

PB-APR-450

93079

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

**FARMER-TO-FARMER PROGRAM: SPECIAL INITIATIVE FOR THE  
NEW INDEPENDENT STATES OF THE FORMER SOVIET UNION  
AGREEMENT NUMBER: FAO-0705-A-00-2091-00  
PROJECT NUMBER 938-0705**

**QUARTERLY REPORT  
OCTOBER-DECEMBER, 1994**

**FEBRUARY 7, 1995**

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**QUARTERLY REPORT  
First Quarter/Year Three  
October-December, 1994**

**VOLUNTEER ASSIGNMENTS**

During the first quarter of the Farmer To Farmer program's third year, Land O'Lakes fielded ten volunteers from seven states. Volunteer assignments were located in four Russian Federation oblasts. Volunteer tracking information, including technical assistance objective categorization, is included in Attachment A.

BENEFICIARY ORGANIZATION	ASSIGNMENT DATES	ASSIGNMENT LOCATION	REPEAT BENEFICIARY?	VOLUNTEER SPECIALIST(S)
Ivanovo Construction Companies	August 3-20, 1994	Ivanovo, Russia	Yes	Dwaine Bundy

Bundy was originally scheduled to work specifically with the Taraev Construction Company. However Victor Taraev, owner of the company, is currently involved with a new bank which he has recently opened and which has taken his attention away from his construction business. Therefore, Bundy worked with Eugene Groshev, an assistant of Taraev.

Bundy assessed the current status of construction resources in Ivanovo. Transportation is the greatest barrier to building adequate agriculture and processing facilities because the appropriate materials can't be shipped into the places they are needed.

BENEFICIARY ORGANIZATION	ASSIGNMENT DATES	ASSIGNMENT LOCATION	REPEAT BENEFICIARY?	VOLUNTEER SPECIALIST(S)
Kaliningrad Oblast Administration	September 12-October 3, 1994	Kaliningrad, Russia	Yes	Hans Radtke

Scope of Work: Radtke was to work with the head of Kaliningrad Administration, Anatoly Gusev, providing assistance in government reform of the agricultural sector for the Kaliningrad Oblast administration.

During his assignment, Radtke visited several collective farms and other private agribusiness operations. He evaluated each site for profitability and general management in order to assess the possibilities for agricultural development in the oblast. Radtke produced a list of suggestions for Mr. Gusev regarding a cooperative extension concept.

BENEFICIARY ORGANIZATION	ASSIGNMENT DATES	ASSIGNMENT LOCATION	REPEAT BENEFICIARY?	VOLUNTEER SPECIALIST(S)
Polesska Lycee	October 4-23, 1994	Polessk, Russia	Yes	Hugh Donald Naumann

Scope of Work: Naumann's scope of work was to provide assistance in meat processing for Polesska Lycee (Vocational School #21) in Polessk, a city in the Kaliningrad region of Russia. His assignment included working on curriculum reform for the entire school, advising on raw materials, and recommending possible types of meat processing.

The following activities were performed during the assignment:

- put together a list of needed equipment and supplies;
- gave a catalog for finding the right equipment either in-country or abroad;
- explained to the school board that they need to designate a leader/manager to be in the plant;
- evaluated several site for the meat plant;
- wrote a list of recommendations to the host;
- put together a plan for renovating the site for the meat processing facility.

BENEFICIARY ORGANIZATION	ASSIGNMENT DATES	ASSIGNMENT LOCATION	REPEAT BENEFICIARY?	VOLUNTEER SPECIALIST(S)
Vitaliy Nesterov Farm	October 13-29, 1994	Vologda Region, Russia	Yes	Loren Lapham

Scope of Work: Lapham was to provide assistance in livestock development for the private farm of Vitaliy Nestarov in Vologda, Russia.

Lapham worked with Vitaliy and Nina Nestarov on their farm. The following activities highlighted his assignment:

- discussions with Vitaliy about his operations and his saw mill, in particular;
- discussions of the process of buying and selling land in America;
- touring local stores and discussing their operation with the Nestarov's, and;
- helping Vitaliy with his daily farm activities.

