

# Central and Eastern Europe II Project

*A Regional Agriculture & Agribusiness Development Project*

Albania

Macedonia

## ACDI/VOCA's CEE II Project Final Report for the Period 1994-2000

*Implemented by:*

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***The United States Agency for  
International Development***

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## CEE II FINAL REPORT – FY '95 – FY '00

### 1. Executive Summary

Both ACDI and VOCA began implementing USAID funded projects in the Central and Eastern Europe region of Romania in the early 1990's. VOCA started volunteer activity under the Farmer to Farmer grant for Central and Eastern Europe, and ACDI began work a little later under their Agri-Business Exchange project. Although both projects were separately funded and managed, there was a high degree of informal collaboration between the two organizations in the region as the projects developed. More formal collaboration started with an integration of ACDI agricultural credit training programs in Romania and in the US and VOCA volunteer consultant assistance interventions.

The obvious advantages gained in working together through closely related programs in Romania and other CEE countries led to the formalization of this relationship. In 1994, VOCA and ACDI submitted a single funding proposal to USAID for a collaborative grant in the CEE Region, with ACDI as a sub-grantee in the area of training. This was viewed favorably by USAID Washington, which awarded a regional grant to VOCA in September of 1994 for this joint project. Initial funding for the project was provided by USAID's ENI Bureau in Washington, but as USAID moved from regionally funded projects to country specific ones subsequent funding obligations were allocated by the Missions on a country by country basis.

The CEE II regional project combined volunteer and consultant interventions with training programs to assist the development of private agribusiness enterprises in Central and Eastern Europe. Ten countries were included in the regional project initially, but as Missions have closed down, shifted priorities or developed alternative projects, activities in all countries have come to a close. Final reports have been previously submitted for the eight countries that were closed down as of FY99, so this report will cover Albania and Macedonia projects that ended operations in FY00. The following provides a summary of the types of activities in these two countries:

**Albania:** The program in Albania focused on agricultural production and processing, and on the development of agribusiness associations. The program provided a limited number of volunteers to farmer associations and agricultural schools. Although there was intense volunteer and consultant activity during the majority of the project, these activities were curtailed in 1999 when there was a ban on volunteer and consultant travel due to the Balkan War. Emphasis was placed on in-country and overseas training activities, as well as international study programs, and this continued even after the travel ban was lifted. Sandy Stajka, Country Representative, managed the project from Macedonia for a few months during the travel ban and then returned to Albania. There have been no follow-on activities to the Albania program, closed in August 2000, although ACDI/VOCA is actively pursuing new business development activities there.

**Macedonia:** Since beginning activities in the Republic of Macedonia in February 1993, ACIDI/VOCA has played a key role in assisting the Macedonian people and government during the difficult transformation to a market economy primarily throughout the agricultural sector. Association development and firm-level assistance have been the focus of the Macedonia program. Volunteer and consultant activity was intense until the Balkan War when there was a ban on volunteer and consultant travel and a staff evacuation. Emphasis during the conflict was placed on in-country training programs, East-to-East training programs, and local consultant projects.

Unfortunately, the project experienced the tragic loss of a volunteer and serious injury of a staff member in an automobile accident. Dr. Charles Stanislaw lost his life on Oct. 16<sup>th</sup>, 1999 while returning from a training seminar held outside of Skopje. Office Manager, Slobodanka Filipovska, was seriously injured in the accident.

Mazen Fawzy, who replaced Neil Moser as Country Representative, is currently the Project Director of the follow-on project, Macedonian Agricultural Association Support (MAAS) project that began in September 2000. MAAS focuses more on helping established associations develop member-oriented business services in the areas of cost-saving, input and supply procurement, and in member-based wholesale commodity marketing.

# **1. ALBANIA**

## **1.1. Project Overview**

From 1992 to August 2000, ACDI/VOCA delivered specialized technical assistance to the Albanian agricultural sector to assist in the transition from a centralized structure to a private market-oriented economy.

Farmers, associations, governmental institutions, and private agribusinesses all received our technical assistance. As the economy of Albania changed and became more stable and offered new opportunities for business development, ACDI/VOCA adapted its program focus to those areas with greatest potential impact on the private agricultural system. In tailoring the program to local needs, ACDI/VOCA focused activities in specific agribusiness sectors. Starting in 1997, ACDI/VOCA began focusing on farmer associations in the meat and poultry processing industries and other subsectors that supported the development of farmers & processors.

Although ACDI/VOCA focused the majority of its work in the identified sectors, ACDI/VOCA received requests for assistance from clients outside of these sectors. As the ACDI/VOCA program was the only U.S. agricultural program in Albania able to bring in foreign specialists to work with individual agribusinesses, we responded to the agribusiness sector as a whole as efficiently and effectively as possible. This service set ACDI/VOCA apart from the other development organizations working in agriculture.

Throughout the duration of the project, there have been several major changes in the management structure. Over the life of the project, three expatriates worked under the position of Country Representative – Ms. Maura Schwartz, Ms. Kristin Giantris, and Ms. Sandy Stajka. In January 1999, Sandy Stajka replaced Kristen Giantris as Country Representative.

During the Balkan War, there was a staff evacuation and all volunteer and consultant activities came to a halt. The focus of activities changed from technical assistance to training and international study programs. ACDI/VOCA's Country Representative, Sandy Stajka, managed the project from Macedonia for several months until the evacuation was lifted and she could return to Tirana. Sandy Stajka left Albania in July 2000 and project activities officially ended in August 2000. There were no immediate follow-on activities although ACDI/VOCA is actively pursuing potential new business opportunities there.

## **1.2. Volunteer and Consultant Assignments**

Volunteer assistance has been an important component of the CEE II grant in Albania. There were over 200 volunteer assignments since the beginning of the project in 1994. Most of the volunteer technical assistance was in agricultural production and association development.

Following is an illustrative list of the most significant volunteer assignments completed in Albania, accompanied by a brief description:

### **1.2.1. U.S. Experts**

#### **ES700145 Agricultural Marketing\Wholesale Marketing**

**Volunteer involved: Duane Smith**                      **End Date: 11/22/94**

Volunteer Duane Smith undertook a comprehensive agricultural marketing study that focused on private wholesale markets. He provided a preliminary assessment and plan to develop a food production/distribution system that facilitated the marketing of Albanian produced foods.

#### **ES700154 Veterinary Faculty Assistance-Physiology**

**Volunteer involved: Ian Tizard**                      **End Date: 05/17/95**

Mr. Tizard provided assistance to the Faculty of the Veterinary Program at the Agricultural University of Tirana in physiology and virology/immunology/microbiology of farm animals. Mr. Tizard conducted six seminars, suggested research ideas for the future, exchanged literature, and updated faculty on current methodologies and research results.

#### **ES700169 Vocational Agriculture Curriculum**

**Volunteer involved: Daniel Hilleman**                      **End Date: 11/06/95**

Volunteer Daniel Hilleman developed a communication curriculum for extensionists and vocational agriculture teachers to apply at the field level. He trained 14 vocational agriculture teachers in development of communication techniques and developed and disseminated audiovisual materials on ACDI/VOCA collaborative activities. Mr. Hilleman also began development of youth (4-H type) activities at the district level.

#### **ES700168 A&T Investments, Dairy Processing**

**Volunteer involved: Edward Hird**                      **End Date: 02/11/96**

Mr. Hird worked with two Land O'Lakes agents in Lushnje whom he introduced to the dairy plant owner. The plant's connection with Land O'Lakes not only provided additional local jobs but also higher volumes of fresh milk sales. The volunteer took the plant owner to visit a food wholesaler in Mamines, Durres District, who had large government contracts in Durres and Tirana with institutions (hospitals, military and schools). The wholesaler and plant owner agreed that the wholesaler would purchase all of the milk available at a wholesale price contingent upon the quality of the product. Other recommendations included: a diagram of how the equipment line should be set up; how to minimize manual labor; how to increase efficiency in the flow of milk through the line; and how the truck bay for delivery of empty cases and reloading of full cases should work. ACDI/VOCA arranged for a Peace Corps volunteer specializing in small business development to provide detailed financial assistance to the milk factory.

**ES700182 Sky Light Dairy Plant Operations****Volunteer involved: James Morse****End Date: 08/03/96**

James Morse addressed all areas of production and plant management so that this two-year old cheese plant was able to diversify its products and access new markets in Albania. Due to new recipes and hands-on work from Mr. Morse, Sky Light became the first producer of mozzarella cheese in Albania (in high demand from numerous pizzerias).

**ES700187 Rilindja Drink Plant****Volunteer involved: Joe Osgood****End Date: 08/02/96**

Mr. Osgood made recommendations to this three-year old enterprise, including improved pruning, trimming for short-term growth, fertilization and pest control techniques. Long-term recommendations included making changes in the root stock and instituting different quality controls. He also advised Rilindja's contracted grape growers on improved vineyard management with the result that the farmers and the winery produced the highest quality grapes since the plant was privatized. Mr. Osgood recommended Rilindja to the Albanian American Enterprise Fund as a sound investment that put them in consideration for a \$500,000 loan from the Fund.

**ES700190 Leopard Processing Plant****Volunteer involved: John Ropes****End Date: 11/13/96**

Mr. Ropes provided technical assistance to Leopold Processing Plant on streamlining collection and distribution systems within the company. He advised the owners on the best way to utilize available raw materials; how to manage relations between businesses and regional traders (wholesalers/retailers); how to distribute and deliver the final product efficiently (including price and product lists); how to consult with local fruit growers; and how to design a contract for assessing and purchasing raw materials from the fruit growers for processing.

**ES700191 Agroprocessing Development Project****Volunteer involved: Thomas Holzinger****End Date: 09/29/97**

At the request of the World Bank Technical Services Unit, volunteer Thomas Holzinger worked with the Institute of Veterinary Research and the Institute of Food Research to install new food-testing equipment and to train staff on equipment use. He advised on the design and layout of the new laboratory and suggested methods to achieve the most exact laboratory results. He also visited local food plants and emphasized to Institute staff the importance of their relationship with private processors and their need to serve that sector.

**ES700201 Agrex-2 Flour Mill****Volunteer involved: Arthur Fischer****End Date: 02/04/98**

Arthur Fischer advised three mill owners in Elbasan on the use of additives in wheat flour, particularly gluten. He studied the current mill/bakery operations and suggested improvements. He also addressed both technical and financial issues related to purchasing wheat from abroad. Through hands-on trials in the three mills and work with local bakers, Mr. Fischer was able to determine the necessary amount of additives and "improvers" needed for the different types of flours being produced at the mills. He also outlined the specifications necessary to consider when purchasing wheat, and educated the millers on the different techniques to use depending on the type of wheat they were importing and milling.

**ES700219 International Pastry Company****Volunteer involved: Lucas Gallegos****End Date: 02/27/98**

Volunteer Lucas Gallegos worked with the owner and manager of the International Pastry Company's workshop to develop new products. Specifically, the volunteer advised on chocolate candy production for the company's two retail outlets, as well as introduced new breakfast pastries. Due to Mr. Gallegos' assistance there was improved efficiency by the workers, additional items were added to the current product list, and the company recorded an increase in sales from breakfast pastries and chocolates.

**ES700240 ALB Swine Complex****Volunteer Involved: William Kunzman****End Date: 09/12/99****Improved Technology Consultant in Farm Management – Korca Swine Complex:**

Mr. William Kunzman, a US pig farmer with 35 years experience and owner/operator of a 1000 herd swine farm, provided technical assistance to the Korca Swine Complex. Topics included lowering the mortality rate among piglets, improving the overall health of the herd, better breeding practices, and marketing. Mr. Kunzman examined and improved the farrowing stalls built last quarter based on blueprints in the "Swine Farrowing Handbook" [Iowa State University], supplied by ACDI/VOCA. These farrowing stalls decrease the mortality rate of piglets. It is estimated that the herd size will double with the newly built stalls. Mr. Kunzman also recommended injecting iron three days after birth to prevent anemia and eliminating intestinal worms in order to improve the overall quality of the pigs. It is estimated that this could increase revenue by over 25 percent. Educational materials, including the Pork Industry Handbook from Iowa State University's extension service, were provided to the Swine Complex.

**ES700241 Agrofarm Orchard Mollaj****Volunteer Involved: Erling Johannesen****End Date: 9/18/99****Improved Technology Consultant in "Best Practices" Farming – Applefarm, Molaj: Mr.**

Erling Johannesen, a US apple producer with 40 years experience and owner/operator of a 355-acre apple farm, provided technical assistance to "Applefarm" orchards. Topics covered included methods for increasing production and better harvesting and marketing techniques. Production issues included planting/soil quality, tree spacing, better rootstocks, pest and disease control, fertilizing, pruning and other tree development-related problems. Harvesting issues included pressure testing, sugar testing, proper harvest season handling (in order to reduce bruising) and grading size and quality. With the application of Mr. Johannesen's recommendations regarding summer pruning and hand and chemical thinning, production was expected to increase at least 100 percent within four years. Input costs were expected to decrease with a new pesticide schedule recommended in the "1999 Crop Protection Guide for Tree Fruits in Washington" bulletin, which was provided by Mr. Johannesen. During his assignment, Mr. Johannesen also met with local extension agents and other orchard farmers to conduct follow-on seminars.

**ES700244 HABA Fruit and Vegetable Processing****Volunteer Involved: Melvin Farmer****End Date: 11/5/99**

**Improved Technology Consultant in Plant Management and Mechanization – Fruit/Vegetable Processing Industry and the Horticultural Albanian Businessmen's Association (HABA):** Mr. Melvin Farmer analyzed processing plant conditions and

recommended methods for improving product quality and plant efficiency. As a research scientist and manager of food processing plants, Mr. Farmer has grown, processed and developed more than 100 food products. During his assignment in Albania, 14 processing plants were inspected all of which were members of HABA. Mr. Farmer's recommendations were presented in three categories: plant specific, pertinent to the association, and industry-wide. In general, recommendations improved product color, texture, taste and shelf life. He also suggested equipment investments, which would streamline production and produce a higher quality product.

Mr. Farmer also addressed the issue of product falsification, which is an additional problem within the processing industry. This particular assignment originally stemmed from a request for methods by which legitimate processors could counter illegally produced and marketed products (generally referred to as "falsified" products). Mr. Farmer recommended that association members sell their products with the association logo thereby guaranteeing to the consumer that their product is safe and "legitimate". This step had to be accompanied by approving association standards, which might be higher than government standards. In order to maintain the reputation of the association, meeting such standards would be compulsory for members of HABA.

