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AGRIBUSINESS EXCHANGE PROGRAM for EASTERN and CENTRAL EUROPE

Grant Number EUR-0024-G-00-1066-00

Quarterly Report

October 1992 - December 1992

ADMINISTRATIVE DATA

Country: Eastern and Central Europe

Implementing Agency: Agency for International Development

**Contractor: Agricultural Cooperative Development International
50 F Street, NW, Washington, D.C. 20001**

Date of This report: January, 1993

Date of Last report: October, 1992

AID Project Officer: Dr. James Snell

Date Original Authorization: 7/31/91

Estimated Completion: 8/1/94

Director of Training/Poland: Kathleen Lynch

Employees in CEE: Poland - 1 U.S., 1 Polish

Bulgaria - 1 U.S., 1 Bulgarian

Project Office Addresses:

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PERFORMANCE DATA

I. Project Purpose and Progress Toward Objective

The purpose of the project is to increase the efficiency and the effectiveness of the agricultural sectors of the economies of Central and Eastern European countries. The objectives are to provide training in management, financial and technical skills to agriculturalists and the staff of rural credit institutions; and to extend the benefits of Farmer-to-Farmer programs and other ACDI technical assistance projects in CEE. Thus far, the project has provided training in the United States for 101 participants (36% women) from five countries (Poland, Czech and Slovak Federal Republic, Albania, Lithuania and Latvia). Approximately 544.

agriculturalists and bankers have received training through in-country workshops in Poland, Estonia, and the Czech and Slovak Federal Republic.

II. Situation

The Agribusiness Exchange Program is currently focusing its training efforts in Poland, Bulgaria, Albania, and Romania. In these countries, the agricultural sector plays a key economic and political role in the transition from a planned to a market economy. Each of these countries faces some common problems: unresolved land tenure issues; control of farm supply, agricultural marketing, and food processing by inefficient state enterprises; lack of agricultural credit; and lack of trained individuals with skills in management and marketing. However, there are also significant differences in the pace of privatization and the particular problems each of these countries face. For example in Poland more than 80% of productive land remained in the hands of small farmers, while in Bulgaria, land was expropriated by the State and farmed in large collectives.

III. Implementation Methodology

In order to achieve the project objectives, the following methodology is employed:

Assessments

- Initial needs assessments or quick survey assessments are conducted in targeted countries to ascertain needs and resources. In response to AID directives and within budget constraints an implementation plan is developed.

Participant Training Selection

- A training candidate selection process is determined for each of the targeted countries.
- ACDI works closely with VOCA, USDA and other ACDI projects in CEE to identify candidates and to prioritize training needs. Previous participants also make recommendations. Site visits are made to candidates place of employment to ensure that supervisors support the training.

Participant Training

- ACDI arranges training programs that range from two weeks to two months, but average four weeks. Programs are designed to meet the specific needs of participants and may include study/observation tours, seminars, and on-the-job training.

- When appropriate, ACDI also arranges internships at various cooperatives and other agribusiness for English speaking participants.

In-Country Training

- ACDI conducts workshops in cooperative organization, farm enterprise management, marketing, management, and technical areas.
- In addition, ACDI conducts specialized training for agricultural credit institutions on cooperative business practices, farm financial analysis, cooperative financial analysis and other banking topics.

Follow-On

- ACDI conducts periodic follow-up evaluations to assess the impact of training.
- ACDI facilitates regular meetings of participant trainees; organizes seminars; and involves participants in planning future training programs and identifying training candidates.

IV. Progress

During this quarter, a total of 27 participants received training in the United States; and 2 in-country training workshops were held in CEE. Details of programs follow:

POLAND

U.S. Participant Training

- Credit Officer Training - November 28th to December 19th

As part of the training projects on-going support for ACDI's banking project in Poland, ten loan officers participated in a three-week training program at AgriBank in St. Paul. Farm credit systems, cooperative banking, credit unions, loan structuring, commodity exchanges and the US food and fiber system all were covered.

Internships

- Agricultural Marketing - October 7th to December 21st

State Poultry Farm Manager, Ms. Celina Chojnowska, participated in a 6 week

agricultural management and poultry internship conducted by the poultry cooperative Goldkist. She also participated in the operations of Auburn University's Poultry Science Department. Ms. Choynowska lived with several families that have poultry farms.

