



ANNUAL REPORT 2014

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FOREWORD

Dear friends –

We are happy to provide you with an overview of the wide range of activities that the GABA staff carried out. The achievements of last year were profitable and enjoyable experience for us. We worked steadily on developing our relationships with our partners and established new relations with different donor organizations.



So we started to implement a new project entitled Smart Azerbaijani Farm (SAF) project which is an agricultural model to improve farmer productivity and income through the application of innovative Information and Communication Technologies (ICT) and practices funded by USAID (US Agency for International Development). The project will cover Agstafa, Dashkesen, Gadabay, Goranboy, Goygol, Gazakh, Samukh, Shamkir and Tovuz administrative districts located in Ganja-Gazakh economic region. This economic region plays the primary role in the agriculture of Azerbaijan and compared with other economic region populations, this region's population has shown itself to be more open to accepting new agricultural technologies and innovations. SAF will apply several innovative methods and technologies which have never been used before in the region in order to improve farmer productivity and increase sustainable income. The maintenance of gender balance in agriculture will be considered in all project activities. It is expected that, implemented activities will support women's reputations in decision-making process in agribusiness. The meanwhile, this project will give opportunities to conduct environmental assessments, address environmental concerns, identify issues and concerns related to community development, construction, sustainability and capacity building.

Still, GABA has been recertified for another one year under the ISO 9001-2008 standard for Quality Management System.

Our goal is to play an active role in fostering excellence, cooperation and interaction with international partners and supporters. So we expect a very high level of achievement, accuracy, presentation and application from our partners. Our staff are also expected to regularly produce a work of a high standard, to respond positively to any suggestions, and to work well on their own.

With kind regards,

Vugar Babayev
The Chairman of GABA

GABA PROFILE

Statutory name: Ganja Agribusiness Association
Legal form: NGO (non-governmental organization)
Office location: Javadkhan Street 19, Ganja, AZ 2000, Azerbaijan
Tel: (+994 22) 56 94 00
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Web: www.gaba.az

Ganja Agribusiness Association (GABA), located in Ganja, Azerbaijan is a regional non-governmental organization whose mission is to promote sustainable development of the country's agrarian sector through human potential development, knowledge and resource transfer. This organization was established in 1996 by a group of leading scientists and working with the Eurasia Foundation and funded by USAID registered four years later by the Minister of Justice of Azerbaijan. GABA has supported small-enterprise development in Azerbaijan since 1999 by means of building the capacity of targeted entrepreneurs with the purpose of their effective social and economic growth through training, information support and resource mobilization.

GABA wants to expand agricultural potential in Azerbaijan in the regions where farmers are already active and where they have started with organic agriculture. GABA provides information and guidance which is adjusted to what these farmers need. Choosing organic agriculture gives farmers the option to set up a good sustainable production system without needing a lot of external input. Many farmers are therefore increasingly interested in organic farming.

The main target groups of GABA are rural populations operating in the agrarian sector as well as processing enterprises located in urban areas. GABA also has a history of supporting Internally Displaced People (IDPs), poor peasants and women through its project development. IDPs were supported with micro crediting through GABA's social fund. Although GABA operates in the areas of the northwest and western regions of Azerbaijan, GABA has a broader strategy to include all of Azerbaijan in its efforts to convert conventional farming to organic farming.

GABA is the primary organization in Azerbaijan promoting organic agriculture. GABA's mission is to work towards a world in which people live in dignity and prosperity, a world where poverty and injustice are no longer present. In 2000 GABA assumed a leadership position by initiating the promotion of organic agriculture. Currently, there are more than a million people engaged in agriculture, calculated to be about 40 per cent of the working population agriculture and 16 per cent of them are women. GABA is recognized as a leader both in the NGO community and among its partners. The main achievements of GABA are listed below:

- ◆ GABA was the first to provide consulting and information services in the agrarian sector in Azerbaijan (1996);
- ◆ GABA was registered by the Azerbaijan Minister of Justice (2000);
- ◆ In 2002 GABA became a member of the International Federation of Organic Agriculture Movements (IFOAM);
- ◆ GABA is a member of the Azerbaijan Entrepreneurs Confederation and its representative in the Western region;
- ◆ GABA was the first to create a database on marketing of agriculture products;
- ◆ GABA has implemented 40 projects with the support of different international organizations and foundations;
- ◆ GABA has applied advanced technologies (drip irrigation, raised bed planting etc) and has lead in introducing new crop varieties (potato, maize, wheat) (2002-2004);
- ◆ GABA has created a coalition with several NGO's in the region;
- ◆ AZEKOSERT and the Soil lab were founded (2006);
- ◆ Monthly Journal, *Organic Agriculture* was started and currently has a circulation of 1000 (2007);
- ◆ GABA initiated the opening of the Organic Agriculture field of study at the Azerbaijan Agricultural Academy (now known as Azerbaijan State Agriculture University) (2007);
- ◆ August 25, 2008 President Ilham Aliyev approved the *Law on Organic Agriculture* which was proposed, drafted and sponsored by GABA;
- ◆ A significant number of GABA's staff have participated and passed international training courses in different western countries (Germany, Hungary, Holland, Romania, Poland and the US);