#### **ES700249 HABA Food Quality**

**Volunteer Involved: Dean Eliason**

**End Date: 11/11/99**

#### **Public Administration Improved (Improved Standards & Legislation) -- Fruit/Vegetable Processing Industry and the Horticultural Albanian Businessmen's Association (HABA):**

Mr. Dean Eliason worked with Mr. Kujtim Bicaku, a food processing engineer and consultant to HABA on modifying standards related to fruit and vegetable processing. Mr. Eliason has 25 years experience in the food processing industry, specifically in the areas of quality assurance, grades and standards, and product development. With Mr. Bicaku and representatives of the Food Research Institute, Mr. Eliason analyzed Albania's current sanitation standards. He also accompanied another U.S. volunteer, Mr. Melvin Farmer, during plant visits to 14 canning and processing plants around the country.

Referencing pertinent US literature, Mr. Eliason recommended possible modifications in two categories: health and safety and quality. During overview workshops with HABA members, both Mr. Eliason and Mr. Farmer discussed problems seen within the fruit/vegetable processing industry. Because of these discussions, HABA members have agreed to improve the quality of their products and build their reputation before they look to the government for support. One way in which the members also agreed they could build their reputation was by providing a consistently high quality product, which meets national and association standards. Mr. Eliason also donated a collection of books to HABA. These books cover such topics as U.S. canning and processing standards, procedures and recipes.

#### **ES700245 Rrogozhina "Private Forest"**

**Volunteer Involved: Peter Sawyer**

**End Date: 11/22/99**

#### **Improved Technology Consulting in Farm Management – Rrogozhina Private Forest:**

November 10 – 24, 1999, Mr. Peter Sawyer, a forest ecology and mapping specialist, worked on three main projects during his assignment in Albania. His primary responsibility was to recommend proper methods for eradicating certain pests at the Rrogozhina Private Forest. While

assessing the situation at the Private Forest, Mr. Sawyer also discussed pest treatments and forest planning with Rrogozhina extension agents and members of the Plant Protection Institute (Durres). Both the extension agents and specialists at the Research Institute had been advisors to the Private Forest regarding its pest problems. This assignment was originally created in order to eradicate the Poplar Borer Insect (c. Laptahi), which damaged nearly 70% of the Private Forest's poplar trees. According to Mr. Sawyer, attempting to eradicate the pest through chemical or additional organic means would not be cost effective. The best solution would be to pull up the remaining poplars, discontinue planting them, and concentrate on other tree varieties such as acacia, which fair well in Rrogozhina's porous soil. Although the owner of the Private Forest agreed with Mr. Sawyer's recommendations, Dr. Enver Isufi, Director of the Plant Protection Institute, requested information on suppliers of pheromones as a means for the Institute to combat the pest in the future. At the request of the Institute, Mr. Sawyer contacted pheromone handlers throughout North America during December 1999 and January 2000.

Mr. Sawyer met with technical advisors to the USAID-funded Albanian Private Forestry Development Project (APFDP). Because of this meeting, ACDI/VOCA/Albania staff and Mr. Sawyer met with the Private Willow Farm, an APFDP client in Shkodra, in order to provide information on forest management. Mr. Sawyer also met with the forestry advisors to GTZ and lectured at the Agricultural University of Tirana during the Forest Management and Economics classes (organized with assistance from GTZ).

#### **ES700248 "Greal" Dairy Plant**

**Volunteer Involved: Delbert McDaniel**

**End Date: 12/11/99**

#### **Improved Technology Consultant in Dairy Production – Dairy Processors and the Dairy**

**Entrepreneurs National Association:** November 22 – December 10, 1999, Mr. Delbert McDaniel advised five dairy processing plants, two of which were traditional clients of ACDI/VOCA-Albania and three which were clients of Land O' Lakes. Mr. McDaniel has 35 years experience in dairy plant management and dairy manufacturing. Each of the plants that Mr. McDaniel assisted were privately owned and relatively new dairy processing plants. They requested recipes for a variety of new or modified products and information on improved management for producing a better quality product. The new recipes provided by Mr. McDaniel included buttermilk, yogurt, premium and drinkable yogurt, sour cream, chocolate milk, and soft and hard cheese. Through his assistance, some plants also created a sweeter traditional yogurt with an improved shelf life of 3-4 days. The feta and kackaval cheese producers improved the use of starter liquids and color additives.

Mr. McDaniel's recommendations included improved milk collection procedures, health & safety production procedures, efficient plant management tools, and marketing schemes. In particular, he provided cost-effective methods of improving the existing pasteurization process in order to separate the cultured items and fluid milk products and it would significantly decrease the chance of cross contamination. Mr. McDaniel consulted with the owners on the purchase of new equipment for the homogenization process that would help the body and texture of the product while reducing the "whetting off" of the product.

**ES700243 Albanian Farmers Cooperatives****Volunteer Involved: Everil Quist****End Date: 11/22/99****Agricultural Trade Association Creation and Development – National Albanian Farmers' Association (BKFSH), Caushli Grape Growers Association, Kreshpnaj Bean Growers Association, Potato Growers Association, Land O' Lakes, Food & Agriculture**

**Organization of the United Nations Special Program for Food Security (FAO):** November 3 - 22, 1999, Mr. Everil Quist assessed the status of agricultural trade associations in Albania and conducted workshops on association structuring and management. Mr. Quist has over 30 years experience as the manager of a Land O' Lakes Cooperative and has lectured internationally on the fundamentals of cooperative management. Mr. Quist met with eight different groups or associations throughout the Tirana, Fier, Shkodra, Elbasan and Korca districts. These groups included members of BKFSH, Grape Growers, Bean Growers and Potato Growers Associations, and various farmer groups supported by Land O' Lakes and the FAO. They also included representatives from various research institutes and local extension agents or representatives from the local ministries of agriculture and food. The initial part of each meeting was an overview of association structuring and management in the U.S. The latter part of each meeting was a presentation of the structure of the local association/group and any problems it may have had to overcome. The Country Representative accompanied Mr. Quist during many of these meetings. The two then analyzed issues, problems and misconceptions common throughout Albania's associations. While some questions were immediately addressed during these meetings, many issues raised revealed a need to continue and hone education on association structuring and management.

Mr. Quist also spoke at ACDI/VOCA's national conference on the "Evaluation of International Donor Experiences in Creating and Supporting Associations in Albania". Mr. Quist's training materials on association management structures were included in the Conference handbook.

**307017 Onion Growers – Leminot – Korca****Volunteer Involved: Susana Mejia****End Date: 4/1/00**

March 20 – April 1, 2000, Susana Mejia, an extension horticulturalist with Colorado State University Cooperative Extension, provided technical assistance to a large group of farmers whose main crop is onion and considered to be their only cash crop. She taught three informal seminars and planted variety trials at three sites. Topics included weed and pest control, soil solarization, planting methods, irrigation practices, yield improvement and marketing. Ms. Mejia's recommendations included strengthening the onion growers' association by formally registering it with the local authorities; controlling weeds and pests by using Integrated Pest Management (IPM); upgrading planting techniques by using an Earthway planter (that she donated) which "direct seeds" onions (Joe Pastic, USAID/Albania Deputy Director was interested in the feasibility of manufacturing the planters there); and improving marketing techniques by developing a strategy that includes greater communication with wholesale buyers for expanding their markets. There were 50 direct beneficiaries and 140 indirect beneficiaries as a result of Ms. Mejia's technical assistance.

### **307018 "Ekonomi Brothers" Mill**

**Volunteer Involved: Arthur Fischer**

**End Date: 6/9/00**

**Bread Production Technical Assistance:** May 22 - June 9, 2000, Arthur Fischer provided technical assistance to the Albanian bread and flour industry. Mr. Fischer, a baker and bread factory manager for Pillsbury, assisted two businesses in the Durres and Elbasan cities, both of which are members of the Bakers Association of Albania. Both clients specifically requested Mr. Fischer as the volunteer. This was Mr. Fischer's second volunteer assignment in Albania and his third experience with Albanian flour millers and bakers since an ACDI/VOCA-Albania and ACDI/VOCA-Romania joint organized bakers' seminar held in Bucharest. Since their first assignment with Mr. Fischer, both clients had purchased new equipment and were experimenting not only with new products but also with new and imported flour. Therefore, Mr. Fischer provided advice on improving the quality of the bread and suggested additional recipes given the new equipment and type of flour used. An emphasis was also placed on staff management and on implementing standard procedures for producing a consistent quality of bread.

Advice which made immediate impact included: the importance of weighing and measuring all ingredients; melting the dough components separately and adding to the dough at the right time; and, baking the bread with the oven's door closed in order to save heat and avoid bread split. The "Ekonomi" bread factory in Durres is expected to increase its bread production including eight new items the volunteer helped to produce (mostly small size breads, including cinnamon rolls and sweet small breads). In Elbasan bread factory, the volunteer worked with the factory's technician on testing different flours for their potential use in the future. The quality of the bread currently produced was also addressed.

Mr. Fischer held three meetings with the Executive Director of the Flour Millers' Union, during which they discussed and planned the best strategies for the group in the future. Mr. Fischer's recipes were published in a pamphlet that was distributed by the Bakers' Association of Albania.

### **307015 Apple Growers**

**Volunteer Involved: James M. Baird**

**End Date: 4/18/00**

March 28 – April 18, 2000, James M. Baird provided cultural and general apple growing technical assistance to the farmers of the apple growing associations in the Korça region: Apple Growers Association - Pilur Village; Apple Growers Association - Zvirina Village; and, Apple Growers at - Pirc Village. Korça has predominantly newly planted apple trees over the last several years and information pertinent to their development was the main focus of Mr. Baird's assignment. The project provided technical assistance on tree training techniques, including most appropriate time of year to prune. Pruning advice and tree training demonstrations were given along with information about disease and pest problems that were present or that the growers were going to face in the upcoming season. Also covered were marketing and storage concerns.

Mr. Baird prepared two manuals, the Spray Manual and Tree Training Manual with diagrams and distributed them to the growers. Also, Insect and Disease manuals from US public extension services were brought and distributed to the growers. Through better tree training practices learned, the growers benefited with their young tree development, thus increasing yields and quality over subsequent years.

**307013 and 307016 Greenhouse Production****Volunteer Involved: Christopher Freeman****End Date: 04/28/00**

Christopher Freeman, a public extension agent with the University of Colorado, provided recommendations for technological improvements on the greenhouses operations, advice to guarantee production for earlier and later markets, and suggestions to improve yield and disease resistance. After assessing the present conditions of local greenhouses, the volunteer gave his recommendations for optimum production, which means prevention of disease throughout the entire crop cycle. For this reason, Mr. Freeman developed strategies needed to avoid introducing diseases into the greenhouse during all phases of growth.

He also gave advice for reaching maximum profit, which depends on having a crop available for sale during specific time periods. For this reason, he presented strategies for having early and late harvests, and realizing a maximum return on investment from the crop produced. To produce harvests during periods of peak market demand, he recommended growing tomato transplants indoors under fluorescent lights and described additional technology. While in Albania, he also designed a fluorescent light bed and sent propagation trays from the US for this purpose. He introduced tomato varieties bred in cold climates to ensure a harvest of ripe fruit into late fall.

Other recommendations given included: effectively managing insect populations in order to prevent crop damage and economic losses; keeping the crop in balance to ensure steady production over the life of the crop; and, alternative crops needed both for the market and to facilitate rotation.

**307024 Adriatic Vegetable Association****Volunteer Involved: Christine Brewer****End Date: 7/15/00**

**Vegetable Marketing:** July 2 – 15, 2000, Ms. Christine Brewer, creator, owner and operator of a vegetable farm, volunteered her marketing expertise on to the Adriatic Vegetable Association. The assignment emphasized methods for increasing vegetable sales, including compiling functional written contracts, improving the quality of vegetables for sale, and building a reputation with foreign dealers.

Ms. Brewer aimed to help increase sales in domestic and foreign markets as well as the foreign market. Export market policies and procedures were also examined. In particular, qualifications and terms of contract were addressed with the aim of creating support to producers from the beginning of the production cycle. For example, the growers hoped to find buyers who would provide better quality seed and storage facilities.

### 1.2.2. Albanian Experts

**Business Plan Development – Caushli Grape Growers Association:** As a follow-on to ACDI/VOCA’s seminar entitled “How to Manage and Build Your Business”, ACDI/VOCA’s Program Director for Korca conducted a feasibility study on the growth potential of the grape industry in the Korca region. The findings of this study were used to create a business plan, which was developed in conjunction with consultants from the University of Korca Economics Faculty. Both the feasibility study and the business plan were used to address marketing and credit constraints in the sector.

**Improved Technology Consulting in Farm Management – Korca Swine Complex:** As a follow-on project with the Korca Swine Complex, ACDI/VOCA’s Program Director for Korca, in collaboration with the USDA Center for Information, Research and Analysis, created an information booklet on swine farming. Of particular importance to the swine complex was information gathered from the “Swine Farrowing Handbook” by Iowa State University, and the “Swine Care Handbook” by the National Pork Producers Council. With this information, the swine complex built farrowing crates. Due to the crates, and some other suggested changes made to protect the piglets, an estimated 20 piglets were saved this birthing season.

**Improved Technology Consulting in “Best Practices” Farming – Caushli Grape Growers Association:** A national research and production specialist in grape production was hired to address the immediate needs of the Caushli Grape Growers Association. The specialist recommended better farming techniques for planting, grafting, herbicide and pesticide application and irrigation and drainage schedules. The Caushli vineyards became “demonstration plots” given the vast difference between the Caushli vineyards and those in the neighboring regions; the Caushli vineyards were nearly 100 percent healthy, while the neighboring vineyards had a 50 – 60 percent damage rate. The value of production increased dramatically and local wine producers contracted Caushli to buy their grapes. The number of agricultural entrepreneurs using improved technologies went beyond the Caushli Grape Grower Association’s 28 members to include grape growers in the surrounding areas.

**Improved Business & Advocacy Practices – National Albanian Farmers Association (BKFSH):** BKFSH, in cooperation with ACDI/VOCA, conducted a national survey of displaced Kosovars living in rural family homes. BKFSH, the largest and oldest producer association in Albania, was trained in survey methodologies in order to immediately respond to the void of information regarding the rural Albanian families hosting refugees from Kosovo. While BKFSH’s traditional objective as a national association is advocacy, conducting the survey trained them in methods of information gathering and statistical analysis. Given that no other association had the organizational structure, or outreach potential, of BKFSH, training in survey taking and analysis gave BKFSH additional tools for gathering information and for strengthening their lobbying efforts. It also increased their skill capacity, and therefore made the association more marketable and sustainable. For example, the FAO hired members of BKFSH to conduct further surveys in various parts of Albania.

