



**“STORAGE OF FRESH VEGETABLE, FRUITS, AND FLOWERS”
CONFERENCE; OHRID 8 - 10 Oct. 2007**

Report

Prepared for:

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1. Introduction

The conference “Storage of fresh vegetable, fruits, and flowers” was originally initiated by University of “St. Cyril and Methodius” (Faculty of Agriculture and food science from Skopje) and Agricultural faculty from Novi Sad, Serbia. The overall idea was representatives of the scientific institutions from the region (and from other countries, too), involved in post harvest research and development to meet together and present the latest achievements in this field as well as to discuss the existing obstacles in the sector.

AgBiz program, understanding the importance of such event, especially for the Macedonian fruit and vegetable sector, launched an idea to support the event and to expand the draft program with one commercially oriented session. The proposed idea was welcomed and accepted by the Rector of the University, Prof. Dr. Georgi Martinovski. As a result, both parties (University and AgBiz program) signed a letter of intent, which stipulated the type and level of cooperation, support provided by AgBiz and details related to the conference budget and AgBiz participation. Detailed budget is attached to this report as Annex 1. In order conference related activity to be successfully accomplished, the AgBiz Program subcontracted a consultant (Mr. Saso Risteski) that worked according to the Scope of Work (SOW) developed by the AgBiz Program. Mr. Goran Damovski and Mr. Martin West from AgBiz program actively participated at every stage of the activity and contributed to its successful completion.

The overall objective of the marketing oriented session, entitled as “Marketing of fresh fruits and vegetables” was participants to become more aware of the marketing related issues when trading with these products, including:

- What is the existing marketing situation in regards to fruits and vegetables on particular markets?
- What are the latest trends?
- Are there specific requirements apart from the national ones that are imposed by the importers?

The organizers also agreed on AgBiz and USAID branding requirements - AgBiz and USAID logos to be included in the materials that would be printed and delivered to the participants – conference bags and notebooks. It was also agreed USAID poster to be presented and visible during the conference.

The consultant additionally supported the organizers through providing contact lists in order conference to be adequately promoted and to attract more participants from the business sector in Macedonia as well as from the donor community operating in the country. Contact lists are attached to this report as Annex 2.

2. Guest speakers

The consultant developed a list and initially contacted 7-8 potential guest speakers. Their CVs were obtained and sent to AgBiz for approval before entering into contractual agreements. Some of the potential candidates were not in a position to participate due to various reasons. As a result of the process, the final list of the guest speaker consisted of:

Mr. Felix Lipper – Germany
Mr. Marjan Simcic – Slovenia
Representative of Agrokor – Croatia

Although announced, the representative of Agrokor decided to cancel his participation two days before the start of the conference. The guest speakers' responsibilities were to:

- Prepare a power point presentations in English entitled as: “Overview of the EU market, trends and requirements when trading with fruits and vegetables” (Mr. Lippert); “Marketing of fruits and vegetables in Slovenia” (Mr. Simcic); and “Overview of the fruit and vegetable market in Serbia” (Ms. Milenkovic);
- Deliver electronic version of the presentations before the conference dates (deadline October 07, 2007);
- Personally participate on the conference in Ohrid on October 09, 2007 and to deliver the presentation (preferably in English or in Serbo-Croatian) to the audience as well as to take part in podium discussion at the end of the session.

3. The conference and AgBiz session

The conference took place on October 8 -10, 2007 at the premises of Congress Center in Ohrid. The facility was recently completely renovated and provided adequate accommodation and working conditions for both presenters and participants. In total, around 70 participants were present on the conference from Macedonia, Serbia, Greece, Bosnia and Herzegovina, Montenegro, Slovenia, Croatia, Bulgaria, UK, Germany and Israel. Unfortunately, the business sector was almost non-represented, mainly because the organizers did not make proper follow up after they sent the invitations and secondly because of the on-going season and busy schedule of the companies. Also, the organizers failed to inform the media about the event and hence there was no proper media coverage.

