

A Story on Business Development in Rural Areas

Lessons learnt from 8 years of work on production and marketing of dried persimmon in Northern Pakistan

By Muhammad Riaz¹

In 1991 the Malakand Fruit and Vegetable Development Project initiated activities to promote the production and marketing of dried persimmon with farmers in the Malakand division in Northern Pakistan. In 1998 the initiative of the project came to a halt and subsequently the involved producers abandoned the production of dried persimmon too. This article wants to draw some lessons from the experiences made which could be helpful for other people who are involved in rural enterprise development.

1. Background

In the Swat Valley and some adjacent areas in Pakistan's North West Frontier Province many small farmers grow Persimmon in orchards or around the homesteads. The fruits are mostly marketed and provide a contribution to the household cash income. In the early 1990ies the prices of fresh persimmon were very low, often so low that harvesting, packing and marketing them was barely worth the effort. The fruits have a very short shelf life and mature within a rather short period between late September and November.

At this time the Malakand Fruit and Vegetable Development Project had the objective to increase the profits of all actors in the fruit and vegetable sector



Fresh persimmons

in the region. It thus wanted to explore opportunities for value addition. A potential opportunity was seen in drying persimmon – on the one hand to develop a higher value product and on the other hand to reduce the supply of fresh fruits in the market. The project involved itself for 8 years in activities around the production and marketing of dried persimmon. In 1998 the project ended its activities. One would hope that after 8 years the producers and market actors would continue independently with the business, however this turned out to be not the case. The producers stopped commercial production as soon as the project stopped its involvement. This article explores some of the possible reasons why the dry persimmon business did not take off – focusing on conceptual and methodological issues from which other development practitioners can learn, and leaving aside those which had to do with the institutional and personal setting.

The article is based on interviews and discussions with a variety of involved persons – from staff (post-harvest researcher, marketing experts) over farmers (farmer association members and leaders, the producers' designated marketing specialists) to traders and distributors,

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Placing fruits on a drying tray after pre-drying treatment during a farmer training.

as well as a review of the numerous related project documents. The preliminary insights were presented in a workshop to a number of representatives of the local research and extension organisations and then further refined.

2. A chronological look at the persimmon drying story

This section provides a chronological view of the main steps or phases in the course of the persimmon drying activities. Table 1 shows an overview of the development of the volumes produced and marketed in each year, the price received and the number of involved farmers.

Year 1, 1991

- The farm gate price of fresh fruit is estimated at Rs. 1-3 (Pakistani Rupees)² per kg (the price varies during the approx. 3 supply months).
- First experiments on drying technology on-station (different drying technologies, different pre-treatments for better quality, different ways of preparing the fruits, comparison of drying times

² In 1995 1 USD was approx. Rs., in 1998 approx. 50 Rs. During the whole period the inflation in Pakistan was between 10 and 15 % per year.

etc.). The experiments resulted in three drying technologies to be further pursued: simple trays of plastic mesh with wooden frames (called raised trays), solar boxes, and a larger-scale brick solar dryer.

- Production of 81 kg dried persimmon. Packing of dried fruits in plastic pouches.
- Provision of samples to traders and shop keepers in some nearby towns.
- Economics: The production cost were calculated as between Rs. 24 and 35 per kg dried fruits depending on the drying technology. It was estimated that the dried persimmon could achieve a price of Rs. 50-60 / kg in the market.

Year 2, 1992

- The quality of the dried persimmon improved. Variations in the drying process were tested. Drying of various other fruits was explored.
- The activity was introduced to a number of farmers (women and men). The work with farmers showed difficulties in obtaining uniform produce quality.
- A total of 500 kg dried persimmon was produced.
- Test marketing was done with a price range of 50-67 per kg. An evaluation revealed that these prices may be too high for the nearest markets in Mingora

and Peshawar. Other, traditional, dried fruits like apricots and raisins cost less than half this price in these towns.

- Free samples continued to be distributed for promotion.
- A major part of the produce was sold to project staff at higher prices than in the test marketing. This raised price expectations with the participating farmers.

Year 3, 1993

- Work to improve the drying process continued with farmers and on-station. A persisting challenge was that approx. 40% of the produce developed a white powdery sugar cover after a couple of weeks. This did not affect the taste but very much the appearance.
- 85 male and 15 female farmers from five villages participated in the drying activities. They obtained pre-drying treatment chemicals and packaging material at a 40% subsidised price. Nine solar boxes and 126 raised trays were given on credit and large solar dryers were installed in four villages fully at project cost.
- 2050 kg of dried persimmon was produced by the farmers (utilising 43% of the available drying capacity).
- 1469 kg were sold at a weighted average price of Rs. 65/kg (price range between Rs. 50 and 90).