**Improved Technology Consultant in Plant Management and Mechanization – Fruit/Vegetable Processing Industry and the Horticultural Albanian Businessmen’s Association (HABA):** November 3 – 11, 1999, Mr. Kujtim Bicaku assessed Albania’s food processing standards with U.S. volunteer, Mr. Dean Eliason. Mr. Bicaku has more than 20 years of experience as a food-processing engineer. He also provided technical advice to members of HABA. Mr. Bicaku, as the technical advisor to the fruit/vegetable processing industry, and members of the Food Research Institute were educated on international standards of food processing. Additionally, Mr. Bicaku acted as Mr. Eliason’s counterpart in order to strengthen informational ties between local and U.S. experts.

**Public Administration Improved (Improved Standards & Legislation) -- Fruit/Vegetable Processing Industry and the Horticultural Albanian Businessmen’s Association (HABA):** August 15 – September 25, 1999, Dr. Ermil Sharko, scientist at the Food Research Institute, tested locally marketed processed fruit and vegetable products. These products were either produced by legally registered Albanian plants, illegally/nonregistered plants or international producers who imported their products. The objective of the tests was to evaluate the comparative quality and safety of each type of product. Dr. Ermil’s findings were then presented during the ACDI/VOCA round-table on “In-Country Production, Quality and Security” held on October 1, 1999. Members of the HABA (many of whom had their products tested) attended the round-table as did members of the National Consumers Association and pertinent government departments.

### 1.2.3. Third-Country Experts

#### **Improved Technology Consultant in Plant Management and Mechanization – Leodigent**

**Pasta Plant:** From June 8 to 19, 1999, Mr. Erno Gyimes, a Hungarian specialist, worked with Leodigent Pasta Plant, in Pirg Commune, Korca District. The owner of the plant requested a consultant to study the current technology of the plant and suggest the most appropriate improvements. Mr. Gyimes examined the existing production line and all the ingredients used. He identified the product's errors in taste and color, and suggested methods for improvement. He also made important recommendations essential to the drying process and designed a new drying box. The plant owner was very responsive and made the improvements immediately.

#### **Improved Technology Consultant in Plant Management and Mechanization – Birra Korca**

**Plant:** Between June 14 and 28, 1999, a Czech consultant, Mr. Peter Janik, worked with the Birra Korca Plant. The consultant was requested by the Company's manager to assess the overall operation of the plant, verify the owners' ideas and knowledge for the plant's renovation, and suggest other improvements in the technology and equipment. Mr. Janik reviewed the reconstruction plan compiled by the plant's specialist, cleared up the phases of plant modernization and in so doing saved the plant from making an erroneous investment of \$500,000. Mr. Janik also made recommendations for the boiling process, its temperature, malt cooling, filtering process, etc., which directly impacts product quality. Through these recommendations, the line capacity increased due to the shortened processing time.

#### **Improved Technology Consultant in Milk Production – Dairy Processors Association &**

**Dairy Producers Association:** From June 16 to 30, 1999, Mrs. Agnes Farkas, a Hungarian association consultant assisted the Dairy Producers and Dairy Processors Associations to consolidate, increase the members' services, improve team work, and make the associations work more efficiently and professionally. Meetings with the associations' leaders and members were followed by training for the executive directors of both associations and individual training programs for the Board Members of each association. Topics addressed in these training programs included: how to better manage a business association; advantages of being an association member; how to play an active role to support the association; how to increase the association's activities; and responsibilities of an association leader.

#### **Improved Technology Consultant in Dairy Processing – Dairy Entrepreneurs National**

**Association:** July 11-31, 1999, Mrs. Magdonla Zsinko, Hungarian consultant, provided assistance to the Dairy Entrepreneurs' National Association. Mrs. Zsinko, a dairy technician and agricultural engineer with the Hungarian Dairy Research Institute and the Department Head for the National Inspectorate of Cheese Production, provided expertise to 15 dairy processing plants throughout Albania. Her recommendations included: adopting new methods for improving processing techniques, improving existing products, introducing new dairy products and providing new ideas on dairy business management. After the end of the assignment, Mrs. Zsinko provided needed contact information on milk processing equipment and names of Hungarian milk processors interested in developing future business links. It was anticipated that sales would increase due to the quality improvements made based on Mrs. Zsinko's recommendations.

### **Improved Technology Consultant in Meat Processing – Albanian Meat Processors**

**Association:** August 23 – September 4, 1999, Mr. Frantisek Vitek, a Czech consultant, provided technical assistance to five meat processing plants and wholesale/retail shops. In FY99, ACDI/VOCA organized two trainings for Albanian meat processors at the School in Prague where all of the participants received training from Mr. Vitek. Mr. Vitek, an instructor at the Prague Specialized School of Meat Technology, carried out consulting assignment in response to some of the training participants' requests for further assistance. The assignment was expanded to include processors who were unable to attend the Prague trainings. During the assignment in Albania, Mr. Vitek covered such topics as cutting and manipulation of meat, proper hygiene and sanitation control, and veterinary control. Expectations for improvements based on Mr. Vitek's recommendations varied depending on the particular processor assisted.

### **Improved Technologies in Sheep Breeding and Farm Management and Agricultural Trade Association Development – Sheep Breeders, Korca Region and the Ruminant Research**

**Station:** October 25 – November 6, 1999, Dr. Karoly Magyar assisted a group of sheep breeders in the Korça district in the prevention, identification and treatment of sheep diseases. After site visits to all the sheep breeders during which he evaluated the everyday practices of feeding, milking, breeding, sanitation, and waste management, Dr. Magyar recommended proper vaccination schemes, appropriate medication, and described the application processes and practices for securing the quality of medication. He also brought examples of updated medication, which is used in treating sheep during non-days. The consultant also recommended ways to improve the productivity of the flock, its milk productivity and the level of nutrition in feed rations for ewes, lambs and rams. In addition to providing veterinarian assistance, Mr. Magyar suggested that the sheep breeders form an association. One advantage would be that the association could hire a veterinarian for itself and buy proper medication in bulk at a lower cost. Dr. Magyar used the success of the sheep breeders association in Hungary as an example of the potential of association membership. Dr. Magyar also provided this information to the local extension agents and met with the Ruminant Research Station located in Korca.

## **1.3 Training Programs and Conferences**

### **1.3.1. In-Country Training**

ACDI/VOCA worked with the Executive Director of the Albanian Union of Flour Millers to organize their participation in a milling symposium and trade fair in Bulgaria and a training program in Romania. ACDI/VOCA sought the input of the Executive Director (an employee of SARA/ABC) on the needs of the association and the industry, and planned the training programs accordingly.

**In-country Training for Kreshpanje Association--“How to manage and build your business”:** Members of the Kreshpanje Association in the Korca district participated in a four-day workshop on managing a business at the farm level. The Korca Regional Development Agency, using a course developed with GTZ, conducted the workshop. The course was offered in cooperation with the ACDI/VOCA representative in Korca. It was designed to help farmers’ manage their costs of production and calculate price margins.

**Improved Business & Advocacy Practices – National Albanian Farmers’ Association (BKFSH):** ACDI/VOCA, in conjunction with the Central and Eastern European Law Initiative (CEELI), conducted the second contracts training for members of BKFSH. The training covered such topics as principles of negotiating and compiling and utilizing a contract in the agricultural sector. ACDI/VOCA’s organization of the seminar involved developing the agenda. Two lawyers from CEELI, a US expert and his Albanian counterpart, conducted the seminar.

### **1.3.2. Third-Country Training**

**Public Hearings & Government Meetings/National Albanian Farmers’ Union (BKFSH):** ACDI/VOCA was instrumental in arranging this meeting, which was the first time an agricultural association met with Albania’s new Prime Minister and his cabinet. ACDI/VOCA prepared the supporting documents and the agenda for BKFSH and ACDI/VOCA’s Program Director attended the meeting, which focused on the history of BKFSH, the diversity and number of its members, and future activities. Future “Public Hearings” were planned on such issues as land taxes, tariffs, and pensions. Government representatives will be invited to attend.

**Meat Processing Plant Technologists:** ACDI/VOCA considered the meat processing industry a particularly strong and successful industry within Albania’s agroprocessing sector. Because of this, ACDI/VOCA fielded a number of meat processing volunteers, and provided US-based training to members of the Albanian Meat Processors Association. With the support of the ACDI/VOCA Representative in the Czech Republic, an eleven-day training program in Prague was organized for four meat processors. The program included one week at the Prague Specialized School of Meat Technology and a number of visits to small- and medium-sized meat plants. At the school, the group learned about meat cutting and processing techniques, along with plant sanitation and organizational issues. During their visits to the meat plants they learned about new technologies used in production and packaging. Additionally, the participants spent two days at the Czech International Food Symposium. Attendance at the symposium allowed the participants to find new sources of hard to find processing supplies.

**Vlochisht Greenhouse Training:** Mr. Vlochisht, a greenhouse owner from the Korca region, participated in a six-day training program organized around visits to Macedonian greenhouses. The training took place in the Strumica region, which is a center of greenhouse activity in Macedonia. These greenhouses utilized various levels of technology, grew a wide variety of crops, and all focused on early production. Mr. Vlochisht worked mainly with the TOMIPROM Company, an ACIDI/VOCA client in Macedonia. The training program provided intensive technical assistance regarding irrigation techniques, greenhouse heating and cooling, crop planting cycles, disease and pest control, plant protection and soil disinfectants. The training was the first in this particular sector and was followed up with additional seminars for the expanding number of greenhouse owners in Albania.

**Poultry & Broiler Production Sector Study Tour:** A group of eight Albanian poultry producers, all of whom were members of the Poultry Producers Association, participated in a study tour of the poultry production sector in Hungary. The study tour was organized by ACIDI/VOCA Albania in conjunction with ACIDI/VOCA Hungary and our successor organization in Hungary known as Altagra. During the study tour, the participants visited small- and medium-scale production plants and participated in lectures tailored to meet the needs of the participants and the poultry sector as a whole. The study tour addressed pertinent technological, health & safety, and economic issues. In particular, technology issues were related to water, feed and ventilation systems; issues of economics included proper feed rations, feed suppliers, expected yields, storing and raising, and general tax and expenditure requirements; and issues of health & safety included proper feed combinations, vaccination schemes and breeding. The study tour also included site visits to parent stock houses and incubators, slaughterhouses and feed factories. An obvious and immediate benefit for all the participants was the information received in poultry feed rations. The Hungarian specialists provided written materials with recipes and feed rations for both broilers and laying hens specific to various ages. The participants also met with their Hungarian counterparts who are members of the Hungarian Poultry Product Council. Members of the Council presented their role as an association, especially regarding their efforts in lobbying the government and protecting domestic production.

**Zootechnia Fair, Thessaloniki, Greece:** September 23–27, 1999. A group of ten Albanian agribusinessmen attended the Zootechnia Fair in Thessaloniki, Greece. The group included three poultry broiler and egg producers and seven dairy processors and livestock producers. The Fair displayed machinery, equipment and accessories for livestock and poultry, animal feed and pharmaceuticals from Greek and other foreign companies. As input supplies were scarce and expensive in Albania, finding companies willing to supply the Albanian agricultural market was crucial to the development of the sector. Therefore, information regarding willing suppliers was gathered for the ACIDI/VOCA Albania input supplier database. This information was made available for all agribusinessmen and other USAID contractors. Additional business links were established between input suppliers and Albanian participants. For example, a dairy processor from Elbason found a Greek dairy processing equipment supplier, which could provide appropriately sized equipment for his relatively small plant. Poultry and livestock farmers established links with two Greek feed companies, one for various kinds of feed and one for feed supplements.

**Agribusiness Trade Association Building Training, Czech Republic:** September 18–25, 1999. Rustem Thartori, Secretary, National Albanian Farmers' Association (BKFSH), represented BKFSH at the Agribusiness Trade Association Building Training in the Czech Republic. The training was organized by World Learning and included participants from Albania's largest and most successful agricultural associations. The purpose of the training was to examine the way in which Czech farmers and agribusinesses organize, resolve issues and lobby at a national level. Of particular interest to BKFSH was the relationship of farmers to the Czech Chamber of Commerce, the services provided to members of agricultural cooperatives (i.e. associations), and the relatively large size of private farms and their management and marketing constraints. Mr. Thartori presented a report of his trip at the BKFSH monthly meeting of District Representatives and submitted an article which was published in the "Albanian Farmer", BKFSH's quarterly newsletter. Mr. Thartori also submitted to ACDI/VOCA a proposal for future East-East Trainings with farmers and farmer associations in the Czech Republic.

**Fruit Growers and Horticultural Albanian Businessmen's Association Training and Study Tour of the Fruit Research Institute, Plovdiv, Bulgaria:** November 9 – 16, 1999. Five Albanian fruit growers from Korça and Elbasan districts were trained at the Fruit Research Institute in Plovdiv, Bulgaria. The Research Institute is the primary institute of its kind in Bulgaria. The participants included one extension agent from Korca, two ACDI/VOCA clients also from Korca and two members of the Horticultural Albanian Businessmen's Association (HABA) in Elbasan. Five specialists, including the institute's director, conducted the training. Their respective research fields included apple, pear and stone fruit selection, plant protection, biologic and genetic material production, tree physiology and contour pruning. The training also included meetings with private companies dealing with grape rootstock production. This was specifically requested from the group of participants.

Issues addressed included production, storage and stratification of seeds of pome and stone fruits; production of rootstocks; first and second year nursery; grafting methods; and, extracting, storage and transportation of planting material. They learned in detail how to set up and manage a mother orchard for apple seedlings' production from the vegetative rootstock MM-106, and new techniques for pear and quince seedling production from the vegetative rootstock BA-29. Participants learned to recognize defects from fragmental grafting, and compare it with the new grafting method in order to see the higher commercial quality of the seedling.

The participants implemented the knowledge, techniques and skills learned during the training and had plans to set up mother orchards for rootstock production of apple – MM 106, quince – BA 29, and peach -- GF 677.

