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QUARTERLY REPORT #12: APRIL-JUNE 2013

DEZENVOLVE AGRICULTURA COMUNITÁRIA (DAC) PROJECT

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Quarterly Highlights

Farm sales of 98 m.t. from the SHAs generated \$77,648 during the quarter: Three more communities from the expansion areas harvested for the first time for Kmanek and Dilimart.

Totals of Vegetable Production from all SHAs April-June 2013		
	Kg	US\$
Outdoor Production Original	56,717	\$41,108
Outdoor Production Expansion	40,930	\$36,540
Greenhouse		
Total	97,647	\$77,648

Production more than doubles compared to same period last year: Similar to last quarter, DAC farmers more than doubled production compared to their results in 2012. The “original” communities increased production 183% (from 20,026 kgs to 56,717 kgs) and incomes 186% (from \$14,371 to \$41,107) over the same period.

Farmer Field School: Training of Trainers and implementation of this internationally recognized participatory farmer training methodology began in four DAC communities.



DAC formally hands over greenhouse ownership to legally registered Associations:

In a ceremony on May 24 attended by the US Ambassador, USAID Mission Director, and Minister of Agriculture, ConocoPhillips and the National Petroleum Agency, the farmer groups in Sarin and Liurai became the legal owners of the greenhouse assets.



Activities Year Three

This quarterly report follows the Year Three Workplan, describing activities and achievements in DAC's three main activities:

- 1) Assist SHA farmers to establish organizations that can successfully manage their commercial horticulture activities (*PEOPLE*)
- 2) Assist SHA farmers to improve horticulture technology and practices to meet market demand for product quantity and quality (*PRODUCTION*)
- 3) Assist SHA farmers and other value chain actors and stakeholders to develop a strong horticulture value chain that routinely increases sales volume and profits (*VALUE*)

This report also contains an updated Workplan Timeline, and a summary of project finance and administration for the quarter.

PLEASE NOTE: *Data reflected in this quarterly report may come from DAC's data collection process, or from our partners Kmanek Supermarket and Dilimart. Our partners may work with more farmers than DAC will work with directly, or with farmers that DAC has not yet entered into our data collection system. As the DAC project expansion scales up rapidly, DAC's official monitoring and evaluation data collected for our indicator reporting may differ from the information in this report. All reporting to USAID on DAC's Performance Measurement Plan indicators are considered the final results.*

Activity One: Assist SHA farmers to manage their commercial horticulture activities (PEOPLE)

DAC's work with PEOPLE focuses on developing sustainable ways for farmers and farming communities to manage the planning, production and sales of vegetables with their commercial buyer partners. This includes assisting farmers to develop the business skills necessary to transition from subsistence agriculture to farming as a business, helping farming communities to create the types of organizations that best meet their needs, and training group members and leaders in the management processes required for transparent and effective operations.

Activity 1A: Continued improvement in the current truck farming operations (managerial)

Improving the farmer groups' ability to manage the planning, production and sales of vegetables is important for individuals and groups. DAC provides specific, proven training and tools that will assist the farmers to master the transparent communication and operations tasks of planning, record keeping, decision making, and conflict resolution that are critical to their individual and group success.

Farming as a Business Training

Complete at this time.

Farming as a Business technical assistance

DAC Community Mobilization staff continued monitoring the impact of the Farming as a Business training, supporting farmers to make good choices about investments in their farming businesses. 46 farmers purchased fertilizer and 4 farmers purchased plastic for new tunnels.

Business skills training for farmers and farmer groups

Empreza Diak conducted Training of Trainers with the Kmanek staff (Fidelio Hornai and Alcina Mendonca) so that all future training will be given by Kmanek directly. This marks another turning point for the DAC project and the Kmanek operation – handing over full responsibility for this aspect of DAC technical assistance to Kmanek. In the next quarter, Kmanek will conduct the training for additional new groups.

Empreza Diak will conduct bookkeeping training at Dilimart sites in the next quarter.

Organizational/managerial training – General

No activity in this quarter.

Organizational/managerial training for Associations in Sarin and Liurai

No activity in this quarter.

