



U.S. AGENCY FOR  
INTERNATIONAL  
DEVELOPMENT

Mr. Jacques Defay  
The Pragma Corporation  
116 East Broad Street  
Falls Church, Virginia 22046

Subject: Cooperative Agreement No. EUR-0024-A-00-2030-00

Dear Mr. Defay:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D.") hereby provides to The Pragma Corporation (hereinafter referred to as "Pragma" or "Recipient") the sum of \$800,000 in support of the Restructuring Agriculture and Agribusiness Project: Private Sector in Eastern Europe, as more fully described in Attachment 2, entitled "Program Description".

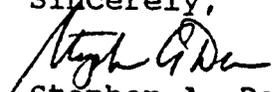
This Cooperative Agreement is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Recipient in furtherance of program objectives through the estimated completion date of March 1, 1995. Funds disbursed by A.I.D. but uncommitted by the Recipient at the expiration of this period shall be refunded to A.I.D.

The total estimated amount of this Cooperative Agreement is the amount set forth in Section C.1. of Attachment 1, of which the amount set forth in Section C.2. is hereby obligated. A.I.D. shall not be liable for reimbursing the Recipient for any costs in excess of the obligated amount. However, subject to Section C.4. of Attachment 1, additional funds may be obligated by A.I.D. until such time as the obligated amount may equal the total estimated amount of this Cooperative Agreement.

This Cooperative Agreement is made to the Recipient on the condition that the funds will be administered in accordance with the terms and conditions as set forth in this Cover Letter, Attachment 1, entitled "Schedule", Attachment 2, entitled "Program Description", and Attachment 3, entitled "Standard Provisions", which together constitute the entire Cooperative Agreement document and have been agreed to by your organization.

Please acknowledge receipt of this Agreement by signing all copies of this Cover Letter, retaining one copy for your files and returning the remaining copies to the undersigned.

Sincerely,



Stephen A. Dean  
Agreement Officer  
Contracts Division A  
Office of Procurement

Attachments:

- 1. Schedule
- 2. Program Description
- 3. Standard Provisions

ACKNOWLEDGED:

THE PRAGMA CORPORATION

BY: 

TYPED OR PRINTED NAME: JACQUES DEFAY

TITLE: PRESIDENT

DATE: 3/17/92

FISCAL DATA

A. GENERAL

- A.1. Total Cooperative Agreement Amount: \$2,828,523
- A.2. Total Obligated Amount: \$800,000
- A.3. Project No.: 180-0024
- A.4. A.I.D. Project Office: EUR/DR/FS, James G. Snell
- A.5. Funding Source: A.I.D./W
- A.6. Paying Office: FM/CMPD/DCB - Room 700 SA-2  
Washington, D.C. 20523-0209
- A.7. DUNS No.: 038992228      A.9. TIN No.: 541046282

B. SPECIFIC

- B.1.(a) PIO/T No.: 180-0024-3-2622238
- B.1.(b) Appropriation: 72-11X1010
- B.1.(c) Allotment: 184-62-180-01-29-21
- B.1.(d) BPC: QAIX-92-32180-IG-12
- B.1.(e) Amount: \$800,000

SCHEDULE

A. PURPOSE OF COOPERATIVE AGREEMENT

The purpose of this Cooperative Agreement is to provide support for the Restructuring Agriculture and Agribusiness Project: Private Sector more specifically described in Attachment 2 of this Cooperative Agreement entitled, "Program Description."

B. PERIOD OF COOPERATIVE AGREEMENT

B.1. The effective date of this Cooperative Agreement is the date of the Cover Letter and the estimated completion date is March 1, 1995. Funds obligated hereunder shall be used to reimburse the Recipient for allowable program expenditures incurred by the Recipient in pursuit of program objectives at any time during the period beginning March 2, 1992 (see Section D.4 below) and ending on the estimated completion date.

B.2 However, because this Cooperative Agreement is incrementally funded (see Section C.4. below), funds obligated hereunder are only anticipated to be sufficient for program expenditures through January 1, 1993.

