



Agro Information Centre, AIM-Azerbaijan

Transfer to paid Agricultural Extension:

Achievements of a situation
specific, client-oriented
training and advisory
concept for independent
advisors in Azerbaijan

J.P.A. Lamers, P.R. Feil,
N. Bayverdiyeva, Y. Guliyeva, F.
Djafarov

www.aim-az.com

Outline

- Background to the working area and the extension structure of AIM
- Methods used by the M&E department of AIM
- Results on the monitoring and assessment of extension clients
- Results on the monitoring and assessment of extensionists (Agricultural Advisors)
- Conclusions & Outlook

THE CAUCASUS REGION





(off-shore) oil
and gas based
economy in
Baku and its
vicinity



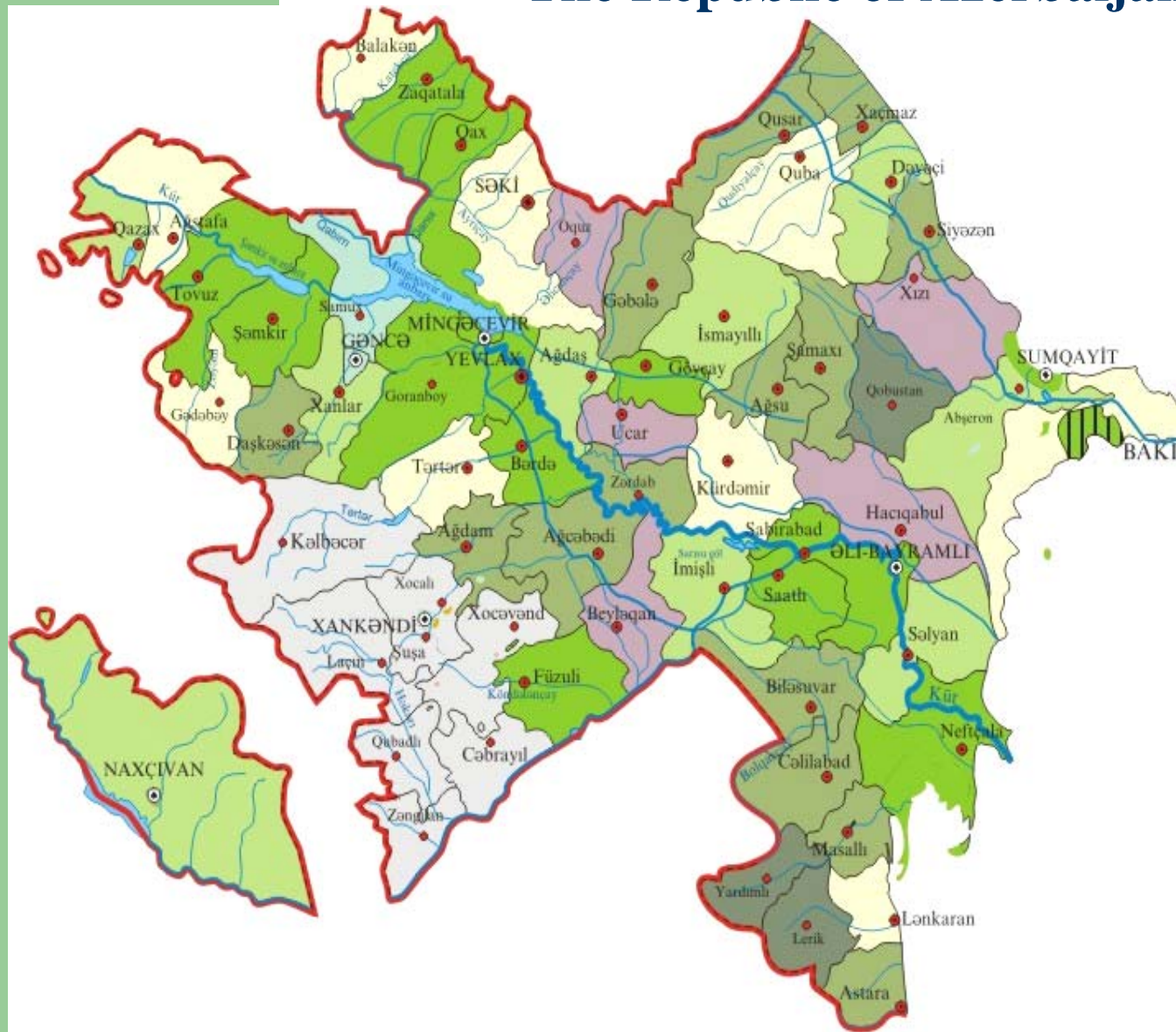
Agriculture based
rural economy



Cotton,
wheat,
and others



The Republic of Azerbaijan



*Total area: 86,600 km²
20 % of land territory
occupied by Armenian
military troops*

*Borders with:
Russia, Turkey, Georgia,
Iran, Armenia, Caspian Sea*

Population: 8 mln

*Poverty: 45% below poverty
line of 310 USD*

*Climate: warm dry, semi
desert climate. Warm long
summers, short cold winters*

*Agriculture: only with
irrigation*

Landowners: 864,500

