PD-AB6-238

EVALUATION OF THE USDA-USAID RESTRUCTURING AGRICULTURE AND AGRIBUSINESS PROJECT

IQC Contract No. PDC-1046-I-00-0033-00
Delivery Order No. 26

Submitted to:
U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT
EUR/DR/FS
Washington, D.C.

Submitted by:
CHEMONICS INTERNATIONAL

CHEMONICS

Authors:
Stephen R. Sposato, AID/EUR/DR/FS
Thomas Pomeroy, USDA/FAS
Donald G. Brown, Chemonics
Harold Riley, Chemonics

June 6, 1993

EVALUATION OF THE RESTRUCTURING AGRICULTURE AND AGRIBUSINESS PROJECT

IQC Contract No. PDC-1046-I-00-0033-00
Delivery Order No. 26

Submitted to:
U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT
Washington, D.C.

Submitted by:
CHEMONICS INTERNATIONAL
2000 M Street N.W., Suite 200
Washington, D.C. 20036
(For-profit organization)

June 6, 1993

This proposal includes data that shall not be disclosed outside the Government and shall not be duplicated, used, or disclosed—in whole or in part—for any purpose other than to evaluate this proposal. If, however, a contract is awarded to this offeror as a result of—or in connection with—the submission of this data, the Government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract. This restriction does not limit the Government's right to use information contained in this proposal if it is obtained from another source without restriction. The data subject to this restriction includes all pages of this document.

PREFACE

This report presents the findings and recommendations of an evaluation team comprising Steven R. Sposato, AID/EUR/TR/FS; Thomas Pomeroy and Douglas Freeman, USDA/FAS; and, under contract PDC-1406-I-00-0033-00 between the U.S. Agency for International Development and Chemonics International, Harold Riley, agricultural marketing specialist, and Donald G. Brown, agricultural economist. This evaluation team assessed the efficiency and effectiveness of the interagency transfer between AID and USDA, funded under the Restructuring Agriculture and Agribusiness Project (180-0024), to assist in the establishment in Eastern Europe of government agencies essential to the good functioning of market economies. Between March 7th and 27th, 1993, the team visited five countries in Eastern Europe (Czech Republic, Slovakia, Hungary, Poland, and Bulgaria) to examine USDA activities supported under this program. Douglas Freeman, USDA/FAS, was on the team in the Czech Republic, Slovakia, and Hungary. Thomas Pomeroy, USDA/FAS, was on the team in Poland and Bulgaria.

Any evaluation covering so many countries and activities in such a short time could not succeed without support. The evaluation team appreciates the assistance, information, and cooperation of the USDA teams in the field. In particular, we would like to thank Weyland Beeghly, Agricultural Counselor/Poland and William Huth, Agricultural Counselor/Bulgaria for their special support. The team is also grateful for the useful guidance and counsel of Ambassador Simons in Poland and Ambassador Hill in Bulgaria.

TABLE OF CONTENTS

LIST OF ACRONYMS i

EXECUTIVE SUMMARY AND RECOMMENDATIONS iii

SECTION I BACKGROUND AND NEEDS ASSESSMENT 1

A. General Background 1
B. Poland 3
C. Bulgaria 6

SECTION II THE SEED ACT AND USDA ACTIVITY IN EASTERN EUROPE 9

SECTION III PROJECT EVALUATION 11

A. Extension Service 11
A1. Poland 11
A2. Bulgaria 18

B. Economic Research Service 20
B1. Poland 21
B2. Czech Republic and Slovakia 25
B3. Bulgaria 26
B4. Hungary 27

C. OICD/Applied Research 29
C1. Poland 29
C2. Bulgaria 30

D. Agricultural Marketing Service 31
D1. Background 31
D2. Integration into Host-country Plans 31
D3. Coordination with Other Donor Assistance 32
D4. Impact 32
D5. Planned Future Activities 32

E. National Agricultural Statistics Service 32
E1. Poland 32
E2. Bulgaria 34

F. Soil Conservation Service 35
F1. Background 35
F2. Integration into Host-country Plans 35

TABLE OF CONTENTS (CONTINUED)

F3. Coordination with Other Donor Assistance 35
F4. Impact 35

G. Economic Advisor (ERS) in Bulgarian Ministry of Agriculture
G1. Background 36
G2. Integration into Host-country Plans 36
G3. Coordination with Other Donor Assistance 36
G4. Program Management 36
G5. Impact 37
G6. Planned Future Activities 37

H. OICD/Agribusiness Marketing Seminars 38
H1. Background 38
H2. Integration into Host-country Plans 38
H3. Coordination with Other Donor Assistance 38
H4. Program Management 38
H5. Impact 38
H6. Planned Future Activities 39

I. Cochran Fellowship Program 40
I1. Background 40
I2. Impact 40

SECTION IV CONCLUSIONS AND RECOMMENDATIONS 40

A. Conclusions 41
B. Recommendations 41

ANNEX A FINANCIAL TABLES 42
ANNEX B SCOPE OF WORK
ANNEX C BIBLIOGRAPHY
ANNEX D LIST OF PEOPLE CONTACTED

LIST OF ACRONYMS

ACS	Agricultural Cooperative Service
AID	Agency for International Development
AMS	Agricultural Marketing Service
ARS	Agricultural Research Service
CDC	Citizens for Democracy Corps
CPF	Cochran Fellowship Program
CY	Calendar Year
EC	European Community
EEC	European Economic Community
ERS	Economic Research Service
FY	Fiscal Year
GDP	Gross Domestic Product
GNP	Gross National Product
GOB	Government of Bulgaria
GOP	Government of Poland
GPS	Global Positioning System
GUS	Polish Central Statistical Office (*Główny Urząd Statystyczny*)
IPM	Integrated Pest Management
KBN	Polish National Scientific Committee (*Komitet Badań Naukowych*)
MOA	Ministry of Agriculture
MOU	Memorandum of Understanding
NASS	National Agricultural Statistics Service
ODR	Polish Agricultural Advisory Centers (*Ośroclek Doradztwa Rolniczego*)
OICD	Office for International Cooperation and Development
PHARE	EEC Technical Assistance Program for Central Europe
RAA	Restructuring Agriculture and Agribusiness Project
S&O	Situation and Outlook
SCS	Soil Conservation Service
SEED	Support for Eastern European Democracies
TDY	Temporary Duty
U.S.	United States
USAID	United States Agency for International Development
USDA	United States Department of Agriculture
USG	United States Government
VOCA	Volunteers in Overseas Cooperative Assistance

EXECUTIVE SUMMARY AND RECOMMENDATIONS

A. Introduction

The reorientation and restructuring of the agricultural sector in Poland, Hungary, Czech Republic, Slovakia, and Bulgaria—the five Eastern European countries receiving assistance through the USDA/AID Restructuring Agriculture and Agribusiness project (RAA)—is moving forward at an uneven pace. The changes now occurring in these countries are profound. In a very short time, the agricultural economies of these countries have been turned upside down. Some, such as Poland, are doing well. Others, such as Bulgaria, have much more to do before the benefits of a market economy can affect most of the population. In all of these countries there are formidable obstacles to achieving the basic goal: internationally competitive agricultural sectors that can assure domestic consumers both a dependable supply of basic foodstuffs and a wider assortment of high quality, reasonably priced food products.

USDA activities funded under the RAA have successfully met the overall project objectives of assisting governmental agencies in these selected Eastern European countries to perform tasks necessary for the efficient and effective functioning of a market economy. In some cases, such as the extension activity in Poland, the project has met these objectives in an exceptional manner. The USDA programs are providing essential skills and resources at critical points within governmental structures to support the development of strong private sectors and market-based economies. Overall, the project has been cost-effective and timely in carrying out its operations, although some suggestions to increase cost-effectiveness could be considered (see below).

The programs established by USDA under the project have addressed major needs of the countries in important ways. The assistance activities undertaken have been in priority areas and, usually, they have received good government support. The exceptions include activities in Hungary, where the Economic Research Service (ERS)-supported situation and outlook report activities were canceled because of lack of host-country support. Another exception has been in the difficult yet essential area of agricultural research restructuring in Poland (see below). Post-project sustainability of the activities undertaken by USDA seems assured for all nonpilot activities. A mutual review of the operation of the pilot activities will decide whether they warrant continued support. It is too early to judge sustainability in the Bulgarian projects as they are just now beginning. Further, long-term host-country plans for agricultural services in Bulgaria have not been confirmed, leaving decisions on services and funding uncertain.

The USDA activities have been well coordinated with host-country priorities for restructuring and reorienting the agricultural sector. Furthermore, USDA activities are being adequately coordinated with assistance provided by other donors, though this coordination is an area of continuing concern. In a few cases, primarily in Bulgaria, potential conflicts in

donor activity were noted. However, given the early stages of these activities and, most importantly, the desire of field staff to coordinate activities, these potential conflicts may not materialize.

Programs in operation for several years (extension in Poland and ERS in Czech Republic, Slovakia, and Poland) have had measurable impacts. The short-term work on heavy metal contamination in Bulgaria also has had an important impact. The other activities are either of a pilot nature or, like most activities in Bulgaria, not yet fully underway.

While the bulk of the project's resources are directed toward governmental agencies (the agribusiness marketing seminars being the principal exception), many activities have had positive impacts on the private sector. Private sector examples include a business plan for a new private milk plant set up with extension service assistance, private investment decisions made using situation and outlook reports, and private slaughterhouses working with the Agricultural Marketing Service (AMS) in setting up grades and standards for pig carcasses. Private sector spin-offs related to the USDA activities (such as a private sector farmer information system) are being considered by private investors but little has occurred to date.

B. Findings

The following are summaries of the evaluation team's findings for each USDA activity under this program.

B1. Extension Service

B1a. Poland

The extension activity in Poland is the largest USDA program funded under RAA, and is extremely successful. The program is well integrated into host-country plans. It has strong government commitment and support, a very high caliber USDA staff and leadership, and excellent support from the Embassy and Agricultural Counselor's office. The program is having significant impact on the behavioral and institutional structure of the extension system in Poland. It is also benefitting the quality of information and services provided by the extension system, as well as the expansion and rationalization of investment in the agricultural sector.

B1b. Bulgaria

The extension program in Bulgaria is just starting. Conditions in Bulgaria for development of an extension system are considerably different from those in Poland. Efforts to develop an extension program in Bulgaria face significant obstacles.

B2. Economic Research Service

The Economic Research Service (ERS) has been working to establish situation and outlook (S&O) analyses and related activities in four Eastern European countries.

B2a. Poland

Poland has the largest ERS activity. ERS assistance is well received and viewed with enthusiasm within the Ministry of Agriculture. With their Polish counterparts, ERS has successfully established an S&O reporting structure for nine commodities. The biannual S&O reports have had a major impact, particularly at senior levels in the government. While successful as a policy tool within the GOP, S&O information is not suitable for direct transmission to farmers. More rapid means of digesting, divulging, and reporting information would make it more accessible for farmers as well. Some workshops have also been given by ERS on economic and market principles and operations. While appreciated, these workshops are of a lower priority to government officials and technicians than the S&O work. ERS is beginning a program of staff analysis in support of policy making, an effort strongly supported by the government. A new department has been established in the Ministry of Agriculture for the S&O and staff analysis activities.

B2b. Czech Republic and Slovakia

ERS has helped establish S&O reports on two commodities and has held related workshops in both countries. With only two published reports, both countries have had limited experience with the S&O activity. Nevertheless, there is strong support for the S&O work from both governments. The workshops, however, have been less successful.

B2c. Bulgaria

The ERS program in Bulgaria is just getting underway. At least three commodities are anticipated for S&O reporting activities. The European Economic Community's Technical Assistance Program for Eastern Europe (PHARE) program is also working in this area, and coordination is a consideration.

B2d. Hungary

The S&O program in Hungary was ended due to lack of host-country support. Several workshops were given before the program was stopped. The workshops had limited impact.

B3. Office for International Cooperation and Development/Applied Research

B3a. Poland

OICD has been working with the Polish government to restructure agricultural research, primarily in terms of developing appropriate priorities for research funding. While some advances have been made in this area, which is critical for Poland's agricultural development, continuing bureaucratic differences within the government have blocked further progress and have resulted in the discontinuation of this activity until the differences can be resolved. A second activity, scientific exchanges related to the development of integrated pest management (IPM) technique, is continuing.

B3b. Bulgaria

The Agricultural Research Service (ARS) has to date successfully completed assistance in addressing public health concerns related to heavy metal contamination in an area of irrigated agriculture.

B4. Agricultural Marketing Service

In Poland, the AMS is carrying out a pilot program of assistance with market news and improving grades and standards of agricultural commodities, initially working on hogs. While not completed, the work is progressing satisfactorily and significant impacts are anticipated.

B5. National Agricultural Statistics Service

In Poland, NASS is working with the Central Statistical Office to do a pilot activity on the introduction of sample-based data collection. This activity, still ongoing, is being successfully carried out. In Bulgaria, NASS is also working with the National Statistical Institute on a pilot activity demonstrating sample-based data collection techniques. The activity is being successfully implemented.

B6. Soil Conservation Service

In Bulgaria the SCS has a modest program to help the Ministry of Agriculture on a soil survey (inventory) related to a massive land restitution program. The work is well executed and could have significant impact on the land reform effort.

B7. Economic Advisor (ERS) in Bulgarian Ministry of Agriculture

For one year the project funded an economic advisor in the Bulgarian Ministry of Agriculture. The project started badly, but now that initial difficulties have been overcome, the advisor, now fully funded by USDA, is well placed to have influence on agricultural policy in the country. Discussion of policy recommendations among the economic advisor, USAID, and the US Country Team is essential if the USG is to develop consistent and informed policy advice on assistance policy related questions. Two new European Community advisors to the Minister may present a coordination problem.

B8. OICD/Agribusiness Marketing Seminars

These seminars have been given in Hungary, Czech Republic, and Slovakia. The seminars are also scheduled to be given in Poland and Bulgaria. With the exception of Hungary (and possibly Poland) where there is a dynamic private agribusiness sector, these seminars appear to have limited impact on the countries' export capabilities.

C. Recommendations

The evaluation team made the following recommendations (Detailed recommendations are given in Section IV., Conclusions and Recommendations):

1. USDA should continue to focus activities on needs of the host countries in areas where host governments are willing to provide effective cooperation and counterparts.
2. Within each country, coordination of USDA activities needs continued attention.
3. Coordination with other donors' programs remains a high priority.
4. ERS should improve information flow to USAID.
5. Within well focused programs, ERS should expand briefings and support to its trainers in situation and outlook work.
6. ERS should reexamine the focus of workshops.
7. Use of local currency for dollar costs in Poland should be reviewed.
8. OICD's work on restructuring the Polish agricultural research system should be reviewed in terms of appropriateness for continued support.
9. OICD should review the appropriateness and focus of continued agribusiness marketing seminars.

10. Recommendations on funding:

    a. Czech Republic and Slovakia: $200,000 in FY 1993 for ERS and NASS.
    b. Poland: $1.5 million for FY 1994 and for an FY 1995 extension.
    c. Poland: FY 1994 funding to ERS for Staff Analysis.
    d. Poland and Bulgaria: Sympathetic consideration for FY 1994 NASS and AMS proposals.
    e. Poland: OICD work on restructuring research should continue only if Poland demonstrates ability to set priorities.
    f. Bulgaria: FY 1994 funding for the program should continue, provided reform continues.
    g. Bulgaria: $50,000 in FY 1993 for ERS (land markets, valuation, fair taxation).

SECTION I. BACKGROUND AND NEEDS ASSESSMENT

A. General Background

The reorientation and restructuring of the agricultural sectors in Eastern European countries receiving assistance through the USDA/AID Restructuring Agriculture and Agribusiness project (RAA) is moving forward at an uneven pace. Poland, Hungary, and the Czech Republic are further along in the transition to market-based economic systems than are Bulgaria and the newly established Slovak Republic. In all countries there are formidable obstacles to achieving the basic long-term goal: an internationally competitive agricultural sector that assures domestic consumers both a dependable supply of basic foodstuffs and a wider assortment of higher quality, reasonably priced food products.

The scope and complexity of transforming the centrally administered, highly subsidized, and structurally distorted agricultural sector is unprecedented. RAA-assisted countries were part of a region controlled by the USSR for more than 45 years. The break-up of the USSR in late 1991, the resulting disruptions of commodity flows within the USSR-COMECON area, and the general long-term economic-political reform being undertaken have caused enormous changes. There are few tested guidelines on how to transform centrally managed economies to ones driven by market forces within emerging but still fragile democratic political systems. The "Big Bang" approach to economic reform initiated in Poland and adopted in principle in other former Soviet Bloc countries is a bold experiment that will continue to play out for a number of years (at least two decades).

