

Support to Private Initiatives Project

Helvetas Swiss Association for International Cooperation
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1 Siberian market research

The 'KirRosExpo' Trading Company researched the Siberian fruit & vegetable market to estimate its present position and to identify Kyrgyz products that could be in demand.

The investigation covered 8 Siberian cities, namely Tomsk, Omsk, Kemerovo, Novokuznetsk, Biisk, Barnaul, Krasnoyarsk and Novosibirsk where large food processing enterprises, trading houses, and wholesale warehouses are located. A report of the study will be presented in late June. According to Elena Petrova, head of the trading company, the biggest demand is for natural juices in 2-3-litre jars, tomato, fruit and marrow paste, soybeans, borsch (red-beet soup) and solyanka in one-litre jars.

One of the conclusions is: if Kyrgyz enterprises aim for Siberia, the time is short (2-3 years) – large supplies of Russian and foreign products are flooding the market causing great concern for the future market.

2 A trading company participates in the Astana Fair

In late April the 'A.S.Trade' Trading Company took part in the 'Astana Food' Fair. Among the participants were nearly 50 companies specialising in foodstuff, food processing equipment, and packing. A.S.Trade tried to test the North Kazakhstan market for fresh fruit & vegetable and processed products.

The company presented nuts, honey, haricot beans, nut jams, dried fruits and vegetables. The most interest was expressed in nut products and prunes. Many customers highly rated the taste and appearance of the products presented.



The fair contacts revealed small potential for wholesale as retailers prefer the local wholesale food bazaar. Kazakh companies feel they cannot trust Kyrgyz enterprises and, therefore, are not willing to pay in advance. Moreover, they need customs cleared products that put transport and transport costs on Kyrgyz enterprises. The latter makes the North Kazakhstan market exploration more complicated.

3 Study on raw materials in Southern Kyrgyzstan

The 'General Production Management – GPM' Company conducted research on raw materials potential in Southern Kyrgyzstan for tomatoes, apricots, and apples to be processed. Climate, water supply and farmers' skills to cultivate high-yield tomatoes were assessed. Additionally, forms of long-term cooperation between farmers and processing enterprises, as well as commercial preference to cultivate tomatoes were analysed. The main conclusions are:

- Southern Kyrgyzstan enjoys favourable conditions to cultivate tomatoes.
- Farmers are skilled in getting 80-100 tonnes of tomatoes per ha.
- A yield of 80 t/ha and a price of 1 som/kg make tomatoes the most profitable crop.

The full version of the report is available in the Helvetas and GPM offices.



4 Fruit & Vegetable Industry Strategy Development

In early April an initiative group was established to develop a strategy for the Kyrgyz fruit & vegetable industry. The group includes agro processing enterprises (Dessert, Gul Azyk), consulting companies (Senty, GPM, Center of Training & Consulting -CTC), customs broker (Customs Cargo Services-CCS), the Kyrgyz Agrarian Economy Research Institute, ADB Agriculture Area Development Project, and Helvetas.

The concept aims to initiate an agreed and effective industry development to be promoted by state agencies, donors, enterprises and consulting companies providing them with various business services (consulting, trading etc.) On June 25th the project will hold a 'Fruit & Vegetable Industry Development' conference where the concept will be discussed.