During his time in Vologda, Lapham also met with Administration officials from the Vologda District AKKOR.

BENEFICIARY ORGANIZATION	ASSIGNMENT DATES	ASSIGNMENT LOCATION	REPEAT BENEFICIARY?	VOLUNTEER SPECIALIST(S)
Mestok Cooperative	October 13-29, 1994	Ryazan, Russia	Yes	Cliff Benson Arthur Armstrong

**Scope of Work:** This team of volunteers provided assistance in providing a foundation for a dairy processing cooperative within the Mostok cooperative. Benson focused on cooperative development while Arthur Armstrong worked on dairy processing techniques.

During the assignment, the team toured several dairy farms in the area, discussed the possibilities of installing dairy equipment with the heads of the cooperative and provided a list of recommendations.

Benson and Armstrong also met with the Minister of Agriculture for Ryazan to discuss the ministry's screening process for grant seekers.

Land O'Lakes in-country staff will travel to Ryazan to evaluate this beneficiary organization before the next volunteers are sent. Sufficient progress toward goals must be made before further technical assistance is provided.

BENEFICIARY ORGANIZATION	ASSIGNMENT DATES	ASSIGNMENT LOCATION	REPEAT BENEFICIARY?	VOLUNTEER SPECIALIST(S)
Nadezhda Cooperative	October 19- November 5, 1994	Ryazan, Russia	Yes	Robert Kramer Elaine Kramer

**Scope of Work:** This volunteer team was to work together on two aspects of the Nadezhda Cooperative: dairy processing (Elaine) and basic cooperative development (Robert).

#### Dairy Processing

Elaine Kramer completed the following activities during the dairy processing portion of the assignment:

- confirmed and reviewed an agreement with a neighbor for receipt of their supply of milk;
- worked with a qualified electrician to determine that a space at the cooperative could be remodeled to process milk into cheese;
- designed a plant "lay-out";
- helped install the necessary electrical service; and
- formulated several detailed cheese manufacturing procedures.

#### Cooperative Development

Robert Kramer completed the following activities during the cooperative development portion of the assignment:

- developed the necessary accounting procedures;
- developed a profit/loss statement;
- explained the necessity of completing a loan application for the Russian-American Commission on Agriculture Development

BENEFICIARY ORGANIZATION	ASSIGNMENT DATES	ASSIGNMENT LOCATION	REPEAT BENEFICIARY?	VOLUNTEER SPECIALIST(S)
Trekhpolye and Ural Farms	October 26- November 12, 1994	Ryazan, Russia	No	Kevin Sloane

**Scope of Work:** Sloane's assignment was split into three parts: 1) a farm assessment with recommendations; 2) discussions with local officials about problems facing farmers; 3) provision of basic information on cooperative philosophies and principles.

To attain these objectives, the following activities were performed during the assignment:

- evaluated the Trekhpolye farm's present condition;
- discussions with the Deputy Head of the region administration;
- discussions with a local bank manager;
- presented cooperative basics to local agribusiness people;
- toured local grain elevator;
- evaluated the present condition of Ural farm and gave recommendations for future improvement; and
- produced a business plan for a bakery at Trekhpolye farm.

BENEFICIARY ORGANIZATION	ASSIGNMENT DATES	ASSIGNMENT LOCATION	REPEAT BENEFICIARY?	VOLUNTEER SPECIALIST(S)
Ryazan Agricultural University	November 10-27, 1994	Ryazan, Russia	Yes	John Carlson

**Scope of Work:** Carlson's assignment was to provide assistance in private agribusiness management curriculum development.

Carlson contributed significant assistance to the University. Among his activities:

- Eight lectures to over 300 students and faculty on livestock marketing, ag economics, current agricultural technology and ag education;
- discussed ag technology and ag education with faculty;
- donated 10 computer programs to the institute;
- donated six course syllabi and discussed them with animal science faculty; and
- discussed forage and dairy production with local producers.

