

## ANNUAL PROGRESS REPORT

<b>I. Project title</b>	Strengthening the capacity of transition and developing economies to participate in cross-border agricultural food supply chains
<b>II. Project DA code</b>	14/15AE ECE 2015-ROA-0892-3027(ROA-287-9)-6875-0035
<b>III. Executing entity</b>	United Nations Economic Commission for Europe (UNECE) Cooperating agency: UNESCAP
<b>IV. Reporting period</b>	January - December 2015
<b>V. Financial Implementation rate</b> <i>(in % of the total budget)</i>	35 %

### 1. SUMMARY OF ACHIEVEMENTS TO DATE

National experts from public and private sectors from 4 selected countries (Tajikistan, Uzbekistan, Kyrgyzstan, and Albania) of the target regions (Central Asia and Western Balkans) were trained in the cross-border trade of nuts and dried fruit at a workshop jointly organized with the Turkish Government in Izmir on 1-3 July 2015. The workshop increased participants' capacities (as witnessed by survey results, see Table 1) in the use and implementation of UNECE standards, export and import inspection methods; trade and marketing techniques to improve integration into international supply chains. The workshop was held within the framework of the annual session of UNECE's Specialized Section on Standardization of Nuts and Dried Fruit (29 June to 3 July 2015) and provided excellent networking opportunities with international experts, private sector and Turkish policy makers. All participants from Central Asia and the Balkans were identified in collaboration with local UNDP and donor agency support (GIZ) based on their involvement in the nuts and dried fruit production and trade projects. The selection process ensured that the workshop contributed to the existing field projects, addressed participants' needs and maximized practical impact in the long term. In addition, a symposium "Public meets/meets private - Private sector - food safety verification programs and Public sector - international standards" organized in Geneva on 28 September 2015, enhanced capacity of national experts from Central Asian and Balkan countries in food safety regulations and practices in international meat trade. Both trainings improved participants' knowledge in cross-border supply chains, the international instruments available to facilitate them and established linkages between public and private participants in informal networks. It also resulted in the agreed organization of a regional follow-up workshop (together with a UNDP Aid for Trade project, GIZ and Hilfswerk Austria) in May 2016.

While the scheduled Western Balkan sub-region workshop on cross-border agricultural supply chains had to be postponed to 2016 (for administrative reasons (Umoja) and difficulties identifying relevant partners in the region), concrete results (in terms of capacity-building as well as implementation of standards and inspection systems) were nevertheless achieved in one country of the sub region, in Albania. The project managed to target key partners in the country and train them in the cross border trade of nuts, dried fruit and meat thanks also to the support of an on-going bilateral aid project (between the German Ministry of Agriculture and its Albania counterpart). This resulted in the establishment of a sector specific working group in Albania consisting of the national agricultural specialists, academia, and other stakeholders. The working group is tasked to set up a standardization and export control scheme (on the basis of UNECE standards) with the help of UNECE experts to increase export/import quality of agricultural produce as well as trade volumes.

The first case study (“Export of Dried Apricots Tajikistan – Business Process Analysis”) which analyzes the export of dried apricots (a priority agricultural produce) from Tajikistan was finalized and reviewed by the delegates of the UNECE Specialized Section on Dry and Dried produce at the Izmir workshop. It is based on the business process methodology developed by UNESCAP and UNECE with an in-depth focus on conformity assessment and use of standards. This approach maximizes the practical impact of the analysis and links results to possible interventions by UNECE expert. Based on the result of this analysis and coupled with an on-going project in Tajikistan (“Enhanced Competitiveness of Tajik Agribusiness Project (ECTAP)” financed by the European Union), UNECE experts were invited to assist with conformity assessment and technical implementation issues (e.g. the set-up of a testing facility based on specifications in UNECE standards). In addition, as a follow-up to the Izmir workshop and the Business Process Analysis of dried apricot exports from Tajikistan, two donor agencies involved with the Izmir workshop (GIZ and Hilfswerk Austria International) decided to support the development of a Central Asian regional standard for dried apricots (Tajikistan, Uzbekistan and Kyrgyzstan especially for the Fergana valley) based on the UNECE Standard and with assistance of UNECE experts. Given these encouraging results, Uzbekistan indicated that it will request a priority agri sector analysis which would be the second in the Central Asian sub region (official request expected in the course of January/February 2016).