Activity 1B: Assistance to the original three communities during the preparation of a comprehensive long-term business plan

Develop business plans for Sarin and Liurai greenhouse associations¹

DAC Community Mobilization staff worked with both greenhouse associations to complete draft business plans that emphasize financial planning for greenhouse maintenance. The business plans will be finalized in the next quarter.

Activity 1B: The formation of a legal business entity

Registration of Sarin and Liurai Greenhouse Associations

Complete. Both the Sarin Association Betularan and the Liurai Association Leudiak were formally registered as Non-Profit Associations at the Ministry of Justice.

Formation of District level horticulture organization

No activity in this quarter.

¹ The third original community, Lequitura, no longer has a functioning greenhouse due to the negligence of the commercial owner. Therefore, a business plan for the community as a whole is not appropriate.

Activity Two: Assist SHA farmers to improve horticulture technology and practices to meet market demand for product quantity and quality (*PRODUCTION*)

DAC's work with PRODUCTION will transfer responsibility for greenhouse and outdoor production to the SHA farmer groups and their commercial buyer partners, as they develop together the structures and procedures for managing planning, production, and sales of vegetables. DAC will also use innovative training methods such as Farmer Field School to solidify agriculture skills and empower farmers to take full responsibility for the success of their small farming businesses.

Production Results

Outdoor production soared with the end of the worst rains. Overall, production increased by 162% and incomes 160% over the last quarter. For the original DAC farmer groups (a consistent number of farmers), production increased by 88% and incomes increased by 72%. In the expansion areas (number of farmers is growing) production increased by 466% and incomes by 517%.

DAC farmers more than doubled production compared to their results in 2012. The “original” communities increased production 183% (from 20,026 kgs to 56,717 kgs) and incomes 186% (from \$14,371 to \$41,107) over the same period.

The Sarin greenhouse was in full production throughout the quarter, and results/payments will be reflected in the next quarter. The Liurai greenhouse was cleaned and sterilized, and is waiting for delivery of inputs from Kmanek.

In the expansion communities, Kmanek began purchasing from 2 additional new farmer groups in the Selo area – Fo Liman ba Malu and Foin Mehi. Dilimart began purchasing from one new community, Sarlala in Laularan subdistrict.

Totals of Vegetable Production from all SHAs		
April-June 2013		
	Kg	US\$
Outdoor Production Original	56,717	\$41,108
Outdoor Production Expansion	40,930	\$36,540
Greenhouse		
Total	97,647	\$77,648

Activity 2A: Continued improvement in the current truck farming operations (technical)

Sarin and Liurai Greenhouses technical assistance

DAC senior technical staff held weekly meetings with the Kmanek Greenhouse Manager and the farmer groups to give guidance and oversight of technical and managerial activities. Recommendations for action steps were sent to Kmanek management and followed up with DAC technical assistance staff as necessary.

Sarin, Liurai, Seloi & Leqitura Outdoor Production technical assistance

A summary of the workplans and DAC activities in this quarter is presented in the chart below.

Outdoor Production Technical Assistance Chart

Challenge	Solution	Activities this quarter
Farmers do not use all improved techniques to maximize production	Demonstration plots to motivate farmers to implement new technologies by showing the measurable improvements in production	Demo plot harvests complete and comparison data analyzed. Results will be presented to farmers during Farmer Field School activity.
Farmers do not use enough fertilizer	Demo plots to show measurable increase in production	Demo plot harvests complete and comparison data analyzed. Results will be presented to farmers during Farmer Field School activity.
	Assist farmers to understand the “business case” for this investment	“Farming as a Business” individual technical assistance provided
	Help farmers to organize to make group purchases	Assisted 46 farmers to purchase fertilizer of their choice.
Pests and diseases	Improve farmer skills in IPM	Farmer Field School trains farmers and DAC staff in many new IPM techniques, specifically addressing the Plutella moth which is the greatest challenge for brassicas.
	Facilitate farmer access to inputs by helping farmers and buyer/input suppliers to create safe storage locations near farmer fields	No activity in this quarter – waiting for Kmanek decision on pesticide management.
	Farmer Field School emphasis on IPM for horticulture	Training of Trainers and implementation of FFS in four locations in Selo began in May and will continue through August.

