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## YEAR 2 WORK PLAN

### EXECUTIVE SUMMARY

With our partners, Booz Allen Hamilton and International Relief and Development, DAI is pleased to present our work plan for Year 2 of the USAID Agribusiness Project. Our work plan is organized according to three components presented in the USAID Agribusiness Project scope of work.

The USAID Agribusiness Project's first year's accomplishments, from September 2007 to October 2008, have provided a foundation for our second year objectives and results detailed in this document.

Six commodity assessments were completed and approved by USAID. Based on our assessments, market failures within each value chain were identified and Commodity Action Plans for each sector were prepared detailing strategies and goals for addressing the failures within each commodity for the five year life of project. Specific objectives for each value chain and their cross cutting support to be accomplished in Year 2 are presented in this plan in **Annex II**.

In 2007-8, the value chains and cross cutting components were fully merged into common goals and objectives serving agribusiness, and the new work plan builds upon the previous year's successes by continuing the process of using **points of leverage, producer organization development, expanding access to markets, youth** and addressing **policy issues** which limit competitiveness and restrict eventual access to Europe.

Following the last elections, excellent relations have been established with the Ministry of Agriculture where market failures identified through our assessments were presented to the Ministry and key areas of common concern were acknowledged as important issues for the USAID Agribusiness Project and the Ministry to work together to solve. Key among these are: market information, farm data, cold chain logistics, and certification for international standards. All will be addressed in year 2.

The Agribusiness Grants Manual was approved by the Regional Contracts Officer and our first grant was funded for livestock training. A number of grants designed to address market failures in our value chains are planned for year 2 and are highlighted in this work plan. We are suggesting a change to the grants manual and the budget affecting grants. **We propose taking \$2.2 million from the grants budget and putting it under "Project Activities" over the life of the Project** to cover cost of the training programs, trade fairs, seminars, studies and workshops aimed at enhancing delivery of public goods. These payments would not require CTO approval. The remaining grants budget in the amount of \$3 million (over the life of the Project) would be exclusively used for the investment incentive grants, capacity building grants for producer organizations and ABDS providers and youth grants. These grants will be cost reimbursable cost-share grants and it will be administrated as we do now. Further details about grants program are provided in the Annex 3. The revised Grants Manual is attached for the Contracting Officer's and CTO's approval. **The revised grants manual is in Annex III.**



## USAID Agribusiness Project

By modifying the grant's manual, we are obliged to **revise the PMP** to reflect the types, numbers and amount of grants listed as indicators in the PMP. Our proposed PMP for USAID approval is in **Annex IV**.

Our Youth component, Entrepreneurship in Agribusiness, was prepared as our after school activity by identifying 20 key agriculture institutions to begin the program throughout Serbia. Close collaboration has also been established with the USAID SCOPES program and other partners including GTZ. The year 2 work plan goals include fully integrating value chain sector leads and cross cutting component specialists as key contributors to the program.

This year's work plan is expansive and comprehensive. The work plan is:

***“Value Chain Focused”*** with all key programs and major objectives, tasks and results linked to the 6 value chains;

***“Activity Specific”*** with all associated activities improving the performance of our partners in each value chain and cross cutting components, clearly contributing to our project's results; and,

***“Results Driven”*** with specific targets that feed our project's indicators. **Annex 1** compares our PMP indicators with our planned results for Year 2. The projected results include both cross cutting components and value chains.

**Annex V** provides our revised budget projections based on Year 1 spending, revised grant's manual and obligations expected from USAID.

An updated **Organization Chart** is presented in Annex VI.

## **COMPONENT 1: INCREASED EFFICIENCY AND COMPETITIVENESS OF SERBIAN AGRIBUSINESS**

### **1.0: INTRODUCTION AND OVERVIEW OF YEAR 2 COMMODITY ACTION PLANS FOR EACH SUBSECTOR**

#### **Introduction**

Our value chain assessments and field experience has provided the Project with the base to develop commodity action plans in six sub sectors for the life of project and identify replicable pilot activities in each sub-sector designed to achieve each value chains goals and objectives.

Highlights of the year two work plan are presented here for each sub sector and detailed activities are listed sub sector Annex II.

Each of our Sector Leads and Cross Cutting specialists will be involved in the Entrepreneurship in Agribusiness program. They will make presentations to students on their sectors, assist students with their business plans, review business plans in the competition and assist the winner sin implementing their businesses. Sector Leads will be crucial partners between students and agribusiness firms becoming involved in the Entrepreneurship in Agribusiness program.

#### **Dairy**

Dairy is focusing on establishing the links between dairies and producers using resources from both to improve the value chain. Medium and small dairies will be the hub providing linkages between producers and service providers. This model will be replicated throughout Serbia.

Four main areas of focus make up the Year 2 work plan include consolidating linkages between; dairies, ABDS, and producers; structural changes and adoption of new technologies/services; technical knowledge on production, processing operations, quality standards and marketing requirements; developing CEFTA, Russia and USA export opportunities; leveraging Ministry of Agriculture, SIEPA, USDA and other donor funds for trainings, B&B trade events and study tours.

#### **Berries**

The Project's goal by the end of year 2 is to create a replicable, dynamic group of businesses with established production of appropriate varieties of berry fruit for the fresh market, who have sufficient knowledge and market linkages to succeed on our domestic market. At the same time producers of value added products will have introduced new products and/or improved quality, packaging, design and market access of existing products.

In year 2, the main training to produce replicable results in fresh berries will include production under high tunnels and new packaging models. Study tours to the UK and Italy and new technology will also yield our intended results.

As with the other sectors, a full report is included in the sub sector annexes.

**Tree Fruit**

The main focus of the tree fruit sub-sector in the second year of the project will be on the growing export market for fresh apples and stone fruits in Russia and diversifying sales outlets via EU market channels. We will work with selected producer groups and companies to develop a model which can be extended to other fruit producers in Serbia.

A centerpiece of the program will be food safety requirements to access EU markets. Industry stakeholders will be supported to implement required standards, such as product traceability, GlobalGAP and HACCP.

The Project will also work with new ABDS providers and extension workers to improve productivity, quality and sustainability of fruit production systems that meet market demand.

The third objective in the tree fruit sector is consolidated export promotion and sales for more reliable and competitive supplies.

**Herbs/Spices/Mushrooms**

Based on its size, market opportunities, level of development, businesses' needs, and interest to invest, the main activities in the herbs and mushroom sector targeted wild mushroom and tea companies in Year 1. The Agribusinesses Project will continue to give most of its attention to these two groups of companies and producer organizations, considering experience from Y1, lessons learned, market opportunities, business' plans and needs. In Year 2, Agribusiness Project assist at least five leading mushroom companies, three herbs companies and one spice company willing to exploit market opportunities in end user market and add estimated \$2 million in value and sales.

**Vegetables**

Over the life of project, the Agribusiness Project goals in the vegetable subsector are to increase (export) sales, create jobs and enhance ABDS provision. The focus in the Year 2 will be to develop a system which can be adapted and adopted by other producers to boost revenues on storable vegetables (onion carrot, potato, cabbage, parsley), increase yields (new varieties, modern growing techniques), introduce Global Gap certification programs and cut the post harvest handling and storage losses. The focal point of our model is strengthening producer groups and ABDS providers. Study tours, post harvest training, and training for cooperative managers and a study on the feasibility of consolidation centers done in collaboration with the MAFWM will be important activities.

**Livestock**

To reach our long term strategy of "Getting back to where we were in terms of export in 1990", and gradually double exports we will need to increase herd size in Serbia by over 100,000 animals. This will mean increased exports from nearly 10,000 tons to 20,000 tons of beef and a domestic market increase in sales of 10,000 tons.

To achieve the yearly and overall goal of 40,000 tons of increased production we must concentrating on involving slaughter houses as key centers for linking beef producers and ABDS providers, including providing short term financing. Our model concentrates on farms with between 50 and 100 animals capable of operating as a commercial enterprise, formal registration of animals and increased awareness for ABDS and producers of state of the art techniques.

The initial model of training and linkages will be held in five regions in Serbia: Pirot, Niš, Kruševac, Čačak and Užice. The expected results include better cooperation between slaughterhouses and producers, a market oriented approach, an increased number of cattle per farm, and better yields per steer fattened.

We will support ABDS providers in creating a market for their registration services in areas now lightly or not covered by these services.

We also plan to take Serbian producers and ABDS providers on a study tour to farms and livestock associations in two countries: one with transitional and another one with stable economy, to learn from outside experiences in livestock production.

### **1.1: STRENGTHEN PRODUCER ORGANIZATIONS**

The Producer Organization component will assist Sector Leads strengthen producer organizations (POs) within their value chains to ensure they can contribute to a stronger, more viable growth-oriented sector which allows them to compete domestically, regionally and globally. One of the primary purposes of the PO component is to use improved and sustainable ABDS delivery to increase value chains competitiveness. Under the USAID Agribusiness Project, we will help strengthen POs to adapt to market needs and meet buyers' requirements in food quality standards and safety.

During the six sub-sector assessments, USAID Agribusiness Project sub-sector leads and producer organizations team developed an inventory of over 70 POs. As a part of value chains analysis, each sub-sector lead interviewed and assessed selected key POs from the inventory list, (around 30 POs) identifying gaps in each value chain and defining potential interventions under the long-term sub-sector strategies. The results of these POs' assessments were also fed into the commodity action plans where POs are identified as main stakeholders and leverage points. Following the finalization of sub-sector strategies and commodity action plans it is now possible to define a part of interventions required for the POs strengthening, including grant, technical assistance, and training packages.

#### **Specific sub –sector activities**

Producer organizations are present in each of the project sub-sectors and are at different stages of development; therefore, the specific types of POs to work with will vary depending on sub-sector strategies. For instance, in the dairy subsector, the focus is on milk quality improvement concentrating on a few medium sized dairies, initially. The Producer Organizations team will work with farmers supplying targeted dairies to be organized in registered producer groups where most needed. The Project will support medium sized dairy stakeholders to create a Dairy Association that will represent their interests towards government institutions and others. The vegetable subsector will be focused on root crops, concentrating on four large cooperatives initially, while tree fruit will focus on apples and stone fruits for fresh targeting groups like Fruitland Association as main point of leverage (eight cooperatives, 600 farmers). Under the berry sub-sector, USAID Agribusiness Project will develop production and marketing capacities for fresh berry fruits supporting establishment of strong commodity-based producer organizations for fresh. All these crops need vastly improved post-harvest handling, storage, packaging and distribution for export markets and emerging supermarkets in country.

**Cross-cutting activities**

Without exception, the six value chains selected by the Project have the same major deficiencies regarding POs; this has been confirmed through the value chain assessments and sub-sector leads. We will focus on the following key steps that have to be taken to enable POs to compete regionally and globally.

- Improvement of organizational capacities;
- Consolidation of production;
- Standardization of products delivered; and
- Promotion of final outputs.

***Objective 1.1.1: Strengthen organizational capacities of producer groups.*** Farmers in Serbia have not yet developed a positive attitude toward grouping and associating and have to be better organized. Although trust among farmers is a pre-requisite of sustainable producer grouping, farmers do not trust farmer associations and cooperatives yet. Managerial and organizational constraints, membership structure, and limited dedication of people, are considered to be the major reasons for this attitude and lack of sustainability. Improving the organization of producer groups and consolidating production is therefore becoming a critical issue for Serbian farmers along with marketing.

***Task 1.1.1.1: Conduct organizational capacity self-assessment of selected producer organizations.*** In order to measure and improve organizational capacities of selected producer organizations, USAID Agribusiness Project will conduct survey based on the Organizational Capacity Assessment Tool (OCAT). We have selected this participatory self-assessment approach that will train producer organizations to identify organizational strengths and weaknesses to establish capacity building goals and prioritize areas requiring further assistance. This is primarily a learning tool that creates a training opportunity for the organization's members, so that the assessment itself becomes an integral part of the capacity building effort, since it introduces the organization to the various components of management.

The second goal of this tool is to provide to USAID Agribusiness Project the basis upon which a capacity-building program can be developed and specific interventions tailored for an individual producer organization or for a group of producer organizations in a given geographic area or sector, strengthening their capacity over time, and providing the means to measure progress. Final scores of assisted producer organizations on the OCAT will be a baseline for measuring changes in capacity growth over time within organizations. That requires consistency in method and approach, repeating the assessment process (re-OCAT) every 12 months after original baseline OCAT. The results of the producer organization needs assessments derived during the value chain analysis of six sub-sectors will be vetted and confirmed or rejected during the OCAT process.

***Timing: October - December 2008; Agribusiness Project will select on a competitive basis a qualified service provider that will organize and conduct OCA of targeted producer organizations.***

***Projected Outcomes:*** USAID Agribusiness Project estimates that no less than 30 and up to maximum 50 producer organizations will be assessed and trained to conduct self-assessment of their organizational capacities. Trained and assessed producer organizations will enhance, during the OCA process, organizations overall performance and viability by improving administrative and management functions, increasing the effectiveness of quality service provision, and enhancing the organizations structure. Over 100 members/staff of assessed

producer organizations will be trained and minimum 800 farmers supported through OCA process.

The action plan comprises several activities as follows:

**Activity 1: Training of trainers - OCAT facilitators** selected by contracted service provider, to undergo self-assessment of targeted producer organizations. *Timing: first half of October 2008.* The facilitators should have high school level education and have experience working with producer organizations, facilitating focus group meetings, analyzing and presenting data in graphic form, and preparing written reports.

**Activity 2: Completion of external assessment through field visits.** In-depth interviews, and review of secondary information. Facilitators can organize focus groups and Project visits if other steps did not provide adequate information for the assessment. *Timing: October 2008.*

**Activity 3: Ranking process.** Workshop/sessions ran by two facilitators involving a mixed group of members and leaders in a self-evaluation of their organization's capacity. During this 2-3 hour meeting, the members discuss each of the OCA indicators and rank themselves. *Timing: October-November 2008.*

**Activity 4: Preparing initial assessment reports** for each of the assessed organizations. Facilitators will collect the data and will prepare initial written-quantitative reports that will be used in the follow up discussions. *Timing: October-November 2008.*

**Activity 5: Feedback to producer organizations, follow-up consultations.** The discussions will be used as a mechanism to collect more information from the organization that have been self-evaluated and other stakeholders. Facilitators involved in the Project will host these follow-up consultations. Each of these events will be monitored by assigned USAID Agribusiness Project staff that will also monitor all stages of the program implementation. *Timing: November - December '08.*

**Activity 6: Writing final reports,** both quantitative and qualitative for each of the assessed organizations. All reports into a comprehensive diagnostic report, providing sub-sector, regional, and producer organizations type analyses and recommendations for follow-up support. *Timing: November - December 2008.*

**Task 1.1.1.2: Continue needs assessments of newly emerged and nascent producer organizations.**

During second year of USAID Agribusiness Project, Producer Organizations team in coordination with sub-sector leads will continue needs assessments of newly emerged and nascent producer organizations that are part of identified value chains and commodity action plans. We expect to identify strengths and weaknesses of minimum 15 existing and new POs, as well as requirements for new five POs.

**Task 1.1.1.3: Support commodity-based producer organizations.**

Pursuant to the findings of the POs' needs assessments and value chain analysis, the best producer groups for USAID Agribusiness support in the selected sub-sectors are commodity-based ones. Downstream buyers such as exporters, consolidators, processors or supermarkets will also play an important role in identifying "missing" POs. Therefore, we will focus on POs that are willing to put restrictions on membership and concentrate on business-oriented membership rather than on open one. Supported POs should target activities that members have chosen and that they can deliver effectively and efficiently.

We will support new initiatives to organize and successfully manage commodity-based POs as well as to revitalize inactive POs. Pursuant to the berry sub-sector strategy, main efforts

will be supporting establishment of strong producer organizations for fresh and building their capacities to introduce new varieties and technologies.

**Examples:** initiatives by company “Borjana” in Pirot, berry growers gathered around “Stig” Extension centre in Pozarevac, berry growers from Kosjeric, and initiative for establishment of national association of blueberry growers. This activity will also consider assistance to newly founded commodity-based producer organizations that have not developed organizational capacities such as tree fruit cooperatives Fruit-Garden from Sombor, and Dobro Voce from Slankamen or Association of berry growers and processors ATLECoop.

***Task 1.1.1.4: Assist transition of informal groups and non-profit associations to profit-oriented cooperatives.***

Producer organizations in Serbia should constitute a central pillar of any long-term agricultural development strategy. POs must be organized on economic principles as membership organizations created by producers to provide important commercial services to members.

Consistent with our previous assessments of producer groups and the interviews we had, we recommend that the cooperative model be considered as top priority in the strengthening of POs. The cooperative structure is seen by various stakeholders as the best concept for improved POs. Being business entities, cooperatives are considered eligible and in some cases preferred beneficiaries for the support provided by MAWMF and international donor organizations. Therefore, we will assist fully operational and advanced non-profit associations to upgrade to profit-oriented cooperatives or even companies.

***Activities for Tasks 1.1.1.2, and 1.1.1.3:***

Potential interventions within Tasks 1.1.1.1, 1.1.1.2, to 1.1.1.4 are similar across all sub-sectors and will be focused on financial and management trainings and technical assistance delivered to producer groups through ABDS providers. The ABDS needed for management and financial services are initially more generic in nature, with the basic principles being applied across all sectors. But due to specific membership structure of POs and division into for-profit (cooperatives) or non-profit (associations), more specific services will be required. Identification of recognized ABDS providers will be crucial for the success of Objective 1 and these tasks. The Producer Organizations Development team will work closely with the ABDS specialist to identify most qualified service providers and assist them build and deliver specific services to POs.

Improvements would focus on overall management of POs through trainings and technical assistance using ABDS providers and local short term technical assistance and in particular in subjects related to:

- Organizational structure, members’ participation in ownership, membership shares, decision making process and distribution of profit;
- Support to targeted producer organizations, preferably on a national level, in developing long-term strategies;
- Business planning, budgeting for growth and annual reporting;
- VAT and other accounting requirements;
- Management of inventory through appliance of new software solutions;
- Cash flow and investment return analysis;
- Exposure of management staff to EU producer organization structures/roles, possibly through exchange and mentorship programs with European producer organizations;

Potential trainers and service providers are:

1. *The Serbian Association of Agricultural Economists*, a group of experts with a huge knowledge and experience working with cooperatives and participating in government policies regarding producer groups;
2. *Management Center Belgrade*, consulting company that delivers management, finance and marketing trainings to businesses;
3. *Flag Management Services*, consulting company with experience working with community based producer organizations in Vojvodina (support in establishing producer organizations, and management).

We will work with identified and assessed producer organizations from the inventory list (30 POs) and newly nascent producer groups as a result of Agribusiness Project activities (5 POs). Number of assisted producer organizations within tasks 1.1.1.2, and 1.1.1.3 will be minimum of ten and over 120 farmers supported indirectly. Expected number of of new producer organizations created and legally registered, is five.

*Timing: December 2008, and February-March 2009; Type of Assistance: STTA, Trainings and Grants.*

**Activity:** Besides management training program for companies and POs that will be delivered by *Management Center Belgrade* and which we anticipate to be attended by 5-6 POs, the project will provide its support specifically designed for POs' needs. The target group of this tailored training program in POs' overall management will be existing POs, especially those of national character like "Fruits of Serbia" and its sub-associations, and local initiatives for establishment of profit oriented commodity based POs such as those identified in Pirot and Kosjeric. A series of trainings under this program will cover topics such as selection of proposer producer organization form, how to raise members participation, management of membership fees and distribution of profit, commercial loans and collaterals, supplies and sales through a producer organization, development of marketing strategy etc. The activity will be implemented by identified ABDS providers and/or by hiring an STTA.

*Timing: December 2008 – March 2009; Type of Assistance: Trainings and technical assistance; Projected Outcome: 10 producer organizations assisted.*

### ***Objective 1.1.2: Support consistent and standardized production.***

Besides effective management and adequate finance a major problem for Serbian producer organizations and farmers is the inconsistency of production, as farmers find it difficult to produce consistent and standardized output for customers. As an example, sensory quality of Serbian agricultural products is often high, but hygienic quality is poor as GlobalGAP standard is not widely implemented. We suggest developing product specialization through specialized producer organizations to better address such issues.

#### ***Task 1.1.2.1: Implement international product standardization and certification.***

We plan to assist POs through the new overall USAID Agribusiness standards initiative that will start in mid September 2008, in particular to introduce and gain certification in GlobalGAP for exportable fresh fruits and vegetables (Project details are described in the concept paper for Introduction of International Standards and in the Tree Fruit Sector Work Plan). Producer Organizations team will work in close cooperation with subsector leads and Grants and Policies specialists to select and support producer organizations through the certification process. A minimum of 12 producer groups / 150 members will be trained and minimum 6 producer groups / 40 members will receive GlobalGAP or other certification by

the end of the year two. For the standards certification, informal groups gathered around downstream buyers will be considered as producer organizations. Other certification supported will be for ULO/CA cold stores and distribution centers owned by producer organizations that need HACCP/ISO standard. Implementation of standards to herbs and mushroom businesses through their national association (ISO 22000, Organic Wild Collection, FairWild, etc) will be also considered.

During the process of sub-sector assessments we have identified a number of producer organizations that would need GlobalGAP certification.

Berry fruit producer organizations:

- “Ari Nova” Cooperative, Arilje
- “Atle” Association, Belgrade
- “Belanovica” Blueberry growers’ association, Belanovica
- “Mladost” Cooperative, Obrez

Vegetable producer organizations

- “Gospodjinci” Cooperative, Gospodjinci
- “Mladost” Cooperative, Despotovo
- “Association of Begec Vegetable Growers, Begec
- “Zablacanka” Cooperative, Zablance
- “Agrocooperativa” Cooperative, Horgos
- “Natura Coop”, Belgrade

Tree Fruit producer organizations

- “Vocko” Cooperative, Tavankut
- “Prima” Cooperative, Backi Vinogradi
- “Slankamenka” Cooperative, Novi Slankamen
- “Domacin” Cooperative, Topola
- “Cacanska Jabuka” Association, Cacak
- “Green-Group” Cooperative, Sid
- “Dobro Voce” Cooperative, Novi Slankamen

Specific activities will include:

- **Activity 1:** GlobalGAP awareness seminars in Novi Sad, Cacak and Nis. *Timing: Second half of September 2008 – early October 2008;*
- **Activity 2:** Workshops about the GlobalGAP introduction and certification requirements organized in cooperation with the interested producer organizations, which have fulfilled the criteria prescribed by the USAID Agribusiness Project. *Timing: October 2008;*
- **Activity 3:** Financially supporting selected producers to implement requirements and certify to international standards as a test case (certify four producer organizations – at least ten growers of each PO). *Timing: October 2008 – September 2009;*
- **Activity 4:** USAID Agribusiness Project will select qualified service provider for implementation of the awareness seminars and workshops, and preparation of the GlobalGAP info brochures. We will conduct prequalification of the service providers for the GlobalGAP training/consulting and certification. *Timing: October 2008 - September 2009;*
- **Activity 5:** Separate activity of this task will be Dairy farms HACCP certification project which is a subject of new Veterinary law and food safety precondition for

dairy companies export sales. The USAID Agribusiness project will cost share Holstein Farmers Association of Serbia to implement HACCP on 15 individual dairy farms. The Association is umbrella for the implementation; the project will expand outreach to non members, thus, promoting a need for dairy farm certification Serbia wide. The project will train additional 100 farmers on HACCP farm requirements, with the lessons learned from implemented activities. Producer Organizations Development Team will support Dairy Sub-sector Lead to develop and implement dairy farm HACCP certification.

*Timing: October 2008 - July 2009; Type of Assistance: Grants; Projected Outcome: 15 commercial dairy farm agribusinesses HACCP certified, additional 100 farmers trained.*

***Task 1.1.2.2: Improve farm-level and post-harvest productivity and quality.***

Although product certification is important success factor for marketing of farmers' produce, the most critical factor is improved productivity and quality throughout the value chain. The lack of high-quality product at the farm level becomes the weakest link in an otherwise healthy value chain. We will assist sector leads to implement technical assistance and grant packages, identified in their respective work plans, aimed at improving the level of productivity, reducing the cost of production, improving product quality and marketability (For further details see the six value chain work plans for year two).

Specific actions will include:

- Provide technical experts / suppliers to work with local ABDS providers and extension workers to provide services on:
  - Adequate crop protection, nutrient management, tree pruning and fruit size management;
  - Optimum time for harvesting, post harvest practices, optimal storage conditions, average longevity, and post harvest physiology;
  - Introduction/application of new post-harvest technologies to extend fresh produce shelf life (dynamic ULO, SmartFresh, modified atmosphere for berry fruit,etc)
  - Selective breeding and improved feeding regimes to increase milk yields per cow / meet yields per beef cattle;
  - Critical milk volumes and quality control for regional medium size dairies;
- Support through technical advisors, ABDS providers and suppliers:
  - Off-season production of vegetables and berries under greenhouses or other methods of covered cultivation;
  - Introduction of irrigation, anti-hail and anti-frost systems;
  - Nurseries for improved seedlings and planting material for fruits and vegetables;
- Laboratories for analyzing product quality, test standardization and quality control, support to development of recognized accredited laboratories;
- Organize study tours to overseas advanced producer organizations and ABDS providers.

***Activity: Training in improved post harvest and storing techniques and practices for vegetables:*** Trainings will be held by a local specialist in post harvest. This activity is in a preparatory phase and will be conducted out of the production season in period December – February. The products that training program will cover are root crops and other storable vegetables. Four trainings will be held in North Vojvodina, Central Serbia, Pomoravlje and

South of Serbia region with participation of cooperatives Gospodjinci, Zablacanka, Begeg, Kondor, Agrokooperativa and others.

*Timing: December 2008 – March 2009; Type of Assistance: Trainings and technical assistance; Projected Outcome: 10 producer organizations assisted, production losses cut by 20 %, increased knowledge of 200 producers*

**Activity: Study tour to advanced fruit growing operations in Italy, South Tyrol.** Visit to Cooperative Association of Val Venosta, Workgroup for Integrated Fruit Production in South Tyrol and the Fruttunion association of fruit and vegetable import-export wholesalers. Ten tree fruit ABDS providers and representatives of producer organizations from Serbia will participate. *Timing: March 2009; Duration time: 3-5 days. Type of Assistance: Grant.*

**Task 1.1.2.3: Support consolidation of farmers produce and marketing.** The overall strategy of the Project is to work with the larger associations and cooperatives to ensure that they are fully, business, quality standards, and marketing compliant and can increase their joint sales/export capacity. We will assist sector leads to implement technical assistance and grant packages, identified in their respective work plans, aimed at improving consolidation of producer organizations production and marketing.

The Project will support POs in carrying out feasibility studies, and planning and budgeting for construction of consolidation centers and cold stores for fresh produce. **Example:** producer organizations, fruit and vegetable growers from Cacak supported by local government and Fruit Research Institute from Cacak.

Consolidation efforts such as the initiative of “Fruitland” association of tree fruit cooperatives to consolidate product, offer and improve joint market access through introduction of tailor-made software for supply chain and inventory management of ULO cold stores, will be supported through grants scheme.

**Objective 1.3: Marketing.** Producer organization marketing skills are varying in regard to sub-sector and type of organization depending upon the level of integration of the POs in the value chain. We will try to incorporate marketing components into planned management trainings to achieve full and sustainable impact.

Producer organizations and farmers currently do not have sound price formation mechanisms and direct access to reliable information about business opportunities, such as price and market information and adequate marketing channels. Producer organizations team will support activities of the Agro Info Policy Specialist to develop market information systems that will be used by producer organizations.

Activities pertaining to promotion and sales of final outputs of producer organizations will be conducted in conjunction with USAID Agribusiness Project Marketing/Export team, and will include (*For more details please see the overall Sales & Marketing section*):

- Support larger associations and their members to participate in international trade fairs and study tours;
- For fresh produce associations, promote sales delegation trips to local trade fairs, regional markets, and major international markets in Russia and Europe;

## **PROJECTED OUTPUTS FOR YEAR 2**

- Average score of assisted producer organizations on the Organizational Capacity Assessment Tool determined and set as a baseline for measuring changes in capacity growth;



## USAID Agribusiness Project

- Number of producer organizations/ members trained in GlobalGAP 12/150, and certified in GlobalGAP or other standard 6/40;
- Number of producer organizations assisted as part of the USAID Agribusiness Project - 50 (cumulative);
- Number of new members joining USAID Agribusiness Project-assisted producer organizations - 120 total new members. Projected indicator from the Project's PMP is ambitious; and
- Total dollar value of increased member sales through USAID Agribusiness Project-assisted producer organizations \$1 million

| <b>PRODUCER ORGANIZATIONS</b>   | <b>Responsibility</b>       | <b>M1</b> | <b>M2</b> | <b>M3</b> | <b>M4</b> | <b>M5</b> | <b>M6</b> | <b>M7</b> | <b>M8</b> | <b>M9</b> | <b>M10</b> | <b>M11</b> | <b>M12</b> |
|---|-----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
| <b>Component 1: Increased Efficiency and Competitiveness of Serbian Agribusiness</b>  |                             |           |           |           |           |           |           |           |           |           |            |            |            |
| <i>Objective 1.1: Strengthen organizational capacities of producer groups</i>   |                             |           |           |           |           |           |           |           |           |           |            |            |            |
| <i>Task 1.1.1: Conduct organizational capacity self-assessment of selected producer organizations based on OCAT methodology</i>                                 | <b>GD, PC</b>               |           |           |           |           |           |           |           |           |           |            |            |            |
| Training of trainers - OCA facilitators   | <b>GD, PC</b>               |           |           |           |           |           |           |           |           |           |            |            |            |
| Completion of external assessment through field visits  | <b>GD, PC, sector leads</b> |           |           |           |           |           |           |           |           |           |            |            |            |
| Ranking process   | <b>GD, PC, sector leads</b> |           |           |           |           |           |           |           |           |           |            |            |            |
| Preparing initial assessment reports  | <b>GD, PC</b>               |           |           |           |           |           |           |           |           |           |            |            |            |
| Feedback to producer organizations, follow-up consultations   | <b>GD, PC, sector leads</b> |           |           |           |           |           |           |           |           |           |            |            |            |
| Writing final reports   | <b>GD, PC</b>               |           |           |           |           |           |           |           |           |           |            |            |            |
| <i>Task 1.1.2: Continue needs assessments of newly emerged and nascent producer organizations</i>   | <b>GD, PC, sector leads</b> |           |           |           |           |           |           |           |           |           |            |            |            |
| Needs assessments of newly emerged and nascent producer organizations that are part of identified value chains and commodity action plans (continuous activity) | <b>GD, PC, sector leads</b> |           |           |           |           |           |           |           |           |           |            |            |            |
| <i>Task 1.1.3: Support commodity-based producer organizations</i>   | <b>GD, PC</b>               |           |           |           |           |           |           |           |           |           |            |            |            |
| Identify specific ABDS providers for producer organizations   | <b>GD, PC, NP</b>           |           |           |           |           |           |           |           |           |           |            |            |            |

| <b>PRODUCER ORGANIZATIONS</b>   | <b>Responsibility</b>                    | <b>M1</b> | <b>M2</b> | <b>M3</b> | <b>M4</b> | <b>M5</b> | <b>M6</b> | <b>M7</b> | <b>M8</b> | <b>M9</b> | <b>M10</b> | <b>M11</b> | <b>M12</b> |
|---|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
| <b>Component 1: Increased Efficiency and Competitiveness of Serbian Agribusiness</b>  |  |           |           |           |           |           |           |           |           |           |            |            |            |
| Conduct management and finance trainings and provide technical assistance using ABDS providers  | <b>GD, PC</b>                            |           |           |           |           |           |           |           |           |           |            |            |            |
| <b>Objective 1.1: Strengthen organizational capacities of producer groups</b>   |  |           |           |           |           |           |           |           |           |           |            |            |            |
| <b>Task 1.1.4: Assist transition of informal groups and non-profit associations to profit-oriented cooperatives</b>                           | <b>GD, PC</b>                            |           |           |           |           |           |           |           |           |           |            |            |            |
| Identify specific ABDS providers for producer organizations   | <b>GD, PC, NP</b>                        |           |           |           |           |           |           |           |           |           |            |            |            |
| Conduct management and finance trainings and provide technical assistance using ABDS providers  | <b>GD, PC</b>                            |           |           |           |           |           |           |           |           |           |            |            |            |
| Increase number of new commodity-based producer organizations, for-profit organizations   | <b>GD, PC</b>                            |           |           |           |           |           |           |           |           |           |            |            |            |
| <b>Objective 1.2: Support consistent and standardized production</b>  |  |           |           |           |           |           |           |           |           |           |            |            |            |
| <b>Task 1.2.1: Implement international product standardization and certification</b>  | <b>BO, GR, GD, PC, SDJ, sector leads</b> |           |           |           |           |           |           |           |           |           |            |            |            |
| GlobalGAP awareness seminars in Novi Sad, Cacak and Nis   | <b>BO, GR, GD, PC, SDJ, sector leads</b> |           |           |           |           |           |           |           |           |           |            |            |            |
| Workshops about the GlobalGAP introduction and certification requirements organized in cooperation with the interested producer organizations | <b>BO, GR, GD, PC, SDJ, sector leads</b> |           |           |           |           |           |           |           |           |           |            |            |            |
| Financially supporting selected producers to implement requirements and certify international standards as a test case                        | <b>BO, GR, GD, PC, SDJ, sector leads</b> |           |           |           |           |           |           |           |           |           |            |            |            |



USAID Agribusiness Project

| PRODUCER ORGANIZATIONS   | Responsibility                  | M1 | M2 | M3 | M4 | M5 | M6 | M7 | M8 | M9 | M10 | M11 | M12 |
|--|---------------------------------|----|----|----|----|----|----|----|----|----|-----|-----|-----|
| <b>Component 1: Increased Efficiency and Competitiveness of Serbian Agribusiness</b>   |                                 |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Task 1.2.2: Improve farm-level and post-harvest productivity and quality for producer organizations</i><br>(continuous activity in support to sub-sector workplans) | <b>GD, PC,<br/>sector leads</b> |    |    |    |    |    |    |    |    |    |     |     |     |
| Enhance adoption and use of new technologies through producer organizations (in support to sub-sector workplans)   | <b>GD, PC,<br/>sector leads</b> |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Task 1.2.3: Support consolidation of farmers produce and marketing for producer organizations</i><br>(continuous activity in support to sub-sector workplans)       | <b>GD, PC,<br/>sector leads</b> |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>Objective 1.3: Marketing (in support to Marketing and Sales Workplan)</b>   |                                 |    |    |    |    |    |    |    |    |    |     |     |     |
| Support larger associations and their members to participate in international trade fairs and study tours  | <b>GD, PC, NP,<br/>RL</b>       |    |    |    |    |    |    |    |    |    |     |     |     |
| Promote sales delegation trips to local trade fairs, regional markets, and major international markets in Russia and Europe  | <b>GD, PC, NP,<br/>RL</b>       |    |    |    |    |    |    |    |    |    |     |     |     |

## 1.2: IMPROVE ABDS DELIVERY

To compete in their markets, input suppliers, farmers, and firms all along each value chain (See Table 1 at the end of this section for Value Chain ABDS services expected in Year 2) will need a consistent stream of qualified technical support to help them upgrade their skills.

The USAID Agribusiness Project hired an ABDS expert, **Nenad Popadić**, who will ensure coordination of provision of these skills in technical, management, marketing and financial areas to the targeted subsectors. Given the relatively scarce supply of ABDS in Serbia, technical assistance to firms in key points along each value chain will be initiated by the USAID Agribusiness Project staff in an effort to build a network of sustainable ABDS providers.

The USAID Agribusiness Project will enhance the capacity of local ABDS to serve the needs of the value chains, while ensuring that there is demand for such services, to guarantee sustainability.

### *Task 1.2.1: Develop ABDS network*

- The USAID Agribusiness Project's crosscutting activities to build the supply of market-driven services will include development of generic and value chain specific ABDS providers' network, while actively engaging them for implementing specific assignments (*for detailed activities please refer to the cross-cutting and sub-sector ABDS activities*). We will have identified around 100 public and private ABDS providers by the end of Year 2 that cover a wide range of products and services, such as:
  - fruits and vegetables growing (Agricultural Innovation Center, Arilje)
  - animal breeding and feeding (Taurus, Vrsac)
  - veterinary and other extension services
  - quality management systems implementation and certification (Qualitass, Novi Sad)
  - market information and export promotion (AgroNews, Belgrade)
  - consulting and other advisory services (Agrar Kontakt, Belgrade)
  - application of specialized computer software in agriculture (Dva S, Kragujevac)
  - post-harvest handling, storage and shipping
  - business management trainings (Management Center Belgrade)
- **Memorandum of Understanding** for the USAID Agribusiness Project's ABDS providers' database registration is prepared and will be distributed throughout Serbia for signing starting in September 2008.
- USAID Agribusiness Project will also help establish needed ABDS that do not exist in Serbia. Where no ABDS exist as a match to producer organization needs, the USAID Agribusiness Project will use grant funds for ABDS start-up on a cost-share basis.

***Task 1.2.2: Improve access to financial services by Serbian agribusiness.***

Agribusinesses in Serbia face significant problems in accessing loans for working capital and investment, although the agricultural sector represents a large and attractive market that is critical to the growth of the economy.

- Nenad Popadić, our new ABDS/Finance advisor (with assistance from Mary Miller, DAI's Finance specialist), will:
  - Develop a program for strengthening the network of financial ABDS providers who can develop costing and financial feasibility studies for particular business investments and alternatives.
  - Facilitate dissemination of information about government/bank/donor credit/loan packages for agribusinesses.
  - Assist banks and other financial institutions in developing credit facilities demanded by stronger value chain clients and identify lenders willing to develop their agricultural finance capacity, and work with them to develop credit facilities to respond to particular needs for financing for upgrading and ongoing operations.
  - Improve collateralization of farms through legal registration - work with associations and the Ministry to register farms, making them eligible for governmental financial assistance and commercial loans.
- USAID Agribusiness Project is working with the Republic Agency for Development of SME to publish a guide "Credit lines in agribusiness", to inform and educate agribusiness entrepreneurs. They will fund this one and their "Credit Lines for SME" brochure to be printed in time for the November "Business Base" fair in Belgrade.
  - Date: November - December, 2008
  - Expected deliverables: 1,000 Agribusiness brochures
- Improve knowledge and bankability of agribusinesses. In addition to developing appropriate banking products, we will conduct seminars in conjunction with bank loan officers, to educate them on mitigating risk in lending to agriculture and agribusiness, and will invite bankers to technical information sessions held for value chain clients, both to familiarize them with upgrading techniques and steps and to introduce them to value chain clients in a low-pressure venue. We will focus on a core group of lenders such as Agrobanka, Procredit Bank, Opportunity International, Credit Agricole, Societe Generale and Piraeus Bank, etc.
  - Date: December 2008 – March 2009
  - Expected deliverables: Seminars and workshops, 300 agribusiness entrepreneurs informed

## **ABDS by sub-sectors**

*(Note: The costs given below are only indicative, for better estimation of the budgets broken down by specific activities please refer to the subsector work plans in Annex 2)*

### **Tree Fruit**

#### ***Task 1.2.3: Improved productivity, quality and sustainability of fruit production systems that meet market demand in tree fruit subsector.***

- Activity: Technical assistance and grants to improve ABDS capacity to provide effective and quality services to tree fruit growers and ULO operators.
- Date: November 2008 – April 2009
- Deliverable: Up to 10 ABDS providers will be trained and over 500 fruit growers supported.

