



CA # 486-A-00-06-00011-00

## Quarterly Report

January- March 31, 2008

Submitted to:

Angela Lopes da Cruz  
Project Management Specialist  
USAID/Timor-Leste  
Alferes Duarte Arbiro Road  
Lighthouse Area, Farol  
Dili, East Timor  
Phone: +670 332-2211  
E-mail: [adacruz@usaid.gov](mailto:adacruz@usaid.gov)

Submitted by:

Rodrigo Brenes, BACET COP  
E-mail: [rrbrenes@landolakes.com](mailto:rrbrenes@landolakes.com)  
Zaheer Baber, Regional Director for Asia  
International Development Division  
Land O'Lakes, Inc.  
Phone: +1-651-494-5100  
Fax: +1-651-494-5144  
E-mail: [ZUBaber@landolakes.com](mailto:ZUBaber@landolakes.com)

April 2008

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# **BUILDING AGRIBUSINESS CAPACITY IN EAST TIMOR**

CA # 486-A-00-06-00011-00

**QUARTERLY REPORT  
January – March  
2008**

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**PROJECT OVERVIEW**  
**Building Agribusiness Capacity in East Timor**

**USAID CA# 486-A-00-06-00011-00**

**QUARTERLY REPORT**

**January 1 – March 31, 2008**

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Dates of project:	September 26, 2006 – September 21, 2008
Total estimated federal funding:	\$3,000,000
Federal funds spent through March 2008:	\$ 1,963,755.89
Contact in the USA:	Mr. Zaheer Baber, Regional Director Asia/Middle East/School Nutrition Programs Land O'Lakes - Arden Hills, MN Phone: +1 (651) 494-5100 Email: <i>ZUBaber@landolakes.com</i>
Project Chief of Party:	Mr. Rodrigo Brenes Land O'Lakes - Dili, East Timor Phone: +670/735-4446 Email: <i>rrbrenes@landolakes.com</i>

Since achieving independence in September 1999, East Timor has struggled to build a democratic government and economy around a limited amount of capital and human resources. Today, seven years after independence, the nation's economic development continues to be constrained by the limited number of technicians and managers available to the private sector and government.

The Building Agribusiness Capacity in East Timor project is designed to create a sustainable educational training program that will produce 150 entry-level agricultural extension specialists, agribusiness managers and/or entrepreneurs. The target beneficiaries will include three schools: Fuiloro, Natarbora and Maliana. Land O'Lakes and the Ministry of Agriculture, Forestry and Fisheries (MAFF) will develop a one-year post-high school agribusiness certificate program. Target output at each school is to graduate 50 students per year (starting on June 2008) with a certificate in agribusiness.

There are two major objectives of the BACET 2007 Work Plan: the development of an agribusiness curriculum for a one-year certificate, and the development of an operating agribusiness at each school.

## **1.0 Executive Summary**

During the first quarter of 2008, the BACET program initiated a new phase of development, and now aims to transition all BACET management at the school level to MAFF during the next project phase. The first phase of the transition is for BACET staff hired by Land O'Lakes to begin moving under the directorship of MAFF during the months of May through September. The BACET teachers and school staff have participated in several teacher training workshops, both in Timor-Leste and in Indonesia. They will continue to train on site and abroad to better prepare them to perform at a desirable level of competency, and ensure sustainability under the direction of MAFF. After September, all BACET teachers will be supervised by MAFF and the school directors.

During the first quarter of 2008, the BACET program completed school infrastructure projects initiated during the last quarter of 2007 (see section 2.5, *School Infrastructure*). One Ag-Mechanics workshop in Natarbora as well as one computer room in Maliana were completed and are now fully operational.

During the month of March, three BACET Agribusiness teachers were sent for training at Padjadjaran University. The training provided hands-on workshop sessions in agribusiness practices including weighing and measuring product for pricing formulation, and curriculum delivery, and reinforced the commitment by the BACET program to help build the agricultural schools' capabilities in teaching sustainable agribusiness practices.