C. AMOUNT OF COOPERATIVE AGREEMENT AND PAYMENT

C.1. The total estimated amount of this Cooperative for its full period, as set forth in Section B.1. above, is \$2,828,523.

C.2. A.I.D. hereby obligates the amount of \$800,000 as partial funding of the total estimated amount set forth in Section c.1. above for program expenditures during the indicated period set forth in Section B. above. Notwithstanding said total estimated amount, A.I.D. shall not be liable for reimbursing the Recipient for any costs in excess of the obligated amount, except as specified in paragraph (f) of the Standard Provision of this Cooperative Agreement entitled "Revision of Grant Budget" (see also Section C.4. below).

C.3. Payment shall be made to the Recipient in accordance with procedures set forth in the Standard Provision entitled "Payment - Cost Reimbursement", as shown in Attachment 3.

C.4. As indicated in Section C.2. above, this Cooperative Agreement is partially funded. Until such time as the obligated amount (see Section C.2. above) shall equal the total estimated amount (see Section C.1. above) of this Cooperative Agreement, additional increments of funds may be obligated by A.I.D. under

this Cooperative Agreement (by a Cooperative Agreement modification), subject to availability of funds, possible evaluation of the program, program priorities at the time, and the requirements of the Standard Provisions of this Cooperative Agreement entitled "Revision of Grant Budget," as set forth in Attachment 3.

D. COOPERATIVE AGREEMENT BUDGET

D.1. The following is the Budget for the total estimated amount of this Cooperative Agreement (see Section C.1. above) for its full period (see Section B. above). The Recipient may not exceed the total estimated amount or the obligated amount of this Cooperative Agreement, whichever is less (see Sections C.1. and C.2., respectively, above). Except as specified in the Standard Provision of this Cooperative Agreement entitled "Revision of Grant Budget", as set forth in Attachment 3, the Recipient may adjust budget amounts within the total agreement amount as may be reasonably necessary for the attainment of program objectives. Revisions to the budget shall be in accordance with Section C. above and the Standard Provision entitled "Revision of Grant Budget."

D.2. Budget

<u>Cost Element</u>	<u>Total</u>
(a) DIRECT COSTS	
Salaries & Wages*	\$663,185
Fringe Benefits	161,643
Travel, Per Diem & Allowances	801,103
Field Office Costs	122,726
Other Direct Costs	<u>588,074</u>
SUBTOTAL	\$2,336,731
(b) INDIRECT COSTS	
Overhead & G&A	<u>\$ 491,792</u>
TOTAL AMOUNT	\$2,828,523

\*Salaries and/or Wages shall not exceed the maximum annual rate for an Foreign Service Officer Class 1 (FS-1).

D.3 Inclusion of any cost in the budget of this Cooperative Agreement does not obviate the requirement for prior approval by the Agreement Officer of cost items designated as requiring prior approval by the applicable cost principles (see the Standard Provision of this Cooperative Agreement set forth in Attachment 3 entitled "Allowable Costs") and other terms and conditions of this Cooperative Agreement, unless specifically stated in Section I. below.

D.4. Notwithstanding the effective date of this Cooperative Agreement as shown in Section B. above, and subject to the Standard Provision of this Cooperative Agreement entitled "Allowable Costs," costs incurred by the Recipient in pursuit of program objectives on or after the earliest date set forth in Section B. above shall be eligible for reimbursement hereunder. Such costs are included in the Cooperative Agreement Budget shown above.

E. REPORTING REQUIREMENTS

E.1. Financial Reporting

E.1.(a) Financial reporting requirements shall be in accordance with the Standard Provision of this Cooperative Agreement entitled, "Payment - Cost Reimbursement," as set forth in Attachment 3.

E.1.(b) All financial reports shall be submitted to A.I.D., Office of Financial Management, (FM/CMF), Washington, D.C. 20523. In addition, three copies of all financial reports shall be submitted to the A.I.D. Project Office specified in the Cover Letter of this Cooperative Agreement.

