

# AGRI-ENERGY ROUNDTABLE



GRANT WORKPLAN

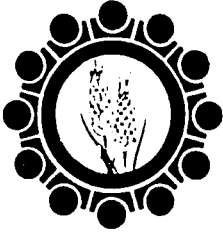
## Agri-Energy Roundtable

### Model Association Establishment

Implementation for National Sister Association (NSA)  
Development in Selected Target Countries  
(January - October 1991)

Submitted to  
U.S. Agency for International Development

by  
Agri-Energy Roundtable, Inc.



# AGRI-ENERGY ROUNDTABLE

## I. Grant Description

### A. Objectives

The purpose of the grant is to assist the Agri-Energy Roundtable (AER) in the establishment of independent agro-industry associations in selected target countries of interest to FVA/PPM. This program represents an ongoing effort begun in 1987 and designed to integrate indigenous private sector institution-building using an agribusiness association model<sup>1/</sup> developed by the AER. The program is consistent with AID's overall commitment to fostering private enterprise and democratization initiatives. It also contributes to accelerated agricultural trade and development for both U.S. and host country economic growth. These objectives will be accomplished gradually through a sequence of development steps aimed at forming national AER "sister associations," (NSA)<sup>2/</sup> which may link informally with the AER's network.

### B. Background

A key goal of the U.S. Agency for International Development (AID) since 1981 centers on the encouragement of private enterprise in the Third World. Recently, this scope has enlarged to include Eastern Europe. At the same time AID has sharpened a focus on agro-industry and specific proposals to strengthen linkages between the emerging agribusiness sectors indigenous to developing countries and their counterparts in U.S. agribusiness. This new direction, which underscores a range of post-harvest, "food systems" issues (as contrasted to more traditional, agricultural production) presents AID with some exciting challenges and opportunities -- particularly as outreach efforts to engage the agribusiness sector become more sophisticated and international agricultural trade/development intensifies.

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1/ In this instance "agribusiness" is defined as a broad term which encompasses all aspects of agricultural production, processing and distribution. This includes food, forest and fiber production, their by-product utilization, agricultural chemicals/pharmaceuticals, finance and trade, agribusiness/farm management, agro-environmental considerations, and land development. In short, agribusiness defines all of the major elements essential to the establishment and operation of efficient agro-food enterprises.

2/ The precise relationship between AER and the NSAs (national sister associations) can vary -- and this is addressed in II. NSAs are synonymous with "affiliate chapters/counterpart groups."

In late 1988, following positive AID participation in a successful agro-enterprise workshop and symposia series conducted by the Agri-Energy Roundtable (AER) which encompassed conference programs in Manila, Hong Kong, Bombay, and Geneva, Switzerland -- and a special conference organized by **The Agribusiness Council (ABC)** in St. Louis, Missouri (October 1988), AID/FVA/PPM and AID/S&T Office of Bioenergy Systems provided two modest grants enabling the AER/ABC to begin exploratory follow-up work with a number of USAID missions and indigenous agro-industry entities (groups, companies and individuals) in fifteen developing countries for the purpose of building and strengthening the emerging AER network of agribusiness trade associations. The development of this association model and related activities are detailed in the "Interim Report & Model Association Establishment."

C. Role of Agribusiness Associations

"Agribusiness" associations are a program "whose time has come" due to the convergence of several key factors: (1) growing recognition of worldwide concern over issues and problems which transcend more compartmentalized, traditional and agriculture organizations and their approaches (examples of such issues are listed below); (2) premiums on efficient information dissemination concerning agricultural technologies -- a recognized association strength; (3) increased agricultural trade competition with the Uruguay Round failure which will be particularly intense in emerging countries and necessitate greater need for market development studies, trade and investment missions, and other forms of business reconnoitering -- where efficient associations have many comparative advantages; (4) greater need to leverage private sector finance and participation in development objectives.

