



**USAID**  
FROM THE AMERICAN PEOPLE



MILLENNIUM  
CHALLENGE CORPORATION  
UNITED STATES OF AMERICA

# AGRICULTURAL COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT

## ANNUAL REPORT FOR PROJECT YEAR FOUR

**APRIL 2015**

This publication was produced for review by the United States Agency for International Development. It was prepared by Development Alternatives, Inc. for the Moldova Agricultural Competitiveness and Enterprise Development (ACED) Project, USAID contract number AID-117-C-11-00001.

# AGRICULTURAL COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT

## ANNUAL REPORT FOR PROJECT YEAR FOUR

USAID Office: USAID/Ukraine Regional Contract Office

Contract Number: AID-117-C-11-00001

USAID Contractor: Development Alternatives, Inc. (DAI)

Date of Publication: April 2015

Document Authors: DAI/ACED Chief of Party, James G. Herne

### DISCLAIMER

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

**USAID Moldova - MCC Moldova**

**AGRICULTURAL COMPETITIVENESS AND  
ENTERPRISE DEVELOPMENT PROJECT**

**ANNUAL REPORT FOR PROJECT YEAR FOUR**  
**April 1, 2014 – March 31, 2015**

**TABLE OF CONTENTS**

<b><u>REPORT SECTION</u></b>	<b><u>PAGE NO</u></b>
<b>I. EXECUTIVE SUMMARY</b>	<b>1</b>
<b>II. BACKGROUND ON THE PROJECT</b>	<b>2</b>
<b>III. HIGHLIGHTS FOR PROJECT YEAR FOUR</b>	<b>9</b>
<b>IV. PROJECT ACTIVITIES BY COMPONENT</b>	<b>11</b>
<b>COMPONENT 1: GROWING MOLDOVAN HVA SALES &amp; EXPORTS</b>	
Activity 1.1: Develop & Expand Market Opportunities	11
Activity 1.2: Upgrade Production to meet Buyer Requirements	17
Activity 1.3: Upgrade the Moldovan HVA Value Chain	21
Activity 1.4: Improve the Enabling Environment for HVA	26
Activity 1.5: Sequencing with the MCC Compact THVA	34
Activity 1.6: Support for the Costesti Packhouse Project	35
<b>COMPONENT 2: ENTERPRISE DEVELOPMENT IN TRANSNISTRIA</b>	<b>38</b>
Activity 2.1: Build the Capacity of Business Service Providers	39
Activity 2.2: Support the Development of Transnistrian MSMEs	41
<b>V. ACED PROJECT CROSS-CUTTING ACTIVITIES</b>	<b>49</b>
1. Coordination with Other Donors	
2. Gender & Marginal Groups	
3. Environmental Compliance	
4. Sequencing with the Compact THVA	
5. Local Capacity Building for Moldovan BSPs	
<b>VI. PROGRESS TOWARDS INDICATOR TARGETS</b>	<b>57</b>
<b>VII. ADMINISTRATION &amp; CONTRACT DELIVERABLES</b>	<b>62</b>
<b>VIII. PROJECT BUDGET &amp; LEVEL OF EFFORT</b>	<b>65</b>
<b>IX. REPORT ANNEXES</b>	
Annex A: PMEP Indicator Tables for Year Four	
Annex B: ACED Success Stories for Year Four	
Annex C: Year Four Random Sample Survey Report	

## **I. EXECUTIVE SUMMARY**

The Agricultural Competitiveness and Enterprise Development project is USAID Moldova's flagship value chain agricultural project, incorporating best practices with an important window of opportunity for the expansion of Moldovan high value agriculture (HVA) production and sales. The project is unique in that it has joint funding from USAID and the Millennium Challenge Corporation (MCC) and will marry USAID's investments in the HVA sector with the irrigation rehabilitation, finance (the Compact's Access to Agricultural Finance Activity) and road reconstruction benefits (e.g., getting product to market) in which the MCC is investing.

The Moldovan agricultural sector has little choice but to invest in and upgrade its production and post-harvest standards in order to sell to supermarkets and export to a more diverse set of countries. This is because of the decline in preferential treatment given to Moldovan exports to Russia, gains by new supermarkets in market share, growing importance of consumer purchases of fresh fruit and vegetables, and the current Russian import ban. ACED is providing critical support and guidance to producers and industry associations to help them make changes that will allow them to access new markets while continuing to export significant quantities of fruit and vegetables to non-Russian traditional markets.



*A picture of the first Moldovan apples sent to a customer in Bangladesh. ACED facilitated this first sale which was followed by four more container loads of apples.*

ACED is assisting with the transformation of how Moldovan agriculture responds to market demand for high value agricultural products. Over the course of Year Four, ACED carried out a large number of activities and events, and producers and farmers have begun to change their behavior, something that will continue until the end of the project, and beyond.

The project has facilitated \$25,128,526 in sales to date, the bulk of that occurring over the past two years (Years Three & Four). By March 31, 2015, ACED recorded the following results:

- 5,676 producers had been trained exceeding the Year Five life-of-project target (4,300) set out in the project's PMP. Of those, 2,006 producers reported that they have adopted improved practices, with 36 percent (723) of them being women.
- \$12.1 million in new investments have been reported, including more than \$10.8 million in much-needed post-harvest handling infrastructure that will upgrade the capabilities and competitiveness of the targeted value chains.
- As is noted above, ACED has recorded more than \$25.1 million in sales facilitated, with 1,264 producers reporting having had sales facilitated, including 276 of those sales being from either women-owned or women-managed producers.

The tremendous efforts devoted to all of the project activities by the ACED staff over the past four years are now paying significant dividends, as can be seen in the success stories included in Annex B, the information contained in the Performance Monitoring & Evaluation report (Section IV), and in the [ACED End-Of-Year Survey Report](#) included in Annex C. These items complement and enhance the reporting on the events, activities, successes and impacts that are described throughout the narrative report that follows.

## **II. BACKGROUND ON THE PROJECT**

The Agricultural Competitiveness and Enterprise Development (ACED) Project is a five-year project (2011-2016) which is jointly funded by USAID and the Millennium Challenge Corporation (MCC). The contract vehicle for ACED is a Cost-Plus-Fixed-Fee, Term, Level-of-Effort contract which was awarded to Development Alternatives, Inc. (DAI) at the end of March 2011. The project's main objective (Component 1: Growing HVA Sales) is to increase the competitiveness of the Moldovan agricultural sector with a focus on the production, processing, and marketing of high value agricultural crops. Activities within this Component are national in scope, with a special emphasis on those areas that will benefit from the MCC-financed rehabilitation of central irrigation systems under the MCC Transition to High Value Agriculture Project (THVA). With a budget modification approved in late 2014, about 86% of the ACED budget is devoted to Component 1 activities, with a little less than 30% of that being funding from MCC.

ACED's second element (Component 2: Enterprise Development in Transnistria) has been allocated approximately 14% of the total budget. This is for activities and events focused on economic development in the Transnistria region (also commonly referred to as the "Left Bank"). Under Component 2, the ACED project works to improve the competitiveness of micro, small and medium scale enterprises (MSMEs) and relevant Business Service Providers (BSPs) in Transnistria. The main objective is to support the development of, and enhance the competitiveness of, Transnistrian MSMEs in both HVA and non-HVA agricultural value chains. Associated with this is assistance to Transnistrian BSPs that can provide essential technical and managerial services to these MSMEs. This component, in turn, leads to the creation of jobs and increased incomes in the region and facilitates cross-Nistru business linkages that promote the integration of Transnistrian private enterprises into the broader Moldovan economy.

### **A. The Value Chain Approach**

The ACED project design team settled on a value chain approach as the most effective way to address the ambitious objectives set out for Component 1 (Growing High Value Agricultural Sales). The value chain approach requires a comprehensive description and analysis of what happens to a product throughout its production, processing, distribution and marketing cycle. This approach examines the production process, as well as relevant external factors — such as government policy, credit availability, and input supplies — necessary to support and sustain the production, distribution and marketing processes. In the case of agricultural products, it also includes an analysis of post-harvest practices and post-harvest infrastructure availability (the cold chain, storage facilities, grading and packaging systems, transportation, etc). An examination of the target markets also identifies specific governmental and end-market requirements that producers will have to meet to be successful in those markets.

The value chain approach is also based on specific products, and not on geographic localities. Interventions on behalf of a value chain might take place in many places, either simultaneously or over an extended time period. Interventions might include direct assistance to producers to identify new buyers and understand the technical and commercial requirements of those buyers, as well as to identify regulatory and quality certification barriers that must be met. Assistance might be provided to input suppliers to help them register planting materials or agrochemicals that are new to Moldova, but necessary to satisfy end market requirements. Direct assistance can also be provided to primary producers to improve both the quality and efficiency of their production processes. Governments can be assisted with advice on adjusting the regulatory

environment or enhancing field inspection and food safety testing capabilities. Banks can be helped to develop appropriate loan products and increase the volume of their lending to value chain participants. Consolidators, such as producer associations, cooperatives, or individual traders, can be assisted with developing effective systems for finding and buying products they need, and with grading, storing, and packing and ultimately delivering it to their customers. Agro-processors are assisted to develop effective relationships with farmers in order to obtain raw materials on a schedule that maximizes their effective operating season.

In utilizing this methodology the project team analyzes, prioritizes, and addresses the critical factors that limit the ability of producers and other value chain participants to maximize their income from high value agricultural activities. By beginning with an examination of market potential, the project avoids encouraging farmers to become larger and more efficient producers of a crop for which there is no good market, or for which the required downstream packaging or processing capability does not exist in country.

Being consistent with the Value Chain approach, the ACED project began with summary assessments of the main HVA value chains active in Moldova and the staff eventually selected three Value Chains that best satisfied these criteria:

- They have a strong current production base and good prospects for increasing the volume and the quality of production.
- There is strong actual or potential international and/or domestic demand for any increased production of those products.
- Increased production does not present an unmanageable environmental risk to the natural environment or to farm workers or others.
- The value chains involve a large number of small farmers, including women.

The Apple, Table Grape, and Tomato Value Chains were initially selected as the focus of ACED development activities, with stone fruit (sweet cherries, peaches, and plums), other greenhouse vegetables and strawberries to be added in later years.

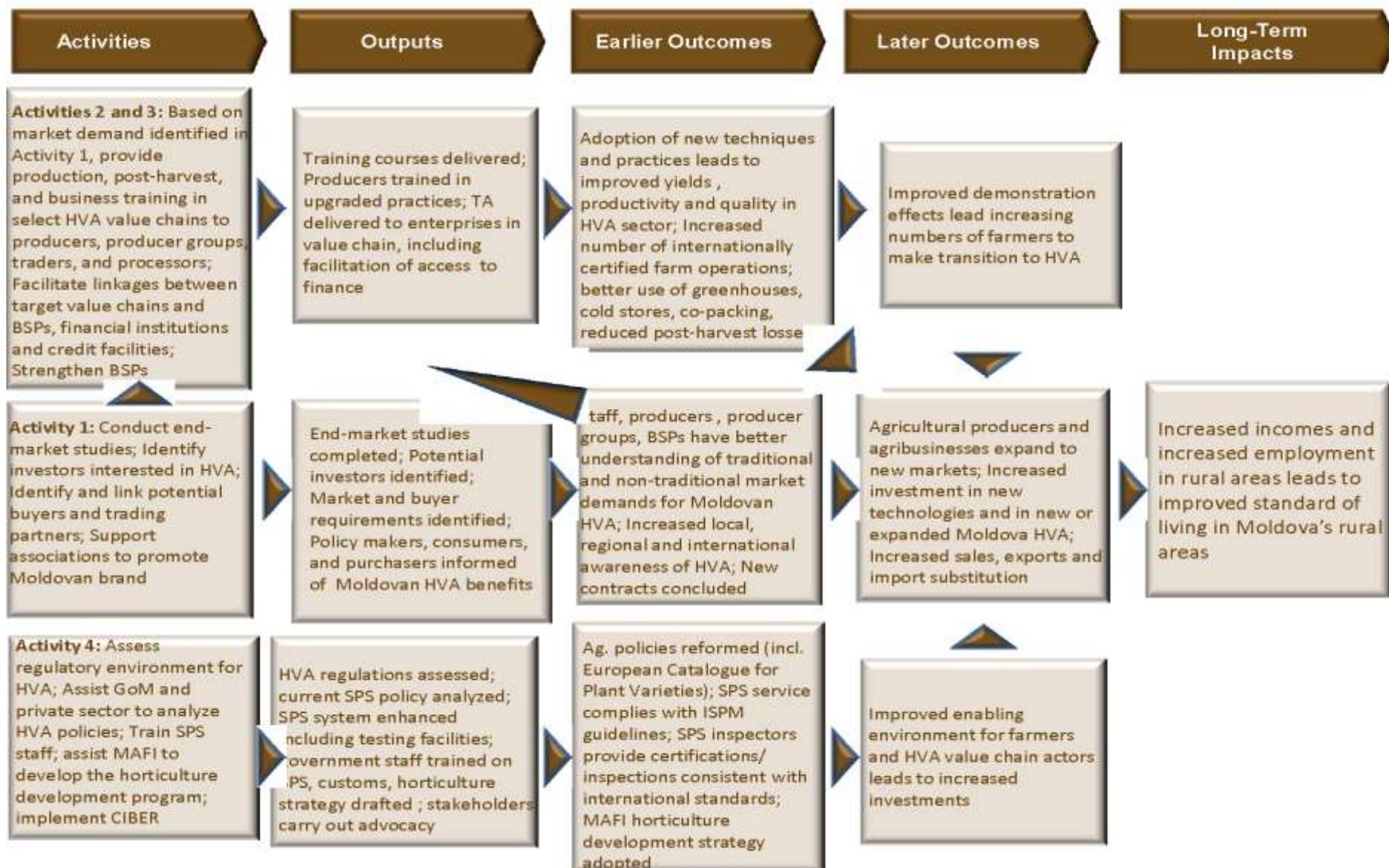
The second step was to conduct a series of end-market studies (EMS) in high-priority markets to identify commercial, technical, or regulatory barriers to entering or expanding producers' presence in those markets and to provide guidance on what would need to be done to penetrate those markets successfully. Russia, Romania, and the Moldovan market itself were the initial markets researched, followed by the Baltic States and Germany. The results of the end market studies were then integrated with other information gathered from value chain participants, and key informants in Moldova, to prepare comprehensive value chain assessments for each of the targeted crops. These studies were then discussed with producers and farmers, and other value chain participants, to develop a strategic action plan for each value chain.

### **B. The ACED Causal Model**

The Causal Model on the following page illustrates the logical flow from the activities identified in the RfP (Request for Proposals) through the "output", "outcome," and "impact" stages, to the final objective of increasing long-term economic growth in Moldova. The original causal model has been refined and sharpened as the project has evolved with implementation.

## AGRICULTURAL COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT

### ACED COMPONENT I PERFORMANCE-BASED MANAGEMENT SYSTEM CAUSAL MODEL



Carrying out the end market studies, identifying investors and potential buyers interested in Moldovan HVA products, and developing the **“Moldova – Taste Makes the Difference”** international campaign slogan (Component 1, Activity 1) has helped ACED to define the production and marketing requirements. The result is that all parties now have a better understanding of the requirements of specific markets and can adjust their operations accordingly. These adjustments make it possible for Moldovan producers and traders to expand into new markets at home and abroad, and thereby increase their incomes along the value chain and strengthen Moldova's position internationally.



*Professor Lynn Long, from Oregon, leads a training seminar for Moldovan sweet cherry producers.*

The project's activities and outcomes form a feedback loop so that market requirements inform both the producer Training Team (Component 1, Activity 2) and the Value Chain Team (Component 1, Activity 3), and this has allowed the project to provide training to more than 5,600 farmers and producers in improved production practices and new technologies. In addition, value chain enterprises will be able to upgrade their facilities (or build new ones) based on increased access to finance and increased awareness of post-harvest best practices. At the “outcome” level these will generate increased production and better quality products coming off the farms and higher value products being supplied by packers and traders. The “impact” is that new investments are made, sales of HVA products both within Moldova and abroad are generated, and local incomes are increased.

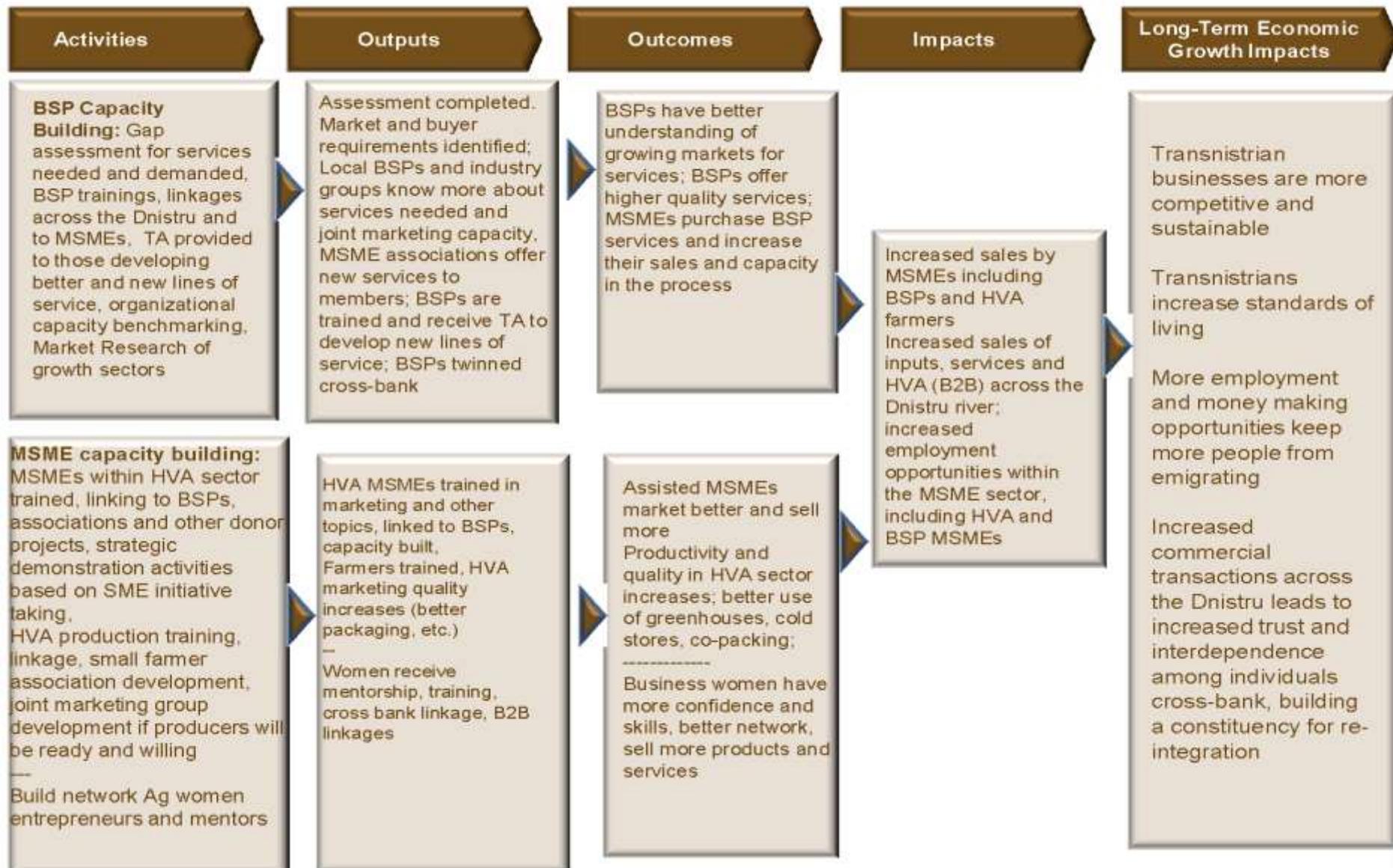
ACED's Component 1, Activity 4 is aimed at improving the regulatory environment for the development of HVA activities. Improving the ability of government agencies and private sector groups to analyze the potential or actual impact of government policies, regulations, and procedures will lead to policy reforms and a closer partnership between government and the private sector. Providing new equipment and supplies for the Central Phytosanitary Laboratory and the Phytosanitary Inspection Service, as well as preparing new reference materials and providing associated training for phytosanitary inspectors, will facilitate the process of harmonizing GOM policies with those of the European Union. This should lead to increased exports with enhanced food safety at home.

ACED's Component 2 activities are aimed at strengthening BSPs and MSMEs in Transnistria. This work began with an analysis of MSME activities in Transnistria and an assessment of the capacity of local BSPs to assist them. Following these assessments, a targeted set of enterprise development and BSP training and technical assistance activities were designed to increase their production capacity and promote cross-bank B2B linkages. At the “outcome” level, these activities will result in increased sales by Transnistrian MSMEs and increased commercial interactions and linkages with the greater Moldovan market. The impact will be that Transnistrian businesses are more competitive and sustainable, and better integrated within the overall Moldovan private sector.

The following page contains the DAI/ACED “Causal Model” flow diagram for ACED's Component 2 – Enterprise Development in Transnistria.

**AGRICULTURAL COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT**

**ACED COMPONENT II PERFORMANCE-BASED MANAGEMENT SYSTEM CAUSAL MODEL**



### **C. The Two Components of the ACED Project**

The original design of the ACED project included two separate components, with very little connection between them other than a shared management structure and operational infrastructure. Component 1 (Growing High Value Sales) was aimed at increasing the production and sale of high value agricultural products by small and medium scale commercial farmers on the so-called “Right Bank” of the Nistru River. The set of activities to be carried out under Component 1 would be based on a thorough analysis of the selected high-value agricultural sectors, and include:

- Technical training for producers to improve their production practices;
- Technical assistance to value chain actors to improve post-harvest practices;
- Improvements in the regulatory environment for the HVA value chains; and
- Creating linkages between value chain enterprises and new markets.

These activities and assistance elements are consistent with the technical approach for ACED which was described in detail in the previous sections.

Component 2 was designed to improve the operations of micro, small and medium-sized private enterprises in Transnistria, in any productive industrial sector, by providing direct training and technical assistance to those enterprises and by enhancing the capacity of local business service providers to provide technical services for those MSMEs. It was foreseen that while agriculture enterprises might be included in the mix of MSMEs assisted, the program would have no particular focus on that sector. The design of the activities in Transnistria was left flexible, which was logical given the dearth of real knowledge about private sector business activities in the region. A late start in the implementation of Component 2, for reasons beyond the control of DAI, led to the planned assessment of needs in the targeted program areas getting under way in February 2011.

The results of the needs assessment on the Left Bank led DAI to determine that a larger than expected portion of ACED’s work in the region would be focused on the same sort of HVA development work as carried out under Component 1, with an additional focus on increasing cross-river trade and other economic interactions. Over the course of Year Two, project staff continued to learn more about the business landscape in the Transnistrian region, and plans for Component 2 for subsequent years have focused almost entirely on HVA and other agricultural sectors. Assistance to select BSPs in the region has also focused on those types of services that were most relevant to agriculture and food processing.

### **D. The Two Funding Organizations**

Implementation of the ACED project is based on an implementation contract signed between USAID and DAI, the prime contractor. The program, however, is the first example of an activity jointly funded by USAID and MCC (with a current 82/28 percent split for the C1 activities). The objective of the MCC participation as a co-funder is to ensure that ACED will support farmers who will benefit from the much larger MCC program designed to rehabilitate a series of Central Irrigation Systems (CIS) along the Nistru and Prut rivers. There is no direct contractual relationship between DAI and MCC, or its Moldovan government implementation unit, the Millennium Challenge Account (MCA). There is, however, a Memorandum of Understanding between USAID and MCC that includes certain obligations for the ACED team with regard to project planning and programming. These obligations also

include certain impact evaluation requirements and restrictions on areas where ACED can work that constrain the ability of the ACED team to implement and operate Component 1 activities for maximum overall impact throughout the entire Right Bank.

ACED has also included several MCC-specific progress indicators in its quarterly indicator tracking tables which were implemented in Year Three. These include a targeted training program to encourage and assist small farmers within the MCC CIS areas to take advantage of the rehabilitated irrigation systems by launching or expanding high value commercial agricultural production. Farmer groups that are formed as a result of this training will then be assisted through targeted training and technical assistance to enter into the ACED-targeted HVA value chains, or others that might be appropriate for local circumstances.

On an operational level, throughout the entire program the ACED project has been cooperating very closely with MCC/MCA at the program level, and regular coordination meetings have been organized that include key ACED staff and staff from MCC/MCA. ACED has also been very active in providing technical support for the MCA's Access to Agricultural Finance (AAF) activity, as well as in general information sharing, public relations, and coordination of training activities.

### **III HIGHLIGHTS FOR YEAR FOUR**

Across the board, the ACED staff, consultants, sub-contractors, and partners have maintained a high level of activity over the course of Year Four, and achieved significant impact. Some important highlights include:

**The Marketing Team** maintained a hectic schedule during the year and implemented a total of five international trade show exhibits, along with a significant Business-2-Business event in Bucharest which took place concurrently with the IndAgra trade show. Two of the shows, in Berlin and Dubai in February, took place almost simultaneously and these shows put a lot of pressure on the Marketing and Admin teams.

- As of the end of Year Four (March 2015) the total value of **sales facilitated by ACED had risen to \$25.1 million**, which is nearly 120% of the cumulative sales results target set for the entire project (\$21.0 million).
- Use of the “**Moldova – Taste Makes the Difference**” slogan continued in Year Four, with exhibitions at five international trade shows this year: World Food in Moscow, IndAgra Bucharest, World of Perishables Dubai, Fruit Logistica Berlin and GulFood Dubai.
- The ACED project added another **\$6.8 million in HVA exports** during the year, bringing the total for the project to date to \$19.5 million, or nearly 130% of the project target.
- In January EUROFRUIT magazine published a four-page article on fruit production in Moldova and this magazine was distributed free of charge to all the visitors at the Fruit Logistica show in Berlin in February. This article was a follow-up to two previous short articles that had been published in EUROFRUIT following contact with the manager.

**ACED’s Training Team** maintained a fast pace with their activities this year, implementing a total of 61 seminars, 40 field days and four international study tours over the course of Year Four. These activities were in addition to the continued preparation of technical guides and manuals, which have become one of the hallmarks of the ACED project.

- During the year the ACED project provided **training to more than 1,350 new farmers** bringing the total for producer/farmers having been trained to date to 5,676, a figure which already exceeds the Life-of-Project (over five years) target for this indicator.
- On March 27<sup>th</sup> 2014, the ACED Training Team organized a **National Cherry Forum** in Chisinau that brought together more than 100 participants, representing producers, traders, input suppliers, and the scientific community. Consultants Lynn Long and Marlene Long from the US state of Oregon, both internationally recognized experts in cherry production and post-harvest handling, made presentations at the forum.

**The ACED Value Chain Team** implemented a total of 32 seminars during the year and provided short-term technical assistance to nearly 150 value chain enterprises for the preparation of feasibility studies, business plans, loan applications and other assistance. The Activity 1.3 Team continued to expand the ACED **Value Chain Support Center**, which is locally known as *AGROConect.md* and which provides TA for local HVA enterprises.

- During this reporting year, **ACED provided significant assistance to 13 value chain companies to help them finance new investments** (mainly to finance post-harvest handling infrastructure). The client companies, based on ACED assistance, made value chain investments totaling nearly \$7.0M during Year Four.

- Following ACED assistance with the introduction of Gibberellins (GA) to Moldovan fruit farmers these have now become an accepted part of the fruit production systems for most of the larger fruit producers in the country. **GA is legally registered in Moldova, and it continues to improve Moldova's competitiveness in grapes and apples.**
- The Value Chain Team has also continued to assist the Costesti Table Grape producer group and following the decision of the Central Regional Development Agency a decision was made to build a structure in Costesti that would house the packing house that the group was planning. By the end of Year Four construction on the building was well advanced and the group was making plans to purchase the necessary equipment.

**ACED's Activity 4 – Enabling Environment**, has provided an extensive level of assistance to the Moldovan Central Sanitary and Phytosanitary (SPS) Laboratory in Chisinau and at the end of Year Four the laboratory was prepared to make its application for international certification in the ISO 17025 standard. It is expected that the laboratory, which already has a domestic ISO 17025 certification, expects to be certified in mid-2015.

- The Activity 4 Team has also continued to implement food safety and quality training seminars, with the participants including staff members from the Central SPS Lab, the national food safety agency and the major food processors in Moldova.

**ACED's Component 2 has continued its extensive private enterprise development assistance in the Transnistrian region** during Year Four. During the year, the ACED Component 2 organized more than 40 events for BSPs, women in agriculture, and HVA producers, and put in place four production demo activities. Component 2 has also continued to emphasize cross-bank linkages in its activities and over the course of Year Four there were another 53 activities with cross-bank participation, bringing the total number of cross-bank linkage activities implemented to date by the project to 113.

ACED completed the first year of the **Women's Agriculture Networks (WANs) program** which operated in five regions of Moldova (North, Central, South, Gagauzia and Transnistria). This program has had tremendous success in assisting female entrepreneurs in the HVA sector to increase their confidence and productivity. Based on the success of the activities in Year Four ACED has contracted for a second phase of the program, in all five regions, which will be implemented over the course of calendar 2015.

ACED continues to offer opportunities to **local service providers (BSPs) to increase their capacity to provide development services to both the private and public sectors**. As a good example of this aspect of the ACED program, ACED has contracted with eight of the ten Water Users Associations (WUAs), that were created with support from the MCC Compact program, to act as Regional Training Service Providers (RTSPs) to support the implementation of the ACED training and demonstration activities in CIS zones

## **IV PROJECT ACTIVITIES BY COMPONENT**

The following chapter describes activities and events implemented under ACED Components 1 and 2 over the course of project Year Four. Descriptions of the activities undertaken as part of the cross-cutting categories of the project are included in Section V. The project's Monitoring and Evaluation indicators for Year Four are reported on in Section VI.

### **COMPONENT 1: GROWING MOLDOVAN HVA SALES & EXPORTS**

The overall objective of ACED's Component 1 is to provide market development support and technical assistance to help producers and agribusinesses take advantage of Moldova's comparative advantage in HVA production, and to overcome the fundamental constraints they face in meeting buyer requirements and attracting private sector investment. The Value Chain Analyses conducted by ACED in Year One identified the key constraints that limit the development and growth of Moldovan HVA. Year Four interventions (as described below) were designed based on the key strategic needs of the targeted value chains to allow Moldovan producers to take advantage of opportunities in export and domestic markets.

#### **Activity 1.1: Develop & Expand Market Opportunities**

Year Four was once again a very active one, with most of the sales reported having been generated from the international trade shows, and to a lesser degree by inward buyer visits. While during the first two years of the project significant time was allocated to the gathering of information through end market studies, interacting with Moldovan associations, and ongoing commercial exchanges to build a strong foundation, from Year Three onward the export sales have come to fruition. From April 2014 to March 2015 the total sales generated came to \$9.5 million, with exports reported during the same period coming to \$6.8 million. Recognizing the cyclic nature of the fresh produce business, sales reports are still being received in for both fresh and processed sales.

The Russian ban was the most important single event during the course of the year and that created a lot of tension and confusion within the producer community. Since the inception of the ACED project the Marketing Team has continued to convey to the producer community the importance of diversifying their markets. The traditional Russian market, and the long standing relationships and the other nuances of that market (cash payments and easy payment terms), is a very difficult thing for producers to move away from. Even in the face of the ban many of the producers were only listening to ACED's diversification strategy with one ear and still thinking that Russia is the best way to proceed. Many also took a risk averse approach, with lesser returns, with product reaching the Russian market through alternative routes such as Belarus and Kazakhstan. False documents, greater freight costs, and indirect freight routes all came at the expense of the Moldovan producers who significantly reduced their margins. The closing of the Povkrovka market in Russia, a 10% worldwide surplus of apples, the devaluation of the Ruble, less consumer discretionary income, and other supply countries which were not banned positioning fruit in Russia has made for some very difficult times the Moldovan producers. The commercial landscape in Russia has now changed and it will never be what it has been in the past. This is gradually sinking in with the producer community, however, reluctantly. Towards the end of Year Four the situation changed somewhat as ten producers from the Right Bank along with all of the Transnistrian producers are now able to ship to Russia and that has enabled most of the remaining apples to be pushed through the system via the approved companies.

Although many producers did not shift their strategy to focus on market diversification, along with the post-harvest changes necessary to meet new market requirements, there is a growing number of forward thinking producers that did just that. ACED has worked with these producers with trainings and seminars, and commercially with the respective international trade shows. Many of these producers have been successful in penetrating new markets in the face of a very competitive market, especially with the surplus of apples and all supply countries scrambling to position fruit wherever they can. During the course of the year, with the focus on market expansion, ACED has taken a very strong position with the international trade shows that will be briefly outlined.

**World Food Moscow (Sep 2014)** This was a very unique show for Moldovans this year as it took on a new character with the Russian ban being in effect. While Russia previously accounted for approximately 85% of Moldova's fruit exports it was recognized that other countries would be present and a decision was made to participate. In addition it was important for Moldova to be present at this show to maintain commercial continuity and to demonstrate that Moldova is ready and willing to continue to provide product to its



traditional customers in whatever way possible. It was also important to re-emphasize the traditional taste of its products that the Russian market knows well and which are highly regarded. The slogan ***MOLDOVA – Taste makes the difference*** once again played a very strong role in the Moldova booth, continuing to emphasize the inherent taste of the products. The booth was modeled on a Parisian open fruit market and the details included in the 45 square meter booth were very impressive. The range of products displayed was very limited (because of the impossibility of shipping samples to the show) and consisted only of apples, grapes, walnuts, and some dried fruit which were sourced locally. Samples could not be shipped in for the show, and they were not easy to procure in Moscow because of the ban. The ACED team found what was believed to be, and what were claimed to be, Moldovan fruit in the market and it was stickered and boxed in Moldova Fruct boxes that displayed very favorably. Overall the commercial activity was slow although many key contacts were seen and the sustained message and presence of Moldova was very important for the producers. In addition to Russian customers there was sincere interest generated from India, Egypt, Peru, Kazakhstan and North Africa, among other countries.

**Bucharest Business-2-Business Event** In conjunction with the IndAgra show, and being treated as a separate event, the ACED team planned and implemented a very upscale B2B event at the American Ambassador's Residence in Bucharest on the evening of the 28<sup>th</sup> of October. The concept of this event was to promote Moldovan fruit and wine to Romanian retailers and supermarkets, and to have key buyers from Romania connect directly with Moldovan producers in a relaxed atmosphere. All of the details for this event, including the tedious task of qualifying the proper buyers to invite, were performed by Irina Herne who was hired as an STTA to work on this specific function and who did a tremendous job. There were government dignitaries, local press, retail buyers, open market buyers, food blog writers, the Moldovan producers, as well as five ACED staff members on hand who all

worked together to make sure all possible connections could be realized. This was all done in close collaboration with the US Embassy in Bucharest. In total there were about 140 attendees at this event, and it was very successful in creating high visibility between the Moldovan producers and potential customers from the retail and open market sector. ACED may repeat this event in 2015 if the Residence is available once again.

**The IndAgra FOOD Bucharest (Oct 2014)** This event, which was more of a consumer show, took place in Bucharest from the 29<sup>th</sup> of October through the 2<sup>nd</sup> of November. This was the first time that ACED and Moldova Fruct had participated in this show and this was done as an effort to evaluate the quality of leads and contacts that can be made via this show. To do so ACED arranged for a booth of 52 m<sup>2</sup>, which was cost effective and it predominantly featured apples, along with honey and some dried fruit offerings. The response was mediocre for the most part considering the very competitive surplus market for apples, and the fact that the Romanians were complaining about local prices being low and everyone trying to move product “wherever they could” at very low prices. Commercial apples used for concentrate were selling for about one quarter of the price being paid last year, which is an indication of the fresh market price. On the positive side, based on previous shows and contacts made at this show, shipments have now been made to Carrefour Romania with golden delicious apples and good contacts were made with Metro Romania. One of the items that showed a lot of interest was the Moldovan dried plums and dried plums with chocolate that buyers responded to very positively once they tasted the product. Although the ban in Russia was in full swing, and the need to expand into new markets was critical, the Moldovan producers still seemed to have reservations and they had a general hesitancy to take on new business in Romania with many fearful of payment problems.

**World of Perishables Dubai (Nov 2014)**

This year the ACED team, along with nine producers and Iurie Fala from Moldova Fruct, participated in this show which ran from the 9<sup>th</sup> to the 11<sup>th</sup> of November. This was the first time Moldova has exhibited at this trade show, which is focused on fresh produce only. This is a relatively small show but one that attracts serious buyers of fresh fruit and vegetables that are looking to make contract deals for a number of countries, with the main hub for shipments to the region being the port of Jebel Ali in Dubai, and then on to further destinations. The show had about 130 booths in total, and it is estimated that there were about 5,000 visitors at the show. This show was quite different than the other shows ACED has supported as the buyers were very direct and they were looking for new sources for product to diversify beyond their traditional suppliers. Some of the countries that expressed serious interest in Moldovan products were Oman, Lebanon, India, and Egypt. The Moldova booth (a standard 6X6 meter booth) was very well positioned with its niche strategy of promoting: **Moldova - Taste makes the difference.**



The overall response to the products that were shown was very encouraging from everyone who visited the booth and who sampled the products. There were a number of buyers who expressed an interest in getting trial shipments as the taste of the product really drove home the message of product differentiation. There have already been a few shipments of apples to the Gulf that have taken place and there are buyers who are also very keen on table

grapes (a Moldovan variety) with discussions currently under way regarding the new harvest which should create good movement to the Gulf. A lot of good market information was gathered regarding box sizes, varieties, counts and other market requirements, all which should enable us to move ahead aggressively in 2015. One important thing learned from this show is that shipments to the main port in the Gulf, Jebel Ali, is something that should not create a problem so long as the right packaging is used.