Farmers don't have easy and sustainable access to best practice information	Best practice manual for cultivating the top ten vegetables	No activity this quarter.
Environmental problems may impact future production	Environmental mitigation and enhancement including re-forestation	Forestry nurseries completed in 5 communities in Selo, fruit tree seeds (mandarin and papaya) collected and distributed, and contacts made with other organizations (CCT / RDP4/PER) that provide other saplings.
Farmers don't use enough water to maximize production	Train farmers on adequate use of water to maximize production	All demo plots and Farmer Field School locations demonstrate benefits of drip irrigation.
	Train farmers on use of drip irrigation and assist with investment in irrigation equipment	No activity in this quarter

Completion of Contract Farming Model

In Year Three, DAC will build the capacity of farmers, farmer groups, and the commercial buyers Kmanek and Dilimart to independently operate the entire contract farming process. This section of the report describes DAC support to Kmanek. DAC support to Dilimart is reported under Activity Four GDA Expansion. The key areas of capacity building and DAC activities in this quarter are described below.

Contract Farming Operation	Challenge or Capacity Building Need	DAC Quarterly Activities
Field Operations Management	<ul style="list-style-type: none"> • Hiring staff with right qualifications, particularly in role of Field Operations Manager • Supervision of Kmanek staff • Quality control and oversight of seed distribution, monitoring, data collection and entry, inventory management 	<ul style="list-style-type: none"> • Field Operations Manager hired and began work • Performance management system handed over to Kmanek Field Ops Manager • Weekly quality control handed over to Kmanek Field Ops Manager
Production Planning	<ul style="list-style-type: none"> • Set appropriate targets • Divide products into categories to simplify production, management and for IPM benefit • Assign categories to production areas 	<ul style="list-style-type: none"> • (complete) • (complete) • Crop category management handed over to Kmanek Field Ops Manager
Production Planning Database	<ul style="list-style-type: none"> • Revise and improve database as needed • Learning to use database • Entering daily data 	<ul style="list-style-type: none"> • Database working correctly • Quality control on database use handed over to Kmanek Field Ops Manager • Monthly summary reporting handed over to Kmanek Field Ops Manager • Kmanek actively using information from database to review performance and make management decisions
Individual Seed Distribution	<ul style="list-style-type: none"> • Visiting each farmer group 2x per month, and distributing seed directly to individual farmers 	<ul style="list-style-type: none"> • Kmanek staff independently completing and recording seed distribution properly, according to available beds and planting of previously distributed seed

	<ul style="list-style-type: none"> • Distributing seed only to farmers with good quality available seed beds • Distributing seed only to farmers that have already transplanted previous seed given 	<ul style="list-style-type: none"> • DAC COP assisted Kmanek staff to manage seed distribution according to established targets
Production Monitoring (counting seedlings and predicting harvest)	<ul style="list-style-type: none"> • Data must be collected regularly and entered to database 	<ul style="list-style-type: none"> • Kmanek staff performing well, management handed over to Kmanek Field Ops Manager
Technical Assistance	<ul style="list-style-type: none"> • Use information from production monitoring to identify problems and help farmers to solve them • Identify pest/disease problems and deliver pesticide/fungicide if needed 	<ul style="list-style-type: none"> • DAC staff continue to play primary technical assistance role – this needs to be turned over to Kmanek during Year Three • DAC IPM Specialist coordinates with Kmanek staff about need for pesticide/fungicide in specific locations • Farmer Field School introduces organic pesticide made with locally available materials
Input Inventory Management	<ul style="list-style-type: none"> • Maintain updated inventory management spreadsheet • Place monthly orders based on inventory management spreadsheet 	<ul style="list-style-type: none"> • Seed orders placed with three seed companies • Provided technical assistance to identify new seed companies and new varieties as needed • Seed inventory management handed over to Kmanek Field Ops Manager • Provided technical assistance and market linkages to Kmanek Agriculture to prepare large input supply order from Indonesian suppliers, including UV plastic, organic fertilizer, dolomite limestone, EM-4 organic liquid fertilizer, and drip irrigation supplies

Training on Improved Production Planning & Management

DAC COP led a handover of all management activities, including production planning, seed distribution, production monitoring, purchasing, inventory management, and staff supervision to the newly hired Kmanek Field Operations Manager.

