

# **Worldwide Farmer-to-Farmer Semi-annual Report:**

**October 1<sup>st</sup>, 2001 – March 31<sup>st</sup>, 2002**

**Cooperative Agreement FAO-A-00-96-90038-00**

ACDI/VOCA  
50 F Street N.W.  
Suite 1075  
**Washington, DC 20001**

## TABLE OF CONTENTS

I. Introduction	page	1
II. Program Highlights	page	1
III. Program Accomplishments	pages	1-2
IV. Country Program Summaries	pages	2-19
A. Ethiopia	pages	2-6
C. Greater Horn	pages	6-12
D. Bolivia	pages	13-18

### ATTACHMENTS

Table I.1	Annual Volunteer Inputs
Table I.2	Cumulative Number of Volunteers and Assignments by US State of Origin
Table II	Annual Volunteer Outputs
Table III	FTF Host Assignments Cumulative Summary
Table IV	Annual and Cumulative Total Number of FTF Hosts
Table V	Hosts with Improved Business Operations as a Result of Grantee/Volunteer Assistance
Table VI	FTF Hosts with Improved Organizational Capacity as a Result of Grantee/Volunteer Assistance
Table VII	FTF Hosts with Improved Services to Membership/Employees as a Result of Grantee/Volunteer Assistance
Table VIII	FTF Host with Improved Financial Services to the Agricultural Sector as a Result of Grantee/Volunteer Assistance
Table IX	FTF Hosts with Improved Use and/or Protection of the Environment as a Result of Grantee/Volunteer Assistance
Table X	Increased Awareness in the U.S. Agricultural Sector Concerning International Agricultural Development
Table XI	Completed Assignments for Fiscal Year 2002
Table XII	Number of Volunteers by Country
Table XIII	Number of Assignments by Country
Table XIV	Volunteer Gender Ratio
Table XV	Volunteers by State
Table XVI	FtF Project Categories
Table XVII	LOP Assignment Completions

Standard Form 269A

Internal Evaluation Materials

## I. INTRODUCTION

In March, ACDI/VOCA's current worldwide Farmer-to-Farmer (WWFtF) Program completed the first six months of a two-year extension. Fiscal year 2002 activities got off to a relatively good start considering the holiday season. As in previous years, ACDI/VOCA volunteers provided technical assistance to a wide variety of clientele in the program countries, with the majority of assignments devoted to institutionally strengthening of farmer and environmental organizations. The program is currently active in six countries- Bolivia, Ethiopia, Kenya, Rwanda, Tanzania, and Uganda. Rwanda was an addition to the Greater Horn of Africa group resulting from the closing out of Mongolia and a reallocation of funds.

## II. PROGRAM HIGHLIGHTS

During this reporting period a total of 15 volunteer assignments were completed in four countries, with no placements in Tanzania or Rwanda. The assignment target by the end of this fiscal year is 344 (A/V 300, former sub-grantee BARA 44); actual completions thus far are 309 (A/V 265, BARA 44). Even though we are somewhat behind our mid-point target, we have many assignments scheduled for the second half of FY 2002 and don't anticipate a problem in fulfilling the proposed 344 assignments.

This report under the attachments section provides the following additional statistical information: Table XI depicts project completions by country for Fiscal Year 2002; Table XII illustrates the total number of volunteers by country; Table XII shows the number of assignments per country; Table XIV demonstrates the male-to-female ratio for the first half of FY 2002; Table XV cites ACDI/VOCA volunteers by state or country for the first half of FY 2002; Table XVI depicts WWFtF projects by category-type; and Table XVII lists the total completed ACDI/VOCA WWFtF assignments by end-date. The final two attachments are form 269A, which reports LOP expenditures to 3/31/02, and ACDI/VOCA's Farmer-to-Farmer Program Internal Evaluation Materials.

## III. PROGRAM ACCOMPLISHMENTS

- ACDI/VOCA completed **15** volunteer assignments in the first half of Fiscal Year 2002. A list of the assignments completed this quarter can be found in the attachments under Table XI; FtF volunteers were recruited from **10** U.S. states; no non-U.S. citizens served as volunteers during this reporting period. The total of **309** completed assignments to March 31 represents 77% of the seven-year target of 400 completions at the 79% milestone of the project, (66 of 84 months.)
- On the expenditure side, the \$4,912,848 reported as expended to March 31, 2002 represents 76% of the authorized amount of the total FtF authorization of \$6,393,990, or 76% expended at the 79% milepost of LOP.

- During the reporting period field and headquarters staff continued to program volunteer assignments for the second half of year six; many assignments are in the pipeline and we don't anticipate any problem meeting our targets for year-six.
- The Greater Horn of Africa team established a Rwanda office for operations during the extension period.
- Headquarters staff provided formal program orientations for the representatives of the four HBCU institutions and recruitment of volunteers from these universities is underway.
- All Mongolia activities were closed out and reported upon.

## **IV. COUNTRY PROGRAM SUMMARIES**

### **A. ETHIOPIA**

#### **Program Overview**

Ethiopia is the second most populous nation in Sub-Saharan Africa with approximately 60 million people. At a growth rate of about 3% per annum, Ethiopia's population is projected to exceed 100 million by 2020. About 85% of the population lives in the rural areas.

