

## 2. INTRODUCTION

The primary aim of this report is to summarise the data collected and processed during 1997 by the WUFMAS programme, to reveal its scope and accuracy so that potential users of the database have the opportunity to assess its usefulness to them in their work. The primary aim is *not* to make detailed analyses of the data and recommendations to the five Governments in whose territories the data were collected. However, some analysis and interpretation has been done by the WUFMAS team and is presented in Section 4.

The Water Use and Farm Management Survey (WUFMAS) was proposed by WARMAP in late 1995 after publication of the "Review of the Agricultural Sector". Production data for agricultural enterprises had been collected from official sources in all five republics and used to calculate average gross margins at financial and economic prices. These values were mostly negative, raising doubts about the veracity of the data. Investigation revealed the problem to be the different definition in local and western parlance, of the economic terms used and the methods by which data are recorded. There was no suggestion that these data had been fabricated.

"Norm" or "normative value" was and still is an important term in Central Asia, and these values were the basis of the Soviet planning process. In the Soviet context a "norm" was a value determined by experts and confirmed by the bureaucracy as the practice that should be observed by those entrusted with fulfilling the objectives of the State. At best, a "norm" was therefore a "recommendation", the output of the State advisory mechanism, and at worst, it was an instruction given by those in power to those they commanded. Several years after independence of the CARs, the term continues to be the mainstay of strategy of all the Ministries of Agriculture. Its significance varies between republics according to the degree of liberalisation of their economies and their economic circumstances. In practice, "norms" as recommendations are largely irrelevant for two reasons:

- as a result of changes in input:output price ratios, in none of the republics do current economic conditions permit farmers to implement the "norms" in full, and
- "normative values" were generated by an economic methodology that is inappropriate to a free market environment, and perhaps questionably, to sustainable production.

It is important to understand the alternative meanings of the term at a time when the legacy of the Soviet system is still visible in Central Asia. Soviet planners were charged with establishing realistic targets for production based on the collective need for the product and the availability of the resources required to produce it. Considerations of environmental impact and physical and economic sustainability in the drive for achievement at best were minimal. A "norm" therefore is locally perceived as either an instruction in a command economy or a recommendation to achieve maximum yield.

The term is used in western parlance but the meaning is different in important respects. In the English language and in the sense that the word is used in a free market economy, "norm" implies *an average or modal value, the most commonly used practice or rate of input*. It is a value derived from an impartial **survey** of free-market practitioners, implementing decisions that each has made from their own assessment of the best course of action. In this sense then a "norm" is not even a "recommendation", since not all free-market farmers follow advice deriving from official or commercial sources. The reasons are variously ignorance, doctrine, personal circumstances and preference for which the advice is clearly inappropriate (although it may be appropriate to the majority), or unavailability of the necessary resources.

WUFMAS primarily is a survey of how farms are actually using the resources available to them, and what they are producing. As far as possible this is done by measuring at the field

boundary the quantities and rates involved. Every effort is made to do so accurately and objectively, and validation techniques are used to filter out spurious data.

The secondary objective of WUFMAS is to make the database available to authentic users. These may be variously regional planners in ministries and institutes to farm directors and tenants of small "privatised" farms, consultants making feasibility studies or commercial companies selling farming inputs. Negotiations will shortly begin on how best to achieve this.

This annual report aims to summarise some of the data collected during the agricultural year from October 1996 to November 1997, including therefore the winter crops of 1996/97 and the summer crops of 1997. It also fulfils the third objective of making an initial analysis and interpretation of the data, although it is proposed that specific topics should be investigated in greater detail than is attempted here. This report differs from the 1996 report in that summarisation and interpretation of data are clearly separated in different parts.

It is planned that the WUFMAS field programme will continue in 1998, in the same manner as in 1997, under the auspices of the second phase of the WARMAP project. However, the importance of institutionalising the WUFMAS programme in the five Central Asian Republics has now been recognised and the project team will work towards achieving this. The steps will be as follows:

- Prepare a "brochure" on paper and in a video presentation describing the work of WUFMAS and its importance to the development of agriculture in the region;
- Make presentations to meetings of key staff of the Ministries of Agriculture in the five republics using the brochure and a copy of this report;
- Secure the willingness of the Ministries to take responsibility for WUFMAS and assist them, if requested, to approach potential donor agencies to provide financial support in lieu of the extra costs involved and the loss of support from WARMAP;
- Agree and implement a programme of training in the national centres in order to decentralise the organisation of field work, data entry and validation to the national WUFMAS databases, annual reporting of results and periodic transmission of data to the regional co-ordination centre, under the auspices of the EC of EFAS.