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LAND O'LAKES
AGRICULTURAL COOPERATIVE/BUSINESS DEVELOPMENT
AND TRAINING FOR CENTRAL AND EASTERN EUROPE
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I. Executive Summary

Evaluation

In Poland, a logo was developed with the help of a Land O'Lakes Marketing specialist. In Estonia, a recommendation on reducing water use resulted in waste treatment savings equivalent to the salary of ten workers. In Bulgaria, the Milk Way dairy received recommendations and has succeeded in accomplishing

- Increase of local market share
- Expansion into markets in Sofia
- Development and successful sales of processed cheese
- Exports of cheese to Lebanon

These three examples of impact were highlights of the internal evaluation completed by a Land O'Lakes team. The evaluation concluded with a strategic retreat during which the team members developed country specific program changes.

Program Changes

In Poland, Land O'Lakes will provide customized technical assistance and training to up to twenty cooperatives and/or private agribusinesses. In Bulgaria and Romania, long-term technical assistance will be focused regionally, in a number of areas of the dairy industry. In Estonia, a private extension service will be created to assist small producers in the Tartu region. In Albania, dairy information campaigns will assist rural women to improve quality and increase the quantity of milk that they produce. Programs in the Czech Republic, Slovakia and Hungary will have successfully concluded by the end of 1993. The existing model of broad-based training will conclude, as well, in all the countries under the grant. Training materials developed for that phase of the program will be institutionalized in each country. Proposed changes in programs in Latvia and Lithuania are being developed.

Activities

Scheduled training activities as well as numerous technical assistance interventions were completed during the third quarter. An informational forum was completed in Albania. A U.S.-based short course, "Private Advisory Services," was held with participants from Poland and Romania. Seven of the International Agriculturalist Program Production Interns successfully completed their programs, one returned home early due to family challenges, and five have elected to stay up to 60 days longer in the United States to gain additional experience in production agriculture.

II. Implementation

Albania

Training

Kim Cassel taught two courses: *Dairy Production and Management* and *Training of Trainers* to a group of seven field agents in Tirana. Kim also worked with the participants to develop training materials that would be useful for the rural dairy campaign in which the participants will work directly with dairy producers. Although much material was covered, on a variety of topics. The training focused on quality milk collection, handling and storage methods which could be easily taught to dairy producers.

Patricia Henderson taught *Introduction to Marketing* in Tirana. The course participants were the seven field agents recruited by the Land O' Lakes Albania office to work with women dairy producers in the country. Pat's biggest challenge was in making the materials appropriate to the situation in Albania and the very basic level of marketing that is currently practiced. Some of the techniques she taught included consumer surveys, designing labeling and writing news releases for new products.

Informational Forum

Approximatley 140 people participated in the forum, in Tirana, which served as a "kick off" for the 1993-94 Land O'Lakes Dairy Improvement Campaign in Albania. Half of the attendees were private farmers or cheese precessors. The rest were from the various Ministries and Institutes involved in the dairy industry. The theme, was *"From Promise to Reality: A Vision for the Future"*. Featured speakers included Martha Cashman, Vice President of Land O' Lakes Internationa' Development Division, and Albanian Vice Minister Enver Tabaku. Unlike previous Land O' Lakes forums, this one featured a breakout session for the women producers which the program will target. Village women were given the opportunity to express their needs and how the project could directly address them. The agenda is included as Appendix C.



Martha Cashman, Vice President of Land O' Lakes International development Division, address' the informational forum in Tirana Albania.



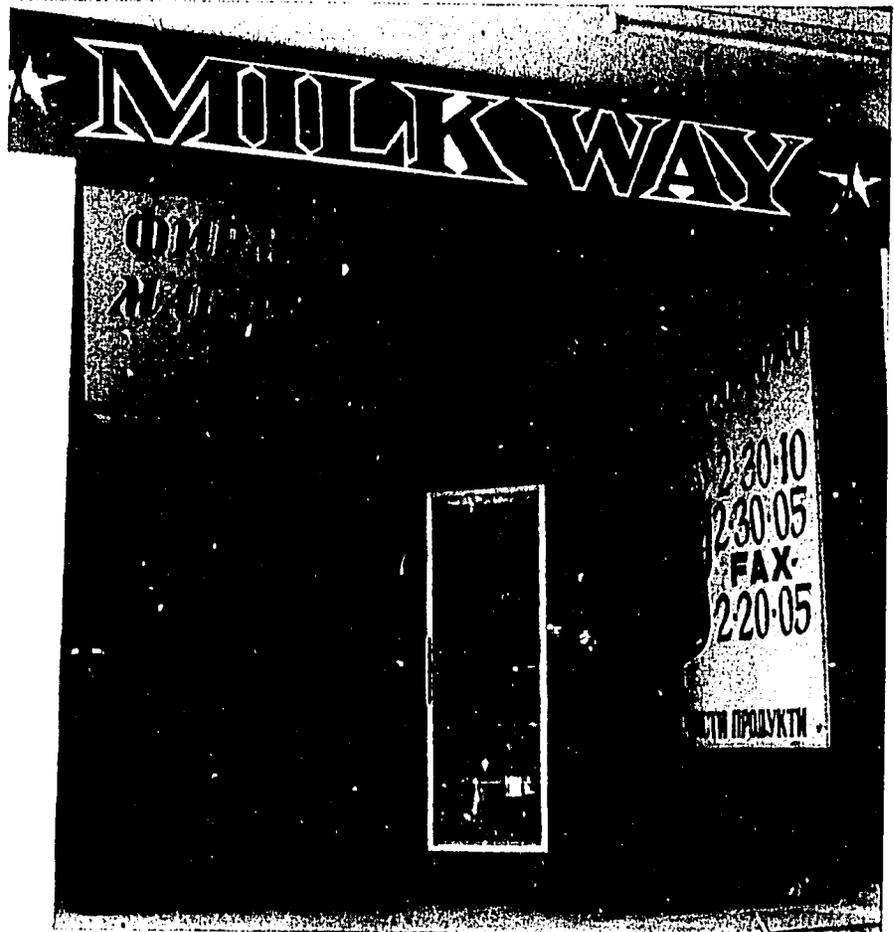
Field Agent Valdeta Rukaj distributes instructions (above) and demonstrates proper mixing (below) of tear dip using common household bleach.



One of the groups of Mastitis Campaign participants (Sharve, Albania. October, 1993)



This retail outlet was opened by Milkyway Dairy in Nova Zagora Bulgaria in order to implement recommendations to develop a local market for the cooperatives milk.



Bulgaria

Training

Patti Velman was the instructor for *Training of Trainers*. She taught the course two times, first in Yambol, and next in Trojan. The course covers needs assessment, training methodologies, evaluation techniques and promotion for instructing adult learners. In Ms. Velman's case, it led the class into discussions of how the class participants could do their part to facilitate the development of free markets in Bulgaria.

Technical Assistance

Two organizations benefitted from **Gene Kuntz's** trip in August. They were the **Open Society Club** of Velingrad, and the **Milks Cooperative** of Plovdiv. Gene assisted the Open Society Club achieve its organizational goal of facilitating economic development in the region near Velingrad. He provided recommendations on:

- improving agricultural resource utilization in the area
- training of current agri-business managers
- new business development
- improving education of young people in the area

At Plovdiv, Mr. Kuntz was asked to help the Milks Cooperative with their business plan for a milk production unit. In his trip report Gene states:

One goal of Milks Cooperative is to get approval for a loan in the amount of \$12,000 from Opportunity International. The purpose of the loan is to purchase 55 head of mature cattle, and then bring those cattle into a start-up dairy operation at the former State owned dairy complex south of Plovdiv.

I shared my critique of the business plan with Ken Vander Weele of Opportunity International on the morning of August 27, in Sofia. The loan approval committee was to make a final decision on approval of the loan on Friday September 3. The committee approved the loan Monday, August 30.

The final loan was approved, and within one week after Gene's visit the cooperative was purchasing cattle.

Mark McCaslin traveled to the **Fodder Research Institute** at Pleven and the **Agricultural Institute for Plant Breeding and Seed Production** at Russe. He states:

At each location I spoke to interested forage scientists about current breeding activities in the United States. I concentrated on forage quality and breeding for forage quality improvement because this has emerged as a very important field of forage research in the United States in recent years. This was also the topic that generated the most questions at each of my visits.

Mark also agreed to supply computer software designed to use forage yield and forage quality data to predict milk production. He indicates that it will be quite useful in both research and extension activities at the institutions.

Al Wanous followed up on his two previous interventions to Milk Way dairy in Nova Zagora on September 27. In his trip report he states that:

Milkyway dairy continues to make amazing progress in establishing a new dairy products manufacturing and marketing business in Bulgaria. I believe their primary success factors thus far have been the energetic and progressive leadership of Director Monev and his senior management team, the solid support of the Nova Zagora branch of the United Bulgarian Bank and their willingness to accept and implement guidance.

As a result of Mr. Wanous' recommendations from the February, and March visits, Milk Way dairy has opened a retail outlet to target its local market.

The **Karabunar Dairy** in Karabunar Bulgaria is where **Truman Graf** worked on July 5-10. He made recommendations on marketing, packaging, branding, and exporting of its products. As a result of this intervention, the organization was put in contact with an American company who offered to promote Karabunar's feta cheese in the United States. This American company has marketing connections in the United States and worldwide as well. It can work with Karabunar in developing a United States market for the firm's feta cheese. Truman Graf has also followed up with Karabunar by providing them with information on customs, licensing, sanitation and labeling regulations. He also worked with the company to improve their packaging and labeling, and also recommended brand names to help promote their product. Mr. Graf made these recommendations workable by considering the goals and financial resources of the owners, in order to generate an action plan to increase the profitability of the dairy.

IAP Interns

Two International Agriculturalist Program production interns successfully completed their internships, and the third intern's program is scheduled to conclude in November. A Participant Training Report is attached as Appendix A. One of the interns, Velitchka Zlatanova, has plans to start a cooperative which will make ice cream. She has also been scheduled to appear on a television program in Bulgaria to talk about her experience.

The Czech Republic

Training

Mike Christenson taught *Intermediate Marketing Principles*, twice, both times in Prelouc. The focus of the classes was a computer game called Shoes. This is marketing-simulation software package designed to teach marketing with a hands-on approach.

The participants were divided up into company teams which produced jogging shoes. The teams made marketing decisions that affected the outcome of the business. The game became a learning tool that allowed the participants to see the results of making decisions which applied the concepts covered in the marketing course.

The participants also worked on a market research project. The teams randomly picked out generic

products out of a bag and had to develop a hypothesis about the product and also a survey questionnaire. The teams went into the towns and interviewed people on the streets and reviewed their findings against their hypotheses.

One team had a can of car wax - just a black, basic can - the wax was so bad that it had to be used every week to have any kind of result. The survey team were amazed to find out that people in the town were willing to pay 2 to 3 times the cost if the product could be improved to last longer than 1 week.

One participant came up after class (from the car wax team) and said she had no idea how important market research was - that until now she had thought of it as only theory and now could see the importance of using it in practice.

Technical Assistance

Nigel Adcock assisted two farms in September. His charge at the **ZEOBS** collective farm was to give advice on how to effectively change the structure of the organization to facilitate its transformation from a state owned entity to a privately owned cooperative. His recommendations focused on management structure, labor management, improvements to the production management of the cropping enterprise, and methods to make the livestock enterprise more profitable. Mr. Adcock was also assigned to assist a farm in **Partutuvice** improve the management of its dairy enterprise. He assisted them in implementing a mastitis management program, including procurement of supplies from the Upjohn company, a United States pharmaceutical company, from their office in Brno. Additionally, Nigel made many practical suggestions, such as keeping young calves away from the milking herd, that will cost very little to implement, but will generate a high return. The company's management has indicated that they will begin implementing these recommendations immediately.

IAP Interns

The International Agriculturalist Program production intern is scheduled to complete his program on December 4. A Participant Training Report is attached as Appendix A.

Estonia

Training

Jim Glaeser taught *Dairy Procurement and Product Assembly* in Tartu, Estonia. Throughout the course, Jim addressed the pressing issues which included how to improve milk quality and milk collection methods. Jim felt that the participants could improve their operations by his recommendations. As a result of the course and the refocusing of grant activities in Estonia, Jim will be training an individual from Estonia in milk procurement and product assembly in the U.S. in early 1994.

Scott Gottschalk inspects the milking system at Ala Dairy in Lope Village Estonia



Arvid Fristad discussing Milk Procurement activities with the Procurement Manager at Kolno Dairy in Kolno Poland.



Technical Assistance

Scott Gottschalk was instructed to assist the **Ala Dairy** in Lope Village to improve their milk production methods. He assessed their situation, and provided a set of recommendations which are aimed at improving the organization's profit by improving cattle nutrition, calf raising, forage production, crop production, milk quality and milking system design. When offered his choice of lodging, he declined to stay at the hotel, but rather chose to stay in the village with the cow milkers. He also surprised the farmers by milking 60 of their cows right along with them, in order to better understand their challenges and opportunities for improvement.

Martin Clark assisted and trained people for the **Valgamaa Farmers Union** in Valga, on August 21, and 23 -27. Mr. Clark assisted the cooperative in budgeting, livestock and crop production costs, and more. He stressed the need for farmers to understand their economic situation and to be able to determine if they would be able to support themselves with the size of their operation, or if adjustments would be required.

The **Rapla Piim Ltd. Dairy** in Rapla was the site of **Arvid Fristad's** TA intervention. He evaluated the firm's milk assembly, labor management, and milk quality. His recommendations addressed these three areas plus member relations, product utilization, and water use management. The plant was able to immediately reduce water consumption and thereby, waste treatment of the water by fifty percent. The cost savings to the plant was the equivalent of ten full time workers' salaries. Arvid recommended that one-half of the cost savings be divided among employees and the rest be used as a reduction in operating costs.