Ethiopia's social and economic indicators are some of the worst in the world. Most of these indicators are significantly below the average for Sub-Saharan Africa. Notwithstanding its huge potential for agricultural development, Ethiopia is, according to the United Nations Development Program (UNDP) Human Development Report for 1998, the sixth poorest country in the world. Its per capita income of about USD 110 is roughly one quarter the average for Sub-Saharan Africa.

Agriculture is the mainstay of the Ethiopian economy and the major source of employment and livelihood for 85% of the population. The agricultural sector also accounts for approximately 70% of the raw materials required by the industrial sector and 90% of export earnings. Agriculture is predominantly rain-fed. Crop and livestock production account for about 70% and 30% of agricultural GDP, respectively. Crop production is dominated by cereals, mainly teff (*eragrostis teff*), maize, sorghum, wheat, barley and millet, accounting for 75% of the planted area. Pulses such as beans, peas, and lentils, together with oil crops including noug (Nyer Seed), linseed, rapeseed and sesame, account for a further 15% of the cropped land.

Between 1974 and 1991, the economy recorded an average annual growth rate of 2%, which was consistently below the population growth rate of 3% resulting in persistent food deficits over time. The continued decline in per capita income exacerbated the deteriorating standards of living for more than two decades. Hence, the immediate goal of the Government of Ethiopia was to transform the command economy into an efficient market economy. This goal provided the rationale for fundamental institutional and policy reforms undertaken by government.

VOCA/Ethiopia has been in operation since June 1994. So far the program has been being implemented successfully through a concerted and collaborative approach developed with host and partner organizations. The program is designed to support the government and donor-assisted efforts and to create synergies with the on going work to ameliorate food security, which is a perfect fit with USAID's strategic objectives.

The program approach is based in the recognition of grass-roots approach to effectively eliminate the root causes of food insecurity and political instability and reduce economic vulnerability.

VOCA/Ethiopia started the worldwide Farmer-to-Farmer Program on October 1, 1996 and planned to be completed in September 2001. The program has been carried out as per the implementation schedule except two volunteer assignments postponed to the first quarter of 2002, due to flight problems related to the incidents of September 11, in the USA.

### **Program Objectives**

The objectives of the program are:

- Strengthened support for effective regional and national food security strategies;
- Support strategies to ensure the transition from crisis to broad-based sustainable growth.

### **Program Activities**

WW-FtF Program implementation started in designing courses in Cooperative Development and Management by American volunteers followed by training of ToTs in development and promotion of modern business cooperatives under free market economic principles.

The training was demonstrated in a pilot CUP project in Oromia, which has proved to be rather efficient and these sustainable cooperative model best practices are being replicated in Amhara. Similar work in the South and the Tigray Regional State is being accomplished through the ACE program.

The activities of the program are the following:

- Provide volunteer technical assistance with a view to address food security in grain production, storage/handling, processing, and marketing;
- Render technical assistance sustainable agricultural practices that can protect remaining forest cover;
- Reverse environmental degradation, and improve sustainable land management;
- Enhance technical assistance in watershed and range management, dry land forestry, and irrigation technology;
- Enhance capacity of host organization in planning and management of project/programs;
- Partner with host-country institutions, including emerging private agribusiness;
- Enhance the grain production program through technical assistance to improve the private agricultural input supply sector.

Major achievements of the FtF Program can be summarized as follows:

- The cooperative movement gained momentum and FtF intervention led to the formation of the Cooperative Union Project (CUP) and later to the ACE - Project which has made a breakthrough in the formation of viable, business-oriented unions in Oromia, Amhara, Tigray and Southern Regional States.
- The development and promotion of modern, business-oriented cooperatives, under free market economic principles, contributes to the enhancement of household incomes and increases the capacity of farmers and their agents to grow healthy businesses with strong market linkages.
- Alemaya University of Agriculture has upgraded its capacity in the identification of training needs and in the establishment of distance education.
- Agarfa Farmers Training Center and Yekatit 25 Cooperative Institute now have a curriculum and syllabus. New cooperative managers and leaders benefit from the teaching materials that are prepared in the spirit of democracy, business and self-governance.
- The Veterinary Faculty of Addis Ababa University has been able to graduate vet doctors through the technical assistance provided by FtF resources in availing an external examiner.
- The Livestock Marketing Authority is a recently established government agency entrusted with the promotion of livestock export and development of markets. As a new agency it faced serious capacity problems. FtF volunteers intervened in bringing up the capacity of the Authority in the areas of market research, market strategy, meat quality and standardization and meat inspection not only to the staff of the Authority but also to the agribusiness persons in the area.
- ORDA is an NGO working for rehabilitation and development in the chronically food deficit areas and has been technically assisted by FtF program. FtF resources were also used to establish the management information system of Amhara Credit and Savings Institute (ACSI).
- Regional Cooperative Offices of four regional states have been assisted by the FtF interventions and about four million farmer-members are the indirect beneficiaries of the project. (For example, see next item.)
- The Southern Region Bureau of Agriculture have been supported through training its technical staff in various fields related to the ongoing agricultural extension package program mainly focusing on ensuring food security in the region.

## Program Accomplishments

Since the start of the program in October 1996, fifty-eight volunteer assignments have been completed, out of which four are completed in this reporting period.