##### ***Sub-task 1.2.3.1: Improved harvest and post harvest management through ABDS providers.***

- Activity 1: Upgrade ULO/CA storage technology for fresh apples through training of ABDS providers in fruit physiology issues for the ULO storage in accordance with different apple varieties and other conditions.
- Date: January – February 2009
- Deliverable: Up to 5 ABDS providers will be trained and 100 fruit growers supported.
- Activity 2: Training of ABDS providers for introduction/application of new post-harvest technologies to extend fresh produce shelf life.
- Date: January – February 2009
- Deliverable: Up to 5 ABDS providers will be trained and 100 fruit growers supported.

##### ***Sub-task 1.2.3.2: Improve farm-level productivity and quality through ABDS providers.***

- Activity 1: Training of ABDS providers in improved pest management, nutrient management, tree pruning, fruit size management, and use of plant growth regulators.
- Date: November – December 2008
- Deliverable: Up to 10 ABDS providers will be trained and 200 fruit growers supported.
- Activity 2: Support a Sombor-based tree fruit ABDS provider (in cooperation with other regional providers) to launch a pilot Project in Northern Vojvodina concerning development of Pest-watch advisory web portal.
- Date: November 2008 – March 2009
- Deliverable: Pest-watch advisory web portal –new ABDS service introduced, 500 fruit growers supported.
- Activity 3: Organize study tours to overseas advanced producer organizations, ABDS providers, and/or equipment suppliers (study tours to advanced fruit growing operations in Italy).
- Date: March 2009
- Deliverable: 10 ABDS providers and 15 fruit growers trained.
- Activity 4: Assist regional ABDS providers to improve provision of services in support to improved growing practices and product standardization (Implementing accreditation of Arilje Agro-innovation Center's laboratory through grants scheme).
- Date: October 2008 – September 2009
- Deliverable: Arilje Agro-innovation Center's laboratory accredited enabling future support of 100 fruit growers.

## **Berry Fruit**

### ***Task 1.2.4: Build the supply and develop capacities for business services in berry fruit subsector***

- Training of trainers to develop capacities of ABDS providers in: grading, storing, packing, labeling, logistics management, cold chain management, PDO/PGI protection, and/or Global Gap certification.
- Date: November 2008 – April 2009
- Deliverable: 2 STTA providers hired, 8 ABDS providers trained, 12 POs and food-processing companies assisted/trained; US\$50,000 of new revenues achieved

### ***Task 1.2.5 Develop relationships with international suppliers to support application of their inputs and services/training programs in Serbia in berry fruit subsector***

- Training of ABDS providers in the area of post-harvest technologies to extend products' shelf-life, planting material, anti frost equipment, EU food packaging & labeling requirements, cold chain management, and PDO/PGI.
- Date: November 2008 – April 2009
- Deliverable: 3 ABDS providers assisted, 2 new ABDS started, \$80,000 of new revenues achieved; total transaction(s) value \$100,000 within one year after its inception.

### ***Task 1.2.6: Improve access to domestic and international markets in berry fruit subsector (For more details please see section on Marketing)***

- Activity 1: Support capable ABDS provider(s) to deliver trainings in market research, marketing and contract negotiation for producer organizations and food-processing companies.
- Date: October 2008 – May 2009
- Deliverable: 2 ABDS providers assisted; 10 producer organizations and food-processing companies trained; US\$50,000 of new revenues achieved.
- Activity 2: Support ABDS providers and/or national associations to enhance fresh, organic and/or processed berry fruit domestic sales and exports through co-funding exhibition of berry fruit producers and/or processors at relevant trade fairs such as Fruit Logistica (fresh), BioFach (organic), Fancy Food - New York, IFE - London, Anuga - Cologne, World Food - Moscow and others.
- Date: October 2008 – June 2009
- Deliverable: 15 producer organizations/food-processing companies and/or ABDS providers assisted to participate in 8 trade fairs; estimated \$4,800,000 of new revenues/exports achieved.
- Activity 3: Assist ABDS providers and/or national associations to conduct sales delegation trips to regional and/or major international markets in Russia and Europe, assess market demands and competition, and meet with potential buyers and begin negotiation process.
- Date: October 2008 – June 2009
- Deliverable: 2 sales missions conducted, 8 businesses/ABDS providers assisted, \$100,000 of new revenues achieved within one year after the implementation
- Activity 4: Assist the industry awareness campaign and fund Projects aimed at protecting geographic origin in EU for the products with high marketing potentials, such as Arilje raspberries. The purpose of the Project's funding will be for the client

and their partnering ABDS providers to carry out studies needed to meet EU requirements for obtaining PDO/PGI and/or conduct various marketing activities that will enable the PDO/PGI holders to take advantage of protected geographic origin of their products.

- Date: October 2008 – June 2009
- Deliverable: At least 1 PDO/PGI obtained, 6 businesses-PDO/PGI holders directly assisted, \$50,000 of new/additional revenues achieved.

### **Herbs, mushrooms and forest fruit**

#### ***Task 1.2.7: Build the supply and develop capacities for business services in herbs, mushrooms and forest fruit subsector***

- Activity 1: Improve design, packaging, and labeling in three companies (Bilje Borca, Interfood 60 and Strela Klačić) by training ABDS providers in marketing techniques to improve services delivered to these companies.
- Date: January 2009 – March 2009
- Deliverable: At least three companies will enter new markets achieving \$500,000 of additional sales.
  
- Activity 2: Assist ABDS providers to deliver training in management, sales, marketing, and negotiation skills for export oriented companies.
- Date: November 2008 – March 2009
- Deliverable: At least seven companies will be trained.

### **Livestock**

#### ***Task 1.2.8 Build Capacity to Increase Exports and Domestic Sales of Baby Beef***

- Activity 1: Link producer organizations, individual farmers, ABDS providers (Agrar Kontakt and local providers) and Slaughterhouses through the training sessions in five regions in Serbia (Piroć, Nis, Krusevac, Ćacak and Uzice). The aim of this project is to develop and improve livestock production and related extension services, as well as to improve economical position of farmers; deliver information on modern farm management and ways of cattle breeding, including animal housing, preparing food, milking techniques and equipment, proper way of pasture using, crops growing and protection, etc.
- Date: September 2008 – February 2009
- Deliverable: 150 farmers, 10 producer organizations, 5 ABDS providers and 3 slaughterhouses will be trained.
  
- Activity 2: Support creation of ABDS providers specialized in cattle registration and certification in the region of Tutin, Sjenica, Prijepolje and Piroć, which is a prerequisite for farmers to become eligible to receive subsidies for their animals by the Ministry of Agriculture.
- Date: December 2008 – March 2009
- Deliverable: 5,000 cattle certified and registered and 5 ABDS providers self-sustainable.
  
- Activity 3: Support ABDS provider IMPAK to organize a study tour for Serbian meat producers and ABDS providers to Croatia and an EU country to visit and compare

farms and livestock associations in these two countries at different levels of economic development and adopt positive experience in the livestock breeding.

- Date: March 2009
- Deliverable: 10 farmers and 10 ABDS providers trained, best practices in livestock breeding, EU standards implementation and good farm management adopted
- Activity 4: Support ABDS provider SFS Center to provide the sophisticated trainings in microbiology for other ABDS providers whom the Agribusiness Project will work with.
- Date: February – May 2009
- Deliverable: 10 ABDS providers trained (such as AGRAR KONTAKT, IMPAK, SUOOKS, TAURUS, and MAKSI FARMA).

## **Vegetables**

### ***Task 1.2.9: Build the supply and develop capacities for business services in vegetable subsector***

- Activity 1: Support ABDS providers to conduct four training workshops on implementation of new vegetable varieties with high market demand.
- Date: November 2008 – February 2009
- Deliverable: At least 80 farmers and representatives of POs and processing companies will be trained.
- Activity 2: Support a local ABDS provider to conduct two training workshops on implementation of new vegetable varieties that will extend production/growing season (assortments, technology and advantages of such production).
- Date: November 2008 – February 2009
- Deliverable: At least 40 farmers and representatives of POs and processing companies will be trained.
- Activity 3: Support a local ABDS consultant, Zoran Ilic, a professor and a specialist in post harvest and storing techniques and practices, to conduct four training workshops in North Vojvodina, Central Serbia, Pomoravlje and Southern Serbia regions.
- Date: December 2008 – February 2009
- Deliverable: At least 120 farmers and representatives of POs and processing companies will be trained.
- Activity 4: Support a local ABDS consultant, Zoran Ilic, a professor and a specialist in post harvest and storing techniques and practices, to conduct training workshops for ABDS providers.
- Date: December 2008 – February 2009
- Deliverable: At least 15 ABDS providers will be trained.
- Activity 5: Assist a local ABDS provider to conduct training workshops in proper packaging, labeling, promotion and marketing for producers and processors of fresh and organic vegetables.
- Date: December 2008 – February 2009
- Deliverable: At least 25 producers and processors will be trained.

- Activity 6: Facilitate a study tour for the ABDS providers (such as “Agro Protect” and “Agrobiznis Centar”) to transfer knowledge about modern methods of ABDS business management and operations.
- Date: March 2009
- Deliverable: At least 5 ABDS providers will be trained.

## **Dairy**

### ***Task 1.2.10: Build the supply and develop capacities for business services in dairy subsector***

- Activity 1: Support implementation of the National Dairy Milk Quality and Farm Management Campaign in cooperation with dairy companies and regional ABDS providers (led by Taurus Agro consulting).
- Date: October 2008 – July 2009
- Deliverable: 50 farms and additional 300 farmers for general training sessions, 6 ABDS providers, two Ministry of Agriculture Centers for Rural Development, 3 Farmers cooperatives and 7 Dairies included in the program.
  
- Activity 2: Facilitate dairy awareness study tour to Dairy State of Wisconsin in cooperation with Cooperative Resources International to promote the U.S. know-how in Serbia and adopt new skills for development of commercial farms, farm management programs, new dairy products and PO development.
- Date: March 2009
- Deliverable: 15 dairy stakeholders (dairy companies, ABDS providers, farmers and local/regional institutions representatives) participated in this study tour.
  
- Activity 3: Assist a local ABDS provider in developing a specialized dairy website featuring production, marketing, new technology and policy issues. Website will have monthly e-newsletter and will be developed in coordination with other ABDS providers and dairy companies.
- Date: October 2008 – September 2009
- Deliverable: A specialized dairy website developed, at least 500 users expected.
  
- Activity 4: Facilitate creation of ABDS providers’ network related to Dairy Farm management, Artificial Insemination and Veterinary Services. Taurus Agro consulting will coordinate training of regional ABDS providers to build functional relations that will lead to creation of ABDS network. The Project will support the registration of a network, promotion and making of visual identity (website, promo material).
- Date: December 2008 – February 2009
- Deliverable: Dairy ABDS providers’ network created and functional.
  
- Activity 5: Enable introduction of IT support for dairy company management through activities of a specialized ABDS provider. The Project will assist the ABDS provider to support 5 dairies in implementing dairy management software that will increase efficiency of milk supply logistics and return on investments.
- Date: October 2008 – March 2009
- Deliverable: Dairy management software implemented in five dairies.

| ABDS   | Responsibility | M1 | M2 | M3 | M4 | M5 | M6 | M7 | M8 | M9 | M10 | M11 | M12 |
|--|----------------|----|----|----|----|----|----|----|----|----|-----|-----|-----|
| <b>Component 1: Increased Efficiency and Competitiveness of Serbian Agribusiness</b>   |                |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>Objective 1.2: Improve ABDS Delivery</b>  |                |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Task 1.2.1: Build the supply for business services.</i>   |                |    |    |    |    |    |    |    |    |    |     |     |     |
| Continue developing a database of ABDS providers to reach 100  | NP             |    |    |    |    |    |    |    |    |    |     |     |     |
| Help establish needed ABDS that do not exist in Serbia   | NP             |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Task 1.2.2: Improve access to financial services by Serbian agribusiness.</i>   |                |    |    |    |    |    |    |    |    |    |     |     |     |
| Publish a guide “Credit lines in agribusiness”, to inform and educate agribusiness entrepreneurs   | NP/BO/GR       |    |    |    |    |    |    |    |    |    |     |     |     |
| Improve knowledge and bankability of agribusinesses - conduct seminars in conjunction with bank loan officers                                    | NP             |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>ABDS by SUB-SECTORS</b>   |                |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>Tree Fruit</b>  |                |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Task 1.2.3: Improved productivity, quality and sustainability of fruit production systems that meet market demand in tree fruit subsector</i> |                |    |    |    |    |    |    |    |    |    |     |     |     |
| Technical assistance to improve ABDS capacity to provide services to tree fruit growers and ULO operators  | PC             |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Sub-task 1.2.3.1: Improved harvest and post harvest management through ABDS providers</i>   |                |    |    |    |    |    |    |    |    |    |     |     |     |
| ULO/CA storage technology for fresh apples - training of ABDS providers in fruit physiology issues for the ULO storage                           | PC             |    |    |    |    |    |    |    |    |    |     |     |     |
| Training of ABDS providers for introduction/application of new post-harvest technologies to extend fresh produce shelf life                      | PC             |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Sub-task 1.2. 3.2: Improve farm-level productivity and quality through ABDS providers</i>   |                |    |    |    |    |    |    |    |    |    |     |     |     |
| Training of ABDS providers in improved pest, nutrient, fruit size management, and use of plant growth regulators                                 | PC             |    |    |    |    |    |    |    |    |    |     |     |     |

| ABDS  | Responsibility | M1 | M2 | M3 | M4 | M5 | M6 | M7 | M8 | M9 | M10 | M11 | M12 |
|---|----------------|----|----|----|----|----|----|----|----|----|-----|-----|-----|
| Support a tree fruit ABDS provider to launch a pilot Project concerning development of Pest-watch advisory web portal   | PC             |    |    |    |    |    |    |    |    |    |     |     |     |
| Organize study tours to overseas advanced producer organizations, ABDS providers, and/or equipment suppliers in Italy   | PC             |    |    |    |    |    |    |    |    |    |     |     |     |
| Assist regional ABDS providers to improve services in support to improved growing practices   | PC             |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>Berry Fruit</b>  |                |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>Task 1.2.4: Build the supply and develop capacities for business services in berry fruit subsector</b>   |                |    |    |    |    |    |    |    |    |    |     |     |     |
| Training of trainers to develop capacities of ABDS providers in logistics and cold chain management, PDO/PGI protection, and/or Global Gap certification                      | SM             |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>Task 1.2.5 Develop relationships with international suppliers to support application of their inputs and services/training programs in Serbia in berry fruit subsector</b> |                |    |    |    |    |    |    |    |    |    |     |     |     |
| Training of ABDS providers in the area of post-harvest technologies to extend products' shelf-life  | SM             |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>Task 1.2.6: Improve access to domestic and international markets in berry fruit subsector</b>  |                |    |    |    |    |    |    |    |    |    |     |     |     |
| Support capable ABDS provider(s) to deliver trainings in market research, marketing and contract negotiation for producer organizations and food-processing companies         | SM             |    |    |    |    |    |    |    |    |    |     |     |     |
| Support ABDS providers and/or national associations to enhance fresh, organic and/or processed berry fruit domestic sales and exports through                                 | SM             |    |    |    |    |    |    |    |    |    |     |     |     |
| Assist ABDS providers and/or national associations to conduct sales delegation trips to regional and/or major international markets in Russia and Europe                      | SM             |    |    |    |    |    |    |    |    |    |     |     |     |
| Assist implementation of the industry awareness campaign and fund Projects aimed at protecting geographic origin in EU  | SM             |    |    |    |    |    |    |    |    |    |     |     |     |

| ABDS  | Responsibility | M1 | M2 | M3 | M4 | M5 | M6 | M7 | M8 | M9 | M10 | M11 | M12 |
|---|----------------|----|----|----|----|----|----|----|----|----|-----|-----|-----|
| <b><i>Herbs, mushrooms and forest fruits</i></b>  |                |    |    |    |    |    |    |    |    |    |     |     |     |
| <b><i>Task 1.2.7: Build the supply and develop capacities for business services in herbs, mushrooms and forest fruit subsector</i></b>                  |                |    |    |    |    |    |    |    |    |    |     |     |     |
| Improve design, packaging, and labeling in three companies by training ABDS providers in marketing techniques   | VP             |    |    |    |    |    |    |    |    |    |     |     |     |
| Assist ABDS providers to deliver training in management, sales, marketing, and negotiation skills for export oriented companies                         | VP             |    |    |    |    |    |    |    |    |    |     |     |     |
| <b><i>Livestock</i></b>   |                |    |    |    |    |    |    |    |    |    |     |     |     |
| <b><i>Task 1.2.8 Build Capacity to Increase Exports and Domestic Sales of Baby Beef</i></b>   |                |    |    |    |    |    |    |    |    |    |     |     |     |
| Link producer organizations, individual farmers, ABDS providers and Slaughterhouses through the training sessions in five regions in Serbia             | DJL            |    |    |    |    |    |    |    |    |    |     |     |     |
| Support creation of ABDS providers specialized in cattle registration and certification in the region of Tutin, Sjenica, Prijepolje and Pirot           | DJL            |    |    |    |    |    |    |    |    |    |     |     |     |
| Support ABDS provider IMPAK to organize a study tour for Serbian meat producers and ABDS providers to Croatia and an EU country                         | DJL            |    |    |    |    |    |    |    |    |    |     |     |     |
| Support ABDS provider SFS Center to provide the sophisticated trainings in microbiology for other ABDS providers  | DJL            |    |    |    |    |    |    |    |    |    |     |     |     |
| <b><i>Vegetables</i></b>  |                |    |    |    |    |    |    |    |    |    |     |     |     |
| <b><i>Task 1.2.9: Build the supply and develop capacities for business services in vegetable subsector</i></b>  |                |    |    |    |    |    |    |    |    |    |     |     |     |
| Support ABDS providers to conduct four training workshops on implementation of new vegetable varieties with high market demand                          | RV             |    |    |    |    |    |    |    |    |    |     |     |     |
| Support a local ABDS provider to conduct two training workshops on implementation of new vegetable varieties that will extend production/growing season | RV             |    |    |    |    |    |    |    |    |    |     |     |     |

| ABDS   | Responsibility | M1 | M2 | M3 | M4 | M5 | M6 | M7 | M8 | M9 | M10 | M11 | M12 |
|--|----------------|----|----|----|----|----|----|----|----|----|-----|-----|-----|
| Support a local ABDS consultant to conduct four training workshops in North Vojvodina in post harvest and storing techniques and practices                                     | RV             |    |    |    |    |    |    |    |    |    |     |     |     |
| Support a local ABDS consultant to conduct training workshops for ABDS providers in post harvest and storing techniques and practices  | RV             |    |    |    |    |    |    |    |    |    |     |     |     |
| Assist a local ABDS provider to conduct training workshops in proper packaging, labeling, promotion and marketing for producers and processors of fresh and organic vegetables | RV             |    |    |    |    |    |    |    |    |    |     |     |     |
| Facilitate a study tour for the ABDS providers to transfer knowledge about modern methods of ABDS business management and operations   | RV             |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>Dairy</b>   |                |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>Task 1.2.10: Build the supply and develop capacities for business services in dairy subsector</b>   |                |    |    |    |    |    |    |    |    |    |     |     |     |
| Support implementation of the National Dairy Milk Quality and Farm Management Campaign in cooperation with dairy companies and regional ABDS providers (led by Taurus)         | GJ             |    |    |    |    |    |    |    |    |    |     |     |     |
| Facilitate dairy awareness study tour to Dairy State of Wisconsin in cooperation with Cooperative Resources International to promote the U.S. know-how in Serbia               | GJ             |    |    |    |    |    |    |    |    |    |     |     |     |
| Assist a local ABDS provider in developing a specialized dairy website featuring production, marketing, new technology and policy issues                                       | GJ             |    |    |    |    |    |    |    |    |    |     |     |     |
| Facilitate creation of ABDS providers' network related to Dairy Farm management, Artificial Insemination and Veterinary Services   | GJ             |    |    |    |    |    |    |    |    |    |     |     |     |
| Enable introduction of IT support for dairy management through activities of a specialized ABDS provider   | GJ             |    |    |    |    |    |    |    |    |    |     |     |     |

### 1.3: SALES & MARKETING

Sales and Marketing has the five year goal to improve access to domestic and international markets for Serbian agribusinesses. The USAID Agribusiness Project must address two factors so that Serbian agribusinesses may improve market access. First, we must continue to help producers gain a deeper understanding of product and delivery requirements and pricing in domestic and international markets, by developing better sales, marketing and negotiation skills, and by obtaining greater exposure to buyers through buyer visits, international fairs and the Internet. Although our general philosophy is not to differentiate strongly between the domestic and international market—there is no safe home market for producers who cannot meet international quality, cost, production capacity and service standards—we plan to continue our work with producer associations specifically on driving demand for Serbian brands in the domestic market such as with Metro, Mercator/Rodic and Delta Maxi.

Second, the Project will continue to focus on the public sector marketing support infrastructure for Serbian agriculture. Past work by USAID projects with the Serbia Investment and Export Promotion Agency (SIEPA) and the MAFWM has shown that Serbian government marketing and promotion programs can provide a catalyst for new exporters and small producers to develop new markets. This support is critical in Serbia because so many producers lack the skills, knowledge, and funds to get started on their own. It has also proven to be sustainable, with producers receiving one to three years of support during which they gain the experience and resources to make it on their own; however, with an increasing cost share process so that they have a greater appreciation of the investment versus financial return.

The USAID Agribusiness Project's market development team, led by Remer Lane and Jovana Ducic-Savic, will expand on their services to the six value chains. In addition, Sales and Marketing will continue to develop relations with Producer Organizations, leading private sector firms and government support agencies to improve the effectiveness of programs specifically focusing on transparent and results-oriented selection of producers for fairs and other marketing programs, monitoring of results, and phased graduation of producers from assistance. They will also help SIEPA and "Fruits of Serbia" Association to develop new sources of export promotion capital through the regional Local Economic Development offices in coordination with NALED and regional Chambers of Commerce to grow the overall size of their programs.

The USAID Agribusiness Project's plan for improving market access includes:

#### ***Task 1.3.1 Trade Fair Support***

Improve the effectiveness, volume, and reach of business and government support for international fairs and other promotions. Our first year program launch has yielded an estimated \$36 million in potential new business for Serbian companies; of which, \$6 million was delivered immediately. The following tasks effectively make up a Scope of Work for each of the planned Fairs and approving the work plan should be sufficient USAID technical approval for all of these fairs.

SIEPA, the Ministry of Agriculture Forestry and Water Management (MAFWM) and the Ministry of Trade & Services have taken over primary support for international fairs. These include the World Foods Moscow and SIAL both of which will take place within the next 60

days. Our proposed program includes at least eight (8) international fairs, six (7) Sales Missions to regional and international fairs and markets; and three (3) domestic fairs in the 2008/2009 work plan cycle to be organized directly and in coordination with SIEPA and MAFWM in a number of ways.

- We will continue to identify and support the development of new trade fair opportunities and assist with systems for direct training of firms to optimize their participation in trade shows. This will start immediately with Remer Lane working on the World Foods Moscow and SIAL shows with Sales and Marketing Trainings, Buyer Linkages, Distribution Strategies and Linkages, Negotiation and Contract facilitation and overall direct sales support.
- Sales and marketing team will do preliminary market research for all fairs the Project is supporting and recommend most potential products for specific markets for each fair (with regard to market size, annual growth, price, competition, etc). Outcome of the market research together with information on specific fairs will be presented to wider audience.
- We will help establish a transparent and vetted mechanism to select talented and proven producers to participate in international trade shows. For this to work, it is important that the industry selects producers that meet specific standards. Neither the Project nor the government should be seen as picking the winners.
- The sales and marketing team, together with sub-sector leads, will conduct an audit of each company interested to participate in sales missions and fairs. Quality product, facility audit, internal market research for each product, previous cooperation with Agribusiness Project and SIEPA will be some of criteria for company selection.

Once companies are selected, sales and marketing team and/or ABDS providers will perform series of trainings as a preparation for the fair:

- Sales & Marketing
- Package & Design
- Negotiation
- Business finance
- Media

The sales and marketing team will work together with SIEPA and/or national associations of producers and design ABDS providers on preparing booth outlines, designs, promo materials, invitations to foreign buyers, press releases to foreign and local media, etc.

- We will improve procedures for monitoring and evaluation and for phased graduation of producers from Enabling Grant-funded programs that will focus all parties on results and sustainability.
- We will provide hands-on support, training, and mentoring to government marketing staff and to selected marketing service providers to ensure that they master events planning, web and print promotion, media buying, and public relations. Serbia Agribusiness Project uses organizational guide developed by USAID Serbia Enterprise Development Project for each trade show that it prepares for and will reinforce this programming with SIEPA to ensure that they adopt and apply it as well.

**Fair Listing**

| Name            | Location  | Dates          | Sectors  | # No of firms participating | Project estimated cost in \$ | Project estimated grant in \$ | Estimated return in \$ | Comments   |
|-----------------|-----------|----------------|--|-----------------------------|------------------------------|-------------------------------|------------------------|--|
| SIAL            | Paris     | October 19-23  | Fruit, berries, mushrooms, vegetables              | 13                          | 4,875                        | 0                             | 6,000,000              | exhibiting   |
| Gastronomy Show | Bucharest | October 23-26  | Fruit, berries, mushrooms, vegetables, dairy, meat | 5                           | 1,653                        | 0                             | 250,000                | sales mission - tentative, pending sector coordination |
| IFE Foodapest   | Budapest  | November 18-20 | Fruit, berries, mushrooms, vegetables, dairy, meat | 5                           | 1,836                        | 0                             | 500,000                | sales mission - tentative, pending sector coordination |
| Interfood       | Sofia     | November 19-22 | Fruit, berries, mushrooms, vegetables, dairy, meat | 5                           | 2,084                        | 0                             | 300,000                | sales mission - tentative, pending sector coordination |
| Ethnofood       | Belgrade  | November 26-29 | Fruit, berries, mushrooms, vegetables, dairy, meat |                             | 0                            | 85,000                        | 1,000,000              | support to fair organizers                             |



USAID Agribusiness Project

| Name                | Location  | Dates          | Sectors  | # No of firms participating | Project estimated cost in \$ | Project estimated grant in \$ | Estimated return in \$ | Comments   |
|---------------------|-----------|----------------|--|-----------------------------|------------------------------|-------------------------------|------------------------|--|
| IFE India           | New Delhi | December 2-4   | Fruit, berries, mushrooms, vegetables, dairy, meat | 5                           | 4,380                        | 0                             | 100,000                | sales mission - tentative, pending sector coordination |
| Fruit Logistica     | Berlin    | February 4-6   | Fruit, berries, mushrooms, vegetables              | 12                          | 12,161                       | 76,200                        | 8,000,000              | exhibiting   |
| Biofach             | Nurnberg  | February 19-22 | Fruit, berries, mushrooms, vegetables              | 10                          | 3,170                        | 0                             | 2,500,000              | exhibiting   |
| Gulfood             | Dubai     | February 23-26 | Fruit, berries, mushrooms, vegetables, dairy, meat | 10                          | 5,630                        | 0                             | 5,500,000              | exhibiting   |
| Hotel and Gastroteh | Zagreb    | February tbd   | Fruit, berries, mushrooms, vegetables, dairy, meat | 10                          | 3,740                        | 0                             | 1,500,000              | sales mission - tentative, pending sector coordination |
| Foodex              | Tokio     | March 3-6      | Fruit, berries, mushrooms, vegetables, dairy, meat | 10                          | 0                            | 0                             | 2,500,000              | training to companies exhibiting (no trip)             |

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| Name                    | Location        | Dates           | Sectors  | # No of firms participating | Project estimated cost in \$ | Project estimated grant in \$ | Estimated return in \$ | Comments   |
|-------------------------|-----------------|-----------------|--|-----------------------------|------------------------------|-------------------------------|------------------------|--|
| Vegetable sales mission | Russia, Ukraine | March tbd       | Vegetables   | TBD                         | see veg. sector              | see veg. sector               | see veg. sector        | sales mission - tentative, pending sector coordination |
| IFE Excel               | London          | March 15-18     | Fruit, berries, mushrooms, vegetables, dairy, meat | 12                          | 7,722                        | 0                             | 2,000,000              | exhibiting   |
| Agriculture fair        | Novi Sad        | May 10-17       | Fruit, berries, mushrooms, vegetables, dairy, meat | 10                          | 1,000                        | 50,000                        | 1,500,000              | exhibiting - pending                                   |
| Fancy Food Show         | New York        | June 28-30      | Fruit, berries, mushrooms, vegetables, dairy       | 15                          | 5,846                        | 0                             | 4,500,000              | exhibiting   |
| Worldfood               | Moscow          | September 22-26 | Fruit, berries, mushrooms, vegetables, dairy, meat | 10                          | 9,216                        | 72,586                        | 8,500,000              | exhibiting   |
| Agriculture Fair        | Nis             | September 26-28 | Fruit, berries, mushrooms, vegetables, dairy, meat |                             | 0                            | 50,000                        | 1,500,000              | support to fair organizers                             |

### ***Task 1.3.2.1 Opening Domestic Markets***

Opening up domestic markets for agribusiness and producer organizations will require stronger linkages into supermarket chains. Delta Maxi, Metro, Mercator Rodic and CBA supermarkets are already working with the USAID Agribusiness Team to enhance and increase their access to improved product. This direct link to the largest domestic buyers in the country, representing the most rapidly increasing segment of the Serbian market for foodstuffs, is an excellent building block for increased producer sales. USAID Agribusiness Sales & Marketing in coordination with Producer Organizations and Sector Leads will use Delta Maxi, Metro, Mercator/Rodic and CBA to serve as major points of leverage in the market and interact through them to provide the right assistance to a large numbers of producer organizations and other agribusinesses.

New retailers and Food Service companies (HORECA) will be added to the process: Tus, Idea, Interex, etc.

### ***Task 1.3.2.2 Preparation for Fairs and Sales Missions directly, in coordination with SIEPA and/or with Export oriented Associations***

We will provide hands-on support, training, and mentoring to government marketing staff, export associations and to selected marketing service providers to ensure that they master:

- Events Planning
- Web and Print Promotion
- Media Buying
- Public Relations
- International Market Sales Techniques.

USAID Agribusiness Sales & Marketing uses the USAID Serbia Trade Show Handbook as the guide for each trade show that it prepares for and will continue to support this programming with SIEPA to ensure that they improve their processes.

We will assist SIEPA and all Export Associations with the implementation of a Monitoring and Evaluation process that measures short, medium and long term impact versus investment.

We will provide technical assistance to SIEPA and Export Associations on budget preparation with a cost sharing phase-in process.

### ***Task 1.3.3 Training for Firms: Strengthen business skills in marketing and sales***

One of the on-going weaknesses identified by the Value Chain Analyses for each sector are business skills. The skills gap as recognized also through our direct interactions with businesses and associations must be overcome for sustainable competitiveness to flourish.

The Agribusiness Project will arrange a one year series of business classes for companies in each sector. This first year program will identify 10 companies from each of the six sectors (60 people) and gain management buy-in for participation in the program. To off-set management fear of employee flight following the trainings, we will recommend an employee contract that makes the employee re-pay all fees contributed by the company if they leave within the year after course completion. (this model is currently being used by banks in Serbia today). We want to encourage investment in employee education, but company owners need a guarantee that the employees will not leave.

We will identify three local private business schools or training centers that are able to provide the courses desired:

- Business Plans (marketing, operations, and finance)
- Professional Selling Skills
- Negotiation Training
- Trade Marketing
- Design and Packaging
- Market Analysis
- Public Relations and Integrated Marketing Communications

Each course will be offered on a two day basis and all five courses must be completed between November 2008 and May 2009.

USAID Agribusiness will offer the companies a grant up to 50% reimbursable at the completion of the final course and submission of the graduation certificate.

Anticipated cost for each student to attend all seven courses will be \$3,000

Total Cost: \$180,000 for 60 students

Agribusiness Project contribution is anticipated to be \$90,000

***Task 1.3.4 Communications: Ensure agribusiness information reaches Serbian producers and that information on the sub-sectors reaches buyers.***

In cooperation with private sector service providers, the MAFWM and the Serbian Chamber of Commerce the Project will continue to disseminate market information, access to agribusiness magazines, newsletters, and internet newsletters to producer associations. In addition, working with producer associations and SIEPA, we will expand on the successful [www.serbianfruit.com](http://www.serbianfruit.com) site and jump-start new sub-sector sites with the appropriate associations disseminating important product information and downloadable sector-specific marketing brochures targeted to international and domestic clients. (Please refer to Component 3, Communication Strategy)

New Sector Specific Websites to be developed:

- Dairy – specifically cheese and value added products
- Meats – to be determined.
- Vegetables
- Mushrooms
- Herbs

Sustainability of these websites is paramount to their development. Before any activities are initiated, there must be an identified eventual “owner.” The Agribusiness Project will transfer each website over a period of 3 years always maintaining oversight until the “owner” is completely able to take control and administer.

Anticipated Costs: \$25,000

The Agribusiness Project will continue to develop systems to disseminate agribusiness news and market information - magazines, newsletters to producer associations and individual companies: such as AgroNews and Zelene Stranje

***Task 1.3.5 Market Research & Market Plans: to provide sector and product specific market research for associations and companies wishing to enter new markets.***



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Initially, we will conduct this research on an as needed basis, but for sustainability, we will engage ITC Trade Map trainers to embed their training within local educational institutions. Anticipated Cost: \$15,000

Sales & Marketing will work with producer organization from each of the 6 Agribusiness sectors to develop their particular market plans and strategies.