The AgBiz session attracted great interest by the participants. The session started with the presentations of the guest speakers, who addressed several key points in their materials:

Presentation no.1: “Overview of the EU market, trends and requirements when trading with fruits and vegetables” (Mr. Felix Lippert)

- Market regulations for fruits and vegetables are part of EU and national legislation which are not fully harmonized;
- There are commodities with regulated quality standards, while some fruits and vegetables still do not have EU regulations (for example ripe banana, pineapple, mango papaya etc.);
- In regards to product quality the main criteria that should be taken into consideration are minimum requirements (intact, clean, and sound characteristics), maturity criteria, and classification;
- Risk analysis on farm level, maximum level of pesticide residues etc. are becoming one of the main EU concerns;
- Retailers' specific requirements in many cases are exceeding national requirement;
- Ecologically produced food (bio labels) and use of convenience food are very trendy;
- Retailers start to compete in terms of quality through measurements.

Presentation no.2: “Marketing of fruits and vegetables in Slovenia” (Mr. Marjan Simcic)

- Importer of vegetables, and exporter of fruits, particularly apples in Austria;
- Traditional apple varieties were replaced by internationally recognized varieties;
- Producers organizations are being created for increasing their negotiating power, the most important being Evrosad, Mirosan, Pohorka and Stajerc;
- Retail chains local regional and international are actively involved in sales of fruits and vegetables, mainly competing on price and maximizing profits;

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- Retailers are launching campaigns for increased consumption of fresh produce;
 - Nutrition aspect becoming very popular, safety and hygiene of foodstuffs;
 - New trends: Fresh cut salads (high processing level); Finger food (innovative, including dressings, etc.); Fruit convenience (fruit salads).

Presentation no.3: “Overview of the fruit and vegetable market in Serbia” (Ms. Ivanka Milenkovic);

- Critical factors that define fruits and vegetables market in Serbia:
 - Extensive production
 - Small farm area
 - Unfavourable fruit and vegetables assortments
 - High costs of production
 - Shortages and oversupply
 - Storage facilities
 - Uncontrolled export and import
 - EurepGAP/GLOBALGAP, HACCP;
- Domestic producers (pepper, tomato) fiercely compete with producers from Macedonia; Turkey on the domestic market;
- Unfavorable fruit varieties (apples in particular);
- High costs of production reduce the competitiveness of the domestic production;
- Retailers do not subcontract producers on long run;
- Growing role of the retail chains, but not responsible for product safety.

After the presentations, a podium discussion was initiated in order for guest speakers to provide answers to the participants’ questions. The discussion raised a lot of interest among the participants, who were asking for opinions about the further growth of F&V sales by the retail chains, possibilities for small regional producers to penetrate on another export market utilizing alternative distribution channels, ever growing food safety and hygiene standards, potentials for exporting of organic products, impact of mass production on losing typical local varieties etc. Due to the high interest, the discussion lasted longer than projected.

After the event, the consultant managed to talk with several participants and obtained their feedback about the AgBiz session. Most were very positive about the overall idea, approach, competencies of the presenters and final panel discussion. Also, they expected more participants from the business sector.

On October 10, the AgBiz team returned back from the conference together with two of the guest speaker (Mr. Lippert and Ms. Milenkovic) and held a wrap up meeting at program premises. Mr. James Maxwell, AgBiz COP was also present on the meeting. The key points of the meeting are provided below:

- Both guest speakers evaluated the conference as well organized, well structured and particularly emphasized the importance of the commercial component for further development of the Macedonian horticulture sector;
- Regional USAID initiatives will focus on information exchange, networking, MIS etc., which will allow potential involvement of Ms. Milenkovic and other Agro net experts (Agro net is an NGO that handles agricultural MIS in Serbia) in the forthcoming period;
- The expertise of Mr. Lippert especially in the area of supply chain development and management, import requirements etc., could be utilized by the AgBiz Program in the future.

Conference related materials, presentations, and photo documentation are available at AgBiz premises.

