

## Canada-Ukraine-Poland Initiate Trade Plan

# Enhancing Milk Production in Ukraine

by Theresa Whalen-Ruiter

*Agricultural leaders in Canada, Ukraine and Poland are teaming together to enhance farm production and trade among the three countries in an initiative known as the CUP Project.*

*The project is providing Ukraine with Canadian expertise, seed and genetics to enhance milk production and processing, as well as feed systems and farm management skills. Ukraine has more than 10 million dairy and beef cattle nationally, and offers substantial market opportunities for genetic sales by Semex Alliance, Canada's leading livestock artificial insemination company. In Ukraine, western food chain expansion has created a high demand for mozzarella cheese. If quantity and quality can be assured, sizable contracts await reliable milk producers and processors.*

*The CUP Project is funded by CIDA and managed by the International Livestock Management Schools (ILMS) of Kemptville, Ontario. ILMS is a subsidiary of Semex Alliance, a Guelph, Ontario based company representing Canada's four leading livestock artificial insemination units. The school takes a hands-on approach in training farmers and agricultural support technicians about the inter-relationships among the many aspects of agriculture.*

In the Staryi-Sambir region, Lviv Oblast, a Producer Club of 22 farms has been partnered with the International Livestock Management Schools (ILMS) to implement the CUP Project. Four core farms were selected from among the Producer Club members to grow test plots of corn and soybeans, and to exemplify various other Canadian management techniques, particu-

larly in milk production and quality control. Victor Kovalchuk was elected the 1996/97 President of the Producer Club. Training sessions are frequently offered to club members. Serhiy Bilichenko, a contracted ILMS representative, summarizes, "we regularly observe better skills for management; better livestock genetics; and that Canadian care."

"We cannot just transplant our business management and marketing practices into Ukraine overnight," explains Michel Quirion, a marketing consultant with ILMS. "We need to show them the evolution that we have gone through over the past 30 or 40 years and let them adapt this to their own situation." Seeing is believing. One of the most important functions of the core farms is to demonstrate the techniques and technology used by Canadian farmers and how these methods can be paralleled and adapted into Ukrainian agriculture. Tagging calves is one example. All the newborn calves born of Canadian genetics on the core farms are ear-tagged. This allows Ukrainian farmers to easily see if the Canadian genetics are superior and worth the extra effort and money.

An effective training tool is to see and experience the new concept. With this in mind, the CUP Project has arranged for training to take place in both Canada and Ukraine. Experiencing Canadian farming helps the participants envision the possibilities for change on their own farms. However, it is equally important for ILMS to deliver expertise in Ukraine to help ensure that realistic and practical progress is made. Quirion summarizes, "We can show them the recipe, but they must make it themselves."

A critical part of this recipe is marketing. In January and March of 1997, Quirion went to Pereyaslav to offer several five-day training programs dealing with strategic planning, marketing, understanding basic free market concepts, and team building. Using Canadian comparisons, participants examined marketing, promotions, pricing, distribution and customer service. Quirion felt the participants identified with the need for these things, but were unfamiliar with the decision making processes needed to implement the concepts. By the end of the program, the two most commonly asked questions were "How do we make this happen at all the different levels, from government through to the farmers?" and "What can I do here on my farm?" "If we can show them a success story in their own

neighborhoods (on the core farms) where they can see it everyday," says Quirion, "then the word and the will, will spread on its own."

Another important goal of the CUP Project is to encourage trade between Ukraine and Poland. To do this, contacts must be culminated, and agreements realized. ILMS has helped expedite this process by identifying market needs. Poland can mill quality cattle feed and deliver it to Ukraine which needs it. In December 1996 an exchange was arranged where Ukrainian delegates visited Siedlce Vaivoidship, Poland, to see and learn more about the feed milling business. This September, the exchange was reciprocated with Polish delegates coming to Staryi-Sambir, Lviv Oblast, Ukraine. This offered a tremendous opportunity for follow-up and implementation of the marketing concepts presented earlier in the year.

As Canadian Project Coordinator for ILMS Tom Clapp has done a great deal of work in Ukraine over the past decade and is optimistic for the future. "The attitude of Ukrainian farm managers is slowly becoming more business like as they are exposed to the global agricultural picture. ILMS is providing training opportunities for farm managers to learn the principles and practices of active decision-making. This in turn, will give them a greater opportunity to direct their own future. The CUP Project is progressing well and its success will lead to even more opportunities and more successes for Ukraine."

The seemingly immense task of re-vamping and modernizing an out-of-date agricultural industry is not new to ILMS which continues development work in more than 60 countries around the world. Semex Alliance has been working in Ukraine since 1986, and last fall renewed its business partnership with Semex Ukraine, managed by Svetlana Fialova, as an extension to a 1990 agreement signed with Selecs Limited of Ukraine, managed by Irina Volenko, in Pereyaslav-Khmelnytsky. Semex Ukraine uses Canadian genetics and works in cooperation with the state AI unit Main Selection Centre of Ukraine, to improve cattle genetics and assist in training farm management skills. Semex Ukraine will accommodate part of the CUP Project training. "The key to success in development work, is making sure there is something in it for each party," explains Clapp, "when each stakeholder has something to gain from a successful project, then together we can achieve just about anything."



*Putting brightly colored ear tags on calves born of Canadian genetics allows them to be identified quickly by local farmers who can decide for themselves if the calves are superior. L-r: Tom Clapp, Canadian Project Coordinator for ILMS; Victor Kovalchuk, President of the Producer Club; and dairy specialist Stefania Myrdak.*