

**FARMER-TO-FARMER – RUSSIA
ANNUAL REPORT – FY 2007
TO USAID
OCTOBER 1, 2006 TO SEPTEMBER 30, 2007**

COOPERATIVE AGREEMENT NO. FAO-A-00-99-00016-00

SUBMITTED BY

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**Farmer-to-Farmer Program Consortium
ACDI/VOCA, LAND O'LAKES, and WINROCK INTERNATIONAL
RUSSIA**

USAID Cooperative Agreement # FAO-A-00-99-00016-00

Annual Report – FY 2007

1 October 2006 to 30 September 2007

Introduction

This is the FY07 annual report for the Russia Farmer-to-Farmer (FtF) Program; 101 percent of the volunteer assignments have been completed by end of September 30 of year four of the current program. Ninety two volunteers were fielded over the reporting period; 490 volunteer assignments were completed against a LOP goal of 484 over four years.

The program has retained its unique people-to-people characteristics by providing direct assistance to farm producers and agricultural enterprises. The FtF Consortium's approach to strengthening the capacity of private agricultural enterprises includes the provision of business development services (BDS), transfer of technology, and access to credit and finance. BDS volunteer assignments continued to concentrate on strategic planning, marketing, management and finance. Technology transfer volunteers focused on new production and manufacturing techniques and technologies, new-product development, increased efficiency, and quality control. Access to credit and finance volunteers worked on developing rural credit cooperatives.

The ACDI/VOCA, Land O' Lakes, and Winrock International Farmer-to-Farmer (FtF) Consortium focuses on strengthening five components of the producer to market agricultural system in Russia: 1) farm production; 2) post-harvest handling; 3) intermediate and final processing; 4) retail and 5) wholesale sales. The Consortium has three strategic objectives:

- Objective 1:** Increased sustainability of private agribusiness
- Objective 2:** Increased capacity of agribusiness support organizations (ASOs)
- Objective 3:** Strengthened rural finance systems

I. Summary of Experience with Program Implementation

A. Key Impacts and Accomplishments over the Reporting Period

By September 30, 2007, the Consortium had completed 92 FtF assignments for the current fiscal year, putting the Consortium to 101% completion point for volunteer consultant assignments.

Objective 2, increased capacity of agribusiness support organizations, has reached 139.5 percent completion of all planned assignments. Objective 1, increased sustainability of private agribusiness, has reached 98 percent completion of all planned assignments while objective 3, strengthened rural finance systems, has reached 71.7 percent completion of all planned assignments. Objective 3 assignments (Rural Finance Systems), were reduced for reasons stated in previous reports; the demand for basic, introductory-level credit cooperative assignments declined as Russian rural credit cooperatives quickly mastered fundamentals of lending. Higher-level assignments were limited since they entailed legal and accounting issues specific to Russia.

The following table shows assignment targets for the LOP versus actual volunteer assignments at the year one through year four marks. Column 8 (Percent of Plan Completed) of Table One refers to the percentage of completed assignments over the LOP.

Table 1: Volunteers Fielded

Volunteers by Strategic Objective and Sector Focus	LOP Totals Planned	Year I Totals	Year II Totals	Year III Totals	Year IV Totals	Total Assignments per Sector Completed	Percent of Plan Completed
Total Volunteers	484	142	130	126	92	490	101.2%
Private Enterprises	348	97	99	88	57	341	98%
• Dairy/Eggs	116	30	36	36	27	129	111.2%
• Livestock/Poultry	116	19	26	16	7	68	58.6%
• Vegetables/Field Crops	58	23	19	21	12	75	129.3%
• Bakery	58	20	15	13	10	58	100.0%
• Non-focus	---	5	3	2	1	11	
Organizations & NGOs	76	30	17	30	29	106	139.5%
Credit & Finance	60	15	14	8	6	43	71.7%

The 92 volunteers contributed a total of 1,412 volunteer days for an average of 15.3 days per assignment. The total volunteer days over the four year period was 7,692 days, with 490 assignments completed over this period. The overall average length of assignment was 15.7 days. Assignment length is ultimately determined by what makes sense for the host and the volunteer. Some volunteers tire if their stay is too long and many professionals have time constraints. Hosts are also interested in the most efficient use of time and in many cases ask for shorter, more efficient assignments. Of 92 volunteers, seven were women (7.6 percent).¹ The following table documents the Consortium effort by organization:

Table 2: Volunteers Fielded by Organization

	Winrock, Int. Over cumulative	Land O'Lakes Over cumulative	ACDI/VOCA Over cumulative	Total Over cumulative
Volunteers fielded (number fielded in last six months over total cumulative)	16/69	8/65	68/356	92/490
Total LOP to be Fielded	67	62	355	484
Percent of Volunteers Total to be Fielded	103%	104.8%	100.3%	101.2%

The FtF program expenditures to date are approximately \$7,124,089 (without in-kind), yielding an average cost per volunteer day of \$926 to date.

Table 3: Assignment Length & Cost

	Year I	Year II	Year III	Year IV	Planned Averages
Average assignment length	15.7	15.7	15.9	15.3	17.5
Average cost per volunteer day	\$952	\$872	\$800	\$1,143	\$787

This cost per volunteer day is higher than planned originally but there are a number of objective reasons why costs are higher. The table below helps explain the higher costs:

¹ Many of the farm production professions needed are traditionally dominated by men. Though the recruiting offices are consciously trying to find female volunteer consultants, that has proved to be challenging.

Table 4: Inflation and Dollar Devaluation

	Annual Inflation Rate	Ruble/Dollar Rate (on 1 October)	Appreciation of Ruble vs. Dollar (compared to 1 Oct. 2003)
2003	13.6%	30.61	-
2004	11.7%	29.22	4.5%
2005	11.3%	28.53	6.8%
2006	9.0%	26.78	12.5%
2007	11%*	24.95	18.7%

*estimated

For perspective, we can adjust the original projection of \$787 using 11.7% for year one, 11.3% percent for year one and 11.3 percent for year two, 9 percent for year 3, and estimated 11 percent for year 4 to arrive at the inflation adjusted figure of \$1,198² per volunteer day. Furthermore, the dollar depreciated by an average of 10.6 percent over the LOP, so the fully adjusted original estimate for average cost per volunteer day would be \$1,325 per day; the Consortium cost-cutting in this high inflation, weak dollar environment has enabled the team to hold costs down \$926 per volunteer day to this point, which is the cumulative average cost over LOP.

The Russia FtF staff has been searching constantly for efficiencies throughout the high-inflation, weak-dollar period. The following information shows how well costs were contained in Russia during the last four year period:

Table 5: Cost per Volunteer Day Comparison

	Total Cost	Number of Assignments	Number of Volunteer Days	Cost per Assignment	Cost per Volunteer Day
FY 2000-2003	\$8,562,979	569	9,229	\$15,049	\$928
FY 2004-2007	\$7,124,089	490	7,692	\$14,539	\$926

B. Implementation Problems

ACDI/VOCA has been providing required reporting to the Federal Registration Service. There has been no negative feedback on the reports, but compiling six reports per year is time-consuming. The extra reporting burden might result in a part-time accountant added to staff.

The uncertainty connected with the change of status of foreign NGOs and whether the VAT exemption on rented premises has been successfully resolved. ACDI/VOCA is not required to pay the VAT tax on its premises.

The issue of a potential need to register the FtF Program with the Commission on Humanitarian and Technical Assistance (CHATA) is currently being discussed with the Ministry of Agriculture of Russia. CHATA has assured FtF Moscow staff that this is not required.

Foreigners in Russia who hold one-year multiple entry business visas will not be allowed to stay in the country for more than 90 days within a 180 day period. To be able to stay in Russia for longer terms without having to leave the country, foreigners will have to obtain work visas which are linked to obtaining work permits. The new rules were put into force on October 10, 2007.

² $787 \times 1.117 \times 1.113 \times 1.11 = \$1,198$; with average depreciation of 10.6% over 4 years, $\$1,198 \times 1.106 = \$1,325$

C. Farmer-to-Farmer Methodology, Monitoring & Evaluation Approach for Russia

Program Methodology: The FtF Consortium has continued to use its standard methodology for program implementation. A decision has been made to narrow the geographic focus of FtF activities and to concentrate on a narrower range of sectors with the goal of getting potentially higher impacts by not being spread out too much. The dairy sector received the bulk of technical assistance. The Consortium limited its activities in the area of grain and poultry production since Russia is developing well in these areas. The bakery and meat sectors also received less assistance. Based on sector analysis and consultations with USDA, the Consortium decided that for FY08 it will limit its sector foci to dairy, meat and cooperative development. The issue will be discussed in more detail later in the report, as well as in the attached workplan.

Monitoring & Evaluation Approach: As was mentioned in the previous reporting the Russia FtF Program uses ACDI/VOCA's Project Reporting, Information, Monitoring and Evaluation System (PRIME), which tracks performance and impact of the program. The PRIME system, along with the Access database developed by the Moscow office, enables the FtF Consortium to monitor and report on program impact at various levels, while also providing useful information necessary to manage program activities. The M&E system is implemented at three stages of program implementation, including scope of work (SOW) development (including host organization baseline surveys), the volunteer assignment, and a field survey conducted 12 months after assignment completion.

Information for EGAT tables is collected using the documents described above. The Consortium works to ensure consistency in collecting and downloading information. ACDI/VOCA is reassessing its M&E approach to make it as effective as possible under the changing conditions in Russia. For the most recent project evaluations the Consortium has gradually started to pilot modified baseline forms that will undergo further refinement and form the basis for an improved monitoring tool, obligatory for all evaluations. The Consortium is experimenting with capturing some qualitative information in the form of self assessment by the host using a 1-to-10 scale.

EGAT tables that summarize monitoring information are in Annex A and the data are discussed for each sector in section II.

II. Summary of Activities by Organization Type and Focus Sector

A. Private Enterprises

Providing assistance to private enterprises and promoting business development continued to be of key importance for the FtF Program.

The Russian economy is developing aggressively. The GDP annual growth forecast has recently been adjusted from 6.5 percent to 7.3 percent. The main engine behind the current growth is considered to be crude oil prices, as well as the development of metallurgy and machinery construction. Over the last seven years the economy has grown by 60 percent. The IMF also reported that its analysts anticipate dynamic growth accompanied by inflation pressure. The month of September 2007 has made it clear that the planned inflation rate of 8 percent will be surpassed and may exceed 10 percent. The month has shown a considerable growth in consumer prices. In September, sunflower seed oil and cheese prices increased by 13.5 percent, milk prices increased by 9.4 percent. Among commodities that are not related to food the biggest increase was in construction materials prices. For example, concrete increased by 9.5 percent. Part of the reason for the current situation is increased incomes due to budget policy. It is forecast that the

government might further strengthen the rouble to control inflation. Active steps are being taken to control food prices that continue to grow. It is expected that inflation rate for 2007 will be around 11 percent. As of September 6, 2007, the U.S. dollar to rouble exchange rate was \$1 to Rb. 24.98 which presents a stable increase in the rouble value since the last reporting period when the exchange rate was Rb.26.78 per \$1.

Agriculture has also been developing, though at a slower pace. Gross domestic product related to agriculture in 2006 increased by 2.8 percent compared to 2005. In January – July 2007 it increased by 2.7 percent compared to the same period of 2006 and has reached \$27.2 bln. For the first time since the transition to a market economy started the government adopted a five-year development program for agriculture, and will allocate over \$22 bln, over five years to support agriculture. A similar amount will come from local budgets. The program's goals are sustainable rural development, increased rural employment and improved rural living standards; improving competitiveness of Russian production agriculture; and natural resources conservation. Agricultural production is officially forecast to rise by 21.7 percent between 2007 and 2012 as a result of the program, with specific emphasis on boosting output of meat. The current government support is slightly over one percent of the overall federal budget (in Ukraine, for example, it is 12 percent). It is planned that the current 63 percent market share of domestic agricultural produce will increase by 68 percent by 2011. Based on information, provided by Director of the Russian Institute of Agrarian Problems and Informatics, academician Petrikov (state statistics does not have adequate information in this area), in 2005 the overall volume of investments into agriculture constituted over \$1bln., in 2006 agriculture had an additional \$3.2 bln. in long-term investments. The result of these investments is positive overall, but has led to disruptions for some, such as a decline in economic independence of small-scale producers. The agricultural sector still has major problems. Soaring prices for fuel, railroad transportation and electrical energy make it hard for many agricultural producers to run profitable enterprises. Only half of the current farms have the necessary modern equipment for their operations. Land-titling issues have not been fully resolved. Average rural salaries are 2.5 times lower than those in urban areas. The key problem sector continues to be meat (beef) production.

ACDI/VOCA has been analyzing the current development sectors and has been discussing the issue of more precise development focus with USDA. Minister Counselor for Agriculture, Mr. Allan Mustard, has advised ACDI/VOCA that it should focus its development efforts in the area of dairy sector and in promoting the development of cooperatives. This advice has been in line with ACDI/VOCA's own observations. The biggest discussion point was whether assistance should continue to go to support the development of the meat sector. However, for reasons outlined later in the report it was decided that the FtF program will reduce but not eliminate assistance to the meat sector. The main focus of FtF assistance will be the dairy and the cooperative development sectors.

1. Dairy & Egg Production and Processing

The dairy sector is becoming the top priority for the FtF Program in Russia. Due to a substantially improved situation with the poultry business, including egg production, the Consortium has stopped its technical assistance in this area.

The decision to make this sector a top priority was based on a study of the sector both by the FtF staff and by top experts in the industry, as well as advice from USDA-Moscow. The FtF Consortium ordered a sector study from one of the leading analytical agencies in Russian agriculture – IKAR (Agricultural Market Research Institute). The study helped to reveal that dairy production and processing in Russia on the one hand needs help and, on the other hand, is and will continue to be a sector where players at different links of the value chain can generate

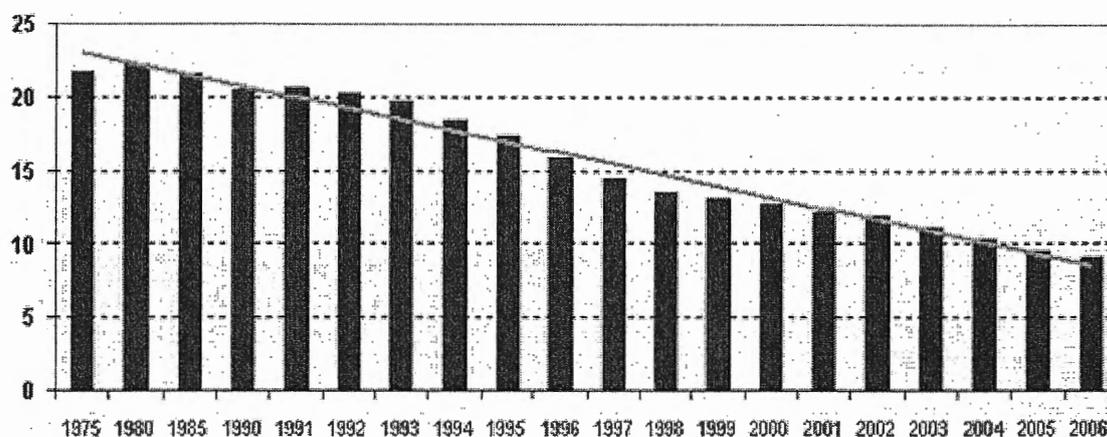
margins that would make FtF development efforts productive and meaningful. Below we present a brief sector description. The translated text of the sector analysis can be found in Annex D.

Dairy production is a large segment of the food industry of Russia. Milk processing enterprises account for 12 percent of the total output of the food industry.

Milk and dairy products, being a good source of protein, are important choices in each day's food selections of Russians. Russia is among the countries that demonstrate a high level of dairy consumption. In 1990, this figure amounted to 386 kg. For reference, the consumption level of milk and dairy products in the countries with similar climatic conditions is as follows: Denmark – 379 kg, Finland – 294 kg, Belarus – 280 kg, Germany – 430 kg. A significant decline in dairy consumption during the years of market-oriented reforms resulted primarily from a lessening of consumer demand. The growth of household income increased the consumption level. According to IKAR's estimates, the consumption level of milk and dairy products in 2006 amounted to 231 kg. Dairy products account for 7.2 percent of total retail sales in value terms and nearly 16 percent in terms of food variety. The steady upward trend of consumption growth is an objective prerequisite for further development of the domestic dairy industry.

As of July 1, 2007, the dairy livestock numbers in all types of agricultural operations amounted to 9,526,100 head, or 44 percent, of the 1991 level.

The Dynamics of Dairy Livestock Numbers in the RF (million head)



Source: IKAR's estimates based on Rosstat's (Russian Federal Statistics Agency) data

The dairy livestock numbers have been shrinking at agricultural enterprises and personal subsidiary husbandries; the only exception is private (family) farms accounting for 5.1 percent of dairy livestock. The major reasons for such reduction are as follows:

- Unprofitable farms of small size going bankrupt and leaving the market;
- Successful farms going out of livestock business to pursue crop production;
- Personal subsidiary husbandries ceasing to keep cows, chiefly in the regions where agricultural enterprises increase their milk production and shipment for processing purposes;
- Replacing of low-productivity animals with pedigreed stock.

Agricultural enterprises in Russia still suffer substantial livestock losses. The major reasons include improper technology in herd management and feeding, inadequate supply and poor quality of feeds, and lack of proper veterinary care.

