

THE POLICY RECOMMENDATIONS HIGHLIGHTED BY THE 6TH MEETING OF THE COMCEC AGRICULTURE WORKING GROUP

The COMCEC Agriculture Working Group (AWG) has successfully held its 6th Meeting on October 8th, 2015 in Ankara, Turkey with the theme of “Promoting Agricultural Value Chains in the OIC Member Countries.” During the Meeting, the participants made deliberations for policy approximation among the Member Countries regarding agricultural value chains. The Room Document, prepared in accordance with the main findings of the analytical study conducted specifically for the 6th Meeting of the COMCEC Agriculture Working Group titled “Promoting Agricultural Value Chains in the OIC Member Countries” and the answers of the Member Countries to the policy questions sent to the COMCEC Agriculture Working Group focal points by the COMCEC Coordination Office, was the main input for the discussions. During the Meeting, the participants agreed on the policy recommendations included in the Room Document. The existing document includes these policy recommendations highlighted during the Meeting.

The Member States of the AWG are kindly invited to communicate their observations on this document, if there are any, to the COMCEC Coordination Office by October 23rd, 2015. The comments received before November 4th, 2015 will be able to be incorporated into the Document. After incorporating the Member States’ contributions, this document will be submitted to the 31st Ministerial Meeting of the COMCEC to be held on 23-26 November 2015 in İstanbul, as an outcome of the 6th AWG Meeting.

Policy Advice I: Adopting/developing quality standards and implementing quality control, and identifying market opportunities for standard compliance of agricultural products.

Rationale:

One of the main challenges for the promotion of agricultural value chains in the OIC Member Countries is ensuring quality along supply chains. Informal characteristic of many value chains is one of the main reasons for the lack of quality standards and incentives for quality improvement. Ensuring quality in formal chains is also a significant challenge due to poor infrastructure, high transport costs and lack of capacity and knowledge on quality standards. In this respect, training and other capacity-building activities are required for supporting them to achieve compliance with emerging quality standards. Moreover, existing quality standards in the Member Countries should be harmonized with the international standards for enabling farmers to penetrate into the international agricultural markets.

Furthermore, producers generally face difficulties in producing products which comply with standards for food safety and quality. Similarly, difficulties occur in identifying favourable markets for their products. Nonetheless, there are also market opportunities for the producers depending on type of product and target market. For instance, halal products and organic products hold considerable market opportunities for the producers in the Member Countries.

Policy Advice II: Improving transport and storage facilities for promoting value chain development in the Member Countries through well-developed public-private partnerships.

Rationale:

The OIC Member Countries have relatively weak agricultural infrastructure, especially in terms of storage facilities and means of transport, which result in high costs and high post-harvest losses, and hinder smallholder farmers' access to market. Hence, developing agricultural infrastructure is particularly important for reducing post-harvest losses and high input costs as well as improving producers' market access. Nonetheless, this requires additional financial resources. Beside public investments, private sector involvement is also needed to have better agricultural infrastructure and logistics. In this respect, well-developed public-private partnerships and interested international organizations can be utilized for securing additional financial resources and sharing risks and benefits.

Policy Advice III: Supporting agro-processing and packaging industries to increase value added of agricultural products.

Rationale:

Agro-processing industries play a major role in adding value to the agricultural commodities. They upgrade agricultural products from raw materials to sophisticated and high-value commodities and contribute to income generation and to foreign exchange earnings. They also facilitate smallholder farmers' access to agricultural value chains. Nonetheless, in terms of actors, agricultural value chains in the Member Countries highly depend on the large number of smallholder farmers, small-scale processing units and small wholesalers and retailers. In addition, agricultural value chains in the Member Countries mainly depend on raw material such as wheat, rice, maize, fruit and vegetables or milk etc. There is a need to improve agro-processing industries in the Member Countries for adding value to the agricultural products and linking producers to the agricultural value chains. In this respect, public and private sector can be encouraged through sound policies and incentives with a view to increasing investments in agro-processing industries. Governments need to support small and medium enterprises through research and development (R&D) activities.

Instruments to Realize the Policy Advices:

COMCEC Agriculture Working Group: In its subsequent meetings, the Working Group may elaborate on the above-mentioned policy areas in a more detailed manner.

COMCEC Project Funding: Under the COMCEC Project Funding, the COMCEC Coordination Office calls for projects each year. With the COMCEC Project Funding, the member countries participating in the Working Groups can submit multilateral cooperation projects to be financed through grants by the COMCEC Coordination Office. For the above-mentioned policy areas, the member countries can utilize the COMCEC Project Funding and the COMCEC Coordination Office may finance the successful projects in this regard. These projects may include organization of seminars, training programs, study visits, exchange of experts, workshops and preparing of analytical studies, needs assessments and training materials/documents, etc.