Mission

Ganja Agribusiness Association (GABA) located in Ganja, Azerbaijan is a regional non-governmental organization whose mission is to promote sustainable development of the country's agrarian sector through human potential development. GABA strives to successfully partner with international donors in developing and implementing complex multi-year and multi-phased projects that stimulate organic agriculture, promotion of general development of the society and improvement their living standards, economic integration, the improvement of environmental protection including biodiversity, energy efficiency, agribusiness extension, sustainable rural development and organic education in the West, Northwest and Central regions of Azerbaijan.

Objectives

Ganja Agribusiness Association's (GABA's) principal objectives include to lobby organic agriculture and increase consumer awareness of organic products; promote the general development of the society and improve their living standards; build the capacity of targeted entrepreneurs with the purpose of their effective social and economic growth through information support and resource mobilization; conduct business trainings, seminars, conferences on various fields of agriculture; manage agricultural and environmental grants; allocate low interest loan to the member farmers engaged in organic agriculture. GABA names organic and sustainable agriculture, biodiversity and nature conservation, marketing, advocacy and community development as the key objectives. Promoting democratic and market-oriented reforms based on shared values, i.e. respect for human rights, the rule of law, good governance, principles of market economy, education and sustainable development, is an also important part of GABA's objectives.

CHALLENGES AND SATISFACTION

GABA has demonstrated significant developmental progression and now successfully partners with international donors in designing, developing and implementing complex multi –year and multi-phase projects. Talented university post graduate students representing numerous scientific and business specialties are paired with seasoned technical agrarian professionals resulting in the best of practical hands on experience, the application of current scientific knowledge, the discipline of effective project execution combined with energy and enthusiasm. GABA has developed an environment that is conducive to collaboration, teamwork, respect and produces high quality outcomes.

Every human being is entitled to respect and equal treatment and has a responsibility to treat others in the same manner. Based on the principles of “charity, justice and the purity of creation” GABA works towards sustainable poverty alleviation. Thus GABA has made a significant contribution to the organic movement in Azerbaijan. GABA’s work in this field includes educating and converting farmers to organic methods, promoting consumer awareness of organic products, promoting organic products among manufacturing/processing enterprises. In August 2008, Azerbaijan’s President Aliyev signed into law *The Organic Law*, largely due to the efforts of the GABA organization – having initially designed, drafted and lobbied for this legislation.

GABA’s chooses its projects based on the alignment with its mission and skill set. It engages with organizations to enable various groups to realize economic benefits from a series of activities that bring sustainable economic development that builds capacity and strengthens the civil society. It partners within Azerbaijan as well as Europe and the United States are chosen for their complementary and supplemental skills, alignment with mission, shared beliefs, the resources they can bring to bear, their reputation, geographic location, their ability and effectiveness to implement development work. In addition, GABA has conducted various market research programs, is a national leader in organic agriculture production and farming practices.

GABA continues to focus its efforts on the challenges of the country’s new organic movement – converting farmers to organic methods, educating farmers and the greater public on the care of the environment and those benefits realized, promoting consumer awareness of organic products, promoting organic products as a viable alternative or additional product for food manufacturing/processing companies. GABA looks at its own country’s resources and to the western European countries, Japan and the US to model its programs and strategies to push the movement forward.

STRATEGY AND POLICY

GABA employs an array of methods to meet its strategic goals. GABA's first strategy is to minimize the impact to the environment by promoting an alternative to conventional agriculture, addressing a significant source of environmental impact. GABA also anticipates the education of the economic benefits of both organic agriculture (a lower cost structure and higher prices for products) and Agro tourism being a positive inducement. It is noted that 20 percent of the agriculture in Azerbaijan is done by women and their participation will be encouraged in the organic agriculture training. Because agro tourism is a home based business it is anticipated that women would be primary participants.

GABA's second approach is to engage governmental authorities in developing organic environmental standards, measurements and monitoring systems, that are needed to support the organic agricultural activities. GABA has excellent access to governmental authorities and has effectively involved them in prior projects. Its organizational strategy is multifaceted "Through the development of organic and conventional agriculture, help raise the living conditions of the rural population, ensure sustainable development of the agrarian sector and build environmentally sound and socially just society in the rural areas of Azerbaijan."

