

## **REU/SEU–TCI Workshop on Formulation of Investment Projects in Agriculture and Rural Development**

**Budapest**

**8–12 December 2008**

From 8 to 12 December 2008, the FAO Regional Office for Europe and Central Asia (REU), and the Sub-Regional Office for Central and Eastern Europe (SEU), in collaboration with the Investment Centre (TCI), organized a workshop on the *“Formulation of Investment Projects in Agriculture and Rural Development”*.

Recognizing the importance of proper identification, formulation and operation of public investment projects to meet the objectives of national development strategies and plans, the workshop focused on illustrating all the stages of the project cycle, helping the participants understand and improve their technical and organizational skills in project development and implementation. The suggested approaches were based on best practices and the standard requirements of the international financing institutions working in partnership with FAO/TCI, such as the World Bank, EBRD, IFAD, and the ADB.

A total of 20 participants from 11 countries of the REU region — Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Georgia, Macedonia, Moldova, Serbia, Tajikistan and Ukraine — participated in the workshop. Participants were selected on the basis of their familiarity with investment work and their current position in planning departments or similar units within their Ministry of Agriculture. Preference was given to candidates whose current duties include liaising with donor agencies, those who manage the project formulation and design process, or those who carry out project preparation and implementation work as part of their duties. Also present were a number of FAO staff from REU/SEU, FAO HQ and field offices.

Mr J. Nagy (SEUM), assisted by REU/SEU staff, was in charge of overall workshop coordination and administration. Mr R. Jehle (REUT) acted as moderator and facilitator. Messrs P. Lucani and F. Vita, TCI retired experts, prepared the workshop material and conducted the training sessions and practical exercises.

The workshop was inaugurated with opening addresses by Ms M. Kadlečková, FAO Assistant Director–General/Regional Representative for Europe and Central Asia, who highlighted the importance of agricultural investment to cope with present demand and future trends in global food supply, and Mr C. Gregorio, Chief TCIE, representing the TCI Director, who outlined TCI’s commitment to building capacity in REU countries for investment planning, formulation, implementation and evaluation.

During the five–day training sessions, participants were guided through all key stages of a project cycle — from understanding why investing in agricultural development is a priority need, to the planning framework for project preparation appraisal and implementation. Various typologies of projects and sector programmes were explored and essential instruments and analysis tools for project design were illustrated.

Participants were invited to carry out group work cases and analyze practical examples of investment projects by preparing the standard documentation, performing exercises on filling the gaps, elaborating cost estimates and carrying out economic and financial analysis.

REU/SEU and TCI staff delivered in–depth lectures on selected themes of relevance, such as irrigation planning issues and lesson learnt, the European Union rural development support programmes, and the RuralInvest package for the formulation and evaluation of small to medium–scale investment projects.

Participants indicated that replication of a similar workshop in their own countries or again on a regional or sub–regional basis would be of great interest to their governments. Most agreed that the content and topics discussed were well balanced and that only minor modifications to subject matter and presentations are needed for future workshops of this type. For example, participants felt that practical exercises and case studies were very important and that there should be more of these. It was also felt by both the

participants and workshop presenters that more time should be devoted for interaction between participants and discussion on their own country priorities. It was also suggested that the handouts given to participants be improved and be made into a “handbook” to serve as a source of explanatory notes to the presentations, and that reading materials be sent to participants in advance of the workshop. Keen interest was shown by the participants for a more in-depth treatment of both financial and economic analysis, and for the RuralInvest package.

It is envisaged that, in the coming year or two, similar workshops of this type would be given in most, if not all FAO Regions and Sub-regions and repeated thereafter when necessary. A second Investment Project Cycle workshop is in the initial planning stage for 2009 for the Sub-Regional Office for Central Asia (SEC).