Farmer Field School for IPM and Horticulture Production

Farmer Field School Training of Trainers began in May with 15 DAC staff and 12 farmers from Seloï participating. The implementation of Farmer Field School in 4 communities in Seloï began 2 weeks later. Both activities are very well received by participants. The focus of the Farmer Field School is on organic pesticide, adequate use of compost and organic fertilizer, and the observation of crops on a weekly basis with trouble shooting and problem solving.

Short term technical assistance

Jeff Gucker completed an assignment to continue improving brassica production in the upland areas, finalize the broccoli production manual, and demonstrate greenhouse construction for pest control in Boklelo

Bruno Benavente conducted an assessment of potential new sites for Dilimart and Kmanek. He surveyed 27 sites within two hour drive of Dili, including sites in Ermera, Ainaro, Dili and Liquica Districts. 8 sites were identified as ready for engagement at any time, 8 others were identified as capable of engagement with additional technical assistance, and 11 sites were assessed as not appropriate for commercial engagement.

Activity 2B: Environmental Protection and Improvements

Farmer Field School for IPM and horticulture focused on production of organic fertilizer and pesticide using local materials. These new techniques will reduce farmer use of chemicals, including chemical pesticide and urea, while increasing production and quality.

Activity 2C: Identification of more communities interested in a truck farming venture²

Continued technical assistance to 5 communities in Seloï

See Activity 2A.

Expansion to additional communities

See Activity Four “USAID/Conoco Phillips GDA Partnership Project Expansion”

² A related Year Three activity “Continued coaching of about two additional communities...” has been completed in Year Two resulting in five communities fully engaged with DAC project and contract farming model

Activity Three: Assist SHA farmers and other value chain actors and stakeholders to develop a strong horticulture value chain that routinely increases sales volume and profits (VALUE)

Strong organizations of farmers (Activity One) with strong horticulture production skills (Activity Two) must be integrated into a strong horticulture value chain (Activity Three).

Activity 3A: Horticulture Value Chain Stakeholders Seminar

Complete.

Activity 3B: Formation of / Participation in Horticulture Working Group

DAC and MAF agreed that DAC would sponsor a “Soromutu Hortikultura” on July 10, with the main topic to be the presentation of the DAC horticulture market research. The Ministry of Agriculture will launch the Horticulture Working Group during this event.

Activity 3C: Maintenance of diverse client base and continued improvement in sales volume

Kmanek: Kmanek is now working with 23 farmer groups in Aileu Villa sub-district, with a total of ~350 farmers.

Dilimart: Dilimart is now working with 4 farmer groups in Remexio and Laularan subdistricts, with a total of 42 farmers.

Sales volumes: Volumes and incomes increased compared to the same period in 2012, and compared to the previous quarter. The “original” communities alone have increased production 156% (from 11,714kgs to 30,097kgs) and incomes 188% (from \$8,304 to \$23,927) over last year. Compared to the prior quarter, the original DAC farmer groups (a consistent number of farmers) increased production by 88% and incomes by 72%. In the expansion areas (number of farmers is growing) production increased by 466% and incomes by 517%.

Outdoor Vegetable Production Original Communities		
	Kg	US\$
April-June 2012	20,026	\$14,371
April-June 2013	56,717	\$41,108

Activity 3D: Business development support to key actors in value chain

Input Supply

In this quarter, Kmanek Agriculture tentatively decided to open a retail agriculture input supply business in Aileu Villa. DAC assisted Kmanek Agriculture to estimate inventory needs and research sources of input supply in Indonesia.

Traders/Wholesalers

No activity in this quarter.

Buyers

No activity in this quarter.