### FtF Volunteer Assignments Ethiopia

October 1, 2001- March 31, 2002

	<b>Project Number &amp; Vol Name</b>	<b>Host Organization</b>	<b>Assignment Title</b>	<b>Assignment Date</b>	<b>Status</b>
1	152027 James Sedlacek	Southern Region Bureau of Agriculture	Training on Effective Use of Audiovisual Aids	10/23/01-11/9/01	Complete
2	152025 Susan Hahn	Southern Region Bureau of Agriculture	Training on Input Credit Management and Marketing	9/20/01 – 10/18/01	Complete
3	152026 Beth Tucker	Southern Region Bureau of Agriculture	Training on Group Dynamics and Rural Youth Development	11/12/01-11/23/01	Complete
4	152028 Robert Cowell	Southern Region Bureau of Agriculture	Project Planning and Management	1/7/02 – 1/26/02	Complete

All the above assignments are geared towards addressing a practical problem in the implementation of the agricultural development extension package program in the Southern Region. The training program on effective use of audiovisual aids by James Sedlacek was used as a precursor to enable the Bureau to adequately utilize the existing extension communication media equipments to disseminate agricultural extension promotion education. Similarly, the input credit management and marketing training given by Susan Hahn has significantly contributed to improve the input supply management and marketing of farmers' output.

The planning section of the Bureau of Agriculture had the opportunity to carry out a practical project planning and management exercise during the training course conducted by Robert Cowell, and this contributed to improve the planning procedures of the overall agricultural extension package program which is currently under implementation.

## Program Direction

No major changes.

## **Business Development**

No proposal submitted or developed during this reporting period in connection with the FtF Program.

### **B. GREATER HORN OF AFRICA**

#### **Program Overview**

ACDI/VOCA's Worldwide Farmer-to-Farmer-Greater Horn of Africa (WWFtF-GHA) program was originally a three-year program before it was extended for two years ending September 30, 2003. The program has implemented 35 assignments in the region through March 21, 2002, and five during this reporting period. Funding originally allocated for Eritrea and Mongolia was reprogrammed to a regional effort to enhance food security in Uganda, Tanzania, Kenya and Rwanda. ACDI/VOCA-Uganda currently houses the Kampala regional office that coordinates programs in these countries, though Kenya and Rwanda recently opened small offices so as to more directly manage projects and country activities.

The principal goals of the WWFtF-GHA program are: (1) to enhance food security and market-access opportunities by strengthening farmer-based cooperatives and smallholder associations at the grass-roots level; (2) to strengthen the capacity of institutions working for agricultural development; and (3) to utilize local capacity and technology to improve agricultural production for local and export markets.

ACDI/VOCA uses an approach that addresses the needs of individuals in the rural areas, and contributes to national economic growth through the development of the private sector by supporting agribusiness, cooperatives and NGOs working to increase profits and assist agricultural development. This directly contributes to USAID's new Strategic Objective No. 7 (SO7): Raising Rural Incomes, and ACDI/VOCA's goal of ensuring increased viability of the agricultural sector by strengthening targeted sub-sectors within the agribusiness community.

ACDI/VOCA's experience shows that developing smallholder farmer capacities to consistently generate an economic surplus and investing it wisely are necessary preconditions for aggressive investment of labor in sustainable development. Organizing smallholders on a larger, more formal basis and helping them make money provides the necessary business structure and incentives for tackling the daunting problems of poverty.

In Uganda, the WWFtF-GHA program works in close collaboration with community organizations and other stakeholders involved in the realization of the government's Plan for Modernization of Agriculture (PMA). This is a deliberate effort by the GOU to enhance the export competitiveness of Ugandan products, while at the same time promoting both the income and food security at the household level. ACDI/VOCA greatly contributes to this realization through its volunteer program impacts geared towards the concepts of farmers viewing "Farming-as-a-Business (FaaB)" and farmer cooperative development strategies. The tremendous progress attained in Uganda can be attributed to the solid foundation ACDI/VOCA

has laid in the country in the last nine years, the dedication of the program staff and the good relationship ACIDI/VOCA has enjoyed with USAID, our partner organizations and clients.

In Kenya, WWFtF-GHA seeks to encourage the economic and social development of the agriculture sector with the ultimate desire that farmers get more profit for their products. To achieve this objective, an integrated approach to enhance quality of products, management, marketing, market information access and transportation networks to increase produce movement from surplus to demand areas, as well as development of other support activities such as extension services, is required. Being relatively new, the Kenya FtF program is establishing its relationships with producer, marketing and processor entities as well as government agencies and other development organizations, which have a stake in some of these industries. The achievement of these goals has been focused on the improvement of the operations of smallholder associations that currently lack adequate representation resulting from the near collapse of the cooperative movement in Kenya.

In Rwanda, the ACIDI/VOCA Farmer-to-Farmer program has been operating since March 1, 2002. Per prior communication with BHR/PVC, funds originally programmed for Farmer-to-Farmer activities in Mongolia were shifted into an expansion of the Greater Horn Farmer-to-Farmer Program to include Rwanda. The goal of the program is to improve linkages between rural producers/agribusinesses and markets. This goal will be achieved through working with farmer associations and other institutions that have a broad-based impact on the efficiency of the marketing chain. In order to effectively link to the market, smallholder associations and agribusiness must be effectively organized, and must understand what the market wants, when it wants it, and the quantity and quality required. The program goal responds directly to USAID/Rwanda's SO3 Intermediate Result 3.2, i.e. creating and enhancing internal production/marketing chains that promote broad-based economic growth.