IAP Interns

Arne Tilk, the International Agriculturalist Program production intern successfully completed his internship on September 30. A Participant Training Report is attached as Appendix A.

Hungary

Training

Truman Graf taught *Intermediate Marketing* in June, and as a result, several participants have requested follow-up technical assistance. A general manager of a dairy plant commented that what he learned about promotion (branding, product identification, optimal pricing, market segmentation) will help him greatly with his company. Another participant, Gillilani Kiss, is interested in setting up his own marketing program in his company. Ms. Judit Ascoulee, a privatization agronomist, whose job is to help farmers make their business more profitable, reported that attending this course will help her in her job.

Rich Hanna taught *Financial Management* in Debrecen. During the course, four of the participants from the group decided to form a partnership and start raising hogs together. One other participant had previously gone bankrupt in an attempt at farming. He reported that he was planning to try again on a smaller scale. He stated that he would use what he had learned at the course to "keep himself on track."

Technical Assistance

Mark McCaslin traveled to the **Fleischman Agricultural Research Institute** at Kompholt, and the **Research Institute for Irrigation** at Szarvas. He states:

At each location I spoke to interested forage scientists about current breeding activities in the United States. I concentrated on forage quality and breeding for forage quality improvement because this has emerged as a very important field of forage research in the United States in recent years.

The scientists at the two institutions were also very interested in Mr. McCaslin's knowledge and experience with alfalfa diseases, especially *Fusarium* wilt.

Mark also agreed to supply computer software designed to use forage yield and forage quality data to predict milk production. He states that it will be quite useful in both research and extension activities at the institutions.

Latvia

Judy Olichweir developed the *Dairy Plant Maintenance* course, which she taught August 23-27 in Madliena. She reported that it was very relevant to the participants. The participants expressed interest in the importance of preventative maintenance and the cost savings due to its practice. Judy also noted the importance of having management involved in the course as they are the people who determine whether a program would be implemented or not.



Land O' Lakes Coordinator Vivita Rozenbergs at the registration table for Don Renquist's Cooperatives: Principles and Practices in Preikule Latvia.

Training

Don Renquist taught *Cooperatives: Principles and Practices* in Priekuli, July 12 - 16. Don noted that the course participants were very eager to learn about the function of cooperatives because they were having many problems as they attempted to develop their own cooperatives. Some of the problems, which were discussed during the course, include an overall lack of trust and decision making abilities, dissatisfaction with management, and lack of knowledge of planning. As part of trust development, Don suggested that auditing be introduced to organizations to allow confidence in management and in the organization. Don also noted that many women work in accounting and may be interested to work as auditors. Don felt that he gave the participants the confidence, through classroom work groups, to begin to work better together and reach consensus on reorganizing cooperatives.

IAP Interns

Olafs Rucis, the International Agriculturalist Program production intern is scheduled to complete his internship on December 4. A Participant Training Report is attached as Appendix A.

Needs Assessment

An assessment team consisting of **Kristin Renns Penn** (Land O' Lakes, Inc.), **Beth Miller DVM** (Heifer Project International) and **Mari Clark** (Office of Women in Development, USAID) reviewed the progress of the emerging private livestock sector in Latvia. The assessment has resulted in a proposed program change. More information will be forthcoming in a future report.

Lithuania

Training

Judy Olichweir taught the *Dairy Plant Maintenance* course, which she had developed, August 30-September 3 in Vilnius. The participants were very receptive to the concepts in the course. One of the most important ones was the idea of preventive maintenance. Currently, very few of Lithuania's manufacturing facilities perform preventive maintenance of any kind on their equipment. Some examples of comments from the evaluation forms were, "Will use directly in my work," and "Will use information to better maintain files and history of equipment."

Gary Geisler taught two five-day courses in *Cooperatives: Principles and Practices* in Vilnius, August 16 - 27. The participants identified the advantages of private cooperatives over the state-owned cooperatives. They were also eager to gain the knowledge to organize their own cooperatives. At the conclusion of the course, participants presented their individual plans for the creation of a supply, marketing or service cooperative.

Poland

Training

Paul Shafer taught a course in *Dairy Plant Maintenance* August 16-20 in Bydgoszcz, Poland. Prior to the class, the concept of preventative maintenance was foreign to the participants who viewed it as a cost.

Jacek, the maintenance manager from OSM Wola, near Warsaw, reported that he started to keep an inventory of spare parts, which has helped reduce down time at the plant. He started to keep maintenance logs on each individual piece of equipment to help ensure that preventative maintenance is performed in a timely manner. Jacek also reported that the system he learned in the course has helped him manage the maintenance of the plant more efficiently. Shortly after the course, two levels of middle managers, between him and the mechanics, were laid off by plant management. Jacek reported that the system he learned has allowed him to effectively manage the maintenance of the plant in spite of the reduction in his staff.

Dave Lemmon taught *Cooperatives, Principles and Practices* twice. The first presentation was in Rabka and the second was in Morag. During the course at Rabka a participant expressed interest in forming a regional cooperative consisting of a coalition of the four cooperatives represented in the room. During free moments, and with advice from Dave, the individual wrote a proposal to form a new regional supply cooperative. On the final day of the course he formally presented the proposal to the group. Participants indicated that Mr. Lemmon was an outstanding instructor. When asked to describe why, one of the coop managers said, "because he used to be a coop manager and he knows how it tastes."

Truman Graf taught *Intermediate Marketing Principles* September 6 - 10, in Biala Podlaska. Upon completion of the course, Truman conducted a final exercise that demonstrated to the participants that they had achieved a high-level of understanding of the course materials, including the ability to do a business analysis.

Martin Clark taught *Cooperatives: Principles and Practices* in Pleszew, August 30 - September 3. The participants were eager to learn the information presented and were very interested in information on farm economics. Participants expressed the desire to start cooperatives and felt that they were capable of doing so after taking the course. Five class members from Liskow organized the new Liskow Farmers Cooperative the following week with the assistance of Mr. Clark.



Don Pressley and Nina Majer (USAID Warsaw) met with Land O' Lakes staff shortly after the strategy retreat in September. Don is holding a logo which was developed by a dairy cooperative with the help of a Land O' Lakes marketing specialist.

Technical Assistance

In early September, **Arvid Fristad** traveled first, to **Elk** and then to **Kolno** to assist the Dairy Cooperatives in those two cities. In order to help the management learn to improve the profitability of the Elk O.S.M. Dairy, he focused his recommendations on membership education, payment incentives for purchasing milk from members and milk quality. At Kolno he recommended that management of the dairy implement quality and volume incentives to improve the quality and stability of the milk supply it purchases from members. Arvid also recommended that milk quality be monitored, and the costs of the procurement system be monitored so that the management could make informed operations decisions to reduce milk assembly costs. Based on Arvid's recommendations the coop management immediately instituted new classification for milk called Extra Milk. Patrons will receive a premium their milk that meets Extra standards. Land O' Lakes experience with this type of program, since May of 1921, indicates that Kolno Dairy's program will have a positive impact on the quality of its milk supply very quickly.

Just after Arvid's interventions were complete **Truman Graf** traveled to **Elk** to assist the Elk Dairy Cooperative with their challenge with surplus butterfat. He gave them tools that can help them in the marketplace and also techniques which will allow them to provide incentives to its farmer-members to change the composition of the milk that they sell to the coop. Dr. Graf then proceeded to **Kolno** in order to assist the Kolno Dairy Cooperative position its marketing programs for the inevitable influx of competitive products which will soon challenge its supremacy in market share of Swiss cheese.

During the first week of September **Martin Clark** worked with a group of farmers from **Lisow**. They desired to start a cooperative. With Martin's help they very quickly formed committees for Marketing, Membership, Finance, and Bylaws development. Pending more research into what they can do for their membership, they tentatively plan to collect milk from their membership and broker it to milk plants to generate the highest price for their members. Martin was so taken by the excitement and enthusiasm that he presented the farmers at the planning meeting a personal check for \$100.00, to become an honorary member of the new cooperative. He has since opened an account in the bank in his home town of **Dyersville Iowa** to keep money that he is raising by selling honorary memberships. He has embarked on this personal campaign to help establish a new cooperative, in **Lisow Poland**, as a completely voluntary effort.

During the end of September, **Mike Christenson** worked with the **Olsztyn Wholesaling Cooperative** in **Olsztyn** in order to help them collect payment from a firm who had defaulted on a payment on a butter transaction. Michael was able to assess the situation and determined that only non-traditional collection methods would be appropriate in this case. He gave the cooperative some guidance on how to legally pursue these channels to attempt to recover at least a portion of the debt.

IAP Interns

The four International Agriculturalist Program production interns successfully completed their internships on September 30. A Participant Training Report is attached as Appendix A.

United States based Short Course

Nine individuals participated in a two week long short course, in Minneapolis, entitled **Private Advisory Services**. The course allowed the participants to learn first hand how to develop a private extension service, and to visit several examples of these services in the United States. Mr. Aleksander Glowacki said that he was really impressed with the importance of social factors when implementing change--he

feels a very strong sense of responsibility to his employees and their needs, and is encouraged by what he has learned in the U.S. regarding staffing for his new private extension services.

Romania

Training

Rich Hanna taught *Cooperatives, Principles and Practices* in Tirgu Mures. One of the participants had been in a partnership that had gone bankrupt. Early in the week he was very negative and bitter. Rich asked him if he would be willing to share his experience. When he did, the real-life case study became the focus of the course. On the last day of the course he approached Mr. Hanna and reported that he was going to try again, because of his experience in the course. Another high point of the course occurred when the class participants finally realized what a member owned cooperative is. The class very quickly became very enthusiastic. Several participants expressed interest in starting real member owned coops.

In August, **Dale Dunivan** taught *Dairy Production* in Tirgu Mures. Two of the participants were brothers: Attila and Janos Koncz. They are farmers who are building a dairy barn and working to establish their farm. While attending this course they learned how to maximize nutrient content and thereby efficiency of their herd by harvesting forages earlier in the season. They reported that they will begin this practice during this harvest season.

Dr. Peter Timm and **Dan Lynde** conducted a course in Curtea De Arges, entitled *Dairy Breeding and Reproduction*. Two students with no prior knowledge about cattle attended the course because their parents have small farms and own cows (four cows each). They were there to learn about cattle so they could go back to their respective farms to use their newfound knowledge. Other participants were farmers and agriculture support professionals. One participant works at the Embryo Transfer Center. He learned about the advantages of keeping a variety of semen for each breed. The class learned to keep records and identify animals at birth to facilitate genetic improvement. Other non genetic farm management topics were addressed as well. For example a veterinarian who manages a 60 cow-dairy learned that his older style barns need ventilation. He indicated that he will open the doors to get a cross breeze to improve the respiratory health of his herd.

Technical Assistance

Curtea De Arges was the site of the **National Agricultural Fair** where **Ted Kjos** demonstrated the California Mastitis test, demonstrated body condition scoring, and answered questions on other dairy production topics. During his August trip to Romania, Ted also provided recommendations to the Firma Pal Dairy, in Joseni, on cattle nutrition, genetics, forage production, milk quality, and how to remodel a former collective dairy facility to make it commercially viable. The farm had been given some milking equipment from Germany, but they didn't know how to install it, much less use it. Ted explained how to install and run the equipment, and told him to contact the manufacturer to get a manual. When Ted returned to Bucharest, he discovered that there is a dealer there that sells parts and services for the equipment, so he followed up with Firma Pal and instructed them on how to contact the dealer.

United States based Short Course

Two individuals participated in a two week long short course, in Minneapolis, entitled *Private Advisory Services*. The course allowed the participants to learn first hand how to develop a private extension

service, and to visit several examples of these services in the United States. Mr. Mircea Roman was excited about his newly acquired information. During the second week of the trip the group began working on business plans for their new private extension services. Mr. Roman said that he has learned much which will help him to start the extension service. As a result of attending this course he and his colleague, Mr. Marian Pogacean, have many new ideas for services to provide to the local farmers in their region. They will begin by training their staff on nutrition, mastitis management, and milking hygiene.

Slovakia

Training

Mike Christenson taught *Intermediate Marketing Principles* in Zvolen. The focus of all three classes was a computer game called Shoes, which is a marketing-simulation software package designed to teach marketing with a hands-on approach.

Participants were taught how to develop a consumer mindset (to think like a consumer), they were taught about concept boards and how to do quantitative studies using closed ended questions, and how to set price.

Also emphasized during the course were W. Edwards Deming's 14 Points of Quality Management. Participants were amazed by the "upside down" organization charts and the need to have a revolution in management in order to develop management technique called management by walking around. They learned that management needs to listen to lower-level employees.

Technical Assistance

Dale Dunivan assisted Eva and Michal Petrickovy of Bratislava, who are in the process of reclaiming the farm that was owned by Eva's parents prior to 1950. Dale reports that the interpretation and enforcement of the government's privatization policy has made it very difficult for them to reclaim the farm that is rightfully theirs. Mr. Dunivan was able to assist the Petrickovys by helping them estimate production costs and potential profit for several crops. He also made recommendations on crop rotation, use of legumes to generate added soil nitrogen, soil testing, fertilizer use, farm record systems, and development of a farm management plan.