E.1.(c) The frequency of financial reporting and the due dates of reports shall be as specified in the Standard Provision of this Cooperative Agreement referred to in Section E.1.(a) above.

E.1.(d) The Recipient's financial reports shall include expenditures of A.I.D. Cooperative Agreement funds provided hereunder, as well as non-federal matching funds and any other contributions in accordance with Section 1L. below.

E.2. Program Performance Reporting

The Recipient shall submit the following:

5

E.2.(a) Technical

The Recipient shall submit for AID Project Officer review/approval, within sixty (60) days of signing the Cooperative Agreement, a set of benchmarks against which progress can be measured and specific criteria against which the project can be evaluated.

E.2.(b) Workplans

The initial workplan shall include an implementation plan for the initial, authorized year of the project. It will be due within 45 days of the signature date of the cooperative agreement, and shall indicate the timing, by month, of the various components and subcomponents of the program, over the 12 month period of implementation. It shall indicate the responsible organization and/or individual for each subcomponent or activity.

At least 45 days before the end of the initial workplan, Recipient shall submit a workplan for the next 12 month period. If the Cooperative Agreement is authorized for a third year, a workplan for the third year of the project will be due at least 45 days before the end of the second year workplan.

E.2.(c) Quarterly Reports by Reference to Quantifiable Indicators and Other Evaluation Benchmarks

E.2.(c)(1) The Recipient shall submit five copies of quarterly program performance reports which coincide with the financial reporting periods described in Section E.1. above to the A.I.D. Project Office specified in the Cover Letter of this Cooperative Agreement, and to the A.I.D. Representative, (AID/Sofia) of the country where the program is being undertaken. These reports shall include quantitative and qualitative measures of performance; shall be submitted within 30 days following the end of the reporting period; and shall briefly present the following information:

E.2.(c)(1)(A) Implementation status including a comparison of actual accomplishments with the established evaluation benchmarks for the period, the findings of the investigator, or both. If the output of programs can be readily quantified, such quantitative data shall be related to cost data for computation of unit costs.

E.2.(c)(1)(B) Reasons why established goals were not met, if applicable, including any problems or difficulties requiring U.S.G., possible host country, or implementing organization attention.

E.2.(c)(1)(C) Summary financial report of all project expenditures, by subcomponent.

E.2.(b)(2) Between the required performance reporting dates, events may occur that have significant impact upon the program. In such instances, the Recipient shall inform A.I.D. as soon as the following types of conditions become known:

E.2.(b)(2)(A) Problems, delays, or adverse conditions that will materially affect the ability to attain program objectives, prevent the meeting of time schedules and goals, or preclude the attainment of work units by established time periods. This disclosure shall be accompanied by a statement of the action taken, or contemplated, and any U.S.G., or possibly host country, assistance needed to resolve the situation.

E.2.(b)(2)(B) Favorable developments or events that enable time schedules to be met sooner than anticipated or more work units to be produced than originally projected.

E.2.(b)(2)(C) If any performance review conducted by the Recipient discloses the need for change in the budget estimates in accordance with the criteria established in the Standard Provision of this Cooperative Agreement entitled "Revision of Cooperative Agreement Budget", the Recipient shall submit a request for budget revision to the Grant Officer and the A.I.D. Project Officer specified in the Cover Letter of this Cooperative Agreement.

E.2.(b)(3) Quarterly updates and proposed modifications of annual work plans, specifically to include travel projected for the subsequent quarter.

E.2.(c) Annual Report of Project

The annual report will be submitted to both EUR/DR/FS, A.I.D. Washington and to the A.I.D. Representative (or the AID Affairs Officer, Economic Section at the Embassy) of the country where the program is being undertaken. The annual report will substantively review performance against planned quantitative and qualitative measures, including a discussion and analysis of the success of the program's impact per the established mechanism(s) for measuring the consortium's impact on (a) the private agribusiness sector's ability to function in an open market; (b) knowledge and skills transferred to the East European participants; and (c) the extent to which the East European enterprises and organizations incorporate the advice and training into their individual operations. Incremental funding will be contingent on submitting complete reporting, effectively resolving implementation problems, as well as on the availability of funds and any revisions in the overall program structure that A.I.D. may require.