Farmers' problems following privatisation

- Cut-off from production subsidies
- Break away of traditional market outlets
- Low prices for agricultural products
- Rising costs of farm inputs
- Outdated irrigation network
- Agricultural equipment insufficient, poor quality, high maintenance and operations costs, spare parts are lacking
- Animal traction
- Saline, polluted and impoverished soils
- **Auxiliary infrastructures lacking**
- **Limited knowledge of new landowners**





Agro Information Centre, AIM-Azerbaijan

November 1999:

Non-for profit, non-religious, non-political,
National Non-Governmental Organisation

Objective:

*To improve self-reliance and productivity
of the privatised farmers
by delivering demand driven
information and extension services*



Activities to reach objectives

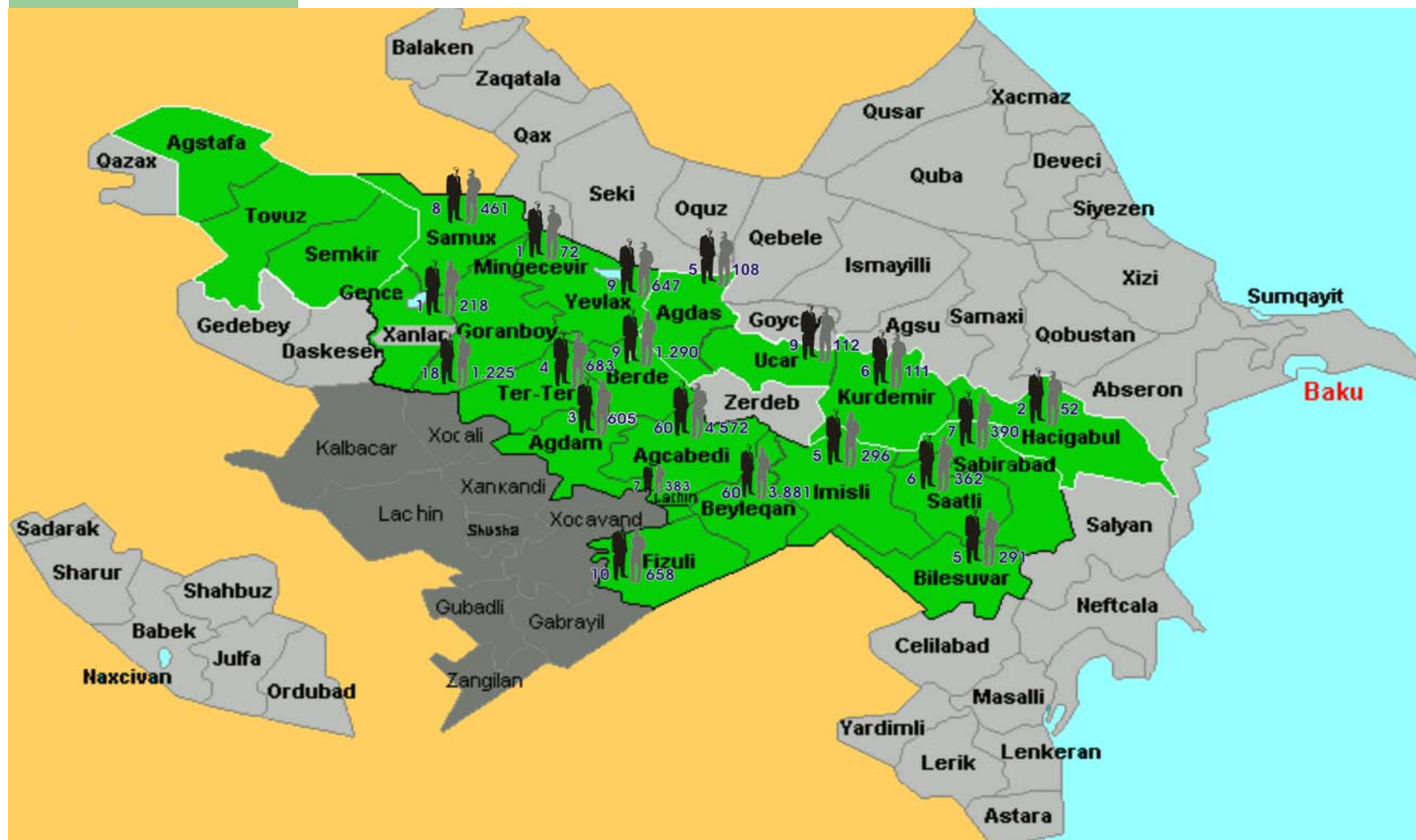
- *Training of private Agricultural Advisors (AAs)*
- *Direct delivery of agricultural extension services*
- *Farmer group development*
- *Short-term consultancy services*
- *Resource Centre development*
- *Agricultural Publications*
- *Update Agricultural Library*
- *Agricultural Technical Assistance*