IAP Interns

The one International Agriculturalist Program production intern completed his program early due to family challenges. The other interns successfully completed their programs. A Participant Training Report is attached as Appendix A. At a meeting of all the interns in the program two of them got into a discussion about their views on methods of pasturing dairy cattle. One of the interns, Miroslav Michalcin, from his stay with the Dan and Muriel Frenches, has decided that he will use rotational grazing with his herd when he returns to Slovakia. He is convinced that this is the best way to get the nutrition to his herd, and get the desired milk production yield, as well as to help the environment. The cooperative that Franticek Valisek belongs to wants to get involved with LP gas. They are considering buying a gas station and serving the community's needs for LP gas. Land O' Lakes customized the program and facilitated a visit with the LP gas station's management in Henning Minnesota, and consulted with the management about his plans.

3. Evaluation

In August and September an evaluation team, led by Ted Weihe, conducted a mid term, internal evaluation of the grant activities. The Summary of Findings, Conclusions, and Recommendations follows.

SUMMARY: FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

This mid-term evaluation was carried out to review and make recommendations concerning Land O'Lakes project activities in Central and Eastern Europe with a particular focus on its project for Agricultural Cooperative/Business Development and Training in Central and Eastern Europe, also, known as Free Market Cooperative or FMC (EUR-0024-G-00-1072-00). The methodology included (1) on-site visits to Estonia, Bulgaria and Poland, (2) in-depth interviews with participants, (3) interviews with Land O'Lakes headquarters and field staff, (4) a review of project documents and training evaluations, and (5) a regional retreat to consider and implement conclusions and recommendations.

As a highly successfully agricultural cooperative, Land O'Lakes brings a unique perspective, high credibility, and hands-on operational style to overseas programs. Counterpart organizations and agribusinesses in Central and Eastern Europe can draw on the entire integrated system of Land O'Lakes. The evaluation recommends that Land O'Lakes adopt a mission statement to crystallize its increasingly deep commitment to development and clarify the development role from its overseas commercial activities.

Land O'Lakes carried out an appropriate entry strategy for its development efforts in Central and Eastern Europe based on 14 training courses to introduce Western-based agribusiness concepts, management, modern operations and technologies throughout the region. The evaluation recommends that Land O'Lakes move away from generic training to technical assistance, and refocus on a few countries and targeted private agribusiness. In each country, Land O'Lakes should develop a development strategy, revised implementation plan and results-based performance criteria to measure project success.

The evaluation found the following outstanding examples of project impacts:

- In Poland, a large regional and member-controlled cooperative dairy, was dramatically helped which resulted in its first advertising efforts, an extensive program of market analysis, creation of an attractive logo and brand name, improved and consumer-friendly packaging, savings through new plant maintenance procedures, and a new corporate structure in which managers and employees work as a team to produce quality market-driven products.
- As a result of Land O'Lakes training, a private Polish dairy captured

the local milk market that was previously controlled by a state dairy plant. Using new skills in marketing, logistics, distribution and packaging, the dairy developed new products with longer shelf life which are now distributed through 20 stores.

- Land O'Lakes interns have organized an FFA-type young agriculturists organization with eight clubs and about 200 high school boys and girls in the Siedlce region. In conjunction with vocational educational schools and extension services, the program will be extended throughout Poland to bring prestige to village life, strengthen cooperation among future agriculturalists, provide an understanding of the entire agricultural system (not just production) and help reverse the flight of young people to urban centers.
- A participant at a Land O'Lakes marketing course learned how to frame transaction documents for his private training company to assure high quality supplies (i.e., protein specifications of feeds) from Byelarus for sale to domestic and foreign customers. As a result, he saved \$20,000 on 60 transactions within three months on an annual business volume of \$75,000.
- The most dramatic impact in Bulgaria is Milk Way dairy plant which is the most modern, recently built private processor of cheeses in the country. Land O'Lakes provided critical technical assistance (and the sole outside foreign expertise) in helping prepare a business marketing plan just prior to the facility coming on line. The manager has closely followed the Land O'Lakes plan (1) to initially capture local markets with branded and superior traditional Bulgarian cheeses (white brine), (2) expand into the Sofia market, (3) develop a specialized cheese for a big splash (processed cheese), and (4) begin exporting (Lebanon).
- Land O'Lakes helped form a 17-member, extended-family Bulgarian cooperative for processing sunflower seeds and milling wheat. The cooperative turned a 300% increase in profit within one year.
- A Land O'Lakes technical advisor recommended ways to save one-half of 400 tons in waste water at Estonia's largest dairy plant. An annual savings of \$7,200 in water treatment costs frees up resources to pay ten employees as well as promotes environmental conservation. The dairy manager indicated major savings in improved milk production due to technical assistance. At a second plant, a Land O'Lakes intern saved substantial funds by better analyzing the economics and design of a new evaporator to make powdered milk.

At a strategic retreat on September 12-14 as part of this evaluation, Land O'Lakes decided to focus its project efforts in Poland, Bulgaria, Romania, Albania and Estonia; phase out activities in Hungary, the Czech Republic and Slovak Republic; and revise them in Lithuania and Latvia based on further analysis.

To increase project impact, the evaluation recommends and Land O'Lakes agrees to focus its technical assistance and training programs to specific enterprises. In Poland, Land O'Lakes plans to select at least 20 private dairy and dairy-related enterprises for intensive assistance based on the receptiveness of senior managers to earlier Land O'Lakes training and technical assistance. Ten firms would be either private dairy companies or cooperatives; and ten companies would be in related feed, seed and private advisory services closely linked to the dairy industry.

The evaluation found that its Restructuring Agriculture and Agribusiness: Private Sector Program for Poland (RAAPS) is on course, and recommends a modification in its log frame to clarify its objectives and distinguish them from the Free Market Cooperative's (FMC) project. The RAAPS project has just completed its first year of activities and a separate mid-term evaluation should be carried out in 1994.

In its subcontract with the Humphrey Institute for market economics and applied management training, the evaluation agrees with the new emphasis on developing a post diploma studies program at Agricultural University at Olsztyn, based on a fee structure and geared to enterprise managers (potential and new managers as well as retraining current managers).

In Bulgaria, the evaluation recommends that Land O'Lakes hire a local trainer to modify its course materials by adding local case studies, and institutionalize its training at the four major agricultural universities and over 80 vocational schools.

Recently, A.I.D. signed an extension to the FMC project in which Land O'Lakes will be carrying out an expanded technical assistance program in Bulgaria and Romania. This extension will focus on specific regions where private agribusiness and dairy formation is taking place. Two full-time U.S. technical advisors are being selected and will soon be in place. The evaluation recommends preparation of implementation plans for each country which should be jointly carried out by Land O'Lakes and A.I.D. field staff. The plan should include: (1) select initial focus regions for year one, (2) work only with one or more private dairies in each region, (3) concentrate on the linkage between such dairies and emerging commercial farmers (including the formation of a producers cooperative, (4) strengthen the plant quality controls, and (5) assist in new packaging, advertising and marketing.

In Estonia with its historical and potentially strong dairy industry, the evaluation found that the major problem is the poor quality of the raw milk supply (on farm production). The evaluation recommends a revised project strategy to focus initially on at least two model private dairy plants, and work to: (1) improve the connection between the plant and the producer for quality production by creating a private extension system; (2) improve sanitation practices in the plants; and (3) develop better marketing capacities based on superior products.

4. Program Adjustments

The grant was extended until June of 1998, increasing the funding by five million dollars in order to fund a project that focuses on Bulgaria and Romania. As a result of the extension of the grant, the internal evaluation of grant projects and the recommendations it generated, Land O' Lakes will make the following programmatic changes. The focus of the changes is to conduct targeted technical assistance in dairy-related topics within specific organizations/regions in Poland, Bulgaria, Romania, Albania, and Estonia. Projects in Latvia and Lithuania will be revised based on further analysis.

Poland: Land O' Lakes will provide customized technical assistance and training with up to 10 private firms/cooperatives and up to 10 agri-input firms. Materials from existing courses will be institutionalized.

Bulgaria & Romania: Land O' Lakes will provide long term technical assistance in 2 regions in Bulgaria and Romania, ranging from dairy policy reform to milk procurement, processing, distribution, marketing and private extension. Materials from existing courses will be institutionalized.

Estonia: Land O' Lakes will seek to improve raw milk quality through creation of a model private extension service for small dairy producers in the Tartu region of Estonia. Materials from existing courses will be institutionalized.

Albania: Land O' Lakes will conduct 3,600 dairy information campaigns with rural Albanian women in order to increase the quantity and quality of milk in Albania.

Latvia and Lithuania The current model of broad based training will be concluded by the end of 1993. Materials from existing courses will be institutionalized. Analyses of the needs of the two countries, and resources available for projects in the two countries are currently underway. Program changes or generated for these two countries will be reported in a later report.

Hungary, the Czech Republic, and Slovakia. Programs will be concluded in these three countries by the end of 1993. Materials from existing courses will be institutionalized.

LAND O'LAKES

LOGICAL FRAMEWORK

Country: Estonia

Project Name: Estonian Dairy Improvement through Private Extension

Project Number: EUR-00240G-00-1972-00

Date of This Summary: October 28, 1993

Estimated Project Completion Date: June 1996

Hierarchy of Objectives	Objectively Verifiable Indicators (OVI)	Means of Verification (MOV)	Important Assumptions
<p>GOAL To assist the Estonian private dairy industry to better compete within the evolving free market place.</p>	<p>1. Competitive and efficient processing facilities.</p>	<p>1.1 Up to four Private Extension Service organizations in processing facilities created.</p>	<p>1. Government dairy policy remains conducive to growth of dairy sector. 2. Selected dairy plants willing to work with Land O'Lakes project.</p>
<p>PURPOSE To improve raw milk quality through creation of a model private extension service for small dairy producers.</p>	<p>1. Better quality dairy products.</p>	<p>1.1 SCC & bacteria counts. 1.2 Financial stability of plants and recognition by other agricultural organizations.</p>	<p>1. Collection Specialists in private dairies integrate knowledge into their work with farmers and willing to establish appropriate policies on milk quality. Farmers willing to make changes in their means of production. 2. Management of private dairies are open and supportive of changes to strengthen their organization.</p>

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LAND O'LAKES

LOGICAL FRAMEWORK

Country: Estonia

Project Name: Estonian Dairy Improvement through Private Extension

Project Number: EUR-0024OG-00-1972-00

Date of This Summary: October 28, 1993

Estimated Project Completion Date: June 1996

OUTPUTS			
<p>1. Establish model Private Extension Service.</p>	<p>1.1 Up to four model Private Dairy Extension Services by the end of 1995.</p>	<p>1.1 Up to four established private extension services.</p>	<p>1. Receive cooperation by the management of the four targeted processing facilities.</p>
<p>2. Improve sanitation on farms and in plants.</p>	<p>2.1 Improved sanitation in 50% of the farms the extension service has reached and good sanitation practices in up to 4 processing facilities worked with by the end of 1996.</p> <p>2.2 Extension employees become technical experts in milk quality issues.</p>	<p>2.1 SCC and bacteria count tests for 50% of farms reached and up to 4 processing plants.</p> <p>2.2 Interview employees to find out how much information was learned.</p>	<p>2. Farmers and processors are open and committed to implementing quality procedures.</p>
<p>3. Develop better marketing capability, through better quality products.</p>	<p>3.1 Marketing plans for up to 4 processing facilities by the end of 1996.</p>	<p>3.1 Existence and use of up to 4 new marketing plans by processing facilities.</p>	<p>3. Marketing department or equivalent implements marketing plans.</p>
<p>4. Strengthen capability of Estonian institutions.</p>	<p>4.1 Materials and curriculum development concentrating on milk quality.</p>	<p>4.1 New curricula and training programs which include milk quality.</p>	<p>4. Gain support and assistance from Estonian Dairy Assn, Farmers Union, and VoEd institutions.</p>

LAND O'LAKES

LOGICAL FRAMEWORK

Country: Estonia

Project Name: Estonian Dairy Improvement through Private Extension

Project Number: EUR-0024OG-00-1972-00

Date of This Summary: October 28, 1993

Estimated Project Completion Date: June 1996

ACTIVITIES			
<p>1.1 U.S. quality internship for Estonian technical specialist.</p>	<p>1.1 Technical staff person learns milk quality information and basics of how to organize a private extension service.</p>	<p>1.1 Internship completed.</p>	<p>1. Information provided will be applicable to Estonian situation.</p> <p>2. Materials generated will be presented and used by farmers & processors.</p>
<p>1.2 Focused short courses offered by Estonian technical specialists and U.S. Expert with immediate followup technical assistance.</p>	<p>1.2 Activities customized according to each organization's needs.</p>		
<p>1.3 Information and materials campaign.</p>	<p>1.3 Materials created by Communications staff person.</p>		

LOGICAL FRAMEWORK

Country: Poland

Project Name: Free Market Coops (FMC) EUR-0024G-00-1972-00

Project Number: EUR-00240G-00-1972-00

Date of This Summary: October 23, 1993

Estimated Project Completion Date: December 1994

Hierarchy of Objectives	Objectively Verifiable Indicators (OVI)	Means of Verification (MOV)	Important Assumptions
<p>GOAL To assist in the privatization and restructuring of the private dairy sector in Poland</p>	<p>1. A more efficient private dairy system.</p>	<p>1.1 Up to 20 viable dairy and/or dairy-related organizations.</p>	<p>1. Positive Polish government dairy policies. 2. European dairy policy is conducive to Polish dairy growth.</p>
<p>PURPOSE To help dairy cooperatives and/or related industries (feed, seed, private advisory services) become more economically sustainable and increase competition in the dairy sector.</p>	<p>1. More profitable and democratically controlled dairy cooperatives/related industries. Market share increased by ___%.</p>	<p>1.1 Sales & market price figures. 1.2 Organization ownership status. 1.3 Expanded product lines. 1.4 Production costs lowered.</p>	<p>1. Local market conditions are receptive to change.</p>