7

Within 60 days following the estimated completion date of this Cooperative Agreement the Recipient shall submit five copies of the final report as indicated in the preceding paragraph. It should include: (1) an executive summary of the Cooperative Agreement's accomplishments or failings; (2) a description of the Cooperative Agreement activities from its inception; (3) significance of these activities; (4) comments and recommendations; (5) a fiscal report that describes in detail how the Cooperative Agreement funds were used.

E.2.(d) Evaluations

E.2.(d)(1) The project will be closely monitored on a continuing basis by the Project Office shown in the cover page of this Cooperative Agreement.

E.2.(d)(2) At the end of the first and second cooperative agreement years, the consortium will undertake an annual evaluation, augmented by AID-approved outside evaluators. The final evaluation at the end of the agreement will be conducted exclusively by AID-approved outside evaluators. Recipient shall cooperate fully with the assessment of partnership activities.

F. SUBSTANTIAL INVOLVEMENT UNDERSTANDINGS

A.I.D. will have a substantial involvement in the planning and implementation of the program funded through the cooperative agreement. The Recipient will be required to develop Yearly Work Plans, with the assistance of A.I.D. personnel. All work plans must be approved by the A.I.D. Project Officer in writing before significant technical assistance and training activities are begun. If requested in writing, A.I.D. may approve limited technical assistance and training while the Work Plan is being developed. The program will be jointly reviewed by A.I.D. and the Recipient each year before the anniversary of the award date of the cooperative agreement. Based on a review and evaluation of the program concepts, resources may be redirected, and new priorities set. Subgrants or subcontracts will be reviewed and approved by A.I.D. As required in the Standard Provisions to be included in the Cooperative Agreement, A.I.D. will also approve travel for program personnel.



G. INDIRECT COST RATES

Pursuant to the Standard Provision of this Cooperative Agreement entitled, "Negotiated Indirect Cost Rates - Provisional" (and, if applicable, "Negotiated Indirect Cost Rates - Predetermined" [see Section L. for applicability]), a rate or rates shall be established for each of the Recipient's accounting periods which apply to this Cooperative Agreement. Pending establishment of revised predetermined, provisional or final indirect cost rates for each of the Recipient's accounting periods which apply to this Cooperative Agreement, provisional payments on account of allowable indirect costs shall be made on the basis of the following negotiated provisional rate(s) applied to the base(s) which is (are) set forth below.

<u>Description</u>	<u>Rate</u>	<u>Base</u>	<u>Period</u>	<u>Type</u>
Overhead/G&A (Home Office/ On-Campus)	64%	<u>1/</u>	<u>1/</u>	<u>1/</u>

1/ Provisional indirect costs rates effective from 1/1/90 until amended. The base of application is direct long-term labor dollars plus applicable fringe benefits and short term (Consultant) labor dollars but excluding post differential.

H. TITLE TO PROPERTY

Title to property purchased by the Recipient under this Cooperative agreement shall be vested in the Recipient. The Standard Provision of this Cooperative Agreement entitled "Title to and Care of Property (Recipient Title)" applies. Disposition of property shall be in accordance with said Standard Provision.

I. PROCUREMENT AND (SUB) CONTRACTING

I.1. Authorized Geographic Code

All services shall have their nationality in the United States (A.I.D. Geographic Code 000) or the Cooperating Country (A.I.D. Geographic Code 183), except as A.I.D. may otherwise agree in writing. All goods/commodities shall have their source and origin in the United States (A.I.D. Geographic Code 000) or the Cooperating Country (A.I.D. Geographic Code 183), except as A.I.D. may otherwise agree in writing, in accordance with the Optional Standard Provision entitled, "A.I.D. Eligibility Rules

9

for Goods and Services (November 1985)". Requests for deviations to this requirement must include a full justification to be submitted to the Project Office indicated in the cover letter of this Cooperative Agreement. Approval of the Agreement Officer and the Project Office is required before procurement of this nature can be undertaken. Ocean shipping financed by A.I.D. under the program shall, except as A.I.D. may otherwise agree in writing, be financed only on flag vessels of the United States.