## FFA SUBAGREEMENT

During this quarter, FFA did not field any volunteers. However, the FFA Coordinator, Curt Stutzman, traveled to Russia and Ukraine to coordinate FFA Farmer To Farmer activities that will take place this summer. For details regarding this trip and FFA's beneficiary organizations and upcoming plans, FFA's quarterly report is included as Attachment B.

## **PROFILES**

### **Trembita Company, Hustskiy Region, Zakarpats'ka, Ukraine**

The Trembita private enterprise is owned and operated by Ivan Kerita. He began his business processing mushrooms purchased from the local population. During the peak of the season he employs 150 people at his processing center. He bartered with an Italian firm for the equipment which he using and is "paying" for the equipment with the mushrooms he produces.

In addition to mushrooms, Kerita is also using the mushroom drying equipment to process pumpkin seeds. At the moment, he is investigating expanding his production into sunflower seed oil processing. The refined oil would be sold in the stores he owns.

### **Shosh Farm, Beregovskiy Region, Zakarpats'ka, Ukraine**

Carl Shosh is a private farmer and member of the local farmers association. He currently works in cooperation with fellow private farmers by supplying them with equipment in exchange for labor assistance. He is also a stockholder in the "Farmers Support Bank".

The Shosh farm is a diversified farm producing tobacco, grains, hay, lamb and potatoes. Shosh is investigating selling the tobacco to Philip Morris, which visited this area before the breakup of the USSR. Construction is currently being completed on a restaurant, inn, and home for his son. Storage facilities for his tobacco, along with pasture and shelter for his flock of sheep, are rented from the local bankrupt state farm. In a desire to diversify even further, he is interested in expanding into vegetable and seed production.

### **Salkan Ukrainian-Polish Joint Venture**

The Salkan Ukrainian-Polish Joint Venture meat processing plant is managed by Valerie Bovt. The meat processing equipment in the plant was procured by the Polish partners and because the equipment is a Polish investment it was only taxed 2% compared to the usual import tax of 140% on equipment.

The meat is all locally produced. All other ingredients, such as spices, casings and soy flour, are imported from Poland. The plant has been in production for a year and the partners now want to expand to vacuum packaging for longer storage. They are also interested in processing hides into leather. The joint venture sells its product through stores it owns and a small truck which travels to the neighboring villages. Since the joint venture pays a higher price than the government for meat, product prices are higher also but also have higher quality than the government produce. Because of this, there is no problem with sales and the product

## IMPACT

BENEFICIARY ORGANIZATION(S)	LOCATION	REPEAT BENEFICIARY?	ORGANIZATION PROFILE?	VOLUNTEER SPECIALIST(S)
Pavlov Association	Ryazan, Russia	No	No	Donald Benoit

Pavlov indicated that there were three main improvements which resulted from Benoit's assistance:

1. Farm ventilation. Before Benoit's assignment, Pavlov did not understand the importance of ventilation. Benoit provided information on automatic ventilation systems in addition to general information on ventilation. Russian plants do not produce the necessary compressors for automatic ventilation systems, so Pavlov bought foreign equipment and is now completing its installation in a new barn. He estimates the expected savings to be 1,500,000 roubles.
2. Seeding rates. Benoit helped Pavlov estimate the seeding rate when Pavlov planted oats. The results are evident: Pavlov harvested 44 tons per hectare compared with only 25 tons per hectare harvested from the nearby fields by the collective farm.
3. Site planning. Benoit helped Pavlov to choose a better site to build a new house. Benoit also explained how to choose sites for different types of buildings and how to best locate the building on the site. As a result, Pavlov was able to economize on drainage and electricity by cutting the distance between the house and the main electricity and water lines in half.

BENEFICIARY ORGANIZATION(S)	LOCATION	REPEAT BENEFICIARY?	ORGANIZATION PROFILE?	VOLUNTEER SPECIALIST(S)
Podvjazye Farmers' Training College	Ryazan, Russia	Yes	No	John Hess Richard Hess Dale Dunivan Dennis Lehto

NOTE: The following is not an impact report but rather an update on the current status of this beneficiary organization.

