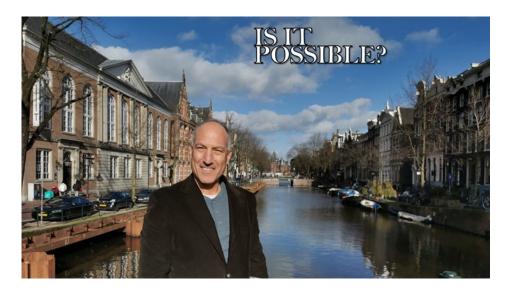


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IS IT POSSIBLE TO BRIDGE THE NON-TECHNOLOGICAL GAPS OF QUALITY-QUANTITY?

"In a highly competitive business environment, you don't have the luxury of being a dummy."

All (100%) of the smallholders I meet in Africa and Asia understand and want to change how they practice agriculture and business to improve their livelihood. They ask for help!

Even though they didn't go to Harvard Business School, they understand that their income will increase by providing their clients with higher-quality produce.

Farmers self-reflect and understand the need for change and improvement, so should we continuously do.

This is true, unless you believe we are perfect, having nothing to improve and no need for self-reflection!

Are we perfect, or should we improve? Which approach provides better long-term business results?

And one more thing. In this column, I use Senegal as an example. I do it because Senegal is a market leader and currently has the best potential to become the EU's #1 African mango exporter.

In many posts, I expand on the virtues of the Senegalese mangos. Because Senegal represents well other emerging economies, I use it to describe a **general** challenge related to Quality vs. Quantity.

I am looking forward to your feedback on the below.



THREE STORIES

These stories reveal ongoing problems common throughout Africa, Asia, and beyond, even when thinking of Market Leaders. Hence, you can conclude that others, not "market leaders," are doing less good.

FIRST – THE FARMER

An African farmer sends me a message on LinkedIn –

Farmer: I have 100 hectares of wonderful forest land. It is suitable for growing many things. I'm looking for a partner.

I: A partner? What are your expectations? What do you bring to the partnership, and what do you expect the other party to bring?

Farmer: I bring the land; the partner should bring the money, the knowledge, and the market.

I: There is a lot of good lands all over the world. Why should "the partner" invest in you, i.e., your land?

Summary of the gap:

For the farmer, his land is unique and precious. But, for an investor, the farmer's land is simple and ordinary "land."

In short, from the investor's point of view, investing in a farm in Africa is a considerable business risk that professional investors would not take.

The positive side to this story is that the farmer understands that he needs help to move forward.

SECOND – THE PEOPLE

I spend the spring and summer of 2021 in Senegal, studying its mango industry and building the foundations of the Dream Valley program there.

I saw the **high potential** of the mangos in the different regions of the country. By helping farmers reach global premium markets, I could see how we could rapidly increase their income while creating a good business proposition for Dream Valley and its investors.

I was so satisfied with the mangos' quality potential. When fruits were mature enough, I harvested a few by myself from the Casamance (the region where damage by fruit flies is the most severe) and gave them in-person to Senegal's President, Mr. Macky Sall.



But "potential" is not the same as "results." Many have the "potential" to become the next Astronaut and touch the stars. But few managed to make it their reality.

You don't go to the market with "potential" money.

As to the "results" of the mango campaign, while I was in Senegal, I continuously heard everybody saying how wonderful and successful the Senegalese mangos are. Everyone praised that Senegal's mangos are the best in the EU market.

They didn't say they could be the best, but they are *presently* the best.

And as if to prove the point, Senegal even increased (nearly doubled) its mango export to the EU in 2021 (thanks to sourcing fruit from the Dream Valley fruit fly free produce).

But I was confused; I couldn't bridge the gap in my mind: the mangos I saw reaching the packinghouses were of low quality, i.e., maturity (too early harvest), taste, color, size, etc. Yet, everybody says how successful they are in the EU market.

I see many low-quality fruits shipped to the EU, and I hear there is good demand and pricing. I asked myself, "Is this possible? What am I missing here!?"

Summary of the gap:

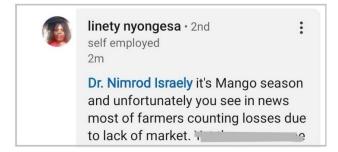
Farmers and exporters are sure that their mangos are the best.

I was confused;

In the field, I see the **high-quality potential**.