Following the Dairy sector analysis and request, Sales & Marketing will prepare a “Dairy Farm Investment Strategy” to attract greater investment in the sector and to meet the growing needs of the processors. One STTA for 2 weeks: Cost: \$17,500



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| SALES AND MARKETING   | Responsibility               | M1 | M2 | M3 | M4 | M5 | M6 | M7 | M8 | M9 | M10 | M11 | M12 |
|---|------------------------------|----|----|----|----|----|----|----|----|----|-----|-----|-----|
| <b>Component 1: Increased Efficiency And Competitiveness of Serbian Agribusiness</b>  |                              |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>Objective 1.3: Sales &amp; Marketing</b>   |                              |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>Task 1.3.1./1.3.2: Participation of companies in trade shows in cooperation with national associations</b>                               | <b>RL</b>                    |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>SIAL, Paris - foreign - October 19 - 23 (exhibiting)</i>   | <b>RL</b>                    |    |    |    |    |    |    |    |    |    |     |     |     |
| Fair coordinated with SIEPA   | <b>RL</b>                    |    |    |    |    |    |    |    |    |    |     |     |     |
| Meet with companies identified for participation to discuss their presentation and materials  | <b>RL &amp; sector leads</b> |    |    |    |    |    |    |    |    |    |     |     |     |
| Sales and marketing, negotiation, business finance, media, package and design training by selected ABDS provider to participating companies | <b>RL&amp;ABDS</b>           |    |    |    |    |    |    |    |    |    |     |     |     |
| Send Fair invitations to buyer lists and arrange buyer meetings   | <b>RL</b>                    |    |    |    |    |    |    |    |    |    |     |     |     |
| Assist and train Serbian companies at the fair with sales techniques  | <b>RL</b>                    |    |    |    |    |    |    |    |    |    |     |     |     |
| Complete Fair Evaluation Data   | <b>RL</b>                    |    |    |    |    |    |    |    |    |    |     |     |     |
| Follow-up with companies after returning from fair  | <b>RL &amp; sector leads</b> |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Gastronomy Show, Bucharest - regional- October 23 - 26 (sales tour)</i>  | <b>RL</b>                    |    |    |    |    |    |    |    |    |    |     |     |     |
| Coordinate with SIEPA   | <b>RL</b>                    |    |    |    |    |    |    |    |    |    |     |     |     |
| Market research of Romanian market for sub-sector products  | <b>RL</b>                    |    |    |    |    |    |    |    |    |    |     |     |     |
| Inform Targeted Sector companies with information on the fair and market potential  | <b>RL</b>                    |    |    |    |    |    |    |    |    |    |     |     |     |
| Arrange for 1st year sales visit with interested companies  | <b>RL</b>                    |    |    |    |    |    |    |    |    |    |     |     |     |
| Prepare marketing materials for presentation to interested buyers   | <b>RL</b>                    |    |    |    |    |    |    |    |    |    |     |     |     |
| Arrange distributor and buyer meetings  | <b>RL</b>                    |    |    |    |    |    |    |    |    |    |     |     |     |



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| <b>SALES AND MARKETING</b>   | <b>Responsibility</b>        | <b>M1</b> | <b>M2</b> | <b>M3</b> | <b>M4</b> | <b>M5</b> | <b>M6</b> | <b>M7</b> | <b>M8</b> | <b>M9</b> | <b>M10</b> | <b>M11</b> | <b>M12</b> |
|--|------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
| Evaluate fair and market opportunity with participating companies                  | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Follow-up with sales process and begin organizing for 2nd year (if needed)         | <b>RL &amp; sector leads</b> |           |           |           |           |           |           |           |           |           |            |            |            |
| <i>IFE Foodapest, Budapest - foreign - November 18-20 (sales tour)</i>             |                              |           |           |           |           |           |           |           |           |           |            |            |            |
| Coordinate with SIEPA  |                              |           |           |           |           |           |           |           |           |           |            |            |            |
| Market research of Romanian market for sub-sector products                         |                              |           |           |           |           |           |           |           |           |           |            |            |            |
| Inform Targeted Sector companies with information on the fair and market potential |                              |           |           |           |           |           |           |           |           |           |            |            |            |
| Arrange for 1st year sales visit with interested companies                         |                              |           |           |           |           |           |           |           |           |           |            |            |            |
| Prepare marketing materials for presentation to interested buyers                  |                              |           |           |           |           |           |           |           |           |           |            |            |            |
| Arrange distributor and buyer meetings   |                              |           |           |           |           |           |           |           |           |           |            |            |            |
| Evaluate fair and market opportunity with participating companies                  |                              |           |           |           |           |           |           |           |           |           |            |            |            |
| Follow-up with sales process and begin organizing for 2nd year (if needed)         |                              |           |           |           |           |           |           |           |           |           |            |            |            |
| <i>Interfood, Sofia - foreign - November 19 -22 (sales tour)</i>                   | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Coordinate with SIEPA  | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Market research of Bulgarian market for sub-sector products                        | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Inform targeted sector companies with information on the fair and market potential | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Arrange for 1st year sales visit with interested companies                         | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Prepare marketing materials for presentation to interested buyers                  | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Arrange distributor and buyer meetings   | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Evaluate fair and market opportunity with participating companies                  | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |

| SALES AND MARKETING  | Responsibility    | M1 | M2 | M3 | M4 | M5 | M6 | M7 | M8 | M9 | M10 | M11 | M12 |
|--|-------------------|----|----|----|----|----|----|----|----|----|-----|-----|-----|
| Follow-up with sales process and begin organizing for 2nd year (if needed)   | RL & sector leads |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Ethnofood, Belgrade - local - November 26 - 29</i>  | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| help with grant application  | RL, BO            |    |    |    |    |    |    |    |    |    |     |     |     |
| link the fair with USAID RCI to bring other regional USAID supported companies to exhibit at the fair                    | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Invite Agrobusiness Project supported companies to exhibit at the fair   | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Train fair organisers with marketing activities  | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Inviting foreign buyers to the fair  | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Link the fair with National association of specialty food fairs  | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>IFE India - foreign - December 2 - 4 (sales tour)</i>   | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Conducting market research of Indian market for sub-sector products and presentation of findings to interested companies | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Organise a sales visit to the fair for sub-sector companies to meet potential buyers                                     | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Examine market opportunity for Serbian products in India   | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Inform targeted sector companies with information on the fair  | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Follow up with potential sales and begin organising participation for IFE India 2009                                     | RL & sector leads |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Fruit Logistica, Berlin - foreign - February 4 - 6 (exhibiting)</i>   | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Coordinate with SIEPA  | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Coordinate with "Fruit's for Serbia" Association for expanded booth  | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Prepare fair presentation and market data for Fruit's of Serbia  | RL                |    |    |    |    |    |    |    |    |    |     |     |     |



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| SALES AND MARKETING  | Responsibility    | M1 | M2 | M3 | M4 | M5 | M6 | M7 | M8 | M9 | M10 | M11 | M12 |
|--|-------------------|----|----|----|----|----|----|----|----|----|-----|-----|-----|
| Assist Fruit's of Serbia with criteria and process for selecting companies for participation                           | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Assist Fruit's of Serbia with coordination with SIEPA and space expansion for Serbian Pavilion                         | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Assist Fruit's of Serbia in identifying designers and process of selection with SIEPA                                  | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Assist Fruit's of Serbia and SIEPA with booth construction coordination  | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Assist Fruit's of Serbia in identifying marketing company for preparation of marketing materials.                      | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Assist Fruit's of Serbia with Grant's application process  | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Work with Management Center Belgrade to provide negotiation, sales and marketing trainings to participating companies. | RL&ABDS           |    |    |    |    |    |    |    |    |    |     |     |     |
| Assist Fruit's of Serbia with building buyer contacts database   | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Train Fruit's of Serbia with process of sending buyer invitations  | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Assist Fruit's of Serbia with arranging buyer meetings   | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Assist companies with at the fair sales techniques and buyer negotiations  | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Complete fair evaluation   | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Follow-up with participating companies with sales support  | RL & sector leads |    |    |    |    |    |    |    |    |    |     |     |     |
| <b><i>Biofach, Nurnberg - foreign - February 19 -22 (exhibiting)</i></b>   | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Fair coordinated with SIEPA  | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Audit companies interested to participate at the fair  | RL & sector leads |    |    |    |    |    |    |    |    |    |     |     |     |



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| <b>SALES AND MARKETING</b>  | <b>Responsibility</b>        | <b>M1</b> | <b>M2</b> | <b>M3</b> | <b>M4</b> | <b>M5</b> | <b>M6</b> | <b>M7</b> | <b>M8</b> | <b>M9</b> | <b>M10</b> | <b>M11</b> | <b>M12</b> |
|---|------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
| Conducting market research of potential organic markets for sub-sector products and presenting findings to companies                        | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Sales and marketing, negotiation, business finance, media, package and design training by selected ABDS provider to participating companies | <b>RL&amp;ABDS</b>           |           |           |           |           |           |           |           |           |           |            |            |            |
| Send Fair invitations to buyer lists and arrange buyer meetings   | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Assist and train Serbian companies at the fair with sales techniques  | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Complete Fair Evaluation Data   | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Follow-up with companies after returning from fair  | <b>RL &amp; sector leads</b> |           |           |           |           |           |           |           |           |           |            |            |            |
| <i><b>Gulfood, Dubai - foreign - February 23 -26 (exhibiting)</b></i>   | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Fair coordinated with SIEPA   | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Audit companies interested to participate at the fair   | <b>RL &amp; sector leads</b> |           |           |           |           |           |           |           |           |           |            |            |            |
| Conducting market research of Middle East markets for sub-sector products and presenting findings to companies                              | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Sales and marketing, negotiation, business finance, media, package and design training by selected ABDS provider to participating companies | <b>RL&amp;ABDS</b>           |           |           |           |           |           |           |           |           |           |            |            |            |
| Send Fair invitations to buyer lists and arrange buyer meetings   | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Assist and train Serbian companies at the fair with sales techniques  | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Complete Fair Evaluation Data   | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Follow-up with companies after returning from fair  | <b>RL &amp; sector leads</b> |           |           |           |           |           |           |           |           |           |            |            |            |
| <i><b>Hotel and Gastroteh, Zagreb - foreign - February (sales tour)</b></i>   | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Coordinate with SIEPA   | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |



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| <b>SALES AND MARKETING</b>  | <b>Responsibility</b> | <b>M1</b> | <b>M2</b> | <b>M3</b> | <b>M4</b> | <b>M5</b> | <b>M6</b> | <b>M7</b> | <b>M8</b> | <b>M9</b> | <b>M10</b> | <b>M11</b> | <b>M12</b> |
|---|-----------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
| Market research of CEFTA market for sub-sector products   | RL                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Inform targeted sector companies with information on the fair and market potential  | RL                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Arrange for 1st year sales visit with interested companies  | RL                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Prepare marketing materials for presentation to interested buyers   | RL                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Arrange distributor and buyer meetings  | RL                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Evaluate fair and market opportunity with participating companies   | RL                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Follow-up with sales process and begin organizing for 2nd year (if needed)  | RL & sector leads     |           |           |           |           |           |           |           |           |           |            |            |            |
| <i>FoodEx, Japan - foreign - March 3-6 (support)</i>  |                       |           |           |           |           |           |           |           |           |           |            |            |            |
| Sales and marketing, negotiation, business finance, media, package and design training by selected ABDS provider to participating companies | RL & ABDS             |           |           |           |           |           |           |           |           |           |            |            |            |
| <i>Vegetable sales mission to Russia and Ukraine - March (sales tour)</i>   |                       |           |           |           |           |           |           |           |           |           |            |            |            |
| Organise a sales mission to potential buyers  |                       |           |           |           |           |           |           |           |           |           |            |            |            |
| Sales and marketing, negotiation, business finance, media, package and design training by selected ABDS provider to participating companies |                       |           |           |           |           |           |           |           |           |           |            |            |            |
| Help companies in negotiations and market research during the mission   |                       |           |           |           |           |           |           |           |           |           |            |            |            |
| Follow-up with companies after returning from fair  |                       |           |           |           |           |           |           |           |           |           |            |            |            |
| <i>IFE London - foreign - March 15 - 18 (exhibiting)</i>  | RL                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Fair coordinated with SIEPA   | RL                    |           |           |           |           |           |           |           |           |           |            |            |            |



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| <b>SALES AND MARKETING</b>  | <b>Responsibility</b>        | <b>M1</b> | <b>M2</b> | <b>M3</b> | <b>M4</b> | <b>M5</b> | <b>M6</b> | <b>M7</b> | <b>M8</b> | <b>M9</b> | <b>M10</b> | <b>M11</b> | <b>M12</b> |
|---|------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
| Audit companies interested to participate at the fair   | <b>RL &amp; sector leads</b> |           |           |           |           |           |           |           |           |           |            |            |            |
| Conducting market research of UK market for sub-sector products and presenting findings to companies  | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Sales and marketing, negotiation, business finance, media, package and design training by selected ABDS provider to participating companies | <b>RL&amp;ABDS</b>           |           |           |           |           |           |           |           |           |           |            |            |            |
| Send Fair invitations to buyer lists and arrange buyer meetings   | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Assist and train Serbian companies at the fair with sales techniques  | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Complete Fair Evaluation Data   | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Follow-up with companies after returning from fair  | <b>RL &amp; sector leads</b> |           |           |           |           |           |           |           |           |           |            |            |            |
| <i>Novi Sad fair - local - May (exhibiting)</i>   | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Audit companies interested to participate at the fair   | <b>RL &amp; sector leads</b> |           |           |           |           |           |           |           |           |           |            |            |            |
| Contract booth space  | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Design of booth and promo materials   | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Sales and marketing, negotiation, business finance, media, package and design training by selected ABDS provider to participating companies | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Send Fair invitations to buyer lists and arrange buyer meetings   | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Assist and train Serbian companies at the fair with sales techniques  | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Complete Fair Evaluation Data   | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Follow-up with companies after returning from fair  | <b>RL &amp; sector leads</b> |           |           |           |           |           |           |           |           |           |            |            |            |

| <b>SALES AND MARKETING</b>  | <b>Responsibility</b>        | <b>M1</b> | <b>M2</b> | <b>M3</b> | <b>M4</b> | <b>M5</b> | <b>M6</b> | <b>M7</b> | <b>M8</b> | <b>M9</b> | <b>M10</b> | <b>M11</b> | <b>M12</b> |
|---|------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
| <i>Fancy Food Show, New York - foreign - June 28 - 30 (exhibiting)</i>  | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Fair coordinated with SIEPA   | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Audit companies interested to participate at the fair   | <b>RL &amp; sector leads</b> |           |           |           |           |           |           |           |           |           |            |            |            |
| Conducting market research of US market for sub-sector products and presenting findings to companies                    | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Sales and marketing, negotiation, business finance, media training by selected ABDS provider to participating companies | <b>RL&amp;ABDS</b>           |           |           |           |           |           |           |           |           |           |            |            |            |
| Send Fair invitations to buyer lists and arrange buyer meetings   | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Assist and train Serbian companies at the fair with sales techniques  | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Complete Fair Evaluation Data   | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Follow-up with companies after returning from fair  | <b>RL &amp; sector leads</b> |           |           |           |           |           |           |           |           |           |            |            |            |
| <i>Worldfood, Moscow -foreign - September 22-26 (exhibiting)</i>  | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Fair coordinated with SIEPA   | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Audit companies interested to participate at the fair   | <b>RL &amp; sector leads</b> |           |           |           |           |           |           |           |           |           |            |            |            |
| Conducting market research of Russian market for sub-sector products and presenting findings to companies               | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Sales and marketing, negotiation, business finance, media training by selected ABDS provider to participating companies | <b>RL&amp;ABDS</b>           |           |           |           |           |           |           |           |           |           |            |            |            |
| Send Fair invitations to buyer lists and arrange buyer meetings   | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Assist and train Serbian companies at the fair with sales techniques  | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |
| Complete Fair Evaluation Data   | <b>RL</b>                    |           |           |           |           |           |           |           |           |           |            |            |            |



USAID Agribusiness Project

| SALES AND MARKETING   | Responsibility    | M1 | M2 | M3 | M4 | M5 | M6 | M7 | M8 | M9 | M10 | M11 | M12 |
|---|-------------------|----|----|----|----|----|----|----|----|----|-----|-----|-----|
| Follow-up with companies after returning from fair  | RL & sector leads |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Nis Agricultural Fair - Local - September 26 - 28</i>  | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| link the fair with USAID RCI to bring other regional USAID supported companies to exhibit at the fair   | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Invite Agribusiness Project supported companies to exhibit at the fair  | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Train fair organizers with marketing activities   | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Inviting foreign buyers to the fair   | RL                |    |    |    |    |    |    |    |    |    |     |     |     |
| Follow-up with companies on potential sales   | RL & Sector Leads |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>Task 1.3.3: Training for firms</b>   | RL, NP            |    |    |    |    |    |    |    |    |    |     |     |     |
| Estimated cost  |                   |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>Identify potential ABDS providers for management and marketing trainings</b>   | RL, NP            |    |    |    |    |    |    |    |    |    |     |     |     |
| Make a bidding process and select one ABDS provider   | RL, NP            |    |    |    |    |    |    |    |    |    |     |     |     |
| Develop, together with ABDS provider, trainings in: business planning, professional selling skills, negotiation training, trade marketing, market analysis and PR and integrated marketing communications | RL, NP, ABDS      |    |    |    |    |    |    |    |    |    |     |     |     |
| Invite sub-sector companies to participate at trainings (up to 60 companies)  | sector leads      |    |    |    |    |    |    |    |    |    |     |     |     |
| Organize trainings  | ABDS              |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>Identify potential ABDS providers for packaging and design trainings</b>   | RL, NP            |    |    |    |    |    |    |    |    |    |     |     |     |
| Make a bidding process and select one ABDS provider   | RL, NP            |    |    |    |    |    |    |    |    |    |     |     |     |
| Develop, together with ABDS provider, trainings in package and design   | RL, NP, ABDS      |    |    |    |    |    |    |    |    |    |     |     |     |



USAID Agribusiness Project

| <b>SALES AND MARKETING</b>  | <b>Responsibility</b>       | <b>M1</b> | <b>M2</b> | <b>M3</b> | <b>M4</b> | <b>M5</b> | <b>M6</b> | <b>M7</b> | <b>M8</b> | <b>M9</b> | <b>M10</b> | <b>M11</b> | <b>M12</b> |
|---|-----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
| Invite sub-sector companies to participate at trainings (up to 60 companies)  | <b>sector leads</b>         |           |           |           |           |           |           |           |           |           |            |            |            |
| Organize trainings  | <b>ABDS</b>                 |           |           |           |           |           |           |           |           |           |            |            |            |
| <b>Task 1.3.4: Communications</b>   |                             |           |           |           |           |           |           |           |           |           |            |            |            |
| Gather Project's success stories and disseminate to clients and local and foreign press   | <b>RL, sector leads, AM</b> |           |           |           |           |           |           |           |           |           |            |            |            |
| Disseminate market information to interested parties  | <b>RL, AM</b>               |           |           |           |           |           |           |           |           |           |            |            |            |
| Develop sector specific web sites for all sub-sectors Project is working with together with interested associations (dairy, vegetables, mushrooms, herbs, meat) | <b>RL, AM</b>               |           |           |           |           |           |           |           |           |           |            |            |            |
| <b>Task 1.3.5: Market research and market plans</b>   |                             |           |           |           |           |           |           |           |           |           |            |            |            |
| Organize ITC trade map training for associations, institutes and other educational institutions   | <b>RL, ABDS</b>             |           |           |           |           |           |           |           |           |           |            |            |            |
| Organize internal market research for specific markets and products   | <b>RL</b>                   |           |           |           |           |           |           |           |           |           |            |            |            |
| Develop market plans and strategies with sub-sector associations  | <b>RL</b>                   |           |           |           |           |           |           |           |           |           |            |            |            |
| Develop Dairy farm investment strategy  | <b>RL, GJ</b>               |           |           |           |           |           |           |           |           |           |            |            |            |

## 1.4: YOUTH ENTERPRISE PROGRAM

The high-school school system in Serbia is functioning with outdated curricula and methodologies. High-school students, particularly those from vocational schools, are not prepared for the job profiles available in the business world. The USAID Agribusiness Project will improve the situation through three project activities:

- Implementation of our new program “Entrepreneurship in Agribusiness”
- Business plans’ competition and Internship program, and
- Through involvement of the Ministry of Education, Ministry of Agriculture, private sector and other on-going entrepreneurship programs.

### *Task 1.4.1 “Entrepreneurship in Agribusiness”*

The USAID Agribusiness Project launched the program “Entrepreneurship in Agribusiness” (based on 4-H methodology) with support from the Ministry of Education in 19 pilot Agricultural schools throughout Serbia. It will impact and benefit at least 150 students in year 2 of the program. The goal of the program is to improve youth awareness of entrepreneurship and develop life skills necessary to run successful agriculture based businesses.

- Insist that the Ministry of Education take an active role in program implementation and to eventually make entrepreneurship (at the end of the project) become a regular school subject.
  - We will have a signed Memorandum of Understanding with the Ministry of Education to determine the program’s operations and to build a common understanding on how the program will be conducted. That will allow a smooth transition of project activities to the Ministry when the project ends.
- Meetings of the Ministry State Secretary, Tinde Kovac Cerovic, the Ministry’s high-school coordinator, Bogoljub Lazarevic, and Youth program director will be scheduled for October and November to formalize the partnership and develop a plan to achieve it.
  - The meetings will be accompanied by USAID SCOPES Project team members and Junior Achievement activities will be included in our joint MoU. The MoU will define the system of mutual reporting between the Ministry and the Project on key achievements of the students and schools in the program. An agreement on mutual monitoring of the program will be included in the MoU.
  - The Project and SCOPES will collaborate closely, especially on internship program’s establishment, in both programs’ schools. The MoU will be signed in first two months of the Project’s year 2 (end of November 2008).
  - USAID Agribusiness Project will offer “Entrepreneurship in Agribusiness” curriculum to be used for the Ministry’s entrepreneurship pilot program. The Ministry’s pilot program has been implemented for four years and still has no curriculum. Sharing the “Entrepreneurship in Agribusiness” curriculum will help ensure the program’s adoption and sustainability.

- **Youth program director and the project will be visiting and providing technical support to the schools.**
  - Each school will be visited once every two months by the program director. The Project will provide technical assistance to motivate the students to participate actively in the program and use its potential benefits; to help teachers organize the entrepreneurship class; to supply the schools with the information on on-going agribusiness related Projects. Each the Project's Sector Lead will present their strategies and market demands in 4 pilot schools and discuss the actual situation regarding agribusiness.
  - Provide schools with agro news, Regional development agencies, NALED and other Projects' information resources. We will be sharing agro newsletters with the schools/teachers directly and/or through the Project so that other agribusiness activities will become available to the schools. This linkage to agricultural info centers will promote the program and broaden its support.
  - As of March 2009, the Project will start visiting other agricultural high-schools interested in taking part into the program. Depending on the pilot schools' evaluation indicators and criteria for expansion of the program in other school, a selection will be made. The evaluation form and selection criteria for new schools will be done by Youth program director and Ministry officials.
- **Involve private companies in the program. The “real world” of business will raise students' interest and provide businesses with students who know what will be expected from them. The Project will work with private consultants, agribusiness and government to take ownership of the after school program.**
  - As of December 2008, the Project's Sector leads and Youth program director will be organizing local private companies visit the “Entrepreneurship in Agribusiness” classes. Each school will have one local private company's visit per month.
  - Having a source of qualified labor will encourage private business to maintain the program. All pilot schools have already developed small agribusinesses and thus they already have local partners. School staff and teachers will be engaged to motivate local businessmen become “Entrepreneurship in Agribusiness” consultants. They will start organizing the program presentation and individual meetings with the local businessmen as of November 2008.

The consultancy meetings with agribusiness consultants will require some knowledge of a modern economy so it is realistic to expect all schools be fully engaged in these “consultancies” by February 2009. The consultancies will be organized twice a month.
  - In year 1, the Project recognized the need for private companies' involvement in the “Entrepreneurship in Agribusiness” and started looking for the responsible companies competent for working with the students. The Project's Sector leads and Youth program director will by February 2009 determine at least one national level company per pilot school, willing to be involved in the program. It will enable the students to get in touch with modern companies and discuss specific subjects such as export, import, and international business opportunities.

Presented here is a representative list of private companies that will be involved in the program: 1) Agranela, Valjevo (tree and berry fruit), 2) Agroprotekt, Sombor (herbs, mushroom, spices), 3) Big Bull, Bacinici (livestock), 4) Aroma, Futog (vegetables), 5) Bio Plant, Kucura (vegetables), 6) Dragacevo vet, Lucani (dairy, livestock), 7) Fruitland, Siplaga (tree fruit), 8) PK Zlatibor (dairy, livestock), Sirogojno Co (berry and tree fruit, specialty products).

- **Continue encouraging Ministry of agriculture support for “Entrepreneurship in Agribusiness”.**
  - Tomislav Topalovic from the Ministry’s department for analytics and agricultural policy is already involved in the program (he participated in the training on the program curriculum). The Project and Mr. Topalovic agreed that he will regularly update the pilot schools on the Ministry’s activities where the schools and students may apply. The Ministry has a grant programs for initial start-up assistance and provides financial support for young farmers which may imply some potential cooperation.
- **With the support of Michigan State University, create a national “Entrepreneurship in Agribusiness” coordination plan that can be implanted at agricultural Universities.**
  - In November 2008 Michelle Owens, MSU STTA, will visit the Project and focus on creation of “Entrepreneurship in Agribusiness” for Universities.
  - Owens and the Project Youth program director will meet all Serbian Ag Universities and develop a system of giving graduating students a chance to learn the skills needed to enter the market and raise their capacities. Universities will be presented with ways to apply for MSU programs as well.
- **Provide technical assistance to the association of entrepreneurship teachers.**
  - Teachers from pilot schools will register a “4-H” association which will need support in management and fund-raising guidance. It will also be financially supported according to the Memorandum of Understanding between the Ministry of Education and USAID.
  - The budget for the Youth Program, without Business Plan Competition Grants, may vary between \$25,000 (for printing the books for students in the program, and for the training of potential new schools/teachers) and \$70,000 (if agrant will be given to the “association of the teachers – 4-H”)

#### ***Task 1.4.2 Business Planning Competition***

With the support of the Ministry of Education and the Ministry of Agriculture, the Agribusiness Project will continue its business development planning competition in all 19 pilot Agriculture high schools. Each business plan will state the value of the grant it is requesting, what it will be used for and the timing of the businesses’ full functionality. After adjudication, twelve winners of the Business plan competition will be named and recognized publicly.

- **Continue providing promising young entrepreneurs with assistance to develop business and investment plans and startup and expansion grants.**
  - The Project will guide, assess and evaluate the approved finalist from the first year’s competition

- Year 2 applicants must be “Entrepreneurship in Agribusiness” students, which will guarantee that they have the educational opportunity to strengthen their innovativeness, deepen their understanding of agribusiness, and be professionally qualified for a business start-up.
  - The competition will start in the seventh month of “Entrepreneurship in Agribusiness” program (April).
  - After two and half months of market research, consulting and business plan making, June 15th will be the deadline for business plans’ submission.
  - The first round of selection will be done by the Youth program director followed by Sector leads and our Environmental specialist. The finalists from that selection will be given to the CTO for approval. Winners will be publicly awarded at the end of September, 2009.
  - The USAID Agribusiness Project can offer grants of up to \$15,000 for each business.
  - Competition awardees may be eligible for a combination of grant, training, technical assistance and mentoring. There will be a Project advisor (Sector lead or Youth program director) assigned to mentor the start-up company (to develop a detailed action plan, offer guidance, and vet investment decisions).
- **Present the best young applicants to the Ministry of Agriculture and Chamber of Commerce and provide technical assistance to them together with the USAID Agribusiness Project.**
    - Short presentations with the details about the program and the winners will be organized every October by Youth program director, relevant Sector Leads and Cross-cutting directors.

Both institutions have the capacity and funds for providing support to start-up businesses but often have no ability to direct it to the end user, where the Project will offer its help. The competition will have more than 12 potential businesses that will need support, and during the presentation those that are not supported by the Project will be linked up with the Ministry’s and/or Chamber of Commerce’s funds.

The budget needed for the competition is \$180,000 (grants).

#### ***Task 1.4.3 Internship programs***

An internship which the Project wants to initiate will allow agricultural students to gain professional experience in an occupational area they are considering. Typically the experience has a level of responsibility that allows a student to develop new skills in the field and offers the student training and supervision that facilitates learning. With the support of Michigan State University, the Project will develop Internship Programs for the students at agricultural high schools and agriculture universities. It will necessarily include work with USAID Agribusiness Project’s staff and progressive agribusiness companies and ABDS providers.

- **Develop and introduce the USAID Agribusiness Intern program**
  - In November 2008, the Project will start working closely with schools from Kraljevo and Svilajnac, which have already established internship programs. SCOPES youth team will join the Project with “their” schools that have internships developed. The result will be the establishment of an intern system

based on national experience from the schools, and international experience from other countries through MSU. The internships will be implemented in “Entrepreneurship in Agribusiness” and Junior Achievement schools.

- In March 2009, our Youth program director and principals from experienced schools will gather teachers and staff from other pilot schools for a one day workshop to discuss and plan how to launch internship programs in their schools.
  - During the Business plans’ competition (April – June 2009) the promotion of internship program will be organized in all pilot schools. Local and national companies will be informed and involved through school partners, students’ parents and Agribusiness Project company network. The Project will also provide media coverage for the events.
  - The Youth grantees’ presentation meeting for the Chamber of Commerce and Ministry of Agriculture in October will also cover the Internship topic where the Project will attempt to suggest the benefits that could be provided to companies involved in the Internship program.
- **Develop a Memo of Understanding for the agriculture companies which will allow students to learn from practical work experience in a real business environment**
    - The Memorandum of Understanding will be set between the students and companies where both will be referred to as parties, to acknowledge the willingness to cooperate with one another. The internship will be scheduled to begin and terminate during the summer break, and approximate numbers of hours of work will be defined together with the schools and local companies.

A certificate of achievement as a reference of interns’ professional, work experience in a reputable national agribusiness will be made by the Project. It will certify that during the internship, students gained experience with the skills outlined in the prepared work plan.
  - **USAID Agribusiness Project will provide technical assistance to design structure and report requirements for students participating in the program, by June 2008.**
  - **GTZ and USAID Agribusiness Project will develop special international internship program for Business competition awardees.**
    - GTZ VET Project is already implementing exchange program to Germany for Economic high school students. In year one of the Project, initial meetings were held and the idea of involving agribusiness students emerged. The idea will continue to develop in year two of the program and in meantime the VET Project manager will do the research on the German agribusiness companies with the Internship program.

The Project’s Business plan competition finalists are recognized to be adequate first round of students for international internship program. Depending on GTZ involvement, first study tour may take place in 2008.



USAID Agribusiness Project

| Youth  | Responsibility | M1 | M2 | M3 | M4 | M5 | M6 | M7 | M8 | M9 | M10 | M11 | M12 |
|--|----------------|----|----|----|----|----|----|----|----|----|-----|-----|-----|
| <b>Component 1: Increased Efficiency And Competitiveness of Serbian Agribusiness</b>   |                |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>Objective 1.4: Youth Enterprise Program, Business Plan Competition and Internship Programs</b>                                      |                |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>Task 1.4.1: "Entrepreneurship in Agribusiness"</b>  |                |    |    |    |    |    |    |    |    |    |     |     |     |
| Organize meetings of the Ministry State Secretary, the Ministry High-school coordinator, the Agribusiness Project and SCOPE Youth team | IP, GR         |    |    |    |    |    |    |    |    |    |     |     |     |
| Memorandum of Understanding between USAID and Ministry of Education - signed   | IP, GR         |    |    |    |    |    |    |    |    |    |     |     |     |
| Visits the schools and provide technical assistance to the students/teachers (each pilot school will be visited once in two months)    | IP             |    |    |    |    |    |    |    |    |    |     |     |     |
| Organize presentation of Sector leads' strategies, accompanied by private partner companies  | IP, SL         |    |    |    |    |    |    |    |    |    |     |     |     |
| Provide Ag news and trends to the students/schools through Regional SME agencies, NALED and other Project's resources                  | IP, SL         |    |    |    |    |    |    |    |    |    |     |     |     |
| Visit other school willing to join the program and present the program (followed by Sector leads presentations)                        | IP, SL         |    |    |    |    |    |    |    |    |    |     |     |     |
| Encourage and help schools to bring private consultants invest their time and give students professional qualifications                | IP, SL         |    |    |    |    |    |    |    |    |    |     |     |     |
| The Project will research on local and national companies for the "Entrepreneurship in Agribusiness" consultancy                       | IP, SL         |    |    |    |    |    |    |    |    |    |     |     |     |
| Engage local and national agricultural businessmen become the program consultants  | IP             |    |    |    |    |    |    |    |    |    |     |     |     |
| Obtain Ministry of agriculture support for "Entrepreneurship in Agribusiness"  | IP             |    |    |    |    |    |    |    |    |    |     |     |     |

## USAID Agribusiness Project

| <b>Youth</b>   | <b>Responsibility</b>  | <b>M1</b> | <b>M2</b> | <b>M3</b> | <b>M4</b> | <b>M5</b> | <b>M6</b> | <b>M7</b> | <b>M8</b> | <b>M9</b> | <b>M10</b> | <b>M11</b> | <b>M12</b> |
|--|------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
| The Ministry representative informs the pilot schools on all activities that schools or students may apply for   | <b>IP</b>              |           |           |           |           |           |           |           |           |           |            |            |            |
| Owens and Youth program director visit all Serbian Ag Universities and create national “Entrepreneurship in Agribusiness” plan for agricultural Universities | <b>IP, MO</b>          |           |           |           |           |           |           |           |           |           |            |            |            |
| <b>Task 1.4.2: Youth business plan competition</b>   |                        |           |           |           |           |           |           |           |           |           |            |            |            |
| The competition starts (for “Entrepreneurship in Agribusiness” students only)  | <b>IP</b>              |           |           |           |           |           |           |           |           |           |            |            |            |
| Select and publicly award the Competition winners  | <b>IP, JC, SL, CTO</b> |           |           |           |           |           |           |           |           |           |            |            |            |
| Present the winners and other good ideas to the Ministry of Agriculture and Chamber of Commerce  | <b>IP, GR</b>          |           |           |           |           |           |           |           |           |           |            |            |            |
| Assign and develop mentoring plan for young entrepreneurs  | <b>IP, SL</b>          |           |           |           |           |           |           |           |           |           |            |            |            |
| <b>Task 1.4.3: Internship programs</b>   |                        |           |           |           |           |           |           |           |           |           |            |            |            |
| Work closely with the schools from Kraljevo and Svilajnac, and SCOPES schools with internship  | <b>IP</b>              |           |           |           |           |           |           |           |           |           |            |            |            |
| Gather teachers for other pilot schools for the training and launch of the internship  | <b>IP</b>              |           |           |           |           |           |           |           |           |           |            |            |            |
| Animate school partners, students parents and media about the Internship   | <b>IP</b>              |           |           |           |           |           |           |           |           |           |            |            |            |
| Develop MoU, certificates and reporting forms for the Internship   | <b>IP</b>              |           |           |           |           |           |           |           |           |           |            |            |            |
| Cooperate with GTZ on discovering German agribusiness companies for international internship for Business plans' competition winners                         | <b>IP, GTZ</b>         |           |           |           |           |           |           |           |           |           |            |            |            |

## **1.5: OTHER CROSSCUTTING ACTIVITIES**

### **ENVIRONMENTAL COMPLIANCE**

#### ***Task 1.5.1 Ensuring compliance with regulation 16 environmental requirements for the particular activity***

Environmental compliance affects all sub sectors and cross cutting components. The Project has incorporated systems and procedures to ensure that Regulation 216 is implemented.

The aim of applying environmental procedures is to focus upon environmental issues associated with USAID Agribusiness activities and thus increase the opportunities for environmentally acceptable Project actions and to minimize exposure to environmental risks. On the other hand, the process of approximation of environmental legislation in Serbia to EU will result in changes in permitting requirements and more stringent emission, health and safety, and product standards and therefore it is important to ensure that the Agribusiness Project will be able to meet forthcoming requirements:

- Identify excluded Projects
- Identify Projects for which no detailed environmental due diligence is required
- Conduct further environmental due diligence as appropriate
- Summarize the outcome of the Environmental Due Diligence
- Monitoring and reporting
- Submit annual compliance report

#### ***Task 1.5.2 Pollution Prevention Program (PPP)***

During Year 2, the USAID Agribusiness Project will focus on technical assistance to enterprises from all 6 sub sectors to adopt methods of waste minimization, wastewater pre-treatment, and energy savings via low-cost/no-cost opportunities. Overall, implementation of pollution prevention opportunities (PPO) will reduce pollution at the source, create a base for businesses to apply PPO without being forced by regulatory authorities, and facilitate establishment of sustainable PPO service providers.

To ensure the goals of the USAID Agribusiness Project are met, it is important from an economic growth as well as environmental standpoint that processes and documents such as Pollution Prevention Assessment (PPA) are adequately prepared for each processor and/or production facility selected under this project. Therefore, the provision of agribusiness development services (ABDS) shall specifically include technical advice and support for cost-effective, environmentally sound agricultural and agro-industrial processing technologies, with an initial emphasis on Clean Production. Apart from mandatory environmental compliance, development and implementation of effective environmental monitoring programs by enterprises/processors or even producers (especially in vegetable, fruit, and dairy sub –sectors) will have value added for them as well. Better enterprise environmental data collection will help the management to understand the effects of the company's environmental performance on profitability, market value and investment decisions. It will help increase efficiency in energy and resource use and the overall cost-effectiveness of the process. Environmental Specialist will work closely with STTA, Dr. Jim Gallup during two weeks in October and November 2008 on pollution prevention opportunities for USAID Agribusiness Project beneficiaries.

***Sub task 1.5.2.1 Apply PPP to enterprises located in different regions of Serbia***

Environmental risk management is an integral part of the commercial underwriting process. Banks and other credit providers consider environmental risks as credit risks. During the first year of the USAID Agribusiness Project, we have found that private companies are regarded by credit providers as considerable risks due to underdeveloped environmental auditing standards. Therefore, integration of pollution prevention principles into the operations of agribusiness companies will contribute to improving organizational performance in key process areas; to help companies become more attractive to investors and bankers and to attract technical support from national and local quality promotion organizations.

After activities related to initiating a national focal point for the Pollution Prevention Program and training a PPP team, planned for September 2008, are completed, the USAID Agribusiness Project will continue cooperating with the Center for Cleaner Technologies, Belgrade and Serbian Chamber of Commerce in a period starting October 2008 till January 2009 (a detailed time frame is provided in the Gantt chart for Environment) work on:

- Selection of ABDS to participate in PPP;
- Enterprise viability assessment; and
- PPA (Pollution Prevention Assessment) preparation.

**Expected outputs of the activities are:**

- 10 ABDS selected to participate in PPP
- Viability assessment-site survey prepared for 6 agribusiness enterprises
- PPA prepared for 6 enterprises
- 10 ABDS providers receiving assistance

***Sub task 1.5.2.2 Dissemination of experience***

Smaller banks do not have the resources to keep environmental professional, they usually hire-out environmental services. On the other hand, Agribusiness Service Providers have shown an interest in expanding their portfolio of services due to market requirements coming from enforcement of new environmental and product standards. From January 2009 to September 2009, the Environmental Specialist, in cooperation with the ABDS and Marketing Specialists, will work on following activities:

- Conduct national seminar on PPO
- Draft PPO (Pollution Prevention Opportunities) Manual
- Conduct introductory workshop for enterprises
- Hold regional seminars (Vojvodina, Central Serbia, South-East Serbia, Western Serbia)
- ABDS training on sustainable application of PPO
- Implementation of PPO

**Expected results of these activities are:**

- National seminar/training on PPA delivered-Gallup conducted seminar for Mission staff and ABDS
- Revised PPA manual
- Enterprises offered one day introductory seminar
- Regional seminars held to present results of PPP, ABDS identified and trained for sustainable application of PPP

**Deliverables:**

Technical Reports including the conclusions of the workshop, PPO manual  
Interim STTA report, Web-site material

***Task.1.5.3. Integrated Pest Management***

Over a one year period, our efforts will be focused on environmental responsibility. Critical issues are identified through input by commodity action plans. The activity will be initiated by STTA with expertise needed to provide agricultural producers organizations members, ABDS, pest managers with the IPM knowledge from planting, to harvesting, post-harvest handling till food processing and distribution. IPM program will focus on one commodity group: fresh apple. By providing technical assistance to producer associations to facilitate adoption of IPM methods, including marketing, fertility management, and threshold-based pesticide applications, agricultural producers will be encouraged to give attention to stand persistence and the costs and benefits of nutrient and pesticide inputs and reduction of unnecessary applications of pesticides. Field demonstrations will be conducted to validate learned practices including resistant varieties, harvest management, insect management, and preservation of biological control agents. The program preparatory phase in September 2008 will result in setting up IPM team and completed analysis of pesticide use data. Fruit research Institute - Cacak, Environmental Protection Agency of Republic Serbia, Ministry of Agriculture and Administration for Plant Protection will collaborate on promotion of IPM Project. Starting in October 2008, Environmental Specialist will work in cooperation with Producer Organizations Specialist and STTA on following activities:

***Sub task: 1.5.3.1. Identify potential target areas to focus promotion of reduced pesticides use***

- Identify potential target areas to focus promotion of reduced pesticides use
- Select Project site to identify growers willing to participate
- Select growers to host Project demonstration sites
- Identification of agricultural extension officers willing to participate
- Create a site plan and define Project monitoring and treatment thresholds for the selected site
- Create information exchange portal

***Sub task: 1.5.3.2. Develop a specific education plan***

- Develop technical support and promotional materials with target practices
- Conduct field days
- Dissemination of information to partners
- Deliver presentations for trainings and meetings

**Deliverables:** compendium report, lists and matrixes, educational plan, promotional materials, presentations.

The total budget estimated for all environmental programs in Year 2 is \$180,000.

| ENVIRONMENT  | Responsibility | M1 | M2 | M3 | M4 | M5 | M6 | M7 | M8 | M9 | M10 | M11 | M12 |
|--|----------------|----|----|----|----|----|----|----|----|----|-----|-----|-----|
| <b>OBJECTIVE 1.5.1: ENVIRONMENTAL COMPLIANCE</b>   |                |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Task 1.5.1. Ensuring compliance with reg. 16 environmental requirements for the particular activity</i> | JC             |    |    |    |    |    |    |    |    |    |     |     |     |
| Identify excluded projects   |                |    |    |    |    |    |    |    |    |    |     |     |     |
| Identify projects for which no detailed environmental due diligence is required                            |                |    |    |    |    |    |    |    |    |    |     |     |     |
| Conduct further environmental due diligence as appropriate   |                |    |    |    |    |    |    |    |    |    |     |     |     |
| Summarize the outcome of the EDD   |                |    |    |    |    |    |    |    |    |    |     |     |     |
| Monitoring and reporting   |                |    |    |    |    |    |    |    |    |    |     |     |     |
| Submit annual compliance report  |                |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Task 1.5.2. Pollution Prevention Program (PPP)</i>  | JC             |    |    |    |    |    |    |    |    |    |     |     |     |
| Sub-task 1.5.2.1. Apply PPP to enterprises located in different regions of Serbia                          |                |    |    |    |    |    |    |    |    |    |     |     |     |
| Selection of ABDS to participate in PPP  |                |    |    |    |    |    |    |    |    |    |     |     |     |
| Enterprise viability assessment  |                |    |    |    |    |    |    |    |    |    |     |     |     |
| PPA preparation  |                |    |    |    |    |    |    |    |    |    |     |     |     |
| Promotion of grant package   |                |    |    |    |    |    |    |    |    |    |     |     |     |
| Sub-task 1.5.2.2. Dissemination of experience  |                |    |    |    |    |    |    |    |    |    |     |     |     |
| National seminar on PPO  |                |    |    |    |    |    |    |    |    |    |     |     |     |
| Drafting PPO Manual  |                |    |    |    |    |    |    |    |    |    |     |     |     |
| Introductory workshop for enterprises  |                |    |    |    |    |    |    |    |    |    |     |     |     |
| Regional seminars  |                |    |    |    |    |    |    |    |    |    |     |     |     |
| ABDS trainings on sustainable application of PPO   |                |    |    |    |    |    |    |    |    |    |     |     |     |
| Implementation of PPO  |                |    |    |    |    |    |    |    |    |    |     |     |     |

## USAID Agribusiness Project

| <b>ENVIRONMENT</b>  | <b>Responsibility</b> | <b>M1</b> | <b>M2</b> | <b>M3</b> | <b>M4</b> | <b>M5</b> | <b>M6</b> | <b>M7</b> | <b>M8</b> | <b>M9</b> | <b>M10</b> | <b>M11</b> | <b>M12</b> |
|---|-----------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
| <b>Task 1.5.3. Integrated pest management (IPM)</b>   | <b>JC</b>             |           |           |           |           |           |           |           |           |           |            |            |            |
| Sub task 1.5.3.1. Identify potential target areas to focus promotion of reduced pesticides use  |                       |           |           |           |           |           |           |           |           |           |            |            |            |
| Select project site to identify growers willing to participate                                  |                       |           |           |           |           |           |           |           |           |           |            |            |            |
| Select growers to host project demonstration sites  |                       |           |           |           |           |           |           |           |           |           |            |            |            |
| Identification of agricultural extension officers willing to participate                        |                       |           |           |           |           |           |           |           |           |           |            |            |            |
| Create a site plan and define project monitoring and treatment thresholds for the selected site |                       |           |           |           |           |           |           |           |           |           |            |            |            |
| Create information exchange portal  |                       |           |           |           |           |           |           |           |           |           |            |            |            |
| Sub task 1.5.3.2. Develop a specific education plan   |                       |           |           |           |           |           |           |           |           |           |            |            |            |
| Develop technical support and promotional materials with target practices                       |                       |           |           |           |           |           |           |           |           |           |            |            |            |
| Conduct field days  |                       |           |           |           |           |           |           |           |           |           |            |            |            |
| Dissemination of information to partners  |                       |           |           |           |           |           |           |           |           |           |            |            |            |
| Deliver presentations for trainings and meeting   |                       |           |           |           |           |           |           |           |           |           |            |            |            |

## **GENDER / WOMEN IN AGRICULTURE**

### **1.5.2 Women Entrepreneurs in Agribusiness**

In year one of the Project, the Youth and Gender director worked to identify women entrepreneurs in agribusiness. Contacts she had with UNDP, OSCE, Agronet and other similar organization that work with women indicated that there are no organized women's cooperative groups.