Issues Requiring Cross-Sectoral Response

- Agro-Environmental Concerns and Food Safety
- New Crops and Food Technologies
- Post-Harvest Loss Reduction/Distribution Systems
- Industrial and Renewable Energy Uses for Agricultural Commodities
- Privatization and Reduction of Public Sector Intervention in All Aspects of Agro-Food Systems (including Subsidies and Trade Distortions)
- Debt-Equity and Non-Conventional Trade Financing Techniques



Facing this veritable blizzard of inter-related, daunting challenges, AID's leadership among development finance institutions could be enhanced through creative cooperation with agribusiness, utilizing the unique, model association framework of AER/ABC.

As demonstrated through FVA's initial support for AER's counterpart association development program, the strength of the concept/model and its multiplier effects -- despite modest staff and base resources -- are considerable.

The objective then of this FVA support grant is simply to enable AER to build upon and focus its earlier efforts to establish counterpart agribusiness associations in cooperation with indigenous agro-industry leaders and government officials (as appropriate) in Kenya, Uganda, Costa Rica, Jamaica and the Dominican Republic. (see Annex B)

D. AER Association Management Technique, Information Dissemination and Programming: How AER Grows

AER's decade-long track record of successful activities, which include two dozen major conferences and seminars as well as numerous trade missions and smaller workshops, have provided a strong foundation for the Association's rapid growth and projection of its own unique conceptual model for agro-enterprise in development. The resilience of the AER concept and its nearly universal appeal, particularly in energy-deficit/developing countries, is demonstrable.

AER has progressed against a harsh economic backdrop affecting both agriculture and energy sectors and, equally important, corporate philanthropy and attitude -- traversing nearly the entire decade. The AER has achieved its remarkable record through a combination of (1) experienced trade association management and applied technique; (2) effective and well-timed programming with professional and thematic consistency; (3) well-designed and targeted communications (particularly aimed at agribusiness and development-oriented readers); and (4) maintenance of association integrity consistent with stated goals of AER.

Space limitations preclude a detailed evaluation of each of the above; however, the following amplification may be considered:

(1) Trade Association Management

AER has employed, at significant sacrifice and with considerable patience, a range of management techniques throughout its development designed to attract adherents and supporters to its association, nonprofit cause. All activities have been aimed to generate participation in the association. Subcommittees, trade missions, volunteer training, and now "sister association" development have each offered opportunities for wider, ongoing participation in AER in different ways consistent with effective association management.



(2) **Effective and Well-Timed Programming**

AER has utilized its broad association concept to advantage by addressing problems and issues of current relevance in its various conferences, workshops, and related publications. As a consequence, the AER activities are well-attended and are considered worthwhile, even educational, by agribusiness and government participants alike. These events have also generated considerable press/media coverage which has helped to create a certain "association following."

(3) **Communications**

AER has multiplied the effect of its activities and related presentations/debates within them by effective organization, publication and dissemination of information bulletins, special reports, newsletters and proceedings. These written and audio-visual materials have been widely circulated -- and have contributed to a growing interest worldwide in the AER concept. Generally, written communications have been tailored to the business reader and designed to facilitate communication networking.

(4) **Association Integrity**

This association "intangible" reflects AER's determined maintenance of stated goals (and constitution) in relation to all activities and management decisions. This adherence is recognized and respected by AER's management, committees and advisory groups. It provides an underpinning and a method wherein programming and the executive staff's performance can be measured against the association's broader vision. No association can provide leadership and attract commitment, with ongoing supporters, unless a strict code of association integrity is maintained. Central in this is the understanding that busy individuals will not provide their resources (i.e., financial and voluntary time), unless they become convinced their association is providing a worthwhile, honest service consistent with its stated purposes -- and is completely free of conflict of interest.

Since its inception, AER management has been guided by these principles and the association has benefited as the recognition has spread. For example, enthusiasm for the "sister association" program -- which this grant aims to support -- would not exist in sufficient strength to take root, particularly in Third World countries without an acceptance of AER's integrity developed over a period of years. Often this is centered in the inner confidence and "public service" sensibility of several recognized leaders who have attended one or more of AER's meetings and/or conducted lengthy correspondence over longer periods with the AER parent secretariat. It is a reflection of this considerable confidence and the effectiveness of the above-mentioned factors that AER's "sister association" project has been so well received. AER's adherence to time-proven fundamentals of association management and a graduated process for association development has laid a solid foundation -- lacking only financial resources -- for dynamic growth.



