Uzbekistan

UNDP's technical assistance in the area of dried fruits and nuts

Experience of UNDP Aid for Trade Project

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PART I: Overview

- Uzbekistan has been expanding allocation of land for fruits and vegetables (F&V), and as a result in the last 10 years achieved growth in production of:
    - Vegetables – twofold;
    - Melons – twofold;
    - Fruits – by 2,4 times.

- Total production of F&V – about **16M tons, of which 2M** is processed locally.

- Total volume of dried/processed F&V – around **25,000 tons** annually.

- **Export** of dried/processed F&V in the period of 2005-2015 increased **5 times – from USD 62M to USD 311M**.

- Share of **dried/processed** F&V in overall F&V exports increased from 4,6% in 2005 to **25%** in 2015.

- Share of **nuts** in overall F&V export increased from 3.5% in 2005 to **5%** in 2015.

PART I: Overview

Products Range

Raisins

Walnut

Dried Plums

Peanut

Dried Red Beet

Dried Apricots

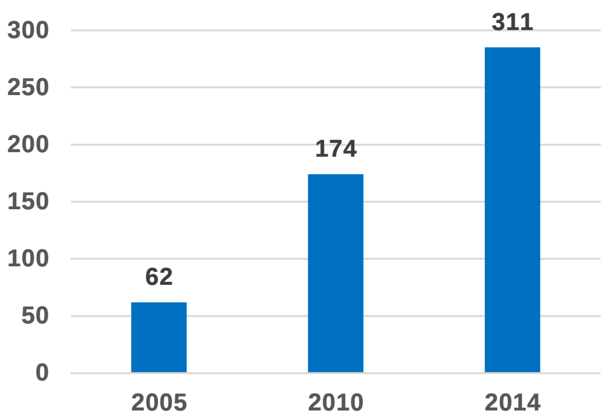
Dried Greens

Dried Onion

Dried Carrot

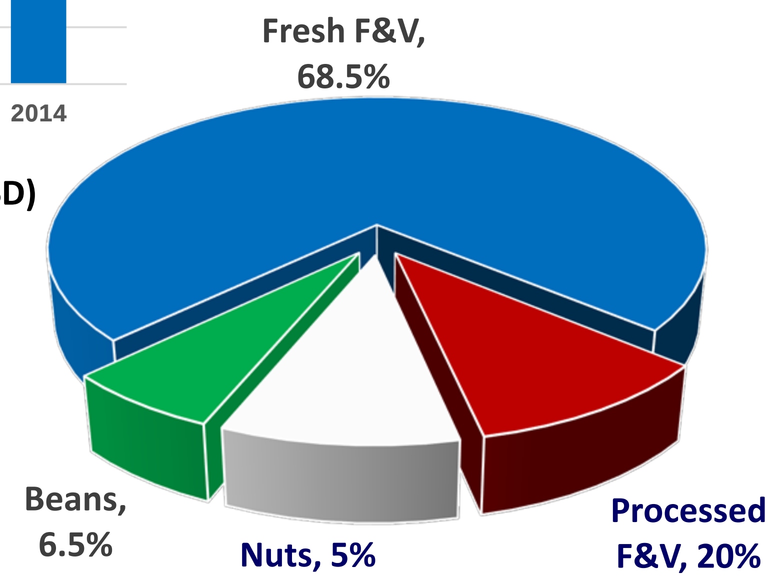
PART I: Overview

Statistics



Export of Dried F&V (mln USD)

Export Structure



TOP 15 Destinations Dried/Processed F&V	
1	Kazakhstan
2	Iran
3	China
4	Turkey
5	Latvia
6	Russia
7	Germany
8	Belarus
9	Afghanistan
10	USA
11	UAE
12	Poland
13	Austria
14	South Korea
15	Netherlands

PART I: Overview

Why is this sector important?

- Over 4.7M small land plot holders (dehkans), in addition to 73,000 farms

- Analysis of Value Chains in the production of dried F&V shows that processing of fresh F&V results in value-added of 35 to 60% of the cost of final products.

- Drying of F&V allows to make them more marketable to external markets, due to longer storage and simpler transportation

- A few examples of value addition:
    - Dried peppers – up to 37%
    - Dried beets – up to 40%
    - Dried grapes – up to 50%
    - Dried apricots – up to 60%

PART II: CHALLENGES

- No economies of scale (lots of small producers and disincentives for consolidation)
  - Difficulty with high-quality raw materials, standardization, quality assurance, using best agro practices, etc.
- Lack of information/knowledge on market access requirements
  - Focus on traditional CIS markets with similar requirements/regulations (share of exports to EU countries is slightly above 2%)
- Difficulties with introduction of HACCP, ISO, GAP and other quality assurance systems
  - Only 24 enterprises with ISO 22000
  - Cost of introduction can be significant for small farmers;
  - Lack of experts/companies to consult the farmers

PART II: CHALLENGES

Challenges with certification/regulations

- Lack of necessary services for exporters provided by laboratories
  - Tests required by European markets for some by-products and identification of minimum residual level for pesticides are not performed in Uzbek laboratories (e.g. for grapes, over 400 positions);
  - Lack of knowledge on market access requirements (restricted access to requirements, mostly in English)
  - Some of the requirements (for example, test for aflatoxin B1 (in nuts) (as well as G1, G2)) are absent in national regulation;

- Challenges with accreditation of new methods of tests
- Lack of agreements on mutual acceptance of certificates

PART III: WHAT WE DO

Improving productive capacities and conduct trainings on best agro-practices, including demonstration pilot promoting “green” technologies such as null tillage, intensive orchards, pistachio cultivation, drip irrigation, nonchemical pest control methods, biogas heating and etc.

- Raising awareness on market access requirements
  - ✓ Publication of the Guideline on “How to export to EU Markets on the example of fruits and vegetables” and organization of seminars with invitation of experts from EU

PART III: WHAT WE DO

- Promoting introduction of international quality standards
  - ✓ Trainings on Global Good Agricultural Practices (Global GAP)
  - ✓ Preparing targeted farms for Global GAP certification

- Facilitating linkages with bigger markets
  - ✓ Building capacity of specialized foreign trade companies serving SMEs and linking small farmers with them
  - ✓ Organization and ensuring participation of clients at international exhibitions (Moscow World Food Expo, Berlin Fruit Logistica) and trade fairs, B2B forums;
  - ✓ Publication of export catalogues

PART IV: Possible areas of further support

- Advisory support and trainings on existing regulations/standards for both producers and representatives of standardization and certification bodies (Uzstandart, Ministry of Health, Ministry of Agriculture, etc.)
- Assistance with obtaining and translating standards into Russian and Uzbek and technical support with introduction/adjustment of standards, including costing.
- Consultations on and assistance with introduction of HACCP (requirements for products, raw materials, facilities, equipment, storage, etc.)
- Research and analysis of external markets

THANK YOU