The Project will establish a group of women entrepreneurs in agribusiness and ensure their access to agribusiness opportunities

- The Project will continue working with the FAO trainer for social and economic development of country women, Mrs. Jasmina Nikitovic Stojicic. She is the president of Union of Agricultural Journalists (Agropress) and editor of regular agricultural show on national television. Mrs. Nikitovic's experience in working on empowerment of women entrepreneurs and the network of Agropress journalists will help the Project reach women, potential entrepreneurs.
- An announcement will be made by the Project and our consultant that we are starting our "Women Entrepreneurs in Agriculture" program. The announcement will be targeted to Project staff, Ministry of Agriculture and women entrepreneurs from the Project's database. The announce will be made in October 2008 and will be delivered by Mrs. Nikitovic and Youth and Gender director.
- The engagement of Mrs. Nikitovic and her team will be the second phase. By November 2008, they will explore potential trainings for women entrepreneurs, depending on the region and area where they live and work and propose training programs to the Project.
- By end of January 2009, we will identify women entrepreneurs from 7 regions of Serbia (approximately 10 women per region), to participate in training for business communication, marketing, management skills, business plan preparation, and other subjects.
- According to needs identified in each groups, training will be planned and implemented by region. Sector leads will participate in training with female agribusiness representatives. Trainings will be delivered from February through August 2009.
- In September 2009, a fair called "Women Entrepreneurs in Agriculture" to display their products and services will be organized. It will take place in Belgrade and gather not only women members of "Women Entrepreneurs in Agriculture" group but other women and men entrepreneurs, potential business partners, and government officials develop a national strategy for dealing with gender in agriculture issues.
- Monitoring and evaluation of "Women Entrepreneurs in Agriculture" will be done by Youth and Gender director and the Project, and it will give a direction for providing further technical assistance in Year 3.

The approximate budget for the gender component is \$50,000 (grant)

**USAID Agribusiness Project**

| <b>WOMEN IN AGRICULTURE/GENDER</b>  | <b>Responsibility</b>             | <b>M1</b> | <b>M2</b> | <b>M3</b> | <b>M4</b> | <b>M5</b> | <b>M6</b> | <b>M7</b> | <b>M8</b> | <b>M9</b> | <b>M10</b> | <b>M11</b> | <b>M12</b> |
|---|-----------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
| <b>Component 1: Increased Efficiency And Competitiveness of Serbian Agribusiness</b>                            |                                   |           |           |           |           |           |           |           |           |           |            |            |            |
| <b>Objective 1.5: Other Cross-cutting activities</b>  |                                   |           |           |           |           |           |           |           |           |           |            |            |            |
| <b>Task 1.5.2: Establish group of women entrepreneurs and ensure their access to agribusiness opportunities</b> |                                   |           |           |           |           |           |           |           |           |           |            |            |            |
| Announce the process of establishing women's groups in agribusiness   | <b>IP</b>                         |           |           |           |           |           |           |           |           |           |            |            |            |
| Explore training needs of women entrepreneurs   | <b>IP</b>                         |           |           |           |           |           |           |           |           |           |            |            |            |
| Identify women entrepreneurs and develop the training plan together with them                                   | <b>IP</b>                         |           |           |           |           |           |           |           |           |           |            |            |            |
| Deliver the trainings, accompanied by the Project's sector leads presentations                                  | <b>IP, SL</b>                     |           |           |           |           |           |           |           |           |           |            |            |            |
| Organize the fair of "Women Entrepreneurs in Agriculture" group   | <b>IP, SL, Communications, RL</b> |           |           |           |           |           |           |           |           |           |            |            |            |
| Develop the evaluation and monitoring tool for the group's follow-up  | <b>IP</b>                         |           |           |           |           |           |           |           |           |           |            |            |            |

## **VOLUNTEER PROGRAM**

USAID Agribusiness Project will continue to build on IRD's success with the Serbian Mentorship Program and mobilize new resources to build sustainable Serbian capacity for market-led agricultural growth.

In year 2, the mentorship program will work as a joint effort of the USAID Agribusiness Project and the SUC to utilize business expertise from the Serbian Diaspora to transfer their experience and expertise to the Serbian business community. The mentorship program will be implemented as follows:

- By December 2008, USAID Agribusiness Project will identify technical areas within the selected sub-sectors e.g. new production and processing technologies for particular commodity, marketing and sales techniques, producer organizations and management capacity building training programs, etc. where an expert from the American-Serbian business and educational community can contribute his/her knowledge and experience.
- Based on the USAID Agribusiness Project's proposed area of assistance i.e. a scope of work, SUC will identify volunteers through its networks within the given timeframe. Identified volunteers will be evaluated based on skills and experience. Based on their preferences, they will provide up to 8 weeks of their time to travel and work on the particular assignments in Serbia. SUC mentors may be provided with a roundtrip coach airfare, and reimbursement for in-country travel, as well as a modest per-diem for their field work in Serbia. Based on the mentorship results achieved during the first phase, USAID Agribusiness Project may repeat the same process in early summer 2009.

In addition to the mentorship program, USAID Agribusiness Project will also offer internships to qualified Diaspora students who want to come to Serbia and learn more about the individual components of the USAID Agribusiness Project, and the value chains. In cooperation with SUC and the Serbian students' associations, USAID Agribusiness Project will advertise this initiative by December 2008; interested students will be evaluated based on their grades and relevance of the internship to the field of their study. It is expected that the internships will take place in summer 2009.

## COMPONENT 2: IMPROVED ENABLING ENVIRONMENT FOR SERBIAN AGRIBUSINESS

### OBJECTIVE 2.1: IMPROVE CROP AND LIVESTOCK PRODUCTION ESTIMATES, MARKET PRICE INFORMATION, AND SUPPORTING STUDIES TO GOS.

For efficient operation in domestic and export markets, agricultural producers need better access to timely and reliable information on domestic and regional prices and production variations, supply and demand in domestic and export markets, specific import requirements, consumer behavior, weather conditions, and the competitive landscape. Currently, agriculture market information systems (MIS) operated in Serbia provide weekly prices for fruits and vegetables, meat, livestock and cereals in the domestic market through several media outlets, such as the television, newspapers and Internet. However, MIS can be significantly improved by expanding the number of commodities covered by the surveys, more accurate and timely data on regional and international markets, raising public awareness on available information and analysis.

#### *Task 2.1.1: Strengthen the Serbian System of Market Information in Agriculture (STIPS).*

The USAID Agribusiness Project's Team, led by **Brankica Obućina**, will work closely with the MAFWM to improve and strengthen STIPS. Close collaboration with USDA and other relevant organizations will avoid overlapping activities. The primary goal of the assistance provided by the USAID Agribusiness Project will be the expansion of the number of commodities for which market prices are collected, creation of a more "user friendly system", raising awareness of the system and the analytics behind the information available to ensure better decision making by agricultural producers.

- During September 2008, the USAID Agribusiness Project will implement an enabling grant to address the needs for STIPS improvement as identified above. A grant expanding the number of commodities covered by STIPS and trainings for farmers will be provided to a NGO (e.g. Agromreza) or to other eligible organization. The estimated amount for the enabling grant is 98,000 USD. Activities foreseen in the grant will be implemented throughout the year. The expected number of ABDS providers benefiting from the grant will be 20, while around 800 farmers are expected to take part in trainings on the use of STIPS.

#### *Task 2.1.2: Develop capacities for participation in the Farm Accountancy Data Network (FADN)*

In the course of accession to the EU, Serbia must develop the capacity to introduce FADN as an instrument for evaluating the income of agricultural households and the impact of implemented agricultural policies. The results of the national survey under FADN will be the source of comparable information on economic results and economic situation of a representative sample of commercial agricultural households. The micro-economic data collected in Serbia will be completely harmonized with EU member countries' data since the same bookkeeping principles will be applied. Since there has not been any organized farm

accountancy data collection in Serbia so far, the USAID Agribusiness Project will work closely with the MAFWM and other relevant institutions in Serbia, to assist with organization and/or implementation of a survey of agricultural household-level accounts of revenue, expenditure, inputs and outputs based on the FADN requirements.

The USAID Agribusiness Project will engage an international STTA to assist the MAFWM and other relevant institutions in Serbia in conducting the preparatory work for the implementation of FADN. A 30 work days engagement of an STTA, divided in two stays with 15 work days each is expected to take place in February 2009 and May or June 2009. The STTA will deliver to the USAID Agribusiness Project and the MAFWM report outlining recommendations regarding the introduction and implementation of FADN, and will provide training for the responsible staff. The USAID Agribusiness Project may consider supporting a pilot survey to identify agricultural households that will participate in FADN. The estimated budget for the activities related to the FADN is 50,000 USD.

***Task 2.1.3: Organize targeted agricultural studies/surveys***

The Government of the Republic of Serbia has ensured financial assets and technical assistance for implementation of the national agricultural census to be implemented in 2010 (after more than 10 years). As a complementary activity, the USAID Agribusiness Project will coordinate with the MAFWM and other relevant institutions to carry out discrete studies in selected sectors identified in our proposal and sub-sectors assessments and to ensure better information on specific agricultural issues. Using Enabling Grants, the USAID Agribusiness Project team, led by **Brankica Obucina and relevant sector leads**, will collect information on targeted sub-sectors or specific agricultural issues, and work closely with the MAFWM to determine the best way to compile required information to facilitate strategic planning and decision making. Some of the most important issues identified by the Agribusiness Project and accepted by the Ministry as crucial to the success of our strategies are:

- ***Preparation of the Study on a Cold Chain in Serbia:*** The USAID Agribusiness Project will engage internationally recognized consultants to work with the MAFWM and other relevant expert institutions and industry representatives on the Cold Chain Study. The work will be implemented in 3 phases.

*Phase 1: Cold Chain Survey Development* (evaluation of the current situation of cold and cool chains in Serbia for the sale of fresh produce and fruits, both locally and for export) – October 2008;

*Phase 2: Cold Chain Research* (gathering information on the needs and opportunities for building cooling facilities in Serbia) – October to December 2008; and

*Phase 3: Cold Chain Specialist and Engineer Analysis* (evaluation of the relevant international standards as well as the market requirements for fresh products from the standpoint of post-harvest cooling, handling, transportation and logistics, including needs for developing the cold chain in Serbia) – January 2009.

Estimated costs for preparation of the Cold Chain Study encompass costs of international consulting company WFLO (88,290 USD) and costs of local experts (50,000 USD).

- ***Providing support for establishment of fruits and vegetables consolidation centers*** (*preparation of relevant studies, conducting necessary trainings*) in order to generate relevant data on all aspects of investing into this new type of wholesale center. The USAID Agribusiness Project will engage international and/or local ABDS consultants to conduct the study/or trainings in collaboration with the MAFWM. The study will

provide detail analysis of cost, quality, logistics, benefits, as well as information on maximum returns on the potential investments, organization and management of the centers, and recommendations for future activities. The tentative period for these activities is February – March 2009. Estimated costs are 20,000 USD.

## **OBJECTIVE 2.2: FACILITATE LEGAL, POLICY, AND REGULATORY REFORM**

During the Year 1 of the implementation of the USAID Agribusiness Project, due to the spring Parliamentary elections and delay in the formation of the new Government, work on the legislative and policy reforms in the agricultural sector was severely stalled.

In the course of EU integration process and accession to relevant international organizations (WTO, UPOV, etc.) Serbia will be obliged to conduct extensive legislative and policy reforms in the agricultural sector. In addition, many of the principles and goals of the Agriculture Strategy of Serbia are not fully and consistently implemented, and the regulatory regime remains cumbersome and fragmented. Many of the laws, bylaws, and decrees required for the development of a competitive agricultural sector are either not adopted, not enforced, or require extensive amendment.

The USAID Agribusiness Project team will work with the MAFWM, other relevant governmental institutions, academia, relevant institutes and private business associations (e.g., National Alliance for Local Economic Development), to facilitate the reforms necessary for the EU integrations, WTO accession process, but primarily, for the purpose of developing competitive agricultural sector. In addition, the USAID Agribusiness Project will support creating a more open and focused private-public legislative drafting process that will enable mobilization of the most relevant stakeholders for reforms in question. To do so, we will assess the possibility of forming working groups to assist coordination of legislative drafting relevant to the sector.

### ***Task 2.2.1: Provide support to legislative and policy reform coordination***

In cooperation with the MAFWM, relevant academic, scientific and research institutions and associations, the USAID Agribusiness Project will assist the creation of, and provide support to, efforts of working groups/bodies responsible for coordinating and implementing initiatives related to legislative or policy reforms pertaining harmonization of domestic practices with the EU or international rules, and increasing competitiveness of the agricultural sector in Serbia.

Sub sectors assessments and field work have identified the following specific areas of particular interest:

- food safety, plant health,
- veterinary matters,
- improving capacities of extension and advisory service,
- workshops/studies in order to measure the effects of new legislation,
- evaluation of domestic support measures, and/or other areas that affect the six value-chains in which the USAID Agribusiness Project operates.

These activities will be closely planned together with the MAFWM and will encompass engagement of local or international STTA, support to specific working groups, and/or facilitation of specific workshops/studies on measuring effects of new legislation. This activity will be implemented as of December 2008, when major legislative efforts in agriculture are expected. Estimated budget is approximately 100,000 USD.

The USAID Agribusiness Project will work jointly with the Mushroom Board of the Fruits of Serbia to facilitate dialog with the Ministry of Environment and Spatial Planning and the Institute for Nature Conservation to speed the process of quota allocation for wild mushrooms and the process of issuing export licenses. The activity is planned as of December 2008. Specific recommendations will be prepared by March 2009.

### ***Task 2.2.2: Support policy implementation***

In the course of policy reforms, drafting or amendment of appropriate legislation is just one activity related to the full implementation of a reform. For example, the currently applied Veterinary Law prescribes that inspection and control on importation will be conducted in accordance with a risk assessment. In practice, each shipment is being tested since there is no proper system or network that would connect relevant border posts with central service that would operate a database with all relevant information for administering exports and imports. In addition, by establishing the information network that would link all relevant inspections within the MAFWM is also essential. The USAID Agribusiness Project will work with the MAFWM to identify and assist in removing obstacles in the policy implementation in the aforementioned area and encourage the European Union to take an active role in removing this constraint through technical assistance or purchasing equipment.

The USAID Agribusiness Project will pay special attention to three high-profile legislative issues:

- **Warehouse Receipts (WHR):** The GOS draft law on WHR rural finance for short-term crop loans has been drafted for two years but due to political reasons has not yet been passed. The MAFWM has engaged the Faculty of Economic and the Institute for Food Technologies to collect the necessary relevant data to optimize decision making in the process of adoption of the Law on Public Warehouses and implementing regulations, as well as in the process of establishing an efficient system of public warehouses. The USAID Agribusiness Project, using **Krassimir Kiriakov** who helped draft the initial law with USAID funding, will work with relevant ministries to pass and implement the WHR law to develop \$20 million in seasonal (month-by-month) loans pledged against grains or other verified agricultural/food assets in storage. Engagement of Krassimir Kiriakov as STTA is expected in December 2008, for 10 work days, and a follow-up engagement in March 2009, also for 10 work days. Estimated budget is approximately 15,000 USD.
- **Legalize Plant Protection Rights.** Serbia is not a member of the International Union for the Protection of New Varieties of Plants (UPOV). This limits Serbia's ability to introduce the latest and most productive plant varieties to grow in the country. A law has been drafted by the MAFWM, and approved by the UPOV Council in April 2008. The USAID Agribusiness Project will work with the MAFWM and other relevant organizations to ensure proper implementation of the law (relevant trainings and workshops on the requirements of the system for protection of new varieties). It is expected that this activity will be implemented as of February 2009. Estimated budget is approximately 20,000 USD.
- **Reform Cooperative Law and Registration in Serbia.** Free market liberalization has received negative input from the Cooperative Unions of Serbia and Vojvodina (which still exist) that rely on the old law on cooperatives to share wealth equally among a minimum of 10 members. The old law (from 1996), still in effect, requires all cooperatives to be members of these Cooperative Unions and pay mandatory dues every year. Although most of these dues are ignored, the existing system makes cooperatives unattractive for many agricultural producers. Moreover, with the new draft law proposed, only three farmers and a minimum of 1,500 Euros need be



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invested to start new agricultural cooperatives or re-register existing cooperatives. More important, the new law allows unequal ownership of assets (e.g., donations to the cooperative in-kind or cash by larger farmers), which would provide a large incentive to grow cooperatives as has occurred in Hungary.

The USAID Agribusiness Project team will work to strengthen national associations or cooperatives that advocate change at the national level with the GOS, and work closely with the Ministry of Economy and Regional Development on adoption of the draft law. A new cooperative law would facilitate loans to cooperatives, since currently all their assets are equally owned (with unequal ownership overcome through a complicated set of bylaws and contractual agreements between members). Reforming ownership of assets of the cooperatives would greatly facilitate farm loans since cooperatives themselves do not have much incentive for seeking loans even though they may own large amounts of assets and have longstanding sets of documentation on their sales and purchases that make them easy candidates for such agricultural loans.



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| ENABLING ENVIRONMENT   | Responsibility              | M1 | M2 | M3 | M4 | M5 | M6 | M7 | M8 | M9 | M10 | M11 | M12 |
|--|-----------------------------|----|----|----|----|----|----|----|----|----|-----|-----|-----|
| <b>Component 1: Increased Efficiency and Competitiveness of Serbian Agribusiness</b>               |                             |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>Objective 1.1: Strengthen Producer Organizations</b>  |                             |    |    |    |    |    |    |    |    |    |     |     |     |
| Task 1.1.2: Promote and provide support to introduction of international standards.                | <b>BO, GR, sector leads</b> |    |    |    |    |    |    |    |    |    |     |     |     |
| • GlobalGAP awareness seminars and workshops   | <b>BO, GR, sector leads</b> |    |    |    |    |    |    |    |    |    |     |     |     |
| • Printing of brochures/instructions for HACCP   | <b>BO, GR, SDJ</b>          |    |    |    |    |    |    |    |    |    |     |     |     |
| • Support for introduction and certification of GlobalGAP, ISO 14001 and ISO 22000                 | <b>BO, GR, sector leads</b> |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>Component 2: Improved Enabling Environment For Serbian Agribusiness</b>                         |                             |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>Objective 2.1: Improve Crop and Livestock Production Estimates and Market Price Information</b> |                             |    |    |    |    |    |    |    |    |    |     |     |     |
| Task 2.1.1: Strengthen the Serbian System of Market Information in Agriculture (STIPS)             | <b>BO</b>                   |    |    |    |    |    |    |    |    |    |     |     |     |
| Task 2.1.2: Develop capacities for participation in the Farm Accountancy Data Network (FADN)       | <b>BO</b>                   |    |    |    |    |    |    |    |    |    |     |     |     |
| Task 2.1.3: Organize targeted agricultural studies/surveys   | <b>BO, sector leads</b>     |    |    |    |    |    |    |    |    |    |     |     |     |
| • Preparation of the Study on a Cool Chain in Serbia   | <b>BO, GR</b>               |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Phase 1: Cold Chain Survey Development</i>  |                             |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Phase 2: Cold Chain Research</i>  |                             |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Phase 3: Cold Chain Specialist and Engineer Analysis</i>  |                             |    |    |    |    |    |    |    |    |    |     |     |     |
| • Providing support for establishment of fruits and vegetables consolidation centers               | <b>RV, BO, GR</b>           |    |    |    |    |    |    |    |    |    |     |     |     |



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| <b>ENABLING ENVIRONMENT</b>  | <b>Responsibility</b> | <b>M1</b> | <b>M2</b> | <b>M3</b> | <b>M4</b> | <b>M5</b> | <b>M6</b> | <b>M7</b> | <b>M8</b> | <b>M9</b> | <b>M10</b> | <b>M11</b> | <b>M12</b> |
|--|-----------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
| <b>Objective 2.2: Facilitate Legal, Policy, and Regulatory Reform</b>      |                       |           |           |           |           |           |           |           |           |           |            |            |            |
| Task 2.2.1: Provide support to legislative and policy reform coordination. | <b>BO</b>             |           |           |           |           |           |           |           |           |           |            |            |            |
| Task 2.2.2: Support policy implementation                                  | <b>BO</b>             |           |           |           |           |           |           |           |           |           |            |            |            |
| 1. Warehouse Receipts (WHR)  | <b>KK, BO</b>         |           |           |           |           |           |           |           |           |           |            |            |            |
| 2. Legalize Plant Protection Rights  | <b>BO</b>             |           |           |           |           |           |           |           |           |           |            |            |            |
| 3. Reform Cooperative Law and Registration                                 | <b>BO, GD, PC</b>     |           |           |           |           |           |           |           |           |           |            |            |            |

## **COMPONENT 3 – PROGRAM MANAGEMENT**

### **OBJECTIVE 3.1: ESTABLISH AND MANAGE USAID AGRIBUSINESS GRANTS PROGRAM**

The USAID Agribusiness Project plans to obligate the grant funds in the amount of \$1 million to support approximately 55 grant activities in the period October 1, 2008 – September 30, 2009. The grant funds will be used to augment the activities emerging from the value-chain strategies and the commodity action plans. In corresponding to the core objectives of the USAID Agribusiness Project's year 2 work plan the following three major grant components are envisioned:

- 1. Investment Incentive Grants:** designed to increase the efficiency and competitiveness of Serbian agribusiness enterprises along the value chain in the six high-potential selected sub-sectors by leveraging private investment in infrastructure, technology, value-added processing, and marketing by producer organizations, agribusiness firms, and ABDS providers. Investment Incentive Grants would normally complement technical assistance and education, and may include such things as machinery and equipment, construction and/or rehabilitation of packing plants and cold storage units, irrigation systems, green house technology, or other items or services that have the ability to significantly advance a sector, sub-sector, or enterprise cluster from one stage of competitive development to another. Investment Incentive Grants will be available in the three award categories. The original voucher grant award category within the Investment Incentive Grant component shall be excluded, whereas the existing and approved grant procedures allow for sufficient resources to support the ABDS delivery.
- 2. Capacity Building Grants for Producer Organizations and ABDS Providers:** designed to support non-profit and for-profit non-governmental producer organizations and ABDS providers as to improve their management and operational capacity. As for the specific activities, these grants will be used to support creation and capacity building of the targeted food industry associations and producer organizations to provide general benefit services. The grants will target the associations in the Project's selected agriculture sub-sectors where there is strong commitment from the private sector stakeholders. USAID Agribusiness Project will further utilize these grant funds to assist ABDS providers to strengthen their operations and promote the establishment of new ABDS firms to provide in-demand services to firms along the value chain. USAID Agribusiness Project will focus on four primary areas of service delivery: technical services, management services, financial services and marketing.
- 3. Youth Enterprise Grants:** designed to encourage and promote youth entrepreneurship (general age range is from ages 15-24). Youth Enterprise Grants will be awarded on a competitive basis; the idea is to invite youth through a public Request for Application (RFA) to submit original business ideas and creative business solutions. The grants shall not be disbursed until the business is registered, and may not exceed \$15,000 in amount. However, in this category grants may finance up to 100% of the total required investment. Youth Enterprise Grants Program will be managed by Ivana Petrovic, Youth/Gender Director.



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USAID Agribusiness Project shall not award any grant that exceeds 100,000 USD or for a period that extends beyond the estimated completion date of the USAID Agribusiness Project. The terms of all grants shall allow for an orderly close-out prior to the end of USAID Agribusiness Project.

All grantees will be required to provide matching contributions in cash or in-kind from non-USAID sources, which should generally operate between 30 percent and 50 percent of the value of the total activity being supported by the grant.

The grant funds will be available to all local (Serbian) non-governmental organizations, both for-profit and non-for-profit, e.g. producer organizations (farmer cooperatives and associations), business associations, professional organizations, research institutions, educational facility, agribusiness enterprises and individual firms engaged in agricultural input supply, processing, service provision, marketing, storage, branding, transport, etc. whose proposed activities meet the USAID Agribusiness Project's eligibility and evaluation criteria, as well as contribute to project results. Grant recipients must be registered under Serbian law, and their organizational goals and objectives should be consistent with the objectives of USAID Agribusiness Project.

USAID Agribusiness Project will follow the provisions of the Initial Environmental Examination (IEE) ensuring that all requirements of the environmental regulations described in 22 CFR 216 are satisfied prior to a grant award.

All grantees will be subject to regular and periodic monitoring visits and reporting requirements. Grants Program Report will be submitted with the required quarterly and annual program reports summarizing the grant amount disbursed within the reporting period, number of people employed (data segregated by gender), increased sales, number of POs as recipients, as well as other relevant indicators within the Performance Monitoring Plan as collected through the Quarterly Impact Surveys. Grants Manger and MIS Specialist will assure a day-to-day grants program update in the TAMIS.

The approved Grants Manual has been revised as to assure consistency with the strategic objectives of the USAID Agribusiness Project in Year 2, described herein, as well as the lessons learned during the sector assessments and analysis. As advised in the Task Order, USAID Agribusiness Project should update the Grants Manual no less frequently than annually; the updated version is included as an annex to this work plan.

Further details about the Grants Program in year 2 are provided in the Annex 3.



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### USAID Agribusiness Project Grants Program – Gantt Chart

| Component 3.1: Establish and Manage USAID Agribusiness Project Grants Program | Responsibility   | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep |
|---|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Implement Investment Incentive Grant program                                  | Gene Neill, Sub-sector Leads, Advisors, Goran Radojevic, Slavenko Djokic |     |     |     |     |     |     |     |     |     |     |     |     |
| Implement Capacity Building Grant program                                     | Gene Neill, Goran Radojevic, Slavenko Djokic                             |     |     |     |     |     |     |     |     |     |     |     |     |

## **OBJECTIVE 3.2 PROJECT COMMUNICATIONS**

### *Task 3.2.1 Communication Strategy*

The table titled “Communication Strategy” given bellow presents the action plan for each Project component. It was developed by a Project consultant, Joanne Adams. It represents actions to be taken over the life of Project but will be initiated in Year 2.

### *Project Website*

The Project web site has been up running since July 2008 in both Serbian and English. In Year 2, we will make significant improvements to the web site including:

- Weekly highlights of Project activities;
- Monthly success stories posted to the site; and
- Monthly updates on schedules and events from TAMIS;



## USAID Agribusiness Project

### Communication Strategy

| Objective   | Target Audience                               | Activity  | Responsibility   |
|---|---|---|--|
| Component 1: Increased efficiency and competitiveness of Serbian agribusiness       |   |   |  |
| Objective 1.0 Sub sector selection, analysis, and commodity action plan development | Define target audiences                       | Develop marketing and communication plan to correspond with each commodity action plan; develop fact sheets on each sub sector  | Marketing and communication staff, sector leads and STTA |
| Objective 1.1 Strengthen producer organizations                                     | Trade media<br>Domestic public and businesses | Assist producer organizations in publicizing and marketing improvements in the development of producer organizations  | Marketing and communication staff, ABDS providers        |
| Task 1.1.2 Conduct needs assessment of selected organizations                       |   |   |  |
| 3. Marketing  | Selected producer organizations               | Conduct marketing and communication evaluation of selected producer organizations and identify needs for training and technical assistance in marketing and communication | Marketing and communication staff, STTA                  |
| Objective 1.2: Improve agribusiness development services delivery (ABDS delivery)   | Trade media<br>Domestic public and businesses | Assist ABDS organizations in publicizing and marketing improvements in the development of ABDS organizations  | Marketing and communication staff                        |
| Task 1.2.1: Build the supply for business services                                  |   | Encourage the growth and development of new media as an agribusiness service  | Marketing and communication staff                        |

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| Objective  | Target Audience  | Activity  | Responsibility   |
|--|--|---|--|
| 3. Provide sub sector specific technical assistance<br>4. Train ABDS providers<br>7. Introduce ABDS cost sharing | ABDS providers   | Develop communication and promotional capacity of sector businesses, producer organizations and ABDS providers: develop, scope budget, RFP, and manage sub contractor to provide marketing and communication training and technical assistance to stakeholders<br><br>Accredite communication and marketing ABDS to receive ABDS cost sharing<br><br>Market cost sharing system   | Marketing and communication staff, STTA and ABDS providers |
| Task 1.2.2: Improve access to and utilization of financial services  | Domestic producers, processors, and exporters  | Assist in publicizing improvements in access and utilization of financial services  | Communication staff, ABDS providers                        |
| Task 1..3: Improve access to domestic and international markets  | Domestic public and businesses<br><br>International trade, financial and general media<br><br>International buyers<br><br>Domestic producer organizations, producers, processors, exporters and supermarkets | Develop articles and ideas for publication and issue press releases and articles to domestic, general business, trade and international media. Encourage journalist site visits to agribusinesses throughout Serbia.<br><br>Provide (and train stakeholders to provide) value chain/agribusiness articles, photographs and ideas regularly to publications such as:<br><br>The regional English language quarterly, <a href="http://www.see-market.com/">http://www.see-market.com/</a><br>The domestic weekly Economist magazine, <a href="http://www.emportal.co.yu/">http://www.emportal.co.yu/</a><br>The domestic bi-monthly Market magazine, <a href="http://www.market-srbija.com/">http://www.market-srbija.com/</a><br>Internet newsletters, <a href="http://www.emergingeuropemonitor.com/">http://www.emergingeuropemonitor.com/</a><br><a href="http://www.reportbuyer.com/">http://www.reportbuyer.com/</a><br><a href="http://www.mojafarma.co.yu/">http://www.mojafarma.co.yu/</a><br><br>Distribute Serbian version of USAID’s Economic Transformation Projects quarterly e-newsletter, Fast Facts to domestic producers, processors, exporters, and other stakeholders | Communication staff, ABDS providers                        |

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| Objective   | Target Audience  | Activity  | Responsibility   |
|---|--|---|--|
| 1. Institutional producer training and education  | Domestic producers   | (see 1.2.1.3 and 4)   |  |
| 2. Ensure info flows for producers and buyers in sub sectors  | Domestic producers, processors, exporters and supermarkets                         | Maintain and distribute to stakeholders list of domestic and international websites that provide access to market information systems (MIS)<br><br>Assist in the development of a Serbian language private sector newsletter (ABDS) on international market information: develop SOW/RFP to provide cost sharing grant. | Marketing and communication staff, ABDS providers                          |
| 3. Organize sub sector export associations  | Trade media<br>Domestic public and businesses                                      | Publicize and provide communications training to sub sector export associations   | Communication staff, STTA, ABDS providers                                  |
| 4. Improve access to domestic markets; raise awareness of quality of Serbian agribusiness products (formerly, Launch a Buy Serbia campaign and mark of quality) | Domestic media, public and businesses  | Assist producer organizations and ABDS providers in developing programs to increase public awareness of the quality of domestic products in the six sub sectors; encourage identification of local products at local at point of sale; encourage packaging of local products that identifies origin of product.         | Communication staff, ABDS providers  |
| 5. Improve government support for promotional efforts   | International buyers   | Assist SIEPA/Ministry of Agriculture with marketing and communication activities at trade fairs   | Marketing and communication staff, Ministry of Agriculture, ABDS providers |
| 6. Enhance agribusiness linkages for market access  | Domestic producer organizations, producers, processors, exporters and supermarkets | Assist producer organizations in the development of communication/promotional campaigns in export markets<br><br>Assist in communication of programs such as GLOBALGAP food certification program   | Marketing and communication staff, ABDS providers                          |
| Objective 1.4: Develop a youth enterprise program and business plan competition   | Domestic media, public and businesses<br>Educational institutions                  | Publicize youth enterprise program and business plan competition  | Communication staff  |



### USAID Agribusiness Project

| Objective  | Target Audience         | Activity   | Responsibility                      |
|--|-------------------------|--|-------------------------------------|
| Objective 1.5: Initiate crosscutting activities—volunteers, media, gender, and environmental and economic analysis |                         |  |                                     |
| Task 1.5.1 Generate positive media coverage  | USAID<br>Serbian public | <p>Organize Project and USAID media events</p> <p>Draft press releases on Project activities for USAID or Project to distribute</p> <p>Write success stories and provide photographs for USAID web site and bulletin, and for USAID’s Economic Transformation Projects quarterly e - newsletter, Fast Facts</p> <p>Seek opportunities to communicate with stakeholders through domestic media: arrange interviews, provide information to journalists, issue press releases</p> <p>Provide briefings for journalists on agribusiness, value chain analysis and market linkages</p> <p>Provide monthly updates to USAID on domestic, trade and international media published with Project assistance</p> <p>Develop and maintain Project web site</p> | Communication staff                 |
| Task 1.5.2 Establish Women’s agricultural group  |                         | Publicize Women’s agricultural group   | Communication staff, ABDS providers |



## USAID Agribusiness Project

| Objective   | Target Audience | Activity  | Responsibility                      |
|---|-----------------|---|-------------------------------------|
| Task 1.5.3 Access volunteers to support POs and Agribusiness  |                 | Publicize volunteer efforts                                       | Communication staff                 |
| COMPONENT 2: Improved enabling environment for Serbian agribusiness                                 |                 |   |                                     |
| Objective 2.1. Improve crop and livestock production estimates and market price information systems |                 | Assist producer organizations in publicizing agribusiness reforms | Communication staff                 |
| Objective 2.2: Facilitate legal, policy, and regulatory reform                                      |                 | Assist producer organizations in publicizing agribusiness reforms | Communication staff, ABDS providers |

## **OBJECTIVE 3.3 ADMINISTRATION**

### ***Task 3.3.1 Personnel***

In year one, as our assessments and work went forward, we identified the need for several changes in personnel. Following changes will be made either at the end of Year 1 or at the beginning of Year 2:

- Deputy Chief of Party to be more technically oriented in value chain operations;
- Addition of our ABDS expert (recruited and waiting for notice to ex-employer to expire);
- Replacement of our Communication Director (person recruited and approved by USAID);
- Recruitment of a Deputy Policy Advisor;
- Replacement of our Producer Organization Specialist;
- Hiring a tree fruit expert to replace a promoted local staff person;
- Recruiting a Producer Organization Deputy;
- Replace our Livestock Sector Lead;
- Accountant for Administration and Finance
- Hiring a new market research advisor; and
- Replacing our Sales and Marketing Deputy due to pregnancy leave.

An updated Organization Chart is presented in Annex VI.

The new Deputy Chief of Party will be a value chain specialist capable of providing the technical direction to move the value chains to the goals identified in the assessments. He will provide new and innovative thinking to drive each sector while providing guidance necessary to fully employ the cross cutting components to the maximum efficiency. He will also be the administrative and management back-up to the Chief of Party and will be required to step in when needed.

Goran Radojevic will be taking a more active program role as coordinator of the cross cutting components. He will work closely with the DCOP to make sure the cross cutting specialists are providing the support needed by each Sector Lead. He will be the principal control point of grants from value chains requiring input from cross cutting components. Goran will provide assistance to marketing, policy, ABDS and Youth as required.

The Project will replace our Producer Organization Specialist based on a lack of progress in the first year in achieving the deliverables required in the first year work plan. Combined with a serious, lasting medical condition, it now appears that the current specialist will not be able to produce the results for year 2 either. We are in the process of identifying candidates for submission to USAID for approval. We expect that the new person will be an advisor to our local producer organization specialist with a new assistant to be hired.

Our tree fruit specialist has been filing in as Producer Organization Specialist while maintaining his role as a Sector Lead. As he continues working with Producer Organizations, his job as Sector Lead for Tree Fruits needs to be filled.



## USAID Agribusiness Project

As previously approved by our CTO, the engineering position in the proposal will be changed to a new market research advisor. The recruitment process is on-going with a strong candidate already identified.

The Project is also replacing the Livestock Sector lead after a period of caution and being put on performance monitoring it has become evident that the Project needs someone who is more analytical and needs less direct supervision of day to day activities in the role of Sector Lead.

Our sales and marketing deputy will go on pregnancy and maternity leave in October 2008 and her replacement has been identified and approved by USAID.

We are also hiring a junior accountant to assist our Finance Officer who has taken on additional responsibility under the new organizational chart and is now Director of Administration and Finance.

Our original DCOP was in charge of Policy. Given his departure and the change in that role to more technical supervision of value chain leads, we will recruit a deputy policy advisor to assist our Specialist.

### ***Task 3.3.2 Off Site Work Planning Session for 2009-2010***

As Year 2 ends in the fall of 2009, the Project will plan to have a one week off site work plan session where all participants will be in one place, removed from distractions of work and demands of their daily routines. In place of three weeks of constant calling, travelling and interruptions which highlighted the Year 2 work plan session we will be able to complete the bulk of the plan in for Year 3 more efficiently and with greater coordination. The suggested location will be Montenegro and all staff will be expected to attend.



## Year 2 Work Plan, Annex II.3

### DAIRY

October 1, 2008 - September 30, 2009

#### OVERVIEW

During the Year 1, the USAID Agribusiness Project completed a dairy sector assessment and focused on potential interventions with medium sized dairies and related stakeholders. The Project also completed technical audits of 17 medium sized dairies in Serbia to complement the dairy sector assessment with practical experience and to decide the course of intervention.