During the last part of the quarter, two professors from the Agribusiness School of Padjadjaran University and a Cooperative Specialist came to Timor-Leste to train teachers on lessons planning, business planning, and cooperative management at both Natarbora and Fuiloro schools.

The BACET program enters the second year of implementation starting next quarter. Special activities are planned to recognize the inauguration of infrastructure and building rehabilitation completed in Fuiloro, and are scheduled to take place in August, 2008.

**Progress Indicators for Q1- 2008:****BACET PROGRAM ACHIEVEMENTS, 2007 AND FIRST QUARTER 2008**

Performance Indicator	Unit of Measure	Disaggregated by	Baseline	Year 1	Progress Year 1	Year 2	Progress Year 2	Total Target
<b>Building Agribusiness Capacity</b>								
1) Graduates with certificates	#	Gender	Zero	-		150	-	150
<b>Common Project Components</b>								
1) Common curricula	#	Total	Zero	1	1	-	1	1
2) Train teachers per subject per school	#	Gender	Zero	3	2	-	2	3
<b>Case Study</b>								
1) Library of case studies	#	Total	Zero	1	-	-	-	1
2) Develop local case studies	#	Total	Zero	3	-	-	-	6
3) Train teachers	#	Gender	Zero	9	-	-	-	9
4) Train Students	#	Gender	Zero	-	-	150	-	150
<b>School Infrastructure</b>								
1) Computer resource center	#	Total	Zero	3	2	1	3	3
2) Secure housing for consultants/ volunteers in campus	#	Total	Zero	3	2	-	2	3
3) Total capacity of dorms in campuses	#	Total	Zero	165	204	-	204	165
<b>Agribusiness Development</b>								
1) Develop business plans for agribusiness in campus	# days	Total	Zero	3	0	-	2	3
2) Prepare agribusiness infrastructure	#	Total	Zero	3	0	-	1	3
3) Operational agribusiness in campus	# days	Total	Zero	3	0	-	2	3
4) Train agribusiness manager	# days	Gender	Zero	3	0	-	2	3
5) Train teachers in running agribusiness	# & days	Gender	Zero	6	4	-	5	6
6) Train high school seniors to operate Agribusiness	#	Gender	Zero	30	0	-	0	30
7) Students enrolled	#	Gender	Zero	150	144	-	133	150

## **2. Project Activity Highlights**

### **2.1 Monthly Activities**

#### **2.1.0 Introduction**

Land O'Lakes and MAFF initiated a plan to transfer current BACET teachers to work under the direction of the management at each school. This will help alleviate communication issues between BACET teachers and MAFF at each agricultural school, transition management responsibilities of the BACET program to MAFF, and render a comprehensive platform to secure fiscal commitment from MAFF on behalf of the program.

### **2.2 Lesson Plan Writing for Second and Third Trimester**

#### **2.2.0 Introduction**

Lesson plan writing for the second and third trimesters began in Indonesia, with Land O'Lakes consultants working according to the following revised schedule:

#### **Lesson Plan Development**

<b>Consultant</b>	<b>Subject</b>	<b>Dates</b>			<b>Location</b>
		<b>Start</b>	<b>End</b>	<b>Training</b>	
Jeff Gucker	Livestock and Horticulture	January 31, 2008	May 31, 2008	22-26 April 2008	Natarbora
Jonathan Ford	Agriculture Mechanics	January 31, 2008	May 31, 2008	6-19 April and 5-17 May 2008	Fuiluro and Natarbora
Matthew Trevatt	Agriculture Mechanics	January 31, 2008	May 31, 2008	13-19 April and 5-17 May 2008	Fuiluro and Natarbora
Tomy Perdana and Trisna Insan	Ag Business	January 31, 2008	May 31, 2008	30 March-13 April 2008	Fuiluro and Dili

Next quarter activities include the arrival of a melon specialist from Indonesia to help start a melon program in at least two of the agricultural schools.