I.2. Local Cost Financing

Local cost financing is hereby authorized under this Grant, provided such financing falls within the legitimate needs of the Program Description of Attachment 2, and does not exceed the following limitations:

a. Procurement locally of items of U.S. origin up to a per transaction limit of the local currency equivalent of \$100,000.

b. Procurement locally of items of non-U.S. origin up to a per transaction limit of the local currency equivalent of \$5,000.

c. Commodities and services available only in the local economy (no specific per transaction value applies to this category). This category includes the following items:

(1) utilities - including fuel for heating and cooking, waste disposal and trash collection;

(2) communications - telephone, telex, fax, postal, and courier services;

(3) rental costs for housing and office space;

(4) petroleum, oils, and lubricants for operating vehicles and equipment;

(5) newspapers, periodicals, and books published in the cooperating country, and

(6) other commodities and services (and related expenses) that, by their nature or as a practical matter, can only be acquired, performed, or incurred in the cooperating country.

10

In cases where local cost procurements are expected to exceed the above limitations, and authorization for such procurement does not already exist in the Cooperative Agreement, the Recipient must obtain approval from the A.I.D. Agreement Officer prior to proceeding with the procurement.

Except as otherwise changed by the above limitations, the conditions of the Optional Standard Provision entitled Local Cost Financing (November 1988), hereby incorporated into this Cooperative Agreement, apply, including paragraphs (b), (c), (d), (e), and (f).

I.3. Procurement Cost Detail

Whenever feasible, the lead U.S. Recipient and/or its subgrantees will be responsible for purchasing the U.S. equipment and commodities required for the technical assistance components of the program. This equipment must be specifically and directly linked to the training programs undertaken under the various subcomponents. The prime Recipient will be responsible for providing more exact details and specifications of the commodities they propose to procure, including estimated costs of same, in their application to A.I.D.

I.4. Government Owned Organizations

A Government Owned Organization, i.e., a firm operated as a commercial company or other organization (including nonprofit organizations other than public educational institutions) which are wholly or partially owned by governments or agencies thereof, are not eligible as suppliers of goods and commodities, commodity-related services, or services (other than commodity-related services), except as the Grant Officer may otherwise agree in writing.

I.5. Travel

The standard provision entitled "Air Travel and Transportation" which requires advance notification of the Project Officer of the Recipient's travel intentions overseas, is required. The Recipient is also required to provide advance notification of intention to travel to the Embassy or A.I.D. Mission in the Cooperating Country.

All air travel and transportation under this agreement are required to be made on U.S. flag carriers to the extent service by such carriers is available.

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J. EMPLOYEE SALARIES

Except as the Agreement Officer may otherwise agree in writing, A.I.D. shall not be liable for reimbursing the Recipient for any costs allocable to the salary portion of direct compensation paid by the Recipient to its employees for personal services which exceed the highest salary level for a Foreign Service Officer, Class 1 (FS-1), as periodically amended.

K. CONSULTANT FEES

Compensation for consultants retained by the Recipient hereunder shall not exceed, without specific approval of the rate by the Agreement Officer: either the highest rate of annual compensation received by the consultant during any full year of the immediately preceding three years; or the maximum rate of a Foreign Service Officer, Class 1 (FS-1) (as periodically amended), whichever is less. A daily rate is derived by dividing the annual compensation by 2,087 and multiplying the result by 8.