The main constraints to be addressed by the Project are:

- stakeholders' (farmers, dairy managers and owners, ABDS providers) lack of technical, operations and marketing knowledge
- lack of quality standards and practices with respect to policy adjustments and EU accession
- lack of access to new export markets
- weak ABDS provision along the value chain

The Project goals in Year 2 are to:

- Consolidate stakeholders' linkages (dairy-ABDS-farmer)
- Develop a pool of dairies interested in implementing structural changes and adopting new technologies/services
- Increase dairy stakeholders' technical knowledge on production, processing operations, quality standards and marketing requirements
- Develop CEFTA, Russia and USA export opportunities, leveraging Ministry of Agriculture, SIEPA, USDA and other donor funds for trainings, Business to Business trade events and study tours.

## Component 1: Increased Efficiency and Competitiveness of Serbian Agribusiness

### OBJECTIVE 1.1: STRENGTHEN PRODUCER ORGANIZATIONS

The dairy producer organizations' (PO) management and marketing skills are very limited. None of 17 dairies interviewed recognized a single PO as a partner in business. Dairies themselves tried to support initiatives which would lead to a creation of viable PO, but none succeeded. Even farmers do not see PO as means to enhance their business. Thus the dairy sector has a challenge, but we anticipate that these initiatives may revive PO prospects:

- **Task 1.1.1 Develop a Nationwide Dairy Milk Quality and Farm Management Campaign.** In cooperation with ABDS providers, led by Taurus Agro Consulting as the most advanced service provider within the sector, dairy companies will identify 50 leading farmers for intensive farm management program plus 300 farmers for general training sessions. Taurus will assist local dairy ABDS providers by assigning and coordinating tasks in the field and involving them in three training seminars (on mastitis prevention, reproduction and artificial insemination) led by a US consultant, thus increasing the dairy ABDS providers' technical capacity as well. PO leads will educate farmers about the value of working in a group. The activity has nationwide coverage.

*Project timeframe: October 2008 - July 2009*

*Expected results: 50 commercial dairy farm agribusinesses improved, 300 dairy farmers trained, 6 ABDS providers trained, new sales \$ 800,000 (Year 2 – Year 5)*

- **Task 1.1.2 Help Producer Organizations to implement international standards and meet certification requirements.** Dairy farm HACCP certification is mandatory under the new Veterinary Law, and is also a food safety precondition for dairy companies that export. The Project will cost share with the Holstein Farmers Association of Serbia to implement HACCP on 15 individual dairy farms. The Association is an umbrella for the implementation and this grant is expected to benefit non-members as well by promoting the need for dairy farm certification Serbia-wide. An additional 100 farmers will be trained on HACCP farm requirements, with the lessons learned from implemented activities.

*Project timeframe: October 2008 - July 2009*

*Expected results: 15 commercial dairy farm agribusinesses HACCP certified, additional 100 farmers trained*

- **Task 1.1.3 Develop Serbian-American Dairy Business to Business linkages.** This activity will be in the continuation of cooperation with the US companies (such as Cooperative Resources International (CRI) or Land o Lakes), that will organize and coordinate events. US dairy expertise in Serbia was successfully introduced through an exclusive partnership between the US genetic companies World Wide Sires and CRI, and Taurus from Serbia. To date, over 300 farmers, ABDS providers, dairies and veterinarians have been trained on increasing the profitability of dairy farm production based on the US models. In addition, two US milk quality controlling devices were previously introduced on commercial farms and at the Institute in Zrenjanin, showing better performance than available EU products. Additionally, USDA finalized an export promotion dairy campaign to US market, which resulted in market inquiries for the Subotica and Jersey dairies from US buyers.

Since Serbian dairies still do not meet the technical standards to export to the EU countries, the US market is available as an export opportunity and is an attractive alternative. Dairy companies Sabac, Lazar, Mladost, Kuc and Mihajlovic expressed interest in expanding B&B linkages and transfer of know-how by linking with the US dairy expertise and technology.

*Project timeframe: March 2009*

*Expected results: 14 dairy, ABDS, farmers and regional government representatives adopt new skills for development of commercial farms, farm management programs, new dairy products and PO development.*

## **OBJECTIVE 1.2: IMPROVE ABDS DELIVERY**

The Project has successfully identified ABDS providers for dairy farm management, artificial insemination and veterinary services. However, there is a lack of ABDS providers who specialize in marketing and sales. Improved ABDS delivery is closely related to the activities within Objective 1.1.

- ***Task 1.2.1 Create a National ABDS Providers' Network.*** This will be initiated along with the Dairy Milk Quality and Farm Management Campaign. The activity anticipates building functional relations among ABDS providers leading to creation of a Network. This activity will support the registration of the network, development of a website and development of a specialized monthly e-newsletter featuring production, marketing, technology and policy issues (developed by the ABDS providers). Regional ABDS Providers in dairy farm production management that will participate are: Maxi Farm - G.Milanovac, Veterinary Station - Guca, Veterinary station - Vrsac, Taurus Agro Consulting, Lucar Farms - Sombor, Evrolek - Sabac and Imanuel - N.Sad.

*Project timeframe: December-March 2009*

*Expected results: 1 National ABDS Providers Network developed, 200 subscribers for dairy e-newsletter*

- ***Task 1.2.2 Improve Zlatibor Specialty Products Visual Identity.*** The activity will cost share with Zlatibor Dairy in developing visual identity, labeling and packaging for dairy specialty products. This activity will identify a local ABDS provider to work with the dairy in developing visual identity.

*Project timeframe: December 2008-June 2009*

*Expected results: Three specialty products improved*

- ***Task 1.2.3 Support Development of Commercial Dairy Farm Agribusinesses.*** A US dairy STTA will be brought in to develop technical and investment plans for dairy farms of 30, 50 and 100 cows each. In addition, the activity will include three regionally based seminars of two days each.

*Project timeframe: December 2008-May 2009*

*Expected results: Five investment plans developed; 100 farmers, five dairies and five ABDS providers trained.*

### **OBJECTIVE 1.3: ENCOURAGE YOUTH INVOLVEMENT IN AGRIBUSINESS**

- **Task 1.3.1: Support Development of Dairy Practice Farm Programs.** In cooperation with private sector dairy companies, agricultural schools, local and regional governments and ABDs providers, the activity will cost share the development of training programs and engagement of the US and local dairy experts in implementing three regionally based, two day farm management and production courses, with a focus on agricultural high schools and young farmers.  
*Project timeframe: May-September 2009*  
*Expected results: 100 students and farmers trained*

### **OBJECTIVE 1.4: INCREASE VALUE CHAIN AND/OR CLUSTER COMPETITIVENESS**

Activities that will lead to improved dairy sector competitiveness are: improved milk quality and safety, introduction of new production technologies, development of new high quality and specialty products, and certification of farms and dairy companies. Additionally, education of all dairy stakeholders, from farmers to dairy owners and managers, is critical. Serbian dairy sector export market development in early 2009 will be focused on developing markets in Russia, Ukraine, the ex-Yugoslav Countries and the USA. While the EU market appears to be open for Serbia, in fact the EU has strict food safety standards which are met only by Subotica Dairy. In 2009 the Sabac and Lazar dairies should also be supported to reach standards for export to the EU.

- **Task 1.4.1 Support implementation of IT dairy management.** The project will support five dairies to implement dairy management software that will increase efficiency of milk supply logistics and operations in general. A specialized ABDS provider, such as “Dva S” from Kragujevac, will make assessments of dairies, adjust software for individual needs, implement software and train dairy staff.  
*Project timeframe: December 2008-June 2009*  
*Expected results: Five dairies implemented dairy management software*
- **Task 1.4.2 Develop Russian export market opportunities.** The activity will entail linking dairies interested in the Russian market (Sabac, Lazar, Zlatibor, Kuc and Mladost) and supporting them to exhibit at the Moscow Fair. This will be undertaken in cooperation with regional governments and SIEPA.  
*Project timeframe: February 2009*  
*Expected results: \$300,000 of increased export sales*

**Task 1.4.3: Develop the US export market for Serbian dairies.** Following the success of the USDA campaign in 2008, Subotica and Jersey dairies received enquiries for cooperation from the USA. The Project will expand activities to engage other interested dairies from Serbia, primarily Lazar-Blace and Sabac Dairy. The project will cost share:

**I) A set of export market seminars on:**

- Import regulations for cheese and dairy products
- Anti bio-terrorism and prior entry registration
- Labeling regulations for cheese
- Export costing calculation
- Export distribution and market maintenance
- Meeting with companies, review of product line, pricing calculation
- Identification of niche markets.

**II) Exhibition at the Fancy Food Fair in Chicago or New York:**

- Coordination of trade show
- Exporting of samples preparation
- Discussion of sanitary certificate issuing matters and exhibition.

*Project timeframe: January to August 2009*

*Expected results: \$300,000 of increased export sales*

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*For more information on the Components 2 and 3 and related tasks, please refer to the Gantt chart below.*



| <b>DAIRY GANTT CHART-Goran Janjic</b>  | <b>Responsibility</b> | <b>M1</b> | <b>M2</b> | <b>M3</b> | <b>M4</b> | <b>M5</b> | <b>M6</b> | <b>M7</b> | <b>M8</b> | <b>M9</b> | <b>M10</b> | <b>M11</b> | <b>M12</b> |
|--|-----------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
| <b>Objective 1.5: Develop Pollution Prevention Program</b>   |                       |           |           |           |           |           |           |           |           |           |            |            |            |
| Task 1.5.1: Support Dairy related PP Programmes in cooperation with local and international institutions   | JC, GJ                |           |           |           |           |           |           |           |           |           |            |            |            |
| <b>Component 2: Improved Enabling Environment For Serbian Agribusiness</b>   |                       |           |           |           |           |           |           |           |           |           |            |            |            |
| <b>Objective 2.1: Improve Crop and Livestock Production Estimates and Market Price Information</b>   |                       |           |           |           |           |           |           |           |           |           |            |            |            |
| Task 2.1.1: Strengthen the Serbian System of Market Information in Agriculture (STIPS) (expanding number of commodities in the system, trainings in the use and analysis of information in the system) | BO, GJ                |           |           |           |           |           |           |           |           |           |            |            |            |
| Task 2.1.2: Organize targeted agricultural studies/surveys   | BO, GJ                |           |           |           |           |           |           |           |           |           |            |            |            |
| <b>Objective 2.2: Facilitate Legal, Policy, and Regulatory Reform</b>  |                       |           |           |           |           |           |           |           |           |           |            |            |            |
| Task 2.2.1: Promote and provide support to introduction of international standards (GlobalGAP, HACCP, Organic, ISO 14001, ISO 22000)   | BO, GJ                |           |           |           |           |           |           |           |           |           |            |            |            |
| Task 2.2.2: Provide support to legislative and policy reform coordination (MAFWM, institutes, academia in drafting new legislation and policies)   | BO, GJ                |           |           |           |           |           |           |           |           |           |            |            |            |
| Task 2.2.3: Support policy implementation (MAFWM and other implementers of policy to ensure full application of laws and regulations)  | BO, GJ                |           |           |           |           |           |           |           |           |           |            |            |            |
| Task 2.2.4: Address specific policy reform activities  | BO, GJ                |           |           |           |           |           |           |           |           |           |            |            |            |

| <b>DAIRY GANTT CHART-Goran Janjic</b>  |                        | <b>Responsibility</b> | <b>M1</b> | <b>M2</b> | <b>M3</b> | <b>M4</b> | <b>M5</b> | <b>M6</b> | <b>M7</b> | <b>M8</b> | <b>M9</b> | <b>M10</b> | <b>M11</b> | <b>M12</b> |
|--|------------------------|-----------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
| <b>Component 3: Establish and Manage USAID Agribusiness Project Grants Program</b> |                        |                       |           |           |           |           |           |           |           |           |           |            |            |            |
| Task 3.1 Implement Investment Incentive Grant program                              | <b>GN, GR, SDJ, GJ</b> |                       |           |           |           |           |           |           |           |           |           |            |            |            |
| Task 3.2 Implement Enabling Grant program  | <b>GN, GR, SDJ, GJ</b> |                       |           |           |           |           |           |           |           |           |           |            |            |            |



## Year 2 Work Plan, Annex II.4

### VEGETABLE

October 1, 2008 - September 30, 2009

#### OVERVIEW

Over the life of project, the Agribusiness Project goals in the vegetable subsector are to increase sales, especially export sales, to create jobs, and to enhance ABDS provision. The focus in the Year 2 will be to boost revenues from storable vegetables (onion carrot, potato, cabbage, parsley), increase yields (new varieties, modern growing techniques), introduce Global Gap certification programs, and cut post harvest handling and storage losses. Vegetable production is one of the most labor intensive productions in agriculture so it creates further opportunities for employment (mainly short term and seasonal). Incomes of vegetable producers can be significantly increased by applying modern growing and farm management techniques, as well as increasing the marketing and management skills of managers.

While working to develop Serbia's vegetable production and marketing capacities, the domestic market will be targeted by the Project. The industry stakeholders will be supported to establish production of adequate varieties and develop products (retail-packed fresh vegetables), as well as to implement efficient production, post-harvest and logistics technologies, that will result in steady local sales of fresh products to supermarkets.

Complementary goals for Year 2 include development of effective marketing strategies and implementation of needed international standards (Global GAP and HACCP). All these activities will also include development of an ABDS providers' network, along with working with the stakeholders and improving their own capacities through training and know-how exchange programs. Through all stages of program implementation, the Project will use producers/processors' associations, and existing ABDS providers as leverage points to maximize impacts and assure sustainability.

## **OBJECTIVE 1: STRENGTHEN PRODUCER ORGANIZATIONS**

The assessments of producer organizations from different regions of Serbia showed significant differences in types of production, technology, and especially management structure, marketing skills and organizational levels. With a goal to increase their efficiency and help them become “service-oriented” POs, the Project will provide assistance at several levels. Management (financial planning, book-keeping, farm management) will be improved through a series of trainings. Assistance will also be provided to cut the costs of production and inputs, start expanding services for the members (technology, protection) and most important, provide the markets for their products.

- ***Task 1.1 Increase efficiency of POs and services provided to their members***

***Activity 1.1.1 Organize in-country visits for the producer organizations’ managers.***

The activity will facilitate for study visits of PO managers from the central and south of Serbia to Vojvodina POs (Backa region), to exchange information and experience, and improve management. Participants on both sides will be those involved in production of the same group of vegetables.

*Time frame Feb-March 2009*

*Expected results: managers of five undeveloped producers’ organization will increase number of services provided for their members.*

***Activity 1.1.2 Arrange training workshops for managers of more developed POs.***

This activity will consider participation of an ABDS provider specialized in the management of producer organizations. Specific activities would include moving forward from just input supply service to marketing, promotion, finance and other service provision for the members.

*Time frame Feb – April 2009*

*Expected results: 10 managers of producer organizations involved in vegetable production will improve their knowledge and increase capacity of their organizations.*

***Activity 1.1.3 Visit the Spanish Association of Vegetable Producers.*** Facilitate a study tour to Spain of growers involved in production, distribution and marketing. Participants will be members of six producer organizations aiming to develop distribution center operations. This tour will also include visits to terminal markets.

*Time frame December 2008*

*Expected results: Increased knowledge about production technology for 20 representatives with increased number of services by three-five.*

- ***Task 1.2 Assist in further development of Distribution Centers***

The Project will use international and local ABDS consultants to conduct a study and trainings in collaboration with the Ministry of Agriculture. The study will provide detailed analysis of costs, quality, logistics, benefits, as well as information on maximum returns on the potential investments, organization and management of the centers, and recommendations for future activities.

*Time frame: October – February 2009*

- ***Task 1.3 Implementation of new vegetable varieties***

Assistance will be provided through training to promote high market demand varieties using specialized ABDS providers. This group of products includes mini vegetables and other varieties demanded by the market (white eggplant, etc.). The activity will

include four training workshops with participation of individual farmers, POs and processor representatives.

*Time frame: January – March 2009*

*Expected results: 20 producers will start production of new varieties. Five - seven new vegetable types will be produced in Serbia. Additional sales income of \$50,000*

- ***Task 1.4 Implementation of new varieties that will extend growing season***

Assistance will be provided through two training workshops on assortments, growing technology and advantages of such production being delivered by a local ABDS provider. Vegetable varieties to be presented include early and late tomato, cucumber, pepper, and sweet corn.

*Time frame Jan- March 2009*

*Expected results: Additional sales for the producers (\$30-50.000), import of early vegetables decreased by 5%. Start up productions of five early vegetable types.*

- ***Task 1.5 Improve post-harvest and storing techniques and practices***

***Activity 1.5.1 Training workshops on post-harvest techniques*** This activity will be delivered out of the production season by a specialist for storable vegetables. Four training sessions will be held in the following locations: North Vojvodina, Central Serbia, Pomoravlje region and South of Serbia. Participants will include ZZ Gospodjinci, ZZ Zablacanka, Begec vegetable producers association, ZZ Kondor, ZZ Agrokooperativa, and others.

*Time frame December 2008 – February 2009*

*Expected results: production losses reduced by 20%, 200 farmers trained*

***Activity 1.5.2 Training sessions on post-harvest techniques and management for local ABDS providers*** This activity will include participation of 15 ABDS providers who will improve their knowledge and become able to assist other producers in Serbia. It will also include printing of brochures.

*Time frame December 2008 – February 2009*

*Expected results: 15 ABDS providers will assist in improvement of post-harvest techniques to 400 producers. Decreased post harvest losses by 20 %*

- ***Task 1.6 Improve products by proper packaging, labeling, promotion and marketing***

Workshops will be held regarding the trends and requirements in fresh, organic/fresh, and processed vegetables. Training will include specifics regarding super market chains in both domestic and foreign markets (EU, Russia, Ukraine and the US).

*Time frame March-May 2009*

*Expected results: improvement of fresh vegetable packaging which will contribute to additional sales value of \$100,000*

- ***Task 1.7 Business to business meeting with Russian and Ukraine buyers***

A sales mission will be organized for the managers of storable vegetable POs who have shown the greatest level of interest and results in production potentials for this market. Participants on the other side will be representatives of wholesalers, vegetable traders, and wholesale green markets. The goal will be to learn more about export market requirements regarding assortment, quality, packaging, labeling and transport.

*Activity is planned in period March-April 2009*

*Expected results: direct sales in value of \$500,000, preparatory agreements for the sales of production in 2009*

## **OBJECTIVE 2: IMPROVE ABDS DELIVERY**

Activities related to identification and assistance to ABDS providers has shown that vegetable production sector is undeveloped as a “private practice”. The majority of the service providers are university professors or employees of other public institutions who perform these activities as a “part-time after-hours job”, but still keep their position and regular salary/social security at the primary position/employment.

Registered ABDS providers in the region like “Agro protect”, “Agrobiznis centar” and others are mostly satisfied with their number of clients, but the range of their activities and the assistance that they provide is limited. The reason for this situation lies in a lack of necessary investment in mobile equipment and laboratories that could provide them with accurate and prompt information needed for their advisory services.

- ***Task 2.1 Knowledge transfer/study tour for the ABDS providers***

This study tour will be arranged in the region for the selected ABDS providers to provide them with models of operations, financing, scope of services etc. to assist them increase efficiency and improve quality of their services.

*Time frame: to be determined*

*Expected results: Capacity of local ABDS provides improved, organizational structure and business opportunities improved, additional services sales value \$30,000*

## **OBJECTIVE 3: ENCOURAGE YOUTH INVOLVEMENT IN AGRIBUSINESS**

The number of young farmers involved in vegetable production is very high. Since this type of production offers good opportunities for youth to stay and continue their family business or start their own, it is very important to motivate them and to help them learn and implement new technologies. They represent the driving force as future leaders in vegetable production in their regions. Activities to be implemented will include (*Time frame to be determined*):

- ***Activity 3.1*** Supervise winners of grants through the Best Business Idea Youth program, assist them and link with ABDS providers if assistance needed
- ***Activity 3.2*** Facilitate participation of young entrepreneurs at the training sessions arranged for vegetable producers on different subjects

## **OBJECTIVE 4: INCREASE VALUE-CHAIN AND/OR CLUSTER COMPETITIVENESS**

- ***Task 4.1 Assist the producers willing to implement new technologies at any level of production*** “Fresh Gro.”, vegetable producer in closed environment, will build a green house made of “lexan”, a new material that will last more than 20 years. As a second part of that project, a heating unit will be built using bio-mass as fuel, with exploitation of gases at 80%. This model will be used as a demonstration center for all interested parties.

*Time frame: to be determined*

*Expected results: Employment of 15-20 women who will work in this greenhouse*

|   | Responsibility | M1 | M2 | M3 | M4 | M5 | M6 | M7 | M8 | M9 | M10 | M11 | M12 |
|---|----------------|----|----|----|----|----|----|----|----|----|-----|-----|-----|
| <b>VEGETABLE</b>  |                |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>Objective 1: Strengthen Producer Organizations</b>                                   |                |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Task 1.1 Increase efficiency of POs and services provided to their members</i>       | <b>RV, PC</b>  |    |    |    |    |    |    |    |    |    |     |     |     |
| Activity 1.1.1 Organize in-country visits for the producer organizations' managers      | <b>RV, PC</b>  |    |    |    |    |    |    |    |    |    |     |     |     |
| Activity 1.1.2 Arrange training workshops for managers of more developed POs'           | <b>RV, PC</b>  |    |    |    |    |    |    |    |    |    |     |     |     |
| Activity 1.1.3 Visit the Spanish Association of Vegetable Producers                     | <b>RV, PC</b>  |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Task 1.2 Assist in further development of Distribution Centers</i>                   | <b>RV, BO</b>  |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Task 1.3 Implementation of new vegetable varieties</i>                               | <b>RV</b>      |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Task 1.4 Implementation of new varieties that will extend growing season</i>         | <b>RV</b>      |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Task 1.5 Improve post-harvest and storing techniques and practices</i>               | <b>RV</b>      |    |    |    |    |    |    |    |    |    |     |     |     |
| Activity 1.5.1 Training workshops on post-harvest techniques                            | <b>RV</b>      |    |    |    |    |    |    |    |    |    |     |     |     |
| Activity 1.5.2 Training sessions on post-harvest techniques for local ABDS providers    | <b>RV, NP</b>  |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Task 1.6 Improve products by proper packaging, labeling, promotion and marketing</i> | <b>RV, RL</b>  |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Task 1.7 Business to business meeting with Russian and Ukraine buyers</i>            | <b>RV, RL</b>  |    |    |    |    |    |    |    |    |    |     |     |     |

|  | Responsibility | M1 | M2 | M3 | M4 | M5 | M6 | M7 | M8 | M9 | M10 | M11 | M12 |
|--|----------------|----|----|----|----|----|----|----|----|----|-----|-----|-----|
| <b>Objective 2: Improve ABDS Delivery</b>  |                |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Task 2.1 Knowledge transfer/study tour for the ABDS providers</i>   | <b>RV</b>      |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>Objective 3: Youth Enterprise Program And Business Plan Competition</b>   |                |    |    |    |    |    |    |    |    |    |     |     |     |
| Activity 3.1 Follow-up of winners of youth competition program regarding implementation of business plans                                    | <b>RV, IP</b>  |    |    |    |    |    |    |    |    |    |     |     |     |
| Activity 3.2 Facilitate participation of young entrepreneurs at the training sessions arranged for vegetable producers on different subjects | <b>RV, IP</b>  |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>Objective 4: Increase Value-Chain And/Or Cluster Competitiveness</b>  |                |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Task 4.1 Assist the producers willing to implement new technologies at any level of production</i>  | <b>RV</b>      |    |    |    |    |    |    |    |    |    |     |     |     |



## Year 2 Work Plan, Annex II.5

### TREE FRUIT

October 1, 2008 - September 30, 2009

#### OVERVIEW

The main focus of the tree fruit sub-sector in the second year of the project will be on the growing export market for fresh apples and stone fruits in Russia, and diversifying sales outlets via EU market channels. Since the fresh tree fruit sub sector is distinctive in regard to the time needed for expanding production and introducing new varieties, the Project will focus on existing capacities and resources by improving quality and efficiency of final output, supporting consolidation of sales and export promotion, and improving subsector-specific ABDS delivery.

The food safety requirements to access EU markets are very high, and during the second year of project life the industry stakeholders will be supported in implementing required standards, such as product traceability, GlobalGAP, and HACCP. The continuing emergence of new producer organizations, associating with already existing organizations and strong marketing companies will also be addressed by the project to add to the process of sustainability. To achieve these goals, the project will train technical assistance providers in the latest technologies and methods in efficient production, post-harvest, cold storage, and promotion and sale of Serbian fruit products.

In the year 2, the Project will use the following leverage points to maximize impacts and assure sustainability:

- Focus on the Fruitland Association of Cooperatives (eight cooperative members) and newly emerging integrated farmers groups (“Dobro Voce” Novi Slankamen, “Fruit Garden” Kupusina, etc.);
- Use ABDS providers, extension workers and equipment suppliers to support new technologies and know-how transfer;
- Use international trade fairs as leading points of contact around introducing new technologies and marketing links;
- Focus on the development of a sector specific association at national level. The project will first try to work with the new “Fruits of Serbia” Association. If this is unsuccessful, the Project will support stakeholders in establishing a viable tree fruit association on a national level.

## **OBJECTIVE 1: IMPROVED MARKET REQUIRED PRODUCT CERTIFICATION**

We will support implementation of international product certification to effectively respond to rising standards in export tree fruits. During the process of assessing the tree fruit sub-sector we identified a number of producer organizations and companies that would need GlobalGAP certification.

1. "Vocko" Cooperative, Tavankut;
2. "Prima" Cooperative, Backi Vinogradi;
3. "Slankamenka" Cooperative, Novi Slankamen;
4. "Domacin" Cooperative, Topola;
5. "Ari Nova" Cooperative, Arilje;
6. "Cacanska Jabuka" Association, Cacak;
7. "Green-Group" Cooperative, Sid.

We plan to assist growers through the new overall USAID Agribusiness standards initiative that will start in mid September 2008 (project details are described in the concept paper for Introduction of International Standards). The tree fruit sub-sector lead will work in close cooperation with Project's Producer Organizations team and Grants and Policies specialists to select and support tree fruit stakeholders through the certification process. A minimum of 8 producer groups / 150 members will be trained and minimum 4 producer groups / 40 members will receive Global GAP or other certification by the end of the year two. For the standards certification, informal groups associated with specific downstream buyers will be considered as producer organizations. Other certification support will be provided for ULO/CA cold stores and distribution centers owned by producer organizations that need HACCP/ISO standard. It is estimated that a minimum of two ULO/CA cold stores will be certified.

*Timeframe: October 2008 - September 2009*

Specific activities will include:

- **Activity 1:** GlobalGAP awareness seminars in Novi Sad, Cacak and Nis. *Timeframe: Second half of September 2008 – early October 2008;*
- **Activity 2:** Workshops about the GlobalGAP introduction and certification requirements organized in cooperation with the interested producer organizations, which have fulfilled the criteria prescribed by the USAID Agribusiness Project. *Timeframe: October 2008;*
- **Activity 3:** Financial support to selected producers to implement requirements and certify international standards as a test case (certification of four producer organizations – at least ten growers of each PO). *Timeframe: October 2008 – September 2009;*

USAID Agribusiness Project will select qualified service providers for implementation of the awareness seminars and workshops, and preparation of the GlobalGAP info brochures. We will conduct prequalification of the service providers for the GlobalGAP training/consulting and certification.

## **OBJECTIVE 2: IMPROVE THE PRODUCTIVITY, QUALITY AND SUSTAINABILITY OF FRUIT PRODUCTION SYSTEMS THAT MEET MARKET DEMAND**

Considering the crucial role of ABDS providers and extension workers in a strong value chain, we will implement technical assistance and grant packages aimed at improving their capacities to provide effective and quality services to growers and ULO/CA operators. Through the capacity building and technology transfer programs up to 10 ABDS providers

and extension workers will be trained in second year of Agribusiness Project assistance and over 800 fruit growers will be supported.

***Task 2.1: Improve harvest and post harvest management***

ULO/CA storage technology for fresh apples is relatively new in Serbia and there are no skilled service providers and staff trained in fruit physiology issues for the ULO storage per requirements for different apple varieties and other conditions. For instance, producers in Serbia had a particular problem last year with scald, suffering higher than usual losses during storage life of Granny Smith and Golden Delicious apples. More ULO training and assistance can address this problem.

Specific activities will be to identify and provide technical experts to work with selected local service providers as well as technologists employed at ULO/CA cold stores to improve provision of particular services. Selected foreign experts in tree fruit post harvest physiology and storage will visit and assess main local stakeholders (growers, ULO operators and ABDS providers) and according to their findings deliver training and advisory program that will ensure application of proper post harvest and storage technologies, resulting in an increase of incomes of the participating ABDS providers and their clients.

*Identified participants: (a) ABDS providers: Agriculture Innovation Center Arilje, Agropest-YU, Agroprotekt, ITA, etc., and (b) Technologists and extension workers of ULO operators (cooperatives: "Vocko" Tavankut, "Prima" Backi Vinogradi, "Slankamenka" Novi Slankamen; "Domacin" Topola, "Ari Nova" Arilje, "Cacanska Jabuka" Cacak, "Dobro Voce" Novi Slankamen, Golden Fruct Hajdukovo; companies: Golden Garden., Medoproduct, Agrar-Komerc, Agroprom-Com, Dobravac., Greeny, Juzni Banat).*

- ***Activity 2.1.1: Training and technical assistance in advanced harvest and post harvest management practices for the most effective storage of fresh apples and plums in ULO/CA chambers:*** Optimal apple maturity, post harvest physiology, optimal storage temperatures and CO<sub>2</sub> and O<sub>2</sub> ratio for each apple variety according to various stages of maturity and weather conditions

*Timeframe: February 2009*

*Technical support to be provided by STTA: Chris Watkins, Cornell University and Cooperative Extension, Associate Director for Agriculture and Food Systems, Postharvest Science and Storage Specialist.*

- ***Activity 2.1.2: Training and technical assistance in introduction/application of new post-harvest technologies to extend fresh apples shelf life:*** Dynamic ULO, SmartFresh, 1-MCP (1-methylcyclopropene), postharvest drench, use of DPA (diphenylamine) plant growth regulator used post-harvest to control storage scald on apples.

*Timeframe: February 2009*

*Technical support to be provided by STTA: TBD and/or Chris Watkins, Cornell University and Cooperative Extension, Associate Director for Agriculture and Food Systems, Postharvest Science and Storage Specialist.*

Organizing such trainings involving foreign experts was not possible during apple harvest time in 2008 due to the overlap of harvest seasons in Europe and United States. The only alternative to having the experts in Serbia at harvest time is to schedule their visits later in the storage season, or even at the opening of ULO/CA cold chambers (January-March 2009). It is best for them to be on site as cold chambers are opened to start analyzing both how closed rooms are being operated, as well as to assess how apples are being handled after removal. This will be sort of a forensic postharvest job that will benefit from reviewing the processes

throughout, and advising on harvest, handling and storage practices for the upcoming harvest season (September-October 2009). For that reason full impact and results will be visible after 2009 harvest season during storage and marketing period of fresh apples (October 2009 – May 2010).

**Task 2.2: Improve farm-level productivity and quality of apple and stone fruit fresh produce.** Although off-season storage and product certification are important success factors for marketing of fresh fruit, the most critical factor is improved productivity and quality at the farm level. Poor agro-technical knowledge and application of inadequate measures are constraints to high quality products and maximum yields. Farmers organized into business-like producer groups, can be supported by regional service providers that provide services related to oversight of production, pest and nutrient management of orchards, tree pruning, use of plant growth regulators, etc. Those service providers are local experts, ABDS companies and state-owned extension stations. Usually they lack advanced skills and practices to provide maximum appropriate services.

Specific activities will be to identify and provide technical experts to train selected local service providers to improve provision of particular services. Selected foreign experts in tree fruit growing practices will visit and assess the main local stakeholders (growers, and ABDS providers) and deliver training and advisory programs (seminars, in-field demonstrations) that will ensure application of advanced growing technologies, and increase of incomes of participating ABDS providers and their clients through increased quality output.

- **Activity 2.2.1: Training and technical assistance in advanced apple and stone fruit growing techniques:** pest management, nutrient management, tree pruning, fruit size management, and use of plant growth regulators.

*Timeframe: November - December 2008*

*Technical support to be provided by STTA: Dr. Mirjana Bulatovic-Danilovich, Michigan State University, District Horticulture Educator, and an additional specialist on nutrient management (TBD).*

*Identified participants: (a) Agronomists employed at tree fruit producer organizations and enterprises (cooperatives: "Vocko" Tavankut, "Prima" Backi Vinogradi, "Slankamenka" Novi Slankamen; "Domacin" Topola, "Ari Nova" Arilje, "Cacanska Jabuka" Cacak, "Green Group" Sid, "Dobro Voce" Novi Slankamen, Golden Fruct Hajdukovo; companies: Medoprodukt, Agrar-Komerc, Greeny, Juzni Banat, A.D. Sloga Kovin, Biostar KD, PerMark, Green Natural Food Group, Atos Vinum), and (b) ABDS providers: Agriculture Innovation Center Arilje, Agropest-YU, Agroprotekt, ITA; extension stations consultants from predominant fruit production regions, service providers from Cacak Fruit Research Institute and local experts-service providers.*

- **Activity 2.2.2: Support pilot project in Northern Vojvodina, development of Pest-Watch advisory web portal.**

Local tree fruit ABDS provider from Sombor (Agroprotekt), in cooperation with other regional providers, is developing a Pest-Watch regional commercial advisory web portal for forecasting and managing plant insects and diseases, and offering on-line advising to farmers on optimal pest management. Project will support the web portal development through a grant scheme, and will fund trainings of farmers how to use on-line web services. This is a pilot project to establish needed ABDS that could be replicated in other regions.

*Timeframe: November 2008 - March 2009*

*Type of Assistance: Grant*

- **Activity 2.2.3: Study tour to advanced fruit growing operations in Italy, South Tyrol.** Visit to producer organizations, ABDS providers, and equipment suppliers: Cooperative Association of Val Venosta, Workgroup for Integrated Fruit Production in South Tyrol and the Fruttunion association of fruit and vegetable import-export wholesalers. Participants will be ten tree fruit ABDS providers and representatives of producer organizations.

*Timeframe: March 2009 (subject to change)*

*Duration time: 3-5 days*
- **Activity 2.2.4: Implementation of accreditation of Arilje Agro-innovation Center's testing laboratory through a grant scheme.** The accreditation process will be completed in September 2009, when first results will be visible.

*Timeframe: October 2008 - September 2009*

### **OBJECTIVE 3: CONSOLIDATED EXPORT PROMOTION AND SALES FOR MORE RELIABLE AND COMPETITIVE SUPPLIES**

USAID Agribusiness Project will pay special attention to three high-priority issues:

**Task 3.1: Consolidation of export promotion activities:** Provide support to stakeholders in preparation for the exhibition at local and international trade fairs. The tree fruit sub-sector lead will work in close cooperation with Project's Sales and Marketing team to vet and select producers that meet market specific standard and participation criteria to exhibit at international trade shows. The list of 2009 agreed trade fairs is in Sales and Marketing Work plan. The sector lead will provide assistance in follow up from trade fairs and tracking of resulting sales.

The project will support development of a sector specific national association (initially working with the Fruits of Serbia Association) and will coordinate organization of joint exhibition of its members at targeted trade fairs (such as Fruit Logistic fresh produce fair in Berlin, in February 2009).

**Task 3.2: Consolidation of sales:** Project will provide technical support to stakeholders in carrying out feasibility studies, as well as planning and budgeting for establishment of regional sales consolidation hub centers and cold stores for fresh produce. For example, producer organizations and fruit and vegetable growers from Cacak are considering this type of joint initiative, and are supported by the Cacak local government and the Cacak Fruit Research Institute.

The project will work with the larger associations and cooperatives (such as the Fruitland and Fruits of Serbia Associations, and regional producer organizations) to ensure that they are fully compliant with business, quality, and marketing standards, and can increase their joint sales/export capacity. Consolidation efforts such as the initiative of "Fruitland" association of tree fruit cooperatives to consolidate their product offer and improve joint market access through introduction of tailor-made software for supply chain and inventory management of ULO cold stores, will be supported through the incentive grants scheme.

*Timeframe: October 2008 - September 2009*

**Task 3.3: Improving buyer linkages:** The tree fruit sub-sector lead will work in close cooperation with Project's Sales and Marketing team to improve buyer linkages between producers and local downstream buyers and foreign wholesalers and retailers.

Specific activities will include:

- Organizing and facilitating inward buying missions (like ASDA and SPAR Slovenia in year one);
- Supporting supply chain development to satisfy buyer-identified requirements to conclude sales in new markets;
- Providing negotiation support to stakeholders-clients in dealing with buyers.

|  | Responsibility       | M1 | M2 | M3 | M4 | M5 | M6 | M7 | M8 | M9 | M10 | M11 | M12 |
|--|----------------------|----|----|----|----|----|----|----|----|----|-----|-----|-----|
| <b>TREE FRUIT</b>  |                      |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>Objective 1: Support market required product certification (GlobalGAP)</b>  |                      |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Activity 1.</i> GlobalGAP awareness seminars in Novi Sad, Cacak and Nis   | PC, TBD, BO, GR, SDJ |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Activity 2.</i> Workshops about the GlobalGAP introduction and certification requirements   | PC, TBD, BO, GR, SDJ |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Activity 3.</i> Supporting producers to implement GlobalGAP certification   | PC, TBD, BO, GR, SDJ |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>Objective 2: Improve productivity, quality and sustainability of fruit production systems</b>   |                      |    |    |    |    |    |    |    |    |    |     |     |     |
| <b><i>Task 2.1: Improve harvest and post harvest management</i></b>  | PC                   |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Activity 2.1.1.</i> Training and technical assistance in advanced harvest and post harvest management practices for the most effective ULO/CA storage of fresh apples and plums | PC                   |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Activity 2.1.2.</i> Training and technical assistance in introduction/application of new post-harvest technologies to extend fresh apples shelf life                            | PC                   |    |    |    |    |    |    |    |    |    |     |     |     |
| <b><i>Task 2.2: Improve farm-level productivity and quality of apple and stone fruit fresh produce</i></b>   |                      |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Activity 2.2.1.</i> Training and technical assistance in advanced apple and stone fruit growing techniques  | PC                   |    |    |    |    |    |    |    |    |    |     |     |     |
| <i>Activity 2.2.2.</i> Support pilot project in Northern Vojvodina, development of Pest-watch advisory web portal  |                      |    |    |    |    |    |    |    |    |    |     |     |     |

|  | Responsibility | M1  | M2 | M3 | M4 | M5 | M6 | M7 | M8 | M9 | M10 | M11 | M12 |
|--|----------------|---|----|----|----|----|----|----|----|----|-----|-----|-----|
| <b>Task 2.2: (continued)</b>   |                |   |    |    |    |    |    |    |    |    |     |     |     |
| Activity 2.2.3. Study tour to advanced fruit growing operations in Italy, South Tyrol  | PC             |   |    |    |    |    |    |    |    |    |     |     |     |
| Activity 2.2.4. Implementing accreditation of Arilje Agro-innovation Center's laboratory through grants scheme                               | PC             |   |    |    |    |    |    |    |    |    |     |     |     |
| <b>Objective 3: Consolidate export promotion and sales for more reliable and competitive supplies (joint fairs, improved buyer linkages)</b> | PC, RL, JD     | <i>See "Marketing and Sales" chapter of the Work Plan for more information.</i> |    |    |    |    |    |    |    |    |     |     |     |



## Year 2 Work Plan, Annex II.6

# HERBS, MUSHROOMS, AND FOREST FRUIT

October 1, 2008 - September 30, 2009

### OVERVIEW

This document presents the Herbs, Mushrooms, and Forest Fruit sub-sector Y2 Work Plan. Since the sub-sector is already export oriented, work in Y1 was focused on increasing the competitiveness of Serbian businesses in foreign markets and market linkages, thus increasing the value of the exported products. The long term strategy, to gradually shift the volume of sales from bulk to retail, was and will continue to be the main focus of the Agribusiness Project's activities for this sub-sector.

