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**Land O'Lakes, Inc.**  
International  
Development

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**LAND O'LAKES, INC.**

**FARMER-TO-FARMER SPECIAL INITIATIVE  
PROGRAM IN THE NEW INDEPENDENT STATES (NIS)  
OF THE FORMER SOVIET UNION  
COOPERATIVE AGREEMENT FAO-0705-A-00-2091-00**

**Quarterly Report on Activities  
From April 1, to June 30, 1993**

**July 27, 1993**

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## **1. EXECUTIVE SUMMARY**

Refinement of regional areas of impact, execution of a subagreement with The National FFA Organization, finalization of volunteer briefing materials - all of these are signs that Land O'Lakes' part in implementing USAID's Farmer-to-Farmer program in the NIS is well underway. The great need for technical assistance in so many areas of agricultural expertise and in so many locations has prompted further insight into the steps necessary to provide assistance that has impact long after the conclusion of this particular program.

During the second quarter of 1993, Land O'Lakes continued to pinpoint those areas most receptive to the type of technical assistance Land O'Lakes and its collaborators can provide. The National FFA Organization, through a subagreement, has formed a solid relationship with a methodology center and a technical college that both provide curricula for agricultural schools throughout Russia. Four volunteers were fielded under the FFA portion of the Farmer-to-Farmer program. A Land O'Lakes volunteer assignment in potato processing and storage prompted a flood of technical assistance requests at the regional AKKOR offices when the volunteer and Land O'Lakes in-country manager were interviewed on regional radio and TV.

Assignments completed during previous quarters have begun to yield impact beyond the benefits experienced by recipients immediately upon completion of the technical assistance. A still-functioning cooperative and newly-functioning feed mill are two examples of this. Follow-up on all completed assignments has been made a part of Land O'Lakes implementation procedure and as each new technical assistance intervention is planned, it is expected to build on the outcomes of the previous assignments. In this way, a steady cycle of planning, checking and rechecking will take place, confirming continuing benefit.

The third quarter of 1993 will see an expected increase in volunteer fieldings as a result of the increase in technical assistance requests. Careful preparation of volunteers should make each assignment as productive as possible. In addition, continued commitment to complete and accurate reporting, appropriate and timely authorization procedures, and responsiveness to requests for information will assure quality communication between USAID and Land O'Lakes Farmer-to-Farmer project staff.

## **2. IMPLEMENTATION OF ACTIVITIES**

### **A. Program Management**

#### Regional Areas of Impact

Land O'Lakes has been working very closely with Dr. Bashmachnikov and AKKOR on the national, regional and local levels to refine the list of areas targeted for assistance by Land O'Lakes under the Farmer-to-Farmer program. This effort will provide a concentrated effort in a limited number of regions and districts and the greatest possible sustainable impact. In most regions, a single district has been identified to receive the greatest amount of technical assistance, allowing repeat technical assistance assignments to several organizations, each with many unique technical assistance needs. Preliminary regions and districts are:

**REGIONS**

Moscow  
Tver  
Vologda  
Ryazan  
Ivanovo  
Tula

**DISTRICTS**

Ramensky  
Kushalino  
TBD  
TBD  
Lezhnevsky  
Venev

In Ukraine, Farmer-to-Farmer activities will be implemented in Lviv and Ternopol.

The FFA will concentrate its efforts in the Moscow region (see below).

**FFA Subagreement**

A subagreement with the National FFA Foundation was finalized and executed with USAID approval. A yearly workplan for the FFA is required under this subagreement and will be submitted during the third quarter. The final version of this workplan will then be submitted to the USAID Farmer-to-Farmer Project Office for final approval. Future FFA workplans will be incorporated into the yearly workplan submitted by Land O'Lakes.

