

Value-added agro exports need to move up the chain



LEFT: Dr P. Murugesha Boopathi, Vice-Chancellor, Tamil Nadu Agricultural University (TNAU), Coimbatore addressing the participants. On his left are, Dr K.N. Selvaraj, Professor and Head, Department of Trade and Intellectual Property, TNAU, Coimbatore; Mr Unnikrishnan K, Director, FIEO (SR); Mr Rasi N. Ramalingam, Chairman, Rasi Food Park International; and Dr N. Ajjan, Director, CARDS, TNAU, Coimbatore. **RIGHT:** A view of the participants.

FIEO in association with Tamil Nadu Agricultural University (TNAU), Anna-malai University (AU) and South India & Pondicherry Self Industries Development Organisation (SIPSIDON) organized a "Collaborative Workshop on Export Opportunities for Value Added Agro Based Products from Tamil Nadu and Puducherry" on May 28 and 29, 2012. The workshop was attended by more than 80 exporters in and around Puducherry.

The programme was inaugurated by Dr P. Murugesha Boopathi, Vice-Chancellor, Tamil Nadu Agricultural University (TNAU), Coimbatore. Mr Unnikrishnan K., Regional Head, FIEO (Southern Region) welcomed the participants.

Agricultural trade assumes paramount importance globally due to liberalization and globalization. Though such trade openness between countries was initiated two decades back, the export of agricultural commodities still faces a lot of challenges due to its nature and government policies. Further, exporters face impediments in export of agro and value added agro products,

particularly from developing countries like India due to non-trade barriers.

However, there are many niche markets for Indian agro products but they are still unexploited due to lack of awareness as well as stringent quality parameters. Many challenges like identification of potential markets, reliable buyers, currency risk, credit risk and other procedural risks require thorough understanding of the subject to become a successful exporter. Unless these challenges are met, it would be difficult to achieve the intended export growth. FIEO organized the programme keeping this objective in mind.

Though our exports are increasing due to various promotional efforts by the Government, how to sustain exports and maintain quality are worrying factors. A successful exporter has to overcome many challenges such as identification of potential markets, reliable buyers, currency risk, credit risk and other procedural risks. This requires thorough understanding of the subject. In this context, the participants were trained in using the services of FIEO for pro-

moting agro exports.

One important factor has been the growing role of different types of national and international regulations – and associated requirements for certification and labelling. Plus stricter quality legislation on imported food products, including animal feeds, specially pertaining to permissible levels of aflatoxin, hexane and pesticide residues and other harmful foreign material that enter agricultural produce during post-harvest handling and processing. This affected India's exports negatively, particularly those of groundnut, cashew nut, walnut, pepper, chilies, oilcakes and marine products, which are exported on a larger scale. Agricultural extension services across rural India typically do not provide either knowledge or technical expertise about prevailing national and international standards, nor are they designed to assist farmers in changing cultivation practices to meet these standards. In this workshop the participants were all exposed to various standards to be adopted and maximum residual levels of pesticides permitted for export and

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other plant quarantine aspects.

The major organic products sold in global markets include dried fruits and nuts, processed fruits and vegetables, cocoa, spices, herbs, oil crops, and derived products, sweeteners, dried leguminous products, meat, dairy products, alcoholic beverages, processed food and fruit preparations. Non-food items include cotton, cut flowers, animals and pot plants. Rigid requirements for labeling pose the problems for exporters. The participants were provided the details of organic certification procedures.

The level of processing of fruits and vegetables in the country is estimated at 2.20%. This is due to non-availability of processable varieties of raw materials at right quantity and quality, seasonable nature of industry, lack of adequate post-harvest infrastructure such as lack of cold chain facilities, transportation, proper storage facilities etc. However, over the last few years, there has been a positive growth in fruit and vegetable processed products such as ready-to-serve beverages, fruit juices and

pulps, dehydrated and frozen fruits and vegetable products, tomato products, pickle, convenience veg-spice pastes, processed mushrooms and curried vegetables.

The overall trend in new fruit and vegetable products is "added value", thus providing increased convenience to the consumer by having much greater variety of ready prepared fruit and vegetable products. New product development in the fruit and vegetable sector is most important in meeting the continued challenge of providing the consumer with choice and high quality products. Hence, the participants were exposed to availability and preparation various value added products of fruits and vegetables with special reference to potato. Further, successful case studies with reference to value added products including production technology to suit processing were provided to the participants.

The food value chain is expected to be led by a few major players, with all others becoming part of their value chains. Technology will play the vital

role in processing, quality, supply chain management and logistics. There is a need for greater understanding of food processing operations for ensuring high quality and safety of foods as well as better utilization of existing technologies and adoption of new innovative technologies. Therefore, the adoption of novel food processing and preservation technologies will continue to grow in the future to produce value-added and tasty foods available in a variety of forms.

Hence in this workshop, the focus was also on addressing technological gaps, constraints and appropriate technological interventions across the value chain. The workshop provided the entrepreneurs with technical information for value addition, product development, information on new technology, best practices, and an opportunity to get introduced to valued food industry knowledge and networks. e-business is flourishing in the globalized and internet era. The participants were also trained by alibaba.com on how to become a successful exporter by using the internet. ■