Since Serbia has yet to take advantage of the opportunity to export high value final products, the Project will target its assistance to achieve this vision for the end of the Project – adding at least extra \$6 million to annual sales in year five or \$25 million in total.

In Y2 the Project will provide assistance to at least five leading mushroom companies, three herb companies, and one spice company looking to exploit market opportunities in the end user market, and add at least extra \$2 million of sales by the end of year 2.

Based on the size, market opportunities, level of development, business needs, and business investment interest, the main focus of the Project activities in Y1 was aimed toward wild mushroom and tea companies. In Y2 the Project will continue to give most of its attention to these two groups of companies and producer organizations, capitalizing on experience from Y1, lessons learned, market opportunities, and the businesses' plans and needs. However, other initiatives driven by project strategy and the Project's main goal, adding value to the products, will also be supported. Work on specific opportunities such as export of fresh spices grown in plant containers, as well as growing medicinal plants, will find place in the Project's Y2 agenda.

## **OBJECTIVE 1: BUILD EXPORT MARKET LINKAGES TO RETAIL BUYERS**

To pursue new markets that either pay a higher premium or that allow the addition of value-added products without any friction with current partners, the Project will be supporting following activities.

- **Activity 1.1. Co-fund exhibition of producers at Fruit Logistica, BioFach, Gulfood, Fancy Food Show, WorldFood show, Sial, IFE London, and Novi Sad Fair in cooperation with national associations.** The Project will work with SIEPA and Mushroom Association within Fruits of Serbia and National Association of MAP collectors and processors "Dr Jovan Tucakov" as a leverage point to organize exhibitions at trade shows for its members. At least six different companies will exhibit at the fairs.

*Expected results: \$1 million of additional exports, \$200,000 of additional domestic sales and 15 full time jobs.*

- **Activity 1.2. Support links to inward trade missions from supermarkets or other buyers.** As a part of market linking activities, the Project will organize field assessments of selected companies by retail buyers such as SPAR, ASDA, Merkator, Rodic, and Metro.

*Expected results: 2-4 new companies sign contract with supermarkets, \$100,000 of new revenues achieved.*

- **Activity 1.3. Support sales delegation trips to EU and North American markets and specialized fairs.** Through cost-shares the Project will help the companies to conduct sales delegation trips to international markets in the EU and North America, which are recognized as target markets, to assess market demands and competition, to facilitate business to business meetings, and to prepare for their own participation. Visits to Natural Ingredients Fair in Paris, Fancy Food Fair in New York, HORECA Fair and Market Terminals in the US and the EU will be considered. Additionally, Project staff will conduct market analyses for participants using ITC tools.

*Expected results: 2 sales missions conducted, \$100,000 of new revenues achieved.*

## **OBJECTIVE 2: INCREASE VALUE ADDED PRODUCTS**

The main focus will be on increasing competitiveness of Serbian businesses in foreign markets, through introducing new technologies and technical assistance packages consequently increasing the value of the exported products. Therefore, processors and exporters are focal point of intervention, and strategic objectives, especially those looking for solutions to improve their business, to diversify and add value to their products.

Based on developed criteria, the Project will select the companies with which to work closely. The criteria for selection of companies as a project partners are: progressive, forward thinking ownership, HACCP certified, interested in investing in new products and packaging, access to raw material, and leading exporters in volume. The Project will sign MOUs with companies to formalize relationships and joint efforts. The following activities will be conducted with selected companies to achieve main goal of gradually shifting sales volume from bulk to retail.

- **Activity 2.1. Assist in improving design, packaging, labeling for companies ready to compete in end markets.** The Project will work with marketing agencies, ABDS providers and/or STTA, to improve services delivered to at least three companies, likely Bilje Borca, Interfood 60 and Strela Klaic. Information on target market preferences, labeling requirements and market research findings will be delivered both to the companies and new ABDS providers.  
*At least three companies will enter new markets that either pay a higher premium, or allow for the addition of value-added products, achieving \$500,000 of additional sales*
- **Activity 2.2. Organize training and education in management, sales, marketing, and negotiation to export oriented companies, as well as sector specific training.** The Project will co-finance training, delivered by ABDS providers, on management, sales, marketing, and negotiation skills delivered by local STTA. These training programs will be similar across sub-sectors but will also include sub-sector specific information. In addition, the Project will co-finance training on Medicinal and Aromatic Plants growing techniques. Events such as the Tea Festival Fair in Nis and the Gifts of Nature Fair in Belgrade will be used deliver such training programs.  
*At least one PO and five companies will be trained*
- **Activity 2.3. Improve access to GOS funds by Serbian agribusiness by disseminating information.** The Project staff will regularly monitor available funds from Ministry of Agriculture, Regional Development, Finance and Environmental and disseminate information to the sub-sector stakeholders. In addition, the Project will assist Serbian agribusiness firms and producer organizations in accessing GOS subsidized funding.  
*At least 15 companies will benefit from this information and at least three will access to the funds in total value of at least \$10,000*
- **Activity 2.4. Improve companies' promotional material and web sites for exhibition at international and domestic fairs.** The Project will co-fund exhibitions for at least six companies at international and domestic fairs. In order to maximize the results, the Project will hire local STTA consultants to help companies design their promotional activities through developing brochures, leaflets and multi-language web sites.  
*Expected results: \$100,000 of new revenues achieved*
- **Activity 2.5. Support companies penetrating new markets with new technologies/equipment to improve productivity and product quality.** The project will use its grants component to assist higher value-added products development. This assistance will be provided to growth oriented businesses to upgrade existing value-adding processing technologies and to develop new higher value-added products (such as drying and sterilization equipment), to meet new markets in terms of quantity, price and quality.  
*The project will approve one or two grants which will result in \$100,000 of new revenues by the end of Y2 and 5 new jobs.*
- **Activity 2.6. Support study tours to regional countries on MAP growing techniques.** Through cost-shares the Project will help PO and companies that have developed a network of cultivated herbs suppliers to conduct a study tour on growing techniques and access to new suppliers.  
*Expected results: one study tour conducted, \$100,000 of new revenues.*

### OBJECTIVE 3: DEVELOP ASSOCIATIONS

Although many industry associations have been identified, most of these are not business oriented, and can better be characterized as “nature lovers” and “nature keepers”. In most cases role of business oriented POs in the value chain is to serve as a link between growers/collectors and processors/exporters. Although there are a few positive examples, most of the POs are not very active, so their role in the value chain is marginalized. Typically members of associations will rather sell directly to processors than through POs. However, there are several cooperatives that are involved in production and/or processing and even exporting of final or semi final mushroom products like Moravac, Panonski cvet, and Sumadijski cvet. National level associations will be main leverage point for the Project activities, with participants like the newly created Mushroom Association within Fruits of Serbia, and National Association of MAP collectors and processors, and the "Dr Jovan Tucakov" Association.

The purpose of this objective is to strengthen existing business oriented POs and to help in establishing new producer organizations, especially national level organizations comprising industry leaders, to become effective service providers for their members and to be leverage points for various activities planned with subsector stakeholders.

- **Activity 3.1. Organize an awareness campaign on standards Organic Wild Collection, FairWild and International Standard for Sustainable Collection of medicinal and Aromatic plants (ISSC-MAP) targeted to companies that collect wild mushrooms, and members of associations.** Based on contacts already made with Institute for Market Ecology, IMO, an internationally acting certification body, Agribusiness Project will organize an awareness campaign in cooperation with Mushroom Association, the "Dr Jovan Tucakov" Association and local ABDS provider One Food. The campaign will start with distribution of brochures on the standards followed by a one day seminar conducted by IMO representatives. The purpose of the seminar is to stimulate buy-in and acceptance of the standards. These activities are aimed toward certification which will be additional benefit to be marketed to final consumers in EU.  
*Expected results: distributed brochures to at least 10 companies, six companies attended on the one day seminar and one company starts certification process.*
- **Activity 3.2. Improve management capacity and develop an action plan (short term strategy) for the Mushroom Association within Fruits of Serbia.** In order to improve the management capacity of the Mushroom Association, the Project will provide assistance to develop one year action plan. The action plan will give direction on choosing the activities planned for upcoming season, implementation choices, recourse required, and ways to finance activities. The main focus of the action plan will be participation in trade shows, promotional activities, and work on enabling environment issues such as export procedures and temporary import procedures. The Project will utilize local STTA services to complete this task. The result will be to make the Association sustainable, active and strong enough to cooperate with the Project and eventually to take over responsibilities and carry on activities once the Project ends.
- **Activity 3.3. Develop a Serbian wild mushroom web site for Mushroom Association.** The Project will develop a Serbian wild mushroom web site as a part of the Serbian Mushroom promotional campaign. The main focus of the promotional campaign is to

present the value of Serbian Wild Mushrooms in terms of quality, flavor, aroma and use. Through the SerbianFruit.com website the Project will continue developing international contacts with foreign buyers. The sub-sector lead together with marketing team will assist interested businesses with proven development capacity to increase their access to potential buyers through adding/posting their company profile on the website.

*Expected results: Site developed, 3-5 new companies posted on SerbianFruit.com, \$100,000 of new revenues achieved.*

#### **OBJECTIVE 4: IMPROVE INTERACTIONS WITH CROSS-CUTTING COMPONENTS**

**Policy** - Since the export of Herbs, Spices & Mushrooms collected from nature are subject to a quota system, special export licenses are required. Once granted licenses to collect certain quantities of wild Herbs, Spices & Mushrooms, exporters need to sign up in advance the quantities they plan to export with Serbian Government offices (Customs and the Ministry of Environment, as well as the Department for Environmental Protection) and pay fees and taxes based on these estimates. The process is time consuming, and needs to be done several months prior collection season. In seasons with lower yields than average, exporters are not able to export the anticipated quantities, although they already paid fees and taxes for these higher quantities. In seasons with higher yields than average, exporters are not able to export additional quantities beyond the amounts initially estimated because obtaining new export licenses for the additional amounts is time consuming process when collecting season is over.

- ***Activity 4.1. Provide support to legislative and policy reform on export procedures for wild collected products.*** In cooperation with the MAFWM, the Ministry of Environment and the Department for Environmental Protection, and Mushroom Association, the Project will assist in creation of policy reform recommendations and provide support to the Mushroom Association in its efforts to improve export procedures for wild collected products. Local STTA will be hired. Expected benefits are for exporters to pay export fees and taxes based on actual exported quantities, and for times for issuing collection and export licenses to be shortened.

*Expected results: policy reform recommendation document prepared.*

**Youth**-The Youth Enterprise Program intends to attract and retain Serbian youth in agriculture and agribusiness. The Project will provide assistance to young farmers/entrepreneurs within the sub-sectors through the youth business plan competition program. Project ideas that are in line with the sub-sector Strategy will be prioritized to be supported.

- ***Activity 4.2. Provide grant support to young entrepreneurs within the sub-sector.*** The sub-sector lead will assist the Youth Agribusiness Program Director in evaluating, assessing, and awarding the two best business plans for the sub-sector and will assist in registration process. Support will also include following-up with winners regarding implementation of business plans. In addition, the sub-sector lead, in cooperation with Youth Agribusiness Program Director, will deliver a presentation of the sub-sector VCA and opportunities recognized within the sub-sector.

|   | Responsibility | M1 | M2 | M3 | M4 | M5 | M6 | M7 | M8 | M9 | M10 | M11 | M12 |
|---|----------------|----|----|----|----|----|----|----|----|----|-----|-----|-----|
| <b>1. BUILD EXPORT MARKET LINKAGES TO RETAIL BUYERS</b>   |                |    |    |    |    |    |    |    |    |    |     |     |     |
| 1.1. Co-fund exhibition of producers at Fruit Logistica, BioFach, Gulfood, Fancy Food Show, WorldFood show, Sial, IFE London and Novi Sad Fair in cooperation with national associations. | VP, PC, RL     |    |    |    |    |    |    |    |    |    |     |     |     |
| 1.2. Support links to inward trade missions from supermarkets or other buyers   | VP, RL         |    |    |    |    |    |    |    |    |    |     |     |     |
| 1.3. Support sales delegation trips to EU and North American markets and specialized fairs.   | VP, RL         |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>2. INCREASING VALUE ADDED PRODUCTS</b>   |                |    |    |    |    |    |    |    |    |    |     |     |     |
| 2.1. Improve design, packaging, labeling to companies ready to compete on end market.   | VP, RL         |    |    |    |    |    |    |    |    |    |     |     |     |
| 2.2. Organize training and education in management, sales, marketing, and negotiation to export oriented companies and sector specific trainings.   | VP, RL         |    |    |    |    |    |    |    |    |    |     |     |     |
| 2.3. Improve access to GOS funds by Serbian agribusiness by disseminating information.  | VP             |    |    |    |    |    |    |    |    |    |     |     |     |
| 2.4. Improve companies' promotional material and web sites for exhibition on international and domestic fairs   | VP, RL         |    |    |    |    |    |    |    |    |    |     |     |     |
| 2.5. Support companies penetrating on new market with new technologies/equipment to improve productivity and product quality.   | VP             |    |    |    |    |    |    |    |    |    |     |     |     |
| 2.6. Support study tours on MAP growing techniques to regional countries  | VP             |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>3. ASSOCIATION DEVELOPMENT</b>   |                |    |    |    |    |    |    |    |    |    |     |     |     |

|   | Responsibility | M1 | M2 | M3 | M4 | M5 | M6 | M7 | M8 | M9 | M10 | M11 | M12 |
|---|----------------|----|----|----|----|----|----|----|----|----|-----|-----|-----|
| 3.1. Organize awareness campaign on standards (Organic Wild Collection, FairWild and International Standard for Sustainable Collection of medicinal and Aromatic plants (ISSC-MAP)) specialized for wild collection companies, members of associations. | VP, BO, PC     |    |    |    |    |    |    |    |    |    |     |     |     |
| 3.2. Improve management capacities and develop action plan (short term strategy) for Mushroom Association within Fruits of Serbia.  | VP             |    |    |    |    |    |    |    |    |    |     |     |     |
| 3.3. Develop Serbian wild mushroom web site for Mushroom Association.   | VP, RL         |    |    |    |    |    |    |    |    |    |     |     |     |
| <b>4. IMPROVE INTERACTIONS WITH CROSS-CUTTING COMPONENTS</b>  |                |    |    |    |    |    |    |    |    |    |     |     |     |
| 4.1. Provide support to legislative and policy reform on export procedures for wild collected products.   | VP, BO         |    |    |    |    |    |    |    |    |    |     |     |     |
| 4.2. Provide grant support to young entrepreneurs within the sub-sector   | VP, IP         |    |    |    |    |    |    |    |    |    |     |     |     |



USAID  
Agribusiness  
Project

# **Year 2 Work Plan Annex 1 Work Plan Results versus PMP Chart**

## USAID Agribusiness Project Results and Indicators 2008-2009

| Program/Task/<br>Activity   | Activity Description   | Start        | End          | Lead<br>Staff | PMP Year 2<br>Indicators/<br>Code | 2008-2009 Expected<br>Results   |  |
|---|--|--------------|--------------|---------------|-----------------------------------|---|--|
| <b>COMPONENT 1: INCREASED EFFICIENCY AND COMPETITIVENESS OF SERBIAN AGRIBUSINESS</b>                |  |              |              |               |                                   |   |  |
| <b>1.0: Introduction and Overview of Commodity Action Plans for Each Subsector</b>                  |  |              |              |               |                                   |   |  |
| <b>1.1: Strengthen Producer Organizations</b>   |  |              |              |               |                                   |   |  |
| <i>Objective 1.: Strengthen organizational capacities of producer groups.</i>                       |  |              |              |               |                                   |   |  |
| <i>Task 1.1: Conduct organizational capacity self-assessment of selected producer organizations</i> | Conduct survey of targeted producer organizations based on the OCAT to train POs to identify organizational strengths and weaknesses, to establish capacity building goals and prioritize areas requiring further assistance | Oct.2008     | Nov. 2008    | PC            | C1.1=30<br>C1.4 = TBD             | 30 POs assisted using OCAT as a baseline. 100 members/staff trained to conduct self-assessment, 800 farmers supported through OCAT process. |  |
| <i>Activity 1</i>   | Training of trainers - OCAT facilitators   | Sep 15. 2008 | Sep 30. 2008 |               |                                   |   |  |
| <i>Activity 2</i>   | Completion of external assessment through field visits (in-depth interviews, and review of secondary information by facilitators)  | Oct. 2008    | Oct. 2008    |               |                                   |   |  |

|  |   |           |           |                  |                      |  |  |
|--|---|-----------|-----------|------------------|----------------------|--|--|
| <i>Activity 3</i>  | Ranking process (workshop/sessions involving a mixed group of members and leaders in a self-evaluation)   | Oct. 2008 | Nov. 2008 |                  |                      |  |  |
| <i>Activity 4</i>  | Preparing initial assessment reports  | Oct. 2008 | Nov. 2008 |                  |                      |  |  |
| <i>Activity 5</i>  | Feedback to POs, follow-up consultations  | Nov. 2008 | Nov. 2008 |                  |                      |  |  |
| <i>Activity 6</i>  | Writing final reports, both quantitative and qualitative for each of the assessed organizations   | Nov. 2008 | Nov. 2008 |                  |                      |  |  |
| <b><i>Task 1.2: Support commodity-based producer organizations</i></b>   | Support new initiatives to organize and successfully manage commodity-based producer organizations as well as to revitalize inactive producer organizations | Dec. 2008 | Mar. 2009 | PC, sector leads | C1.1=15<br>C1.5 = 10 | 10 registered and recognized ABDS providers for producer organizations to access. Minimum 15 producer organizations receive management, finance and marketing trainings. |  |
| <b><i>Task 1.3: Assist transition of informal groups and non-profit associations to profit-oriented cooperatives</i></b> | Encourage cooperative model as the top priority in the strengthening of producer organizations  | Dec. 2008 | Mar. 2009 | PC, sector leads |                      | 5 new producer organizations created and legally registered.   |  |

|  |  |           |           |  |                       |  |  |
|--|--|-----------|-----------|--|-----------------------|--|--|
| <i>Activities for Task 1.2 and Task 1.3</i>  | Organizational structure, members' participation in ownership, membership shares, decision making process and distribution of profit;<br>Develop long-term strategies;<br>Business planning, budgeting for growth and annual reporting;<br>VAT and other accounting requirements;<br>Management of inventory through appliance of new software;<br>Cash flow and investment return analysis;<br>Exposure of management staff to EU producer organization structures/roles, possibly through exchange and mentorship programs with European producer organizations; | C1.1. = 5 |           | Improved overall management of producer organizations through trainings and technical assistance |                       |  |  |
| <b>Objective 2: Support consistent and standardized production.</b>                |  |           |           |  |                       |  |  |
| <b>Task 2.1: Implement international product standardization and certification</b> | Support producer organizations to introduce and gain certification in GlobalGAP and other relevant international standards and quality management systems  | Oct. 2008 | Sep. 2009 |  |                       | 250 agribusinesses and farmers attend awareness seminars and workshops, 12 POs receiving training (150 members), 6 POs (40 members) receive Global GAP or other certification. |  |
| <i>Activity 1</i>  | Global GAP awareness seminars in Novi Sad, Cacak and Nis   | Oct. 2008 | Oct. 2008 | PC, BO, GR, SDJ, Sector leads  | C1.1 = 12<br>C1.14= 6 |  |  |
| <i>Activity 2</i>  | Workshops with POs about the Global GAP introduction and certification requirements  | Oct. 2008 | Nov. 2008 | PC, BO, GR, SDJ, Sector leads  |                       |  |  |

|   |   |           |           |                               |  |  |   |
|---|---|-----------|-----------|-------------------------------|--|--|---|
| <i>Activity 3</i>   | Financially support selected producers to certify for compliance with GlobalGAP, ISO 14001 and ISO 22000  | Oct. 2008 | Sep. 2009 | PC, BO, GR, SDJ, Sector leads |  |  |   |
| <b><i>Task 2.2: Improve farm-level and post-harvest productivity and quality.</i></b>   | Provide technical assistance and grant packages to improve the level of productivity, reduce the cost of production, improve product quality and marketability                              |           |           | Sector leads, PC              |  |  | New investments in 4 different technological packages, including IT support, new varieties planting, greenhouses and affiliated technologies for vegetables, and packaging for fresh produce. |
| <b><i>Task 2.3: Support consolidation of farmers produce and marketing</i></b>          | Support POs in carrying out feasibility studies, and planning and budgeting for construction of consolidation centers and cold stores for fresh produce                                     | Feb. 2009 |           | Sector leads, PC, GR, BO      |  |  |   |
| <b>1.2: Improve ABDS Delivery</b>   |   |           |           |                               |  |  |   |
| <b><i>Task 1.2.1: Develop ABDS network</i></b>  | Develop generic and value chain specific ABDS providers' network  |           |           | NP                            | C1.5 = TBD<br>C1.6 = TBD<br>C1.7 = TBD |  |   |
| <b><i>Task 1.2.2: Improve access to financial services by Serbian agribusiness.</i></b> | Provide technical assistance to resolve significant problems in accessing loans for working capital and investment  |           |           | NP                            | C1.5 = TBD<br>C1.6 = TBD<br>C1.7 = TBD |  |   |
| <i>Activity 1</i>   | Develop a program for strengthening the network of financial ABDS providers who can develop costing and financial feasibility studies for particular business investments and alternatives. |           |           | NP                            | C1.5 = TBD<br>C1.6 = TBD<br>C1.7 = TBD |  |   |

|                                      |   |           |           |                |  |   |  |
|--------------------------------------|---|-----------|-----------|----------------|--|---|--|
| <i>Activity 2</i>                    | Facilitate dissemination of information about government/bank/donor credit/loan packages for agribusinesses.  |           |           | NP             | C1.5 = TBD<br>C1.6 = TBD<br>C1.7 = TBD |   |  |
| <i>Activity 3</i>                    | Assist banks and other financial institutions in developing credit facilities demanded by stronger value chain clients- identify lenders willing to develop their agricultural finance capacity, and work with them to develop credit facilities to respond to particular needs for financing for upgrading and ongoing operations. |           |           | NP             | C1.5 = TBD<br>C1.6 = TBD<br>C1.7 = TBD |   |  |
| <i>Activity 4</i>                    | Improve collateralization of farms through legal registration - work with associations and the Ministry to register farms, making them eligible for governmental financial assistance and commercial loans.   |           |           | NP             | C1.5 = TBD<br>C1.6 = TBD<br>C1.7 = TBD |   |  |
| <i>Activity 5</i>                    | Work with the Republic Agency for Development of SME to publish a guide “Credit lines in agribusiness”, to inform and educate agribusiness entrepreneurs.   | Nov. 2008 | Dec. 2008 | NP, GR, PC, BO | C1.5 = TBD<br>C1.6 = TBD<br>C1.7 = TBD | Up to 1,000 agribusiness brochures printed and distributed      |  |
| <i>Activity 6</i>                    | Improve knowledge and bankability of agribusinesses through series of seminars in cooperation with bank loan officers.  | Dec. 2008 | Mar. 2009 | NP             | C1.5 = TBD<br>C1.6 = TBD<br>C1.7 = TBD | Seminars and workshops, 300 agribusiness entrepreneurs informed |  |
| <b>1.3: Sales &amp; Marketing</b>    |   |           |           |                |  |   |  |
| <i>Task 1.3.1 Trade fair support</i> | Improve the effectiveness, volume, and reach of business and government support for international fairs and other promotions  |           |           |                |  |   |  |

**LIST OF FAIRS:**

|  |                      |               |                  |                                  |                              |   |
|--|----------------------|---------------|------------------|----------------------------------|------------------------------|---|
|  | SIAL Fair            | Oct 19, 2008  | October 23, 2008 | RL, JDS, RV, SM, PC, VP          | OP2, OP4, C1.3 = \$1,200,000 | Estimated Actual Contracts Delivered: \$1,200,000 |
|  | Fruit Logistica Fair | Feb 4, 2009   | Feb 6, 2009      | RL, JDS, RV, SM, PC, VP          | OP2, OP4, C1.3 = \$1,600,000 | Estimated Actual Contracts Delivered: \$1,600,000 |
|  | Biofach Organic Fair | Feb 19, 2009  | Feb 22, 2009     | RL, JDS, RV, SM, PC, VP          | OP2, OP4, C1.3 = \$500,000   | Estimated Actual Contracts Delivered: \$500,000   |
|  | Gulfood Fair         | Feb 23, 2009  | Feb 26, 2009     | RL, JDS, RV, SM, PC, VP, GJ, TBD | OP2, OP4, C1.3 = \$1,100,000 | Estimated Actual Contracts Delivered: \$1,100,000 |
|  | FoodEx               | Mar 3, 2009   | Mar 6, 2009      | RL, JDS, RV, SM, PC, VP, GJ, TBD | OP2, OP4, C1.3 = \$500,000   | Estimated Actual Contracts Delivered: \$500,000   |
|  | IFE Excel            | Mar 15, 2009  | Mar 18, 2009     | RL, JDS, RV, SM, PC, VP, GJ, TBD | OP2, OP4, C1.3 = \$400,000   | Estimated Actual Contracts Delivered: \$400,000   |
|  | Fancy Food Fair      | June 28, 2009 | June 30, 2009    | RL, JDS, RV, SM, PC, VP, GJ      | OP2, OP4, C1.3 = \$900,000   | Estimated Actual Return Delivered: \$900,000      |
|  | World Food           |               |                  | RL, JDS, RV, SM, PC, TBD, GJ     | OP2, OP4, C1.3 = \$1,700,000 | Estimated Actual Return Delivered: \$1,700,000    |

|  |  |              |                  |                                   |                                  |   |  |
|--|--|--------------|------------------|-----------------------------------|----------------------------------|---|--|
| <b>Task 1.3.2 Domestic and Regional Fairs &amp; Sales Missions</b> | Improve the effectiveness, volume, and reach of business and government support for international fairs and other promotions                         |              |                  |                                   |                                  |   |  |
|  | Gastronomy Show  | Oct 23, 2008 | October 26, 2008 | RL, JDS, RV, SM, PC, VP, GJ, TBD  | OP2, OP4, C1.3 = \$50,000        | Estimated Actual Return Delivered: \$50,000 |  |
|  | IFE Foodapest  | Nov 18, 2008 | Nov 20, 2008     | L, JDS, RV, SM, PC, VP, GJ        | OP2, OP4, C1.3 = \$100,000       | Estimated Actual Return: \$100,000          |  |
|  | Interfood  | Nov 19, 2008 | Nov 22, 2008     | RL, JDS, RV, SM, PC, VP, GJ, TBD  | OP2, OP4, C1.3 = \$60,000        | Estimated Actual Return Delivered: \$60,000 |  |
| Ethno Food - Belgrade  | Work with Ministry of Ag to present small agribusinesses' products; USAID to expand the fair to include regional companies in coordination with RCI. | Nov 26, 2008 | Nov 29, 2008     | RL, JDS, RV, SM, PC, VP, GJ, TBD, | POI.2, POI.4, C1.3 = \$1,000,000 | Estimated Return: \$1,000,000               |  |
| IFE India  | In coordination with the Embassy of India, prepare a sales mission with SIEPA and the Ministry of Trade.   | Dec 2, 2008  | Dec 4, 2008      | RL, JDS, RV, SM, PC,              | POI.2, POI.4, C1.3 = \$ 100,000  | Estimated Return: \$ 100,000                |  |
|  | Hotel and Gastroteh  |              |                  | RL, JDS, RV, SM, PC, VP, GJ, TBD, | POI.2, POI.4, C1.3 = \$1,500,000 | Estimated Return: \$1,500,000               |  |

|  |   |              |               |                                   |                                  |                                |  |
|--|---|--------------|---------------|-----------------------------------|----------------------------------|--------------------------------|--|
| Vegetable Sector Sales Mission                             | Prepare a sales mission to Ukraine and Russia to meet with distributors, wholesalers, retailers and to visit the terminal markets.          | March 2009   | March 2009    | RL, JDS, RV                       |                                  |                                |  |
|  | Nis Agricultural Fair   | Sep 22, 2008 | Sept 26, 2008 | RL, JDS, RV, SM, PC, VP, GJ, TBD, | POI.2, POI.4, C1.3 = \$1,500,000 | Estimated Return: \$1,500,000  |  |
| <b><i>Activities for the Task 1.3.1 and Task 1.3.2</i></b> |   |              |               |                                   |                                  |                                |  |
| <i>Activity 1</i>  | Fair coordination with SIEPA  |              |               | RL                                |                                  |                                |  |
| <i>Activity 2</i>  | Meetings with companies identified for participation to discuss their presentation and materials  |              |               | RL & sector leads                 |                                  |                                |  |
| <i>Activity 3</i>  | Sales and marketing, negotiation, business finance, media, package and design training by selected ABDS provider to participating companies |              |               | RL&NP & ABDS                      | C1.1 = 25 POs<br>C1.5 = 2        | From 75 to 100 people trained. |  |
| <i>Activity 4</i>  | Send Fair invitations to buyer lists and arrange buyer meetings   |              |               | RL                                |                                  |                                |  |
| <i>Activity 5</i>  | Assist and train Serbian companies at the fair with sales techniques  |              |               | RL                                |                                  |                                |  |
| <i>Activity 6</i>  | Complete Fair Evaluation Data   |              |               | RL                                |                                  |                                |  |

|  |   |          |          |                           |                          |  |  |
|--|---|----------|----------|---------------------------|--------------------------|--|--|
| <i>Activity 7</i>  | Follow-up with companies after returning from fair  |          |          | RL & sector leads         |                          |  |  |
| <b><i>Task 1.3.3: Domestic Market Support:</i></b>   | Enhance agribusiness linkages for market access by using Delta Maxi, Metro, Mercator/Rodic and CBA retail stores.   |          |          | RL, JDS, PC, sector leads | POI.2, POI.4, C1.3 = TBD |  |  |
| <b><i>Task 1.3.4: Preparation for Fairs and Sales Missions directly, in coordination with SIEPA and/or with Export oriented Associations</i></b> | Train government marketing staff, export associations and selected marketing service providers in Events Planning, Web and Print Promotion, Media Buying, Public Relations and International Market Sales Techniques. | Oct 2008 | Sep 2009 | RL, JDS                   | C1.1 = 6                 |  |  |
| <b><i>Task 1.3.5 Training for Firms</i></b>  | Organize business classes for companies in each sector. In Y2 10 companies from each sector (60 people) will participate.   | Nov 2008 | May 2009 | RL, JDS, S. leads         | C1.1= 60 companies       |  |  |
| <i>Activity 1</i>  | Course in Business Planning (marketing, operations, and finance)  | Nov 2008 | May 2009 | RL, JDS, S. leads         |                          |  |  |
| <i>Activity 2</i>  | Course in Professional Selling Skills   | Nov 2008 | May 2009 | RL, JDS, S. leads         |                          |  |  |
| <i>Activity 3</i>  | Course in Negotiation Training  | Nov 2008 | May 2009 | RL, JDS, S. leads         |                          |  |  |
| <i>Activity 4</i>  | Course in Trade Marketing   | Nov 2008 | May 2009 | RL, JDS, S. leads         |                          |  |  |

|  |  |          |           |                       |                         |  |  |
|--|--|----------|-----------|-----------------------|-------------------------|--|--|
| <i>Activity 5</i>  | Course in Design and Packaging   | Nov 2008 | May 2009  | RL, JDS, S. leads     |                         |  |  |
| <i>Activity 6</i>  | Course in Market Analysis  | Nov 2008 | May 2009  | RL, JDS, S. leads     |                         |  |  |
| <i>Activity 7</i>  | Course in PR and Integrated Marketing Communications   | Nov 2008 | May 2009  | RL, JDS, S. leads     |                         |  |  |
| <b><i>Task 1.3.6. Communications</i></b>                     | TA to ensure agribusiness information reaches Serbian producers and that information on the sub-sectors reaches buyers                         |          |           |                       | National activity       |  |  |
| <i>Activity 1</i>  | Development of sector specific websites – Dairy, Meats, Vegetables, Mushrooms and Herbs.   | Nov 2008 | June 2009 | RL, JDS, Sector leads | C1.1= 6 POs<br>C1.5 =1  |  |  |
| <i>Activity 2</i>  | Development of systems for dissemination of agribusiness news and market information - magazines, newsletters to POs and individual companies. | Oct 2008 | Sep 2009  | RL, JDS, NP, AM       | National activity       |  |  |
| <b><i>Task 1.3.7. Market Research &amp; Market Plans</i></b> | Development of market strategies for selected markets and products   |          |           |                       |                         |  |  |
| <i>Activity 1</i>  | Conduct market research for associations and companies wishing to enter new markets  | Oct 2008 | Sep 2009  | RL, JDS, Sector leads | C1.1 = 75-100 companies |  |  |

|  |   |          |           |                       |                          |   |  |
|--|---|----------|-----------|-----------------------|--------------------------|---|--|
| <i>Activity 2</i>  | TA to POs to develop particular market plans and strategies for each of the 6 Agribusiness sectors  | Oct 2008 | Sep 2009  | RL, JDS, Sector leads | C1.1= 6                  |   |  |
| <i>Activity 3</i>  | Preparation of the “Dairy Farm Investment Strategy” to attract greater investments in the sector and to meet the growing needs of the processors  | Apr 2009 | Apr 2009  | RL, JDS, GJ           |                          |   |  |
| <b>1.4: Youth Enterprise Program and Business Plan Competition</b>           |   |          |           |                       |                          |   |  |
| <b><i>Task 1.4.1</i></b><br><b><i>“Entrepreneurship in Agribusiness”</i></b> | Launch of the program “Entrepreneurship in Agribusiness” with the support from the Ministry of Education in 19 pilot Agricultural schools   | Oct 2008 | June 2009 | IP                    | C1.15 = 12<br>C1.17 = 12 | 19 pilot agricultural schools throughout Serbia engaged in the Program. At least 150 students benefiting from the Program                                       |  |
| <i>Activity 1</i>  | Build a MoU with the Ministry of Education to regulate the program’s operations and to build a common understanding on how the program will be conducted  | Oct 2008 | Nov 2008  | IP                    |                          | Signed MoU, with clearly defined system of mutual reporting between the Ministry and the project on key achievements of the students and schools in the program |  |
| <i>Activity 2</i>  | Provide technical support to schools in the Program to motivate students to participate in the program; help teachers organize the entrepreneurship class; inform schools on on-going agribusiness related projects | Sep 2008 | June 2009 | IP, sector leads      |                          |   |  |

|  |  |          |           |                  |                          |   |
|--|--|----------|-----------|------------------|--------------------------|---|
| <i>Activity 3</i>                                      | Bring in private consultants to give students professional qualifications to help them start and operate their own independent companies, and to raise the interest of students for business world | Feb 2009 | June 2009 | IP, sector leads |                          | At least one local or national level company per pilot school, willing to do the consultancy work |
| <i>Activity 4</i>                                      | Continue encouraging Ministry of Agriculture to provide support for “Entrepreneurship in Agribusiness”   | Oct 2008 | June 2009 | IP               |                          |   |
| <i>Activity 5</i>                                      | Create national “Entrepreneurship in Agribusiness” coordination plan in cooperation with the MSU   | Nov 2008 | June 2009 | IP, MO           |                          |   |
| <i>Activity 6</i>                                      | Provide TA to association of entrepreneurship teachers (“4-H” association of teachers from the program’s pilot schools)  | Oct 2008 | Sep 2009  | IP               |                          |   |
| <b><i>Task 1.3.2 Business Planning Competition</i></b> | Organize business development planning competition in all 19 pilot Agriculture high schools of “Entrepreneurship in Agribusiness”  | Apr 2009 | Sep 2009  | IP               | C1.15 = 12<br>C1.17 = 12 |   |
| <i>Activity 1</i>                                      | Provide assistance to promising young entrepreneurs to develop business and investment plans and startup and expansion grants  | Apr 2009 | June 2009 | IP               |                          | Grants of up to \$15,000 for each of 12 business winners  |
| <i>Activity 2</i>                                      | Present best young applicants to the Ministry of Agriculture and Chamber of Commerce and establish system of jointly providing TA to them  | Oct 2008 | Oct 2008  | IP               |                          |   |

|   |   |           |           |    |           |  |  |
|---|---|-----------|-----------|----|-----------|--|--|
| <b><i>Task 1.3.3 Internship programs</i></b>                                | Develop Internship Programs for students in agricultural high schools and agriculture universities  |           |           |    | C1.16 =15 |  |  |
| <i>Activity 1</i>   | Develop and introduce Internship program in cooperation with schools from Kraljevo and Svilajnac  | Nov 2008  | June 2009 | IP |           |  |  |
| <i>Activity 2</i>   | Develop an MoU for the agriculture companies which will allow students to learn from practical work experience in a real business environment | June 2009 | June 2009 | IP |           |  |  |
| <i>Activity 3</i>   | Provide technical assistance to design structure and report requirements for students participating in the program                            | Apr 2009  | June 2009 | IP |           |  |  |
| <i>Activity 4</i>   | Develop special international internship program for Business competition awardees in cooperation with GTZ                                    | Oct 2008  | June 2009 | IP |           |  |  |
| <b>1.5: Other Cross - Cutting Activities</b>                                |   |           |           |    |           |  |  |
| <b>Environmental Compliance</b>   |   |           |           |    |           |  |  |
| <b><i>Task 1.5.1 Compliance with Reg. 16 environmental requirements</i></b> | Ensure environmental compliance of Project's actions and minimize exposure to environmental risks   | Oct 2008  | Sep 2009  | JC |           |  |  |

|  |   |          |          |                                     |  |  |  |
|--|---|----------|----------|-------------------------------------|--|--|--|
| <b>Task 1.5.2 Pollution Prevention Program (PPP)</b> | TA to enterprises from sub sectors to adopt methods of waste minimization, wastewater pre-treatment, and energy savings via low-cost/no-cost opportunities  | Oct 2008 | Sep 2009 | JC, sector leads, RL, JDS, NP, STTA | C1.5 = 10<br>C1.8 = rank 4   |  |  |
| <i>Activity 1</i>                                    | Apply PPP to enterprises located in different regions of Serbia   | Oct 2008 | Jan 2009 | JC, sector leads, RL, JDS, NP, STTA | 10 ABDS selected to participate in PPP; Viability assessment-site survey prepared for 6 agribusiness enterprises; PPA prepared for 6 enterprises; 10 ABDS providers receiving assistance   |  |  |
| <i>Activity 2 - Dissemination of experience</i>      | Conduct national seminar on PPO; Draft PPO Manual; Hold regional seminars; ABDS training on sustainable application of PPO; Implementation of PPO   | Jan 2009 | Sep 2009 | JC, ABDS                            | National seminar/training on PPA delivered-Gallup conducted seminar for Mission staff and ABDS; Revised PPA manual; Enterprises offered one day introductory seminar; Regional seminars held to present results of PPP, ABDS identified and trained for sustainable application of PPP |  |  |
| <b>Task.1.5.3. Integrated Pest Management</b>        | Technical assistance to producer associations to facilitate adoption of IPM methods, including marketing, fertility management, and threshold-based pesticide applications.   | Oct 2008 | Sep 2009 | JC, PC, STTA                        | C1.5 = 1   | Compendium report, lists and matrixes, educational plan, promotional materials, presentations prepared |  |
| <i>Activity 1</i>                                    | Identify potential target areas for reduced pesticides use; Select Project site to identify growers willing to participate; and host Project demonstration sites; Identify agricultural extension officers; Create site plan and define Project monitoring and treatment thresholds for the selected site; Create information exchange portal |          |          | JC, PC, STTA                        | <i>Oct 2008</i>  | <i>Mar 2009</i>  |  |