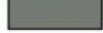

Programs

1. AIM – Diakonie Emergency Aid, Germany; 2000-2002
EVANGELISCHER ENTWICKLUNGSDIENST e.V.- EED, Germany;
Interchurch organization for development co-operation- ICCO, Netherlands
2. AIM - EVANGELISCHER ENTWICKLUNGSDIENST e.V.- EED, Germany; 2003-2005
Interchurch organization for development co-operation- ICCO, Netherlands
3. AIM - Action Against Hunger, Spain 2000-2002
4. AIM - Save the Children, US 2001-2003
Integrated Community Development Program, MCI/USAID
5. AIM - Save the Children, US 2003-2005
Baku-Tbilisi-Ceyhan/Community Investment Program
6. AIM - International Rescue Committee, US 2001-2003
Integrated Community Development Program, MCI/USAID
7. AIM - International Rescue Committee, US 2004-2004
Baku-Tbilisi-Ceyhan/Community Investment Program
8. AIM - Save the Children, US 2004-2005
Integrated Community Development Program, MCI/USAID
9. AIM-World Vision, International 2004-2004

AIM intervention area



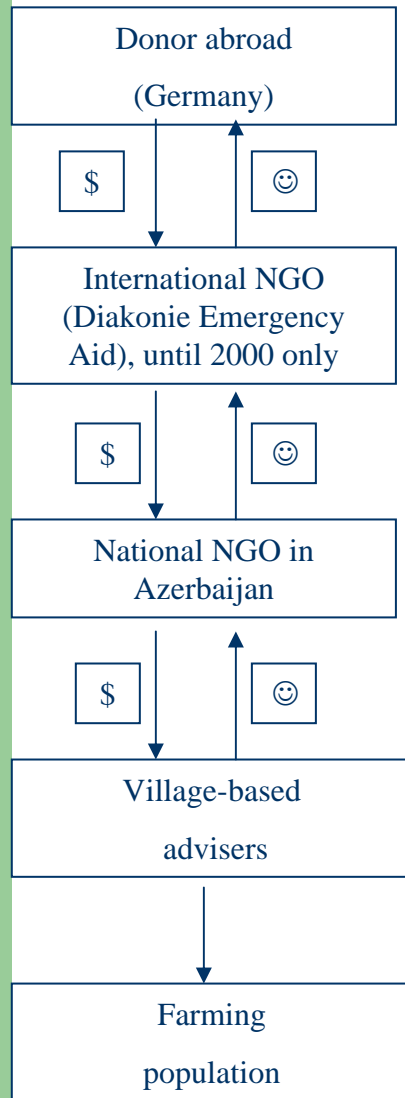
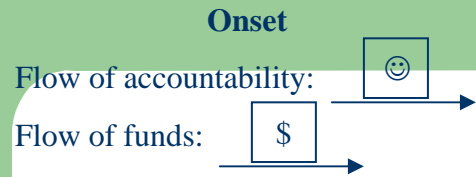
-  - Village Extensionists
-  - Client Farmers

