



Dear readers,

Happy New Year to all!

The year 2009 started in a crescendo with two Value Chain events in January. The first was **the Training for Value Chain Facilitators and Moderators** in Cebu City and the second one was the **First BIMP-EAGA Workshop on Value Chains and Quality Infrastructure** in Jakarta. The two events were strategic since the first one was aimed to develop VC practitioners to drive the growth of cross-border value chains and the other specifically looked at the quality issues in the value chains as products and services move along the stages of the supply chain, along with the quality infrastructure behind it.

Generally, the previous year was devoted in implementing the respective Value Chain Actions Plans developed and agreed in 2007. The tourism industry has been moving along with its branding process for BIMP-EAGA from the establishment of its core values on the first quarter of 2008 to determining its brand essence on the 3rd quarter with the aim to finally come up with a common tourism brand in early 2009. The seaweed industry's thrusts in 2008 was to provide a foundation for establishing an R & D Network among aquaculture institutions in BIMP-EAGA and develop Good Practices that will contribute to improving the quality of seaweeds produced in the sub-region. For palm oil, the stakeholders' analysis was completed, presented and validated during the so-called Inner Circle VC Core Group meeting which was also the occasion when the VC Action Plan was revisited and revised. For halal value chain, the year 2008 saw more rigorous efforts by each country to develop and promote their respective halal industries.

More information about these events and activities are included in the articles below. If you have feedback or any related information you wish to share, we encourage you to email Jean.Roxas@gtz.de. This newsletter is also uploaded at www.valuechain-bimpeaga.com.

All the best to you in 2009!

Capacity Building for Value Chain Practitioners

Fourteen Value Chain facilitators and moderators from BIMP-EAGA attended the five-day training in Cebu City last January 9-16, 2009. The training was two-pronged. The first one aimed to provide the participants with necessary know-how in facilitating value chain upgrading initiatives with various VC players from farmers, entrepreneurs, business associations and public institutions. The second one was designed for VC moderators in response to the growing need for organizers and consultants who can effectively facilitate VC events such as workshops and conferences. The training was



VC training participants and resource persons

based on GTZ's VC approach, otherwise known as Valuelinks. The participants from BIMP-EAGA were from the FC, representatives from the Clusters, the private sector and consultants. They were joined by public and private sector partners of two other GTZ Programs on private sector development and environment/natural resource development. The Valuelinks modules can be downloaded at www.valuechain-bimpeaga.com.

Value Chains and Quality Infrastructure



Participants, resource speakers and organizers of the Seminar-Workshop on Value Chains and Quality Infrastructure

The First BIMP-EAGA Seminar-Workshop on Value Chains and Quality Infrastructure was held last January 19-20, 2009 in Jakarta, Indonesia. Participated in by 25 participants from both the public and private sectors as well as the academe, the event was the first in a series whose objective is to create awareness on quality issues along the various VC stages, the standards and certifications required, and the institutional infrastructure necessary to ensure the quality and integrity of products and services offered. The event was in cooperation with the Physikalisch Technische Bundesanstalt (PTB), the highest technical authority under the auspices of the Federal Ministry of Economics and Technology in Germany. During the seminar, palm oil and seaweed value chains were tackled. Issues on assuring quality were considered with corresponding proposals on how to address the issues were discussed and agreed on. More detailed investigation on quality, standards and certification requirements will be undertaken prior to the follow-up

activity by mid 2009. The participants were from the Roundtable for Sustainable Palm Oil (RSPO), Indonesian Palm Oil Association or GAPKI, Palm Oil Industry Cluster (POIC) Sabah, TUV Rheinland, Yayasan Seaplant, Omni-Gel Sdn. Bhd., Western Mindanao Seaweed Industry Foundation, University of Malaysia in Sabah, Sabah Department of Fisheries, Indonesian Ministry of Agriculture, International Halal Integrity Alliance, BIMP-EAGA Business Council and the BIMP-EAGA Indonesia National Secretariat.

Value Chain at the Policy Level

The updates of the four value chains being supported by GTZ in BIMP-EAGA were presented during the Senior Officials Meeting in Makassar, Indonesia last November 4, 2008. The BIMP-EAGA Senior Officials noted the progress and achievements of the four value chains. Philippine Senior Official Merly Cruz proposed that the VC Action Plans and indicators should be aligned with related BIMP-EAGA Clusters, notably SME Development, Natural Resource Development and Joint Tourism Development.

Tourism

The search for a common tourism brand for BIMP-EAGA is in the upswing with market-testing of short-listed brand nomenclatures towards identifying the brand name that will collectively represent the sub-region's tourism destinations. In November 2008 during the last branding workshop (a parallel session during the

BIMP-EAGA Community based Ecotourism Conference in Manado), it was agreed that a brand testing research will be conducted and come up with a recommended tourism brand nomenclature for BIMP-EAGA by end of March 2009. This will be undertaken by the value chain tourism core group in cooperation with the GTZ and the University of Malaysia in Sabah. The tourism branding process is composed of a series of consultations and workshops which started in January 2008 in Davao City where the sub-region's brand essence was defined based on its collective resources, core values, and common vision. The brand essence was further refined and elaborated in another workshop held back-to-back with the Joint Tourism Development Cluster meeting in Balikpapan, Indonesia in August 11, 2008. The most recent event was held in Manado last October in Manado, North Sulawesi, Indonesia.



