

Newsletter no 6 – November 2006

Agroparks in China

This newsletter informs you on the progress being made by Wageningen-UR, TransForum and KnowHouse bv., together with a growing group of other participants, trying to implement Agroparks in China. The first five Newsletters cover the period from September 2004 until August 2006. This issue informs you on developments between August and November 2006:

- The Dongtan Agropark Design project and its elaboration between September and November 2006.
- The Agropark Co-operation Mission from October 7 – 14
- The expansion of the network behind Greenport Dongtan Agropark

Why are TransForum, Wageningen-UR and KnowHouse promoting Agropark development in China?

The board of TransForum (WWW.Transforum.NL) has repeatedly expressed its interest in development of Agroparks in fast growing and urbanizing countries like China and India. TransForum discerns the following potentials:

- Business-to-business investment opportunities: either in copying good practices or in innovation trajectories;
- Demand for support in systems innovations, either aimed at regional development or networks of co-operation or the combination of both in so called vital clusters;
- Sino-Dutch cooperation on knowledge development. Only if this knowledge aspect is explicitly at stake or in perspective, participation of TransForum can be legitimized from its own goals: adding to sustainable development of agriculture as well as promoting innovations in the knowledge infrastructure that supports this sustainable development.

Regarding the involvement of Wageningen-UR and KnowHouse bv. a similar line of thinking has evolved. Starting from their actual practice in acquiring and executing projects in China on a consultancy base (either paid per hour or on the basis of a success-fee construction), they more and more consider the development of a more innovative strategic co-operation. This would take the form of joint ventures in which the design and implementation of an Agropark is only the beginning. It will be followed by the development of a long term relationship that aims on a knowledge value chain of education, research, applied knowledge and monitoring and evaluation, carried out and applied while being a part and sharing in the revenues of the agropark practice. In doing so the knowledge institutes change their role to co-investors, bringing in cash, kind and knowledge. While elaborating these ambitions, the three initiators seek the participation of other knowledge institutes, governmental and non-governmental organizations and commercial enterprises.

The Dongtan Agropark Design project and it's elaboration between September and November 2006



During the recent months , all activities have been concentrated on Agropark development in the Dongtan area of Chongming Island, that is situated in the mouth of Yangtze River. In 2009 a bridge-tunnel combination will be realised that connects the island to mainland and city center of Shanghai.

The existing master planning for the whole of Dongtan distinguishes zones for urban development, leisure, nature conservation, agricultural developments, science & technology and for commerce & services.



The Dongtan planning area contains a 27 km² area that will be developed as an agricultural demonstration zone, mixing agriculture, aquaculture and leisure. Industrial development on the island is limited to its minimum.

Since September 2006 TransForum and Wageningen-UR are co-operating with Shanghai Industrial Investment Corporation (SIIC) and Shanghai Jiaotong University in the development of this agropark. Therefore they together have submitted a project proposal to the board of TransForum, of which the first phase has been adopted in September 2006.

The project as a whole has three phases:

1. Master planning and start of consortium building, business planning and the establishment of a business and knowledge network from September 2006 until May 2007.
2. Implementation and building of the park with the participation of local and international investors from May 2007 until December 2008.
3. Operational phase, with monitoring and evaluation of operation and maintenance of the park from January 2009 onwards.

Phase 1 has been split into two parts. The first part (phase 1A) will concentrate on the production of a brochure that specifies the outline of all Agropark components with a clear view with respect to political interests, business opportunities and knowledge exchange. This brochure will serve for further acquisition purposes on Chinese as well as Dutch sides. Its production goes parallel with the phase of formal strategic planning in China. The board of TransForum will take a go/no-go decision on the continuation of the project in March 2007. In phase 1B the Masterplan of the Agropark will be produced by a combined sino-Dutch project group.

Five research projects will be executed as part of the first phase. They are needed to clarify, facilitate as well as support the argument of some of the key issues leading to the successful establishment of Dongtan agro park.

These research projects follow an iterative approach in close exchange with the design of the brochure and the master plan, in which the results of the studies will be used:

1. The first research project will focus on a modular design of the central processing unit (CPU). This CPU design is complex due to the variability of various production cycles within a production unit and potential changes in combinations of production units.
2. The second research project will prepare Agropark information that is valuable to investor's business planning, such as market outlooks, cost-benefit analysis etc..
3. The third research project will focus on the Operational Modality of Dongtan Agro Park. As such it is part of the preparation of phase 3 of the project. It will elaborate management models and training for Dongtan agro park administration, as well as the environmental management of the agro park, the organization of international co-operation within the park and it will look forward to a potential "international livestock coordinating role" in Dongtan agro park.
4. The fourth research project will consist of a continuous monitoring and evaluation of the working and learning process as experienced by the participants.
5. The fifth research project will elaborate Chinese planning procedures for novelties like Agropark that find themselves in the twilight zone between urban and rural planning.

The implementation of the project organization and the first steps in developing its content are taking place simultaneously. As a consequence of its co-financed structure, TransForum projects tend to have rather complex organizational and administrative working structures. The international co-operation within this specific project adds to this complexity.