### **2.3 Agribusiness Development Activities**

#### **2.3.0 Introduction**

Main Activities:

- Agribusiness training at Padjadjaran University 16-20 March 2008
- Don Bosco Fuiluro Multi Purpose Cooperative/DBFMPC activities
- Three thousand plants delivered and donated by CCT to help establish a small cattle fattening program in Natarbora.

### 2.3.1 Agribusiness Training

The training consisted of classroom discussions and field visits. Classroom sessions included discussions of constraints and difficulties in the first trimester lesson plans delivered by the BACET teachers, and coaching on the use of Excel software for profit and loss analysis. Field visits to acquaint the BACET teachers with the production and business activities of the following enterprises were conducted: organic vegetable farmers group; dairy farmers and dairy farm cooperative; Koperasi Peternak Susu Bandung Selatan (South Bandung Milk Farmer Cooperative); Caramel home industry; and a cattle fattening farmers group.



**BACET teachers Evangelino Monteiro, Moizes de Sar and Isaac Ribeiro Ximenes training in Indonesia with Tomy Perdana and Trisna Noor**

achieve the purpose and objective stated above, the cooperative committees have completed a preliminary assessment of each production area, and discussed specific problems occurring in the areas that need to be addressed immediately.

The students play a critical role as the cooperative owners/members responsible for taking day to day actions in managing the agribusinesses, and problem solving to help increase production and viability of all four areas of production in accordance with a marketing plan.

The following are examples of problems identified by the cooperative committees in their preliminary assessments:

1. Sanitation problems in poultry, dairy and swine facilities.
2. Lack of full-time and part-time farm workers to pack eggs and care for livestock.
3. Lack of fencing to prevent livestock from eating horticultural products for human consumption.
4. Lack of pasture management for dairy.
5. Lack of disease control (ticks and scabies with Dairy cows), and general poor nutrition of dairy cows.

The students discussed the cases among their committee members, and worked cohesively in teams to find solutions to the problems they identified. The following list illustrates some of the actions taken by the Coops to address the problems identified above:

1. Cleansing the floors for poultry, Dairy and Piggery.
2. Removing ticks by hand and bathing cows to reduce tick infestation and prevent scabies.

### 2.3.2 Don Bosco Fuiloro Multi-Purpose Cooperative Training Activities

Land O'Lakes cooperative consultant Elwin Guild returned to Fuiloro on March 25, 2008. He continued to train and teach Land O'Lakes BACET teacher staff, the Cooperative Management Team, and BACET students. Sixty-four students have been trained to date.

The BACET Cooperative formed four committees to improve the production of poultry, dairy, swine and horticulture. The cooperative committees voluntarily and democratically selected the production areas which they were interested in working on. DBFMPC purpose is to increase the production through the improvement of management skills, production practices, and the development of a market driven approach. In order to



**Cooperative Specialist Elwin Guild works with students in Fuiloro**



3. Planting king grass and repairing pasture fences to prevent cows from eating forage before it is ready to be grazed.
4. Installing the vegetable farm and fencing off to prevent cows and other livestock from eating.
5. Increasing student hours and the number of students participating to assist in the feeding of animals.
6. Provide regular student hours to assist in diseases control practices for poultry and livestock.
7. Provide student hours to assist in sorting, grading and packing eggs.
8. Initiate record keeping for eggs and milk production.
9. Improve vegetable nursery product mix based on marketing plan.

#### Progress:

1. The BACET Coop committees have learned to identify problems and work cohesively to find solutions.
2. The BACET Coop committees are working independent of teachers (with teacher observation), and volunteering more hours to ensure an increase in quality and production of agricultural products.
3. The BACET Coop committees have learned to make group decisions, and are learning how to resolve differences to achieve positive outcomes such as increased milk, poultry, pork, and horticultural production.