The FFA plans to have two main Russian beneficiary organizations in this project: the Russian Educational Methodology Center ("Center") and the Yakhromsky State Farm and Agricultural College ("Yakhromsky"). The Center provides a mechanism for testing curriculum and distributing it nationwide to other schools. It is an arm of the Ministry of Agriculture, which has the responsibility to train private farmers. It is also the national organization responsible for developing and distributing all agricultural curricula required to be followed by teachers in 320 agricultural schools in Russia. The Center has been charged by the Ministry of Agriculture with the implementation of a plan to educate 150,000 private farmers.

Yakhromsky will help to develop a training model for working with beginning farmers and for the continuing educational needs of private farmers. Its director, Mr. Alexander Sarbash, is a member of the Moscow Region Parliament and was a member of President Gorbachov's 1988 Commission on Agricultural Reform which first opened the door to private farm development. Yakhromsky is a 2800 hectare vegetable farm with a 1,200 head dairy operation. It employs 1100 production workers and 260 specialists, administrators and teachers. The agricultural college, opened in 1964, allows students to get practical training on the farm to supplement their classroom activities.

The FFA has established the following criteria for selection of volunteers:

- Quality of written applications
- Interest in assisting the NIS
- Individual skills
- Representative of one of three areas:
  - 1) teacher educator with experience in curriculum development
  - 2) state supervisor of agricultural education with experience in FFA programs and adult farmer education
  - 3) high school agriculture teacher with experience in agricultural marketing and agribusiness management programs

## Ukraine In-Country Coordination

As the result of a trip to Ukraine in May, 1993, Nathaniel Carin, Land O'Lakes' NIS Manager, identified the Lviv Institute of Management as a potential coordinator of Land O'Lakes Farmer-to-Farmer activities in Ukraine. The director of the Institute, Viktor Pynzenyk, is the First Deputy Premier of Ukraine and one of the foremost supporters of economic reform. Carin continues to negotiate details with the Institute and its designated representative, Lubomir Zalesky. It is anticipated that some type of agreement will be submitted for approval to the USAID Farmer-to-Farmer Project Office during the 3rd quarter of 1993.

## Volunteer Preparation

A final version of a volunteer briefing book is nearing completion. Recent additions include:

- a document on values based on Land O'Lakes' employee values statement. It is expected that this will assist volunteers in dealing with ethical issues while in the NIS. This document is discussed as part of the briefing process.
- a section dealing with security issues. This contains current information regarding the security situation in the NIS including situations, things and places to avoid and tips on safety and security.

A complete sample volunteer briefing book will be provided to USAID/Washington during the third quarter of 1993.

## **B. Volunteer Assignments**

<b>SPECIALIST</b>	<b>DATES</b>	<b>LOCATION</b>	<b>RECIPIENT ORGANIZATION</b>
Joe Kenworthy	May 17-28, 1993	Tver, Russia Venev, Russia	Salyut Farm Venev Cooperative
Paul Day Leonard Harzman Douglas Fischer Dennis Selness	June 6-26, 1993	Novo-Sinkovo, Russia	Russian Educational Methodology Center Yakhromsky State Farm and College

### Joe Kenworthy

Kenworthy has completed one-half of a technical assistance assignment in potato growing, processing, storage and distribution. Each location will receive two weeks of technical assistance in these areas at the completion of Kenworthy's assignment. A full summary of this assignment will be included in the report for the 3rd quarter of 1993.

During the 2nd quarter of 1993, specific outcomes of this technical assistance have already appeared, particularly in Tver. The specialist's presence there has shown outside support for private farmers and boosted their image in the eyes of local and regional leaders traditionally skeptical of radically changing collective farm structures. Tver Regional Television and Tver Radio interviewed Kenworthy and Nathaniel Carin, Land O'Lakes' NIS Manager, about the Farmer-to-Farmer program

in the NIS. As a result of this interview, requests for Farmer-to-Farmer technical assistance have increased significantly in the regional AKKOR office.

