to Provide On-Line Access to Market Information

Sri Lanka's *Island Newspaper* (May 25, 1994) reports that the Industrial Technology and Market Information Network Limited (ITMIN), a company formed to provide on-line access to marketing, technology, and industrial information, will start operating by the end of 1994. The company will be funded by the United Nations Development Programme along with locally supplied private financing. ITMIN will not only provide Sri Lankan public and private sector subscribers access to overseas databases, but will also link the resources of various Sri Lankan governmental research, regulatory, and trade promotion bodies. The company

will be managed by Infomart, the consumer and information service division of the Golden Key Credit Card Company Limited.

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"Fresh Hold," a **permeable membrane packaging** sold by Fresh Western Marketing in the United States, has been found to extend the shelf life of produce items by 50 to 200 percent. Currently, Fresh Western Marketing uses Fresh Hold—which works by exchanging calculated amounts of carbon dioxide for fresh oxygen—chiefly on its pre-cut salad items for domestic consumption, but the company has exported broccoli to Japan wrapped in Fresh Hold, and plans to export cherries, strawberries, diced onions, capsicum, and a range of microwaveable products. (*Eurofruit*, June 1994)

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Apple growers in the northwestern United States are one step closer to their goal of supplying the **Japanese market**. Japanese officials recently inspected Washington State orchards for fire blight and found "no major technical problem." It is now increasingly probable that a quarantine and inspection procedures protocol will be signed and that **American apples** will start appearing on Japanese shelves by early 1995. (*Fruit Grower*, June 1994)

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After two years of negotiations, **China** has approved importation of **Washington State apples** and has received the first shipments of a total of 250,000 cartons to be delivered by the end of August. China will import red and Golden Delicious apples. Currently, China produces more apples than the United States does, but suffers from quality problems and a lack of refrigeration. Marketers of Washington apples will have to deal with the problem of authenticity; it seems that certain Chinese entrepreneurs are already busy selling Chinese apples with counterfeit Washington labels. (*The Packer*, June 20, 1994)

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**Chile** is another country that will benefit from China's trade liberalization. Chilean **apples** and **kiwi fruit** have been approved for importation to China, and grapes and pears will be considered later this year. (*Fresh Produce Journal*, June 10, 1994)

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**Hong Kong**-based OOCL, one of the world's largest ocean steamship carriers, announced it has reduced travel time by almost one week for shipping refrigerated fruit from Florida to Kaohsiung, Taiwan. (*Food Distribution Magazine*, June 1994)

July/August 1994

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Will **South Korea** be the next **flower power**? Figures show that production value of flowers and plants rose by 200 percent between 1986 and 1990. Government support has been strong, and exports to Japan, Hong Kong, Singapore, and other Southeast Asian markets are foreseen in the near future. (*Floraculture International*, May/June 1994)

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First quarter **anthurium** shipments from **Hawaii** to the U.S. mainland and to foreign destinations totaled only 148,000 dozen for the first quarter of 1994. This number is down 10 percent from the previous year. The decline is attributable to a slowdown in mainland U.S. imports; exports to foreign countries (especially Japan) actually increased in the first quarter of 1994. (Hawaiian Agricultural Statistics Service, May 1994)

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The **United Arab Emirates** will impose a 4 percent duty on various processed food imports, including canned fruits and vegetables, frozen fruits, and juices. Fresh fruits and vegetables will still enter duty free after the duty takes effect on August 1, 1994. (U.S. Department of Agriculture)

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**U.S. fresh vegetable exports to Japan** for the first four months of 1994 are up 70 percent to \$66 million over the same period last year. Exports in 1993 of \$80 million were already much higher than the \$114 million exported in 1992. Asparagus exports worth \$30 million made asparagus the largest fresh vegetable export to Japan in 1993, followed by broccoli (\$23 million), cauliflower (\$19 million), and onions (\$9 million). (U.S. Department of Agriculture) 

## 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 imports of fresh fruits and vegetables by supplier country in metric tons, local currency, and U.S. dollars. A companion piece (Market Asia Data Series 9402) with import data on Taiwan and Korea will be available in August. To order, send the RAP Clearinghouse a check or money order for \$100.00 (#9401) or \$75.00 (#9402) payable to Development Alternatives, Inc. Specify spreadsheet format (Lotus .wk1 or .wk4). For more information contact Jason Graef at the RAP Clearinghouse.

## Update on Japan

(continued from p. 1)

percent) was excessive levels of benzoic acid on or in the foods. Excessive levels of sorbic acid were also a problem. These violations are of particular concern to the Regional Agribusiness Project (RAP) because fruit and vegetable products are the primary export commodities promoted by USAID agribusiness initiatives in Asia.

The food group entitled "Fish/Shellfish & products" ranked fourth in total violations of Japanese food import standards by other Asian countries. Asia had 139 seafood violations in 1991, whereas violations associated with other regions were relatively low, only 20 and 14 from Europe and North America, respectively. Of the 139 violations, 30 percent were caused by excessive sulfur dioxide residues. The remaining violations were attributed in equal numbers to excessive *E. coli* contamination, high total bacteria count, excessive antibiotic levels, and excessive/illegal use of food additives. Violations in this food group are also of concern to RAP, which will soon offer technical assistance in seafood safety as part of the project's environmental component.

Table 1 indicates that Asian countries clearly have more problems with food safety and quality violations than do countries in other regions exporting to Japan. Table 2 lists some of these violations by country. Number and weight of 1991 violations from countries currently serviced by RAP—the Philippines, Indonesia, India, Sri Lanka, and

**Table 1: Violations of Japanese Food Import Standards, by Food Group and Exporting Region, 1991**

Food Group	Asia	Europe	North America	Other	Total	Asia
Meat/Poultry & products	291	158	113	39	601	48
Dairy products	0	6	8	11	25	0
Honey	6	0	0	0	6	100
Fish/Shellfish & products	139	20	14	44	217	64
Cereals/Pulses & products	8	2	3	0	13	62
Fruits/Vegetables & products	255	39	42	12	348	73
Sugar/Tea/Coffee/Cocoa & products	11	5	10	0	26	42
Cereal products	60	3	10	0	73	82
Confectionaries	39	153	53	5	250	16
Spices	85	25	71	8	189	45
Frozen food	203	30	36	7	276	74
Beverages/Juices	48	15	49	18	130	37
Wine	9	46	7	3	65	14
Oils/Fat & products	16	3	23	2	44	36
<b>Total</b>	<b>1,170</b>	<b>505</b>	<b>439</b>	<b>152</b>	<b>2,266</b>	<b>52</b>

Source: Tokyo Quarantine Station, Food Inspection Division, 1992.

**Table 2: Number and Weight of Food Export Violations From Selected Asian Countries Into Japan**

Country	# Entry Applications	Weight (MTs)	# Inspections	Weight Inspected (MTs)	# Violations	% Violations	Weight Violations (MTs)
Philippines	16,618	746,509	4,151	24,137	28	1	13
Indonesia	18,363	237,872	3,873	38,575	7	0	11
India	6,612	66,148	902	11,364	1	0	1
Sri Lanka	1,130	7,386	169	422	1	1	0
Bangladesh	1,849	3,300	837	361	5	1	0

Source: Tokyo Quarantine Station, Food Inspection Division, 1992.

Bangladesh—are documented. (Nepal is not included because its exports to Japan were negligible.) With 18,363 and 16,618 total food import applications respectively, Indonesia and the Philippines clearly are the dominant RAP exporters to Japan. India was a distant third with 6,612 import applications representing 66,148 MT of goods.