-  - AIM Intervention zones
-  - Newly started intervention zones
-  - Occupied land territory of Azerbaijan by Armenians
-  - Other regions

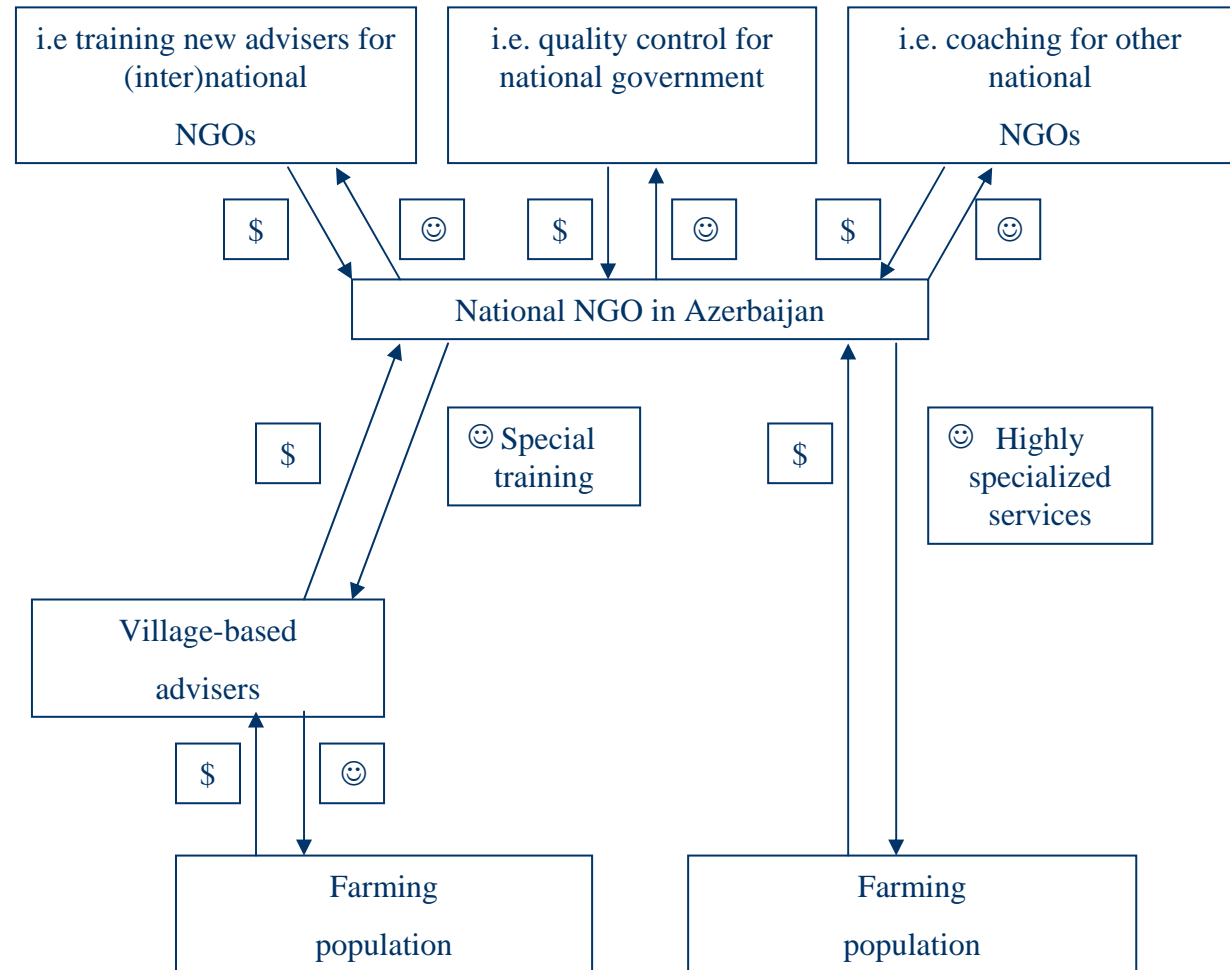
Centerpieces of AIM approach

- *strengthening the demand-side for services*
- *promoting direct contracts between farmers and AAs,*
- *offering fee-based service delivery to farmer clients, and,*