■ **Agricultural Marketing - October 24th to December 19th**

Marketing Specialist, Ms. Halina Siemaszko, was placed with various American cooperatives. She received training in agricultural market research, business planning, and project monitoring and evaluating. In Minnesota, she worked with the University of Minnesota's Extension Service and a farm management specialist. In Connecticut, she received training from Techno Serve in economic analysis, marketing analysis, and accounting for non-accountants.

Since her return to Poland, Ms. Siemasko has submitted several articles to the local newspaper. She intends to continue writing articles and she will also conduct training programs so that the farming community in her region will better understand the cooperatives should be businesses and that the farmer members should make the decisions and benefit from the services and profits.

■ **Beef Production - October 24th to December 19th**

Mr. Hubert Michalowicz of Siriopol, a cattle insemination company that serves private farmers in Poland, worked with American Breeders Service, Tri-State Breeders, Embryo Transplant, and Century 21 Breeders to review breeding methods, quality, and standards. While in the U.S., he also assisted George Donner, President of Global Agri-Tech, and Ted Gashler, a Wisconsin sheep farmer and VOCA volunteer, to import sheep semen into Poland for a project in Krosno.

Mr. Michalowich has agreed to act as an intermediary between the Dean of the College of Agriculture, University of Wisconsin/Plattsville and the Agricultural University of Warsaw to help set up a student exchange program between the two institutions.

■ **Extension Service - October 24th to December 19th**

The Minnesota Extension Service conducted Mr. Tadeusz Podczasi's internship, which concentrated on the structure and function of the US extension service. His program included the use of computers in extension, market research methods, animal production, and farm management, which he will implement at his extension center.

In-Country Workshops

- **Training of Trainers: Planning, Teaching and Evaluating Adult Agricultural Education Programs - October 18th to October 30th**

Two sessions of the course were conducted by Land O'Lakes in October; this is the final activity under their subcontract. There were a total of 44 trainees. The objective of the TOT course was to provide agricultural educators with the basic principles of adult learning and to help the trainees apply them to the development, teaching and evaluation of adult agricultural education programs.

Other Activities

- **ACDI representatives from ABE and the Cooperative Bank project met with Art Flanagan, Peace Corps Deputy Director/Poland to discuss possible collaborations. It was agreed that Peace Corps volunteers working with agribusinesses and cooperative banks would help identify candidates for training programs.**
- **Kathy Lynch met with Cochran program representatives to discuss setting up a networking system for ACDI trainees and Cochran Fellows. She attended the Cochran Fellows Alumni Meeting and arranged for Jan Borkowski, Vice Governor of Siedlce and ACDI trainee, to attend. The value of encouraging this kind of networking is illustrated by the following example:**

Tadeusz Mankowski, an ACDI participant trainee, is interested in producing frozen yogurt, which he learned about on his ACDI Dairy Management training program. Kathy Lynch was able to connect him with a Cochran Fellow who is a frozen foods technologist at the Frozen Foods Laboratory in Lodz who is also interested in producing frozen yogurt.

- **Kathy Lynch and David Holder, USDA Polish/American Extension Project have met several times to discuss possible in-country course collaboration. USDA would like to use ACDI's cooperative training modules in their courses. Since ACDI is concentrating on Eastern Poland, it would be ideal if USDA used ACDI's course materials in Western Poland. ACDI might then use USDA's marketing modules in our training activities.**
- **Two of the U.S. extensionists working with USDA have offered to help coordinate the training program for eight extension directors/agents that will be conducted in March.**

CZECH & SLOVAK FEDERAL REPUBLIC

U.S. Participant Training

- **Cooperative Management - October 25th to November 13th**

Agway, Inc. provided a two-day introduction to cooperative structure for 6 Czechs and 6 Slovaks who are in the process of privatizing cooperatives. Technical training followed with VOCA volunteers, who had worked with the participants in Czechoslovakia. Volunteers instructed them in principles of private agribusiness, management, and methods of their respective agricultural fields. To complete the program, Lincoln University conducted a workshop on marketing, joint ventures, and business planning.

SOUTHERN TIER

ACDI's Training Director for the Southern Tier, Peter Fergin, relocated to Sofia in November. He will be coordinating training programs for Bulgaria, Albania and Romania. Over the next year, 36 participants will come to the U.S. and 8 in-country workshops will be conducted. ACDI is working closely with VOCA to determine areas of focus.

BULGARIA

U.S. Participant Training

- **Cooperative & Farm Management - September 19th to October 14th**

Six Bulgarians from private agribusinesses, cooperatives, and associations working with private farmers participated in a 25-day cooperative and farm management training program.