**Fruit Logistica Berlin (Feb 2015)** This is the largest fresh produce show in Europe and one that the ACED project has participated in for the past three years. FL offered a tremendous platform for the producers to exhibit their products as well as to educate and inform themselves on the latest technological advancements in machinery, packaging and labeling. It also gave them an opportunity to benchmark themselves against other supply countries. This year we had seven producers in the “Moldova” booth (Domultera, Codru, Basan Agro, Darurile Basarabiei, Viva Igna, Lefrucom and ComFruitFresh Coop) all of them included under the **Moldova – Taste makes the difference** banner. In addition to the producers themselves there was representation from the Moldova Fruct association (with Iurie Fala) along with five ACED project staff members. This year, as in previous years, ACED had arranged for a 39 square meter booth, with a customized stand that was built by Studio-A-Tak from Poland. This was the second time that ACED has used Studio-A-Tak for booth construction and they prepared a very attractive and professional looking booth.



The position of the booth was changed this year to the newly built City Cube within the Messe Berlin complex, which did not have good foot traffic as it was located off to one end of the main buildings and it was not easy to find. Moldova, Poland, Romania, the Czech Republic, Macedonia, Serbia and other Eastern European countries were all moved to this new exhibit area and none of these exhibitors were pleased with the results. Overall the commercial effectiveness was not strong as was hoped and this was mainly due to the new location although historically this show has never really produced strong sales. Despite the lack of sales it is important to have a continuity of presence with the Moldova booth.

**GulFood Dubai (Feb 2015)** GulFood Dubai has become one of the world’s largest food and hospitality shows and for the second consecutive year ACED, and its producer partners, proudly exhibited a full range of Moldovan products under the country banner **Moldova - Tastes makes the difference.** This year ACED secured a much larger (57 m<sup>2</sup>), and customized booth, with 11 individual podiums set up for each of the participating companies and organizations. A wide range of products were shown, including apples, table grapes, honey, dried fruit (both plain and chocolate/yoghurt covered), compotes, canned fruit and vegetables, fruit juices, sugar added nectars and a full range of dried apple chips.



This show was indeed a great one for the Moldovan producers and processors and it was possibly the best one to date for the entire ACED program. Irrespective of the products being shown, and continuously sampled, the common response to all of the products tasted was that these products are different. When asked what the difference is, the common response was that these products taste different and are somehow more natural tasting than other similar products from other sources. The participating companies included some of the major food processors from Moldova, such as Orhei Vit, Alfa Nistru, MMD (the baby food factory), Vioniservice, Coval&Co, Rustas, Apinatur and Casa Albini, along with the Moldova Fruct association. For the first time the Moldova booth had representation from MIEPO and the Invest in Moldova office to promote trade and investment in Moldova. In addition to those companies and associations there were five ACED personnel at the show to keep up with the strong interest and constant flow of visitors to the booth.

These trade shows continue to be a vital part of ACED's support for the producers and processors and it provides them with a commercial platform to promote their products. For Year Four ACED has changed the approach with these shows and has required a greater cost share on the part of the participants with both sides making a significant investment into the commercial process. ACED has covered the cost of booth construction and space rental and the producers have paid for their own costs for travel, lodging and M&IE. This has proven to be a very effective approach and only the serious producers who want to expand their business have participated. These sustained trade shows are crucial to provide the proper visibility for Moldova on the world stage driving home the message that Moldova is a small country that must be taken seriously based on its long standing agricultural heritage, dedication and most importantly the distinct taste of many of their fresh, dried and processed products. The slogan of **TASTE MAKES THE DIFFERENCE** continues to be extremely well received as the distinctly natural taste is something that continues to get praise wherever product is shown. The taste distinction is something that ACED will continue to promote during the final year of the ACED program with all trade shows focusing on the "Value Equation" of great tasting product at an affordable price and moving away from the price being the single most important factor. Moldova still needs to be very competitive but there is a need to justify why Moldova may not be the cheapest source out there based on the inherent organoleptic qualities which provides Moldovan products with differentiation.

As mentioned these trade shows have provided the producers the platform to promote Moldovan products which have found many new markets during the course of the year. Shipments have been made to Lebanon, Egypt, Bangladesh, Mongolia, Dubai and other U.A.E. countries as well as shipments to traditional EU markets such Germany, the U.K. and Spain. Most of these shipments were apples and, to a lesser extent, table grapes but honey generated great interest and walnuts were in big demand but in short supply.

During the year ACED also worked on understanding the overall logistical arrangements necessary for shipments to many new markets and the Team learned firsthand through support for trial shipments. Besides the securing of all of the relevant logistical information necessary, ACED was directly involved with test shipments that were in many instances funded by the ACED project. These test shipments were designed to help the Team, and the participating producer, learn all of the logistical details with actual shipments and to if there could be good arrivals made and other contributing factors. Some of the key logistical markets identified were the ports of Jebel Ali in Dubai and Alexandria for Egypt. In addition to the logistical understanding, the funds allocated by ACED for the freight component provided the producers with greater confidence and a willingness to expand into new

markets and “test the waters”. This was a very successful approach as good arrivals were made, confidence was built and, as in the case with Bangladesh where multiple shipments were completed, it proved that these are viable markets for sustained commercial activity.

During the year ACED work closely with Moldova Fruct during and prior to the international trade shows involving the planning and all other details to expose them further as to all that is involved with these larger shows. In addition providing them and connecting them with many of the leads from interested buyers so that they link the appropriate producer with the specific needs of the buyer to have the best probability for a successful commercial transaction.

During the year the “Quality Club” concept which was established within Moldova Fruct slowed down due to the Russian ban but this concept has now been revitalized with boxes having been secured. This concept, as has been conveyed in earlier reports, is a group of larger apple producers that want to establish themselves with a “quality club” brand which provides their products with a quality distinction and recognition in that each box is shipped and stamped with the quality club seal. This is a group of 10-12 producers that will probably grow in number during the course of Year Five. During the upcoming year ACED will continue to work on advancing the quality club, transferring the legal ownership of “Taste makes a difference” leading to distinct quality requirements over time.

During the year ACED also generated some very positive print media coverage, the most important of which appeared in EUROFRUIT magazine. ACED had agreed to purchase a series of three small quarter page ads in the magazine issues which came out before the World Food and Fruit Logistica shows. Following direct contact with the Managing Director of the company that publishes the magazine, and ACED’s support for a brief visit to Moldova for him, he prepared a four-page



extensive article on Moldova and its fruit industry which appeared in the January issue of EUROFRUIT. This article described the commitment that Moldova has made to the HVA agricultural sector, many of the advances that have been made and it described the taste profile of many its wonderful products. This of course was a follow-up to the visit to Moldova by Mr. Chris White (Managing Director of EUROFRUIT) who spent three days with various producers, the Moldovan Minister of Agriculture, the American Ambassador to Moldova and with ACED personnel.

One very interesting thing that has again become very clear is the appreciation of the vast array of products that Moldova has to offer. Although a great amount of time has been spent on the fresh side of the business, processed and dried products deserve equal recognition. Whether it be the dried whole plums or chocolate covered plums with walnuts or apple chips Moldovan products are truly exceptional in taste. There has been a shortage of walnuts this

year so almost all of the volume was locked up early with current supply contracts, but the demand for Moldovan walnuts continues to be high. The honey quality is very good and definitely it is appreciated in many markets and has great potential for export. It is important to note that in the future these need to be commodities that receive proper attention based on the upside potential and their value, recognizing that walnuts and honey sell for as much as twenty times the price per kilo as apples. With this being said ACED will continue to work with the beekeepers in Moldova and continue an exchange of experiences, such as with the beekeeper study tour to Serbia and a follow-up visit by the Serbians to Moldova.

As ACED continues to look to new markets to test and to further diversify Moldova's markets the Team is taking appropriate steps within the enabling environment relative to the markets in India and Egypt. It is important that Moldova establishes all of the necessary contacts and secures the needed approvals to commercially ship products. Unfortunately this seems to be a long process, but it must be completed. ACED has jump-started this process with completion of the Indian Pest Risk Analysis (PRA) form for apples which is presently being evaluated by the Indian plant protection agency. In addition there is ongoing contact with governmental agencies with efforts to expedite things through diplomatic channels.

Inward buyer visits continue to be an important part of ACED's market linkage approach whereby the project hosts serious potential buyers and customers in Moldova that have been met at the trade shows, or through discussions, to come and visit Moldova and meet select producers for the commodity of interest. This is an approach that has worked well in the past, but this year the approach has changed with ACED providing all of the necessary local planning, guided visits and follow-up with the potential customer paying for all of his own costs (airfare, lodging and M&IE). This approach has already been used with the two Indian buyers that have come to Moldova, as they have a very strong interest in securing apples and table grapes and are anxiously waiting for the new season assuming that all of the administrative details can be completed so they can proceed with commercial activity.

In summary this has been a very exciting year for both ACED and the producers, with lots of opportunities and challenges and continued expansion into new countries and new markets. The understanding that there is a need for change is slowly being digested by more and more of the producers. There is now very sound momentum in the commercial area, specifically with new markets such as India, Egypt, Lebanon, the U.A.E, and Bangladesh. ACED must continue this process in Year Five by driving sales into these new markets and establishing the fact that Moldova can make good arrivals. When Moldova can do this, even the change resistant producers will have to take notice and the expansion into new markets will grow more quickly and they will be able to realize better returns.

### **Activity 1.2: Upgrade Production to Meet Buyer Requirements**

ACED's Activity 1.2 is designed to help farmers and producer organizations upgrade their production and post-harvest handling skills and techniques based on training and technical assistance which addresses the gaps in their skills and abilities which were identified in the ACED value chain studies. Training modules have been developed and explained in detail in previous ACED Training and Demonstration Plans for the main HVA value chains that were assisted during the year: apples, table grapes, sweet cherries, plums, peaches, tomatoes, cucumbers and other vegetables. Training has also focused on other issues such as greenhouse operations and irrigation management. During Year Four, more than 1,350 new Moldovan farmers were trained, 783 of them reported that they adopted new techniques or practices and nearly 2,500 additional hectares of farm land are being farmed with improved

technologies or management. Of the new farmers trained a total of 565 were women and more than 250 of them reported the adoption of new techniques or practices.

**Apple Value Chain Activities:** During Year Four, the ACED Training Team provided training sessions to the Apple Value Chain in 11 separate communities which addressed the issues of: Tree pruning and management, Chemical thinning of flowers and apple orchard upkeep, Green operations and manual de-fruiting in orchards, New apple varieties, Fruit storage particularities, Planting of apple orchards and Preparations for wintering in apple orchards. All of these topics were presented by local national consultants engaged by the ACED project and a total of 351 apple farmers participated in these events.

A total of Four Farmer Field Days for apple farmers were also organized at ACED demo activity sites and these field days covered the following topics:

- ✚ Using the weather stations to determine optimal timing for IPM in apple orchards
- ✚ Harvesting techniques and quality parameters for apples
- ✚ Harvesting platforms & quality parameters for apples/new varieties
- ✚ Manual and mechanized pruning for apple trees

The four Farmer Field Days which are listed above attracted a total participation by more than 90 individual apple producers.

The major event for this Value Chain was the international study tour on Advanced Technology and Seedling Production which took place in the Netherlands and it was organized for 13 local producers and consultants, including one producer from a MCC CIS Zone (Jora de Mijloc). The participants on the study tour visited more than 10 production companies in the Netherlands, along with testing laboratories and certification bodies as part the Agenda. In this way the participants have been exposed to all of the important production technology components of the fruit seedling material production industry. The partner organization for this event, the Dutch company Holland Rosseta, was selected as a result of a free and open competitive bidding process.

In addition to the training events the Training Team produced and published six issues of the Apple Technical Bulletin, and these were distributed by mail to more than 500 apple growers around Moldova. These bulletins covered the following topics: Chemical thinning in apple orchards, Preventing fruit dropping, Intensifying apple colors with reflective film, Pre-harvest operations in apple orchards, The use of harvesting platforms, Preparations in apple orchards for wintering, Occasional diseases in apple orchards, Tree pruning, and the Harvest and market prognosis for the 2014 apple production season.

Also during Year Four, the ACED Training Team established an additional two demo activity sites for the apple VC which are dedicated to the Use of Harvesting platforms, Mechanical Pruning and New Cultivars in Super-intensive Apple Orchards (in Edinet) and Using Mechanical Planting Machinery in a Fruit Nursery (in Jora de Mijloc, a CIS Zone).

**Sweet Cherry Value Chain Activities:** The sweet cherry value chain is one that has seen an increased amount of interest on the part of the farmers. Sweet cherry training events were implemented in four separate communities this year. The trainings were focused on: Setting up new sweet cherry orchards and winter preparations; New sweet cherry varieties; Harvesting and post-harvest handling processes; Pre-cooling technologies; Anti-rain, anti-hail and irrigation systems; IPM and fertilization systems for sweet cherry trees; Dwarf sweet cherry tree management in intensive orchards and Cherry pruning and canopy formation in

orchards. All of these topics were presented by local national or international consultants and the training sessions attracted a total of 61 individual participants.

Six Farmer Field Days were also organized at the demo activity sites which ACED has established for the Cherry Value Chain and these covered the following topics:

- ✚ Cherry Harvesting Techniques and New Sweet Cherry Varieties
- ✚ Modern Cherry Orchards, New Varieties of Sweet Cherries, Trellis System
- ✚ Setting up New Modern Sweet Cherry Orchard (2 field days)
- ✚ Peculiarities of Pruning for Sweet Cherry Trees for the 2015 Season
- ✚ Winter Pruning and Canopy Training for Sweet Cherries

The six Farmer Field Days which are listed above attracted a total participation by more than 184 individual sweet cherry producers.

A Technical Guide titled “Intensive Sweet Cherry Production and Post-Harvest Handling” which has had as its main author Dr. Lynn Long from Oregon State University, was published and distributed by ACED to more than 1,000 cherry producers this year.

**Plum Value Chain Activities:** Trainings for producers in the plum value chain were organized in five communities and they focused on: Plum tree pruning and IPM, Plum orchard planting, Particularities and preparations for wintering, Green operations and manual thinning of plums; Plum varieties; Fruit harvesting and Pre-cooling. All of the topics were presented by local national consultants with a total audience of 140 participants.

Two Farmer Field Days were also organized at the demo activity sites which ACED has established for the Plum Value Chain and these covered the following topics:

- ✚ Harvesting, storage and new cultivars of plums
- ✚ Plum processing drying/freezing (at Vrabii Victor FF)

The two Farmer Field Days which are listed above attracted a total participation by more than 44 individual plum producers.

Another important event for the Plum producers organized by the ACED Training Team this year was an international Study Tour on Advanced Technologies in Plum Production with 14 plum producers and national consultants travelling to Germany on this tour. In general terms, this study tour was designed to give the Moldovan plum growers, and local national consultants for the plum value chain, an opportunity to observe modern production and post-harvest practices, and to acquire the necessary tools and knowledge for the implementation these technologies and techniques for plum production in Moldova.

A new Plum Production Guide was published by the ACED Training Team and it was distributed to more than 1,000 plum producers this past year.

**Peach Value Chain Activities:** Training events for the Peach Value Chain were implemented in four separate communities and these events focused on the following topics: Peach production; Pruning and IPM techniques; Peach orchard planting; Particularities and preparation for wintering; Green operations and manual thinning; New varieties of peaches and Harvesting and post-harvest peculiarities. All of these topics were presented by local national consultants with a total audience of 62 participants.

Two Farmer Field Days were also organized at the demo activity sites which ACED has established for the Peach Value Chain and these covered the following topics:

- ✚ Green operations and manual thinning of fruits
- ✚ Specifics of fruit harvesting and pre-cooling, new peach varieties

The two Farmer Field Days which are listed above attracted a total participation by 23 individual peach producers.

During the reporting period a number of issues of the Stone Fruit Technical Bulletin were prepared, printed and distributed by mail to nearly 500 farmers. These bulletins covered such topics as: Pruning of plum and peach trees, Green pruning of peach and plum trees, Quality requirements for fresh plums, the UFO system for cherry tree formation.

**Table Grape Value Chain Activities:** During In Year Four the ACED Training Team provided table grape value chain training activities in six separate communities around Moldova which were focused on: Table grape vineyard planting particularities, Table grape pruning and vine training, Green operations in table grape vineyards, Table grape crop quality management and Table grape harvesting and post-harvest care. All of the topics in these training sessions were presented by local national consultants and ACED recorded a total audience of 356 participants for these events.

Eleven Farmer Field Days were also organized at the demo activity sites which ACED has established for the Table Grape Value Chain and these covered the following topics:

- ✚ The use of weather stations. Green operations in table grape vineyards
- ✚ Techniques for quality enhancement of table grapes. Gable system construction.
- ✚ Techniques for quality enhancement of table grapes.
- ✚ The usage of anti-hail systems and green operations in table grape vineyards.
- ✚ Thinning as an important technique in table grapes vineyards.
- ✚ New table grape cultivars and Using gable systems in vineyards.
- ✚ Harvesting & quality parameters for table grapes. New varieties of table grapes.
- ✚ Harvesting & quality parameters. New varieties. Preparing anti-hail nets for winter.
- ✚ Harvesting & quality parameters. New varieties. Calcium treatments and girdling.
- ✚ Setting up new table grape vineyards. Introducing a drip irrigation system.
- ✚ Winter pruning in table grape vineyards.

The Farmer Field Days which are listed above attracted a total participation by nearly 320 Moldovan table grape producers.

**Vegetable Value Chain Activities:** During Year Four the ACED Training Team provided training events on tomato and cucumber production and on post-harvest handling in six separate communities which focused on: Growing seedlings, Production technology in the first cycle, Technology of tomato production in the single vegetative cycle, Greenhouse tomato and cucumber protection, Tomato production technology in the second vegetative cycle and Greenhouse construction under the conditions in Moldova. ACED's national and international consultants presented these topics to 389 total participants.

Thirteen Farmer Field Days were also organized at the demo activity sites which ACED has established for the Vegetable Value Chain and these covered the following topics:

- ✚ Energy conservation techniques by using double-layer cover film
- ✚ Technologies of tomato production using cover film (mulch) with fertigation
- ✚ Double layer cover film
- ✚ Production results of improved greenhouse design: ventilation and shade covers
- ✚ Production results of using cover film (mulch) with irrigation in tomato production

- ✚ Improved greenhouse model with artificial ventilation
- ✚ Cucumber production in open fields, using a support system
- ✚ Mulching and drip irrigation in greenhouse
- ✚ Energy conservation techniques using a double-layer cover film
- ✚ Cucumber production in open fields, using a support system
- ✚ Cucumber production in open field. Integrated Pest Management.
- ✚ Energy conservation techniques using a double-layer cover film
- ✚ Impact of LED lighting on cucumber seedling production

The Farmer Field Days which are listed above attracted a total participation by nearly 310 Moldovan vegetable producers.

One of the most important events of Year Four for the vegetable value chain was the international Study Tour to Turkey on *Advanced Technologies in Tomato Production and Post-Harvest Handling* which was organized by the ACED Training Team for 13 tomato producers and local national consultants. In general terms, the study tour was designed to give Moldovan tomato and cucumber growers, and local national consultants for these value chains, an opportunity to observe modern production and post-harvest practices, and to acquire the necessary tools and knowledge for the implementation these technologies and techniques for vegetable production in Moldova. The core topics included in the itinerary were related to the entire tomato value chain, e.g. production, harvest, post-harvest handling and marketing. With this broad coverage of issues and topics the participants on this study tour were able to gain a good understanding of important production components.

Another event which took place during the month of April 2014 was the Study Tour to Zarechye, in the Ukraine, on *Advanced Technology for Early Vegetable Production*. Twenty four participants, including two national consultants accompanied by two ACED staff members, visited research demonstration plots in the Zarechye region which have been established by the Rikj Zvann company. Besides these visits, the Moldovan vegetable producers had an opportunity to visit local farmers and observe these technologies and practices in use for their production of early cabbage and sweet pepper. Two consultants from Rikj Zvann lead the group and shared their expertise during the event.

During the reporting period twelve issues of the Tomato Technical Bulletin and six issues of the Cucumber Technical Bulletin were reprinted and distributed to vegetable producers.

### **Activity 1.3: Upgrade the Moldovan HVA Value Chain**

ACED has developed and implemented a virtual Value Chain Support Center (VCSC) that provides technical assistance for producers, producer groups, and agribusinesses ready to expand and develop new and existing businesses in the HVA sector, but which require specific services and interventions beyond the scope of training and technical assistance provided under Activity 1.2. The VCSC provides a cost-share for consulting assignments to support initiatives that are within the strategic interest of ACED target value chains.

The VCSC provides its support through pre-qualified local and international BSPs operating in Moldova. Pre-qualification was completed in Year One and application and qualification remains open for new BSPs wishing to provide services. Currently, the list of pre-qualified BSPs includes nearly 20 companies (including one from Transnistria) and announcements continue to be placed in national mass-media outlets to increase the number of pre-qualified BSPs in other fields, such as marketing services and food safety & quality systems. The

VCSC maintains ongoing communication with the pre-qualified BSPs by sharing ACED-developed materials and other information that can help them deliver better services.

During this reporting year, a total of 15 Memorandums of Understanding (MoUs) have been signed with various value chain entities regarding the cost-sharing of consulting services provided by local or international BSPs. Eight of those focused on feasibility studies or business plans, with most eligible for MCA AAF financing, including the following:

- ✚ Constimax Ltd – This table grape grower has received assistance for the development of a business plan and an environmental assessment/mitigation measures for a cold store and pre-cooling facility (potential AAF financing).
- ✚ TerraVitis Ltd – This fruit and table grape grower has received assistance for the development of a business plan for a cold store and packing area. He will apply for AAF and JPNGA financing for this new facility.
- ✚ Manole Vasile GT – This table grape grower has received assistance for the development of a business plan and an assessment/mitigation measures for a new cold store facility (potential AAF financing). Additionally, the grower was assisted to apply for the ODIMM guaranty scheme to bridge the collateral requirements for the loan.
- ✚ AMV-Grape Ltd – This table grape grower has received assistance for the development of a business plan that includes the installation of a drip irrigation system and planting of new vineyards to be grown under pergolas, a type of trellis system for supporting the vines that is new to Moldova, but has proven to be successful in all of the major grape producing countries (potential AAF financing).

A series of growers have also been assisted directly by ACED staff using the experience of previously implemented demonstration activities or supported projects:

- ✚ Ceteronis Ltd (Gura-Bicului, MCC CIS zone) – This fruit and grape grower received on-the-job training and was linked with various technology suppliers in their efforts to diversify the business by investing a new two hectare greenhouse.
- ✚ Rusmiliud Ltd ( Jora de Mijloc, MCC CIS zone) – This fruit grower plans investments in a new large-scale fruit drying facility.
- ✚ Amonti-Agro Ltd – This sweet cherry grower plans investments in a new cold storage facility, with a hydro-cooler and a fruit grading line.

In response to changes in HVA sector needs and priorities, during Year Four the VCSC diversified its range of support activities by adding more emphasis on production consultancies, support for the implementation of international quality and food safety standards and the development of marketing and promotion tools.

Following the successful ACED-supported registration of gibberellins (GA3 and GA4+7) in Moldova, for use on Apples and Table Grapes, during Year Four a team of national consultants was engaged to support growers that piloted the use of this technology in their orchards and vineyards. According to data provided by L.Gobbi, the Italian partner for this activity, in 2014 the technology was applied by 20 apple growers on an estimated area of 250 hectares, and by 18 table grape growers on an estimated area of 150 hectares. Field visits to participating growers confirmed positive results on fruit quality following the application of gibberellins, and the results were demonstrated to the larger grower community during training events organized in September 2014 and February 2015.

For the 2015 production season, the VCSC has signed MoUs with two groups of Moldova-Fruct members which have agreed to cost-share a series of short consultant assignments, to take place throughout the production season, by international fruit production advisors from the foreign companies Avenir-Qualite (France) and Griba (Italy). As per the terms of these MoUs, ACED will cover the travel-related costs for the international consultants (air fares, lodging & per-diem) and will also provide translators for the consultants for their time in Moldova. The host organizations will be responsible for all other costs related to these assignments, such as the consultant fee(s), local transportation and any miscellaneous costs. The first visits took place in January and February, and these intermittent assignments will continue at critical production stages until the end of the season in October. This exercise also represented a capacity building opportunity for ACED staff and the Moldova-Fruct training coordinator that participates in the field visits.

A similar MoU was signed through the VCSC with the Moldova-Fruct Association itself regarding the organization of a series of training sessions to be led by three leading European experts. On March 27<sup>th</sup> and 28<sup>th</sup>, Mr Onno Schaap from the consulting firm Aquagri (from Portugal), conducted a series of seminars on irrigation management for fruit orchards. The participants received practical recommendations on assessing crop water requirements, determining soil humidity and scheduling orchard irrigation. Currently more than 100 weather stations are in use in Moldovan orchards for crop protection, but less than 10 are equipped with soil humidity sensors. Based on the information presented by Mr Schaap it is hoped that these seminars will change this situation and more farmers will add soil humidity sensors to their weather stations. This will require minimal incremental investments from the growers. Each of the 45 attending growers paid a fee of 500 Lei to Moldova-Fruct to assist with covering its cost-share for the assignment. These seminars are one example of the types of activities that the association can in the future use to strengthen their institutional sustainability. Thinning and Calcium Nutrition seminars, with experts from L.Gobby (Italy), and Decision Support Systems for Crop Protection seminars by RIMpro (the Netherlands), are planned for April and May 2015.

In May 2014 the VCSC and Orhei-Vit SA, a leading Moldovan cannery and juice processor active in MCC CIS zones on Nistru river, signed an MoU for the development of a series of new product brands targeted at both the local and export markets. It is expected that this new branding and marketing campaign will be implemented by Orhei-Vit over the course of the 2015 marketing season. A similar assignment was successfully implemented with the Com-Fructreş Marketing Coop that used the services to develop a marketing brochure that was used during its participation at the Fruit Logistica show in Berlin in February.

Following the successful implementation of Orhei-Vit branding assignment, the VCSC and this processor have launched the implementation of an "IFS Food" quality & food safety program at the company, as part of the processor's strategy to enter Central European markets with retail products. Retail chains operating in these markets have indicated that IFS certification is a prerequisite for any large orders.

During Year Four, ACED continued to maintain the VCSC website which is known as [AgroConect](#), which includes the profiles of the qualified service and technology suppliers, a description of the services and goods they offer, contact information, and articles on how their services and technologies could be implemented to increase the competitiveness of the Moldovan HVA sector. Discussions are ongoing with the Moldova-Fruct Association regarding transfer of the website to Moldova Fruct after ACED close-out.

***Improve HVA Financing, Especially Through the AAF Program***

Several business plans which were cost-shared by the VCSC, such as those for Petru Maler Family Farm from the Jora de Mijloc community (MCC CIS zone) and Constimax Ltd from the Budesti community, were approved by the banks applied to and long-term loans have been awarded to these companies under the terms of the MCC Access to Agricultural Finance (AAF) program. The funds received from these loans were used for expansion of the existing cold storage units or the construction of new ones. Several other loan applications are at various stages of review by AAF-participating banks. During its production training events the ACED Team continued to inform the participating growers of the opportunities offered to them by the AAF loan program and by the AAF-2KR leasing program (since its launch in March 2015).

Four producer groups created or strengthened through the ACED Joint Marketing Program (see below) were approved for grant financing by the Moldova Agriculture Competitiveness Project (MAC-P) financed by the World Bank, and they have obtained bank loans to finance their required matching contribution for the investment budget. For example, the Basan-Agro table grape cooperative from Cimislia has obtained a long-term loan of six million Lei (\$450,000) from MAIB (MoldovaAgroindbank) which is their match for the \$350,000 MAC-P grant, and they have begun construction of a table grape and stone fruit cold store.

***Demonstrate Critical Value Chain Investments***

The installation of the sweet cherry pre-cooling demonstration activity at the Farm-Prod cold store in Olanesti, Stefan-Voda raion, was been completed in June 2014. The first Farmer Field Day for this demo activity, with the participation of more than 60 growers and cold store operators, was held on June 13<sup>th</sup>. Best practices for cherry harvesting, pre-cooling and packing were demonstrated and explained during the field day, and the participants were able to observe the installation of the pre-cooler in the Farm-Prod cold store. The event was also attended by Rodica Miron (ACED's COR at the USAID Mission) and Valeriu Cosarciuc, who is a member of the MCA Moldova Consultative Group. The picture at the right shows the local consultant engaged for this field day, and the ACED Food Safety Specialist (Andrei Cumpanici) in the orchard with the participants.

The design of a sweet cherry packing and sorting demonstration activity in Gura Bicului, Anenii Noi (MCC CIS zone) has been finalized with support from the American STTA consultant Marlene Long and all the needed equipment has been procured. The purpose of this ACED demonstration activity, to be fully implemented by June 2015 is to show the positive impact that proper cooling, sorting and packing, in a dedicated packinghouse, can have on the productivity and competitiveness of Moldovan sweet cherry producers. This demo activity will compare this system with sorting and packing done by the pickers, which is the traditional method applied in Moldova. According to Ms Long, the experience of the world's leading sweet cherry growing countries is that such a re-organization of the work flow drastically increases productivity of the pickers (leading to reduction in picking costs) and it makes the product more appealing to both buyers & consumers (leading to a higher price).

In September the ACED Value Chain Team organized a Farmer Field Day on the theme of the Peculiarities of Harvesting and Storing Apples and Quality Requirements. This event was organized in Jora de Mijloc, Orhei raion, at the recently expanded cold storage facility of Petru Maler FF. ACED has supported this MCC AAF-financed project by helping the farmer develop the business plan, while the refrigeration equipment supplier chosen by Petru Maler was also intensively trained through the ACED Value Chain Development program. The

event was attended by 25 of the leading producers from one of the irrigation zones where the MCC Compact has been implementing the rehabilitation of a Centralized Irrigation System. In addition to the cold chain technologies, ACED and its partners in this activity demonstrated how the use of harvesting platforms increases harvester productivity and reduces the incidence of bruises on the fruit during harvesting.

From September 22<sup>nd</sup> to the 27<sup>th</sup> 2014, the ACED Value Chain Team supported the Moldova-Fruct Association with the organization of a study tour to Poland which focused on the harvesting, storage and packing of apples. The 17 growers that participated (mostly new members of the Association) had an opportunity to observe first-hand the use of best practices in apple production by the leading Polish growers and cooperatives.

The Value Chain Team has provided guidance to Lolly Berry Ltd to obtain all of the Ministry of Agriculture and National Food Safety Agency permits needed for the import of blueberry plants for the establishment of the first commercial blueberry production fields in Moldova. The farm will be used for the official testing and registration of the first blueberry varieties to be included in the National Catalogue of Plant Varieties, thus clearing the way for the wider adoption of this crop that has excellent opportunities on local and export markets.

Based on the recommendation of American STTA Richard Dale (November 2013), ACED in partnership with Lolly-Berry Ltd designed and initiated the implementation of the “Blueberry Production” demonstration activity that includes the establishment of the first commercial blueberry plantation in Moldova. There are indications that the plantation, which was established in late fall 2014, has survived the winter very well, squashing doubts regarding the ability of blueberries to survive Moldovan winters. The pictures below show the irrigation system in place along each line of bushes and the emerging green tips.

An application for the official testing and registration of six blueberry varieties, in the National Catalogue of Plant Varieties, was submitted to the State Variety Testing Commission. The varieties were accepted for official testing and a consulting agreement with a local berry expert was signed to assist ACED and its partner in carrying out the trials.

The Value Chain Team has prepared a demo activity concept paper for a modern post-harvest research laboratory that will be established in partnership with the Technical University of Moldova (UTM). The laboratory, which could be operational by July 2015, will accelerate the piloting and adoption of modern post-harvest techniques and solutions that are required for the Moldovan HVA sector to be competitive in export markets. The first priorities for the PHH Lab will be research on the shelf-life potential of recently introduced sweet cherry and peach varieties, in combination with modified atmosphere packaging.

### ***Association and Collaboration among Value Chain Entities***

Since its launch, ACED has been active in stimulating the formation and development of various horizontal and vertical forms of cooperation through a series of roundtable discussions of findings of the Project’s End Markets Studies, as well as the effectiveness of the current Moldovan value chain structure.

To respond to the demands for assistance from groups of farmers, in 2013 ACED designed and implemented a program which extended through August 2014 to Support the Creation of Joint Packing and Marketing Activities in Moldovan HVA Value Chains. Two selected sub-contractors (PromoTerra and AGROinform) provided support to 18 groups of farmers interested in joining together and exploring opportunities to establish formal joint post-harvest handling and marketing operations. As part of this, participating farmers were exposed to the

best international and local practices in establishing such operations and the feasibility of various business models. During the process various scenarios were evaluated, business plans will be developed, and support for organizational registration was provided.

After the completion of the development program through PromoTerra and AGROinform, ACED continued to provide assistance customized to the needs of the producer groups. Representatives of the Cahul & Cimislia groups participated in the IndAgra and Fruit Logistica shows organized by the Marketing Team and Cimislia & Varatic were chosen by the Training Team as sites of season-long production trainings, with the ACED producer groups serving as a host of these events. Assistance was offered to four groups that applied for long-term financing for post-harvest investment projects (for details, see section *Improve HVA Financing, Especially Through the AAF Program* above).

ACED has encouraged and guided the Moldova-Frukt Association in its successful application to the USAID-funded “Civil Society Support for Moldova European Integration” grant program being implemented by FHI360. Through this project the Moldova-Frukt Association will increase the level of knowledge and awareness of its members and other fruit producers from the Northern regions of Moldova about the advantages and benefits of the EU-Moldova Association Agreement. The Association will also carry out a study visit to Poland for 15 Association members in May 2015 and based on the gathered information Moldova-Frukt will elaborate a study on advantages and benefits of EU integration for Moldova fruit growers. All of the information gained and the practices learned will be presented during five regional workshops and one National Conference.

ACED has worked with USAID and nominated seven young growers for participation in the Open World Program on Marketing through Producer Organizations. The nominations came from the producer groups that are actively working with ACED on joint marketing activities, and the list includes two growers from the MCC financed CIS zones. All USAID-ACED nominations were approved, and the study tour is planned for April 29 - May 9, 2015.

#### **Activity 1.4: Improve the Enabling Environment for HVA**

ACED’s Activity 1.4 seeks to improve the competitiveness of the HVA value chain, and increase access to markets, by creating a more market-responsive local policy environment. Major challenges include restrictive import licensing requirements and tariff protection for the domestic industry. ACED focuses on the enabling environment for the HVA sector and specifically on limiting the harmful effects of regulations and on SPS issues. Previous donor work in the policy area has been extensive, so ACED considers these previous efforts and targets two or three tangible, high-return policy refinements each year. In the interest of building local capacity and ensuring sustainability, ACED works with HVA producer associations, implementing government agencies, and other stakeholders to make changes in legislation and turn high-potential, high-return policy concepts into instituted programs.

The ACED project is implementing two Sub-Activities under this component: Sub-Activity 1.4.1 - Improving the Enabling Environment for Moldovan HVA, and Sub-Activity 1.4.2 - Strengthening the SPS system and implementing Food Safety & Quality Standards.

#### **Sub-Activity 1.4.1 - Improving the Enabling Environment for Moldovan HVA**

The ACED activities seeking to reform the system of testing and registering of new plant varieties in Moldova continued this year with an international consulting assignment. The final version of the consultant’s report - Assessment of Plant Variety Registration in Moldova

– was prepared by Ms. Ivana Dulic-Marcovic, an ACED short-term consultant from Serbia. The report was submitted to the Ministry of Agriculture and Food Industry (MAFI) in April. Accompanying Ivana's report, and her recommendations for changes to the testing and registration system in Moldova for plant varieties, MAFI received an appeal developed by the local NGO known as AID, the sub-contracting company managing the advocacy campaign supported by the ACED project, and this appeal was signed by all of the main stakeholders and industry associations with the objective of stimulating the government to make the necessary system improvements.

Later, in June, the ACED DCoP attended a meeting organized by Gheorghe Gaberi, Deputy Minister of Agriculture on the testing and registering of new plant varieties in Moldova. A presentation was offered by Italian experts on plant testing, registering and breeding which once again confirmed that the Moldovan system for plant registration is a brake on agricultural development. At this meeting Ion Perju had a separate discussion with Mr. Gaberi and they agreed to organize another workshop on this subject for debates with the participation of agricultural producer representatives, the science community and MAFI representatives in order to find the best way forward.

Another important meeting with Gheorghe Gaberi, Deputy Minister of Agriculture, the DCoP had during a business lunch offered by ACED in Bucharest, Romania. Among the most important subjects discussed during the meeting, the testing and registering of the new plant varieties issue was one of the most important. Mr. Gaberi promised to create a specific commission with involvement of the agriculture producers' representatives in order to find a way to legalize the varieties which are under production but are not registered yet. Also the commission will make a requirement to the state commission responsible for plant variety testing, to withdraw the requirement for the DUS test. Also discussed was the subject of the Milano 2015 exhibition and ACED's potential involvement in this important activity. Deputy Minister Gaberi proposed the organization of a meeting in order to discuss in more detail ACED's support for agricultural producers to participate in this international show.

The public-private dialog organized by Mr. Perju during a session of the MAFI's Commission for Horticulture Development was chaired by Deputy Minister Gaberi on December 11<sup>th</sup>. The representatives from the Horticulture institute, the State Agriculture University, the State Commission for Testing and Registering of new plant varieties as well as private sector representatives debated the issue of the procedures for testing and registering new plant varieties for more than two hours. The main resistance and barrier to simplifying the registering procedure is the Moldovan scientific society, represented by the Horticulture Institute staff. The main conclusion of the meeting was that members of the commission could examine the possibility of accepting new plant varieties, avoiding the required testing period, only in cases where these varieties will not benefit from the state agricultural subsidy fund and would be produced at the agricultural producer's risk. Also, the varieties which are not tested according to the existing legal basis cannot be multiplied in Moldova.

On December 24<sup>th</sup>, 2014 the Minister of Agriculture and Food Industry, Mr Vasile Bumacov, signed an order for the establishment of a working group responsible for the improvement of the system to assess new plant varieties to be included in the national variety catalog. The ACED Deputy Chief of Party, Mr Ion Perju, as a member of this working group, attended working group meetings organized on January 13<sup>th</sup> and 31<sup>st</sup>. After long discussions and debates, the members of the working group decided to include in the National Catalog 36 new varieties of fruit trees and bushes, 14 varieties of grapes, including 6 varieties of table

grapes and 17 varieties of fruit rootstocks. Almost all of these varieties are now under production in the territory of the Republic of Moldova. Minister of Agriculture, Vasile Bumacov, approved the minutes of the working group which were signed by all of the members, including Mr Ion Perju as the ACED representative, and at the beginning of March the revised National Catalog was published.