- *AAs remaining effective and functional after financial support during the training phase*

Diagram: Present and anticipated flows of funding and accountability

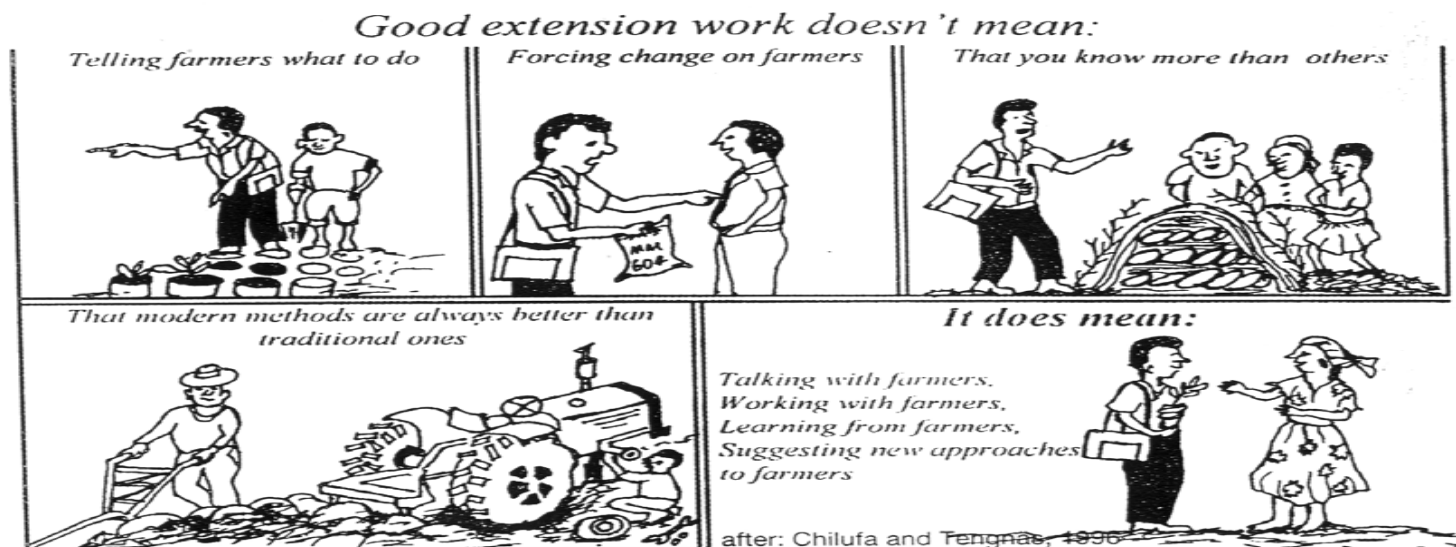


Anticipated



Between 2000-2004:
210 private village-based
agricultural advisors (AAs) were
trained.

Training and educational programs
blended lectures, field visits, on-
the-job-training and tailor-made
coaching.