As cooperative members, students identify problems and solutions to run a successful agribusiness.

#### Student Coop Committee Perceived Constraints:

1. BACET Coop committees request poultry rearing operation for day old chicks.
2. BACET Coop committees need medicines; vaccinations, disinfectants, and specifically Cydectin for animal disease control.
3. BACET Coop committees need inputs. Example: feed concentrate for layers.
4. BACET Coop committees need concentrates and maize grain for dairy milk production.

During the month of March, a Livestock Specialist was hired to address the problems raised by the cooperative committee and is currently implementing critical dairy management controls that were previously neglected.

## 2.4 Natarbora Agribusiness Program Highlights



Apiculture Consultant Dale Wolf and his wife Joyce prepare for their first trip to Natarbora to set up the hives

### 2.4.1 Plants Delivered by CCT to Natarbora

In the month of February and in early March, two shipments of tree seedlings were delivered by CCT to the student cooperative in Natarbora. Two species have been planted, Cesbonia and Lamtoro, totaling over 3,000 plants. The trees will be used as fodder for a cattle fattening program that CCT will be implementing with the cooperative in the future. Shane McCarthy from CCT donated the tree seedlings which will be used to feed the cattle, and will also provide a seed bank for propagation of the species in the area. As the trees become mature, the possibility of raising seedlings and selling them will be an additional source of income for the cooperative.

### 2.4.2 Apiculture Program Initiated

During the month of February, Apiculture Specialists Dale and Joyce Wolf traveled from the United States to Natarbora to deliver training on raising honey bees, and honey production. Apiculture equipment including beehives, bee suits, and literature on raising honey bees was purchased in Australia and delivered to the school where the students learned how to assemble the hives and utilize the protective bee keeper suits. Mr. and Mrs. Wolf completed several workshops on honey bee health, species identification, honey



production and forage, and value added products. The students participated with great interest, and were successful in locating wild honey bees suitable for domestic honey production. Currently, the students have two hives established. There are a total of four bee hives that will be used for honey production in the near future.

The Wolfs traveled to Maliana to evaluate the school's infrastructure needs for establishing a future honey processing operation. Their initial assessment indicates that Maliana has sufficient facilities in place to start processing honey products as soon as honey production reaches sufficient levels at Natarbora. The schools will continue to work on a marketing plan and evaluate honey products that are in demand in the local Dili market.

## 2.5 School Infrastructure

### 2.5.1 Dormitory Infrastructure

The women's dormitory at the FMA in Fuiloro with capacity for 35 girls is scheduled to be completed on May 12, 2008. The dormitory building mainframe has been completed and electrical and masonry work has begun.

Two dormitories were completed in Natarbora. The third dormitory for students was delayed; however, the main structure has been completed. Maliana is scheduled to initiate remodeling for dormitories and bathrooms in May-June 2008.

The following table summarizes the dormitory infrastructure improvements completed or scheduled to begin:

Agricultural School	Dormitory Description	Number of Beds	Stage in Construction Process			
			Design Approval	Budget Approval	Contract Signature	Purchase Construction Materials
<b>Natarbora</b>	Two New Buildings	64	▶	▶	▶	▶
<b>Fuiloro</b>	Remodeling Dormitory	140	▶	▶	▶	▶
<b>Maliana</b>	Remodel Current Structure	56	December	December	December	January 2008

### 2.5.2 Land O'Lakes Staff and Consultants' Rooms

Six rooms that can accommodate two people each were fully completed and renovated for Land O' Lakes staff and consultants in Fuiloro. The renovation included new floor tiles, new bathroom facilities, new doors and furniture. Renovation for an additional six rooms is scheduled to start in June, 2008.

