

PD ABA-236

85329

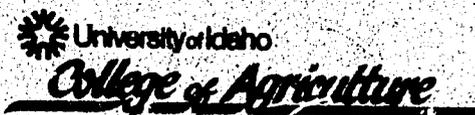
POSTHARVEST INSTITUTE

**Third Quarterly Report on Potato Activities
in Russia and Ukraine**

Postharvest Institute for Perishables

University of Idaho

October 1993



Third Quarterly Report
on
Potato Storage/Handling Activities
in
Russia and Ukraine

Cooperative Agreement No. CCN-0006-A-00-300/-00
Grant No. CCS-0006-6-00-002028-00
PIOP No. 110-0012-1-369930

for
USAID/NIS Task Force Office

by
Postharvest Institute for Perishables

October 1993

Third Quarterly Report on Potato Activities

in Russia and Ukraine

Postharvest Institute for Perishables

October 1993

This is the third quarterly report on Cooperative Agreement No. CCN-0006-A-00-3007-00 and Grant No. CCS-0006-6-00-2028-00. In addition, activities under PIOP-110-0012-1-369930 is also included in this report.

INTRODUCTION

PIP personnel are becoming more accustomed to working in NIS countries and dealing with people and organizations in primarily Ukraine and Russia.

PIP specialists visiting Russia and Ukraine meet and interact with a number of potato specialists and a certain amount of knowledge is imparted during these contacts. When Russian and Ukrainian potato specialists visit the U.S., there is the same interchange of ideas with potato people in the U.S. It is not possible for PIP to know how much information is getting through. We can only estimate from the apparent interest and questions that are asked by specialists from Russia and Ukraine.

Up to this point, it appears that along with the lack of latest technical information and knowledge, that a serious shortcoming in organization and management abilities are

quite apparent in Russian organizations. The Russian Potato Concern in Russia is fairly efficient as an organization. What is more important is that the director has requested assistance in upgrading management of the Russian Potato Concern.

The Ukrainian Institute for Potato Research, on the other hand, is somewhat behind the RPC in its organizational structure and efficiency of operations.

These are both government supported organizations (RPC has a dual public/private role) that were developed in a most inefficient system. On the one hand we could simply say that all government organizations in former NIS countries are not worth spending time and money to upgrade their operations and to attempt to improve their responsiveness to the changing economic situation. We would then work directly with emerging private farmer groups and assist them with their technical needs to the extent of our capabilities.

On the other hand, if some specialists in the Potato Institute and RPC could improve their extension activities to private farmers, vastly improve seed distribution and marketing, and generally utilize these specialists to offer to private growers technical and extension upgrades, it could benefit thousands of growers as well as emerging wholesalers, retailers and ultimately consumers.

PIP personnel feel they are making progress in promoting changes in how potatoes are harvested, stored and marketed with specialists in the two counterpart organizations. Both organizations appear to be willing to learn new ways and methods of potato culture. We can continue on this path and perhaps become involved with a higher goal of developing a part of each counterpart organization whose objective is to work solely with

private farm groups.

ACTIVITIES

1. Potato processing.

Mr. Roy Bosley, PIP potato processing specialist, visited Ukraine and Russia in July and August to advise on potato processing and marketing of processed potatoes.

The Ukrainian Institute for Potato Research introduced Bosley to various organizations and individuals in Ukraine interested in potato processing. Mr. Bosley's recommendation to the Ukrainians and Russians was for a processing specialist to do a thorough investigation of potato processing opportunities in each country before they go ahead with investments in processing. The investigation would be conducted to more thoroughly understand the major potato growing areas, storage facilities, the marketing process and potential positive and negative impacts from initiation of processing operations. The information gathered could greatly assist business persons to make wise choices in developing the processed potato industry.

Mr. Bosley was asked to review a joint venture proposed by Russian Potato Concern with an Idaho company. Mr. Bosley was able to contribute inputs to the proposed joint venture which helped the Russian group better understand the process of establishing a joint venture with a western firm.

2. Reduction of bruising in potato harvesting.

Mr. Will Anderson spent time with several Russian farmer groups this quarter to demonstrate how their potato harvesters were causing excess bruising during the harvesting process which then contributed to the spread of disease during storage. He was able to demonstrate the use of padding on the conveyor belts and chains to protect potatoes as they move from the ground to the storage hopper.

Mr. Anderson showed several Russian farmer groups the three videos produced by University of Idaho potato specialists to reduce bruising of potatoes during harvesting. He was also able to demonstrate how the use of potato handling equipment contributed to the bruise problem with large drops onto metal hopper floors of up to three meters.

Mr. Anderson attempted to obtain cooperation with the only potato harvester manufacturer in Russia but was not successful in the initial try. He was able to point out to AKKOR, the farmers organization, major bruise problems which would occur in the design of a one-row potato harvester which is proposed to be built for emerging private potato farmers.

3. Marketing of potatoes in Ukraine.

Dr. Joe Guenther, University of Idaho potato marketing specialist, visited the Ukrainian Institute for Potato Research to introduce free market concepts and evaluate the current potato market situation.

Dr. Guenther presented a seminar at the Institute for Potato Research on potatoes in a free market. The seminar was followed by informal discussions as potato specialists

were interested in the topic and eager for more information.