LOGICAL FRAMEWORK

Country: Poland

Project Name: Free Market Coops (FMC) EUR 0024G-00-1972-00

Project Number: EUR-00240G-00-1972-00

Date of This Summary: October 23, 1993

Estimated Project Completion Date: December 1994

<p>OUTPUTS</p> <p>1. Private dairy firms/cooperatives with increased profitability, quality products, and increased market share.</p> <p>2. Model dairy cooperatives which are democratically, producer-controlled, responsive coops.</p> <p>3. Private dairy-related firms (feed, seed, private advisory services) which are competitive, high quality sources of inputs to the dairy industry.</p> <p>4. Regions that promote private agribusiness and democratic values.</p>	<p>1.1 10 private dairy firms/cooperatives by the end of 1994 with increased profitability, higher quality products and increased market share.</p> <p>2.1 5 or more of the 10 above organizations are democratically controlled dairy cooperatives by the end of 1994.</p> <p>3.1 Up to 10 private dairy-related firms with increased market share, better quality inputs by the end of 1994.</p> <p>4.1 5 Young Agriculturalist Clubs (YACs) in 5 regions which expose young agriculturalists to ag opportunities.</p>	<p>1.1 Sales and market price figures.</p> <p>1.2 Shelf life of products.</p> <p>1.3 Raw milk quality reports.</p> <p>2.1 Documentation of organizational structure.</p> <p>3.1 Sales and market price figures.</p> <p>3.2 Analysis of product lines.</p> <p>4.1 A registered YAC organization with by-laws and an action plan.</p>	<p>1. Management receptive to recommendations and employees follow through with recommendations.</p> <p>2. No resistance to member-controlled organizations.</p> <p>3. Small producer mentality is positive towards change.</p> <p>4. Appropriate funding is sourced for YACs.</p> <p>5. YACs willingness to volunteer.</p> <p>6. Interest in continued participation by YAC agriculturalists, ODR centers, and VoAg institutions.</p>
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LOGICAL FRAMEWORK

Country: Poland

Project Name: Free Market Coops (FMC) EUR-0024G-00-1972-00

Project Number: EUR-00240G-00-1972-00

Date of This Summary: October 23, 1993

Estimated Project Completion Date: December 1994

<p>ACTIVITIES</p> <p>1.1 Customize training and technical assistance.</p> <p>1.2 Conduct training and follow-up technical assistance.</p> <p>1.3 Use participants to spread model and give credibility to model.</p> <p>1.4 Use of Polish co-trainer and advisors to give credibility and to institutionalize programs.</p>	<p>1.1 Activities customized by organization.</p>		<p>1. Recipients open to customized training and technical assistance.</p> <p>2. Willingness and time of previous participants, Polish co-trainers and advisors to participate in programs.</p>
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6. Financial Report

FREE MARKET COOPERATIVE
GRANT # EUR-0024-G-00-1072-00
FINANCIAL REPORT

	Expenditures		
	Actual		Projected
	Grant to Date	7/1/93 to 9/30/93	10/1/93 to 12/31/93
1. U.S. Training (Key Leader)	\$155,950	\$11,427	\$0
2. Country Forums	55,003	4,002	0
3. Program Management	802,271	210,775	224,814
4. Int'l. Agriculturalist. Training Program	220,934	43,164	41,665
5. U.S. Short Courses	15,982	15,982	0
6. In-Country Training	1,276,098	186,251	236,207
7. Dairy Campaign	0	0	78,592
8. ST Technical Assistance	170,856	96,711	210,945
9. LT Technical Assistance	0	0	60,000
10. Program Dev./Site Assessments	20,979	0	0
11. Independent Program Evaluation	30,338	30,338	0
12. Subcontracts	239,267	95,865	8,113
13. Indirect Cost	<u>1,227,726</u>	<u>295,184</u>	<u>409,730</u>
Total	<u>\$4,215,404</u>	<u>\$989,699</u>	<u>\$1,270,066</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 reflected in the next quarterly financial summary.

ATTACHMENT A

IAP AGRIBUSINESS INTERNS TRAINING REPORT

Land O'Lakes, Inc.

Participant Training Report
 Agricultural Cooperative/Business Development & Training
 in Central and Eastern Europe
 Grant Number EUR-0024-G-00-1072-00
 July 1 - September 30, 1993

NAME	CITIZEN	GENDER	TRAINING SITE	DATES	PURPOSE	ACTIVITIES	FUNDING
KOSCIELNIAK, Ewa	Poland	Female	Kinnard Family Farm, Sturgeon Bay, WI	Mar. 20 - Sept. 30, 1993	<p>To give dairy participants an opportunity to learn about U.S. production technology and management through a five month farm internship and to be exposed to the interrelationships that comprise a successful agricultural infrastructure through off-the-farm activities and technical training in dairy related topics.</p> <p><u>Technical Training During this Quarter:</u> In August the training was held for one week in Pipestone, MN on Farm Management and Recordkeeping. Subjects included a segment on farm machinery, basic machine repair, balance sheets, assets, liabilities, equity, income statement, farm income, farm expenses, cash flow statements and a 1 1/2 day segment on introduction to computers. The second week of training was artificial insemination through 21-Century Genetics. Subjects included reproductive anatomy/organs, heat detection, physiology of estrus cycle, semen production/processing/handling, and practice insemination on live cows.</p> <p>In September the technical training was held in MPLS, MN and consisted of three days of Training of Trainers course, a tour of 21-Century Genetics laboratory, and a discussion on how to translate what they have learned to their own situations with Ken Schamberger (you can elaborate here).</p>		
MALINWOSKI, Wojcieck	Poland	Male	Madson Family Farm, Oconto, WI	Mar. 20 - Sept. 30, 1993	Same as above.	Technical	USAID
STAWINSKI, Waldemar	Poland	Male	Stegeman Family Farm, Huron, SD	Mar. 20 - Sept 30, 1993	Same as above.	Technical	USAID
WAWRYNCZA K, Adam	Poland	Male	Coughlin Family Farm, Watertown, WI	Mar. 20 - Sept 30, 1993	Same as above.	Technical	USAID
TILK, Arne	Estonia	Male	Olson Family Farm, Sturgeon Bay, WI	Mar. 20 - Sept 30, 1993	Same as above.	Technical	USAID

Land O'Lakes, Inc.

Participant Training Report
 Agricultural Cooperative/Business Development & Training
 in Central and Eastern Europe
 Grant Number EUR-0024-G-00-1072-00
 July 1 - September 30, 1993

NAME	CITIZEN	GENDER	TRAINING SITE	DATES	PURPOSE	ACTIVITIES	FUNDING
RUCIS, Olafs	Latvia	Male	Krahn Family Farm, Brandon, WI	Mar. 20 - Dec. 4, 1993	To give dairy participants an opportunity to learn about U.S. production technology and management through a five month farm internship and to be exposed to the interrelationships that comprise a successful agricultural infrastructure through off-the-farm activities and technical training in dairy related topics. <u>Technical Training During this Quarter:</u> Dairy Herd Health & Nutrition. This one week technical training included topics in recordkeeping, care and management of calves and heifers, waste systems, herd selection, mastitis and common dairy diseases, genetics and breeding programs, basic nutrients, forage quality and type, and feed handling systems.	Technical	USAID
ZDENEK, Jaros	Czech Republic	Male	Pearson Family Farm, Hudson, WI	Mar. 20 - Dec. 4, 1993	Same as above.	Technical	USAID
CAPKA, Roman	Czech Republic	Male	Terminated from Program.	Mar. 20 - June 1, 1993	Terminated from program due to physical and emotional stress.	Technical	USAID
ZRUBAN, Jozef	Slovakia	Male	Terminated from Program.	March 20 - Sept 1, 1993	Terminated from program due to family difficulties.	Technical	USAID
VALASEK, Frantisek	Slovakia	Male	Deckert Family Farm, Henning, MN and 1 month on Dohrmann farm in Claremont, MN	Mar. 20 - October 29 1993	Same as above.	Technical	USAID

Land O'Lakes, Inc.

Participant Training Report
 Agricultural Cooperative/Business Development & Training
 in Central and Eastern Europe
 Grant Number EUR-0024-G-00-1072-00
 July 1- September 30, 1993

NAME	CITIZEN	GENDER	TRAINING SITE	DATES	PURPOSE	ACTIVITIES	FUNDING
MICHALCIN, Miroslav	Slovakia	Male	French Family Farm, Dodge Center, MN	Mar. 20 - October 29, 1993	To give dairy participants an opportunity to learn about U.S. production technology and management through a five month farm internship and to be exposed to the interrelationships that comprise a successful agricultural infrastructure through off-the-farm activities and technical training in dairy related topics. <u>Technical Training During this Quarter:</u> Dairy Herd Health & Nutrition. This one week technical training included topics in recordkeeping, care and management of calves and heifers, waste systems, herd selection, mastitis and common dairy diseases, genetics and breeding programs, basic nutrients, forage quality and type, and feed handling systems.	Technical	USAID
ZLATANOVA, Velitchka	Bulgaria	Female	Lipinski Family Farm, Duluth, MN	Mar. 20 - Sept. 3, 1993	Same as above. 2 Days of Technical Training with Rane May at University of Wisconsin, River Falls in Principles and Practices of Ice Cream Production: standardization methods for milk for ice cream production, role of stabilizers and emulsifiers in ice cream, formulation techniques, lab testing techniques, quality control in production, sanitation techniques in ice cream plants.	Technical	USAID
CHTILIANOV, Chtilian	Bulgaria	Male	Cleaver Family Farm, Henning, MN	Mar. 20 - Nov. 5, 1993	Same as above. Participation in LOL Agri-Input Distribution course and Bulgarian Dairy Policy short course with segment in Washington D.C.	Technical	USAID
MATEV, Milen	Bulgaria	Male	Lund Family Farm, Brandon, MN and Baulk Family Farm in New York Mills, MN	Mar. 20 - Sept. 30, 1993	Same as above.	Technical	USAID

ATTACHMENT B

**PRIVATE ADVISORY SERVICES
SHORT COURSE TRAINING REPORT**

Land O'Lakes, Inc.

Participant Training Report
 Agricultural Cooperative/Business Development & Training
 in Central and Eastern Europe
 Grant Number EUR-0024-G-00-1072-00
 September 20-October 1, 1993

NAME	CITIZEN	GENDER	TRAINING SITE	DATES	PURPOSE	ACTIVITIES	FUNDING
GADJA, Jolanta	Poland	Female	Multiple sites in Minnesota. Agenda attached.	Sept. 20-Oct. 1, 1993	To learn first-hand how to develop a private extension service and to observe the various forms of services available in the U.S. Participants received classroom training in agribusiness management skills, and they developed a business plan which will be used for their private extension service. Participants also learned how to market their service to their patrons.	Technical	USAID
MIKULSKA-LOJEK, Teresa	Poland	Female	Multiple sites in Minnesota. Agenda attached.	Sept. 20-Oct. 1, 1993	Same as above.	Technical	USAID
KULIKOWSKI, Jerzy	Poland	Male	Multiple sites in Minnesota. Agenda attached.	Sept. 20-Oct. 1, 1993	Same as above.	Technical	USAID
SZTYBUR-BOGACKA, Krystyna	Poland	Female	Multiple sites in Minnesota. Agenda attached.	Sept. 20-Oct. 1, 1993	Same as above.	Technical	USAID
GLOWACKI, Aleksander	Poland	Male	Multiple sites in Minnesota. Agenda attached.	Sept. 20-Oct. 1, 1993	Same as above.	Technical	USAID
SKOMRA, Szczepan	Poland	Male	Multiple sites in Minnesota. Agenda attached.	Sept. 20-Oct. 1, 1993	Same as above.	Technical	USAID
KOCIKOWSKI, Tomasz	Poland	Male	Multiple sites in Minnesota. Agenda attached.	Sept. 20-Oct. 1, 1993	Same as above.	Technical	USAID
OSTROWKA, Stefan	Poland	Male	Multiple sites in Minnesota. Agenda attached.	Sept. 20-Oct. 1, 1993	Same as above.	Technical	USAID

NAME	CITIZEN	GENDER	TRAINING SITE	DATES	PURPOSE	ACTIVITIES	FUNDING
ANDRUSZKIEWICZ , Andrzej	Poland	Male	Multiple sites in Minnesota. Agenda attached.	Sept. 20- Oct. 1, 1993	Same as above.	Technical	USAID
ROMAN, Mircea	Romania	Male	Multiple sites in Minnesota. Agenda attached.	Sept. 20- Oct. 1, 1993	Same as above.	Technical	USAID
POGACEAN, Marian	Romania	Male	Multiple sites in Minnesota. Agenda attached.	Sept. 20- Oct. 1, 1993	Same as above.	Technical	USAID

ATTACHMENT C
AGENDA OF FORUM IN ALBANIA



**DAIRY IMPROVEMENT CAMPAIGN ALBANIA
"FROM PROMISE TO REALITY: A VISION FOR THE FUTURE"**

Schedule

- 8:30** *Welcome and Open Addresses*
- 9:00** *History and Evolution of Land O' Lakes*
Speaker Ms. Martha Cashman, Vice President, International
Operations, Land O' Lakes, INC.
- 10:00** *Break (10 minutes)*
- 10:15** *Private Farmers Association's Benefits and*
Responsibilities, Location: Main Conference Room,
Speaker Ms. Kim Cassel, Extension Agent, North Dakota
- 10:15** *Women's Problems in Dairy Discussion Session*
Location: Auxiliary Room
- 11:15** *Dairy Improvement Campaign in Albania*
Speaker Rebecca Balogh, Project Manager,
Dairy Improvement Campaign, Albania
- 12:00** *Lunch*
- 1:00** *History of Dairy Processing in Albania*
Mr. Lulzim Daci, Director of the Department of
Dairy and Meat Processing, Ministry of Agriculture
- 2:00** *Lushnja State Processing Plant Through the Transition and*
Now, Mr. Enver Tabaku, Director State Dairy Plant,
Lushnja
- 2:30** *History of the Bilishti Private Processing Plant*
Mr. Haxhi Kambo, Co-owner
- 3:00** *Break (10 Minutes)*
- 3:15** *Current Situation of the University of Agriculture*
Dr. Daut Nanaj, Vice-Dean, Faculty of Veterinary Medicine,
University of Agriculture

DAIRY IMPROVEMENT CAMPAIGN ALBANIA
"FROM PROMISE TO REALITY: A VISION FOR THE FUTURE"

Schedule

- 3:30** *Current Initiatives for the Agricultural High Schools*
Mr. Agron Çollaku, Technical Inspector, Ministry of Education
- 4:00** *Summary and Closing Remarks*

ATTACHMENT D
NEWSPAPER ARTICLES

Rõõdaline

NR. 20 (29) 20. MAI 1993

ILMUB NELJAPÄEVITI

Kevin Dahlen: Eesti põllumees jäab jänni, kui turgu ei leia

— PV — Kevin Dahlen tegeleb firmas «Land o Lakes» piimakarjaga, koostab söödaratsioone ja annab farmeritele nõu. Tema alluvuses töötab veel üheksa spetsialisti, igapähe on teenindada umbes 5000 looma.