In the global realignment of trading and political relationships, Eastern European countries see their future as linked closely with Western Europe within the framework of an enlarged European Community (EC). Five countries—Hungary, the Czech Republic, Poland, Bulgaria, and Slovakia—have reached accession agreements with the EC; Romania is still negotiating. While the year 2000 has been targeted for full membership, in the case of Bulgaria and Romania this will be exceedingly difficult. Meanwhile, their longer-term economic and political alignments remain uncertain because of the major reforms yet to be instituted in the former USSR.

It is useful to remember that only four years have elapsed since Eastern European countries were freed from Soviet rule. Rapid political and economic changes have occurred, more in some countries than in others. Rudimentary open and democratic political systems are being developed with parliamentary bodies comprising representatives from many different political parties and special interest groups. These legislative bodies and newly formed administrative units are struggling to address an agricultural policy agenda that includes, at a minimum, the following issues:

- Liberalization of commodity prices and the elimination of subsidies.
- Restitution and redistribution of agricultural land and capital to private hands.

- Privatization of state-owned enterprises.
- Design of a legal system for protecting property rights including enforcement of contracts and provisions for bankruptcies.
- Development of a banking system serving the agricultural-agribusiness sector.
- Service and regulatory activities supporting the development and operation of an efficient and progressive private sector.

Within Eastern Europe the actual introduction of free market attributes such as market pricing, more open borders, and increased freedom of enterprise entry and exit have moved forward in an environment fraught with uncertainties. The legal and institutional structures necessary for a well functioning market economy are still in the early stages of development. Private sector output as a percent of GNP has grown in most countries as enterprise privatization has progressed in retailing, transportation, and areas where small businesses predominate. Management changes have occurred among large state-owned enterprises, (e.g., large food processing enterprises) but full privatization is moving ahead slowly. Consequently, there is concern over the monopoly-oligopoly power which these large enterprises still exercise in the agricultural product markets. Meanwhile at the macroeconomic level, it is reported that total industrial production declined between 1989 and 1992 by an estimated 32 percent in Poland and Hungary, and by more than 50 percent in Bulgaria. Associated with these output declines have been sharp increases in unemployment and a widespread reduction in real purchasing power exacerbated by high levels of inflation.

Gross agricultural production in the region declined about five percent in 1991 compared to 1990. Grain production was holding up better than livestock and oilseeds when compared with their 1986-1990 levels. However, the main problem for most countries is over production in relation to total market demand, which has declined sharply because of reduced consumer incomes and greater competition in international markets. Loss of the Russian market, which had absorbed a large quantity of processed goods, was a major problem for most of these countries, particularly since many of these goods could not meet quality standards of Western markets. Commodity surpluses, weak product prices, and much higher input prices have been depressing farm incomes. This depression of farm income in turn put pressure on governments to support product prices through direct market interventions, to provide subsidized credit and to restrict imports by imposing tariffs and import bans.

A severe drought in the summer of 1992 reduced grain harvests by more than one-third from 1991 levels in Poland, Czechoslovakia, Hungary, and Romania. Producers in all four countries continue to make substantial reductions in livestock inventories as they respond to declining consumer demand and the reduced supplies of higher priced feeds. There is also growing evidence that farmers are adjusting livestock rations and their use of crop production inputs, such as fertilizer, in response to the abrupt changes in relative prices of inputs and outputs resulting from market price liberalization and elimination of most subsidies. Input shortages and the lack of credit are also reducing input use.

Wide market price fluctuations will continue to occur in response to shocks that affect the supply and demand conditions for major commodities. The lack of timely and accurate

agricultural production estimates, crop and livestock condition reports, market-price information, and changing government policies contribute to market uncertainty and volatility in prices.

B. Poland

Poland is the largest country in Eastern Europe, with a population of almost 40 million and a land area of 75 million acres (about the size of Arizona). The estimated 1992 GDP per person was $1895 as compared with $3446 in Hungary, $2550 in the Czech Republic, $1820 in Slovakia, and $815 in Bulgaria. (Ref: *The Economist*, March 13-19, 1993).

Forty percent of Poland's population is rural, dispersed among 42,000 villages in more than 2,100 counties. In contrast to the situation in other Eastern European countries, most farms in Poland were never collectivized: only 23 percent of the land area was converted into state or cooperative farms.

The average size of the private farm is about six hectares (15 acres). One fourth of the farms are less than two hectares in size, while one-fifth are larger than ten hectares. These small farms are cultivated intensively; however, many households depend upon nonfarm employment as a source of additional income.

The structure and organization of the Polish rural sector has been an important element of relative social and economic stability during the early stages of the transition to a market-based economy. Incomes from farming activities fell sharply as prices were liberalized, subsidies were largely eliminated, and foreign imports were allowed to enter the domestic market. The small farmers who owned their land, buildings, and equipment have been able to survive better than most urban residents. Meanwhile, steps are being taken to privatize the state and cooperative farms. These steps open opportunities for new private farms or the enlargement of some existing farming units.

The agricultural debate in Poland continues to focus on the perceived suboptimal size of most farms and the possibilities for the gradual emergence of larger units as aging farm operators retire and younger farmers enlarge their units by leasing or ownership transfers. But such a land consolidation process will depend upon growth of nonfarm employment, development of land market institutions, and long-term financing.

Poland lies entirely above the 50th parallel, so the growing season is short and cool. The major crops are grains (rye, wheat, barley and oats); potatoes; sugar beets; forage crops; and rapeseed. Grain yields, low compared with the European Community, reflect in part the low fertility of most of the land. Livestock production (dairy, pork, poultry) provides a major source of farm income and uses available feedstuffs and labor.

Under Communist rule, Poland's private farmers suffered from policies to centrally direct choice of inputs and limited market opportunities. They also faced a monopsonistic purchasing system for their products. They did, however, receive guaranteed prices, and

they could be sure that their products would be bought. High product prices during periods in which the Communist government sought to encourage food production to placate urban discontent resulted in periods of relatively high income for Polish farmers. Levels of mechanization and rural conditions are consequently somewhat advantaged, by East European standards.

Poland's transition to a market economy, beginning in August 1989, freed most producer and consumer prices and froze subsidy levels. Rapid inflation followed. A comprehensive stabilization program begun in January 1990 removed remaining subsidies and price controls, established strict monetary and fiscal controls, and liberalized trade, including internal currency convertibility. The program slowed inflation, but agriculture suffered a cost-price squeeze. This pressured the government to put in place several programs to support agriculture. The Parliament established the Agency for Agricultural Markets to carry out intervention purchasing. The Agency purchased wheat and sugar in 1990, which it exported at a loss. Intervention purchases of wheat, rye, pork and butter were made in 1991. The government also provided subsidized credit to farmers to purchase fertilizer, land, breeding stock, and plant protection agents. In addition, an Office for the Restructuring of the Dairy Industry was created in the Ministry of Agriculture to provide preferential credit to support modernization, improve marketing, and promote new dairy products.

Trade liberalization was a major component of Poland's stabilization program. Initially almost all controls on imports were eliminated and tariffs were set at a nominal level. Removal of controls unleashed a flood of imports from the West. Many were more attractive and cheaper than available Polish products. The EC took advantage of this new opportunity to dump some of its intervention stocks at subsidized prices below Polish production costs. Grant shipments of U.S. food surpluses may also have depressed local prices while helping consumers. Polish exports were also hurt by the collapse of Soviet markets and continued EC barriers against Polish products. Farmer complaints pressured the Government to raise tariffs and to require permits for the import of milk and dairy products.

A new Ministry of Ownership Transformation was established in 1990 to oversee the conversion of state property to private ownership. The government aims to privatize 80 percent of its primarily state-run economy by 1996. To date about 5.7 percent of industrial activity has been shifted from state to private hands. Most of the privatized enterprises have been commercial, i.e. restaurant and service-type operations. More change has occurred in the areas of agricultural input supply, processing, and retailing than has occurred in land ownership. Some of the largest state monopolies have been broken into regional and smaller independent enterprises, but they are yet to be fully privatized.

Because of the reform measures taken to date, most Polish farmers have been faced with significantly lower real producer level prices, and they no longer have a guaranteed market for their products. There are still few alternative market channels other than the state-owned processing and distribution enterprises which have monopsonistic positions in the commodity markets. Several new smaller-scale processing enterprises are being established in the meat and milk subsectors. Private middlemen are also emerging in the assembly,

wholesaling, and retailing segments of the food chain. Nevertheless, the private share of the market at the commodity assembly and processing levels is still small. Farmers find it difficult to take advantage of the limited competition that exists. Prices reportedly vary widely among neighboring districts. Farmers and even traders and processors still do not have access to reliable and timely market information that would facilitate effective market competition. Therefore, the markets lack the transparency that characterizes well developed markets.

The Polish people and their representative government have made substantial progress on the long road toward their goal of creating a well functioning market-based economy. The agricultural-agribusiness sector is playing a vital role in this process. Urban households spend about one-half of their reduced real incomes for food. One-fourth of the labor force is engaged in farming and another sizeable percentage of the labor force is engaged in the manufacture and distribution of farm inputs, and the assembly, storage, transporting, processing and distribution of agricultural products.

Some problems and priority needs for furthering development of an efficient and progressive Polish agricultural sector have been touched upon in this paper. Priority needs as seen by the evaluation team are briefly summarized as follows:

- **Consumer and Market Orientation.** The most fundamental change in the transformation of a centrally administered to a market-based food system is the reorientation of all productive activities to better satisfy existing and potential consumer demands for wider variety and improved quality of food products. The process of changing perspectives is well launched in Poland but a great deal remains to be done. In the agricultural food sector, fundamental changes must occur at all levels, from the highest levels of policy making to the decisions taken by farmers in planning their production and marketing activities. This is essentially a task of education across the entire economic system.

- **Market Information.** There is both a short-term and longer-term programmatic need to expand and improve the quality of timely information concerning commodity prices, production, stocks, and current happenings in both domestic and international markets. Reliable, cost-effective agricultural statistical services are also a priority need.

- **New Marketing Institutions.** Under a command market system there was no need for institutional arrangements to facilitate low-cost, low risk procedures for negotiating and completing market transactions. The available evidence suggests that there is a real need for new marketing institutions where the forces of supply and demand can operate effectively. Conventional marketplaces such as commodity exchanges, livestock auctions, and produce markets are being introduced, but to function effectively these types of markets must be undergirded by a legal system that protects property rights in commodities and provides for enforcement of contracts with appropriate

mechanisms for dispute settlement. Appropriate grades and standards are also essential to the development of efficient commodity markets. Work underway to meet this need must be continued to facilitate forward contracting and overall market coordination.

Comprehensive assessments of market organization alternatives for each of the major commodity subsectors centered on the processing industries is a high priority activity which can support policy decisions, private investments, and related institutional innovations.

- **Agricultural Extension and Research.** Remarkable progress has already been achieved in the reorganization and reorientation of a national agricultural extension service. This reorganization and staff training activity should continue. Emphasis on business planning will need to be accompanied by management training to address the economics of input use, and further work on marketing strategies and practices. Extension assistance should also involve agribusinesses and concurrent linkages with vocational schools and agricultural universities. Some of these program linkages are being developed and tested.

  The agricultural research system remains relatively unchanged. Reorientation toward applied problem solving research topics seems highly desirable given the major restructuring now occurring in the agricultural-agribusiness sector. The restructuring of the research system has not yet taken place, although considerable study of alternatives for prioritizing and funding research has been done. This is a high priority area for follow-up action within the Polish political-administrative system.

- **Policy Analysis.** The Ministry of Agriculture and Food Economy is a small administrative unit with very little institutionalized capacity for analyzing major policy issues. The complexity of the problems confronting the Ministry and related units, such as the Agency for Agricultural Markets, has led to a decision to create a policy analysis activity within the Ministry. This is a new initiative that merits technical collaboration in the training of staff.

C. Bulgaria

Bulgaria is a small country of 8.5 million people tucked away in the southeast corner of Eastern Europe. It borders Romania to the north, Turkey and Greece to the south, Yugoslavia to the west, and the Black Sea to the east. Two mountain ranges and two major rivers divide the country, giving rise to a varied agriculture which includes major crop-livestock producing areas and commercial fruit and vegetable areas. Wheat, corn, and barley are planted on over 50 percent of the arable land. Other crops include sugar beets, potatoes, sunflowers, tobacco, and forage for livestock. Deciduous fruits and grapes are the main horticultural crops.

Bulgaria is a poor country, with a per capita GDP of $815 (1992 estimate) compared with $1895 in Poland, $2550 in the Czech Republic, !zd $610 in Romania. Roughly 20 percent of the nation's work force is employed in labor-intensive agriculture. Poor living conditions in rural areas have resulted in migration of youth to the cities, leaving predominantly older workers to do the farming.

Bulgaria was one of the most socialized of the Eastern European countries. Following World War II, 84 percent of the land was collectivized into large cooperative farms. Only 16 percent of Bulgarian land was allotted for private use (not ownership) in plots of one to two acres. In the early 1970s, Bulgaria's state and cooperative farms were consolidated into huge agroindustrial complexes, averaging 24,000 acres with several thousand workers. Beginning in 1986 these large complexes were gradually broken into smaller regional components. Meanwhile, large state enterprises continued to operate processing plants.

After a slow start, Bulgaria has accelerated efforts toward its goal of creating a decentralized, market-based agricultural sector. The Government of Bulgaria (GOB) has carried out macroeconomic reforms patterned after those in other Eastern European countries, but has wavered about making full commitments to price liberalization, demonopolizing, and privatization of state enterprises.

The Government introduced price reform measures in 1990, but direct controls accounting for 70 percent of sales still applied to products. Broad price liberalization did not occur until February 1991, but the government has continued to intervene in commodity markets to ease the adjustments that have adversely affected both producers and consumers.

The country has undergone a severe recession, with real incomes reportedly dropping 64 percent, while food and nonfood prices rose over 400 percent. Government policies held nominal wage increases to only 78 percent. This put downward pressures on the demand for food, especially meat and dairy products. When subsidies to farmers were cut significantly, agricultural lobbies obtained some concessionary relief.

Bulgaria has usually been a net agricultural exporter, but export earnings dropped sharply during the 1980s. Roughly 70 percent of trade was with the Soviet Union and Eastern Europe and another 20 percent was with the European Community. The Government removed the monopoly status of foreign trade enterprises in 1990, allowing private companies to engage in trade. Most nontariff barriers were eliminated in 1991. Export taxes, licensing requirements, and temporary export prohibitions, however, have been used to protect domestic interests.

The most challenging obstacles to the transformation of the agricultural sector continue to be land reform and demonopolizing the agricultural processing industries. The main purpose of the Agricultural Land Ownership and Use law is to return land to the original owners or their heirs. Land ownership is limited to 30 hectares. Municipal committees are under great pressure to complete the processing of applicant claims for land. Lands will also be granted to selected individuals who would like to return to agriculture.

Collectively-owned farm assets are also being redistributed. The entire process of land restitution has proven to be highly complex, leading to delays and a great deal of uncertainty about the actual operational use of the land once the temporary ownership certificates have been distributed. During the past two years some large fruit orchards and grape vineyards have not been pruned and properly cared for, and production has dropped sharply. It is anticipated that individual plot owners may decide to organize themselves into producer associations with a structure that will manage production and marketing activities in the new "open market system." During this transition period, those who do not choose to engage in farming will be seeking institutional arrangements for leasing out their land or eventually selling their plots, as land markets are established. Individuals receiving several scattered small plots of land will likely seek ways to consolidate and enlarge their holdings through land market transactions. These activities may take several years. Meanwhile, there is genuine concern that agricultural production will lag, that farmer incomes will remain low, and that most products will have a difficult time competing in international markets.

The continued dominant market position of large state-owned food processing enterprises hampers progress toward the achievement of a competitive, cost efficient and progressive marketing system. Demonopolizing began in 1990 and accelerated in 1991, when the law for the Protection of Competition was passed. Procedures for privatization of these state-owned enterprises have been developed, but actual privatization is moving slowly. Meanwhile, the Government is attempting to put pressure on the pricing policies of the large processing units.

The restructuring and reorientation of the Bulgarian agricultural sector is a formidable undertaking that can only succeed if there is a well-conceived strategy supported by strong will among political leaders. Both strategy and leaders must be supported by open democratic involvement of the people. The elements of a strategy are in the mainstream of policy making and in the actions being taken by the Ministry for Agricultural Development, Land Use, and Land Restitution. However, continual changes in the leadership of the Ministry contribute to an unstable policy environment.