Since 1990 milk yields have been declining in Russia. The implementation of the national project on livestock husbandry accelerated development made it possible in 2006, for the sector to reach an increase in milk production of 1 percent as compared to 2005. Even though the industry has continued to demonstrate positive changes, the situation still remains challenging. For the first six months of 2007, the gross milk yields amounted to 15,833,300 tons, which is 1.5 percent greater than the same period of 2006.

Since 1997, cow production performance in the private sector companies has tended to grow steadily. In 2002, the maximum milk yielding capacity that was reached in 1990 of the Soviet period was surpassed. According to Rosstat, in 2006, the average cow production performance in the private sector increased, as compared to 2005, by 8.3 percent, or 283 kg, to 3,603 kg. per year.

A traditional Russian approach to defining milk production costs charges spent and slaughtered cow losses to meat production; the dairy production costs do not include expenses related to herd replacement. In this case, milk production may remain profitable even with low-level average yields per cow, while meat production is loss-making for practically all agricultural operations. With such an approach to production cost calculation, total profitability of the livestock activity on a farm seems a more objective indicator.

The structure of milk production costs varies distinctly depending on how the milk production process is organized. To make it more illustrative, dairy operations are divided into three groups:

- Group 1 – agricultural enterprises with a dairy herd of less than 400 head; a livestock segment of most of these operations is unprofitable, while the profitability level of other farm businesses does not exceed 3 percent;
- Group 2 – a typical profitable dairy farm with a herd totaling 400 to 800 head and total profitability of 3 to 6 percent;
- Group 3 – an up-to-date mega-farm with a herd exceeding 1,200 head and total profitability of 10 to 25 percent.³

Structure of Milk Production Costs (%)

Main items	Herd less than 400 head	Typical profitable farm with a herd of 600 – 800 head	Mega-farm with a herd exceeding 1,200 head
1 Wages and salaries	20 - 25%	5.5 - 15%	7.5 - 10%
2 Feed	41 - 48%	48 - 68%	45 - 50%
3 Means of animal protection (veterinary products)	2 - 2,6%	1 - 2%	1.5 - 2%
4 Fixed costs	28 - 37%	25 - 34%	36 - 38%
including power costs	2%	0.75 - 2%	1- 1.5%

Source: IKAR's estimates based on farm data

The milk quality issue became critical in the mid-nineties when foreign producers of highly-processed dairy products that required high-quality raw materials entered the Russian market. The standards for raw milk that were in effect at that time did not meet their requirements. Foreign companies started investing in the raw materials base and purchasing milk in accordance with their own quality requirements (new grades called "Danone", "Campina", etc.). Foreign

³ Profitability calculation: net sales divided by total costs.

producers and the Russian market leaders pay for the milk that meets European standards at a price comparable to the European price. This price to dairies is 22 – 49 percent higher than the average price of milk sold in Russia to processors.

The decline in global milk production and a growing demand for this product will exercise a noticeable influence on the Russian market in the near future. The prices for raw milk will have an approximately 40 – 50 percent rise during the last six months of 2007; the prices for top-grade milk will grow most dynamically. If in recent years there has been a tendency towards convergence between average purchasing prices and the prices for top-quality milk, in the near future, the disparity will increase again. The prices for top-grade milk will be growing at a quicker pace.

As of early 2007, the dairy processing industry had about 1,400 milk processing enterprises and processing units. They may be conventionally subdivided into three groups according to volumes of milk they process:

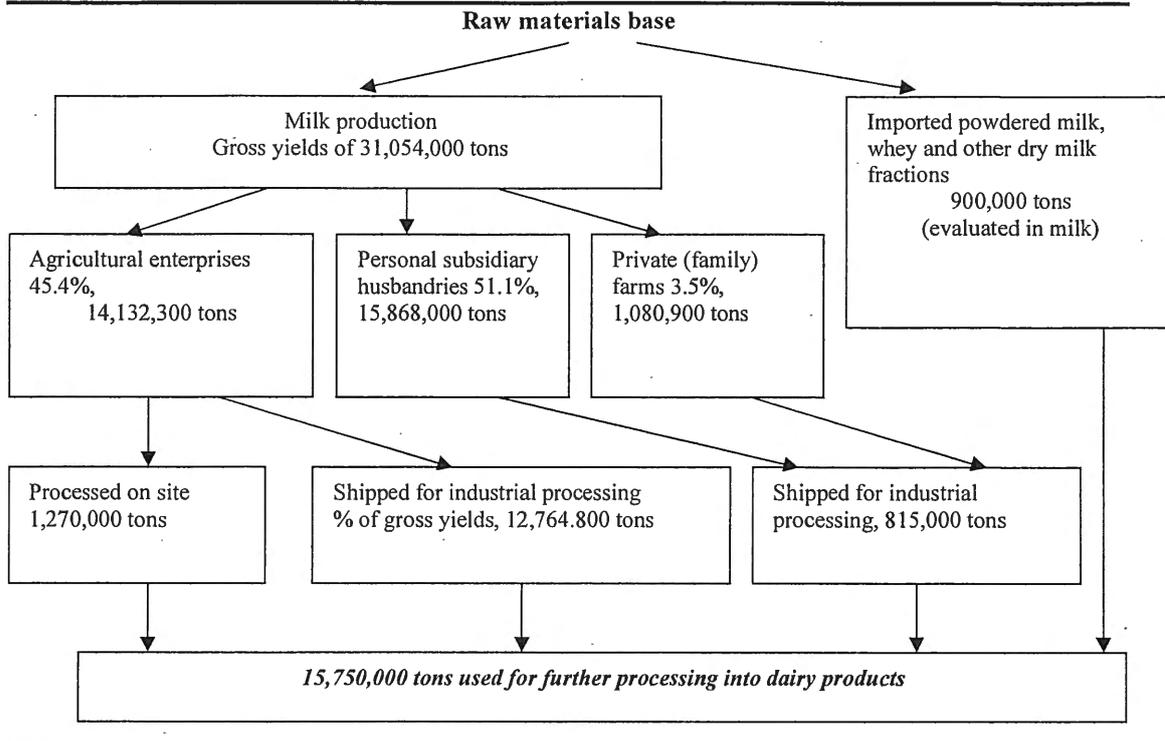
- large – over 73,000 tons per year, 40 plants;
- medium-sized – 10,000 to 73,000 tons per year, nearly 200 plants;
- small – less than 10,000 tons per year, approximately 1200 processors.

Despite the small number of plants specified in the first group, the volumes of milk they process are estimated at 35 percent of total processed milk. This share continues to grow. The main volumes of production are attributed to medium-sized enterprises that are members of large holding companies. This group also comprises leading cheese dairies and milk canneries.

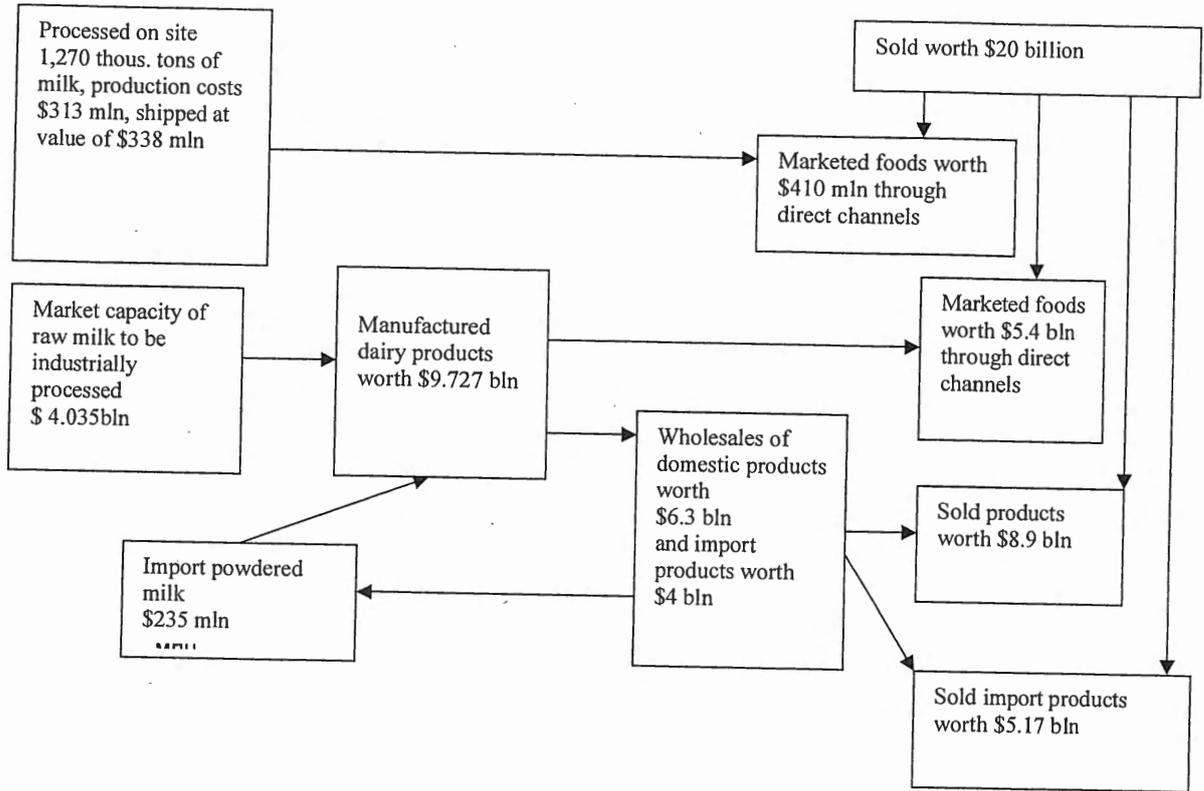
Leading Russian dairy operations match foreign producers in terms of technique and range of products. Industry development is hampered by inadequate amounts of high-quality raw materials. In conditions of persistent decline of gross milk yields, redistribution of raw materials used for production of main groups of dairy products has been observed. In countries with a well-developed cattle husbandry sector, product assortment changes result from the changing consumer demand, thus demonstrating consumer preference dynamics. As for Russia, the change in dairy product structure depends on a number of factors, foremost among which is the adequacy of raw milk available to enterprises. In these conditions, dairy products, primarily butter and natural cheeses, the production of which requires large amounts of milk, have become most vulnerable. At the same time, there is a dynamic increase in the output of highly-processed dairy products that contain a great share of nondairy components. The estimated capacity of the dairy products market in 2006 amounted to 19.5 billion U.S. dollars in terms of retail prices (excluding baby food based on dry milk mixes and ice cream).

The value of milk, when moving up the value chain, increases more than four-fold with an allowance for all production (package used, ingredients, etc.) and promotional costs.

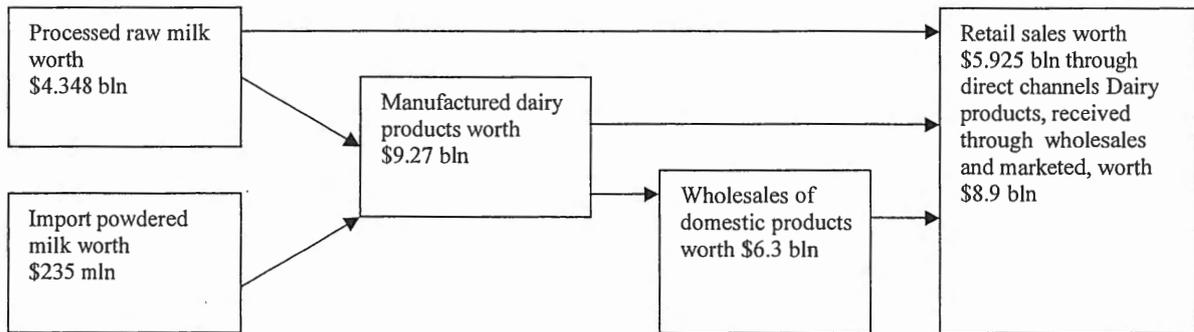
Commodity Value Chain in the RF Dairy Industry



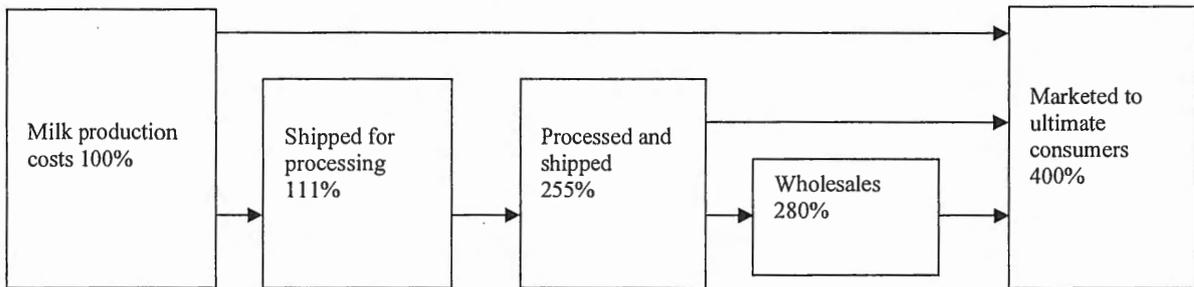
Adding Value to Milk While Moving Up the Value Chain in the RF



Brief Chart of Adding Value to Milk While Moving Up the Value Chain
(with no regard for imported finished dairy products)



Milk Value Adding Chain (%)



With the current substantial increase in milk products prices that occurred this fall, the government is taking some steps to rectify the situation. Besides some tariff measures that are not likely to influence process in the near future the government is actively looking into the food chain. It is suspected that the current food chain is distorted by a number of economically unhealthy intermediaries and a potential trust schemes to get price benefits. The Federal Antitrust Ministry has already started several legal cases against some big companies that monopolized prices in several regions. In an attempt to curb rapidly-increasing prices the government initiated a temporary price-setting agreement among some key processors and retailers. The agreement covers around four categories of staple food. Each processor has singled out the concrete types of assortment items for which it will peg prices. For example, it is reported that Wimbildan will freeze process for milk with the fat content of 2.5 percent and 3.2 percent, sour cream of 15 percent fat content, kefir and a couple of other types of products. Bread producers will fix prices for two types of “economy” bread. So far this measure has been taken for the period of up to January 31, 2007.

The FtF Consortium will work on a complex of issues targeted at improving dairy animal upkeep, nutrition, veterinary services, as well as on improved dairy processing issues. The target hosts will mostly belong to Group 2, that is medium-level businesses which, on the one hand, cannot afford paid consultants and, on the other hand, are big enough to be economically viable and competitive. Dairies that consistently produce high quality milk stand to enjoy higher prices from demanding processors.

Activities completed FY07, Examples of Implementation Experience:

Volunteer Name	SOW Title	Organization Name	Region Name
Mark Aseltine	Zarechye Farm DAIRY CATTLE NUTRITION	'Zarechye' Farm	Kemerovo
Keith Burgett	Mir Production Cooperative DAIRY CATTLE VETERINARY PRACTICES	'Mir' Agricultural Production Cooperative	Kostroma
Walter Hylton	Krasnyi Oktyabr And Zarya Dairy Farms ANIMAL HEALTH MANAGEMENT	'Krasniy Oktyabr' Limited Liability Company	Yaroslavl
		'Zarya' Animal Breeding Farm	Vologda
Archie Devore	Mordovia DAIRY NUTRITION AND SELECTION MANAGEMENT	'Chamzinskaya' Dairy Farm	N.Novgorod
		'Druzhba' Dairy Farm	N.Novgorod
Leonard Knoblock	Novy Put Cooperative and Minskoye Farm COMPANY DEVELOPMENT	'Minskoye' Experimental Farm	Kostroma
		'Novy Put' Agricultural Production Cooperative	Kostroma
David Ziegler	Kostroma DAIRY HERD MANAGEMENT	'50th Anniversary of the USSR' Production Cooperative	Kostroma
		'Chernopenskiy' Dairy Farm	Kostroma
John Billing	Kirova Farm DAIRY HERD MANAGEMENT	'Kirova' Farm	Altai
Glen Huskey	Kladko Company ICE CREAM PRODUCTION	'Kladko' Company	Krasnoyarskiy Krai
Michael Brugger	Alatau Farm DAIRY FARM FACILITY MANAGEMENT	'Alatau' Farm	Ural Region
Kevin Dennis	Kolybelskoye and Mokroye Dairy Farms DAIRY REPRODUCTION MANAGEMENT	'Kolybelskoye' Agrocompany	Lipetsk
		'Mokroye' Dairy Farm	Lipetsk
Bruce Olcott	VETERINARY AND REPRODUCTION PRACTICES IMPROVEMENT	'Leningradskoe' State Enterprise	Krasnodar
		'Zavety Il'icha' Open Joint Stock Company	Krasnodar
Warren Clark	Brigantine Co. DAIRY PROCESSING TECHNOLOGY IMPROVEMENT	'Brigantine' Limited Liability Company	Stavropol
Troy Downing	Minderlinskoe Farm DAIRY HERD MANAGEMENT	'Minderlinskoe' Farm	Krasnoyarskiy Krai
James Ellinger	Pyatigorskiy Dairy Plant DAIRY PRODUCTS MARKETING IMPROVEMENT	'Pyatigorskiy Dairy Plant' Limited Liability Company	Stavropol
Anthony Kutter	OSAU And Tyukalinski Plant DAIRY PROCESSING AND CHEESE MAKING	Omsk State Agricultural University	Omsk
		'Tyukalinski' Cheese Plant	Omsk
Bradley Flatoff	Krasnodar DAIRY PRODUCTS MARKETING STRATEGY IMPROVEMENT	'Tbilissky Maslosyrzavod' Closed Joint-Stock Company	Krasnodar
Roy Chapin	Egida and Bolshenikolskoye Farms DAIRY CATTLE NUTRITION	'Bolshenikolskoye' Farm	Novosibirsk
		'Egida' Farm	Novosibirsk
Anthony Kutter	Kaloriya Company BRIE CHEESE TECHNOLOGY IMPROVEMENT	'Kaloriya' Closed Joint Stock Company	Krasnodar