Paul Day, Leonard Harzman, Douglas Fischer, Dennis Selness (The National FFA Organization)

Based on the selection criteria listed above, Paul Day, State Supervisor of Agriculture Education for Minnesota; Leonard Harzman, curriculum developer and agriculture education professor at Western Illinois University; Douglas Fischer, agriculture teacher at Pearl River High School in Louisiana; and Dennis Selness, agriculture teacher at Linn-Mar High School in Iowa were sent to respond to a request by the Russian Educational Methodology Center and the Yakhromsky State Farm and College. The request was for assistance in:

- the development of an agricultural marketing curriculum
- the development of an agri-business management curriculum
- the development of a program of continuing education for private farmers
- the development of a rural youth program to replace previous organizations
- comparison of education standards between the two countries to see if Russian graduates would qualify for advanced studies in the United States



Volunteer Doug Fischer (right), a Louisiana agriculture teacher, puts a few drops of tabasco sauce on a tomato held by Vladimir Dereviankin, the Deputy Director of the Yakhromsky State Farm and College

The volunteers observed that the technical training of farm production personnel in Russia appears to be up to western standards, for the most part. About half the current training is accomplished as practical experience in the field. Russian farm workers are also highly specialized. For example, a worker may only become a tractor driver after finishing a two-year degree program in tractor driving. This job is also considered the top job at the state farms.

Currently, curriculum developers in Russia do not have much practical experience. Mr. Day said, *"these new farmers need consultants or extension agents that they can rely upon for technical assistance and advice."* Private farmers are supposed to be educated through the Ministry of Agriculture budget and yet agriculture teachers are paid through funds from the Ministry of Education. This has left many private farmers and teachers wondering who is responsible and eligible for private farmer training.

Through classroom and small group work sessions, work was begun in acquainting members of these two institutions to the large amount of material available for extension and agricultural education. Also, two working groups were formed that involved two volunteers with each group and about 25 representatives from Yakhromsky and the Center. Volunteers Selness and Fischer chaired a group that dealt with teaching methodologies and agri-business and agricultural marketing curriculum development for beginning private farmers. Volunteers Harzman and Day chaired a group that worked on issues relating to adult farmer continuing education. These groups met for two hours each day. Additional specific requests are being pursued, including:

- farm management computer programs (Farm Sense Record Keeping System from Specialized Data Systems and AgCHECK IV from Red Wing Business Systems have been donated to the Center's computer laboratory)
- agricultural marketing curricula pertaining to direct marketing and merchandising programs for specifically developed for farms rather than commodity markets
- audio visual materials used in American classrooms



Volunteer Dennis Selness, agriculture teacher at Linn-Mar High School in Iowa, explains, at a teacher seminar, how agriculture teachers work with adult farmers

An immediate benefit of this assignment was that it brought groups which hadn't previously communicated into dialogue with each other. School officials, teachers and curriculum developers accompanied the U.S. volunteers on trips to local private farms. The private farmers then had their first opportunity to speak directly with these Russian specialists. Additionally, seminars provided by the volunteers in Yakhromsky gave curriculum developers from the Center and agriculture teachers from Yakhromsky College access to each other and an opportunity to discuss new strategies for ag education. Curt Stutzman, FFA Farmer-to-Farmer program manager, who accompanied this group to Russia, commented: *"Despite the fact that these two [institutions] are across the road from each other, they answer to two separate agencies and find few excuses to cooperate despite their similar goals."*



Victor Sukhanov (left), a Dmitrov farmer, explains the educational needs of Russian private farmers to Volunteers Paul Day (center) and Dennis Selness (forefront)

Another benefit of this assignment was to strengthen the relationship and commitment between these institutions and the FFA. As a result, FFA has agreed to continue working with these schools in implementing this part of the Farmer-to-Farmer program.

### C. Staff Trips

Nathaniel Carin, Land O'Lakes NIS Manager, traveled to Ukraine and various Russian regions during the 2nd quarter of 1993. As summarized above, in Ukraine, Carin's goal was to find and begin negotiations with a reliable organization for the limited-time position of in-country coordinator for Ukraine. Such an organization was subsequently found in Lviv.