The director of the college, Mr. Podar, said that with Lehto's help they had practically completed the curricula for continuous education for private farmers. Unfortunately the curricula was never implemented because in March, 1994, the ag school was not refinanced and they were not allowed to enroll students.

In December, 1994, the school was liquidated by order of the Russian Agricultural Department. Podar was dismissed. The Ag Department has not reassigned him due to the fact that he refused to transfer computers received from an EEC humanitarian program to the regional Ag Department. Instead, Podar contacted the EEC organization and they reclaimed their property. The official explanation for the closing of the school was to reduce expenses.

BENEFICIARY ORGANIZATION(S)	LOCATION	REPEAT BENEFICIARY?	ORGANIZATION PROFILE?	VOLUNTEER SPECIALIST(S)
Mostok Cooperative	Ryazan, Russia	Yes	No	Clara Johnson Steve Krikava Alton Krikava Cliff Benson Arthur Armstrong

Raisa Yakubova, head of the Mostok Cooperative, has implemented a program for grinding livestock feed based on recommendations from past specialists. Yakubova has already ground over a ton of grain using a neighboring farmer's feed grinder. In payment, she left a portion of the grain she ground. Yakubova made arrangements to grind another ton.

BENEFICIARY ORGANIZATION(S)	LOCATION	REPEAT BENEFICIARY?	ORGANIZATION PROFILE?	VOLUNTEER SPECIALIST(S)
Vladimir Bakharev	Vologda, Russia	Yes	No	Judy Klusman Jack Danz

Bakharev is following the business plan which he, Danz and Klusman produced. The business plan, for establishment of a small dairy processing plant, includes estimates of material and labor expenses and the prime cost of the final product. Bakharev also entered into a partnership agreement with the local resort using the contract Danz and Klusman created for this purpose. Bakharev stated that the detail Danz and Klusman had put into the contract made him realize the importance of establishing a clear definition of what the business relationships would be in order to avoid future problems. Because of this, he and his partners are building a milk processing facility on the resort's land and have purchased 35 milk cows.

BENEFICIARY ORGANIZATION(S)	LOCATION	REPEAT BENEFICIARY?	ORGANIZATION PROFILE?	VOLUNTEER SPECIALIST(S)
Verbena Farm, Sergei and Elena Belousov	Kineshma, Russia	Yes	No	Harry Stradley Curtis Klint

Klint taught the Belousov's to test soils using the portable equipment he gave them. Elena Belousov is a specialist in soil testing so the Belousov's now test the soil of all the cooperative members. This has led to increased soil testing because in the past the farmers had to bring the samples to Ivanovo. Most of the farmers would not go to the trouble of doing this.

BENEFICIARY ORGANIZATION(S)	LOCATION	REPEAT BENEFICIARY?	ORGANIZATION PROFILE?	VOLUNTEER SPECIALIST(S)
Ryazan Agricultural University	Ryazan, Russia	Yes	Yes	Dale Dunivan John Carlson

When converting to a new system of education, the issues of curricula changes and new programs are very acute and tough decisions have to be made. With Carlson's help, the

Economics Department was able to complete work on their basic programs by the beginning of the academic year - a rare occurrence in the Russian academic system.

## **PROGRAM MANAGEMENT**

There were no significant occurrences within Land O'Lakes program management during the past quarter. Major emphases at this point in the program are continuing with impact evaluation interviews and fielding volunteers in Ukraine.

## **PROGRAM OBSTACLES/MAJOR CHANGES**

No major obstacles or changes occurred during the past quarter.

## **QUARTERLY FINANCIAL SUMMARY**

The quarterly financial summary is included in Attachment C.