KD lahkus oma ema ja isa juurest, kui oli 16aastane, ning läks farmi tööle. Tema elu eesmärk oli siis saada endale piimakarjafarm. Kahe aasta pärast oligi ta valmis pangast laenu võltna, et farini osta, aga pankur oli arvanud, et õppigu ja kasvagu veel mõni aasta. Nii läks ta õppima põllumajandust Minnesota ülikooli. Kui ta kahe aasta pärast taas panka laenu tegema läks, ei õnnestunud ka nüüd raha saada. Ta õppis veel neli aastat ülikoolis ning sai loomakasvatuse ja loomaaretluse spetsialisti tunnistuse.

Nüüd, pärast ülikooli, oli ta olnud nii tark, et mõistis: piima hind on liiga madal ja maa hind liiga kõrge, et endale farmi osta. Ostnise asemel rentis ta endale talu, kus oli 40 lehma. Kümne aastaga kogus ta seal nii palju raha, et oli valmis lõpuks ise farmi ostma. Aga asi jäi nüüd seelõttu katki, et peresse sündis poeg, kellel on allergia veisekarvade suhtes. (Aga ta oleval noor pesapallimänguga tulevikuks nii palju teenib, et vanemaid ülal pidada jõuab...) Et vahepeal oli ka Kevin Dahlenil endal olnud mitu rasket põlveoperatsiooni (silutornist kukkumise tagajärg), otsustas ta asuda tööle hoopis firmasse «Land o Lakes».

Teie firma teenindab USA kirkide ja põhjakeskosa farmereid. Kas teie teenuste kasutajad on paljud?

Väga palju. Arvestades, et igapähe meid teenindab 5000 looma ning et oleme suutnud parandada karja tervist ja suurendada ka piimatoodangut, siis on meid ka kasu.

Kas oma piimatooted ja söögi ostab ameerika farmer peost?

Sõltub farmerist.

Enamasti on teie farmerid mehed — kas vennad või isa ja poeg jms. Mis roll on farmis naisel?

Pool naistest ei tee midagi, hoolitsevad pere ja laste eest, pooled tegelevad talu arvepidamisega.

Rääkisite, et tahate kord oma farmi pangalaenuga osta. Kuidas USA farmeril on võimalik laenu saada ja missugune on intressimäär?

Laenu saada pole kerge, farmeril peavad olema käendajad ja tagatis, et ta suudab laenu tagasi maksta. Praegu on lühiajalise laenu intressimäär 9% ja pikaajalise 7–7,5%. Kõige kõrgemad laenuprotsendid on olnud 18–20. Kui nõudmine-pakkumine tasakaalustuvad, lähevad ka laenu intressimäärad alla.

Ehk rääkisite ka rendisuhtest?

Rendi suurus sõltub samuti nõudmisest-pakkumisest nende inimeste hulgas, kes potentsiaalsed rentijad on. Renti makstakse kaks korda aastas, tavaliselt mingi osaga saagilt. Missugusega just, see lepitakse enne kokku.

Nilais ei küsi farmer rentimise maa väärtuse järgi. Kas ta üldse teab, kui palju mingi maatik tema farmis väärtus on?

Farmer seda konkreetselt ei tea. Maa hind muutub pidevalt ja on praegu näiteks langetamas. Kümme aastat tagasi maksis saiker (1 saiker = 0,4 ha) kuni 3000 dollarit, praegu tuhat kuni poolteist.

Mis kasu loodab «Land o Lakes» Baltimaadest? Käisite peale Eesti ja veel ka Lätit?

Me ei looda mingit kasu saada. Ameerika valitsusel on taastamisprogrammid arenguriikide abistamise programm. Raha tuleb valitsuselt. Meie firmas töötavad head spetsialistid ja meid palgati siia programmi ellu viima.

Kas Eestis ringi sõites pole teid tekitanud mõtet, et siia võiks ühe «Land o Lakes» juustutehase rajada?

Kui tekivad mingid ühised huvid siinsete ja ameerika farmerite vahel, siis võib-olla küll. Mina seda ei otsusta, sest firma tegevust kontrollivad farmerid. Mõnedesse riikidesse on küll saadetud juustu ja või tootmise seadmeid.

Kas olete siin peale Eesti ja Lätti ka mujal käinud?

Ei, olen üldse esimest korda USAst väljas.

Mis mulje on jätnud sinne põllumajandus? Kas meil on mõtet üldse jätkata?

Lehmade eest on hästi hoolitsetud. On aga ka palju takistusi. Kui ei leita turgu — aga turg on praegu küllastunud — siis jääte jänni. Tuleb hoollega mõelda, kuidas edasi minna.

Praegu märkan siin aegu uuest ja vanast korrast, misugune üleminekuperiood ei lähe kiiresti mööda. Teie töötlev tööstus vajab hädaasti uusi seadmeid.

Interview with Kevin Dahlen in Estonia

- Q. Your company sends the dairy farmers mainly in the Northern & mid Western part of the US. Is there much need for your services?
- A. Oh yes! very much. Our company has 9 specialists like myself, and each one serves approximately 9,000 cows. We have helped to make the dairy cows healthier and also we have helped to increase the milk output.
- Q. Does the American farmer buy his milk products and other food from the stores.
- A. It depends on the farmer
- Q. Most of your farmers are men, fathers, sons, or brother, what kind of work is done by the women?
- A. About half of the women only take care of the housekeeping and child rearing. About the other half take care of the farms bookkeeping.
- Q. You told that once you tried to buy a farm with a bank loan. Now can your farmers get a bank loan and how high is the interest rate?
- A. To get a loan is not easy. You need collateral and also co.-signer. Right now the short term interest is 9% and long term 7-7.5. Highest rates were 18-20%. It all depends on the market and if the supply and demand are balanced, the interest rates will come down.
- Q. How about farm renting?
- A. The rent is also dependent on the market, how many are ready to rent their land and how much to rent from the land owner. Rent is paid twice a year and usually a pre-fixed percentage of the crop. (income).
- Q. So the rent is not depending on the value of the land. Does the farmer know what is the worth of a parcel of his land?
- A. The price of the farmland is not fixed. It is changing all the time. Ten years ago an acre was up to \$3,000 and now \$1,000 to \$15,000
- Q. What is the intent of Land O'Lakes in the Baltic Countries: You have also spent some time in Latvia.

A. We are not looking here for any monetary interest. The US has a foreign help program for the re-independence gained Baltic Countries and, as our company had very high quality specialist, we were hired to help with the program.

Q. As you have traveled in Estonia, haven't you got an idea that Land O'Lakes could establish a cheese factory here?

A. If Estonia and American farmers will find common interest, then yes, but this is not for me to decide. Our company is controlled by the member farmers. As I know some countries have received equipment for cheese and milk producing.

Q. Have you been in any other countries besides Estonia and Latvia?

A. No, for me this is the first time to be outside of the United States.

Q. What are your impressions of our agriculture? Should we continue to work or not?

A. You have taken good care of your dairy heard. But all depends whether you can find markets for your products. Right now there is over supply. You have to do some serious thinking where and which way to go.

Right now I notice here a mixture of old (communist) and new (free market) systems. This change over period will not change very fast. Your diary producers are badly in need of new and modern equipment.

náš domov

Polnícké Noviny

Dnes
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8

Keď flop
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SOBOTA 10. JÚLA 1993 ČÍSLO 158 Sk 3

KALEIDOSKOP

Ročnícké noviny

Land O'Lakes, Inc.

Land O'Lakes, Inc. je jedno z najväčších poľnohospodárskych združení v USA. V zozname najväčších podnikov na svete, ktorý uverejňuje časopis Fortune, obsadzuje 200. miesto. Vlastní ho 300 tisíc farmárov a rančero v 18 štátoch od Wisconsinu po Pacifik. V roku 1992 utvoril podnik nový rekord – dosiahol tržby vyše 2,5 miliardy dolárov zo svojich štyroch základných výrobných činností – krmivá, osivá, agronomické služby a mliečne výrobky. Zabezpečuje pre spotrebiteľov viac než 600 druhov potravinových výrobkov prostredníctvom potravinovej služby a odvetvových trhov.

Land O'Lakes je príkladom úspešného uskutočňovania skutočného družstevníctva v praxi, na ktoré obyvatelia amerického vidieka a farmári nedajú dopustiť. Družstvá pracujúce v oblasti poľnohospodárstva sa zaoberajú hlavne marketingom, spracovaním, zabezpečovaním služieb a vo veľmi málo prípadoch rastlinnou výrobou najmä ovocinárstvom. Nikdy však nie živočíšnou výrobou. Od poľnohospodárskych družstiev v našom ponímaní, hoci majú tiež vypracované stanovky, potrebujú byť zaregistrované a predstavenstvo družstva nazývajú Radou riaditeľov (Board of Directors), sa odlišujú niekoľkými veľmi podstatnými rozdielmi:

Pravidlom číslo jedna je, že členskou schôdzou volení členovia predstavenstva a tiež predseda družstva nemôžu byť nikdy zároveň zamestnanci a pracujúcimi na družstve, nie to ešte manažérom družstva, ako je to všeobecnou praxou v prípade väčšiny predsedov u nás. Činnosť vykonávaná v súvislosti s členstvom v predstavenstve je prísne neplatená a členovia majú nárok len na náhradu dopravy a niektorých malých výdavkov v súvislosti s funkciou. Tým je predstavenstvo skutočnou nestrannou kontrolou družstva. Jediný záujem je – zisk. Za chod družstva je zodpovedný v plnej miere manažér, ktorý si sám vyberie tím svojich zamestnancov.

Jeden farmár môže byť členom viacerých družstiev a zisk, ktorý družstvo vytvorí, sa rozdeľuje medzi členmi podľa toho, kto v akej miere družstvo využíval. Družstvo poskytuje svojim zamestnancom rad výhod, ako napríklad odchod do dôchodku vo veku 58 rokov za niekoľkonásobne vyšší dôchodok než je štátny, ku ktorému sa po dovŕšení 62 rokov ešte pridá.

Poľnohospodárske združenie Land O'Lakes už jeden a pol roka pôsobí na Slovensku a tretím rokom v krajinách východnej Európy. Za ten čas vyvinulo najrozsiahlejšiu pomoc orientovanú najmä na výrobu mlieka. V roku 1992 napríklad lektori Land O'Lakes uskutočnili 114 kurzov k 13 tematickým okruhom, dotýkajúcich sa výroby mlieka v strednej a východnej Európe a v Pobaltských krajinách. Finančné pro-

striedky, ktoré uvoľňuje vláda USA na pomoc krajinám východnej a strednej Európy, prideluje vládna organizácia USAID. Medzinárodnú činnosť združenia Land O'Lakes koordinuje oddelenie medzinárodného rozvoja (IDD) so sídlom v Minneapolise, štát Minnesota. Činnosť je rozdelená do dvoch skupín krajín. Do prvej skupiny nazvanej „PELLCS“ patria Poľsko, Estónsko, Lotyšsko, Litevsko, Česko a Slovensko. Činnosť tejto skupiny je koordinovaná z vysunutého pracoviska v Poľsku. Do druhej skupiny „BAHR“ pat-

aj na Slovensku?

ria Bulharsko, Albánsko, Maďarsko a Rumunsko s centrom v Solii.

Na Slovensku, podobne ako aj v iných krajinách je táto pomoc sformovaná do troch okruhov činnosti.

Prvým a momentálne najrozsiahlejším programom je organizovanie 5-dňových internátnych školení vedených zahraničnými lektormi. Zabezpečené sú preložené učebné materiály s pomôckami a tlmočenie dvoma tlmočníkmi. Školenia sú vymedzené pre 25 účastníkov, ktorým s výnimkou ubytovania hradí organizátor všetky náklady spojené s kurzom. Dosiaľ bolo na Slovensku 14 seminárov so zameraním na marketing, spracovanie mlieka, zdravotný stav a výživu dojníc, princípy družstevníctva a vedenie privátnych a družstevných poľnohospodárskych podnikov. Na druhý polrok 93 je plánované uskutočniť „Seminár pre pedagógov marketingu“, ktorý bude 6.–10. septembra vo Zvolene, „Výcvik školiteľov“ na tému: Zdravotný stav a výživa dojníc 11.–15. októbra vo Výskumnom ústave lúk a pasienkov Banská Bystrica a „Management farmy“ 8.–12. novembra v Drienici-Sabinove. Seminár môže zaujať súkromných farmárov i vedúcich poľnohospodárskych jednotiek a subjektov.