**Albanian Sheep Breeders Training in Macedonia:** May 7–14, 2000. A group of 12 small ruminants breeders visited Macedonia for training that was organized by ACDI/VOCA and sponsored by ACDI/VOCA and Land O'Lakes. As a follow-up to ACDI/VOCA technical assistance provided by Dr. Vladimir Dzabirski, a Macedonian sheep production consultant, the group focused on issues related to small ruminants husbandry (feeding, veterinary services, breed improvements, milk processing in the farm conditions, marketing, etc.). Another training goal was to understand how the Macedonian Sheep Production Association supported the individual

farmer. The group visited five sheep farms, two goat farms, one Extension Service Agency, the Veterinary Institute in Skopje and also met Professor Nikola Todorovski (the famous Macedonian specialist of Awassi sheep and founder of the Macedonian Sheep Breeders Association). All visits were set-up by Dr. Dzabirski who accompanied the group to some of the field visits. Participants contributed by paying ACDI/VOCA a training fee of \$10.

As a result of the training, the sheep and goat breeders were convinced of the necessity of processing sheep and goat milk on their own farms rather than delivering it to milk processing plants or selling it individually in plastic bottles. With simple and inexpensive equipment, the Macedonian farmers managed to generate much more money than selling only liquid milk. The Albanian farmers began milk processing on their own farms and presented their experiences to other association members.

**Artificial Insemination Study Training in Hungary:** May 1-24, 2000. Training was organized for the specialists of the Small Ruminants Station of Korça as a follow-up activity to ACDI/VOCA-organized Korça sheep breeders training provided by Karoly Magyar. It took place at the Institute of Artificial Insemination in Debrecen and at the experimental farm of the University of Debrecen. Participants artificially inseminated 40 ewes using the laparoscopic method. Participants also visited the Hungarian National Livestock Fair.

**Fruit Production Training in Bulgaria:** June 13–20, 2000. Organized and sponsored by ACDI/VOCA and designed by the Fruit Growing Institute of Plovdiv, ten fruit producers attended the training course in Bulgaria that dealt with nurseries, seedling trade, and fruit production. Lectures were combined with field visits and practical exercises. The impact of the training was as follows: in QABI, about 12 farmers benefited; at Pilur, about 27 farmers benefited; at Caushlie, 22 farmers benefited; at HABA, 24 farmers benefited; and 14 farmers benefited by working at farms of the training participants. One participant was an agricultural specialist at the Department of Agriculture and Food in Kruja and could train about 50 farmers per month.

Also addressed were EU requirements for planting materials (certification of virus-free seedlings) and fruit production (different varieties and good appearance). While some farmers from Korca and Tropoja could meet EU requirements for apple production, seedling production lacked appropriate laboratories and clean stock which made it very difficult to meet the EU requirements.

**Horticultural Trade Fair/Study Tour to Italy,** May 3-9, 2000. A group of four members from the Horticultural Albanian Businessmen's Association (HABA) and the ACDI/VOCA Training Director visited the International Trade Fair "Macfruit" in Cezena, Italy. Participating HABA members included producers, processors, and one wholesale dealer. Meetings were held with several seed producers including ISI Sementi, Sementi Giorgi, and Suba Sementi (one of the producers from Durres bought high quality vegetable seeds and pesticides from them). Participants also made contact with Italian companies specializing in packaging. One of the HABA dealers developed future business with Monza Milano for the purchase of a packaging line for vegetables and potatoes. An additional HABA processor purchased cooling lines from the Italian companies, Frigoriferi Industriali and APO Fruit.

**“Introduction of Organic Agriculture and Low Input Sustainable Agriculture in SE Europe” International Workshop in Macedonia, sponsored by GTZ, June 13–14, 2000.** ACDI/VOCA sponsored the participation of Nesti Zoi, President of the National Albanian Farmers’ Association, BKFSH, to attend “Introduction of Organic Agriculture and Low Input Sustainable Agriculture in SE Europe” International Workshop, sponsored by GTZ. Participants included leading international organizations and associations supportive of organic agriculture from throughout Southeastern Europe. As a local extension agent, farmer, and president of the largest national farmers’ association in Albania, Mr. Zoi represented ACDI/VOCA and BKFSH at the workshop. During his participation, Mr. Zoi secured 4800 DM for the continued publication of the BKFSH national newsletter that was previously sponsored by ACDI/VOCA and ORT. The newsletter disseminates information to farmers about activities, fairs and prices of goods in and around Albania.

### **1.3.3. US-based Training**

Members of the Albanian National Farmers Union (BKFSH) steering committee participated in two ACDI/VOCA-sponsored training trips to the US. The 14 farmers, who had previously received training in organizational development, leadership, and government relations from ACDI/VOCA volunteers, had visits and discussions with organizations similar to BKFSH; received formal training and presentations on the role of associations and their lobbying functions; and visited farms and agribusinesses to observe and learn about the interaction between farm bureaus and their primary agricultural functions. They also met with the Free Trade Union Institute in Washington, D.C. to explore funding opportunities.

**International Course on Food Safety, Michigan State University, MI, USA: July 11–16, 1999,** a group of eight Albanian specialists and professionals participated in the International Course on Food Safety at Michigan State University. The group represented Albania’s main agribusiness associations, including meat processing, poultry production, flour milling and dairy processing; and agricultural production associations such as the Organic Agriculture Association and the National Albanian Farmers’ Association. It also included representatives from the Food Processing Department at the Ministry of Agriculture and Food, which is responsible for food inspection and control in Albania. The Course presented up-to-date methods for verifying food safety and minimizing the risk and consequences of food contamination. At the request of ACDI/VOCA, special attention was given to sanitation in the meat industry and recent laws regulating food safety. Educational materials were distributed to other USAID contractors, such as IFDC and Land O’ Lakes, for further distribution to their clients. BKFSH also distributed pertinent materials to their members during the Five-year Anniversary Symposium.

### **1.3.4. Local Staff Training**

**“Marketing System for Agricultural Products”, GTZ: December 9 – 10, 1999.** ACDI/VOCA’s Training Director participated in the two-day seminar examining Albania’s agricultural marketing system. The seminar was open only to representatives of Albania’s agroprocessing associations in order to discuss the marketing problems facing the industry. ACDI/VOCA has traditionally supplied technical assistance, including marketing assistance to

members of the agroprocessing industry. GTZ invited ACDI/VOCA to participate in the seminar so that future assistance could be coordinated or accomplished collaboratively.

#### **1.4. Conferences and Seminars**

##### **Improved Business & Advocacy Practices – National Albanian Farmers Association**

**(BKFSH):** September 17, 1999. ACDI/VOCA organized the Five-Year Anniversary Symposium of BKFSH as a celebration of the country's oldest and largest agricultural producer association. Issues discussed included: access to credit, irrigation and drainage, and entrance into the World Trade Organization (WTO). Speakers included the Advisor to the Prime Minister, the Minister of Agriculture, the Chairman of the Parliamentary Commission on Agriculture, and the General Development Officer for USAID. Over 140 members of BKFSH and 40 invitees attended the Symposium. Commentary and discussion were covered on Albanian national radio and television stations. The BKFSH attendees were responsible for distributing information to their 20,000 constituents.

##### **Trade Associations Active in Supporting Private Business – Bean Growers Association**

**“Green Space” Emission:** September 1999. ACDI/VOCA sponsored and created an educational documentary on the success of the Bean Growers Association of Kreshpan that was created under the guidance of ACDI/VOCA. It was one of the most successful producer associations as it realized lower input costs and higher selling prices from buying and selling as an association. The documentary was aired on the Albanian National Television program “Green Space”, a weekly program documenting various aspects of Albania's agriculture estimated to reach 500,000 families throughout Albania. The documentary presented the history of the association and its successes, and aimed to present an example of the advantages farmers could realize when they pool their resources and focus their interests.

##### **Improved Business & Advocacy Practices – National Albanian Farmers Association**

**(BKFSH) & National Association of Communes:** In FY '99, the Chairman of the National Association of Communes (CA) approached ACDI/VOCA to organize educational seminars on Albania's local governance decentralization plan. The decentralization plan would directly affect over 60 percent of Albania's population who lived and farmed in rural areas. The educational seminars introduced the new local governance structure, with particular attention to the extension services and shifting Ministry of Agriculture and Food responsibilities (from the national level to the local level). The structural change, in particular the shift in agricultural education and services responsibilities, affected lobbying efforts and better farming practices of farmers. In order to reach as many farmers as possible, the educational seminars were conducted during the BKFSH village and commune monthly meetings. ACDI/VOCA coordinated these seminars with the Urban Institute, which has been instrumental in the restructuring.

**“In-Country Production, Quality and Security National Roundtable”, Improved Technology and Increased Advocacy Activity -- Horticulture Albanian Businessmen Association (HABA), Food Research Institute, Ministry of Agriculture and Food, National Consumers' Association:** October 1, 1999. ACDI/VOCA conducted a seminar addressing issues of importance to the fruit and vegetable processing industry, especially falsification, quality and safety. This industry competes against imported products that are perceived to be

higher quality than locally produced products, and against products made and marketed by unlicensed producers who illegally use labels of registered enterprises. Dr. Ermil Sharko, a scientist at the Food Research Institute, who was hired by ACDI/VOCA to test the quality and safety of processed fruits and vegetables sold in local retail stores, presented his findings at the roundtable. Representatives of the main fruit/vegetable processors in Albania, all of whom were members of HABA, as well as representatives of the National Consumers Association, the Food Research Institute, the Ministry of Agriculture and Food, and the Parliamentary Committee on Agriculture and Food, attended the roundtable. The primary objective was to increase government and consumer awareness regarding the high quality of domestically produced products. Both the National Consumers' Association and the Parliamentary Committee on Agriculture and Food agreed that domestic production must be supported.

**“Evaluation of International Donor Experience in Creating and Supporting Associations” Agricultural Trade Association Development – STOAS:** November 10, 1999, ACDI/VOCA in collaboration with STOAS, organized the first national conference aimed at evaluating international donor experiences in association development. As a number of USAID-funded organizations (ACDI/VOCA included) complete five years of association development in the agricultural sector, the conference presented a forum through which donors and associations examined their successes, failures and identified techniques. Representatives from international donors and organizations, including Land O' Lakes, IFDC, ORT, Chemonics, GTZ, STOAS, WB, and the FAO and their respective associations, attended. Minister Lufter Xhuvëli of the Ministry of Agriculture and Food opened the conference by emphasizing the economic benefits of belonging to an association. During the conference, an ACDI/VOCA expert, Mr. Quist, spoke on the history of association development in the U.S. The ACDI/VOCA-Romania program's handbook on association development was also presented as an additional point of comparison. A handbook presenting the findings of the conference and highlighting particular association successes was distributed in the second quarter of FY2000.

**“Decentralization of Local Governance and its Impact on the Rural Community” Increased Advocacy Activities – Urban Institute, Association of Commune Chairmen and National Albanian Farmers' Association (BKFSH):** December 16 and 23, 1999. ACDI/VOCA and the Urban Institute organized two educational seminars addressing decentralization of local governance and its impact on the rural community. Technical Advisors to the Urban Institute and members of the Association of Commune Chairmen presented the new local governance structure, with particular attention to the extension services and Ministry of Agriculture and Food responsibility shift from the national to the local level. These structural changes will affect lobbying efforts and better farming practices of farmers. Thirty elected representatives and additional active members of BKFSH participated in the seminars. Issues of particular importance raised by the farmers included the land tax bill, irrigation and drainage maintenance, and general city/village management (e.g. who will be responsible for paving roads, building schools, or providing water). These first two seminars were conducted in Shijak City in the Durres District and Preze village in the Tirana District.

**USAID-Albania Mission Director Visit in Shkodra:** June 24, 2000, USAID-Albania Mission Director, Howard Sumka, visited three ACDI/VOCA clients in the Shkodra region; the Maize Research Institute, the Shkodra Extension Service Agents/Department of Agriculture, and

members of the National Albanian Farmers' Association (BKFSH). The visit marked the end of more than three years of restricted travel to the region.

**A/V Closing Ceremony:** The Closing Ceremony and Celebration of the ACDI/VOCA project in Albania was organized on June 12, 2000, with the participation of the US Ambassador to Albania, Minister of Agriculture and Food, Head of Parliamentary Commission for Agriculture and Food, USAID Representatives, General Secretary of the Presidency, Adviser to the prime Minister of Albania, USAID contractors, World Bank, and ACDI/VOCA clients and members of National Farmers Union. The event was covered on local and national television stations across Albania. Both the US Ambassador and the ACDI/VOCA Country Representative gave interviews regarding the success of ACDI/VOCA's nine-year history in Albania.

## 1.5. Significant Impact and Results

Following are highlights of noteworthy events during the life of the Albania program:

**The Albanian National Farmers' Union (BKFSH) organized the first-ever public hearing in Albania** on November 14, 1995. Ten members of the Parliamentary Agriculture Commission attended the event that was held in the Fier District. Also present were the Minister of Agriculture, two Ministry experts, Chief of the Fier Prefecture, Mayor of the Fier District, Director of Agriculture in Fier and 57 farmers. The event was an opportunity for the Commission to gather information and to promote "bringing government to the people". This was an extraordinary event in the Albanian context because few, if any, Albanians would have participated in or witnessed such farmer input into the political process in their lifetime.

On May 26, 1998, the **Albanian National Farmers' Union (BKFSH) was successful in organizing the second public hearing** (at the district level) with the Parliamentary Commission on Agriculture and Food. Held in Lushnje, the hearing addressed a very important and politically sensitive issue—agricultural land taxes. The complete Parliamentary Commission was there and received testimonies from the Ministry of Finance, Ministry of Agriculture, the Soil Institute, and representatives from BKFSH, with the farmers' perspective. The BKFSH leadership worked continuously with ACDI/VOCA staff and volunteers to research the opinions of the farmers and to compile the necessary points that reflected their needs. Another focus was how the payment of taxes and the structure of the tax system could function as a method for rectifying the many problems in rural areas. The hearing was an excellent example of democratic dialogue between elected representatives and their constituents, and BKFSH deserved much credit for being able to bring together these groups in an open and friendly forum. The Chairman of the Parliamentary Commission was very involved in the whole process and felt that because of the importance and success of the hearing, he wanted to work with BKFSH and ACDI/VOCA to hold three hearings a year in outside districts. He thought that was a vital role for the Commission to play and was impressed by the articulate and organized nature of the National Albanian Farmers' Union.

In the third quarter of FY '95, ACDI/VOCA, FAO, and the IFDC **developed a pilot marketing project** for the Ministry of Agriculture and Food as a follow-up to a marketing feasibility study completed by an ACDI/VOCA volunteer in 1994. ACDI/VOCA and FAO provided the technical assistance to market the project and provided minimal guidelines to the selected "wholesale traders".