In tonnage, the Philippines was far and away the dominant exporter to Japan (746,509 MT). However, Japanese authorities were able to inspect only 4,151 of Philippine shipments, or 3.2 percent of total tonnage. Twenty-eight violations were found, resulting in import losses of about 13 MT.

Although all the RAP-supported countries had violation

rates that were below 1 percent (Table 2), these rates are somewhat misleading because the inspection rate is low; Japan and other bustling import markets are frequently short of inspectors and other port authority resources. The safety and quality of Asian food exports to Japan leave room for improvement, and import detentions and rejections at the port are economically significant. Some examples of significant rejections by commodity are these:

- 15,096 kilograms of canned fruit mix from the Philippines rejected for excessive benzoic acid levels;
- 641 kilograms of fresh sea bass from Indonesia rejected for decomposition;
- 16,668 kilograms of frozen shrimp from Bangladesh rejected for decomposition;
- 88,634 kilograms of peanuts from India rejected for aflatoxin contamination; and
- 16,975 kilograms of pickles from India rejected for excessive sulfur dioxide levels.

Export failures of these magnitudes are enough to cripple small and medium-sized export operations and can lead to embarrassing and cumbersome automatic detention for all products from a particular country.

The information provided above is a quick update to inform exporters from RAP-supported countries where some of their

## Quality Is Top Issue

Food importers in Tokyo, Hong Kong, Singapore, and Seoul told RAP staff during a recent fact-finding trip to Asia that quality improvement is the key to enhancing sales of fruits, vegetables, and seafood exported from developing Asian countries. Product spoilage, excessive product losses, and general quality deterioration resulting from poor product handling and processing, temperature abuse, lengthy shipping times, and inadequate packaging were consistent problems identified by importers. Lot-to-lot inconsistency in quality was also identified as a key issue. These problems make importers think twice before buying food products from developing Asian countries. Importers seldom identify food safety as a concern because poor product quality is so great an issue. The environmental component of RAP will be targeting product quality through assistance in areas such as good manufacturing practices; worker hygiene; plant sanitation; and, where appropriate, hazard analysis and critical control point procedures.

H. Michael Wehr, Technical Assessment Systems, Inc.

challenges lie in meeting Japanese food safety and quality standards. More extensive information on import violations from Japan and other countries will be provided in a later report by the RAP environmental staff.

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Note: The RAP environmental component has just received the latest information on Japanese maximum allowable pesticide residue levels for 130 types of unprocessed agricultural produce. The information is available on request from RAP.

John E. Bowman, RAP 

(John Bowman, RAP Environmental Specialist, recently led a team that traveled to Asia for dis-

*cussions with importers, exporters, government officials, and representatives of USAID agribusiness initiatives. He was accompanied by Michael Wehr, Food Standards Director [Technical Assessment Systems, Inc.], and Steve Hawkins, Agribusiness Specialist [USDA/FAS/ICD]. Information on food safety and phytosanitary barriers to trade was gathered in four exporting countries and four importing countries or city states. This article is based on information collected during the team's visit to Japan.)*

## Trade Show Calendar

**Natural Products Expo East:** Baltimore, Maryland, September 8-11. EXPO Department, New Hope Communications, 1301 Spruce Street, Boulder, CO 80302 USA (Tel.: 303-939-8440, Fax: 303-939-8608).

**Society of American Florists Convention: Keystone, Colorado,** September 28-October 1. Society of American Florists, 1601 Duke Street, Alexandria, VA 22314-3406 USA (Tel.: 703-836-8700, Fax: 703-836-8705).

**International Trade Fair for Horticulture (Plantec): Frankfurt, Germany,** September 29-October 2. Messe Frankfurt GmbH, Postfach 97 01 26, D-6000 Frankfurt 1, Germany (Tel.: 49-0-69-75750, Fax: 49-0-69-75-6433).

**National Frozen Food Convention: Walt Disney World Dolphin Hotel, Orlando, Florida,** October 9-12. National Frozen Food Association, 4755 Linglestown Road., Ste. 300, Harrisburg, PA 17112 USA (Tel.: 717-657-8601, Fax: 717-657-9862).

**Eurofruit Congress 1994, Paris, France,** October 20-22. Market Intelligence Ltd., Market Towers, 1 Nine Elms Lane., London SW8 5NQ, U.K. (Tel.: 44-71-498-6711, Fax: 44-71-498-6472).

**Produce Marketing Association Convention and Expo: San Antonio, Texas,** October 22-25. Connie Atkin, Produce Marketing Association, 1500 Casho Mill Road., Newark DE 19714 USA (Tel.: 302-738-7100, Fax: 302-731-2409).

**Seoul International Chain Store Show '94, Seoul, Korea,** October 25-29. Korea Super Chain Store Association, 1525-6 Seocho-dong, Seocho-ku, Seoul 137-070, Korea (Tel.: 82-2-522-1271, Fax: 82-2-522-1275). **MA**

## Taiwan's Fruit and Vegetable Imports Down 14 Percent

In 1993, Taiwan's imports of fresh fruits and vegetables declined 13.9 percent in value and 5.9 percent in tonnage from 1992 levels. Fresh fruit imports, which accounted for 93 percent of all fresh fruit and vegetable imports, fell by 14.4 percent in value and 6.6 percent in volume. Fresh vegetable imports decreased 6.1 percent in value and 1.4 percent in volume. The total value of imports decreased from \$5.1 billion New Taiwanese dollars (NT\$) or US\$201.6 million in 1992 to NT\$4.4 billion (US\$166.0 million) in 1993.

Fresh fruit commodities that showed the greatest decreases from 1992 to 1993 included apples,

honeydew melons, mangosteens, nectarines, oranges, plums, and nonseedless watermelons. Imports of avocados, cherries, grapefruit, kiwi fruit, lemons and limes, persimmons, and seedless watermelons increased. Vegetables that showed increases in imports included green asparagus, bamboo shoots, broccoli, cabbage, cauliflower, witloof chicory, lettuce, peas, and edible brassicas such as kohlrabi and kale.

Table 3 shows 1992-1993 import statistics by commodity and major supplier.

Thomas W. Klotzbach, RAP **MA**

## New York Fancy Food Show

The Fancy Food Show, sponsored by the National Association for the Specialty Food Trade, was held July 10-13 at the Jacob Javits Center in New York City. Thirty thousand practitioners of the specialty food trade came to purchase products and seek inspiration from more than 1,000 exhibitors. Products on display ranged from the familiar (biscotti, pasta, chocolate, and every imaginable flavor of tea) to the unusual (organic water from maple trees, jalapeño chocolate, and scotch bonnet peppers as a flavoring for peanuts, beef jerky, chips, and olives).

Healthy foods were in demand, as was evident from the low-fat labeling found on everything from cheese to Indian sauces to popcorn. Additive-free and organic foods were also popular. Other items of interest included shelf-stabilized prepared Indian dinners and dried premixed soups in cups. Product packaging was exemplary; etched glass bottles and colorful, artistic flexograph labeling echoed the sentiment expressed by many participants that "packaging makes the first sale."

Opportunity certainly exists for the introduction of new products to the U.S. specialty food market. Representation of foods from 31 countries underscored the importance of regional cuisine. Developing countries from Africa, Asia, Central and South America, the Caribbean, and Eastern Europe had displays. Asian representation included delegations from Korea and Sri Lanka. The next Fancy Food Show will be held February 5-7, 1995, at the convention center in San Diego, California.