GABA's names education as a key objective, marketing, advocacy and community development as well. GABA Extension services are staffed with a group of agriculture specialists who provide onsite training and consulting for the farmers. The education objective includes a comprehensive educational program, documentation, collaboration with a number of education institutions and farmer schools. The marketing strategy includes participation in local and international exhibitions fairs, widening the markets from local to national markets, taking advantage of export opportunities and increasing networking opportunities. Advocacy looks for opportunities to support this agricultural sector by lobbying on behalf of farmers rights and campaigns to raise public awareness of their rights and the responsibilities of legal bodies. Community development is frequently the focus of GABA's efforts. Its primary objective is to increase agricultural productivity and economic performance of the community members. GABA promotes capacity building as key as well development is done to support sustainability.

COOPERATION AND NETWORK

GABA serves multiple constituents by its GABA Network. Included in this are the following stand-alone organizations: The Amin Credit Union, providing financing and a variety of services to its members; four Business Resource Centers offering consulting services; a soil analysis laboratory for farmers and landowners; a certification body, AZEKOSERT qualifying farmers in obtaining organic farming certification; and a Consortium heading by GABA of NGOs, municipalities and government authorities in the Ganja area who convene on a number of issues including development in the region.

Cooperation between GABA and Universities:

- Azerbaijan State Agrarian University;
- Georgian State Agrarian University;
- Universität Kassel Fachgebiet Ökologischer Gemüsebau am FG Ökologischer Land- & Pflanzenbau;
- Institute for Geography Justus Liebig University (JLU)Giessen;
- Norwegian University of Life Sciences;
- Louis Bolk Institute Agro Eco;
- University Greifswald Institute for Botany, Landscape Ecology and Botanical;

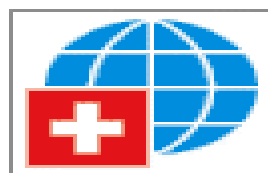
GABA works with a variety of internationally significant organizations whose missions overlap with the mission of GABA. GABA recognizes the importance of working with other international organizations to achieve a sustainable future. Thus the organization actively participates in international agricultural and environmental negotiations with the multilateral institutions to further the interests of the organic agricultural movement in Azerbaijan. GABA is uniquely recognized for taking on this important role. The introduction of the Principles of Organic Agriculture and the recognition of GABA by international institutions are of enormous importance for the further development of organic agriculture.

GABA in International Network:

- IFOAM – International Federation Of Organic Agriculture Movement;
- AVALON – Organic Agriculture Network Of Eastern Europe Countries;
- EaP NGO FORUM;
- APRODEV;
- CACAARI - Central Asia and the Caucasus Association;
- of Agricultural Research Institutions (3 consortiums);
- GFRAS - Global Forum for Rural Advisory Services;
- EUCARPIA - European Association for Research on Plant Breeding;
- ASA – American Society of Agronomy;
- CSSA - Crop Science Society of America;
- SSSA - Soil Science Society of America;
- PUM - Netherlands Christian Employers Federation (NCW);

- International Academy of Science of Ecology and Safety (UN);
- EKOCONNECT;
- Local NGO network;

GABA has had significant and successful project management experience. Since its establishment, GABA has managed and implemented more than 40 projects including organic agriculture, environmental sustainable management, agribusiness extension through the human capacity building, marketing research, creation of agrarian infrastructure, community development, and has provided technical and financial support. GABA working with multiple International Donors has staff and capability to design, develop and implement complex multi-year projects. To support its project and developmental activities GABA has on staff experienced project managers, financial analysts, Extension Agents with decades of Agribusiness experience as well as agricultural specific scientists and PhD's. The project structure will entail the project management of each discreet component, each headed by a Project manager and overseen by a project coordinator. A number of large international donor organizations which GABA has successfully worked with are listed below:



Development of Agriculture and Rural Economics

Country \ Project Locations

Shaki-Zagatala and Ganja-Gazakh economic regions of Azerbaijan

Project Duration

January 2014 – December 2016

Donor organizations

HEKS-EPER Azerbaijan

Objectives

To support small-scale market-driven income generating activities following a value-chain approach with special emphasis on vulnerable groups, and create conditions in regions, which are conducive to business development and income generation by enhancing access to markets, credit, business services and know-how.

Total budget

111787 Euro

Project costs in 2014

37646, 79 Euro

The global objective of the EU program is to contribute to the reduction of regional socio-economic disparities and to the diversification of the economy by creating conditions for balanced and sustainable economic development across all regions of Azerbaijan.