## II. Association Development Approach

AER's development approach for national "sister associations" (NSA) has been effectively operating slightly over three years. Given the normal "gestation period" for association projects of this complexity involving the de facto "planting of a nascent association, with indigenous support, from an outside initiative," this time frame is still too limited to yield hard results. However, certain exploratory missions have proven encouraging and early experiences in establishing "sister associations" have provided useful guidelines which will increase the likelihood of success as the program continues. Additionally, certain evaluations -- based on incomplete experience with widely-varying local conditions and different phases of sequence completion -- are possible. /1/

AER's model sequence outlining the process for establishing national "sister associations" (NSA) is detailed in Annex A. Since the successful achievement of a free-standing, indigenously-supported AER "counterpart" or "sister association" (NSA) depends upon mobilizing local involvement and action requiring considerable tact and sensitivity with host country leadership, several points should be emphasized: (1) The "process" whereby AER establishes NSAs is usually controlled primarily by the indigenous agro-industry activists in the host country. AER acts as a catalyst, often initiating various steps; however, the determining factor throughout the process rests with the local element. For example, AER often waits to be invited by interested local AER-oriented activists -- or "coordinators" before initiating travel in connection with a recognition that (2) a successfully-launched, independent NSA can only achieve sustainability if it gathers indigenous support from the outset -- and develops into a membership activity whose services and activities are valued by the local private sector. Implicit in the recognition of local responsibility and the large human relations/public relations component of this process (i.e., subjective choices in successfully identifying agro-industry leaders willing to cooperate with AER) is the further bottom-line reality: The timing sequence for establishing NSAs is not within AER's control and can take from a few months to a few years. Efforts to force the pace can be counterproductive. (3) AER's limited influence in the process of establishing NSAs derives from the value local organizers place in maintaining a continuing link to the AER and the confidence they have in AER. Since this process involves a de facto transfer of knowledge and empowerment using the AER name, usually as a matter of trust shared by AER with the local organizers, it is imperative that their sense of association integrity and commitment be calculated and tested at an early stage. This is accomplished through evaluations of training sessions conducted by AER with local organizers as well as participation/interaction at AER events and adherence to general association policies involving the maintenance of "good standing" (i.e., observable with membership subscriptions, etc.).

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1/ Timelines and event demarcations -- as shown in Annex B -- may be useful for planning; however, the need for flexibility and patience when dealing with local organizers must be understood.



(4) AER's agro-enterprise association model -- as any "umbrella" concept which endeavors to convene different groups -- is likely to generate some friction with other local associations (i.e., local chambers of commerce, manufacturers associations, parastatals, specialty groups -- even foundation think-tanks which sponsor seminars)/1/ until its underlying concept and link to the AER's international window network is better understood. It is important that donor agencies and other potential supporters of NSAs understand the normal association competitive dimension. AER's exploratory visits and briefings provide a valuable opportunity to enhance this communication (i.e., explaining benefits and unique features of NSA, etc.).

#### Selected Country Review

As indicated under Annex B, AER activities with the NSA development project have generated widespread, if uneven, results in a number of countries. In four of the target countries, AER has already initiated the formation process /2/ and, in the case of East Africa where this is advanced, efforts may be directed toward more cooperative activities which will accelerate the effective start-up of the NSAs through membership development/fundraising/management training/etc. In the Caribbean/Central American region AER is at the most preliminary stages in the process. Consequently, the proposed implementation schedule is provided as somewhat less than even an "educated guess" and will likely require amendment following initial visits.

### III. Implementation Schedule

Recognizing the above-indicated caveats, particularly with regard to the important role of the local organizers, the schedules provided in Annex D are primarily intended to provide a model blueprint of how the grant resources and timeframe may be utilized to the maximum effectiveness in achieving the objective of establishing NSAs.