Volunteer Name	SOW Title	Organization Name	Region Name
Archie Devore	Slavyanskoye and Bobravskoye Dairy Farms DAIRY NUTRITION	'Bobravskoye' Dairy Farm	Belgorod
		'Slavyanskoye' Agrocompany	Orel
Archie Devore	Rodina and Melenkovskoye Dairy Farms DAIRY NUTRITION	'Melenkovskoye' Dairy Farm	Yaroslavl
		'Rodina' Dairy Farm	Yaroslavl
James Smith	Novokuskovo Dairy Farm CATTLE NUTRITION	'Novokuskovo' Dairy Farm	Tomsk
Roger Ellis	Shumanovsky Farm DAIRY HERD MANAGEMENT	'Shumanovsky' Farm	Altai
Walter Hylton	Rodina and Molot Dairy Farms ANIMAL HEALTH MANAGEMENT	'Molot' Dairy Farm	Yaroslavl
		'Rodina' Dairy Farm	Yaroslavl
Leonard Knoblock	FARM MANAGEMENT AND AGRICULTURAL MACHINERY MAINTANENCE	'Unior-Agro' Company	Yaroslavl
Archie Devore	Yaroslavl and Vologda DAIRY NUTRITION AND FARM MANAGEMENT	'Krasniy Oktyabr' Limited Liability Company	Yaroslavl
		'Rostilovskiy' Open Joint-Stock Company	Vologda
Harvey Jensen	Tulskiy Dairy Processing Plant ADMINISTRATIVE MANAGEMENT SYSTEM	Tulskiy Dairy Processing Plant	Tula
Kevin Dennis	Orel and Kursk DAIRY REPRODUCTION MANAGEMENT	'Slavyanskoye' Agrocompany	Orel
		'Znamenskoye' Experimental Farm	Moscow

Sample Recent Assignments:

The assignment required a food technologist to assist *the Dairy Plant “Kaloriya”, Krasnodar krai*, in Brie cheese production technology and new Brie cheese varieties formulations. *Tony Kutter*, a cheese producer from the State of New York and a star FtF Program volunteer consultant, was invited to work at the Dairy Plant “Kaloriya” at the end of September, 2007. The plant was constructed and put into operation at the end of the 19th century. The host employs 800 people, including 480 women. The annual production output of the plant is 44,000 tons of dairy products, which generates annual sales of about 31,520,000 U.S. dollars. The dairy plant’s designed capacity is 200 tons of dairy products per 24-hour period. At present it produces just 120 tons of milk products per 24-hour period. The assortment includes 250 milk products. “Kaloriya” markets its dairy products through retail stores and wholesale companies of Moscow, Rostov, Krasnodar, Astrakhan, Vladikavkaz, Sochi, and Novorossisk. It also has its own trade chain “Torgoviy Dom” (Trade House).

During the first day of the assignment Tony Kutter, together with the specialists of “Kaloriya”, walked around production sites, tested cheese samples brought by the volunteer (over 25 samples), discussed different cheese varieties and peculiarities of cheese production in the USA, talked about peculiarities of Brie cheese production in “Kaloriya”, and tested samples of “Kuban Plesir” produced on different dates. He also looked at other dairy products produced by the company. Brie cheese was produced by the host’s specialists using the standard practices and then, under the direction of Mr. Kutter, the cheese was produced using adjusted techniques. The host was pleased to see improved taste, flavor and texture of this specialty cheese.

The volunteer and the director general discussed the host's production strategy. They tested cheese varieties brought by Tony to see what types of cheese might do well with Russian consumers if produced at the host's plant. Discussions were followed by many hours of hands-on work in the shop making Swiss Cheese, Mozzarella, Cheddar Curds with different flavors, cottage cheese and other types of cheese. By the end of the assignment Tony said: "That plant can now make Brie that matches French quality".

Bruce Olcott, an Associate Professor of Food Animal Medicine and Surgery/Preventive Medicine, Department of Veterinary Clinical Sciences, from Louisiana State University worked in "*Leningradskoe*" and "*Zaveti Il'icha*" at the end of March and the beginning of April, 2007.



"Leningradskoe" is engaged in growing crops, swine and dairy production. The cattle complex includes two farms in the Krasnodarskiy krai and one farm in the Rostovskaya oblast. "Leningradskoe" has 800 milking cows and 900 calves. The cattle breed is Black/White Holstein. The annual milk yield is 4,450 liters per cow. Milk has a 3.8 % fat content. The cattle complex employs 90 people, including 27 women.

The swine complex includes: eight sow barns, three hog barns, five fattening barns, and three nurseries. The company has 12,500 animals, including 390 breeding sows. Swine gain is approximately 350 grams per 24-hour period. The swine breed is Large White. All the sows are artificially inseminated with Large White cross-bred semen. The swine complex employs 35 people, including seven men.

"Zaveti Il'icha" is engaged in growing crops, swine and dairy production. The cattle complex includes five farms: one dairy farm, three calf farms and one fattening farm. The farm has 800 heifers. The fattening farm currently has 800 bulls. The company sells them when they reach 400 kilograms. "Zaveti Il'icha" has 800 milking cows and wants to increase their number to 1,200. The cattle breed is also Black/White Holstein. All the cows are artificially inseminated with cross-bred Black/White Holstein semen. The annual milk yield is 4,300 liters per cow. Milk has a 3.9-4.0 % fat content. The cattle complex employs 36 people, including 10 women.

The swine complex employs 22 people, including men. The company has 3,400 animals, including 350 breeding sows. Swine gain is approximately 480 grams per 24-hour period. There is a cyclical turnaround – starting from farrowing up to fattening – in eight swine production facilities. The farm has 1,145 animals in the last production stage, which is 43% of the total number of animals.

“Leningradskoe” and “Zaveti Il’icha” try to use advanced methods in running their dairy and swine business. However, they still have too many problems to make this business profitable. “Leningradskoe” cannot solve the problem of low survival rates of newly born animals. At present calves survival is 89% and newly-born piglets survival rate is 63%. “Zavety Il’icha” cannot solve the problem of cow barrenness and microbacteriosis. It also has some dairy herd management problems. Both hosts are very concerned about production and reproduction issues and the current breeding procedures. A lot of animals have viral respiratory diseases which reduces the efficiency and productivity of the companies’ production operations.

The volunteer focused his work on the dairy herd. He tested animals with an ultrasonic device. He reviewed insemination procedures, checked for mastitis and foot problems, reviewed the hoof treatment procedures and discussed vaccination procedures. The volunteer conducted a test for unapparent mastitis. At the first farm he held a seminar which summarized his recommendations. At the second farm he conducted presentations on hoof problems and on estrus synchronization.

Accomplishments: The FtF Consortium has conducted 140 evaluations⁴ of assignments related to the dairy/egg sector. Of the 100 hosts surveyed, 98 adopted volunteer recommendations to introduce changes in host operations. Cumulatively, 129 assignments have been completed in this sector.

In terms of commodity chain activities, the assignments were distributed as follows:

Input and Information	0
Production	90
Processing	33
Marketing	6

FtF volunteers worked directly with over 5,600 people. Net income for dairy/eggs hosts increased by over \$7.4 million and gross sales increased by \$69.7 million. Dairy/egg plants created or improved 53 products. Over 53,500 people work on the farms and processing plants where our FtF volunteers carried out their assignments.

Example Monitored Assignment:

“Unior-Agro” is involved in multiple agricultural production operations: dairy production, meat production, and growing crops for cattle forage. It owns 2,000 hectares of land and has all the necessary equipment for land tillage, planting, and harvesting. It is fully mechanized and has tractors (different models), grain combines, and several trucks. Additionally, the enterprise has its own mechanical shops and a boiler. The company also has an office, a feed preparation shop for vitamin-protein-mineral supplement production, and several storage facilities.

Besides crop production, the farm has 912 cows, 475 of which are milkers. All cows are housed in cattle barns without ventilation and with manual dung removal. All the cows are artificially inseminated with crossbred “Yaroslavskay” semen. In 2004 the annual milk yield was 3,200 liters per cow. At the time of the assignment the annual milk yield was about 3,500 liters per cow. One of the FtF Program’s good friends, a recently “graduated” poultry operation “Yaroslavsky Broiler”, asked the Consortium to assist the farm with improving its dairy business. A farmer from the state of Michigan, Leonard Knoblock, provided useful recommendations

⁴ Promising, responsive and economically significant hosts may have more than one volunteer assignment. Evaluations therefore are greater than the number of hosts since each assignment is evaluated.

which made it possible to increase the overall annual milk production by 27 percent (from 1,679MT to 2,141 MT). Annual milk production per cow increased by 27.4 percent (from 3.5 MT to 4.46 MT). The host improved ventilation in the barns, which is critical for respiratory disease prevention. It continues to maintain the ratio of Holstein genetics in cows at 75 percent. The volunteer consultant, being an experienced farmer, also provided some recommendations on how to improve the crop production component of the farm. The farm purchased recommended equipment and the same volunteer consultant visited the farm several months after the completion of the first assignment to fine tune the equipment and make it ready for work.

2. Livestock & Poultry Meat Production and Processing

Livestock production continues to be the most challenged sector in Russian agriculture ever since the beginning of the '90s. The Government's *National Project* includes a support program to improve the situation. Meat production is also one of the top priorities for the recently-approved government five-year agricultural development program. Some progress has been achieved already. State statistics report that over the first six months of 2007 Russia produced 1.2 mln. tons of meat, which is 18.3 percent more than over the same period in 2006. At the same time every year the Russian people consume more meat. Based on the State Statistics information, over the first half year of 2007 sales of meats and meat products increased by 10.3 percent as compared to last year. If several years ago average meat consumption in Russia was 50-52 kg. per year, in 2007 it will be 60-62 kg. Thus Russia is gradually reaching the recommended 80 kg per year. As Minister of Agriculture Alexei Gordeev stated on October 4, 2007: "In 2007 Russia will have to import 40 percent more beef than last year". If we compare poultry, swine and beef production, the biggest challenges relate to beef production. Russian agriculture produces just 27 percent of the required volume; the balance is imported from Brazil (62.6 percent) and Argentina (13 percent). Currently beef production in most cases is not profitable to the producer and of marginal interest to the investor who needs to wait at least five years before he can expect to see a return on investment. Since prices for imported meat have gone up and mixed feed costs recently grew by 30 percent, consumer prices for meat have risen dramatically. Just in the month of September, beef prices increased by eight percent.

Swine production generates more profit and prospects for the future look more optimistic. The industry is, however, challenged by several factors. One of the key bottlenecks is that processors are less interested in domestic raw products than imported pork. For over a decade most of the processors have tuned their facility to processing frozen deboned pork that they receive from abroad. Prices for that pork have been good, pork was leaner and thus production costs for processors were at times 50 percent lower than when they processed domestic products that come in half carcasses. Now world prices for pork are rising, consumers come to recognize the value of processed meat products based on fresh chilled meat (Europe, for example, prohibits making sausages and other meat processing products out of frozen meat), and domestic producers are capable of providing a steady supply of fresh pork the quality of which is gradually becoming better. It is expected that in the future processors will turn to domestic swine producers for meat. In the meantime, this year the government started to support the development of not only producers, but also initial processing enterprises that slaughter swine and do initial cutting, preparing carcasses for more advanced processing. However, swine producers experience problems with selling their product. Production increased by 26.6 percent over the first six months of the year as compared to the same period last year. Imports are still high and consequently wholesale prices went down. For example, in the summer of 2006 high-quality swine in live weight could be sold for 65-70 rubles per kilo. Today the maximum a farm can get for European quality swine is 60 rubles. Prices for cut meat have fallen by almost 40 percent. However, the consumer sees a steady increase in prices. Retail trade gets steadily-increasing

margins. Under the current situation only modern, large-scale enterprises can be profitable. In 2004 the average feed conversion rate for swine in Russia was 7.9 kg. per kilo of gain. Today most of the swine complexes have conversion rate of 4.5 – 5 kg. (in great Britain this indicator does not exceed 3 kg.). As swine genetics improve and new nutrition and upkeep practices are used, the conversion rate is declining. The current dynamics show an increase of large-scale modern operators who will stay on the market and be competitive and a decrease in the number of small swine producers who cannot keep up with the modern development trend. One of the FtF hosts recently slaughtered its herd of 500 swine. Another FtF host, a processor, proudly remarked that it is experiencing a happy period when meat supply is great and the managers can pick the best meat, “dictate” prices and sell their meat processing products at good prices in retail trade.

The poultry industry has the smoothest development dynamics. This industry is still very attractive to investors. Production is profitable. The roughly 45 percent of imported poultry products on the market is priced higher than domestic products. That provides good opportunities for domestic producers. Many poultry facilities provide high quality chilled poultry meat that is in demand by consumers. Poultry is still the least expensive meat. Over the first half of the year poultry meat has grown by only 2.2 percent. However, prices are expected to go up due to a 30 percent increase in mixed feed costs that happened this summer. Despite that, it is expected that the consumption will grow from the current 18 kilos per year to 35 kilos.

Since the beef industry overall is not yet profitable, the swine industry is steadily developing, though not without challenges, and the poultry industry is developing well, and its growth has started to affect U.S. poultry imports into Russia, the FtF Consortium decided that volunteer efforts should be directed away from poultry operations, with limited assignments for some beef and pork operations.

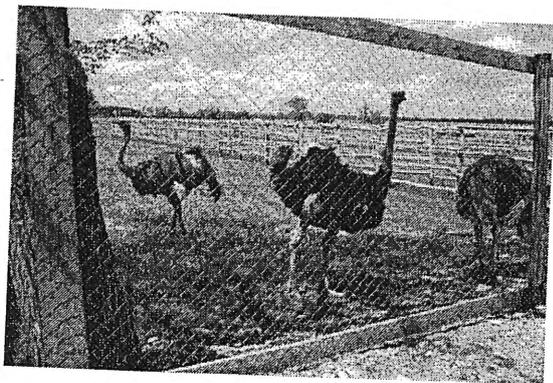
Activities Completed FY07, Examples of Implementation Experience:

Volunteer Name	SOW Title	Organization Name	Region Name
Ceylon Barclay	Robin-Sdobin Co. FAST-FOOD PRODUCTS ASSORTMENT EXPANSION	'Robin-Sdobin' Fast Food Department	Voronezh
Andrew Milkowski	POULTRY MEAT PROCESSING TECHNOLOGY IMPROVEMENT	'Yaroslavl Broiler' Co. Meat Processing Department	Yaroslavl
Ronald Russell	Mari-El and Kirov ADVANCED MEAT PROCESSING TECHNOLOGIES	'Kholmanskikh' Meat Processing Plant	Mary-El
		'Mariyskaya Meat Company' Meat Processing Plant	Mary-El
John Blake	Krasnodar And Volgograd OSTRICH AND EMU FLOCK MANAGEMENT	'Krasnodonskoye' Joint Stock Company	Volgograd
		'Prirechensky Agricultural Enterprise' Ltd. Company	Krasnodar
Ralph Stonerock	Kavkaz and Kumskaya Poultry Factories POULTRY FEED RATIONS	'Kavkaz Poultry Factory' Closed Joint Stock Company	Krasnodar
		'Kumskaya Poultry Factory' Production Cooperative	Stavropol
Ceylon Barclay	G.K. Management Co. and OSTU CULINARY FOOD PRODUCTS DEV'T	'G.K. Management' Company	Moscow
		Orel State Technical University (OSTU)	Orel
Mark Stehr	PMK Farm SWINE BREEDING	'PMK' Farm	Krasnoyarskiy Krai
Randy Winker	Myasokombinat Kavkaz Company MARKETING STRATEGY DEVELOPMENT	'Myasokombinat Kavkaz' Closed Joint-Stock Company	Stavropol

Sample Recent Assignment:

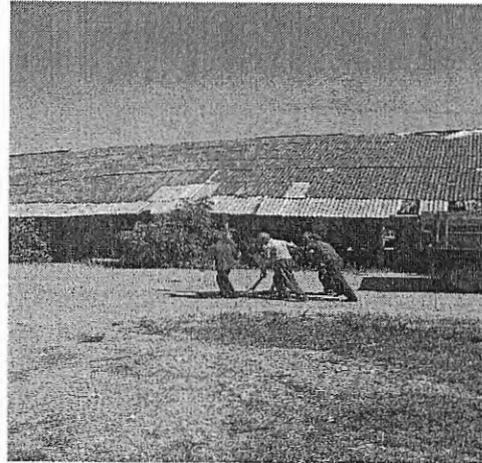
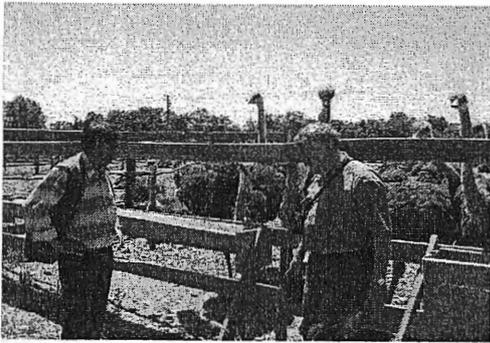
John P. Blake, Professor at Auburn University, worked on assignment at the end of May - beginning of June 2007.