HEKS-EPER Azerbaijan/GABA has taken the strategic choice to focus on one specific value chain each in two economic regions of Azerbaijan: (1) the hazelnut value chain in the north-western economic region of Shaki-Zagatala, and (2) the vegetables value chain in the western economic region of Ganja-Gazakh.

The project was officially launched on January 1, 2014 in Shamkir town with participation of farmers, processors and suppliers (which are engaged in hazelnut and vegetable production), representatives of regional and local government, Head of the Western region Entrepreneurs and Employers Confederation, representatives of Azerbaijan State Agrarian University, representatives of Credit Unions and NGOs operating in the region. After determination of the project implementers and technical equipment a Result Measurement System was developed. The baseline survey was conducted for the establishment of this system. In order to establish an appropriate project monitoring and evaluation system, a result chain and the measurement plan were prepared before the start of the project activities. The

preparation of these documents was based on the result measurement concept of the “Donor Committee for Enterprise Development” (DCED). The project has 2 following specific objectives:

1. Specific Objective 1. To support small-scale market-driven income generating activities following a value chain approach with special emphasis on vulnerable groups.

1.1 Indicator 1: Productivity improvements of 6000 small vegetable and 3000 small hazelnut producers have increased yields and sales by 15%.

1.2 Indicator 2: 15 cooperatives/groups have been established and completed joint business activities that yield 15% more profit.

2. Specific Objective 2. To create conditions in regions, which are conducive to business development and income generation (following a value chain approach) by enhancing access to markets, credit, business services and know-how.

2.1 Indicator 1: Improved agronomic knowledge of 40 input suppliers has increased their regular client base and turnover by 15%.

2.2 Indicator 2: Improved technology and business skills have increased their regular client base and processing volumes of 10 processors by 15%.

2.3 Indicator 3: 130 traders have increased their regular client base and sales to national/export markets by 15%.

2.4 Indicator 4: Access to credit has been eased for 15 cooperatives/groups.

Bilateral meetings have been conducted between Value Chain actors: producers&processors, producers&suppliers, processors&traders, producers&traders, processors&suppliers. These bilateral meetings have 3 purposes:

- The participants of the meetings establish linkages and build trust;
- The participants discuss their problems;
- Causes of problems are identified.

Visibility of the project-related activities was provided by the EU “Communication and Visibility Manual” in accordance with the rules specified.

PROJECTS

Facilitating Access to Animal Resources and Markets (FARMS II)

Project

Country \ Project Locations

Agdam, Agjabedi, Barda, Beylagan and Tartar regions of Azerbaijan

Project Duration

November 2013 – October 2016

Donor organizations

HEKS-EPER Azerbaijan

Objectives

The overall goal of the project is to contribute to poverty reduction of target communities through sustainable increase of incomes of male and female farmers in animal husbandry.

Total budget

799207 Euro

Project costs in 2014

59660 Azn

The first meeting of FARMS project's staff was conducted in November 08, 2013 in Ganja city. The FARMS project applies “**Market for the Poor**” (M4P) approach to livestock production. For this purpose GABA-FARMS staff was provided with **two-days training** organized and conducted by Project Implementation Union (PIU) of FARMS project on November 14-15, 2013 in Barda. Additionally the participants were provided with information on the mechanism of grant providing in FARMS project.

For better understanding the mechanism of the production processes in dairies and feed mills from practical point of view and increasing the professional experience, the Vet Specialists of FARMS project on their own initiative visited a dairy (“Saf Dad” Ltd), which is not located in the project area but is in close proximity from Ganja city (in Goygol district) on December 05, 2013 and a fodder processing facility/feed mill located in Ujar district (not in any of the project's areas but constructed and supported within the previous project implemented by GABA) on January 10, 2014.

In December 2013 the project staff prepared a draft version of the **Case of Business Development Plan**, which was sent for PIU for feedback. Additionally in December the project specialists developed 2 templates of questionnaire: one was for collecting data from dairy; another one was for collecting data about milk suppliers.

Participation in selection of target business enterprises

With the purpose of selection of the dairies to be involved in the project *a publicity campaign* was conducted within the FARMS project to announce to owners of the dairies operating in the project area the opportunity for development of their business in collaboration with the project. The announcement was made through informing the local governmental bodies of the project districts as well as during the *bilateral meetings* of the project staff with dairies. A total **19 bilateral meetings** were conducted the project specialists.

2 Dairy Information Meetings were organized and conducted by HEKS-EPER PIU: one for the dairies operating in Beylagan and Agjabedi districts in Beylagan town on January 28, 2014 and another for milk processing enterprises operating in Barda, Tartar and Agdam districts in Barda town on January 31, 2014. A total 14 representatives of 11 dairies took part in the meeting in Beylagan and 13 representatives of 10 dairies participated in the meeting in Barda.