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- 1/ It should be noted that such groups do not possess the features of a NSA -- either conceptually, with agribusiness/energy or environmental themes, or practically with the proposed linkage through AER to the U.S. agribusiness community (ABC) and other independent NSAs in the network.
  - 2/ Jamaica, Dominican Republic, Uganda and Kenya. In Kenya, the AER/Kenya was officially registered in January 1990 and launched with an opening ceremony on August 25, 1990. Negotiations are underway concerning the ongoing nature of this independent program with the parent AER. See Annex C for present stage of NSA development in each target country.



#### IV. Proposed Budget

The proposed budget for FVA agro-enterprise association development is detailed below on minimum visit durations, economy class airfares, and allowable per diem rates.

Visits will be comprised initially of two person teams to Caribbean/Central America. Follow-up visits are figured for one person with some contingency for visits where two persons would be more effectively utilized.

1. <u>Costa Rica</u> (3 visits)	
(a) Per diem 2 persons @ \$82/day x 5 days	\$ 820
Per diem 1 person @ \$82/day x 8 days	<u>\$ 656</u>
Total: 18 days	<u>\$1,476</u>
(b) Airfare @ \$672	<u>\$2,688</u>
2. <u>Jamaica</u> (3 visits)	
(a) Per diem 2 persons @ \$125/day x 4 days	\$1,000
Per diem 1 person @ \$125/day x 8 days	<u>\$1,000</u>
Total: 16 days	<u>\$2,000</u>
(b) Airfare @ \$450	<u>\$1,860</u>
3. <u>Dominican Republic</u> (3 visits)	
(a) Per diem 1 person @ \$80/day x 9 days	\$ 720
(b) Airfare @ \$445	\$1,335
	<u>\$2,055</u>
4. <u>Kenya/Uganda</u> (2 visits)	
(a) Per diem 1 person @ \$80/day x 10 days	\$1,600
(b) Airfare @ \$2,300	\$4,600
	<u>\$6,200</u>
5. <b>Training Costs/Chapter Development</b>	
@ \$250/day x 41 days	<u>\$10,250</u>
(including preparations, meeting room rentals, and program printing)	
<u>TOTAL:</u>	<u>\$25,055</u>

(The total number of projected person days in-country is 55, of which it is estimated 41 will be designated as "training days" and applied to the grant for reimbursement.)





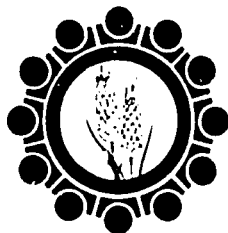
V. Monitoring and Reporting

AER will monitor and report on program progress within the individual NSAs in relation to the projected visits by means of trip reports and updated program sequence/status charts with commentary. Reports will be designed to conform to the sequence steps detailed in Annex B and will be formatted in a status report with commentary as in Annex E.



**ANNEXES - GRANT WORKPLAN**

- A Sequence of Steps in AER "Sister Association" (NSA) Development Process
- B NSA/Affiliate Status Report (September 1990)
- C Present Stage of Target Countries in Developing NSAs
- D Proposed Chronological Implementation Chart for Projected Target Country NSA Development
- E Status Report Format



## AGRI-ENERGY ROUNDTABLE

### SEQUENCE STEPS IN AER "SISTER ASSOCIATION" DEVELOPMENT PROCESS

The following steps reflect general process stages in the formation of a local AER "sister association". Each step can encompass weeks/months of assistance/hand-holding effort on the part of the AER parent staff, which acts to guide the indigenous organizers in setting up their own independent activity.

- A Initial Research/Exploration : Search for agricultural groups leaders and existing counterpart activities. Identification and initial communication (usually from Washington)
- B Initial Meetings/briefings with USAID in country
- C Initial Meetings of AER staff w/local agribusiness types
- D Local leader/s identified for AER follow-up
- E Group formation meeting scheduled
- F Group formation meeting completed
- G Government meeting/approval (if necessary)
- H Charter/By-laws approval<sup>1</sup>
- I Incorporation of Chapter finalized
- J Registration procedures completed for local AER
- K Formal Establishment/Inaugural meeting
- L Management Services/Accreditation Agreement Approved with AER (usually in conjunction with training workshop conducted by AER)
- M Association Start-Up: Fundraising, Membership development/ programme development (according to Business Plan and AER services- if required)

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<sup>1</sup>AER assistance from steps H-M follows from a de facto understanding and acceptance that local AER will subscribe to parent AER (in recognition of use of name, time investment in assisting local group - and continued involvement in the AER's international activities.