The “Krasnodonskoye” and “Prirechensky” companies, located in Volgograd and in Krasnodar krai, respectively, are engaged in emu and ostrich production. Production of ostriches in Russia in locations other than zoos is a relatively new aspect of animal husbandry. Production in the southern part of Russia is mostly marketed in Moscow and the central regions of the country. The ostrich is a very adaptable animal, one that can thrive in many different environments.



Raising a quality bird for the processor and customer requires a program of “production” nutrition accompanied by good feed management based on “production” standards, a farm management program that includes an adequate recording system and then implementing a genetics improvement program. To stay competitive on the emu/ostrich market, the specialists of the company need to be aware of new trends in production technologies. The “Krasnodonskoye” and “Prirechensky” companies requested help from ACIDI/VOCA.

The “Krasnodonskoye” Limited Liability Company specializes in emu production. The company continues to strive to be a premier producer. The farm specialists have previously received training in emu production from ACDI/VOCA volunteers. Since that time the emu flock has increased to more than 2,000 birds. That required adjustment and redirection of the company’s rearing, breeding, feeding and disease control practices.



John Blake, together with specialists of the company reviewed, the company’s current operations. The volunteer provided recommendations on nutrition, including the nutrient balance and the desirable amount of feed for the birds. Special attention was paid to the overall farm management and emu product marketing as one of the steps in achieving overall success and profitability for the company.

“Prirechensky” Limited Liability Company is one of the three ostrich producers in the North Caucasus. The company’s employees have considerable experience in ostrich production, but, being among the pioneers in ostrich production, they still needed an independent, highly-skilled specialist’s recommendations on such issues as nutrition, diseases, slaughtering and bird identification. When on site the consultant made recommendations on such issues as ostrich identification methods by providing the company with information and samples of bands, which included Velcro leg bands, skin attachable stud tags and wing-band tags. During his work at the company the volunteer collaborated with the incubation specialists. After the egg incubation process review, Dr.Blake made recommendations on the desirable egg storage temperature, humidity and genetic selection parameters. One of the problems the specialists of the company faced was lack of knowledge of modern slaughtering techniques. The specialist provided the company with the recommendations on stunning, bleeding, feather removal, skinning, carcass hanging and chilling. The volunteer has presented the company with textbooks on ostrich management. The specialists of the company were pleased with the recommendations provided by the ACDI/VOCA specialist and are already implementing many of them.

Accomplishments: The FtF Consortium has conducted 83 evaluations of assignments in the meat/poultry sector. Of the 68 hosts monitored, 65 adopted FtF volunteer recommendations. Cumulatively, 69 assignments have been completed in this sector in terms of commodity chain activities. The assignments were distributed as follows:

Input and Information	2
Production	28
Processing	32
Marketing	7

FtF volunteers worked directly with over 3,000 people. Since completion of volunteer assignments, net income for this sector has increased by \$5.5 million and gross sales have increased by \$36.6 million. Over 49,500 people work on farms or processing plants that the FtF volunteers assisted.

Sample Monitored Assignment:

Yaroslavsky Broiler is a Russian/American joint venture between Kent International, an International Trade and Development organization headquartered in Massachusetts, and three Russian companies. It incorporates a parenting facility, incubator department, chicken houses and a slaughterhouse. It celebrated its 12th anniversary on September 23, 2007. The FtF Program has played an important role in developing this initiative into a successful poultry business. The company has received many volunteer consultants who have worked at all the key production elements. The meat processing department of the company consists of a slaughtering and a dressing house, a packing facility, refrigerating units, and has all necessary poultry slaughtering and cutting equipment. Currently the processing department is processing a little over 3,000 head per hour and producing approximately 1,200 tons of poultry meat per month. The company primarily sells its products through stores and markets in the Yaroslavsky, Vladimir and Moscow oblasts.

The general director of the company has invited a Farmer-to-Farmer technical expert to assist the specialists of the company's processing department in developing new sub-products, from processed poultry meat. The company is especially interested in developing new products such as chicken nuggets and breaded products, among others. Volunteer Zenon Krukowski provided many useful recommendations to the host institution. Recent monitoring has shown that the company now rotates a smoking chamber so that the automatic door-opener faces the finished product. A heat and humidity controller was added to the Fessman roaster. A wash basin was set for employees to wash hands in the department of finished products. That, as well as other improvements, have helped enhance the quality of finished products, increase sales (53.5 percent increase from \$16,276,595 to \$24,950,400) and increase revenue (51.3 percent increase from \$3,297,872 to \$ 4,990,080). 368 new employees have been hired.

The Consortium experienced mixed feelings of sorrow and pride for the enterprise when it made a difficult decision to "graduate" the host and declined a request for additional technical assistance.

3. Vegetables & Field Crop Production and Processing.

This sector is steadily developing. Grain production, especially in the breadbasket areas of Russia has become solid and Russia's annual export level is enough to call it a player on the international grain market. Russia already for a number of years has been exporting around 10 mln. tons of grain, this year exports might reach 12 mln. tons. Though on October 9, the government

introduced a 30 percent export duty on barley and a ten percent export duty on wheat in an attempt to moderate food prices and inflation, it is not likely that the grain exports will fall since practically all the contracts have already been signed and the new duties will be enforced only in a month. In July 2007 the country became an official member of the Grain Trade Convention. Currently the last bushels of grain are being put into storage. It is expected that the harvest this year will amount to 79 mln. tons, which is almost the same as last year. The biggest challenge of the sector is productivity. Head of the Grain Union of Russia, Arkady Zlochevsky, noted that Russia has around 10 percent of the world's arable land, but produces around 5 percent of the world grain volume (1.633 bln. forecast for 2007). The average yields are 1.9 tons per hectare. In Europe they are 7-8 tons per hectare. Despite soaring prices for petrol, farmers are enjoying good grain prices this year. The world tendencies and the increasing demand for grain from the livestock sector have led to an increase in prices. The Economist Intelligence Unit has recently announced that world grain prices will continue to grow for at least two more years and can become 25 percent higher in 2009 than they are today. This factor definitely has its side effects. Prices for bread and bread products have risen in Russia. Prices for meat have also increased substantially. However, quite a number of other factors have caused the current price increases. In any case, the sector shows stability and healthy growth. The Consortium decided to stop technical assistance in this area. The Consortium will continue to provide limited assistance in improving forage production for dairy cattle development purposes. It was also decided that the consortium will not be further involved in fruits and vegetable production. Due to the country's climatic conditions fruit production in most places is not profitable. In the places where conditions are more climatically favorable the biggest issue is market access, which currently cannot be resolved by way of volunteer assignments. Most potatoes and other staple vegetables in Russia are still produced by owners of private households which, taken individually, cannot be regarded as serious commodity market operators. Volunteer resources would be less-efficiently used in this segment of the sector. Overall vegetable production does not experience serious problems as compared to the dairy and meat sectors.

Activities Completed FY07: Examples of Implementation Experience:

Volunteer Name	SOW Title	Organization Name	Region Name
Edward Valentine	Sakhalin WILD BERRY PROCESSING TECHNOLOGY	'Sakhalin Wild Natural Resources' Ltd. Company	Far East
James Luzar	NaDO Limited Liability Company STRAWBERRY PRODUCTION	'NaDO' Limited Liability Company	Samara
John Cancelarich	MARKETING STRATEGY DEV'T AND BUSINESS DEV'T SEMINARS	Bryansk State Agricultural Academy (BSAA)	Bryansk
		'Pogarskaya Potato Factory' Open Joint-Stock Company	Smolensk
Richard Olsen	Opyt Private Farm POTATO PRODUCTION	'Opyt' Private Farm	Omsk
Allan Roden	Ruski Dym Co. MARINADE AND SAUCES EXPANDING PRODUCTION	'Ruski Dym' Company	Novosibirsk
Francis McCann	Rodina and Molot POTATO PRODUCTION, HANDLING AND STORAGE	'Molot' Agricultural Production Cooperative	Yaroslavl
		'Rodina' Agricultural Production Cooperative	Yaroslavl
John Konecny	Nime Cooperative FLOUR MILLING TECHNOLOGY IMPROVEMENT	'Nime' Agricultural Consumer Cooperative	Chuvashia
Grant Jackson	Primorskiy Krai AGRONOMY SEMINARS AND PRACTICES	'Khorol Zerno' Limited Liability Company	Far East

Volunteer Name	SOW Title	Organization Name	Region Name
		Primorskaya State Agricultural Academy (PSAA)	Far East
Norbert Zinck	Mayak Farm MODERN TECHNOLOGIES IN GRAIN PRODUCTION	'Mayak' Farm	Krasnoyarskiy Krai
Norbert Zinck	Novokuskovo Farm MODERN TECHNOLOGIES IN GRAIN PRODUCTION	'Novokuskovo' Farm	Tomsk
Thomas Allen	Dokuchaev Farm MODERN TECHNOLOGIES IN GRAIN PRODUCTION	'Dokuchaev' Farm	Altai
Thomas Allen	Altai Krai MODERN TECHNOLOGIES IN GRAIN PRODUCTION	'ROSAGRO-Vostochnyi' Farm	Altai

Sample Recent Assignment:

An experienced agronomist Mr. Richard Olsen worked at Victor Oseev's private farm in May 2007. Mr. Oseev started his farm in 1991, located in Omsky rayon of the Omsk region, 12 km. from the capital city of Omsk. He was the first farmer in the Omsk region to be registered as a private farmer. From the very beginning of its activities the farm was involved in commercial potato production, whereas other crops were grown only for personal consumption. During the first year of its business history the farm produced 150 metric tons of potatoes. At that time the farm had 30 hectares of land under production. In 2001 the farm produced more than 500 metric tons of potatoes on the same land. Right now the farm has 500 hectares. Most of it is used to produce small grain crops: oats, barley and wheat. However, the farm continues to grow potatoes, producing 400 metric tons in 2006. The farm has its own fleet of agricultural machines. There are two potato harvester combines, two wheeled tractors, five five-ton trucks, one 20-ton truck, and various planters and soil-cultivating machines. The farm employs four people working full-time year-round and up to seven seasonal workers in the summer – fall period.

The farmer had several problem areas in growing quality potatoes. The volunteer consultant found several reasons why the solids might be low and the starches low:

- Variety of potato grown. Red potatoes are normally low in dry matter. Most varieties of white potatoes are high in starches and dry matter.
- Stress during the growing season, from: heat, lack of water or diseases.
- Early plant death.
- Storage conditions, at excessively low temperatures caused the starch to turn to sugars.

The volunteer advised the farmer on how to improve potato quality and also gave advice on other business related issues, including marketing. The volunteer and Victor Oseev discussed growing seed stock. The volunteer left Victor a *Potato Production Systems* publication, put together by the University of Idaho and published in 2003. This is the latest and most complete publication on the current market and contains over 420 pages of the latest material for the production of potatoes. The volunteer also left valuable information on storage. The project had additional leverage effect since the volunteer exchanged ideas with the head agronomist of the region, as well as with some Agricultural Technical University staff.

Accomplishments: The FtF Consortium has conducted 87 evaluations of assignments in the Vegetables/Field Crop sector. Out of the 72 hosts surveyed, 68 adopted recommendations made by the volunteers.

Cumulatively, 75 assignments have been completed in this sector; in terms of commodity chain activities. The assignments were distributed as follows:

Input and Information	4
Production	52
Processing	14
Marketing	5

FtF volunteers worked directly with over 4,300 people. Since the FtF volunteers' assignments, net income for the hosts increased by \$2.3 million and gross sales increased by \$15.2 million. 38 new or improved products were logged. Indirect beneficiaries who work on the farms or in green houses where the FtF volunteers worked amounted to 29,900 individuals.

Sample Monitored Assignment:

Oleg Bulatnikov Farm is located near Moshnino village of Novosibirskaya oblast, about 100 km from Novosibirsk. The farm was founded in 1996. The farmer employs two full-time employees, and from eight to ten seasonal workers. The farm has most of the necessary equipment for land tillage, planting and harvesting, as well as vegetable processing and storage. It has a sufficient fleet of vehicles: four tractors and two trucks. Oleg Bulatnikov has 47 hectares of arable land, including 20 hectares of his own arable land and 27 hectares of rented arable land. The farm has one small greenhouse for growing transplants and seedlings. The farm grows many kinds of vegetables, including potatoes, red beets, carrots and cabbage. Recently the farm diversified into greens (potherbs) production, which has proven to be fairly profitable. Annually, the farm produces and sells up to 70 tons of vegetables and fresh-market greens (dill, lettuce, etc.). The farm has a vegetable storage facility used primarily to store potatoes, beets and carrots. Over the course of time Oleg Bulatnikov hosted three volunteer consultants. The first assignment focused on potato production and the recommendation of the volunteer was to put a major emphasis on fresh vegetable production because of the good quality of the farm land (bottom land and water meadows). The second volunteer assignment was on harvesting technologies. The last assignment was on vegetable storage design and technology to help improve the current vegetable storage facility. **Mr. Richard Olsen** provided technical assistance to the farmer in August 2006. Mr. Olsens's report contained photos, storage facility plans and detailed recommendations on improving storage of different types of vegetables. A year after the completion of the assignment the farmer reported an 8 percent increase in vegetable production (from 83 to 90 MT), and a 26 percent increase in sales revenues from \$6,350 to \$8,000).

4. Bakery & Bread Plant Development

The long history of successful FtF assignments in this sector is matched by demand from bakery businesses. Russian hosts are consistently pleased with the assistance from volunteer consultants who can add to assortments and variety and who have introduced new recipes for people who need to reduce sugar intake. Nevertheless, the Consortium has decided that it will discontinue its target assistance to bakery and bread plants as a sector. This is based on the fact that the current condition of the bakery sector has improved dramatically. Shops are full of a broad variety of bakery and confectionery products. Despite the fact that growing prices for ingredients and for electricity affect production costs, most of the bigger and better-managed bakeries are able to survive and grow their businesses. Bread and bread products prices have gone up, but these days most of the consumers can afford this increase. The overall increase in prices for bread and bread products has been 16 percent. Statistics for the first six months of 2007 show that bread and bakery products output shrank by 1.6 percent to 3.8 mln. tons. Flour production shrank by 4.5 percent to 4.7 mln. tons. At the same time it is clear that there is an economic reason behind that: With the growing incomes the Russian people have started to enrich their diet and to consume more milk and meat products. Many bakery plants are diversifying into the confectionery

business which is developing well. It has become evident that the FtF program should address the more important needs for Russia's agribusiness development. That said, should the people-to-people and high-impact aspects of the FtF program need to be emphasized, bakery and bread plants are a great showcase.

Activities Completed FY07, Exemplified of Implementation Experience

Volunteer Name	SOW Title	Organization Name	Region Name
Walter Howald	Popova Confectionary Operation CAKE AND PASTRY PRODUCTION	'Popova' Confectionary Operation	Voronezh
Gerald Sentell	Robin-Sdobin Company ADVANCED MARKETING PRACTICES	'Robin-Sdobin' Company	Voronezh
Peter Kruse	INSTALLATION AND TUNING OF WHEAT FLOUR TORTILLA MACHINERY	'Sun of Mexico' Company	Moscow
Arthur Fischer	Krendel and OSTU BREAD PRODUCTION DEV'T AND IMPROVEMENT	'Krendel' Production Company	Moscow
		Orel State Technical University (OSTU)	Orel
Howard Weber	BAKERY PRODUCT DEVELOPMENT AND IMPROVEMENT	'Cheboksarskiy Bread Production Plant' Joint-Stock Company	Chuvashia
		Orel State Technical University (OSTU)	Orel
Cynthia Golpe	Krasnoyarskiy Krai BAKERY AND CONFECTIONERY PRODUCTION	'Kolosok' Bakery	Krasnoyarskiy Krai
		'Siberian Association of Hospitality'	Krasnoyarskiy Krai
Maurice Kalisky	Russkiy Khleb Company BAKERY PRODUCTS ASSORTMENT EXPANSION	'Russkiy Khleb' Open Joint-Stock Company	Kostroma
Joseph Friedman	Dolina Company BAKERY PRODUCTS ASSORTMENT EXPANSION	'Dolina' Bakery	Stavropol
Robert Chaffee	Kuban Plant CONFECTIONERY PRODUCTS ASSORTMENT EXPANSION	'Kuban' Open Joint Stock Company	Krasnodar
Donna Rosa	Kuban Plant SALES AND MARKETING STRATEGY IMPROVEMENT	'Kuban' Open Joint Stock Company	Krasnodar

Sample Recent Assignment:

The assignment required a specialist skilled in confectionery products production to assist *the Confectionary Plant "Kuban"* (Krasnodar krai) in expanding its product assortment and increasing the quality of current products. Specifically, the volunteer was asked to provide recommendations on production technology improvement and assortment expansion of crackers, dense spice cakes ("pryaniki") and flaky pastries. *Robert Chaffee*, a bakery specialist from the state of Minnesota and a good friend of the FtF program, was invited to work at the plant at the beginning of September, 2007.