In addition, Carin also made trips to all of the regions (oblasts) recommended by Dr. Bashmachnikov, national head of AKKOR, and reported in the quarterly report for the 1st quarter of 1993. It is increasingly apparent to Land O'Lakes program management staff that under the scope of Land O'Lakes' Farmer-to-Farmer funding, true and sustainable impact will be most possible within a

concentrated effort to a limited number of regions. While Land O'Lakes will still be responsive to requests that fall outside these regions, it is hoped that such concentration will minimize the ambivalent and sometimes negative attitudes Russian private farmers are displaying regarding western development and aid programs which promise much but, in their perception, don't deliver.

Curt Stutzman, FFA Farmer-to-Farmer program manager, travelled to Russia with the first group of FFA volunteers. This trip helped to finalize the relationship between the Russian Educational Methodology Center, Yakhromsky State Farm and College and the National FFA Organization. In addition to working with these groups under the Farmer-to-Farmer program, and thus having impact on over 300 Russian agricultural training institutions, the FFA hopes to continue to work with them under other funding beyond the scope possible under Farmer-to-Farmer - most notably youth organizations.

### **3. IMPACT**

While there have been many examples of short-term and immediate outcomes and benefits of Land O'Lakes Farmer-to-Farmer program (see above and previous quarterly reports), long-term impact is just beginning to surface. The rapidly changing political and economic conditions in the NIS make it difficult to plan strategies that are focused toward the long-term. Additionally, most private farmers lack the credit and hard currency necessary for implementation of the more state-of-the-art recommendations that volunteers could make. Nevertheless, the following example highlight what is possible.

Dwain Swanson and Dave Eckholm, two volunteers fielded during the 1st quarter of 1993, were instrumental in providing technical assistance on the development of the Venev Cooperative. In fact, Dwain Swanson helped to formulate Articles and Bylaws for the cooperative which have served to keep the cooperative functioning despite the lack of an official legislative infrastructure. These governing instruments were formulated jointly with the cooperative chairman, Alexandr Kondratenko and cooperative advisor, Professor Nikolai Kharytonov.

In addition to the above, Dwain Swanson's technical assistance assignment included advising the cooperative on the planning, site and start-up plan for a feed mill operation. The expected date of operation was originally July, 1993, but it was actually up and running in May 1993, largely because of this technical assistance. It is the only feed mill in the region run by private farmers, most of whom had no prior experience before the technical assistance.

Following meetings with Nathaniel Carin regarding the Farmer-to-Farmer program and the potential types of technical assistance Land O'Lakes could offer, both the Tver and Vologda regional AKKOR's have begun planning Continuing Education Centers for private farmers. Tver has already offered the use of a building for this purpose. These centers are intended to be in operation after the end of the Farmer-to-Farmer program.

Carin also has observed that technical assistance interventions on farms that increase productivity have made private farms more competitive with the old state/collective farm system. Local administrative government officials who recognize this are then more willing to distribute more and better land to private farmers "on the waiting list," as in the Zavorovo region. This has made farmers in those same areas more receptive to technical assistance as something that can actually help them. In turn, this again points to the greater impact that can occur with concentration in a limited area.

On-going follow-up with the regional and local beneficiary organizations should continue to produce examples of long-term impact for future quarterly reports.

#### **4. PROGRAM ADJUSTMENTS**

##### **A. Land O'Lakes**

As reported above, Land O'Lakes has further refined the regions in which its Farmer-to-Farmer program will be concentrated. If any changes are necessary due to the development environment in a particular location, USAID will be notified as soon as possible.

##### **B. National FFA Organization**

More emphasis will be placed on the education of teachers in the future. Victor Drobyshev, Deputy Director of the Russian Rural Youth Federation, said, "*Retraining teachers is the best way to bring back efficiency to agriculture. The farmers who will make the biggest changes are those that are being trained now for the first time.*" The Federation will co-sponsor a one-week seminar for agriculture teachers next year at the Center.