Chapter/Affiliate Status Report  
(September 1990)

IV Comments

Costa Rica: Strong interest registered after COCR official attended 10th annual IAF. Executive director of National Chamber of Agriculture and Agro-Industry Gerardina Gonzalez Marroquin has already expressed intent in receiving visit for further discussions.

Dominican Republic: JACC/RD delegation to 10th IAF had to cancel due to Hurricane Hugo. Continuing correspondence indicates a desire to develop some linkage with AER. AER/Kenya representative visited Dominican Republic for briefing.

Ecuador: No progress since last report (no visit scheduled).

Ghana: Ghana participates at ABC June 1990 conference sparked renewed interest in formation of AER/Ghana. USAID is studying prospects for assisting organizers. Ghana also had representative at 10th IAF.

The Gambia: AER/Gambia was inaugurated on June 11, 1990 at a ceremony in Banjul with H.E. Omar A. Jallow presiding. The AER is incorporated under the auspices of the National Investment Board headed by Abdoulie Touray.

AER/Gambia is requesting technical assistance from AER as further steps are underway to develop an independent association outside the NIB. (see attached letter)

Nigeria: AER/Nigeria held a formation meeting on August 1, 1989 and sent a representative to the 10th IAF and two representatives to the June 1990 (ABC) conference in Washington. Communication difficulties and a reported leadership transition have obscured information on this group's progress.

India: USAID failed to support delegate travel in 1989 which nullified positive interest sparked in July Delhi workshop. Indians remain interested in Bombay, and Delhi programmes.

Sri Lanka: Delegates participated at both 10th IAF and the ABC June 1990 conference, resulting in GOSL push to establish local AER (Agricultural Development Authority is taking lead).

Uganda: AER visit in August 1990 sparked further local interest within the AER/Uganda board -- which is now re-working by-laws to conform to non-profit model. This group is well balanced between public and private sector -- and includes participation from Makerere University.



Kenya: AER/Kenya formally inaugurated in May 1990. Reportedly, the leadership is now in transition and the board has yet to accept the management service/accreditation link formally with AER (as previously agreed by organizer). USAID funding of consultants has confused association development process encouraging AER/K to abrogate its earlier acceptance of AER guidelines.

Jamaica: After initial visit in April 1989 when AER uncovered considerable interest, the process had been slowed due to Hurricane Hugo. Necessary follow-up is likely to yield good results.

Philippines: Despite positives generated by AER -- and AER/Filipinas workshop in early 1989, the proposed seminar series on biofuels and utilizing agricultural residues did not materialize (due to lack of funding and follow through). AER/Filipinas is developing but has not participated in AER parent international activities due to lack of travel support. USAID Manila is reportedly unresponsive to AER/Filipinas requests for assistance.

Poland: Following up on good Polish participation at 10th IAF (supported by USDA) AER visited Warsaw in March 1990 and initiated discussions with Polish leaders interested in creating an AER association. Polish participation in the June 1990 ABC meeting in Washington triggered further progress -- which in a September 10 formation committee meeting of the nascent AER/Poland in Warsaw.

USSR: Although no Soviet participation has taken place in either ABC or AER, a special AER mission to Moscow in September 1990 generated considerable interest among increasing autonomous republics which were represented at September 17 programme. AER% has received strong expression of interest from the republic governments of Latvia, Lithuania, Estonia, Georgia, Ukraine, Maldivia and Russia. Follow-up correspondence is underway, particularly with Georgia SSR, Moldavia, and Lithuania - which have each expressed direct interest in setting up AER counterpart associations. Georgia is reportedly about to invite an AER mission to Tbilisi.