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|---|--|----------------------|-----------------|-----------------|--|
| <i>Activity 2</i>   | Develop a specific education plan to: Develop technical support and promotional materials with target practices; Conduct field days; Disseminate information to partners<br>Deliver presentations for trainings and meetings | JC, PC, STTA         | <i>Nov 2008</i> | <i>Sep 2009</i> |  |
| <b>Gender / Women In Agriculture</b>                      |  |                      |                 |                 |  |
| <b><i>Task 1: Women Entrepreneurs in Agribusiness</i></b> | Provide TA to support establishment of the organization of women entrepreneurs in agribusiness and ensure their access to agribusiness opportunities   | IP                   | <i>Oct 2008</i> | <i>Sep 2009</i> |  |
| <i>Activity 1</i>   | Continue working with the FAO trainer for social and economic development of country women   | IP                   | <i>Oct 2008</i> | <i>Sep 2009</i> |  |
| <i>Activity 2</i>   | Announce initiation of the “Women Entrepreneurs in Agriculture” program  | IP                   | <i>Oct 2008</i> | <i>Oct 2008</i> |  |
| <i>Activity 3</i>   | Explore potential trainings for women entrepreneurs, depending on the region and area where they live and work and propose training programs   | IP                   | <i>Oct 2008</i> | <i>Nov 2008</i> |  |
| <i>Activity 4</i>   | Identify women entrepreneurs from 7 regions of Serbia (10 women per region), to participate in training for business communication, marketing, management skills and business plan preparation                               | IP                   | <i>Nov 2008</i> | <i>Jan 2009</i> |  |
| <i>Activity 5</i>   | Plan and implement trainings   | IP, Sector leads     | <i>Feb 2009</i> | <i>Aug 2009</i> |  |
| <i>Activity 6</i>   | Organize the “Women Entrepreneurs in Agriculture” fair to display their products and services  | IP, Sector leads, AM | <i>Sep 2009</i> | <i>Sep 2009</i> |  |

| <b>Volunteer Program</b> |   |                         |          |          |  |
|--------------------------|---|-------------------------|----------|----------|--|
| <i>Activity 1</i>        | Mobilize resources to build sustainable Serbian capacity for market-led agricultural growth (maximum use of Serbian expertise, whether in the form of the Serbian diaspora through the Serbian Unity Congress, or in-country academic and agribusiness leaders) | S. Leads, Cross-C., SDJ | Oct 2008 | Sep 2009 |  |
| <i>Activity 2</i>        | Identify “volunteer opportunity points” to ensure all donated assistance fits in to and supplements program objectives  | S. Leads, Cross-C., SDJ | Oct 2008 | Sep 2009 |  |
| <i>Activity 3</i>        | Offer internships to qualified students who want to learn more about individual agricultural components or value chains by using relations with the Serbian Unity Congress and Ohio based volunteers  | S. Leads, Cross-C., SDJ | Oct 2008 | Sep 2009 |  |

**COMPONENT 2: IMPROVED ENABLING ENVIRONMENT FOR SERBIAN AGRIBUSINESS**

**Objective 2.1: Improve Crop and Livestock Production Estimates, Market Price Information and Supporting Studies to GoS**

|  |   |          |          |    |   |  |  |
|--|---|----------|----------|----|---|--|--|
| <b><i>Task 2.1.1: Strengthen the Serbian System of Market Information in Agriculture (STIPS)</i></b> | Expand the number of commodities for which the market prices are collected, create a more “user friendly system” and raise awareness of the system and analytics behind the available information in order to ensure better decision making by agricultural producers | Oct 2008 | Sep 2009 | BO | 20 ABDS providers supported by the activity, approx 50 producer organizations, 800 farmers educated in the use of market information system | C1.5 = 20<br>C2.1 = rank 5<br>C2.3 = 50 producer organizations (800 farmers) | Pursuant to the enabling grant, web portal for new commodities developed, seminars for farmers organized and implemented |
|--|---|----------|----------|----|---|--|--|

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|---|---|----------|-----------|----------------------|--|---|---|
| <b>Task 2.1.2: Develop capacities for participation in the Farm Accountancy Data Network (FADN)</b> | Develop capacities to introduce FADN as an instrument for evaluating the income of agricultural households and the impact of implemented agricultural policy  | Feb 2009 | June 2009 | BO, STTA             | MAFWM assisted in complying with requirements for the EU membership, generating missing data regarding agricultural households | C2.2 =1<br>C2.6 =1<br>C2.4 =1   | Report outlining recommendations regarding introduction and implementation of FADN prepared, and responsible staff educated |
| <b>Task 2.1.3: Organize targeted agricultural studies/surveys</b>                                   | Organize targeted surveys and studies to collect relevant information on sub-sectors or specific agricultural issues, and present the information to facilitate strategic planning and decision making  | Oct 2008 | Mar 2009  | GR, BO, Sector leads |  |   |   |
| <b>Activity 1</b>   | <p>Prepare the Study on a Cool/Cold Chain in Serbia:</p> <p><u>Phase 1: Cold Chain Survey Development</u> - evaluation of the current situation of cold and cool chains in Serbia for the sale of fresh produce and fruits, both locally and for export)</p> <p><u>Phase 2: Cold Chain Research</u> (gathering information on the needs and opportunities for building cooling facilities in Serbia)</p> <p><u>Phase 3: Cold Chain Specialist and Engineer Analysis</u></p> | Oct 2008 | Jan 2009  | GR, BO, Sector leads | C2.2 =1<br>C2.4 = 1  | Cool/Cold Chain Study prepared with relevant recommendations outlined |   |

|   |  |          |          |                 |                     |   |  |
|---|--|----------|----------|-----------------|---------------------|---|--|
| <i>Activity 2</i>   | Provide support for establishment of fruits and vegetables consolidation centers through preparation of relevant studies (i.e. feasibility studies) or organize of necessary trainings   | Feb 2009 | Mar 2009 | GR, RV, PC, BO, | C2.4 = 1            | At least one producer organization assisted in conducting preparatory work for establishment and operation of consolidation center<br>Strategy papers/studies with recommendations prepared |  |
| <b>Objective 2.2: Facilitate Legal, Policy, And Regulatory Reform</b>                   |  |          |          |                 |                     |   |  |
| <b><i>Task 2.2.1: Provide support to legislative and policy reform coordination</i></b> | Assist the creation of, and provide support to, efforts of working groups/bodies responsible for coordinating and implementing initiatives related to legislative or policy reforms pertaining harmonization of domestic practices with the EU or international rules. | Dec 2008 | Sep 2009 | BO              | C2.4 =1 (at least)  | Strategy papers outlining recommendations related to legislative or policy reforms prepared   |  |
| <i>Activity 1</i>   | Work with Mushroom Board of the Fruits of Serbia to facilitate dialog with the Ministry of Environment and Institute for Nature Conservation to speed up the process of quota allocation for wild mushrooms and the process of issuing export licenses.                | Dec 2008 | Mar 2009 | VP, BO          | C2.4 =1             | Strategy paper outlining recommendations for improvement prepared, one private-public dialog workshop facilitated   |  |
| <b><i>Task 2.2.2: Support to policy implementation</i></b>                              | Joint activities with the MAFWM to identify and remove obstacles in the policy implementation  | Dec 2008 | Sep 2009 | BO              | C2.4 =1<br>C2.6 = 1 |   |  |

|   |   |          |          |        |   |   |
|---|---|----------|----------|--------|---|---|
| <i>Activity 1- Warehouse Receipts (WHR)</i> | Assist MAFWM with final drafting of the law, implementing regulations, and establishment of the efficient system of public warehouses   | Dec 2008 | Mar 2009 | KK, BO |   | Law on Public Warehouses for Agricultural Products adopted                                    |
| <i>Activity 2 – Plant Protection Rights</i> | Legalize Plant Protection Rights (UPOV membership)- provide assistance to MAFWM to ensure proper functioning of the system for protection of new varieties                              | Feb 2009 | Apr 2009 | BO     |   | Law on Protection of Plant Breeder’s Rights adopted and implemented, UPOV membership achieved |
| <i>Activity 3 - Law on Cooperatives</i>     | Law on Cooperatives (assist the MERD and MAFWM in preparation of the law and relevant by-laws, and implement activities aimed at strengthening existing and newly founded cooperatives) | Dec 2008 | Sep 2009 | PC, BO | Strengthened national associations or cooperatives to advocate changes with the GOS | Draft Law on Cooperatives and implementing regulations finalized                              |

## VALUE CHAINS

|  |   |           |           |                 |   |  |
|--|---|-----------|-----------|-----------------|---|--|
| <b>TREE FRUIT</b>                                    |   |           |           |                 |   |  |
| <i>Improve market required product certification</i> | Support implementation of international product certification in export tree fruits | Oct. 2008 | Sep. 2009 | PC, BO, GR, SDJ | 7 POs trained, 2 POs receiving Global GAP and 2 ULO operators receiving HACCP/ISO certification C1.1; C1.14 | Increased number of signed pre-contract agreements with buyers, new markets opened up. Estimated \$200,000 of sales in year 2 thanks to product certification. |
| <i>Activity 1</i>                                    | Global GAP awareness seminars in Novi Sad, Cacak and Nis                            | Oct. 2008 | Oct. 2008 | PC, BO, GR, SDJ |   |  |
| <i>Activity 2</i>                                    | Workshops about the Global GAP introduction and certification requirements          | Oct. 2008 | Dec. 2009 | PC, BO, GR, SDJ |   |  |

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|--|--|-----------|------------|-----------------|--|---|
| <i>Activity 3</i>  | Financially support selected producers to implement requirements and certify   | Jan. 2009 | Sep. 2009  | PC, BO, GR, SDJ |  |   |
| <b><i>Improve productivity, quality and sustainability of fruit production systems</i></b>       | Implement TA and grant packages to improve ABDS' capacities for effective and quality services to growers and ULO/CA operators.  | TBD       | TBD        | PC              | Up to 15 ABDS providers and extension workers trained and over 800 fruit growers indirectly supported. |   |
| <b><i>Improve harvest and post harvest management</i></b>  | Identify foreign experts in tree fruit post harvest physiology and storage to work with selected local service providers and technologists from ULO/CA cold stores to improve provision of their services. | TBD       | TBD        | PC              | 10 ABDS providers and extension workers trained and over 500 fruit growers supported.                  | ABDS providers enabled to provide effective and quality services to ULO/CA operators. Estimated \$5,000 increased incomes of trained ABDS providers. First crop results will be measurable after 2009 harvest.      |
| <i>Activity 1 - Training and technical assistance</i>  | Training and technical assistance in advanced harvest and post harvest management practices for the most effective storage of fresh apples and plums in ULO/CA chambers                                    | Jan. 2009 | March 2009 | PC              |  |   |
| <i>Activity 2 - Training and technical assistance</i>  | Training and technical assistance in introduction/application of new post-harvest technologies to extend fresh apples shelf life   | Feb. 2009 | March 2009 | PC              |  |   |
| <b><i>Improve farm-level productivity and quality of apple and stone fruit fresh produce</i></b> | Identify foreign experts in tree fruit growing practices to train selected local service providers to improve provision of their services.   |           |            | PC              | Up to 15 ABDS providers and extension workers trained and over 800 fruit growers indirectly supported. | ABDS providers enabled to provide effective and quality services to tree fruit producers. Estimated \$20,000 increased incomes of trained ABDS providers. First crop results will be measurable after 2009 harvest. |

|  |  |           |           |            |   |  |  |
|--|--|-----------|-----------|------------|---|--|--|
| <i>Activity 1 - Training and technical assistance</i>  | Training and technical assistance in advanced apple and stone fruit growing techniques (pest management, nutrient management, tree pruning, fruit size management, and use of plant growth regulators) | Nov. 2008 | Dec. 2008 | PC         |   |  |  |
| <i>Activity 2 – Web portal</i>   | Support pilot project in Northern Vojvodina, development of Pest-watch advisory web portal   | Nov. 2008 | Mar. 2009 | PC         | Web portal developed. 3 ABDS developed new service for growers. 10 POs and 200 growers trained.                           | ABDS providers enabled to provide new on-line advisory services to growers. Producers improved growing performances. First crop results will be measurable after 2009 harvest.                 |  |
| <i>Activity 3 – Study tour</i>   | Study tour to advanced fruit growing operations in Italy, South Tyrol  | Mar. 2009 | Mar. 2009 | PC         | 10 tree fruit ABDS providers and representatives of POs trained in new technologies and over 300 fruit growers supported. | Enhanced capacity of ABDS provides to deliver effective and quality services. Increased organizational capacities of 5 tree fruit producer organizations.                                      |  |
| <i>Activity 4 - Accreditation</i>  | Implement accreditation of Arilje Agro-innovation Center's testing laboratory through grants scheme  |           |           | PC         | Laboratory accredited to provide services to over 1,000 farmers.  | Enhanced access to certified water and soil testing for farmers, as a precondition for Global GAP certification. Enhanced farmers access to the GoS subsidies for the arable land improvement. |  |
| <b><i>Consolidated export promotion and sales for more reliable and competitive supplies</i></b> | Support initiatives for export promotion, marketing and sales to ensure competitive supplies   | Oct. 2008 | Sep. 2009 | PC, RL, JD |   |  |  |

|   |  |           |           |            |  |   |
|---|--|-----------|-----------|------------|--|---|
| <i>Consolidation of export promotion activities</i> | Provide support in preparation for the local and international trade fairs. Vet and select producers that meet market specific standard and participation criteria to exhibit at international trade shows.                                | Oct. 2008 | Sep. 2009 | PC, RL, JD |  | <i>Note: See the list of 2009 trade fairs in Sales and Marketing section.</i>   |
| <i>Consolidation of sales</i>                       | Improve consolidated product offer and joint market access of “Fruitland” association through IT support to ULO cold stores  | Oct. 2008 | Sep. 2009 | PC         | 4 tree fruit cooperatives implemented software for management of ULO cold stores | Improve cold storage inventory, supply management and product traceability. Reduced operating costs - increase of incomes by \$100,000. 400 farmers and 4 producer organizations assisted |
| <i>Improving buyer linkages</i>                     | Improve linkages between producers and local and foreign wholesale and retail buyers by organizing inward buying missions, supporting supply chain development to buyer requirements, and providing buyer-seller services to stakeholders. |           |           | PC, RL, JD | Oct. 2008  | Sep. 2009   |

## BERRY FRUIT

### FRESH BERRY VALUE CHAIN

|  |   |           |           |             |   |  |
|--|---|-----------|-----------|-------------|---|--|
| <i>Production of berry fruit under high tunnels and packaging of fresh berries/cold chain management</i> | A series of training programs to enable producers to improve their knowledge and skills related to implementation of new technologies | Nov. 2008 | Mar. 2009 | SM, *TD, PC | POI.4 =\$50,000;<br>C.1.1=15; C.1.5=5;<br>C.1.13=15 | 4-6 trainings conducted, 4 ABDS and 15 producer organizations and food-processing companies trained; US\$50,000 of new revenues achieved |
|--|---|-----------|-----------|-------------|---|--|

|   |  |           |           |                    |  |   |
|---|--|-----------|-----------|--------------------|--|---|
| <i>Trade mission to the United Kingdom</i>  | Support a trade mission to the United Kingdom for seven berry-fruit producers and nurseries within the association of fruit and vegetable producers "Fruits of Serbia".                                | Sep. 2008 | Dec. 2008 | SM, *TD            | POI.4=\$100,000<br>C.1.1=5;<br>C.1.3=\$100,000;<br>C.1.5=3;<br>C.1.13=5 firms /<br>130 farmers                               | 1 trade mission conducted; 3 ABDS and 5 producers assisted; 2 purchase contracts signed for establishment of 10 ha of raspberry orchards, 130 farmers-raspberry growers with improved access to new technologies and selling opportunities, \$100,000 of new sales achieved |
| <i>Know-how exchange tour to production areas in Italy, Spain or Chile</i>  | Fund a study tour to production areas in Italy, Spain or Chile, to see implementation of the latest technologies (production under high tunnels and greenhouses, and varieties with extended harvest). | Mar. 2009 | Jun 2009  | SM, *TD,<br>RL, JD | POI.4 = \$30,000;<br>C.1.1=6; C.1.5=3;<br>C.1.13=9   | 1 know-how exchange tour conducted; 3 ABDS and 6 producers assisted; US\$30,000 of new revenues achieved  |
| <i>Grants to apply new technologies and share information</i>   | Assist eligible grantees to implement new technologies that will result in improved quality, yields and/or marketability of their products.  | Jan. 2009 | Jul. 2009 | SM, *TD,<br>SD     | POI.4 = \$100,000;<br>C.1.1=2; C.1.2=10;<br>C.1.3=\$100,000;<br>C.1.13=30 farmers /<br>2 firms; C.1.11=2;<br>C.1.12=\$45,000 | 2 POs/companies assisted; 2 new technologies applied; US\$100,000 of member sales achieved; expected number of benefiting farmers: 30; 10 new members joined  |
| <b>PLANTING MATERIAL – NURSERY DEVELOPMENT</b>  |  |           |           |                    |  |   |
| <i>Training program/ seminar - how to improve quality of planting material and deal with intellectual property rights</i> | Hire local STTA and organize a training/seminar that will enable nurseries and fruit growers to learn how to improve quality of planting material and deal with intellectual property rights.          | Oct. 2008 | Mar. 2009 | TBD, PC,<br>SM     | POI.4 = \$50,000;<br>C.1.1=15;<br>C.1.3=\$50,000;<br>C.1.5=5   | At least 5 nurseries and 15 producers trained; \$50,000 of new revenues achieved  |

| <b>SPEED-UP BLUEBERRY PRODUCTION</b>                                  |  |           |           |             |   |   |
|---|--|-----------|-----------|-------------|---|---|
| <i>Training and advisory program for Serbia blueberry growers</i>     | Provide grant funds for the training programs and advisory services pertaining to the blueberry production and marketing, which will be implemented in 8 municipalities of South-West of Serbia.   | Oct. 2008 | Aug. 2009 | TBD, PC, SM | POI.3=50; POI.4 = \$100,000; C.1.1=8; C.1.3=\$100,000; C.1.5=2; C.1.11=1; C.1.12=\$10,000 | 8 POs and 2 ABDS providers assisted, increase of the blueberry yields by 50% and sales by \$100,000 in the first year, additional 50 jobs in agricultural production and processing created |
| <b>ASSOCIATION DEVELOPMENT</b>  |  |           |           |             |   |   |
| <i>Training program in producer organizations' overall management</i> | A program to cover selection of proposed PO legal form, raising members' participation, management of membership fees and distribution of profit, commercial loans and collateral, supplies and sales through a PO, and development of a marketing strategy. | Nov. 2008 | Sep. 2009 | TBD, PC, SM | POI.4 = \$50,000; C.1.1=5; C.1.2=40; C.1.3=\$50,000                                       | 5 POs assisted, of which 3 new POs; 40 new members joining existing POs; US\$50,000 of member sales achieved  |
| <b>ABDS / BUSINESS SERVICES DEVELOPMENT</b>                           |  |           |           |             |   |   |
| <i>Training programs in logistics and cool chain management</i>       | Training of trainers to help participating ABDS develop their technical capacities in the areas of: grading, storing, packing, labeling, logistics management, cold chain management, PDO/PGI protection, and certification.                                 | Dec. 2008 | Sep. 2009 | SM, RL, JD  | POI.4 = \$100,000; C.1.1=12; C.1.5=8;   | 2 STTA providers hired, 8 ABDS assisted and 12 producer organizations and food-processing companies trained; US\$100,000 of new revenues achieved   |

|   |   |                  |                  |                       |  |   |
|---|---|------------------|------------------|-----------------------|--|---|
| <p><i>Support establishment of partnership that will result by improved application of inputs of service provision in Serbia.</i></p>   | <p>International suppliers (producers of post-harvest and/or technologies to extend products' shelf-life, planting material, anti frost equipment, consultants on EU food packaging &amp; labeling requirements, cold chain management, PDO/PGI) will provide technical training to their partners in Serbia.</p> | <p>Oct. 2008</p> | <p>Sep. 2009</p> | <p>SM, RL, JD</p>     | <p>POI.4 = \$100,000;<br/>C.1.5=3; C.1.6=2;<br/>C.1.7=\$30,000</p> | <p>3 ABDS assisted, 2 new ABDS started, \$100,000 of new revenues achieved</p>  |
| <p><b>DEVELOP MARKETING CAPACITIES AND EXPORT MARKET LINKAGES</b></p>   |   |                  |                  |                       |  |   |
| <p><i>Co-fund exhibition of producers at the fairs Fruit Logistica (fresh), BioFach (organic), Fancy Food - New York, IFE - London, Sial - Paris, World Food - Moscow</i></p> | <p>Support ABDS providers and/or national associations to enhance fresh, organic and/ processed berry fruit domestic sales and exports by co-funding exhibition of berry fruit producers and/or processors at relevant trade fairs.</p>   | <p>Oct. 2008</p> | <p>Sep. 2009</p> | <p>RL, JD, SM</p>     | <p>POI.4 = \$4,800,000;<br/>C.1.1=15</p>                           | <p>15 producer organizations / food-processing companies and/or ABDS assisted to participate in 9 trade fairs; \$4,800,000 of new revenues/exports achieved</p> |
| <p><i>Cost-share to conduct sales delegation trips to regional and/or major international markets in Russia and Europe</i></p>  | <p>Conduct sales trips to regional and/or major international markets in Russia and Europe, assess market demands and competition, prepare for own participation and, meet with potential buyers and begin negotiation process.</p>   | <p>Oct. 2008</p> | <p>Jul. 2009</p> | <p>RL, JD, SM, SD</p> | <p>POI.3=2; POI.4 = \$200,000; C.1.1=2;<br/>C.1.5=1; C.1.14=2</p>  | <p>2 sales missions conducted, 8 businesses/ABDS providers assisted, \$100,000 of new revenues achieved within one year after the implementation</p>            |

|  |  |           |           |            |  |  |
|--|--|-----------|-----------|------------|--|--|
| <i><b>Awareness campaign and grants aimed at protecting geographic origin –PDO/PGI</b></i>           | Facilitate the industry awareness campaign on protection of geographic origin to improve marketing of products and fund projects aimed at achieving PDO/PGI for the products with high marketing potentials. | Dec. 2008 | Sep. 2009 | RL, JD, SM | POI.4 = \$50,000;<br>C.1.1=6                           | 2 presentations conducted, at least 1 PDO/PGI obtained, 6 businesses-PDO/PGI holders directly assisted, \$50,000 of new/additional revenues achieved |
| <i><b>Transition of the Serbian Fruit web-site to a national association “Fruits of Serbia”.</b></i> | Fund ABDS provider(s) to provide association with trainings and TA needed to take over the site and carry on with its maintenance, development and promotional activities.                                   | Jan. 2009 | Jun. 2009 | RL, JD, SM | C.1.1=30   | 1 producer organization and 30 companies assisted  |
| <b>DEVELOP CAPACITY TO MEET INTERNATIONAL STANDARDS AND TRACEABILITY REQUIREMENTS</b>                |  |           |           |            |  |  |
| <i><b>Global Gap standard</b></i>  | Assist 3 selected producers of berry fruits for fresh market to implement GAP, traceability and environmental requirements, and certify to Global Gap standard for exportable fresh berries.                 | Oct. 2008 | Sep. 2009 | BO, SM     | POI.3=2; POI.4 = \$150,000; C.1.1=3; C.1.5=2; C.1.14=3 | 3 producers certified, 2 ABDS providers assisted, \$150,000 of new revenues achieved and 2 new employments created within one year                   |
| <i><b>HACCP, Organic, BRC and/or other certification</b></i>   | Assist a sub-sector and/or target market specific certification that would result in improved access to new markets for Serbian higher value added products.   | Oct. 2008 | Sep. 2009 | BO, SM     | POI.3=2; POI.4 = \$200,000; C.1.1=2; C.1.5=1; C.1.14=2 | 2 processors certified; 1 ABDS provider assisted, \$200,000 of new revenues achieved and 2 new employments created within one year                   |

| <b>ASSIST DIVERSIFICATION OF PRODUCTION</b>   |  |           |           |                |  |  |
|---|--|-----------|-----------|----------------|--|--|
| <i>Grants to assist higher value-added products development</i>   | Assist higher value-added products to upgrade existing processing technologies, develop new higher value-added fruit products, improve packaging and designs of existing products. | Oct. 2008 | Sep. 2009 | SM, SD, RL, JD | POI.3=6; POI.4 = \$200,000; C.1.1=2; C.1.11=2; C.1.12=60,000   | 2 producers/processors assisted, 3 new product introduced/existing products improved, \$200,000 of new revenues and 6 full-time jobs achieved within one year    |
| <i>STTA to assess production conditions and conduct feasibility study on cranberry production in Serbia.</i>          | Hire an US-based STTA provider to assess production conditions and conduct feasibility study on cranberry production in Serbia.  | Dec. 2008 | Sep. 2009 | SM, SD, RL, JD | C.1.1=3; C.1.5=2;  | 1 new product introduced, 3 POs trained and 2 ABDS providers trained in new production   |
| <b>ENCOURAGE YOUTH AND WOMEN INVOLVEMENT IN AGRIBUSINESS</b>  |  |           |           |                |  |  |
| <i>Visit schools to encourage youth applications and involve youth entrepreneurs in subsector specific activities</i> | Visit schools, present VCA findings and market opportunities, encourage youth applications and evaluate, involve youth entrepreneurs in subsector specific activities.             | Oct. 2008 | Sep. 2009 | IP, SM, SD     | POI.3=3; POI.4 = \$20,000; C.1.15=3; C.1.16=5; C.1.17=3        | 3 youth /women projects assisted, 3 youth/women employments created; 50 young farmers assisted through technical assistance; US\$20,000 of new revenues achieved |
| <b>HERBS</b>  |  |           |           |                |  |  |
| <b>Build export market linkages to retail buyers</b>  |  |           |           |                |  |  |
| <i>Support participation of Serbian companies at trade fairs</i>  | Co-fund exhibition of producers at Fruit Logistica, BioFach, Gulfood, Fancy Food Show, WorldFood show, Sial, IFE London and Novi Sad Fair  | Oct. 2008 | Jun. 2009 | VP, RL, PC     | POI.3=15; PO4 = \$1,000,000; C.1.1=1; C.1.3=\$50,000; C.1.11=1 | \$1 million of additional export, \$200,000 of additional domestic sale and 15 full time employments   |

|   |   |           |           |        |  |  |
|---|---|-----------|-----------|--------|--|--|
| <i>Support links to inward trade missions from buyers</i>   | Organize retail buyers field assessments of selected companies  | Apr. 2008 | Sep. 2009 | VP, RL | POI.4 =\$100,000   | 2-4 new companies sign contract with supermarkets, \$100,000 of new revenues achieved  |
| <i>Support sales delegation trips to EU and North America markets and specialized fairs</i>                     | Help the companies to conduct sales delegation trips to international markets in EU and North America   | Apr. 2008 | Sep. 2009 | VP, RL | POI.4 =\$100,000;<br>C.1.12=\$15,000                       | 2 sales missions conducted, \$100,000 of new revenues achieved   |
| <b>Increasing value added products</b>  |   |           |           |        |  |  |
| <i>Improve design, packaging, labeling to companies ready to compete on end market</i>                          | Fund marketing and promotion services delivered to Bilje Borca, Interfood 60 and Strela Klaic companies.  | Oct. 2008 | Jan. 2009 | VP, RL | POI.4 =\$500,000;<br>C.1.5=2; C.1.11=2;<br>C.1.12=\$30,000 | At least three companies will enter on new markets that either pay a higher premium, or that allow for the addition of value-added products achieving of \$500,000 of additional sales |
| <i>Organize training and education in management, sales and marketing</i>                                       | Co-finance trainings, delivered by ABDS providers, on management, sales, marketing, and negotiation skills to export oriented companies                 | Mar. 2009 | Jul. 2009 | VP, RL | C.1.1=1;<br>C1.3.=\$50,000;<br>C.1.12=\$10,000;<br>C2.3=3  | At least one PO, and five companies will receive such trainings  |
| <i>Improve access to GOS funds by Serbian agribusiness by disseminating information</i>                         | Assist Serbian agribusiness firms and producer organizations in accessing GOS subsidized funding.   | Jan. 2009 | Mar. 2009 | VP     | C.1.9=3;<br>C1.10.=\$10,000                                | At least 15 companies will receive such information and at least three will access to the funds in total value of at least \$10,000  |
| <i>Improve companies' promotional material and web sites for exhibition on international and domestic fairs</i> | Engage local STTA provider to prepare design for companies' promotional activities through developing brochures, leaflets and multi language web sites. | Feb. 2009 | Jun. 2009 | VP, RL | POI.4 =\$100,000   | \$100,000 of new revenues achieved   |

|   |  |           |           |            |  |  |
|---|--|-----------|-----------|------------|--|--|
| <i>Support companies penetrating on new market with new technologies/equipment</i>                                    | Upgrade existing value-adding processing technologies and develop new higher value-added products of companies to improve productivity and product quality | Mar. 2009 | Aug. 2009 | VP         | POI.3=5; PO4=\$100,000; C.1.12=\$5,000   | \$100,000 of new revenues by the end of Y2 and 5 new employments   |
| <i>Support study tours on MAP growing techniques to regional countries</i>  | Conduct a study tour on growing techniques and access to new suppliers   | Apr. 2009 | Jul. 2009 | VP         | POI.4=\$100,000; C1.1=1; C.1.12=\$10,000 | One study tour conducted, \$100,000 of new revenues  |
| <b>Association development</b>  |  |           |           |            |  |  |
| <i>Organize awareness campaign on standards specialized for wild collection companies and members of associations</i> | Support printing and distribution of brochures on the standards followed by one day seminar conducted by IMO representatives                               | Nov. 2008 | Jan. 2009 | VP, BO, PC | C1.1=1; C1.5=1; C.1.12=\$15,000; C1.14=2 | Distributed brochures to at least 10 companies, six companies attended on the one day seminar and one company starts certification process |
| <i>Improve management capacities and develop action plan</i>  | Assist Mushroom Association within Fruits of Serbia to develop one year action plan  | Dec. 2008 | Mar. 2009 | VP         | C1.1=1                                   | Make one Association sustainable   |
| <i>Develop Serbian wild mushroom web site for Mushroom Association</i>  | Support development of Serbian wild mushroom web site as a part of Serbian Mushroom promotional campaign   | Jan. 2009 | May 2009  | VP, RL     | C1.1=1; C1.2=5; C.1.12=\$15,000          | Site developed, 3-5 new companies posted on SerbianFruit.com, \$100,000 of new revenues achieved   |
| <b>Cross cutting</b>  |  |           |           |            |  |  |
| <i>Provide support to legislative and policy reform on export procedures for wild collected products</i>              | Assist in creation of the policy reform recommendations and support the Mushroom Association to improve export procedures for wild collected products      | Jan. 2009 | Apr. 2009 | VP, BO     | C1.1=1; C2.4=1                           | One policy reform recommendation document prepared   |

|   |   |           |           |        |  |   |
|---|---|-----------|-----------|--------|--|---|
| <i>Provide grant support to young entrepreneurs within the sub-sector</i> | Evaluate, assess and award 2 best business plans and assist in registration process   | Dec. 2008 | Mar. 2009 | VP, IP | C1.11=2; C.1.12; C1.14=2; C1.15=2 C1.16=2; C1.17=2 | 2 best business plans awarded.  |
| <b>DAIRY</b>  |   |           |           |        |  |   |
| <b>Strengthen Producer Organizations</b>                                  |   |           |           |        |  |   |
| <i>Develop Nationwide Dairy Milk Quality and Farm Management Campaign</i> | Identify 50 leading farmers for intensive farm management program plus 300 farmers for training sessions.   | Oct. 2008 | Jul. 2009 | GJ, PC | POI .4, C.1.13                                     | 50 commercial dairy farm agribusinesses improved, 300 dairy farmers trained, 6 ABDS providers trained, new sales \$ 200,000   |
| <i>Dairy farms HACCP certification project</i>                            | Assist Holstein Farmers Association to implement HACCP on 15 individual dairy farms, train 100 farmers  | Oct. 2008 | Jul. 2009 | GJ     | C.1.14   | 15 commercial dairy farm agribusinesses HACCP certified, additional 100 farmers trained   |
| <i>Develop Serbian-American Dairy B&amp;B linkages</i>                    | Dairy companies Sabac, Lazar, Mladost, Kuc and Mihajlovic will expand B&B linkages and transfer of know-how by linking with the US dairy expertise and technology | Mar. 2009 | Mar. 2009 | GJ     | C.1.1 & C.1.13                                     | 14 dairy, ABDS, farmers and regional government representatives adopted new skills for development of commercial farms, farm management programs, new dairy products and PO development |
| <b>Improve ABDS Delivery</b>  |   |           |           |        |  |   |
| <i>Creation of National ABDS Providers Network</i>                        | Support registration, website development and launching a specialized monthly e-newsletter featuring production, marketing, technology and policy issues          | Dec. 2008 | Mar. 2009 | GJ     | C.1.1, C.1.5, C.1.7                                | 1 National ABDS Providers Network developed, 200 subscribers for dairy e-magazine   |
| <i>Improving Zlatibor Specialty Products Visual Identity</i>              | Develop visual identity, labeling and packaging for dairy specialty products  | Dec. 2008 | Jun. 2009 | GJ, RL | C.1.1, POI .4                                      | 3 specialty products changed  |

|  |  |           |           |        |               |  |
|--|--|-----------|-----------|--------|---------------|--|
| <i>Support Development of Commercial Dairy Farms Agribusinesses</i>        | US dairy STTA to develop technical and investment plans for dairy farms of 30, 50 and 100 cows each.   | Dec. 2008 | May. 2009 | GJ     | C.1.1, POI.4  | 5 investment plans developed, 100 farmers, 5 dairies and 5 ABDS providers trained.                               |
| <b>Encourage youth involvement in agribusiness</b>                         |  |           |           |        |               |  |
| <i>Support Development of Dairy Practice Farm Programs</i>                 | Develop training programs by US and local dairy experts and implement 3 regionally based, 2-day farm management and production courses for youth | May 2009  | Sep. 2009 | GJ, IP | C.1.16        | 100 students and farmers trained   |
| <b>Increase Value Chain and/or Cluster Competitiveness</b>                 |  |           |           |        |               |  |
| <i>Support implementation of IT dairy management</i>                       | Implement dairy management software to increase efficiency of milk supply and operations   | Dec. 2008 | Jun. 2009 | GJ     | C.1.1, C.1.8  | 5 dairies implemented dairy management software  |
| <i>Develop Russian export market opportunities</i>                         | Link dairies interested in the Russian market  | Feb. 2009 | Feb. 2009 | GJ, RL | C.1.1, POI.4  | \$300,000 of increased export sales  |
| <i>Develop US export market for Serbian dairies</i>                        | Expand activities to promote export of two Serbian dairies to US   | Jan. 2009 | Aug. 2009 | GJ, RL | C.1.1, POI .4 | \$300,000 of increased export sales  |
|  |  |           |           |        |               |  |
| <b>VEGETABLE</b>   |  |           |           |        |               |  |
| <b>STRENGTHEN PRODUCER ORGANIZATIONS</b>                                   |  |           |           |        |               |  |
| <b>Increase efficiency of POs and services provided to their members</b>   |  |           |           |        |               |  |
| <i>Organize in-country visits for the producer organizations' managers</i> | Facilitate study visits of PO managers from the central and south of Serbia to Vojvodina POs to exchange information and experience.             | Feb. 2009 | Mar. 2009 | RV     | C.1.1, C.1.2  | Managers of five undeveloped producers' organization will increase number of services provided for their members |

|  |   |           |           |    |              |   |
|--|---|-----------|-----------|----|--------------|---|
| <i>Arrange training workshops for managers of more developed POs</i>   | Engage ABDS provider to deliver specialized training to POs in marketing, promotion, finance and other services for the members                     | Feb. 2009 | Apr. 2009 | RV | C.1.1        | 10 managers of POs involved in vegetable production will improve their knowledge and increase capacity.   |
| <i>Visit the Spanish Association of Vegetable Producers</i>            | Facilitate a study tour to Spain of growers involved in production, distribution and marketing  | Dec. 2008 | Dec. 2008 | RV | C.1.1, C.1.2 | Increased knowledge about production technology for 20 representatives with increased number of services by three-five                                |
| <i>Assist in further development of Distribution Centers</i>           | Conduct a study on costs, quality, logistics, benefits and maximum returns on the potential investments, organization and management of the centers | Oct. 2008 | Feb. 2009 | RV |              | One feasibility study created   |
| <i>Implementation of new vegetable varieties</i>                       | Facilitate training to promote high market demand varieties using specialized ABDS providers  | Jan. 2009 | Mar. 2009 | RV | C.1.1, C.1.7 | 20 producers will start production of new varieties. Five - seven new vegetable types will be produced in Serbia. Additional sales income of \$50,000 |
| <i>Implementation of new varieties that will extend growing season</i> | Training workshops on assortments, growing technology and advantages of extended season production  | Jan. 2009 | Mar. 2009 | RV | C.1.1, C.2.3 | Additional sales for the producers (\$30-50,000), import of early vegetables decreased by 5%. Start up productions of five early vegetable types      |
| <b>Improve post-harvest and storing techniques and practices</b>       |   |           |           |    |              |   |
| <i>Training workshops on post-harvest techniques</i>                   | Training held in North Vojvodina, Central Serbia, Pomoravlje region and South of Serbia   | Dec. 2008 | Feb. 2009 | RV | C.1.1        | Production losses reduced by 20%, 200 farmers trained   |

|   |  |           |           |        |              |  |
|---|--|-----------|-----------|--------|--------------|--|
| <i>Training sessions on post-harvest techniques and management for local ABDS providers</i> | Facilitate training participation of 15 ABDS providers to improve their knowledge and become able to assist other producers in Serbia  | Dec. 2008 | Feb. 2009 | RV     | C.1.6        | 15 ABDS providers will assist in improvement of post-harvest techniques to 400 producers. Decreased post harvest losses by 20 %                  |
| <i>Improve products by proper packaging, labeling, promotion and marketing</i>              | Conduct workshops on the trends and requirements in fresh, organic/fresh, and processed vegetables   | Mar. 2009 | May 2009  | RV, RL | C.2.3, C.1.3 | Improvement of fresh vegetable packaging which will contribute to additional sales value of \$100,000  |
| <i>Business to business meeting with Russian and Ukraine buyers</i>                         |  | Mar. 2009 | Apr. 2009 | RV, RL | C.1.3        | Direct sales in value of \$500,000, preparatory agreements for the sales of production in 2009   |
| <b>IMPROVE ABDS DELIVERY</b>  |  |           |           |        |              |  |
| <i>Knowledge transfer/study tour for the ABDS providers</i>                                 | Facilitate study tour for the selected ABDS providers to provide them with models of operations, financing and scope of services to assist them increase efficiency and improve quality. | TBD       | TBD       | RV, NP | C.1.5, C.1.7 | Capacity of local ABDS provides improved, organizational structure and business opportunities improved, additional services sales value \$30,000 |
| <b>ENCOURAGE YOUTH INVOLVEMENT IN AGRIBUSINESS</b>  |  |           |           |        |              |  |
| Activity 1 - Best Business Idea Youth program   | Supervise winners of grants through the Best Business Idea Youth program, assist them and link with ABDS providers as needed .   | TBD       | TBD       | RV, IP | C.1.12       |  |
| Activity 2 - training sessions  | Facilitate participation of young entrepreneurs at the training sessions arranged for vegetable producers on different subjects  | TBD       | TBD       | RV, IP | C.1.16       |  |

**INCREASE VALUE-CHAIN AND/OR CLUSTER COMPETITIVENESS**

|   |   |            |            |           |                     |   |
|---|---|------------|------------|-----------|---------------------|---|
| <p><i>Assist the producers willing to implement new technologies at any level of production</i></p> | <p>Support a vegetable producer in closed environment to build a green house made of a new durable material, with a heating unit to use bio fuel, to be used as a demonstration center.</p> | <p>TBD</p> | <p>TBD</p> | <p>RV</p> | <p>POI.3, POI.4</p> | <p>Employment of 15-20 women who will work in this greenhouse</p> |
|---|---|------------|------------|-----------|---------------------|---|

**Acronyms:**

- POI –Overarching Project Level Indicators
- C1 – Component I Indicators
- C2 – Component 2 Indicators
- STTA – Short-term technical assistance
- SL – Sector leads
- CC – Cross-cutting staff
- TBD – To be determined

- GN           Gene Neill
- GR           Goran Radojevic
- RL           Remer Lane
- SDJ          Slavenko Djokic
- IP           Ivana Petrovic
- PC           Pedja Cerovic
- BO           Brankica Obucina
- JC           Jelena Colic
- NP           Nenad Popadic
- AM           Ana Martinovic
- SM           Sasa Marusic
- VP           Vladimir Petrovic
- RV           Radmila Vucinic
- GJ           Goran Janjic
- MO           Michelle Owens
- KK           Krassimir Kiriakov
- WG           William Grant

### USAID Agribusiness Project- Overarching Project-Level Indicators

| No. | Performance Indicator   | Disaggregated by:   | Methodology (data source)  | Responsible Party | Baseline                  | 2008                 | 2009                       | 2010                       | 2011                       | 2012                        |
|-----|---|---|--|-------------------|---------------------------|----------------------|----------------------------|----------------------------|----------------------------|-----------------------------|
| 1   | Percent change in agricultural GDP  | N/A   | National statistics  | N/A               | 2007 Ag GDP: \$4.25 B     | 0.5% (over baseline) | 1% (over baseline)         | 3% (over baseline)         | 6% (over baseline)         | 10% (over baseline)         |
| 2   | Percent change in the value of agricultural exports   | <ul style="list-style-type: none"> <li>Export market</li> <li>Commodity</li> </ul>  | National statistics  | N/A               | 2007 Ag Exports: \$1.67 B | 2% (over baseline)   | 4.5% (over baseline)       | 7.5% (over baseline)       | 11% (over baseline)        | 15% (over baseline)         |
| 3   | Actual increase in employment in agricultural processing and services                         | <ul style="list-style-type: none"> <li>Region</li> <li>Gender of new employees</li> <li>Type of firm</li> <li>Type of employment</li> </ul> | <i>Client Impact Survey</i> designed and implemented by the M&E/Grant Department including data validation and reporting | M&E/Grant Manager | 0                         | 200 persons          | 1,000 persons (cumulative) | 3,000 persons (cumulative) | 6,000 persons (cumulative) | 10,000 persons (cumulative) |
| 4   | Dollar value change in agricultural product sales of USAID Agribusiness Project beneficiaries | <ul style="list-style-type: none"> <li>Region</li> <li>Commodity</li> </ul>   | <i>Client Impact Survey</i> designed and implemented by the M&E/Grant Department including data validation and reporting | M&E/Grant Manager | 0                         | \$3 M in Year 1      | \$7 M in Year 2            | \$12 M in Year 3           | \$20 M in Year 4           | \$30 M in Year 5            |

**NOTE:** Projections on percent changes in agricultural GDP and exports are given based on *Projections of the basic macroeconomic indicators: 2008 - 2011*, a document issued by the Government of Serbia in May 2008, and the Task Order. The targets for Overarching Project-Level Indicators for 2012 as set in the Task Order shall remain unchanged. However, the targets shall be projected for each year over the life of the project and may be revised on an annual basis if economic conditions justify it.