A Scope of Work (SoW) for Regulatory Impact Analyses and legal drafts of new legislation for the additional 14 International Standards for Phytosanitary Measures (ISPMs) requested by the Ministry of Agriculture was developed and sent to USAID for approval. This SoW was designed following the Minister of Agriculture's request for assistance with preparing the RIAs and the legal drafts for these ISPMs. This activity was closely related to the plans for Moldova to sign the Deep and Comprehensive Free Trade Agreement (DCFTA). After long discussions the Business Research Company (BRC) has been selected, on a sole source basis, due to the fact that it has unique capabilities in Moldova for completing these tasks. Their staff includes experts who have successfully implemented the most comprehensive, well known and effective regulatory reforms in Moldova.

A meeting on Regulatory Impact Assessment development, and the development of legal drafts for the additional ISPMs requested by the Ministry of Agriculture, was organized at the BRITE project office in July. Corneliu Rusnac, the USAID project manager standing in for Rodica Miron, and members of RIA Secretariat, also attended this meeting. The main objective of the discussion was to clarify if the methodology and Level of Effort (LOE) for these tasks as proposed by BRC are correct and reasonable.

After much discussion it was concluded that the technical and financial proposal offered by BRC is realistic, but as an alternative ACED could announce a call for resumes in an attempt to find other experts in RIA analysis. The announcement was placed on a popular Moldovan jobs web site for one week but, unfortunately nobody applied. As result, the ACED DCoP organized a meeting with BRC in order to renegotiate the proposed financial offer. After much debate it was agreed that the financial offer and the LOE would remain the same but BRC, at their own cost, will organize a two-day training seminar on RIA development for civil servants from the Ministry of Agriculture. It was expected that this activity would start by the end of August but, due to the new circumstances and the significant increase in the level of ACED's marketing activities this assessment will be hold on until there is a discussion with MAFI on the necessity to move ahead with the additional RIAs for the 14 ISPMs.

The ACED DCoP, Ion Perju, held a meeting with representatives from the Ministry of Agriculture's Phytosanitary Department on issues related to the ISPMs for which ACED provided support via the development of RIAs and legal drafts. Ms. Tamara Roznerita, the person responsible for this issue, related that the legal drafts for these laws, to harmonize them with the relevant ISPMs, have been submitted for approval to several ministries. This process has taken this long because, in parallel with harmonizing them to the ISPMs, these regulations also had to be harmonized with several EU directives. The Moldovan Government and Parliament were expected to approve all of these modifications by the end of November 2014. Ms. Roznerita has asked the ACED project to organize a meeting with USAID representatives, ACED staff and Minister Bumacov in order to discuss in more detail the future steps needed to be taken by ACED to assist with the development of the RIAs and the legal drafts for the additional 14 ISPMs.

Regarding first eight RIAs, and the legal drafts for the ISPMs which were developed and delivered to MAFI in 2013, ACED can report the following impact:

- ✚ ISPMs No. 7, 8, 12, 20 and 23 were incorporated in Law No. 228 regarding plant protection and phytosanitary quarantine, and sent to the Government and Parliament for approval. Currently, due to the Moldovan Parliamentary election on November 30<sup>th</sup>, 2014 Law No. 228 has been sent back to MAFI for revision by new Government
- ✚ ISPM No. 15 was incorporated in Government Decision No 594 from 2011, on approval of the special requirements for entering and the movement of plants, plant products and other objects in the Republic of Moldova and shortly it will be sent to the Government for formal approval.
- ✚ Legal drafts of ISPMs No. 28 and 31 were sent to the NFSA and became a part of the internal procedures of the phytosanitary system.

At this point in the life of the ACED project there are two new NFSA internal procedures:

1. **“Inspection of Agricultural Products for Export”** – It is the internal procedure of the NFSA which is based on ISPM No 7 **“Phytosanitary Certification System”** and No 23 **“Guidelines for Inspection”**. This procedure was developed as a result of regulatory impact analysis and legal draft developed with ACED support for these ISPMs.
2. **“Issuance of Phytosanitary Certificates for Export and Re-export”** – This is the internal procedure of the NFSA which is based on ISPM No 12 **“Guidelines for phytosanitary certificates”**. This procedure was developed as result of the regulatory impact analysis and legal draft developed with ACED support for ISPM No 12.

The ACED project and the European Business Association (EBA) organized jointly a workshop on April 11<sup>th</sup> on the topic of agricultural product export and import barriers to/from the European Union. The main subjects of discussions were focused on phytosanitary certificate procedures for exports and export quotas for specific agricultural products. About 15 agricultural producers/exporters participated in this event and actively took part in the discussions. The main conclusion from the workshop was the need for ACED to continue the advocacy campaign supported by the project focusing on the main constraints that the agricultural producers and exporters are facing.

International Consultant Rick Ernst spent three days with the ACED project while he was in Moldova on an assignment with the World Bank during October 2014. The main activities and objectives of the assignment were to review the progress on reforms relative to the key regulatory issues identified by ACED and to provide advice on planning and implementing future advocacy campaigns. During round table discussions organized by ACED on October 23<sup>rd</sup> the following constraints for HVA development were debated:

- a) Access to underground water for irrigation purpose;
- b) The process for testing & registering new types of fertilizers;
- c) Double taxation imposed on producer group members;
- d) Phytosanitary export certification procedures.

Representatives from the Ministry of Agriculture, Mr Mihai Suvac and Ms Tamara Roznerita, also took an active part in the discussions. The ACED project received the final report from STTA Ernst for his three day assignment during October and based on Dr. Ernst's suggestions it would be most useful to do a deeper analysis on the issues related to access to underground water for irrigation purposes and the process for testing & registering new types of fertilizers. The double taxation imposed on producer group members also remains

an issue for HVA producers but it is unclear what an ACED-supported advocacy campaign could do relative to this constraint. In any case, an analysis of the existing legal basis for the law, and proposals for amendments, could be useful.

The discussions at the roundtable, as confirmed by information from other sources, revealed that the phytosanitary export certification procedure does not constitute a major barrier for exporters. It may be necessary to examine the exact process, and to cost it out (using Standard Cost Model approaches), to see whether it can be further streamlined. But it does not present a target for any future advocacy campaign.

The ACED DCoP, Mr Ion Perju, attended a meeting convened by the Moldovan Prime Minister, Mr Iurie Leanca, on the Russian ban on the import of Moldovan fresh fruit. The Prime Minister presented the plans being developed by the Government to provide support for agricultural producers and processors. At the same time the Prime Minister asked the donor community, and international projects, to offer whatever support to the agricultural sector they could to promote Moldovan products in the EU market.

### **Progress on Regulatory reforms**

Following the debates and discussions under the advocacy campaign, organized by the ACED project and industry associations with the Ministry of Agriculture, all of the socio-economic and economic arguments and analyses have been presented to the Ministry for elimination of, or revisions to, the existing constraints with a view to enhancing the environment for high-value agriculture in Moldova. An advocacy campaign for a range of constraints was organized during calendars 2013 and 2014 and eventually some of the regulatory reforms have been adopted by the government. These include revisions to the import duties for insulated panels, greenhouses, and cardboard boxes and cases, as well as improving the system of new plant variety testing and registration.

#### 1. Ambiguous regulation of access to lake water for farmers, for irrigation purposes

The ***“Regulation on the Use of Waters from Water Accumulations for Community Needs, Irrigation and Fish-farming”*** No. 807 of 16.10.2013 was developed and approved. This regulation sets out the basic rules for the use of waters from lakes and other public basins, allowing free access by farmers to water depending on their needs, as proposed by the project and industry associations.

See: <http://lex.justice.md/index.php?action=view&view=doc&lang=1&id=349955>

#### 2. Inspection of Agricultural Products for Export

This is the internal procedure of the NFSA which is based on the International Standards for Phytosanitary Measures No 7 **“Phytosanitary Certification System”** and No 23 **“Guidelines for Inspection”**. This procedure was developed as result of the regulatory impact analysis (RIA) and the legal draft developed with ACED support for ISPMs No 7 and No 23.

#### 3. Issuance of Phytosanitary Certificates for Export and Re-export

This is the internal procedure of the NFSA which is based on the International Standards for Phytosanitary Measures No 12 **“Guidelines for phytosanitary certificates”**. This procedure was developed as result of the regulatory impact analysis (RIA) and legal draft developed with ACED support for ISPM No 12.

#### 4. Import Duties for Insulated Panels, Greenhouses and Cardboard Boxes

According to the Law on Customs Tariff No. 1380 of 20.11.1997, which was recently amended and became effective on 01.01.2015, the following tariff rates were modified:

<b>Tariff Code</b>	<b>Description of the Goods Affected</b>	<b>Tariffs before amendments</b>	<b>Starting with 01.01.2015</b>
7308 90 510	insulated panels (metal-faced insulated panels)	15%	0%
9406 00 310	greenhouses and accessories thereof (prefabricated structures)	10%	0%
4819 10 000	cardboard boxes and cases	12%	11% (from 01.01.14)

The situation for cardboard boxes and cases remains much the same, with just a 1% decrease in the tariff for the import of cardboard boxes.

See: <http://lex.justice.md/md/354306/>

#### 5. Compulsory registration of plant varieties

As a result of the advocacy campaign on improving of the existing system for the testing and registration of new plant varieties, Government Decision No. 964 of 04.12.2013 was adopted to supplement section 29 of the Regulation on Testing and Introducing New Varieties in the Catalogue of Plant Varieties. This has reduced the term of the testing for agricultural crops from three years to one year “in the same conditions, for the varieties listed in the EU Common catalog of plant varieties”. See: <http://lex.justice.md/md/350548/>

The National Catalog, published in March 2015, was updated with 36 new varieties of fruit trees and bushes, 14 varieties of grapes (including 6 varieties of table grapes) and 17 varieties of fruit rootstocks. Almost all of these varieties are now under production within the territory of the Republic of Moldova.

See: [http://www.maia.gov.md/public/files/catalogul%20soiurilor%20de%20plante/Catalog\\_2015\\_Text\\_Tipar.pdf](http://www.maia.gov.md/public/files/catalogul%20soiurilor%20de%20plante/Catalog_2015_Text_Tipar.pdf)

#### **Sub-Activity 1.4b - Establish SPS Systems & Procedures to Support Exports**

During this year, the ACED DCoP, Mr Ion Perju, conducted several field visits to the regional phytosanitary control offices at the border customs terminals in order to monitor the installation and utilization of the sets of equipment donated to the NFSA by the ACED project. As a result of these visits it has been determined that the equipment donated to the NFSA is correctly installed and is being used for product testing as intended. At the same time, it should be noted that the NFSA has not followed all of the ACED recommendations which were linked to the donation of this equipment. Some of the offices visited do not have direct access to water and sewer systems, and inspectors have to go to other offices to get water for use in their own area. The DCoP and the ACED Food Safety Specialist will continue monitor the phytosanitary offices which have received donated equipment.

One of the most important activities for business enabling environment team was to continue ACED’s assistance to the Central SPS Laboratory with their preparations for applying for, and receiving, ISO 17025:2005 accreditation. To this effect, a contract for services to conduct an assessment of the Quality Management System at the central SPS Laboratory was awarded to BioLab Com. The main objective of this contract was to assess the existing Quality Management System at the central Phytosanitary Laboratory in Moldova relative to its compliance with the requirements of the ISO 17025:2005 standard, and to identify specific areas where the QMS and the systems and procedures used by the lab are not compliant and to suggest appropriate corrective actions. The sub-contractor had finalized the first phase of the contract, evaluating the laboratory documents, by the end of May 2014 and in early June Romanian experts Elena LEAOTA and Filofteia MANOLE visited the laboratory as part of the second phase of the assignment in order to evaluate the QMS procedures and the

implementation level of processes described in the documents.

In order to finalize the Central SPS Laboratory's preparation for the ISO 17025:2005 accreditation several meetings took place at the laboratory in order to discuss and debate the report provided by BioLab on the issues the laboratory will need to address before applying for certification. As a result of these discussions, a Scope of Work was developed for consultant assignments to address these non-conformities where laboratory staff need additional assistance. The SOW was sent to Dr. Leota, head of the Romanian Phytosanitary Inspectorate and central phytosanitary laboratory, requesting her assistance in locating consultants/experts who could assist the Moldovan laboratory staff on implementing the last stages of changes before ISO accreditation. After discussions with Dr. Leota, the head of Romanian Phytosanitary Inspectorate ACED requested a technical and financial offer from Biolab SRL – the company which evaluated the laboratory Quality Management System relative to its compliance with the requirements of ISO 17025:2005.

A contract for training & mentoring services for the Moldovan phytosanitary laboratory experts on validation methods was awarded to Biolab SRL at the end of November. According to the activity calendar for this assessment, during the month of December 2014, eleven specialists from the Moldovan Phytosanitary Laboratory benefited from a specific training program at the phytosanitary laboratory in Bucharest, Romania. During the second stage, nine Romanian experts traveled to Moldova and deliver (during January-March 2015) five days of training for each of the specialists (11 in total) within the Moldovan Laboratory.

The Moldovan Central Phytosanitary Laboratory is now prepared for accreditation, with one validation method implemented for each of the following six laboratory departments: Mycology, Entomology, Bacteriology, Virology, Nematology and Herbology. Due to the fact that Central Phytosanitary Laboratory doesn't have the necessary PCR (Molecular Biology) equipment, the application for accreditation procedure can be made for only six methods. All of the necessary documentation will be sent to RENAR (a Romanian accreditation institution) for ISO 17025:2005 accreditation. Biolab SRL delivered the final assignment report, including information on the validation methods, on March 31<sup>st</sup>, 2015.

ACED organized a meeting at the Ministry of Agriculture on May 29<sup>th</sup> 2014 relative to the procurement of new testing equipment for the central phytosanitary laboratory. This meeting was chaired by the Deputy Ministry of Agriculture, Sergiu Ghetiu and it was attended by USAID representative Rodica Miron, Second Secretary of Romanian Embassy Artur Raducan, and by representatives of the central phytosanitary laboratory, the National Food Safety Agency and the Ministry phytosanitary department. The main subject of discussion was the funding for, and the procurement of, new pesticide residue testing equipment (specifically a Liquid Chromatograph) for the Central Phytosanitary with a proposed Romanian Government contribution of approximately \$200,000. It was expected that the funding from the Romanian government would be passed through USAID for eventual award to DAI, and that some USAID funding (approximately \$200,000) would be used to match this funding for the purchase of this equipment. As of the end of the quarter the plans for this purchase have changed and the Romanian funds, which will be matched by Norwegian funds, were passed through the Ministry of Agriculture for this purchase.

During the month of June and July 2014 ACED organized seven seminars on phytosanitary certification and the requirements for inspection and certification for National Food Safety Agency staff. The training seminars were organized in seven regions: Briceni, Edinet, Balti, Orhei Hincesti, Comrat and Chisinau. The main subjects of the training were provided by

NFSA experts Svetlana Lungu, the head of internal quarantine department, and Viorel Chetrari, coordinator of the phytosanitary and veterinary custom control points. Andrei Cumpanici, the ACED SPS expert, provided detailed presentations on phytosanitary certification for exports at all of these seminars. The seminars were attended by a total of 173 individual participants (phytosanitary inspectors). At the end of the training program the ACED DCoP Mr Ion Perju met with Mr Ion Sula, the NFSA Director and had discussions on the importance of ACED assistance for the NFSA phytosanitary inspectors. During the meeting the NFSA Director thanked the ACED project for its support and requested that ACED continue its collaboration with the NFSA in the future.

As part of the ACED activity to increase the testing capacity of NFSA (National Food Safety Agency), and assist phytosanitary inspectors to carry out their inspection duties around the country, the ACED project donated 200 Entomology Dissection kits to all of the phytosanitary inspectors located around Moldova. The Entomology Dissection kits will allow the phytosanitary inspectors to examine insect/plant interactions, insect behavior and the ecology of parasite/host and predator/prey interactions etc. The picture at the right shows the contents of the dissection kits donated to the inspectors.

ACED assistance for the NFSA will continue during Year Five of the project. A Scope of Work (SOW) for an International Study Tour to Romania for the NFSA phytosanitary inspectors has been developed. Based on an assessment of the inspector's skills and abilities the ACED project will organize a five-day study tour for a group of fifteen participants to learn the best practices implemented by the Romanian Phytosanitary System based on EU and ISPMs requirements. This study tour is planned for mid-2015.

ACED's SPS and Food Safety Specialist, Andrei Cumpanici, provided a two-day training course on the Implementation of Food Safety and HACCP Systems on April 10<sup>th</sup> and 11<sup>th</sup> 2014, at the Labor Institute in Chisinau. The seminar was attended by 26 participants (including 5 men) and guides for the implementation of Food Safety and/or HACCP systems were handed out to all of the participants. The ACED Food Safety Specialist also organized two consultation meetings with individual producers (Farm-Prod Ltd and Andridor Ltd) related the implementation of GlobalGAP requirements at their facilities.

A two-day training course on the Implementation of Food Safety Systems/HACCP was provided by Andrei Cumpanici on May 15<sup>th</sup> and 16<sup>th</sup> 2014 in Chisinau. This seminar was attended by a total of 16 participants (including 4 men) from diverse companies and farming organizations. Guides for the implementation of food safety systems and HACCP systems were provided to all of the participants. The ACED Food Safety Specialist also provided presentations regarding the quality requirements for Sweet Cherries on May 27<sup>th</sup> in Navarnet and two presentations regarding the quality requirements for strawberries, on May 23<sup>rd</sup> and 29<sup>th</sup>, in Copanca village and Ungheni.

Dr. Cumpanici, the ACED Food Safety Specialist, continued work on developing/updating training materials for a four-day training seminar on GlobalGAP Implementation and a two-day training seminar on Food Safety/HACCP, with both seminars being implemented in February 2015. The training offered by ACED on the 24<sup>th</sup> to the 27<sup>th</sup> of February on GlobalGAP included Fruit & Vegetable Standards and covered all the stages of production, from pre-harvest activities such as soil management and plant protection product application to post-harvest handling, packing and storing. The GlobalGAP Manual offered to participants covers specific records and recommendations for producers on how to comply with

GlobalGAP. The seminar was organized mainly for agricultural producers and it was attended by specialists from the Central Phytosanitary laboratory, NFSA and MAFI.

The ACED Food Safety specialist also organized several consultation meetings with producers (Farm-Prod, Domulgeni, Vitalitifrukt, Andridor) related to the implementation of GlobalGAP and, provided several presentations regarding the quality requirements of dried and frozen fruit in the Nisporeni district and in the Edineț district. Also, several consultation meetings regarding the implementation GlobalGAP were held with the producers Basan Coop and the Scutaru Victor FF.

### **Activity 1.5: Sequencing with the MCC Compact THVA**

For project Years Four and Five the ACED team has added a fifth “Activity” to the ACED program which is called “Sequencing with the MCC Compact THVA”. The main objective of Activity five is to plan, organize and implement the technical assistance and training which ACED will be providing to farmers located in the MCC CIS zones, to support their transition to HVA production in the irrigated zones being rehabilitated by the Compact.

The first event that was implemented as part of the CIS Zone Program was the Vegetable Producers Forum which was organized by the ACED Training Team in Criuleni town which attracted more than 70 participants. The main attraction for the farmers who attended this Forum was the participation of, and the presentations by, a number of input and equipment suppliers, who were able to speak to the group regarding the services they are providing for the various HVA value chains. There were also presentations by greenhouse suppliers, irrigation equipment suppliers, cardboard box suppliers and a company that supplies heating systems for greenhouses. The participants were also able to see an example of intensive tomato production, in an enclosed environment, and they were also able to sample a number of different tomato varieties during the event.

The ACED Farmer Fair in Jora de Mijloc, which was held on September 27<sup>th</sup>, was a very successful event as it brought together many of the farmers who will be using the irrigation systems in the Lopatna and Jora de Jos irrigation zones for contact with input and equipment suppliers, banks and other sources of finance, agricultural development agencies and international projects and local government officials. To start off the event ACED organized a series of four technical presentations for the farmers to give them an introduction to the kinds of information they can learn from the technical seminars that the project had planned for the CIS zone farmers. The event continued with artistic and cultural presentations from the residents in the area, and wound up with a raffle for the participants to give away small gifts that had been provided by the input and equipment suppliers that participated in the event. During the day, ACED distributed more than 1,000 copies of the project’s technical publications related to fruit and vegetable production, irrigation and soil management and the ACED staff performed 70 water tests on water samples brought to the event by interested participants. The event was attended by around 500 community members from the area and by representatives of the local and raional administrations (including the Local Mayor and the Vice President of Orhei raion, Sergiu Muravschi).

On October 18<sup>th</sup>, the ACED project organized a second Farmer Fair for the MCC CIS Zone famers in the center of the town of Criuleni. This farmer fair was held in conjunction with the local harvest festival so participation at the event was quite a bit better than the first Farmer Fair in Jora de Mijloc, and there were many other things happening that day as well. There

were a number of equipment and input suppliers on hand to show their products and meet with the farmers, as well as representatives of banks and other financial institutions to inform farmers of their options for securing loans and/or grants for their agricultural activities. ACED once again distributed copies of project publications at the event (Manuals and Guides, as well as the Technical Bulletins) and as is the case at any event where ACED displays project publications these items became instant hits, with hundreds distributed free of charge.

Within the framework of this event, the ACED team organized a local study tour in the Criuleni CIS zone, for ten agricultural producers from the Jora de Jos and Lopatna CIS zones. These producers visited three individual companies in the Criuleni raion which are involved in intensive apple production, greenhouse production and intensive cherry production. This visit has given the producers from the Jora de Jos and Lopatna CIS Zones some new perspectives on apple and fruit production and it has given them an opportunity to meet with, and interact with, farmers from another CIS zone that they rarely, if ever, have an opportunity to meet.

As part of the CIS Training Program, during the Year Four of the project the ACED Team organized 32 separate training events, on different topics, as described below:

- ✚ Irrigation water quality. Building and using an irrigation system.
- ✚ Soil quality parameters. Establishing the irrigation need of the soils.
- ✚ Vegetable production in greenhouses.
- ✚ Super-intensive apple orchard establishment.
- ✚ Tree fruit nursery management.

The training seminars took place in the Lopatna, Jora de Jos, Criuleni, Puhaceni, Roscani, Grozesti and Leova-Sud CIS Zones. The average attendance level was 30 participants per event, and the total number of participants at these events was 1,040 farmers. In addition to the training seminars, and during Year Four, the ACED Team designed and installed a demonstration activity on drip irrigation for a fruit nursery in the Lopatna CIS Zone.

Related to the implementation of the training program in the CIS Zones, ACED made several public announcements in local media outlets seeking applications from local NGOs or BSPs who would be interested in acting as Regional Training Service Providers (RTSPs) for the training and demo activities that ACED will conduct in the CIS Zones. In response ACED received multiple bids for these opportunities and in the end the project has selected nine Business Service Providers who will act as the RTSPs in the CIS zones, with eight of them being the Water Users Associations for their respective CIS Zones.

During the reporting period, ACED prepared and developed a number of technical bulletins specifically for the farmers in the CIS zones and these were mailed out free of charge to all of the farmers that ACED has been able to identify within the CIS zones. The CIS Technical Bulletins are covering subjects related to irrigation water quality, water management, irrigation systems, soil quality, soil management, support systems for orchards, investments in fruit, berry and vegetable production, plant protection and cold store construction.

### **Activity 1.6: Support for the Costesti Packhouse Project**

During Year Four, the VCSC continued supporting the construction of an integrated cold store/pack house facility for the Costesti Table Grape Producers and Exporters Association with a total capacity of 1,800 tons (to be owned by the local mayoralty and then be rented to

the growers and exporters). The total planned investment for the project includes \$1.2 million from the Regional Development Fund and \$800K from the private sector. As an additional level of support for this activity the most recent budget modification for the ACED contract includes a total of \$80,000, which has been transferred from the Romanian Embassy to Moldova to the USAID Mission in Moldova, specifically to support ACED's program of activities to support the Costesti packinghouse activity. Over the course of Year Five ACED will use these funds to cost-share with the USAID funding on the implementation of the training and other technical assistance activities that the project will undertake to support the development of this producer cooperative.

Throughout Year Four, representatives of Costesti Association were involved in the buyer visits and trade shows organized by the Marketing Team, and several members of the Association were included in the ACED gibberellin pilot implementation activity.

In April 2014 the "Central" Regional Development Agency published an open tender for the construction of the packinghouse (with the construction costs to be covered by the funds from the Regional Development Fund) based on the technical design prepared by the Association and the Costesti Primaria. The construction contract was awarded to Romanian company Horeco Impex, and its



Moldovan partner Frigoclima. The construction works have begun and it is expected that the RDA-financed works will be completed by mid-2015.

An ACED sub-contractor on the issue of public asset management provided the required assistance to the Costesti Primaria and the Local Council in preparing the wording for the tender for management of the packinghouse being constructed with Regional Development funds. Drafts of all the key documents were prepared and discussed in joint meetings with the Primaria, the Growers' Association, the Regional Development Agency and the Agency for the Management of State Property.

For implementation of the project, the members of Costesti Table Grape Association have registered a new company that is now known as the Fructbioimpex Marketing Cooperative and they have applied for the management tender which was organized by the Costesti local authorities. As Fructbioimpex submitted the only bid, they were declared the tender winner and the management contract will be signed by mid-May 2015.

A coordination meeting for all of the partner organizations in the Costesti Packinghouse Project took place on March 31<sup>st</sup> along with participation by the new Agriculture and Regional Development Ministers and the President of the Ialoveni district. ACED representatives informed the participants regarding the assistance being offered to the producers through ACED, with funding from USAID and the Romanian Embassy in Moldova.

Over the course of ACED's Year Five, assistance will focus on the following:

- ✚ Support for the development and implementation of all needed internal regulations for the Fructbioimpex Marketing Cooperative;

- ✚ Support for obtaining the long-term financing that Fructbioimpex will need for their investment contribution to the project (mainly equipment);
- ✚ Support for implementation of appropriate crop protection and crop nutrition practices in the vineyards owned Association members;
- ✚ Organization of an international study tour to Italy to observe the best joint marketing and Post-Harvest Handling and packaging practices;
- ✚ Implementation of a “Modified Atmosphere Packaging and Sulphur Pads” demonstration activity for improved storage of fresh fruits and table grapes.

It is expected that the Costesti packinghouse will be operational in the fall of 2015 which will allow the members to jointly market their production with new packaging and labeling.

## **COMPONENT 2: ENTERPRISE DEVELOPMENT IN TRANSNISTRIA**

Assistance in the Transnistrian region during Year Four maintained its fast pace and it has achieved strong results, despite the worsening political and economic environment in the region. The strong technical training program implemented via local organizations builds local capacity on the ground and is enabling the transfer of new technologies from Right Bank experts. In Year Four, there were 21 HVA technical seminars and seven Farmer Field Days, as well as five BSP training events. There were three international study tours and four Right Bank (internal) study tours. Left Bank participants attended three of the international trade fairs supported by the ACED project. The Transnistrian regional women's agricultural network held 12 events (detailed further in the gender section) designed to meet the needs of rural women. In total, the ACED Component 2 provided training and technical assistance to 303 individual participants, with 143 (almost half) of them being women.

As part of the objectives of Component 2, the project seeks to create opportunities for participants from both sides of the Nistru river to interact and share experiences and during Year Four the ACED project recorded 52 cross-bank activities for the year. The ACED project continued to foster expansion of cross-bank commercial linkages and cooperation. In Year Four alone, the ACED project implemented cross-bank activities which included international study tours where mixed groups of right bank and left bank farmers and agribusiness owners travel together to observe, and learn from, the agricultural experiences of farmers in other countries, as well as domestic study visits where Transnistrian farmers can learn from their right-bank counterparts.

As a result of the ACED activities in this year, as well as the on-going activities from the previous years, ACED began to register strong results. There were \$376,050 of new sales as a result of ACED assistance reported by Transnistrian companies. Likewise, the suite of trainings, study tours and cross-bank linkage activities have begun to spur major investments, such as Agrostar installing a \$350,000 packing and sorting line, purchased as part of a negotiated deal by five Moldova Fruct members after looking at such sorting lines at Fruit Logistica in Berlin with ACED staff.

In Year Four, the ACED project was also able to effectively support the development of several nascent farmers' associations in Transnistria (honey, table grapes, and treefruit) using Right Bank experts, and the project began to build the institutional and technical capacities of the leading small farmer association in the region, Belyi Most.

The two main objectives of Component Two are to support the development of micro, small and medium scale enterprises (MSMEs) in Transnistria (Activity 2.2), and to strengthen the ability of local business service providers (BSPs) to provide services to those MSMEs (Activity 2.1). The strategy that resulted from the initial assessment was to start by expanding HVA activities developed under Component 1 into the Transnistrian region, while maintaining select targeted activities to support business service provider capacity building. This has proven to be a good strategy, as the very strong results mentioned above have led to greater interest in the project on the part of the private sector as well as sufficient trust to participate wholeheartedly, despite the ongoing and persistent scepticism toward foreign aid in the region. Both Activities are discussed in further detail below.

### **Activity 2.1: Build the Capacity of Business Service Providers**

As was outlined in the Year Four Workplan, this sub-activity of Component 2 is focused on building the capacity of local business service providers (BSPs) in a few targeted areas such as market research, building the capacity of business membership organizations (such as associations) to offer services to members, and agricultural extension services. Highlights for the year within this sub-activity include the following:

- ✚ To date, the ACED project has assisted 18 individual business service providers (the majority of them multiple times) who have reported that they have been better able to serve their 107 micro enterprise clients, and 152 SME clients in the region.
- ✚ In Year Four, ACED was also able to effectively support the development of several nascent farmers' associations (honey, table grapes, and treefruit) using Right Bank experts and to build the institutional and technical capacities of the leading small farmer association in the region, Belyi Most.
- ✚ The On-line University of Georgia Market Research course was successfully completed by seven of the ten participants that were included in this program.
- ✚ Training-of-trainers was conducted on an ongoing basis, including a relationship with the Scientific Research Institute (NII) who will host a demo activity for ACED.

After ongoing discussions about cooperation, dating back to Year Three's apple study tour to Italy, in December 2014 there was a meeting with the tree-fruit grower producer group members in Tiraspol facilitated by Iurie Fala, an ACED consultant and Director of the Moldova Fruct association. Those who were present discussed the different needs locally, about marketing, lobbying, learning new techniques, and the usefulness of buying joint inputs for a bulk discount. All of those present, plus a few who weren't able to attend, filled in a questionnaire about association needs designed by Mr. Fala, who analyzed the results and came back to the group with recommendations.

In January 2015 Iurie presented his draft action plans for the Transnistrian Treefruit Grower's association to a group of 10 interested companies. Those companies responded that they like the action plan and then met again the following week to vote on going forward with the association. In their meeting they decided to proceed further, and in February, Natalia Murahovscaia from ACED joined them for an additional meeting when they discussed the next steps, nominated board members, and identified a candidate to be the Executive Director. In the coming months (ACED Year Five) they plan to go forward with advertising the Executive Director position and founding the association. They have requested further training and technical assistance from Mr. Fala as they go forward.

In the fall, ACED started carrying out several joint activities with the beekeeper producer group, as well as with the table grape group that has decided to remain informal for the time being. While on the Right Bank study tour, ACED staff noticed that the most advanced members of the beekeeper group started offering advice and consultations to the others in the group, thereby becoming an informal business service provider. We expect that the beekeeper group is likely to formalize some time during Year Five of the project. Grigore Daraban (an ACED consultant) provided them with a training seminar on Forms and Aspects of Farmer Cooperation on December 17<sup>th</sup> in order to help them in this journey. The training covered the positive and negative aspects of working together, international and Moldovan

lessons learned, the forms of management and financing associations and cooperatives, and he explored the group's development needs going forward.

Grigore Daraban also offered beekeepers a training on Strategic Planning on December 23<sup>rd</sup> in order to help them develop a path forward. Both Grigore Daraban and Iurie Fala have submitted final reports regarding this first phase of group formation, with similar recommendations about starting with creating an association. Each also provided a draft action plan for the coming year that was shared with the stakeholders. To date, the beekeepers producer group has started cooperating on the joint purchasing of inputs such as medicines and equipment, as they are able to negotiate better prices for a larger order than they would have made for purchases made individually.

This year ACED continued to work closely with the Bely Most Small Farmers' association, including continuing efforts to build their capacity. On November 12<sup>th</sup>, ACED organized a roundtable discussion with Bely Most in Tiraspol. The purpose of the meeting was to check in with the association on their development efforts and whether they have been implementing the strategic development recommendations made by ACED during Year Three. An additional objective was to see what additional activities should be organized together with the association in the future. The ACED COR, Ms Rodica Miron, joined for the event to help motivate the association participants. The results cited by the association were impressive, including that they now have more than 140 dues paying members, whereas they had only 38 members at the initial ACED organizational capacity assessment meeting. They have managed to diversify their membership base geographically, with farmers from several new villages having joined. This effort has been supported by ACED as Bely Most won the tender to provide RTSP services in the Parcani region, which has led to small farmers from Parcani joining the association.

Over the winter, the Component 2 manager met with the president of Bely Most and discussed their association development plans and priorities. The head of the association reported that after attending Farmer Expo more than a year ago (supported by ACED with a booth), she received and distributed various sales leads to other members of the association such as orders for onion, pears and Chinese cabbage. She also noted that there were even requests for export orders, and that because of this she thinks that in the coming year the members need to work on improving quality, standards and selling good quality to the local market, in order to be ready and have the right quality for export in another year. At the request of Bely Most, an intensive (6 training sessions) Winter School for Strawberry Production was organized, which included a Training-of-Trainers element for Bely Most's leading strawberry experts and consultants.

In April 2014, the Component 2 Team organized a training seminar on Consultancy and Training Methodologies in Agriculture for interested Transnistrian BSPs and local consultants

in Tiraspol. A total of 25 people came to this event. Attendees were diverse and included a few university professors, one teacher from the ag college, and many BSP representatives – including some who provide consulting services, and many who are contemplating adding the provision of such services. Those who fell squarely into the target audience gave very



positive feedback and were very thankful for the course. The seminar was presented by Dr. Oleg Stiopca, ACED's Training Specialist, who has already published a book on this topic and who has been trained in the US on best practices as part of his graduate work. The picture on the previous page shows Oleg speaking with one of the participants at this event.

Also in April 2014 the ACED Component 2 Team supported the participation of a group of nine Transnistrian consultants (each working at regional BSPs) to attend the Sales and Marketing 360 training event in Chisinau. The event included a series of "master classes" on various topics such as customer relations management, sales strategies, marketing management and common marketing mistakes to avoid. The participants were very grateful for the ACED support and came by to thank ACED staff several times during the day. The picture at the right shows some of the participants at the Marketing 360 event.



The cross-bank group enrolled in the University of Georgia on-line marketing course titled Principles of Market Research have officially finished this one year course. The course covered 11 modules over the past year, covering the following topics:

- ✚ Marketing and Its Interface with Market Research
- ✚ Introduction to Market Research and Planning the Research Process
- ✚ Research Design
- ✚ Sampling
- ✚ Data Collection Methods
- ✚ Measurement Approaches
- ✚ Understanding Data Analysis
- ✚ Advanced Data Analysis
- ✚ Communicating Research
- ✚ Global Market Research
- ✚ Trends in Market Research

The course, and its on-line exams, have proven more challenging than originally expected. Of the ten people enrolled, seven have passed the course and received a certificate in the mail as well as US college credit. However, one participant found it too challenging and paid a fee to transfer his slot to another student (the replacement student will be on a separate timetable). Two other students (one from the Right Bank, and one from the Left Bank) have not passed the final exam and they have paid the fee required to extend the course for an additional six months in order to retake the written proctored exam and complete the course. They expect to complete the last exam in May of 2015 (ACED's Year Five).

### **Activity 2.2: Support the Development of Transnistrian MSMEs**

The objective of Activity 2.2 is to support the development of, and enhance the competitiveness of, Transnistrian micro, small and medium scale enterprises (MSMEs) focused on work in the targeted HVA value chains. As a corollary, this activity is designed to assist with the integration of Transnistrian enterprises into the broader Moldovan economy by establishing linkages and/or relationships between Left Bank and Right Bank MSMEs and business service providers. Highlights of Year Four include:

- ✦ Larisa Colimicenco reports concluding a 78,000 MDL (~\$5,000) contract with Green Hills for the supply of 12 tons of Chinese cabbage due to a marketing linkage facilitated by ACED at the Belyi Most stand at the Farmer Expo trade fair in 2013. Since then, she has been discussing other products for Green Hills from other Belyi Most Association members and bringing samples to them.

- ✦ The participation of Transnistrian participants in international trade fairs, under the common slogan **Moldova - Taste Makes the difference** in Dubai at GulFood (3 producers), in Moscow at WFM (one producer), and Dubai World of Produce (one producer, see photo at the right) as well as the inclusion of participants in almost all of the Component 1 study tours in the year.



- ✦ Active participation of farmers and producers from the Left Bank in the regional Transnistrian Women in Agriculture Network (WAN) program, with 12 well-attended events (training and study tours) focused on rural women.
- ✦ The ACED Component 2 Team mailed out Technical Bulletins, and other printed materials, which have been prepared by the Activity 1.2 Team to more than 300 farmers in the Transnistrian region via Posta Moldovei.
- ✦ Three successful international study tours. This includes two honey study tours (to Serbia and Romania) and a strawberry producer's study tour to the UK. These study tours have been particularly effective vehicles for fostering better personal ties, increasing trust and promoting future cooperation among the participants.
- ✦ A variety of successful ACED demonstration activities which have shown advanced production technologies to Left Bank farmers: Strawberry production in high tunnels, The use of weather stations, Reflective covers, Drip irrigation and weather stations, The use of anti-hail nets for an apple orchard and Chemical thinning.

One highlight of the year was the cross-bank International Study Tour to the UK on Advanced Strawberry Production in Covered Structures in September 2014.