The compilation of UNECE training material on best practices and international instruments for enhancing agricultural supply chains was finalized in late 2015 and several items are ready for publication (available upon request and will be available online in 2016). A strategic partnership with another international organization (International Trade Centre – ITC) will help develop the web platform and disseminate the material to a wider audience with the first part of the material going online in early 2016. This will help build and enhance capacity beyond the life-span of the project through online availability of highly valuable and much demanded training material and related resources.

For organizational and administrative reasons UNECE’s cooperating agency, UNESCAP had to postpone its activities to 2016.

## 1. REVIEW OF PERFORMANCE INDICATORS AND ACTIVITIES

**Table 1 – Review of Performance Indicators**

<b>Expected Accomplishment</b>	<b>Indicator of achievement (T0)</b>	<b>Indicator of achievement (T1)</b>	<b>Comments</b>
(EA1) Enhanced understanding and increased capacity among public and private sector stakeholders to apply standards and best practices for efficient regulation, information exchange and agricultural food quality in the development of national and sectoral strategies to improve access to sustainable international	(IA1.1) Increased number of decision makers from government agencies and private sector who understand international standards and best practices for sustainable agricultural food supply chains	With the support of the project the number of decision makers from government agencies and private sector who understand international standards and best practices for sustainable agricultural food supply chains have been increased in the beneficiary countries of the UNECE region, specifically in	The conducted trainings (on food safety regulations and practices in international meat trade, September 2015, Geneva Switzerland, and on the cross-border trade of nuts and dried fruit, July 2015 Izmir, Turkey) increased the understanding of decision makers from government agencies and private sector of international standards and best practices for sustainable agricultural food supply chains. The survey of the Izmir workshop indicated

<p>agricultural food supply chains and increase export opportunities.</p>	<p>(IA1.2) Increased number of new trade facilitation tools, instruments and international standards in use or planned for use to more efficiently plan and manage agriculture supply chains, as evidenced by policy and procedural changes</p>	<p>Tajikistan, Kyrgyzstan, Uzbekistan and Albania.</p>	<p>that 94% of respondents considered that the event contributed mostly or fully to their knowledge; 95 % of respondents were likely or certain that their institutions would benefit from the training; and 100 % of respondents were likely or certain to apply what they learnt during the workshop.</p> <p>It is too early to assess this indicator of achievement as activities in this area have not been implemented yet.</p>
<p>(EA2) Strengthened capacity of policymakers and practitioners to exchange experiences and best practices for facilitating enhanced agricultural food supply chains</p>	<p>(IA2.1) Increased exchange of information on best practices and lessons learned on improving agricultural supply chains through the regional network of experts</p>		<p>It is too early in the project to assess indicators of achievement. Too few activities have been implemented at this stage. However, new requests for follow-up and more regional activities (e.g. follow-up workshop in Uzbekistan or informal request for case study on export of dried grapes in Uzbekistan) indicate increased interest among stakeholders.</p>

**Table 2 – Review of Completed Activities**

Activities	Comment
<p><b>A.1.1 Develop and publish training materials/modules</b> on minimum quality requirements for the export of agricultural produce (set 1), the technical and legal infrastructure necessary to ensure consistent quality exports and increase countries' prospects to participate in cross-border agricultural trade (set 2).</p>	<p>UNECE: Inventory of available and potential training material completed (Dec. 2014) – set 1 and 2 ( will be uploaded to the website in 2016)</p> <p>UNECE: Preparation of the Set 1 of the training materials completed, will be</p>

