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FACT SHEET

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USAID Firms Project Fruit and Vegetable Pulping Sector Assistance Program

Geographic Focus	Punjab and Sindh
Implementing Partner	Chemonics International Inc.
Start Date	July, 2012.

Introduction:

The share of horticulture value-chain in the agriculture sector of Pakistan is significant with a total of 15 million tons of fruits and vegetables grown annually. The break-up of fruit and vegetables production is 6.9 million tons and 8.1 million tons respectively. Compared to the potential, a very small portion of fruits and vegetables are processed into pulp or concentrate. Only 37,845 tons of pulp is being produced per annum, 98 percent of which is fruit pulp. The demand of high-end local buyers remains unmet as the quality of locally produced pulp remains inconsistent; this demand is met through the import of pulp. There is a large international market for pulp worth USD 46 billion, but exports from Pakistan have been insignificant.



A lack of pasteurizers leads to low quality fruits and vegetable pulp

Sector Constraints:

- Lack of technical skills in handling and processing of fruit and vegetable pulp.
- Insufficient equipment / machines / tools along with poor infrastructure to maintain consistency in quality.
- Lack of product diversification: most units are mango specific, resulting in poor utilization factor of plants, leading to financially non-viable operations.
- Inadequate market linkages and poor marketing skills of pulping producers for local and export sales.
- Unawareness towards adoption of the international quality and food safety standards.

Interventions:

The USAID Firms Project is supporting five Fruits and Vegetable Pulping SMEs from Punjab and Sindh to convert their facilities from single product into multiproduct, and to develop their capacities to meet international quality and food safety standards. This is done through provision of machinery / equipment, up-gradation of quality control labs, technical assistance on product and process development, facilitation to obtain ISO 22000 / HACCP certification and developing marketing linkages with high end national and international buyers. In addition, USAID Firms Project has facilitated two other pulping units to upgrade their quality control labs.

The key areas of intervention are:

a. Technology Up-gradation:

- Provision of machinery and equipment to improve product quality and process standardization
- Up-gradation of in-house quality control laboratory through provision of equipments/tools to maintain quality of product during processing and storage.
- Multiple product line development to increase plant utilization up to 180 days in a year, thus making the units more cost competitive.



Upgrading single fruit processing line to multi-fruit processing lines at selected units

b. Standards and certifications:

Facilitation of SME's to obtain following certifications

- Food Safety Management System ISO 22000:2005
- Hazard Analysis of Critical Control Points (HACCP)

c. Marketing and linkages with buyers:

- Creation of market linkages with high-end local and international buyers.
- Participation in sector-specific international events to promote exports.
- Capacity building of beneficiaries in local and export marketing
- Development of marketing collateral, including buyer's data base, sales proposals and websites for individual beneficiaries.

d. Technical assistance and trainings

- Conducting technical trainings for beneficiary staff on product and process development for better handling and storage of pulp.
- Good Manufacturing Practices (GMP) and Quality Management Systems (HACCP / ISO 22000) compliance requirements.
- Training on quality assurance and control through laboratory testing
- Training and onsite technical assistance for product and process development, in line with the demand of high-end local and international buyers.

e. Partnerships and co operation:

During the execution of its interventions, USAID Firms Project has sought guidance, expertise and cooperation from following organizations:

- National Institute of Food Science and Technology, Faisalabad
- Pakistan Council of Scientific and Industrial Research (PCSIR)
- Department of Food Science and Technology; Ayub Agricultural Research Institute, Faisalabad
- Pakistan Horticulture Development and Export Company (PHDEC)

Results and Expected Impact

- Created 106 full-time equivalent (FTE) jobs
- Mobilized private investment worth of USD 29,2211
- Acquisition of international food safety certification by 4 SMEs
- Trained 272 participants through workforce development training events
- Upgraded seven laboratories at beneficiaries' sites to undertake lab tests as per international standards
- Increased sales revenue of project-assisted SMEs by USD 0.9 million by December 2014
- Mobilization of USD 100,000 in private investment by December 2014
- Training additional 50 participants through capacity building events by December 2014
- Two more SME's to obtain international food safety certification by December 2014