## **ATTACHMENTS**

- A. Volunteer Tracking Information
- B. FFA Quarterly Report
- C. Quarterly Financial Summary

**ATTACHMENT A**  
**VOLUNTEER TRACKING INFORMATION**



LAND O'LAKES, INC.  
 FARMER TO FARMER PROGRAM  
 VOLUNTEER TRACKING

YEAR THREE, QUARTER ONE				
October - December, 1994				
Volunteer	State	Dates In-Country	Oblast, Country	T.A. Objective Code
Dwaine Bundy	IA	8/3-20/94	Ivanovo, Russia	3B
Hans Radtke	OR	9/12-10/3/94	Kaliningrad, Russia	5
Hugh Don Naumann	MO	10/4-23/94	Kaliningrad, Russia	2B
Loren Lapham	MN	10/12-29/94	Vologda, Russia	1
Cliff Benson	MN	10/13-29/94	Ryazan, Russia	2B
Arthur Armstrong	MA	10/13-29/94	Ryazan, Russia	2B
Elaine Kramer	WI	10/19-11/5/94	Ryazan, Russia	2B
Robert Kramer	WI	10/19-11/5/94	Ryazan, Russia	2B
Kevin Sloane	MN	11/3-16/94	Ryazan, Russia	1
John Carlson	IL	11/10-27/94	Ryazan, Russia	6

LAND O'LAKES, INC.  
 FARMER TO FARMER PROGRAM  
 VOLUNTEER TRACKING

**YEAR THREE, YEAR-TO-DATE**  
 October, 1994 - September, 1995

# of Volunteers			Technical Assistance Objective										
Total	Male	Female	1	2A	2B	3A	3B	4	5	6	7	8	9
10	9	1	2		5		1		1	1			

Volunteer States							
IA	IL	MA	MN	MO	OR	WI	TOTAL
1	1	1	3	1	1	2	10

**PROGRAM-TO-DATE**  
 September, 1992 - December, 1994

# of Volunteer			Technical Assistance Objective										
Total	Male	Female	1	2A	2B	3A	3B	4	5	6	7	8	9
91	82	9	8	14	29	2	10	0	2	25	0	1	0

Volunteer States																				
AZ	ID	IA	IL	IN	MA	LA	MI	MN	MO	ND	NY	OH	OK	OR	SD	TX	VA	WA	WI	TOTAL
1	4	14	7	2	1	1	1	17	8	2	1	1	2	2	5	1	1	5	15	91

LAND O'LAKES, INC.  
 FARMER TO FARMER PROGRAM  
 VOLUNTEER TRACKING

YEAR THREE, YEAR-TO-DATE October, 1994 -September, 1995												
OBLAST	# OF VOLUNTEERS PER T.A. OBJECTIVE CODE*											TOTAL
	1	2A	2B	3A	3B	4	5	6	7	8	9	
<b>RUSSIA</b>												
Ivanovo					1							1
Kaliningrad			1				1					2
Ryazan	1		4					1				6
Vologda	1											1
<b>TOTALS</b>												
4 Oblasts	2	0	5	0	1	0	1	1	0	0	0	10

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PROGRAM-TO-DATE												
September, 1992 - December, 1994												
OBLAST	# OF VOLUNTEERS PER T.A. OBJECTIVE CODE*											TOTAL
	1	2A	2B	3A	3B	4	5	6	7	8	9	
<b>RUSSIA</b>												
Irkutsk								1				1
Ivanovo	2	1	5		2		1					11
Kaliningrad		1	2	1			1	3				8
Moscow					4			11				15
Orenburg								1				1
Penza								1				1
Ryazan	2	3	12	1	2			3		1		24
Stavropol								1				1
Tula		2	1					1				4
Tver			1									1
Vologda	3	5	5		1			1				15
<b>UKRAINE</b>												
Kyyivsk'ka		1										1
L'vivs'ka	1	1	2					1				5
Respublika Krym								1				1
Ternopil's'ka					1							1
Zakarpats'ka			1									1
<b>TOTALS</b>												
16 Oblasts	8	14	29	2	10	0	2	25	0	1	0	91

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**ATTACHMENT B  
FFA QUARTERLY REPORT**

# Quarterly Report FFA Subagreement Land'O Lakes Farmer to Farmer

January 15, 1995

## Summary

The primary activity of the FFA Subagreement during this first quarter of the third year of our subagreement with Land'O Lakes was the coordinator's trip to Russia and Ukraine. The trip took place from November 27 to December 17, 1994. During this time period, the coordinator organized programs for ten educators to travel to Russia and Ukraine during June of 1995. No volunteers travelled to Ukraine during this time period.