	<p>uploaded to the website in 2016.</p> <p>Strategic partner (International Trade Center, ITC) for publication of material identified and cooperation negotiated. First set of material will be published in 2016.</p>
<p><b>A.1.2 Develop a guide (set of recommendations) for the assessment of shortcomings</b> in agriculture supply chains and the improvement of trade efficiency to help countries increase their access to cross-border agricultural trade using international standards and best practices.</p>	<p>Not started yet (see Table 5)</p>
<p><b>A.1.3 Prepare a series of country-based case studies</b> which analyses priority agri-food supply chains in selected countries, show how the application of standards and best practices can improve these supply chains and draft a prioritized implementation action plans for subsequent reform processes.</p>	<p>UNECE Case study Tajikistan: Completed in June 2015 and to be published in 2016</p>
<p><b>A.1.4 Organize 4 sub regional capacity-building workshops</b> focusing on product specific, priority agricultural supply chains in the project's target countries/sub regions for policy makers, traders and producers, to share the findings of the case studies and the set of recommendations as well as good practices and initiatives on international standards and best practice. The workshops are expected to focus on how to apply international standards and best practice to the countries' priority agricultural supply chains</p>	<p>Sub-regional Workshop (Western Balkan and Central Asian countries) – September 2015 focus: cross-border meat supply chains and food safety – organized in conjunction with UNECE's international symposium and Specialized Section on Standardization of Meat to maximize impact and reduce costs. It focused on the role of international instruments in improving food safety of meat in cross-border meat supply chains and increased the understanding of experts of food safety, standardization and traceability requirements and the need for national regulations to prepare participation in sustainable international meat supply chains. <a href="http://www.unece.org/fileadmin/DA/M/trade/agr/meetings/ge.11/2015/Symposium/Symposium/Meat_Symposium_Programme_2015_Final.pdf">http://www.unece.org/fileadmin/DA/M/trade/agr/meetings/ge.11/2015/Symposium/Symposium/Meat_Symposium_Programme_2015_Final.pdf</a></p> <p>Sub-regional Workshop (Central Asia and Western Balkan countries) held in Izmir, Turkey, 29 June – 4 July 2015, held back to back with the annual session of UNECE's Specialized Section on Dry and Dried Produce and co-</p>

	organized with the Ministry of Economy of Turkey to reduce costs. Enhanced capacity of 22 participants from the project's target regions as well as several transition and developing countries as a spill-over effect (and whose expenses were not covered by the project. International experts trained participants in the cross-border trade of nuts and dried fruit in theoretical and practical training sessions at export control points and research institutes and processing plants. <a href="http://www.unece.org/index.php?id=38239#/">http://www.unece.org/index.php?id=38239#/</a>
<b>A2.1 Organize 2 regional workshops</b> for national policymakers and stakeholders in agri-food supply chains focusing on the policy priorities of the regions. The workshops will help extend (under the umbrella of UNNExT) or establish advisory groups.	Not started yet (see Table 5)
<b>A2.2 Organize a concluding international workshop</b> with the participation of public and private sector experts from the UNESCAP and UNECE target and pilot countries	Not started yet (see Table 5)

## 2. CHALLENGES/PROBLEMS ENCOUNTERED SO FAR

**Table 3 – Challenges and actions**

Description of challenge	Action(s) taken to solve the issue, if any
Cooperation with some of the implementing partners proved difficult due to conflicting schedules and reduction of funding in the new budget year.	Western Balkan sub regional workshop was postponed to 2016 and partners provided in-kind instead of financial support (resource person).
Change of administrative processes which made it very difficult to organize activities in Q3/Q4	Postponed all activities which required administrative work to 2016 and concentrated on preparing training material and negotiations with partners
Internal changes and changes in country situation (Albania) which resulted in the planned case study (business process analysis- BPA) to be done under a different project	Earmarked resources will be used for another BPA in another Balkan country (to be determined)