Activity 3E: Market Research

DAC finalized the analysis and report of the market research results. On July 10, the research will be disseminated through a public presentation and the distribution of CD's with the market research database, the user's manual, and the survey instructions and tools. We will also work with the MAF to include the market research information on their website and possibly integrate it into their food security data collection and analysis.

DAC completed a final draft of the Fresh Vegetable Value Chain report and disseminated it for review. The report will be completed in the next quarter.

Activity Four USAID/ConocoPhillips GDA Partnership Project Expansion

In Year Two, DAC and USAID finalized a contract modification that increased the budget and scope of work to expand to at least five new communities and 150 additional farmers. Funding for this expansion is provided through a Global Development Alliance partnership with ConocoPhillips.

Activity 4A: Engagement of at least 5 additional communities with at least 150 new farmers

New communities in sub-district Aileu Villa

DAC and Kmanek Supermarket continued to expand the horticulture operations to new communities and new farmers, as shown in the chart below

New communities in sub-districts Remexio and Laularan

DAC and DiliMart initiated work in one new community in Laularan subdistrict, Sarlala, with 23 farmers.

No	SHA	# of farmers			New Farmers this Quarter			Total Expansion Farmers		
		M	F	Total #	M	F	Total #	M	F	Total #
Expansion site										
1	Boklelo	7	3	10	4	0	4	11	3	14
2	Cassamau I	14	3	17			0	14	3	17
3	Cassamau II	10	0	10			0	10	0	10
4	Dou Dato			0	10	1	11	10	1	11
5	Fatubosa Aldeia I	14	6	20			0	14	6	20
6	Fatubosa Aldeia II	6	2	8			0	6	2	8
7	Fatulumau			0	14	2	16	14	2	16
8	Fo Liman ba Malu			0	6	13	19	6	13	19
9	Foin Mehi			0	19	2	21	19	2	21
10	Halibur			0	4	1	5	4	1	5
11	Remexio			0	4	1	5	4	1	5
12	Saboria	8	0	8	2	2	4	10	2	12
13	Sarau I			0	6	2	8	6	2	8
14	Sarau II			0	3	8	11	3	8	11
15	Sarlala			0	17	6	23	17	6	23
16	Talitu (Balibar)			0			0	0	0	0
17	Teblor	4	4	8			0	4	4	8
	Total (ES)	63	18	81	89	38	127	152	56	208

Farm sales of 41 tonnes from the expansion communities generated \$36,540 during the quarter: In the expansion areas (number of farmers is growing) production increased by 466% and incomes by 517%. Three communities held their first harvests and sales to Kmanek and Dilimart.

Totals of Vegetable Production April-June 2013		
	Kg	US\$
Outdoor Production Expansion	40,931	\$36,540

Identification and assessment of potential new sites: DAC's two commercial partners, Dilimart and Kmanek, are beginning to take full responsibility for the management of their horticulture programs, and both are interested in expanding to many more sites in the future. As the commercial partners take their own initiative to expand, DAC can assist by identifying high potential new sites for their consideration over the next one to two years.

In May 2013, short term consultant Bruno Benavente completed an assignment to identify and assess potential new sites within a 2+ hour drive from Dili, considering Aileu, Ermera, Ainaro, Liquica and Dili districts. Using DAC's proven methodology for site selection that includes consideration of road access, growing conditions, and community engagement, Mr. Benavente identified and assessed 27 sites. 8 sites were identified as ready for engagement at any time, 8 others were identified as capable of engagement with additional technical assistance, and 11 sites were assessed as not appropriate for commercial engagement.

Activity 4B: Assist farmers to manage their commercial horticulture activities (PEOPLE)

DAC's work with PEOPLE focuses on developing sustainable ways for farmers and farming communities to manage the planning, production and sales of vegetables with their commercial buyer partners. This includes assisting farmers to develop the business skills necessary to transition from subsistence agriculture to farming as a business, helping farming communities to choose and implement the types of organizations that best meet their needs, and training group members and leaders in the required skills.

