



USAID
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AgBiz Program

August 2008

AgBiz Program First Year Accomplishments

The AgBiz Program is funded by the American people through the United States Agency for International Development (USAID) and implemented by ARD, Inc. It is a four-year program that started Macedonian operations in March of 2007.

Since then USAID's AgBiz Program has provided a range of services to Macedonian agribusinesses to enhance their competitiveness in regional and global markets. The overall mission of AgBiz is to increase economic growth in Macedonia through expanded, sustainable production and sales of value-added agricultural products, achieved by enhancing the ability of producers and processors to compete regionally and globally.

The goal of the Program is to enable agribusinesses to identify, understand and sustainably enter export markets for value-added products; enhance market linkages between producers, processors and traders; improve business management, operations and competitiveness; achieve greater incomes for agricultural producers and processors; and create new employment opportunities.

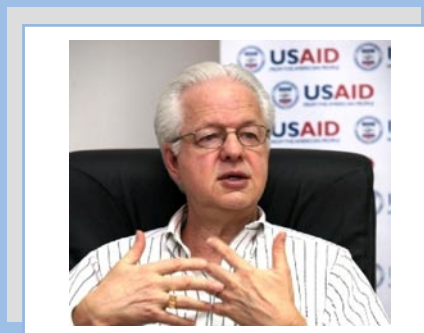
AgBiz's One Year Achievements

- 82 business expansion project proposals from five value chains (bottled wine; table grapes; non-timber forest products (primarily wild mushrooms and berries); processed vegetables and fresh vegetable) have been received and evaluated;
- 10 projects have been completed;
- 37 improved technologies or management practices have been transferred;
- 249 agribusiness firms have received technical assistance;
- 316 individuals have been provided short-term training;
- US\$1.1 million in export orders have been signed;
- Over US\$1.6 million worth of customer financing has been identified;
- A human resources capacity enhancement program is under implementation; and
- 9 grants for export business expansion projects have been signed and up to eleven more are anticipated to be signed in the very near future. The projects supported by these grants are projected to result in increased agriculture-based exports of nearly \$39 million.

How we accomplished the results

AgBiz analyzed several different agriculture-related value chains for their potential competitiveness and broad-based positive impact. AgBiz used the help of highly qualified technical consultants to do competitiveness enhancement work. We have created reports for our customer's use related to:

- Cold Storage for Fresh Vegetables and Fruits;
- Survey for Performance of Fresh Fruits Processing;



Mr. James Maxwell, AgBiz Program Chief of Party gives an interview for local business newspaper

"We are assisting agribusinesses to understand market demand, and at the same time we are looking for ways to make their products more competitive in export markets. The Program will last for 4 years, our budget is US\$5.5 million - funded by USAID, we are using predominantly local consultants, and the main goal is to stimulate sustainable agribusiness expansion. By sustainable I mean an agribusiness that can be initiated and developed with our help, and the owners will be able to continue it without our involvement. The agribusiness should be sustainable in all aspects, managerial, marketing, and financial and of course environmental.

I've been here for 16 months, before that I worked on USAID-funded agribusiness development in Columbia and Yemen, significantly different environments than Macedonia. For more than 30 years I have been assisting agribusiness companies to expand their international sales and earnings, and have held senior management positions in major international agribusiness companies. Here in Macedonia we are focused on increasing the competitiveness and value of exported agriculture-based products. I think the best chance for Macedonian agribusinesses is specialty fruits and vegetables products, but branding these products requires specialized skills. Export marketing is the key discipline that Macedonian agribusinesses must work on."

- Macedonian wines –strategy for UK Market Entry;
- An Assessment of Association Development in Selected Macedonian Agribusiness Value Chains;
- Assessing the Post-harvest Handling Needs of Participants in Fresh Vegetables and Table Grapes;
- Macedonia's Recent Trade Agreements Opportunities and Threats; and
- Capacity Enhancement Needs Assessment in the Five Value Chains.

As a result of the recommendations in these reports, AgBiz completed the following activities based on our customer's stated needs:

- Seven trade fairs and Business to Business meetings including “Anuga” for international food industry and “ProWein” for the international wine and spirits, both in Germany; “Fancy Foods” in US; the “International Agricultural Fair” and the “Interfest Wine Festival” both in Novi Sad, Serbia; “PMLA's World Private Label” in the Netherlands; and B2B at the “AKA” Trade Fair in Kosovo.
- Four study tours including to the “Food Technology” fair in Istanbul, Turkey; to the “Fruit Logistica” international trade fair for fruit and vegetable marketing in Berlin, Germany; a “South Africa Table Grapes Study Tour” to Cape Town, South Africa, and an “Agriculture Trade Fair Study Tour” for producers in Novi Sad, Serbia.
- Two workshops related to “Standards for Fair Wild Collection and Production of Medicinal, Aromatic and other Wild Crafted Plants” in Mavrovo and an “Agribusiness Finance Workshop” that promoted alternative sources of finance for Macedonian agribusinesses and featured AgBiz's new “Agribusiness Finance Manual”.
- We identified the human resource capacity enhancement needs for our customers and organized two capacity enhancement training sessions related to “HACCP Systems in the Wine Industry” held in Kavadarci, and a Round Table “Regional SAPARD Best Practices - A Guide For The Future IPARD Usage” held in Skopje.

Celebrating partnerships with Macedonian agribusiness firms

On July 3rd, 2008 USAID's AgBiz Program held a Grant Agreement Signing Ceremony that initiated export development projects for nine Macedonian agribusiness working in the bottled wine, fresh vegetables, processed vegetables and wild geathred products businesses. The companies that signed grant agreements for AgBiz to support their competitiveness improvement and business expansion projects included “Badzo”, “Lars”, “Vipro”, “Agros 2004”, “Dentina”, “Avtoria”, “Bonum Plus”, “Kokolanski” and “Popova Kula”. The export-focused projects that will be implemented by these companies will require a total investment of over US\$3.2 million and are projected to result in increased export sales of over US\$28 million by the end of 2010.

“With the implementation of these business expansion projects we are going to accomplish greater sales, which will result in more employment! Implementing new standards in production processes that will provide added value of our products is one of the key objectives of our projects! Through implementation of effective marketing strategies we are expecting better exports!” said Mr. Viktor Petkov, owner of “Vipro” processing company.

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US consumers enjoy Macedonian “Ajvar” at the 2008 Chicago Global Food & Style Expo



A Serbian consumer enjoys Macedonian pepper products at the 75th International Agricultural Fair in Novi Sad



The Macedonian stand at the ProWein International Wine Trade Fair in Dusseldorf, Germany



HACCP systems workshop in Kavadarci on wine industry implementation, verification and maintenance



First Grant Agreements Signing Ceremony in Skopje