The FFA Organization also hosted two representatives of the Rural Youth Union of the Russian Federation at our National FFA Convention in Kansas City, Missouri. Yuri Tsytkin, President, and Svetlana Raeva, International Programs Coordinator for the Rural Youth Union were hosted by the FFA from November 5 - November 18, 1994. While in the USA, they signed a sister organization agreement with the FFA and visited agri-businesses.

## Ukraine Visit

The main activity of this quarter was the coordinator's first trip to Ukraine. FFA has had teachers in Ukraine for two years now and this was FFA's first coordinator trip to that country. Curtis Stutzman spent three days working with individuals that had been involved in the 1994 program with Paul Buck of New York. He met with Professor Alexander Dikan who is the chairman of the Viticulture Department at Crimea Agricultural Academy in Simferopol. They discussed the problems that grape farms in the region were having. There are over 200 state farms in Crimea that produce wine, making it one of their major crops. Due to an embargo of their products by the Russian customs service, they are looking for markets for their products elsewhere. However, they don't know how to make contacts with the West and are not sure that their packaging is up to standards. They have requested assistance in determining how the farms can work together in developing a generic advertising program for Crimean Wines and how to go about establishing new contacts for markets.

A second educator will be sent to Ukraine in 1995 as a part of our subagreement. This teacher will work with the Crimean Agricultural Technicum near Simferopol. This technicum has been in operation for 150 years and was moved from Yalta to its present location in 1960. They have a economics faculty at this technicum and they are requesting assistance with seminars for teachers and students dealing with farm management and marketing. This teacher will also present lectures to groups of local private farmers. The technicum involved Nikolai Gavrilyuk, President of the Crimea Farmers Association in the planning meetings. The private farmers of the area are requesting meetings about private farm management and land reform issues. In particular, they are interested in knowing how farmland is purchased and owned in the USA so that a proposal can be put forward to the Crimea Supreme Soviet concerning developing private land ownership in the area.



*Professor Alexander Dikan of the Crimean Agricultural Institute shows Svetlana Raeva and Leonty Sergienko of the Rural Youth Union the room that will be used for teacher seminars in June. The room is lined by jars of preserved varieties of grapes and has portraits of famous scientists and farm managers.*

### Russian Program

Due to bad winter weather and illness, Stutzman was not able to make a planned trip to Samara and Saratov. The Russian program is again being coordinated with the assistance of the Rural Youth Union in Moscow. During his stay in Moscow, the housing, interpreters, office space and equipment were all provided by this organization. Svetlana Raeva, International Coordinator for the Rural Youth Union and Yuri Tsyppin, President, were both very helpful. Svetlana Raeva worked directly with the program and offered invaluable assistance in determining who were good serious contacts. The FFA has received a number of letters and faxes from Russian organizations during the past year requesting joint activities. This trip allowed FFA to follow up on these requests and in most cases were able to involve these people in programs already planned around the country.