- The project trained selected representatives of the producer groups as Marketing and Quality Controllers (MQC) with the idea that these will gradually assume the responsibility for quality control and for the marketing of the dried fruits on behalf of their associations.
- The marketing was done by project staff, directly taking the produce to dry fruit wholesalers and retailers in fourteen market places in Punjab and NWFP. Seven of the trained MQCs accompanied the project staff on the marketing trips.

Year 4, 1994

- The MQCs obtained training of trainers to enable them to independently train and accompany their fellow producers in the drying process.
- Many more farmers from the area expressed interest in participating in the activities. Due to staff capacity constraints this was not possible, although contacts with other projects were made to encourage them to assist the applicants. Extension staff of these projects obtained training in the drying process.
- Grading into two quality categories was introduced.
- Chemicals for pre-drying treatment and packaging material were no longer provided at a subsidised price but on credit. The project purchased the materials and the MQCs passed it on to the



Drying in a large brick dryer.

Table 1: Prices and volumes of dried persimmon 1991- 98

Year/Item	1991	1992	1993	1994	1995	1996	1997	1998
Production (kg)	50	600	2045	2069	2115	2794	4000	450
Produce sold (kg)	0	500	1469	1786	1861	2559	2304	425
Grade-A (%)				48	81	77	73	77
Grade-B (%)				29	19	23	27	23
Price (Rs./kg) *	–	50	65	53	69	75	75	**65
Male farmers	2	26	70	87	98	88	88	70
Female farmers	1	0	15	27	25	30	30	20

* This is the price obtained by the producers. In 1992-1995 it is the average price for any quality, from 1996 onwards the wholesale price for grade A. The recommended retail price was Rs. 90.

** Rs. 10 per kg went as commission to the distributor company.

producers. The cost were in the end deducted from the returns paid to them.

- The exploration of marketing channels continued: produce amounting to Rs. 11,000 was sold to the Utility Store chain (a government owned retail chain).
- A total of 2091 kg dried persimmon was produced and 1786 kg of that was marketed at an average price of Rs. 53. Farmers however criticised the price as too low.
- The low price, errors in the stock control and marketing records and provision of product on credit to retailers some of whom proved unreliable in their payments led to mistrust and accusations of corruption among the producers. Major trust building efforts were required to overcome this.
- Part of the product supplied to market outlets suffered rot damage and insect attack in the stock. A discussion arose on who has to bear these losses, and finally the project agreed to pay.
- In a stakeholder review workshop traders, farmers and project staff pointed-out that there are still many problems with respect to quality and marketing. Among these were: □ quality control was not enforced strictly enough, □ packaging needs to be more attractive, □ drying equipment should be improved, □ causes of sugar cover formation needs to be investigated.

- The dried fruit produced by women was marketed under the names of their family, and the returns were paid to the men. The women however, wished that they obtain the money and then decide what to do with it.

Year 5, 1995

- A cardboard carton (200 gm) with plastic lining costing Rs. 4 was introduced as packing for grade A. It was provided with a Rs. 1 subsidy by the project to the producers. Grade B continued to be sold in plastic pouches in the local market.
- 1721 kg grade A @ Rs. 75/kg (wholesale price) and 394 kg grade B were marketed through distributors (70%) and retailers (30%).
- The share of grade A produce increased to 81 % compared to 48 % in the previous year.
- The distributors obtained the produce on credit with guarantees to the producers from the project. The first instalment (65 %) of the receipts were paid to the growers in December, the second (20 %) in February and the remaining in April.
- Business with the Utility Store chain did not work out.
- The Project spent Rs. 40750 amounting to Rs. 19 per kg as marketing cost. This comprises lodging and boarding for MQCs and project staff on marketing trips, Rs. 100 per day as honorarium for MQCs, fuel cost and publicity banners.



The marketing and quality control specialist Muslim Khan during a producer training.

- 50 kg storage losses (20 kg in the store at the project and 30 kg with shopkeepers) were born by the project. 120 kg of produce developed a sugar cover and was sold at a reduced price. The project paid the difference to the producers.
- Grade mixing, too high price of packaging, non-durable packaging colour, and insufficient product promotion were major problems.