L. EQUIPMENT PURCHASES - REQUIREMENT FOR APPROVAL

The Recipient shall obtain A.I.D. Agreement Officer approval for the following: Purchase of General Purpose Equipment, which is defined as an article of nonexpendable tangible personal property, the use of which is not limited only to research, medical, scientific, or other activities, e.g., office equipment and furnishings, air conditioning equipment, reproduction and other equipment, motor vehicles, and automatic data processing equipment, having a useful life of more than two years and an acquisition cost of \$500 or more per unit.

Purchase of Special Purpose Equipment, which is defined as an article of nonexpendable tangible personal property which is used only for research, medical, scientific or other technical activities, and which has a useful life of more than two years and an acquisition cost of \$1,000 or more per unit; and

Other Capital Expenditures, which is defined as the cost of the asset, including the cost to put it in place.

M. SPECIAL PROVISIONS

For the purposes of this Cooperative Agreement, references to "OMB Circular A-122" in the Standard Provisions of this Cooperative Agreement shall include the A.I.D. implementation of this Circular, as set forth in Subpart 731.7 of the A.I.D. Acquisition Regulations (AIDAR) (48 CFR Chapter 7).

N. ORDER OF PRECEDENCE

In the event of any inconsistencies in this Cooperative Agreement, they shall be resolved by applying the following descending order of precedence:

- Attachment 1 - Schedule  
Cover Letter
- Attachment 3 - Standard Provisions
- Attachment 2 - Program Description

O. STANDARD PROVISIONS

0.1. The Standard Provisions set forth as Attachment 3 of this Cooperative Agreement consist of the following Standard Provisions marked by an "X", which are attached hereto and made a part of this Cooperative Agreement:

0.2. MANDATORY STANDARD PROVISIONS FOR U.S.,  
NONGOVERNMENTAL GRANTEES

- ( X ) Allowable Costs (November 1985)
- ( X ) Accounting, Audit, and Records (January 1988)
- ( X ) Refunds (January 1988)
- ( X ) Revision of Grant Budget (November 1985)
- ( X ) Termination and Suspension (May 1986)
- ( X ) Disputes (November 1989)
- ( X ) Ineligible Countries (May 1986)
- ( X ) Debarment, Suspension, and Other Responsibility  
Matters (March 1989)
- ( X ) Nondiscrimination (May 1986)
- ( X ) U.S. Officials Not to Benefit (November 1985)
- ( X ) Nonliability (November 1985)
- ( X ) Amendment (November 1985)
- ( X ) Notices (November 1985)

0.3. OPTIONAL STANDARD PROVISIONS FOR U.S.,  
NONGOVERNMENTAL GRANTEEES

- ( ) Payment - Letter of Credit (November 1985)
- ( ) Payment - Periodic Advance (January 1988)
- ( X ) Payment - Cost Reimbursement (November 1985)
- ( X ) Air Travel and Transportation (November 1985)
- ( X ) Ocean Shipment of Goods (May 1986)
- ( X ) Procurement of Goods and Services (November 1985)
- ( X ) AID Eligibility Rules for Goods and Services  
(November 1985)
- ( X ) Subagreements (November 1985)
- ( X ) Local Cost Financing (November 1988)
- ( X ) Patent Rights (November 1985)
- ( X ) Publications (November 1985)
- ( X ) Negotiated Indirect Cost Rates - Provisional (May  
1986)
- ( X ) Regulations Governing Employees (November 1985)
- ( X ) Participant Training (May 1986)
- ( X ) Voluntary Population Planning (August 1986)
- ( X ) Protection of the Individual as a Research  
Subject (November 1985)
- ( ) Care of Laboratory Animals (November 1985)
- ( ) Government Furnished Excess Personal Property  
(November 1985)
- ( X ) Title To and Use of Property (Recipient Title)  
(November 1985)

- ( ) Title To and Care of Property (U.S. Government Title) (November 1985)
- ( ) Title To and Care of Property (Cooperating Country Title) (November 1985)
- ( ) Cost Sharing (Matching) (November 1985)
- ( X ) Use of Pouch Facilities (November 1985)
- ( X ) Conversion of United States Dollars to Local Currency (November 1985)

ATTACHMENT 2

PROGRAM DESCRIPTION

The Recipient's "Executive Summary," dated August 29, 1991 is hereby incorporated as attached as the Program Description of this Cooperative Agreement.