The parallel session during the BIMP-EAGA Community-Based Ecotourism Conference in Manado where options for the BIMP-EAGA tourism brand nomenclature were discussed

The BIMP-EAGA Medium Term Review provided several statistics on the tourism arrivals in BIMP-EAGA for the period 2005 to 2007, as reported by the Asian Development Bank. The EAGA sub-region accounted, on the average, 17% of the foreign visitors' arrivals in Brunei Darussalam, Indonesia, Malaysia and the Philippines. In the same period, Sabah and Sarawak have been the top destinations of foreign visitors accounting for 21% of the total foreign visitors in Malaysia. The EAGA provinces of Indonesia and the Philippines accounted for 2% and 8%, respectively of the total foreign visitors in the said countries.

Seaweeds



Indonesian Minister of Marine Affairs and Fisheries who officially opened the ISF in Makassar

On October 27- 30, 2008, the Indonesian Seaweed Forum (ISF) was held in Makassar, Indonesia. Considered to be the most important seaweed event ever, the occasion drew nearly a thousand participants from various countries worldwide. Major players in the industry from Europe, Latin America, Japan, Korea, China, and the BIMP countries, led by the Philippines which reputed to have the largest seaweed/carrageenan processing plant in the world, Shemberg, were present. The event provided a platform to hoist Indonesia to be the largest producer of seaweed with its strategic location near the equator and vast coastlines. The forum was also an important event for R & D institutions. GTZ's paper on R & D initiatives in BIMP-EAGA prepared by Dr. Anicia Hurtado was presented. Dr. Hurtado's paper was aimed to provide a baseline information to promote linkages and collaboration in the region, establish a strong R&D network in order to sustain a stable supply of good quality seaweed/carrageenan for the global market. The study can be downloaded from www.valuechain-bimpeaga.com.

Dr. Iain Neish of Seplant.net, GTZ's private partner in supporting the development of the BIMP-EAGA seaweed industry, gave the Overview of Seaweed in the World and Indonesia's Prospects during the plenary session of the ISF. GTZ's Public-Private-Partnership Project with Seplant.net made possible in part the preparation and

publication of a series of monographs on the seaweed industry. These are the following:

1. *Structure and Development of Tropical Red Seaweed Value Chains* SEAPlant.net Monograph no. HB2A 1008 V1 VC
2. *An Analysis of the Trade in Tropical Red Seaweed and their Products 2000-2007* SEAPlant.net Monograph no.. HB2B 0808 V2 TD
3. *A Ten-step Functional Framework for building Ventures and Alliances among Seaplant Enterprises.* SEAPlant.net Monograph no. HB2C 0808 V1 VA
4. *A Practical Guide to Regulations and Standards for Tropical Carrageenan and Agar Seaweeds: Focus on Harmonization within the BIMP-EAGA region of ASEAN in the Coral Triangle* SEAPlant.net Monograph no. HB2D 1008 V1 GTZ
5. *Tropical Red Seaweeds as a Foundation for Integrated Multi-trophic Aquaculture (IMTA); Four propositions and an action plan for this major opportunity in the Coral Triangle.* SEAPlant.net Monograph no. HB2E 1008 V1 IMTA
6. *Good agronomy practices for Kappaphycus and Eucheuma: including an overview of basic biology.* SEAPlant.net Monograph no. HB2F 1008 V3 GAP
7. *Basic manufacturing practices for raw-dried seaweed and semi-refined carrageenan from Eucheuma and Kappaphycus* SEAPlant.net Monograph no. HB2G 1008 V2 BMP
8. *Laboratory test procedures for raw-dried seaweed and semi-refined carrageenan from Eucheuma and Kappaphycus.* SEAPlant.net Monograph no. HB2H 1008 V3 LTP
9. *A reference list for commercially cultivated tropical red seaweeds.* SEAPlant.net Monograph no. HB2I 1008 V3 REF

Copies of these reports can be downloaded at www.seaplant.net or from the Value Chain website (www.valuechain-bimpeaga.com).

Palm Oil

Following the completion of the BIMP-EAGA Palm Oil Industry Stakeholders' Analysis, an Inner Circle Palm Oil Value Chain Core Group meeting was held last September 10, 2008, in Jakarta. In the meeting, the group's action plan for 2008-2009 was revised. Major activities for implementation until 2009 are the following: 1) business matching events in each country, or back to back with oil palm industry fora to promote cross border trade and investment opportunities; 2) harmonization of standards, dissemination of information on certification and inclusion of small holders in the process through group certification; 3) document best practices and create awareness among small holders and 4) Assist BIMP-EAGA oil palm industry to establish a framework for cooperation and develop policy and proposals on oil palm development for BIMP-EAGA.



Dr. Peter Richter stresses a point during the VC Core Group Meeting in Jakarta

The BIMP-EAGA Palm Oil Industry Stakeholders Analysis can be downloaded from www.valuechain-bimpeaga.com.

Halal

An International Halal Expo was held last August 14-17, 2008 in Brunei Darussalam. It was attended by 14 countries with about 180 companies. During the expo, visitors saw a wide variety of products ranging from halal consumables, halal certified premises, non-food products and services, Islamic investment, banking and Takaful (Islamic insurance) products and services, government agencies and associations, food packaging and machinery and catering equipment. A conference was also conducted concurrently focusing on the theme "The Emergence of the Halal Market Economy."

In the Philippines, the Mindanao Economic and Development Council (MEDCO) just recently initiated a Halal Seminar in Davao City, last November 19, 2008 in cooperation with the Chamber of Agriculture, Food and Fisheries, Incorporated in Northern Mindanao (CAFFINORMIN). Its aim was to finalize the Mindanao Halal Food Industry Framework Plan which will serve as an input to the planned workshop by 1st quarter of 2009 for the consolidation of plans on halal development for the Philippines, especially in Mindanao. Agencies like the Department of Agriculture (DA), Department of Trade and Industry (DTI), Department of Health (DOH), Department of Science and Technology (DOST) and Office of Muslim Affairs (OMA) are the ones expected to lay down these plans.