A 1992 draft report prepared by a joint PHARE/World Bank Task Force stated: "The main elements of a sound reform strategy are already in place, based upon restoration of private property rights and greater reliance on market mechanisms." But the report also calls attention to major implementation problems which have led to political compromises that threaten to undermine the reform program. The PHARE/World Bank team recommended four actions to reinforce the medium-term strategy for agriculture:

1. Simplify and expedite the establishment of property rights in agriculture and the food chain.
2. Complete the liberalization of prices and trade.
3. Promote a sustainable finance and credit system.
4. Stimulate institutional support for a commercially viable agriculture.

SECTION II. THE SEED ACT AND USDA ACTIVITY IN EASTERN EUROPE

The Support for Eastern European Democracies (SEED) Act was passed by Congress in 1989 to provide economic support to the emerging democracies in Eastern Europe. Under this legislation, AID developed the Restructuring Agriculture and Agribusiness (RAA) project to increase the efficiency and effectiveness of the agricultural sector. Efficiency and effectiveness were to be achieved by strengthening the capacity of the private sector and governments to operate in an open market agricultural system. Under RAA, an interagency transfer was made from AID to USDA to fund East European government activities essential to the good functioning of a market economy. The broad project goal, consistent with AID's "Action Plan" for Eastern Europe, is to assist in economic restructuring of East European economies and in furthering democratic reforms. Implementation of the SEED Act program by USDA has been structured to make good use of USDA capabilities and special expertise. Needs of the host countries have been assessed with a view to their amenability to impact by USDA resources. Together, officials from host countries, USDA, USAID, and the U.S. Embassy have contributed to defining program goals and objectives.

At first, it appeared that a wide range of countries would be targeted, including Poland, Bulgaria, Czechoslovakia, Hungary, and Albania. Assessment teams were sent to all these countries by several USDA agencies. Funding under RAA, however, was cut from $6 million the first year to $4.6 million the second year, and to $3 million the third year. The scope of the program had to be cut back.

USDA had originally proposed increasing the budget to $14.2 million the second year. When it became clear that funding would be cut rather than increased, many activities for which field assessments had already been conducted—Extension Service and National Agricultural Statistics Service (NASS) in Hungary, Extension Services and Economic Research Service (ERS) in Albania, and Agricultural Cooperative Service (ACS) in Poland—were abandoned. Alternate funding (Emerging Democracies) was found within USDA for the $500,000 Cochran regional training program and a few other technical assistance programs linked to improving U.S. export prospects.

Other program modifications were made to adapt to reduced funding levels. Disbursements in Czechoslovakia on ERS training were paced in recognition that while no new funding would be available, there was a desire to continue for a long enough time to have some lasting effect on the highly motivated Czech and Slovak counterparts. Efforts which were only partially successful in Hungary were abandoned, and money was transferred to Czechoslovakia.

In Bulgaria, in spite of strong support from the Embassy for the agriculture sector, the integrated USDA program was late in starting. This was largely due to analytical differences on the focus of the program. The fact that the Bulgarian government had great difficulty establishing priorities and the lack of organizational structures for reform were also major factors.

The USDA sent several assessment teams to Bulgaria. One was a team with two Assistant Secretaries (December 1991). Another was a visit by an Undersecretary (May 1992) to try to establish a focused and effective program. Interdisciplinary teams were sent out in March 1992 to two locations to work with farmers and two research institutes during the planting season. Each team included an extension specialist familiar with farm management issues; a soils, productivity, and environment specialist; and a private farmer. USDA intended to follow up with similar teams during the Fall 1992 harvest season. The second group of team visits was canceled because of disagreements about the focus.

In early CY 1992, AID advised USDA that the budget for the second year of USDA's program for all of Eastern Europe would be cut to $4 million. USDA advised AID that at this budgeting level it could continue efforts begun in Poland, but could not implement effective programs in Bulgaria or other countries. The U.S. Embassy expressed a desire for a program in Bulgaria and AID agreed to add $600,000 to the budget, providing that USDA would agree to transfer to Bulgaria $250,000 of funding previously programmed for the Agricultural Cooperative Service work in Poland. This created a program of $1 million for Bulgaria. This amount, USDA advised, was the absolute minimum level of funding for a workable program. Based on this funding level, in early 1992 USDA agencies agreed after lengthy discussions to a more focused program. RAA-funded programs would be complemented by modest programs with fruit and vegetable processors already begun with funding from the Emerging Democracies program. These ideas were accepted by AID and by the Embassy. After further discussions on program details, funding was finally made available in September 1992.

SECTION III. PROJECT EVALUATION

The SEED Act-funded AID Restructuring Agriculture and Agribusiness project supports five countries and six services of USDA (see Table 1 on page 13). To give a clear view of this multifaceted project, this evaluation report discusses USDA service activities in each country visited.

A. Extension Service

A1. Poland

A1a. Background

At $1,500,000 per year, extension in Poland is the largest of the USDA assistance programs funded under the RAA. Three times that amount (equivalent to the planned three-year dollar funding) is available in local currency resources to support this program. Activities in Poland began even before the availability of SEED Act funding with the signing of a statement of intent by Secretary Yeutter and his Polish counterparts in December 1989. Through the statement of intent and its later iterations, the two sides selected three primary areas of potential focus for U.S. assistance to Poland: research and extension, marketing and internal trade, and rural infrastructure. USDA used RAA allocations to focus on the first two of these three areas. In February 1990, using USDA's own funding, a team of U.S. experts combined with a prestigious team of Polish counterparts assessed the situation in detail. These teams made specific recommendations on what U.S. assistance was to be considered. Within a few months of initial discussions, a senior extension advisor from the U.S. was assigned to the Ministry of Agriculture. He helped conceptualize the necessary steps to put in place an affordable and sustainable extension service directed to farmers' needs. A series of difficult decisions was taken by the Polish government to shrink and revamp existing agricultural services in the countryside. They dissociated these services from production and provision of agricultural inputs and replaced the top managers of these organizations (see details below).. The stage was set to build an effective service.

Beginning in the spring of 1991, five two-person teams were sent to regional extension centers. An expatriate advisor/coordinator was named and offices were established in Warsaw. Teams focused on two areas: adaptation to a market economy, and giving Polish agricultural specialists practical training in a variety of areas ranging from 4-H to agri-tourism. Adaptation to market economies was a top priority concern named by the initial advisory review. U.S. extension agents train counterparts in the preparation of farm accounts and business plans to deal with varying market conditions.

A1b. Integration into Host-country Plans

The extension assistance to Poland is a textbook example of a well prepared

development program. The host country was motivated from the beginning to make the decisions necessary to build the foundations of a sustainable and effective service. Needs were well defined, as was the role of the assisting country in meeting those needs.

A1c. Coordination with Other Donor Assistance

Among donors, the United States is providing the most assistance to the Polish extension service. While other donors are active, their assistance is usually complementary, focusing on other functional aspects of extension for the most part based in Warsaw. Unlike Warsaw-based activities, field assistance does not usually run the risk of overwhelming the recipient government office's time and resources.

A1d. Program Management

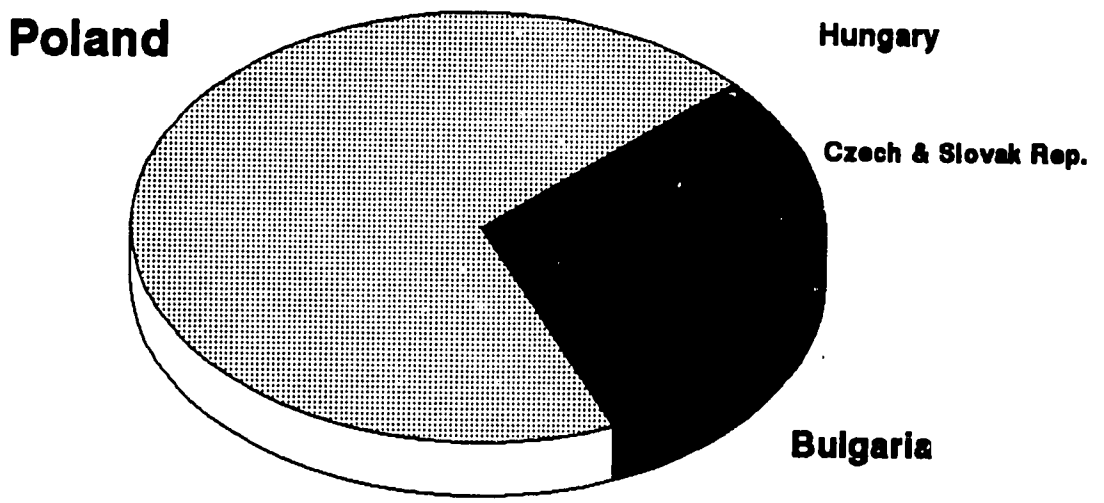
USDA's main program in Poland began three years ago. As previously described, top officials of the Department of Agriculture met with Polish officials and developed a work plan in late 1990. The Extension Service moved quickly and boldly, even before full funding and approval was obtained from AID and the U.S. Embassy, to begin programs based on a promise of minimum financial support from a USDA Undersecretary and a hope of more substantial funding from AID. Polish officials were skeptical that USDA would act as fast as promised, but challenged USDA to meet the timetable proposed. The Extension Service's bold and rapid action led to the establishment of an effective program. AID followed up with substantial funding for a three-year program and largely fulfilled the funding as promised (originally intended as $1.5 million for three years, maintained for two years, and cut in the third year to $1 million). By early 1993, extension had placed three advisors in the Ministry of Agriculture and had fielded two-person teams staying six months each in 19 of the 49 regional extension centers. The decision to limit the teams' stay to six months was necessary because of budgetary limitations. It turned out that the six-month period was adequate and perhaps ideal in terms of quality of personnel obtainable, urgency of getting on with the task, and effectiveness of training Polish counterparts. It should be noted, however, that several members of these teams have requested second and even third assignments. The program was supplemented with 45,000,000 zlotys ($4.7 million) of food aid proceeds jointly controlled by Polish and American authorities. Also, substantial local support was given to USDA, including from regional governors, who had budgets somewhat independent of the national budget.

Despite instability within the Ministry of Agriculture, Poland has provided good counterparts and budgetary support. There have been four Ministers of Agriculture since 1990, and the controversy generated by decisions needed to reform the extension structure forced the principal reform proponent to switch jobs. Nevertheless her policies were successfully implemented and support has been continuous. USDA has managed to provide very high quality staff from its domestic extension service and the State Cooperative Extension System. This staff worked with their Polish counterparts to train them in marketing and information systems, and to help them in the ongoing task of designing their own extension service.

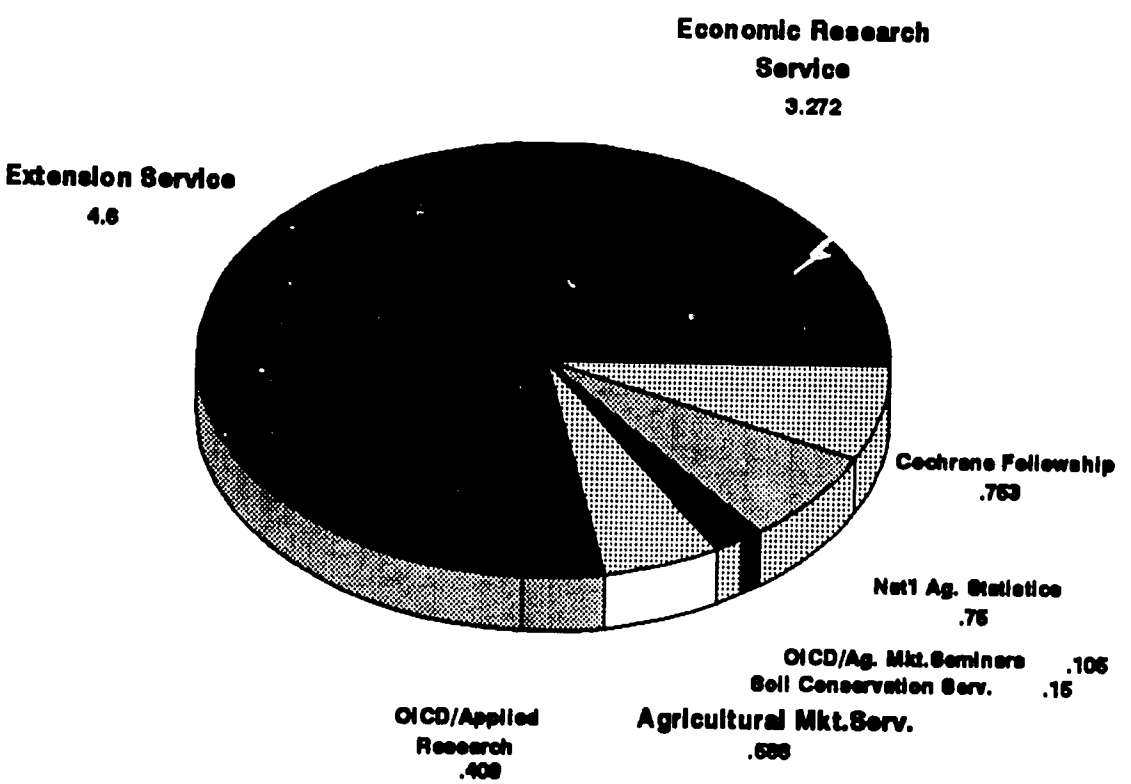
Table 1. USDA Activities Funded Under the Seed Act
(Dollar figures on funding for FY 91 - 93)

Program	Czech Republic & Slovakia	Hungary	Poland	Bulgaria
Economic Research Service	2 S&O commodity reports, workshops $620,000	Program ended due to lack of HC support. 1 S&O report done $354,000	9 S&O commodity reports, workshops, staff analysis, counterpart training in US $1,749,000	3 S&O commodity reports planned, 2 yr. econ advisor $549,000
Extension Service			19 2-person teams working in ODRs $4,000,000	3 teams in preparation for pilot activity $600,000
OICD/Applied Agricultural Research			1 person working on ag research reorganization, counterpart training in US, IPM exchange $235,950	Team did work on heavy metal contamination $173,250
Agricultural Marketing Service			Pilot activity on market news and grades and standards for hogs $588,000	
National Agricultural Statistics Service			Working with GUS on sample-base data collection $475,000	Working with NSI on sample-base data collection $275,000
Soil Conservation Service				Soil classification for land reform program $150,000
Cochran Fellowship Program	36 Participants $199,663	37 Participants $75,308	122 Participants $274,236	39 Participants $204,190
OICD/Agribusiness Marketing Seminars $105,500 total	Seminar held in each country	Seminar held	Seminar planned	Seminar planned if adequate attendance

FY '91—'93 DOLLAR FUNDING BY COUNTRY



FY '91—'93 DOLLAR FUNDING BY ACTIVITY (IN MILLIONS)



A1e. Impact

The Polish/American Extension project, as the Extension Services assistance to Poland is known, has been evaluated twice, first by a team from USDA's Extension Service and AID (West, Meyer and Bahn 1993) and second by this evaluation. In both cases the program was evaluated as excellent. The project is well integrated into host-country plans for the sector, is well focused, and is exceedingly well managed.

Three important elements explain the success of the USDA extension program in Poland. The first is the strong commitment within the Polish government to reform and improve the extension system. A number of tough political choices have been made. In 1991 the Agricultural Advisory Centers (*Ośrodek Doradztwa Rolniczego*, ODR) were created from the former state farm structure. In a three-month period all 49 former directors in the state farm advisory system were dismissed and new ODR directors were hired on a competitive basis. The staff of the local advisory service was reduced from 13,000 to 6,500. This was done with considerable political risk and sacrifice. Beyond institutional restructuring, advisory councils were established at almost all ODRs to harness local public opinion and support. Activities of the ODRs were directed to the local farm and business communities rather than to the state farms and enterprises formerly supported. This change of orientation has resulted in broad-based support for the ODRs from local government, organizations, farmers, and entrepreneurs.

The second important element in the project's success has been the quality of USDA's team and its leadership. The project leader and those serving on extension teams were carefully selected state level professionals with vast field extension experience. From the Minister of Agriculture down to local farmers, there is almost universal praise for the quality of the USDA extension staff and its local management. One outside observer noted that about 80 percent of the USDA team was extremely good and the other 20 percent completed their work in a satisfactory fashion or had some job related difficulty: an excellent result for a program of this difficulty. The work of USDA teams has been well focused both geographically and programmatically: the geographic focus is the local rural economy rather than the central government, and programmatic efforts are directed to developing client-based skills in marketing, economics, and agribusiness.

