

Code: TCP/AZE/3001

Title: ASSISTANCE FOR THE ESTABLISHMENT OF A FARM DATA AND MONITORING SYSTEM

Country: Azerbaijan

Starting date: February 2006

Expiring date: June 2007

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Project Summary

During the transition from a centrally planned to a market-oriented economy (1991-1996) Azerbaijan's agricultural productivity and production decreased sharply. In 1996, the Government started a process of major reforms in the agricultural sector, including land distribution to private farmers. The continuation and direction of reforms in the agricultural and rural sector have been defined in the State Programme on Poverty Reduction and Economic Development 2003-2005 (SPRED), adopted in end 2002. Based on the advances of this process, it is now considered that Azerbaijan would have the potential to increase its agricultural production if farmers acquire management skills and receive proper guidance on the efficient use of available resources. External partners (WB, USAID, GTZ, etc.) supported the privatization process and the provision of services to emerging farmers. GTZ, USAID and EC Food Security Programme have started their own field projects to collect farm-level data. It seems, however, that due to their limited coverage and duration, none of these projects systematically addressed the issues of farm-level data and profitability monitoring and assessment that could be used in production planning and policy analyses. The current information available on farm and enterprises profitability is not only limited and does not allow such analysis, but the capacity to analyse farm level data, as well as necessary institutional arrangements needed to provide a basis for such a complex information and decision support system are lacking. The Government requested FAO assistance to fill in the above technical gaps. It also confirmed commitment to provide the resources needed to implement project surveys and to follow-up on the project's recommendations for the institutionalization of the farm data and monitoring system, including provision of the financial resources needed for its regular functioning. Consideration will also be given to a follow-up project and to approaching potential donors for funding.

The objective of the project is to strengthen national capacity for collection, analysis and use of farm-level information for monitoring of farm efficiency on different farm types, for improved advice to farmers operating in the market environment and for the formulation of agricultural programmes and policies.

The project will provide the services of one international consultant, specialized in farm management training and manual development (five weeks in one mission, including two weeks home-based); one TCCT (Technical Cooperation among Countries in Transition) consultant, specialized in farm surveys and data analysis (eight weeks in two missions); three national consultants (35 weeks in total) as well as FAO backstopping services (13 weeks in total). In addition, the project will provide official travel, contracts, materials and supplies, equipment, training and general as well as direct operating costs.

The assistance is expected to result in a proposal for the establishment, operation and management of a Farm Data and Monitoring System (FDMS); the development and testing of farm management and surveys guide, questionnaire and guidelines for conduct of farm management surveys and a simple farm records system, and improved national capacities in farm surveys and farm/enterprise profitability assessment and in the use of computerized tools for farm planning and policy analysis.

National Counterparts: Ministry of Agriculture

Funding Source: FAO Technical Cooperation Programme

Budget: US\$ 276,000