Monitoring & Evaluation Unit

Annually surveyed

70 “**contact farmers**” in 14 villages in

Agjabedi and Beylagan

55 “**reference farmers**” in 11 villages

Selected and trained AAs together with

M&E staff of AIM

Parameters: farm labor force, physical assets, machinery, land use, plant and livestock production, off-farm and total family income and **farming knowledge**

Results M&E extension clients

Key indicators of farm welfare in Agjabedi and Beylagan regions in 2002-2003 with and without extension providers. (In brackets: the percentage of the share in total family income).

Indicator (means per farms or household)	2002 (+ extension)	2003 (+ extension)	2003 (- extension)
Family members (numbers)	6	6	5
Working members (numbers)	3	3	2
Employees (numbers)	1	4	1
Own land (ha)	3.1	3.3	3.6
Cultivated land (ha)	3.7	3.9	3.4
Wheat area (ha)	2.0	1.8	2.3
Wheat yield (t ha ⁻¹)	2.25	2.78	2.30
Wheat net income (mln. AZM)	1.3 (16%)	1.6 (16%)	1.1 (16%)
Wheat income (mln. AZM ha ⁻¹)	0.7	0.9	0.5
Alfalfa area (ha)	1.5	1.8	2.1
Alfalfa yield (bails ha ⁻¹)	466	551	366
Alfalfa net income (mln. AZM)	1.2 (15%)	1.7 (16%)	1.3 (19%)
Alfalfa income (mln. AZM ha ⁻¹)	0.8	1.0	0.6
Cotton area (ha)	1.5	1.8	1.8
Cotton yield (t ha ⁻¹)	2.0	2.28	2.04
Cotton net income (mln. AZM)	2.4 (30%)	3.5 (34%)	2.7 (40%)
Cotton income (mln. AZM ha ⁻¹)	1.6	1.9	1.5
Vegetables area (ha)	0.9	0.7	0.2
Vegetables yield (t ha ⁻¹)	17.8	16.0	10.0
Vegetables net income (mln. AZM)	2.4	2.2	0.6
Plant prod. net income (mln. AZM)	3.4 (42%)	4.8 (47%)	2.7 (40%)
Livest. prod. Net income (mln. AZM)	2.2 (27%)	3.1 (30%)	1.4 (21%)
Additional income (mln. AZM)	2.4 (30%)	2.4 (23%)	2.7 (40%)
Total family net income (mln. AZM & USD)	8.0 (1630)	10.3 (2100)	6.8 (1390)

