

Poland

Soon after the fall of the Soviet Union, ACDI/VOCA began a variety of programs in Poland. After decades of centralized state control, the country's agriculture and finance sectors needed restructuring to better compete on a national and global scale. In 1990, VOCA established an expansive volunteer program that increased effectiveness of agricultural enterprises and provided technical training for farmers. In the early 1990s, ACDI conducted a series of assessments on agribusinesses and cooperatives, which provided key background material for future projects.

Volunteers Provide Technical Assistance and Other Services

VOCA opened its office in Warsaw in early 1990, launching a Poland volunteer program with the support of USAID. The program quickly took off, and in 1991 USAID awarded VOCA a \$9.5 million grant to expand its program in the Central and Eastern European region. In the following three years, VOCA placed roughly 200 volunteers annually, continuing in Poland and expanding into Bulgaria, the Czech and Slovak Federal Republic, Hungary, Romania and Yugoslavia.

The expanded VOCA program addressed issues related to agriculture and democratization. Volunteer experts worked to



establish private agribusinesses and farmer organizations; enhance the effectiveness of agricultural enterprises; increase extension services to farmers; expand credit and banking services; and support privatization of state-run agricultural enterprises.

During the program's first year, more than 50 volunteers provided assistance to agricultural organizations in Eastern Poland. The program then underwent a major evaluation by representatives of the host organizations our volunteers helped. Small group seminars as well as larger, open discussions yielded positive reactions.

Transforming Cooperative Banks Helps Boost Competitiveness

In 1992, ACDI/VOCA staff encountered a cooperative banking system consisting of

1,600 locally owned banks, depleted of capital and lacking credit and marketing skills. Owned and controlled by the government, the system had collapsed soon after the fall of communism. As a response, ACDI/VOCA began the USAID-funded **Cooperative Bank Development Project**, a six-year effort to transform cooperative banks in Poland and enable them to better respond to the needs of the community. The program was founded on the understanding that cooperative banks could serve as a major catalyst in Poland's development as it made the difficult transition to a market economy.

ACDI/VOCA worked with existing cooperative banks to support a new private system of independent banks and to enhance their capacity for providing financial services to their customers. Staff helped three independent regional banks, owned and controlled by participating local banks, form. These regional locations could effectively deliver financial and technical services to shareholders.

ACDI/VOCA also designed a computerized bank financial planning model that encompassed all aspects of bank operations and allowed bank managers to test financial ramifications of various "What if?" scenarios. This planning model was recognized by the National Bank of Poland and soon required by all banks applying for financial assistance. Another useful tool, a peer bank comparative analysis, allowed bank presidents to compare their performance to other banks of similar size. In 1996, more than 170 banks provided financial data for the annual review; a year

later, 340 banks provided information. This data was eventually analyzed and published.

The program included several training components. The Banker-to-Banker program, a three-week U.S. training workshop, brought together 78 presidents of cooperative banks in St. Paul, Minnesota. The program also involved American volunteer bankers who conducted follow-up assignments overseas. ACDI/VOCA implemented a cross-border training program that combined the bank project with our West Ukraine Initiative to broaden the application of lessons learned in Poland as well as transfer new skills to the Ukrainian banks. Finally, staff created video training programs that covered marketing, human resource management and the roles and responsibilities of directors.

Enterprise and Business Development via Training

With the introduction of a competitive free market, Poland's small- and medium-sized enterprises (SMEs) began to play an increasingly important role in the country's economic development. To support this positive economic trend, ACDI/VOCA led the \$6.8 million USAID-funded **Business Support Project**, also known as **FIRMA 2000** with partners PricewaterhouseCoopers and American Manufacturers Export Group. From 1996-2000, FIRMA 2000 bolstered the professional capabilities of Polish business support organizations (BSOs) that provided critical services to growing SMEs in the manufacturing, agribusiness and service sectors. FIRMA 2000 also worked closely with

the Polish Association of Women
Entrepreneurs and the International Forum for
Women.

By the end of the project, 223 SME clients
received consulting services from paired
teams of FIRMA 2000 and BSO consultants.
Additionally, the BSOs' consultants delivered
services to 5,772 clients on their own without
FIRMA 2000 assistance. As a result, a total of
30 different training courses for consultant skill
development were offered during the course of
the program, attracting 842 Polish consultant
participants.

The project successor organization continues
to operate in Polish and international markets
with a mission to provide professional training
and consulting services to businesses, BSOs,
local authorities and institutions.

ACDI/VOCA has not implemented any
programs in Poland in over a decade, and at
the moment there are no plans for any future
initiatives. Yet our legacy lives on both in the
country's competitive agricultural sector and in
its growing banking system that has stepped
up to meet today's technological and
governance demands.

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