During the fourth quarter of FY '95, ACDI/VOCA's client, National Albanian Farmers' Union (BKFSH), received a **700,000 (\$7,000) lek grant** from the Albanian Civil Society Foundation. The grant was awarded for leadership development, publishing a public relations brochure, initiating of a rural youth-in-agriculture project, and holding the first-ever hearing on policy issues of crucial interest to farmers.

Also during quarter 4 FY '95, **the Albanian Poultry Producers' Association and the Gjirokastra Cheese Producers' Associations were officially recognized by the government of Albania**. An ACDI/VOCA volunteer assisted the former with a contract (based on the Tysons model) for developing the broiler industry which resulted in a contract with an Italian company.

The latter was created to develop standards and to promote Gjirokaster cheeses. Two ACDI/VOCA volunteers assisted the association with the legal and structural questions.

In quarter three of FY '96, ACDI/VOCA worked closely with USAID/Tirana to develop a **Results Framework for the identified Strategic Objective – Accelerated Development and Growth of Private Enterprises**. A graphic results framework and a set of impact indicators were developed with ACDI/VOCA contributing specific data to be used in measuring impact. Because of this new USAID strategy, as well as developments in Albanian agriculture, ACDI/VOCA began to direct more resources toward agribusiness and agroprocessing enterprises.

In collaboration with SARA/ABC and IFDC, **ACDI/VOCA established Albania's first meat processors association** in the fourth quarter of FY '97. Meetings were held with all of the major meat processors in Tirana who were then brought together to discuss establishment of an association. The group reviewed by-laws and decided on membership criteria. The intent of the association was to represent its industry to state and government institutions and to support its members on technology and trade issues.

**The National Albanian Poultry Producers Association:** After working with ACDI/VOCA volunteer Jim Scanlon and participating in a study program in the US, the board of the poultry association gathered and analyzed all the materials they had available and wrote a complete revision to the Albanian national egg standards. This was a collaborative effort between the association board and a specialist from the Zootechnique Institute. The revisions were submitted to the Committee for Standards (under the Prime Minister) and the Ministry of Agriculture and Food in June 1998. ACDI/VOCA advised the association on how to move the revised standards through the necessary bureaucratic process.

**Kreshpanje Bean Growers Association:** Since the completion of Larry Birdsall's April 1998 project when **ACDI/VOCA helped to form a farmers association**, and following the registration of this association, the associations' board held regular meetings to decide how the group would manage the marketing and selling of their bean harvest for the year. After many discussions with a local trader who was selling the product in Greece, the association's membership, and producers outside of the association, a final sale price of 200 lek/kg was agreed to for the Kreshpanje Bean Growers Association. This price was almost double that of previous years' prices.

**Caushli Grape Growers and the Rilindja Beverage Company:** ACDI/VOCA first began working with both of these groups in the summer of 1996. At that time, the president of Rilindja had an informal arrangement with a group of grape growers to buy their grapes. ACDI/VOCA assistance strongly suggested that the arrangement be made formal, with the establishment of a growers association and contracts for purchases, and that both sides invest in the future by planting and processing new varieties of grapes. This informal arrangement functioned for one year, but it disintegrated in 1997 due to the civil unrest that paralyzed the country for so many months.

ACDI/VOCA remained in contact with both the winery and the group of grape growers, and in July 1998 finally brought them together again to negotiate a long-term business arrangement. The

Caushli grape growers, with 12 founding members, registered as an association in August 1998. After that, discussions began between the winery and the grape growers association (facilitated by the ACDI/VOCA Korca representative) to reach an agreement on how to work together. Not only did the winery want to buy what the farmers were currently producing but they also wanted to make an investment in new test varieties on the farmer's land. That year's harvest sold at 50 lek/kg for Tokai and 40 lek/kg for Merlot, prices that were competitive with the grapes imported from Macedonia. The Caushli association, although it took a couple of years to solidify, became a viable association with direct links to the market due to the farmers' organization and consolidation of their business activity.

**Caushli Farmers Association and the Rilindja Beverage Co.:** Since 1997, ACDI/VOCA had been assisting the Rilindja Beverage Co., and in quarter one helped to form the Caushli Grape Growers Association. The newly formed grape growers association and the Rilindja winery worked together with local specialists to plan for the planting of new varieties of grapes on the farmers' land. With help from the ACDI/VOCA staff in Albania, specialists from the Ministry of Agriculture and the Fruit and Vineyards Institute (now a private institution) visited with the Caushli association and Rilindja owner to discuss a collaborative effort to rebuild some of Korca's vineyards.

An agreement was reached that specified that the Rilindja owner would purchase new seedlings from the Institute that were planted on adjoining land arranged and organized by the association. This was an investment of \$8700 by the Rilindja owner in new vineyards, which included two hectares (4000 seedlings per hectare) of Merlot and Tokai varieties. The farmers managed the new vineyards with technical support from the Institute and Ministry. The harvested grapes in the first season were payment for the new vineyards by the farmers to the Rilindja winery who agreed to process all of the grapes. The ACDI/VOCA Korca representative provided constant facilitation and support to keep this project moving forward and ensured that all the participating parties lived up to the agreement and got what they expected from the agreement. The plantings were done in late February 1999 and early March 1999.

**Korca Meat Processing Plants:** Two meat processing plants were assisted in the Korca district, one in the village of Libonik and one in Drenova. Each plant received hands-on advice from ACDI/VOCA volunteers on new product development, plant layout and design. As a result, both of these plants began producing over five new products each and both began construction on new, larger processing facilities, using more up-to-date equipment and processing procedures, ensuring a higher quality and cleaner product for the consumer.

Although individual technical assistance projects were completed with these two plants, the impact of this work reached beyond these two enterprises. It increased and improved the meat industry in Korca and was a sign of a growing business community in this district. ACDI/VOCA technical assistance reached beyond the individual enterprises and promoted a stronger agribusiness community, be it at the town, district or national level.

**SARA/ABC:** During August 1998, ACDI/VOCA and SARA/ABC worked together in addressing the issue of sanitation in the Albanian meat processing industry. With the support of an ACDI/VOCA volunteer, a complete Sanitation Guidebook was put together and distributed to all

the members of the Albanian Meat Processors Association. In addition, ACDI/VOCA collaborated with SARA/ABC and a specialist from the Albanian Food Research Institute on the translation and compilation of a sausage-making handbook for small and medium meat processors.

**Berat Vocational Agricultural School:** ACDI/VOCA had a long-standing relationship with the Berat Vocational Agricultural School. A number of volunteers had assisted in redesigning the school's curriculum and advising on the management of such an institution. From September 1998, ACDI/VOCA worked with the school's new director to put together a proposal requesting funds for certain improvements to be made to the school (due to destruction and neglect after the 1997 civil unrest). Based on the well-prepared proposal and the strong management and leadership of the school's Director, the school was awarded a \$6000 grant by a Greek foundation for improvements to the students' dormitory, the reconstruction of a greenhouse, and the purchase of cows for the school's farm.

**ACDI/VOCA Local Staff Development:** ACDI/VOCA Albania's local staff continued to serve its client base by providing in-house technical services and expertise. The Korca field agent, a mechanical engineer by training with experience in managing agroprocessing plants, completed the following: 1) a blueprint for renovating a processing plant; 2) loan schedules for a grape-growers/wine company joint-venture; and, 3) optimal feed-formulation recipes for local poultry farmers. Local national staff continued to provide these types of technical assistance whenever possible.

**Kreshpanje Marketing Association:** The farmers of the Kreshpanje village grew large, white beans. In the past, the village was part of a former state-owned farmer cooperative, whose primary activity was based on producing the large beans, mostly for export. As Albania transitioned into a free market economy, the farmers of the village decided to continue growing the product for which they were internationally renowned: the great white bean. Sixty-eight farmer-families in the village of Kreshpanje focused their production on the white bean. At the beginning of the free enterprise initiative in Albania, each of the 68 families were individually growing and selling their product. Although they knew how to farm this particular crop, they did not know how to market it. Because of this, the families joined together and created an association. They believed that if they sold as a group, they would find a bigger market at a better price.

However, the most damaging problem to overcome when forming the farmer cooperative/association was to understand the free market concept of association; no one wanted to return to the communist style farmer cooperatives but very few knew how the cooperatives of a free market worked. Because of this, Larry Birdsall, an ACDI/VOCA volunteer with over 23 years of farmer cooperative management experience, provided his expertise to the Kreshpanje farmers. Mr. Birdsall assisted the members of the Kreshpanje Marketing Association in understanding their roles and responsibilities, developing a cooperative management scheme and creating a business and marketing plan. Following Mr. Birdsall's assignment, the Association attained full legal status as a national association and began compiling and negotiating its own contracts with brokers and other buyers.

The Kreshpanje Marketing Association was considered one of the most successful producer associations in all of Albania. Through the support of ACIDI/VOCA, the Association achieved a number of successes such as negotiating for a better price as a group, buying agricultural inputs wholesale and at a reduced price, and, in general, realizing lower input costs and increased profits. They also developed an international information network through which they gathered market information

**Meat Processing Plant, Yzberisht, Tirana:** In 1998, ACIDI/VOCA volunteer Jarvis W. Asbill spent two weeks with the “Meat Processing Plant” of Tirana providing technical assistance to the company. The company started its activity in 1991 as a meat importer. By 1997, the company expanded and became the Meat Processing Plant of Tirana. The Meat Processing Plant was the most modern slaughterhouse in Albania, satisfying European Union (EU) meat processing standards. Although the Plant still imported meats, it also produced frozen meat products, smoked meats and different kinds of salami.

Mr. Asbill provided needed expertise to the owner-manager in a wide variety of topics, from the construction of the expanding slaughterhouse to better sales techniques. All of Mr. Asbill’s recommendations regarding the construction of and placement of equipment in the killing, boning and processing room were implemented. The volunteer also trained the Plant’s new “boners” in new bone processing techniques, how to use various kinds of knives, and better hygiene practices. These changes increased efficiency and productivity.

The owner-manager of the Plant, Grigor Lengo, also fully implemented Mr. Asbill’s recommendations on plant management; Mr. Lengo began using the management scheme prepared by Mr. Asbill, which described each worker’s responsibilities. Mr. Lengo believed his discussions with Mr. Asbill regarding buying, expenses and profit directly contributed to the Plant’s cost reduction of 20% and profit increase of 22%.

The Plant’s business continued to expand after the volunteer assignment was completed and became one of the leaders in the meat processing industry in the country. The Plant imported two million pounds of frozen meat per year from the United States of America. It has also become a leading wholesaler of frozen meat products. Compared to 1998, production at the Plant increased by approximately 40%.

**Libonik Meat Processing Plant:** The “Libonik” Meat Processing Plant had been in business for 6 years, and the business had experienced continual growth throughout this period. It began its activity with a very small workshop for meat processing then started producing and selling various sausages throughout the southern half of the country. The owners were able to build on their initial investment. The business experienced a difficult beginning; in February 1992, Libonik sold only 50 kg in 15 days. However, the owners implemented a number of changes, which increased sales. In 1999, Libonik Meat Processing plant sold over 700 kg of meat products per day.

In 1998, an ACIDI/VOCA volunteer, David Olson provided assistance in the fields of Food Science and Technology and Business Marketing. Based on the recommendations of Mr. Olson, the owners built a modern and efficient plant and began producing a wider variety of sausages

and covered an expanded market. Because of the advertising campaign prescribed by Mr. Olson, the owners created a Libonik label and were able to expand their market to cover 30-40% of the entire southern region of the country. The new plant contributed to increases in production of up to 30%. The Tona brothers attribute much of their success to the recommendations of Mr. Olson, all of which they implemented. Because of Mr. Olson's recommendations, the Libonik Plant realized an increase in profit by 40%.

## **1.6 Final Report**

### **I. Background**

Despite the difficulties encountered in Albania in 1997 because of civil unrest, the program was able to successfully sustain its existing client relationships, develop new client relationships, and deliver targeted technical assistance and training to key groups throughout the year. Some of ACDI/VOCA's beneficiaries were badly damaged during this period, but the majority survived and was able to continue to benefit from ACDI/VOCA's assistance. Although activity levels were down in 1997, the assistance implemented provided support to 90% of the groups and businesses that were identified in the original 1997 workplan and in the updated workplan submitted in June 1997.

ACDI/VOCA Albania's FY '97 strategy focused on agricultural association and organizational development and agribusiness enterprise development. These two areas fall under Strategic Objective 1.3: "Accelerated Development and Growth of Private Enterprises" and contribute to intermediate results of "Increased Business Advocacy Group Activity and Business and Technical Skills Increased and Used".

With a subsequent increase of approximately \$500,000 in funding, ACDI/VOCA was available to reintegrate training activities back into the program, including U.S.-based training to promote farm organization and advocacy. In FY '97, regional training programs in Poland were added because they were more cost-effective and more appropriate for the needs and conditions of Albanian agribusinesses and associations.

During the Balkan War, staff was evacuated and most technical assistance was put on hold. The focus of activities moved to training and international study programs. ACDI/VOCA's Country Representative, Sandy Stajka, managed the project from Macedonia until the evacuation was lifted. Ms. Stajka left Albania in July 2000 and project activities officially ended in August 2000. There were no immediate follow-on activities although ACDI/VOCA is actively pursuing potential new business opportunities there.

### **II. ACDI/VOCA Accomplishments**

Since the beginning of the Albania program, the following has been accomplished:

- 216 assignments were completed using ACDI/VOCA volunteers;
- ACDI/VOCA established Albania's first Meat Processors Association;
- ACDI/VOCA helped to form the Caushli Grape Growers Association;
- Kreshpanje Marketing Association, considered one of the most successful producer associations in Albania, attained full legal status as a national association as a result of ACDI/VOCA technical assistance;
- an average of 28 persons per project directly benefited from ACDIVOCA technical assistance; and
- agribusinesses supported by ACDI/VOCA realized an average 29% profit increase and increased investment in capital by an average of 20%.