Elaboration of Business Development Plans

In February 2014 the activity on preparation of Business Development Plans (BDP) started. For this purpose the project staff made *visits to the dairies to collect information necessary for BDPs preparation*. For the reporting period **12 dairies** were visited

Providing of General Trainings to Dairies

Within the project it is planned to provide the dairies selected as the target business enterprises with *trainings* covering such topics as:

- **Value Chain Management/Monitoring;**
- **Hygiene/Bio-safety/DRR;**
- **Economics of Milk Processing/Accounting;**
- and such transversal topics as **Gender and Good Governance.**

In the reporting period **2 trainings** were conducted. The training topic was “**Value Chain Management and Monitoring**”.

Activities concerning Feed Mills Component

FARMS project sees a potential in the embedded services and the pro-poor orientation and focus on the feed mills as a target group.

Identification of target feed mills will be based on the needs of the dairies, which will be already selected within the project and this activity will start after the beginning of the implementation of their business development plans.

PROJECTS

Application of the Information and Communication Technologies in Agriculture

Country \ Project Locations

Ganja city and Goranboy district

Project Duration

September 2013 – February 2014

Donor organizations

The Council of State Support to Non-Governmental Organizations under the President of the Azerbaijan Republic

Objectives

Presentation meetings in the project execution areas and selection of project beneficiaries; Web portal development and provision of information; Delivering SMS extension services; Setting up a hotline for farmers.

Total budget

8000.00 AZN

Project costs in 2014

5600.00 AZN

The importance of information and communication technologies (ICT) for food security has been already approved in the high level World Summit on the Information Society held in 2003-2005, as well as a decision has been made on giving particular attention to the application of electron laboratories in agriculture.

Preliminary steps were taken in 2013 dealt with the application of information-communication technologies in ensuring sustainable development in the agrarian sector of the country. The project entitled “The application of information-communication technologies in providing the agricultural extension services” was successfully carried out within 6 months starting from last September by Ganja Agribusiness Association financed by The Council of State Support to Non-Governmental Organizations under the President of the Republic of Azerbaijan. The following project goals are defined:

- ✓ Presentation meetings in the project execution areas and selection of project beneficiaries;

- ✓ Web portal development and provision of information;
- ✓ Delivering SMS extension services;
- ✓ Setting up a hotline for farmers.

www.agromarketing.az web portal was developed in order to support product sale and improve marketing of the farmers' products, as well as improve the access of farmers to the supply and service sectors during agricultural production. According to supply and service sectors this web portal covers thorough information about 16 enterprises regarding farming tools and machines, fertilizer and pesticides, agrocredits.

Extension services provided for farmers via SMS embrace 2 spheres of agriculture – plant-growing and animal husbandry. The developed SMS extension services embrace the following topics: animal husbandry; bee-keeping; fruit-growing; vegetable-growing; grain plants; alfalfa, organic herb.

Developed SMS extension services for the farmers involved in the project cover the implementation of the main agrotechnical measures regarding agricultural sectors in autumn-winter-spring months.

Hotline was set up for farmers involved in the project in order to address the main challenges existing in agricultural production. Farmers are able to get proper extension services associated with their questions and have a direct phone contact with the agricultural experts through dialing **6030**.

The booklet of the project was developed and distributed among the farmers in order to promote the advantages of hotline services for target farmers.

Ganja Agribusiness Association (GABA) is considered one of the organisations in Azerbaijan engaged in enlightenment of agricultural farmers and provision of extension services for them. One of the goals of GABA is increasing the quality of extension services rendered for the farmers and applying innovations. Therefore this project financed by The Council of State Support to Non-Governmental Organizations under the President of the Republic of Azerbaijan, played a significant role in achieving the above-mentioned goal of GABA.

PROJECTS

Marketing and Business Plan Development for “Ingubator” LLC

Country \ Project Locations

Samukh district, Azerbaijan

Project Duration

December 10, 2013 – January 30, 2014

Donor organizations

BAS

Objectives

To develop marketing and business plan for the company

Total budget

111787 AZN

Project costs in 2014

23637, 60 AZN

“Ingubator” LLC was established in Nebiagali settlement of Samukh district in 1997. This company is mainly engaged in poultry and cattle fattening. The company products are sold both in local and the neighbouring communities, and thus aim to increase its production volume in order to properly meet the growing number of customer needs. Therefore the company management applied to Ganja Agribusiness Association to develop marketing and business plan for them. Thus the project intended for developing business and marketing plan for “Ingubator” LLC was carried out successfully within the framework of 6 phases:

1. Introduction of the company and development of the project activity plan was carried out for 2 days;
2. Local market research for the company products was conducted within 7 days;
3. The Financial Plan was developed within 8 days;
4. Marketing Plan was developed within 9 days;
5. “SWOT analysis” was carried out within 2 days;
6. Finalizing the documents, joint discussions and reporting phase covered 10 days of the project implementation.