FFA has plans to send 10 volunteers during the third year of their subagreement with Land'O Lakes. Volunteers will be in Russia during the month of June and orientation and debriefing will take place in Moscow. The month of June was selected because Russian teachers are still in session and are at school. American teachers are already finished with the school year and it is easier to get young, qualified teachers that are active in their field. Of the ten volunteers, eight will go to locations in Russia and two to Ukraine. Here is a summary of the locations currently being negotiated with and the proposed general topics of the seminars and work to be conducted:

Russia:

Tver Agricultural Academy:	Agricultural Information Systems and their Use by Farm Managers in the USA
Samara Agricultural Academy:	Methodology of Teaching Agri-Marketing and Agri-Business Management
Stavropol Agricultural Academy:	Agri-Marketing Handbook in Grain Crops
Penza Agricultural Academy:	Agri-Marketing Handbook in Meat Products
Educational Methodology Center:	Development of Agri-Marketing Handbooks and Teacher Innovation Competition
Yakhromsky State Farm & College:	Agri-Marketing Handbook in Dairy Products
Kolumna State Farm & College:	Agri-Marketing Handbooks
Orel Agricultural Institute:	Agri-Marketing Handbooks

Ukraine:

Simferopol Agricultural Academy:	Generic Marketing and Promotion Strategies for Viticulture, and land ownership issues
Simferopol State Farm & College:	Agri-Marketing Handbook for Fruits/Vegetables

**Marketing Materials**

As a part of the coordinator's trip, FFA conducted an internal evaluation of the agri-marketing booklets that were prepared in cooperation with Dr. Yuri Tsytkin of the Rural Youth Union and Dr. Vychaslav Bepalov. All volunteers during last summer's program distributed these materials as a part of the seminars they conducted. Teachers were interviewed as to the effectiveness of these materials. The reviews that we received indicated that the materials were too scientifically based and above the level of the targeted audience. The target that FFA had hoped to hit was to provide materials that could be useful in the technicum or institute classroom.

As a result of this evaluation, FFA will try a new approach that was suggested by representatives of the Educational Methodology Center who have cooperated with FFA for two years in Russia. It was agreed that the most needed materials are booklets that can be used as supplements to the already used marketing texts. These booklets would provide specific marketing ideas and techniques for individual product groups such as vegetable crops, meat and dairy products. Teams of teachers from the USA and Russia would jointly prepare these booklets that could be used individually or together as a group. Practical examples would be developed from U.S. and Russian experiences and would be adapted to Russian conditions.

Since development of such materials in the scale needed in Russia is beyond the original scope of our subagreement with Land'O Lakes Farmer to Farmer Program, FFA intends to pursue funding for the printing of such materials from Eurasia Foundation. However, FFA will facilitate the development of specific chapters by coordinating these efforts with our volunteers during the 1995 Farmer to Farmer Program.

The most popular text for marketing classes in Russia is the translated book by Dr. Philip Kotler of Northwestern University in Chicago. Every technicum and institute visited uses this book and considers Dr. Kotler the world's foremost authority on marketing. In November 1994, Curtis Stutzman went to Chicago and met with Dr. Kotler and he has agreed to assist in the further development of agri-marketing materials in Russia in the following two ways:

- 1) allow his generic materials from his book to be used as a base for a practical manual on agri-marketing; and,
- 2) to participate in a seminar in Russia for the training of agriculture teachers on marketing. Russian teachers indicate that a visit by Dr. Kotler would draw a large crowd.

### **E-Mail Communications**

In a related development, FFA is currently working with Successful Farming Magazine to participate in a pilot test of an electronic information service for agriculture. One of the benefits of this program, will be an Internet communication service that will support linkages developed between schools in the USA and Russia/Ukraine as a part of this program. During the coordinator's trip to Russia, arrangements were made for the National Rural Youth Union office to be hooked to electronic communication with the USA through Glasnet. Our hope is that teachers that make contacts with Russian schools through this and other programs will be able to communicate regularly and cheaply via this medium. Followon activities should be strengthened with this mechanism in place.

### **Rural Youth Leaders Visit FFA Convention**

The President and International Programs Coordinator visited the National FFA Convention during November to view FFA competitions and leadership activities first hand. The two representatives were able to view speaking contests, business sessions, elections of student leaders and attended receptions with business leaders and teachers.

While at the FFA Convention, Yuri Tsyarkin and Svetlana Raeva signed a sister organization agreement with the National FFA Organization. The signatories from FFA were Dr. Larry Case, National FFA Advisor and Cory Flourney, National FFA President.