Jason Graef, RAP

# Market Asia

Table 3: Taiwan's Imports of Fresh Fruits and Vegetables, 1992-1993 (kilograms and US\$ thousand)

	1992		1993		Top Suppliers for 1993 (1993 Import Volume Share)
	Volume	Value	Volume	Value	
<b>FRESH VEGETABLES</b>					
Onions	16,038,353	3,847	15,165,733	3,727	USA (73%), New Zealand (14%)
Shallots	2,712,658	580	1,872,089	396	Indonesia (86%), Philippines (9%)
Garlic	25,980	16		0	
Leeks & other Alliaceous Vegetables	15,360	7	4,020	2	Hong Kong (100%)
Cauliflower and Headed Broccoli	406,059	372	609,586	553	Australia (82%), USA (18%)
Brussel Sprouts	23,875	5	4,440	5	Belgium (88%), Australia (12%)
Cabbage	780,064	313	1,334,620	422	Australia (45%), Korea (41%)
Kohlrabi, Kale & similar Brassicas	8,266,542	1,728	10,627,822	2,060	Indonesia (94%)
Cabbage (Head) Lettuce	1,273,224	620	1,345,531	672	USA (99.6%)
Other Lettuce	960,245	600	1,154,587	705	USA (94%)
Wild and Chicory	5,543	14	9,520	25	Netherlands (99.6%)
Other Chicory	1,118	1	990	1	Thailand (100%)
Salad Beetroot, Celeriac, Radish, etc.	1,854,910	1,206	176,000	108	Japan (68%), Korea (32%)
Cucumbers and Gherkins	6,820	4		0	
Peas (Pisum sativum)	7,500	4	14,600	16	Indonesia (75%), Vietnam (23%)
Beans (Vigna/Phaseolus spp.)	2,763	1	1,900	1	Philippines (100%)
Other Leguminous Vegetables	590	1	10,698	3	Vietnam (100%)
Globe Artichokes	154	0	162	0	Netherlands (58%), USA (42%)
White Asparagus		0	4,779	7	New Zealand (100%)
Green Asparagus	950	1	11,460	17	New Zealand (100%)
Aubergines (Eggplants)		0	49	0	Japan (100%)
Celery other than Celeriac	3,894,383	1,711	3,954,966	1,825	USA (84%), Australia (16%)
Shiitake Mushrooms	4,820	15		0	
Other Edible Mushrooms		0	300	2	Japan (100%)
Capiscum or Pimenta Fruits	1,097,841	1,106	423,775	413	Thailand (84%), Indonesia (14%)
Bamboo Shoots	160,393	84	359,464	221	Korea (97%)
Vegetable Sponge	2,776	3	250	0	Thailand (100%)
Pumpkin/Squash	2,938	9	2,395	6	USA (100%)
Balsam Pear	2,010	2		0	
Other Fresh Vegetables	349,925	267	84,978	41	Japan (64%), Thailand (18%)
<b>TOTAL FOR FRESH VEGETABLES</b>	<b>37,697,794</b>	<b>12,516</b>	<b>37,174,704</b>	<b>11,231</b>	
<b>FRESH FRUITS</b>					
Avocados*	6,476	17	15,408	16	Thailand (69%), USA (31%)
Mangoes*		0	71	1	Thailand (100%)
Mangosteens*	5,656,813	8,713	4,921,302	7,503	Thailand (78%), Indonesia (19%)
Oranges	7,490,145	8,902	13,071,330	6,243	USA (96%)
Lemons and Limes*	7,932	3	96,909	48	USA (100%)
Grapefruit*	16,142,291	9,889	18,801,278	9,910	USA (98%)
Grapes	15,414,731	15,823	13,596,535	12,833	USA (100%)
Watermelons	1,870,534	550	783,854	145	Philippines (81%), Malaysia (16%)
Watermelons (Seedless)	1,810,701	378	3,162,676	620	Malaysia (89%), Philippines (10%)
Honeydew Melon	4,056,626	1,145	137,824	59	USA (50%), Philippines (45%)
Apples	115,901,826	97,871	106,916,740	67,078	USA (89%), Chile (6%)
European Pears	5,442,436	2,864	5,575,030	2,872	USA (96%)
Other Fresh Pears	270,850	837		0	
Apricots		0	927	2	USA (100%)
Cherries	2,286,248	6,131	2,610,491	6,127	USA (89%), New Zealand (8%)
Peaches	1,612,152	2,274	1,728,411	2,165	USA (100%)
Nectarines	3,073,960	3,043	2,699,934	2,512	USA (84%), New Zealand (8%)
Plums	21,723,049	14,805	15,521,284	9,926	USA (99.9%)
Strawberries	625	2	775	2	USA (100%)
Raspberries, Blackberries, and Loganberries	57	0		0	
Currants & Gooseberries	70	0		0	
Cranberries, Bilberries, etc.	272	1	300	1	USA (100%)
Kiwi Fruits	5,203,338	8,830	8,131,701	11,807	New Zealand (57%), USA (40%)
Persimmons	3,232	9	37,018	51	USA (100%)
Other Fresh Fruits	5,804,212	7,910	11,136,628	14,701	Thailand (74%), Vietnam (23%)
<b>TOTAL FOR FRESH FRUITS</b>	<b>223,778,576</b>	<b>189,096</b>	<b>208,946,426</b>	<b>154,719</b>	
<b>TOTAL FOR FRESH FRUITS AND VEGETABLES</b>	<b>261,476,370</b>	<b>201,613</b>	<b>246,121,130</b>	<b>165,950</b>	

\* Includes dried

Source: Taiwanese Official Trade Statistics

## Market Profile: Singapore Horticultural Imports

Singapore is a major regional importer of fresh fruits and vegetables, ranking higher than Taiwan and Korea. Singapore's imports of fresh fruits and vegetables amounted to 769.9 million Singaporean dollars (S\$) or US\$475.3 million in 1993, an increase of 9.4 percent over 1992 levels. In value terms, four suppliers accounted for 73.5 percent of the Singaporean import market for fresh fruits and vegetables in 1993: Malaysia (with 26.0 percent of reported imports), Australia (18.7 percent), China (15.6 percent), and the United States (13.2 percent).

Fresh fruit imports, which accounted for 64.4 percent of total fresh fruit and vegetable imports in 1993, increased 5.5 percent over the previous year to S\$495.5 million (US\$305.9

million). Malaysia supplied 24.8 percent of all fruit imports, followed by the United States (18.8 percent), Australia (18.2 percent), and China (11.7 percent). Along with the other major suppliers—New Zealand, Thailand, Other Africa, France, and Chile—these countries accounted for 90.5 percent of all fresh fruit imports. In terms of product mix, apples account for the majority of imported value of fresh fruits (17.7 percent), followed by oranges (14.1 percent), pears (11.6 percent), durians (10.0 percent), grapes (9.6 percent), and melons (6.2 percent).

Fresh vegetable imports, which accounted for 35.6 percent of total fresh fruit and vegetable imports in 1993, increased 17.3 percent to S\$274.4 million (US\$169.4 million). In value

terms, the top supplier was Malaysia with a 28.2 percent import share, followed by China (22.7 percent), Australia (19.6 percent), and India (7.9 percent). Other major suppliers included the Netherlands, the Philippines, the United States, Thailand, New Zealand, and Taiwan. Combined, these 10 countries accounted for 95.6 percent of total import value. Leafy and stem vegetables accounted for 23.0 percent of imported value of fresh vegetables in 1993, followed by garlic (15.4 percent), onions (14.9 percent), and fruited and leguminous vegetables (8.7 percent).

Table 4 shows imports of selected processed tropical fruits. Table 5 provides volume and value statistics for fresh fruit and vegetable imports in 1992 and 1993. Table 6 provides monthly import volume share for each product.