OTHER ACTIVITIES

GABA targets varied audiences in its efforts to promote and improve sustainable agriculture and the care of the environment throughout Azerbaijan. In accomplishing its objectives it uses an assortment of communication strategies including networking, lobbying and consulting. GABA participates on an international level as well, in its promotion of the organic sector. Internationally it works and partners with various social organizations, a number of universities, businesses and with various government representatives. In 2014 GABA was active in its participation in conference and meetings – both in Azerbaijan and internationally.

The 18th Organic World Congress (OWC) "Building Organic Bridges" took place from October 13-15, 2014 in Istanbul. OWC is the world's largest and most significant organic gathering organized every three years to discuss the strategy and roadmap of organic agriculture. The congress brought together more than 2,500 stakeholders is a unique opportunity for the organic world to network with organic stakeholders from all over the world and to learn about the most recent technologies, production techniques, and marketing methods. The Chairman of GABA PhD. Mr. Vugar Babayev participated in this World Congress.

Eastern Partnership Civil Society Forum was conducted on October 20-23, 2014 in Rustavi, Georgia. 48 organisations out of 219 participated as observers in the Forum. The Forum took place under the title: 'EU Integration & Common Security: Making it Happen'. During the event, civil society and government representatives had the possibility to present their views on the Eastern Partnership and developments in the EaP region. The participants also commented on the involvement of the Forum in regional developments. The Forum provides a platform for debate on the achievements of the EaP and how civil society can further contribute to the success of the programme. The annual Assembly provides guidance to the EaP CSF for the upcoming year and gives an opportunity for participants to exchange opinions and expertise between themselves. Public Relations Manager of GABA Mr. Habib Abbasov participated in the Forum as a representative of GABA.

International Organic Product Fair was held on November 02-07, 2014 in Bishkek, the capital of Kyrgyzstan. Organic Products of more than 80 producer organizations were exhibited during the Forum. Organic Certification and export potential, organic agriculture, as well as the environmental protection, green economy and effective use of natural resources etc. were broadly discussed in the Forum. The vice-speaker of the Kyrgyz Parliament, the Minister of Agriculture and Economy, foreign ambassadors, The President of International Federation of Organic Agriculture Movements and delegation of 11 member states participated

in this Forum. Mr. Rzayev Elshad and Mr. Maharramov Ilgar represented GABA in the Forum.

INTERSELIGER is an international project aimed at uniting the world leaders of tomorrow. Exceptional individuals from different spheres and backgrounds will come together to “Dare to make the world you want to Live in”. INTERSELIGER is an international educational camp in the middle of the Russian woods in Tver Region, where thousands of responsible, entrepreneurial and daring young leaders from all over the world get together to meet high-profile speakers, generate synergies and gain new experiences by participating in educational, recreational and social activities in a natural setting of the Seliger lake system. It is a perfect place for young people from various nations to understand more personal values, talents, strengths and purpose of your life, upgrade your leadership skills, transform yourself and make own conclusions about global changes and challenges around the world. Thus Agamirzade Royal as a youth representer of GABA actively participated in the above-mentioned event which was held on July 26, 2014 in Moscow and was awarded with a Certificate.

An international training devoted to youth and intercultural dialog was conducted on September 08, 2014 in Brussels, Belgium. The main aim of this training course was to create a space for interaction, exploring and learning as to how youth workers can share common experiences of intercultural challenges and to benefit from each other’s experiences. It starts from the presumption that people can learn from each other's experience regardless of their specific background and diversity. This interactive learning will provide a foundation for youth workers to promote and implement intercultural actions and strategies with young people that can support and value cultural diversity in their own communities. It will also provide that opportunity for collaborative international initiatives via the Youth in Action program. Thus Agamirzade Royal from GABA office participated in the conducted training and was awarded with a Youthpass certificate of the European Commission.

Although much of GABA’s development work has centered on agriculture - plant growing and livestock, trade of agriculture products, matters of ecology, environmental protection, it has also assumed a broader role in working with NGO’s from various regions of Azerbaijan helping them establish effective operations – including the organizational process, policy establishment, management development and capacity building. This development and training was done in recognition of the organizational strengths of GABA.