Je tu tiež program technickej pomoci, v rámci ktorého je Land O'Lakes pripravený pomôcť akýmkoľvek subjektom činným v poľnohospodárstve priamou expertizou zahraničným odborníkom. Všetky náklady spojené s pobytom experta s výnimkou nákladov na dopravu vo vnútri krajiny hradí americká strana. Na konkrétne získanie tejto formy pomoci stačí vyplniť formulár „Žiadosť o technickú pomoc“ a v nej jasne sformulovať očakávanú pomoc.

Tretou formou pomoci sú dlhodobé stážové pobyty v poľnohospodárskych organizáciách alebo na farmách v USA. Tento rok sú traja mladí ľudia 6 mesiacov na mliečnych farmách v štáte Minnesota. O účasť na vyššie uvedených projektoch sa možno prihlásiť na adrese: Ing. Juraj Vinš, Bítovce 257, 919 07 okr. Trnava. Tel./fax: 0805/93263.

JURAJ VINŠ

koordinátor činnosti

LAND O'LAKES, INC., IN SLOVAKIA

Land O'Lakes, Inc. is one of the major agricultural associations in the U.S.A. In the list of the largest enterprises published by the Fortuna magazine, it is on the 200th place. Land O'Lakes is owned by 300 thousand farmers and ranchers in 18 states and its territory is spreaded from Wisconsin to the Pacific Ocean. In 1992 this incorporation made a record by reaching the sales of 2.5 billion USD in its four basic areas -- fodder, seed, agronomic services and dairy products. It is a national leader in the sale of butter and cheese and it provides for the consumers more than 600 sorts of grocery products by the means of grocery service and branch markets.

As a fully integrated agricultural enterprise, Land O'Lakes provides a complete assortment of the agricultural inputs for ore than 1,300 local co-operatives. It is the main power in the market as for the plant and animal production with the home sale and export of more than million ton of fodder mixture, important supplies of fertilizers, herbicides and fuel.

Land O'Lakes is also an example of a successful implementation of an actual cooperative activity in practice, the American villagers and farmers are very enthusiastic about. The co-operatives which are active mainly in the field of agriculture deal mainly with the marketing, processing, providing of services and in rare cases with the plant production, mainly with fruit growing. Never with the animal production. Unlike the cooperatives in our conception, though they also have the Statutes, they must be registered and are headed by the Board which is called the Board of Directors they differ by several substantially in several features:

1. Rule No. 1 is that the members of the Board of Directors and the President of the co-operative elected by the Meeting of Co-operative Members may never be at the same time the employees nor can they work at the co-operative, never as the managers of the cop-operatives, what is a general habit in our country in the case of most of the presidents. The activity performed i relation to the membership in the Board of Directors is strictly unpaid for and the members may claim only the compensation for the transport and some small expenses connected to their functions.. By the means of this the Board of Directors really represents an independent control of the co-operative with the only aim - the profit.
2. The person fully responsible for the operation of the co-operative is its manager who chooses his employees himself.
3. One farmer may become a member of several co-operatives and the profit reached by the co-operative is re-divided to its members proportionally to his activity in the co-operative.

These are the main differences which substantially influence effectiveness and attractivity of the cooperative idea in the USA. One may find out more information about functioning of the cooperatives or entities active in the American agriculture directly from the first hand. Agricultural association Land O'Lakes has been active in Slovakia already for more than one year and for the third year in the East European countries. In the meanwhile, it became the most extensive provided of agricultural assistance mainly in the dairy sector. In 1992 the lecturers of the Land O'Lakes carried out 114 trainings on 13 subjects concerning the problems of milk in the Central and Eastern Europe and Baltic countries. By the means of this the unique position of this association has been proved worldwide.

The funds released by the USA Government in order to assist the East and Central European Countries are allocated to the individual organizers of this assistance through the governmental agency USAID. This agency controls and regulates the sensible allocation of the funds. The international activity of the Land O'Lakes association is internally coordinated by the International Development Dpt./IDD/seated in Minneapolis, Minnesota. Here the activity is divided into two groups. Into the first one called "PELLCS" belong Poland, Estonia, Lithuania, Latvia, Czech Republic and Slovak Republic. The activity of the first group is coordinated from its branch office in Poland. Into the second group called "BAHR" belong Bulgaria, Albania, Hungary and Romania with its center in Sofia.

The activity of Land O'Lakes in the above mentioned countries is with one exception represented by a milk substitute plant in Poland and is strictly non-commercial. It is funded by the US Government. In Slovakia, similarly as in other countries, this assistance is formulated in three activities:

I. The first and for the moment the most extensive program is organization on 5-day in-house trainings headed by a foreign lecturer. The translated study materials re prepared together with necessary teaching aids and consecutive interpreting by two translators. The trainings are for maximum 25 people, whose costs related to the training, except the ones for the accommodation are covered. Until now 14 seminars have been organized in Slovakia focused on marketing, milk processing, health and nutrition of milk cows, principles of cooperatives and management of the private agricultural enterprises.

For the second half of 1993 the following trainings are planned:

1. "Seminar for the marketing pedagogues" 6-10th September 1993, Zvolen.
2. "Training of the teachers: Health and nutrition of the milk cows" 11-15th October 1993. Research Institute of Meadows and Pastures Banska Bystrica. This seminar is focused except of the teachers teaching the animal production also on the zoo technicians, private farmers and workers in the field of animal production.

3. "Farm management" 8-12th November 1993. Drrienica-Sabinov. This seminar is focused on the private farmers both the existing and potential ones, on the heads of the agricultural units and entities.

II. Technical Assistance Program

In the framework of this project, Land O'Lakes is ready to assist any entity in the area of agriculture, or agricultural products processing by a direct expertise. This is carried out in Slovakia during the appropriately long visit of a foreign expert. All the costs related to such a visit of an expert with an exemption of the costs for transport within the country are covered by the American party. For achieving this form of assistance it is sufficient to fill in the form "Application for Technical Assistance" and to formulate the expected assistance.

- III. The third form of assistance are the long-term visits in the agricultural organizations or in the farms in the USA. This year three young people spend 6 months in the dairy farms in the state of Minnesota.

You may apply for the participation in the above mentioned projects on the following address:

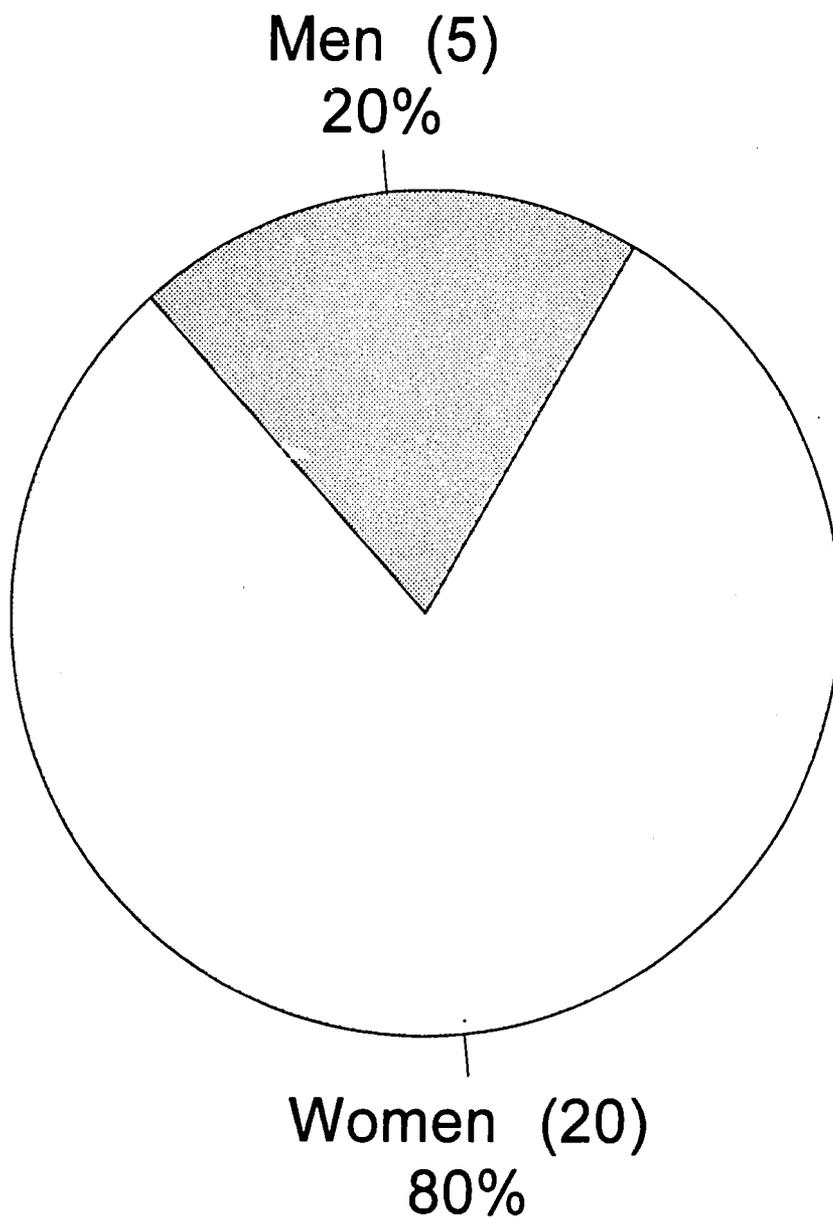
Ing. Juraj Vins, Binovce 257, 919 07, okr. Trnava, tel. ufax 084 93263.