Thomas W. Klotzbach, RAP 

**Table 4: Singapore Imports of Selected Processed Tropical Fruits, 1992-1993**

	Volume		S\$000s	
	1992	1993	1992	1993
Coconuts, desiccated (MTs)	6560	6742	10542	8036
Pineapples, prepared or preserved (MTs)	43011	34252	58229	45274
Lychees, prepared or preserved (MTs)	3037	1803	6824	3399
Longans, prepared or preserved (MTs)	4436	3958	11753	10993
Fruit Cocktail, prepared or preserved (MTs)	4837	7411	9174	13109
Pineapple Juice (liter 000s)	2010	2889	2678	3865

**Table 5: Singapore Imports of Fresh Fruits and Vegetables, 1992-1993 (MTs and S\$000)**

Tariff No.	Product Description	1992		1993	
		MTs	S\$000	MTs	S\$000
0541000	Potatoes	12,919	6,743	20,326	10,307
0544000	Tomatoes	6,245	4,819	7,409	6,222
0545110	Onions incl. Spring Onions	67,317	30,350	75,041	41,013
0545120	Garlic	33,829	34,294	60,795	42,286
0545190	Other Alliaceous Vegetables	6,723	7,370	10,309	11,393
0545310	Cauliflowers	6,738	13,948	6,753	13,092
0545320	Cabbages	13,442	10,325	13,522	10,350
0545390	Leafy or Stem Vegetables	76,316	55,294	92,250	63,043
0545510	Carrots	12,266	13,401	11,914	12,148
0545590	Other Rooted or Tuberous Vegetables	6,937	4,171	5,500	3,485
0545600	Fruited or Leguminous Vegetables	37,906	19,391	49,250	23,896
0545910	Chillies (excl. Giant Chillies)	6,040	5,885	7,404	6,536
0545990	Other Vegetables	3,355	12,987	3,759	14,656
0546100	Sweet Corn	215	382	221	401
0548100	Manioc/Sweet Potato/Yam/Other Roots*	17,773	14,609	20,800	15,577
	<b>TOTAL FOR FRESH VEGETABLES</b>	<b>308,021</b>	<b>233,969</b>	<b>385,253</b>	<b>274,405</b>
0571100	Oranges*	50,328	74,282	52,166	70,047
0571200	Mandarins, Tangerines, Satsumas etc.*	24,896	33,338	22,132	27,777
0572100	Lemons and Lime*	5,473	5,457	6,328	6,028
0572200	Grapefruit*	1,365	2,395	1,066	1,845
0572900	Other Citrus Fruit*	1,211	895	1,118	1,063
0572900	Bananas incl. Plantains*	35,854	13,273	60,585	18,793
0574000	Apples	42,412	79,034	49,982	87,655
0575100	Grapes	12,167	46,912	11,987	47,689
0577110	Coconuts	n/a	5,568	n/a	5,446
0579110	Melons incl. Watermelons	48,461	23,237	53,498	30,556
0579120	Papayas	14,574	5,607	21,921	9,098
0579200	Pears and Quinces	31,427	53,584	36,955	57,476
0579300	Stone Fruit	4,479	14,410	3,961	13,738
0579400	Berries	802	5,688	835	5,879
0579500	Pineapple*	15,713	3,165	17,029	4,133
0579600	Dates and Figs*	5,956	12,111	6,522	10,544
0579700	Avocado/Mango/Guava/Mangosteen*	8,022	12,086	10,298	14,557
0579810	Durlans	26,882	44,111	36,748	49,559
0579820	Longans	4,707	9,295	3,787	7,016
0579830	Lychees	1,478	3,238	1,551	3,357
0579890	Other Fruits	16,227	21,855	21,291	23,257
	<b>TOTAL FOR FRESH FRUITS</b>	<b>352,414</b>	<b>469,541</b>	<b>419,820</b>	<b>495,513</b>
	<b>TOTAL FOR FRESH VEGETABLES AND FRUITS</b>	<b>660,435</b>	<b>703,510</b>	<b>805,073</b>	<b>769,918</b>

Note: \*Includes dried

Source: Singapore Trade Development Board

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## Producer Profile

(continued from p. 13)

cessed form. Although exports increased 109 percent from 1989 to 1992 to \$37.8 million, they are significantly lower than the 1991 levels of \$56.0 million. The United States and Japan accounted for a combined 64 percent of Thai processed export volume in 1992, followed by Germany, the United Kingdom, the Netherlands, Australia, Canada, and Sweden.

**Okra** exports were not reported in 1989. However, export value increased 8.5 percent from 1991 to 1992 (from \$4.8 million to \$5.2 million). Fresh okra exports accounted for 85 percent of export value for fresh and frozen product, although exports of frozen okra nearly doubled in volume

during the two years. Almost all exports of fresh product are destined for Japan (99.8 percent in 1992), and 75 percent of frozen product is sent to Japan as well, with most of the remainder shipped to Taiwan and the United Kingdom.

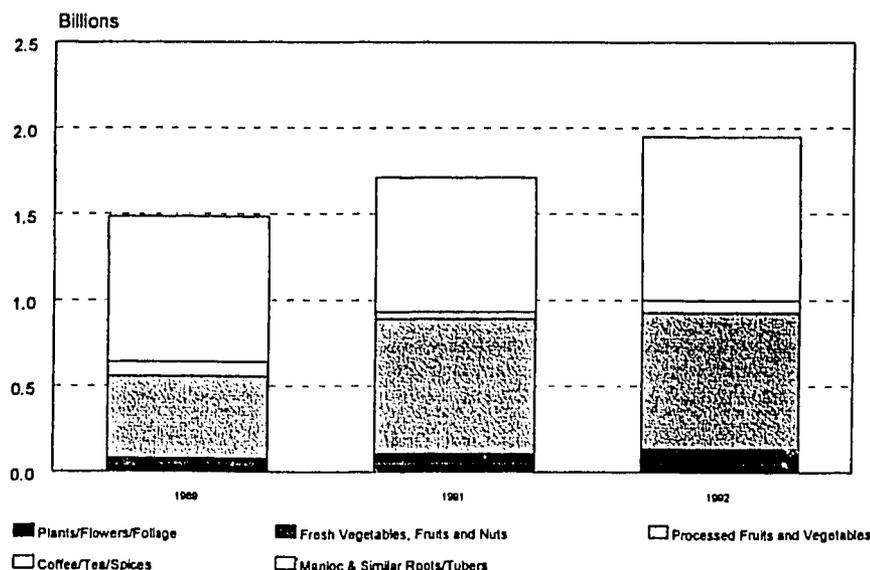
Exports of **bananas** and banana products decreased 22 percent in value over the four-year period and account for only \$1.3 million of total 1992 exports cited in Table 8. Exports of fresh bananas decreased from \$931,000 to \$613,000, while canned exports increased from \$184,000 to \$277,000. Bananas preserved with sugar accounted for \$297,000 in exports in 1992, down from 1989 levels of \$518,000. Dried banana exports stood at only \$85,000 in 1992. Ninety-six percent of fresh exports go to Hong Kong. The

United States takes one-third of canned exports, and most of the remainder goes to Western European countries.