Year 6, 1996

- The involvement/encouragement of new producers was halted until the market was developed and effective demand was created.
- 1394 kg produce of which 75% was grade A was marketed with the help of the project staff.
- One MQC sold 1400 kg @ Rs.75/kg of grade A in Islamabad on behalf of his association on his own without project support.
- The Project continued to provide vehicles for marketing trips to down country markets (Peshawar, Islamabad) and inputs on credit and with 25% subsidy for woman farmers. The Rs. 100/day honorarium for the MQCs was withdrawn.
- The packaging colour and price problems were solved.

- The main outlet for the produce was Malakand Division followed by Islamabad. The product was also introduced in the Karachi market.
- An agreement was signed with the distributors that bounded them to pay 25% cash upon the receipt of the produce and the remaining in 3 instalments. Also, a deadline was set after which either the product was to be returned to the project or the distributors were to bear part of the losses in case of rotting. The project agreed to bear also part of the losses.
- Storage losses of 160 kg in Karachi were fully born by the project.

Year 7, 1997

- The MQC of one of the most involved associations (in this year this association produced 88% of the total produce) was selected as a Marketing Agent (MA) to market the produce of all the producers taking advantage of the marketing channel developed by the project over time. In this way the project for the first time withdrew completely from marketing.
- This MQC also marketed 1000 kg produce of his own association in Karachi – a market which he had identified himself.

- The project paid only for public transport during the marketing trips.
- 43 % of the produce went to Karachi, the remaining was sold mostly in and around the production region.
- A small association from a neighbouring district did not opt for the services of the MA, but marketed their produce (6% of the total production) locally.
- Due to rains during the drying season farmers lost 1500 kg due to rotting.
- A TV commercial costing Rs. 63,000 was produced to raise demand. This campaign aroused interest among retailers and distributors.

Year 8, 1998

- The TV commercial in the previous year enables a contract with a Peshawar based distributor who would be responsible for marketing the whole projected production of 5 tonnes. However due to an increase in the price for fresh persimmons, farmers decided to sell their produce fresh and only 450 kg dried persimmon were produced. The contracted distributor successfully marketed 425 kg at a price of 75 Rs./kg (of which Rs 10 went to the distributor as commission). However, the agreed commission hardly covered the expenses of the company and certainly did not leave it with an acceptable profit.
- Two of the most active MQCs, among them the Marketing Agent chosen in 1997, left the business in the course of 1998.
- The project withdrew completely from any financial involvement, but still provided some accompanying and facilitation support.

1999

- No project involvement at all.
- MQCs approached the distributor company, but they could not agree on mutually acceptable conditions. The distributor company tried to approach producers directly (to cut out the MQCs 5% commission), but found that these were unable to deliver the demanded volume of 5 tons. Ultimately no substantial arrangement emerged.

After 1999 ...

- A range of producers still dry persimmon for household use and for relatives, neighbours and friends.

3. The marketing strategy

The **central marketing strategy** followed more or less throughout the interventions was based on the idea of co-ordinated marketing, i.e. individual production combined with marketing under a common brand name.

Marketing responsibility

For the first marketing efforts project staff took the full responsibility. It was envisaged that the project would then gradually hand over more and more responsibility to selected marketing representatives of the producers and reduce its own involvement to facilitation.

Marketing and quality controllers (MQC) were selected by the producer associations as their marketing and quality control representatives in 1993. The responsibilities of the MQCs included the role of a bridge between the project and the association, collection of the produce from the farmers and transport to the project store, inventory and record keeping, attending meetings and workshops, participate in the marketing trips (and assuming increasing responsibility in marketing), payment to the producers after the sales of the produce, bringing all the inputs required in the drying process to the producers (first from the project premises, later from the market). The MQCs received Rs. 100 per day as honorarium from the project when they were participating in meetings and workshops and in case of accompanying on marketing trips. The project paid for travelling and accommodation expenses during these trips. They were also paid 5% of the total sales returns as remuneration for their services to the producers.

In 1997, a Marketing Agent was selected from amongst the MQCs to take full responsibility for the marketing on behalf of the producers. He was also supposed to assess the estimated demand for dry persimmon in the following year by the distributors. The MQCs continued with their other tasks in quality control and other

Table 2: Financial involvement of the project

Year/items financed	Pre-drying chemicals in % of total cost	Packaging material	Drying equipment	MQC honorarium Rs. 100/day	Transport to market in %	Rot losses
1991	100			–	–	–
1992	40			–	100 (project car)	–
1993	40		on credit*	?	„	–
1994	on credit, cost later deducted from income for women 50% subsidy		on credit	yes	„	–
1995	„	25%	–	yes	„	yes
1996	on credit for women 25% subsidy		–	none	„	yes
1997	organised by MQCs	on credit	–	„	cost of public transport	yes
1998	„	no credit	–	„	none	yes

* In 1993 the project also fully financed four brick solar dryers in four different villages.

services to their association. The Marketing Agent was expected to take over the role of the project marketing specialists, and to be paid an adequate salary by the producers.