### **Program Accomplishments**

By March 31, 2002, 35 regional volunteer assignments had been completed: twenty-four in Uganda, eight in Kenya and three in Tanzania. The Rwanda office was opened in March.

### **Uganda**

During this reporting period, a total of four volunteer assignments were undertaken in Uganda. The following is an overview of completed volunteer assignments in Uganda:

#### **155026 - Business Plan Development, November 3-23, 2001, Gretchen Dhooge:**

Gretchen Dhooge helped Children and Wives of Disabled Soldiers Association (CAWODISA) develop a strategic business plan that would enable them to assess enterprises that would generate economic benefits for their members. CAWODISA's challenge would be an appropriate delineation of their activities as social services providers, while at the same time generating incomes that would sustain their operations beyond government subsidies/grants.

CAWODISA currently boasts of an economically-run dairy plant and a tree nursery project, both of which have generated starter capital for the establishment of a tailoring project and an

HIV/AIDS awareness program. These benefits are attributed to two chronologically implemented technical interventions by ACDI/VOCA in the areas of association strengthening and business plan development.

**155028 – Evaluation of Savings Mobilization Program, March 3 – 29, 2002, David Willett:** Final Report information was not available at this time.

**155029 – Soil Fertility Management for Small-scale Irrigation, January 12 – February 10, 2002, Holly Welcome Radice:**

Appropriate Technology (Uganda), AT(U), is a local NGO that has been operating since early 1990. Holly Radice helped AT(U) design an implementation strategy for a farmer participatory research project on soil productivity-enhancing technologies for some farming communities. There have been many soil fertility-enhancement technologies developed by research communities but limited transfers have been implemented. AT(U) aims to transfer appropriate technologies to their farming communities and monitor their successes as a means to empowering rural households to productive sustainable agriculture and related profitable enterprises. Holly reviewed the participatory rural analysis and designed project dissemination strategies and monitoring and evaluation criteria.

In order for AT(U) to achieve its objectives in this project, it was recommended that they strengthen their extension system. A comprehensive design of improved soil fertility management curriculum for farmers needs to be developed. Soil fertility management techniques like manure tea, composting, soil/water conservation strategies, green manures of *Mucuna* spp., *Crotalaria* spp and *Tephrosia* and other agro-forestry tree spp. need to be incorporated in the program to make it productive. Detailed extension materials for use during farmer training and feedback mechanisms need to be strengthened. Soil fertility management is an important aspect of farmers' productivity and AT (U)'s focus in this direction is highly commendable.

**155036 – Savings & Credit Management, March 10-28, 2002, Nancy Yuill:**

ACDI/VOCA volunteer Nancy Yuill undertook a savings and credit management assignment for St. Jude's center in March, 2002. St. Jude's Intensive Integrated Sustainable Organic Agriculture Rural Training (St. Jude's) Center in Masaka district has benefited from multiple volunteer technical assistance assignments from ACDI/VOCA in the past. A total of four volunteer assignments have been undertaken and St. Jude's continues to grow and expand its activities benefiting a larger number of clients.

The center had been operating a pilot credit scheme called JOFA with commendable qualities, but were facing management challenges amidst their full-time rural training activities. One challenge of the scheme is that members come from far and wide and the savings and credit services are not reaching the parish-level groups. There were also concerns that members may associate the scheme too closely with St. Jude's, leading to a possible conflict of interest between that of providing free or subsidized agriculture training while insisting on loan repayment schedules. Nancy rightly noted that mixing of social services with micro-finance services generally does not yield positive results.

After an in-depth situation analysis, Nancy recommended that St. Jude's divest its JOFA activities to another well-managed micro-finance institution which would run the scheme adequately. The implementation would inevitably take a long time but it is hoped that it will succeed in the long run. The micro-finance sector in Uganda is very vibrant and they will definitely reap the benefits. The biggest challenge St. Jude's now faces is allowing the smooth separation of their groups while allowing the members to enjoy the benefits provided by the center together with those of the micro-finance institutions.

### **Tanzania**

There were no assignments undertaken in Tanzania during this reporting period.

### **Kenya**

During this reporting period three assignments were undertaken and one had been completed. Eight prior assignments were planned and carried out in Kenya by the GHA Program (as stated in Uganda's project overview). Of the ten volunteer assignments currently allocated for Kenya, one was completed during this reporting period, two will be completed in April and two volunteers are expected in the month of May, four have been submitted for recruitment, while one is under development. The following is an overview of the completed assignment:

#### **155031-Bungoma Foods and Flavorings Industries, Business Plan Development -February 11-March 5, 2002 Emily Miller:**

The Bungoma Foods and Flavouring Industries (BUFFI) produces, mills and packages a variety of local grains for local and regional consumption. The company, founded in 1991, has a staff of about 20 employees with annual sales averaging Kshs 1.07 million (US\$ 350,000). Packaged goods comprise about three quarters of income, with milling operations accounting for the rest.