**Pineapple** exports stood at \$425.4 million in 1992, up significantly from \$227.4 million in 1989. Of the eight product forms reported by the Thai Customs Authority, only frozen and dried pineapple declined in terms of value, volume, or both during the period. Exports of canned pineapple and pineapple juice, which account for the vast majority of exports, increased substantially from \$171.1 million to \$325.5 million and \$34.3 million to \$79.0 million, respectively. Fresh exports, which increased 72 percent in volume and 56 percent in value by 1992, still only accounted for 812 MTs at \$205,000. Singapore and South Korea account for 88

Figure 1

THAI EXPORTS OF SELECTED HORTICULTURAL PRODUCTS, US\$



percent of fresh exports, while the United States and Europe (primarily Germany and the Netherlands) import the majority of canned product. The United States is also the largest buyer of pineapple juice.

Fresh, dried, and canned **guava** exports stood at only \$195,000 in 1992, but were up from \$89,000 four years earlier and more than quadrupled in volume from 1989 to 1992. Most exports in 1992 were canned (230 MTs, \$169,000). The United States took 41 percent of canned exports that year, followed by Italy (28 percent), Japan (11 percent), and France (7 percent).

Fresh, dried, and canned **mango** exports increased from \$3.8 million in 1989 to \$7.0 million in 1992, with canned product accounting for 82 percent of total export value. While fresh and dried exports remained in the range of 3,200 to 4,200 thousand MTs, canned exports increased from 2,939 to 6,716 MTs. The top seven markets (the Netherlands, Australia, the United Kingdom, Germany, Japan, France, and Hong Kong) purchased 81 percent of 1992 canned exports. Ninety-four percent of fresh exports went to Malaysia (which accounted for 70 percent), Singapore, and Hong Kong.

Ninety-five percent of fresh **mangosteen** exports were shipped to Taiwan and Hong Kong in 1992, with fresh and dried exports increasing from 659 MTs (\$492,000 in 1989) to 1,116 MTs (\$971,000) in 1992. Frozen mangosteen exports dropped over the same period, from 864 MTs (\$2.7 million) to 699 MTs (\$2.2 million), with Japan purchasing the vast majority (98 percent).

Fresh and canned **papaya** exports stood at \$1.5 million in 1992, up from \$874,000 in 1989, but down from \$2.3 million a year earlier. Although they accounted for 38 percent of total papaya export value in 1989, fresh papaya exports were negligible in 1992. The top five destinations (France, Japan, the Netherlands, Italy, and the United States) accounted for nearly 80 percent of total exports of canned papaya.

**Longan** export value and volume more than tripled from 1989 to 1992. Fresh longan exports stood at 12,811 MTs (\$11.7 million) in 1992, with the majority shipped to Hong Kong along with significant quantities to Singapore and Malaysia. Singapore and Malaysia also purchased 73 percent of 1992 canned exports, which totaled 7,973 MTs or \$11.5 million. Dried and frozen exports stood at 724 MTs (\$4.6 million) and 288 MTs (\$725 thousand), respectively.

Fresh **rambutan** exports nearly tripled in volume and almost doubled in value over the period 1989-1992, yet still account for only a fraction (\$423,000) of total rambutan exports in terms of value. Malaysia, Singapore, Laos, Hong Kong, and Taiwan accounted for 96 percent of total fresh exports. Canned rambutan exports stood at \$6.2 million in 1992, although \$4.2 million of them were canned with pineapple in syrup. Taiwan, Singapore, and Malaysia accounted for a combined 63 percent of exports of canned rambutan/pineapple, with Japan, the United States, Spain, and Hong Kong also purchasing significant amounts. The United States was the largest buyer of canned rambutan without pine-

apple with a 24 percent share of 1992 exports, followed by Singapore, Japan, and Malaysia.

Fresh and frozen **durian** exports more than doubled from 1989 to 1992, and in 1992 stood at 15,116 MTs (\$10.8 million) and 2,390 MTs (\$6.9 million), respectively. A small amount of exports (8 MTs, \$32,000) was of durian preserved with sugar. Hong Kong, Malaysia, and Taiwan purchased 97 percent of 1992 fresh exports, with Singapore, the United States, and Canada taking most of the rest. Almost all frozen durian is shipped to the United States, Canada, and Australia.

**Orchid** exports increased 43 percent to \$31.0 million during the period 1989 to 1992, and consisted of \$3.4 million of orchid plants and \$27.6 million of fresh cut orchids. Japan was the largest purchaser of both items, with significant quantities of fresh cut orchids also shipped to Italy, the United States, Hong Kong, and the Netherlands and other countries in the European Union.

**Lychee** exports totaled \$16.1 million in 1992, up from \$8.0 million in 1989 and from only \$7.4 million in 1991. Canned exports accounted for \$13.8 million of the 1992 total, with Malaysia, Singapore, and the United States taking the majority of these exports. Almost all fresh product is shipped to Singapore, Hong Kong, Malaysia, and Indonesia.

**Ginger** exports increased 135 percent in volume and 270 percent in value from 1989 to 1992, exports at 20,511 MTs (\$10.4 million). Dried **tamarind** exports declined slightly during the period to 17,567 MTs (\$5.9 million). 

## Women in Agribusiness

**I**ncreasing the participation of women in farm commercialization—the transition from subsistence farming to market-oriented farming—is an important issue for agribusiness development strategies in developing countries. However, applied research is scarce on the role of gender in the impact of programs to transfer new technologies. As more developing nations propose national strategies to diversify small farm production and increase rural incomes, the inclusion of gender-disaggregated data on the effects of such strategies is crucial to program success and sustainability.

Some insights on the role of gender in farm commercialization can be found in a recent study by the International Center for Research on Women (ICRW) and New ERA, a Nepalese research and development institution. Funded by USAID/Nepal and the USAID Office of Women in Development, the study examined the role of gender in the production and consumption patterns of small farm households participating in the Nepalese Vegetable, Fruit and Cash Crop Program, implemented under the Nepal Rapti Development Project. New technologies for vegetable, fruit, and other cash crop production were transferred to small farmers living in three communities in the Rapti Zone of Nepal. The objectives of this project were to increase cash crop productivity, thereby boosting farm household income.

Nepalese households participating in the Vegetable, Fruit and Cash Crop Program were compared with those not in the program. Significant socioeconomic differences were found in cropping behavior, hired and home labor use, income generation, and expenditure patterns. In striving for sustainability, equity, and efficiency in a market-led agricultural strategy such as that in the Vegetable, Fruit and Cash Crop Program in Nepal, the researchers proposed the following gender-related recommendations:

- Include women in training and technical assistance—activities that transfer knowledge—on the use of new technologies for targeted cash crop production;
- Incorporate into planning and decision making women's recommendations and reasons for improving, continuing, or abandoning home vegetable, fruit, and cash crop activities, as well as women's suggestions for overcoming constraints to increased production of successful cash crops; and
- Monitor the effects of farm commercialization on intrahousehold income distribution and decision making to ensure that program actions do not result in gender inequalities and a reduction of women's status or participation.

This information comes from "Gender and the Commercialization of Subsistence Agriculture in Nepal," by Michael Paolisso and Shibesh Chandra Regmi (July 1992, 187 pages). The full report is available for \$13.00, plus \$2.00 for shipping and handling, from ICRW, 1717 Massachusetts Avenue, N.W., #302, Washington, D.C. 20036 USA (Tel.: 202-797-0007, Fax: 202-797-0020, Internet: icrw@ugc.apc.org). Additional information on the role of gender in agribusiness development can be found in the following studies, available from ICRW:

"The Impact of Agricultural Commercialization on Men's and Women's Farm Labor: Evidence from Nepal," by Michael Paolisso, Shibesh Regmi, Lawrence Haddad, and Bishwa Tiwari. February 1994, 32 pages, \$7.50 (plus \$2.00 shipping and handling).