Cornell University conducted a training program on cooperative organizations, structures, and management as well as farm management, marketing, and agriculture policy. Visits were arranged to local cooperatives in New York including ACDI members Agway, Inc. and Dairylea, Inc. Participants then worked with Dan Smalley, a poultry farmer and board member of Goldkist Cooperative, in Alabama for one week to see poultry management and farm operations first hand.

Internship

- **Poultry Production - October 22nd to December 3rd**

Robert H. Strickler, Chairman of Rocco, Inc., a large poultry operation, conducted a

6 week training program for Mr. Panaiot Panaiotov, Director General of the Aves Poultry Company in Bulgaria. Mr. Strickler exposed Mr. Panaiotov to Rocco Inc. step by step, from the selection of breeders to the marketing of the final product. Specialists at Rocco advised Mr. Panaiotov on vertical integration, consumer marketing, stock structures, and corporate and farm management. Technical areas addressed included breeder selection, broiler grow-out areas, feed, and hatcheries.

V. Issues and Problems

Land O'Lakes has completed all of its subcontracted activities under this grant. Their final activity was the Trainer of Trainer workshops held in October. All in-country training will now be conducted by ACDI.

In Poland, ACDI is revamping course formats and developing a series of short courses (3 days) that will build on each other. We have already completed two course modules for the cooperative banks (Farm Financial Analysis and Council Member Training) and are currently working on three courses for agricultural cooperatives. This summer, we plan to prepare two courses on cooperative financial systems and accounting that will be directed to both bank loan officers and cooperative managers. Course materials developed in Poland will be revised with country specific materials for use in the Southern Tier. In addition, courses that address the particular conditions of the Southern Tier will be presented.

VI. Actions Scheduled for Next Quarter

POLAND

- **Conduct training for 7 Parliamentarians, members of the extraordinary committee on cooperative law (January)**
- **Arrange training for 10 bankers from the cooperative banks (February)**
- **Bring 8 Extension agents to the U.S. for training in cooperatives (March)**
- **Conduct 8 courses in Farm Financial Analysis for the cooperative banks in Poznan (February), Zamosc (March), and Wroclaw (March)**
- **Conduct 2 courses on Agriculture Trade Associations in Mietne in February**
- **Conduct 4 courses on Organizing a Cooperative in late March**

SOUTHERN TIER

- **Conduct 2 seminars on farm management in the Korce and Skodra regions of Albania (late March)**
- **Prepare for seminars on the formation of production/marketing associations in the Petric and Kyustendil regions of Bulgaria to be conducted in May**
- **Prepare for agricultural credit seminars in Romania in April**

VII. Additional Comments

ACDI will be fielding a Project Director, Lee Rosner, who will be responsible for the overall coordination of the Agribusiness Exchange Project in CEE. Mr. Rosner will be based in Warsaw and will arrive in mid March. His extensive experience managing training projects and his particular expertise in designing and implementing in-country training components will be an asset to the project.

ABE Individual Participant Tracking Oct to Dec 1992

Name	Citizenship	Gender	Training Site	Dates	Purpose	Activity	Funding
H. Michalowicz	Polish	Male	Fricke Beef & Buffalo Farm Baraboo, WI Lucterhand Beef Farm Unity, WI Wytttenback Farm, Sauk, WI Cates Beef Farm, Sp. Gr., WI	October 22 – December 21, 1992	Beef Production Internship	Technical	AID
T. Podczasi	Polish	Male	U. of MN, St. Paul, MN Murray Cty. Ext. Slayton, MN	October 22 – December 21, 1992	Extension Service Internship	Technical	AID
H. Siemaszko	Polish	Female	U. of MN, St. Paul, MN Agribus. Serv., Albany, MN Farmstay, Alex., MN Alex. Tech., Alex., MN Farmstay, Rollingstone, MN Grain Growers Coop. OR TechnoServe, Norwalk, CT	October 22 – December 21, 1992	Farm Management Internship	Technical	AID
P. Panaiotov	Bulgarian	Male	Dogwood Hill Farms Harrisonburg, VA	October 23 – December 3, 1992	Poultry Production Internship	Technical	AID
P. Bottka	Czechoslovakian	Male	Agway Inc., Syracuse, NY Madison, WI Lincoln University, PA	October 24 – November 14, 1992	Agricultural Management	Technical	AID
V. Chovan	Czechoslovakian	Male	Agway Inc., Syracuse, NY Madison, WI Lincoln University, PA	October 24 – November 14, 1992	Agricultural Management	Technical	AID
V. Galoua	Czechoslovakian	Female	Agway Inc., Syracuse, NY Haywood, MN Lincoln University, PA	October 24 – November 14, 1992	Agricultural Management	Technical	AID
J. Hudecek	Czechoslovakian	Male	Agway Inc., Syracuse, NY Haywood, MN Lincoln University, PA	October 24 – November 14, 1992	Agricultural Management	Technical	AID