## 3. SUPPLEMENTARY FUNDING

**Table 4 – Financial Leveraging**

Donor	Purpose	Amount raised
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		Cash (USD)	In-Kind
Government of Turkey	Contribution to workshop in Izmir	Amount unknown but the donor covered certain expenses related to the Izmir Workshop, i.e. workshop venue; interpretation (Turkish-English) lunches; expenses related to technical training and study tour.	Provided over 10 expert resource persons (inspectors, traders, researchers; academics and trainers) for the theoretical and practical sessions. Organized the practical training sessions at research facilities and processing plants.
OECD	Contribution to workshop in Izmir		Provided and covered costs of one resource person
FAO Regional Office Budapest	Contribution to workshop in Izmir		Helped identify one resource person
FAO/WHO Codex Alimentarius Commission	Contribution to workshop on food safety in meat		Provided and covered costs of one resource person
INC – International Nut and Dried Fruit Council	Support to training workshop Izmir		Covered costs of one resource person
WTO/UNCTAD International Trade Center (ITC)	Contribution to the agricultural reference and training platform		Helped format and host agricultural reference and training material

#### 4. REVISIONS

No revision done in 2015. In October 2015, funds were transferred to UNESCAP as foreseen in the original project document.

#### 5. WORK PLAN FOR REMAINING ACTIVITIES

**Table 5 – Remaining activities**

Remaining Activities	Start date	Date of completion
<b>A.1.1 Develop and publish training materials/modules</b> on minimum quality requirements for the export of agricultural produce (set 1), the technical and legal infrastructure necessary to ensure consistent quality exports and increase countries' prospects to participate in cross-border agricultural trade (set 2).	February 2016 UNECE - Identification of training material available outside UNECE and conversion of some material into training modules	June 2016
	January 2016 UNECE - Preparation and conversion of material into training material and for	June 2016

	uploading on library and reference page	
<b>A.1.2. Develop a guide (set of recommendations) for the assessment of shortcomings</b> in agriculture supply chains and the improvement of trade efficiency to help countries increase their access to cross-border agricultural trade using international standards and best practices.	February 2016 UNESCAP	June 2017
<b>A.1.3 Prepare a series of country-based case studies which analyses priority agri-food supply chains</b> in selected countries, show how the application of standards and best practices can improve these supply chains and draft a prioritized implementation action plans for subsequent reform processes.	March/April 2016 UNECE - Case study Uzbekistan  June 2016 UNESCAP - Case study Bhutan  August 2016 UNESCAP - Case study Laos/Cambodia	May/June 2016  October 2016  November 2016
<b>A.1.4 Organize 4 subregional capacity-building workshops</b> focusing on product specific, priority agricultural supply chains in the project's target countries/subregions for policy makers, traders and producers, to share the findings of the case studies and the set of recommendations as well as good practices and initiatives on international standards and best practice. The workshops are expected to focus on how to apply international standards and best practice to the countries' priority agricultural supply chains.	Q1 2016 UNECE - Sub-regional Workshop (Central Asian sub-region) – Uzbekistan  Q3/4, 2016 UNECE - Balkan sub-region  January 2016 UNESCAP - Sub-regional workshop South Asia  January 2016 UNESCAP - Sub-regional workshop (South East Asia)	Q2 2016  Q3/4, 2016  June 2016  June 2016
<b>A2.1 Organize 2 regional workshops</b> for national policymakers and stakeholders in agri-food supply chains focusing on the policy priorities of the regions. The workshops will help extend (under the umbrella of UNNExT) or establish advisory groups.	Q4 2016/Q1 2017 UNECE (in UNECE region)  Q4 2016/Q1 2017 UNESCAP (in UNESCAP region)	Q4 2016/Q1 2017  Q4 2016/Q1 2017
<b>A2.2 Organize a concluding international workshop</b> with the participation of public and private sector experts from the UNESCAP and UNECE target and pilot countries	September/October 2017 UNECE and UNESCAP	September/October 2017

## 6. ADDITIONAL INFORMATION

### Report and presentations:

The meeting report and presentations of the Workshop on cross border trade in nuts and dried fruit organized back-to-back with the UNECE's annual session on Dry and dried produce in Izmir, Turkey are available at: <http://www.unece.org/index.php?id=38239#/>

### Media coverage:

The Workshop on cross border trade in nuts and dried fruit organized back-to-back with the UNECE's annual session on Dry and dried produce in Izmir, Turkey received extensive media coverage in Turkey including national TV, national and local news outlets. UNECE published an article in the UNECE weekly. Below some links:

