



The Evaluation of Dates Supply Chain Performance in the Sultanate of Oman from the Farm Level, Through Processing to the Export Markets

By:

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NRE



INTRODUCTION



- As resented by many of the very fine speakers yesterday e.g. Dr. Rashid and Dr. Robert Hamwey (just to mention a few) Oman is registering increase in Date production
- This is because of government efforts in many aspects to increase production through:
 - Disease + Pest control
 - Plant breeding + assistance to farmers



Current situation



- As a result we have
 - 50% of agricultural area under dates
 - 80% Fruit Crops
 - 8 Million date palms country wide
 - Production according to FAOSTAT (Accessed on Sunday March 18, 2018)
 - 2015--- 345 thousand tons
 - 2016--- 349 thousand tons (see next slide)
- Promote dates and you are touching the lives of almost all Omani



Current Situation



- Oman is ranked 9th in the world in dates production, in 2016 produced 4% of world production

Main Countries Producing Dates in 1,000 tons

Production Year	2010	2011	2012	2013	2014	2015	2016
World	7,526	7,263	7,430	7,517	7,600	8,139	8,460
Egypt	135	1,374	1,400	1,328	1,465	1,685	1,695
IRAN	101	1,030	1,070	1,014	1,033	1,050	1,066
Algeria	645	725	789	848	934	990	1,030
Saudia	992	1,008	1,031	1,095	760	892	965
Iraq	568	619	655	676	662	602	615
UAE	825	239	222	238	405	588	672
Pakistan	524	557	525	527	537	468	495
Sudan			434	438	439	439	439
Oman	276	268	281	308	317	345	349
Tunisia	174	190	193	195	199	223	241



Current Situation



- As we have observed production side ok., BUT export side not okay
 - ❖ Oman exports on average only a small (2.6% on average) of what is produced
 - In 2011, Oman exported 7,171 metric tons (2.6 % of the production at US\$ 1256).
 - In 2012, Oman exported 5,815 metric tons (2.1 % of the production at US\$1322).
 - In 2013, Oman exported 8,992 metric tons (2.92% of the production at US\$1200).
 - This has been the practice for many years now
 - Oman dates fetch lower price in the international markets
 - Therefore Oman is not fully benefitting from dates

Current Situation

- Our dates packages are not consumer friendly and convenient, compared to our major competitors



- Ours relatively big packages 500 grams and above

Expected Outcome

- Current situation
 - Our competitors dates are packed in attractive packages that are consumer friendly and convenient.
 - Available in 25, 50, 100, 200, 250gms etc.



Expected Outcome



Current situation

- Currently Oman is lagging behind our neighbors UAE and Saudi Arabia with comparable environments—See exports

Major Date Exporting and Importing Countries in 2010.

Rank	Exporters			Rank	Importer		
	Country	Quantity (metric tons)	Value (1000 US\$)		Country	Quantity (metric tons)	Value (1000 US\$)
1	UAE	237,898	22,306	1	UAE	227,726	25,613
2	Pakistan	121,681	48,690	2	India	193,467	95,042
3	Iraq	120,123	35,913	3	Morocco	51,449	77,894
4	Iran	106,760	134,001	4	France	28,171	72,011
5	Tunisia	84,282	200,091	5	Yemen	23,935	11,167
6	Saudi Arabia	73,362	78,126	6	Russian	20,814	29,166
7	Egypt	19,562	18,529	7	Malaysia	17,980	36,120
8	Israel	12,676	63,381	8	Syria	17,343	7,947
9	France	11,514	32,112	9	Indonesia	16,986	18,097
10	Algeria	10,393	16,930	10	Turkey	13,158	13,127

Source: FAOST (2012)

Current Situation



- As we saw Oman is not among the leading date exporting countries
- While our neighbors UAE and Saudi Arabia are in the list of top ten date exporting countries
- The low level of exports by Oman is attributed to among other things:
 - (1) Poor handling of dates,
 - (2) Poor quality dates,
 - (3) The lack of clear export marketing strategy and,
 - (4) The lack of a well-coordinated Supply Chain

Expected Outcome



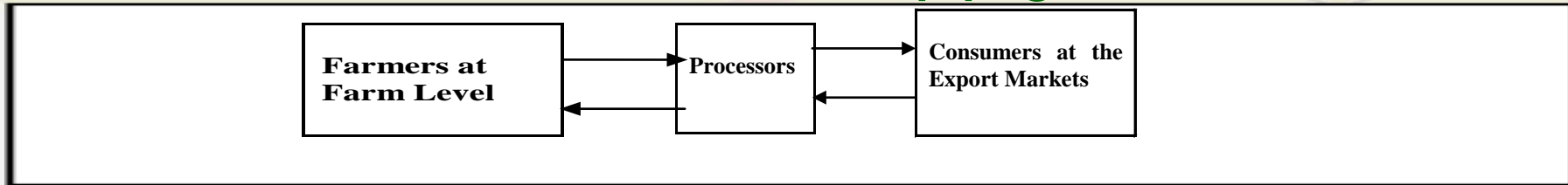
- The lack of a well-coordinated SS chain has been a serious problem in the Oman date industry
- For example, half of the dates produced in Oman are being utilized for animal feed or considered surplus and wasted
- This indicates that date farmers are producing dates without knowing what consumers in the export market want.



Expected Outcome



● A well Coordinated Supply chain



● A well Coordinated Supply chain make it possible for:

- ❖ Market
- ❖ Price
- ❖ Commodity quality information



● To flow from consumers to processors and to farmers and vice-versa in a timely manner making the supply chain efficient

● A well coordinated supply chain will have 3 aspects:

- Farm level
- Procurement and processing
- Consumers at the export market

● Farm Level

- How technically efficient are date farmers in Oman
- Do they know what export market consumers want?





● Procurement and processing

- Is our procurement system competitive?
- Are our processing factories and the technology used up-to-date?

● Consumers at the export market

- Are consumers in the export market know Omani dates?
- Do we know their WTP for Omani dates?
- Which markets Omani should target?

Preliminary Results



Farm level efficiency

Table 5: Frequency Distributions of Technical Efficiency Estimates

Efficiency Index (%)	Study Sample	
	Number of Farms	Percentage
Less than 40	80	22.2
Between 40–60	109	30.3
Between 60–80	62	17.2
Between 80–100	109	30.3
Mean Efficiency	0.61	
Median	0.59	
Maximum	0.93	
Minimum	0.18	
Standard deviation	0.23	
Sample size	360	100

Data Collection



Data for the first objective will be from a random sample of 1,000 date farmers to be drawn based on the proportion of productive date palm trees in Oman by region as indicated in the Table below

The Proportion of Productive Date Palm Trees in Oman by Region

Region	Number of trees percentage	Sample size (dates farmers to be interviewed) (Adds to 1,000 farmers)
Muscat	5.22	52
Al-Batinah	43.43	434
Musandam	2.22	22
Dhahirah	8.49	85
Dhakhilyah	14.68	147
Sharqiyah	21.54	215
Dhofar	0.33	3
Buraimi	4.09	41

Source: Agriculture Census (2004/2005), Ministry of Agriculture.

The End



THANK YOU VERY MUCH FOR
LISTENING

QUESTIONS ON THIS ARE WELCOME