The Confectionery Plant "Kuban" is involved in confectionery and sweet bread products production. The plant was constructed and put into operation in December 1989. The host employs 710 people including 497 women. The annual output of the plant is 15,000 tons of confectionery and sweet bread products, which generates annual sales of about 48,000,000 U.S. dollars. The plant produces 60 tons of confectionery products per day. Pastries, cookies, flaky pastries and

candy production constitute the bulk of the current assortment. Overall, the assortment includes 130 types of different confectionery products. It's quite a wide assortment, taking into account the fact that the plant markets its products mainly to only Krasnodar and Stavropol regions.

Bob Chaffee shared with the host institution new ideas concerning new flavors, recipes and shapes of spice breads, waffle cream, and sugar cookies, new types of packages for chocolate candies, sugar cookies and crackers during a brainstorming session with the key managers and specialists of the plant. New formulas for graham crackers, oatmeal crackers, and spice breads were suggested by Mr. Chaffee as potential recipes of new products. The volunteer offered the new products in the form of a Power Point Presentation prepared prior to the assignment in Russia. Every day the volunteer, together with the specialists of the Flour Confectionery Department, baked new products and discussed the results of baking experiments. Bob adjusted new formulas to the available equipment and ingredients which are different from those in the USA. Experimental batches of "Gingerbread", "Graham Cracker", "Russian Rock", "Spice Cookies", and "Butter Cookies" were delivered to consumers, who liked these products very much.

Accomplishments: The FtF Consortium has conducted 58 evaluations of bakery and bread plant assignments. Of 38 bakeries and bread plants monitored, all adopted FtF volunteer recommendations. Cumulatively, 58 assignments have been completed in this sector; in terms of commodity chain activities, the assignments were distributed as follows:

Input and Information	0
Production	0
Processing	49
Marketing	9

FtF volunteers worked directly with over 2,300 bakers. Since FtF assignments were completed and monitored for these hosts, net income increased by almost \$1.2 million and gross sales increased by \$20.3 million. Over 196 new or improved products were developed based on volunteer recommendations. Over 19,000 people work at the bakeries and bread plants where FtF volunteers worked.

Sample Recently Monitored Assignment:

"Mestpromovets" Bakery is located in Stanitsa Egorlykskay approximately 120 km from Rostov-on-Don. The bakery is primarily involved in the production of bread and pastry products. Total production volume of the bakery per shift is 2.2 MT. On a daily basis, the bakery produces 1,500 kg of wheat and rye bread and 300 kg. of pastry. The management of the bakery receives orders from customers every day for the following production day. The bakery employs 40 people, in two shifts. The bakery has a small laboratory and it tests the starters or sours. The bakery management approached the FtF Consortium with a request to provide assistance in developing a wider product line. By that time it had purchased new baking equipment and there were some issues with fine tuning it. **Mr. Page Buskin's** assistance was very much appreciated. He not only adjusted the new equipment and showed how it can be used in the most efficient way, but also demonstrated and taught how to produce several new pastry varieties. A year after completion of the assignment the host organization makes six types of donuts of different shapes and tastes, two types of coffee cakes and two types of fruit cakes. All the new items are produced at a production rate of approximately 200 kg per day. The company has increased gross sales by 5.7 percent (from \$344,827 to \$364,500) and increased revenue by 6.4 percent (from \$12,327 to \$13,120).

5. Non-focus Sector

The FtF Consortium finds it very useful to be able to have 15 percent of all assignments in the non-focus areas. So far the Consortium has not been fully using this opportunity because the current five development sectors allowed us to accommodate practically all the assignments. When the Consortium limits its development work to two or three sectors, it will make a full use of the opportunity to develop non-focus sector assignments.

Activities Completed FY07: Examples of Implementation Experience

Volunteer Name	SOW Title	Organization Name	Region Name
Raymond Samp	MMS and Talan Private Farm MUSHROOM GROWING TECHNOLOGY	Moscow Mushroom School	Moscow
		Talan Private Farm	Moscow

Accomplishments: The FtF Consortium has conducted 11 evaluations of assignments in the non-focus sector. Of the 10 hosts monitored, all adopted FtF volunteer recommendations. Cumulatively, 11 assignments have been completed in this sector in terms of commodity chain activities. The assignments were distributed as follows:

Input and Information	0
Production	3
Processing	5
Marketing	3

FtF volunteers worked directly with over 700 people. Since completion of volunteer assignments, net income for this sector has increased by \$0.7 million and gross sales have increased by \$3.8 million. Over 3,000 people work on farms or processing plants that the FtF volunteers assisted.

B. Agricultural Support Organizations (ASOs)

The FtF Consortium asserts that technical assistance to agricultural support institutions (ASOs) is essential for long-term success of Russia's agribusiness sector. The principal group of ASOs with which the FtF team works is educational and consulting centers (e. g. universities, colleges, extension service centers, informational consulting centers, among others). Typical consulting assistance requested by ASOs includes curriculum development, and technology transfer. The Consortium plans to focus assignments with ASOs to those that would be linked to the final lower number of sectors. Assignments that do not fall into that category will be reported as non-focus projects.

Agricultural universities are gradually getting out of a rather long period of depression. Many training programs have been revived, and computer equipment and teaching aids are gradually becoming an integral part of the educational process. Faculty gets enriched by either new full-time staff, or by using business professionals to conduct some classes – thus placing the educational process more in line with the current economic needs. Still, many universities have a long way to go in improving both the training curricula and teaching methods.

The extension system development goes in waves depending on budget resources availability. Several years ago elements of the system were created. Then, when financing stopped, the system became semi-dormant. Currently, the new government Program for Developing Agriculture has a

separate focus on further developing the extension system to make it function. It is anticipated that the FtF Program will provide active assistance to extension services in the area of dairy production development.

Activities Completed FY07: Examples of Implementation Experience

Volunteer Name	SOW Title	Organization Name	Region Name
Eric Stromberg	ORGANICS & NATURAL FOOD MARKET DEVELOPMENT	International Food Exchanges	Moscow
		'Podderzhka' Limited Liability Company	Chuvashia
Luanne Lohr	NATURAL FOOD PRODUCTION QUALITY CONTROL AND MARKETING	Belgorod State Agricultural Academy (BSAA)	Belgorod
		International Food Exchanges	Moscow
Kenneth Earle	FOOD PRODUCTS MARKETING CURRICULUM DEVELOPMENT	Altai State Agricultural University	Altai
Lowell Midla	Kirov Upgrading Institute VETERINARY MEDICINE AND SURGERY	Kirov Agribusiness Specialists Upgrading Institute	Mary-El
Brian Sheldon	ASRIPP POULTRY MEAT SAFETY ASSURANCE	All-Russian Research Institute of Poultry Processing	Moscow
James Dickson	POULTRY MEAT SAFETY AND METHODS OF SHELF LIFE EXTENSION	All-Russian Research Institute of Poultry Processing	Moscow
Michael Brugger	STORAGE FACILITIES REMODELING AND DAIRY FARM FACILITY MGT	'Alatau' Farm	Ural Region
		'Doverie' Agricultural Consumer Cooperative	Chuvashia
Dennis Buffington	MSAU ENERGY MANAGEMENT ENGINEERING SEMINARS	Moscow State Agro-Engineering University (MSAU)	Moscow
Dale Layfield	MSAU WEB DESIGN FOR LIFE SCIENCES AND AGRICULTURE	Moscow State Agro-Engineering University (MSAU)	Moscow
Walter Mossner	Bratslav Limited Liability Company COMPANY MANAGEMENT	'Bratslav' Limited Liability Company	Belgorod
Larry Borchert	OSAU And BSAA MEAT PROCESSING TECHNOLOGIES	Bryansk State Agricultural Academy (BSAA)	Bryansk
		Orel State Agrarian University (OSAU)	Orel
James Dickson	RUSSIAN AND US MICROBIOLOGICAL ANALYTICAL METHODS IN POULTRY	All-Russian Research Institute of Poultry Processing	Moscow
		Moscow State University of Applied Biotechnology (MSUAB)	Moscow
John Marcy	MICROBIOLOGICAL ANALYTICAL TESTING METHODS IN POULTRY	All-Russian Research Institute of Poultry Processing	Moscow
		Moscow State University of Applied Biotechnology (MSUAB)	Moscow
Duane Stuker	SSAU CREDIT INSTITUTIONS MONITORING IN THE USA	Stavropol State Agrarian University (SSAU)	Stavropol
Damon Szymanski	AGRICULTURAL CONSUMER COOPERATIVE STRATEGY DEVELOPMENT	'Ryabinka' Agricultural Consumer Cooperative	Chuvashia
James Baarda	Moscow and Kalmykia COOPERATIVE DEVELOPMENT	Government of Kalmykia Republic	Kalmykia

Volunteer Name	SOW Title	Organization Name	Region Name
		Russian University of Cooperation	Moscow
Brett Nelson	Extension Center of Yaroslavl Region EXTENSION CENTER DEVELOPMENT	Extension Center of Yaroslavl Oblast	Yaroslavl
Paul Christ	STRATEGIC PLANNING AND DEV'T OF CLUSTERS IN THE DAIRY INDUSTRY	Tomsk Regional Administration Consulting Center	Tomsk
Edwin Feldman Jr.	Krasnoyarsk FAST-FOOD AND RESTAURANT FOOD PROCESSING	'Odessa-Mama' Food Processing Shop	Krasnoyarskiy Krai
		'Siberian Association of Hospitality'	Krasnoyarskiy Krai
Bernard Shannon	Yaroslavl and Orel BUSINESS DEVELOPMENT SEMINARS	Orel State Agrarian University (OSAU)	Orel
		Yaroslavl State Agricultural Academy	Yaroslavl
Patricia Steinhilber	MSUEE WATER RESOURCES MANAGEMENT	Moscow State University of Environmental Engineering	Moscow
John Cancelarich	MARKETING STRATEGY DEV'T AND BUSINESS DEV'T SEMINARS	Bryansk State Agricultural Academy (BSAA)	Bryansk
		Mordovskiy State University (MrSU)	N.Novgorod
William Meyers	Kostroma State Agricultural Academy RURAL DEVELOPMENT SEMINARS	Kostroma State Agricultural Academy (KSAA)	Kostroma
Linda Papadopoulos	ARMRI METHODS OF MEAT PRODUDCTS SENSORY EVALUATION	All-Russian Meat Research Institute	Moscow
Bernard Shannon	Kirov Upgrading Institute BUSINESS DEVELOPMENT SEMINARS	Kirov Agribusiness Specialists Upgrading Institute	Mary-El
Thomas Bruening	COMMUNICATION METHODS AND MEDIA IN INT'L AGRICULTURE	Moscow State Agro-Engineering University (MSAU)	Moscow
Richard Kellems	Orel and Bryansk ANIMAL NUTRITION TECHNOLOGIES	Bryansk State Agricultural Academy (BSAA)	Bryansk
		Orel State Agrarian University (OSAU)	Orel
Howard Woodard	Kirov Upgrading Institute ADVANCED AGRONOMIC TECHNOLOGIES	Kirov Agribusiness Specialists Upgrading Institute	Mary-El

Sample Recent Assignment:

Below are extracts from an article published in a professional magazine "Food Protection Trends" in October 2007. The article describes an important development that was made possible as a result of an FtF volunteer assignment.

Comparison of Russian and United States Official Methods of Analysis of Poultry for *Salmonella*

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Salmonella spp. are some of the leading causes worldwide of bacterial gastroenteritis in human beings and animals (2). Animals represent the main source of *Salmonella* spp., while their raw materials and products of animal origin, above all poultry products, remain the major pathophoric factors. The significance of *Salmonella* is such that these organisms were the subject of a performance standard in the Pathogen Reduction/HACCP rule issued by the United States Department of Agriculture in 1996. Their control is also incorporated into the regulations of most countries. Although the Russian Federation has a developed domestic poultry industry, poultry remains a major import item. In 2005, the United States exported approximately 700,000 metric tons of poultry and poultry products to Russia. Within the context of the World Trade Organization and its objectives, the harmonization of food safety standards is critical. A key aspect of the harmonization of standards is the recognition of the equivalency of different analytical methods by trading partners. Laboratory tests to compare the official analytical methods for detection of *Salmonella* in poultry from Russia and the United States were conducted within the framework of the US-Russian Poultry Safety Consulting Center. Samples of ground poultry meat, both inoculated and non-inoculated with *Salmonella*, were analyzed. The samples were coded so that the researchers did not know the status of each sample. The samples were tested by two teams of researchers, each including representatives of the US and Russian parties. Each team received a set of 50 samples, of which 20% were inoculated with *Salmonella* spp. at a population of 3 to 25 CFU/gram. The official methods of the two countries were very similar in many respects. Based on the testing of positive (test) and negative (control) samples, it was demonstrated that the methods were not statistically different with this sample set and both methods correctly identified all inoculated samples, with no false positive or false negative samples detected.

ACKNOWLEDGMENTS This research was supported by ACIDI/VOCA and carried out on the premises of the All-Russian Research Institute of Poultry Processing Industry located in the Rzhavki, Moscow region. The authors gratefully acknowledge the assistance of the research staff at the All-Russia Research Institute of Poultry Processing Industry.

The USDA representative at the U.S. Embassy, Mr. Allan Mustard, said the assignments like the one described above are very useful for reducing misunderstandings over how meat is tested by Russian and American experts and may help to defuse certain trade disputes.

Accomplishments: The FtF Consortium has conducted 87 evaluations in the Agriculture Support Organizations (ASO) sector. Of the 55 hosts, all reported that they adopted FtF volunteer recommendations. Cumulatively, 105 assignments have been completed in this sector; in terms of commodity chain activities, the assignments were all in Information and Services:

Input and Information	105
Production	0
Processing	0
Marketing	0

FtF volunteers worked directly with over 11,800 students and faculty members. Host revenues increased by \$27.8 million. Over 90 new products or services have been introduced into the ASO sector hosts. Since this sector includes agricultural universities, the indirect beneficiaries number was over 198,000 people.

Sample Monitored Assignment:

The Moscow State University of Environmental Engineering (MSUEE) is one of the leading institutions in Russia focused on providing quality education and conducting research in water, soil, and environmental conservation; hydraulic and environmental engineering; and economics. The MSUEE faculty conducts research in land reclamation and conservation, water supply, hydraulics, hydrology, ecology, hydrogeology, hydraulic constructions, environment protection

and natural resources management, environmental economics. Scientists of the University have worked on numerous national and international research projects and have contributed to developing of legislation on water resources management. **Dr. Robert Hill** from the University of Maryland provided needed technical assistance in improving the current curricula related to soil water management. The volunteer conducted two short courses, one for the first year students and another for the advanced students (third to fifth year). Two one-hour video conferences were held for the first-year students with students at the University of Maryland. Training materials were left with the university. Today, issues of erosion, tillage and conservation management, water movement and infiltration theory, water wells by types, location, construction, and casing, as well as other important issues, introduced by Dr. Hill have been incorporated into the current training courses on World Water Balance, Soil Management and Environmental Quality. The university also uses instructional videos on soil, tillage management systems, conservation resource management, groundwater, runoff and nonpoint source pollution that were kindly donated by the volunteer consultant.

C. Financial Institutions

The Russian banking sector is developing. The recent world financial turbulence has had a limited negative influence on the banking sector. In June 2007 S&P upgraded the Russian banking system from Group 9 to Group 8. The agency rates the Russian banking system as BBB+/Stable/A-2 as related to its obligations in foreign currencies and A-/Stable/A-2 as related to its obligations in the national currency. Though starting with this fall banks will have to pay back around \$110 bln. that had been borrowed from international banks, experts do not think a default is possible. The banking system is experiencing a certain liquidity shortage but overall prospects are positive. S&P specialists state that the risk level of the Russian banking system is still higher than on other analogous markets and it can be subjected to abrupt liquidity crisis under the influence of potential panic driven distrust of the client base.

Mergers and Acquisitions (M&A) is viewed as a vehicle to strengthen the system. The process started in 2004. 2006 was a record year related to M&A. It increased by 147 percent compared to the previous year and has reached \$4.8 bln. Western capital is steadily pouring into the Russian financial sector due to attractive interest rates. Based on estimates made by experts, up to 50 percent of all money that works in the Russian banking sector has come from the West. A limited counter flow of financial resources has started with the VTB bank purchasing financial institutions in Europe and Asia. Conversebank, Bank of Moscow, Alfabank and some other banks have also joined the process.

Agricultural lending is increasing. Vice-President of Rosselkhozbank Victor Khlystun, in his presentation on October 11 mentioned that over the period of one year and nine months of the National Project in support of agriculture the bank has disbursed over \$5 bln. in loans (265,000 loan agreements). The overall loan portfolio has reached \$10.8 bln. The bank has moved from the 26th to the 7th position in the national bank rating. Out of \$5 bln., \$2.7 was disbursed to corporations and \$2.1 bln. to small agricultural producers and processors. Previously, lending to agriculture from the bank never exceeded \$40 mln. 72 percent of the current loans are made to owners of private households. Every fourth credit cooperative in Russia received finances from Rosselkhozbank. We hope that in the future the aggressive lending is matched by good repayment results. One of the key challenges is finding solid creditworthy borrowers.

The FtF Consortium continued its efforts to promote the development of rural credit cooperatives in Russia. Technical assistance provided through the Consortium is coordinated with the Cooperative Development Program and the North Caucasus Rural Credit Cooperatives and

Agribusiness Development Program. Both programs are implemented by ACDI/VOCA. The FtF Program also continued its long-lasting partnership with the Rural Credit Cooperation Development Foundation (RCCDF). Earlier reports contained extensive descriptions of the RCCDF activities and the successes of the Russian-American Lending Program. RCCDF loan portfolio as of September 30 has reached \$13,551,689. Its assets amount to over \$15mln. The RCCDF has, by dint of its achievement, helped to shape the *National Project* of the Russian Government, firstly by demonstrating that lending to small farmers and rural households could be done at commercial rates successfully and second, by being invited to join the government's steering committee at the Ministry of Agriculture for the development of credit cooperatives.