The week following the convention, Curtis Stutzman took the two representatives on a tour of agribusinesses in Iowa and Illinois. They visited Successful Farming Magazine, Iowa State University, Kloubec Fish Farm, Linn-Mar High School, The American Marketing Association, Chicago Board of Trade and Northwestern University.

Funds available from three projects were used to host the two representatives. These projects included the Farmer to Farmer subagreement with Land'O Lakes, The Atlantic Foundation, and The Russian Leadership Project with USIA.



*National leaders of the Rural Youth Union of the Russian Federation and the National FFA Organization met during the National FFA Convention in Kansas City, Missouri to sign a sister organization agreement. Signing the document for the Rural Youth Union are Yuri Tsyarkin, President and Svetlana Raeva, International Programs Coordinator. Signing for the FFA are Dr. Larry Cuse, National Advisor, and Corey Flourney, National FFA President.*

### **Program Adjustments**

Additional suggestions coming from the trip included the following:

- 1) Earlier date of arrival for volunteers to coincide with a more active time period in the school session.

Result: Program dates will be move up one month to June.

- 2) Volunteers should be better matched to the specific program needs of the host.

Result: The selection process will change to the committee selecting the top 20 candidates and final selection will be made by the coordinator.

- 3) Better local advertising of the Seminars needs to be prepared.

Result: More lead time and more volunteer specific information will be supplied to hosts at least two months prior to the volunteer's trip.

It has also been suggested from the USAID Review that the project needs to involve more female volunteers. FFA is actively seeking female participation in this year's program. We also inquired with hosts whether they preferred a male or female teacher/volunteer and not one school expressed a preference. This is not a big surprise since Russian agricultural technicians have a 50:50 ratio between male and female instructors.

**ATTACHMENT C**  
**QUARTERLY FINANCIAL SUMMARY**

**FARMER TO FARMER  
# FAO-0705-A-00-2091  
FINANCIAL REPORT**

	Expenditures			
	Actual Grant to Date	Actual 10/01/94 to 12/31/94	Projected 01/01/95 to 03/31/95	Projected 01/01/95 to 09/30/95
1. Direct Labor	\$264,480	\$27,177	\$32,854	\$75,576
2. Fringe Benefits	73,998	2,767	9,689	23,571
3. Consultants	56,339	12,422	17,610	53,520
4. Travel/Per Diem	401,242	56,069	45,037	143,179
5. Expen. Supplies/Materials	24,158	11,602	3,793	6,331
6. Nonexpendable Equipment	33,038	0	0	0
7. Subcontracts/Subagreements	81,516	0	0	73,494
8. Other Direct Costs	27,079	12,569	6,489	17,495
9. Evaluations	0	0	0	0
10. Indirect Cost	<u>359,423</u>	<u>45,364</u>	<u>77,366</u>	<u>124,282</u>
Total Federal Funds	1,321,273	167,970	192,838	517,448
Non-Federal Funds	<u>227,130</u>	<u>67,173</u>	<u>0</u>	<u>0</u>
Total Program	<u>\$1,548,403</u>	<u>\$235,143</u>	<u>\$192,838</u>	<u>\$517,448</u>

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

# Land O'Lakes, Inc.

4001 LEXINGTON AVE N., ARDEN HILLS, MINNESOTA

Mailing address: P.O. Box 116, Minneapolis, MN 55440-0116  
Telephone: (612) 481-2222

February 7, 1995

Agency for International  
Development  
POL/CDIE/DI  
Washington, D.C. 20523-1802

RE: Farmer-To-Farmer Program: Special Initiative for the  
New Independent States of the Former Soviet Union  
Agreement Number: FAO-0705-A-00-2091-00, Project Number 938-0705

Dear Sir or Madame:

As required by the above-referenced agreement, enclosed are two copies of the quarterly report for the period October through December, 1994.

If you should have any questions, please do not hesitate to contact me at 481-2912.

Sincerely,



Mary A. Hotchkiss  
Program Specialist  
International Development Division

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