Note: This report on AER affiliates is not complete due to a lack of information on certain country situations

Submitted October 31, 1990



## Annex C

### Implementation Chart - Commentary

AER would ideally utilize the attached schedule to guide its 1991 efforts under the FVA grant:

#### Costa Rica

Initial research and exploration phase A-C is currently underway with target visits in San Jose in early February 1991. Objectives to include B-E, follow-up trip for F (group formation meeting) in mid-April, which would target rapid implementation of steps G-J. The subsequent inaugural for the Costa Rican program would be timed for early September 1991.

#### Jamaica

Local interest in forming an AER/Jamaica, evident in April 1989, will need to be rekindled. AER proposes a late January visit for the purpose of following-up with potential organizers. Depending upon interest level and general reception, Jamaica could be on a fast track for this project. AER would revisit Jamaica for a brief period in late April to conduct the group formation meeting (F) and prepare a local organizing effort for the accomplishment of steps G-J leading to the formal inaugural in late September.

#### Dominican Republic

AER's initial visit in 1989 opened a positive dialogue with several leading agro-industry groups in the Dominican Republic, including Central Romana -- a major agribusiness company. Depending upon cooperation with existing groups, AER could engineer a rapid NSA formation. The initial visit would aim for early February (either immediately before/after Jamaica) and could accomplish steps B-E. Follow-up meetings in mid-April would be utilized to convene the formation committee and advance steps F-J (assuming considerable correspondence). The official inaugural with formal establishment would be targeted for mid-July.

