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CENTRAL ASIA

SUCCESS STORY

Networking for Business Development

USAID helps agricultural producers in Tajikistan sell more produce



USAID Agribusiness Competitiveness Activity in Tajikistan

Izatullo Sadulloev's company now has numerous new contracts with exporters in northern Tajikistan

"We used to sell our produce to agents for a low price and without any formal documentation. We couldn't file claims if something went wrong. The Activity introduced us to exporters from the north of the country and advised us to have contracts for every transaction. In addition, we also learned how to improve the quality of produce to satisfy the requirements of the customer; established valuable contacts; and were inspired to increase production.

- Izatullo Sadulloev, owner of a food production company in southwestern Tajikistan

Tajikistan's agricultural sector is a very important segment of the Central Asian country's economy, and its southwestern Khatlon province is particularly famous throughout the region for its beautiful fruit and vegetables. However, most farmers are not able to sell their produce outside of the province due to a combination of poor business skills and limited experience on the importance of making and maintaining contracts. To make agriculture more competitive and successful, agribusinesses in rural Tajikistan need support to improve the quality of their produce and modernize their business practices, in particular by using more formal business transactions. Izatullo Sadulloev is the head of a food processing company in Khatlon that currently produces canned food products and fruit juices to sell in the local market, and he believes his company can produce and sell more.

To produce more products for export and to address the country's food security issues, the USAID Agribusiness Competitiveness Activity in Tajikistan works to strengthen linkages between aggregators, wholesalers, and exporters in both international and domestic markets. The Activity arranged for several Khatlon agribusinesses to participate in a trade forum in Sughd province in the north of Tajikistan, where they were able to meet and discuss possible areas for collaboration. The project provided guidance on contract negotiations, documentation, and planning for business development.

For Sadulloev's company, this networking meeting resulted in a number of new formal contracts to supply dried and fresh fruit to a company in northern Tajikistan, while also providing the opportunity to purchase raw materials from the north for his canning operation. The total value of these contracts made during the quarter was more than \$110,000. It is significant for a small rural company in Khatlon where annual turnover is usually less than \$300,000.

Sadulloev was very proud of his achievement, saying, "Our company has never supplied its produce to the north before because we didn't know any buyers there. Thanks to the support and guidance provided by the Activity, we established new connections. We also learned to approach our business more professionally and were inspired to improve the quality of our produce so that maybe we can sell in the international market in the future." The USAID Agribusiness Competitiveness Activity is building confidence and self-reliance of many small and medium enterprises like Sadulloev's, which are the mainstay for advancement and development of the overall economy of Khatlon province.

The USAID Agribusiness Competitiveness Activity in Tajikistan runs from 2018 to 2023.