**UNECE Weekly article:** <http://www.unece.org/info/media/news/trade/2015/izmir-becomes-worlds-capital-of-dried-fruits-and-nuts-for-a-week/izmir-becomes-worlds-capital-of-dried-fruits-and-nuts-for-a-week.html>

### Turkish national and local media coverage:

<http://www.dunya.com/guncel/kuru-meyve-standartlari-izmirde-belirlenecek-267257h.htm>

<http://www.yeniasir.com.tr/ekonomi/2015/06/30/kuru-urunde-izmir-atagi>

[http://www.cihan.com.tr/haber/Dunya-kuru-meyve-standartlari-Izmirde-belirlenecek\\_9829-CHMTgwOTgyOQ==](http://www.cihan.com.tr/haber/Dunya-kuru-meyve-standartlari-Izmirde-belirlenecek_9829-CHMTgwOTgyOQ==)

<http://finans.zaman.com.tr/getDetailsStory.html?storyId=340460&goToHomePageParam=true&siteLanguage=en>

<http://gazetedokuzeylul.com/?p=16969>

<http://www.gidagundemi.com/gida-gundemi/turkiye/dunya-standartlari-izmirde-belli-olacak-h6067.html>

<http://www.gazetemizmir.com/izmirde-bir-ilk/9368/>

<http://www.sabah.com.tr/egeli/2015/06/30/izmirde-bir-ilk>

<http://www.gidahatti.com/gida-haber/kuru-meyve-standartlari-icin-izmir-de-toplandilar>

<http://www.haberler.com/ekonomi-bakan-yardimcisindan-yunanistan-yorumu-7460854-haberi/>

<http://www.yeniasir.com.tr/ekonomi/2015/07/02/kuru-meyve-ticareti-10-yilda-iki-kat-artti>

[http://www.cihan.com.tr/haber/Uluslararası-kuru-meyve-ticareti-kolaylaşıyor\\_2017-CHMTgxMjAxNw==](http://www.cihan.com.tr/haber/Uluslararası-kuru-meyve-ticareti-kolaylaşıyor_2017-CHMTgxMjAxNw==)

<http://www.ajans34.com/ekonomi/uluslararası-kuru-meyve-ticareti-kolaylaşıyor-h772807.html>

<http://www.bugun.com.tr/son-dakika/uluslararası-kuru-meyve-ticareti--haberi/1719340>

<http://www.piyasayorum.com/ekonomi-haberleri/bmaek-uluslar-arasi-kuru-meyve-ticaretini-kolaylastiriyor--basin-aciklamasi-01-07-2015---ekonomi-haberleri>

<http://www.radikal.com.tr/izmir-haber/kuru-ve-kurutulmus-urunler-uzmanlar-calisma-grubu-toplantisi-1389007>

<http://www.hakimiyet.com/ekonomi/kuru-ve-kurutulmus-urunler-uzmanlar-calisma-grubu-toplantisi-h999492.html>



## 7. FINANCIAL INFORMATION (provisional due to UMOJA implementation)

Object Class	Description	A. Budget/Allotment (as per project document) (USD) UNECE	B. Revisions to allotments (if any) (USD) UNECE	B. Revisions to allotments (if any) (USD) UNESCAP	C. Explanations of revisions to allotments (USD)	D. Total Expenditure (USD)
602	General Temporary Assistance					
604	Consultants and Expert Groups	100,000.00	60,000.00	40,000.00	Transfer of scheduled share to UNESCAP (October 2015)	16,647.64
608	Travel of staff	45,000.00	22,500.00	22,500.00	idem	4,831.72
612	Contractual services	21,000.00	15,000.00	6,000.00	idem	0.00
616	Operating expenses	7,000.00	7,000.00	0	idem	829.38
618	Supplies, Materials etc.					
621	Fellowships, grants and contributions	267,000.00	146,000.00	121,000.00	idem	65,532.04
	Total					87,840.78
Implementation rate (%)			= Total expenditure (D)/Total budget (A) = US\$ 250,500/US\$ 87,840.78 = <b>35%</b>			