4. Conclusions

- ❖ The conference, although well organized, suffered from some organizational shortcomings, such as distribution of the invitations and follow up procedures, as well as inadequate media coverage. As a result, the participation of the business sector was negligible.
- ❖ The cooperation between AgBiz Program and the University was successfully accomplished, without any registered inconsistency.
- ❖ The AgBiz program managed to provide professional and competent guest speakers, thus contributing to the overall quality of the event. The AgBiz session was professionally prepared and conducted.

5. Recommendations

- ❖ Involvement of AgBiz program in supporting and/or organizing important events should continue due to the fact that these initiatives are an excellent opportunity for information exchange, networking, knowledge enhancement etc. Also, they provide possibilities for AgBiz (and USAID) to further promote its objectives and activities.
- ❖ Cooperation of AgBiz and local stakeholders and institution will require stronger AgBiz influence and greater involvement in the overall design and execution of the planned activities. In most of the cases, domestic institutions, especially academic ones do not have enough resources (and expertise) to professionally cover all the aspects when organizing certain event. In particular, marketing of such events and logistics should be strongly supported and/or directly coordinated by AgBiz in the future.
- ❖ AgBiz should pay special attention on regional initiatives and activities. Obviously, international donor organizations are especially interested in and supportive of regional approach (for example CEFTA, cross border etc.). Therefore, involvement of AgBiz in early stages will be beneficial not only for the program, but more importantly for further development of the agribusiness sector in Macedonia.
- ❖ AgBiz should build up a contact data base that will contain details of guest speakers, and other experts met during the conference. This will allow the program to expand its resource base (pool of experts) and when needed to properly utilize these resources.

Annexes

Annex 1: Detailed budget

COST ESTIMATE

I	Investments in conference	Quantity	Unit cost	Total	AgBiz	Customer
1	<i>Conference Costs</i>					
1.0	University Guest Speaker Fees					3000
1.1	Local Transport and Logistics					1000
1.2	Publication Storage of Fresh Fruit and Vegetable					2200
1.3	Conference Publication				2000	0
1.4	City Tour Guide and CD					700
1.5	Certificates for participants					240
1.6	Accommodation for Organizers and Guests					3000
1.7	Conference materials					1000
1.8	Translation Services				1300	0
1.9	Conference Dinner				700	700
	Total				4000	11,840
2.0	<i>Ag Biz Speaker Felix Lippert Germany</i>					
2.1	3 days STTA				1440	
2.2	Accommodation and Per Diem				85	
2.3	Flight and Local Travel				1060	
3.0	<i>AgBiz Speaker Marjan Simcic Slovenia</i>					
3.1	2 Days STTA				600	
3.2	Accommodation and Per Diem				-	
3.3	Flight and Local Travel				-	
4.0	<i>AgBiz Speaker Ivanka Mikenkovic Serbia</i>					
4.1	4 days STTA				840	
4.2	Accommodation and Per Diem				85	
4.3	Flight and Local Travel				204	
5.0	<i>AgBiz Speaker AgriKor</i>					
5.1	Local Travel and Accommodation				-	
	Total				4314	0
	GRAND TOTAL IN EURO				8314	11,840
	GRAND TOTAL IN USD				11,640	16,576