The FtF Program's current strategy in this sector is to develop assignments that require specific advanced knowledge and skills. The program has developed synergies with ACDI/VOCA North Caucasus Rural Credit Cooperatives and Agribusiness Development Program. For greater impact and multiplication effect some assignments are linked to ACDI/VOCA sponsored workshops. Volunteer expertise is in many cases matched with the expertise of talented local Russian specialists.

Activities Completed FY07: Examples of Implementation Experience

Volunteer Name	SOW Title	Organization Name	Region Name
Joseph Beltramo	Zabaikalie Credit Cooperative INSTITUTIONAL DEVELOPMENT	'Zabaikalie' Agricultural Consumer Credit Cooperative	Baikal Region
Duane Stuker	CREDIT COOPERATIVE INSTITUTIONAL DEV'T AND MONITORING	'Delovoi Mir Sibiri' Agricultural Credit Cooperative	Tyumen
Steven Bazzell	RCCDF COOPERATIVE MONITORING WORKSHOP DEVELOPMENT	Rural Credit Cooperation Development Fund	Moscow
Steven Bazzell	RCCDF VOLGOGRAD OBLAST COOPERATIVE MONITORING	Rural Credit Cooperation Development Fund	Moscow
Vickie Cosentino	Soglasie Cooperative and RCCDF COOPERATIVE MONITORING	Rural Credit Cooperation Development Fund	Moscow
		'Soglasie' Republican Agricultural Credit Cooperative	Chuvashia
Anita Sewell	Rural Credit Cooperation Development Fund COOPERATIVE MONITORING	Rural Credit Cooperation Development Fund	Moscow

Sample Recent Assignment:

Anita Sewell is an experienced examiner from the U.S. Farm Credit Administration. She is also a good friend of the FtF program. In August 2007 she came to Russia to help further develop the rural credit cooperative system. ACDI/VOCA is implementing a Rural Credit Cooperatives and Agribusiness Development Program in the North Caucasus of Russia. This assignment provided synergies between the FtF Program and the NC-RCC&AD Program. The volunteer, together with ACDI/VOCA staff, examined the young rural credit cooperative Rus', which was recently accredited with the Russian-American Lending Program, implemented by RCCDF (Rural Credit Cooperatives Development Fund). The cooperative is going through a process of aggressive growth and the RAL Program Supervisory Council expressed a need to examine it before a decision is made to increase its loan limit which had been requested by the cooperative. The examination revealed a number of disturbing facts. Risk concentration was very high. The volunteer consultant introduced the fundamentals of CAMELS based monitoring and thoroughly explained to the cooperative management what needed to be changed to mitigate risks. A detailed report was provided to RCCDF. On the basis of the report RCCDF made a decision to wait with increasing the loan limits until the cooperative makes the necessary adjustments in its operations.

One of the additional benefits of this part of the assignment was that ACDI/VOCA staff involved in cooperative development and monitoring in the North Caucasus got hands on training by observing a highly professional examiner conduct cooperative examination.

The second part of the assignment involved a workshop on monitoring. The training module that was initially developed by volunteer consultant Steve Bazzell, was further refined and “russified” with the help of Russian staff and consultants. Anita Sewell conducted a workshop in Stavropol based on this module in a team with Alexander Toropov, ACDI/VOCA staff member and Igor Evdokimov, one of the leading managers of rural credit cooperative Sodruzhestvo. US experience was successfully merged with the practical Russian experience. Igor Evdokimov had undergone special training before he was tasked with participating in the team of instructors. The NC-RCC&AD Program sponsored his internship during an RCCDF cooperative examination (volunteer consultant Vickie Cosentino provided guidance during that examination) and then he participated as an intern during a monitoring workshop in Cheboksary conducted by Vickie Cosentino and Alexander Toropov. The workshop in Stavropol was very useful for the participants – representatives of young cooperatives from the North Caucasus. The Russian instructors also felt this was a rich experience. This event has made it possible for them to conduct a similar workshop on their own at a later date, when a volunteer consultant was unexpectedly taken ill and could not travel to the assignment site.

Accomplishments: The FtF Consortium has conducted 50 total evaluations in the financial institutions sector. Of the 34 hosts surveyed, all 34 adopted volunteer recommendations into their business practices. Cumulatively, 43 assignments have been completed in this sector; in terms of commodity chain activities. The assignments were distributed as follows:

Input and Information	43
Production	0
Processing	0
Marketing	0

FtF volunteers worked with over 1,200 finance specialists. Since the FtF assignments were completed and monitored for these hosts, rural loans have increased by over \$12.4 million and the number of loans made grew by 1,789. Host institution equity has grown by roughly \$6.4 million. Due to the growing number of rural credit cooperative members, indirect beneficiaries of FtF volunteer assignments exceeded 129,500 people.

Sample of Monitored Assignment:

Much-needed loans to rural populations go not only through rural credit cooperatives, but also from credit unions that in Russia are called Consumer Credit Cooperatives of Citizens. The FtF Consortium has also provided limited, but important support, to some of the key institutions of this legal form. **Mr. Michael Ray**, a leading officer of the U.S. Congressional Credit Union, worked in the Far East with the **First Dalnevostochny Credit Union** on human resources management issues. Credit cooperatives are aggressively developing in Russia. As they grow in size and in number appropriate staffing becomes one of the key priorities. Qualified staff are hard to find, especially in rural areas, and hard to retain since commercial banks are prepared to offer more competitive remuneration. It has become evident that cooperative managers need to learn modern HR practices to develop appropriate HR practices at their cooperatives. The First Dalnevostochny cooperative did not only require assistance itself since, it has 25 staff members and several branches, but it has also become a vehicle for further dissemination of good HR practices since it is a leader of an association of credit cooperatives in the Far East. The FtF volunteer consultant provided valuable recommendations and left the cooperative with a set of sample forms to be used to improve HR practices. Monitoring results have shown that the cooperative has introduced the self assessment and performance evaluation practices. The retention rate is good and the cooperative continues its healthy growth. The rural loans portfolio has increased by 195 percent (from \$635,714 to \$1,875,700), cooperative equity increased by 36 percent (from \$3,178,885 to \$4,326,800). Membership increased by 27 percent (from 11,000 to 14,000).

Experience generated by the volunteer consultant during this and some other previous assignments allowed the FtF Consortium to make a step further. Currently, Mr. Ray is working in the North Caucasus developing a training module on HR at credit cooperatives. He and his Russian colleagues will conduct a pilot workshop based on this module. This module will be used by the rural credit cooperatives training consortium and in the future multiple HR workshops will be conducted in different parts of Russia.

III. Future Activities**A. Work plan**

Based on the careful consideration of focus sectors for the future work of the FtF Program in Russia the Consortium has made a decision to concentrate its work on the dairy and cooperative development sectors. Work in the dairy sector will include volunteer assignments that will help promote the development of milk production, including feed production, milk processing, and marketing of dairy products. It will also involve support for educational institutions and extension services on aspects that relate to increasing their capacity to provide better services to the dairy sector.

Russia has currently started the development of cooperatives. In the past credit cooperatives were in practical terms the only type of cooperatives that were developing. Much of the current successes in that area is due to ACDI/VOCA and the FtF Program activities. The National Project for Agriculture that started two years ago specifically highlighted the development of all types of cooperatives. Though the basic cooperative concepts are well known to those who want to form cooperatives, there is still a need for limited volunteer assistance in sharing the experience of advanced cooperative systems, like that in the USA, and in providing some practical advice based on personal experience from being either a cooperative member or manager, or based on helping develop cooperatives in other parts of the world. Recognizing the importance of developing

cooperatives in Russia, the Consortium will allocate some assignments to work with this emerging sector. The Consortium will also continue to provide assistance to the credit cooperative system.

The Consortium is planning for a potential close-out to be prepared in case USAID FtF funding is not continued beyond 2008. It is currently planned that the last volunteers will be fielded in July 2008 to allow sufficient time for a close-out.

IV. Additional M&E Data

A. Program Objectives

The Consortium has defined three FtF program objectives (see table below) that form the basis for establishing targets, identifying appropriate indicators, and providing program focus. For each program objective, sub-objectives (targets) and respective indicators have also been identified. Primary indicators and additional secondary indicators have been identified for program impact based on the nature of each assignment and the volunteer's final report. Results are certified through monitoring and evaluation surveys completed by FtF program staff. The table below summarizes how assignments and hosts are distributed over FtF objectives for the first half of FY07:

Table 5: FtF Objectives

FtF Program Objectives	Total No. of Hosts this Period over Cumulative Number	Total No. of Volunteers over Cumulative Number
Objective 1: Increased sustainability of private agribusiness (number of hosts and volunteers in last 12 months <i>over</i> cumulative number)	78 / 436	57 / 326
Objective 2: Increased capacity of agribusiness support organizations (ASOs) (number of hosts and volunteers in last 12 months <i>over</i> cumulative number)	43 / 163	29 / 126
Objective 3: Strengthened rural finance systems (number of hosts and volunteers in last 12 months <i>over</i> cumulative number)	7 / 52	6 / 38

B. USAID Moscow Strategy & USDA Involvement

The FtF Russia program was designed to support USAID Russia's strategy with particular emphasis on the following strategic objective and intermediate results:

Table 6: USAID/Mission Strategy (from FY2004)

USAID/Mission Strategy	Total No. Of Volunteer Assignments this period over Cumulative Number
S.O. 1.3 Strengthened and expanded small and medium enterprises	92 / 490
IR 1.3.1 Strengthen business associations and other advocacy groups to improve regulatory environment for SMEs	0 / 2.5
IR 1.3.2 Increased access to finance for small and medium enterprises	5 / 47
IR 1.3.3 Strengthen high quality services to SMEs	87 / 440.5

USDA: The Country Representative is in regular contact with Mr. Allan Mustard, Minister-Counselor for Agricultural Affairs at the American Embassy in Moscow. The FtF Consortium always follows on leads provided by USDA. Mr. Mustard’s advice was instrumental in making the final decision on the new sector foci for the Program. A recent example of cooperation with USAID and USDA is Dr. James Baarda’s assignment. Mr. Sean Huff, Co-Director of Regional Development, USAID-Moscow, asked ACIDI/VOCA if the FtF Consortium could provide technical assistance to some local governments on cooperative development issues. Dr. James Baarda from USDA-Washington volunteered his time to provide useful assistance to the government of Kalmykia Republic. He participated in a number of roundtables and workshops with the active participation of Vice Governor, Mr. Ertne Bakaev, and Deputy Minister of Agriculture, Ms. Olga Dordzhieva. The event was covered by local press and TV.

C. Geographic Focus

The FtF Consortium team focused its effort on 13 target oblasts, as “old” oblasts were graduated from the program and new ones replaced them. The Consortium aimed at having 85 percent of all assignments in target oblasts. For the last 12 months we have conducted 60.9 percent of our assignments in the target regions as the FtF team explored promising, new regions. The Consortium’s bias was towards promising assignments over strictly adhering to geographic focus.

In 2007 the Russian regional offices in Moscow and Novosibirsk developed assignments in focus regions as follows:

Table 7: Geographic Focus Regions (FY2007)

Moscow Office		Novosibirsk Office	
• Moscow	• Chuvashia	• Novosibirsk	
• St. Petersburg	• Kirov	• Tomsk	
• Mari El	• Krasnodar Krai	• Altai Republic	
• Vladimir	• Mordovia Republic		
• Kaluga	• Voronezh		

Currently, however, the FtF team has decided that it would increase the effectiveness of program implementation if the Consortium takes a more focused geographic approach that would go hand-in-hand with a more focused approach toward sector selection. More detail on the new geographic areas of focus is found in the attached Work Plan FY2008.

D. Total Beneficiaries (This Reporting Period and Cumulative)

The total FtF beneficiaries assisted during the first six months of FY07 was calculated based on the information provided by volunteers on the debriefing data sheet. Preliminary information is provided in the scope of work; in cases where the de-briefing data sheet has not yet been submitted, the information from the scope of work has been used for these calculations. The program clearly is benefiting as many women as men.

Table 8: Beneficiaries

Number of Direct Beneficiaries Over Cumulative No. Of Direct Beneficiaries	
Female 3,567 / 15,741	Male 2,858 / 13,417
Number of Indirect Beneficiaries Over Cumulative No. Of Direct Beneficiaries	
Female 33,523 / 225,079	Male 31,961 / 242,732

E. Total In-kind Contribution (This Reporting Period and Cumulative)

In-kind Contribution for the reporting period was calculated at two levels: (1) host organization contribution and (2) estimated value of volunteers' time. The information from the volunteer certifies total in-kind contribution on the de-briefing data sheets. The host organization contribution is based on average rates for items such as lodging, M&IE, etc.

Table 9: In-kind Contributions

	In-kind Contribution for this period over Cumulative in-kind contributions for project
Host Organization Contribution	\$69,798 / \$395,477
Volunteer's Contribution	\$7,836 / \$52,840
TOTAL In-Kind Contribution	\$77,634 / \$448,317

F. Evaluations Completed

Since October 2004, the Farmer-to-Farmer Program Consortium has completed 516 monitoring and evaluation surveys.

Table 10: Monitoring & Evaluation Surveys Completed

Sector	M&E Surveys Completed
Dairy & Egg Production and Processing	140
Livestock & Poultry Meat Production and Processing	83
Vegetables & Field Crop Production and Processing	87
Agribusiness (Bakery) Development	58
Agricultural Support Institution (ASO) Development	87
Rural Financial Services Development	50
Flexible	11
Total	516

V. PUBLIC OUTREACH

Public Outreach remains an important focus of the development and successful continuance of the FtF program. Russia FtF volunteers are highly encouraged to share their volunteer experience upon returning to the U.S. by making presentations about their assignment(s) to local civic and religious groups, having articles published in local newspapers or university newsletters, in radio and television interviews, and in contacting elected officials about their experience on this USAID-funded program.

ACDI/VOCA and the FtF Consortium members have taken several new steps to encourage and promote public outreach. The Consortium has included a public outreach component with each volunteer debriefing in the field. This helps the volunteer prepare for the trip and alert local newspaper and media about their activities before they leave the country. When in Russia preparing for the trip home, volunteers are encouraged to share their experience with colleagues, civic and religious groups, or other suitable outlets. Volunteers are given information describing the FtF program and USAID activities. Reminders are sent out on how important it is to share your experience that took place out in the field after the volunteer finally settles back home.

This year, as in years past, ACDI/VOCA executed a survey of all of the volunteers who completed an assignment in the last fiscal year. Many ACDI/VOCA FTF volunteers reported participating in public out reach during the last year. Mr. Ceylon Barclay, an outstanding volunteer, has made presentations twice at Appalachian State University and Colby College, respectively, on his work as the president of the Russian Educational Foundation, and he plans to use his experience as background for his seventh novel to better educate Americans on the changes in Russian farming over the last 35 years. Mr. Barclay also sent a final report to North Carolina Congressional Rep. Virginia Foxx on his trip to Russia and how it benefited his host.

Volunteers make presentations at work to better educate employers and supervisors about Russian farming, as did Joseph Beltramo, who works as a senior examiner at the Farm Credit Administration (FCA). After his presentation his co-workers and supervisors were very enthusiastic about his experience and showed interest in volunteering for an assignment themselves. Volunteers John Konecny and Archie Devore make presentations at their local Rotary clubs and church luncheons, which promotes these programs through their professional and personal contacts. This spreads the word on how enjoyable these experiences are as they help Russian farmers be more productive and succeed through learning better farming practices.

The FTF Program has enlightened many volunteers about conditions in other countries and has begun to broaden their perspectives on the global economy. We have many volunteers who want to go to other countries in which we have FTF programs because of the positive experiences and success they have had in the field. Through volunteer outreach the FTF Program will receive continuous promotion and detail how much this type of help is still needed in developing countries and emerging democracies.

VI. MANAGEMENT

Mr. Michael Harvey continues to serve as the FtF Project Director and ACDI/VOCA's Russia Country Representative; roughly half of his time is devoted to FtF and half to the North Caucasus Rural Credit Cooperatives and Agribusiness Development Program. Mr. Vladimir Soldatenkov and Ms. Yelena Savinova continue to serve as ACDI/VOCA's Deputy Project Directors based in the Moscow office, devoting 80 percent of their time to FtF and 20 percent to the North Caucasus Rural Credit Cooperation & Agribusiness Development Program. Eight additional technical and administrative staff are located in Moscow. Two staff members from ACDI/VOCA Stavropol office work 50 percent of their time for the FtF Program.

The ACDI/VOCA Moscow office occasionally, and on a limited basis, used a former project director from the closed ACDI/VOCA Saratov as a short-term contractor to carry out monitoring and evaluation work.

ACDI/VOCA-U.S.: Mr. Arthur Crowder and Ms. Ann Gloria work as Project Coordinator and Assistant, respectively, and provide backup in Washington, D.C. Mr. Charles Cox and Mr. Thelonious Trimmell provide HQ oversight role for all FtF programs. Volunteer consultants continue to be recruited from the ACDI/VOCA Washington, D.C. office. Ms. Diana Boni is the program recruiter.