**Last Update: September 2008**

**USAID Agribusiness Project - Component 1: Increased Efficiency and Competitiveness of Serbian Agribusiness**

| No. | Performance Indicator   | Disaggregated by:   | Methodology (data source)  | Responsible Party  | Baseline  | 2008                             | 2009                  | 2010                    | 2011                    | 2012                    |
|-----|---|---|--|--------------------|---|----------------------------------|-----------------------|-------------------------|-------------------------|-------------------------|
| 1   | Number of producer organizations assisted as part of the USAID Agribusiness Project                         | <ul style="list-style-type: none"> <li>▪ Region</li> <li>▪ Age of organization</li> <li>▪ Size (number of members)</li> <li>▪ Sub-sector</li> <li>▪ Type of Assistance</li> </ul> | Project data input into TAMIS  | Project staff      | N/A   | 30                               | 50 (cumulative)       | 70 (cumulative)         | 90 (cumulative)         | 100 (cumulative)        |
| 2   | Number of new members joining USAID Agribusiness Project-assisted producer organizations                    | <ul style="list-style-type: none"> <li>▪ Gender</li> <li>▪ Region</li> </ul>  | Project data input into TAMIS  | Project staff      | N/A   | 250 total new members (annually) | 500 total new members | 3,000 total new members | 5,000 total new members | 6,000 total new members |
| 3   | Total dollar value of member sales through USAID Agribusiness Project-assisted producer organizations       | <ul style="list-style-type: none"> <li>▪ Gender</li> <li>▪ Domestic/international</li> </ul>  | <i>Client Impact Survey</i> designed and implemented by M&E/Grants Department and Project staff, including data validation and reporting | M&E/Grants Manager | N/A   | \$300K sales in year 1           | \$1M sales in year 2  | \$2M sales in year 3    | \$5M sales in year 4    | \$10M sales in year 5   |
| 4   | Average score of assisted producer organizations on the Organizational Capacity Assessment Tool             | N/A   | <i>Annual or semi-annual survey</i> conducted based on the Organizational Capacity Assessment Tool                                       | M&E/Grants Manager | Results of 2008 Assessment will be used as a baseline |                                  | TBD                   | TBD                     | TBD                     | TBD                     |
| 5   | Number of Agribusiness Development Service (ABDS) firms benefiting directly from USAID Agribusiness Project | <ul style="list-style-type: none"> <li>▪ Gender of owner/manager</li> <li>▪ Type of ABDS</li> <li>▪ Region</li> </ul>   | Project data input into TAMIS  | M&E/Grants Manager | N/A   | 20 firms                         | 40 firms (cumulative) | 60 firms (cumulative)   | 80 firms (cumulative)   | 100 firms (cumulative)  |

**USAID Agribusiness Project - Component 1: Increased Efficiency and Competitiveness of Serbian Agribusiness**

| No. | Performance Indicator  | Disaggregated by:  | Methodology (data source)  | Responsible Party  | Baseline | 2008                        | 2009                         | 2010                         | 2011                         | 2012                         |
|-----|--|--|--|--------------------|----------|-----------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| 6   | Number of new ABDS started with assistance of USAID Agribusiness Project   | <ul style="list-style-type: none"> <li>▪ Gender of owner/manager</li> <li>▪ Type of ABDS</li> <li>▪ Region</li> </ul>                            | Project data input into TAMIS  | M&E/Grants Manager | N/A      | 1                           | 3<br>(cumulative)            | 8<br>(cumulative)            | 15<br>(cumulative)           | 25<br>(cumulative)           |
| 7   | Total dollar value of new revenues generated from ABDS providers as a result of USAID Agribusiness Project         | <ul style="list-style-type: none"> <li>▪ Gender of owner/manager</li> <li>▪ Type of ABDS</li> <li>▪ Type of service</li> <li>▪ Region</li> </ul> | <i>Client Impact Survey</i> designed and implemented by M&E/Grants Department and Project staff, including data validation and reporting | M&E/Grants Manager | N/A      | \$50,000 in sales in year 1 | \$100,000 in sales in year 2 | \$200,000 in sales in year 3 | \$350,000 in sales in year 4 | \$600,000 in sales in year 5 |
| 8   | Client satisfaction rating by firms of the availability and quality of agribusiness development services by region | <ul style="list-style-type: none"> <li>▪ Type of firm</li> <li>▪ Gender of owner/manger</li> <li>▪ Region</li> </ul>                             | <i>Client Impact Survey</i> designed and implemented by M&E/Grants Department and Project staff, including data validation and reporting | M&E/Grants Manager | N/A      | 4                           | 4                            | 4                            | 4                            | 4                            |
| 9   | Number of producers/processors who have received credit as a result of USAID Agribusiness Project                  | <ul style="list-style-type: none"> <li>▪ Gender of borrower</li> <li>▪ Region</li> <li>▪ Lending institution</li> <li>▪ Sub-sector</li> </ul>    | <i>Client Impact Survey</i> designed and implemented by M&E/Grants Department and Project staff, including data validation and reporting | M&E/Grants Manager | N/A      | 20                          | 50<br>(cumulative)           | 80<br>(cumulative)           | 120<br>(cumulative)          | 180<br>(cumulative)          |

**USAID Agribusiness Project - Component 1: Increased Efficiency and Competitiveness of Serbian Agribusiness**

| No. | Performance Indicator  | Disaggregated by:   | Methodology (data source)   | Responsible Party     | Baseline   | 2008                | 2009                | 2010                | 2011                | 2012                |
|-----|--|---|---|-----------------------|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| 10  | Total dollar value of credits received by producers/processors as a result of USAID Agribusiness Project   | <ul style="list-style-type: none"> <li>▪ Gender of borrower</li> <li>▪ Region</li> <li>▪ Lending institution</li> <li>▪ Sub-sector</li> </ul>     | Client Impact Survey designed and implemented by M&E/Grants Department and Project staff, including data validation and reporting | M&E/Grants Manager    | N/A  | \$160,000 in year 1 | \$240,000 in year 2 | \$240,000 in year 3 | \$320,000 in year 4 | \$480,000 in year 5 |
| 11  | Number of farmers and firms accessing new technologies with the support of Investment Incentives Grants  | <ul style="list-style-type: none"> <li>▪ Firm/ farm</li> <li>▪ Type of technology</li> <li>▪ Gender of owner/manager</li> <li>▪ Region</li> </ul> | Client Impact Survey designed and implemented by M&E/Grants Department and Project staff, including data validation and reporting | M&E/Grants Manager    | N/A  | 100                 | 250 (cumulative)    | 500 (cumulative)    | 750 (cumulative)    | 1000 (cumulative)   |
| 12  | Number of international food-safety, quality and environmentally friendly certificates (HACCP, Global GAP, ISO, Organic, etc.) introduced to and/or adopted by agribusinesses thanks to USAID Agribusiness Project | <ul style="list-style-type: none"> <li>▪ Subsector</li> <li>▪ Certificate</li> </ul>  | Project data input into TAMIS   | M&E/Grants Manager    | Results of the activities conducted in 2008 will be used as a baseline |                     | TBD                 | TBD                 | TBD                 | TBD                 |
| 13  | Number of Youth Business Plan Competition winners  | <ul style="list-style-type: none"> <li>▪ Gender of owner/manager</li> <li>▪ Region</li> </ul>   | Project data input into TAMIS   | Youth/Gender Director | N/A  | 10 per annum        | 12 per annum        | 15 per annum        | 15 per annum        | No competition      |
| 14  | Number of youth-led businesses participating in USAID Agribusiness Project-funded activities. i.e. number of youth who have received the Project's assistance  | <ul style="list-style-type: none"> <li>▪ Gender of owner/manager</li> <li>▪ Sub-sector</li> <li>▪ Region</li> <li>▪ Type of Assistance</li> </ul> | Project data input into TAMIS   | Youth/Gender Director | N/A  | 20 per annum        | 25 per annum        | 30 per annum        | 30 per annum        | 5 per annum         |

**USAID Agribusiness Project - Component 1: Increased Efficiency and Competitiveness of Serbian Agribusiness**

| No. | Performance Indicator  | Disaggregated by:  | Methodology (data source)     | Responsible Party     | Baseline | 2008             | 2009                | 2010                | 2011                | 2012                |
|-----|--|--|-------------------------------|-----------------------|----------|------------------|---------------------|---------------------|---------------------|---------------------|
| 15  | Number of youth-led successful/operational businesses initiated thanks to USAID Agribusiness Project                       | <ul style="list-style-type: none"> <li>▪ Gender of owner/manager</li> <li>▪ Sub-sector</li> <li>▪ Region</li> </ul>      | Project data input into TAMIS | Youth/Gender Director | N/A      | 10               | 22 (cumulative)     | 37 (cumulative)     | 52 (cumulative)     | 57 (cumulative)     |
| 16  | Number of Investment Incentive Grants (including Youth Enterprise Grants) disbursed under USAID Agribusiness Project       | <ul style="list-style-type: none"> <li>▪ Gender and age of grantee</li> <li>▪ Type of grant</li> <li>▪ Region</li> </ul> | Project data input into TAMIS | M&E/Grants Manager    | N/A      | 2 per annum      | 45 per annum        | 45 per annum        | 35 per annum        | 7 per annum         |
| 17  | Dollar value of Investment Incentive Grants (including Youth Enterprise Grants) disbursed under USAID Agribusiness Project | <ul style="list-style-type: none"> <li>▪ Gender and age of grantee</li> <li>▪ Type of grant</li> <li>▪ Region</li> </ul> | Project data input into TAMIS | M&E/Grants Manager    | N/A      | 30,000 per annum | 700,000 per annum   | 600,000 per annum   | 500,000 per annum   | \$100,000 per annum |
| 18  | Number of Capacity Building Grants disbursed under USAID Agribusiness Project  | <ul style="list-style-type: none"> <li>▪ Type of organization</li> <li>▪ Purpose</li> </ul>                              | Project data input into TAMIS | M&E/Grants Manager    | N/A      | N/A              | 25 per annum        | 25 per annum        | 25 per annum        | 7 per annum         |
| 19  | Dollar value of Capacity Building Grants disbursed under USAID Agribusiness Project  | <ul style="list-style-type: none"> <li>▪ Type of organization</li> <li>▪ Purpose</li> </ul>                              | Project data input into TAMIS | M&E/Grants Manager    | N/A      | N/A              | \$300,000 per annum | \$300,000 per annum | \$300,000 per annum | \$100,000 per annum |

**USAID Agribusiness Project - Component 2: Improved Enabling Environment for Serbian Agribusiness**

| No. | Performance Indicator  | Disaggregated by:   | Methodology (data source)   | Responsible Party                             | Baseline                                     | 2008        | 2009            | 2010             | 2011             | 2012             |
|-----|--|---|---|---|--|-------------|-----------------|------------------|------------------|------------------|
| 1   | Reliable crop/livestock production and market price information system operating within the Ministry of Agriculture  | ▪ Subsector   | Annual or semi-annual survey on client satisfaction designed and implemented by M&E/Grants Department and Policy Specialist, including data validation and reporting      | Policy Specialist and M&E/Grants Manager      | 2008 System Reports will serve as a baseline |             | TBD             | TBD              | TBD              | TBD              |
| 2   | Targeted agricultural surveys implemented with the project support (per annum) in order to generate additional data on specific sectors or specific agricultural issues (e.g. costs and generated income per various households) | ▪ Subsector   | Project data input into TAMIS/Data from partner organizations   | Policy Specialist                             | N/A  | 1 per annum | 2 per annum     | 2 per annum      | 2 per annum      | 1 per annum      |
| 3   | Number of producers and firms trained in the use of market information & production data   | ▪ Gender<br>▪ Firm/producer<br>▪ Type of training<br>▪ Region | Project data input into TAMIS   | Policy Specialist                             | N/A  | 25          | 75 (cumulative) | 150 (cumulative) | 200 (cumulative) | 225 (cumulative) |
| 4   | Number of strategy papers prepared on policy related issues as a result of USAID Agribusiness Project activities   | Type of reform*   | Project data input into TAMIS and data from partner organizations   | Policy Specialist                             | N/A  | 2           | 6 (cumulative)  | 9 (cumulative)   | 11 (cumulative)  | 12 (cumulative)  |
| 5   | Introduction of an operational Environmental Information System (EIS)  | N/A   | Annual or semi-annual survey on client satisfaction designed and implemented by M&E/Grants Department and Environmental Engineer, including data validation and reporting | Environmental Engineer and M&E/Grants Manager | No system in place                           |             | TBD             | TBD              | TBD              | TBD              |

**USAID Agribusiness Project - Component 2: Improved Enabling Environment for Serbian Agribusiness**

| No. | Performance Indicator  | Disaggregated by:   | Methodology (data source)  | Responsible Party   | Baseline | 2008                | 2009                 | 2010                 | 2011                 | 2012                |
|-----|--|---|--|---------------------|----------|---------------------|----------------------|----------------------|----------------------|---------------------|
| 6   | Number of policy reforms implemented as a result of USAID Agribusiness Project   | Type of reform*   | Official Gazette of the RS (Serbian trade magazines and newspapers, GOS & Ministry data) | Policy Specialist   | N/A      | 1 per annum         | 1 per annum          | 1 per annum          | 1 per annum          | 1 per annum         |
| 7   | Number of Project Activities i.e. training programs, trade fairs, seminars, studies and workshops, to enhance delivery of public goods | <ul style="list-style-type: none"> <li>▪ Type of Project Activity</li> <li>▪ Beneficiary/Type of Organization</li> <li>▪ Purpose</li> </ul> | Project data input into TAMIS  | Operations Director | N/A      | N/A                 | approx. 30 per annum | approx. 30 per annum | approx. 20 per annum | approx. 5 per annum |
| 8   | Dollar value of Project Activities training programs, trade fairs, seminars, studies and workshops to enhance delivery of public goods | <ul style="list-style-type: none"> <li>▪ Type of Project Activity</li> <li>▪ Beneficiary/Type of Organization</li> <li>▪ Purpose</li> </ul> | Project data input into TAMIS  | Operations Director | N/A      | N/A                 | \$800,000 per annum  | \$800,000 per annum  | \$500,000 per annum  | \$100,000 per annum |
| 9   | Number of Enabling Grants disbursed under USAID Agribusiness Project   | <ul style="list-style-type: none"> <li>▪ Type of organization</li> <li>▪ Purpose</li> </ul>   | Project data input into TAMIS  | M&E/Grants Manager  | N/A      | approx. 2 per annum | N/A                  | N/A                  | N/A                  | N/A                 |
| 10  | Dollar value of Enabling Grants disbursed under USAID Agribusiness Project   | <ul style="list-style-type: none"> <li>▪ Type of organization</li> <li>▪ Purpose</li> </ul>   | Project data input into TAMIS  | M&E/Grants Manager  | N/A      | \$70,000 per annum  | N/A                  | N/A                  | N/A                  | N/A                 |

\* Types of reform are described in the PMP (reforms to address EU & International rules and procedures)



USAID  
Agribusiness  
Project

## **Year 2 Work Plan**

### **Annex 3: Grants Program & Revised Grants Manual**

## **Background and Introduction**

USAID Agribusiness Project has designed the Grants Program to augment the project's objectives and to facilitate market-driven activities in the commodity action plans and the value-chain strategies developed in the previous year.

USAID/RCO has approved the Grants Manual on March 19, 2008, which is considered an official inception date of the Grants Program, as well as completion of the Task 3.1 within the Year 1 Work Plan.

However, certain revisions in the approved Grants Manual are envisioned to assure consistency with the strategic objectives of the USAID Agribusiness Project in Year 2, described herein, as well as the lessons learned during the sector assessments and analysis. As advised in the Task Order, USAID Agribusiness Project should update the Grants Manual no less frequently than annually; the updated version is included as an annex to this work plan.

Namely, the changes consider introduction of the In-Kind Grant Format, in addition to Fixed Obligation and Simplified Grants to facilitate implementation of the Youth Grants Program. We propose taking \$2.2 million from the \$5.2 million grants budget and putting it under "Project Activities" to fund training programs, trade fairs, seminars, studies and workshops to enhance delivery of public goods, which used to be envisioned as enabling grants. Remaining \$3 million will be used only for the cost-share reimbursable investment incentive grants, capacity building grants for producer organizations and ABDS providers, and the youth enterprise grants. With the reduced grant budget the current Grants/M&E Officer's position will be (re)converted into Agriculture Development Officer who will work as the tree fruit sector lead.

Nevertheless, the Grants Program will continue to be administered in accordance with provisions contained in ADS, Section 302.5.6, "Grants Under Contracts," ADS Chapter 303, "Grants and Cooperative Agreements to Non-Governmental Organizations," and/or within the terms of the USAID Standard Provisions applicable to Non-U.S. Non-Governmental Recipients. These provisions are incorporated into the Grants Manual, which also provides program guidelines, policies, and procedures; roles and responsibilities of the USAID Agribusiness Project staff, USAID, and grantees; eligibility and other selection criteria; limitations; application, review and award processes; administrative and financial management and controls; monitoring, evaluation, and reporting.

USAID Agribusiness Project plans to obligate the grant funds in the amount of \$1 million to support approximately 55 grant activities emerging from this work plan, in the period October 1, 2008 – September 30, 2009.

In corresponding to the core objectives of the USAID Agribusiness Project to increase efficiency, and improve the competitiveness of the Serbian agribusinesses in the selected sub-sectors in this work plan, the following three major grant components are envisioned:

- 1.) Investment Incentive Grants
- 2.) Capacity Building Grants for Producer Organizations and ABDS Providers
- 3.) Youth Grants

As mentioned before, all project activities in support of the public-private collaboration in providing essential services, promoting and expanding public-private sector dialogue, increasing participation in policy reform, as well as other activities aimed to improving enabling environment for agribusinesses in Serbia and enhancing the provision of public goods will be funded from the separate budget line item named “Project Activities.” These non-grant funds will be used to support provision of the services such as market information, annual agriculture production estimates, technical assistance and training, agriculture extension services, baseline and special studies, surveys, statistics, evaluations, animal and plant health, environmental issues, food safety and other activities aimed at enhancing provision of public goods.

Pursuant to the recommendations provided by Mr. Gary Kilmer, Principal Development Specialist of DAI, pertaining to the original voucher grant award category within the Investment Incentive Grant component, USAID Agribusiness Project has decided to change its approach, and to strengthen the ABDS delivery within the existing and approved grant procedures. Such approach will be both more cost effective and more appropriate than implementing a stand alone “voucher” program, which in its traditional form is more appropriate for providing standardized low cost services to a large number of micro and very small businesses.

USAID Agribusiness Project’s Grants Manager, working in the close cooperation with the Operations Director and the Chief of Party, will ensure that grant proposals are consistent with USAID grant rules and regulations, and that budget items are allowable costs as defined by OMB and USAID.

## **Investment Incentive Grants**

*Investment Incentive Grants* are designed to increase the efficiency and competitiveness of Serbian agribusiness enterprises along the value chain in the six high-potential selected sub-sectors by leveraging private investment in infrastructure, technology, value-added processing, and marketing by producer organizations, agribusiness firms, and ABDS providers. However, these grants are not intended to substitute for available commercial finance; award conditions must include that the recipient is not able to secure credit for the purposes and timeframe contemplated, and that the grant does not interfere with the development of credit markets.

Investment Incentive Grants would normally complement technical assistance and education, and may include such things as machinery and equipment, construction and/or rehabilitation of packing plants and cold storage units, irrigation systems, green house technology, or other items or services that have the ability to significantly advance a sector, sub-sector, or enterprise cluster from one stage of competitive development to another. Investment Incentive Grants shall target producer organizations, ABDS providers and private enterprises; and shall not favor one producer or business interest over another.

The Investment Incentive Grants will be available in the following three award categories:

*i. Producer Organization Grants*

This category focuses on large-scale productive investments by producer organizations (cooperatives, associations) in agricultural processing and storage. Eligibility requirements include formal registration of the organization, basic financial statements, and an organizational mission that serves a public or quasi-public purpose or multiple beneficiaries. Grants may not exceed \$100,000 in amount, or finance more than 50% of the total required investment.

*ii. Enterprise Expansion Grants*

This category focuses on leveraging resources to expand the operations of existing agribusiness firms and enterprises (including those owned by producer organizations). Eligibility requirements include formal registration of the business, and at least two years of financial reports (balance sheet/income statement). Grants may not exceed \$70,000 in amount, or finance more than 50% of the total required investment.

*iii. Agribusiness Startup Grants*

This category focuses on encouraging and enabling innovative new business startups (0-3 years old). Eligibility requirements include formal registration of the business. Grants may not exceed \$40,000 in amount, or finance more than 60% of the total required investment.

In certain situations where significant employment and other economic benefits may come as a result of a grant, USAID Agribusiness Project may finance up to 70% of the total required investment. However, in circumstances USAID Agribusiness Project's share shall exceed \$100,000.

Pursuant to the recommendations provided by Mr. Gary Kilmer, Principal Development Specialist of DAI, pertaining to the original voucher grant award category within the Investment Incentive Grant component, USAID Agribusiness Project has decided to change its approach, and to strengthen the ABDS delivery within the existing and approved grant procedures. Such approach will be both more cost effective and more appropriate than implementing a stand alone "voucher" program, which in its traditional form is more appropriate for providing standardized low cost services to a large number of micro and very small businesses.

## **Capacity Building Grants for Producer Organizations and ABDS Providers**

*Capacity Grants for Producer Organizations and ABDS Providers* are designed to support non-profit and for-profit non-governmental producer organizations and ABDS providers as to improve their management and operational capacity. As for the specific activities, these grants will be used to support creation and capacity building of the

targeted food industry associations and producer organizations to provide general benefit services. These associations and organizations can be at a national level, or at a regional level, depending on the concentration of the industry in the region and the activities performed by the association. The grants will target the associations in the project's selected agriculture sub-sectors where there is strong commitment from the private sector stakeholders.

The grants will not cover any operating expenses for established associations, but will focus on building the capacity of the associations to carry out their functions e.g. agriculture extension services, business advisory, financial management consulting, joint sales, etc.

However, for brand new associations, the grants could cover up to one year of operating funding (essentially a pilot phase), while they are getting established and building up their track record, with a strong commitment from the association members to cover the expenses in the period after first year e.g. a five-year operational plan accepted by all association's members or similar.

Through the value-chain assessments, the sector leads identified over 10 producer organizations (cooperatives and associations) in each sub-sector on the national and regional levels. The capacity of such organizations varies and the USAID Agribusiness Project will utilize the grant funds to build their organizational and management capacity, as well as productivity of the organization's members.

USAID Agribusiness Project will utilize the grant funds to assist ABDS providers to strengthen their operations and promote the establishment of new ABDS firms to provide in-demand services to firms along the value chain. USAID Agribusiness Project will focus on four primary areas of service delivery: technical services, including firms to adopt new technologies and practices to promote increased productivity and efficiency; management services to assist firms to develop business and operational plans, strategies, and new ways of working; financial services to train firms in accessing credits and managing their financial accounting systems; and marketing services to support firms in identifying and capitalizing on new market opportunities both at home and abroad and to finalize new sales.

These funds will be used to support food industry associations and local firms to participate in national and regional agricultural trade shows and fairs, and the study tours. The funds will be used to cover the costs of the preparatory training programs for participants, as well as preparation of the marketing material, business-to-business meetings around the fairs, etc. These funds shall not be used to cover lodging, travel and per-diem expenses for the trade fair participants; however, the funds may be used to cover up to 70% of such costs for study tours.

USAID Agribusiness Project will provide the grant funds to the qualified agricultural producers and processors registered in Serbia for the necessary training/consulting services and certification for GlobalGAP, ISO 14001 and ISO 22000 standards.

## **Youth Enterprise Grants Program**

*Youth Enterprise Grants Program* is designed to encourage and promote youth entrepreneurship by supporting youth enterprise clubs, and using informal education approaches to provide practical skill training in agribusiness development and management. The program is intended to introduce young people (general age range is from ages 15-24) to agribusiness technical, financial, and business management principles.

Youth Enterprise Grants will be awarded on a competitive basis. The idea is to invite youth through a public Request for Application (RFA) to submit original business ideas and creative business solutions in the form of an abbreviated business concept paper (the USAID Agribusiness Project shall provide the application form) in a first phase competition.

Initial concept applications shall be subject to a panel review, which includes the USAID Agribusiness Project staff, as well as interested public, private and financial sector stakeholders and youth organizations, as an option. The most promising applications will be selected to receive individual technical assistance and mentoring to develop detailed business and investment plans.

These detailed plans will be submitted for final review at the panel, which will include USAID, in addition to the initial panel members. The winners of the competition will be rewarded with business startup grants.

The grants shall not be disbursed until the business is registered, and may not exceed \$15,000 in amount. However, in this category grants may finance up to 100% of the total required investment.

The USAID Agribusiness Project will explore opportunities for leveraging Youth Enterprise Grant funds with the funds provided by Serbia National Employment Agency, National Investment Plan, etc. Whenever possible, USAID Agribusiness Project will award youth enterprise grants as to contribute to the competitiveness of the selected sectors.

Youth Enterprise Grants Program will be managed by Ivana Petrovic, Youth/Gender Director.

## **Grant Terms**

USAID Agribusiness Project shall not award any grant that exceeds 100,000 USD or for a period that extends beyond the estimated completion date of the USAID Agribusiness Project. The terms of all grants shall allow for an orderly close-out prior to the end of USAID Agribusiness Project i.e. September 1, 2009.

Grants will be structured, timely, quantified, and used in combination with and in order to leverage other financial resources, including cost-sharing with grantee funds and in-kind contributions. It is usually expected that the grantee will make some contribution to the activity for which they are seeking funding. This can be either in-kind (such as labor and materials) or cash. The purpose of the matching requirement is to leverage additional resources towards achieving the program's objectives and to give the grantee a stake in the outcome of the activity. Whenever the goal of a grant is provision of public goods, the matching contribution (a cost-share by the grant recipients) shall not be required; otherwise, the grant recipients will be required to provide 30% of matching funds at minimum, in-kind and/or cash for particular grant activity.

Cost-sharing or matching refers to that portion of project or program costs not borne by the USAID Agribusiness Project. All contributions, including cash and in-kind contributions, are accepted as part of the recipient's cost-sharing or matching when they meet the criteria established in the standard provision governing recipient contributions. Grant cost-sharing must be in conformance with applicable USAID guidance: specifically, the Required as Applicable Standard Provision entitled "Cost Sharing." It is USAID's policy not to apply its source, origin, and nationality requirements or the "restricted goods" provision established in the Standard Provision entitled "USAID Eligibility Rules for Goods and Services" on cost-sharing amounts. In accordance with 22 CFR 226.24, program income may be used to finance the required cost-share portion of the grant award.

Grant recipients will be local (Serbian) Non-U.S., Non-Governmental organizations, both for-profit and non-for-profit, e.g. producer organizations (farmer cooperatives and associations), business associations, ABDS providers, professional organizations, research institutions, educational facility, agribusiness enterprises and individual firms engaged in agricultural input supply, processing, service provision, marketing, storage, branding, transport, etc. whose proposed activities meet the USAID Agribusiness Project's eligibility and evaluation criteria, as well as contribute to project results.

Grant recipients must be registered under Serbian law, and their organizational goals and objectives should be consistent with the objectives of USAID Agribusiness Project.

The following specific eligibility criteria shall apply to all potential grantees, with the exception to the youth enterprises:

- A sub-sector value chain actor(s) registered under Serbian law, and
- Demonstrated experience or capacity in the market- linkage capacity building or related activities or show evidence of institutional capability in the above said area, and/or
- Ability to obtain the necessary management competence in planning and carrying out assistance program, and/or
- Be an organization capable to practice cost sharing (matching) principle in cash or in-kind.

Single agriculture producer i.e. a small farmer, individuals, political organizations, foreign-owned and government institutions, and religious groups are not eligible for grants under the USAID Agribusiness Project without prior approval of USAID. Also ineligible are private agribusinesses and Non-Governmental organizations whose objectives are not consistent with the objectives of USAID Agribusiness Project that would be recommending the grant for approval.

All grantees will be required to sign the following certificates:

- Certification Regarding Anti-Terrorism Financing
- Certification Regarding Debarment, Suspension and Other Responsibility Matters
- Certification Regarding Drug-Free Workplace Requirements
- Anti-Trafficking Activities

Support of international travel or the purchase of equipment having a useful life over one year and an acquisition cost of \$5,000 or more may be authorized as long as the applicable grant type and its applicable Standard Provisions will allow.

Commodities and services procured under the USAID Agribusiness Project must be procured in accordance with the following order of preference:

- (1) The United States (USAID Geographic Code 000)
- (2) Serbia, and then
- (3) A SEED or EU Country (USAID Geographic Code 935)

The procurement of non-U.S. commodities or services must be documented to justify each such instance. The documentation shall set forth the circumstances surrounding the procurement, as well as the reasons justifying the non-U.S. procurement.

USAID Agribusiness Project will follow the provisions of the Initial Environmental Examination (IEE) ensuring that all requirements of the environmental regulations as described in 22 CFR 216 are satisfied prior to a grant award. USAID Agribusiness Project Environmental Specialist shall conduct environmental due diligence as specified in the IEE for all activities not categorically excluded, implement appropriate mitigating actions, and conduct adequate monitoring to ensure environmental concerns are addressed. Specifically, the Environmental Specialist shall conduct environmental compliance, review, and due diligence for the grants program, and farmer and enterprise training on environmental issues. Areas of responsibility will include Environmental Due Diligence (EDD), Pollution Prevention Assessments (PPA) related to clean production, the preparation and implementation of a Pesticide Evaluation Report and Safe Use Action Plan (PERSUAP), and certifications (HACCP, ISO, GAP, etc.).

## **Selection and Approval Procedures**

All grant applications will be solicited as follows:

- Applications solicited through public notification for a specified program or support activity;
- Applications solicited directly from selected potential grantees (NGOs, PIOs, etc.) for a specific activity; and
- Unsolicited applications.

Grants may be awarded on both a solicited and unsolicited basis. In order to meet minimum eligibility criteria for grant competition, grant proposals must:

- Meet at least one of the USAID Agribusiness Project objectives and principles and the project-level indicators provided in the Performance Monitoring Plan.;
- Contain expected outcomes and results consistent with and linked to USAID Agribusiness Project's objectives;
- Be submitted by a Serbian organization (both for-profit and non-profit that is registered under Serbian law);
- Contain evidence of a significant cost share commitment in most, but not all cases.

USAID Agribusiness Project staff (particularly Grants staff, if on project) will screen all concept papers and applications to ensure compliance with all eligibility requirements prior to forwarding the materials as necessary.

Grant applications that meet minimum eligibility criteria above will be reviewed and awarded based, but not limited to the following selection criteria:

- Demonstrated capacity of organization, including sound financial practice, in areas pertaining to the proposed activity;
- Responsiveness to need;
- Potential for impact;
- Demonstrated likelihood of proposed activity to further project objectives;
- Appropriateness and feasibility of project activities within the proposed timeframe and budget.

All grant applications will undergo a review and selection process by the USAID Agribusiness Project Grants Review Committee to ensure objective and effective evaluation of proposals. The Committee members will consist of a USAID Cognizant Technical Officer designated for this activity, the Chief of Party, the Operation Director and/or the Deputy Chief of Party, the Grants Manager (a non-voting member), and at least one of the USAID Agribusiness Project's Technical Advisors/Specialists i.e. Grant Advisor, preferably involved in the sub-sector assisted by a reviewed grant. USAID must provide a 'no objection' to each grant. The Committee will make a determination of responsibility of the grantee which includes a determination of their financial, management responsibility and feasibility of the proposed activities and showing the total attribution that will inure to the sector.

The Grants Manager's responsibility is to provide all needed background information and written instructions, including the evaluation criteria, to the individuals participating in

the Committee; and to generate a Grant Committee Review Record that summarizes selection and approval process. The Grants Manager must also ensure that all of the rules and regulations in the approved Grants Manual are carried out in all phases of the grant award process. The Grants Manager and/or a Grant Advisor must also respond to any requests made by the Committee for additional information, further studies, etc.

The Committee shall:

- a) Review and approve the grant proposal
- b) Review and ask changes and amendments to be made
- c) Reject the grant proposal in whole after reviewing

In the cases a) and b) and after the necessary changes and amendments are done; Grants Manager will resubmit the grant proposal to the Chief of Party for approval. Once the grant proposal is approved, Grants Manager generates an appropriate grant agreement to be reviewed and signed by the Chief of Party.

By signing the grant agreement, the Chief of Party shall confirm:

- That all budgeted costs have been verified as allowable, allocable and reasonable.
- That the implementation plan and detailed benchmarks and disbursement schedule are complete, realistic and accurate.

## **Procedures for Award and Disbursal**

Procedures for grants award and disbursal are set forth in the Grants Manual. USAID must provide 'no objection' to each grant award.

## **Monitoring and Reporting**

All grantees will be subject to regular and periodic monitoring visits and reporting requirements. Grants under implementation will have a customized monitoring plan when deemed necessary by program staff. This plan will be flexible and dictated internally by the amount, length and complexity of the grant, as well as accessibility of the grantee's location.

Grants Program Report will be submitted with the required quarterly and annual program reports summarizing the grant amount disbursed within the reporting period, number of people employed (data segregated by gender) prior and ante, number of increased sales, number of POs as recipients, as well as other relevant indicators within the Performance Monitoring Plan as collected through the Quarterly Impact Surveys. Grants Manger and MIS Specialist will assure a day-to-day grants program update in the TAMIS.

**ANNEX VI  
Organization  
Chart**

