

COLLABORATING TO INCREASE EXPORTS IN TUNISIA

INTRODUCTION

The Swiss Import Promotion Programme (SIPPO) in Tunisia is working to shift the focus of Business Support Organizations (BSOs) from broad sectors, such as the agricultural sector, to specialized sub-sectors, such as natural ingredients. This case study explores how this targeted approach has facilitated collaboration between two national BSOs, CEPEX (Centre de Promotion des Exportations) and APIA (Agence de Promotion des Investissements Agricoles), and its subsequent impact on Tunisian exporters.

SIPPO'S APPROACH

SIPPO identified APIA and CEPEX as key players in the natural ingredients sector. APIA operated under the Ministry of Agriculture, focusing on agriculture and agri-food, while CEPEX lay under the Ministry of Trade and Commerce, with a broader trade promotion mandate. SIPPO's approach focused on facilitating collaboration between the two BSOs and tailoring its support to the individual BSOs' capacities and mandates.

Before SIPPO's intervention, CEPEX and APIA operated independently, leading to export promotion efforts being duplicated and opportunities being missed. Recognizing the untapped potential of Tunisia's natural ingredients sector – a sector previously overlooked within the country – SIPPO strategy aimed to bridge the gap between APIA and CEPEX. This strategy wasn't simply about fostering a collaboration; it was about devising a comprehensive export promotion strategy for the natural ingredients sector, a sub-sector which is integral to Tunisia's economy however underrepresented in global markets. As a result of SIPPO's involvement, both BSOs now co-organize Tunisian Pavilions at key European trade fairs, sharing budgets and responsibilities. This strategic move extends far beyond mere presence at these events. It encompasses a broader vision that has successfully brought the natural ingredients sector to the forefront of Tunisia's export initiatives and yielded benefits for exporters through a targeted focus on specific sub-sectors and products.

SIPPO worked to build the capacity of institutions like CEPEX and APIA who provided export promotion services to Tunisian exporters. SIPPO identified existing gaps in CEPEX and APIA's processes and supported them on trade fair preparation, implementation, and follow-up. In the early stages of strategy development for promotion of natural ingredients sector, the SIPPO team alongside the BSOs identified participation in two specialized trade fairs: in-Cosmetics, a newly identified trade fair which focuses on raw materials used in the cosmetic industry, and BIOFACH, an existing trade fair APIA was participating in, which focuses on organic products.

Both CEPEX and APIA management teams reported that SIPPO's support led to improvements in their approach during trade fairs held in 2022 and 2023. Previously the BSOs' export promotion teams focused on logistics but now their role is more strategic. CEPEX adopted a more proactive approach at fairs, including understanding key sectors, exploring new opportunities by conducting outbound visits which are strategic explorations by company representatives or BSOs beyond their own booths

to build connections, learn industry trends, and discover new products in trade fairs. APIA felt that SIPPO's support helped them to align Tunisian products with buyer profiles and engage in benchmarking their product's quality and pricing with other countries.

"We participated in BIOFACH trade fair for 30 years now. But with SIPPO's support during these (last) two editions, we felt we saw the trade fair with another set of eyes. And we learned how we can improve the offer and service to exporting companies."

APIA Export Promotion Lead

Soon, CEPEX, with SIPPO's support, is planning to redesign its services and offer more targeted support to exporters over longer periods, focusing on sectors with high export potential.

EXPORTERS' PERSPECTIVE: THE IMPACT OF SPECIALIZED FOCUS

Herbalya and Biovalley, two young companies operating in the prickly pear sub-sector, benefitted from the BSO's new, more specialized focus. PAMPAT, another SECO-funded project, supported these companies directly while developing the prickly pear the value chain. CEPEX, with SIPPO's training and advisory support, then supported these companies to participate in trade fairs like in-Cosmetics and explore new export markets. This enabled Herbalya and Biovalley to gain visibility, better understand market dynamics, and improve their product presentation and promotion strategies.

Since participating in the trade fair, Herbalya entered negotiations with a potential new buyer. Based on feedback from CEPEX, Herbalya is now considering targeting traders to introduce their products to new markets, instead of directly approaching large manufacturers. Since attending the in-Cosmetics trade fair, Biovalley went from having no export clients to a portfolio of 120 potential clients, of which three have confirmed orders. These new orders stand at Euro 100,000 and mark the beginning of Biovalley's export revenue generation from the EU and Canada. Since the new orders, Biovalley has also invested in machinery to double their production capacity, positioning them among the top producers in their sector.

"Their support was not just for being present at the fair but involved extensive support before, during, and after the event. CEPEX's guidance on how to present our products, deal with potential customers, and follow up on leads was invaluable. Their comprehensive approach has been instrumental in our initial success in the export market."

Fatma, Founder of Biovalley

Another exporter, Manar Agros, specialized in both organic and conventional dates, has benefited from support provided by APIA. Their participation in the BIOFACH trade fairs allowed them to increase their presence in the organic dates market. They received support from APIA in targeting clients, following up with them after the fair, and learnt of customer relation tools such as CRM for effective client engagement. The outcome of this support was the acquisition of a new client and increased exports to an existing client, totalling three additional containers or approximately 60 metric tons of organic dates.

The collaboration between SIPPO, CEPEX, and APIA, and the consequent focus on specialized sub-sectors, have led to improved export readiness and increased trade opportunities. For instance, Manar Agros benefited from BIOFACH's organic focus, leading to new business opportunities and a stronger position in the organic dates market. Biovalley has recruited 32 direct employees and is working with

120 indirect workers (mostly women), focusing on empowering the local rural workforce. Biovalley is also investing in staff training and participating in various training programs to improve their skills and stay informed about industry trends.

SUSTAINABILITY OF SIPPO'S INTERVENTIONS

There is optimism within SIPPO and within the BSOs regarding the BSOs ability and willingness to maintain and build upon the revised trade fair processes. APIA is applying learnings from SIPPO to other sectors like fresh fruits and vegetables, which are under its mandate but not directly supported by SIPPO. APIA is also now developing new services for exporters, such as preparing a list of relevant contacts and potential buyers, a practice learned from SIPPO.

CONCLUSION: A MODEL FOR STRATEGIC TRADE PROMOTION

This case study illustrates the effectiveness of SIPPO's sub-sector focused approach and its collaborative strategy with BSOs. By shifting from a broad sectoral to a targeted sub-sector focus, SIPPO has enhanced the presence of Tunisian exporters in specific markets. This model demonstrates the potential of strategic collaboration and targeted support in trade promotion and can serve as a blueprint for similar initiatives elsewhere.