ATTACHMENT E
DEMOGRAPHICS OF IN-COUNTRY TRAINING PARTICIPANTS

ESTONIA

Gender Profile

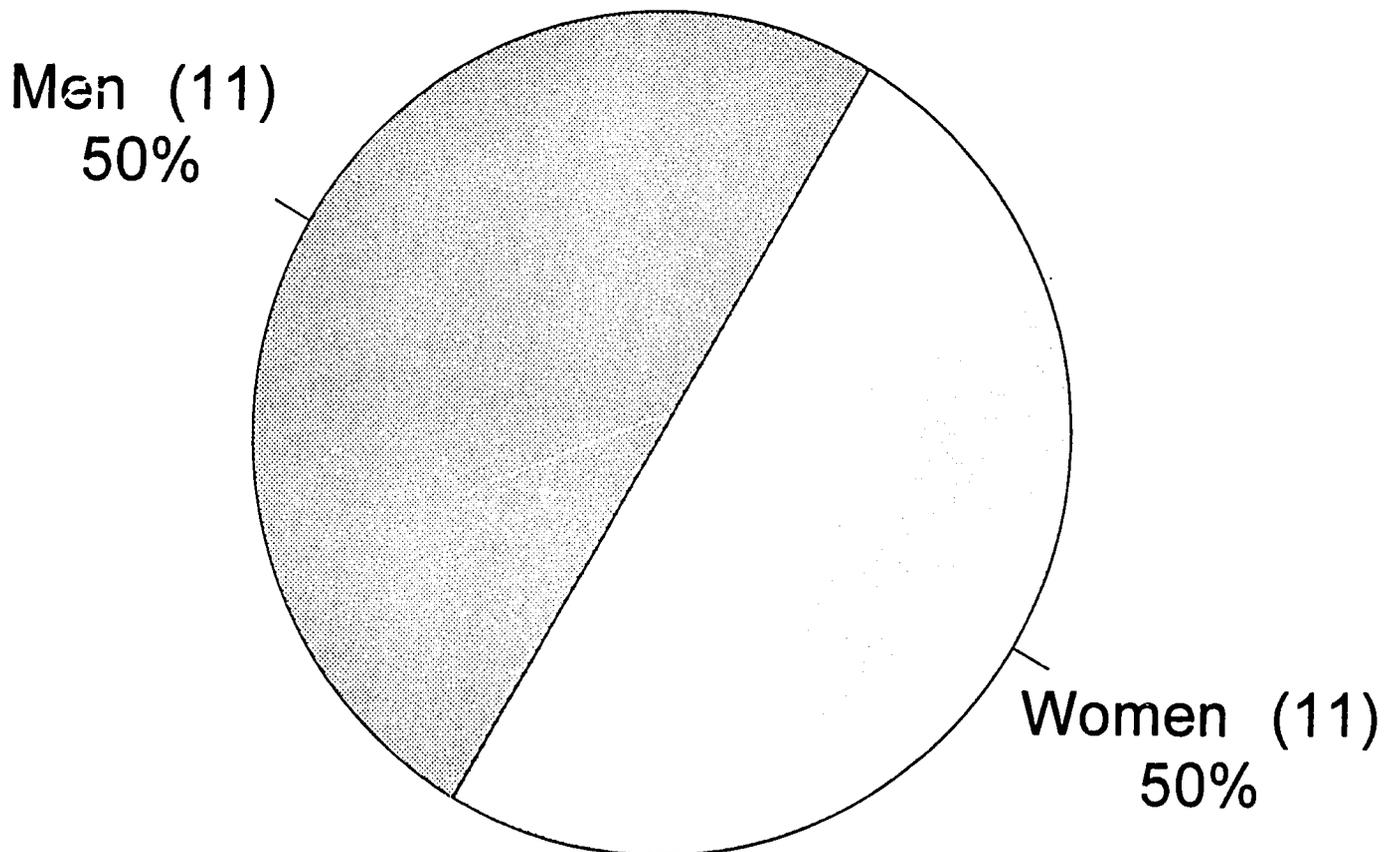
In-Country Training, 3rd Quarter, 1993



SLOVAKIA

Gender Profile

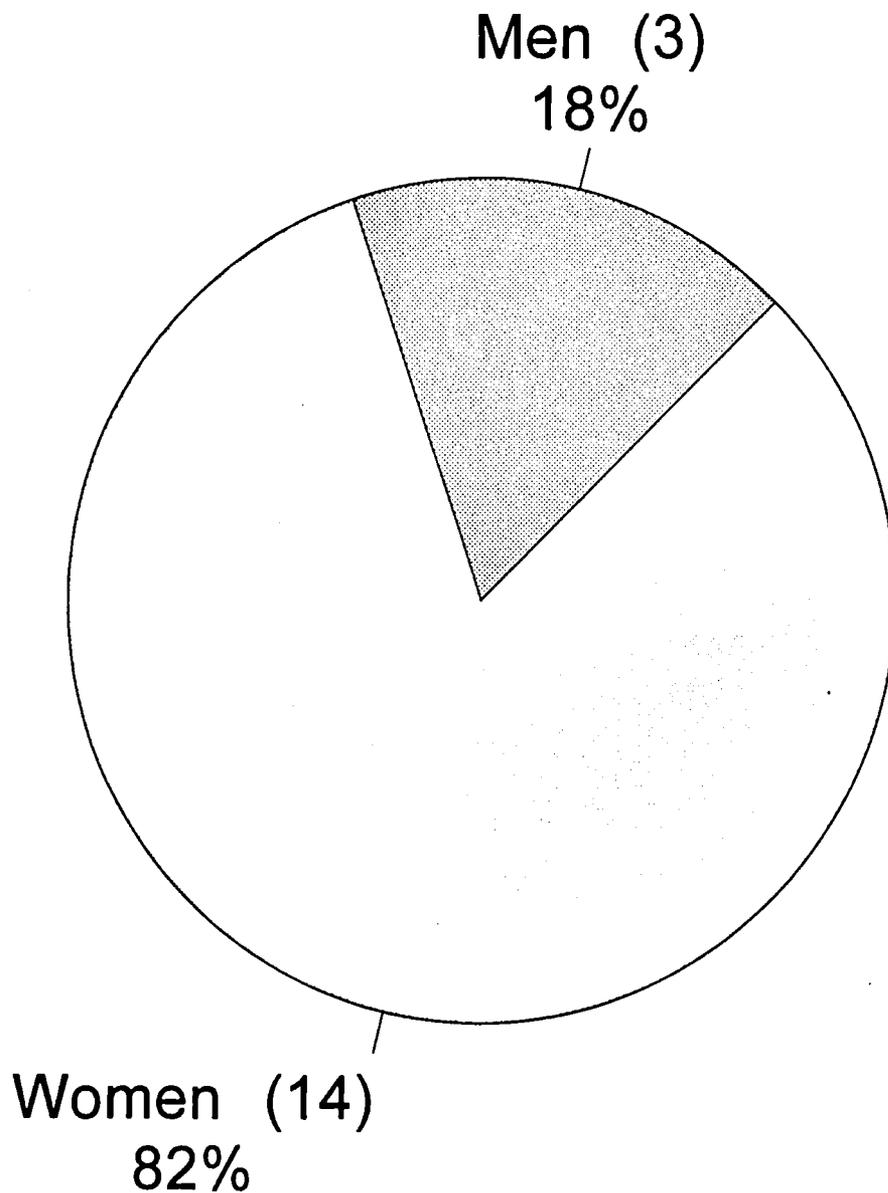
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ALBANIA

Gender Profile

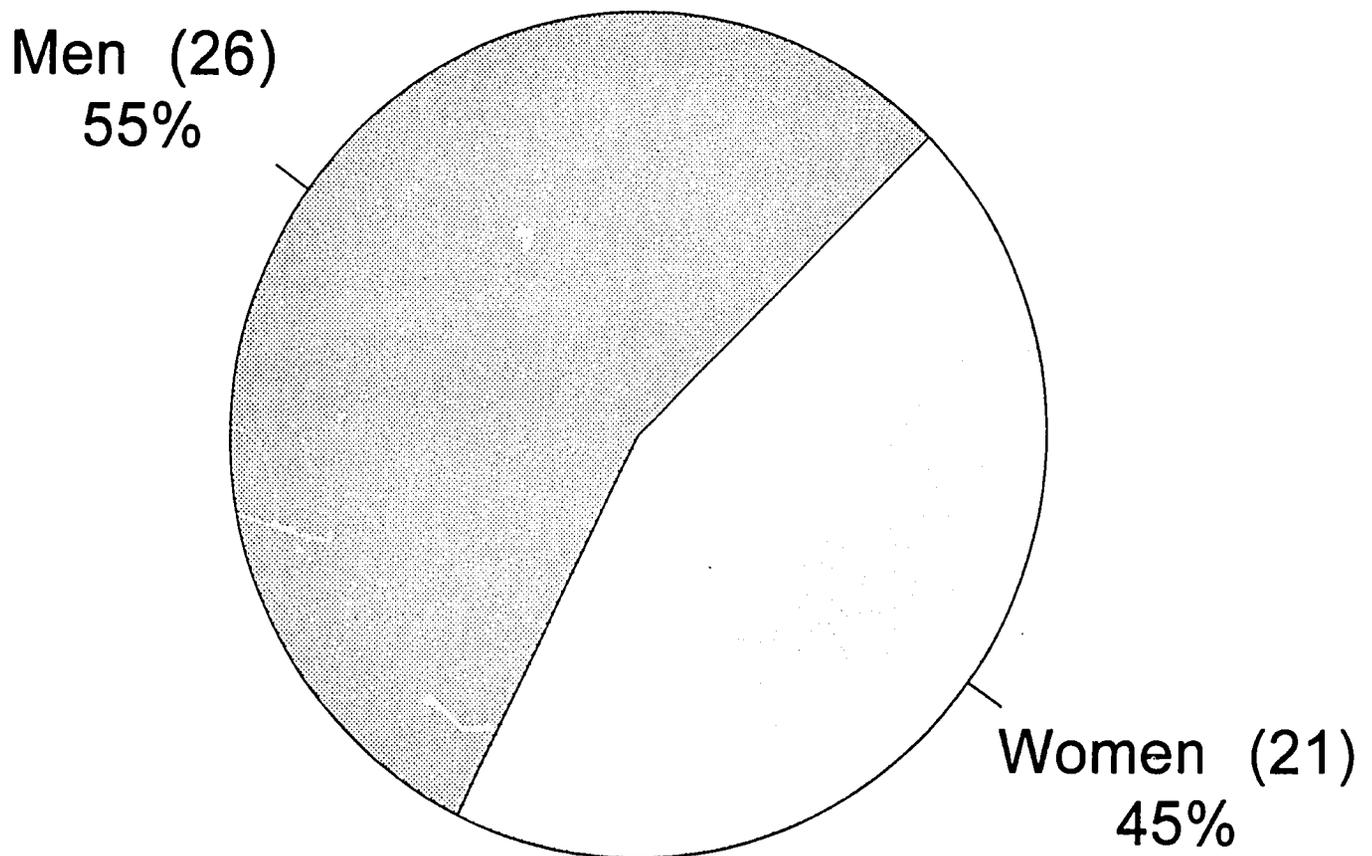
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BULGARIA