In 1998, a distribution company was contracted for the distribution and promotion in order to explore an alternative to the Marketing Agent approach. The company also took the responsibility for grading and packing. The company obtained a commission for their services. The MQCs then acted as a link between the company and the producers.

Financing

In addition to R&D on production and marketing, and promotional activities, the project subsidised inputs and equipment, as well as marketing cost. This financial support was gradually reduced in the course of the activities. Table 2 shows figures on this.

³ The farm gate prices was estimated at about 50% of the wholesale market prices.

4. Factors which may have contributed to abandonment of the persimmon drying business and lessons to be learnt

Dried persimmon economics

Table 3 explains the economics of dried persimmon worked out by different people at different times. The most elaborate calculations are those of 1998. The calculations of 1993 are still based a lot on estimates because at that time there was not yet much experience with marketing. At different times fairly different figures were used for the calculations, based on different assumptions and perceptions. The following are the most striking points:

Price of fresh persimmon³: In the early years the farm gate price of fresh persimmon was conservatively estimated at Rs. 3 per kg. This price was kept for all the economics calculations until 1997. In 1998 then Rs. 5/kg were used. However, the fresh persimmon market prices in the relevant months increased steadily from 1991 onwards. In Mingora which is the market closest to the producers the price during the relevant months was approx. Rs. 4 in 1992 and 93 and 9-10 Rs in 1997 and 98. In the more distant markets like Islamabad and Karachi prices were even higher. The increase in the fresh fruit price likely has reduced the

Table 3: Economics of 1 kg grade-A dried persimmon

Items of cost	Amount (Rs.)				
	1993	1995	1996	1997	1998
Value of 5 kg fresh persimmon (estimated farm gate price)	15	15	15	15	25
Drying trays and cover cloth (annual depreciation)	1.7				5
Chemicals for pre-drying treatment		0.2	0.3	0.3	
Chemicals and labour for pre-drying treatment	5.5				9.1
Fruit preparation labour	6				
Labour total		4	4	4	27.6
Production cost-subtotal	28	19	19	19	67
Hotel and food		16.6	9	3	
MQCs' honorarium @Rs.100/day		1.6	2.2		
Transport cost of the produce	1	3	2.5	2.7	3.8
Packaging material	1	20	9.8	9.8	10
Others					2.3
Grading and packing		0.5	0.5	0.5	
Marketing cost-subtotal	2	42	24	16	16
Total cost	30	61	43	35	83
Wholesale price	65	69	65	75	65
Net margin	35	8	22	40	-18
Value addition Rs./kg fresh fruit	7	1.6	4.4	8	-3.6

incentives for drying at the achieved dry fruit price level latest in 1997.

Labour cost: Persimmon drying is laborious in relation to its return. It requires high management care. There was the notion that it is a suitable home based activity for rural women who in the area usually do not work outside the home. Most of the persimmon drying work was in fact done by women (also in case of male farmers as participants). However, it is difficult to estimate the cost of this labour (respectively its opportunity cost). The time which women can make available for activities in addition to their household tasks varies, and the importance given to persimmon drying compared to fulfilment of the household work may have been overestimated.

In the earlier calculations the labour cost may have been underestimated in terms of opportunity cost as well as in terms of labour time requirements (in 1993 labour time is included only for the pre-drying treatment and the fruit preparation, although there is more labour required during the drying process e.g. loading and unloading dryer, turning produce, shifting trays inside during the night), whereas the calculations of 1998 who used daily labour cost for male labour in the local labour market may be too high. In the face of these uncertainties all the estimated production cost need to be viewed with caution.

Marketing cost: The first calculations in 1993 greatly underestimated marketing cost resulting in obviously too low total cost. In 1995 with project paying for

Lesson 1

Monitor the economics of a business regularly and make sure that the underlying assumptions remain correct.

Lesson 2

The opportunity costs of labour need to be correctly estimated. It is the opportunity costs as perceived by the involved people which count, thus relying on labour market prices as well as underestimation of the perceived opportunity cost of household labour may lead to an inaccurate picture.