Most USDA activities have concerned training host-country government officials to interact with the emerging private sector. The biggest challenge has been to change mindsets from the days of central planning directives to a system where prices are set and resources are allocated by the forces of supply and demand. The design of the program encouraged the team to work in partnership with the local ODR staffs. The government and local ODR staff felt that they had participated in developing extension team work plans, and they were supportive of the teams' efforts. The quality of the teams and the approach taken gained the confidence of Polish officials, co-workers, farmers, and entrepreneurs.

A third less obvious but equally important element in the success of this effort was the strong support from the Embassy and Agricultural Counselor's office, especially in terms of the additional resources provided through local currency and opening doors to the

government. The project was fortunate to have access to local currency generated under Section 416B corn imports. After some initial hesitation, the Agricultural Counselor's office became strongly supportive of the extension program and its use of some of these currencies to purchase local vehicles, computers, and small amounts of other equipment to help the program. The Ministry of Agriculture has since adapted its budget to absorb these capital and recurrent costs. Some grants were also developed to support local ODR staff. These developments have allowed both the American and Polish staff to focus more directly on getting the job done rather than being distracted by many unnecessary administrative, budgetary, and logistical problems.

The impact of the extension project in Poland is of three kinds: behavioral/institutional, informational, and investment. Given the limited time in Poland, it was not possible for the evaluation team to gather extensive quantifiable information. Nevertheless, some typical examples can give an impression of the extent of these impacts.

The institutional changes of the Polish extension service are the most visible impacts of the project. The behavioral changes that have accompanied these new institutions, on the other hand, are some of the least visible impacts. Some institutional changes have already been mentioned. USDA extension system advisors have played an important role in providing the intellectual and operational information to underpin government action to make fundamental changes in the extension system. The advisory councils, in particular, have been an important element in the Polish/American Extension Project efforts. These councils have also been an important part of the institutional and individual behavioral changes that have occurred. As noted, the agricultural advisory services (extension) used to be directed primarily toward state farms and enterprises. The emphasis has now shifted toward support for private farmers and agribusinesses. Though the work of the USDA extension teams, support has been expanded beyond the purely technical to new spheres of economic, market, and agribusiness assistance. Fundamental to this development has been putting into practice, at grass root levels, democratic and open society practices. In one case, for example, the local governor decided to close down the ODR in his province. The local advisory council with which one USDA team was working went to the governor and presented a case for continued support of the ODR. With this new information, the governor not only changed his mind but thanked the council for preventing him from making a major political mistake. An example of individual change was cited by the director of one provincial ODR. She had observed how the USDA extension team carried out meetings using established agendas, encouraging participation, and preparing a final action list at the end of the meeting. At a meeting where none of the US extension team were present, she undertook the same procedure. At first she was accused of holding an "American" meeting, but the process was so useful she now considers it "her" way of holding a meeting. While such actions are on a small scale, when they happen many times, the impact can be significant.

The informational impacts of the project have been fairly straightforward. Each member of the two-person teams has brought experience and knowledge from field extension work in the U.S. This experience has ranged from developing a prototypic septic system for a farm household to organizing 4-H clubs in local vocational-agricultural schools. Most of the additional information brought into the Polish extension system has been in the areas of

economics, marketing, and agribusiness. Under the Communist regime, most farms in Poland were private but operated in a state-controlled structure. Prices were fixed, inputs were subsidized and available only from a single supplier. All production was bought at a guaranteed price. In many ways the farmers were well off and did not have to deal with the vagaries of the market and all of the decisions that go with it. In one stroke, this situation changed. Farmers and agribusinesses now have to deal with markets, think about product quality, and buy and sell at negotiated prices. The USDA extension effort at the ODRs has been an important resource for farmers during this time of adjustment. One of the most important parts of this assistance has been business plan development.

The business plans developed by the Polish/American Extension Project have been and will continue to be an important component in expanding investments in the agricultural sector in Poland. The prototype of the business plan was established on a pilot basis at one ODR by one of the first project teams. The activity was then expanded to several ODRs, followed by a program to train trainers in the development and use of business plans. It is estimated that in a 18-month period more than 25,000 business plans have been developed by Polish farmers and agribusinesses through this program. The plans provide a way for farmers and businesses to look at their operations from market and economic points of view. They provide the means to look at possible earnings and to assess resources available to the enterprise.

While a large number of business plans have been developed, their impact on investment has not yet reached the level hoped for. One problem has been the poor quality of price data in the economy. There is some suspicion about both given and estimated prices used in the business plans, which limits their usefulness. Until recently, most business plans had been used by farmers to obtain loans to consolidate or forgive debt though a government program. The banks have required that a business plan be presented before they consider loans under this program. As farmers, businesses, banks, and governmental officials gain better understanding of the use and power of the business plan, they are increasingly being used as originally intended: to make rational investments in the farming sector. Examples include the following: In the Plock Province, an entrepreneur wanted to develop a small-scale milk plant (5,000 liters a day). A unique innovation by the new privately-owned plant is an attempt to pay producers a premium price for milk meeting high sanitary requirements (low bacteria count). The milk is then sold at higher retail prices. The entrepreneur worked with the local ODR on a business plan for this operation. When completed, this plan was used to obtain a bank loan for the enterprise. The milk plant proved to be very successful and is competing extremely well with a large nearby state-owned milk plant. The entrepreneur is using the business plan concept to monitor his plant operations and to look at future expansion. It is highly likely that this type of success story will be repeated more often in the future.

A1f. Planned Future Activities

Extension has requested to field a last set of teams (summer 1993) with remaining funding from current allocations. The GOP has requested a two-year prolongation of the assistance, and Ambassador Simons has concurred.

A2. Bulgaria

A2a. Background

A one-year budget of $600,000 has been allocated to train and assist Bulgarians in providing extension services to the fruit and vegetable sector. Under this activity three two-person teams will be fielded, working with three research institutes involved with horticulture, canning, and vegetable production in three different regions (Plovdiv: canning; Kjustendil: horticulture; Gorna-Orjahovica: vegetables).

A2b. Integration into Host-country Plans

The Extension Service has signed Memorandums of Understanding (MOU) with the three research institutes designated by the GOB for this pilot activity. The degree of understanding of the potential role of the U.S. technical assistance varies but the host institutes seem eager for the cooperation. A detailed scope of work is to be developed within two weeks of the U.S. team arrival. The Ministry of Agriculture (MOA) has made no decision regarding the development and institutional framework of a proposed national extension service, nor is it clear whether the GOB can afford such a comprehensive extension program.

A2c. Coordination with Other Donor Assistance

The PHARE is working on a study of Bulgarian agricultural research and education which should lead to recommendations to the GOB concerning a nationwide extension service. The U.S.-based Citizens for Democracy Corps (CDC) also has a pilot extension activity. This activity is solely livestock-based, however, differing it from some of the other undertakings. While much extension activity is needed in Bulgaria, it is not clear how these activities will be integrated, if at all.

A2d. Program Management

The question of the program focus on extension wanted by USAID/Sofia and opposed by AID/Washington remained unresolved until after the June 1992 review. The USDA review team examined needs, desires, and resources and decided that the extension focus should be strengthened. After their return to Washington and discussions with USDA agencies, the team decided that other USDA funds (Emerging Democracies) could replace SEED Act funding for the resident policy advisor, and SEED Act funds could concentrate on extension, situation and outlook, agricultural statistics, and soil analysis surveying. USDA tried without success to get some food aid proceeds to supplement the program in Bulgaria, as had been done in Poland. The Bulgarian program finally received SEED Act funding in September 1992. Total resources for USDA's program in Bulgaria were roughly a third of those available in Poland. An advance team was sent to Bulgaria in November 1992 to arrange for longer-term field extension assistance activities beginning around April 1993.

A2e. Impact

The Bulgarian environment is one in which it is very difficult to make long-term programming decisions. This is especially so in agriculture, where problems in carrying out land restitution and privatization laws, and the disorganization of traditional government organizations, have severely affected the sector.

The USDA Extension Program in Bulgaria is just beginning. The first three extension teams are now preparing to come to Bulgaria. At this point, thus, there has been no impact. The evaluation team did, however, look at potential impacts and implementation problems of the Bulgarian extension effort. With the success of the Polish experience in mind, it is natural to compare the Bulgarian situation with Poland. Because of this tendency, it is important to be aware that the situation in Bulgaria is not like Poland. As noted earlier, the Polish success can be attributed to three factors: government commitment, quality of USDA's team, and the enhancement of project resources though the host country's agreement to use local currency. In Bulgaria, these factors are not assured. In addition, in Poland there existed a predominantly private farming structure for many small farms. Although land distribution will break up large farms into small ones, this private type of farming structure does not yet exist in Bulgaria.

One of the strongest points of the Polish program has been government commitment at all levels—national, provincial, and local. In Bulgaria commitment is weak and confused. The USDA program plans to run the extension program out of various research institutes in the country; unfortunately the future of these institutes is unclear. There is a common view that many of them may be dissolved or, with respect to extension, they may be ignored. In any case, their future appears bleak. Most institutes have extremely limited funding and, with the economic changes, they no longer have a clear mandate. In addition, they are still more or less linked to the former state and collective farms. The tradition of the institutes is not to work with farmers directly but through managers of state farms and collectives. The institutional reforms seen in Poland have yet to occur in Bulgaria. There is no ODR structure or its equivalent; moreover, the political situation in the country at the moment is in apparent gridlock. The situation would argue that the needed reforms may not occur for some time.

Bulgaria is now attempting to reestablish private ownership of the land after 45 years of state control. Procedures now being worked though in the rural sector to restitute land and privatize enterprises have created a situation where neither a private nor a state control system is in place. In this situation of limbo there are few private farmers and fewer private entrepreneurs for the extension program to deal with. The agricultural sector, in sum, is in a state of disorganization. As noted, the PHARE is also working with a proposal to reform extension at a national level, but this effort is still at a study stage. They hope to have their initial report ready by September, about the same time the initial six-month USDA pilot activity will be completed. Contacts between the PHARE and the USDA extension activity have already started and should be continued.

Another potential positive element is support from the Agricultural Counselor's office, USAID, and the Embassy. All three seem to be strongly supportive in principle but, unlike in Poland, they do not now have access to local currency for the activities and can access only limited other resources to support the teams. A strong supportive element in Bulgaria not seen in Poland is the work being done by the PHARE team.

A2f. Planned Future Activities

The activity is in its initial stages; any future activities have yet to be determined.

B. Economic Research Service

The Economic Research Service (ERS) of USDA initiated training in commodity situation and outlook work, in policy-staff analysis, and set up training workshops in four countries of Eastern Europe: Poland, Czech Republic, Slovakia, and Hungary. The program in Hungary, however, was discontinued before completion. ERS also provides short-term training at its offices in the United States for selected host-country counterparts.

Situation and outlook (S&O) analysis as practiced and taught by ERS analyzes variations in crop supply and demand and the resulting implications on commodity prices and trade. The analyst compiles existing information from public and private sources. The analyst then relates present crop trends to past production and consumption patterns in trying to predict future patterns. ERS development of situation and outlook analysis in Eastern Europe is commodity-based and varied in terms of number of commodities treated related to the size of the program. ERS sent U.S. and international commodity specialists on two to three week TDY's to conduct on-the-job counterpart training. Polish counterparts were brought to the U.S. to work directly with a wider variety of commodity analysts and to see the setting used by ERS to compile and analyze data about the U.S. situation. The ERS analyst returned on several occasions until the final completion, clearance, and publication of the official report. The process of writing a Polish commodity report was completed three times with progressively more independence of the host-country analysts so they could learn to make estimates and write and clear reports without further assistance. Reports were distributed to government officials, food processors, traders, extension services, and large state and private farms.

Training in policy-staff analysis work was conducted by ERS in Poland and is scheduled as part of the Bulgarian program. It consists of aiding otherwise trained professionals to transfer statistical and mathematical skills to the analysis of policy changes in a market environment. The analysis is generally short-term. It uses principally accounting and simple economic analysis rather than complete econometric modeling to assess the benefits and losses accruing to market participants from a particular policy decision.

The workshops presented by ERS treated topics selected by host-country officials. Workshops dealt with general topics of economic interest and only rarely focused in detail on host-country conditions. ERS professionals presenting the workshops were generally different from those doing situation and outlook work. Occasionally they were the same as

those doing policy analysis training.

B1. Poland

B1a. Background

The ERS program in Poland is the largest of all the ERS activities. Funds of $1,450,000 plus ten billion zlotys have been allocated over two years, beginning with the Interagency Agreement of March 1991. The program was decided on the basis of a proposal by ERS to the Ministry of Agriculture. The Institute of Agriculture and Food Economics is also involved, as well as the Agency for Agricultural Markets. All three provide counterparts to help prepare commodity reports. The Central Statistical Office agreed to cooperate by providing data. This office is managed by Washington-based staff. ERS also has a local-hire office in Warsaw which provides logistical support to the project.

ERS analysts began their activities in March 1991 and hosted a team of Poles in Washington in May 1991. In June 1991, three ERS experts traveled to Warsaw to work on grains, red meats, and dairy with designated Polish counterparts. In August, six Polish counterparts visited the United States for two weeks. The program was later expanded to include a total of nine commodities, numerous visits by ERS analysts, and additional training of Polish counterparts in the United States. A total of nine workshops were given on various topics chosen from a list of 30 possible workshops agreed to by the two parties. All nine S&O reports have been completed and published, with an average printing totaling 1,000—3,000 copies. Early reports were financed by ERS and later ones by Polish authorities. With the program, the Ministry of Agriculture has also sponsored an outlook conference attended by some 250 experts, including some from the former Soviet Union and reporters from local radio, television, and newspapers.

With the successful completion of S&O training, the focus of training is shifting to short-term policy analysis of topics jointly identified by the Poles and by ERS analysts. ERS experts conducting this training are different from those doing the S&O work. Preliminary work has focused on milk and grain pricing and trade policy. Additional topics have yet to be designated, and it appears that subjects will be developed on an ad hoc basis.

B1b. Integration into Host-country Plans

The initial "need" for S&O type analysis did not originate in the Ministry of Agriculture in Poland nor has it been entirely clear where such capacity would be housed once it was developed, as both the Ministry and certain institutes could lay claim to it. In spite of this situation, cooperation between the Ministry and institutes has gone well, and shared responsibilities have evolved. The recent decision by the Ministry to create a 25-person policy unit reporting to the Minister could destabilize this situation. The size of the unit is large for a Ministry numbering only 400 persons, and it could conceivably draw upon much of the S&O talent trained in the institutes as well as in the Ministry. It is not clear either how policy analysis training proposed by ERS and the Ministry will fit with similar activities of the Dutch, World Bank, and PHARE. A commitment to publish nine biannual

S&O reports (grains, red meat, dairy, poultry, sweeteners, inputs, oilseeds, fruits, and potatoes) has, on the other hand, been established and funded. Reports are being distributed to Ministry officials and extension units and in future may be sold to other end users to whom they are now distributed gratis.

B1c. Coordination with Other Donor Assistance

The U.S. assistance program has been implemented more rapidly in Poland than have similar programs by other donors. Both PHARE and World Bank have plans for large programs within the Ministry of Agriculture but actual assistance delivered under these programs and bilateral assistance has lagged. Other bilateral donor programs can be similarly characterized. Given the interest expressed by other donors (the Netherlands, PHARE, World Bank, Canada) in policy-related assistance it is possible that this area may become oversubscribed and uncoordinated. AID attempts to provide some help to the coordination process by sponsoring monthly meetings with other donors and the Ministry but the small number of AID staff and their multiple functions makes attention to this task difficult. The team learned that some ERS TDYers were asked to perform donor coordination work, probably not the task for TDY personnel. The donor coordination role would be more appropriate for the Embassy, AID or, in a second best solution, for U.S.-funded project personnel in-country on a long-term basis.

B1d. Program Management

The Economic Research Service has been able to assist in rapidly establishing a viable situation and outlook program in Poland. ERS supported trips by high-level policy officials (Deputy Minister) to meet their counterparts in USDA/Washington. There they could learn how ERS analysis of U.S. and world commodity sectors is used by American policymakers, government agency administrators, extension workers, private businesses, and farmers. This deepened their understanding of and support for the program. Within one year of project initiation, the ERS/Polish cooperative project instituted a viable situation and outlook infrastructure with training which resulted in a number of situation and outlook reports and the first Polish Outlook Conference. ERS would like to have had a resident advisor position, but this was refused due to Embassy concerns about inability to handle additional U.S. personnel in the country. ERS was able to establish a successful program of training in situation and outlook analysis using short-term TDYers and resources from its domestic operations. Using the same experts who do USDA commodity situation and outlook reports in the United States, ERS taught host-country counterparts how to compute and compare information, analyze sectors, make estimates and forecasts based on incomplete information, and get the analyses approved within the Ministry of Agriculture so that the reports became official documents. ERS worked with the Institute of Economics and was given good counterparts to train. ERS also had some workshops and policy analyses on key issues of interest to Poland, and has now begun work on staff analysis training: how to package information on critical issues for rapid review and analysis by policymakers. Again the focus was on institution building, i.e., training Polish counterparts to analyze key commodity sectors and advise policymakers. As planned, within the third year of funding, ERS has been successful in training Polish counterparts to produce situation and outlook reports in

nine commodity sectors. The Poles can now carry on this work without further assistance.