"Women and Agribusiness: A Review of A.I.D. Projects," by Nadine R. Horenstein. 1986, 28 pages, \$5.50 (plus \$2.00 shipping and handling).

"Women in Agriculture: What Agriculture Can Do," by Mayra Buvinic and Rekha Mehra. 1990, 27 pages, \$5.50 (plus \$2.00 shipping and handling).

JoAnn Donovan, RAP 

Please send comments on "Women in Agribusiness" to JoAnn Donovan, c/o RAP.

## USAID in Pakistan

(continued from p. 2)

USAID Mission staff in Islamabad saw an opportunity to reduce wheat storage losses and transportation, handling, and milling costs, thereby benefiting consumers and the industry itself. Wheat handling experts from KSU worked with the PFD's Grain Management Cell (established especially for this project) and a local equipment manufacturer to develop required handling equipment and build bulk storage facilities at test sites. The project imported other equipment, unavailable in Pakistan, from the United States and provided training and technical assistance for storage facility and flour milling personnel. The project established a pricing system to recoup investments in equipment and storage chemicals, while providing an incentive for millers to purchase in bulk.

The results have been dramatic. Bulk sales in 1993, the project's first year of operation, approached 75,000 MT—triple the project goal but 50,000 MT below miller demand. This success is attributable to the economies available to the millers and their willingness to change established operating procedures.

The economies to be gained are substantial: elimination of bags, reduced wheat losses resulting from improved storage practices, reduced labor in loading and unloading, a one-half to two-thirds reduction of foreign material content, and other miscellaneous savings. All told, it is estimated that the cost of wheat delivered to mills has been re-

duced by 4 percent. This reduction was achieved using a rudimentary bulk handling system. Savings will increase as the system is extended and participants adopt more efficient bulk handling practices.

In addition to direct savings, there are also ancillary benefits to the program. Introduction of bulk handling equipment reduces the number of injuries caused in lifting and carrying 80-kilogram bags. Although this technology also results in the loss of some jobs, new and better jobs will be created to manufacture needed bulk handling equipment, most notably trolleys for farm gate pick-up; new bulk storage facilities; elevators; and trucks modified for bulk transport. Reduced storage losses will reduce imported wheat demand, with some of the resulting foreign exchange savings going toward the importation of sophisticated bulk handling facilities and equipment.

USAID's total investment in the program was \$4.8 million, of which \$0.9 million returned to the United States for equipment purchases and another \$3.1 for U.S. technical assistance. Total direct savings, from using only the test sites and rudimentary equipment, are conservatively estimated at 150-160 rupees per MT (\$4.70). Given the volume of wheat handled throughout Pakistan, the potential direct savings far exceed USAID's investment. These savings have led to lower prices for consumers and higher profits for millers, in addition to their acquisition of bulk handling equipment. Recognizing the potential magnitude of these benefits, the Punjab government allocated funds in its 1993-1994 annual development program to carry on the work initiated through USAID's small catalytic investment.

Joseph T. Pietrus, RAP 

## Project Profile: The Postharvest Collaborative Agribusiness Support Program (CASP)

CASP is designed to lessen postharvest losses in the fruit, vegetable, food grain, feed grain, soybean, other grain legumes, and seed sectors. The program accomplishes its goals by providing five services: technical assistance through field experts from universities and the private sector; applied research linked to the postharvest needs of agribusiness; training in specialized topics including food storage, management, marketing, and agribusiness development; easy access to information; and promotion and support of postharvest activities through postharvest agribusiness development centers. CASP is a collaborative program consisting of teams from the Postharvest Institute for Perishables (University of Idaho), the International Soybean Program (University of Illinois), the Seed Technology Laboratory (Mississippi State University), the Food and Feed Grains Institute (Kansas State University), and host country institutions.

For more information, contact CASP Program Director, Box 9733, Mississippi State, MS 39762 USA (Tel.: 601-325-3204, Fax: 601-325-4561). To secure services, contact Dr. Rick Bennett, Office of Agriculture, Bureau for Global Programs, Field Support and Research, USAID, Washington, DC 20523-1809 USA (Tel.: 703-875-4245, Fax: 703-875-5344).

## GATT Watch

The U.S. Department of Agriculture contracted with the University of Iowa's Center for Agricultural and Rural Development (CARD) to conduct extensive studies on the impact that the Uruguay Round of the Generalized Agreement on Tariffs and Trade (GATT) will have on the availability and prices of basic commodities near the end of this century. This research is important to Asian countries, which import and export large quantities of basic commodities. Ratification of the new GATT treaty early next year will have significant impact on a whole range of commodities that are important to each country's production and trade perspectives over the next decade.

RAP staff are studying a number of commodities likely to be affected by GATT, using two approaches. The first is a critical review of the data presented in several of the studies mentioned above. Key commodities analyzed include wheat, rice, cotton, textiles, feed grains, edible oils, livestock, sugar, and dairy products. Some preliminary results of this review are presented below. The second approach is an analysis of the competitive positions of fruits, vegetables, nuts and spices, cut flowers and ornamentals, and aquaculture. Later, staff will analyze commodities such as livestock products and coffee, tea, and cocoa.

The basic principle of the competitive positions study will be to determine the per kilogram costs

of production, transportation, and processing, as well as the non-tariff costs or incentives for each commodity in each country, to compare FOB port costs among the interested parties in the area. Transportation costs from principal exporting ports to the major markets of Asia, Europe, and North America will also be added to the study.

When prices are determined in the end-user markets, these will be overlaid on the cost of production and processing data to determine the relative competitiveness of each product in each country: the higher the margin between costs and prices, the larger the window of opportunity for increased production and marketing of the specified product. Once the baseline information has been gathered, CARD staff will project how trade flows will shift as a result of changes induced by the GATT Uruguay Round and estimates of how prices will vary over the next decade. Although the projections

are merely estimates, the study may shed some light on the risks that producers, traders, and processors will face, and give some indication about where the potential advantages are most likely to emerge.

To carry out this study, RAP and USAID's Philippine Agribusiness Project are hiring three regional experts to analyze trade flows from Asia to North America, Europe, and major Asian markets, as well as specialists in each country to prepare profiles on the in-country cost of products. Preliminary results should be available by the end of September and will be presented in a conference this fall.

Initial results from CARD's analysis are given in Table 9.

Kenneth Swanberg, RAP **NA**

*"GATT Watch" comments and contributions are welcome and should be addressed to Ken Swanberg, c/o RAP.*

Unit	Commodity	1995	2001 w/o GATT	2001 w/ GATT	Difference
Bushel	Wheat	2.93	3.28	3.34	1.8%
Bushel	Soybeans	5.64	5.99	6.20	3.5%
Pound	Cotton	0.58	0.57	0.58	0.7%
100 Pounds	Rice	6.51	7.91	8.60	8.7%
Pound	Sugar	0.21	0.21	0.21	0.0%
Pound	Beef	2.85	3.24	3.26	0.6%
Pound	Pork	1.96	2.03	2.09	2.6%
Pound	Broilers	0.90	0.98	1.00	2.0%
Pound	Non-Fat Dry Milk	1.11	1.12	1.05	-6.3%

Source: CARD

## Publications of Interest

**Packaging 2000** is a 250-page report focusing on market trends and technological developments in the European packaging industry to the year 2000. Cost is £475.00. Contact Pira International, U.K. (Tel.: 44-372-376161, Fax: 44-372-377526).

**Handbook of International Road Transport, 13th Edition** summarizes all practical data needed for the operation of road transport services in most parts of the world. Cost is 175 Swiss francs. Contact International Road Transport Union, Switzerland (Tel.: 41-22-734-1330, Fax: 41-22-733-0660).