BUFFI had requested technical assistance from ACDI/VOCA to improve its profitability and productivity. Veteran ACDI/VOCA volunteer Emily Miller, a private small and medium enterprise development consultant, worked with BUFFI and developed a strategic plan with the focus on business management, market development, expansion options, and identifying short and longer-term strategies. These were aimed at developing the company into a more profitable and sustainable enterprise to serve the local and secondary consumer markets, and to provide an outlet for local grain growers.

### **Rwanda**

As of March 31, 2002, no volunteer assignments had been completed. This was not unexpected, as the Rwanda FtF program was designed to begin on March 1, 2002, immediately following the cessation of ACDI/VOCA's USAID-funded Farm-to-Market volunteer program in February.

## FtF Volunteer Assignments GHA

October 1, 2001- March 31, 2002

	<b>Project Number</b>	<b>Host Organization</b>	<b>Title of Assignment</b>	<b>Assignment Dates</b>	<b>Status</b>
1	155026 Gretchen Dhooge	Children & Wives of Disabled Soldiers Association (CAWODISA) <b>Uganda</b>	Business Plan Development	11/04/01- 11/22/01	Complete
2	155028 David Willett	AT(U) <b>Uganda</b>	Evaluation of Savings Mobilization Activities	2/24/02- 3/28/02	Complete
3	155029 Holly Radice	AT(U) <b>Uganda</b>	Soil Fertility Management for Small Scale Irrigated Horticulture	1/13/02- 2/10/02	Complete
4	155031 Emily Miller	Bungoma <b>Kenya</b>	Business Plan Development for Food Processing Company	2/10/02- 3/2/02	Complete
5	155036 Nancy Yuill	St.Jude's Center <b>Uganda</b>	Small Savings and Credit Management for St. Jude's	3/10/02- 3/28/02	Complete

### Program Direction

#### Uganda

Assignments planned for the year 2002 will continue to provide technical assistance to commodity sub-sectors where small farmers have the potential to increase profit margins through cooperative efforts, association strengthening and the cultivation of alternative markets. Technical assistance will complement previous volunteer interventions as well as look at new areas of focus.

ACDI/VOCA is working with several partners to promote and strengthen sustainable rural development initiatives with the overall strategy of reducing poverty and increasing incomes at household level. A greater focus will be made to increased value of the agricultural products and strategies that prepare grounds for USAID Kampala Mission's formulation of Strategic Objective 7 (SO7). ACDI/VOCA will field approximately eight volunteers to Uganda in FY2002 and will continue working with proven partners such as St Jude's Rural Training Center, Appropriate Technology-Uganda, Kagadi Women's Rural Credit and Savings Society, Uganda Rural Development and Training Organization and Volunteers in Development Concerns

(VEDCO). A new partner will be the East African Fine Coffees Association (EAFCA), which will receive support to address marketing barriers hindering smallholder coffee farmers.

## **Tanzania**

ACDI/VOCA will field approximately two volunteers in Tanzania in FY2002 to work with established and well-respected institutions in the area of agribusiness development. These partner organizations will have sufficient resources to be able to arrange and supervise a volunteer assignment with the assistance from ACDI/VOCA staff in Kampala. These host organizations will be identified through discussions with in-country NGOs, USAID and government representatives.

## **Kenya**

Many of the assignments planned during the year 2002 will be interventions focusing on capacity building of smallholder associations and commodity sub-sectors where small farmers have the potential to increase profit margins through cooperative efforts, association strengthening and the cultivation of alternative markets.

ACDI/VOCA is working on building relationships with several partners to promote and strengthen sustainable rural development initiatives. The overall strategy is reducing poverty at household level through Farming-as-a-Business. One assignment is being planned to initiate enhanced access to rural credit for agricultural enterprises. The Gatithia assignment, involving a Revolving Fund Program, is the first in this direction.

Priority technical assistance projects will be those that contribute significantly to USAID's SO7 and at the same time put more money in the farmers' pockets. Future interventions will therefore tend to address technical areas that result in multiple benefits and target a larger number of clients. This is the rationale behind the Unga Ltd Smallholder Outreach assignment that intends to benefit more smallholders by shifting the operations of this large milling company to the rural areas. Planned future interventions should inevitably open paths for USAID's future country development plans and specifically target the SO7, "Expanded Sustainable Economic Opportunities For The Rural Sector Growth." The continued reorganization of Kenya's agricultural sector will heighten the importance of ACDI/VOCA's objectives, especially in agribusiness growth and sub-sector improvement.

During the second year of implementation, ACDI/VOCA is expected to field approximately 10 volunteers in Kenya, where farmers are struggling to adapt to alternative marketing mechanisms brought about by regional economic integration and the state marketing board's collapse. Targeted training and assistance will have to be very timely. ACDI/VOCA has been working closely with the Kenya Agricultural Commodity Exchange (KACE). To continue to influence market efficiency and transparency in the commodity system chain, ACDI/VOCA will continue to work closely with KACE. The FtF-Kenya Program is currently housed within KACE offices. This arrangement has kept costs down for both parties and maximized the synergy between the two organizations. The in-country presence of the Kenya office, as an independent body, should result in the volunteers being used in a more focused manner, ensuring lasting impact.

