



FFTC Agricultural Policy Platform (FFTC-AP)

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Supplying System of Fruit Exports

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Policy Objectives

The policy objectives of establishing a supplying system of fruit exports are aimed at promoting fruit prices at domestic production farms and increase the level of farmers' income. Specifically targetted at the main exporting destinations of Taiwanese fruits, the system includes contracting farming and registration, production flow and traceability based on barcode system of tracing management, establishment of long-term collaborative relationship between supplying farms and exporting companies, consultant for orchard planning, cultivating management, graded packing, improving storages and logistics, and setting standard operation procedures, in order to construct a complete supply chain of fruits production based in Taiwan.

Contents of Implementations

There are more than 30 varieties of fruit species cultivated in Taiwan, covering tropical, subtropical, and temperate regions all around the country. It is estimated that around 2,675,642 metric tons of fruit production in some of 187,934 hectares of farms, which generates \$NT87.8 billion dollars of sales revenue per year. Fifteen major exporting fruits are selected by their competitiveness in order to expand the export markets for stabilizing the income of farmers, including mango, banana, lychee, citrus, papaya, pineapple, grape, guava,

carambola, pineapple custard apple, jujube, *syzygium samarangense* (wax apple), pitaya (red dragon fruit), pear, and persimmon. For these fruit productions, the export-specific orchard farms will be taken care by providing technical consulting services for field management and technology applications, in addition to encouraging contract farming productions with exporting companies in order to enhance the supply chain management throughout farm supply and international consumer demand. The implementations include the following five major procedures to accomplish.

Enhance the management of the supply chain with the orchard:

It is very crucial to exporting fruit quality. In order to maintain a high quality of fruits for exports, farmers are strongly encouraged to sign up an agreement with collaborative exporting companies. In addition, the affiliated orchard farms are managed within the supply chain management scope, including the major improvement of facilities and environment of affiliated orchards. In addition, the supply chain management also connects targeting markets for exports by introducing a secure system to ensure the safety and quality of the fruits for exports. The system is organized by contract-farming registration with traceable records, graded packing and storage logistics, standard operation procedures, and a full coordinated capacity throughout the supply chain towards the end of the marketing chain.

Set up a quality review system for orchard assessment to exporting agreement document and approval:

To facilitate the registration of the affiliated orchard farms regarding export affairs, a quality review system for orchard assessment to export agreement document and approval for review is set up. Via the system, some of the fruits for export, include banana, mango, papaya, and lychee, to some of the major destinations such as Japan, are signed and approved online, which is expected to become a model towards paperless customs clearance. Since Dec. 17, 2008, fruit exporting companies have been required to declare customs by the check of approval documents issued by the related authorities which followed the paperless procedure of exporting completion.

Conduct workshops on field management and technical guidance :

Workshops are organized in combination with the actual needs of the industry, including various seasonal topics of farming management, cultivation improvement, pest control, and so on. Moreover, technical service groups also offer on-site diagnosis in order to track the quality of fruits as early as the farming phase. In addition, more resources are invested aligned with the concept of total quality control at the hand of each farmer for

every effort he/ she needs on producing high quality fruits in good quantity. Specific publications such as good practices in fruit production and post-season handling issues are available to support farmers.

Strict inspections on pesticide residues in fruits exports:

Inspections on pesticide residues are strictly conducted within seven to 15 days before harvest, particularly on the eight fruits produced for export to Japan, including mango, papaya, pineapple, grape, banana, lychee, citrus, and pitaya, and also on pear and pineapple custard apple in affiliation with the quality review system for orchard assessment. In addition, more on-site randomly inspections are conducted in the steam-processing factories for exporting fruits such as mango, papaya, and lychee, before issuing export approval documents in order to ensure the compliance of food safety regulations of the targeting market.

Regulate packing and logistics operations at the international standard:

Some of the farmers' associations who performed very well are selected as role models for a further demonstration of setting an advanced packing and logistics operations and services for exporting agricultural products. Counseling is provided to get certified as food safety as well as food processing at the international standards. Building a modern successful model in packing and logistics of agricultural products will assist a structural upgrade of exporting activities in the supply chain system.

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