Following the seminar, Dr. Guenther visited the Academy for Agricultural Sciences, Institute for Agriculture Economy, private potato farms and retail food markets to discuss free market handling of potatoes.

It was proposed by the Institute for Potato Research that a Ukrainian marketing specialist spend a month in Idaho to become better acquainted with potato marketing in a free market system. The specialist would then use his knowledge to develop an extension program in the private sector Ukrainian potato industry.

4. Training.

PIP has up to this report, had training programs in the U.S. for 23 Russian/Ukrainian potato specialists or business managers of potato storage facilities.

A. Business Management Course.

Twelve Russian managers of base storage units or other food enterprises spent five weeks at the University of Idaho in a Business Management Course. The course was broken down to three weeks of classroom lectures by business school specialists, a one week field trip to various potato growing areas, and one week meeting private firms which are involved with the potato industry. From the number and context of questions, it appeared that the group of twelve received a considerable amount of useful information during the course. Several of the participants expressed interest in returning on their own to locate and purchase equipment.

The entire course was video taped and translated into Russian. The tapes will be

sent to Russia for use in the future as a training module.

B. Potato Specialist Training.

Three potato specialists visited Idaho during the quarter to observe potato husbandry methods. Two of the specialists were from Russian Potato Concern and the third was from the Ukrainian Institute for Potato Research. The specialists spent part of their time during the harvest period in the southern part of Idaho and a part at the University of Idaho laboratories concerned with potato research. A number of publications were obtained for the specialists at their request. These will be utilized by other specialists at the two collaborative organizations in Russia and Ukraine.

5. Visit by Director of Ukrainian Institute for Potato Research.

Mr. Anatoly Kuchko, Director of the Ukrainian Institute for Potato Research, visited PIP to discuss future collaboration between the Potato Institute and PIP. (Mr. Kuchko was on a trip to visit a potato genetics firm in California and made a side trip to PIP.)

Mr. Kuchko was advised by PIP that there needs to be some changes in the Potato Institute's operations in order for PIP to continue active collaboration in a joint program. He was told that it was not felt that the Institute was responsive to the needs of small, private potato producers in Ukraine. Mr. Kuchko explained the problems the Institute had in operating within the government bureaucracy and how many of his personnel were still thinking they were in the stale old system and worked accordingly. He also mentioned

that there were numerous questionable facilities under the jurisdiction of the Institute which should be combined or closed down.

What came out of the talks was an extraordinary request to PIP from Mr. Kuchko to assist him to streamline and modernize the organizational structure of the Potato Institute, but to do it to reduce opposition from hardliners.

When asked how any recommendations for change could be implemented within the present system, Mr. Kuchko responded that he would set up a meeting between PIP specialists, himself, the Director of the National Academy of Agricultural Sciences (Kuchko's supervisor) and the Vice President of Ukraine who is in charge of agriculture. In this way, Kuchko thinks valid recommendations might be accepted and implemented.

PIP feels there needs to be some reorganization or changes for the Institute to better respond to the needs of small producers who grow some 80 percent of the potatoes in Ukraine. It is thought that the best approach to assist the Potato Institute is for Mr. Kuchko to organize a separate section or division whose objective will be to work solely with smaller farmers and private farm groups. In this way, Mr. Kuchko could select some of the best people to be in this section and avoid the hardliners who would probably resist vehemently if the entire Potato Institute were to be reorganized as Mr. Kuchko had requested. PIP could then work with this select section with increased flexibility and perhaps make much greater strides towards assisting private farm groups.

6. Videos translated to Russian.

The three videos on potato bruising are now translated into the Russian language.

After transferring to the PAL TV system, sets of these will be sent to Russia and Ukraine.

The full set of videos on the Business Management Course is both in the Russian and English languages. These will also be transferred to the PAL system for viewing in Russia and Ukraine.

With both of the video sets, PIP is waiting for minor additions such as credits and then will transfer into the PAL system.

7. Small equipment order.

The small equipment request has been shipped to Ukraine by the U.S. company filling the order. The order to Russia should also be shipped in a short while.

8. Upcoming activities.

A. Organizational specialist to Russian Potato Concern.

PIP has located a management/organizational specialist who will be available to assist Russian Potato Concern to upgrade their organization's management system to be more responsive to the potato industry. In addition, the specialist is well versed in joint ventures and finances which will greatly help RPC's entry into private operations which is one of their objectives. The time and dates are currently being discussed.

B. Follow-up to Business Management Course.

Two PIP specialists in potato storage, handling, processing and business management will spend time in Russia with the 12 Russian business persons who took

the Business Management Course in Idaho. Plans for small volume lines of potato processing, fresh pack handling and reconstituted french fries will be shown to interested participants in the training course and further questions on free market system management will be discussed and answered.

C. Request for training in marketing potatoes and extension in Ukraine.

The Ukrainian Institute for Potato Research has requested PIP to train one of their people in commercial marketing of potatoes in an intensive four week course. The marketing specialist ostensibly would then be able to assist private farmer groups who would sell their potatoes in the open market.

PIP is considering the request. If we can be assured the market training will lead to increased activities with private farmers, we can then set up the training.

Under discussion is training for an extension specialist who might head up the new division to work with smaller farmers.

D. Collaboration with VOCA in Ukraine.

PIP and the VOCA head in Ukraine have discussed more collaboration between the two organizations so that we can reach more small farm groups.