Annex 2: Contact lists

List of producers and traders of fresh fruits and vegetables

Vivi Prom Vasil DOOEL Bogdanci ZIP: 1484 City: Bogdanci Street: Marsal Tito Street number: 11/b Phone: ++389 34 222 678; ++389 34 223379; ++389 34 222790 Fax: ++389 34 223 378	Turan DOOEL ZIP: 1484 City: Bogdanci Street: Ivo Lola Ribar Street number: 5 Phone: ++389 34 223 162; ++389 34 223 162 Fax: ++389 34 222 162 Email: turan@on.net.mk Web: www.turan.com
Vardar 03 AD ZIP: 1420 City: Gradsko Street: Avtopat Street number: bb Phone: ++389 43 251 025 Fax: ++389 43 251 033 Email: hemmaj124@mt.net.mk	Safir Promet DTP ZIP: 2400 City: Strumica Street: Goce Delcev Street number: bb Phone: ++389 34 345 287, ++389 34 345 284 Fax: ++389 34 345 287, ++389 34 345 284 Email: safirpromet@mol.com.mk Contact: Mr. Georgi Atanasov, Manager
Oranzerii Dobra Kocani ZIP: 2300 City: Kocani Street: Stipski pat Street number: bb Phone: ++389 33 274 235 Fax: ++389 33 274 051 Email: saltirovd@yahoo.com	Oranzerii AD ZIK ZIP: 1300 City: Kumanovo Street: s. Mlado Nagoricane Phone: ++389 31 497 144 Fax: ++389 31 497 144 Email: oranzerii@yahoo.com Contact: Mr. Dragan Petrusevic, Manager
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<p>Cilibija-97 Vasil DOOEL ZIP: 1480 City: Gevgelija Street: s. Miravci Phone: ++389 34 215 770 Fax: ++389 34 215 770 Email: cilibija-97@mt.net.mk</p>	<p>Agros 2004 ZIP: 2300 City: Kocani Street: s. Grdovci Phone: ++389 33 279 531 Fax: ++389 33 279 531 Email: angelovski@mt.net.mk</p>
<p>Agropelagonija ZIP: 7500 City: Prilep Street: Borka Stevanoski Street number: 8 Phone: ++389 48 419 939; ++389 48 430 939 Fax: ++389 48 430 939 Email: contact@agropelagonija.com.mk Web: www.agropelagonija.com.mk</p>	<p>Agro Iskra DOO ZIP: 2300 City: Kocani Street: Stipski pat Street number: bb Phone: ++389 33 274 113 Fax: ++389 33 274 113 Email: filips2@mt.net.mk</p>
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List of fruit and vegetable processors

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List of freezing capacities and companies

No.	Company name	Address	Location	Tel.	Fax	E-mail
1	Zora Sped	Industriska bb	Gevgelija	034 217 081	034 217 082	zorasped@mt.net.mk
2	Altra	Slobodan M. Danko 111	Gevgelija	034 214 384	034 214 383	contact@altra.com.mk
3	Irofrozen	Zeleznicka bb	Gevgelija	075 478 015		
4	Petrov Kompani	Industriska bb	Kavadarci	043 414 017	043 415 469	sales@petrov-ffq.com
5	Ksenos	Partizanska 10	Demir Hisar	047 277 607	047 277 608	v_damevski@yahoo.com
6	Antares	Goso Vikentiev 23	Kocani	033 277 012	033 277 120	antares_sb@yahoo.com
7	Nak Sport	Bel kamen bb	Kavadarci	02 30 65 290	02 30 65 290	cemerskopole@sonet.com.mk
8	Fruktana	S. Argulica	Argulica, Stip	032 382 292	032 384 128	fruktana@gmail.com
9	Svislion Agrar	Industriska bb	Resen	047 451 912	047 452 191	
10	Industriski ladirnik	Marsal Tito bb	Tetovo	044 338 992	044 335 614	
11	DS food	Ul. 11 Oktomvri bb	1300 Kumanovo	031 437 197	031 437 196	adminis@dsfoods.com.mk

List of donor projects and institutions

No.	Name	Address	Tel.	Fax	E-mail	Contact person
1.	GTZ MAFP	Antonije Grubisic 5. 1000 Skopje	02 3103 560	02 3103 560	gtzagro@mt.net.mk	Mr. Boban Ilik
2.	IFAD	8mi Mart no.3 1000 Skopje	02 32 15 080	02 31 09 514	info@mafwe.gov.mk	Ms. Lidija Cadikovska
3.	SIPPO	Maksim Gorki 19 1000 Skopje	02 32 90 566	02 32 12 080	sippo.skopje@sdcc.net	Ms. Natalija Puntevska
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