Introduction to the IHC-Workshop “International Competitiveness of Horticultural Production Systems: the agri benchmark Horticulture Network”

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Who we are

- We work at the Thünen Institute of Farm Economics
- The Thünen Institute
  - is one of 4 research facilities of the German Ministry of Agriculture
  - has 14 technical institutes
  - has a strong economic part (4 institutes)
  - is located in Braunschweig, Germany
- Main duty of Thünen Institute: give scientifically based and independent advice to German Government
- Working Group of Economics in Horticulture and Specialty Crops
Braunschweig (Brunswick) in North Germany
Why benchmarking the competitiveness?

• Benchmarking aims at systematically and continuously comparing the performance of similar economic activities, e.g. the production of wine grapes or apples, and to identify reasons for differences in economic performance.

• In agriculture and related activities production systems need to be analyzed economically to identify:
  • differences to best performers
  • reasons for these differences and
  • options for improvements

• **agri benchmark** networks globally compare the economics of agricultural production systems

• **agri benchmark** Horticulture started in 2011 – a new branch within **agri benchmark** family focusing on specialty crops
agri benchmark Horticulture: network & approach

- **Main objective:** benchmarking productions systems of specialty crops: production costs, revenues, gross margins, ...
- Production system analysis based on *typical farm approach*
- **Harmonized** selection of regions, farming systems, data collection and processing across countries
- Detailed production systems with *price and quantity data*
- **Feedback** with production experts: advisors and producers
- Comparisons by crops or varieties
- **Comparability of results**
- Analysis of developments over time: *yearly updates* of database
- Establishment of a **sustainable cooperation** between farm economists and farmers in the participating countries
Benefits of the *agri benchmark* Horticulture network

- International **partnerships** and exchange of expertise
- Result **databases** for all products available to all partners
- Results are based:
  - on a **harmonized** methodology
  - on a **comparable** database
- Comparison of “own” production region with main competitors
- Provision of **models** and **tools**
- Sector and production systems **analyses**
- Annual **conferences** and **reports**

Topics: economics of wine grape, apple and tomato production systems
## Countries, crops and number of typical farms in the *agri benchmark* Horticulture network by August 2014

<table>
<thead>
<tr>
<th>Country</th>
<th>Apples</th>
<th>Wine Grapes</th>
<th>Tomatoes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>4</td>
<td>1</td>
<td>(1)</td>
</tr>
<tr>
<td>Italy</td>
<td>2</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Spain</td>
<td></td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>France</td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Switzerland</td>
<td>1</td>
<td></td>
<td></td>
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<tr>
<td>Portugal</td>
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<td>(1)</td>
</tr>
<tr>
<td>Algeria</td>
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<td>(1)</td>
</tr>
<tr>
<td>Morocco</td>
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<td>(1)</td>
</tr>
<tr>
<td>Tunisia</td>
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<td>(1)</td>
</tr>
<tr>
<td>Australia</td>
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<td>2</td>
<td></td>
</tr>
<tr>
<td>South Africa</td>
<td>2</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Chile</td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td><strong>Sum</strong></td>
<td><strong>11</strong></td>
<td><strong>12</strong></td>
<td><strong>1 + (5)</strong></td>
</tr>
</tbody>
</table>

(1): one typical farm in establishment
Envisaged development of the agri benchmark Horticulture network

• Additional countries for crops in focus
• More crops
  • Carrots, onions, head cabbage, sweet pepper, ...
  • Cherries, strawberries, pears, ...
• Extending the analyses
  • Accounting for the whole value chain
  • Environmental issues & sustainability
    - Fertilization, irrigation, pesticide use
    - CO₂ and water balance
    - Post harvest losses
    - ...

Objectives of the *agri benchmark* Workshop

- Critical discussion of the
  - need of ongoing competitiveness analyses
  - appropriateness of our methodology
  - benefits of our network to
    - horticultural science
    - producers and advisory services
    - agribusiness
    - policy design and analysis

- Invitation to cooperate and participate in the *agri benchmark* Horticulture network
Structure of the *agri benchmark* Workshop

- Five impulses for the discussion (5 – 10 minutes)
  - Jens Wünsche, Hohenheim University, Germany
  - Kathrin Strohm, Thünen Institute, Germany
  - Bernd Hardeweg, ZBG, Germany
  - Esther Bravin, Agroscope, Switzerland
  - Anton Witzenberger, Bayer CropScience, Germany
- Discussion with speakers and workshop participants
Further information:
http://www.agribenchmark.org

Member section:
Data & results

Horticulture section:
General info on sector, countries, farms
Interested in a cooperation?

More information:

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www.agribenchmark.org

Thünen Institute of Farm Economics

Thanks to the agri benchmark partners in

Switzerland
Germany
France
Spain
Italy
Chile
Australia
South Africa

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