Land O'Lakes: The biggest management changes relate to Land O'Lakes which continues to be an important Consortium partner, but which closed its office in Russia. The decision was made to provide more geographic concentration of volunteer assistance and to make it possible for the Land O'Lakes recruitment office recruit more volunteer assignments. That is especially important in view of the future concentration on dairy issues since Land O'Lakes is a natural source of excellent volunteers to work in this sector. Mr. Michael Parr is Regional Director for International Development at Land O'Lakes. Ms. Diane Bruns continues to serve as the LOL FtF Russia recruiter.

Winrock International: Ms. Erin Hughes is serving as the FtF program supervisor for Winrock International in the United States. Ms. Millie Clayton serves in the position of recruiter.

ANNEX A

Standard FtF Tables 1-8

(Provided in excel tables)

Table 1: Data on Volunteers and Values of Inputs Invested, by Country and Focus Area, Cumulative Life Of Project Inputs

\$7,124,089 Total FtF Russia Costs Expended

Country	Focus Area ¹	No. of Volunteers ²			No. of Volunteer Days Completed ³	Estimated FTF Program Expenditures (in '000 US\$) to Date ⁴	Average FTF Program Cost per Volunteer Day, (in '000 US\$/day)	Estimated Value (in '000 US\$) of Volunteer Professional Time ⁵	Estimated value of resources leveraged (in '000 US\$) by the grantee/ volunteers in the U.S. ⁶	Estimated value of resources (in '000 US\$) mobilized by Host ⁷	Estimated Value (in '000 US\$) of Host Contribution ⁸
		Male	Female	Total							
Russia	Dairy & Egg Production and Processing	122	7	129	1988	1,841	\$0.926	\$942	12.139	830.580	100.011
	Livestock & Poultry Meat Production and Processing	63	6	69	1070	991	\$0.926	\$507	5.881	935.200	53.374
	Vegetables & Field Crop Production and Processing	71	4	75	1154	1,069	\$0.926	\$547	10.780	443.068	58.650
	Agribusiness (Bakery) Development	43	15	58	918	850	\$0.926	\$435	6.011	234.607	47.533
	Agricultural Support Institution Development	88	17	105	1793	1,661	\$0.926	\$850	16.496	20.000	113.300
	Rural Financial Services Development	34	9	43	613	568	\$0.926	\$291	1.063	5,794.553	14.363
	Flexible	10	1	11	156	144	\$0.926	\$74	0.470	179.533	8.247
	Total	431	59	490	7692	7124	\$0.926	3646	52.840	8,437.541	395.477

¹Please list all focus areas that you will be reporting against as stated in your approved Planning Matrix. If you have left a small percentage of volunteer days as "flexible" or "unplanned", you may list them under a "flexible" focus area category if they do not fit under one of your planned focus areas. Subsequently, if the flexible volunteers emerge as a new focus area, please switch all information for those assignments under the new focus area heading.

²These columns provide a cumulative (life of project) count of the number of volunteers. One volunteer is considered to be the same as one overseas trip. Volunteers who travel more than once during the course of the FTF Program will be counted for every overseas trip they make. If a volunteer makes one overseas trip, but provides technical assistance under two different FTF Cooperative Agreements during the same trip, that volunteer may be counted once by each of the organizations operating under the different cooperative agreements. However, travel to multiple countries to perform multiple tasks under one Cooperative Agreement still counts as only one volunteer.

³Volunteer Days should be calculated the same as "per diem days". Any day, or fraction thereof, in which a volunteer is entitled to per diem is considered a Volunteer Day. These days will be based on seven day work weeks beginning from the day the volunteer departs for his/her overseas assignment to the day he/she returns from that assignment.

⁴In estimating program expenditures by focus area, a simple calculation based on number of volunteer days for each given sector will suffice. Formula: sector expenditure = (total expenditure / total # of volunteer days) x # of volunteer days in that given sector.

⁵This figure will be based on each individual implementing organization's standard estimates.

⁶These funds are raised in the U.S. by the volunteer or grantee and counted as a matching contribution for the grant.

⁷"Resources mobilized" are resources that FTF program managers and volunteers assist their hosts in accessing, such as various sources of credit, state assistance, PL 480 local currency, other donor assistance, etc. Sum across years will provide LOP total.

⁸This is the contribution made by the host organizations towards the cost of the volunteer assignment. It can be cash or in-kind contribution. Some examples might be translation services, transportation or room/board.

Table 2 - Cumulative Number of Volunteers by US State of Residence

		Cumulative Number of Volunteers ¹					
Regions	States	Previous Total		This Period		New Total	
		Male	Female	Male	Female	Male	Female
Northeast							
	Connecticut	0	0	0	0	0	0
	Delaware	0	0	0	0	0	0
	Maine	7	0	0	0	7	0
	Maryland	13	5	2	0	15	5
	Massachusetts	1	0	1	0	2	0
	New Hampshire	0	0	0	0	0	0
	New Jersey	0	0	0	1	0	1
	New York	11	0	2	0	13	0
	Pennsylvania	9	1	2	0	11	1
	Rhode Island	2	0	0	0	2	0
	Vermont	0	1	0	0	0	1
	Washington, DC	5	0	0	0	5	0
	Subtotal	48	7	7	1	55	8
Southeast							
	Alabama	3	0	1	0	4	0
	Arkansas	1	0	1	0	2	0
	Florida	4	1	0	0	4	1
	Georgia	1	2	0	0	1	2
	Kentucky	3	0	0	0	3	0
	Louisiana	7	2	0	0	7	2
	Mississippi	2	0	0	0	2	0
	North Carolina	13	0	2	0	15	0
	South Carolina	3	0	0	0	3	0
	Tennessee	4	0	0	0	4	0
	Virginia	14	1	2	0	16	1
	West Virginia	0	0	0	0	0	0
	Subtotal	55	6	6	0	61	6
Midwest							
	Illinois	19	0	2	0	21	0
	Indiana	4	1	1	0	5	1
	Iowa	8	1	1	0	9	1
	Kansas	2	0	0	0	2	0
	Missouri	5	0	2	0	7	0
	Nebraska	8	6	3	1	11	7
	Ohio	15	2	2	0	17	2
	Subtotal	61	10	11	1	72	11
Upper Midwest							
	Michigan	12	1	1	0	13	1
	Minnesota	25	3	0	0	25	3
	North Dakota	2	1	1	0	3	1
	South Dakota	7	0	1	0	8	0
	Wisconsin	35	1	6	0	41	1
	Subtotal	81	6	9	0	90	6
Rocky Mountain							
	Colorado	9	0	1	0	10	0
	Idaho	16	0	1	0	17	0
	Montana	13	0	1	0	14	0
	Utah	2	0	1	0	3	0
	Wyoming	2	0	0	0	2	0
	Subtotal	42	0	4	0	46	0
West Coast							
	Alaska	0	0	0	0	0	0
	California	34	10	2	2	36	12
	Hawaii	2	0	0	0	2	0
	Oregon	22	10	2	0	24	10
	Washington	10	0	0	0	10	0
	Subtotal	68	20	4	2	72	22
Southwest							
	Arizona	23	4	0	0	23	4
	Nevada	0	0	0	0	0	0
	New Mexico	2	0	0	0	2	0
	Oklahoma	2	1	0	0	2	1
	Texas	6	1	2	0	8	1
	Subtotal	33	6	2	0	35	6
other							
		0	0			0	0
		0	0			0	0
	Subtotal	0	0	0	0	0	0
	TOTAL	388	55	43	4	431	59

¹The same definition for Volunteers given on Table 1, Footnote 1 applies here. Therefore the TOTAL of this table should equal the total number of volunteers from Table 1. Note that the volunteer's state of primary residence should be used as the determining factor for this table.

Table 3 - Data on Volunteers: Classification of Their Technical Assistance, and Commodity Chain Placement by Country, by Focus Area¹

Country	Focus Area	Type of Volunteer Assistance					Commodity Chain Activities			
		Technology Transfer	Organizational Development	Business/Enterprise Development	Financial Services	Environmental Conservation	Information and Input (pre-production) SUPPORT SERVICES ²	On Farm PRODUCTION by FARMERS	PROCESSING (including primary and final product transformation, storage, transportation)	MARKETING (including branding, advertising, promotion, distribution, sales)
Russia	Dairy & Egg Production and Processing	112	0	17	0	0	0	90	33	6
	Livestock & Poultry Meat Production and Processing	55	0	14	0	0	2	28	32	7
	Vegetables & Field Crop Production and Processing	58	1	16	0	0	4	52	14	5
	Agribusiness (Bakery) Development	45	0	13	0	0	0	0	49	9
	Agricultural Support Institution Development	7	14	84	0	0	105	0	0	0
	Rural Financial Services Development	0	38	1	4	0	43	0	0	0
	Flexible	7	0	4	0	0	0	3	5	3
	TOTAL	284	53	149	4	0	154	173	133	30

¹On this table, each volunteer (as defined on Tables 1 and 2) should be classified under the two categories provided. A volunteer should only be counted once under the heading "Type of Volunteer Assistance" and once under "Commodity Chain Activity". The totals of both sections of the table will be equal to the number of volunteers listed in Tables 1 and 2. If a volunteer provides multiple types of assistance and/or focuses assistance on multiple categories of the commodity chain, determine the one category that the volunteer spent the majority of his/her time with and use that for the classification. The volunteers will also be classified by one major focus area.

²This category should include activities related to such areas as extension services, input supplies, veterinary services and credit.

**Table 4: Data on Hosts - Description of Institution Types (Legal Enterprise or Association Status) by Country, by Focus Area
Also, Numbers of Beneficiaries and Numbers Receiving Training, by Country, by Focus Area**

Country	Focus Area	Host Institutions ¹							Direct Beneficiaries ³			Beneficiaries Receiving Training ⁴			Indirect Beneficiaries ⁵
		Cooperatives and Associations	Individual Private Farmers	Non-Farm Private Enterprises	Non-Profit, Public Interest NGOs	Public and Private Education Institutions	Rural Financial Institutions	Public Sector (govt) Technical Agencies	Male	Female	Total	Male	Female	Total	
Russia	Dairy & Egg Production and Processing	0	3	129	0	0	0	1	2193	3465	5,658	1,088	1,756	2,844	48,136
	Livestock & Poultry Meat Production and Processing	2	1	69	0	3	0	3	1,453	1,567	3,020	558	842	1,400	46,657
	Vegetables & Field Crop Production and Processing	1	9	64	0	5	0	2	2,482	1,888	4,370	1,799	1,431	3,230	25,572
	Agribusiness (Bakery) Development	3	0	45	0	0	0	0	802	1,498	2,300	425	788	1,213	17,101
	Agricultural Support Institution Development	1	0	33	0	21	0	11	5,497	6,358	11,855	3,381	4,237	7,618	198,319
	Rural Financial Services Development	2	0	0	0	0	33	0	599	614	1,213	80	159	239	129,559
	Flexible	0	1	10	0	1	0	0	391	351	742	359	295	654	2,467
	Total	9	14	350	0	30	33	17	13,417	15,741	29,158	7,690	9,508	17,198	467,811

¹Host organizations may only be counted once for the LOP and may only be categorized under one of the following types, unless some fundamental change requires that they be re-classified :

Host Institution Categories:

Cooperatives and Associations: Member-based organizations representing stakeholders in the agricultural sector. Do not include Credit Unions or other similar organizations that provide credit or finance as a primary service: These organizations will be categorized under "Rural Financial Institutions". Cooperatives will commonly have a cash flow; associations will not (other than minor membership dues).

Individual Private Farmers: Hosts that can be considered private farmers, whose technical assistance is not based on their membership or affiliation with a cooperative, association, agribusiness or other private enterprise.

Non-Farm Private Enterprises: These are primarily agribusinesses (pre-production inputs, post-harvest handling). They may also include informal farm and community groups.

Non-Profit Public Interest NGOs: non-governmental organizations serving community interests, with no profit motive. NGOs are "host country PVOs". Use the NGO category if a host cannot be defined in any other category according to the indicator guidelines that EGAT has set forth. For example, an association is an association first and an NGO second. "Association" will provide a more specific definition of the host type.

Public and Private Education Institutions: Publically or Privately funded Colleges and Universities or any related departments or affiliated agencies.

Rural Financial Institutions: These are lending institutions with rural outreach to the agricultural sector.

Public Sector Technical Agencies: This would include public extension service agencies or other government agencies serving that function.

²Resources mobilized" are resources that FTF volunteers assist their hosts in accessing, such as various sources of credit, state assistance, PL 480 local currency, other donor assistance, etc. Sum across years will provide LOP total.

³Direct beneficiaries receive face-to-face or hands on training or assistance from the FTF volunteer. Indirect beneficiaries (for example, those trained by direct beneficiaries) should not be included in this data.

⁴Direct Beneficiaries that receive *technical* or *in-country* training as defined under USAID ADS Chapter 253.4 and ADS Glossary as follows:

Technical Training: Formally structured learning activities, generally in a classroom, which do not lead to an academic degree. Can include technical courses at community colleges, technical institutes or universities, on-the-job activities tied to technical-area classroom work, or any combination of such formally structured, non-degree producing instructional activity.

In-Country Training: A learning activity taking place in a classroom or workshop with formally designated instructor(s), learning objectives, and outcomes, conducted full-time or intermittently within the host country.

⁵Indirect beneficiaries are those who do not receive face-to-face or hands on assistance from an FTF volunteer, but who otherwise benefit from assistance. This may include family members based on survey counts or average sizes. This number is difficult to measure and best estimates are acceptable. However, to the extent possible, please footnote source for data or calculation.

Table 5: FTF Program Economic Impacts - Incremental Net Incomes of Hosts, Numbers Adopting and Reporting Improvement and Organizational Capacity Impacts

Country	Focus Area	Economic Impacts						Organizational Capacity Impacts					
		Number of relevant hosts ¹	Number of hosts adopting volunteer recommendations ²	Number of hosts reporting improvement	Number of beneficiaries associated with hosts reporting improvements	Increased incremental net income ³ across all hosts adopting (\$000)	Increased gross value of sales (\$000)	Number of relevant hosts	Number of hosts adopting volunteer recommendations	Number of hosts reporting improvement	Number of beneficiaries associated with hosts reporting improvement	Increase in the Host's Revenues ⁴ (\$000)	Number of New or Improved Products and/or Services
Russia	Dairy & Egg Production and Processing	100	98	98	44,182	7,488.040	69,745.085	0	0	0	0	0.000	53
	Livestock & Poultry Meat Production and Processing	62	59	59	37,306	5,499.100	36,561.953	6	6	6	8,635	357.695	99
	Vegetables & Field Crop Production and Processing	67	63	63	21,051	2,339.764	15,201.233	5	5	5	3,603	242.354	38
	Agribusiness (Bakery) Development	38	38	38	11,682	1,171.586	20,275.373	3	3	3	2,035	2,350	196
	Agricultural Support Institution Development	0	0	0	0	0.000	0.000	55	55	55	174,888	27,808.997	91
	Rural Financial Services Development	0	0	0	0	0.000	0.000	3	3	3	13,761	1,436.707	12
	Flexible	10	10	10	2,532	699.263	3,844.050	0	0	0	0	0.000	12

¹ Relevant hosts are those hosts who seek improvement in the given results category. The primary focus of both the host and the volunteer assignment should be on producing a result in this category for a host to be counted as relevant.

² This number is very subjective, but should reflect hosts that have adopted volunteer recommendations in a substantial way.

³ Increased Net Income: Increase in Incremental ("With" adoption of recommendation, less "Without" adoption of recommendation) Net (after subtracting production costs in both cases) Income (expressed in thousand US Dollars). The hosts and the volunteers will be enlisted to prepare simple enterprise budgets or per-hectare crop budgets (partial budgets will do) to compare the "With" and "Without" cases, as part of the terms of reference for their assignment.

⁴ Revenues raised through member dues, services fees, or other sources of income such as contracts or grants.

Note: Baseline data collected in prior years needs to be updated as of time of volunteer assignment. Prices change rapidly.

Table 6: FTF Program Impacts on Incremental Net Incomes of Hosts, Numbers Adopting and Reporting Improvement Specifically for Financial Services and Environmental Protection

Country	Focus Area	Financial Services (e.g. Credit) Indicators							Environment/NRM								
		Number of relevant hosts ¹	Number of hosts adopting volunteer recommendations ²	Number of hosts reporting improvement ³	Number of hosts with loan delinquency rate maintained at less than 10%	Increase in the amount of rural and/or agricultural loans (\$000)	Increase in the number of rural and/or agricultural loans	Increase in the value of the host's net equity ³ (\$000)	Number of relevant hosts	Number of hosts adopting volunteer recommendations	Number of hosts reporting improvement	Increased incremental net income ³ (\$000)	Increased gross value of sales (\$000)	Area covered by improved natural resource management (ha)	Total number of hosts adopting one or more environmental technologies	People with improved safety and working conditions	People with improved environmental services
Russia	Rural Financial Services Development	31	31	31	27	12,487.516	1789	6,383.123									

¹ Relevant Hosts are those hosts who seek improvement in the given Results category. The primary focus of both the Host and the volunteer assignment should be on producing a result in this category for a host to

² This number is very subjective, but should reflect hosts that have adopted volunteer recommendations in a substantial way.

³ Net equity equates to assets minus liabilities.

