



CONCEPT NOTE / AGENDA
Workshop on Horticultural Value Chains Development
7 - 9 March 2018, Antalya, Turkey

Background:

The globalization has increased international trade. During 1980–2010, international trade in agricultural and food products increased from \$230 billion to almost \$1,100 billion --- a more than fourfold increase. CAREC (Central Asia Regional Economic Cooperation) region now also is progressing from low to middle income status at an aggregate level, with increasing Purchasing Power Parity and increasing teledensity as two indicative proxy variables. PRC is a huge market for Horticultural exports from CAREC Member Countries. PRC imports USD 117 Billion worth of agricultural products from the world in which the share of other CAREC member countries is significantly less¹. The trade in horticultural products from CAREC member countries to PRC is even lesser due to high perishability and low shelf life, whereas PRC import value for vegetables is 530M USD and for fruits it is 5810M USD² as per 2017 data. This trade value from CAREC member countries to PRC is minuscule. This scenario necessitates that CAREC Member countries should review and improve the value chains structure both in terms of intra-CAREC trade in Horticultural Products as well as more importantly connecting with GVC.

CI in collaboration with ADB, ADI, Government of Netherlands and Local Business Concern will hold a 3 day workshop with 1.5 days devoted to field visit. This format has been designed for making the participants familiar with the high end value addition to horticultural products which are eligible to be exported to high end markets, including European Market and have the organization of the value chains as well as the requisite standardization and certificates.

It is also emphasized that the venue chosen for the proposed workshop has been carefully considered and the choice has been narrowed down to the following reasons:

- Turkey has similar climate and soil conditions as most of the CAREC member countries
- Turkey produces similar fruits and vegetables as most Central Asian Countries, like grapes and melons et all.
- Yet the Horticultural export volume of Central Asian Countries even within the region is miniscule.
- Turkey is also the conduit of value processing points for various horticultural products. CAREC member countries need to have a firsthand experience of learning from this experience. The processing and value addition points and facilities are an industry unto itself creating specialization, adding to GDP, producing skilled labor and creating back end demand for labor market skill development. The benefits of value chains development are accrued across the national economies.

However despite these similarities Turkey production and export volumes of horticultural products is much higher than its CAREC neighbors. The key difference is value point's addition in Turkey's domestic value chain for exporting standardized products which are acceptable globally. CAREC Member countries need to learn from the experience and hence increase the quality and standardization of their horticultural products so that they are able to export to the huge neighboring market of PRC.

¹ Qadir, S. (2017) Paper presented during CAREC Second Think Tank Forum

² Ministry of Agriculture Peoples Republic of China statistics Department of International Cooperation



Objective of the Workshop:

1. Increase awareness of the high potential for value addition of raw horticultural products in to standardized finished products to connect to Regional Horticultural Value Chain for increasing exports to PRC as PRC standardization is much higher in terms of phytosanitary controls.
2. Enhance understanding modern technologies for value additions along the horticulture value chain.
3. Increased awareness in HVC governance and management for improved policy and regulatory controls.

Workshop Participants: In order to accrue optimal benefit from the workshop, the workshop will be invite participants from both public and private sector. The similar nomination process will be followed but as highlighted in CAREC 2030 approved by MC the participation of private sector is thought to be of increasing importance. The participants will be from:

1. One Policy making high level official from Ministry/Department of Agriculture/Horticulture
2. One Participant from Regulatory Agency
3. One Participant from Private Sector (self-financed basis)

Workshop Contents and Format: The contents of workshop will be divided in to two parts. The first part will be focused on lecture discussions and the second part will focus on field visits for real time learning experience. The technical content of lecture discussion will focus on:

- a) "An input output Structure which describes process of transforming raw materials into final products
- b) Geographical and Logistical Considerations (soil less farming, truck farming etc.) and transport methods
- c) Governance Structure which explains how the value chains are controlled and managed
- d) Industrial Context in which value chain is embedded"³

The field visit segment of the workshop will contain following:

- Entire supply chains including, fruits, vegetables and flowers from farm to airport (dry port)
- 'Nurseries, production (covering production and postharvest technology), processing, distribution, value adding, export and domestic sales. Apart from visiting production and trade enterprises, participants can visit the wholesale market and see (air) port infrastructure'⁴.