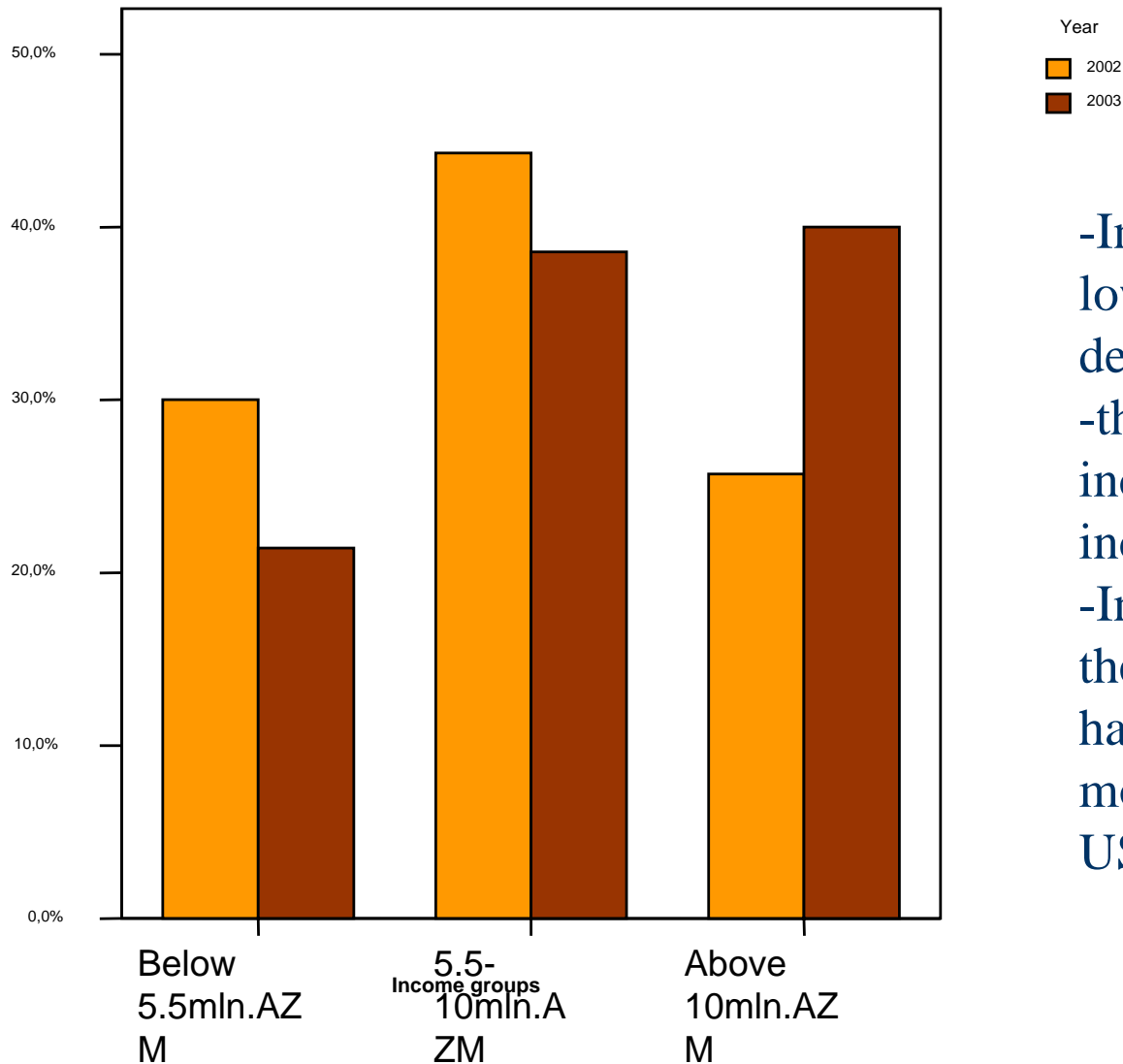
Results M&E Extension clients

In 2003, contact farmers had compared to reference farmers:

- 1) significantly higher yields ($p=0.013$)
- 2) significantly higher expenses
- 3) 80 USD more net income per ha of land cultivated with wheat (highly significant ($p=0.005$)). (Also for cotton and alfalfa production).



Farm income groups in Beylagan and Agjabedi regions



-In 2003, the share of low-income farmers decreased to 21%,
-the share of high-income farmers increased to 40%.
-In 2002, about 4% of the contact farmers had a net income of more than 4,080 USD. In 2003, 9%.

Results M&E Extension clients

Contact farmers had increased productivity due to:

- 1) better farming practices;
- 2) more extended knowledge of, and skills in production technology and input use (seeds, varieties, mineral fertilizers);
- 3) increased awareness of agricultural land value;
- 4) higher interest in animal production;
- 5) possessed more knowledge on production technology and livestock hygiene due to extension from AAs;
- 6) invested in labor into plant and livestock production;
- 7) net income increases & job creation by contact farmers.


Results M&E Extension clients

Labor costs were a most limiting factor for higher incomes, evidenced by the positive correlation between the number of working family members and cotton area ($r=0.33$), cotton harvest ($r=0.34$), and cotton net income ($r=0.35$).

Potentially higher incomes with increased vegetable productions were obstructed by **high initial investments in seeds and transportation costs**.