## **Intermediate Results**

**IR 1.3.1.3, #2: Number of business groups with lobbying success** (Success is defined by contractors in agreement with USAID) ; unit: Groups with success in FY 2000;  
1 - BKFSH (Albanian Farmers Association)

**IR 1.3.2.2, #1: Number of entrepreneurs using identified improved technologies** (Improved technologies identified by USAID and contractors)  
Male = 692 ; Female = 296

**IR 1.3.3: Agricultural trade association membership, by gender** (Total dues paying members in agricultural trade association)  
Male = 26,000; Female = 50 (BKFSH membership)

## **MACEDONIA**

### **2.1. Project Overview**

In 1993, ACIDI/VOCA was the recipient of a USAID funded cooperative agreement which had the objectives of stimulating private sector agribusiness development, encouraging existing private agribusinesses to reach their economic potential, and providing support to farmer-owned cooperatives. Under the terms of this Cooperative Agreement, ACIDI/VOCA provided short-term, American volunteer technicians who worked side-by-side with their Macedonian colleagues after their needs were established.

ACIDI/VOCA Macedonia specialized in designing and executing technical assistance projects in tandem with other development services to accelerate the pace of change. These services included in-country seminars and foreign training programs for industry leaders from the Macedonian agricultural sector. The ACIDI/VOCA country program in Macedonia was successful because it always responded to the interests of local beneficiaries and was not dictated by a need to replicate Western prescriptions or ethno-centric standards for success. Hosts owned the projects and generated results with input from volunteer specialists and ACIDI/VOCA staff.

The Macedonia program focused on technical assistance to private agribusinesses or agricultural associations in the areas of production, value-added processing, organizational development, and improved management and marketing. A small percentage of the program was devoted to responding to local demand to provide worthwhile assistance in non-traditional, or special initiative areas. ACIDI/VOCA activities were consistent with USAID's strategic objectives and intermediate results that were targeted for Macedonia. These related to fostering development of the private sector through firm-directed support and assistance to the development and growth of associations that involve agriculture and natural resource management issues.

During the Balkan War, there was a ban on volunteer and consultant travel, and staff was evacuated. Program emphasis was placed on in-country training programs, East-to-East training programs, and local consultant projects. Former Country Representative Neil Moser was instrumental in designing, identifying the funding for, and implementing the Household Food Security program, in cooperation with the USAID Office for Transitional Initiatives that targeted Macedonian families hosting Kosovar Refugees, and those most severely affected by the war's economic disruptions.

Prior to Neil Moser, Mark Levenson was ACIDI/VOCA's country representative. Mazen Fawzy replaced Neil Moser as Country Representative and is currently the Project Director of the follow-on project, Macedonian Agricultural Association Support (MAAS) project that began in September 2000. MAAS focuses on assisting established associations develop member-oriented business services in the areas of cost-saving input and supply procurement, and in member-based wholesale commodity marketing.

## **2.2. Volunteer and Consultant Assignments**

There were over 215 volunteer assignments during the duration of the CEE II grant in Macedonia in the areas of livestock husbandry, pest control, and agricultural production. Following is an illustrative list of the most significant volunteer assignments completed in Macedonia accompanied by a brief description:

### **2.2.1. U.S. Experts**

#### **EM000043 National Sheep Breeders Association**

**Volunteer Involved: Randy Cutler      End Date: 3/21/94**

Volunteer Randy Cutler worked with private sheep farmers to create private sheep associations throughout Macedonia. As a result of his efforts, there are presently 4 local private sheep breeders' unions ready to be incorporated into a proposed National Association of Private Sheep Breeders of Macedonia.

#### **EM000088 Professional Chamber of Veterinarians**

**Volunteer Involved: Dr. Joseph Butterweck      End Date: 8/11/95**

The Ministry of Agriculture, Forestry and Water Economy (MAFWE) requested assistance in the organization of a Chamber of Veterinarians of Macedonia. Dr. Joseph Butterweck guided professional veterinarians in the preparatory work required to develop the legal, regulatory framework and staff skills to support this transformation of the agricultural sector. Butterweck provided direction in the development of the chamber's charter: mission, professional ethics statements and overall organizational issues. The Chamber of Veterinarian of Macedonia is the first of its kind to be established in the former Eastern bloc countries controlled by the Soviet Union.

#### **EM000125 Debar Pest Control Project**

**Volunteer involved: Dr. James Hilty      End Date: 7/31/96**

VOCA volunteer Dr. James Hilty was requested in July 1995 by the Debar Extension Service in Macedonia to assist extension agents in advising local farmers on plant protection and disease control for traditional crops of the region, including peppers, cucumbers, tomatoes, pears and apples. Dr. Hilty prescribed some solutions to address the challenges of treating entire fields of infected crops. The recommendations included more rational chemically based approaches, as well as mechanical (irrigation regimes, weed removal, pruning) and cultural (crop rotation) practices for pest management.

In June 1996, on a return visit at the request of Debar producers, Dr. Hilty discovered that a number of farmers had implemented the recommended practices as proposed by Dr. Hilty via the extensionist. One farmer, Jusaf Vojnika, did so with astonishing success. Mr. Vojnika farmed a one hectare orchard which Dr. Hilty visited during 1995. The orchard was diagnosed with the beginning stages of a persistent and potentially devastating disease, fireblight. Dr. Hilty prescribed a simple, yet effective treatment, which Mr. Vojnika carefully followed.

Results were encouraging, with the orchard showing good health and a total absence of the disease. Besides avoiding the loss of the orchard, Mr. Vojnika estimated an increased harvest of 30% more pears this year given the improved health of the orchard.

#### **EM000137 MAC MIPRO Baking Technology/Follow Up**

**Volunteer Involved: Josiah Carroll**      **End Date: 08/16/96**

Volunteer Josiah Carroll provided technical assistance and recommendations in the areas of plant management, marketing, distribution, work efficiency and bread and fresh pastry technology. He completed his assignment in 1996 and a follow-up interview was done with the client in 1998 to measure progress based on Mr. Carroll's recommendations. Mr. Carroll's recommended more efficient use of production labor; more aggressive sales effort in the market; production scheduling to meet market demand; improved customer service; informal market research; improved bread quality; advertising; decreased distribution costs; and reduced labor force. Results included 200% increase in production efficiency and capacity; improved inventory control and record keeping on sales; market-oriented production; product quality, flavor, and packaging developed according to customers' tastes and preferences; increased production to 100,000 croissants monthly; more public awareness; 40% decrease in distribution costs and improved distribution network; and 30% decrease in labor costs at the bakery and its outlets.

#### **EM000169 MAC Zhupa Flour Mill**

**Volunteer Involved: John Ackland**      **End Date: 02/06/97**

Mr. Ackland completed a business plan for a new flour mill project for P.P.P. Zhupa Co. in Debar, Macedonia. Included were a footnoted feasibility study, first year budget, cash flow summary, depreciation schedule, operating statement, pro forma balance sheet and market study map. He helped the mill owner, Mr. Papraniku, to develop an investment proposal with financial statements and projections, marketing and risk analysis. Mr. Papraniku steadfastly pursued credit opportunities both internationally and domestically. The Swiss government guaranteed repayment to the equipment supplier via its aid program for this region, but the local bank was unwilling to assume the risk.

#### **EM000174 Zitoproizvod Feed Mill Operation**

**Volunteer Involved: James Andrews**      **End Date: 02/28/97**

James Andrews reviewed feed for nutritional adequacy and reformulated it to correct nutrition standards for poultry and swine; formulated feed for other types of poultry (quail, turkeys, and broiler breeders); examined feed ingredients and made recommendations for quality improvement; altered feed manufacturing procedures to improve mixing; and discussed the benefits and cost of pelleting. The owners/managers of the feed mill implemented most of Mr. Andrew's recommendations. They immediately purchased a computer and began exclusively using the UFFDA software for the formulation of poultry and hog feed rations according to the bird/animal nutritional requirements and body weights. They now require farmer-clients to weigh their birds or animals and feed appropriately balanced feeds according to the body weight. In addition to the information on feed requirements and feeding schedules provided to the farmers, Zhitoproizvodi owners extend guidelines and advice on proper farm management practices. There has been a 90% increase in daily weight gain and laying capacity. Feed production volume increased by approximately 30%, and monthly profit increased by 20-30%. Prices of different feed rations declined by 0.5 denar per kilogram feed as a result of decreased

cost of corn and soybeans and the application of lower cost feed formulations developed by the UFFDA computer program. Mixing of feed ingredients is now done in 20 minutes. Feed ingredients such as corn and barley are purchased from the local farmers. Separate premixes for vitamins and minerals are not purchased, due to their unavailability in the country.

#### **EM000185 Slavija Bakery Management**

**Volunteer Involved: Jan Nijssen**                      **End Date: 06/28/97**

The Slavija private bakery in Kumanovo requested an ACDI/VOCA expert knowledgeable in business planning and upgrading technology and new product development in the baking industry. Volunteer Jan Nijssen worked on increasing present production and sales without capital outlay. Production was increased efficiency improved. In addition, six new products were added, bringing the total product line to 14 different products.

#### **EM000207 AGRO-TOMIPROM Pepper Project**

**Volunteer Involved: Emroy Shanon**                      **End Date: 07/10/98**

The management and clients of AGRO-TOMIPROM farm store requested technical assistance in the area of improved pepper production, since Macedonia was suffering from near epidemic disease problems in this area. Volunteer Emroy Shanon oversaw the use of solar soil sterilization and proper pepper disease prevention and control during seedbed care and transplanting with his hosts at the farms of 20 producers. He made a series of five television specials and one radio program on pepper diseases, and held two farmer meetings with over 120 attendees to discuss pepper diseases and their control. He and his hosts created two publications on pepper diseases and trained TOMI-PROM personnel on how to recognize and control pepper diseases.

#### **EM000212 STRIP Mushroom Growers Association Project**

**Volunteer Involved: Mickey Foley**                      **End Date: 11/29/98**

The Association of Mushroom Growers of Stip requested a volunteer specialist in the mushroom business to assist their member producers with current challenges and potential future problems. The goal of this assignment was to improve mushroom production technology and attain increased yields and profits from the individual small mushroom businesses. Volunteer Mickey Foley worked with a number of individual mushroom producers and provided them with guidelines and detailed information on improved practices of mushroom cultivation. These included compost making technology, mushroom farm management, site ventilation, site sanitation, disease control, and packaging, etc. Mr. Foley advised Association leaders and members on the principles used by western style producers associations regarding promotional, marketing, educational and other service functions of their associations.

Mr. Foley's most beneficial intervention was assistance in the production and quality control of mushroom compost. He assessed and analyzed compost sources and graded their quality since compost quality guarantees yields and affects profits. As one of the focal points of mushroom farm management, Mr. Foley emphasized and counseled his hosts on quality compost production while also addressing parallel technology issues related to ventilation and disease control.

**EM000211 Papillon Mushroom Operation****Volunteer Involved: Mickey Foley**      **End Date: 1/20/99**

This mushroom production company based in Skopje requested an ACDI/VOCA volunteer specialist in mushroom cultivation to assist the company in dealing with production problems, quality control, cultural procedures and disease control. Besides restoring production to acceptable levels, volunteer Mickey Foley used his considerable skills to advise his hosts on improving cost-efficiency, product quality, and company profits. The major intervention of the assignment involved the control of mushroom diseases in order to re-establish production levels and higher product quality. These changes transformed a disastrous situation into a productive one. Hygienic procedures were a central element in this process, as was an appropriate fungicide program. Specific recommendations included: modifying the ventilation system for better air movement inside the production area; obtaining black soil far away from mushroom facilities; use more water to irrigate during the first week (6-10 liters of water per 1m<sup>2</sup>); use fungicide Benlate to eradicate disease caused by the parasitic fungus Mycogone; use anti-bacterial preparations during irrigation to prevent bacterial brown spots on mushrooms; and remove infected mushrooms daily before harvesting or irrigation.

**EM000220 Goat Farmer's Association Marketing Project****Volunteer Involved: Colleen Childers**      **End Date: 3/10/99**

The Association of Goat Farmers of Zelenikovo requested a volunteer specialist in livestock marketing and promotion to assist the association leadership and farmer members with the design and implementation of a strategy for dairy goat product promotion and marketing. The goal of this assignment was to achieve greater market penetration for, and consumer recognition of, goat dairy products in the Macedonian marketplace. Increased market penetration would allow processors to become more competitive in the production and marketing of goat dairy products. This assignment required a volunteer specialist with extensive experience in the marketing and advertising of goat products and management of marketing cooperatives or associations.

Volunteer Colleen Childers provided the association with guidelines for developing and implementing a plan, which would allow it to achieve its goal of improving the marketing of members' products and increasing market share. She assessed the members' individual and group strengths and weaknesses. The leadership capitalized on her presence to assist the local goat producers of Zelenikovo region to take the steps necessary to establish a National Goat Association. Additionally, the President of the association worked with Ms. Childers to learn the process for making two Chevre and Feta cheeses.

**EM000221 Trickovski Company Cheese Operation****Volunteer Involved: John Childers**      **End Date: 03/03/99**

Volunteer John Childers determined exact costs of production, revenues, and returns for the Trickovski cheesemaking company. He advised the owner on plant management, sanitation and equipment, and the safe transportation of milk. He instructed the owner on cheese production and recommended varieties suitable for the Macedonia market. Mr. Childers developed a marketing plan for the company based upon company capacity and production. He emphasized that the milk supply had to come from healthy cows free of mastitis and drugs. Other recommendations included storing milk at a proper temperature (1.5-4.4 C) in 304 stainless steel

milk equipment; reducing package size to a more consumer friendly package; and obtaining a milk container and truck. In the long-term, he suggested that a dairy control board be set up that would be responsible for ensuring that milk and other dairy products safe. Duties would include farm and processing plant inspections, lab analysis, and licensing based on meeting set standards.

#### **EM000222 Daev Cattle Farm**

**Volunteer Involved: John Childers**      **End Date: 03/17/99**

John Childers assisted Sasho Daev, a private businessman, with management of his cattle ranch by providing him with guidelines on rotational grazing and efficient utilization of pasture resources. He gave him up-to-date and relevant information on veal and beef production in the U.S. He advised Mr. Daev on the organization of the cattle ranch, housing, waste management practices, calf management, winter-feeding, barn ventilation, barn equipment, health care, and record keeping. He emphasized the need to keep informed about technical advances in disease control and land management, and suggested that Mr. Daev subscribe to international technical journals and domestic technical bulletins. Other recommendations included: store sufficient amounts of alfalfa and oat hay to feed livestock during the winter; buy whey from cheesemakers to add as a supplement to calves that are on a cow in order to produce veal, a more desirable commodity; construct trough to hold water for cattle; develop road access to barn; obtain generator since there was no electricity in the workshop; and use insecticides for external parasite problems.