The group included four Transnistrian producers, four Right Bank producers, and one Right Bank technical consultant. All participants filled out the study tour feedback form, and without exception the



scored the study tour with straight 5's on all aspects. Additionally, each participant made note of a variety of techniques and practices that they planned to implement in the coming year which they observed on the study tour. The study tour included site visits of pack houses, greenhouses, high tunnels, nurseries, the East Malling Institute, and an all-day seminar which included practical exercises like learning how to dissect crowns at regular intervals to predict how many kilograms of fruit each plant would produce. The picture shows the group during one of the visits to a greenhouse during the Study Tour.

This Study Tour was complimented by the March 2015 Study Tour to Criuleni on Advanced Commercial Strawberry Production on Moldova's Right Bank - the last day of the Winter Strawberry School, organized by the RTSP Belyi Most. The expert accompanying the group was national consultant Trofim Gavrilov. The group visited the Impex hydroponic greenhouses in the morning, and then Interconsult in the afternoon. Interconsult's agronomist showed the group the cold storage built with assistance from USAID under the ADP project, the high tunnels, open field, and greenhouse production. Of the six greenhouses, he showed the experimental production of strawberries on raised platforms in substrate bags in one greenhouse. This innovative method, also witnessed in the UK, maximizes the production space under the greenhouse and makes for easier labor conditions. The substrate helps the farmers avoid diseases latent in the soil.

Another highlight of the year for the Apple Value Chain was the study tour Maintaining Quality Parameters & Innovative Technology for Apple Production on in July 2014. The first visit took place at Darurile Basarabiei in Malinovscoe, Riscani, a very advanced apple orchard with all of the most modern innovations including: anti-hail nets, French sourced seedlings, all the infrastructure of a super-intensive orchard, Frostbuster, chemical thinning, harvesting platforms and modern tractors. A representative of an equipment input supplier (e.g. for Frostbuster, harvesting platforms, and modern tractors) came and presented the equipment and prices to the group. The group visited for two hours and the host covered all aspects of production, including discussions of each variety and how orchard management thinking has evolved over time (such as to only source French seedlings, and move away from Italian ones). After lunch the group visited the Victor Scutaru Family Farm, which is GlobalGAP certified. The sons of Victor Scararu openly talked about lessons learned and farm operations, and then took the group to show them their cold stores. The group was impressed with all the posted signs, including designated bathrooms available in the orchard as well as designated places for personnel to wash their hands. Ghenadie Buciuceanu organized the tour and was the expert leading the group. All of the 24 participants which took part provided glowing feedback. Several mentioned investments that they were interested in (e.g. Rustas was interested in Frostbuster; Livada Servis is interested in purchasing new seedlings; the Agronomist from EvroRostAgro said they became convinced that they will need to implement Chemical thinning starting next year).

In November 2014 ACED organized a Right Bank Study Tour on Advanced Table Grape Production and Post-Harvest Handling for a group of Transnistrian table grape producers. These producers traveled to Budesti, and Stauseni, and national consultant Vasile Biesu made a presentation to the group on the latest innovations in Table Grape production. There was also a roundtable discussion regarding the adoption of these innovations on the Left Bank and the needed seminars. The participants were enthusiastic about the study tour and about participating in future ACED seminars and study tours.

The study tour The Experience of Beekeepers in Moldova: Production, Processing, and Associations was organized in November 2014. First, Mihai Bozianu, a beekeeper from Mingir village presented the advanced American techniques he has introduced on his farm after a study tour to the US. After his presentation the Transnistrian beekeepers asked ACED to organize a study tour to Mihai's farm in the spring of 2015. Then the participants met with Stefan Condratuiuc, President of the Moldovan National Beekeeping Association. Stefan told the group about the history of setting up the association and the difficulties and opportunities for honey producers. The association operates to help, protect, and promote

beekeeping in Moldova for the benefit of all beekeepers and those associated with the bee products industry. Participants asked about different aspects of association work from fee payment to joint exports. After sharing his experiences, Mr. Condratuiuc invited them to join the Moldovan National Beekeeping Association and mentioned the many advantages that they could get from this. The Transnistrian participants also visited the Right Bank company Vastdial & Co (in Bulboaca village). Its main activity is beekeeping and the processing of apiculture products. The company has Danish high performance equipment for processing and jarring honey, as well as processing wax and propolis. The desire to produce high-quality consumer goods at this company motivated them to organize an effective system of management and it is certificated in ISO 9001:2000 and ISO 22000:2005, guaranteeing high-quality products at all stages. Vastdial & Co has rooms which they have designed to be used for their own laboratory. The Director said that he already works with some Left Bank producers and will be glad to have new contracts under an agreement of cooperation which requires a thorough inspection of the quality of harvested apiculture products.

ACED carried out a cross-bank study tour to Serbia for a group of beekeepers in July 2014 called: Beekeeping – Approaches, Production, Technologies, Equipment & Processing. Four Transnistrian producers participated as part of a larger Moldovan group. The beekeepers visited various honey producers, input supply companies, and the Serbian beekeeping association which provided them guidance and lessons learned for forming their own Transnistrian association. The strongest lessons that beekeepers took from the exchange was that they need to work together for joint marketing, and they should also consider obtaining some equipment to package small individual honey packets for distribution via local cafes to be added to teas. The Transnistrian study tour participants reported to ACED that they bought high quality queen bees in Serbia and after the study tour they have started to use the Serbian method of queen bee rearing.

Four honey producers from the Left Bank also participated in the Romanian expo and site visits organized in February 2015 as part of a cross-bank group of honey producers from Moldova, and they provided positive feedback. Transnistrian beekeepers reported having bought useful equipment and medicines in Romania at the expo.

### **Production and Post-Harvest Handling Training**

Including the training events organized by the WAN program in the region, ACED organized more than 20 HVA production and PHH training events over the course of Year Four. Some of the highlights of the training program include:

- ✚ ACED held the training seminar Growing Cucumbers in Greenhouses in Parcani in April 2014, presented by National Consultant Omelciuc (see the picture at the right). This seminar was the second one held in Parcani and was held at NGO Radolubets office. More training attendees came from other villages in Transnistria than Parcani, so together with the RTSP Bely Most a concerted effort was made to attract local Parcani residents to future trainings, which for later events had proved successful.



This seminar included a very good practical visit to the farm of Roman Gratilov in Chitskani who had invested in a boiler and a double layer greenhouse for his cucumbers after visiting Serbian greenhouses on an

ACED international study tour. The participants were very active in asking questions and two of them (from ProdEco) made plans to return a week later for more discussions and consultations with Mr. Gratilov.

- ✚ In January 2015 ACED organized a highly successful two-day Honey Production training seminar in Tiraspol. ACED organized a minibus for 16 Right Bank participants who came to Tiraspol for two days in a row to participate at this event. At the same time there were 17 participants from the Left Bank who attended. A Ukrainian expert, Mr. Oleksander Komisar, provided the training as he is well known in Moldova for his beekeeping newsletter and publications. In addition to positive feedback, 100% of the participants said they would recommend this training to others on their feedback forms.
- ✚ During February 2015 ACED held six sessions as part of the Winter School for Strawberry Production with the logistics being organized by the RTSP Belyi Most. All of the sessions took place in Chitskani, with three hours of training each day covering the entire production cycle along with harvesting and post-harvest handling. National consultant Trofim Gavrilov was the trainer for this event. The participants were very enthusiastic and received certificates of completion at the end, to a round of applause. More than 30 producers received certificates including one Right Bank producer who heard about the seminar on Facebook and decided to make the drive to join.

- ✚ In June 2014 ACED organized a seminar on Green Operations for Young Cherry Orchards in Grigoriopl Raion, in Carmanova, with the practical part being held at the Rovnaia family farm. National consultant Pesteanu presented cherry varieties, green operations, and some lessons learned from previous seasons. In the field, he actively demonstrated on different trees (see photo at the right) and answered questions from the farmers that participated. While making presentations at the orchard he determined that the trees in this orchard had a magnesium deficiency.



- ✚ ACED organized a training seminar on Planting New Stone Fruit Orchards & Preparing for Winter in Tiraspol in October of 2014, with the technical material presented by national consultant Pesteanu. There were ten participants at this event, representing the main Transnistrian fruit tree producing companies. As usual, farmers asked many questions, including how to protect trees from rodents, the required amount of watering during planting, and they discussed the markets for fruit. Mr. Pesteanu answered all the questions and recommended that participants actively participate in international expos and he told them about the upcoming Exhibition-Fair of agricultural products, equipment, technologies and crafts at “FARMER EXPO” in Chisinau.
- ✚ Also in October 2014, ACED hosted a seminar on berry production titled: Strawberry & Raspberry Production that was a follow-up to the UK Study Tour completed earlier in the year. UK Expert Jeremy Darby provided the training for a cross-bank group that included seven producers from Transnistria, including four interested producers who hadn't been able to participate in the study tour. The producers gave positive feedback and said they were pleased that even after the study tour they continued to receive new and useful

information. Everyone made notes and the participants asked a lot of questions, especially about raspberry production.

### **Demonstration Activities & Farmer Field Days**

To complement the technical seminars provided by ACED the project has established a number of demonstration activities in Transnistria over the course of project implementation. ACED demo activities typically include three events (Farmer Field Days), following the establishment of the demo site, with each having a presentation of elements or aspects of the technology for interested participants. During Year Four the more interesting Farmer Field Days organized by the Component 2 Team were the following:

- ✚ In April 2014 the first Farmer Field Day for the Demo on Weather Stations and Drip Irrigation, titled: Weather Stations and the Use of Drip Irrigation in Apple Orchards was held in Tiraspol, followed by a trip to visit the Calvil apple orchard where the demo site is located. During the event ACED's COR from the USAID Mission participated and she presented a fruit pressure tester (which is part of the equipment provided by ACED for the demo activity) to the host company. The picture at the right shows Rodica Miron presenting the pressure tester to the owner of the Calvil company.



- ✚ In May 2014 local national consultant Nicu Bejan conducted a Farmer Field Day on modern models of greenhouses, greenhouse heating, and construction materials for 23 beneficiaries in Parcani. This one of the events that is part of the Demo Activity titled: Energy-Efficient Techniques for Greenhouse Production. After the presentation, farmers visited Fics Ltd. where father and son (both Vitali Grecu) showed the ACED demo activity for vegetable seedling production in a modern greenhouse with double layer film. Vitali Grecu Jr. told the group that due to the ACED study tour to Zareche (Ukraine) he convinced his father to invest in heating (a boiler) and double layer films for their greenhouses. Farmers attending expressed great interest in the idea of heating their greenhouses and becoming more profitable in the shoulder seasons.
- ✚ ACED held a Farmer Field Day for the demonstration activity titled: Chemical Thinning for Apples which was used for the first time by a company in Transnistria, at Agrostil. During the theoretical part of the field day National Consultant Ananie Pesteanu gave a detailed description of the chemical thinning mechanism, including specifics for working with different apple varieties. After this the farmers visited Agrostil's apple orchard to see the first results of chemical thinning. The farmers learned that this method can give significant benefit for apple producers and some are still waiting to see the final results while maintaining a degree of skepticism.
- ✚ In May 2014 the Component 2 Team organized a Farmer Field Day on Calcium Treatment in Apple Orchards which took place as part of the Weather Stations, Calcium Treatment & Reflective Covers demonstration activity. During the approximately five hours of the event consultant Ghenadie Buciuceanu gave a comprehensive description of calcium treatments in apple orchards. Calcium helps farmers produce high quality apples

with less chances of bruises. Consultant Buciuceanu showed photos of a Right Bank company in Edinet which has used Calcium for several years with high quality results.

- ✚ A highlight for the year was the August 2014 ACED Farmer Field Day on the Use Of High Tunnels For Growing Strawberries Out of Season, organized in conjunction with the Bely Most association and attended by 30 participants. It was presented by National Consultant Gavrilov and the participants received a PowerPoint presentation on production in Parcani, then went out to Chitskani by minibus to see the newly installed high tunnels with strawberry seedlings at Pavel Gangan Family farm.



The participants provided excellent feedback and said that the seminar was very useful. Several participants were new to the ACED program and have become active participants in the strawberry training sessions that followed. The picture above shows the participants, with Consultant Gavrilov, in the Gangan family high tunnel.

### **Technical Assistance Activities**

In addition to the technical seminars and the Farmer Field Days there were several Technical Assistance (TA) assignments that were completed by the Component 2 Team during Project Year Four. Some of the more significant assignments include the following:

- ✚ In May 2014 there was an intensive HACCP training event held in Chisinau, but conducted in the Russian language. For this event, ACED's Food Safety Specialist Andrei Cumpanici, invited companies from both Transnistria and Gagauzia. The feedback from the Transnistrian participants was that the seminar was extremely useful and it provided tailored advice to several of the participants who attended (such as Alla Yakobenco, who asked for consultations on the layout of her new processing facility).
- ✚ Andrei Cumpanici also visited the Fkusnyashki company in July to provide a follow-up consultation on the food safety requirements for that company. He recommended that new food safety systems be implemented, and documented, according to the Codex Alimentarius and in conformity with Moldovan legislation. Dr Cumpanici brought a copy of the Moldovan legislation (Codex Alimentarius) in Russian for them to draw from.
- ✚ Also in October, Andrei Cumpanici and Natalia Murahovscaia held a meeting with the Rustas company regarding their request for consultation on building a warehouse for pesticides. Andrei Cumpanici presented them with all the Moldovan normative documents, which include requirements for the construction and maintenance of storage facilities for pesticides. After the discussion with Rustas representatives, Mr. Cumpanici provided technical recommendations which included a recommendation to have four separate rooms within their pesticide warehouse: One for pesticides for technical crops, One for pesticides for vegetables, One block with heating and another block for the staff (with toilet, washbasin and space for records). During the visit Mr. Cupmanici said that more than 50% of the work is done, Rustas has all necessary documentation for the storage facility, there is good access, and the Dniester is quite far from the site.

- ✚ In March 2015, Andrea Chartock and national consultant Varlan visited Transnistria accompanied by the ACED Transnistria coordinator, Natalia Murahovscaia. Consultant Varlan evaluated a series of possible raspberry production demonstration sites, and he also provided some technical assistance consultations to the two potential hosts – the Andreesh Family Farm in Ternovca and Calvil in Cioburciu. At the Andreesh FF his main recommendations regarded modifying the layout of the young plantation (adding more plants as the distances between plants was larger than usual), and at Calvil he showed the two lead agronomists how to prune the raspberry plants, how to prune several other stonefruit trees in the orchard, and he provided consultations on formation and management of their blackberry bushes.



## **V. ACED PROJECT CROSS-CUTTING ACTIVITIES**

In parallel, and in coordination with, the Component 1 and 2 activities, the ACED contract envisages a number of “cross-cutting” project activities that complement, and are incorporated into, each of the other sub-activities in the program. These crosscutting activities address some of the major overarching concerns of USAID, such as Environment and Gender, and within the ACED project they are significant elements of the overall program. The following sections identify and describe the main Cross-Cutting activities that the ACED project completed during project Year Four (April 2014 to March 2015):

### **Coordination with Other Donors**

During Year Four the ACED project continued to collaborate and cooperate with other donors and project. ACED has continued to expand the partner network of donors and other projects that the project collaborates and cooperates with. The following were the main donor coordination activities for this past year:

#### ***Donor Coordination Meetings***

- The ACED CoP and the DCoP continued to regularly participate in the regular Agricultural Project donor coordination meetings. These meetings, held at various project offices in Chisinau on a rotating basis, have seen good participation from projects focused on agriculture and agribusiness.

#### ***World Bank***

- ACED has continued to liaise and cooperate with the World Bank’s MAC-P project and in particular ACED has steered many of the producer groups that it has assisted towards the MAC-P project as applicants for the grant fund operated by that project. ACED has also hosted many World Bank consultant delegations at the ACED office for discussions and presentations on the ACED project. These meetings have been mutually beneficial, as both parties learn from the discussions and information exchange that takes place.

#### ***Monthly COP Meetings***

- The ACED CoP periodically organizes CoP lunches to foster information sharing and cooperation among the USAID and American financed projects in Moldova. Jim Herne, Doina Nistor, Kelly Siebold, Fred Yeager, Scott Johnson, Evan Trasc, Ron Wolfson and Gary Merkley are among the regulars who attend these lunches. We usually meet at the Codru Hotel the last week of the month.

In addition to these regular meetings the CoP, DCoP and other technical staff have held numerous meetings with other donors and projects over the course of Year Four. The ACED monthly and quarterly reports contain detailed listings of these meetings along with information on the topics discussed and actions taken.

### **Gender & Marginal Groups**

#### ***Women in Agriculture Network (WAN) Activity***

Over the course of Year Four, the ACED project has continued to support the implementation of the Women in Agriculture Networks (WAN) program in the northern, central, southern, Gagauzian and Transnistrian regions of Moldova. The objective of this program is to support the creation of informal networks of rural women in each of these regions, which can provide training and assistance to women involved in agriculture by fostering learning for them, along with networking and empowerment opportunities.

**Highlights of the year**

All in all, a total of 35 events were implemented this year, including seminars, study visits, networking and capacity building activities. The WAN regional structure approach has meant that activities are held closer to the women’s homes, which ensures good attendance, despite the time-pressures that women usually face.

The second issue of the WAN bulletin was been mailed to 468 WAN members. The bulletins updated women on past and future WAN events, and on news and useful information. They also included inspirational success stories of women in agricultural businesses.



Year Four was also capped with the annual forums of the women’s networks. The forums summarized the major activities and results achieved during the first year of WAN implementation. They added value by providing an excellent environment for shared experiences, common issues, personal connections and capacity building. At the forums, women provided extremely positive feedback, and firmly expressed their desire to continue the networking initiative for another year.

The ACED sub-contractors have surveyed WAN beneficiaries on the impact of the WAN activity on their professional and personal growth. They learned that 50 women adopted one or more technique and practice as result of the seminars and study visits attended. Most adoptions (80%) occurred in vegetable production; specifically greenhouse construction, greenhouse improvement, plant formation and the use of drip irrigation, mulch, new hybrids and varieties, and support systems (e.g. hooks for tomatoes). Three women set up new berry (currant, raspberry and blackberry) production as result of the study visits.

Approximately 100 women from those questioned said they would implement some of the techniques and practices in the coming production season, which holds promise for results to be collected at the end of 2015. The WAN activity has also contributed to increasing the percentage of women participation in ACED training sessions. Participation rose to 40% in 2014 compared to 20% in 2011 and 30% in 2012 and 2013.

The following is a summary of the conclusions drawn by ACED subcontractors based on the comments provided by women in their end of year survey:

- ✚ Women-entrepreneurs from the agricultural sector participated for the first time in a consequential and diverse range of activities;
- ✚ Women’s needs and interests were correctly identified at the beginning of this program;
- ✚ Acquired knowledge and techniques were and will be applied by many WAN members;
- ✚ The program as a whole offered an excellent opportunity to communicate, establish relations and exchange experience and good practices;
- ✚ Communication and generation of new knowledge and business ideas due to study visits were those elements that women acknowledged and appreciated the most.

**The Northern and Central WANs (implemented by AGROinform)**

The Northern and Central WANs held a total of five training events, 10 study tours, and five networking events in the project year. Highlights of this work are detailed below.

Two round tables were conducted for the Northern and Central WANs on Legal Aspects of Water Used for Irrigation. Women learned of the modifications in the law on water and got answers to various questions related to the subject of irrigation of agricultural land.

Three sub-regional informal meetings for networking and experience exchanges were held in Nisporeni, Orhei and Hincesti for the members of the Central WAN. Women chose the topic of family conflict as the focus of their discussions. They were surprised to learn that conflict is a normal part of any healthy relationship, and what's important is to learn to manage conflict rather than avoid it. Thus, women acquired some skills in handling the conflict in a respectful, positive way, so as to keep their personal and professional relationships strong and growing.



*Central WAN members at the sub-regional meeting for networking and experience exchange in Hincesti*

For WAN capacity building purposes, two seminars on Lobbying & Advocacy were organized for the Central and Northern WANs, particularly for the network advisory group members. This topic was requested by the women who wanted to better understand the methods and procedures used for lobbying and advocacy and they wanted to acquire effective skills in this field. The women learned that communication, clear formulation of ideas and needs, as well as the mobilization of supporters, are the most important elements in lobbying. The skills and abilities developed by the women during the seminar will enable them to more easily lobby for their interests at the community level.

Additionally, the women benefited from domestic study visits to other regions on greenhouse vegetable production, berry production, specifically raspberries and blackberries, and on fruit production and post-harvesting.

Two annual forums for the the Northern and Central WANs were organized in Balti and Chisinau in late fall. These were successful two-day events, which provided women with the opportunity to get together for networking and experience exchange. Each event was attended by approximately 70 women. They listened to encouraging speeches from ACED donor representatives. They were highly impressed by several motivating stories shared by their counterparts on how the latter succeeded to develop their businesses and overcome various obstacles. Additionally, women benefitted from two training sessions on Communication & Negotiation, and Enterprise & Product Promotion, two subjects deemed important for their business development.



*Vegetable production study tour in Leca village, Cantemir*

On the second day, the women had the chance to learn about several financial opportunities, including the advantageous loans and grants offered by MAC-P, IFAD, EBRD-BAS and the

Organization for SME Development (ODIMM). ACED distributed HVA production guides on plums, apples, cucumbers, cherries, seedling material, and greenhouse construction. When asked for their feedback, women said they got to know each other, made new contacts, increased their communication and networking skills, got new materials and simply socialized, which they rarely do, because of many household responsibilities.

**The Southern WAN (implemented by CONTACT-Cahul)**

The women-members of the Southern WAN benefited from participation in eight events which addressed various subjects. Meetings on the topic of Moldova's Association Agreement with the EU, and its importance for the social-economic development of the country, were held in three sub-regions of the Southern WAN. This was a good event as the participants learned about the opportunities and benefits, but also objective risks related with association with the EU versus the Eurasian Union.

A group of women interested in the production of pellets and briquettes from agricultural waste met with an expert from a UNDP project to discuss the subject. They learned about the process of production, the necessary equipment and the marketing side of it - including the advantages and disadvantages. Above all, women had the chance to meet an owner of such business and ask questions. Feedback from participants was highly positive.

A study visit in Puhaceni village, Anenii Noi district, was very much appreciated by the women participants. They saw new varieties of cucumbers, tomatoes and sweet peppers in greenhouses. They learned about mulch, double layer films and fertigation.

The end of the first year of Southern WAN activities was marked by the annual forum which turned out to be a real success. Women socialized, exchanged experiences and successful practices, and were encouraged to hear several inspirational success stories. Three WAN members who had attended an ACED international study visit on vegetable production technologies in Turkey in October 2014 shared their impressions, which sensitized the others to the importance of participating in various events where they can learn new and efficient technologies and use this new knowledge for their business development.



*ACED materials distributed at the Southern WAN Forum*

Most of the women expressed their gratitude to ACED and the opportunities it offers, and they also very often mentioned the usefulness of the materials and guides ACED has distributed.

**The Gagauzian WAN (implemented by the Association of Women of Gagauzia)**

During ACED Year Four the Gagauzian WAN members benefited from three seminars on different value chains, more exactly on table grapes, stone fruit (peaches and plums), and berries. All three seminars were delivered by ACED national consultants. Women were highly interested in the topics, especially the berries, peaches and plums. Women also had an opportunity to participate in three study visits on vegetable, blackberry and table grape production. The visit on vegetables occurred in in Anenii Noi, Puhaceni village where women saw two family farms, both hosting ACED demo activities. The visit helped the women to discover some new techniques and practices like mulching and its impact on weeds and

moisture, double layer film for greenhouse and its impact on temperature, as well as nuances of cucumber and tomato planting and maintenance. The feedback was very good, with women saying that it is better to see once than hear ten times.

The same very good feedback was conveyed by women after visiting a company from Tomai village, Comrat district, specialized in wine and table grape production. The group had previously attended a theoretical seminar on table grape production. During the field visit the acquired theory was strengthened by observing and gaining practical knowledge. Women saw seven different grape varieties, including the popular „Cardinal” variety, and they learned about the peculiarities and differences in growing and maintaining wine and table grapes vineyards.



*Gagauzian women visiting a grape producer company in Tomai villaae. Comrat district*

In late November the Gagauzian WAN members gathered for an end of year Final Round Table to summarize the results of one year of activities and to discuss the draft plan of actions for the next year. There, the women learned about each other’s successes and had a mini training session on communication and conflict resolution.

**Transnistria WAN (implemented by Transnistria Chamber of Commerce & Industry)**

The Transnistrian WAN members have also experienced a productive year full of events, activities and learning.

Several seminars, with field trips, on subjects like Greenhouse Vegetable Production, Open Field Vegetable Production, and Berry Production took place during the year. These offered women the possibility to learn theory and to see firsthand the practice of various innovations that lead to the improvements in quality and quantity.



*Women from Transnistrian WAN visiting a berry producer in Iantarnoie village, Camenca district*

In addition to the production training activities, the women participated in two round tables - in Ribnita and Tiraspol - on the topic of Women in Agriculture: Reviving their Initiative, Efficiency and Confidence.

The idea was to bring together women owning and managing successful businesses and women that are risk-averse and less confident, but interested in starting a business, for the latter to get rid of doubts, and become more self-confident and motivated by women role models. The events were very interesting and especially helpful for experience exchanges and providing inspiration for the participating women.

The Transnistrian WAN members had two successful Experience Exchange Visits to the Central and Gagauzian regions of Moldova, meeting with WAN members from those regions and visiting some well developed agricultural businesses. In the Central part of Moldova, women visited a few modern greenhouses and fruit orchards including cherries, apples, apricots and plums. Additionally, women spent some networking time enjoying the Curchi monastery and the surroundings.

In Gagauzia, the women from Transnistria visited a few peach orchards and a greenhouse vegetable production business near Comrat. The group also visited a painting exhibition and went sightseeing the downtown of Comrat.

Considering WAN activity successes to date, ACED has decided to support the WAN activity for another year. Similar to the previous year, the ACED regional partners will be implementing numerous activities based on workplans developed in



*Transnistrian WAN members on an exchange visit with their counterparts from Gagauzian WAN*

cooperation with the WAN Advisory Group members. The workplans include various seminars, workshops, roundtables, and study visits within the country, and abroad, on subjects suggested by women. The requested event topics can be classified as follows:

#### **Seminars/ training course topics**

- ✚ Basic computer development skills
- ✚ Family farm accounting
- ✚ Agricultural marketing
- ✚ Cooperation and association
- ✚ Business planning
- ✚ Agricultural policies and subsidy regulation for 2015
- ✚ Tomato greenhouse production
- ✚ Cucumber greenhouse production
- ✚ Strawberry production technologies
- ✚ Currant berry production technologies

#### **Workshops/ roundtables**

- ✚ Modifications in fiscal legislation
- ✚ Accident prevention in agricultural enterprises
- ✚ Post-harvest agricultural infrastructure
- ✚ Quality standard requirements for export vegetables & export procedures

#### **Study visits in-country and abroad**

- ✚ Usage of alternative energy sources in greenhouse vegetable production
- ✚ Organic vegetable production
- ✚ Salad and culinary herb production
- ✚ Mushroom production
- ✚ Berry production
- ✚ Cold storage visit in Causeni
- ✚ Exchange visits to successful WAN members
- ✚ Vegetable and aromatic herb production (Romania)
- ✚ Fruit and berry production (Poland)

At year-end, instead of three annual forums held for each WAN separately, ACED will organize one national forum for all five WANs as requested by the women. This will enable the women to network further and make new contacts in the other regions of Moldova.

### **Environmental Compliance**

During Year Four, the ACED Environmental Specialist resigned from the project in September and rather than hire a full-time replacement the ACED project has contracted with a well-regarded local environmental specialist (who was the original DAI candidate for this position on the project) who will provide these services on an as needed basis. During this year there has not been a need to update the PERSUAP or to undertake any other extensive and detailed environmental compliance activities.

As in past years the main environmental compliance activities are the preparation of the approval documents for planned ACED demonstration activities. In Year Three an agreement was reached with the Mission Environmental Officer (MEO) that not all activities would need a full Environmental Review and that as an initial step ACED could prepare a brief description of the environmental mitigation measures planned for each activity. Based on this document the MEO and the BEO would decide which, if any, of the ACED demo activities would require completion of the Environmental Review Checklist (ERC). Over the course of Year Four ACED has submitted a series of demo activity lists to the MEO for review and approval/dis-approval and to date none of these has resulted in a request from the MEO for a full Environmental Review Checklist.

Over the course of Year Five the ACED project will get started on the final Environmental Compliance activities that need to be completed for the balance of the project. These include the annual Environmental Compliance Reports and the Close-Out Reports on each of the demonstration activities which will detail the host partner's compliance with the environmental mitigation measures outlined in the ERC lists. The Environmental Consultant will be responsible for undertaking these activities, in addition to any other environmental compliance activities that might be necessary.

### **Sequencing with the Compact THVA**

In Year Four, cooperation and coordination between ACED and the various parts of the MCC Compact that relate to the THVA activity strengthened their working relationship. This was mainly due to ACED's formal implementation of the training and technical assistance program for the MCC CIS Zones. Additional details on this collaboration and cooperation can be found in Section IV (Project Activities by Component) of this report titled Activity 1.6: Sequencing with the MCC Compact THVA.

### **Local Capacity Building of Moldovan BSPs**

Over project Year Four ACED continued to make extensive use of local business service providers (BSPs) for the implementation of project activities and events. As was the case in previous years, ACED generally sought out BSPs via a full and open competitive bidding process using the local press. Administrative and technical staff also identify local BSPs and encourage them to apply for ACED assignments. This bidding process, and the resulting work and collaboration, supports the capacity development of Moldovan BSPs. In Year Four, these local contracting activities included the following sub-contracts:

- ✚ ProConsulting LLC, The National Federation of Agricultural producers of Moldova (AGROInform) and Expert Group Consulting LLC were each contracted to develop several business and development plans for individual ACED project beneficiaries through cost-sharing arrangements with the ACED Value Chain Support Center.

- ✦ The Chamber of Commerce & Industry of the Republic of Moldova (CCI) was contracted to organize a study tour to Germany focused on modern plum production approaches and technologies, and another study tour to Turkey on modern vegetable production approaches and technologies.
- ✦ SC Onoris Legis LLC was contracted to provide legal and economic advice the Mayorality of Costesti, and the Local Council of Costesti, at all stages of the tendering process in order to select a private sector partner in the best interests of Costesti community in full compliance with the national legislation and the Project Concept Note.
- ✦ Biolab-Com LLC was contracted on a sole source basis to assess the existing Quality Management System of the Phytosanitary Laboratory of Moldova relative to its compliance with the requirements of ISO 17025:2005. This included identifying non-conformities and suggested correction actions.
- ✦ Subsequent to the contract above, Biolab-Com LLC was the contracted to provide the skill and knowledge training for the Phytosanitary Laboratory specialists on the specific methods and testing equipment, and on the PCR methods and protocols for meeting the requirements of laboratory accreditation schemes based on ISO 17025:2005. With the implementation of the this activity, the non-conformities would be eliminated and the Moldovan SPS lab would be ready to achieve compliance with ISO 17025:2005.
- ✦ The Moldovan national Association of Fruit Producers & Exporters “Moldova Fruct” was contracted to provide marketing services to its members.
- ✦ Two organizations from the Left Bank were contracted as Regional Training Service Providers (RTSPs) to support ACED training & demonstration programs in Transnistria.
- ✦ Eight Water Users Associations were also contracted as Regional Training Service Providers (RTSPs) to support the implementation of the ACED training & demonstration activities for the farmers in the MCC CIS zones.
- ✦ More than ten regional organizations were also contracted as Regional Training Service Providers (RTSPs) to support the implementation of the ACED training & demonstration activities throughout Moldova in the locations set by the ACED training plan

These are just a few examples of the subcontracting activities that ACED undertakes on a regular and annual basis. Each is an assistance program for the contracted BSPs and serves as a continual process of capability development.

## VI. PROGRESS TOWARDS INDICATOR TARGETS

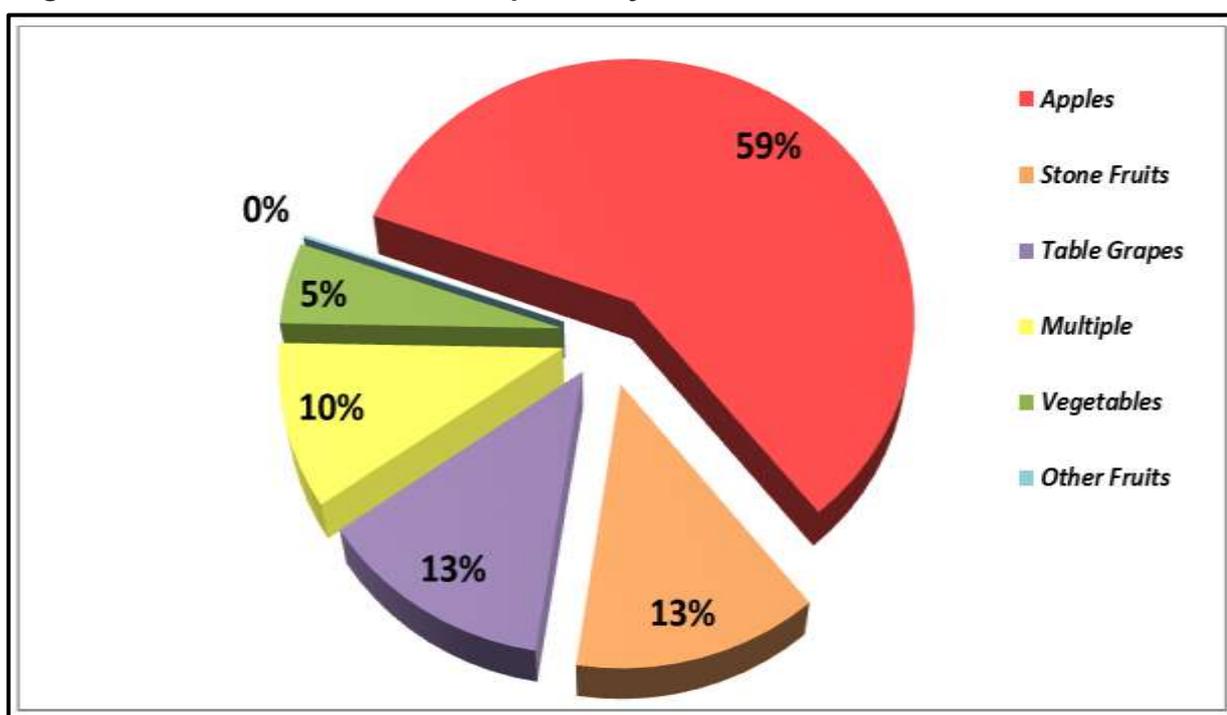
As of the end of Year Four, the ACED project has far exceeded the vast majority of the PMEP targets set out during the first year. As a striking example, ACED set a target of having trained 3,500 producers by the end of Year Four, but in fact has trained 5,676 producers to date, hence having exceeding the project target by 60%. Similarly, the project has facilitated more than \$25 million in sales to date, more than double the Year Four target of \$10.5 million, as well as exceeding the life of project target for sales of \$21 million. In the few instances where targets need more attention, the technical team has met and made appropriate plans to fill the gaps during Year Five. The sections below in this part of the Annual Report will provide the reader with some discussion and analysis of the targets by activity, and the Annual Indicator Tracker sheet is included as Annex A.

### Component 1, Activity 1: HVA Sales Facilitated by ACED

At the time this report was being prepared, the UN Comtrade data for Moldova for 2014 was not available online, nor was it available from the Moldovan National Bureau of Statistics. Therefore, ACED staff will report on indicators 1.0.2, 1.0.3 and 1.0.4, regarding national Moldovan HVA exports, in the next quarterly report.

Through the end of Project Year Four, March 2015, ACED had facilitated total cumulative sales of more than \$25 million, more than double the Year Four target of \$10.5 million. This represents sales facilitated and tracked by the marketing, training and technical teams, as well as facilitated sales unearthed by the end of year survey. Figure 1, shown below, shows the percentage of sales by value chain extracted from the TAMIS system. The highest percentage of sales facilitated by ACED was for apples (59%), followed by stone fruit and table grapes (13%), with multiple value chains (which includes processed vegetables, fruit and sweet corn) being (10%), and vegetables (5%).

**Figure 1: Percent of Total Sales Reported by Value Chain**



As a subcategory, export sales were facilitated by ACED in the following value chains: apples, table grapes, stone fruit, and multiple, which includes processed vegetables, fruit and sweet corn, with the largest amount of export sales being facilitated for apples (Figure 2). The great bulk of exports (88%) went to traditional markets, mainly Russia, Kazakhstan, Belarus and Ukraine. Meanwhile, the project continues to help Moldovan producers make their first attempts at conquering non-traditional markets, such as the EU, the Middle East and Asia through participation in various international trade fairs. Note that for \$1.5 million of the reported exports of agricultural HVA products, the surveyed producers could not identify the export country of destination, as they sold these products for cash to local exporters. The total amount of exports facilitated to date has exceeded \$19 million and this is more than twice the ACED Year Four target of \$7 million.

**Figure 2: Value of HVA Exports by Value Chain and Type of Market**



By the end of March 2015, ACED had recorded 1,264 producers with sales facilitated in the TAMIS system (well exceeding the Year Four target of 1,000), of which 276, or 22%, are women-owned/managed farms/enterprises. More than half of the total reported are input supply producers reported by processing enterprises with sales facilitated by ACED.