## EXECUTIVE SUMMARY

Agribusiness is extremely important to the future of Bulgaria. The nation is now engaged in efforts to radically restructure its economy and orient its production toward international export markets that can earn desperately needed hard currency, particularly to service its foreign debt and to modernize its plants and equipment.

The Bulgarian economy deteriorated sharply in 1990, with a sharp drop in imports and exports. Traditional trading relationships broke down, and domestic output declined 11 percent -- the second worst performance in Eastern Europe after East Germany. New reforms have been slow to take effect, and output during 1991 is expected to decline even further.

Agribusiness-related exports are seen as critical in generating hard currency foreign exchange and reversing the economic decline of 1990-1991. Formidable constraints to Bulgarian agribusiness development exist, including: a lack of hard currency, needed to import technology to modernize Bulgarian plant and equipment; a lack of working capital and export financing for individual business enterprises; a profound lack of market information on both domestic and international markets for agricultural products; and the slow pace of economic and political reforms.

The Consortium of The Pragma Corporation, Arizona State University (ASU/CAPS), Tri Valley Growers (TVG) and Sparks Companies, Inc. (SCI) will carry out an investment-focused program to assist Bulgarian agribusinesses in finding and developing profitable hard currency markets for their agricultural products. This will be accomplished through training, technical assistance and, where mutually desirable, through marketing relationships and joint ventures with U.S. agribusiness firms. The Consortium has already established contacts with virtually every sector of Bulgarian agribusiness, and maintains strong relationships throughout the U.S. agribusiness sector.

Technical assistance and training offered by the consortium through the Restructuring Agriculture and Agribusiness Private Sector Program (RAAPSP) includes: training in understanding and working with market economic forces and agribusiness enterprise management principles and techniques; technical assistance to producers and processors to meet international market specifications for form, quality and food safety; market research and marketing; assistance in negotiating fair and mutually beneficial business agreements with foreign buyers and potential joint venture partners; assistance in obtaining financing for the Bulgarian portion of joint ventures, as well as export financing for products sold through international marketing agreements.

During the first year of this project, the Consortium will concentrate on developing export markets for firms producing and processing fruits and vegetables. Tri Valley Growers, a U.S. cooperative with annual sales of more than \$750 million, has extensive experience in the production, processing and marketing of fruits and vegetables. TVG will assist in evaluating market opportunities, both export and domestic, for Bulgarian agricultural products and in assessing the readiness of current Bulgarian producers to meet the quality

specifications of export markets.

In addition to fruit and vegetable products, the Consortium will identify additional agribusiness export market opportunities for other Bulgarian products and selecting additional Bulgarian agribusiness firms to develop those markets. Possible additional areas to be explored with the help of U.S. firms assisting the Consortium include meat and dairy products, grape products including wines, baked goods and grains.

Pragma, an experienced international development and management firm, will be the Consortium Manager, responsible for logistics, program coordination and financial management.

Arizona State University's School of Agribusiness and Environmental Resources (SABER) and its Center for Agribusiness Policy Studies (CAPS), assisted by Pragma, will have primary responsibility for training Bulgarian agribusinesses in the theory and practice of agribusiness enterprise management, accounting, finance, accounting and marketing. CAPS will assist in securing financing for the in-country portion of any joint venture or other marketing arrangement.

Sparks Companies, Inc. (SCI) has an extensive global network that makes it the recognized leader in market intelligence, analysis and forecasting for agricultural products. SCI will play the lead role within the consortium for identifying market opportunities for Bulgarian agribusiness firms. SCI will also assist the ASU/CAPS team in training Bulgarian agribusiness leaders to identify and investigate potentially lucrative "niche" markets in which Bulgarian agribusiness producers and processors could have a competitive or comparative advantage.