#### **EM000216 Malenko Apple Chips Technology and Marketing**

**Volunteer Involved: Dusan Stanojevic**      **End Date: 2/19/99**

Former ACDI/VOCA volunteer Dusan Stanojevic, who is a US citizen of Serbian origin, was recruited locally to provide follow-on assistance to a company trying to establish an apple processing operation. Malenko Company was very interested in producing dehydrated apple chips as a new snack food for both the local and export markets. The company received assistance from a US volunteer shortly before the onset of the war in Kosovo, and requested additional assistance in order to finalize their business plan. Mr. Stanojevic agreed to assist the company as an “independent” volunteer, advised them on appropriate equipment, and helped source it. He also provided valuable input regarding plant design.

#### **EM304001 Chinchilla Farming**

**Volunteer Involved: Michael Adams**      **End Date: 03/11/00**

MI-KO Company in Kocani requested a volunteer specialist in chinchilla breeding to assist with management of the company’s chinchilla breeding operation, specifically regarding the issues of the stock health care and high mortality rate and general farm management practices, including ventilation, heating and sanitation. The volunteer was expected to have extensive experience in chinchilla breeding in the United States and to provide the host organization and its collaborating farmers with guidelines and solutions for possible improvement and increased efficiency of their chinchilla farm operation in Kocani.

Volunteer Michael Adams recommended changes to the cage design to allow more room for the animals and to reduce infant mortality. He provided blueprints for the cage design to MI-KO and stressed that the changes should be implemented within nine months. Regarding the chinchillas, Mr. Adams highly encouraged MI-KO to import 40 new breeder males from the U.S., ensuring that

new genetic pools are created and higher quality chinchillas are produced. Mr. Adams stressed that it was necessary to have a working database in order to properly document the chinchilla population, and ensure that blood lines don't cross. He thought that relative humidity was too high for the chinchillas and that dehumidifiers should be used to control this. Finally, Mr. Adams advised MI-KO to tattoo all animals to avoid confusion when buying back them back for pelting purposes.

### **304002 Biljana Dairy Farm**

**Volunteer Involved: Richard Lettner**      **End Date: 4/24/00**

Volunteer Richard Lettner was asked to train the owner and employees of the Biljana dairy farm in farm management, farm efficiency, and work on the interior of the barn. He recommended that they apply the milker to the cows within one minute of preparation in order to milk more rapidly to save time, reduce teat injury, and lower the chance of mastitis. This would increase milk production by 5%. Similarly, the milker wasn't removed fast enough from the udder which can also result in udder injury. He also urged them to provide fresh water to the cows at least three times per day to increase milk production by as much as 10%. The cows should also have daily exercise to reveal which cows are in heat. Finally, the milk must be kept at a cooler temperature to prevent fermentation and spoilage.

### **304003 Swine Breeding Development**

**Volunteer Involved: Steven Moeller**      **End Date: 7/31/00**

ZZ "EDINSTVO" Hog farm wanted volunteer assistance to help improve swine genetic material in the country. The volunteer was expected to work with the farm manager and swine specialists on developing proper practices of swine selection, breeding, nutrition and overall farm management. Volunteer Steven Moeller made the following recommendations: establish a breeding herd record-keeping system, including the insertion of plastic tags in all replacement females; establish breeding goals in order to improve traits (he proposed a detailed breeding herd mating program); improve facilities including ventilation systems, feeders, and the nursery; set up rodent traps; begin vaccination program; and gain access to up-to-date livestock production information.

### **304004 Gevgelija and Ohrid IPM Project**

**Volunteer Involved: Robert Hammon**      **End Date: 4/28/00**

Volunteer Robert Hammon provided technical expertise to the Association of Vegetable Producers of Gevgelija and the Association of Fruit Growers of Ohrid in integrated pest management and pesticide safety, including economical, proper and safe use of pesticides, application of threshold levels and alternative means for pest/disease control. He also educated them on plant nutrition and soil testing.

### **304005 Vegetable and Fruit Processing**

**Volunteer Involved: Douglas Manly**      **End Date: 5/28/00**

ACDI/VOCA Macedonia was looking for an expert in the area of fruit and vegetable processing to assist with the implementation of a survey and the development of a detailed analysis of the status, challenges, shortcomings, opportunities and potentials of the fruit and vegetable processing industry in Macedonia. The goal was to not only identify a range of issues, challenges, shortcomings, needs and potentials of the industry, but to also determine areas,

opportunities and methodologies for ACDI/VOCA to provide adequate and effective technical assistance in this sector in the future. Volunteer Douglas Manly visited several representative companies in Macedonia and worked with a local consultant and ACDI/VOCA Macedonia staff on the assessment and gained feedback from the industry. Manly has a background in fruit and vegetable processing in the United States, including extensive analytical and planning experience in this sector.

### 2.2.2. Macedonian Experts

**Improved Swine Production Techniques Seminar:** This seminar employed the services of two specialists from the Macedonian Faculty of Agriculture. They collaborated with Dr. Charles Stanislaw in introducing a variety of new production and management techniques to the members of a newly formed Private Swine Producers Association in Bitola, Macedonia. Both faculty members had worked with Dr. Stanislaw previously and had benefited from ACIDI/VOCA training themselves in the past. They were able to offer technical assistance based on Western practices but tailored to meet local conditions.

**Vegetable Production Training:** ACIDI/VOCA Macedonia contracted six local vegetable production specialists to help facilitate the Household Food Security Program training events. They prepared and delivered practical training presentations on best practices in household vegetable production. Topics included crop production, plant protection, and harvesting. The consultants also helped oversee the distribution of farming inputs and have provided crop production follow-on assistance. ACIDI/VOCA will contract 2 to 3 of these consultants again to visit the farmers and help them with any problems that they may be experiencing.

**IMPAKO Meat Processing Production:** A specialist from the Faculty of Agriculture's Food Processing Department was hired to help the company improve production efficiency by reducing losses and increasing product quality. Techniques were introduced that improved the products physical characteristics, including appearance and taste. Losses due to product failure, which ran as high as 40%, were also significantly reduced.

**IMPAKO Meat Production Quality Analysis:** A second specialist from the Faculty of Agriculture was hired to help the company analyze the quality of production capability. Parameters including nutrient value and product hygiene/stability were determined through laboratory analysis. Based on this, the company was able to further identify areas for improvement and determine what would be needed for them to produce special dietary and preservative free products.

**STOJANOVSKI Pullet Production:** A specialist from the Faculty of Agriculture provided the owners of a poultry farm technical assistance in re-designing one of their production units into a facility for raising pullets. He provided the host information concerning facility re-fitting/design, environmental controls, nutrition, and overall production management.

#### **SAVONSKI Broiler Production**

The same specialist used in the previous project provided technical assistance to the owner of a private broiler production farm. Advice was concentrated in the areas of housing requirements, environment control, nutrition, animal health, and production management.

**GEORGIEV Goat Production:** Two specialists from the Faculty of Agriculture were hired to advise the owner of a small goat production operation on planned expansion. Overall advice on expanding the herd and improved production management techniques related to breeding/genetics, health, and feeding. Detailed drawings/plans for improved goat barns and feeding systems were also delivered to the host.

**IPM in Apple production Training Seminar:** Professor Mile Postolovski, the leading local expert in Integrated Pest Management from the Faculty of Agriculture, was contracted to provide training lectures in cooperation with volunteer Bob Hammond, and another faculty member. A training seminar was organized and implemented in cooperation with a private farmers association, Agro Prespa. The local consultants and the volunteer provided complimentary lectures that focused on the practical application of IPM technology, which can potentially reduce the number of pesticide applications thereby reducing production costs and adverse environmental impact.

**Onion Pest Control, Struga:** Professor Slobodan Bandzo from the Faculty of Agriculture was contracted by ACIDI/VOCA to rapidly respond to an outbreak of onion pests among growers in the Struga region. His work with the farmers was coordinated by an organization in the area called the Toleranza Citizens Association. He identified the pest problems and offered practical recommendations to correct them.

**Greenhouse Disease Control, Strumica:** Dr. Tanas Trajcevski from the Faculty of Agriculture was hired by ACIDI/VOCA to help a growers association in the Strumica region diagnose disease problems in greenhouse production. The association and a local input supplier coordinated this assignment. The disease problems were diagnosed and the association members were offered corrective and preventive measures.

**Ketosis Detection & Control in Dairy Production:** A specialist from the Veterinary institute, Dr. Jovan Bosnakovski, was contracted to develop and present practical lectures in detecting and controlling ketosis in dairy production. Ketosis is a metabolic disorder that occurs during periods of heavy lactation and poor nutrition. While relatively easy to control and prevent, it can kill dairy cows relatively quickly if undiagnosed. The professor delivered his lectures and demonstration during the retreat at which the Union of Dairy Producer Associations was formed.

## **Training Programs and Conferences**

### **2.3.1. In-Country Training**

**Aquaculture In-Country Seminar:** Based on the selection of the participants for the Fish Farming US Study program, it was apparent that there were an adequate number of private fish farms in Macedonia, and that they operate quite independently of each other. In an effort to get them to know each other better and to develop a means of collaboration, ACIDI and VOCA organized a first ever aquaculture in-country seminar, which was held in May 1996.

This seminar brought together about 30 private fish farmers from around Macedonia and provided them with a four-day intensive seminar on modern fish farming techniques. For the first time, ACIDI utilized the services of VOCA volunteers as technical presenters, with the ACIDI project director and a local consultant handling seminar preparation and logistical arrangements. The seminar addressed a broad range of topics related to fish farms operations and management, and the participants were very attentive throughout the seminar. One of the major values of such seminars is the opportunity for groups such as this to get together and share common ideas and concerns. This was the case with this seminar, and there were many animated

discussions among the participants during the lunches and in the evenings. Each participant was awarded a diploma from the seminar.

**Household Food Security Vegetable Production Training:** ACDI/VOCA Macedonia, in cooperation with local government and NGOs, organized and implemented 6 vegetable production best-practices seminars throughout the country. Approximately 150 attendees, representing 600 families, received training in how to best use inputs they would receive under the Household Food Security Program. Topics concerning vegetable production, crop protection, and the use of new methodologies were covered. Several local consultants were hired to organize and deliver these presentations and to help oversee the distribution of inputs. Expenses were covered by USAID's Office for Transitional Initiatives.

**Poultry Association Formation Workshop:** In 7/99, a one-day association training workshop was organized for a group of poultry farmers who had expressed interest in forming an association. The topics covered included association principles and what associations can do for the poultry industry in Macedonia. Twelve key producers attended the seminar.

**Improved Swine Production Techniques Seminar:** In 11/99, a seminar targeting small swine producers in the area surrounding the city of Bitola was conducted. The seminar was conducted in cooperation and with support of a newly formed Swine Producers Association headquartered in Bitola. Approximately 35 members attended the two-day long event that focused on improved production management and techniques. Special attention was paid to swine breeding and the value of improving herd genetics. Lectures were delivered by Dr. Charles Stanislaw and two members from the Faculty of Agriculture were hired as consultants for the event.

**National Union of Dairy Producers Association Formation:** ACDI/VOCA worked with our long-time partner, the Bitola Dairy Producers Association, in helping sponsor and organize an event that has resulted in the formation of the country's first Union of Dairy Producer Associations. Six associations sent delegations to the event where the idea and need for a Union was discussed. This resulted in a vote to form the Union and modify and adopt a set of by-laws that had been drafted and circulated prior to the event. Six founding associations started the registration process. The Union's primary role was to represent and protect the interest of dairy farmers that were not represented within the Chamber of Economy (which is very influential in setting market policy). Processors have been traditionally represented, however, their interests often contradict those of milk producers. Technical training in detecting ketosis in dairy cows was offered by a member of the Macedonian Veterinary Institute.

### 2.3.2. Third-Country Training

**Sheep & Goat Production, Hungary:** In 12/98, a specialized training for a small group of Macedonian sheep and goat producers/processors was created in association with our successor organization in Hungary, AltAgra KFT. The training program was designed to offer a select group of industry leaders in Macedonia the opportunity to learn from the Hungarian industry, which has significantly advanced over the past several years. The participants worked closely with specialists from the Debrecen Faculty of Agriculture and visited small private processing operations that are rapidly expanding their sales of specialized dairy products. The topics covered during the training included all aspects of animal husbandry, genetic selection, product development/marketing, and quality control.

**Bakery Training, Poland:** In 5/99, ACDI/VOCA Macedonia, in collaboration with the Union of Craftsmen, selected and sent a delegation of bakers and confectioners to a technical training program in Poland. Five members who own bakeries and are members of the Union's management team attended the training. Since this event, the Union has been in contact with ACDI/VOCA and suggested formalizing our cooperation through a Memorandum of Understanding between our two organizations. The management of this organization is interested in de-centralizing the Union into local associations and may request ACDI/VOCA assistance in facilitating this process.

**Organic Legislation East-to-East Training:** In 12/99, ACDI/VOCA co-designed a training program for the Government of Macedonia's Organic Legislation Working Group with our affiliate AltAgra KFT in Hungary. AltAgra is a self-financing successor organization to the former ACDI/VOCA office in Hungary. Five members of the working group and one of our staff were trained in the Hungarian systems and EU certification. The group was able to visit a partner organization called Biocultura to gain additional knowledge and exposure. This group is currently responsible for EU certifying organic production in Hungary. Following the event, ACDI/VOCA was officially invited to join the MOA working group and participate in drafting the new law.

**Private Feed Milling East-to-East Training:** In 12/99, a carefully selected group of four entrepreneurs in Macedonia's newly established private feed industry and one ACDI/VOCA staff person were sent to Hungary for training. This event was co-designed and implemented with our successor organization in Hungary, AltAgra KFT. AltAgra was able to select advanced small-scale private operations for practical site visits. In addition, the participants were able to meet leaders from a feed industry association in Hungary and members from the Faculty of Agriculture. Practical improved knowledge concerning the industry was gained that can be easily applied in Macedonia.

### 2.3.3. U.S.-Based Training

**Meat Processor Training:** ACDI/VOCA completed a US Study Program for a group of five private meat processors in 1997. The group traveled to Arizona and Illinois, where they were hosted by ACDI/VOCA volunteers who had previously done assignments with meat processors in the CEE region. One of the hosts, Mr. Jeff Walker, had completed two VOCA assignments in Macedonia, and was very familiar with the operating situation of the group. During the program, the group was able to see the American meat industry from feed lot to supermarket. They also had a presentation from a local USAID office on the HACCP system that is used in the US to insure hygienic quality in food products. Mr. Tom Donelan, the volunteer in Illinois, arranged for a one-day workshop for the group at the Midstates Meats packing plant. During this workshop the group was introduced to the latest meat processing techniques in use in the US. They also learned about the methods used to insure that the meats produced are hygienic and of high quality.