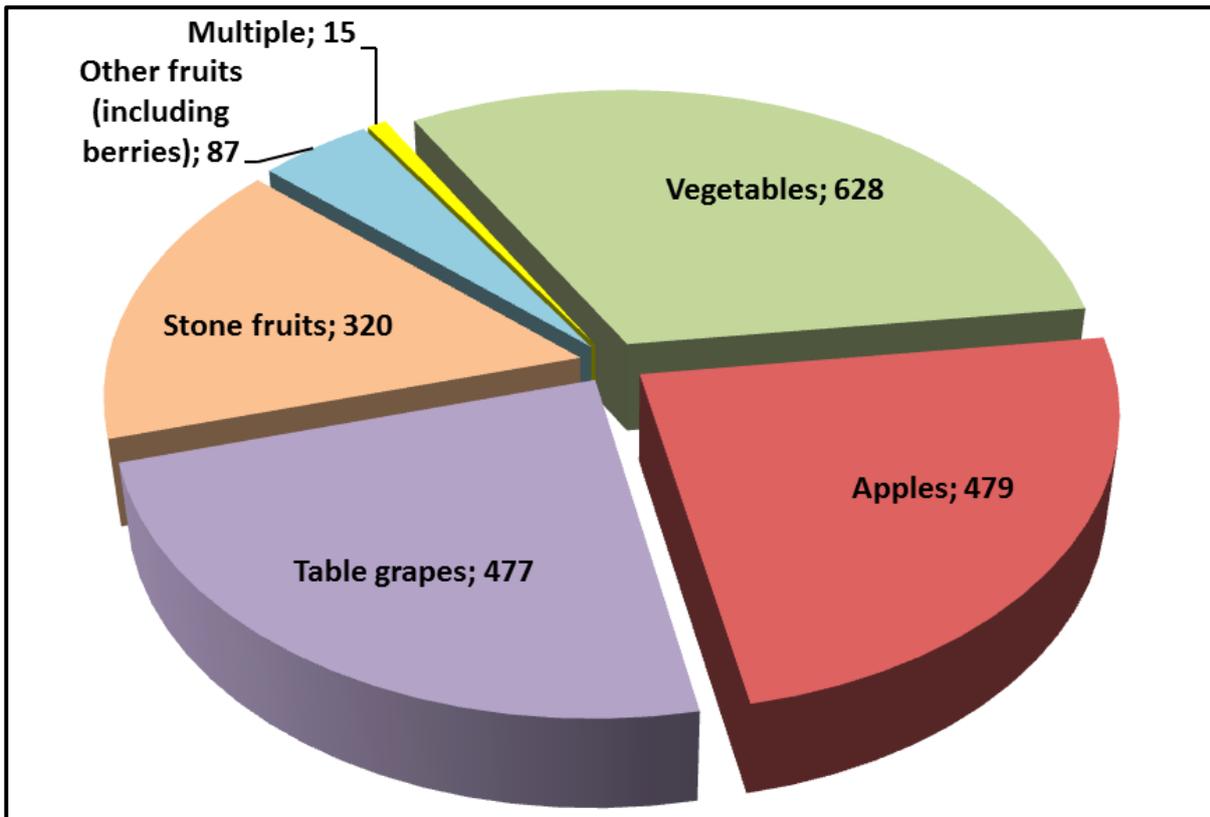
**Component 1, Activity 2: Producers Trained/With Adopted Techniques & Practices**

Due to the large number of seminars organized during the last three years, ACED has far exceeded the Year Four target for producers trained (5,676 trained versus the 3,500 target). Women represented 34% of total discrete training participants, which also exceeds the project’s long-term target of 30%.

Producers adopting improved techniques and practices rose to 2,006, on a cumulative basis, through March 2015. Most of the adopters were in the vegetable value chain (31% of the adopters), followed by apples and table grapes (with 23% each) (see Figure 3). Women

represented 36% of the adopters. Producers reported the adoption of new techniques and practices on 6,936 ha, which exceeds by 15% our Year Four target of 6,000 ha.

**Figure 3: Producers Adopting Improved Techniques and Practices by Value Chain**



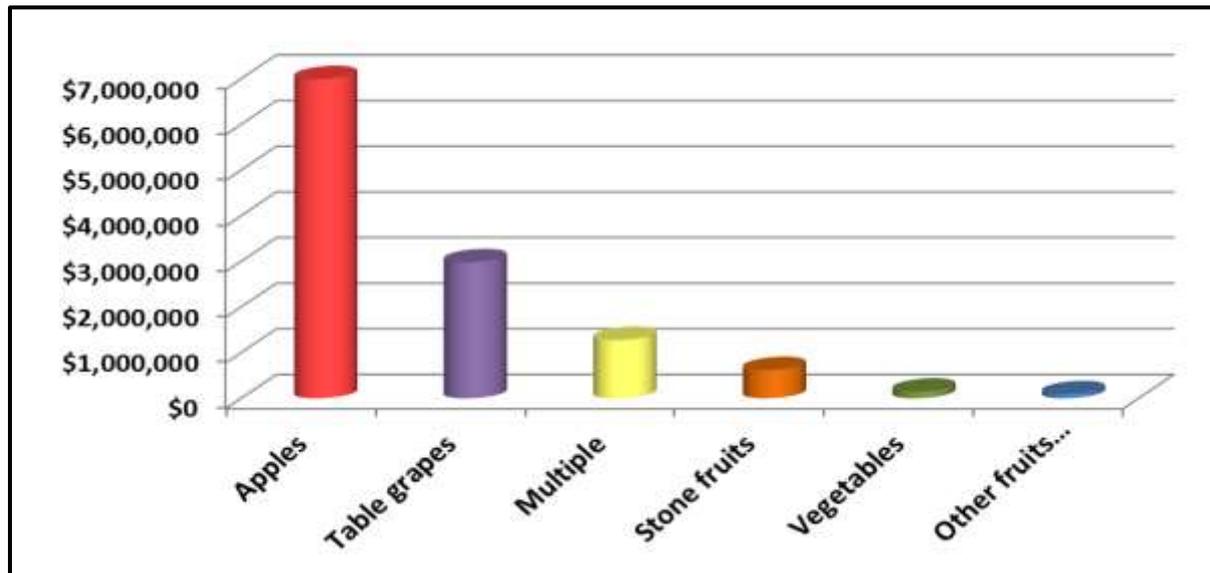
**Component 1, Activity 3: Support for Development of the HVA Value Chain**

During Year Four, ACED registered seven producers in the TAMIS system (Farm-Prod Ltd, Domulterra Ltd, Vitalitfruit-expo Ltd, Andridor Ltd, Victor Scutaru FF, Eftodii FF and Basan Agro Coop) as having implemented Good Agricultural Practices based on the GlobalGAP standard. ACED has provided training and other assistance for the owners, and technical specialists (agronomists, production managers), from these seven companies based on the standards and the GlobalGAP guide developed by the ACED project.

As result of these efforts, these companies have improved their food safety systems at the primary production level by making changes to their basic production processes, and they have documented their procedures and records, based on ACED recommendations. These companies have implemented food safety systems based on Moldovan national legislation in this area, which is based on current relevant EU regulations.

The total value of new investments in HVA infrastructure facilitated by the ACED project through March of 2015 amounts to \$12.1 million, of which more than \$6.9 million were invested in the apple value chain, \$2.9 million in the table grape value chain and \$1.2 million in facilities that can be used for various value chains (see Figure 4).

Figure 4: HVA Infrastructure Investments by Value Chain



By the end of Project Year Four, HVA value chain investments facilitated by ACED were made in the following categories:

- ✚ \$9.6 million was invested in post harvest equipment & other facilities, such as cold storage, packing houses, pre-cooling chambers, sorting and box manufacturing lines;
- ✚ \$1.5 million was used to purchase seedling material for new orchards, vineyards, and berry plots, including orchard and vineyard extensions with new varieties;
- ✚ More than \$500,000 was invested in new greenhouse construction or renovations, and the addition of drip irrigation in greenhouses and open fields; and
- ✚ Over \$400,000 was invested in various types of equipment: branch crushers, weather stations, weed cutting machines, sprinklers and quality control equipment, etc.

The total value of HVA investments facilitated to date (\$12.1M) by the ACED project exceeds the \$11 million Year Four target by over one million dollars.

The total number of clients to date that have reported investments facilitated is 283, of which 91 are woman-owned/managed farms or firms (32% of the total). This compares favorably to the Year Four target of 100 clients making HVA investments.

The total number of discrete enterprises receiving technical assistance from ACED has some to 314, compared to our cumulative target of 84 enterprises assisted by the end of Project Year Four. Sixteen percent of these enterprises were woman-managed or owned.

ACED has counted 64 Value Chain enterprises as having adopting improved Post-Harvest Handling techniques and practices to date. Most of the reporting producers report having installing and used pre-cooling, implemented storage or drying techniques or used maturity prediction and assessment techniques. This also compares favorably to the Year Four target of 55 Value Chain enterprises having adopted improved practices.

**Component 2, Activity 1: Transnistrian BSP Capacity Building**

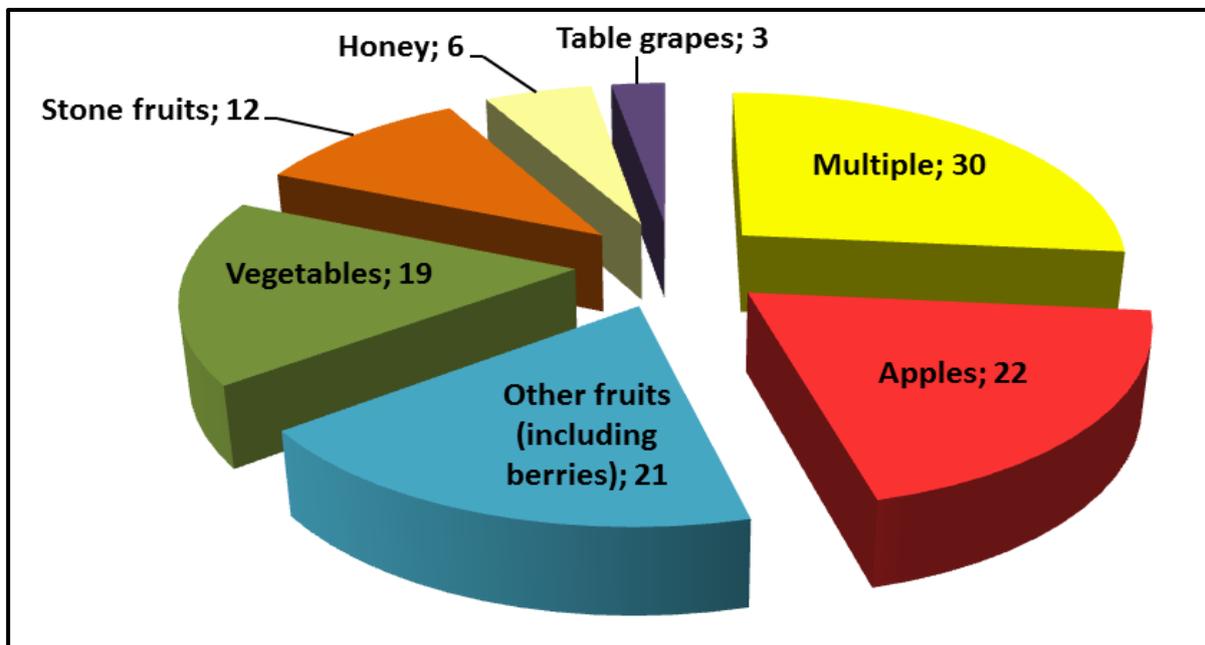
Under Component 2, ACED has already exceeded all of the Life-of-Project (LOP) indicator targets. Component 2, Activity 1 was designed to build business service provider capacity so

that local BSPs will have a multiplier effect on local businesses to which they provide services. ACED has assisted 18 BSPs in Transnistria, which in turn were better able to provide relevant business services to 107 microenterprises and 152 SME clients (compared to the LOP targets of 20, and 75, respectively). Of the 18 BSPs assisted, 11 (more than half) were women lead or women owned, and the number of BSPs assisted to date is double the Life-of-Project target of 9 BSPs having been assisted.

**Component 2, Activity 2: Transnistrian MSMEs Development**

There were 113 cross-bank enterprise linkage activities facilitated by ACED through March 2015. The largest number of these events related to multiple value chains, for instance, international trade fairs with right and left bank participants. Aside from this, there were relatively equal numbers of cross bank events in our original value chains, with descending numbers for other value chains which were added to the region over time like honey and table grapes.

**Figure 5: Number of Cross-Bank Enterprise Linkage Activities by Value Chain**



**End of Year Impact Survey**

The third annual, and the first targeted survey, of producers trained was carried out by the ACED team from January to March of 2015. The survey queried those producers who had attended five or more ACED events, including three or more production training events, and did not yet have a practice adopted as captured in the ACED TAMIS system. In the survey, eighty percent of the sample (84 of the producers trained by ACED) reported that in fact they had adopted one or more practices due to ACED’s assistance. Furthermore, those with practices adopted reported having increased their sales by more than \$1 million, which meets the ACED PMEP definition of facilitated sales. Apart from that, the survey also captured over \$700,000 of new HVA investments made by ACED beneficiaries. Meanwhile, the end of the year survey provided a valuable learning experience and a chance to reflect upon the current data quality captured in the TAMIS system. More information on all of these topics can be found in Annex C, the full End of Year Survey report.

## **VII. ADMINISTRATION & CONTRACT DELIVERABLES**

Over the course of project Year Four, ACED has continued to provide the USAID Mission and MCC/MCA offices with the reports and other documents that are required by the ACED contract. These include the annual workplan and report, quarterly and monthly reports, monthly activity schedules, quarterly accrual reports and other periodic reports. With the submission of this report, ACED has no outstanding reports due to the USAID Mission related to project Year Four. In addition to these deliverables, ACED has provided the USAID Mission with additional documentation as requested, and has planned additional activities following the increase in total funding for the contract included in the contract modification of December 2014.

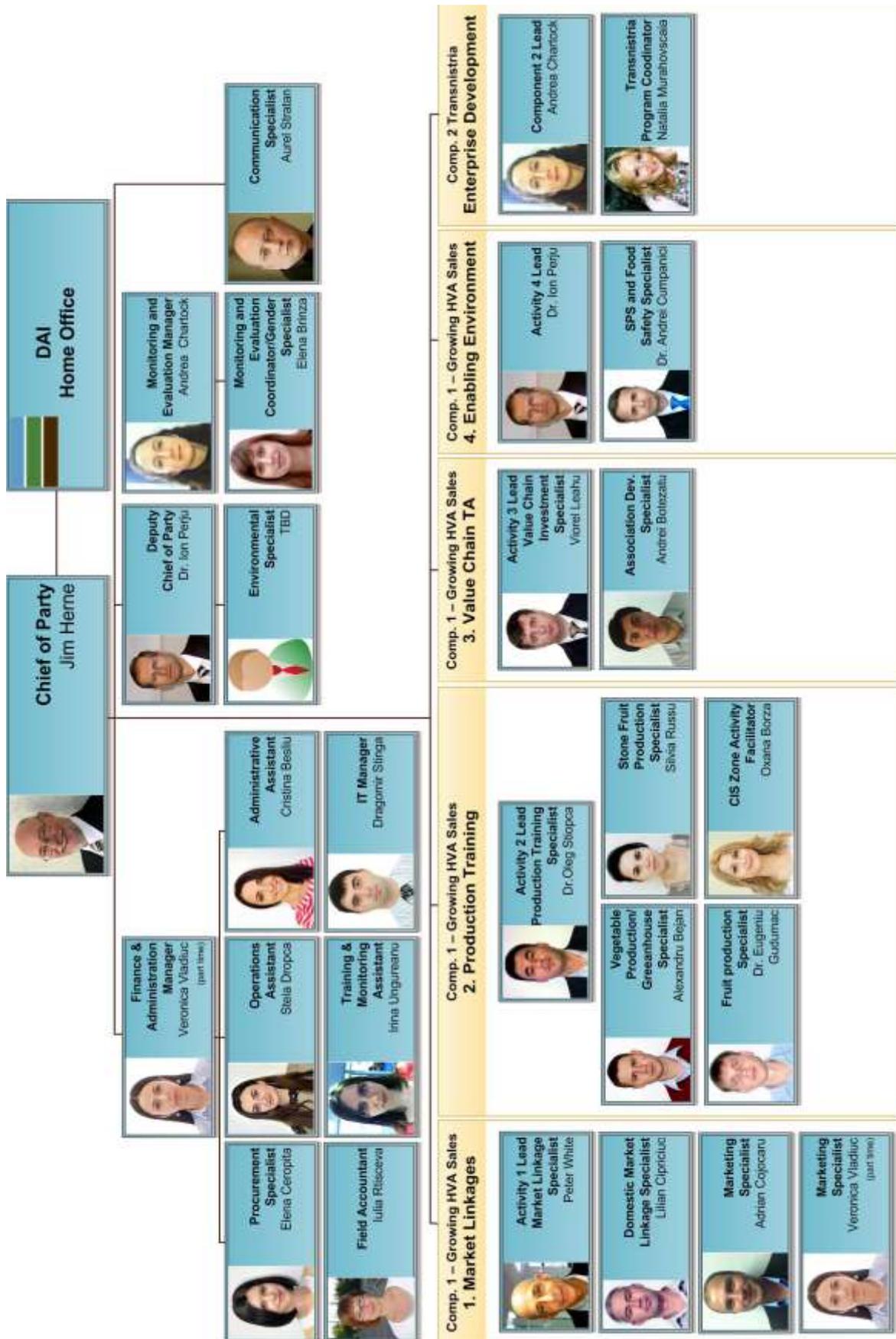
As in the case of previous years, in order to ensure implementation of the project scope of work and the planned activities, ACED carried out a tremendous number of procurements. These included the procurement of both goods and services. The contracting vehicles used by ACED so far have been direct awards, fixed price purchase orders, blanket purchase agreements and indefinite quantity contracts. ACED has sought to subcontract Moldovan vendors to the greatest extent possible, but when the goods and/or services were not available locally, ACED looked for vendors outside of Moldova. Due to the fact that some of the project activities are carried out in other countries, as is the case with the international trade shows where ACED supports Moldovan participation, and the specialized customized study tours, ACED has also worked with vendors from other countries.

With these procurements, the ACED project has succeeded to set up a significant number of demo activities and implement many international study tours on topics ranging from primary production to harvest and post-harvest handling technologies and to provide an extensive program of training assistance for producers throughout Moldova. During Year Four, ACED also intensified its assistance to Moldovan producers and processors related to marketing activities, giving them the opportunity to participate more international trade shows than was the case in previous years. The World of Perishables show in Dubai, and the IndAgra show in Bucharest, were additions to the other shows ACED has supported (World Food Moscow, Fruit Logistica and GulFood). Moldova's professional exposure at these shows has been highly appreciated by both the participants and by the visitors and potential buyers.

Equipment purchased for demo activities has been provided to the host farmers on a temporary use basis. ACED has received USAID approval for the disposition of non-expandable equipment for certain demo-activities and has taken the actions needed to transfer title to the host farmers. ACED plans to submit two more approval requests shortly for the disposition of other demonstration activity equipment.

### **Project Personnel and the ACED Organization Chart**

Over the course of Year Four a few organizational changes have occurred (see chart on the following page). Alexandru Belschi, the Export Market Specialist left the project and ACED identified personnel resources within existing project staff. Adrian Cojocar, a Value Chain Technical Specialist was moved to a Marketing Specialist position, and Veronica Vladiuc, the Finance & Admin Manager has taken on some responsibilities as part of the marketing team. Inessa Galitchi, the Environmental Specialist left the project for another position and ACED has decided to contract with Aureliu Overcenco on a consulting basis and use his services when on an as needed basis. There have been a few other admin personnel changes, with Cristina Besliu and Stela Dropca joining the ACED team as shown on the chart.



**Project Deliverables**

During project Year Four, ACED has continued to submit regular reports as required in the contract to the USAID Mission in Chisinau. During the year the Chief of Party has continued to work on improving the content and appearance of periodic reports, in particular the Monthly Event Schedules and the Monthly Status Reports. Since the start of Year Three, the Monthly Event Schedules have been using a new format which identifies each event by project component & activity, and which highlights cross-bank events. The Monthly Status Reports have also been improved, with the addition of pictures and graphics, along with sections covering the Cross-Cutting Activities and Communications. The ACED project has also been more diligent in the preparation of project Success Stories, and during Year Four the project has prepared another seven Success Stories, using the prescribed USAID format. Copies of these stories are attached as Annex B to this report.

The format for the Monthly Event Schedule (formerly called the Monthly Activity Schedule) has undergone the most change, with a shift in focus from a broad range of internal and external events and activities to a focus more on events intended for project clients, which would also be of interest for the project's COR and other USAID, MCC or Embassy representatives to attend. As a result, the new format lists training events, international study tours, seminars, workshops, consultant presentations, demo activity field days and other similar events. The new format also includes more extensive background information on the activity, including a short description, the date, time and location of the event, any partner organizations involved, and suggested USG representative participants. Highlighting is used to signify events implemented by Component 2 (intended for Transnistrian clients), activities with cross-bank participation, Women's Network activities and activities focused on MCC CIS Zone farmers. An image of the first page of a Monthly Event Schedule is shown below.

  					
ACED Project Monthly Event Calendar - February 2014					
Event Date(s)	ACED Comp/Activity & Event Type	Event Location & Time	Event Description & Purpose	Partner Organizations	USG Representation?
Feb 05 - 07	Component 1 Activity 1 - Marketing - Intl Trade Show	Fruit Logistica 2014 Berlin, Germany	ACED, in partnership with the UNDP Aid for Trade project and Moldova Fruit, will support a "Moldova - taste makes the difference" booth at <b>Fruit Logistica 2014</b> . Approximately ten producers will receive support to display their products.	Aid for Trade, Moldova Fruit, Ministry of Agriculture, producers	COR?, MCC?, MCA?
Feb 05 (tentative)	Comp 2, Activity 2 - MSME Development - Field Days	Tomovca (Transnistria) to be held at Fica, Ltd Time TBD	ACED and the RTSP for Transnistria, Bely Most, will organize the first Field Day for the <b>Construction of a Double Layer Greenhouse</b> demonstration activity at the site of the host farmer, Fica, Ltd.	ACED staff, Bely Most, local staff from the greenhouse supplier Dinamica Tur Ltd. and the host farmer	COR?
Feb 10 - 14	Component 1 Activity 1 - Marketing - Intl Trade Show	ProdExpo 2014 Moscow, Russia	ACED, in partnership with a group of Moldovan food processing companies, will support a "Moldova" booth at <b>ProdExpo 2014</b> . ProdExpo is focused on processed foods, and seven Moldovan companies will exhibit at this show.	Orhei Vit, Natur Bravo, Alfa Nistru and four smaller processors	COR?
Feb 13 (tentative)	Comp 2, Activity 2 - MSME Development - Field Days	Tomovca (Transnistria) to be held at Fica, Ltd Time TBD	ACED and the RTSP for Transnistria, Bely Most, will organize the second Field Day for the <b>Construction of a Double Layer Greenhouse</b> demonstration activity at the site of the host farmer, Fica, Ltd.	ACED staff, the RTSP for Parcani Tomovca, local staff from the greenhouse supplier Dinamica Tur Ltd. and the host farmer	COR?
Feb 14 (tentative)	Comp 2, Activity 2 - MSME Development - Training Seminars	Chisnari (Transnistria) Time & Location TBD	ACED and Bely Most, one of the RTSPs for Transnistria, will hold a one day training seminar on <b>Chinese Cabbage Production and Quality Standards</b> .	ACED staff, Consultant Biagala, the RTSP Bely Most and farmers-producers from the Chisnari region	COR?
Feb 16	Cross Cutting Gender - WAN for Gagauzia	Comrat (UTA Gagauzia) Time & Location TBD	The ACED sub-contractor for the Women's Agricultural Network in Gagauzia will organize a one day seminar on <b>Tomato Production in Greenhouses</b> for members of the WAN in Gagauzia.	Association of the Women of Gagauzia	COR?, MCA?
Feb 17 - 23	Component 1 Activity 3 - Value Chain - Intl Study Tour	Warsaw & Grojec, Poland	The ACED Value Chain Team will send a group of twelve apple growers on a one week <b>Study Tour to Poland</b> to examine how Polish apple growers organize themselves into coops and farmer associations to improve their prospects.	The ACED sub-contractors working on the joint marketing program along with the groups of apple growers	COR?, MCA?
Feb 18 - 21	Component 1 Activity 4 - Enabling Environment - SPS System Training	Chisnari, Institutul Munci 09:00 to 17:00	Andrei Ciompanici, the ACED Food Safety Specialist, will present a four day technical seminar on the <b>Implementation of GlobalGAP Systems</b> in food companies for interested project client firms.	ACED staff, ACED project client producers and food processing companies	COR?, MCA?
Feb 23 - 27	Component 1 Activity 1 - Marketing - Intl Trade Show	GulFood 2014 Dubai, UAE	ACED, in partnership with Moldova Fruit and the newly formed Walnut Association, will support a "Moldova - taste makes the difference" booth at <b>GulFood 2014</b> . Eight producers and associations will receive support for this event.	Moldova Fruit, Walnut Association, selected producers	COR?, MCC?, MCA?
Feb 27 - 28	Component 1 Activity 4 - Enabling Environment - SPS System Training	Chisnari, Institutul Munci 09:00 to 17:00	Andrei Ciompanici, the ACED Food Safety Specialist, will present a four day technical seminar on the <b>Implementation of Food Safety and HACCP Systems</b> in food companies for interested project client firms.	ACED staff, ACED project client producers and food processing companies	COR?, MCA?

**USAID Moldova - MCC Moldova**

**AGRICULTURAL COMPETITIVENESS AND ENTERPRISE  
DEVELOPMENT PROJECT**

**ANNUAL REPORT FOR PROJECT YEAR FOUR  
APRIL 1, 2014 – MARCH 31, 2015**

**Annex A: PMEIP Indicator Tables for Year Four**

## ACED PMEP INDICATOR TRACKER

Nr.	Performance Indicator	Disaggregation	Through Mar 2015	Year 4 Target	Life of Project Target
<b>COMPONENT 1: Growing HVA Sales</b>					
1.0.1	^Increase in annual profits among ACED-assisted producers and agribusinesses located outside of areas targeted in the CIS Rehabilitation Project funded under the MCC Compact	<b>TOTAL</b>	N/A (^)	N/A	20%
		<i>Women owned or managed farms/firms</i>	0		
		<i>Value Chain</i>			
1.0.2	*Percent change in high-value agriculture exports based on new data available for 2013	<b>TOTAL</b>	*Not yet available	25% over baseline \$182,382,126 (with re-exports excluded)	35%
		<i>HS Codes (minus exceptions noted in PMEP and re-exports)</i>			
		<i>07 (Vegetables)</i>			
		<i>08 (Fruits)</i>			
		<i>20 (Preserved products)</i>			
1.0.3	*Percent change in high-value agriculture exports in our selected target value chains based on new data available for 2013	<b>Targeted Value Chains</b>		30% over baseline	50%
		<i>0702 (Tomatoes, fresh or chilled)</i>	*Not yet available		
		<i>080610 (Grapes, fresh)</i>	*Not yet available		
		<i>080810 (Apples, fresh)</i>	*Not yet available		
		<i>0809 (Stone fruits, fresh)</i>	*Not yet available		
1.0.4	*Change in dollar value of high value agricultural exports to non-traditional export markets based on new data available for 2013	<b>TOTAL</b>	*Not yet available	15% over baseline \$78,920,570 (with re-exports excluded)	25%
		<b>Targeted Value Chains</b>			
		<i>0702 (Tomatoes, fresh or chilled)</i>			
		<i>080610 (Grapes, fresh)</i>			
		<i>080810 (Apples, fresh)</i>			
		<i>0809 (Stone fruits, fresh)</i>			
1.0.5	Number of visitors to ACED- sponsored web resources	<b>TOTAL</b>	43,123	30,000	50,000
		<b>Web Site</b>			
		<i>ACED web site: total visits</i>	37,100		
		<i>ACED web site: unique visitors</i>	19,750		
		<i>Agroconnect: total visits</i>	32,959		
		<i>Agroconnect: unique visitors</i>	23,373		

^ Indicator to be reported by MCA's Impact Assessment Contractor

\* Indicator reported annually

## ACED PMEP INDICATOR TRACKER

Nr.	Performance Indicator	Disaggregation	Through Mar 2015	Year 4 Target	Life of Project Target
<b>Component 1, Activity 1: Develop and Expand Market Opportunities for Moldovan HVA</b>					
1.1.1	Value of annual HVA sales facilitated by ACED on behalf of Moldovan producers or producer groups <b>(domestic and exports)</b>	<b>TOTAL</b>	<b>\$25,128,526</b>	<b>\$US 10.5 mn</b>	<b>\$US 21 mn</b>
		<i>Women owned or managed farms/firms</i>	<b>\$7,048,761</b>		
		<b>Value Chain</b>			
		<i>Apples</i>	\$14,744,722		
		<i>Stone fruits</i>	\$3,307,297		
		<i>Other fruits (including berries)</i>	\$51,154		
		<i>Table grapes</i>	\$3,225,732		
		<i>Vegetables</i>	\$1,267,871		
		<i>Multiple</i>	\$2,531,750		
1.1.2	Value of HVA <b>exports</b> facilitated by ACED on behalf of Moldovan producers and producer groups	<b>TOTAL</b>	<b>\$19,492,465</b>	<b>\$US 7 mn</b>	<b>\$US 15 mn</b>
		<i>Women owned or managed farms/firms</i>	<b>\$4,219,727</b>		
		<b>Value Chain</b>			
		<i>Apples</i>	\$12,744,176		
		<i>Stone fruits</i>	\$2,438,355		
		<i>Table grapes</i>	\$1,980,314		
		<i>Vegetables</i>	\$431,040		
		<i>Multiple</i>	\$1,898,580		
		1.1.3	Number of producers reporting transactions facilitated by ACED		
<i>Women owned or managed farms/firms</i>	<b>276</b>				
<b>Value Chain</b>					
<i>Apples</i>	86				
<i>Stone fruits</i>	76				
<i>Other fruits (including berries)</i>	11				
<i>Table grapes</i>	99				
<i>Vegetables</i>	121				
<i>Multiple</i>	871				

## ACED PMEP INDICATOR TRACKER

Nr.	Performance Indicator	Disaggregation	Through Mar 2015	Year 4 Target	Life of Project Target
<b>Component 1, Activity 2: Upgrade Production in the HVA Value Chain</b>					
1.2.1	Number of producers trained as a result of ACED (Milestone)**	<b>TOTAL**</b>	<b>5676</b>	<b>3500</b>	<b>4300</b>
		<i>Women</i>	<i>1946</i>		
		<b>Value Chain</b>			
		<i>Apples</i>	<i>1171</i>		
		<i>Stone fruits</i>	<i>917</i>		
		<i>Other fruits ( including berries)</i>	<i>196</i>		
		<i>Table grapes</i>	<i>1359</i>		
		<i>Vegetables</i>	<i>1631</i>		
	<i>Multiple</i>	<i>402</i>			
** The total includes cross-cutting VC training participants that cannot be disaggregated by VC					
1.2.2	Number of producers adopting improved practices (or applying improved techniques) as a result of ACED	<b>TOTAL</b>	<b>2006</b>	<b>2000</b>	<b>2800</b>
		<i>Women</i>	<i>723</i>		
		<b>Value Chain</b>			
		<i>Apples</i>	<i>479</i>		
		<i>Stone fruits</i>	<i>320</i>		
		<i>Other fruits (including berries)</i>	<i>87</i>		
		<i>Table grapes</i>	<i>477</i>		
		<i>Vegetables</i>	<i>628</i>		
	<i>Multiple</i>	<i>15</i>			
1.2.3	^Number of additional hectares under improved technologies or management practices as a result of ACED	<b>TOTAL</b>	<b>6936</b>	<b>6000</b>	<b>8400</b>
		<i>Women owned or managed farms/firms</i>	<i>802</i>		
		<i>Men owned or managed farms/firms</i>	<i>6134</i>		
		<i>Association-applied</i>	<i>0</i>		

*^ Indicator to be reported by MCA's Impact Assessment Contractor*

## ACED PMP INDICATOR TRACKER

Nr.	Performance Indicator	Disaggregation	Through Mar 2015	Year 4 Target	Life of Project Target				
<b>Component 1, Activity 3: Upgrade Support for Development of the HVA Value Chain</b>									
1.3.1	Number of ACED-supported VC entities adopting international food safety and quality standards	<b>TOTAL</b>	<b>12</b>	<b>15</b>	<b>20</b>				
		<i>Women owned or managed farms/firms</i>	<b>2</b>						
		<b>Value Chain</b>							
		<i>Table grapes (GLOBAG.A.P.)</i>	<b>8</b>						
		<i>Multiple (ISO 22 000)</i>	<b>4</b>						
1.3.2	Value of new investment in Moldovan HVA farms and value-chain businesses assisted by ACED	<b>TOTAL</b>	<b>\$12,100,802</b>	<b>\$US 11 mln</b>	<b>\$US 15 mln</b>				
		<i>Women owned or managed farms/firms</i>	<b>\$1,644,137</b>						
		<b>Value Chain</b>							
		<i>Apples</i>	<b>\$6,990,465</b>						
		<i>Stone fruits</i>	<b>\$617,400</b>						
		<i>Other fruits (including berries)</i>	<b>\$89,825</b>						
		<i>Table grapes</i>	<b>\$2,980,105</b>						
		<i>Vegetables</i>	<b>\$146,337</b>						
		<i>Multiple</i>	<b>\$1,276,670</b>						
		1.3.3	Number of clients benefiting from assistance leading to HVA investments including farmers, farmer groups and enterprises			<b>TOTAL</b>	<b>283</b>	<b>100</b>	<b>150</b>
<i>Women owned or managed farms/firms</i>	<b>91</b>								
<b>Value Chain</b>									
<i>Apples</i>	<b>68</b>								
<i>Stone fruits</i>	<b>30</b>								
<i>Other fruits (including berries)</i>	<b>48</b>								
<i>Table grapes</i>	<b>27</b>								
<i>Vegetables</i>	<b>99</b>								
<i>Multiple</i>	<b>11</b>								
1.3.4	Number of HVA enterprises assisted by ACED			<b>TOTAL ***</b>	<b>314</b>	<b>84</b>	<b>120</b>		
1.3.4.1	Technical assistance	<i>Women owned or managed farms/firms</i>	<b>51</b>	<b>n/a</b>	<b>n/a</b>				
		<b>SUB-TOTAL ***</b>	<b>168</b>						
		<i>Women owned or managed farms/firms</i>	<b>27</b>						
		<b>Value Chain</b>							
		<i>Apples</i>	<b>25</b>						
		<i>Stone fruits</i>	<b>19</b>						
		<i>Other fruits (including berries)</i>	<b>1</b>						
		<i>Table grapes</i>	<b>31</b>						
		<i>Vegetables</i>	<b>26</b>						
		<i>Multiple</i>	<b>66</b>						
1.3.4.2	Enterprise events/trainings	<b>SUB-TOTAL ***</b>	<b>195</b>	<b>n/a</b>	<b>n/a</b>				
		<i>Women owned or managed farms/firms</i>	<b>34</b>						
		<b>Value Chain</b>							
		<i>Apples</i>	<b>23</b>						
		<i>Stone fruits</i>	<b>10</b>						
		<i>Table grapes</i>	<b>29</b>						
		<i>Vegetables</i>	<b>14</b>						
		<i>Multiple</i>	<b>119</b>						
		***The total is discrete enterprises, however, we break out (non-discrete) by type of assistance (technical and events/trainings) to show the total number of enterprises assisted per type of assistance.							
		1.3.5	Number of VC enterprises (such as processors, cold stores, supermarkets, etc) adopting improved practices as a result of ACED			<b>TOTAL</b>	<b>64</b>	<b>55</b>	<b>75</b>
<i>Women owned or managed farms/firms</i>	<b>9</b>								
<b>Value Chain</b>									
<i>Apples</i>	<b>21</b>								
<i>Stone fruits</i>	<b>17</b>								
<i>Table grapes</i>	<b>11</b>								
<i>Multiple</i>	<b>15</b>								

## ACED PMEP INDICATOR TRACKER

Nr.	Performance Indicator	Disaggregation	Through Mar 2015	Year 4 Target	Life of Project Target
<b>Component 1, Activity 4: Improving the Enabling Environment for HVA</b>					
1.4.1	Number of agricultural policy reforms carried out as a result of ACED project intervention	<b>TOTAL</b>	<b>5</b>	<b>3</b>	<b>5</b>
		<i>Governmental Institutions</i>	<i>MAFI, Min. of Environment, Min. of Finance, Min. of Economy, Customs Service, National Agency for Food Safety</i>		
1.4.2	Number of consultative processes involving communication between government and private sector as a result of ACED assistance (Milestone)	<b>TOTAL</b>	<b>21</b>	<b>26</b>	<b>30</b>
1.4.3	Moldova SPS service achieves compliance with IPPC, ISPM Guidelines 7, 20 and 23	<b>N/A</b>		<b>Audit passed. Moldova SPS service achieves compliance</b>	
1.4.4	The Central Phyto-sanitary Lab is certified to ISO family of standards and/or another appropriate international standard as confirmed by a Certification or Accreditation body. This could include ISO 9001 (management standard), ISO 17,025 which is a lab certification standard or another international standard.	<b>N/A</b>		<b>Certification achieved</b>	

## ACED PMEP INDICATOR TRACKER

Nr.	Performance Indicator	Disaggregation	Through Mar 2015	Year 4 Target	Life of Project Target
<b>COMPONENT 2: Enterprise Development in Transnistria</b>					
<b>Component 2, Activity 1: Enhance the Capacity of Transnistria Business Service Providers to Provide Services to MSMEs Resulting in Improved MSMEs Competitiveness</b>					
2.1.1	Number of microenterprises receiving business development services from ACED-assisted entities (less than 10 employees, this includes household farmers)	<b>TOTAL</b>	<b>107</b>	<b>15</b>	<b>20</b>
		<i>Women owned or managed farms/firms</i>	<b>47</b>		
		<b>**HVA Value Chain (if applicable)</b>			
		<i>Apples</i>	1		
		<i>Other fruits (including berries)</i>	2		
		<i>Vegetables</i>	73		
<i>Multiple</i>	26				
2.1.2	Number of small and medium enterprises (SMEs) receiving business development services from ACED-assisted entities	<b>TOTAL</b>	<b>152</b>	<b>50</b>	<b>75</b>
		<i>Women owned or managed farms/firms</i>	<b>31</b>		
		<b>**HVA Value Chain (if applicable)</b>			
		<i>Multiple</i>	10		
2.1.3	Number of trainings for business service providers (BSPs) and industry/business associations to better serve the needs of the business community	<b>TOTAL</b>	<b>11</b>	<b>7</b>	<b>9</b>
		<i>Women owned or managed BSP participating</i>	<b>11</b>		
		<b>**HVA Value Chain (if applicable)</b>			
		<i>Vegetables</i>	1		
		<i>Multiple</i>	6		
2.1.4	Number of business service providers (BSPs) and industry/business associations assisted to better serve the needs of the business community (receive training, consultation, study tour, etc)	<b>TOTAL</b>	<b>18</b>	<b>7</b>	<b>9</b>
		<i>Women owned or managed farms/firms</i>	<b>11</b>		
<b>Component 2, Activity 2: Support the Development of MSMEs in Transnistria</b>					
2.2.1	Number of cross-bank enterprise linkage activities facilitated by the Contractor over 5 years	<b>TOTAL</b>	<b>113</b>	<b>5</b>	<b>7</b>
		<i>Women owned or managed farms/firms</i>	<b>160</b>		
		<b>Value Chain</b>			
		<i>Apples</i>	25		
		<i>Stone fruits</i>	12		
		<i>Other fruits (including berries)</i>	21		
		<i>Table grapes</i>	3		
		<i>Vegetables</i>	18		
<i>Multiple</i>	34				
<b>**To be reported if in project targeted value chains</b>					

**USAID Moldova - MCC Moldova**

**AGRICULTURAL COMPETITIVENESS AND ENTERPRISE  
DEVELOPMENT PROJECT**

**ANNUAL REPORT FOR PROJECT YEAR FOUR  
APRIL 1, 2014 – MARCH 31, 2015**

**Annex B: ACED Success Stories for Year Four**



## SUCCESS STORY

# Trade Shows Stimulate New Exports

**ACED's Trade Show support for Moldovan HVA producers is creating trade linkages with new international markets.**



Photo: ACED Project staff

The photo above shows load of fresh peas being delivered to the Fortuna Plus processing plant in Transnistria. At the end of last year Fortuna had a large quantity of canned vegetables from 2013 that remained in their warehouse. Following the ProdExpo show they were able to sell off all of these stocks and are now delivering to new customers in 2014.