ACDI/VOCA-Kenya is in the process of being registered as an international NGO. This will create the much-needed independence, credibility, and the image required to propagate the goals of the organization. The paperwork is being worked on and the formalities should be accomplished in the near future.

Lucy Njuguna joined the ACDI/VOCA team as the first program coordinator for the Kenya office. She brings to the team a wealth of business planning experience from the perspective of the private sector and NGO project management. Sebastian Wanjala was recruited as the new program assistant.

The Kenya office, in conjunction with ACDI/VOCA's Regional Representative, has submitted a proposal for the establishment of a National Smallholder Business Centre (NSBC) in Kenya, based on ACDI/VOCA's NSBC-Uganda experience. This is expected to complement rural finance strategies in line with USAID's SO7. In a bid to expand the savings and income base of smallholder associations and achieve its objectives, ACDI/VOCA will provide volunteer consulting services in two areas:

- Capacity building in loan/credit appraisal and tracking, and general efficient loan management principles;
- Business plan development that will address financial and institutional targets of the smallholder organizations.

An assignment focusing on business plan development and association strengthening for the Gatithia Self-Help Revolving Fund Scheme is currently being developed.

## **Rwanda**

ACDI/VOCA will field six volunteers in Rwanda in FY2002, working with existing partners as well as established and well respected institutions in the area of agribusiness development. In order to achieve maximum impact, farmer-to-farmer volunteer assignments will, where possible, tie into and complement USAID's existing program portfolio. Program staff in Rwanda have already begun discussions with the USAID-funded ADRA, PEARL, DAPS and the ACDI/VOCA PL480 programs regarding the potential for FtF volunteers.

Potential assignment areas will include:

- Feasibility study of greenhouse usage for horticultural export programs with A.F.E.R. (Association des Femmes Entrepreneurs au Rwanda).
- Management training for coffee washing-station managers.
- Feasibility study and initial training in dairy association development.
- Soil conservation and terracing with resettled refugees in northwest Rwanda.
- Supplement the work of the Ministry of Agriculture in the construction of more and technologically improved valley dams in east and northeast Rwanda.

## **C. BOLIVIA**

### **Program Overview**

The current extension of the Farmer-to-Farmer (FtF) Program in Bolivia was initiated in October of 2001. During the two-year period of the extension the program endeavors to build on the success of efforts during the initial life of the project (1996-2000), while also expanding opportunities for economic growth for program beneficiaries. No FtF assignments had been implemented in Bolivia since the previous program funding (with a GOB PL-480 Title III counterpart) ended in December of 2000. Meanwhile, ACDI/VOCA continued to develop other program activities in Bolivia.

The goal of the FtF Program under the extension is to promote sustainable development by targeting short-term technical assistance to facilitate the development of the small-scale producer in an environmentally responsible manner. ACDI/VOCA works with approximately 20 organizations - NGOs, community groups, producer associations, and agribusinesses - to plan and implement technical assistance assignments that will enable them to effectively accomplish their long-term goals in the areas of sustainable agriculture, agribusiness, marketing, value-added processing, conservation of the environment and natural resources. These activities support three USAID/Bolivia strategic objectives: (S.O. 1) Democracy broadened and governance strengthened; (S.O. 2) Increased income and employment for the poor; and (S.O. 4) Reduced degradation of forest/water resources.

ACDI/VOCA has been a leading provider of technical assistance in Bolivia since 1972, and has completed 430 technical assistance assignments to more than 80 organizations. During the extension period, the Bolivia FtF Program will carry out 40 technical assistance assignments in the areas previously mentioned.

The Bolivian economy continues to suffer a prolonged crisis, particularly the agricultural sector, with excessive debt, lack of accessible working capital and historically low commodity prices all contributing to the problem. The zero economic growth that Bolivia registered in 2001 is explained in most part by the weakness demonstrated in the external and internal markets, despite the GOB "Economic Reactivation Program". The hydrocarbon boom has essentially been annulled by the persistence of depressed levels of investments and consumption. In contrast to prior years, the external sector did not reverse this panorama since the cooling of the world economy eroded exports, especially minerals and soy derivatives. (CEPAL, 2001)

With a GDP per capita of around US\$1,000 and social indicators similar to Sub-Saharan Africa countries, Bolivia is one of the poorest countries in Latin America. About two-thirds of the Bolivian population is poor, with low levels of education, health and nutrition. The average schooling completed is less than seven years; infant mortality stands at 69 per thousand live births, and 10 percent of the children under five are malnourished (World Bank, 2002). According to the Human Development Index (HDI) of the UNDP, Bolivia is number 104 of a total of 162 nations. With a HDI of 0.648, Bolivia is left behind with respect to the majority of the rest of the countries of the Latin American region, whose average HDI is 0.760 (UNDP, 2002)

Urban migration, extreme unemployment and deteriorating citizen security have become critical issues for the current administration. Meanwhile, social unrest continues to plague the current administration, with renewed protest marches, national strikes and the continual threat of violent confrontations with *cocaleros* (coca producers) common. The year 2002 is election year in Bolivia; therefore no major changes are expected that would make much difference in the grave socio-economic situation of the country. This lack of ability of the GOB to effectively react to the crisis provokes, and will provoke, social conflicts in different sectors.