**Total Quality Management for the Food Industries.** Cost is \$52.00 within the United States and \$74.00 outside the United States. Contact CTI Publications, Inc., USA (Tel.: 1-800-468-6770 or 1-410-467-3338, Fax: 410-467-7434).

**Frozen Food Technology** covers the physics and chemistry of freezing, mechanical and cryogenic freezing methods, product safety and hygiene, packaging, and frozen food consumption. Cost is \$115.00 within the United States and \$131.00 outside the United States. Contact CTI

Publications, Inc., USA (Tel.: 1-800-468-6770 or 1-410-467-3338, Fax: 410-467-7434).

**Fruit Juice Processing Technology** includes not only processing technology but also information related to horticultural varieties, harvesting techniques, maturity standards, fruit storage conditions, quality factors, and nutrient contents. Cost is \$108.00 inside the United States and \$132.00 outside the United States. Contact CTI Publications, Inc., USA (Tel.: 1-800-468-6770 or 1-410-467-3338, Fax: 410-467-7434). 

## Indonesia Set to Increase Fresh Produce Exports

In 1992, the latest year for which statistics are available, Indonesia exported \$32 million in fresh fruits and vegetables to all destinations worldwide. This is an extremely low export figure for the size and population of the country. In addition, 75 percent of exports—an alarmingly high concentration—were destined for Singapore. The bulk of exports to Singapore comprised low-value potatoes and cabbages, with the Indonesian market share at greater than 60 percent, and fresh coconuts. Indonesia accounted for only 2.7 percent of Singapore's import market for fresh fruits and vegetables. (Note: The figures are derived from Indonesian export statistics. Singapore does not report imports from Indonesia.)

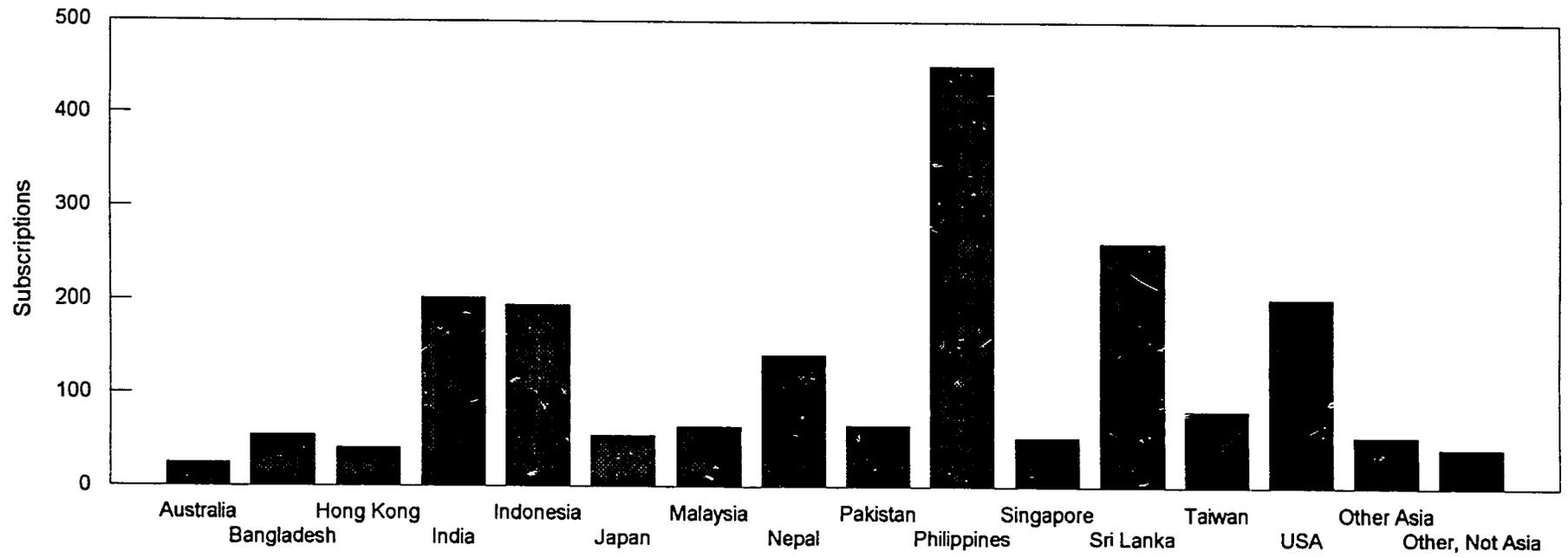
The statistics indicate that Indonesia needs to diversify its products and its markets. The Agribusiness Development Project (ADP) funded by USAID and implemented by Development Alternatives, Inc. (DAI) is assisting with the expansion and diversification of Indonesia's fresh horticultural exports, which are becoming increasingly competitive in regional and international markets as Indonesia develops a major competitive advantage in labor costs. ADP, in conjunction with the Indonesian Horticultural Exports Association, the Singapore Fresh Fruit and Vegetables Importers Association, and the private sector, plans to provide market information, develop among exporters an awareness of opportunities that exist in Singapore and other markets, begin several pilot projects for the production and marketing of higher-value crops, bring Singapore buyers to Indonesia to observe potentials, and develop postharvest handling programs and facilities to overcome shortcomings in quality. For additional information, contact Henry Harmon, Agribusiness Marketing Advisor, ADP, Mampang Plaza, Third Floor, Jl. Mampang Prapatan, Raya No. 100, Jakarta 12760, Indonesia.

Henry Harmon, Agribusiness Development Project, Indonesia

**ANNEX C**  
**NEWSLETTER DISTRIBUTION SUMMARY**

# Market Asia Issue Three

Distribution, By Country



**ANNEX D**  
**LOG OF INFORMATION REQUESTS**

# RAP Information Request Activity Log

Date In	Request Description	Contact Information	Response	Date Out
9/30	US firm intrested in regulations pertaining to exporting to China, Specifically detailed decription of certificates and other paperwork required. Interested in distribution network in China.	Private US Firm	Spoke with FAS, ERS and DOC Sent Info	9/30
		USA		
9/28	Market Survey on the Dried Flower market in the US	Private Indian Firm	Study in progress	
		India		
9/26	Seasonal shipment, arrival, and price information concerning the US market for Grapes	Private India Firm	Report in progress	
		India		
8/17	How to monitor and measure labor impact in AID Agribusiness projects.	Gary Alex	Sent Package of case studies written or deamed suitable by Dr. Swanberg	
		Sri Lanka		
7/21	World import markets for fresh chili pepper ...	Henry Harmon ADP	Provided import data for US, Italy, UK, France, Germany, Netherlands, Belgium, Japan, Singapore, Taiwan (no data available for HK and Korea). Volume and value by source country was provided.	7/21
		Indonesia		
7/19	EPA regulations on pesticide residue levels found on rice,	Plant Protection Division, Government of Vietnam.	Sent Information	7/20
		Vietnam		
7/18	Literature search on crop losses due to 15 pests in 2 crops, and additional information.	Jim Burleigh MARD	Forwarded search	
		Sri Lanka		
7/15	Marketing and technical information on kenaf's use in making paper.	Henry Harmon ADP	Researched AGRICOLA, reviewed documents at NAL, and faxed 4 relevant articles on market potential and production techniques.	7/18
		Indonesia		
7/15	Marketing and technical information on kenaf's use in making paper.	Henry Harmon ADP	Researched AGRICOLA, reviewed documents at NAL, and faxed 4 relevant articles on market potential and production techniques.	7/18
		Indonesia		
7/15	Japanesse import market for grapes and strawberries	Private Indian firm	Sent relevant Material	7/19
		India		
7/5	Historical import data on for frozen green soyabean imports into Japan, also info on any US production for Bumpers	Henry Harmon ADP	Provided 5 year annual data (1988-1993) for volume and value of imports from all supplying countries. US prod data not available, although there were negligible US. exports to Japan over the period 88-93.	7/10
		Indonesia		
7/5	Information on production levels, if any, for pineapple concentrate for Bumpers	Henry Harmon ADP	Spoke with USDA and private sector contacts, provided information that one small producer still active in Hawaii (Maui)	7/7
		Indonesia		