*Moldovan participants at ProdExpo have reported \$1.8 million in new sales as a result of the event, with \$1.5 million being exports in the second quarter of 2014 alone. In 2014, ACED supported the participation of dozens of Moldovan producers and processors at three major international trade shows: ProdExpo in Moscow, GulFood in Dubai and Fruit Logistica in Berlin. Another trade show will take place in September – World Food Moscow – where ACED will again support Moldovan participants. ACED has helped Moldovan producers sell more than \$20 million of HVA products in three years.*

U.S. Agency for International Development  
[www.usaid.gov](http://www.usaid.gov)

Stas Vainrub watches as a truck spills a load of fresh peas into a huge container for washing, and he guides workers to make sure that the process does not damage the peas. His company, Fortuna Plus, needs the peas to be firm and round for the canned food products that he has promised to a new buyer. This new multimillion-dollar contract, with the "Kransoye Belye" supermarket chain in Russia, is the result of Fortuna Plus' participation at the ProdExpo Trade Show in Moscow in February 2014. This participation was made possible by USAID's ACED project.

"The trade show was a turning point for us," says Stas, who is the Commercial Director of Fortuna Plus. "Not only have we expanded our geographic sales area, we've also jumped into a niche for high quality products." Other good news is that the contract with "Kransoye Belye" is direct with the supermarket, and the two parties were able to agree on convenient terms and prices. Chelyabinsk (nearly 3,000 Km from Moldova) is a new destination for Fortuna Plus products, and before ProdExpo the company only supplied products to Moscow and St. Petersburg.

Ilia Vainrub, owner of Fortuna and Stas' father, says that "The support from ACED was very valuable indeed, and it was an effective marketing experience. We want to attend more exhibitions in the future and to seek more opportunities for marketing our products." According to Ilia, the company has earned more than \$400,000 as a result of participation at the ProdExpo show, as they were able to sell off all the remaining stocks from the previous year and now the production line works 24 hours a day to fulfill their new orders. "The contract we signed with the retail chain from Chelyabinsk is worth approximately one million US dollars per year for us." Mr. Vainrub stated.



## SUCCESS STORY

# Weather Stations Improve Grape Crop

**ACED is supporting Moldovan table grape producers to use weather stations to improve table grape quality & quantity.**



Photo: ACED Project staff

The photo above shows Mr. Olteanu in his vineyard in front of the weather station that is installed on his farm. The station measures temperature, humidity, rainfall, moisture on the vines and other data, which is sent via the cell phone network to an internet database. The data is then used to predict weather patterns and potential diseases or pest infestations.

*"In past years, the largest part of our crop was sold in the domestic market, with small shipments to Romania. Thanks to the new cold store, we will be able to go farther. We'll also learn how to ship our grapes to the supermarket chains. In my opinion, if we had no weather stations, we certainly would not have advanced so far and so fast, and our cold store project would not exist. Thanks to the station, we have been prevented diseases and pests, we are able to organize efficient field labor, we were able to avoid crop damage and risks, and we can make export plans. Everything started from it." Mr. Olteanu has stated to ACED staff members.*

U.S. Agency for International Development  
[www.usaid.gov](http://www.usaid.gov)

For Gheorghe Olteanu work begins at 7:00 am, when farmers from three neighboring villages call him to learn what the weather will be like today. Gheorghe knows in advance thanks to the weather station in his grape vineyard in the village of Colibași, Cahul District. "The station transmits information to the internet and anyone can visit a website established for the purpose of monitoring those parameters. Those who are unable to log onto the internet call me on my mobile phone to get informed. And this happens every day of the week," Mr. Olteanu said.

The use of this weather station has allowed the "Struguri (Grapes) de Colibași" cooperative, which brings together seven neighboring farmers, to greatly improve the quality of their grape harvest. Installed with ACED project support in 2013, the station records seven individual weather parameters every hour, it allows the farmers to predict diseases or pest infestations, and it gives them a weather forecast for the coming seven days. With the data from the station the farmers can better time their interventions to avoid damage from bad weather, insect pests and other factors that could cause problems.

For the 2014 crop Mr. Olteanu anticipates he will have a larger harvest for all of the seven varieties of table grapes and the three technical grape varieties he cultivates on his twelve hectares. He expects that his vineyard will yield at least 12 tons per hectare, with 95% of that being extra quality grapes. The other cooperative farmers report similar results, a fact that has led them to decide to construct a 360-ton cold storage facility. The largest share of the cost for the cold store (expected to be around \$377,000) will be covered by a grant from a World Bank project, with the farmers contributing the balance.

This new facility will allow the cooperative members to properly store and pack their table grapes, and it will allow them for the first time to make significant exports. Up to this point these farmers have only been able to sell their grapes in Moldova, with minimal exports.



## SUCCESS STORY

# ACED Supports First Anti-Hail System

**ACED supports Moldovan HVA producers to improve their skills and adopt new practices, and Ion Loghin is a good example.**



Photo: ACED Project staff

Ion Loghin is a progressive Moldovan farmer who is open and willing to adopt new practices that he sees add value to his farm. In this picture he is standing in his vineyard where, with assistance from ACED, he has installed a new anti-hail netting system that will protect his vines from hail. On the pole to his left his new weather station can also be seen.

*Mr. Loghin was also the first Moldovan producer to adopt the use of Italian and French wires and fixtures to support his table grape vines. He now farms 25 hectares of table grape vineyards and another 25 hectares of vegetable crops, such as sun-flower and corn. Known as one of the Ten Best Farmers in Moldova, he visited the United States in 1998, as part of an agricultural study tour program. Ion is one of the many Moldovan producers that have adopted improved practices as a result of ACED assistance during 2014. He is also one of the more than 1,270 producers that have adopted improved practices and/or technologies with ACED assistance.*

U.S. Agency for International Development  
[www.usaid.gov](http://www.usaid.gov)

In 2012, at a seminar where the ACED Project shared innovative approaches to crop protection, Ion Loghin learned how to protect his vineyard with anti-hail nets. Ironically, three days after that event a massive hailstorm severely damaged his vineyard, as if the theoretical lesson was not enough and Mother Nature needed to reinforce the lesson. The hail compromised his entire crop and badly injured the vines.

In 2014 ACED assisted Ion to prepare a practical response and helped Mr. Loghin become the first Moldovan table grape producer to use anti-hail nets to protect his table grape vineyard from hail and other natural hazards. With support from ACED specialists, Mr. Loghin was able to cover one hectare of his vineyard, located in the Cahul District, with anti-hail netting.

"I've learned to keep my mind open, to let people see my successes and to study others' experiences. Generally, the installation of an anti-hail net system is an expensive process and I was lucky to benefit from ACED's assistance. I want to give a special thanks to the ACED consultant and specialist who were involved in the technical assistance provided to my farm *Pelinita Loghin*. They were very clear and patient while explaining the benefits of this technology at the seminars. Even a school-boy could understand them," Mr. Loghin stated.

Made of high-density polyethylene, the nets allow workers to conduct the normal crop maintenance tasks, and it lets the sunlight bathe the vines. Another first experience for Mr. Loghin is the forthcoming visit of a Baltic group of buyers who want to see how *Pelinita Loghin* complies with their production requirements. Mr. Loghin predicts that he will have a table grape crop of 12 to 14 tons per hectare from his family farm this year.

The anti-hail system is also being used as an ACED demo activity for table grape producers this year, and the first event occurred on June 18<sup>th</sup>. "Since then visitors keep coming from everywhere and I show them how this works," said Ion Loghin. "For the same reason I have not yet installed a weather station that I got based on ACED's support. Many growers want to see what it looks like, so I carry it with me for demonstrations."



## SUCCESS STORY

# ProdEco Increases Crop with ACED Assistance

**ProdEco has rehabilitated old greenhouses with ACED assistance and made itself into a profitable business.**



Photo: ACED Project staff

The photo above shows Tatiana Bilscaia, manager of ProdEco, inside a modern greenhouse in Romania during the ACED hydroponic vegetable production study tour. The study tour to Romania was an exciting experience for Tatiana, who hails from the Transnistrian region of Moldova. In Romania she learned practical production skills, in addition to the information provided at ACED seminars.

For the first time this season, ProdEco has opened four sales points which increased the profitability of the company following the increase in production. Tatiana concludes: "It is a new step, but also a new challenge for us, as we need to develop our post-harvest infrastructure: including a sorting line and modern packaging. Now we have big plans for 2015 as we also want to begin hydroponic vegetable production."

U.S. Agency for International Development  
[www.usaid.gov](http://www.usaid.gov)

Tatiana Bilscaia says the turnaround of the enterprise she now manages, ProdEco from Transnistria, has fuelled her enthusiasm for agricultural businesses and she is now optimistic about her future. "When I first started at ProdEco, I thought it wouldn't be possible to renovate such old greenhouses, which were built dozens of years ago. But after the impressive ACED study tour on *Hydroponic Vegetable Production* in Romania, which took place in August 2013, I realized that we have a very good base to develop a successful company," Tatiana said.

Ms. Bilscaia also participated in the Fruit Logistica trade show in Berlin, in February 2013, where she found three buyers who were ready to buy her produce, as well as suppliers for seedling materials and drip irrigation equipment. But it was the ACED study tour to Romania that played a major role in the installation of the new drip irrigation system at ProdEco. "Due to ACED seminars and study tours we were convinced to install drip irrigation," says Bilscaia. The company has invested \$5,500 in drip irrigation so far, and when finished, it will have invested a total of \$10,000.

Ms. Bilscaia says she has "followed the ACED suggestions," which turned out to be a "recipe for success." She and other ProdEco team members have regularly taken part in ACED seminars, aimed at Moldovan vegetable producers, since the project began in 2011. She is also an active member of the ACED program - Women in Agriculture Networks. "I have gained a lot of knowledge regarding a number of technical issues related to vegetable production: greenhouse design, pH control, food safety requirements and harvesting and post-harvest handling from ACED. At ProdEco, we have also implemented a plant protection regime with key parameters as suggested at the ACED seminars," said Tatiana.

ProdEco, which grows tomatoes, cucumbers and sweet peppers in greenhouses in the town of Vladimirovca, in the Slobozia Raion, has tripled its total vegetable production over the past two years. In 2013 the company harvested a total of 214,000 Kilos of vegetables, and in 2014 it harvested a total of 650,000 Kilos. Tatiana is continuing to implement new activities at ProdEco and for 2015 she plans to begin hydroponic vegetable production.



## SUCCESS STORY

# Moldovan Apples now in Carrefour Romania

**The ACED Project offers opportunities to Moldovan fruit exporters through its market linkage program.**



Photo: ACED Staff member

*Aliona Mandatii, the owner of Domulterra SRL, discusses the quality of her apples and her efforts to develop new markets with the Moldovan Ambassador to Germany (center) and the Deputy Director of the ACED project (right). This picture was taken at the Fruit Logistica 2014 trade show in Berlin, where Aliona first met with representatives of Carrefour Romania.*

The biggest challenge for Domulterra – and for most Moldovan fruit exporters – is the lack of adequate packaging, according to Aliona Mandatii. “We found boxes made in Romania for our apples. Unfortunately, the Moldovan packaging is not very suitable. We also ordered polyethylene cells from Italy. Now our apples look like genuine European products.” Ms. Mandatii expects sales to grow during the first months of 2015.

U.S. Agency for International Development  
[www.usaid.gov](http://www.usaid.gov)

Finding new markets, soon after Russia imposed a ban on Moldovan fresh fruit early in 2014, looked like an impossible dream at the time. But, selling apples to the largest foreign supermarket chain in Romania only a few months later really stimulates one’s imagination, says Aliona Mandatii, an energetic businesswoman from northern Moldova. Her company, Domulterra SRL in Floresti District, has just supplied 47 tons of Moldovan apples to Carrefour Romania and is prepared to ship even more. Her 12-month contract is a result of participation at the Fruit Logistica 2013 show in Germany, where ACED supported a group of Moldovan fruit producers to generate business contacts and market linkages with new buyers.

Domulterra’s apples have gained wide visibility and notoriety in Moldova, thanks to their appearance and quality. “The size of more than 70% of the fruit is 80mm or larger, and the taste is excellent. The boxes are properly marked and every apple has an individual country/company branding,” Mrs. Mandatii noted. Her company has implemented a number of the technologies recommended by ACED including anti-hail nets, cold storage, grading and sorting, modern pruning techniques and chemical thinning. They also have an iMetos weather station to predict bad weather in the orchard.

Selling to a western supermarket chain is a new experience for Aliona, as Domulterra has also continued to export in the opposite direction - Belarus now absorbs much of her apple shipments to the east instead of Russia. “Romania is a key market for our sales strategy for western markets. Carrefour is our first international client and negotiations are planned with two additional Romanian supermarket chains in early 2015. We also held discussions on apple deliveries to a Swedish wholesale market,” Mrs. Mandatii disclosed. In Moldova, Domulterra works with all of the local super-markets in Chisinau – IMC, Green Hills, Linella and Nr. 1.

Aliona says Romania is just the beginning for her. Domulterra has registered a limited liability company in Romania in order to build a logistical base for its operations in the neighboring country. She is now preparing for the upcoming 2015 Fruit Logistica show, which takes place in February 2015. Her hope is that she will be able to take advantage of additional new opportunities which the ACED Project provides access to via its marketing program.



## SUCCESS STORY

# Moldovan Apples Selling in Bangladesh

**Mobile SRL sent a second shipment of Moldovan apples to Bangladesh, and a third is in preparation.**



Photo: ACED

*Yeahia Mir estimates the consumption of apples in Bangladesh at 145,000 tons a year. This Asian nation, with a population of 166 million people, imports apples mainly from its neighbors - India in the west and China in the east - as well as from South Africa and Brazil. Moldova could join the ranks should it be able to sort out a number of export-related issues including the apple size requirements, volumes, prices, and packaging.*

*"This was my first experience with food exports. Until recently, Mobile SRL traded in ready-made clothes, such as robes, coats, shirts, suits and other garments. Based on this experience I am looking forward to sending more apples to Bangladesh. I have two advantages - the taste of Moldovan apples, which is great, and the vast competence of the ACED team, whose support can turn a novice in the food trade into a thriving enterprise." Yeahia Mir*

U.S. Agency for International Development  
[www.usaid.gov](http://www.usaid.gov)

For one day in Moldova, the news of the day was the story of how the first Moldovan shipment of apples made its way to Bangladesh. This was the first time that a Moldovan food product had traveled to that part of South-East Asia. For many Moldovan fruit producers it was a clear sign that they had a chance to find new markets, and for the ACED Project – which facilitated the shipment – it validated the ACED marketing program. It took five weeks for the two 20-ton containers, filled with Jonagold and Golden apples, to complete an 8,000-kilometer journey. The buyer in Chittagong, a food wholesaler, said the apples arrived in good condition and they were sold off within three days.

"This was a successful sales deal and the buyer was satisfied with our products" said Mr. Yeahia Mir, a Bangladesh-born businessman whose trading company, Mobile SRL, had arranged the shipment of the apples to his home country. "For the past 40 years I have lived and worked in Moldova and the Bangladeshi food market was something which I didn't know too much about. Despite this lack of knowledge things have gone well for us thanks to the crucial assistance from the ACED project."

The project's marketing team advised Mr. Mir at all stages of the process. ACED helped Yeahia develop the necessary linkages with suppliers by organizing visits to Moldovan apple producers and the ACED team provided information on export certification procedures, prices and payment conditions. "Before I made up my mind, ACED showed me several cold stores, and I was able to discuss the conditions with the growers, and then ACED helped with the logistical arrangements." Yeahia noted.

Bangladeshi customers want to buy 100 more containers this season alone. "I have received many orders and I plan to send more apple shipments to Bangladesh, but Moldova may not have the sufficient volumes right now in order to cope with the demand. Also, it looks like the Asian buyers want small-sized, red and fully colored apples, which are packed in 18-kilogram boxes, with 130 to 160 apples in each box. This is quite different from what the European customers are looking for, isn't it?" he said.



**USAID**  
FROM THE AMERICAN PEOPLE

**MOLDOVA**



MILLENNIUM  
CHALLENGE CORPORATION  
UNITED STATES OF AMERICA

## SUCCESS STORY

# Agrostil Increases Sales with ACED

**Agrostil's agronomist attended ACED training events, this assistance convinced him to change.**



Photo: V. Coverdeaga

*Mr. Coverdeaga has this to say about Agrostil now: "In the past, we used to throw away large quantities of peaches, as we had no pre-cooling equipment and we didn't use Calcuim. Now it's different, we can offer competitive fruit for international sales."*

***In 2015, Agrostil will have six harvesting periods for different varieties of peaches. It plans to treat between 150 and 200 tons of peaches with Calcium and keep them in cold storage until the fresh peach season is over and the price increases. "The difference between the peaches after treatment and those without Ca is extraordinary. The treated fruit looks as if they came straight from the orchard. Given the high quality of the treated peaches, we can plan on higher prices and good profits." the agronomist said.***

U.S. Agency for International Development  
[www.usaid.gov](http://www.usaid.gov)

Before joining the ACED Project's training program or visiting its demo activities, *Agrostil* was until 2012 a Soviet-style farm in the Transnistrian region, relatively cut off from the latest information on new technologies and innovations. Today, thanks to assistance from the ACED Project, *Agrostil* has doubled its peach sales and is preparing to export their peaches to other new markets. These changes began when *Agrostil* agronomist Veaceslav Coverdeaga, who has a management role in the company, began participating in the training and demo activities offered by the ACED Project.

Among other events, Mr. Coverdeaga participated in a Farmer Field Day demo event arranged by ACED at the cold store facility operated by *Agrostar* (another Transnistrian company) which uses advanced technologies for pre-cooling. Veaceslav returned soon after to sketch the system and collect the specifications and later that year *Agrostil* installed pre-cooling equipment. Veaceslav said that *Agrostil* was able to put 15 tons of peaches into its cold store and it later sold this stock for more than \$8,100 – this is more than twice the amount the company had expected had it have not used the pre-cooling technology. "This was a pilot project for our company, and it paid off very well." Mr. Coverdeaga said.

In 2014, Mr. Coverdeaga took part in an International Study Tour on advanced apple production & post-harvest technologies in Italy, which was organized by ACED. This experience has convinced Veaceslav to use Calcuim (Ca) treatments, chemical thinning and to install a weather station in the *Agrostil* orchards, which cover 145 hectares. The four rounds of Ca treatment enabled *Agrostil* to put 60 tons of peaches into their cold store, which later brought in almost \$30,000 from domestic sales – a much higher price than those sold fresh from the trees.

"The Ca treatment, combined with the pre-cooling has allowed us to preserve the perfect look, firmness and taste of the peaches. Without these technologies we would have probably dumped a large part of the crop," the agronomist stated. *Agrostil* has rewarded Mr. Coverdeaga for implementing these new innovations, which gave the company greater profits, by covering his cost share for an advanced strawberry production study tour in the United Kingdom, which was also organized by ACED.

**USAID Moldova - MCC Moldova**

**AGRICULTURAL COMPETITIVENESS AND ENTERPRISE  
DEVELOPMENT PROJECT**

**ANNUAL REPORT FOR PROJECT YEAR FOUR  
APRIL 1, 2014 – MARCH 31, 2015**

**Annex C: ACED Year Four Random Sample Survey**



**USAID**  
FROM THE AMERICAN PEOPLE



MILLENNIUM  
CHALLENGE CORPORATION  
UNITED STATES OF AMERICA

# AGRICULTURAL COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT

## YEAR FOUR ANNUAL SURVEY REPORT

**APRIL 2015**

This publication was produced for review by the United States Agency for International Development. It was prepared by Development Alternatives, Inc. for the Moldova Agricultural Competitiveness and Enterprise Development (ACED) Project, USAID contract number AID-117-C-11-00001.

# AGRICULTURAL COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT

## YEAR FOUR ANNUAL SURVEY REPORT

USAID Office: USAID/Ukraine Regional Contract Office

Contract Number: AID-117-C-11-00001

USAID Contractor: Development Alternatives, Inc. (DAI)

Date of Publication: April 2015

Document Authors: DAI/ACED M&E Manager, Andrea Chartock, DAI/ACED M&E Coordinator, Elena Brinza, and DAI/ACED, Training and Monitoring assistant, Irina Ungureanu

## DISCLAIMER

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

**USAID Moldova - MCC Moldova  
AGRICULTURAL COMPETITIVENESS AND  
ENTERPRISE DEVELOPMENT PROJECT**

**YEAR FOUR ANNUAL SURVEY REPORT**

**TABLE OF CONTENTS**

<b>REPORT SECTION</b>	<b>PAGE NO</b>
<b>1. Executive Summary .....</b>	<b>1</b>
<b>2. Introduction to the Survey.....</b>	<b>2</b>
<b>a) Purpose and Objectives</b>	
<b>b) Methodology and Staffing</b>	
<b>3. Survey Findings.....</b>	<b>4</b>
<b>a) Training Attendance</b>	
<b>b) Adoption Rates by Value Chain</b>	
<b>c) Types of Techniques and Practices Adopted</b>	
<b>d) Investments by Company by Value Chain</b>	
<b>e) Sales Facilitated Data by Value Chain</b>	
<b>f) Learning about the Season</b>	
<b>g) Other Findings</b>	
<b>4. Data Quality Assessment .....</b>	<b>36</b>
<b>5. Annual Survey Conclusions .....</b>	<b>40</b>

## 1. Executive Summary

From January to March of 2015 ACED staff carried out a targeted end of year survey of farmers & producers trained over the course of the project to date. The survey queried a group of producers (105) who had attended 5 or more ACED events (including a minimum of three or more production trainings) who had no techniques/practices adopted recorded in TAMIS (the project's managing information system) as of yet. The survey tested the hypothesis that the interest and commitment shown by these beneficiaries' relatively intensive participation in ACED events would translate into a large amount of these producers actually having adopted a technique or practice, but have slipped through the reporting system for a variety of reasons (examined later in section 4).

In fact, once surveyed, eighty-four out of 105 selected training participants reported that they had adopted new techniques and/or practices (T/Ps) due to ACED assistance. More than half of them reported having adopted multiple T/Ps.

Based on assistance provided by the ACED project, participants in the annual survey have reported that they generated additional sales of more than \$1 million. The respondents also reported making a number of new investments, with the reported value of these investments totaling \$705,485.

This end-of-year survey is the third carried out by the ACED Monitoring & Evaluation Team, but the first with the targeted survey approach as the survey sample was randomly selected in the past two years. This switch was made for a variety of reasons, including the flexibility provided by the Project Monitoring and Evaluation Plan to carry out special studies, and the fact that the PMEP system hasn't been designed for extrapolation of observed results based on a random sample, as all project results are linked in the TAMIS to a specific individual and their company. In addition to assuring project staff that the performance of the project is on track, the end of year survey has given staff an opportunity to reflect on quality of the data currently in the project's TAMIS system.

More information on all of these topics can be found in the following sections of this report on the Year Four Annual Survey.

## 2. Introduction to the Survey

### a) Purpose and Objectives

This report presents the results of the third ACED end-of-year survey (AS), which took place at the end of project year four. The analysis presented is related to data collected on the adoption of techniques & practices (T/Ps) by training participants, and/or the added sales and/or new investments reported by these producers. The targeted survey sample was taken from the list of participants who attended 5 or more ACED events, including production training events, over the past four years (from April 2011 to November of 2014), of ACED project's implementation. Related themes, such as data on problems faced by producers during the 2014 production season, as well as a data quality assessment, are also covered in this report.

The objectives of the survey included: learning about key ACED indicator results such as adoption rates, investments, and sales facilitated, internal learning, data quality assessment of information already collected in TAMIS, and an evaluation of ACED project results. As for the latter, this survey is the first opportunity to assess the Women in Agriculture Network (WAN) production activities' impact on female producers and the general feedback of women involved in the networks (see "Other findings" section for more details). Data used from this survey will provide a point of triangulation that can be compared with the data already gathered, and that data which the project team has been learning about as they interact with beneficiaries.

### b) Methodology and Staffing

This survey attempted to gather data from a total of 105 selected ACED training participants, out of a total of population of 5279 individual participants who have participated in ACED training events through the end of November 2014. The survey is based on a targeted sample, selected on two criteria:

- The producer attended at least 5 ACED events including at least 3 production training events;
- The company represented by the producer didn't have any TAMIS records about the techniques and practices adopted.

Data on all of the trainees was exported to an Access file from ACED's Technical & Administrative Management Information System (TAMIS), which is a proprietary DAI project-based data management system.

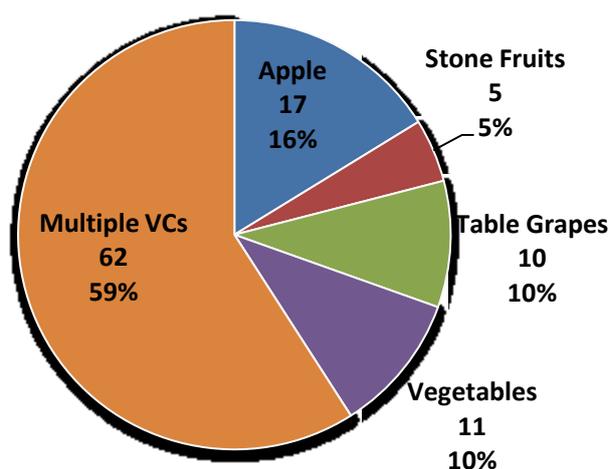
A sample survey questionnaire was developed by the ACED Monitoring & Evaluation Team, in consultation with the project's technical teams. The initial methodology, as

well as the questionnaire, was adjusted to the aims of the fourth annual survey and the lessons learnt from the previous surveys. A current ACED employee was tasked with selecting the farmers according to the set criteria, calling them by phone to survey them, and creating an Access database with the data collected. Out of the 105 trainees, the survey interviewer was able to reach 101 of these individuals. In order to collect all possible data, as a solution for the people who couldn't be reached by phone, the interviewer requested assistance from the ACED team member who was most familiar with the producer, and who provided the necessary contact information.

### 3. Survey Findings

105 participants were identified to take part in the survey based on the criteria mentioned above and were called by the ACED interviewer. As they attended various ACED events, the majority of the survey group (62 or 59%) was trained on various (hereafter “Multiple”) value chains (VCs). However, some producers attended several training events on a single value chain. Thus, 17 producers were trained exclusively on apple value chain, 11 – on vegetable value chains, 10 – on the table grapes value chain, and 5 – on stone fruit value chains. The producers that attended berry production training events are included in the “Multiple” group, since they also attended production events on other value chains (see the Figure 1 below).

**Fig. 1: Surveyed Producers by Value Chains of Production Training**

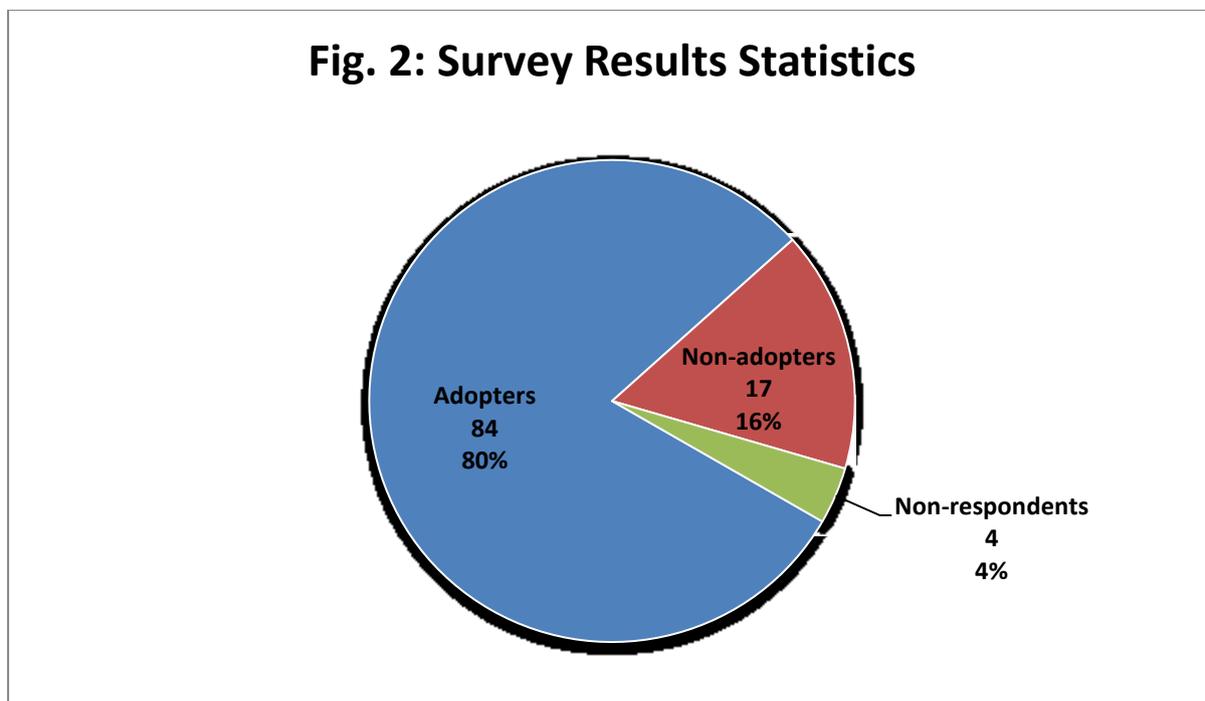


Since the majority of producers attended trainings in multiple value chains, the table below breaks out the attendance by value chain.

**Table 1. Attendance Rates of Selected Producers by Value Chain**

Value chain	No. of producers trained
Apple	51
Stone Fruits	50
Table Grapes	29
Vegetables	33
Berries	14

As a result of the survey, data on 101 producers, 96% of the total sample, was collected and tabulated into a separate Access database. Out of 101 producers, 84 producers reported having adopted an ACED trained technique (hereafter “adopters”) and 17 said they hadn’t, marked as “non-adopters” (see the Figure 2 below).



Four of the 105 selected producers were not interviewed, for the following reasons:

- Unreachable due to health problems - 1
- Cell number is not in use anymore - 1
- Telephone no. is not available (12 attempts to contact the person) - 1
- The producer is out of the country - 1

It turned out that several family farms/companies were represented by more than one producer/employee, from those who were selected to be surveyed as they had attended 5 or more ACED events. Thus, 84 of the individual producers marked as adopters are in fact linked to 79 different family farms/companies where they work.

Apart from that, additional general data was compiled regarding the survey participants:

- 78 out of 101 interviewed producers stated they received at least one type of ACED publication.
- 10 out of 105 selected participants are WAN members.

- 18 out of 105 producers are from CIS zones and 4 out of 105 attended at least one ACED Activity 5 training event for the CIS zones.
- 10 out of 101 interviewed producers forwarded the call to another representative of the company for additional information. This also applies to the cases of companies represented by two or more surveyed members.

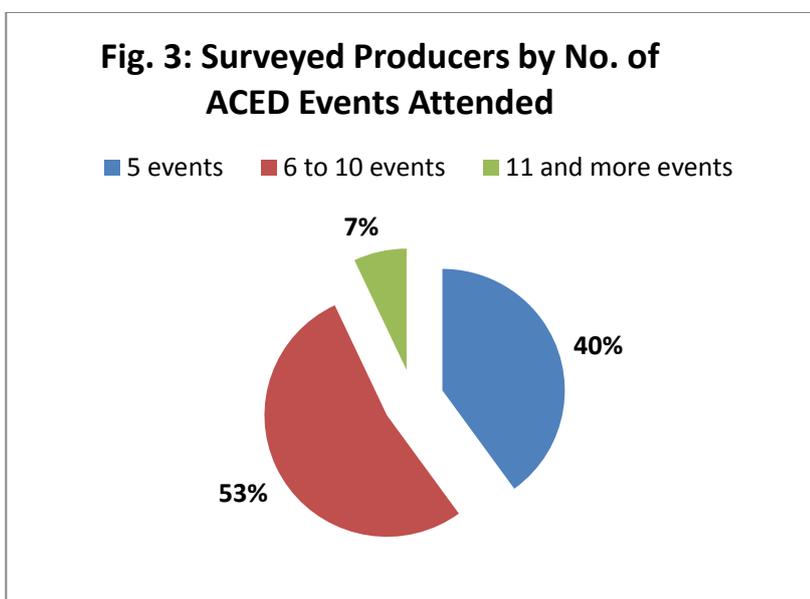
**a) Training Attendance**

In order to check training attendance, the interviewer verified the participant’s full name, phone number, company name and the number of training events he/she had participated in with the data in the TAMIS system, to avoid any errors.

As mentioned before, this annual survey focused on producers who attended five or more ACED events, including production trainings. Tables 1 and 2, as well as the figures 3 and 4 below show all the selected producers by number of ACED events, and production training events in particular, that they attended.

**Table 2: Total Number of ACED Events Attended by Surveyed Producers**

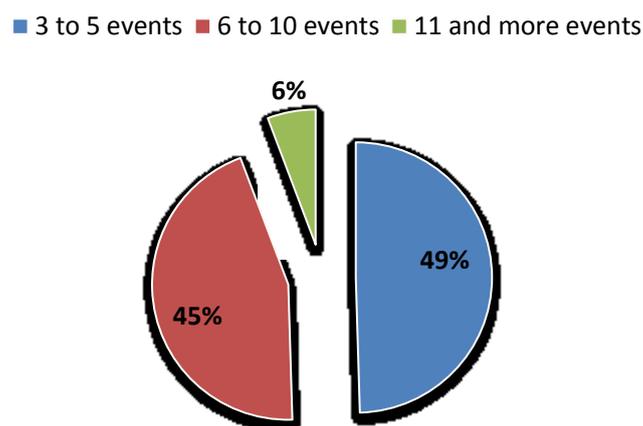
No. of Events Attended	No. of producers	
5	42	40%
6	27	26%
7	12	11%
8	12	11%
9	1	1%
10	4	4%
11	3	3%
12	1	1%
13	2	2%
24	1	1%
<b>TOTAL</b>	<b>105</b>	<b>100%</b>



**Table 3: Number of ACED Production Training Events Attended by Surveyed Producers**

No. of production trainings	Total	%
3	1	1%
4	7	7%
5	44	42%
6	23	22%
7	11	10%
8	8	8%
9	2	2%
10	3	3%
11	3	3%
12	2	2%
22	1	1%
<b>TOTAL</b>	<b>105</b>	<b>100%</b>

**Fig. 4: Surveyed Producers by No. of ACED Production Training Events Attended**



Thus, according to the table 1 and 2, the greatest percentage of the selected participants (40%) attended 5 events precisely. Nevertheless, when grouping the producers in 3 categories (see the Fig. 3 and 4), the data shows that more than half of the selected participants (53%) attended 6 to 10 ACED events, while 49% attended 3 to 5 production training events.

**b) Adoption Rates by Value Chain**

84 of the 101 surveyed producers have confirmed the adoption of one or more techniques/practices as a result of ACED assistance, including training events. This provides strong evidence that the adoption numbers are under-captured, which was also demonstrated in the two previous end of year random sample surveys. For comparison sake, the Random Sample Survey (RSS) in ACED’s second year showed a 54% adoption rate, while the RSS at the end of the first year – 66% The adoption rate was significantly higher in this targeted survey, supporting the initial hypothesis that active participation should lead to active practice adoption, despite being in a subset that had not reported any results yet.

Two producers reported adopting techniques in a value chain different than the value chains of trainings attended thanks to various ACED publications shared by the team.

Even though the survey identified 84 producers as adopters, some of them didn't adopt any T/Ps on some of the VCs they were trained in. The reasons given by these producers as well as non-adopters are as follows:

- Planning to adopt in the long-term – 12 producers
- High interest in a certain/ other value chain – 7 producers
- Planning to adopt in the short-term – 5 producers
- Attended the training in order to pose questions for another value chain – 4 producers
- Reluctant to adopt new T/Ps – 3 producers
- They have land consolidation issues – 2 producers
- Not involved in production anymore – 2 producers
- Didn't adopt due to health problems – 2 producers
- Will adopt after setting up the irrigation system – 1 producer
- Was out of the country – 1 producer

Five producers who are included in the “Planning to adopt in the short-term” group have confirmed that they are about to adopt a technique in spring/summer 2015 on a certain value chain. Meanwhile, 12 producers stated that they don't plan to adopt any techniques in the near future on certain value chains, most of them being related to apples and stone fruits (9 out of 12 producers). According to them, it's impossible to plan planting an orchard or to adopt new techniques in the near term, due to limited access to sales markets, especially after the Russian Federation's embargo restrictions.

Seven producers attended some ACED training events on certain value chains, since they were interested to find out more about its innovations and its specifics. However, they are not considering getting involved in the production of the value chain in question (which therefore precludes practice adoption).