Lesson 3

Do not miss out on possibilities to influence the economics, e.g. by seriously exploring ways to reduce cost or to get the best possible prices.

marketing these cost were unrealistically high. In the following years the marketing cost were reduced, first because of reduced packaging cost and then because only public transport was used and the project did not pay for food and hotel anymore. The Rs. 16 per kg marketing cost are probably finally realistic.

With the current production and marketing economics persimmon drying is not interesting. With lower fresh fruit prices, reduced production cost or higher prices for the dried product this picture would change. Muslim Khan, an MQC and producer says in 2001 that he would take up drying persimmon again, if the farm gate price goes down to Rs. 3 per kg. Rehman Brothers, the distributor company, is convinced that a price of Rs. 120 / kg of good quality produce is possible.

Choice of strategy to solve the problem of low returns on fresh fruit

The prices of fresh persimmon increased over the years in parallel with an increase in production in, and export from, the region. Actors in the fruit and vegetable business are of the view that this increase in demand happened because consumers in some major markets, particularly in Karachi, had developed a taste for per-

simmons. The question then arises, whether promotion of fresh persimmon in urban markets to foster demand would have been a more rewarding intervention, than the arduous task to develop a product and a market.

Lesson 4

Before choosing an intervention strategy to address a constraint, analyse and weigh available options carefully and comprehensively, in collaboration with the concerned actors.

Motivation of producers

In addition to the economics there are other factors which influenced the motivation of producers for drying persimmon.

Time of payment. When they sell fresh persimmon farmers get the cash on the same day. For the dry fruits farmers received the money in instalments, with the last instalment coming sometimes after 8 months. This could have been a reason for some farmers abandoning the activity.

Profit expectations. In the first years the producers obtained very high prices for their dry persimmons. Later the price for grade A was set at a much lower level, and even the target price set at the beginning of each drying period was often not achieved. Taking into account the inflation of at least 10% per year, the price of the dried produce went down substantially over the years. Producers thus were at times frustrated.

Trust. Mistakes in records and delayed payments by traders and MQCs resulted at times in distrust.

Lesson 5

Put high emphasis on price setting, transparency, strict record keeping, adequate payment arrangements etc.

Business development approach

Choice of production and marketing strategies. From the beginning the strategy was on individual production and joint marketing through specialised

representatives of the producer organisations. Alternative strategies were not explored. Such alternative strategies might have been:

- building up an individual entrepreneur as a beopari (trader) who would buy the associations' produce and sell it at his own risk, or utilise the services of existing beoparis;
- engaging a distributor against a commission (this was done in the final year in response to the interest shown by that company, could however have been considered an option much earlier);
- building up individual or a small group of entrepreneurs as drying service providers, e.g. who would have their own equipment and dry the produce of many farmers against a fee;
- establishing a central, more sophisticated drying facility.

Role of the project. Although it was foreseen that the project should hand over the responsibility for marketing swiftly to the MQCs, the project was probably for too long in a leading role, and then completely relinquished its involvement within only two years.

Marketing through the Marketing Agent and through the distributor company were pursued only for one year each, with rather little project facilitation support. No business relation between the distributor and the producer associations could develop. To learn lessons on these marketing approaches and to adapt them to suit all actors it would have been necessary to employ these approaches for several years including facilitation support.

Production planning. The strategy focused on disposing off whatever quantities were produced. Little efforts for planning production were made. When traders expected delivery of produce, quantities supplied were often less than agreed. This frustrated the traders. Contracts for a certain volume to be signed between the growers and the traders might have been a way to better match demand and supply and ensure commitment on both sides.

Selection of and reliance on MQCs. The criteria of the farmers for the selection of their MQCs were their eloquence and initiative, and perhaps their expected

ability to get access to project goodies, not his entrepreneurial abilities/skills. Thus they chose leaders rather than entrepreneurs. The project did not realise the need to guide the selection process.

The producers and the project relied heavily on the engagement and motivation of the MQCs. When some of them left, none of the producers was able or willing to pick up their responsibilities, and thus the link between producers and the market actors was broken.

Selection of participating producers. The project focused on farmers with own persimmon trees. This led to mainly the rural middle class being involved. Working with poor people without own fresh persimmon was not explored, although such people might have had more under-utilised labour and would have been motivated for drying with a lower profit margin. On the other hand the efforts required to achieve reasonable quality and develop marketing capacity might have been much higher with poorer people.