**ANNEX E**  
**RAP TRADE AND COOPERATIVE VENTURE**  
**REQUEST ACTIVITY LOG**

# RAP Trade and Cooperative Venture Request Activity Log

In	Request Description	Response	Status
SEPT 94	Indian Company B is looking for international marketing partners for fresh fruit	Developing company profile	Ongoing
SEPT 94	Indian Company F seeking source of soyabean processing technology	Developing company profile	Ongoing
JUNE 94	Indian company D is looking for a company interested in equity participation and technical ties. Company D is planning an integrated edible oil project.	Requested relevant financial information from Company D. Identifying and researching potential partners.	Ongoing
MAY 94	Indian company A is looking for a U.S. Partner for a cooperative venture to produce and export dried flowers.	Requested relevant financial information from Company A. Researching potential US Partners. Made linkages with Trade Association	Ongoing
MAY 94	Indian company B is looking for a U.S. source of Californian Grape Cuttings. Initial volume desired is Low, however future demand will be high.	Research US producers. Relayed information to Company B.	Completed
MAY 94	Indian company B is looking for partners to participate in a teakwood venture.	Requested relevant financial information from Company B. Researching Potential Partners	Ongoing
MAY 94	Nepalese company A is looking for tissue culture clients worldwide.	Requested relevant financial information from Company C. Researching Potential Partners	Ongoing
MAY 94	Filipino company A is interested in finding buyers of juice concentrate that will be produced at an new plant which is coming on-line in 1995.	Identified and researched buyers. Buyer found.	Ongoing
MAY 94	Indian Company B looking for joint venture partners for vegetable processing	Developing company profile	Ongoing
MAY 94	Indian Company C is looking for international marketing partners for Indian agriculture database.	Identified potential partners. Forwarded information	Completed

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**ANNEX F**  
**BUDGET UPDATE**

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 \$13,807

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: SEPTEMBER 1-30, 1994

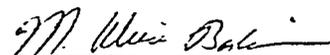
SUBMISSION NO: 12

SUBMISSION DATE: OCTOBER 27, 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	\$219,923.39	\$27,300.58	\$247,223.97	\$977,289.03	20.19%
FRINGE BENEFITS	146,446.00	32,523.13	2,348.89	34,872.02	111,573.98	23.81%
OVERHEAD	1,069,348.00	196,908.28	26,740.19	223,648.47	845,699.53	20.91%
TRAVEL, TRANS. & PERDIEM	584,010.00	53,176.29	7,709.04	60,885.33	523,124.67	10.43%
OTHER DIRECT COSTS	320,509.00	80,231.46	6,286.83	85,518.29	233,990.71	26.99%
SUBCONTRACTORS	1,522,404.00	158,676.88	27,301.94	185,978.82	1,336,425.18	12.22%
<b>SUBTOTAL</b>	<b>\$4,867,230.00</b>	<b>\$741,439.43</b>	<b>\$97,687.47</b>	<b>\$839,126.90</b>	<b>\$4,028,103.10</b>	<b>17.24%</b>
FEE AT 4.71%	229,415.00	34,921.82	4,601.07	39,522.89	189,892.11	
<b>TOTAL EST BUDGET</b>	<b>\$5,096,645.00</b>	<b>\$776,361.25</b>	<b>\$102,288.54</b>	<b>\$878,649.79</b>	<b>\$4,217,995.21</b>	<b>17.24%</b>

F-3

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  
TITLE: PROJECT ACCOUNTANT  
DATE: OCTOBER 27, 1994

**ANNEX G**  
**SHORT-TERM TECHNICAL ASSISTANCE**

**SHORT-TERM TECHNICAL ASSISTANCE**

Number	Short-term Technical Assistance	Status	Date
DAI A	Analysis of Project Parameters Agricultural Commercialization and Enterprise Project - India	Report completed	December 1-17, 1993
DAI B	RAP Seminar (Dec.22-23, 1993)	Completed	December 20-24, 1993
DAI C	Development of Monitoring and Evaluation Methodology for Asian Agribusiness Projects	Phase I Report completed	February 21-April 4, 1994
DAI D	Inquiry into the Information needs for a Price Information System in Sri Lanka	Cancelled	
DAI E & Abt A	Background Information Assembly and Analysis for the Comparison of Major Wholesale Market Facilities in Asia and Their Effect on Vegetable and Fruit Trade, Especially Exports	In progress	Started March 1994
TAS A	Ensuring Food Safety and Quality: A Review of HACCP and ISO 9000 Systems	Report completed	Completed March 1994
TAS B	An Overview of National Pesticide Regulatory Policies of Selected Asian Countries	Report completed	Completed September 1994.
TAS C	RAP Collaborators Meetings	In progress	Started January 1994
TAS D	Food Safety and Phytosanitary Issues Affecting Asian Agribusiness Trade	In progress	Started May 1994
Fintrac A	Research Support to RAP Market Information System Component	In progress	Started May 1994
DAI F	Comparative Analysis of Export Competitive Positions - Sri Lanka Case Study	In progress	Started August 1994
DAI G	Comparative Analysis of Export Competitive Positions - Bangladesh Case Study	In progress	Started August 1994
DAI H	Comparative Analysis of Export Competitive Positions - India Case Study	In progress	Started August 1994
DAI I	Preparatory Work for Market Information Study in Japan	Completed	June 20-30, 1994
DAI J Abt B	Chronicle Writer for Comparison of Major Wholesale Market Facilities in Asia and Their Effects on Vegetable and Fruit Trade, Especially Exports – Singapore Case Study and Hong Kong Case Study	In progress	Started July 1994

DAI K	Competitive Positions - Philippines Case Study	In progress	Started September 1994
Abt C	Comparison of Major Wholesale Market Facilities in Asia Affecting Vegetable and Fruit Trade, Especially Exports - Taiwan Case Study	In progress	Started July 1994
Abt D	Analyst for the Comparison of Major Wholesale Market Facilities in Asia and Their Effects on Vegetable and Fruit Trade Especially Exports	In progress	Started July 1994
Fintrac B	Data Collection and Entry for GATT Study	Completed	September 1994
Fintrac C	Business Plan and Commercial Viability and Sustainability for <i>Market Asia</i>	In progress	Started August 1994
DAI L	Delphi Study, Strategic Planning Panel	In progress	Started August 1994
DAI M	Comparative Analysis of Export Competitive Positions – Thailand and Malaysia Case Studies	In progress	Started August 1994

**ANNEX H**  
**PUBLICATIONS**

**Publications**

August 1994 - *Market Asia* Volume 1, Issue 3.

May 1994 - *Market Asia* Volume 1, Issue 2.

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

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

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

March 1994 - *Ensuring Food Safety and Quality: A Review of HACCP and ISO 9000 Systems*, by H. Michael Wehr.

December 1993 - *Proceedings of the Agricultural Product Quality Workshop*.