Four producers said that they appreciated ACED seminars for the opportunity of finding out more not only on the value chain of the training, but also on other value chains in which they are actually producing. They said that the technical materials they received would be shared with other interested producers. This indicates potential spillover effects of the ACED field work around the country.

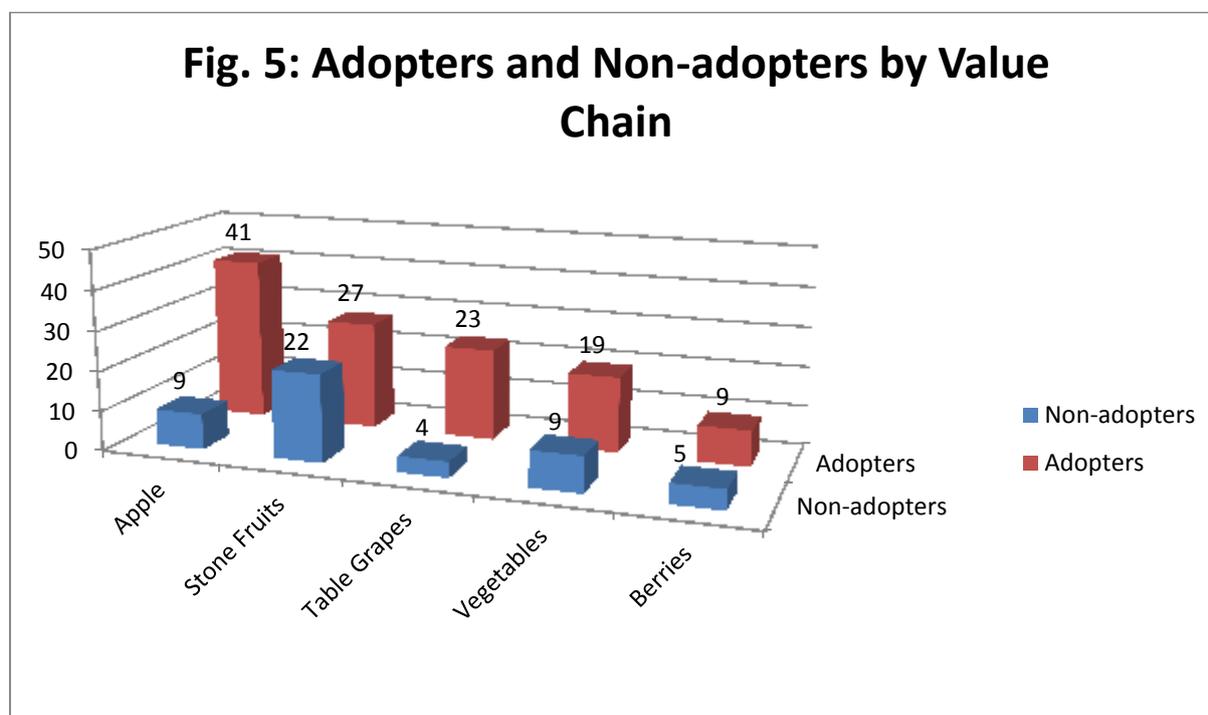
Three producers have reported their reluctance to adopt new practices. They said that they prefer to stick to their own work methods, which generate them satisfactory results.

One producer linked his plans of adoption to the irrigation system to be installed. Another producer from a CIS zone, despite the land consolidation and sales-embargo-related problems faced in 2014, was optimistic about 2015 results, hoping that the irrigation system will give them more prospects for development.

The adoption rates are quite different, depending on the value chain, but we see that the largest percent of producers that didn't adopt a practice were from the stone fruit value chains.

<b>Table 4: Adoption Rates of Surveyed Producers by Value Chain</b>						
<b>Value Chain</b>	<b>Adopters</b>		<b>Non-adopters</b>		<b>Total</b>	
	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>
<b>Apple</b>	41	82%	9	18%	50	100
<b>Stone Fruits</b>	27	55%	22	45%	49	100
<b>Table Grapes</b>	23	85%	4	15%	27	100
<b>Vegetables</b>	19	68%	9	32%	28	100
<b>Berries</b>	9	64%	5	36%	14	100

The shares of adopters and non-adopters are compared in the chart below.

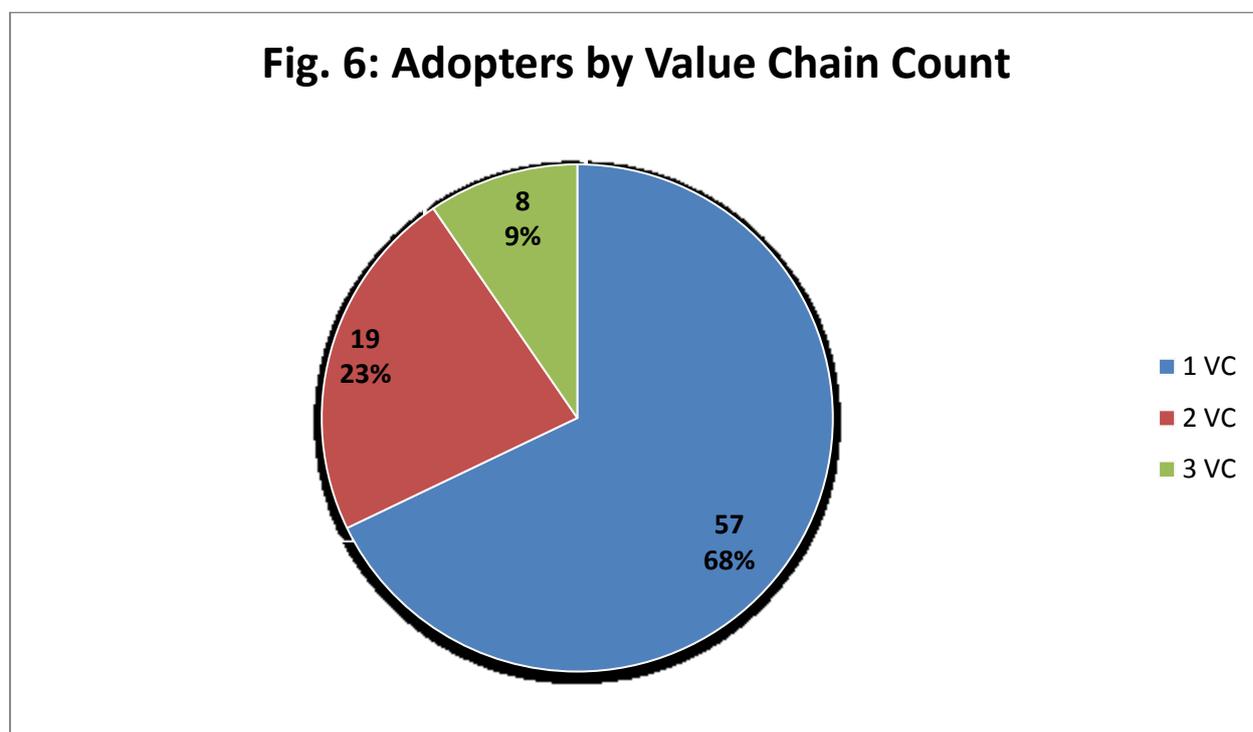


The producer-adopters usually implemented one or two innovations learned from the ACED production training events. Nevertheless, some of the adopters mentioned many techniques/practices they applied on specific value chains, crediting ACED for useful information and their positive results.

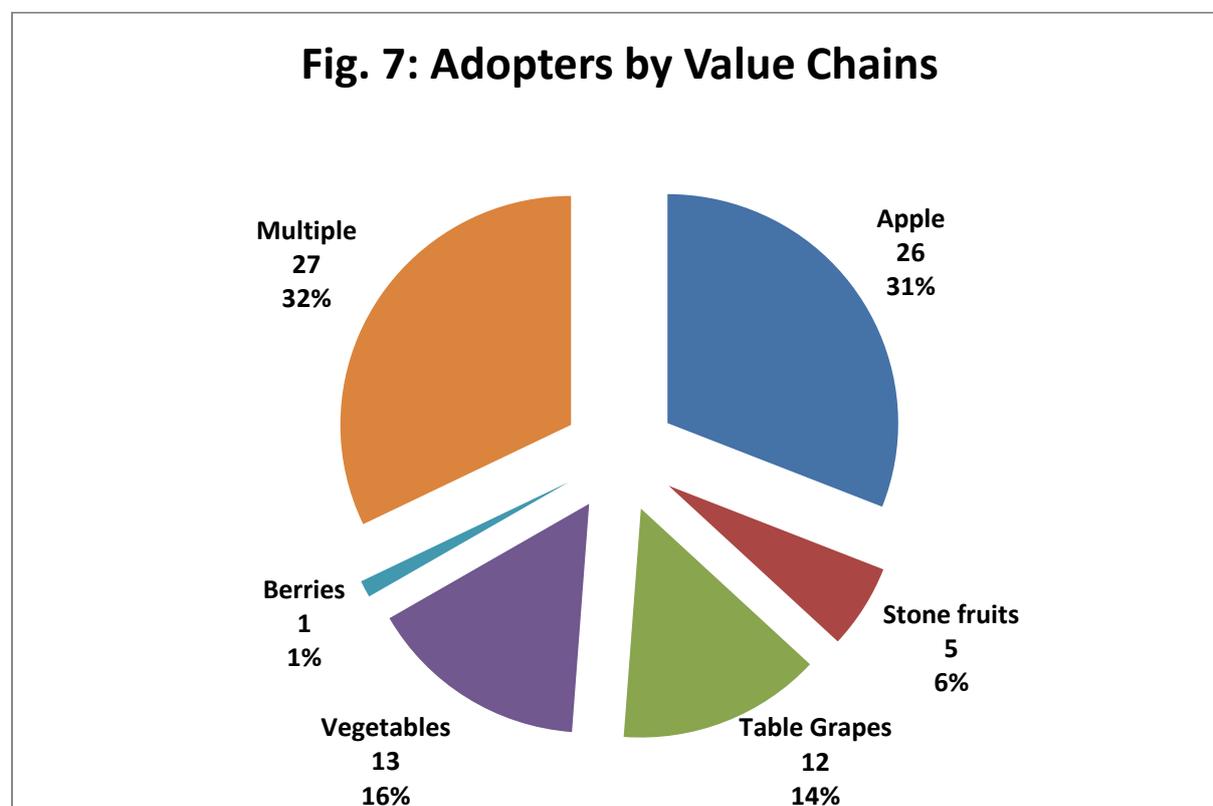
**Table 5: Adoption Rates by Value Chain and By T/P Count**

No. of adopted T/Ps	No. of producers by VC						Total	%
	Apple	Stone fruits	Table Grapes	Vegetables	Berries			
1	21	10	11	7	5	54	45%	
2	15	11	9	9	4	48	40%	
3	3	2	2	2	0	9	8%	
4	2	3	1	0	0	6	5%	
5	0	1	0	1	0	2	2%	
<b>TOTAL per VC</b>	<b>41</b>	<b>27</b>	<b>23</b>	<b>19</b>	<b>9</b>	<b>119</b>	<b>100%</b>	

Since many producers selected for the survey were trained in multiple value chains, their results derived are also multifaceted. The chart below shows data on those producers who adopted T/Ps in one, two or three VCs.



Thus, the surveyed producers mostly adopted new techniques and practices in a single value chain. If we consider the adopters on 2 and 3 VCs as part of a “Multiple” value chains adopters group, then the next chart displays a more disaggregated view of the producers adopting techniques by value chain of adoption.



The table on the following page shows the numbers of the techniques and practices adopted throughout the project’s second, third and fourth years. Most of the techniques and practices included in this table were adopted by the surveyed producers in 2014 (76.1% of the total). The few adoptions in 2015 represent those who adopted a practice in the beginning of the new year, while the survey was being carried out.

**Table 6: Techniques and Practices Adopted, by Year and Value Chain**

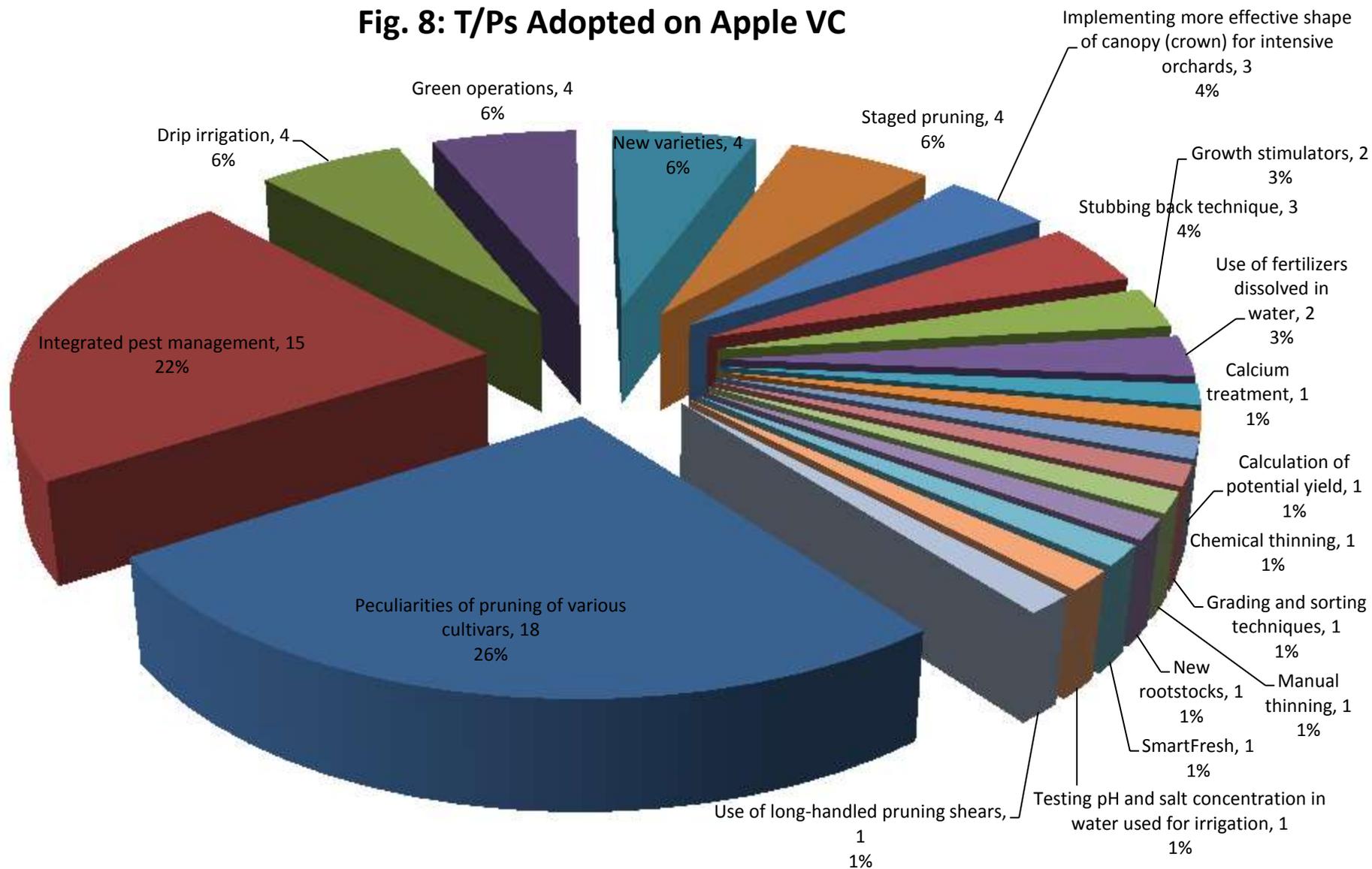
Year of adoption	Apples	Stone Fruits	Table Grapes	Vegetables	Berries	Multiple	Grand Total	
2013	17	4	14	5		1	41	21.8%
2014	38	40	25	26	9	5	143	76.1%
2015		1		3			4	2.1%
<b>Grand Total</b>	<b>55</b>	<b>45</b>	<b>39</b>	<b>34</b>	<b>9</b>	<b>6</b>	<b>188</b>	<b>100.0%</b>

**c) Types of Techniques & Practices Adopted**

The pie charts on the following pages provide information on the types of techniques & practices adopted by the farmers, with data on the number of farmers adopting each T/P. As a general rule, farmers were more likely to adopt techniques that have a relatively low cost of implementation. This tendency can be seen in the charts, in that the techniques & practices most frequently adopted generally cost less to implement than the ones less which were less frequently adopted.

However, the spectrum of adopted T/Ps is quite large and includes some techniques that involved investments, for example: pre-cooling for table grapes, greenhouse modernization, drip irrigation, and use of row bed formation equipment.

**Fig. 8: T/Ps Adopted on Apple VC**



**Fig. 9: T/Ps Adopted on Stone Fruit VC**

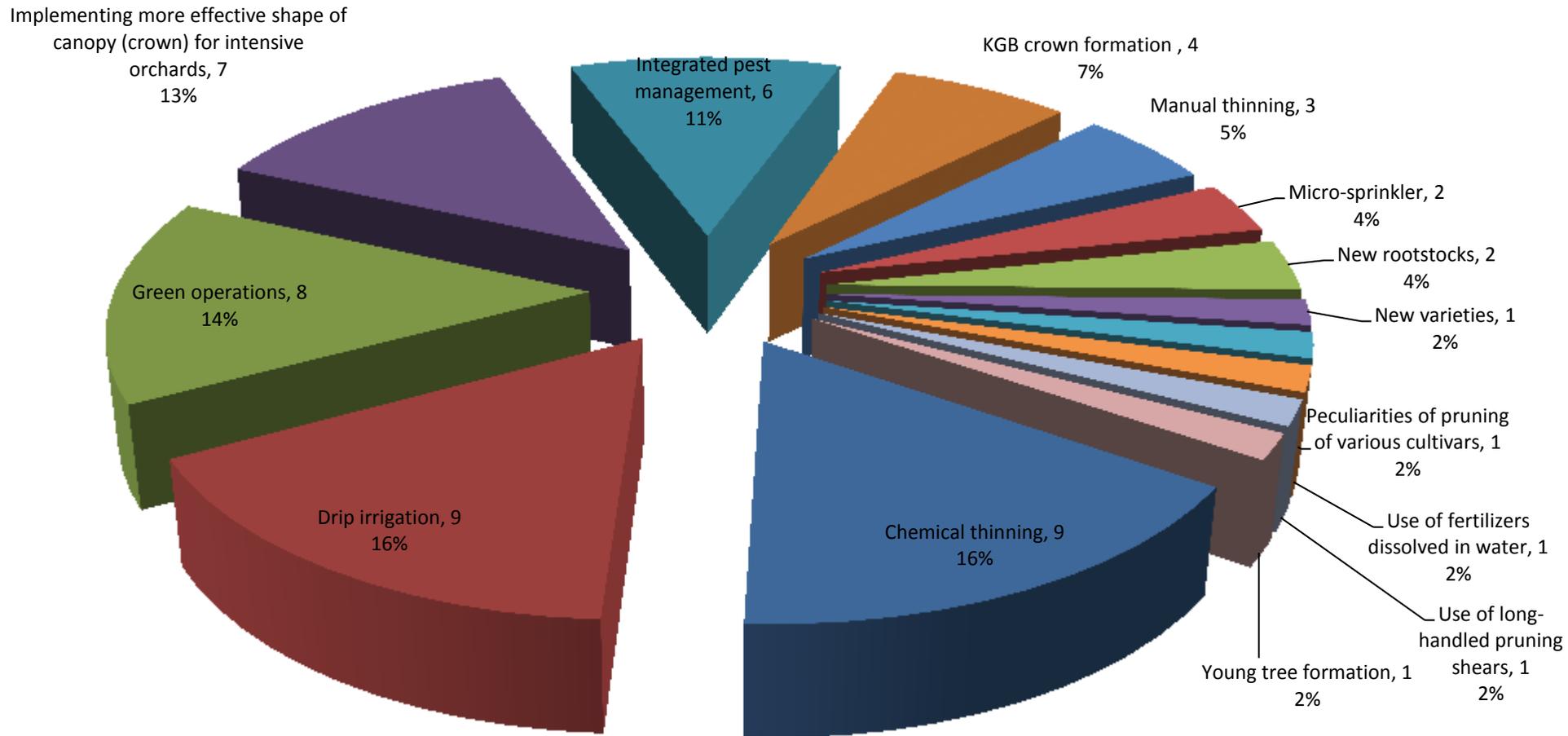
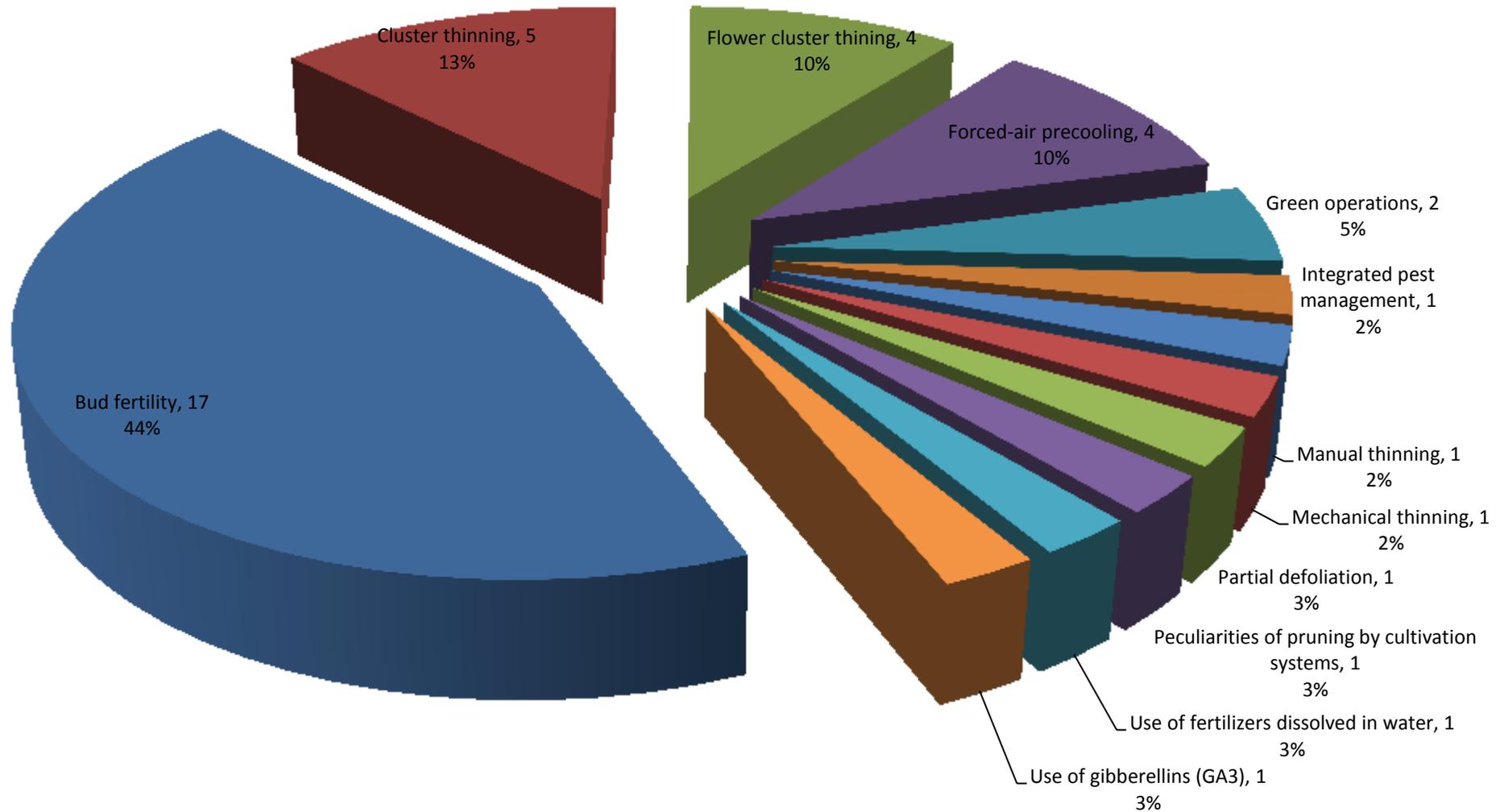


Fig. 10: T/Ps Adopted on Table Grapes VC



**Fig. 11: T/Ps Adopted on Vegetables VC**

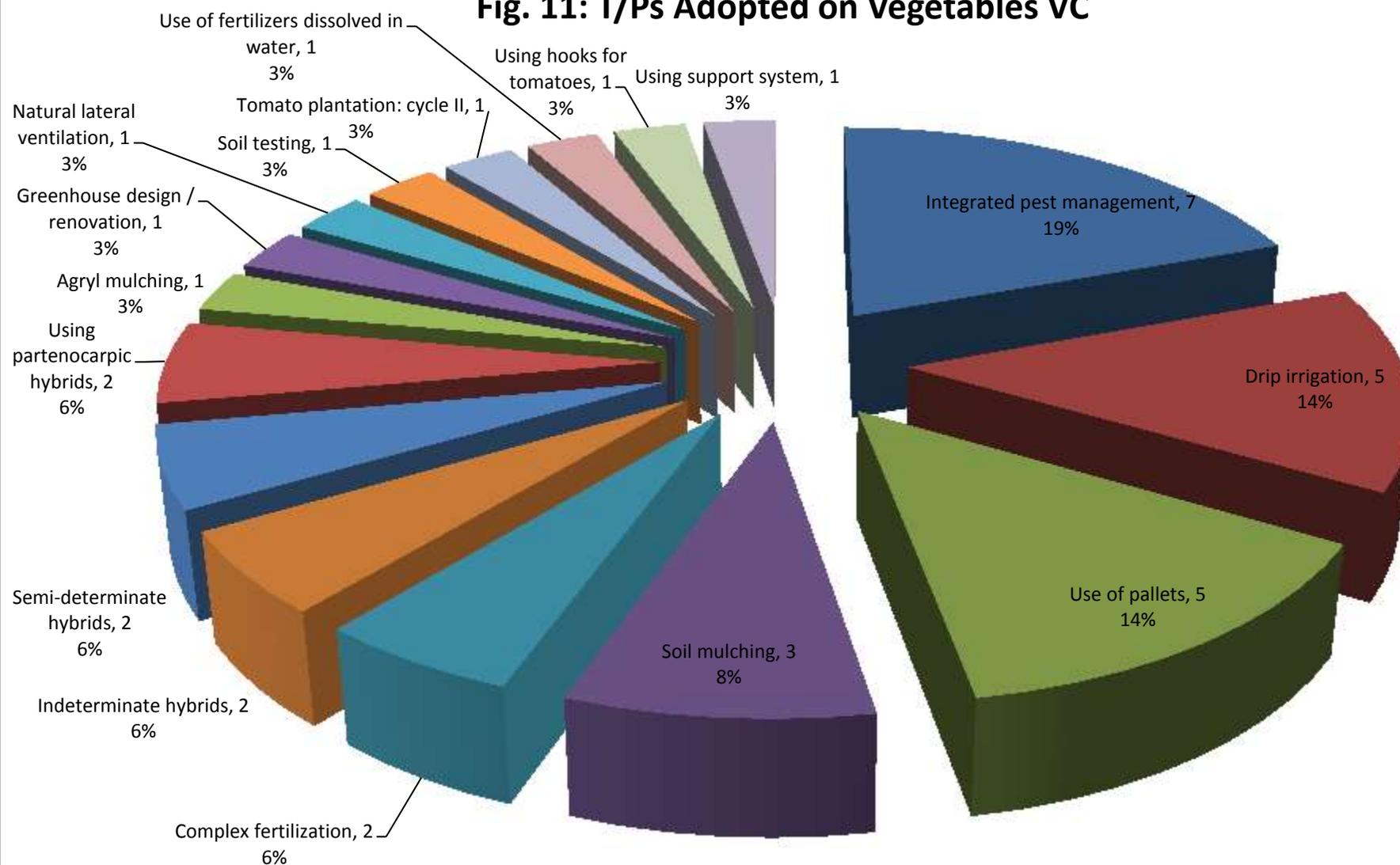
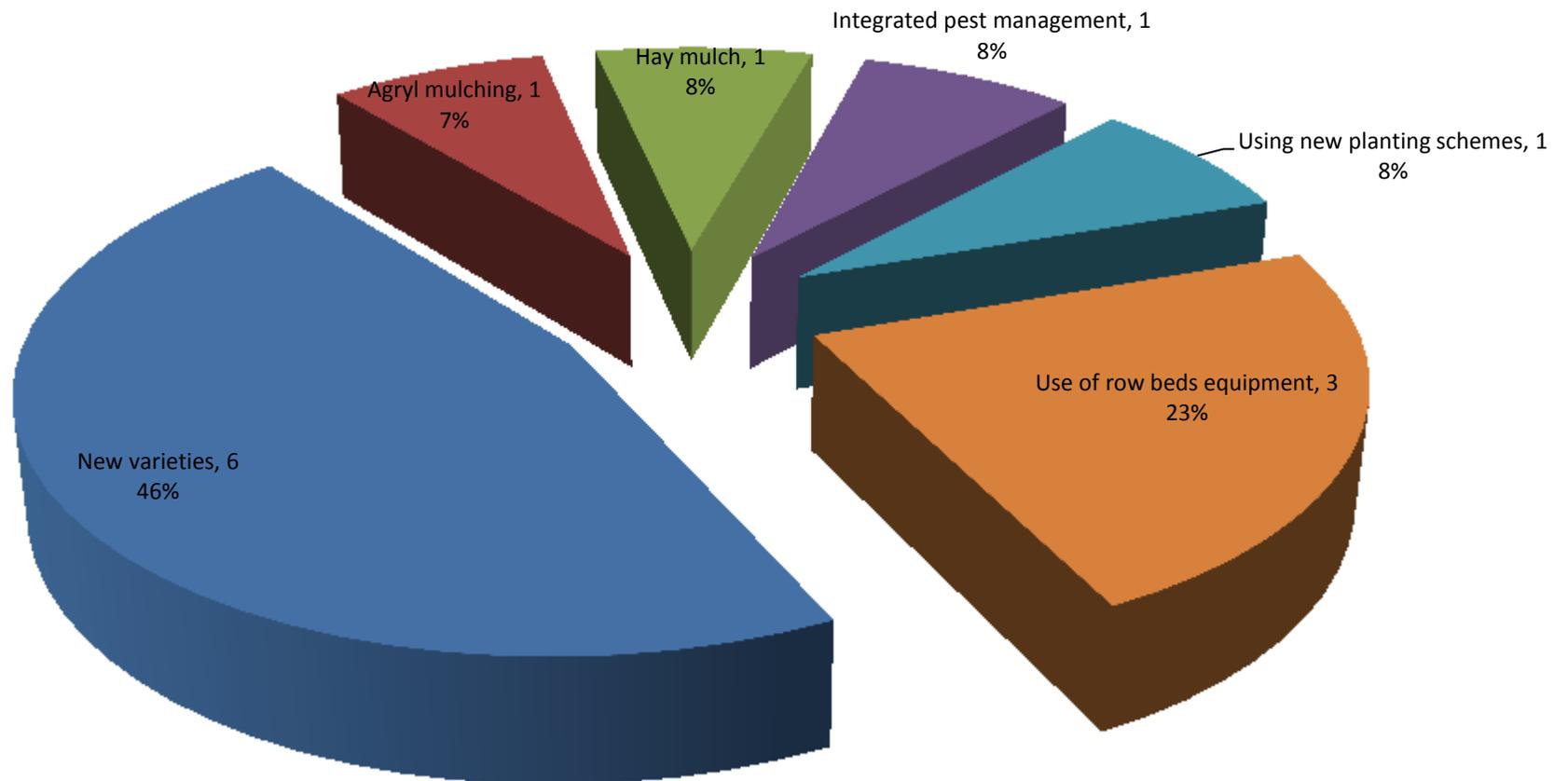
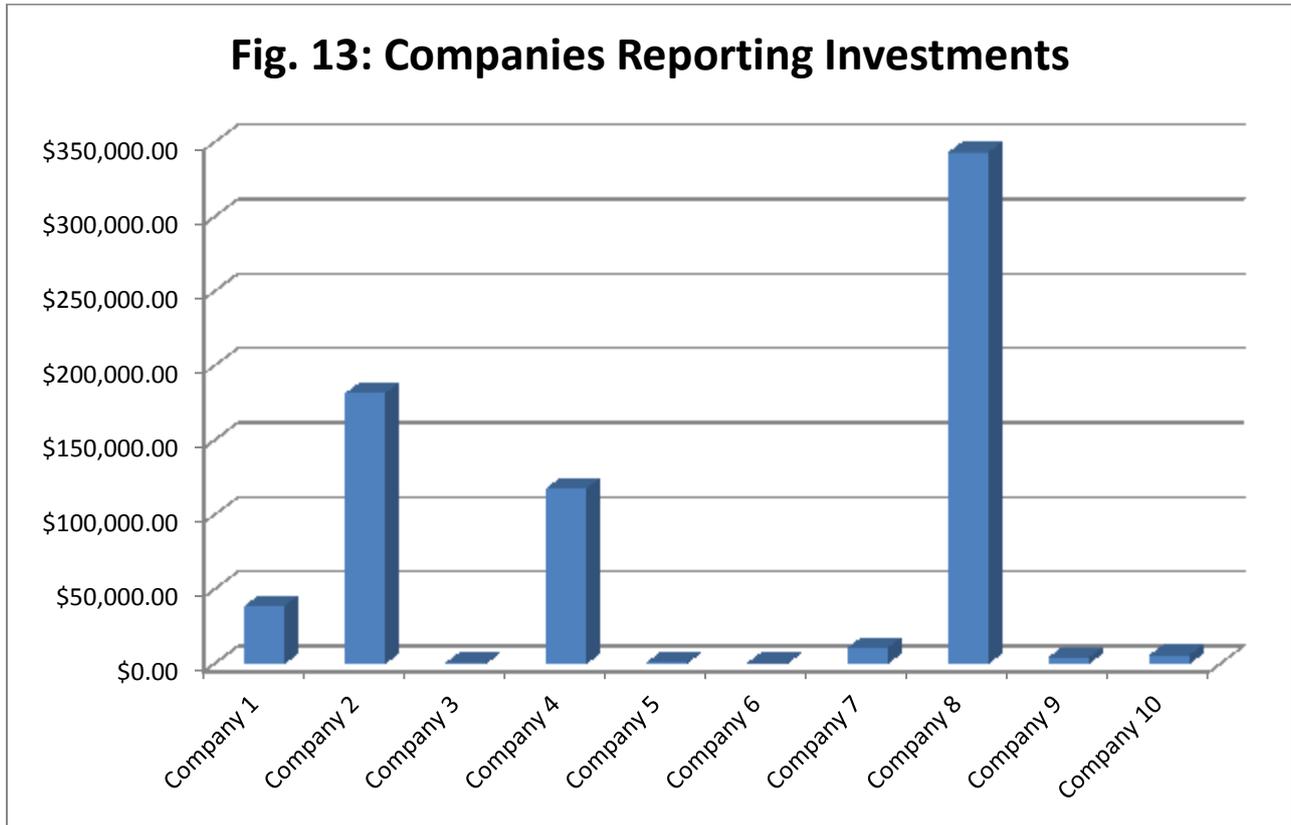


Fig. 12: T/Ps Adopted on Berry VC



**d) Investments by Company by Value Chain**

During the survey, ten companies (some with multiple employees trained) reported making new investments, some of them multiple investments, totaling \$705,485. These investments are linked to the techniques and practices individual participants adopted or are about to adopt (in the case that the investment was made but the season didn't transpire yet) in the short term.

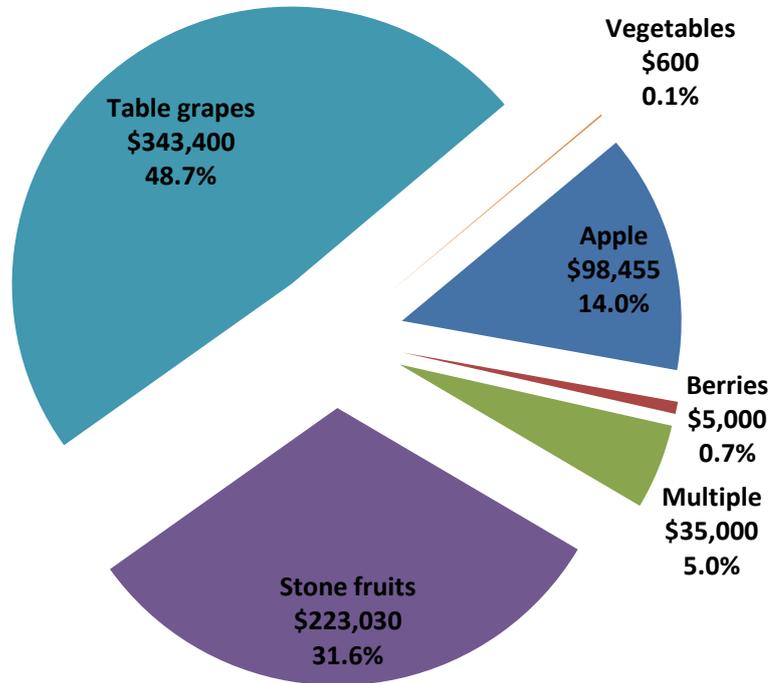


A large part of this total (\$343,400 or 49% of the total amount) is linked to an investment in cold storage and precooling equipment made by a table grape producer due to ACED, which was also confirmed by the Activity 3 team. The second biggest investor reported various investments totaling \$ 181,580 (26%) made as a result of the demo activity partially supported by ACED<sup>1</sup>. The third biggest investor has focused on purchase of new cultivar seedlings (\$117,700 or 17%), based on the information directly obtained on ACED training events, as well as from the materials shared by ACED production specialists during a study tour.

The next chart shows the investments of the surveyed producers structured by value chain.