The current situation, although fluid, does not represent any immediate threats to the safety of our staff or volunteers in Bolivia. Nonetheless, they are apprised of current situations prior to travel and requested to remain in periodic contact with our offices in Santa Cruz and La Paz while on assignment.

### **Program Accomplishments**

The primary activities of the program during the reporting period were focused on renewing contacts with counterpart organizations with which the program has previously worked as well as new organizations to be incorporated into the program strategy. Priority is given to organizations that demonstrate responsiveness to technical assistance and the potential to take action on the recommendations made by volunteers.

During the reporting period, six FtF assignments were completed, representing 15% of the total number of 40 assignments programmed for the two-year program extension. This brings to 131 the cumulative total of FtF assignments in Bolivia since 1996. These six assignments cumulatively reflect a total of 104 person-days of consulting effort; the average length of assignment was 17 days. ACIDI/VOCA FtF volunteers worked with six organizations, including four producer associations (dairy cattle, fruit, handicrafts and chirimoya), and one rural development NGO. ACIDI/VOCA worked with one new beneficiary organization, Llamactiva, a private enterprise founded to develop the potential of the Camelidae (llama) sector in order to bring Camelidae raisers and owners into more dynamic and competitive economies and markets. During the reporting period, no annual evaluations were conducted, considering that no FtF assignments were implemented during the previous year.

At the end of the reporting period, one assignment is currently being carried out and two other assignments have volunteers recruited for implementation in the next quarter. Scopes of work for three new assignments are currently under development, while the identification and prioritization of requests for eight additional scopes of work are also underway. For the next reporting period (April-September 2002), 12 assignments are programmed for implementation.

**FtF Volunteers Assignments Bolivia**  
**October 1, 2001- March 31, 2002**

	<b>Project Number</b>	<b>Host Organization</b>	<b>Title of Assignment</b>	<b>Date</b>	<b>Status</b>	<b>DESCRIPTION</b>
1	153029	Llamactiva S.A	Camelidae Leatherworks	1/27/02-2/07/02	Completed	The objective of this assignment was to provide technical assistance in the design and improvement of leather products to small artisans associated with Llamactiva, S.A. Although due to health reasons Mr. Crewe was not able to stay the entire time planned for the assignment, at least 70% of the assignment objectives were completed. Mr. Crewe focused his work on improving the quality of existing products, implementing the use of production record-keeping and the design of four new products.
	Brian Crewe					
2	153030	CIPCA	Management Plans for Indigenous Lands	1/12/02-2/20/02	Completed	Dr. Lavin worked closely with CIPCA personnel to develop a participatory methodology for elaborating community management planes for natural resources. The work of the volunteer included a series of trips to different indigenous communities of the Chiquitania region, where participatory workshops were held. This work methodology permitted CIPCA to develop community management plans with the communities in which they work. These plans are the basic instruments for the indigenous communities to optimally manage their resources.
	Jack Lavin					
3	153032	MEDA	Chirimoya Market Study	11/30/01-12/09/01	Completed	A market study for Chirimoya was developed at the request of MEDA and with the support of Dr. Loren Parks. The volunteer conducted a major part of the assignment in the United States prior to, and following, the visit to Bolivia. The study included price analysis and quantification of supply and demand, while the final result was a series of strategic recommendations for the local market and for the international market in the distant future. The volunteer recommended a strategy for achieving greater local market penetration before investing resources and efforts in international markets.
	Loren Parks					

4	153033	Com Art	Hand-knit Products Design	2/17/02-2/28/02	Completed	As a continuation of previously-developed effort, Ms. Carpenter provided advice for the design of contemporary Com Art products. The ideas proposed by the volunteer will permit Com Art, and therefore the member artisans, to be able to offer the market new products in accordance with current demand. Ms. Carpenter also advised Com Art on product display and market definition. A direct economic impact is expected by Com Art and the members owing to the sales increase in new products.
	Patti Carpenter					
5	153034	ACRHOBOL	Milk Quality Improvement	1/13/02-2/03/02	Completed	The primary objective of this assignment was to provide technical assistance and training to ACRHOBOL associates, in order to improve milk handling and obtain the quality standards demanded by the processing industries. Through this assignment, more than 150 small dairy producers were trained in four short courses and around 30 visits were made to producer ranches. The ACRHOBOL members were completely satisfied with the assignment and immediately implemented many of the recommendations and practices suggested by the volunteer. These efforts resulted in improvements which are directly reflected in increased incomes, since the milk sales prices will no longer be penalized by the <i>Planta Industrializadora de Lecha</i> –PIL (Milk Plant Industry) for low quality standards.
	Hugh Kenworthy					
6	153035	AFRUTAR	Horticultural Technical Assistance	2/17/02-3/02/02	Completed	With the objective of assisting producer members of AFRUTAR in techniques for improving the productivity, inappropriate agricultural practices and variety selection were identified. The volunteer recommended changing varieties, considering as principal criteria environmental requirements in relation to the Tarija Valley. More efficient use of inputs and better record-keeping for standardizing information was suggested.
	Jesús Valencia					

## **Program Direction**

The Bolivia Farmer-to-Farmer Program has national coverage. However, the reported assignments have been implemented in four of the nine departments of the country. In the next reporting period, the program will include work in the other departments through organizational contacts and specific assignments. During this phase of the program extension, new potential beneficiary organizations have been identified which represent viable opportunities for sustainable economic growth for producers and entrepreneurs. The ACDI/VOCA FtF Program will work closely with these organizations in the development of technical assistance requests while at the same time evaluating their institutional capacity for the reception of volunteer consultants. Because of the high demand for ACDI/VOCA technical assistance, the FtF Program is selective in choosing strategic partners that represent the greatest potential for demonstrating results.