B1e. Impact

Because of its size and scope, the impact of the ERS program was examined in terms of its three major areas of intervention: situation and outlook reports, workshops, and staff analysis.

Situation and Outlook Reports. Poland has the largest and most well developed S&O system of the countries visited. As noted above, the Poles are producing reports twice a year covering nine commodities. At this point, basic ERS work on the S&O program in Poland is finished, and Poles can continue to work on development of this activity on their own. The impact of S&O reports is strong, particularly at the policy and central government levels. The opinions from senior people in the government were that the ERS program was both extremely quickly implemented and very effective. It was generally noted in interviews with government and other officials that when the work began some 18 months ago there was little enthusiasm for S&O-based information. Now, however, this work and the information created by it are considered essential for policymaking, planning, and investment activities. One example of this is in the Ministry of Agriculture, which is undertaking a broad-based reorganization. Staff is being cut by 10 percent and offices closed or consolidated. Yet in the face of this down-sizing, a new department with a large staff is being created to continue the work that ERS has started with the S&O reports and to add staff analysis capability (see below) in the Ministry. This rearrangement shows the importance the Ministry gives to S&O work and to follow-on staff analysis support from ERS.

A second example comes from the Agency for Agriculture Markets. This semi-autonomous agency is attempting, among other things, to support private sector processing and agricultural market activities. The Agency vice president noted that in the past, when they were trying to do market forecasting, they were often off by 200 percent or more. By using the S&O reports, they have been able to make forecasts much more accurate, often coming as close as within 5 percent to actual market conditions. In addition, he noted that many investments in the agricultural sector have failed due to lack of adequate information for proper business planning. Last year they dealt with $160 million of investment funding. The $2-3 million spent on S&O reports was viewed as a bargain, helping to assure that these investment funds were well used.

At the local level, the impact of S&O reports was not as strong. This smaller impact, however, is not entirely unexpected. The small farmers in much of rural Poland find the more current and local market news more directly relevant to their operations. S&O reports are primarily useful at the farm and local levels by farmers and businesses for reference in making price projections and investments. The extension system is responsible for disseminating S&O information to the local level, and eventually private publications will do this. The evaluation team found that the S&O reports were being used by extension agents as the basis for articles in local extension publications. These agents now serve as the primary distributors of pertinent outlook information to their farm and agribusiness clientele through various means. Distribution could be improved and some efforts are being made to

do so; journalists who are in the U.S. learning to make better use of S&O type information under the Cochran program are an example. Radio dissemination could be used to distribute information in a more timely manner.

Workshops. The workshops ERS provided related to S&O reports were generally appreciated by the Poles but they were second in priority to other ERS work. A common comment was that the information in the workshops was more supplemental than directly pertinent to their needs. Future efforts should be made to allow ERS policy training to focus on areas of primary importance to Polish agriculture which have been carefully selected with the input of the host government. ERS subject experts should be used in tandem with ERS regional experts to profit from the latters' in-depth understanding of the local situation. Fewer but longer TDYs could allow experts to get a greater familiarity with the local situation and would save on airline fares. In addition, better briefing of ERS personnel would help them get up to speed faster and be more useful to Polish participants in the workshop.

The principal impact of the workshops appears to have been awareness in real rather than in intellectual terms of how a market economy works and how economists think in a market economy context. Participants interviewed generally conceded that most of the information presented in the workshops could have been obtained by reading the literature. On the other hand, many felt that discussing and reviewing this material with a working economist from a market society made this information more accessible to them.

Staff Analysis. Staff analysis is a new area of ERS assistance in Poland, which is strongly supported by the governmental. As noted earlier, the recent reorganization of the Ministry of Agriculture created a new department to provide the Ministry economic support primarily though staff analysis. The evaluation team saw an initial example of this type of work being presented on dairy and wheat. The presentation was well given, well attended, and generally appreciated. Staff analysis could have significant impacts on policymaking within the government, if the work is focussed on specific issues, quickly turned around, and is directed to policymakers. It should produce short, sharply focused assessments of the pros and cons, costs and benefits, and political implications of policy and program alternatives under current consideration. This work would have to be backed up by more in-depth policy studies and subject matter reports. A number of suggestions for potential topics were presented by various Polish officials. These topics include analysis of the food processing sector, impact of the recent drought on agricultural production and rural welfare, and impact of countervailing duties for agricultural products. ERS will need to review these suggestions in terms of both staff capability and appropriateness of the subject matter.

B1f. Planned Future Activities

The S&O work has now been completed in Poland. ERS training in policy analysis is planned under the AID-USDA Interagency Agreement now being signed. The Polish Undersecretary of Agriculture informed the evaluation team that a request would be forthcoming for ERS to continue work in this area and to undertake, with Polish counterparts, additional studies. ERS could successfully complete these activities at current

proposed funding levels.

B2. Czech Republic and Slovakia

B2a. Background

The ERS program in the Czech and Slovak Republics was budgeted at $650,000. It consisted of S&O training in five commodities beginning in June 1991 and economic workshops on general topics. The last S&O training session took place in April 1993. ERS worked with the two Republics' Ministries of Agriculture and the Federal Ministry of Economy from the beginning of the program and continued the program in the same basic format after the political separation was completed in January of this year.

B2b. Integration into Host-country Plans

ERS initiated host-country government interest in developing a situation and outlook analysis program. Publication of initial reports was funded by ERS but host-country funding has now been assured. The five commodity reports completed have been published in increasingly large numbers, from 2,000—5,000 copies. A survey accompanying the reports suggested that many subscribers would be willing to pay for the costs of printing and distribution.

The Czech and Slovak Republics are at a stage of development well suited to using the type of material prepared under the ERS program. Policymakers have a relatively sophisticated understanding of market forces, while managers in the agricultural sector, both at the farm and processing levels, control significant assets and can consequently profit from better informed decisions. In this environment the marginal return from generation of such information is high.

B2c. Coordination with Other Donor Assistance

Agriculture has not been a major focus of donors in the Czech and Slovak Republics. Slovakia has also been disadvantaged by the political split which until recently kept donors from making commitments there. This situation is beginning to change; however, the relative lack of interest in agriculture, and the late start of many donors, has meant that the U.S. is one of the only providers of policy-related assistance in the agricultural arena.

B2d. Impact

Because of their relatively high stage of development, there is a unique opportunity in the Czech and Slovak Republics to aid the transition of agriculture to market economies through S&O and analysis programs. The otherwise limited nature of U.S. assistance to agriculture in the Eastern European economies and the active interest of host countries also argues for a continuing program. Situation and Outlook reports have been done on two commodities: milk and grains. The MOA would like to expand the number of commodities to five, adding sugar beets, red meat, and oil seeds. In general, officials were pleased with

ERS, work but the evaluation team could find little direct impact on policy or other decisions from the S&O work. At present the S&O reports appear to serve as historical documents and informational reference points. These roles are still significant, given that until the S&O reports were completed, there had been no available public source of generally accepted, timely information on the commodities covered. Just to have the information is a major accomplishment. The S&O program is new in these countries, and as policymakers, investors, and others become more familiar with the reports, more direct impacts on policies and investment should occur.

The workshops given by ERS in the Czech and Slovak Republics were appreciated but, as seen elsewhere, there was a feeling that the workshops did not provide information unavailable elsewhere. Language and translators were a problem for some participants as was the focus on U.S. rather than more local examples in the presentations. In Slovakia there was a feeling that workshops were too general. The Slovaks very much appreciated the longer stay of one seminar presenter (he was working at the local University), as this enabled him to talk about their problems rather than more abstract or U.S.-based issues. The most important impact of the workshops appeared to include the opportunity for participants to deal directly with market-related issues in a face-to-face manner rather than trying to read about the same material from a textbook or journal.

To have full impact, the ERS work needs the full support of the Embassy and local USAID offices. There was some concern raised by USAID that ERS representatives did not fully inform USAID about their work. Lack of information made it difficult for the USAID offices to support fully the ERS programs in their country.

B2e. Planned Future Activities

The completion of S&O training in spring 1993 will bring planned activity to a close. Both Czech and Slovak Ministries requested informally of the evaluation team that assistance be continued, focusing on additional commodities and some policy analysis training.

B3. Bulgaria

B3a. Background

The ERS program in Bulgaria will be focused on the development of a situation and outlook analytical capacity in the fruit and vegetable sector as part of a coordinated USDA development program focused on these commodities. S&O work is also proceeding on grains, and future work on livestock is envisioned when FY 1993 funding is available. Some policy and staff analysis training will accompany the S&O work and will support the long-term U.S. advisor in making recommendations to the Ministry. The S&O program is just getting underway with funding of $200,000 for year one, and an additional $500,000 requested for year two.

B3b. Integration into Host-country Plans

The program is comparatively well integrated into the Ministry's plans. By working solely with counterparts from the Ministry in a situation of relative institutional stability, the S&O program compares favorably with other USDA programs. The PHARE assistance program in Bulgaria (see below) is working with institutes whose future is much less certain. Training of lower level staff may also give the program a degree of permanence. This program, though, like others in Bulgaria, must be considered pilot in nature. Funding for S&O type reports is not assured for data gathering and publication expenses.

B3c. Coordination with Other Donor Assistance

The PHARE has initiated a policy training program with one of the research institutes. An S&O type program with a market news component in the fruit and vegetable sector is also being pursued by PHARE with a semi-autonomous institute, and there may be some cooperation between the institute and the Ministry. Without any decision by the GOB as to what institutional form, if any, such activities will eventually take, there is certainly room for many pilot activities. A decision by the GOB to fund services of this type on a more permanent basis may result in redundancy of one donor or another's effort. There is good communication among donors about what they are actually doing, but they seem to have no better idea than the Bulgarians of the most expeditious course to take, nor do they generally show willingness to divide tasks for the sake of efficiency.

B3d. Impact

The work on the S&O reports in Bulgaria is just starting, so no impact has occurred. The evaluation team was able to sit in on an initial session presented by ERS experts to review drafts of the first S&O reports, and the Ministry of Agriculture officials showed great interest in this activity. As noted, PHARE has a team that is beginning to focus on similar work with different institutions. Given the history in Bulgaria of great difficulty in obtaining data, and the tradition of keeping secret most information, the S&O reports could have a significant impact on the way people look at data and the way they use it.

B3e. Planned Future Activities

Activities in Bulgaria are just beginning and are funded at a relatively low level. No new ERS activities are planned at this time.

B4. Hungary

B4a. Background

The ERS program in Hungary focused on developing a situation and outlook analysis capacity, workshops, and U.S. training. Cooperation began in July 1991 when ERS hosted a Hungarian team in Washington. Funding levels of $350,000 were lower than originally anticipated. The first ERS analysts went to Hungary in September 1991; by November of

that year, a grain S&O report was completed.

B4b. Integration into Host-country Plans

The Hungarians and ERS appear to have had very different expectations about what type of assistance was to be expected from this activity. Anticipated training in the U.S. was reduced from levels originally discussed because of funding shortfalls. The Hungarians clearly felt that the level of scientific exchange involved in the S&O work was not appropriate, and that they could have produced comparable reports competently on their own. Given their relatively high degree of development, this is probably correct. Their skills were demonstrated in the rapidity with which the first report was produced. On the other hand, it is not clear whether the Hungarians want, or have budgeted for, a permanent S&O capacity within the Ministry.

B4c. Coordination with Other Donor Assistance

While PHARE and other bilateral donors are active in agricultural policy analysis, the team found no evidence of similar S&O type assistance.

B4d. Impact

ERS efforts to develop S&O reports in Hungary were ended because of lack of support from the Hungarian side. The Hungarians had problems in funding and supporting the program. It was given low priority by the Ministry. While a grain S&O report was completed, no notable impact from the report was evident.

Workshops also had generally low impacts. Hungarian officials felt the subject matter was too basic and, in a way, was condescending. They wanted workshops that were more technical and specific to training issues for each participant. They generally viewed themselves more as colleagues than students in the areas covered by the workshops. The Hungarian officials also felt that the workshops required the participation of too many people from a single agency on the Hungarian side. While noting this, they were also reluctant to open the workshops to other outside organizations.

Given the differing expectations of the nature of the assistance to be delivered and the relative competence of the Hungarians in the fields of economics and statistics, both sides made a correct decision when they terminated the ERS activity.

B4e. Planned Future Activities

This activity has been stopped and no further activity is planned.

C. Office of International Cooperation and Development/Applied Research

C1. Poland

C1a. Background

OICD/Applied Research science activities in Poland were originally budgeted at $500,000 over two years with an additional $54,000 from the environmental office in AID. Local currencies have also been allocated in Poland. The OICD, with the Agricultural Research Service, has organized two projects in Poland. One consists of scientific exchanges deriving from the Integrated Pest Management Conference sponsored regionally by OICD in Romania. The project calls for the host country to set up a pilot IPM site using its own funds, after which OICD will sponsor training for local scientists in the United States and visits by U.S. scientists. The second project consists of technical assistance to the Ministry of Agriculture to help prioritize research projects within a revised administrative structure.

C1b. Integration into Host-country Plans

The evaluation team visited the site of the IPM project near Skierniewice. The Director of the Horticultural Research Institute who will host the exchange had little precise memory of the conference, although he had attended. He was eager for the scientific exchanges which he said would renew a long tradition of exchange with the United States that had persisted during the Communist period. U.S. scientists in Washington also indicated that they valued the exchanges. They felt that Polish counterparts were at a comparable scientific level, and that much could be gained for U.S. agriculture by exchanging germplasm and root stock for East European varieties.

Efforts to help the Ministry of Agriculture to restructure agricultural research so as to, among other things, better prioritize research proposals and create a "CRSP"-like (Collaborative Research Support Program) reporting system had been stymied by bureaucratic differences between the Ministry of Agriculture and the KBN (*Komitet Badań Naukowych*, National Scientific Committee) which had been given the oversight in directing national research activities. Although the Ministry had been requested by KBN to state its research priorities, the Ministry had failed to do so. The senior U.S. scientist assigned to the project was not given counterparts to work with on developing the information system or setting priorities. Ambassador Simons had spoken to the Minister of Agriculture and indicated that this assistance would be discontinued if no counterparts were assigned to work with the U.S. scientist. This had preceded the evaluation team's visit but no change was evident at the time of the evaluation. On the contrary, the Deputy Minister was intent on encouraging us to join them in the "democratic struggle" to have research reassigned to agriculture. The team cautioned that in this environment it would be easy to perceive the U.S. advisor as supportive of one or the other Polish factions in an internal dispute.

C1c. Program Management

Work by OICD to help Poland restructure agricultural research and set priorities was

successful up to a point, but in 1993 it was stalled due to a dispute over which Polish authorities would play the key role in centralizing information and setting priorities. USDA advised the Polish Government that its research advisor would be withdrawn until a decision was made.

C1d. Impact

OICD activities were in the hands of mature U.S. professionals. Difficulties in achieving success in the scientific research coordination component could probably not have been foreseen or precluded, as they result largely from internal politics within the Government of Poland.

Impact to date has been small, although the effort has resulted in a focus on the restructuring of agricultural research and intensification of the debate and negotiation on the issue. Efforts by the OICD professional assigned to help in restructuring agricultural research, on the other hand, have been frustrated by lack of real institutional reform of the research structure and by political turf battles between the MOA and KBN. The MOA has not really acted on the research issue, and until it does, impact will be limited. This is unfortunate because success in revamping research priorities to suit the needs of farmers is critical to long-term success in agricultural and economic development in Poland. With major cutbacks in research funding now occurring, it is essential that an effective system to prioritize efforts be in place.

Impact of the Integrated Pest Management activity is hard to quantify. There is a quasi IPM-based apple program run by the Horticulture Research Institute, but its relationship to the IPM workshop in Romania is unclear. In any case, evidence and testimony from both Polish and American scientists seem to suggest that scientific exchange activities are effective and mutually beneficial to both parties and should be continued.

C1e. Planned Future Activities

Assistance to the Polish Ministry of Agriculture for scientific research coordination should be discontinued until the GOP decides to restructure agricultural research. Scientific exchange will continue to be organized around the issues of IPM.