In the packinghouse, I see low-quality reality, and

People say that the EU market loves it and pays for its **high quality**.



A LinkedIn message was sent two days ago by Linety from Kenya. When you have low-quality mangos, you are left with the fruits and the losses to count.

THIRD - THE IMPORTERS

This week I spent in Europe meetings, mango importers. Some of them are market leaders, supplying leading food chains/supermarkets.

I was expecting remarks regarding the mangos' quality, but I wasn't ready for its level.

It was not pleasant nor easy hearing the reality as these EU importers view it, but it was educating and necessary.

I had to take a deep breath and accept that to help smallholders to increase their income through increased high-quality mango export; we must first face reality as is.

The "cost" now is the "pride." But, if we fail to learn what importers want, we will suffer significant financial losses later. That must not happen. We must accept reality now.

Here are a few (unpleasant) representing phrases. Since conversations below represent a general problem, the country's name is irrelevant.

"The mango quality coming from is low. A lot of post-harvest problems"
"Mango quality is a disaster"
"We don't work withor other African countries because of quality issues"
"We have a full program of importing from Brazil, Mexico, and Peru"
"The price of Mangos is extremely high and not realistic"
"We are not happy with our importer. We are looking to replace him"
"Ouality is our number one priority"

"Sourcing mangos from (Africa) would be great due to the short time of shipping, and the potentially better quality."

While I listened to them, I had to remind myself that -

- (a) Importers know what their clients want, and they are ready to pay.
- (b) We must satisfy the dreams and desires of the importers and their clients, so they ask us for more supplies.
- (c) Working with the Israeli mango industry for 22 years, I know the importers' demands make sense.

Summary of the gap:

Importers would love to import from African mango growers under one condition – the produce has to be of high quality. Everything is negotiable, but not the quality.

Lidl's fresh produce suppliers to achieve **LEAF Marque** certification







18 January 2022 | by FarmingUK Team | News, Produce, Renewables and **Environment, Supermarkets**



LidI has pledged to increase the environmental standards of its British fresh produce supplier base through the **LEAF Marque environmental assurance**

A WORLD VIEW COLLISION

African countries desire to increase the quantity of produce exported to the EU and other premium markets.

Rushing to achieve that goal, they skipped, or neglected, the one thing that is the most important in the EU and other premium markets – the quality!

Hence, by failing to achieve EU basic requirements, they fail to achieve their own goal, and consequently, the quantity even decreases.

EU importers have clear goals and targets as set by their clients. No shortcuts or tricks would work other than complying with those demands, or even better.

Supplying higher quality than the minimum required is the basic and hardly the starting point. To penetrate and win the hurt of the EU prime markets' consumers, one needs to go the extra mile and excel over "the best of today."

THE GAP, IN SHORT –

The fresh mango market in the EU and other premium markets is QUALITY-oriented.

The fresh mango market in emerging economies is QUANTITY-oriented.

Lookout, it's not going to be simple bridging the gap.

THE MISSION

The faster and better we "connect" to stakeholders' realities (and requirements), the sooner we can increase fresh produce export from emerging economies and improve smallholders' livelihood.

Dream Valley serves as a mediator between producers and consumers, doing to the agro-industry in emerging economies what *Airbnb* did to accommodation and *Amazon* to goods' trading. We call it "democratizing" the industry by enabling everybody accesses to the global premium markets.

Dream Valley's FIRST goal is to ensure that the QUALITY of produce its buyers - consumers receive - is the top in its category. Demand for Quantities will follow soon after.

To that end, Dream Valley provides a Package of required services to its value chain partners, i.e., farmers, packinghouse, exporters, importers, supermarkets, etc.

Dream Valley mission and vision are -

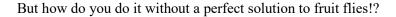
"To improve farmers' livelihood by increasing yields and quality production, free of bio and chemical hazards, grown in a safe, eco-friendly environment, to enable the consumers to enjoy better and healthier food and life."

THE BUSINESS

Starting with a concept and vision and then working your way up is the right way to achieve your goals. In our case, we wish to build a successful and thriving agro-industry that would bring prosperity to smallholders.

We focused on high-value crops, such as mangos, in emerging economies.

With the Israeli Agricultural Model in mind, it was evident that providing a high-quality solution to the fruit flies' biosecurity problem is a GO – NO-GO for the rest to come in emerging economies.



It is impossible. We had to have "The perfect solution."