Since January 2002, the Farmer-to-Farmer Program in Bolivia is under the direction of Ing. Cristóbal Aguilar, as Jorge Baracatt has left ACDI/VOCA after serving as program director for four years. Also in January, Claudio Avalos joined the ACDI/VOCA team in Santa Cruz, and will be devoted half-time to the FtF Program as accounting assistant.

## **Business Development**

ACDI/VOCA in Bolivia has experienced significant program expansion during the reporting period. In addition to the FtF Program extension, ACDI/VOCA was awarded two major USAID/Bolivia cooperative agreements in support of the USAID/B Yungas Development Initiative (YDI) and a modest Chemonics/MAPA sub-contract during the last year. In order to carry out these activities, ACDI/VOCA has established a new program office in La Paz, and satellite offices in Caranavi and Mizque.

In the Yungas, USAID/Bolivia, in coordination with the Vice Ministry of Alternative Development (VIMDESALT) formulated a goal of a quick launch of a high-impact development program that advances the goal of eliminating illegal coca from the Yungas. This goal has two important sub-goals: 1) to create strong public awareness that the future of the Yungas lies in the development of licit income earning possibilities rather than a fruitless defense of illegal coca; and 2) to create incentives for individuals and communities to eliminate excess coca. To support the GOB and USAID/Bolivia in this effort, ACDI/VOCA was assigned to implement high visibility, high impact projects in the municipalities located in the provinces of North Yungas, Caranavi and one municipality in South Yungas, Palos Blancos. ACDI/VOCA in coordination with VIMDESALT, USAID/Bolivia, municipal governments and local NGOs financed and implemented a number of projects in the areas of road maintenance, bridge construction, agricultural production (bio-control), social infrastructure and development of a specialty coffee industry. ACDI/VOCA was awarded a total of US\$ 672,450 in operating and sub grant funds to implement the North Yungas Immediate Impact project (April 16, 2001 to July 31, 2002), which includes a volunteer technical assistance component.

Also during the reporting period, ACDI/VOCA continued start up-work on a two-year US \$8.2 million project to continue alternative development work in the Yungas. The new project known

as the Yungas Community Alternative Development Fund (YCADF) began in October 2001. The YCADF is providing continuity to the immediate impact project and it will build on the work initiated by ACDI/VOCA and its partners in continuing activities in the areas of social infrastructure, productive infrastructure, agricultural production and marketing, tourism and microenterprise. The YCADF funds a number of activities programmed under USAID/Bolivia's YDI with the goal of increasing licit income earning alternatives to the illegal coca economy.

Implementation of the new ACDI/VOCA Onion Quality Improvement in the Mizque Valley project also was initiated during the reporting period. Funded through a fixed-price contact with Chemonics, the activity is carried out in support of the USAID/B Market Access and Poverty Alleviation (MAPA) project and in coordination with the Valleys Foundation. The life of project is 18 months with a \$100,000 budget.

Further opportunities are expected to emerge from the MAPA activity. ACDI/VOCA-Bolivia has established a strategic alliance with producer organizations and municipalities in the valleys region for development of a tomato program to be considered by MAPA for funding via the foundation. ACDI/VOCA-Bolivia will proactively seek to develop other cooperative alliances with NGOs, producer organizations, municipalities, universities, prefectures and communities, designing comprehensive technical assistance programs that complement, enhance and integrate SIBTA and MAPA initiatives.

Other new business development efforts continued during the reporting period, as ACDI/VOCA pursues several promising initiatives. Significant progress has been on our strategy for developing a Specialty Coffee Program, through a strategic alliance with several prospective local partners and stakeholders (FECAFEB, MOJSA, PRO-AGRO, etc.). The immediate future is most opportune to develop and propose this activity, given pressure on the GOB and international donors to support and implement viable solutions to the current economic crisis, in particular alternative economic opportunities in areas of potential illicit coca leaf production in the Yungas. The alliance with Bolivian counterparts and the Specialty Coffee Association of America (SCAA) and Coffee Quality Institute (CQI) is ideal for this purpose. Our concept paper was submitted to USAID in May of 2001, and subsequently to MAPA in September 2001 at the recommendation of USAID. However, MAPA has not responded to the proposed activity. In the interim, additional adjustments have been made to the proposal and ACDI/VOCA continues to provide informal support to the specialty coffees industry.

ACDI/VOCA is also staying abreast of other potential opportunities in support of USAID strategic objectives. A Mission design on trade capacity building (EOSOT) is currently underway and the issuance of an RFA/RFP or task order is expected before September. This activity will seek to enhance broad-based and commodity chain growth for two or three commodity systems such as agricultural products, wood products, textiles/apparels and tourism. The activity will address impediments to new business development, investment and trade, while also bringing together the private and public sector entities involved in these systems.