C2. Bulgaria

C2a. Background

In Bulgaria scientists from the Agricultural Research Service (ARS, lead agency), EPA, and the Bureau of Mines helped local scientists assess and find solutions to problems of heavy metal contamination in soil and irrigation water. A total of $65,000 was set aside for this activity. A follow-on project will help farmers find agronomic management practices to minimize health risks in an area suffering from heavy metals contamination.

C2b. Integration into Host-country Plans

The heavy metals contamination assistance appears to have achieved major results at minimum costs. The assistance was specifically requested by the Bulgarians to help them deal with a difficult technical problem which had taken on significant human and political dimensions because of perceived danger to public health.

C2c. Coordination with Other Donor Assistance

Other donor activity in these fields was not uncovered by the evaluation team at this time.

C2d. Impact

USDA's Agricultural Research Service provided rapid and effective analysis of heavy metal contamination. Work in the original area of irrigation water contamination found that the problem was smaller than expected and that irrigation of crops that do not pick up and hold heavy metals could be allowed. U.S. scientists were able to suggest scientific solutions within local means and reassure the local population. The program has raised GOB awareness of heavy metal contamination and its potential impact on health and trade. Based on this resounding success, both sides are requesting an extension of the activity to another region with a related contamination problem. Funding levels required for this new activity are commensurate with those of the earlier effort.

D. Agricultural Marketing Service: Poland

D1. Background

Building on work and contacts of Extension and ERS, efforts by the Agricultural Marketing Service (AMS) in Poland were begun near the end of FY 1992. The AMS budget was $600,000 over two years. The AMS project consists of technical assistance in gathering uniform market prices and developing a price reporting system. Technical assistance under SEED Act funding is also given in the area of developing and testing new quality standards. Grades and standards are important to the consumer. They are also the basis for uniform price reporting, as they differentiate between commodities of substantially different qualities. AMS has targeted grains and hogs as commodities for assistance in Poland. Short visits by AMS commodity experts are used to assist local counterparts to become familiar with new measuring devices and standards. Careful attention is paid to conformity to EC standards.

D2. Integration into Host-country Plans

Both AMS and their host-country counterparts recognize the experimental nature of their work in pork standards. It is not clear, as the slaughterhouses become privatized, whether they will find it in their interest to adopt rigorous purchasing standards. Using a GOP-applied live-weight standard at point of sale will somewhat alleviate this problem, although this method is less accurate than a carcass-weight standard. The Ministry appears

decided to develop more market-oriented standards for grains and other commodities, especially in view of Poland's potential membership in the EC. Price information collection and dissemination are of great interest to the Ministry, and there is a clear demand for this information by farmers and extension agents. The Ministry is working on a plan to collect, report, and disseminate prices nationally. AMS is providing technical assistance to this end.

In both Poland and Bulgaria, AMS has chosen to work on grades and standards with a few commodities on a pilot basis. They are confident that with little further assistance the Poles can duplicate this work for the range of commodities important to Polish agriculture.

D3. Coordination with Other Donor Assistance

Other donors are not now active in providing grading and standards assistance in Poland. The spate of donor assistance to begin shortly in Poland could conceivably change this situation.

D4. Impact

The AMS activities were handled by competent senior specialists who have related well to their Polish counterparts. The focus and efforts to integrate the project into local needs appear excellent. Attention to EC standards is one example. The work by AMS on grades and standards is still in its study stage. There has been good cooperation from the packers and researchers on this effort as they expect high benefits when this initial work is finished.

The evaluation team found a big demand for local market news information. The demand is so urgent that there are local initiatives started even before AMS has completed its initial work in this area. One such example that the evaluation team saw was at the ODR in Skierniewice which had set up its own system to collect and distribute local market news. Most of the ODRs are attempting to collect price information at local markets. These efforts will need to be integrated into the general market news structure as this new system is established.

D5. Planned Future Activities

Polish activities are scheduled to proceed with FY 1993 funding. A careful review at the time that funding is nearly exhausted is needed to decide if further assistance is appropriate.

E. National Agricultural Statistics Service

E1. Poland

E1a. Background

The National Agricultural Statistics Services (NASS) is funded at $250,000 over two

years with local currency supplements. FY 1993 requests include $225,000 for Poland. NASS is working with a joint MOU including both the Ministry of Agriculture and Central Statistical Office (*Główny Urząd Statystyczny, GUS*). Principal counterparts are in the Central Statistical Office which traditionally has gathered agricultural data. NASS is providing training in using area frame samples and list samples to gather agricultural production data. A change of methodology to these two methods is necessary, as the mandatory reporting of all production units which was the rule under the Communist system is no longer possible.

E1b. Integration into Host-country Plans

Unlike other governmental services to agriculture where there is a degree of choice about using the government as provider, gathering of agricultural production statistics is rarely done in a systematic way by private sources. (Note: trade groups do gather data in their field but they also often rely on government data. Private forecasters also make crop estimates, but they usually do not develop extensive databanks or share information reliably.) The breakdown of the former Communist system, where national reporting was mandatory, will also imply a refocusing of the statistical gathering system. Governments and statistical units have recognized this need for change.

NASS is preparing a feasibility study comparing the costs of gathering data through area sample frames and list frames. This should be completed by this autumn. Once the results are known and the GOP makes a choice to fund a collection system, NASS can consider future assistance.

E1c. Coordination with Other Donor Assistance

The Central Statistical Office works with several other donors. In the area related to NASS activities, the only other donor is Canada, which is working with area frame sampling for population and social data. Where both the NASS and Canadian teams are working, there is no conflict between them and potential complementarity is quite possible. The Central Statistical Office seems to have a clear idea of what they need from USDA and other donors.

E1d. Impact

The work undertaken by the NASS is competently done and well focused on a priority problem in a sector which will, in all likelihood, require continuing government involvement. Funding requested has also been modest.

NASS's efforts at the Central Statistical Office are highly appreciated. It is too early to get any impact information. The most important issue that will need to be looked at in this effort will be how, and whether, to move from this pilot stage activity into an expanded nationwide data collection system.

E1e. Planned Future Activities

Future activities in Poland need to be reassessed once the feasibility studies are completed.

E2. Bulgaria

E2a. Background

The NASS activities are funded at $100,000 for FY 1992. FY 1993 requests include $175,000 for the NASS work in Bulgaria. Like Poland, the National Statistic Institute is the main data collection agent in the country for agriculture as well as all other sectors of the national economy. Under the former regime the data collection system was census-based with mandatory reports from state institutions. This system is now defunct. Cost considerations now drive the need to go to sample survey for data collection and NASS's work is highly appropriate. NASS is providing training in using list samples to gather agricultural production data. NASS will pay particular attention to the fruits and vegetable sector.

E2b. Integration into Host-country Plans

In Bulgaria, pilot work is just beginning in teaching the Bulgarians what is involved with the new techniques. Although national agricultural statistics are a vital source of information, it is not clear at this time when and how the GOB will budget for this activity.

E2c. Coordination with Other Donor Assistance

The National Statistical Institute is working with several donors in the statistical area. Closely related to NASS's work are efforts by PHARE in support of agricultural statistics using the Eurostat system. There is general recognition by the Institute of the need to coordinate these activities.

E2d. Impact

NASS's activities in Bulgaria are also at a pilot stage but seem to have potential for a more immediate impact than other U.S.-Bulgarian assistance projects. While GOB commitment is less assured, the priority nature of statistics as a governmental activity bodes well for the focus of this project. Here, as in Poland, the work undertaken by the NASS appears to be in the hands of competent U.S. professionals well focused on a priority problem in a sector which will, in all likelihood, require continuing government involvement. Funding requested has also been relatively modest. NASS's contact to date with the Institute has been through training and some short-term technical assistance. The effort is still too small to have significant identifiable impact, but prospects are good for major impacts in the future.

E2e. Planned Future Activities

This and other agricultural assistance to Bulgaria must be examined in light of the potential of the GOB to fund sustained programs in these areas.

F. Soil Conservation Service

F1. Background

The Soil Conservation Service (SCS) has a modest program in Bulgaria, $20,000 FY 1992 and $175,000 requested for FY 1993. The SCS is providing technical assistance and U.S.-based training to soil scientists in methods of gathering soil data, methods of describing soils, interpreting soil data for various applications, and use of technologies for documenting soil data. Analytical work was slowed when the Bulgarian military refused to release aerial photos. These photos have now been received. Unlike the rest of the USDA program in Bulgaria, SCS activities do not focus on the fruit and vegetable sector, though soil survey work is being done in the Plovdiv area where this sector is very important.

F2. Integration into Host-country Plans

The work of the SCS does not require major GOB decisions nor significant increases in funding to be sustainable. The Bulgarian soil scientists are already relatively technically competent in the field. The training provided by SCS will improve their methods of inventorying soil resources by incorporating U.S. soil taxonomy methods. The activity is important for the development of an active land market because it provides the basic data for determining land value.

F3. Coordination with Other Donor Assistance

There appeared to be no other donor directly related to soil inventories. The PHARE has provided considerable resources for a nation-wide Global Positioning System (GPS) to establish topographical points for land boundaries. AID has a similar GPS type program under consideration and close coordination will be needed to avoid duplication of effort.

F4. Impact

This modest technical assistance activity is linked to land restitution, a priority of the Bulgarian agricultural sector. The activity is well managed and can have immediate impact. If it succeeds in accelerating land restitution it will have more than paid for itself in benefits to the Bulgarian agricultural economy.

Land cadastre and soil surveys both have many technical and financial problems. The head of the Land Reform Office felt the work of private contractors performing land ownership surveys for the Land Survey Office was not good.

On the other hand, SCS is working with the Soil Survey Office to improve

methodology to incorporate soil taxonomy and to assist in providing soil interpretations such as productivity indices. Officials in the Soil Survey Office, Ministry of Agriculture, liked the work SCS did with them but felt they needed more resources. The head of the PHARE program also felt the SCS work was very useful in assisting with soil resource information related to land reform issues. He said that the main problem is lack of financing and time to do the few million land surveys required by law. There is a need for information on soil classification and soil interpretations to make the privatization program work. SCS work could be essential in this effort, but like everything else in Bulgaria, it is too early to see what the impact will be.

G. Economic Advisor (ERS) in the Bulgarian Ministry of Agriculture

G1. Background

At the request of the Bulgarian Minister of Agriculture, an agricultural policy advisor was placed in the Ministry in September 1991. The advisor served until the arrival of a U.S. Agricultural Counselor in November 1992 as overall coordinator for USDA agricultural assistance programs and advisor to the Minister. The arrival of a Counselor relieved him of program coordinator duties and allowed him to focus on agricultural/economic policy issues. Four Ministers of Agriculture have served since the advisor first arrived, and relationships were consequently given little time to develop. The advisor appears to have an excellent relationship with the current Minister, who has requested that the advisor remain for another year.

G2. Integration into Host-country Plans

In spite of the invitation of the Minister initiating this activity, he appears to have had little understanding of how he wished the advisor to serve. Indeed there was no scope of work drawn up with the Ministry until well after six months had passed. Even today, while the current Minister has excellent relations and frequent contacts with the ERS advisor, a German advisor has just arrived at the Ministry and shortly a French advisor will arrive as well. The evaluation team could find no division of labor either specified or anticipated among the three advisors.

G3. Coordination with Other Donor Assistance

There appear to be strong efforts by USAID, seconded by the advisor and USDA, to communicate with other donors. The advisor appears to relate well to other donors, who also appear to participate actively and willingly in the exchange of information and ideas. The process tends to break down when it comes to decisions—often taken in Brussels or Washington—such as the ones mentioned above where three advisors were placed in the Ministry. The provision of three policy advisors to the Minister now without specific scopes of work cannot be considered a sign of donor coordination, no matter how much they talk.

G4. Program Management

As noted above, at the request of the Bulgarian Ministry of Agriculture, USDA placed a policy advisor there in September 1991. However, the Ministry initially did not provide office space, tried to link the advisor to the Minister's political party, and did not seem to have a clear idea of what the advisor should do. The Ambassador, with extremely limited staff, spent much precious time trying to resolve several issues concerning this position. Also, there were numerous complaints that the advisor was not keeping the Embassy and USAID (which coordinated U.S. technical assistance) informed about and involved in his activities. During this time, the advisor played a useful (originally unforeseen) role in coordinating trips and activities of a number of USDA programs. This coordination role diminished greatly when an Agricultural Counselor was assigned to the Embassy (August 1992). At this point the policy advisor, with experience, contacts, and language capability picked up during the first year, could focus more intensively on policy advice and establish credibility and influence within the Ministry. In the period beginning in mid-1992, many communication problems between the advisor and the Embassy were resolved. The resident advisor developed a close advisory relationship with the current Minister of Agriculture (the role originally intended) and seems to have good contacts in the Ministry divisions covering the main USDA activities.

G5. Impact

The policy advisor was funded under SEED Act resources for the first year of his work. He is now under full USDA funding. The initial months of service of the advisor were difficult. As noted above, he had no job description, was not within the Ministry, and spent much time on USDA coordination work. The situation is now much improved. The advisor has written a general paper on future agricultural policy directions the government should take in the agriculture sector. There have been some questions about this paper from USAID. Such issues could be resolved through improved communication between the advisor and the local USAID staff. The Embassy earlier showed concern about whether the advisor was having significant policy impact, but now it appears comfortable with his activities. Another issue, noted above, is the arrival of two additional advisors in the Ministry.

Agricultural policy is key to the future development of Bulgaria's agriculture. Issues such as the now stymied land reform and privatization of agricultural processing industries, as well as provision of agricultural services by the Ministry, need to be addressed promptly. It is unclear what effectiveness any advisor could have in accelerating this reform agenda given the very political nature of these problems. It is also unclear with what degree of forcefulness the current advisor can put forth his ideas. To do this effectively, the advisor needs to communicate closely with the U.S. Embassy, AID, and USDA so the U.S. assistance community can collaborate in getting clear messages out in this very noisy and confusing policy arena.

The most important work the advisor has been doing is coordinating a series of "staff analysis" papers on specific issues. These short and pointed papers can be of help to the

MOA in better understanding the impact of particular policies. The best example of this has been grain stabilization. The advisor has been able to bring in a joint PHARE/USDA team to look at this issue and develop a detailed policy position paper on it. This initiative could prevent the GOB from making major policy and financial errors in this area. In general, after a difficult start, the policy advisor now is in a position to play a significant role within the framework of Bulgarian policy determination.

G6. Planned Future Activities

The Minister of Agriculture has requested that the advisor be extended another year. The advisor is now funded under Emerging Democracies funding allocated in the 1990 Farm Bill directly to USDA and no longer through AID funding under the SEED Act.

H. OICD/Agribusiness Marketing Seminars

H1. Background

Under President Bush's "Trade Enhancement Initiative" OICD organized a series of agribusiness and marketing seminars in Eastern Europe. The seminars were designed to provide information to exporters and importers of agricultural goods in Eastern Europe on the procedures and regulations for such exports and imports, particularly as related to the U.S. market. The seminars treated a number of topics ranging from a description of the food marketing chain in the U.S. to import regulations for food products. Cost of the seminars ranged from $30,000 to $65,000 each. Seminars were held in the Czech Republic, Slovakia, and Hungary and are scheduled for Poland and Bulgaria. Attendance at the seminars has varied widely.

H2. Integration into Host-country Plans

Governments in Eastern Europe do not have the resources to afford major export promotion activities although exports are crucial to their economic development. They are forced to leave most of this activity to the private sector. The private sector's receptivity to this program varied greatly according to each country's state of development. Hungary, with many companies traditionally engaged in exports, responded favorably, and attendance at the seminar was good, while Slovakia registered few participants.

H3. Coordination with Other Donor Assistance

While other donors are involved in trying to enhance Eastern European trade, their approach is less direct, often taken through loans (multilateral) and technical assistance. They also appear more self-interested, linking their technical assistance directly to export promotion of their own products.

H4. Program Management

OICD originally proposed an agribusiness marketing seminar only for Hungary, but

the State Department requested that these seminars be offered to Czechoslovakia, Poland, and Bulgaria as well. OICD seminars on agribusiness are being organized this year in Poland and Bulgaria, following similar seminars in Hungary, Czech Republic, and Slovakia. Speed in implementing this program is dependent on USDA staffing. All OICD agribusiness marketing seminars were organized by one expert in the OICD, who built on experience from one seminar to the next and negotiated substantial support from host-country organizations.