Then Biofeed came with its Freedome, breaking through zero-spray technology for fruit fly control.

This was completed with Biofeed's FFCTZ protocol (Fruit Fly Certified Trade Zone protocol), energized by the Freedome solution.

Thanks to Biofeed's breakthroughs, the Dream Valley program can now source mangos, and other crops sensitive to fruit fly from anywhere and export them everywhere.

Today, Dream Valley can source high-quality mangos, even from African/Asian smallholders.

Dream Valley's mission is to **ensure** that the importers and consumers get what they want.

To this end, the entire value chain must stand to the high-quality demands required by the importers representing the Premium Markets.

Hence, to make this work smoothly, Dream Valley represents the Importers when talking with the value chain stakeholders in the country of origin, and vice versa when talking with the importers.

HAPPY HISTORIC TIMES

After years of hard work, the above-mentioned is fulfilled and achievable.

Dream Valley can be applied locally and regionally to the FFCTZ, energized by Freedome technology.

Hence, Dream Valley produces mangos free of biosecurity hazards and pesticide sprays.

But Dream Valley model, with its FFCTZ protocol, is designed and aimed to operate as a national program. This is when it is most effective in reshaping the agro-industry.

For a good reason, the full name of Dream Valley is Dream Valley National Export Program.

REINVENT YOUR AGRICULTURE

If you think Dream Valley is useless and one more "nice talking," like you have heard many times before, then save your time. Please don't contact me.

Based on **results** (not "potential"), now we know that the skies are the limit. Those who know me and my ambitions would say that "even the skies are not the limit."

Now it is time for action for you.

Please send me a message if you feel that it can serve your business/vision/country well. Maybe we can change your world and that of others together.

TAKEAWAYS

- > THERE IS MORE THAN one reality. In business, "the reality" that matters is that of consumers.
- > TO AVOID MARKET rejection, be brutal with what you demand from yourself, or the market will.
- > FOR THE SAKE of smallholders, we must fully comply with the market demands.
- **FOCUS** on your clients, not yourself or competitors.
- > TO MARKET TO premium markets you must focus on quality.

Follow me on LINKEDIN.

If you enjoyed the article, please share it with friends and colleagues.

SUBSCRIBE TO THE WEEKEND COLUMN.

*** Mental and Economic Freedom Are Interconnected. ***

See you soon,

Nimrod



Text me: +972-54-2523425 (WhatsApp), or e-mail nisraely@biofeed.co.il

P.S.

If you missed it, here is a link to last week's blog, "<u>Why Is Embracing Limitations Key To A Prosperous Agro-Industry?</u>"

Links to earlier articles are on the blog of <u>VALUE CHAIN LINKS</u>.

P.P.S.

Based on your interest, follow the following links to learn more about the Kibbutz system, emphasizing; *Education* or *Values and Business*.

P.P.P.S.

Please take a look at the video series, "<u>The Agricultural Gap</u>." With short videos, mostly 2 to 4 minutes long, I explain the historical roots of the agricultural gap between Africa and Western countries.

I see this video series as "uncompleted," as I am waiting to gain more confidence before completing the chapters with The Solution, as I perceive it.

If you like it, don't forget to **share** it with those who need to see it and **Subscribe**.

P.P.P.S.

COVID-19 changes people's eating habits and raises awareness of several issues, including biosecurity, environment, fresh food, health, and chemical overuse.

<u>Green ValleyPackage (1)</u> is made to support your efforts to overcome those challenges and take advantage of the latest and promising open opportunities for those who seize the moment and wish to utilize the situation to improve their future.

P.P.P.P.S.

<u>Green ValleyPackage (2)</u> is adaptive, enabling customization and, when needed, further content development.

The key elements of Green Valley are:

- **1)** Freedome the core technology for fruit fly control, enabling export quality. It is used as part of the FFCTZ-365 (see below).
- **2)** Fruit Fly Certified Trade Zone 365 (FFCTZ-365) is a protocol and action model to enable regulators, exporters, importers, and farmers to confirm with premium markets export requirements.
- **3)** *Green Valley National Export Project*(*Green Valley*) is based on an Israeli fresh produce export model. It is designed for governments interested in adapting their country's agriculture to the 21st Century requirements and demands.
- **4)** *Green Valley Fruits Branding* designated fruit certification label of **quality** assurance.

Change Begins With A Decision

That The Existing RealityIs A Choice

and Not A Decree of Fate