In Natarbora, the Franciscan Sisters continued to provide consultants and staff rooms. The following table summarizes staff room infrastructure completed or scheduled for completion:

Agricultural School	Dormitories Description	Number of Rooms	Stage in Construction Process			
			Design Approval	Budget Approval	Contract Signature	Purchase Construction Materials
Natarbora	Franciscan Sisters Providing Space	4	▶	▶	▶	▶
Fuiloro	Remodeling Rooms	6	▶	▶	▶	▶
Maliana	Remodel Current Structure	4	April 2008	June 2008	June 2008	August 2008

**2.5.3 Computer Resource Centers**

During the month of January a new computer room and two classrooms were built in Maliana. Fifteen **Asus** computers with Pentium 4 Intel Duo Core processors, and 512 MB of RAM running Windows XP Professional SP2 and MS Office 2003, including three staff computer were installed. The satellite system was set-up by CCS Systems and is scheduled to go online on May 5, 2008. Training will be provided to the Computer Specialist from Maliana in Natarbora during the month of April.

The following table summarizes computer room infrastructure completed to date:



**MAFF's IT teacher Carlos Amaral with newly installed computers in Maliana**

Agricultural School	Computer Center Location	Number of Computers	Stage in Construction Process			
			Design Approval	Budget Approval	Construction Remodeling	Computer Installation Scheduled
Natarbora	Library Building	21	▶	▶	▶	▶
Fuiloro	Computer Room	21	▶	▶	▶	▶
Maliana	New Computer Room.	15	December	December	Jan/2008	Jan/2008

### **3.0 Monitoring And Evaluation**

#### **3.1.0 Introduction**

During the first quarter \$109,066 in match contribution were secured by the BACET program, with a total to date of \$178,427.

#### **3.1.2 Match Contribution**

The following table summarizes Match Contributions to date:

<b>Match Contribution</b>					
<b>Volunteers</b>	<b>Staff &amp; Consultants Housing</b>	<b>Computer Equipment Fuiloro</b>	<b>Seedlings Natarbora</b>	<b>Small Grants</b>	<b>TOTAL</b>
\$12,600.00	\$37,040	\$31,500	\$3,500	\$19,296	<b>\$109,066</b>

The tables breaking down each Match Contribution section can be found in **Attachment A**.

### **4.0 Administrative and Related Activities**

#### **4.1.0 Introduction**

A Small Grant for GIS/GPS training and equipment was awarded and signed with Fuiloro and Natarbora Agricultural High Schools. The head office in Dili hired one accountant and one assistant accountant who were trained by a regional Land O'Lakes accountant in February. Additional hourly staff was hired for Maliana and a computer instructor for Natarbora. Staff meetings and training sessions were held throughout the month of February in order to stream line processes and ensure staff compliance with USAID procedures.

#### **4.1.1 Small Grant Award for GIS/GPS Training**

In February, a Small Grant for Fuiloro and Natarbora Agricultural high schools was awarded. BACET is managing the grant on behalf of the schools, and providing matching contributions in the form of volunteer training for ongoing support and teacher education, as well as soil test kits to complete GPS field data analysis. The GIS/GPS program will provide cross-cutting training that will strengthen the students' general technical, research, and data management skills, thereby preparing them for internships or entry level jobs in the fields of natural resource management, land surveying, government census data collection and other fields utilizing GIS and GPS technology.

#### **4.1.2 Management and Administration**

During the months of January and February, the Regional Accountant from Land O'Lakes Headquarters visited our new offices in Dili. The accountant held training sessions and reviewed USAID compliance requirements with new hires. Meetings were held with current and new staff, and the following major objectives of the administrative team were identified: (1) provide effective support to technical teams and partners in order to meet program performance indicators, (2) provide appropriate management of Program resources in compliance with USAID standards, and (3) follow-up to ensure that financial reporting is completed in a timely manner and in accordance with USAID requirements.

#### **4.1.3 Technical Staff**

A new accountant and an assistant accountant were hired in January, to provide procurement and accounting services. A full-time Communications Specialist was also hired in January to monitor and update the database of books in the schools, and to produce BACET's Flash News on a fortnightly basis.