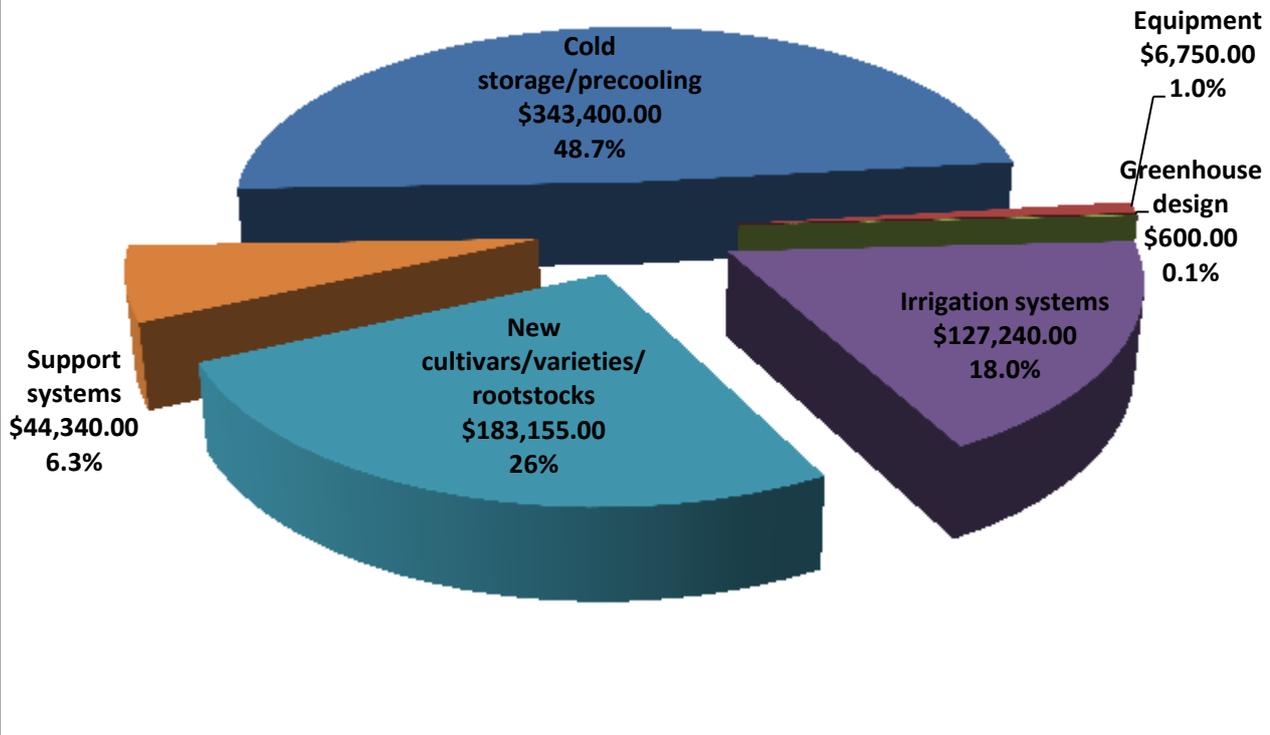
<sup>1</sup> ACED's cost share towards the investment is not included in the total invested by the beneficiary.

**Fig. 14: Investments Made by Value Chain**



The investments in the Multiple category encompass the investments in equipment (long handled pruning shears) and irrigation system with impact on various VCs managed by the producer.

**Fig. 15: Investments Made by Final Aim**



The equipment category includes long handled pruning shears and row beds formation equipment, while the irrigation systems include the investments related to all types of irrigation, including a sprinkler system.

**e) Sales Facilitated Data by Value Chain**

In the ACED Performance Monitoring & Evaluation Plan (PMEP), the indicator "Sales Facilitated by ACED" is defined as follows (bold has been added for emphasis):

*"The **Dollar value of HVA sales** originating from Moldovan producers and producer groups **assisted by ACED**. The producers, producer groups, and/ or consolidator/ exporter sourcing from them will have received assistance from the project for it to be counted. Under this indicator, a "facilitated sale" is defined **broader than the usual linking of a buyer and seller**. As ACED is learning market requirements and then providing training and TA based on those requirements, in the cases where producers **sell more as a result** (even if not specifically linked by ACED to the buyer), this falls under a broader definition of facilitated sales. As per the contract footnote 16, facilitated sales are defined as those resulting from ACED's "direct assistance and follow-on sales". "This means that the project (staff member, hired BSP, STTA consultant, project activity/ event, project communication tool such as newsletter or website):*

- *Linked a beneficiary to a buyer through e-mail, phone, meeting in person, supply of contact information, information gained in an end market study, the Marketing Information*

*System (MIS) system; a Trade fair, a study tour, or other project event. After a linkage is created, all future sales between those two parties will be counted.*

*- **Provided training** or TA to value chain actor on marketing or market requirements (including production, certification, management and post-harvest handling) **that help them to increase their sales.***

*-In the case that a **producer credits ACED with increasing their sales**, and the same producer has **adopted a technique or practice** trained by ACED, then ACED can count their monthly sales starting the month following practice adoption.”*

While ACED staff regularly track sales facilitated by traders and consolidators who have been linked to buyers, one of the main objectives of this annual survey was to look at sales facilitated at the producer level based on the definition contained in the ACED PMP (shown above). Apart from that, some of the surveyed producers (5 in total) have participated in trade fairs and inward buyer visits, but no sale results were recorded in TAMIS yet. The follow-up on these particular events became a secondary aim of the survey.

Based on the definition above, sales are counted as having been “facilitated” based on two pre-conditions:

1. Respondents have had to have adopted at least one technique or practice based on ACED’s training assistance and/or participated in marketing linkage/trade fair event(s), and;
2. When specifically queried, respondents have replied that ACED assistance had led to an increase in their sales<sup>2</sup>.

In cases where both prerequisites were met, sales revenues were counted beginning with the month following the month of practice adoption. In case of sales resulted from marketing linkage/trade fair event(s), they would be counted once the transaction has occurred.

Similar to investments above, sales are recorded in the project database on the company level. Therefore, if more than one farmer trained worked for the same company, the sales were only counted once at the company level.

Out of the 84 producers who adopted new techniques & practices and represent 79 different companies, thanks to ACED:

- 47 companies reported their sales (2 out of 47 companies also reported sales as a result of inward buyer visits);
- 32 companies reported no sales, stating several different reasons:
  - Didn’t have enough crop to sell, thus it was used only for personal consumption – 13 companies
  - Don’t have any yield yet – 11 companies
  - Couldn’t or didn’t want to share their data on sales – 8 companies
  - No sales to report yet (stored for further sale) – 6 companies

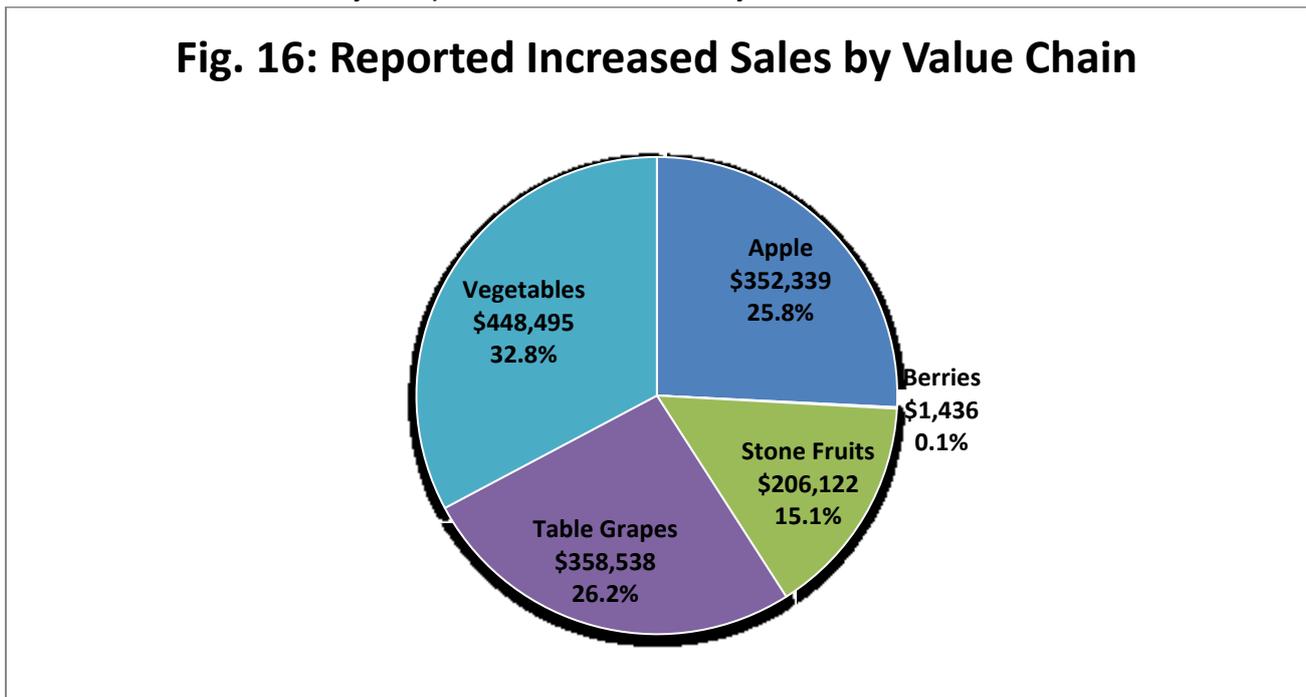
---

<sup>2</sup> Compared to what the sales would have been without ACED’s assistance that same season.

- The crop spoiled due to lack of buyers – 2 companies
- No sales results due to recently adopted T/Ps – 2 companies
- Only tested the T/P – 2 companies.

Producers reported their sales data in Moldovan Lei (MDL). To convert the sales data to dollars ACED has used the 2014 National Bank’s average exchange rates for Lei to Dollars to estimate the sales value in dollars. The total value of sales facilitated based on the methodology mentioned above was **\$1,366,930 USD**.

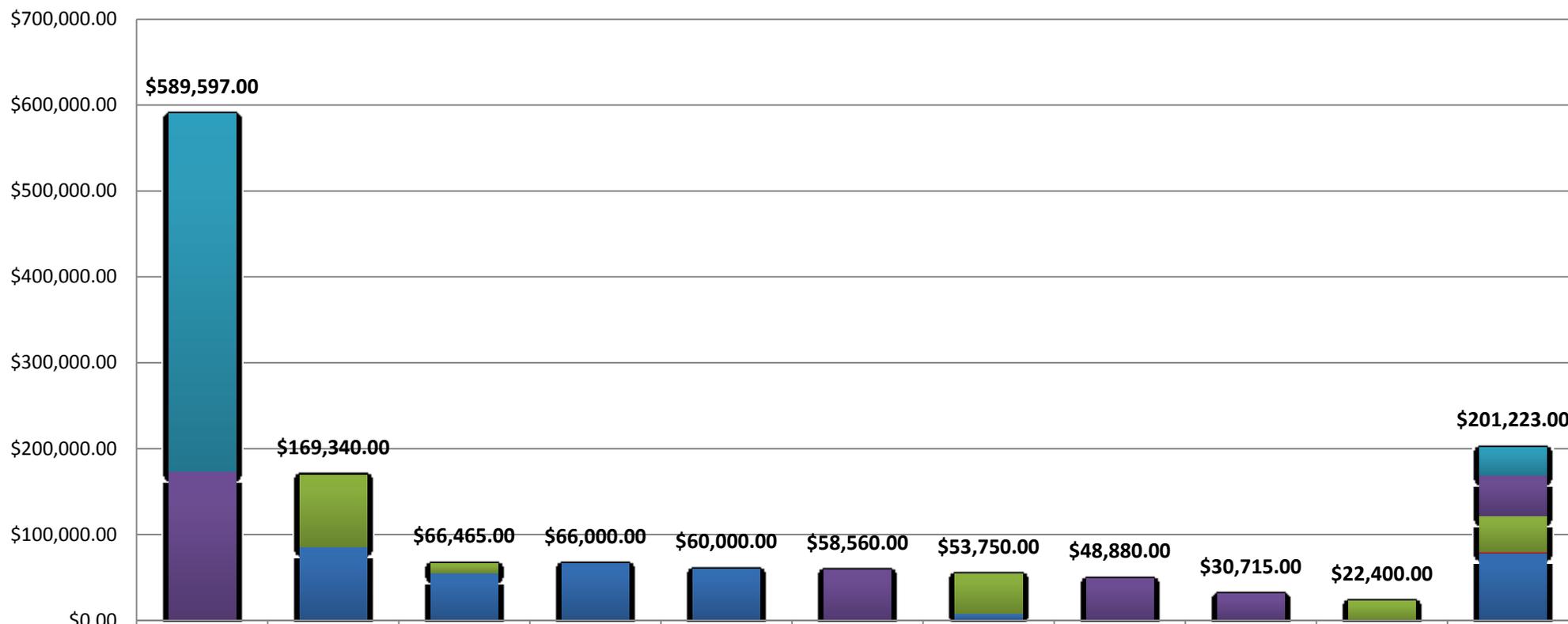
The sales data offered by the producers is shown by VC in the chart below.



The biggest shares of sales are linked to the Vegetables and Table Grapes value chains, due to the sales reported by a large vegetable and grapes producer who fell into the survey. The share of apple sales is less than the previously mentioned value chains only because many of the apple producers sold their crop to processing companies, due to the embargo’s negative impact on fresh apple sales. The latter pattern is also emphasized in a separate table below focused on sales markets.

As mentioned before, some surveyed producers registered much greater sales than the rest, as shown in the chart below.

**Fig. 17: Largest Sales as Reported by Company**



	Company 1	Company 2	Company 3	Company 4	Company 5	Company 6	Company 7	Company 8	Company 9	Company 10	Others
Vegetables	\$416,177.00										\$32,318.00
Table Grapes	\$173,420.00					\$58,560.00		\$48,880.00	\$30,715.00		\$46,963.00
Stone Fruits		\$83,800.00	\$11,700.00				\$46,250.00			\$22,400.00	\$41,972.00
Berries											\$1,436.00
Apple		\$85,540.00	\$54,765.00	\$66,000.00	\$60,000.00		\$7,500.00				\$78,534.00
<b>Grand Total</b>	<b>\$589,597.00</b>	<b>\$169,340.00</b>	<b>\$66,465.00</b>	<b>\$66,000.00</b>	<b>\$60,000.00</b>	<b>\$58,560.00</b>	<b>\$53,750.00</b>	<b>\$48,880.00</b>	<b>\$30,715.00</b>	<b>\$22,400.00</b>	<b>\$201,223.00</b>

Tables 7, 8, 9, 10, and 11 shown on the following pages, provide details on the sales reported by some of the individual producers in each VC. These tables also allow linking the sales with the new techniques adopted by producers, as well as with the participation in the market linkage events.

<b>Table 7: Apple Value Chain Sales Data</b>		
<b>Category</b>	<b>Value of Sales (USD)</b>	<b>New Techniques Adopted and Marketing linkage type of event</b>
Company 1	\$85,540.00	Growth stimulators, Chemical thinning
Company 2	\$66,000.00	Grading and sorting techniques, SmartFresh, Calcium treatment, Inward buyer visit
Company 3	\$60,000.00	Integrated pest management, Inward buyer visit
Company 4	\$54,765.00	Integrated pest management, Use of fertilizers dissolved in water
Company 5	\$17,457.00	Green operations, Manual thinning
Company 6	\$14,670.00	Growth stimulators, Implementing more effective shape of canopy (crown) for intensive orchards, Integrated pest management, New rootstocks
Company 7	\$12,920.00	Implementing recommended peculiarities of pruning of various cultivars
Company 8	\$11,172.00	Implementing recommended peculiarities of pruning of various cultivars, Staged pruning, Calculation of potential yield
Company 9	\$7,500.00	Testing pH and salt concentration in water used for irrigation
Company 10	\$6,110.00	Integrated pest management
Company 11	\$6,000.00	Integrated pest management
Company 12	\$5,240.00	Green operations, Integrated pest management

**Agricultural Competitiveness & Enterprise Development Project**

Company 13	\$1,905.00	Integrated pest management
Company 14	\$1,745.00	Integrated pest management, Implementing recommended peculiarities of pruning of various cultivars
Company 15	\$1,050.00	Green operations
Company 16	\$210.00	Implementing recommended peculiarities of pruning of various cultivars
Company 17	\$55.00	Implementing recommended peculiarities of pruning of various cultivars
<b>TOTAL</b>	<b>\$352,339</b>	

**Table 8: Stone Fruit Value Chains Sales Data**

<i>Category</i>	<i>Value of Sales (USD)</i>	<i>New Techniques Adopted</i>
Company 1	\$83,800.00	Chemical thinning
Company 2	\$46,250.00	Green operations, Implementing more effective shape of canopy (crown) for intensive orchards, Use of fertilizers dissolved in water, Use of long-handled pruning shears
Company 3	\$22,400.00	Integrated pest management, Drip irrigation
Company 4	\$14,270.00	Green operations, Implementing recommended peculiarities of pruning of various cultivars, Use of fertilizers dissolved in water, Use of long-handled pruning shears, Drip irrigation
Company 5	\$11,700.00	Implementing more effective shape of canopy (crown) for intensive orchards, Integrated pest management, New varieties, Use of fertilizers dissolved in water
Company 6	\$10,857.00	Green operations, Implementing recommended peculiarities of pruning of various cultivars
Company 7	\$10,070.00	Implementing recommended peculiarities of pruning of various cultivars

**Agricultural Competitiveness & Enterprise Development Project**

Company 8	\$3,490.00	Green operations, Manual thinning
Company 9	\$2,775.00	Green operations, Manual thinning
Company 10	\$420.00	Implementing recommended peculiarities of pruning of various cultivars
Company 11	\$90.00	Implementing recommended peculiarities of pruning of various cultivars
<b>TOTAL</b>	<b>\$206,122</b>	

**Table 9: Table Grape Value Chain Sales Data**

<i>Category</i>	<i>Value of Sales (USD)</i>	<i>New Techniques Adopted</i>
Company 1	\$173,420.00	Implementing recommended peculiarities of pruning by cultivation systems
Company 2	\$58,560.00	Integrated pest management, Bud fertility, Partial defoliation, Cluster thinning
Company 3	\$48,880.00	Green operations, Use of fertilizers dissolved in water
Company 4	\$30,715.00	Green operations
Company 5	\$11,313.00	Green operations
Company 6	\$8,380.00	Green operations, Implementing recommended peculiarities of pruning by cultivation systems
Company 7	\$5,585.00	Green operations, Mechanical thinning
Company 8	\$4,190.00	Green operations
Company 9	\$4,014.00	Forced-air precooling, Use of gibberellins (GA3)
Company 10	\$3,350.00	Flower cluster thinning, Green operations
Company 11	\$2,270.00	Green operations, Integrated pest management

**Agricultural Competitiveness & Enterprise Development Project**

Company 12	\$1,800.00	Flower cluster thinning
Company 13	\$1,710.00	Green operations, Implementing recommended peculiarities of pruning by cultivation systems
Company 14	\$1,254.00	Green operations, Manual thinning
Company 15	\$1,222.00	Green operations
Company 16	\$980.00	Green operations
Company 17	\$700.00	Flower cluster thinning, Green operations, Implementing recommended peculiarities of pruning by cultivation systems
Company 18	\$195.00	Green operations
<b>TOTAL</b>	<b>\$358,538</b>	

**Table 10: Vegetable Value Chains Sales Data**

<i>Category</i>	<i>Value of Sales (USD)</i>	<i>New Techniques Adopted</i>
Company 1	\$416,177.00	Use of fertilizers dissolved in water
Company 2	\$11,860.00	Integrated pest management, Complex fertilization
Company 3	\$10,120.00	Using support system
Company 4	\$5,540.00	Natural lateral ventilation, Soil mulching
Company 5	\$2,313.00	Drip irrigation
Company 6	\$900.00	Integrated pest management, Soil testing
Company 7	\$700.00	Use of pallets, Drip irrigation
Company 8	\$660.00	Agryl mulching, Use of pallets, Complex fertilization
Company 9	\$225.00	Soil mulching, Drip irrigation
<b>TOTAL</b>	<b>\$448,495</b>	

**Table 11: Berry Value Chain Sales Data**

<i>Category</i>	<i>Value of Sales (USD)</i>	<i>New Techniques Adopted</i>
Company 1	\$1,436.00	Agryl mulching
<b>TOTAL</b>	<b>\$1,436</b>	

The sale shares by market types are quite diverse (see the table below). On average, produce was mainly sold at farm-gate (38%). At the same time, this outlet was not the most commonly used by specific VC producers.

Many big apple producers were forced to sell a large part of their crop to processing companies for a minimal price, convinced by the compensating subsidies promised by the state authorities. Nevertheless, four producers stated they're still waiting for the mentioned subsidies, while two already received them and were able to recover their expenses. On the other hand, some apple producers have managed to sell a part of their yield in the retail market and at farm-gate for a better price, but still have reported a decrease in their profits, in comparison with previous years.

Two apple producers managed to export their produce to Kazakhstan, thanks to the contacts made during the inward buyer visits organized by ACED in 2013. For one of these producers, this sale was the first one made with the crop of the past season. The export share is more dominant in the cases of table grapes and stone fruits. Overall, the main destination markets of the exported produce were Kazakhstan, Belarus, Russian Federation (a plum producer managed to export just before the embargo restrictions were imposed), Romania and Ukraine.

The wholesale market is more predominant among the vegetable producers. One apple producer, one stone fruit producer and one vegetable producer succeeded in partially or totally selling their crop to domestic supermarket chains.

**Table 12: Sales Share by Market Type**

<b>Market type</b>	<b>Apple</b>	<b>Stone Fruits</b>	<b>Table Grapes</b>	<b>Vegetables</b>	<b>Berries</b>	<b>Average</b>
<b>Total sales</b>	<b>\$352,339</b>	<b>\$206,122</b>	<b>\$358,538</b>	<b>\$448,495</b>	<b>\$1,436</b>	
<b>Farm-gate</b>	23.7%	23.6%	21.9%	22.2%	100.0%	<b>38%</b>
<b>Wholesale</b>	8.8%	4.5%	1.7%	44.4%		<b>15%</b>
<b>Retail</b>	21.5%	29.1%	25.6%	22.2%		<b>25%</b>
<b>Supermarket</b>	0.4%	2.7%	0	11.1%		<b>4%</b>
<b>Export</b>	15.1%	30.9%	39.7%			<b>29%</b>
<b>Processing</b>	30.6%	9.1%	11.1%			<b>17%</b>
<b>TOTALS</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>-</b>

**f) What ACED Learned About the Season**

When asked about problems faced during the 2014 production season, the majority of respondents referred to sales-related issues as their main problem. This, however, didn't affect so much the vegetable producers who, as in past seasons, were more influenced by natural disasters. Hail and frost remained being some of the biggest problems for different producers across all regions of the country, as it was in 2013. One producer claimed that his crop was twice greatly affected by hail in 2014.

From the available data, only 58% of the surveyed adopters' crops increased in yield compared to previous years.

**Question: Did you increase yield in 2014 compared to previous year?**

<b>Value Chain</b>	<b>Yes - Reasons</b>		<b>No - Reasons</b>	
<b>Apple</b>	New and correctly adopted T/Ps	17	Same as previous year	4
	Good weather conditions	1	Periodicity of yields	2
			Hail	1
			Low temperatures	1
			Old plantation	1
			Pests-related problems	1
<b>Totals per VC</b>		<b>18</b>		<b>10</b>
<b>Stone Fruits</b>	New and correctly adopted T/Ps	10	Same as previous year	2
			Low temperatures	1
			Periodicity of yields	1
			Pests-related problems	1
<b>Totals per VC</b>		<b>10</b>		<b>5</b>
<b>Table Grapes</b>	New and correctly adopted T/Ps	14	Same as previous year	5
			Pests-related problems	2
			Hail	1
<b>Totals per VC</b>		<b>14</b>		<b>8</b>
<b>Vegetables</b>	New and correctly adopted T/Ps	13	Acid rains	1
	Good weather conditions	1	Low temperatures	1
			Pests-related problems	1
			Same as previous year	1
<b>Totals per VC</b>		<b>14</b>		<b>4</b>
<b>Berries</b>	New and correctly adopted T/Ps	2	None	
<b>Totals per VC</b>		<b>2</b>		<b>0</b>
<b>GRAND TOTALS</b>		<b>58</b>		<b>27</b>
		<b>68%</b>		<b>32%</b>

Two apple producers, two stone fruits producers, 2 berry producers, as well as a table grape producer mentioned that their 2014 yield was one of their first yields, so they cannot truly compare with their previous results.

The largest percentage of producers which declared that their yield was the same as previous years noticed a visible increase of the produce's quality.

Meanwhile, in 21% of cases, producers reported an increase in price for a type of crop. Among value chains, apples and table grapes fared particularly poorly compared to vegetables. In the case of vegetable and stone fruits producers, the number of producers who reported an increase in price and those who reported a decrease in price is almost equal; this fact reflects the local markets' heterogeneity.

**Question: Did you Increase the Price/kg in 2014 compared to the previous season?**

<b>Value Chain</b>	<b>Yes - Reasons</b>		<b>No - Reasons</b>	
<b>Apple</b>	Better quality of the yield	3	Export-embargo-sales related problem	19
			Low quality produce due to hail	1
			Market fluctuations	1
<b>Totals per VC</b>		<b>3</b>		<b>21</b>
<b>Stone Fruits</b>	Better quality of the yield	5	Export-embargo-sales related problem	6
<b>Totals per VC</b>		<b>5</b>		<b>6</b>
<b>Table Grapes</b>	Better quality of the yield	2	Export-embargo-sales related problem	3
	Dismissed the intermediaries	1	Market fluctuations	3
	Good demand	1	Overload of produce	3
	Better late season price	1	Same as previous year	2
			Low quality produce due to hail	1
			Low quality produce due to pests	1
<b>Totals per VC</b>		<b>5</b>		<b>13</b>
<b>Veg</b>	Good demand	3	Market fluctuations	2
	Better quality of the yield	2	Low quality produce due to pests	1
	Better late season price	1	Overload of produce	1
	Less produce on the market	1	Same as previous year	1
<b>Totals per VC</b>		<b>7</b>		<b>5</b>
<b>Berries</b>	Better quality of the yield	1	None	
<b>Totals per VC</b>		<b>1</b>		<b>0</b>
<b>GREAT TOTALS</b>		<b>21</b>		<b>45</b>
		<b>32%</b>		<b>68%</b>

A part of the adopters who replied to the question related to the yield, didn't share the data on sales due to the reasons summed up in the table below:

**Table. 13: Adopters Reporting No Sales**

<b>Value Chain</b>	<b>No sales - Reasons</b>	
<b>Apple</b>	Not sold yet	6
	Didn't want to/couldn't share the data	4
	No yield yet	3
	Used for personal consumption	2
	Produce was spoiled because of lack of buyer	2
	Recently adopted T/P	1
	<i><b>Totals per VC</b></i>	<b>18</b>
<b>Stone Fruits</b>	No yield yet	7
	Used for personal consumption	4
	Not sold yet	2
<i><b>Totals per VC</b></i>	<b>13</b>	
<b>Table Grapes</b>	Used for personal consumption	4
	Didn't want to/couldn't share the data	1
<i><b>Totals per VC</b></i>	<b>5</b>	
<b>Vegetables</b>	Used for personal consumption	5
	Didn't want to/couldn't share the data	3
	Only tested the T/P	1
	Recently adopted T/P	1
<i><b>Totals per VC</b></i>	<b>10</b>	
<b>Berries</b>	No yield yet	2
	Used for personal consumption	2
	Only tested the T/P	1
<i><b>Totals per VC</b></i>	<b>5</b>	

Some of the apple producers didn't want to share their sales, as they were very frustrated due to the extremely low price they sold their crop for. Two apple and stone fruits (plums) producers stated they dried their crops, which are now stored and will be sold at the right time.

In 2014 many producers, who managed to sell their produce, have faced multiple issues with negative impact on their profits. All the issues they reported are summarized in the table below:

**Table. 14: Reasons for Profit Increase/Decrease**

<b>Reasons - More Profit</b>	<b>Total</b>	<b>Reasons - Less profit</b>	<b>Total</b>
Better quality of the yield	10	Embargo and sales-related problems	14
Better price	1	Embargo and sales-related problems, Frost-low temperatures	7
Better price, Better quality of the yield	1	Embargo and sales-related problems, Hail	3
No hail	1	Embargo and sales-related problems, Investments not recovered	3
Recovered investments	1	Hail	3
		Pests-related problems	3
		Investments not recovered	2
		Low prices	2
		Drought, Embargo and sales-related problems, Low prices	1
		Drought, Investments not recovered	1
		Embargo and sales-related problems, Investments not recovered, Heavy rains	1
		Embargo and sales-related problems, Low prices	1
		Unfavorable exchange rates	1
		Frost-low temperatures	1
		Frost-low temperatures, Investments not recovered, Heavy rains	1
		Low prices, Pests-related problems	1
		Low prices, Pests-related problems, Heavy rains	1
		Heavy rains	1
<b>Grand Total</b>	<b>14</b>		<b>47</b>
	<b>23%</b>		<b>77%</b>

Only one producer declared that he had more or less the same profit as in 2013. The biggest share of producers, as shown also in the table regarding price increase/decrease, was again reporting sales-related issues. The table below sums up the issues which impacted producers the most.

**Table 15: The Reasons for Profit Increase/Decrease by Their Level of Impact**

<b>Reasons for More Profit</b>	<b>Total</b>	<b>Reasons for Less Profit</b>	<b>Total</b>
Better quality of the yield	11	Embargo and sales-related problems	30
Better price	2	Frost-low temperatures	9
Recovered investments	1	Investments not recovered	8
No hail	1	Low prices	6
		Hail	6
		Pests-related problems	5
		Heavy rains	4
		Drought	2
		Unfavorable exchange rates	1

**g) Other Findings**

Some apple producers and one table grapes producer said they haven't received all the money from processors and state bodies managing the subsidies.

The frustration regarding the disappointing sales results made some producers, particularly of apple value chain, to consider even the removal of their orchards. Others were just pessimistic and discouraged by the government's inefficient measures in dealing with the Russian Federation's embargo restrictions.

The WAN production-related activities kicked-off very well in 2014 and the M&E team used the survey as an opportunity to get a first-hand feedback of some of the women involved. The overall impression was very positive and all the female producers unanimously agreed that the WAN activities developed their potential as producers. Some of the women tested new varieties of vegetables and berries, while others improved their skills in different value chain techniques. All ten surveyed WAN members adopted at least one innovation, one of which adopting 5 techniques in vegetable value chains. When reporting their results, most of the women were very confident about future plans and the results of the upcoming season. A female apple producer from the North was considering testing berries in order to diversify her produce. A member of the Gagauzian WAN reported the construction of a new greenhouse as result of her participation in the WAN activities. Another woman from the Southern WAN region, assisted in various ways by the Activity 3 team, invited ACED project team for the inauguration of her cold storage in late spring.

## 4. Data Quality Assessment

The end of year survey is the time each year when the M&E team takes measures to carry out a data quality assessment, in time to be included in the end of year survey report (that is included in the Annual Report).

In the ACED Performance Monitoring and Evaluation Plan, it states:

“...the M&E manager will establish an annual data quality assessment protocol where a select group of beneficiaries in the system are contacted to assess if the data collected is correct, the system will be scoured for duplicate entries of the same beneficiary, and the supporting documentation files will be spot checked to make sure that forms exist for each entry either in a binder or scanned into TAMIS. Special emphasis will be placed on auditing data provided by BSPs.”

The end of year survey serves a data quality assessment function, as it assesses whether they adopted T/Ps (whereas TAMIS does not capture this) and verifies that the farmers registered on the training participant lists actually confirm by phone that they attended these trainings. In order to conform with the data quality assessment management place as outlined above from the PMP, this year the M&E team also carried out a spot check of sales and investment numbers in TAMIS with a focus on the results numbers submitted by the RTSPs in their M&E follow-up reports.

### **a) DQA of RTSP Reported Data**

The data quality assessment of the investment and sales data reported by the BSPs was carried out in March as the survey was ending. The review of the investments numbers was without any problems. This is because those same investment numbers have been critically examined on an on-going basis as the M&E team made sure there was a clear link between ACED activities (e.g. trainings and study tours) and the investments reported when entering the numbers into TAMIS.

A quick spot check of the RTSP Results Tracking Forms regarding sales reported, led the team to decide to look more intensively at all of the sales results reported by RTSPs. As a result of double checking the sales reported, we identified 19 out of 269 producers with transactions facilitated, who had reported sales from the RTSP, but a box was checked on the follow-up forms that the producer's sales had decreased that season. As a result, the M&E coordinator and assistant called all 19 farmers, and when contacted, 17 out of 19 producers confirmed the increase in quality and/or quantity of their produce as a result of techniques adopted due to ACED, thereby leading to an increase in sales compared to what they would have been without ACED. This reassured the ACED M&E team that the sales are in line with the PMP indicator definition quoted above. The hardcopy and TAMIS records on two other producers were adjusted with a notation that the sales should not be counted as the producer was not able to confirm that they increased their sales due to ACED. Not only were the sales results then reduced in TAMIS by the corresponding amounts for those two farmers (\$25,715), but the RTSPs who made the report were called and explained why the change was made, so they would understand

better for future reports. Furthermore, ACED decided to slightly revise the RTSP results tracking form to make this point more understandable for the RTSPs in the future.

### **b) Data Quality Issues Related to the Survey**

This end-of-year survey was a chance to take a critical look at the data quality currently contained in the project's TAMIS system. Although the regional service providers, as well as the ACED staff, carried out a substantial share of work related to following-up on the ACED trainings and events, the results of the survey made clear that the issue of the actual results being under-captured through the RTSP results reporting system is still very pertinent, as was found in the previous end-of-year surveys. Out of 105 program participants surveyed who all had no T/P results listed in TAMIS, 84 of them reported adopting practices trained when queried, and more than half of them reported having adopted more than one trained practice. After seeing the survey results, the M&E team realized that many other producers who attended multiple ACED events should be surveyed. Due to this, an updated selection and survey methodology will be discussed, in order to follow-up regularly with those producers whose results were up-to-now missed in this last year of the ACED project.

Upon further analysis, there are multiple likely reasons that practice adoption is not fully captured in TAMIS:

1. The system is designed so that the RTSPs follow-up a certain period after the training was conducted. However, the training participants can often achieve results after the RTSPs carry out their monitoring and report, and in some cases when the RTSP has already been "retired" as the training location may have received rounds of training in 2013, but the RTSP is no longer be hired for additional trainings in 2014 and/ or 2015 when practices might be adopted. Timing of adoption post-M&E RTSP follow-up is likely one of the largest contributors to this under-capturing of results in TAMIS.
2. There are some ACED training events and forums that are organized directly by ACED, in which case there isn't an RTSP to carry out M&E follow-up.
3. The large scale of the number of farmers trained means that the limited number of ACED staff and partners are only in regular touch with a small percentage of the total project participants. The M&E team suspects that many RTSPs stay in good contact with frequent event participants, and their networks, but might not make sufficient effort to reach out to those with whom they come into less contact.

As a result of these findings, the team is taking measures to respond to any weaknesses in the M&E system. For example, we have requested project staff to follow-up on the ACED organized events, we are carrying out a more intensive on-going survey of ACED participants who attended multiple events, and we will carry out one more "end of year" survey at the completion of the production season.

As instructed, the M&E Team member who carried out the survey made note of every data quality issue that arose during the survey process. Below is a summary of the problems she noted:

1. Two participants had many telephone numbers registered, with at least one wrong number or a number not in use anymore. One of these participants registered himself once with a relative's number;
2. There were three participants for whom an additional phone number (mobile, home, or person in charge of the company) was needed, so that the interviewer could reach participants;
3. There was one participant, a WAN member, who was unreachable through the phone number recorded in TAMIS. In this case, the interviewer received assistance from the ACED gender specialist, who was able to provide another phone number for the participant;
4. There was one participant with an incorrect or non-existent phone number (without recourse);
5. There were ten participants, for whom the representatives of their respective companies answered the questions of the survey. In one case, the participant didn't work anymore for the company in question and suggested to contact his former manager. Apart from that, multiple contacts of the same companies which were included in the survey also forwarded the interviewer to the contact with more knowledge on the queried topic. Another participant partially answered the survey questions and afterwards forwarded the call to the agronomist, who also partially completed the lacking information and suggested to contact one of ACED national consultants, who provided them further assistance, for more accurate information on some points.

Any data collection is imperfect and an MIS system will always contain some small errors, flaws and/or incongruities with the actual results achieved. In line with this, ACED has a data collection system which doesn't collect 100% of the information regarding who adopted a practice (and all the practices they adopted), rather ACED collects data from those that happen to report results, and then includes it in the TAMIS system. ACED is also heavily dependent on the results reports from the Regional Training Service Providers (RTSPs) who are supposed to follow up with participants and submit reports quarterly.

In an effort to be more efficient, the system is designed to prioritize capturing the first practice adopted by a person, and there is no incentive to capture and note additional practices adopted by the same producers. ACED is only reporting on the number of producers who adopt practices and techniques but not the numbers of techniques and

practices adopted. It is interesting to note that in the first end of year survey with a random sample, the adoption rate was 66%, in the second annual survey also with randomly selected survey participants the adoption rate was 54%. Meanwhile, this year's survey was targeted so the results should not be compared. However, all three are much higher than the current adoption rate captured in TAMIS 33%.

As a result of the survey, the phone interviewer discovered that many producers couldn't (or didn't want to) indicate data on sales. This reluctance can be related to how much taxes they could owe or that they didn't feel confident to share this data with a stranger. Apart from that, some small farmers are not keeping records on their profits and revenues. Nevertheless, from the lessons learned last year, the M&E team decided not to focus on questioning farmers about their net profit in the survey due to related uncertainty about data quality.

## **5. Annual Survey Conclusions**

In summary, the ACED M&E Team believes that this third end-of-year annual survey was a worthwhile effort that has provided significant insight into the results being achieved by the project. Discrete results noted in the survey have been added into the TAMIS system in time for the project's annual report. The lessons learned with the current and previous survey are of extreme importance to the project team and will be applied in practice accordingly, in order to maximize impact. The targeted survey approach will likely continue not only at the end of the production season in 2015, but on an on-going basis throughout the year.

The ACED team had a special session to learn the survey results, to disseminate the information and to incorporate the lessons learned into ongoing project programming. Furthermore, the high level of reporting on the techniques & practices adopted, the valuable sales and investment results reported, have been an encouragement to project staff that has been working hard from day one. As the project is approaching its finish line, the ACED team is still very actively training, advising, linking, and assisting beneficiaries, which will further yield sustainable results to be captured in the coming year.