Market development. Neither farmers nor the project did fully realise the requirement of time, finance and patience needed to build up a market for a novelty product. When the project quit support to the persimmon drying business the market was not yet well established. The producers did not have the capacity to develop this market further on their own (two of the three most involved MQCs had left the business). Further it is unlikely that producers are prepared to invest in the further development of the market, because the cost of such activities cannot be recovered easily.

Lesson 6

Explore different business and organisational arrangements for production and marketing before going for a particular one.

Lesson 7

Make sure that representatives of the business take the lead and the development agency limits its role to facilitation as early as possible to enable building of local know-how and ownership.

There is a general feeling that the project did not involve enough number of farmers from all over the project area. It concentrated on a few areas and few growers. So the client base was very narrow, and production could not be increased any more. However, to develop the market further, more production would have been necessary at some stage. The project did not have the capacity to involve more producers. There were no consequent efforts to motivate the extension system and other projects to engage in persimmon drying.

Subsidies

Marketing cost. It was never distinguished between market development cost which are not required any more once a market is developed and the actual marketing cost which will always be part of the economics. In this way neither the project nor the producers understood the actual cost of marketing. It would have been advisable that the project finances only market development cost, and that the actual marketing cost are borne by the producers.

Lesson 8

To develop a business it needs business minded people. Thus while deciding with whom to work and who should take on what responsibilities, consider entrepreneurial flair a crucial factor for those actors who will deal with marketing and business management. This is important for the local actors as well as for the staff of the support agency. Learning by doing is possible but unprofessional actions can hamper market and business development seriously.

Lesson 9

Be aware that market development for new products takes time and resources. Embark only on supporting market development if up to 10 years and adequate resources are likely available.

MQC incentives. The MQCs were highly motivated. It is not clear to what extent this motivation was due to the persimmon drying activity as such and due to the various incentives from the project. Besides the

honorarium, the opportunities of visiting the big cities of the country within the frame of the marketing trips at no cost of their own, and of staying in hotels and eating food which would be far beyond their own budget, were strong incentives.

Coverage of losses. The dried produce sometimes was attacked by insects or became rotten while in stock with distributors and retailers. In case of bad weather rotting occurred already during the drying process. No one wanted to bear these losses and thus the Project paid. So the producers became dependent on this type of subsidy too. As long as the drying technology was still under development it was alright for the project to cover for the losses, but once the business is supposed to function as such, mechanisms to deal with losses need to be devised.

R&D on technology

Drying equipment. The drying capacity of the small scale drying equipment (raised trays and solar boxes) was not sufficient. Since in the drying season temperatures are relatively low, drying takes approx. 7 days, and with small dryers not enough produce can be dried per time. The larger brick dryers were technologically more appropriate, however, they required rather high investment cost for individual producers. Those provided free to the community by the project met the fate of many common pool goods – lack of ownership and thus responsibility for maintenance.

Lesson 10

Be very careful with subsidies. Distinguish clearly between temporary development cost and permanently required recurrent cost, and avoid subsidising the latter.

Lesson 11

Avoid unrealistic incentives for local actors. Even though it may be clear to everybody that these are available only for a limited time, they likely distort the signals of motivation from these actors.



The marketing and quality control specialist Muslim Khan during a producer training.

Drying technology. The shelf life of the dried and packed produce of 6 months was not sufficient. A shelf life of at least 12 months would have been desirable. No measures against insect attack and formation of white sugar cover during storage (particularly severe in the hot season) and in case of wet weather during the drying process were available. A suggestion was to market the dried produce in summer in higher altitude tourist areas with their lower temperatures to reduce product deterioration.

Lesson 12

Sub-optimal equipment and technology can harm the success of a business. The extent to which in this case such problems contributed to the failure is not clear. More focused experimentation – together with the producers – on optimising drying equipment and practices might have helped enhance the success chances of the business.

Drying capacity. Persimmon drying utilises the equipment just during 2 months. Some exploration of drying other fruits and vegetables to increase the utilisation of the dryers was undertaken, but not followed up. Other drying opportunities might have increased incentives to engage in the drying business.

Ownership

Ownership of the persimmon drying business among local actors did not develop sufficiently throughout the initiative, although this was not really obvious at that time. A range of the factors mentioned above likely have contributed to the rather shaky ownership, but the question is whether avoidance of these mistakes would have been sufficient to build stronger local ownership.

Lesson 13

Balance outsider initiative and local demand pull. Develop indicators for local ownership and monitor them. Consider for every action the effect it may have on ownership perceptions.

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Dried persimmon packages.



Dried persimmon packages for sale at an agricultural exhibition.