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CROATIA

SUCCESS STORY

One Hundred Percent Return for Farms

100 small family farmers get access to low-cost, high-quality seedlings



Photo: DAI/Damir Karakas

Josip Bais is proud of the high quality seedlings he helps produce in newly modernized greenhouse facilities in Varaždin, Croatia.

Outdated and low-capacity seedling production made it impossible for 100 small farms to take advantage of local markets for high-quality vegetables. USAID helped the farmers improve the greenhouse where they made seedlings and buy mechanized transplanting equipment. Today, seedlings cost 15 percent less and transplanting costs are down by \$26 per hectare.

Over the past ten years, Josip Bais had been taking the lead organizing vegetable production of farms in the Varaždin area. Although one of the largest vegetable processing plants in Croatia, Kalnik, was located nearby, Bais and his network of 100 small family farms were unable to improve their pepper and cucumber production to meet Kalnik's quality standards.

The small family farms that Bais worked with were poorly equipped — they had outdated equipment and the capacity of their seedling production facilities was inadequate. In addition, since their production was so fragmented — divided between so many small farms — buying modern equipment for each individual farm was prohibitively expensive.

USAID stepped in to help the farmers reorganize and purchase equipment that would make them more competitive. The farmers were then able to modernize the greenhouse where they grew seedlings. They purchased mechanized planting equipment such as a field transplanter, rotary hoe, and a mulch-laying machine to use in transplanting those seedlings at a lower cost.

As a result, vegetable production in the Varaždin area is expanding, generating higher incomes for farmers and providing processors and retail markets with high-quality local products.

In 2005, despite heavy rains and cool temperatures, the amount of vegetables produced for processing increased dramatically — pepper production jumped by 50 percent over the previous year. The equipment also made it cheaper to produce seedlings — their cost fell by 15 percent. Finally, the cost of planting fell from \$87 per hectare in 2004 to \$61 per hectare in 2005, making a considerable difference to the farming families that work those fields.

Bais knows he still has a lot of work ahead of him, but with help from USAID, he has shown the farming community in Varaždin that small changes can go a long way.