

AGRIBUSINESS EXCHANGE PROGRAM for EASTERN and CENTRAL EUROPE
Grant Number EUR-0024-G-00-1066-00
Quarterly Report
July 1, 1992 - September 30, 1992

ADMINISTRATIVE DATA

Country: Eastern and Central Europe
Implementing Agency: Agency for International Development
Contractor: Agricultural Cooperative Development International
50 F Street, NW, Washington, D.C. 20001
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AID Project Officer: Dr. James Snell
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Director of Training/Poland: Kathleen Lynch
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Employees in CEE: Three (Poland : 1 U.S., 1 Polish; Bulgaria: 1 U.S.--to begin in November 1992)

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PERFORMANCE DATA

I. Project Purpose and Progress Toward Objective

The purpose of the project is to increase the efficiency and the effectiveness of the production and business sectors of the agricultural economies of Central and Eastern European countries. The objectives are to provide training in management, financial and technical skills to agriculturalists and the staff of rural credit institutions; and to extend the benefits of Farmer-to-Farmer programs and other ACDI technical assistance projects in CEE. Thus far, the project has provided training in the United States for 74 participants from six countries (Poland, the Czech and Slovak Federal Republic, Albania, Bulgaria, Lithuania and Latvia). Approximately 525 agriculturalists and bankers have received training through in-country workshops in Poland, Estonia, and the Czech and Slovak Federal Republic.

II. Situation

The Agribusiness Exchange Program currently provides training in Poland, the Czech and Slovak Federal Republic, Bulgaria, Albania, Latvia, Lithuania, and Estonia. Training activities will be initiated in Romania in early 1993. In all of these countries, the agricultural sector will play a key economic and political role in the transition from a planned to a market economy. Each of these countries faces some common problems: unresolved land tenure issues; control of farm supply, agricultural marketing, and food processing by inefficient state enterprises; lack of or very expensive agricultural credit; and lack of trained individuals with skills in management and marketing. However, there are also significant differences in the pace of privatization and the particular problems each of these countries face. For example, in Poland more than 80% of productive land remained in the hands of small farmers, while in the Baltics and Bulgaria, land was expropriated by the State and farmed in large collectives.

III. Implementation Methodology

In order to achieve the project objectives, the following methodology is employed:

Assessments:

- * Initial needs assessments or quick survey assessments are conducted in targeted countries to ascertain needs and resources. In response to AID directives and within budget constraints an implementation plan is developed.

Participant Training Selection:

- * A training candidate selection process is determined for each of the targeted countries.
- * ACDI works closely with VOCA to identify candidates and to prioritize their training needs. Previous participants also make recommendations. Site visits are made to candidates place of employment to ensure that supervisors support the training.

Participant Training:

- * ACDI arranges training programs that range from three weeks to two months, and the average is four weeks. Programs are designed to meet the specific needs of participants and may include study/observation tours, seminars, and on-the-job training.
- * ACDI's subcontractor, Land O'Lakes, arranges four month internships in

various agribusiness areas for twelve participants annually. (Note: In September, 1992, ACDI and LOL agreed to abrogate the subcontract. LOL's final training activity under this contract will be a trainer of trainers course conducted in October, 1992. See the Problems and Issues section.)

In-Country Training:

- * Land O'Lakes conducts 12 courses annually in cooperative organization, marketing, management, and technical areas.
- * ACDI conducts training for rural credit institutions in cooperative business practices, financial systems, capitalization and other topics for rural credit institutions.

Follow-On:

- * ACDI conducts periodic follow - up evaluations to assess the impact of training.
- * ACDI facilitates regular meetings of training groups; organizes seminars; and involves participants in planning future training programs and identifying training candidates.

IV. Progress

During this quarter, a total of 15 trainees participated in training in the United States; in addition, 5 interns with Land O'Lakes, 5 participants from Albania, and 16 participants from Latvia and Lithuania concluded training programs (these were discussed in the third quarter report). Eight in-country training workshops were held in CEE with a total of 160 trainees; and the project provided support for trainees at the Summer School in Agribusiness held in Konskowola, Poland. More detail of these programs follow.

A. POLAND

U.S. Participant Training:

- * Zofia Ryn participated in a four-week program, from August 12 to September 8, which covered horticultural production (nursery, greenhouse, fruit, and vegetable production, recycling of organic wood waste for use, and tissue cultures for ornamental crops), park management, planning, and personnel management. As she speaks English very well, she did not require interpretation. Ms. Ryn was recommended by VOCA for training. She worked closely with VOCA volunteer Dave Adams in Poland and he helped arrange her U.S. program, which was conducted by the Extension Service at Oregon State University. It involved an intensive study of the local nurseries and

greenhouses, and fruit and vegetable production areas in Oregon and Washington.

- * As part of the Agribusiness Exchange Program's on-going support of ACDI's cooperative bank project in Poland, eight loan officers (4 men and 4 women) from three regional cooperative banks participated in a two-week agricultural banking program through the Farm Credit Banks of St. Paul, Minnesota. The first week involved an intensive loan officer training program, followed by one week of "hands on" experience at different Farm Credit Service Centers applying the material that was presented during the first week.**

Land O'Lakes Internships:

Land O'Lakes continued five internships that began in the first and second calendar quarters of 1992 (Mr. Rytel and Ms. Dokurno completed their five-month programs on July 25; Ms. Nycz, Mr. Wiater, and Mr. Sobczak completed their four-month internships on August 29). No other internships will be coordinated by Land O'Lakes under this grant as they are no longer a subcontractor.