STAFF AND ORGANIZATION

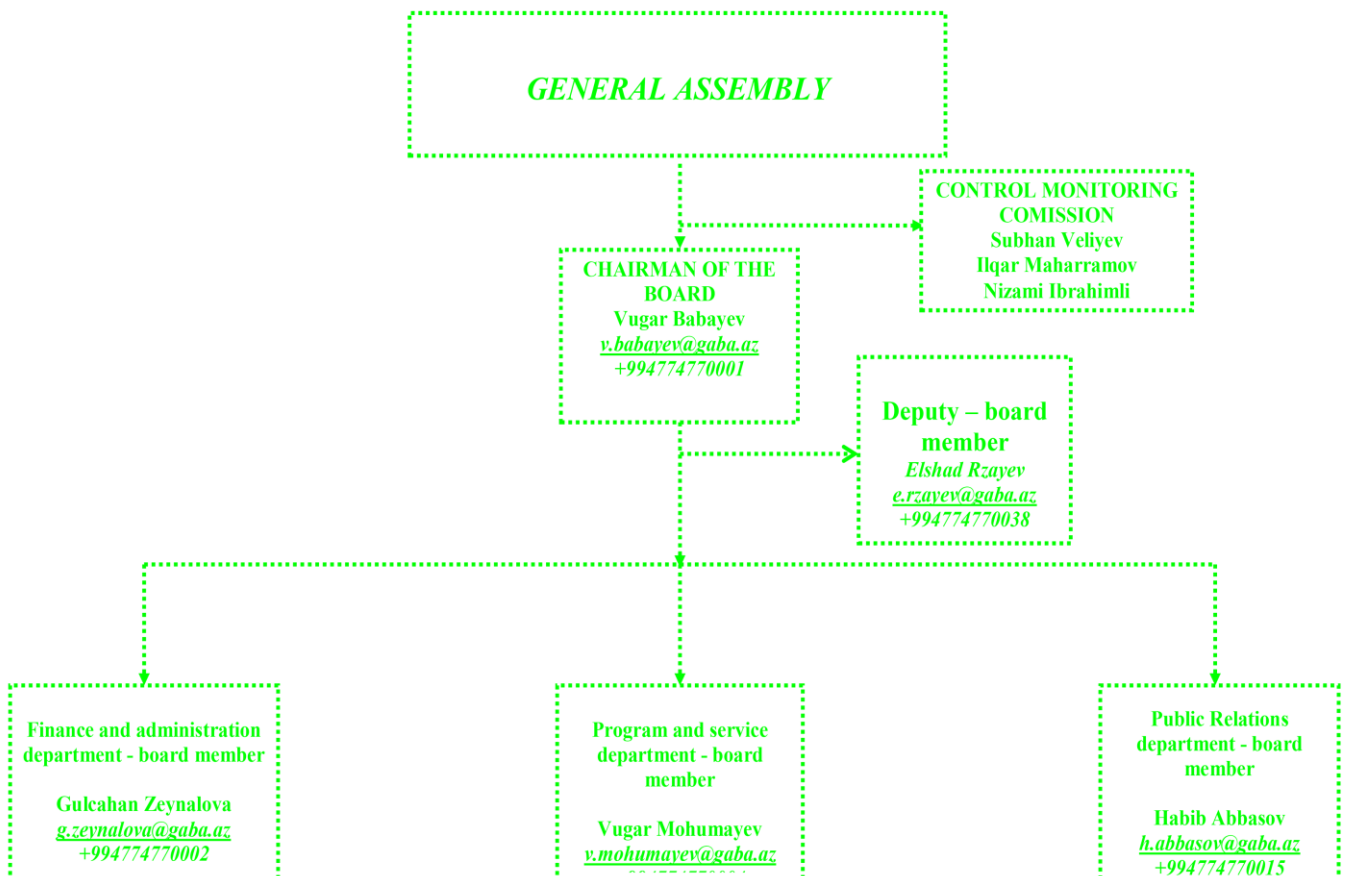
Organization structure

GABA employs 22 people, the majority of which are specialists with university degree in agriculture. Their work includes project management and implementation, management matters, financial administration, and secretarial work. GABA has successfully completed numerous projects within a focused field of agribusiness development in Central, Western and North-Western Azerbaijan.

Structure of Ganja Agribusiness Association



STRUCTURE OF GANJA AGRIBUSINESS ASSOCIATION



General Assembly

The Supreme Organ is General Assembly. The General Assembly is called at least twice a year. This is responsible for adopting a Charter for GABA and having amendments and appendices on it. Additionally General Assembly is responsible for choosing the members and the Chairman of Board of Directors, as well as of Finance and Administrative Control Group and ensuring effective organizational planning.