Volunteers will continue to be fielded in groups to provide better orientation. However, volunteers will not be placed together in institutions in the future because it was found to be too much of a strain on the interpreter resources of the institution.

FFA was considering an additional association with three schools located in the Irkutz region in Siberia. These will be dropped from the FFA Farmer-to-Farmer program due to their location. Agricultural technical institutes in Tula and Zagorsk will be added.

#### **5. UPCOMING ACTIVITIES**

##### **A. Land O'Lakes**

###### Volunteer Assignments

Land O'Lakes will fill at least 17 technical assistance requests during the 3rd quarter of 1993. Currently, 14 volunteers have been identified for requests in August and September. Technical assistance requests include cooperative development, dairy processing, forage, marketing, and potato production and storage. By the end of August, 1993, volunteers will have been fielded in all of the primary targeted regions.

Some highlights of these upcoming technical assistance interventions include:

- Assisting STI and Zavorovo Association of Private Farmers and Small Enterprises to plan a small scale (10 ton/day) milk processing facility enabling private farmers there to gain a greater share of profits from value-added dairy products and to become less dependent upon former state-run dairy operations.

- Assisting beneficiary organizations to impact their local markets with new quality value-added products such as cheese. STI is investigating the local market in Zavorovo, Bronnitsy and Ramenskoye. The market for this type of product is currently almost completely open.
- Assisting private farmers to market their goods directly by providing technical knowledge of the organization of retail outlets and farmers markets.
- Assisting private women farmers in the Ryazan region, including the head of the National AKKOR Women's Council and its regional and potentially national infrastructure.

In Ukraine, Zalesky and Carin will identify technical assistance sites in the Lviv-Ternopol regions. Six technical assistance interventions in Ukraine are planned for the 3rd quarter of 1993.

### Program Management

A proposed workplan for year two of the Farmer-to-Farmer program will be submitted during the 3rd quarter of 1993. Also, in the same quarter, Land O'Lakes will make a decision regarding a vehicle for this program. Currently, U.S. vehicles sold in Russia are being researched. A secure garaged has been located and service centers have been identified.

### **B. National FFA Organization**

In addition to continuing planning of future technical assistance interventions regarding Russian agricultural education curricula development on both a regional and national level, FFA will field one volunteer in Ukraine during the 4th quarter of 1993.

## **6. ATTACHMENTS**

### **A. Quarterly Financial Report**

**ATTACHMENT A**  
**QUARTERLY FINANCIAL REPORT**

**FARMER TO FARMER  
FINANCIAL REPORT**

	<u>Expenditures</u>		
	<u>Actual Grant to Date</u>	<u>Actual 4/1/93 to 6/30/93</u>	<u>Projected 7/1/93 – 9/30/93</u>
1. Direct Labor	\$77,349	\$31,179	\$27,356
2. Fringe Benefits	18,564	7,483	6,565
3. Consultants	9,442	1,951	3,875
4. Travel/Per Diem	44,654	3,003	99,377
5. Expend. Supplies/Materials	146	8	3,425
6. Nonexpendable Equipment	0	0	0
7. Subcontracts/Subagreements	0	0	28,269
8. Other Direct Costs	6,238	(2,135)	9,050
9. Evaluations	0	0	0
10. Indirect Cost	<u>70,901</u>	<u>19,915</u>	<u>87,711</u>
Total Federal Funds	\$227,294	\$61,404	\$265,628
Non-Federal Funds	<u>2,670</u>	<u>1,312</u>	=
Total	<u><u>\$229,964</u></u>	<u><u>\$62,716</u></u>	<u><u>\$265,628</u></u>

This report represents a summary of actual and accrued expenses for the referenced agreement or grant. If accrual expense amounts were not available for activities occurring in the reported quarter, those expenses will be included in the next quarterly financial summary.