H5. Impact

To date, except for Hungary and Poland, host countries participating in these seminars are not at a stage of development to benefit fully from them. For most Eastern European countries, ownership of firms with export potential is still in flux and even mid-level employment in the food processing industries seems unstable. The same may be said to a lesser degree for trading companies. Attendance at seminars was good in Hungary, fair in the Czech Republic, and poor in Slovakia. Invitation lists included too many government and other non-private sector people who could not use the information effectively. A further concern is the anticipated reorientation of assistance under the new U.S. administration toward advantages to the U.S. economy. Conformity with U.S. legislation (Bumpers) is also a concern. OICD have promised in this regard to focus the final two seminars away from U.S. marketing and toward more generic marketing topics and activities which promote two-way trade. A country-by-country breakdown of the impact of the seminars is as follows:

Czech Republic. The impact of the seminar seems only marginal. Most attendees were not exporters but government, academic, or trade association members. As an indicator of the impact of the seminar, one trade association person said that he was going to write up his view of the presentation for his association's newsletter but he still hadn't done so six months later.

Slovakia. The seminar seems to have had only marginal impact. The evaluation team could not get a list of who attended the course and so was unable to interview any participants. Generally, it appears that the seminar was attended by mostly government representatives and few, if any, private companies.

Hungary. The seminar was judged successful by the local USDA representative, but he was unable to locate anyone who had attended the seminar. The reason given is that in the dynamic Hungarian economy, people were changing jobs so fast it was hard to keep track of them. This may be a good sign of the potential impact of the seminars, but there was no way to confirm this possibility.

Poland. The seminar had not taken place yet in Poland. Exhibitors promoting both U.S. and Polish products have been invited. A large number of traders (the target audience) had reportedly paid the registration fee. Given Poland's excellent prospects for agricultural exports, not necessarily all to the U.S., it seems likely that this seminar will have significant impact.

Bulgaria. The seminar had also not yet taken place in Bulgaria. Here, with the confused nature of the commercial and private sector, it is hard to predict whether such a seminar will be successful. The general approach is to charge for the seminar and look for private companies to attend. The seminar will be held if a sufficient number of people pay the registration fees.

H6. Planned Future Activities

Seminars are planned for Poland and Bulgaria in May-June, 1993.

I. Cochran Fellowship Program

I1. Background

The Cochran Fellowship Program (CFP) provides short-term agriculture training in the United States for selected Eastern European participants. Identification of candidates for the program is coordinated by the USDA Agricultural Affairs offices in their respective countries. Nomination of candidates for the program is coordinated with host-government offices, U.S. assistance programs in the country, and private agricultural businesses.

Through FY 1993, the CFP will have provided short-term training using SEED funding for 234 participants. The breakdown of participants by country is Poland—122; Hungary—37; Czechoslovakia—36; and Bulgaria—39.

I2. Impact

The evaluation team met some Cochran fellows in Poland and discussed the program in the countries it visited. The overall impression was positive. The Cochran program is well integrated into other USDA activities and supports general U.S. interests. As mentioned earlier, a select group of 4—6 Polish journalists were sent under the CFP for training on how to use S&O and other economic reports in articles for the farming population and the general public. The Polish/American Extension Project has sent some 30 participants under CFP for U.S. training directly supporting their project. Some of these participants included the more outstanding ORD directors. In addition, the CFP has worked closely with the Agricultural Counselor's office in Warsaw to provide U.S. training to Polish entrepreneurs seeking technical knowledge and contacts with U.S. businesses related to the agricultural sector.

The CFP is also being used by ERS to provide special training in S&O work for participants in Bulgaria. Representatives in the fruit and vegetable industry in Bulgaria were also among those selected for the CFP. This latter group was primarily public sector individuals, but after the training some of them left the public sector to start their own private businesses.

SECTION IV. CONCLUSIONS AND RECOMMENDATIONS

A. Conclusions

USDA activities funded under the RAA have successfully met the overall project objectives of assisting government agencies of selected Eastern European countries in performing tasks necessary for efficient and effective functioning of a market economy. In some cases, such as the extension activity in Poland, the project has met this objective in an exceptional manner. Overall the project has been cost-effective and timely in carrying out its operations, although some suggestions to increase cost-effectiveness are presented below in connection with specific activities.

USDA established programs which addressed some major needs in important ways. The changes now occurring in these Eastern European countries are profound. In very short order, their agricultural economies have been turned upside down. Some, such as Poland, are doing relatively well, while others, such as Bulgaria, have much more to do before the benefits of a market economy can affect the majority of the population. The USDA programs are providing essential skills and resources at critical points within governmental structures to allow these revitalized structures more adequately to support development of a strong private sector and market-based economy.

Project activities have been in priority areas for assistance within each country and, in most cases, have received good government support. The exceptions are Hungary, where the ERS-supported situation and outlook report activity was canceled due to lack of host-country support; and Poland, where assistance has been withdrawn, at least temporarily, while government agencies decide a course of action on agricultural research system reorganization (see below). Post-project sustainability of the activities undertaken by USDA seems assured for all non-pilot activities. A mutual review of the operation of these pilot activities will decide whether they will have continued support. It is too early to determine the sustainability of the Bulgarian projects as they are just now getting underway.

There appeared to be no conflict between the USDA activities and host-country development plans. In general the programs were well coordinated with both donor and host-country activities. In a few cases, primarily in Bulgaria, potential conflicts of donor activity were noted. However, given the early stages of the activities in this country and, most importantly, the desire of donor field staff to coordinate local actions, these potential conflicts do not appear serious at this time. Some complementarity of skills could compensate for the danger of duplication.

In those programs that have been in operation for several years (extension in Poland and ERS in Czech Republic, Slovakia, and Poland) program activities had measurable

impacts. The short-term work on heavy metal contamination in Bulgaria also has had an important impact. The other activities are either of a pilot nature or, as is true of most activities in Bulgaria, not yet fully underway.

As specified in the RAA, the major focus of the USDA assistance centers on necessary government agency support for private sector development. These activities include extension education, agricultural research, market information, and essential regulations and policies. While the bulk of project resources are directed toward government agencies (the agribusiness marketing seminars being the principal exception), many activities had direct and positive impacts on the private sector. This impact is shown in business plans for a private milk plant with assistance of the extension service; private investment decisions using situation and outlook reports; private slaughterhouses working with AMS to set up grades and standards for pig carcasses; and training for private sector representatives under the Cochran Fellowship Program. Private sector spin-offs related to the USDA programs (such as a private sector farmer information systems) are being considered by private investors but little has occurred to date.

B. Recommendations

The following are the evaluation team's recommendations of for future activities and operation of the project:

1. USDA should continue to focus activities on host-country needs in areas where host governments are willing to provide effective cooperation and counterparts.

The evaluation team found several examples where USDA moved to keep the focus of their activities on areas where there was appropriate host-country support. For example, ERS was right to switch funding from Hungary to Czech Republic and Slovakia when Hungarian counterparts were not adequately dedicated to the program. The team agrees with OICD's decision to temporarily discontinue involvement in restructuring the Polish agricultural research system until the Polish government can decide which bodies will set priorities and assign counterparts to work with USDA's expert.

2. Within country coordination of USDA activities needs continued attention.

Generally, the team was impressed with the degree of coordination among different USDA activities. In Poland, ERS reports were being distributed to extension centers, AMS was cooperating closely with Extension, and NASS was cooperating closely with ERS. Coordination of USDA projects with one another (Extension with AMS, ERS with NASS) and with other U.S. Government efforts (Extension with VOCA and CDC) should continue. The USDA Agricultural Counselor in Warsaw suggested that more effort might be made to interpret key information in ERS situation and outlook reports for understanding by the public. This need will be partially addressed by the Cochran Fellowship Program, which will provide training for 4-6 Polish agricultural media participants in summer 1993. Ambassador Simons suggested that more attention might be given to expert coordination with the mass media (TV and Radio) in both ERS and Extension work. These ideas are worth

follow-up.

3. Coordination with other donor programs remains a high priority.

In Bulgaria, for example, the program seems well focussed and there did not seem to be excessive duplication among donors. Nevertheless, in most areas of activity—policy advice, economic analysis, market news, extension, statistical sampling, land privatization, satellite imagery—there are efforts by the United States and the EC focusing on the same general areas. While USDA projects should generally remain distinct from those of the EEC or bilateral donors, continuation of coordination is needed to ensure complementarity rather than duplication. The U.S. Embassy in Sofia should help USDA avoid the danger of duplication and similar coordination should be pursued in other countries of focus.

4. ERS should improve information flow to USAID.

ERS should ensure that USAID receives oral and written reports on activities. In Czech Republic and Slovakia, USAID representatives indicated they were not well informed about ERS activities. Communication with USAID in Poland is adequate. In Bulgaria, the policy advisor should continue to review and discuss major policy studies with AID, as was being done with the grain marketing paper. Efforts should be made to improve informal communication as well as to take full advantage of both USDA's technical expertise and USAID's development experience in implementing all U.S. assistance. Continued attendance by the policy advisor at USAID-coordinated U.S. donor assistance meetings will help. The policy advisor should be able to provide quick advice to the Minister without review or approval of other agencies. The advisor should circulate all relevant documents on policy advice within the country team to facilitate review and dialogue on policies.

5. ERS should expand briefings and other support to its trainers in situation and outlook work within a well focused program.

ERS needs to brief its people better. While situation and outlook training was highly successful and highly appreciated by host countries, the team believes that analysts expert in U.S. domestic commodity reports should be more comprehensively briefed on country conditions before going out. Enhanced awareness of local conditions through oral and written briefings could increase their effectiveness and analytical capabilities. Better use of ERS's regional experts can contribute to this. The configuration used in Bulgaria, where U.S. commodity experts worked with USDA personnel who are experts on Bulgaria, is ideal. A packet of written briefing materials should be prepared It should include host-country agricultural S&O, economic, political, and local legal information on commercial and land regulations. ERS can and should serve as the primary source of briefing material for the whole U.S. effort in the agricultural sector.

ERS has conducted a generally successful project aimed at perceived country needs. In spite of little experience in training, ERS analysts have to all appearances succeeded in transferring complex skills to host-country counterparts. Successful continuation of the program could, nevertheless, be enhanced by the opportunity for ERS managers to undertake

some short courses in training skills, the results of which they could incorporate into their programs.

While successful in its overall objectives, ERS's cost effectiveness and donor coordination could be enhanced by a greater degree of focus in the program and a smaller number of trips. The TDY activities in Bulgaria focused on pricing, land titling, and grain marketing were excellent. Staffing for the Czech and Slovak program should be reviewed to see if one situation and outlook analyst might cover more than one topic, helping to reduce travel costs (covering two topics in one trip) and giving trainers opportunity for development of more in-depth knowledge of the local situation.

The program in Bulgaria seemed very well focused, and staffing plans seemed adequate. The preparation of three commodity reports in Bulgaria seemed quite sensible. Nine commodity reports in Poland may have been too many. If situation and outlook reporting in the Czech Republic and Slovakia is expanded beyond the two commodity sectors handled up to now, the total number of reports should be kept fairly low, e.g., the three additional reports proposed by Slovakia seems a reasonable limit in relation to local resources.

6. ERS should reexamine the focus of workshops.

In Czech Republic, Slovakia, and particularly in Hungary, there were strong hints that some workshops were too general and not well focused on economic conditions of the host country. The team feels that in Poland, while extension work with farmers on cost of production is needed, ERS training of Ministry of Agriculture economists on cost of production accountancy may not be the best use of resources. ERS should follow up on team requests from the Ministry of Agriculture to review and recommend areas of focus and seek to target those areas directly focussed on country needs of highest priority to the Poles. The list of workshops offered should also be purged of some items not well focussed on country needs. It is difficult for the review team to make firm recommendations on specific technical aspects of scheduling. The program was, in general, well run, effective, and well received in all countries studied (except in Hungary, where ERS withdrawal of the program was fully appropriate, given lack of Hungarian support). However, the team feels that even when the main focus of training is on methodology used in the United States, more attention to adapting presentations and training to bring in examples based on local economic conditions might make the programs even more effective.

7. Use of local currency for dollar costs in Poland should be reviewed.

ERS has undertaken the second largest USDA effort in Poland after the Extension Service. In addition to ample U.S. resources, ERS has used local currency to pay for both local expenditures (per diem and office expenditures) and transatlantic airline tickets. The use of PL480 local currency to pay for dollar costs is contrary to AID handbook guidance. While the particular PL480 Titles under which this local currency has been generated are under the province of USDA, the issue needs to be looked at carefully. The amounts of money are small but the question of using funds generated for development assistance to pay

for foreign expertise has a potential double effect of reducing the balance of services trade and pressuring the local currency. Given the actual amounts in question, this effect is very small; nevertheless, the issue needs careful scrutiny by both U.S. and host-country program officials.

8. OICD's work on restructuring the Polish agricultural research system should be reviewed in terms of appropriateness for continued support.

Efforts to help Poland to restructure agricultural research were appropriate and remain a high priority. The OICD professional seems to have performed an appropriate role in a difficult and contentious environment of struggle among competing Polish bureaucracies. This work should continue only if the Polish government can make decisions on which organizations will participate in setting priorities, where to centralize information, and how to set priorities. In addition, the Polish Government, within the context of the reorganization of the research system, needs to assign an effective counterpart or counterparts to the OICD professional and an appropriate scope of work should be negotiated.

9. OICD should review the appropriateness and focus of continued agribusiness marketing seminars.

The evaluation team questioned the focus and target audience of the OICD agribusiness marketing seminars. The seminar in Slovakia was poorly attended. In the Czech Republic there was a question of whether the seminar could have been related more closely to local conditions. Traders in Poland are enthusiastically registering for the upcoming seminar, while in Bulgaria, where preparations were still in preliminary stages, there are some questions about participation. In light of reduced U.S. enthusiasm for President Bush's Trade Enhancement Initiative after 1991 (when these activities were planned and approved), the team feels that the focus of these seminars should be reexamined and perhaps changed, with less emphasis on opportunities to export to the U.S. market and more focus on generic improvements in marketing capabilities and on two-way trade.

10. Recommendations on funding:

USAID should consider additional SEED Act funding to support continuation of USDA activities as follows:

(a). Czech Republic and Slovakia: $200,000 in FY 1993 for ERS and NASS.

ERS programs to train situation and outlook analysts have been highly successful, due to enthusiastic response by host governments and counterparts assigned. By the end of FY 1993 Czech and Slovak counterparts should be able to independently produce situation and outlook reports for grains and milk. Additional funding would permit reinforcement of these skills and would meet Ministry of Agriculture desires to expand commodity reports to meat (Slovakia), oilseeds, and sugar beets (the latter two wanted by both

countries). Both countries also requested help in gathering, processing, and distributing agricultural statistics (NASS). Since FY 1994 money probably would not be available until April 1994, the team recommends that consideration be given to seeking $200,000 in end of FY 1993 funding to support these activities. In addition, a modest program for FY 1994 should be continued.

(b). Poland: $1.5 million for FY 1994 and for an FY 1995 extension.

The team heartily supports the Ambassador's recommendation that Extension Service programs be funded at a level of $1.5 million in FY 1994 and 1995. The programs have been highly successful in the 19 ODRs covered, with Poles eagerly accepting training and developing creative approaches to encouragement of private farm management and marketing. The extension training is encouraging integration and linkages among the ODR's to have a national extension system. New programs such as Market News (AMS) are also being tied to the national extension network. With FY 1993 funding, the Extension Service will have covered 24 of the country's 49 ODRs by December 1993. Additional funding will permit expansion of the program to other ODRs.

(c). Poland: FY 1994 funding to ERS for Staff Analysis.

In FY 1993, situation and outlook training will be complete, with the Polish analysts able to carry on without further assistance. The Ministry has also been impressed with ERS training in short-term staff analysis: development of brief papers on pros and cons on specific policy issues to facilitate quick and informed decisions by policymakers. The Ministry of Agriculture has just set up a division dedicated to this collaborative work with ERS. Additional funding in FY 1994 should be provided to allow this training.

(d). Poland and Bulgaria: Sympathetic consideration for FY 1994 NASS and AMS proposals.

The NASS and AMS projects are well conceived and well focussed pilot studies (statistical sampling using area and list frames, grades and standards, market news). USAID should give sympathetic consideration to proposals by the agencies for follow-up work once their initial pilot projects and studies are complete.

(e). Poland: OICD work on restructuring research should continue only if the Polish take a major step toward the restructuring of the agricultural research system.

Work to restructure Poland's agricultural research system was well conceived and executed by OICD. The Polish government must now make a decision for

follow up. There is no point in continuing OICD work if the Polish government cannot decide which agency(ies) will be responsible for nousing the secretariat and how priorities will be set. If the Polish government does move forward in this respect and assigns an effective counterpart(s) to the OICD professional, modest funding might be considered for continuation of this potentially valuable work to focus research on practical needs and make results available to farmers through the extension system.

(f). Bulgaria: FY 1994 funding for the program should continue, provided reform continues.