ABE Individual Participant Tracking Oct to Dec 1992

H. Langhamerova	Czechoslovakian	Female	Agway Inc., Syracuse, NY Madison, WI Lincoln University, PA	October 21 – November 14, 1992	Agricultural Management	Technical	AID
V. Makovsky	Czechoslovakian	Male	Agway Inc., Syracuse, NY Haywood, MN Lincoln University, PA	October 24 – November 14, 1992	Agricultural Management	Technical	AID
A. Maslonkova	Czechoslovakian	Female	Agway Inc., Syracuse, NY Madison, WI Lincoln University, PA	October 24 – November 14, 1992	Agricultural Management	Technical	AID
F. Pavelka	Czechoslovakian	Male	Agway Inc., Syracuse, NY Madison, WI Lincoln University, PA	October 24 – November 14, 1992	Agricultural Management	Technical	AID
M. Plesnik	Czechoslovakian	Male	Agway Inc., Syracuse, NY Haywood, MN Lincoln University, PA	October 24 – November 14, 1992	Agricultural Management	Technical	AID
F. Skrie	Czechoslovakian	Male	Agway Inc., Syracuse, NY Haywood, MN Lincoln University, PA	October 24 – November 14, 1992	Agricultural Management	Technical	AID
L. Smidova	Czechoslovakian	Female	Agway Inc., Syracuse, NY Haywood, MN Lincoln University, PA	October 24 – November 14, 1992	Agricultural Management	Technical	AID
J. Vrba	Czechoslovakian	Male	Agway Inc., Syracuse, NY Madison, WI Lincoln University, PA	October 24 – November 14, 1992	Agricultural Management	Technical	AID
C. Chojnowska	Polish	Female	Red Hill Farms Guntersville, AL Gold Kist Poultry, Boaz, AL Parker Farm, Arab, AL	November 7 – December 21, 1992	Agricultural Management Internship Poultry	Technical	AID
J. Wasyliazyn	Polish	Male	AgriBank, St. Paul, MN	November 28 – December 19, 1992	Credit Officer Training	Technical	AID

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ABE Individual Participant Tracking Oct to Dec 1992

G. Gawot	Polish	Female	AgriBank, St. Paul, MN	November 28 – December 19, 1992	Credit Officer Training	Technical	AID
L. Stolarska	Polish	Female	AgriBank, St. Paul, MN	November 28 – December 19, 1992	Credit Officer Training	Technical	AID
G. Palis	Polish	Male	AgriBank, St. Paul, MN	November 28 – December 19, 1992	Credit Officer Training	Technical	AID
U. Gawlak	Polish	Female	AgriBank, St. Paul, MN	November 28 – December 19, 1992	Credit Officer Training	Technical	AID
M. Giemza	Polish	Male	AgriBank, St. Paul, MN	November 28 – December 19, 1992	Credit Officer Training	Technical	AID
U. Kraska	Polish	Female	AgriBank, St. Paul, MN	November 28 – December 19, 1992	Credit Officer Training	Technical	AID
H. Ksiazek	Polish	Female	AgriBank, St. Paul, MN	November 28 – December 19, 1992	Credit Officer Training	Technical	AID
A. Sledz	Polish	Female	AgriBank, St. Paul, MN	November 28 – December 19, 1992	Credit Officer Training	Technical	AID
M. Wisniewska	Polish	Female	AgriBank, St. Paul, MN	November 28 – December 19, 1992	Credit Officer Training	Technical	AID
Part. Oct – Dec		27					
Male		14					
Female		13					
Total Part. to Date		101					
Male:		65					
Female:		36					

**QUARTERLY REPORT: Technical Programs
Training Cost Analysis (TCA)**

SEE "Instructions: Quarterly Report", Reverse of Page 4

PROJECT TITLE Agribusiness Exchange Program for CEE	PROJECT NUMBER EUR-0024-G-00-1066-00	IMPLEMENTOR ACDI
CONTRACT QUARTER 5 of 12	REPORT PERIOD Oct - Dec, 1992	DATE February 1, 1993

