

PD-ABT-957

WEST BANK
ACCELERATING ECONOMIC GROWTH
IN THE WEST BANK

USAID Grant PCE-G-00-97-00047-00

QUARTERLY REPORT
FOR JULY - SEPTEMBER 2000

Submitted by

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**ACCELERATING ECONOMIC GROWTH
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A. Impact Report

**ACCELERATING ECONOMIC GROWTH
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LAND O'LAKES, INC.

Quarterly Report

For July - September 2000

Dates of project:	June 30, 1997 – November 30, 2000
Total estimated federal funding:	\$1,700,000
Total spent through September 2000:	\$1,693,309
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I. Project Summary

This project, entitled "Accelerating Economic Growth in the West Bank," is a \$1.7 million grant from USAID's Global Bureau. Its goal is to generate increased economic return to the rural sector of the West Bank through high-impact, market-driven and community development assistance in the sheep and goat farm-to-market system. Land O'Lakes, Inc., in cooperation with American Near East Refugee Aid (ANERA) and Mid-East Peace Fleece, will work with the sheep and goat producers in the Ramallah, Jericho and Jerusalem Districts. The target group is the rural Palestinian family -- men, women, and children -- who rely on sheep and goat production and marketing for jobs and income.

The project strives to improve the overall profitability of sheep and goat production by increasing the quantity and quality of milk and meat, strengthening community organizations that will further stimulate the sector's economic growth, creating a policy environment conducive to investment and growth, and strengthening domestic marketing activities. By accomplishing this, the project fits in the mission strategy for FY 1996-2000 of "Expanded Economic Opportunities" and will contribute directly to the USAID-West Bank Mission's strategic objective (S.O. 1) as stated in the Congressional Presentation: "*Small and medium producers increase the sustainable and marketable production of goods and services.*"

The project has four main components:

- **Extension Program:** a staff of field agents target 1,000 sheep and goat producers directly and 1,000 indirectly in the target areas with basic production and management information that ultimately increase the market-ability of their products.
- **Improved Genetics:** the project has purchased 50 genetically superior rams from Israel and has established a revolving ram fund at the Arabeh Station in Jenin. Palestinian farmers can purchase the superior rams and breed them with their existing flocks to increase productivity.
- **Cooperative and Community Development:** the project is seeking to work with existing farmer associations and cooperatives to support cooperative and community activities. These activities are anticipated to include self-sustaining services for members such as farm supply stores. As the cooperative and community structures are strengthened, additional, more advanced services will be explored.
- **Innovative Farms:** small capital improvements will be made for farmers who have been identified as "early adopters" of new methods of production. These innovative farms serve as realistic models that other farmers in the area can imitate to produce similar improved production results.

Based on review of the monitoring and evaluation system, the project has generated **increased family income of roughly \$1500 per family over the last year as a result of the Land O'Lakes project.** In many cases, the project has doubled project participants' income. See Monitoring and Evaluation in Section V of this report.

II. Implementation and Challenges Encountered

This report covers the period of July - September 2000. The following is a summary of activities for the last quarter:

Extension: During this period, extension visits reached 249 farmers owning over 74,000 sheep and goats. The main thrust of the interventions was to work with the farmers on

- regular and safe treatment of internal and external parasites on sheep and goats.
- nutrition management of sheep and goats.

This spring, Land O'Lakes began a Farmer-to-Farmer project in West Bank. The new program coordinates closely with this project to enhance its effectiveness. Farmer-to-Farmer volunteers Quill Merrill and Harmen Greenwood conducted technical assistance interventions at the Al-Zakat and Al-Reif dairy plants regarding marketing plans for these dairies.

Women's Component:

The women's extension component reached 123 women in 23 villages, primarily providing technical assistance to those with sheep and goats. The agents advised on treatment methods for internal and external parasites and how to do so as safely as possible. The agents emphasized the importance of keeping pesticides far away from children's hands.

Improved Genetics:

The revolving ram program has concluded and all rams have been sold. The project field agents focused on following up with the farmers who had bought the rams.

Cooperative and Community Development:

In the spring of this year, two other Land O'Lakes projects have begun work in the West Bank: Cooperative Development Program (CDP) and the WorldWide Farmer-to-Farmer programs, both funded out of USAID/BHR/PVC. All three programs are coordinating efforts closely to assist cooperatives in the West Bank, primarily three women's cooperatives: Nweimeh Young Women's Cooperative, the Marda Center for Sustainable Development, and the Tamoun Women's Cooperative. Appendix A features an impact report on the Nweimeh cooperative.

III. Cooperation with Partners and Other Implementers

ANERA: ANERA continues to informally advise Land O'Lakes on various cooperative and agriculturally related nuances in the West Bank. Land O'Lakes periodically attends ANERA's staff meetings for coordination purposes.

Palestinian Agricultural Relief Committee: Land O'Lakes and PARC meet periodically for technical and informational purposes.