At the moment of issuing of this newsletter, a first draft of the Brochure has been produced and is now being discussed and elaborated by all partners. Its content answers the questions of what, why, who, where and when regarding the Agropark development as we see it after completion of the Agropark Co-operation Mission. A joint Sino-Dutch workshop will be carried out in January 2007 to further complete the brochure and include the main elements of the strategic plan that will be finalized by Jiao Tong University at the start of January, 2007.

The Agropark Co-operation Mission from October 7 – 14

From October 7 to 14, 2006 23 entrepreneurs, knowledge workers and government officials connected to the so called Greenport Network of the province of Limburg visited Beijing en Shanghai in China. Their objective was to learn about China, to meet Chinese counterparts and to look into the perspectives of Agropark development on Chongming Island. This Agropark Co-operation Mission (ACM) was organized by KnowHouse, TransForum en Wageningen-UR with support of the Royal Embassy of the Netherlands.

In the Greenport Network entrepreneurs, the province of Limburg, municipalities and knowledge institutes co-operate on innovation in the agro sector all over the world.. The Greenport Network not only brings but also gathers knowledge, in China for example on food, health and culture.

The ACM started in Beijing with a tourist program on Sunday and an extended briefing by the Embassy on Monday. It then moved to Shanghai and visited all kinds of agro production on Tuesday and Wednesday. Next stop was Chongming Island where excursions and an extended workshop on Agropark development on the island, where carried out.

The dutch participants concluded that good prospects exist to realize an Agropark on Dongtan. They came to the advice to implement parallel an Agro demonstration Park, an Agro tradepark and an Agro production Park. The project will probably add profit to the Dutch agro sector and will reinforce its reputation and innovative power. A parallel development in the Netherlands is the development of the New Mixed Company, that combines intensive livestock farming with mushroom production and with glasshouse production of vegetables and flowers.

The Agro demonstration Park will show the best of the Dutch enterprises and by doing so, will stimulate trade between the Netherlands and China in knowledge and products. The excellent connection between the harbors of Rotterdam and Shanghai, brings China closer to the Netherlands than many may think. Through this the Netherlands has excellent opportunities in several agro production chains that will be elaborated by the existing Greenport Network. Intensive livestock, mushroom growing, freshwater agro production , greenhouse production and the processing of products of the same. Starting point should be that each phase results in a positive cost-benefit balance for every participant and that the whole adds significant contribution to sustainable development of agriculture.

Specific opportunities for Greenport Dongtan Agropark (as the participants of the Agropark co-operation mission started to call it) seem to be the increasing demand for food, health, cure, care and wellness products from the strong growing economy in Shanghai and the integrated way in which the entrepreneurs of the Greenport Agropark will be able to meet this demand.

The findings of the ACM were discussed with Mr. Ma, the Director of the SIIC. In the days thereafter they have been elaborated into the table of content and terms of referenc for the masterplan that is presented below. The findings have also been presented to Mr. Shi Xing Zhong, vice president of the Shanghai Agricultural Commission. On the basis of this presentation it was concluded that a connection will be established between this project and the World Expo 2010 that will take place in Shanghai. A similar relation has been suggested with the Floriade 2012 (Venlo, NL).

The Terms of Reference for the Masterplan have been elaborated. They constitute its table of contents in the following chapters:

1. Introduction
 - 1.1. Introduction to the project and project area
 - 1.2. The initiators
 - 1.3. Design assignment
 - 1.4. Basic philosophy
 - 1.5. Target Groups
2. Hardware
 - 2.1. Overview of the hardware aspects in the masterplan
 - 2.2. Lay out of the main structures
 - 2.3. The water system
 - 2.4. Infrastructure
 - 2.5. Agro demonstration park
 - 2.6. Agro production park
 - 2.7. Central processing of waste and by products
 - 2.8. Energy management and climate control
 - 2.9. Landscape
 - 2.10. Recreation and leisure facilities
 - 2.11. Routing
 - 2.12. Reserve areas
 - 2.13. Disaster control
3. Orgware
 - 3.1. SIIC
 - 3.2. Development of the network during implementation and operation
 - 3.3. Licences and permits needs
 - 3.4. External investors
 - 3.5. Institutional investors
 - 3.6. Private investors
 - 3.7. Agropark enterprises
 - 3.8. Agropark management
 - 3.9. Other external relations
4. Software
 - 4.1. Knowledge management
 - 4.2. Communication
 - 4.3. Marketing
 - 4.4. Human resource management
 - 4.5. Education
 - 4.6. Recreation and leisure events
5. Towards implementation
 - 5.1. Communication on the masterplan
 - 5.2. Business planning
 - 5.3. Consortium building
 - 5.4. Acquisition of external investments
 - 5.5. Elaboration of the masterplan

The expansion of the network behind Greenport Dongtan Agropark

On November 1 the participating entrepreneurs in the ACM have decided to found an organization that will actively take up the business development of Greenport Dongtan.

Meanwhile the project has been presented during several bilateral talks with entrepreneurs outside the province of Limburg. They all expressed great interest in this project and are considering closer co-operation.

Also the project has been presented as the final part of a mission that government officials of several Dutch provinces and Water Management organizations have undertaken from November 4 – 11, 2006. Another participant in this mission, Mr. Ate Oostra, who is Director General within the Netherlands Ministry of Agriculture is considering to take the lead of a Reference Group that is being set up around the project.

Our actual vision on the forthcoming working process is depicted in the scheme on the next page.

Workproces 2006-2009