Other hourly staff hired includes two security guards for Maliana, and a computer instructor for Natarbora. During this quarter we lost our IT and M&E specialist to a local NGO.

#### **4.1.4 Problems**

The demand for qualified Timorese staff by NGO's for new programs is starting to have an impact on employee loyalty to the BACET program. We have lost one excellent IT professional, and anticipate the increased potential of losing more qualified staff competing for higher pay in the near future.

# Attachment A

## Match Contributions

### VOLUNTEERS

NO.	NAME	EXPERTIES	ACTIVITY	ARRIVAL	DEPARTURE	TOTAL DAYS	DAILY RATE	TOTAL
1.	Joyce Wolf	Apiculture	Setup honey production	24/1/08	28/2/08	30	\$200	\$6,000
2.	Anna Brenes	GIS/GPS Specialist & Grant writing	Small Grant Writing, Procurement			30	\$220	\$6,600
<b>TOTAL</b>								<b>\$12,600</b>

### FUILORO INFRASTRUCTURE

NO	ITEM	NUMBER	UNIT COST	TOTAL
1.	Computer stations	21	\$1,500	\$31,500
<b>TOTAL</b>				<b>\$31,500</b>

### NATARBORA COOPERATIVE

NO.	ITEM	NUMBER	UNIT COST	TOTAL
1.	Tree seedlings (Sesbonia and Lamtoro)	3,500	\$1.00	\$3,500
<b>TOTAL</b>				<b>\$3,500</b>

### TEACHER TRAINING. BANDUNG, INDONESIA

NO.	TEACHER	DATES	TOTAL DAYS	COST PER DAY	TOTAL
1.	Evangelino Monteiro	14/3/08 – 20/3/08	6	\$285	\$1,710
2.	Isaac Ribeiro	14/3/08 – 20/3/08	6	\$285	\$1,710
3.	Moises Guterres de Sar	14/3/08 – 20/3/08	6	\$285	\$1,710
<b>TOTAL</b>					<b>\$5,130</b>

**SMALL GRANT FOR SCHOOLS**

<b>NO.</b>	<b>GRANT</b>	<b>AMOUNT</b>
1.	GPS/GIS equipment and training for students and teachers in Natarbora	\$9,648
2.	GPS/GIS equipment and training for students and teachers in Fuloro	\$9,648
<b>TOTAL</b>		<b>\$19,296</b>

**STAFF AND CONSULTANT HOUSING IN FUILORO**

<b>NO.</b>	<b>NAME</b>	<b>DATES</b>		<b>NO. NIGHTS</b>	<b>TOTAL COST (AT \$40/NIGHT)</b>
		<b>FROM</b>	<b>TO</b>		
1.	Isaac Ribeiro	15/12/07	4/5/08	141	\$5,640
2.	Beatriz Oling	4/8/07	30/9/07	267	\$10,680
		8/10/07	28/2/08		
		1/3/08	4/5/08		
3.	Celestino Ximines	15/12/07	4/5/08	113	\$4,520
4.	Moises Guterres de Sar	21/12/07	4/5/08	107	\$4,280
5.	Domingos A. Xavier	21/12/07	4/5/08	107	\$4,280
6.	Nuno Goulart	10/12/07	30/3/08	112	\$4,480
7.	Gene Kuntz	28/4/08	4/5/08	8	\$320
8.	Matthew Trevatt	13/4/08	18/4/08	35	\$1,400
9.	Jeff Gucker	28/4/08	4/5/08	8	\$320
10.	Elwin Guild	21/3/08	12/4/08	23	\$920
11.	Willopo Koeswardoyo	28/4/08	2/5/08	5	\$200
<b>TOTAL</b>					<b>\$37,040</b>

**GRAND TOTAL = \$109,066**