IV. Changes to Project Plan

The final evaluation by consultant Richard Boni had to be cut short. He arrived in West Bank at the end of September, just as the unrest was beginning. He conducted the evaluation to the extent possible in the Land O'Lakes Ramallah office, but left a week later, October 6, without having traveled into the field.

V. Monitoring and Evaluation System

The monitoring and evaluation system was put into place in July, 1998. The eight field agents have recruited 30 participants each, for a total representative sample of 240 farmers. Field agents collect and record monthly data concerning specific multiple variables. Ongoing analysis of these variables over time (during the life of the project) enhances Land O'Lakes' ability to measure change in *quantifiable* terms and in the context of achieving anticipated project results.

To date, the project has generated results that clearly contribute to USAID-West Bank Mission's strategic goal (S.O. 1) of "*Economic growth through the enhancement of enterprise development.*"

The results are illustrated below and are based on comparisons between July 1998-June 1999 (FY1999) and July 1999 and June 2000 (FY 2000):

1. Additional income of \$509 per family from increased meat production. Meat produced increased 4% between FY1999 and FY2000. This increase represents a \$509,152 increase in income for program participants or approximately \$509 per family.
2. \$376 per family from decreased mortality. Live births decreased 2%. However, even though fewer lambs were born, more lambs actually survived, as mortality rate decreased by 34%. This decrease represents a \$376,380 increase in income for participants or approximately a \$376 increase per family.
3. \$617 per family raised as a result of increased milk sales. Milk production surged 26%. This increase represents additional income of \$617,640 for program participants or \$617 per family.
4. **The above represents an increased family income of roughly \$1500 per family over the last year as a result of the Land O'Lakes project.** In many cases, the project has doubled project participants' income. The farmers are using the additional income to: 1) purchase rams to improve the herd's genetic base and product, 2) add some selected ewes to the flock; 3) purchase health insurance for their families; and 4) institute some improvements in their milk sanitation and cheese processing systems.

APPENDIX A

Impact Report

West Bank Project Land O'Lakes

IMPACT!

Nwimeh Young Women's Cooperative and the Honey Project

The women of Nwimeh were working in the field with their parents and family day and night, but they never got money for their efforts. The income this generated was divided between home consumption, support for the farm and money for the men of the family. Although they work in the farm, they have a lot of free time especially when the season is over. Land O'Lakes, through an extension program in the region, began working with them on ways to better utilize their free time. With the addition of support from the Cooperative Development Program (CDP) program in February 2000, the women decided to start a cooperative.

Initial activities had been focused on cooperatively selling products from their cottage industries during local festivals. While this was a profitable venture for the cooperative members, it was limited and did not provide a regular source of income.

The cooperative then decided to purchase bee hives and begin honey production. Capital is scarce, but they were able to receive training from the Palestinian Department of Agriculture program on caring for their bees. They also were able to improvise a suit to protect them while working with the bees. Together the cooperative members worked out a schedule to share the work of caring for the bees.

The West Bank rural community is conservative, which has caused some challenges. Although the Land O'Lakes CDP coordinator is a woman, it has taken some time for her to gain the trust of this community. For example, most of the families in villages find it unacceptable for a woman to work outside her village. By her example, the coordinator is showing cooperative members that it is possible for women to travel and work outside their villages.

There have been numerous challenges, including theft. Members of the cooperative and the Land O'Lakes coordinator witnessed the theft of honey from two of their hives. Through the support of the cooperative and the CDP program, the women were empowered enough to take this issue directly to the local police station. This was a significant issue, as traditionally, women are not allowed to even enter the police station.

✓ **Women's cooperative formed.**

✓ **Cooperative branches out to honey production.**

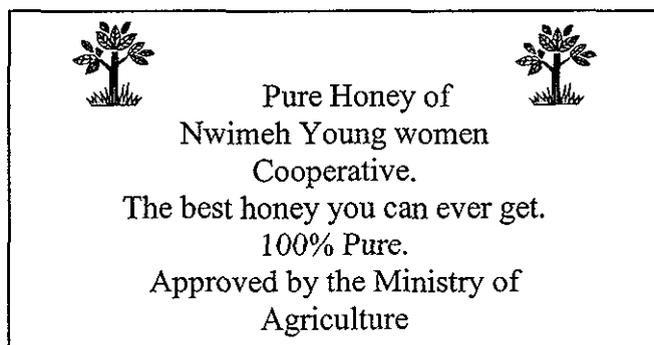
✓ **CDP coordinator set example for women working outside village.**

✓ **Women's role within community expanded.**

CDP was with them through each step of their development. The project provided them with support for their packaging material and project coordinator Samah El-Ghoug worked with them in developing a label for market their honey. The cooperative has not only expanded their business activities and the income the women members are able to bring to their families, but they also have been able to expand the role that women play in their communities and their access to protection under the law.

✓ **Label for product developed.**

✓ **Family income increased.**



English translation of honey product label