Board of Directors

The Board of Directors is the highest governing authority within the management structure. Major duties of the Board of Directors include providing continuity for the organization, governing the organization by broad policies and objectives, acquiring sufficient resources for the organization's operation, accounting to the public for the products and services of the organization and expenditures, supporting the executive and reviewing his or her performance.

Control Monitoring Commission

The number of people for Control Revision Commission is defined by the General Assembly. This Commission is responsible for identifying nonconformities to GABA's Charter, overseeing and approving the organization's financial statement.

Public Relations Department

The department staff is responsible for enhancing the organization's public image and informing the people about GABA's successfully implemented activities via the only organic agriculture periodical *Organic Agriculture* journal which has a circulation of 1000, as well as through booklets, brochures, broadcasts on the radio and television etc.

Program and Service Department

GABA's staff is dedicated to developing and implementing multi-year and multi-phased projects in cooperation with local and international donor organizations in the North, Northwest and Central regions of Azerbaijan. Developing business plans for entrepreneurs and farmers and is experienced in developing questionnaires for regional agricultural and financial assessment, as well as representing the Association at different local and international events, conferences, trainings, seminars etc. are the major responsibilities of this department.

Finance and Administration Department

This department responsibility is directly linked to the strong financial management which is critical to the efficient, effective use of limited funds. The ability to provide accurate, timely financial information enables the organization to comply with the reporting obligations contained in grants and contracts, to meet the requirements of governments and regulatory agencies and to adhere to accounting standards.

BALANCE SHEET FOR 2014

| Balance Sheet 2014 (AZN) | |
|---------------------------------|------------------|
| 01 January 2014-balance | 21012,83 |
| <i>Profit 2014</i> | |
| - receivables in projects | 131499,34 |
| - other receivables | n/a |
| Total profit for 2014 | 131499,34 |
| Expenses | |
| Payments for salaries | 139423,44 |
| Fuel and lubricating oil | 6233,00 |
| Stationary pen etc. | 238834 |
| Basic program expenses | 3711975 |
| Expenses for office procurement | 825,80 |
| Bank services | 1874,82 |
| Audit | 136024 |
| Total Expenses | 18922539 |

AUDITOR'S REPORT

Attached to the report

LOOKING AHEAD TO 2015

GABA's overall mission is to work towards a world in which people live in dignity and prosperity, a world where poverty and injustice are no longer present. Therefore GABA works across a broad base to promote better conditions for sustainable agriculture and nature management in vulnerable agricultural regions of Azerbaijan. Consulting, lobbying, networking activities and communication are important instruments in these efforts. In promoting its objectives, GABA is active internationally in the organic sector at a government level, in the academic world, in social organizations and in the business community.

Within the framework described above, GABA has set the following concrete targets for 2015:

- Promote organic agriculture and increase consumer awareness of organic products in Azerbaijan;
- Constant development of the Quality Management System and recertification by ISO;
- Promote general development of the society and improve their living standards;
- Render services in compliance with the clients and donors requirements and establish strong relationships with them;
- Implement income generation and community development projects;
- Unite the stakeholders in agribusiness sector;
- Maximum reduction of the negative effects on environment as a result of its implemented activities;
- Conduct local fairs and exhibitions, as well as participate in international conferences, seminars, trainings, fairs etc.;
- Create databases and marketing centers;
- Continue to publish the only periodical *Organic Agriculture* journal in Azerbaijan;
- Support in publishing international magazine – *Annals of Agrarian Science*.
- Conduct researches on challenges in Organic Agriculture in Azerbaijan and take measures to overcome these challenges;
- Develop and carry out activity plan in order to increase soil fertility and fight against desertification in Azerbaijan;
- Revise and improve the membership policy and activity, services and increase the networking with state and public agriculture unions and associations;
- Closely cooperation with state programs, projects and activities related to agriculture development in Azerbaijan.

FORECASTED BUDGET FOR 2015

| Forecasted budget for 2015 (AZN) | |
|---|------------------|
| 01 January 2015-balance | 18241.99 |
| <i>Profit 2015</i> | |
| - receivables in projects | 212727.19 |
| - other receivables | 4550.0 |
| Total profit for 2015 | 235519.18 |
| Expenses/Costs | |
| Payments for salaries | 88540.12 |
| Payments for main equipments | 0.0 |
| Fuel and lubricating oil | 9791.0 |
| Stationary pen etc. | 8848.0 |
| Basic program expenses | 117557.56 |
| Costs for office procurement | 4670.0 |
| Bank services | 1942.50 |
| Audit | 2670.00 |
| Insurance | 1500.00 |
| Total costs | 235519.18 |

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