**IFAD Funded Banker Training:** Former Country Representative Neil Moser designed and secured IFAD funding for a Macedonian Banker Training project in the U.S. Approximately \$75k was secured for this project that initially sent four Macedonian bankers to the U.S., along with one ACDI/VOCA staff member as a translator/facilitator, to gain training in Western agricultural credit practices. This training was followed by a smaller second training in the U.S. for branch loan officers. The loan officers worked with managers who had attended the first training program.

**Pork Producers Study Tour:** In August 1997, a group of private hog farmers from Macedonia visited the U.S. to be trained in integrating livestock breeding, processing, and distribution. The three-week program introduced participants to the structure of the American swine sector and provided them with training in farm and business management. One of the key events of the program was attendance at the World Pork Exposition held in Indianapolis in June. The participants were able to attend a series of short seminars on hog production and marketing which were directly relevant to their own operations.

**Livestock Cooperative Study Tour:** In 1997, managers of selected livestock cooperatives in Macedonia visited the U.S. to learn about livestock breeding-and-raising techniques and the function of production and credit cooperative organizations in American agriculture. Macedonian cooperatives that have received ACDI/VOCA assistance and co-ops that are collaborating with other USAID-funded development agencies were represented on the trip. The participants had a chance to visit livestock farms and cooperatives, farm supply cooperatives, farm credit cooperatives, and cooperative milk processing operations.

## 2.4. Conferences and Seminars

ACDI/VOCA Macedonia participated in a “Buy Macedonian Products” initiative organized by the US Embassy, USAID and the MBRC. The event took place during the height of the refugee influx and provided a valuable venue for Macedonian entrepreneur’s to display products that could help Relief Organizations meet their needs locally. Some of our clients participated in this

event and displayed their goods. One of them, A.D. Bitola, was able to secure a contract supplying boxed juice and UHT milk to a relief organization.

**International Aquaculture Fair, Thessaloniki Greece 9/99**

The Macedonian Trout Producers Association was offered ACDI/VOCA support in attending an international aquaculture fair held in Thessaloniki. Three participants accompanied by ACDI/VOCA staff as translators attended the fair over a weekend and gained valuable exposure to new technology and products available for their industry. This assistance was channeled through the association as a member service in partnership with our organization.

## **2.3. Significant Impact and Results**

### **Simple Ideas Can Have a Big Impact: How the VOCA/ACDI Program Helped a Woman Dairy Processor in Macedonia**

OLMI Milk Products is a small dairy plant located in Kumanovo, which operates out of an addition to the family home of the owner, Ms. Olivera Spasic. Olivera receives a lot of help and encouragement from her father, who is a retired yogurt and cheese maker. The business began in 1993, after Olivera graduated from the University of Skopje with a degree in social sciences. Because of her father's involvement in dairy processing, and an instinct that there was a good market for dairy products, Olivera chose to start a business making curdled milk, and since then she has added yogurt and cheese to her product line.

OLMI sells its products directly to 80 or so retail stores, located in both Kumanovo and Skopje, which is 30 Km. away. The products are delivered on a daily basis by OLMI's own truck and driver to their regular clients. OLMI has developed a unique arrangement for its supplies of fresh milk for its business; Olivera went to a local village in the Kumanovo area and reached a collective agreement with all the dairy farmers in the village. Based on this agreement, OLMI set up three collection points in the village, and it picks up all the milk from the village every day.

As of late 1995, OLMI was processing 1,500 to 1,700 liters of milk per day in the summer, and over 2,000 liters per day in the winter. OLMI's production and sales levels increased more than 200% from 1994 to 1995, indicating a strong demand for the company's products. Olivera has also established a trading company in Sofia, with a Bulgarian partner, to arrange the purchase and delivery of packaging materials for her products. This arrangement was set up to avoid paying the markup on the materials other Bulgarian exporters would charge. The packaging of OLMI's products is quite modern and attractive, and the liquid yogurt is very popular and tasty. OLMI enjoys a healthy market for its products and it has developed a unique niche for itself.

It is hard to separate Olivera from her business, as they are essentially one and the same. She is a young single woman who has started on a new career and has become rather successful in a very short period of time. She has no formal training in milk processing, but appears to have applied herself earnestly to the business and learned a lot in the process. She takes charge of all the processing herself, with assistance from her father and a few employees. Despite her remarkable progress, Olivera recognizes that she still has a lot to learn about the dairy business and in 1995 she turned to the VOCA/ACDI Private Agribusiness Development Project for assistance.

VOCA had a dairy processing volunteer in country at about the same time that OLMI requested assistance. Rather than program a new volunteer assignment, VOCA extended the volunteer's stay in Macedonia, and arranged for a short three-day assignment at OLMI. Despite the short time spent at the company, his assistance has had a big impact on OLMI's operations. OLMI had installed a cold room to keep the milk and finished products refrigerated, but OLMI could not get the room cooler than ten degrees Centigrade, when they needed to keep it at four degrees Centigrade. The volunteer discovered that the cooling coils were freezing up, and as a result the fan could not blow cold air through the coils into the room. The volunteer suggested a simple

solution; put the compressor on a timer, so that it shuts off for a half-hour every six hours. This allowed the ice on the coils to melt, and as a result the room can now be kept at the required temperature.

Subsequent to this VOCA assignment, Olivera was selected as one of seven candidates for a US Study Program organized by ACDI for Macedonian Cheese Makers. This program took place in September and October, 1995, when Olivera and her group spent three weeks in Wisconsin and Minnesota. They visited dairy farms, milk plants, and cheese makers, and they attended a special short course in cheese making at the University of Wisconsin at River Falls. Olivera is very enthusiastic about the program, and she described it as the best thing that has happened to her in the past ten years. Like the VOCA assignment, a simple thing she learned on the program has had a big impact on her business.

Olivera used to culture her yogurt containers in a water bath, but she could never keep the temperature in the bath even, and each container of yogurt came out a little different. During a visit to the Old Home Dairy in Minnesota, she learned that the yogurt containers could be cultured in a compartment with heated air. Within a week of returning from her trip to the US, Olivera made this change and it led to an immediate 25% increase in production. This change reduced the culturing time from seven hours to only four hours and cooling the yogurt was much easier, because she did not have to remove them from the compartment. This significant increase in production and the resulting increase in revenues was accomplished with no additional labor.

OLMI's yogurt is now a much more consistent product, as all the yogurt in each batch is of identical quality. Olivera is seeing a much stronger demand for her products and expects to continue to increase her sales levels. Using the old culturing system she would occasionally receive complaints about the variability in her products from retailers. Now she doesn't get any complaints, and customers keep asking her for increased deliveries. As her business grows, and based on things she has learned through the ACDI/VOCA Program, Olivera plans to add new equipment and products to her business. Eventually, she would like to move out of her present facilities into a larger building.

## **U.S.-Macedonian Science and Technology Program**

At the request of the Veterinary Institute in Skopje, ACDI/VOCA volunteer Jagdev Sharma, DVM of the College of Veterinary Medicine at the University of Minnesota, assisted with the development of an improved national health care program for the private poultry industry in Macedonia. The program aims to enhance prevention, vaccination, diagnosis, and treatment of devastating diseases in Macedonian poultry flocks.

The close collaboration between the poultry veterinary specialists at the Veterinary Institute in Skopje and Dr. Sharma resulted in a proposal for a collaborative research project between the two renowned veterinary institutions in Macedonia and the United States in 1997. The proposed project objectives were to develop a vaccination and eradication program for the most prevalent and detrimental poultry diseases in the country, Infectious Bursal Disease (IBD). This disease has caused over 60% mortality in certain flocks and has contributed to deteriorating performance in surviving flocks. Disease prevention and the development of improved vaccination strains will result in significant economic improvement of the poultry industry.

The proposal was submitted to the joint board of the U.S.-Macedonian Science and Technology Program and approved with a budget of \$24,300 over a three-year period. The specific undertakings of the project were:

- screening the commercial parent and progeny flocks for antibodies to IBD virus;
- screening available IBD vaccines for efficacy and determination of the best regimen for vaccination;
- isolation and analysis of the IBD virus from infected flocks; and
- preparation of an inactivated vaccine from the local isolate and comparison of the protective efficacy with the best vaccine selected.

The implementation of this collaborative project between the Veterinary Institute of Skopje and Dr. Jagdev Sharma at the University of Minnesota Veterinary College was anticipated to facilitate the improved control of IBD and reduce economic losses experienced by the poultry industry in Macedonia.

## **Medium Export Company**

In October 1998, Medium Export owner and manager, Ljubomir Drenkovski, established a new company, PILKOM Broiler Slaughtering & Processing Plant. With introductions and mediation from ACDI/VOCA, PILKOM initiated discussions with U.S. company SEAF Equity Investment Fund. This led to an equity capital investment by SEAF of US\$ 700,000.

## **Stip Farmers Association**

From 1994 to 1997, ACDI/VOCA volunteers and staff had introduced the idea of farmers' cooperatives and associations as a possible solution to alleviating problems in production, marketing, input supply, information, and legislation. The concept of farmers' cooperatives was particularly promoted and highlighted as part of ACDI/VOCA workshops on dairy farming and business management/planning with volunteer specialists Mr. Doran and Ms. Ketz of Clayton, Wisconsin, and Garfield Stock of Sun Prairie, Wisconsin.

These workshops and one-to-one consultations were held in several regions in Macedonia such as Stip, Kocani, Skopje, Bitola and Strumica, and were attended by over 40 farmers from each region. It was recognized that democratically-based, farmer-owned and managed cooperatives would be of remarkable benefit to farmers in Macedonia. However, it was also noted that farmer resistance to associations was high due to Macedonia's history of forced, socially-owned cooperatives that were put in place by the government.

A year later, the Western idea of member-owned and controlled associations in Macedonia fell upon receptive ears amongst farmers and representatives of the Extension Service. Further impetus to adopt this democratic, yet sometimes difficult method of business was encouraged by examples from others. For example, with ACDI/VOCA assistance, Debar sheep farmers set up an association to market their products and to procure supplies at favorable prices for members. The National Extension Service and a World Bank lending program (that promoted private sector farmer development) began promoting the concept of associations/cooperatives.

Influenced by these ideas and information provided by ACDI/VOCA volunteers (with institutional support from the Stip Extension Service), farmers from Stip formed the Stip Farmers Association. They followed democratic principles and voted to elect leaders of the village farmers' unions, and seven members of the presidency of the entire association. The elected president and three other members of the association's presidency had been ACDI/VOCA clients for two years and had enjoyed the benefits of technical volunteer assistance on livestock breeding, farm management, business planning, and financial analysis.

Within two months of its existence, the Stip Farmers Association developed by-laws and a set of objectives and tasks for its farmer members. It conducted a production and needs survey of all of its farmer members and made contacts with suppliers and marketing companies. The association completed the registration process to become a duly legal entity consisting of over 100 farmer-members. With ACDI/VOCA's direction and assistance, the Stip Farmer's Association received documentation on grant programs for democratic initiatives available at the United States Information Service, Open Society Institute, and Catholic Relief Services in Skopje.

## **Final Report**

### **I. Background**

ACDI/VOCA activities were consistent with USAID's strategic objectives and intermediate results that were targeted for Macedonia. These related to fostering development of the private sector through firm-directed support and assistance to the development and growth of associations that involve agriculture and natural resource management issues.

During the Balkan War, there was a ban on volunteer and consultant travel, and staff was evacuated. Program emphasis was placed on in-country training programs, East-to-East training programs, and local consultant projects. Former Country Representative Neil Moser was instrumental in designing, identifying funding, and implementing the Household Food Security program, in cooperation with the USAID Office for Transitional Initiatives. The program targeted Macedonian families hosting Kosovar Refugees and those most severely affected by the war's economic disruptions. ACDI/VOCA staff, in cooperation with local NGOs, local government, and local consultants, conducted an intensive training program in efficient home gardening and distributed input supplies to over 600 families. Approximately \$100,000 of direct project funding for this undertaking was obtained through USAID's Office for Transitional Initiatives, which established a Community Development Grants program under the administration of RONCO International.

Mazen Fawzy replaced Neil Moser as Country Representative and is currently the Project Director of Macedonian Agricultural Association Support (MAAS) project that began in September 2000, a follow-on project to CEE-II Macedonia. MAAS focuses on assisting established associations develop member-oriented business services in the areas of cost-saving input and supply procurement, and in member-based wholesale commodity marketing.

### **II. ACDI/VOCA Accomplishments**

Since the beginning of the Macedonia program, the following has been accomplished:

- 215 assignments have been completed using ACDI/VOCA volunteers;
- ACDI/VOCA has been directly involved in the formation of five associations and indirectly with one including Debar Sheep Farmers Association, Trout Farmers Association, Swine Producers, and Stip Farmers Association; and
- FY '00 host evaluations indicated that 92% of the hosts interviewed had increased income following ACDI/VOCA assistance at rates ranging between 26%-365% of pre-project levels.

## **Intermediate Results**

### **IR 1.3.3 - Improved Management Systems and Practices Implemented by Private Firms**

Significant firm-level training assistance has been transforming beneficiaries' perspective from one primarily concerned with commodity production towards that of operating an agribusiness. Substantial attention has been given to helping our hosts understand the concepts and issues related to cost-efficiency and market oriented production. The technical assistance in production has been invariably coupled with efforts in helping the beneficiaries improve management practices related to their operations.

### **IR 1.3.1 - Improved Financial Management & Transparency**

ACDI/VOCA has assisted our beneficiaries in improving financial management skills. This is extremely important, as they become more business oriented in an increasingly competitive environment. The volunteers have taught them how to determine where their cost centers are and offered assistance in reducing them. With this information, they can more accurately make decisions in allocating their financial resources among different production or processing activities.

### **IR1.3.2 - Increased Access to Sources of Financing**

While this component of the project is not particularly large, there have been some recent successes that are noteworthy. As in the past, ACDI/VOCA has helped carefully selected clients access financing. This has been either through direct assistance in helping them develop business plans and apply for credit or by referring them to other programs offering suitable financing opportunities. In some cases, ACDI/VOCA has helped financing institutions assess potential agribusiness investments.