The USDA program seems well focussed and suited to Bulgarian needs, and Bulgaria has assigned counterparts who seem very interested in making the program proceed. Clearly the work of NASS on sampling, the help of SCS on soil surveys (linked to land reform), and the situation and outlook training by ERS will be needed and useful under any likely scenario. The future role of our assistance in policy advice, grades, standards, market news (AMS), and extension will depend on the speed and success of privatization and decisions yet to be made on reorganization of the government. The PHARE program and bilateral donors have several programs dealing with the same general areas of focus as USDA, although their detailed focus and areas of expertise are different. USDA has a well designed program and much of it has just started. It is likely that additional funding will be desirable in the future after a review of success of the work begun in FY 1993 and a review of changing institutions within Bulgaria.

(g). Bulgaria: $50,000 in FY 1993 for ERS (land markets, valuation, fair taxation).

The ERS program is better focussed in Bulgaria than elsewhere, and it makes judicious use of ERS staff with regional expertise. Written briefing material needs to be developed and distributed to U.S. experts. The Bulgarian agricultural sector has been dislocated by the partial transition to private ownership under the land and privatization laws. Provisions of these laws need to be modified to facilitate a more rapid transition. While the long-term policy advisor can be of assistance in this regard, additional TDY specialists in land reform and privatization may be required.

ANNEX A
FINANCIAL TABLES

USDA SEED ACT PROJECTS

FY 1991

	Assistance Days 1/	Training Days 2/	Budget	Cost per Assistance/ Training Day
Extension				
-Poland	1,689	0	$1,500,000	$880
-Bulgaria	0	0	0	0
ERS				
-Poland	127	130	$521,000	$1,860 3/
-Bulgaria	47	0	$32,000	$680
-Czech/Slovakia	26	0	$24,000	$923
-Hungary	72	90	$119,000	$735
NASS				
-Poland	30	0	4/	0
AMS				
-Poland	0	0	0	0
SCS				
-Bulgaria	40	0	$50,000	$1,250
OICD				
-Poland	92	7	$94,200	$952
-Bulgaria	39	7	$18,750	$408
Cochran (OICD)				
-Poland	3	160	$61,964	$380
-Hungary	3	174	$52,950	$299
-Czech/Slovakia	3	241	$76,123	$312
-Bulgaria	4	380	$72,457	$189
Marketing (OICD)	0	0	0	0
TOTAL	2,168	1,189	$2,622,444	$781

1/ Number of days that U.S. personnel spend in the field, excluding travel time and weekends.

2/ Number of days that foreign trainees spend in the United States, excluding travel time and weekends.

3/ Includes NASS (30 assistance days).

4/ In FY 1991, NASS activities were funded from the ERS budget allocation.

49

USDA SEED ACT PROJECTS

FY 1992

	Assistance Days 1/	Training Days 2/	Budget	Cost per Assistance/ Training Day
Extension				
-Poland	3,499	0	$1,500,000	$429
-Bulgaria	0	0	0	
ERS				
-Poland	315	397	$770,000	$1,081
-Bulgaria	290	0	$299,000	$1,031
-Czech/Slovakia	160	120	$264,000	$943
-Hungary	105	30	$240,000	$1,778
NASS				
-Poland	140	180	$250,000	$781
-Bulgaria	60	110	100,000	$588
AMS				
-Poland	145	0	$334,000	$2,303
SCS				
-Bulgaria	0	0	$100,000	
OICD				
-Poland	48	360	$71,750	$179
-Bulgaria	20	360	$54,500	$143
Cochran (OICD)				
-Poland	6	774	$152,900	$196
-Hungary	3	279	$113,130	$401
-Czech/Slovakia	4	301	$56,840	$186
-Bulgaria	1	142	$43,362	$303
Marketing (OICD)				
-Hungary	50	0	$46,500	$930
TOTAL	4,681	2,822	$4,395,982	$586

1/ Number of days that U.S. personnel spend in the field, excluding travel time and weekends.

2/ Number of days that foreign trainees spend in the United States, excluding travel time and weekends.

50

USDA SEED ACT PROJECTS

FY 1993

	Assistance Days 1/	Training Days 2/	Budget	Cost per Assistance/ Training Day
Extension				
-Poland	2,882	0	$1,000,000	$347
-Bulgaria	866	0	$600,000	$693
ERS				
-Poland	384	60	$458,000	$1,032
-Bulgaria	101	100	$218,000	$1,085
-Czech/Slovakia	138	0	$332,000	$2,406
-Hungary	0	0	0	0
NASS				
-Poland	140	180	$225,000	$703
-Bulgaria	120	180	$175,000	$583
AMS				
-Poland	825	485	$254,000	$194
SCS				
-Bulgaria	78	105	0	$546
Research (OICD)				
-Poland	169	30	$70,000	$352
-Bulgaria	73	30	$100,000	$971
Cochran (OICD)				
-Poland	5	760	$197,000	$258
-Hungary	3	241	$63,400	$260
-Czech/Slovakia	4	228	$66,700	$288
-Bulgaria	2	276	$88,371	$318
Marketing (OICD)				
-Czech/Slovakia	91	0	$59,000	$648
TOTAL	5,678	2,463	$3,906,471	$480

1/ Number of days that U.S. personnel spend in the field, excluding travel time and weekends.

2/ Number of days that foreign trainees spend in the United States, excluding travel time and weekends.

51

USDA SEED ACT PROJECTS
FY 1991 - FY 1993

	Assistance/ Training Days 1/	Budget 2/ ($US)	Cost per Assistance/ Training Day
Extension			
-Poland	8,070	$6,270,000	$777
-Bulgaria	866	600,000	693
ERS 3/			
-Poland	1,436 4/	2,213,391 5/	1,541
-Bulgaria	538	549,000	1,020
-Czech/Slovakia	444	620,000	1,396
-Hungary	297	359,000	1,209
NASS			
-Poland	670	475,000	709
-Bulgaria	470	275,000	585
AMS			
-Poland	1,455	605,503	416
SCS			
-Bulgaria	223	150,000	673
OICD			
-Poland (Research)	706	528,950	749
-Bulgaria	529	173,250	328
Cochran			
-Regional	3,997	1,893,797	474
Marketing (OICD)	141	105,500	748
TOTAL	19,001	$14,818,391	$780

1/ Assistance days are days that U.S. personnel spend in the field, excluding travel time and weekends. Training days are days that foreign trainees spend in the United States (excluding travel time and weekends).

2/ Includes dollar equivalent of local currency proceeds spent by USDA activities in Poland (thru March 31, 1993) as follows: Extension - $2,270,000; ERS/NASS - $464,391; AMS - $16,503; OICD Research - $293,000; and, Cochran - $48,600. (Median exchange rate for 1991-1993 is $US = 12,500 zlotys.)

3/ Contributing to higher ERS costs in the Table was Washington-based management time not counted as assistance days. In some of the other projects, field-based management time was counted towards total assistance days.

4/ Includes 30 assistance days for NASS activities in FY 1991, financed from the ERS and FAS Secretariat budget.

5/ A small portion of ERS zloty expenditures were for NASS activities. NASS does not have a separate local currency project account.

58

ANNEX B
SCOPE OF WORK

ANNEX B. SCOPE OF WORK

The following questions will be addressed by the evaluation team:

1. Are the project objectives being meet? If so, have they been achieved in a cost-effective and timely manner?

2. Have the sub-sector and activities chosen been priority area for assistance capable of achieving self-sustaining development after the period of assistance is closed?

3. Have subject activities conformed to host country development plans and been well coordinated with other host country and other donor activities?

4. Have these activities impacted economic restructuration in a measurable way? If not, do they have potential for doing so?

5. Is it recommended that activities continue in these areas or in other areas?

6. Has the assistance provided been appropriate to the needs of the host country?

7. Are there private vendors that could have emerged though the program implementation process which can be addressed though program revisions?

8. What are the key issues which have emerged though the program implementation process which can be addressed though program revisions?

9. Are there outstanding agricultural policy issues which impact negatively on the success of project activities?

10. What are the specifics of each sub-activity that need to be highlighted relative to items 1. though 9. above?

11. What new direction or goals should be considered for the remaining life of the project activities or follow-on activities?

ANNEX C
BIBLIOGRAPHY

ANNEX C. BIBLIOGRAPHY

Csáki, C., (1990). "Agricultural Policy Changes in Eastern Europe at the Beginning of the Nineties". In C. Csáki, et al (Eds.) *Agricultural Restructuring in Southern Africa.* Windhoek, Namibia: International Association of Agricultural Economists.

Sachs, Jeffrey D. (1992). "Accelerating Privatization in Eastern Europe: The Case of Poland," proceeding of the World Bank Annual Conference on Development Economies, 1991.

Mroz, John E. (1993). "Russia and Eastern Europe: Will the West Let Them Fail?" *Foreign Affairs*, Vol. 72, No. 1.

Schmid, A. A., (1990). "Ideas for a New Nation: Public Choice and the Legal Foundations of a Market Economy". In C. Csáki, et al (Eds.) *Agricultural Restructuring in Southern Africa.* Windhoek, Namibia: International Association of Agricultural Economists.

The World Bank (1992), *Food and Agricultural Policy Reforms in the Former USSR--an Agenda for the Transition*, Studies of Economies in Transformation, Paper No. 1, Country Department III-Europe and Central Asia Region. Washington, D. C.

_____, (1987). *Poland-Reform, Adjustment and Growth*, Vol. II. "Agriculture." pp 1-59. A World Bank Country Study. Washington, D. C.

_____, (1992). *An Agricultural Strategy for Bulgaria*, a report prepared by a Joint PHARE/World Bank Task Force with the assistance of the Agricultural Policy Unit of the Ministry for Agricultural Development, Land Use and Land Restitution.

Economic Research Service, U.S. Department of Agriculture (1992), "Central Europe: Agriculture in the New Market Economies", a special reprint from the November, 1991 *Agricultural Outlook.* Washington, D.C.

Cochrane, Nancy; R. Koopmans, J. Lamb, M. Lundell, M. de Souze and D. Sremac (1993), *Agricultural Policies and Performance in Central and Eastern Europe, 1989-1992.* Economic Research Service, U.S. Department of Agriculture, Foreign Agricultural Economic Report, No. 247.

Economic Research Service, Agriculture and Trade Analysis Division, U.S. Department of Agriculture, "Economies in Transition Agriculture Update," Sept/Oct. 1992.

The Economist, (1993, March 13-19). "A Survey of Eastern Europe."

- 56

USDA, FAS, 1991. *Bulgaria: A Report and Recommendations on the Fruit and vegetable Processing Industry.*

Sposato, Stephen R. (1992). *The Bulgarian Agricultural Sector and the U.S. Assistance Program.* USAID/EUR/DR/FS.

West, Donald; Meyer, Raymond; Bahn, Henry (1993), *Assessment of the Polish/American Extension Project.* Extension Service, U.S. Department of Agriculture and U.S. Agency for International Development.

ANNEX D
LIST OF PEOPLE CONTACTED

ANNEX D. LIST OF PEOPLE CONTACTED

Czech Republic

Hureza, Juri - Deputy Director, Statistic Service, Ministry of Agriculture (MOA)
Bernasek - Head, Analysis Department, MOA
Prouza, Bohumil - Head, Research Division, Research Institute of Agricultural Economics (RIAE)
Vaníček, František - Head, Department of Market Mechanism, RIAE
Becvarova - Researcher, RIAE
Vojtech - Researcher, RIAE
Rodgers, John - Private Sector Officer, USAID/Czech Republic
Cepelak, Pavel - Food Technologist, Prague Institute of Chemical Technology
Křivánek, Milan - Secretary, Czech Morovian Dairy Association

Slovakia

Pitoňák, Anton - Head, Department of Information and Prognosis, MOA
Blaas, Gejza - Researcher, RIAE
Maco, Michal - Director, Foreign Relations Department, MOA
Marčáková, Olga - Foreign Relations Department, MOA
Lerner, Patricia - USAID Representative to Slovakia, USAID/Slovakia
Lezin, Arthur - Acting Program Officer, USAID/Slovakia

Hungary

Ferenc, Nemes - Foreign Agriculture Service/USDA, USDA/Hungary
Harza, Lajos - General Director, Research and Information Institute for Agriculture Economics (RIIAE)
Kapronczai, István - Deputy Director, RIIAE
Bognár, Imre - Department Head, RIIAE
Takács, Imre - General Director, International Relations, MOA
Soós, Beáta - International Relations, MOA

Poland

Ambassador Simons, Thomas - US Embassy, Warsaw, Poland
Beeghly, Weyland - Agricultural Counselor, Foreign Agricultural Service/USDA, USDA/Poland
Chaudhry, Asif - Agricultural Attache, FAS, USDA/Poland
Majer, Nina - Project Specialist, USAID/Poland
Janowski, Gabriel - Minister, Ministry of Agriculture and Food Economy (MAFE)
Zwolińska, Maria - Undersecretary of State for Economic Policy, MAFE
Dąbkowski, Włodzimierz - Deputy Minister, MAFE
Brzoska, Marion - Advisor to the Minister, MAFE
Gąsowski, Andrzej - Director General, Department of Foreign Cooperation, MAFE
Gumkowski, Zdzisław - Deputy Director, Department of Foreign Cooperation, MAFE
Czeczott, Olgierd - Director, Department of Science, Education and Development, MAFE
Kramski, Benicjusz - Deputy Director, Department of Science, MAFE
Drygas, Mirosław - Head, Extension Service Section, MAFE
Ragland, John - Senior Extension Advisor, Polish/American Extension Project
Holder, David - Extension Advisor-Economics, Polish/American Extension Project

Shumway, Peter - Extension Advisor-Staff Development, Polish/American Extension Project
Sikora, Sławomir - Director ODR Płock
Boczek, Katarzyna - Director ODR Skierniewicach
McDonald, Roy - Marketing Advisor, Polish/American Marketing Project
Piskorz, Władyslaw - Special Assistant to the Minister, MAFE
Ciapinska, Maria - Chief specialist, Department of Food Processing, MAFE
Sławiński, Janusz - Director, ODR Bratoszewice
Borzuta, Karol - Meat and Fat Research Institute, Poznań
Wójciak, Janusz - Meat and Fat Research Institute, Poznań
Kapłon, Marian - National Research Institute of Animal Production, Kraków
Young, Edward - ERS/Commodity Economic Division/USDA
Kelch, David - ERS/Policy Analysis Division/USDA
Nowicka, Magdalena - Program Coordinator, Polish/American Economic Research Project
Rozwadowski, Richard - Program Manager, IBRD Agricultural Sector Adjustment Program
Józwiak, Wojciech - Director, Institute of Agriculture and Food Economics
Malkowski, Jan - Head, Market Analysis, Institute of Agriculture and Food Economics
Śmietanko, Andrzej - Vice President, Agency for Agricultural Markets
Smith, James - Research Advisor, Research Management Project
Frąckowiak, Jan Krzysztof - Undersecretary of State, State Committee for Scientific Research (KBN)
Hammersdorfer, Carl - Country Representative, VOCA
Lynch, Kathy - Training Coordinator, ACDI
Oleński, Józef - President, Central Statistical Office (GUS)
Kordos, Jan - Vice President, Central Statistical Office

Bulgaria

Ambassador Hill - US Embassy, Sofia, Bulgaria
Zarr, Gerald - USAID Representative, USAID/Bulgaria
Babylon, John - Program Officer, USAID/Bulgaria
Huth, William - Agricultural Counselor, FAS, USDA/Bulgaria
Hamilton, Clay - Agricultural Attache, FAS, USDA/Bulgaria
Struble, John - Economic Officer, US Embassy Bulgaria
Hristov, Rumen - Vice Minister, Ministry of Agriculture (MOA)
Meekhoff, Ronald - USDA Policy Advisor, MOA
Komarov - Deputy Chief, Division of Land Reform, MOA
Konischev, Penchio - Head, Department of Land and Land Use, MOA
Kulikov, Alexander - Head, Soil Survey Division, MOA
Lazarova, Maria - Head, International Relations Department, MOA
Vandev - Chief, Plant Growing Division, MOA
Campbell, Stewart - Director, Project Management Unit, PHARE
Boswell, Peter - Consultant, PHARE Agricultural Market Information and statistics Project
Stoikov, Angel - Director, Agricultural Statistics, Nationai Statistical Institute
Chakarov, Todor - Director, Canning Research Institute, Plovdiv
Kostov, Dimitar - Deputy Director, Maritsa Vegetable Crop Research Institute, Plovdiv
Belyakov, Velyu - Director, Fruit Growing Institute, Plovdiv
Makariev, Zdravtcho - Director, Institute of Fruit Growing, Kjustendil
Koopman, Robert - Chief, ERS Europe Branch