Gender Profile

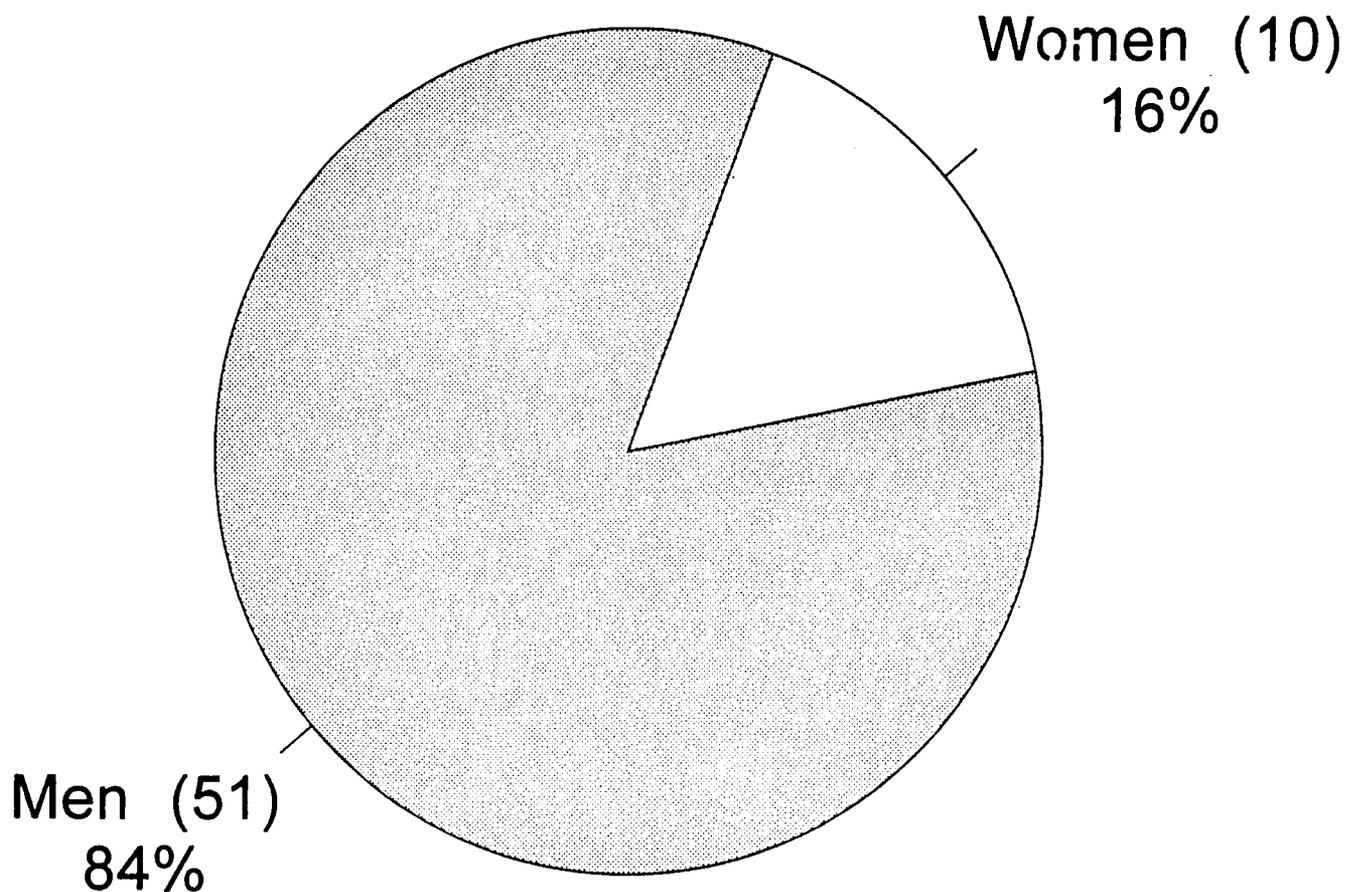
In-Country Training, 3rd Quarter, 1993



THE CZECH REPUBLIC

Gender Profile

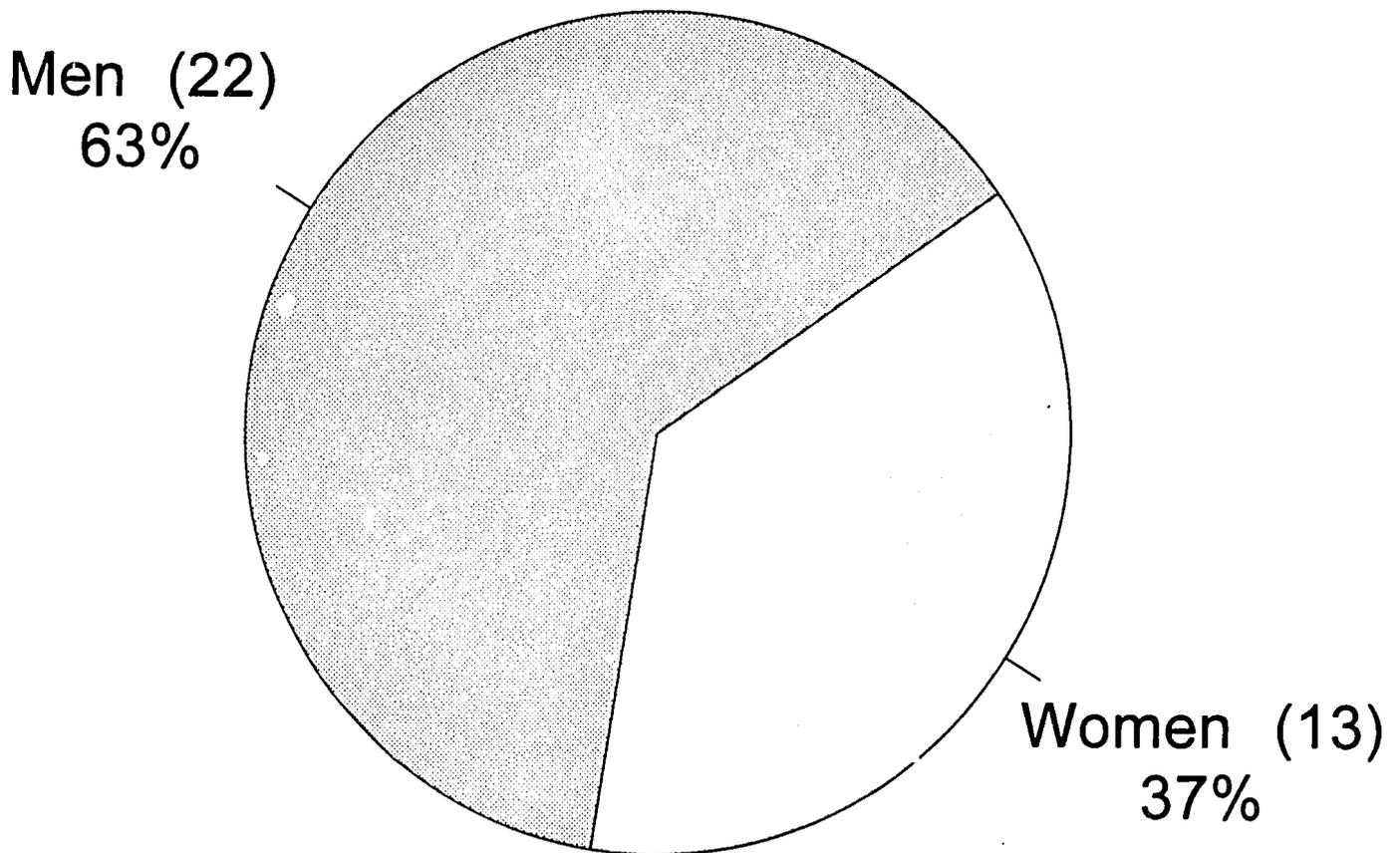
In-Country Training, 3rd Quarter, 1993



LATVIA

Gender Profile

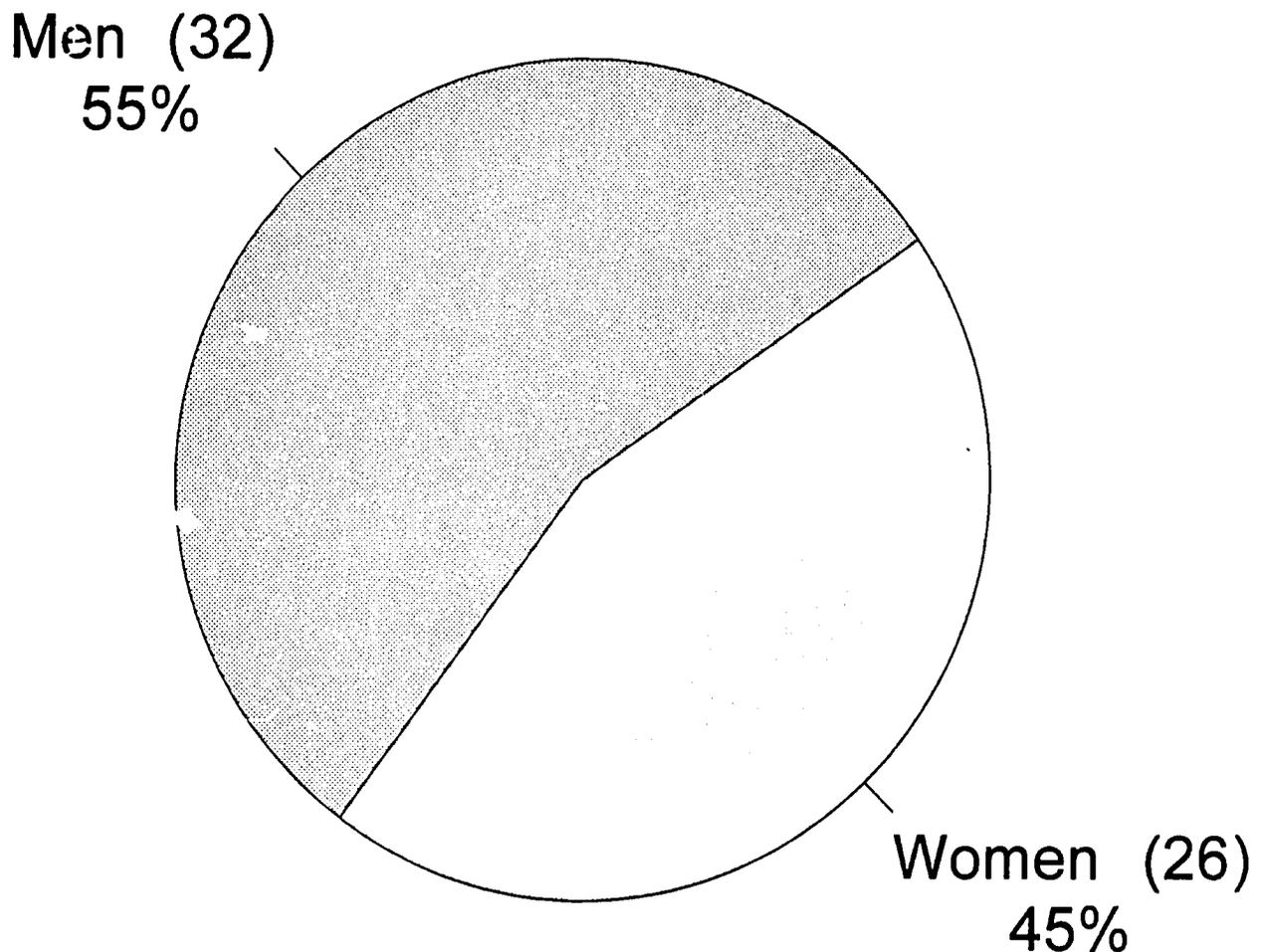
In-Country Training, 3rd Quarter, 1993



LITHUANIA

Gender Profile

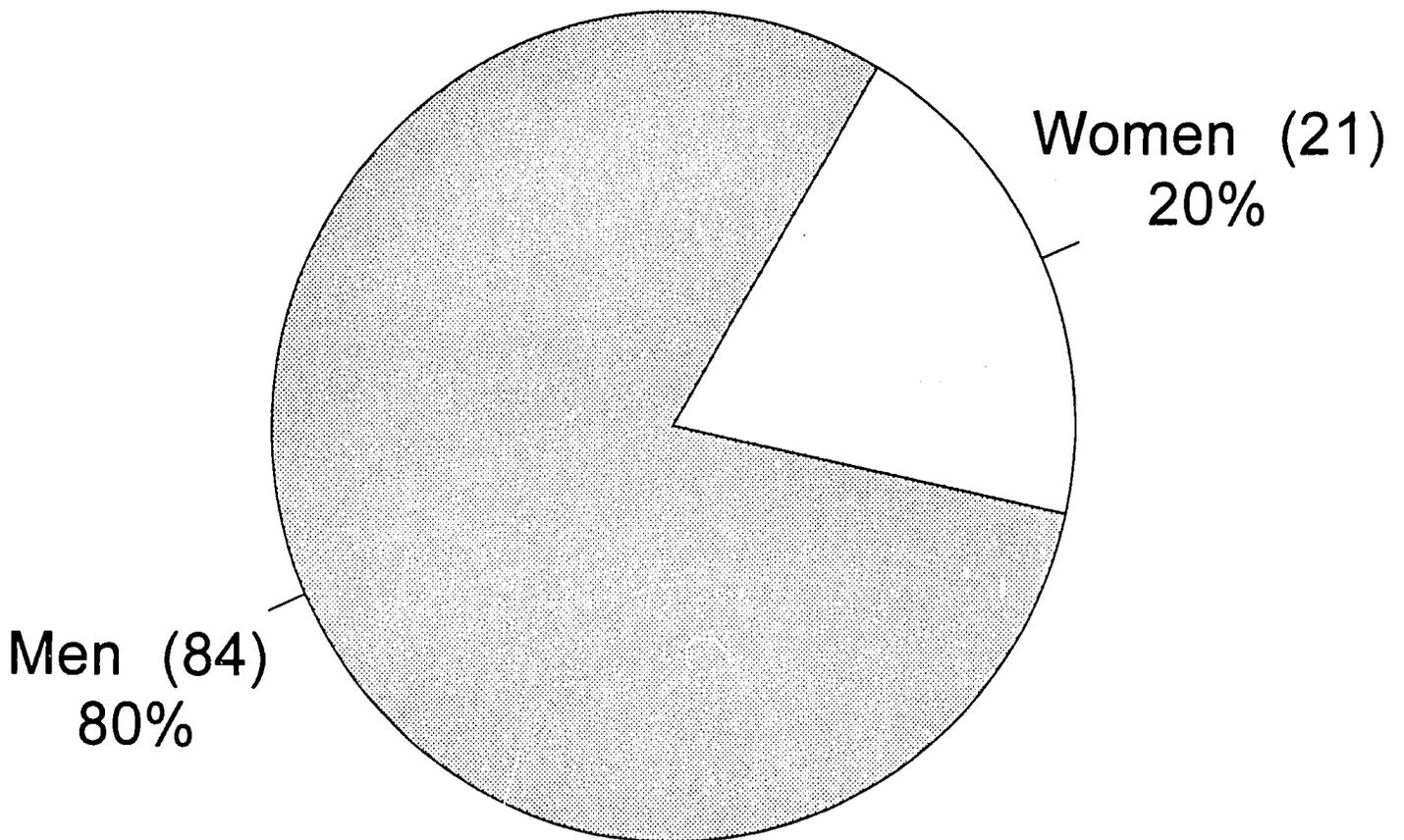
In-Country Training, 3rd Quarter, 1993



POLAND

Gender Profile

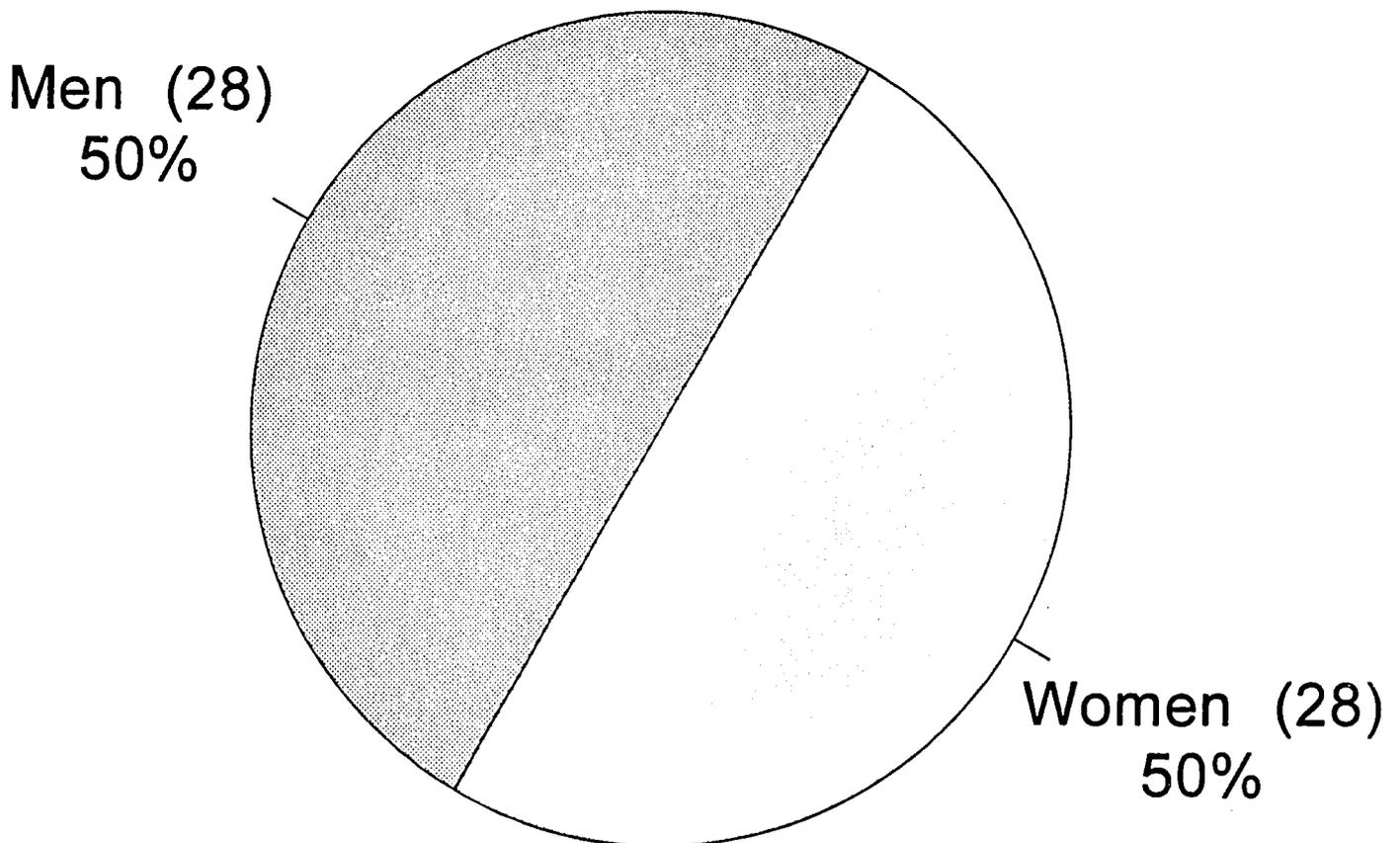
In-Country Training, 3rd Quarter, 1993



HUNGARY

Gender Profile

In-Country Training, 3rd Quarter, 1993



ROMANIA

Gender Profile

In-Country Training, 3rd Quarter, 1993