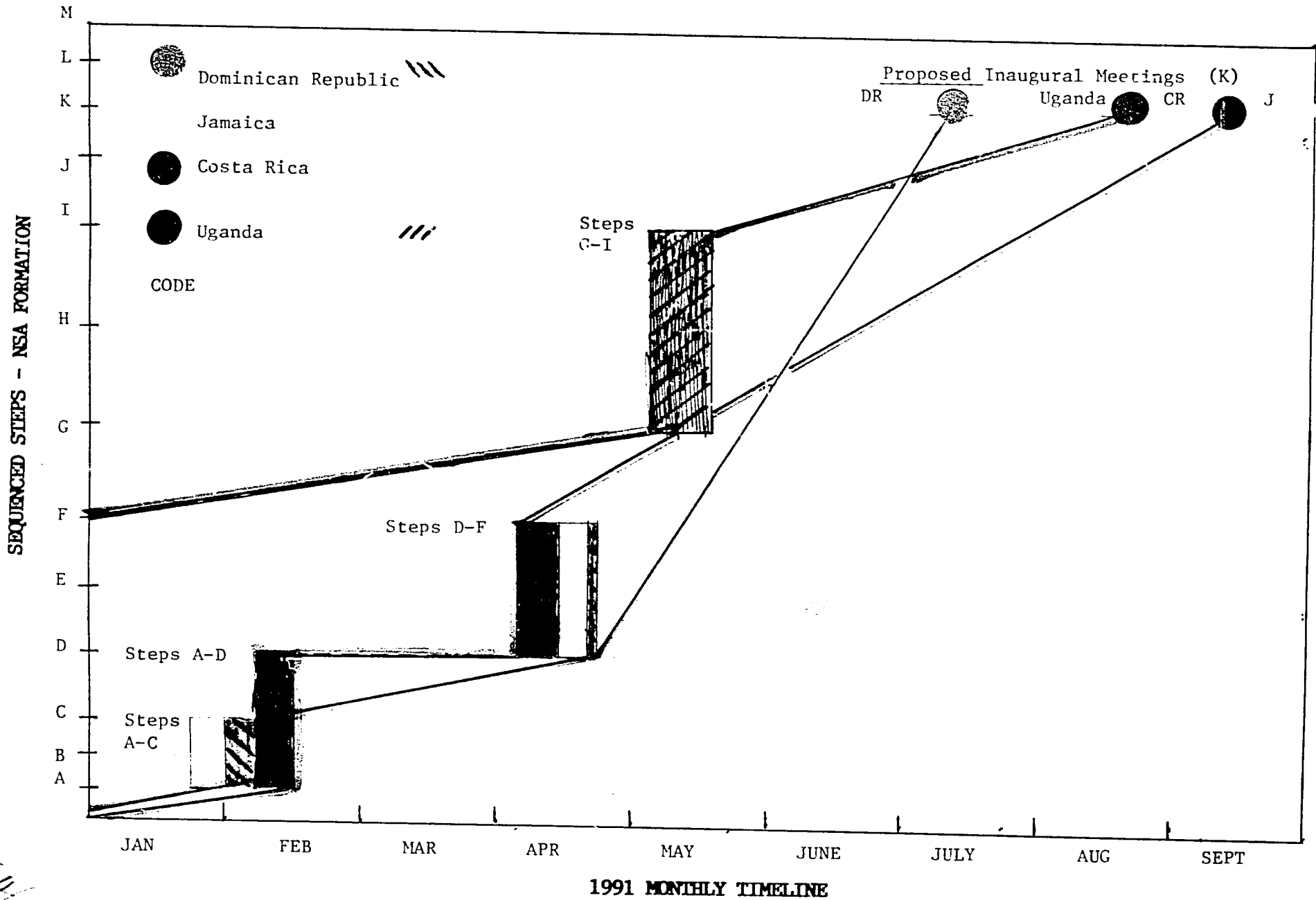
#### Uganda

Currently, prospects for a formally-established AER/Uganda are quite strong following two brief AER visits in 1990. Local organizers are moving ahead on stages G-J -- and AER's visit projected at mid-May could also be effective as a management training exercise for the acting executive secretariat. It is anticipated that AER will cooperate with the local Ugandan program and undertake a trade mission timed for the formal inaugural of the Ugandan group in late July. An invitation from an appropriate office of GoU is currently anticipated and several U.S. universities and companies have already expressed an interest in participating.

#### Kenya

AER/Kenya, established in May 1990, is currently undergoing some management realignment which is a normal "molting phase" in association development. AER/W is eager to provide assistance in steps L-M in cooperation with new leadership of the independent association and recently visited Nairobi at the invitation of AER supporters. There is some concern that AER/Kenya is being manipulated by a coalition of self-serving consultants who would seek to abrogate past obligations and fair remuneration to AER -- in effect, opting-out of the network now that the association is established.

PROPOSED CHRONOLOGICAL IMPLEMENTATION CHART FOR PROJECTED TARGET COUNTRIES DEVELOPMENT  
(January - October 1991)





# AGRI-ENERGY ROUNDTABLE

## STATUS REPORT

### AGRI-ENERGY ROUNDTABLE Affiliate/Counterpart Association Development

<u>Country</u>	I			II							III				IV
	<u>A</u>	<u>B</u>	<u>C</u>	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>Comments</u> (see below)
Costa Rica	-														
Dominican Rep	1	4	4	x	x										
Ecuador	-				x										
Ghana	-														
The Gambia	-	4	4	x	x	x	x								
Indonesia	1	3	2	x	x										
Nigeria	1	4	2	x	x	x	x	x	x	x					
Jamaica	1	3	3	x	x										
India	4	1	4	x	x	x	x	x	x	x					x
Kenya	2	5	4	x	x	x	x	x	x	x					x
Uganda	1	3	4	x	x										
Pakistan	-	2	4												
Sri Lanka	1	3	4	x	x										
Philippines	3	2	3	x	x	x	x	x	x	x	x	x			x x
Tunisia	-	5	4												
Egypt	1	3	4												
Zimbabwe	1	3	3												
Poland	2	4	5												
Hungary	2	-													
USSR	1														

- I. A. Number of Visits  
B. USAID Mission Interest Level: 1/Weak - 5/Strong  
C. Local Currency Potential

- III. Program Activities  
A. Initial Meeting  
Board Elections

- II. Association Development Process  
A. Initial Meeting: AER Staff/Local Agribusiness  
B. Leader Identified  
C. Group Formation Meeting Scheduled  
D. Group Formation Meeting Completed  
E. Government Meeting/Approval (if necessary)  
F. Charter/Bylaws Approved  
G. Formal Establishment

- B. Training/Seminars  
Pilot Projects  
C. Travel/Missions  
D. Other

- IV. Comments (next page)