Table 7: Increased Awareness in the U.S. Agricultural Sector Concerning International Agricultural Development

Annual Indicators	
Number of FTF volunteers who have performed public outreach activities.	12
Number of Press Releases (issued by Cooperative Agreement Implementing Agency), to local press/radio/TV media in area of origin of Volunteer ¹	6
Number of media events by implementers and FTF volunteers. ²	7
Number of group presentations by implementers and FTF volunteers.	15

¹A new category we intend to track is the number of press releases issued by the grantee to local press/radio/TV media in area of origin of volunteer. This is not a specific requirement in the cooperative agreements, and not all FTF grantees perform this activity, but we would like to track the extent to which it is taking place.

²Any internet-based outreach activity should be counted as a media event. Examples may include hosting a chat room or using the internet or an email system to disseminate a newsletter. This does not include emailing information packets for recruitment purposes. Other examples of media events might include newspaper articles, radio or television news coverage.

Table 8: FY2007 Annual Volunteer Tracking

Farmer-to-Farmer Program, Russia

Volunteer Name	Dates of Assignment	Number of Volunteer Days	Type of Assistance	Host Organizations Assisted	Region
Eric Stromberg	10/15/06 - 10/28/06	13	Business Development	International Food Exchanges "Podzherka" Limited Liability Company	Moscow Chuvashia
Luanne Lehr	10/15/06 - 10/28/06	13	Technology Transfer	Belgorod State Agricultural Academy (BSAA) International Food Exchanges	Belgorod Moscow
Walter Howald	10/15/06 - 10/31/06	16	Technology Transfer	"Popova" Confectionary Operation	Voronezh
Gerald Sentell	01/28/07 - 02/13/07	16	Business Development	"Robin-Sobin" Company	Voronezh
Kenneth Earle	10/07/06 - 10/24/06	17	Organizational Dev't	Altai State Agricultural University	Altai
Mark Aselline	04/22/07 - 05/08/07	16	Technology Transfer	"Zarechye" Farm	Kemerovo
Ceylon Barclay	11/25/06 - 12/12/06	17	Technology Transfer	"Robin-Sobin" Fast Food Department	Voronezh
Joseph Bellramo	10/14/06 - 10/28/06	14	Organizational Dev't	"Zabalkaie" Agricultural Consumer Credit Cooperative	Baikal Region
Keith Bugbill	10/21/06 - 11/04/06	14	Technology Transfer	"Mir" Agricultural Production Cooperative	Kostroma
Duane Stuker	04/03/07 - 04/17/07	8	Organizational Dev't	"Dielovoi Mir Sibiri" Agricultural Credit Cooperative	Tyumen
Edward Valentine	03/16/07 - 03/30/07	14	Technology Transfer	"Sokhinin Vostok" Natural Resources' Ltd. Company	Far East
Andrew Mikowski	04/29/07 - 05/11/07	12	Technology Transfer	"Yaroslavl Broiler" Co. Meat Processing Department	Yaroslavl
Peter Kruse	10/07/06 - 11/04/06	28	Technology Transfer	"Sun of Mexico" Company	Moscow
James Luzzar	10/08/06 - 10/21/06	13	Technology Transfer	"NaDO" Limited Liability Company	Samara
Lowell Midia	11/28/06 - 12/09/06	13	Business Development	Kirov Agribusiness Specialists Upgrading Institute	Mary-El
Ronald Russell	10/14/06 - 10/31/06	17	Technology Transfer	"Kholmanskikh" Meat Processing Plant "Mariyskaya Meat Company" Meat Processing Plant	Mary-El Mary-El
John Cancelarich	10/14/06 - 10/31/06	17	Business Development	Bryansk State Agricultural Academy (BSAA) "Pogarskaya Potloto Factory" Open Joint-Stock Company	Bryansk Smolensk
Walter Hyllon	11/01/06 - 11/18/06	17	Technology Transfer	"Krasny Otkryt" Limited Liability Company	Yaroslavl
Archie Devore	11/06/06 - 11/21/06	15	Technology Transfer	"Zarya" Animal Breeding Farm "Chimninskaya" Dairy Farm	Vologda N.Novgorod
Brian Sheldon	11/11/06 - 11/21/06	10	Business Development	All-Russian Research Institute of Poultry Processing	Moscow
James Dickson	11/11/06 - 11/21/06	10	Business Development	All-Russian Research Institute of Poultry Processing	Moscow
Leonard Knoblock	01/03/07 - 01/17/07	14	Business Development	"Minskoye" Experimental Farm "Novy Put" Agricultural Production Cooperative	Kostroma Kostroma
Michael Brugger	04/14/07 - 04/29/07	15	Technology Transfer	"Alatau" Farm "Doverie" Agricultural Consumer Cooperative	Ural Region Chuvashia
John Konecny	01/21/07 - 02/03/07	13	Technology Transfer	"Nime" Agricultural Consumer Cooperative	Chuvashia
David Ziegler	01/13/07 - 01/30/07	17	Technology Transfer	"50th Anniversary of the USSR" Production Cooperative "Chernopenskij" Dairy Farm	Kostroma Kostroma
John Billing	03/17/07 - 03/31/07	14	Technology Transfer	"Kirov" Farm	Altai
Grant Jackson	02/10/07 - 02/23/07	13	Technology Transfer	"Kherol Zerno" Limited Liability Company Prinoskaya State Agricultural Academy (PSAA)	Far East Far East
Arthur Fischer	03/31/07 - 04/17/07	17	Technology Transfer	"Krendel" Production Company Orel State Technical University (OSTU)	Moscow Orel
Glen Huskey	03/31/07 - 04/14/07	14	Technology Transfer	"Kladko" Company	Krasnoyarskiy Krai
Steven Bazzell	03/01/07 - 03/15/07	14	Organizational Dev't	Rural Credit Cooperation Development Fund	Moscow
Michael Brugger	01/28/07 - 02/13/07	16	Technology Transfer	"Alatau" Farm	Ural Region
Dennis Buffington	01/28/07 - 03/05/07	36	Business Development	Moscow State Agro-Engineering University (MSAU)	Moscow
Kevin Dennis	02/11/07 - 03/01/07	18	Technology Transfer	"Kolybelskoye" Agrocompany "Mokroye" Dairy Farm	Lipetsk Lipetsk
Howard Weber	03/08/07 - 03/28/07	20	Technology Transfer	"Chelobitskiy Bread Production Plant" Joint-Stock Company Orel State Technical University (OSTU)	Chuvashia Orel
John Blake	05/25/07 - 06/24/07	30	Technology Transfer	"Krasnodonskoye" Joint Stock Company "Pirechenskiy Agricultural Enterprise" Ltd. Company	Volgograd Krasnodar
Ceylon Barclay	02/16/07 - 03/03/07	15	Technology Transfer	"G.K. Management" Company Orel State Technical University (OSTU)	Moscow Orel
Bruce Olcott	03/17/07 - 04/03/07	17	Technology Transfer	"Leningradskoe" State Enterprise "Zavety I'icha" Open Joint Stock Company	Krasnodar Krasnodar
Dale Layfield	02/27/07 - 04/04/07	36	Business Development	Moscow State Agro-Engineering University (MSAU)	Moscow
Cynthia Golpe	03/15/07 - 03/31/07	16	Technology Transfer	"Kolosok" Bakery "Siberian Association of Hospitality"	Krasnoyarskiy Krai Krasnoyarskiy Krai
Richard Olsen	05/28/07 - 06/09/07	14	Technology Transfer	"Opyt" Private Farm	Omsk
Warren Clark	07/28/07 - 08/11/07	14	Technology Transfer	"Briqantine" Limited Liability Company	Stavropol
Walter Mosser	03/11/07 - 03/24/07	13	Business Development	"Bryansk" Limited Liability Company	Belgorod
Troy Downing	05/07/07 - 05/21/07	14	Technology Transfer	"Mendelinskoye" Farm	Krasnoyarskiy Krai
Larry Borchert	04/14/07 - 04/29/07	15	Business Development	Bryansk State Agricultural Academy (BSAA) Orel State Agrarian University (OSAU)	Bryansk Orel
James Ellinger	06/16/07 - 06/30/07	14	Business Development	"Pyatigorskij Dairy Plant" Limited Liability Company	Stavropol
Mark Stehr	04/01/07 - 04/18/07	17	Technology Transfer	"PMK" Farm	Krasnoyarskiy Krai
Maurice Kalisky	04/08/07 - 04/21/07	13	Technology Transfer	"Russkiy Khib" Open Joint-Stock Company	Kostroma
Steven Bazzell	04/15/07 - 04/22/07	7	Organizational Dev't	Rural Credit Cooperation Development Fund	Moscow
Anthony Kutter	04/07/07 - 04/21/07	14	Technology Transfer	Omsk State Agricultural University "Tyukalinsk" Cheese Plant	Omsk Omsk
Norbert Zinck	04/24/07 - 05/08/07	14	Technology Transfer	"Mayak" Farm	Krasnoyarskiy Krai
Joseph Friedman	07/22/07 - 08/05/07	14	Technology Transfer	"Dolina" Bakery	Stavropol
Bradley Flatoff	08/19/07 - 09/01/07	13	Business Development	"Tbilsskiy Maslojuzavod" Closed Joint-Stock Company	Krasnodar
Roy Chapin	06/16/07 - 07/03/07	17	Technology Transfer	"Bolshenikskoye" Farm "Egida" Farm	Novosibirsk Novosibirsk
Anthony Kutter	09/17/07 - 09/29/07	12	Technology Transfer	"Katoriya" Closed Joint Stock Company	Krasnodar
Vickie Cosentino	06/16/07 - 06/30/07	14	Organizational Dev't	Rural Credit Cooperation Development Fund "Soglasie" Republican Agricultural Credit Cooperative	Moscow Chuvashia
Ralph Stonerock	08/04/07 - 08/18/07	14	Technology Transfer	"Kavkaz Poultry Factory" Closed Joint Stock Company "Kumskaya Poultry Factory" Production Cooperative	Krasnodar Stavropol
Anita Sewell	07/14/07 - 07/28/07	14	Organizational Dev't	Rural Credit Cooperation Development Fund	Moscow
James Dickson	06/23/07 - 07/01/07	8	Business Development	All-Russian Research Institute of Poultry Processing Moscow State University of Applied Biotechnology (MSUAB)	Moscow Moscow
John Marcy	06/23/07 - 07/01/07	8	Business Development	All-Russian Research Institute of Poultry Processing Moscow State University of Applied Biotechnology (MSUAB)	Moscow Moscow
Duane Stuker	09/22/07 - 09/30/07	8	Business Development	Stavropol State Agrarian University (SSAU)	Stavropol
Archie Devore	09/04/07 - 09/18/07	14	Technology Transfer	"Bobravskeye" Dairy Farm "Slavyanskoye" Agrocompany	Belgorod Orel
Archie Devore	08/15/07 - 08/31/07	16	Technology Transfer	"Melenkovskoye" Dairy Farm "Rodina" Dairy Farm	Yaroslavl Yaroslavl
Randy Winker	09/04/07 - 09/15/07	11	Business Development	"Myasokombinat Kavkaz" Closed Joint-Stock Company	Stavropol
Damon Szymanski	09/05/07 - 09/22/07	17	Business Development	"Ryabinka" Agricultural Consumer Cooperative	Chuvashia
Robert Chaffee	09/02/07 - 09/15/07	13	Technology Transfer	"Kuban" Open Joint Stock Company	Krasnodar
Donna Rosa	09/02/07 - 09/15/07	13	Business Development	"Kuban" Open Joint Stock Company	Krasnodar
James Basada	09/29/07 - 10/16/07	17	Business Development	Government of Kalmykia Republic Russian University of Cooperation	Kalmykia Moscow
Brett Nelson	09/22/07 - 10/05/07	13	Business Development	Extension Center of Yaroslavl Oblast	Yaroslavl
Paul Christ	11/25/06 - 12/09/06	14	Business Development	Tomsk Regional Administration Consulting Center	Tomsk
Norbert Zinck	12/02/06 - 12/11/06	9	Technology Transfer	"Novokuskovo" Farm	Tomsk
James Smith	11/10/06 - 11/28/06	18	Technology Transfer	"Novokuskovo" Dairy Farm	Tomsk
Roger Ellis	01/20/07 - 02/03/07	14	Technology Transfer	"Shumanovskiy" Farm	Altai
Thomas Allen	01/20/07 - 02/03/07	14	Technology Transfer	"Dokuchaev" Farm	Altai
Edwin Feldman Jr.	04/14/07 - 04/29/07	15	Technology Transfer	"Odessa-Mama" Food Processing Shop "Siberian Association of Hospitality"	Krasnoyarskiy Krai Krasnoyarskiy Krai
Allan Roden	06/16/07 - 07/05/07	19	Technology Transfer	"Russki Dym" Company	Novosibirsk
Thomas Allen	06/02/07 - 06/16/07	14	Technology Transfer	"ROSAGRO-Vostochny" Farm	Altai
Bernard Shannon	10/28/06 - 11/11/06	14	Business Development	Orel State Agrarian University (OSAU)	Orel
Patricia Steinhilber	03/10/07 - 03/31/07	21	Business Development	Yaroslavl State Agricultural Academy Moscow State University of Environmental Engineering	Yaroslavl Moscow
John Cancelarich	03/08/07 - 03/28/07	20	Business Development	Bryansk State Agricultural Academy (BSAA) Mordovskiy State University (MRSU)	Bryansk N.Novgorod
Francis McCann	04/14/07 - 04/29/07	15	Technology Transfer	"Molo" Agricultural Production Cooperative "Rodina" Agricultural Production Cooperative	Yaroslavl Yaroslavl
William Meyers	05/26/07 - 06/11/07	16	Business Development	Kostroma State Agricultural Academy (KSAA)	Kostroma
Linda Papadopoulos	04/03/07 - 04/17/07	14	Technology Transfer	All-Russian Meat Research Institute	Moscow
Bernard Shannon	03/31/07 - 04/14/07	14	Business Development	Kirov Agribusiness Specialists Upgrading Institute	Mary-El
Thomas Bruening	04/07/07 - 04/30/07	23	Business Development	Moscow State Agro-Engineering University (MSAU)	Moscow
Walter Hyllon	05/01/07 - 05/22/07	21	Technology Transfer	"Molo" Dairy Farm "Rodina" Dairy Farm	Yaroslavl Yaroslavl
Leonard Knoblock	03/26/07 - 04/08/07	14	Technology Transfer	"Rodina" Dairy Farm "Unio-Agro" Company	Yaroslavl Yaroslavl
Richard Kelms	05/13/07 - 05/29/07	16	Business Development	Bryansk State Agricultural Academy (BSAA) Orel State Agrarian University (OSAU)	Bryansk Orel
Archie Devore	05/09/07 - 05/27/07	18	Technology Transfer	"Krasny Otkryt" Limited Liability Company "Rostilovskiy" Open Joint-Stock Company	Yaroslavl Vologda
Raymond Samp	05/09/07 - 05/19/07	10	Technology Transfer	Moscow Mushroom School Talen Private Farm	Moscow Moscow
Harvey Jensen	06/09/07 - 06/27/07	18	Business Development	Tulskiy Dairy Processing Plant	Tula
Kevin Dennis	06/13/07 - 06/30/07	17	Technology Transfer	"Slavyanskoye" Agrocompany "Znamenskoye" Experimental Farm	Orel Moscow
Howard Woodard	06/02/07 - 06/16/07	14	Business Development	Kirov Agribusiness Specialists Upgrading Institute	Mary-El

Total # of Assignments: 92

Total # of Host Organizations: 128

ANNEX B

SF269A Financial Status Report

FINANCIAL STATUS REPORT (Short Form)

1. Submitted to:

USAID
M/FM/CMP/GIB, Room 7.07-110
1300 Pennsylvania Avenue, NW
Washington, DC 20523-7700

2. Federal Identifying Number:

FAO-A-00-99-00016-09

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Technical Office : **EGAT/AG/ATGO**

3. Recipient Organization:

**50 F Street, NW, Suite 1075
Washington, DC 20001**

4. Employer Id Number:

52-0811461

ACDI/VOCA ID: J331
Recipient note: 08A1P

6. Final Report

Yes No

7. Basis

Cash Accrual

8. Funding/Grant Period

From:

30-Sep-1999

To:

30-Sep-2008

9. Period Covered by this Report

From:

01-Jul-2007

To:

30-Sep-2007

10. Transactions:

I
Previously Reported

II
This Period

III
Cumulative

a. Total outlays	23,405,659.93	304,897.76	23,710,557.69
b. Recipient share of outlays	8,023,489.45	0.00	8,023,489.45
c. Federal share of outlays	15,382,170.48	304,897.76	15,687,068.24
d. Total unliquidated obligations			0.00
e. Recipient share of unliquidated obligations			0.00
f. Federal share of unliquidated obligations			0.00
g. Total Federal share			15,687,068.24
h. Total Federal funds authorized for this funding period			17,809,406.00
i. Unobligated balance of Federal funds			2,122,337.76

11. Indirect Expense

a. Type of Rate

Provisional Predetermined Final Fixed

b. Rate

c. Base

d. Total Amount

e. Federal Share

34.55%

202,691.66

70,029.97

70,029.97

12. Remarks:

13. Certification: I certify to the best of my knowledge and belief that this report is correct and complete and that all outlays and unliquidated obligations are for the purposes set forth in the award documents.

Date report submitted:

10/26/2007

Frank J Wellner
Office of Accounting and Finance

Voice: (202) 383-9766
Fax: (202) 783-7204
Email: fwellner@acdivoca.org