I. PARTICIPANT TRAINING COSTS

ACADEMIC PROGRAMS:	BUDGET	PROJECTED THIS QUARTER	EXPENDED THIS QUARTER	EXTENDED TO DATE	BALANCE REMAINING	% OF BUDGET
A. Education/Training Cost	\$ 551,033	\$ 39,000	\$ 34,510	\$ 161,195	\$ 389,838	30 %
B. Allowances	540,500	40,150	47,940	150,271	390,229	28 %
C. Travel	627,400	47,450	52,214	155,841	471,559	25 %
D. HAC	32,712	2,538	2,016	6,361	26,351	20 %
E. Supplemental Activities	3,000	250	360	1,065	1,935	35 %
Total. Academic Costs	\$ 1,754,645	\$ 129,380	\$ 137,040	\$ 474,733	\$ 1,279,912	28 %

THIS QUARTER:

Number of Participant Months Projected: 25

Number of Participant Months Completed: 25

TOTAL PROJECT:

Number of Participant Months Projected: 238

Number of Participant Months Completed: 96

IMPORTANT: SPECIFY PROGRAM TYPE
(Check Only One Category) *

Classroom Training

Observation Tour

On-the-Job Training

* Most programs include all three training elements.

**QUARTERLY REPORT: Technical Programs
 Training Cost Analysis (TCA)**

****SEE "Instructions: Quarterly Report", Reverse of Page 4****

PROJECT TITLE Agribusiness Exchange Program for CEE	PROJECT NUMBER EUR- 0024-G-00-1066-00	IMPLEMENTOR ACDI
CONTRACT QUARTER 5 of 12	REPORT PERIOD Oct. - Dec., 1992	DATE February 1, 1993

I. PARTICIPANT TRAINING COSTS

SPECIAL TRACKING ITEMS:	BUDGET	PROJECTED THIS QUARTER	EXPENDED THIS QUARTER	EXTENDED TO DATE	BALANCE REMAINING	% OF BUDGET
E. 1. ELT, In-Country N/A	\$	\$	\$	\$	\$	%
E. 2. ELT, U.S. N/A	\$	\$	\$	\$	\$	%
Escort/Interpreters	321,032	24,750	20,832	95,250	225,782	30%

NOTE: Special tracking items are costs that are included in Participant Cost, Page 1, but are broken out here for special review.

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BY TYPE OF TRAINING

QUARTERLY REPORT: Technical Programs
Training Cost Analysis (TCA)

SEE "Instructions: Quarterly Report", Reverse of Page 4

PROJECT TITLE Agribusiness Exchange Program for CEE	PROJECT NUMBER EUR-0024-G-00-1066-00	IMPLEMENTOR ACDI
CONTRACT QUARTER <u> 5 </u> of <u> 12 </u>	REPORT PERIOD OCT - DEC, 1992	DATE February 1, 1993

II. ADMINISTRATIVE COSTS

II. F. ADMINISTRATIVE COSTS	BUDGET	PROJECTED THIS QUARTER	EXPENDED THIS QUARTER	EXTENDED TO DATE	BALANCE REMAINING	% OF BUDGET
1. Salaries	\$ 232,710	\$ 33,936	\$ 15,256	\$ 73,615	\$ 159,095	32 %
2. Fringe Benefits	73,163	6,096	6,000	28,010	45,153	39 %
3. Travel	141,194	11,766	5,000	49,413	91,781	35 %
4. Consultants	0	0	0	0	0	0 %
5. Equipment	32,100	2,675	2,313	14,505	17,595	45 %
6. Sub-Contracts (Land o' Lakes)	75,600	20,000	19,266	75,238	362	100 %
7. Indirect Costs	685,700	57,141	54,038	234,427	451,273	35 %
8. Other	134,406	11,200	12,944	53,140	81,266	40 %
II. F. TOTAL ADMINISTRATIVE COSTS	\$1,551,246	\$ 129,270	\$114,817	\$28,438	\$846,525	45 %
GRAND TOTAL, TRAINING COSTS:	\$ 3,626,923	\$ 283,400	\$ 272,689	\$1,098,421	\$ 2,352,219	35 %

NOTE: % Of Budget refers to that %age of the total budget (for each line) that has been spent.

$$\% \text{ of Budget} = \frac{[\text{Expended to Date}]}{[\text{Budget}]}$$