³ Gerreffi (1995) & Humphrey and Schmidt (2002)

⁴ Jose Leeters in an email to scribe

DAY 1 (WEDNESDAY, 7 MARCH 2018)

- 09:00-09:30 **Registration of Participants for the Workshop (at the 6th Floor)**
Welcome by Yergali Dosmagambet, Deputy Director 2, CI
- 09:30-17:30 **Field Visit**
Focus on best practices in production technology, including nursery, greenhouse models), postharvest operations and the distribution and trade aspects of the value chain, cold chain, infrastructure for export and the enabling environment (input supplies, government services).
(Lunch during Field Visit)
Coordinator: Jos Leeters, Marketing Strategist for Value Chain Development
- 19:00-21:00 **Dinner ----- Tuti Restaurant (6th Floor)**

DAY 2 (THURSDAY, 8 MARCH 2018)

- 08:30-09:00 **Registration ----- MAR CLASSROOM (3rd Floor)**
- 09:00-09:30 **Opening Ceremony**
Welcome Remarks
Yergali Dosmagambet, Deputy Director 2, CAREC Institute
Welcome Remarks
Aladdin D. Rillo, Senior Economist, ADBI
Program Overview
Samjhana Shrestha, Senior Economist, CWER, ADB
Keynote Address
Mr. Ugur ISIN, Agricultural Assistant, The Netherlands Embassy Ankara, Turkey
- 09:30-10:00 **Session 1: An Overview of Horticultural Value Chains in CA**
Speaker: Yergali Dosmagambet, Deputy Director 2, CI
Moderator: Aladdin D. Rillo, Senior Economist, ADBI
- 10:00-10:45 **Session 2: Dutch Horticulture Sector**
Good examples of Dutch-Turkish Horticultural Co-operation, including Government-to-Government projects and Business-to-Business projects.
Speaker: Mr. Ugur ISIN, Agricultural Assistant, The Netherlands Embassy Ankara, Turkey
- 10:45-11:15 **Moderator:** Jos Leeters, Marketing Strategist for Value Chain Development
Tea/Coffee Break & Group Photo
- 11:15-12:15 **Session 3: Post Harvest Management**
This session will provide insights in to the most critical stage in the HVC i.e. Post-Harvest. Horticultural Products have low shelf lives and are at risk in terms of degradation before they are processed to further stage. This session will review this critical stage; the beginning of the value chain.



Speaker: Prof. Dr Mustafa Erkan, Postharvest Physiologist, Department of Horticulture, Akdeniz University

Moderator: Samjhana Shrestha, Senior Economist, CWER, ADB

Questions and Answers

12:15-13:00

Session 4: Governance Structure which Explains How the Value Chains are Controlled and Managed

This session will focus on the Policy Context within which a value chain operates and functions. The affirmative national, regional and trade policies which are required to be essential for value chain development especially on Horticultural Sector.

Speaker: Kashif Noon, Head of Knowledge Manegment Unit, CI

Moderator: Aladdin D. Rillo, Senior Economist, ADBI

Questions and Answers

13:00-14:00

Lunch ----- Tuti Restaurant (6th Floor)

14:00-18:00

Field Visit

Focus on best practices in value addition and processing as well as infrastructure for export and the enabling environment.

Coordinator: Jos Leeters, Marketing Strategist for Value Chain Development

19:00-21:00

Dinner ----- Tuti Restaurant (6th Floor)

DAY 3 (FRIDAY, 9 MARCH 2018)

06:30-09:00

OPTIONAL wholesale market visit

09:00-09:30

Registration ----- MAR CLASSROOM (3rd Floor)

09:30-10:30

Session 5: Cold Chain Models: Geographical and Logistical Considerations and Transport Methods

This session will focus on the technological side of horticultural value chains. It will describe to the participants the latest technological equipment used to add value to the processing leading to production growth and export the wherewithal of the value chain, discussing cold chain models and their application in Transport within the context of trade corridors.

Speaker: Xifeng Gong, Director General, Chinese Academy of Agricultural Sciences

Co-Speaker: Mr.Hakki BAHAR,Vice Chaireman from the West Mediterranean Exporters Union

Moderator: Aladdin D. Rillo, Senior Economist, ADBI

Questions and Answers

10:30-11:00

Tea/Coffee Break

11:00-12:30

Session 6: Industrial Context in which Value Chain is Embedded and Export of Horticulture Products - A Case Study of EU

This session will be split session covering two aspects of value chain; It is important to discuss the industrial context for embedding HVC as a contributory production and service industry is connected with HVC, especially SME which need to grow around a value chain. The second important thing to learn is the modalities of accessing high standard markets like EU.



Speaker: Jos Leeters and Kashif Noon

Moderator: Samjhana Shrestha, Senior Economist, CWER, ADB

Questions and Answers

12:30-14:00

Lunch ----- Tuti Restaurant (6th Floor)

14:30-16:30

Country Presentations

1. Azerbaijan
2. PRC
3. Georgia
4. Kazakhstan
5. Kyrgyz Republic
6. Mongolia
7. Pakistan
8. Tajikistan
9. Turkmenistan
10. Uzbekistan

Moderator: Yergali Dosmagambet, Deputy Director 2, CI

Working Tea/Coffee during the Country Presentation

16:30-17:30

Simulation Exercise: Develop a HVC Model for each country using one specific product and recommendation for constructing affirmative policy environments for developing Regional HVCs.

Moderators: Kashif Noon and Jos Leeters

17:30-18:30

Closing Ceremony

- Next steps going forward
- Workshop evaluation
- Closing remarks

19:00-21:00

Dinner ----- Tuti Restaurant (6th Floor)