Strategic steps for mobilization of village based field staff

Steps	What	How	Who
1	Identification and listing of candidates	Intensive discussions with key resource persons in communities.	NNGO field and supervising staff, farmers and local authorities
2	Recruitment of extension field staff candidates	Identification of selection criteria. CV collection & analyses Group meetings	NNGO staff with the assistance of foreign experts
3	Training of extension field staff candidates	Class room training Field/practical training Field coaching and video Exchange of information among colleagues Selection of candidates	NNGO staff with the assistance of foreign experts Farmer/clients gradually involve
4	Mobilization	Practical work according to contracts and assignments Coaching and additional on the job training	NNGO staff with the assistance of foreign experts
5	Final selection	Evaluation of field work	NNGO field staff Farmer/clients Extension candidates
6	Completion of training	Class room training Field/practical training Field coaching and video Exchange of information among colleagues Certificate and registration	NNGO field staff Farmer/clients Local administration
7	Identification of new candidates	Intensive discussions with key resource persons in communities.	NNGO field and supervising staff, farmers and local authorities
8	Independence of extension agents	Establishment of village offices Contracts with farmers groups	NNGO field staff (backstopping) Farmer/clients Local administration



Monitoring & Evaluation Unit
Annually surveyed
75 “AAs” in Agjabedi and Beylagan

Parameters:

- 1) the number of farmer/clients served,
- 2) the number and type of contracts concluded between AAs and their farmer/clients,
- 3) the remunerations by farmers for the services rendered (In-kind payments were converted with the market price of the day of payment).
- 4) Farming knowledge

Number and value (in Azeri Manat) of written and verbal contracts concluded by 210 private agricultural advisors during 2000 and June 2004 according to the type of clients.

No. of AAs	No. of client / farmers		No. of written contracts	Value of written contracts (Manat)	No. of verbal contracts	Value of verbal contracts (Manat)	Total no. of contracts	Total value of contracts (in Manat)
	IDP	Local						
24	600	1,480	24	2,247,000	226	4,147,000	250	6,394,000
26	800	1,477	160	12,174,000	314	13,166,000	474	25,340,000
25	400	1,594	395	33,575,000	156	10,878,000	551	44,453,000
37	346	254	n.a*.	n.a.	n.a.	n.a.	n.a.	n.a.
23	1,041	414	259	25,270,500	246	22,224,500	505	47,495,000
23	515	824	291	18,330,000	172	8,388,000	463	26,718,000
25	150	1,795	371	31,890,000	396	13,666,500	767	45,556,500
27	40	1,455	50	4,639,500	187	12,302,500	237	16,942,000
210	3,892	9,293	1,550	128,126,000	1,697	84,772,500	3,247	212,898,500

During the time of writing the exchange rate was 1 USD = 4900 Manat. However, during the observation period, the exchange rate ranged from 1 USD = 3700 Manat in 1999 to 1 USD = 4900 Manat in 2004.

Number of verbal and written contracts of 75 AAs in two intervention regions Agjabedi and Beylagan according to form and value of the contract and the type of payment.

		Agjabedi	Beylagan	Agjabedi	Beylagan
		Verbal		Written	
Cash payment	0-9 999	255	197	152	216
	10 000-24 999	84	80	5	4
	25 000-49999	34	22	12	20
	50 000-99 999	14	5	49	31
	>100 000	4	2	17	24
In-kind payment	0-9 9 99	266	185	94	82
	10 000-24 999	100	74	9	15
	25 000-49999	14	28	39	70
	50 000-99 999	11	16	53	83
	>100 000	0	3	37	36

Results M&E AAs

During 2000-2004:

- 1) the 210 AAs served **13,185** farmer/clients who concluded **3247** verbal and written contracts. Total Value **43.500 USD.**
- 2) One AA left (for Russia)
- 3) Female AAs less mobility, more household tasks, less income.

Assessing fee based extension

- Paid extension from onset key in the set-up and concept
- Carefull selection of trainees (on average 3 months)
- High-quality training, coaching, and encouragement
- Demand driven extension



Assessing fee based extension

- Support during training and after graduation to establish trust
- Remain with extension (no credit provision, no input supply...)
- No central (expensive) structure but independent, private AAs to keep the fees low
- Qualified and well trained coaching staff



Assessing fee based extension

- Well functioning M&E unit with a wide spread scope (teachers, farmers, AAs)
- Regular feedback from representatives of the AA before taking major decision on changes



Outlook

- Establishing network of AAs
- Long term evaluation
- Financial independence of AIM and its further development
- Long-term return to the investment to the extension program
- Linking with other extension providing services.