In-Country Workshops:

Eight seminars were conducted during this quarter:

- * Two seminars on cooperative principles and practices were held June 23- July 3. There were a total of 34 trainees; 38% (13) were women. The course objective was to provide an understanding of private cooperatives in a market economy. The course was conducted by Vern Moore, retired senior Vice-President of Land O'Lakes, and Damon Szymanski. Both trainers have undertaken VOCA assignments in Poland and are very familiar with the situation with respect to cooperatives.**
- * Two introduction to agribusiness management seminars were held July 19 - August 1. There were a total of 43 trainees; 44% were women (19). The course provided training in management leadership, financial management, budgeting, marketing, employment planning, and goal setting. The seminar was conducted by LeRoy Vanicek, a retired cooperative manager, who has also served a number of VOCA assignments in Poland.**
- * Four seminars for board members of local banks were conducted September 7 - 19. The course objective was to introduce the trainees to board member responsibilities, cooperative principles, and planning. Seventy-eight bank board members attended the course, including 10 individuals identified as potential trainers to conduct the course in the future. ABEP and ADSP project staff will work jointly with the new regional banks to train selected staff to conduct this course for the board members of the 1,665 local**

cooperative banks.

- * ACDI sponsored the attendance of 5 regional bank loan officers to the Summer School in Agribusiness, from June 28 to July 5, in Konskowola. The program involved a case study approach to privatization, business environment, adjusting to new agricultural markets, and business planning.

B. ALBANIA (also included in the 3rd Qtr. report)

U.S. Participant Training:

- * A group of five Albanians (5 men) concluded their three-week training program (June 19 - July 15) in agricultural policy-making, cooperative organization and management, and the role of private agribusiness in a market economy. ACDI worked closely with VOCA in arranging this program: VOCA identified the candidates for training; and former VOCA volunteers to Albania assisted in arranging site visits to farms and cooperatives in Washington and Iowa. ACDI's Regional Training Coordinator for the Southern Tier will stay in contact with the group and will arrange follow-up meetings to assess the impact of the program.

C. LATVIA and LITHUANIA (also included in the 3rd Qtr. report)

U.S. Participant Training:

- * The one-month joint program for eight Lithuanians and eight Latvians concluded with attendance at the National Institute for Cooperative Education where representatives of the group presented a seminar on agribusiness opportunities in Lithuania and Latvia. ACDI plans to follow-up with these participants during the first quarter of 1993 through a visit and interviews by an ACDI staff person.

D. BULGARIA

U.S. Participant Training:

- * Six Bulgarians (three men and three women) participated in a 25 day cooperative and farm management training program from September 19 to October 14. The group included the Senior Advisor, Agricultural Board, Bulgarian Parliament, and several organizers of private cooperatives. The program began in Washington, D.C., with an introduction to cooperative systems at USDA's Agricultural Cooperative Service. The majority of the program was spent at Cornell University, which conducted a 16-day tailored program for the group. This program covered the structure and management

of cooperatives, farm management, marketing, and agricultural policy. From Ithaca, New York the group traveled to Huntsville, Alabama for three days to study the operation of a specific cooperative--in this case, a poultry cooperative; several poultry farms and facilities were also studied. ACDI's Regional Coordinator for the Southern Tier will conduct follow up visits and interviews in Bulgaria.

V. ISSUES and PROBLEMS

ACDI and Land O'Lakes agreed to nullify LOL's subcontract effective in October, 1992. Their final training activity under this grant will be two trainer-of-trainer workshops in October. LOL was originally scheduled to begin internships for seven interns in September, 1992. ACDI agreed to arrange placement for these seven. Four will arrive in October and the remaining three will begin training programs in January. Under the subcontract, Land O'Lakes will have conducted a total of 10 in-country seminars and arranged internships for 5 participants. In Years II and III of the project, all of the training activities originally subcontracted to Land O'Lakes will be conducted by ACDI.

VI. ACTIONS SCHEDULED for NEXT QUARTER

A. POLAND

- * Conduct two training of trainer workshops for approximately 50 trainees in the Siedlce region.
- * Send four interns to the U.S. for two-month programs.
- * Arrange U.S. training program for 10 bankers from the regional cooperative banks.

B. CZECH and SLOVAK FEDERAL REPUBLIC

- * Send 12 participants to the U.S. (six each from each republic) for training in the operation and management of cooperatives, private business principles, marketing, and joint ventures. (As per USAID's request, this will be the final training activity in the Czech and Slovak Federal Republic.)

C. ALBANIA, BULGARIA, & ROMANIA

- * Finalize training implementation plan, and begin preparations for U.S.-based training and in-country seminars.

- **Arrange U.S. training for the director of a Bulgarian poultry enterprise.**

VII. Additional Observations and Comments

It was noted in the third quarter report that many of the trainees are frustrated as they see their efforts to effect change in the agricultural sector undermined by policies at the national level in their respective countries. In response to numerous requests for help with this issue, ACDI is planning seminars scheduled for January on organizing agricultural trade associations.