Activity 4B-1: On-site training and technical assistance (managerial)

DAC will provide training and technical assistance to help farmers and farmer groups to learn how to manage the planning, production and sales of vegetables. DAC will provide specific, proven training and tools that will assist the farmers to master the transparent communication and operations tasks of planning, record keeping, financial management and decision making that are critical to their success as commercial farmers.

Farming as a Business Training

Complete at this time.

Farming as a Business technical assistance

In the expansion areas, 14 farmers made investments in their production, purchasing significant amounts of animal manure to be used for compost production.

Business skills training for farmers and farmer groups

No activity in this quarter

Organizational/managerial training – General

Kmanek Areas

No activity in this quarter.

Dilimart Areas

No activity in this quarter.

Activity 4B-2: Integration of farmers into District Association

No activity this quarter.

Activity 4C: Assist SHA farmers to improve horticulture technology and practices to meet market demand for product quantity and quality (PRODUCTION)

DAC's work with PRODUCTION will identify potential new sites and new farmers, link them to commercial buyers, and provide the technical assistance required for them to produce consistent, year-round, quality and quantity of vegetables according to the buyers' requirements. DAC will also use innovative training methods such as Farmer Field School and exposure to international best practices to solidify agriculture skills and empower farmers to take full responsibility for the success of their small farming businesses.

Activity 4C-1: On-site training and technical assistance (technical)

Direct technical assistance

DAC technical assistance in the expansion communities is summarized in the table below.

Challenge	Solution	Activities this quarter
Farmers do not use all improved techniques to maximize production	Demonstration plots to motivate farmers to implement new technologies by showing the measurable improvements in production	Demo plot harvests complete and comparison data analyzed. Results will be presented to farmers during Farmer Field School activity.
Farmers do not use enough fertilizer	Demo plots to show measurable increase in production	Farmers participating in the training in Indonesia learned that successful vegetable farmers at the Value Chain Community use approximately 10 times the amount of compost currently used by DAC farmers.
	Assist farmers to understand the “business case” for this investment	No activity in this quarter.
	Help farmers to organize to make group purchases	Assisted 14 farmers to purchase large amounts of chicken manure to use in making compost
Pests and diseases	Improve farmer skills in IPM	Farmer Field School trains farmers and DAC staff in many new IPM techniques.
	Farmer Field School emphasis on IPM for horticulture	Training of Trainers and implementation of FFS in four expansion locations in Selo began in May and will continue through August.
Farmers don't have easy and sustainable access to best practice information	Best practice manual for cultivating the top ten vegetables	Manual contents completed
Environmental problems may	Environmental mitigation and enhancement including re-	Forestry nurseries completed in 5 communities in Selo, fruit tree seeds (mandarin and papaya)

impact future production	forestation	collected and distributed, and contacts made with other organizations (CCT / RDP4/PER) that provide other saplings.
Farmers don't use enough water to maximize production	Train farmers on adequate use of water to maximize production	Farmer Field School training plots use drip irrigation.
	Train farmers on use of drip irrigation and assist with investment in irrigation equipment	No activity in this quarter.

Farmer Field School for IPM and Horticulture Production

Training of Trainers and implementation in 2 expansion communities began during this quarter. The training is extremely well received by farmers.

International Training

The first group of 20 farmers completed training at the Value Chain Community in Bandung, Indonesia.

Training on Improved Production Planning

Complete at this time.

Introduction of Contract Farming Model

Complete.

Activity 4C-2: Assisting communities to develop agriculture assets

DAC will develop cost-sharing plans and partner with communities to construct facilities necessary to meet the market demand for consistent quantity and quality of produce.

Horticulture nursery facilities

All communities under the expansion in the Kmanek areas use the individual seed distribution model. DAC trained all new farmers on the correct design of an individual nursery, and provided a cost share for the construction. DAC provided plastic, and the farmers provided netting (to protect against pests), local materials and labor. In the expansion communities, 46 new farmers constructed well designed nurseries.



Forestry nursery facilities

Forestry nursery facilities were completed in 5 communities in the Seloi area.

Outdoor production facilities

DAC continued to deliver materials and technical assistance to allow all new farmers to install outdoor production facilities appropriate for their own fields and production. DAC's goal is to provide either plastic tunnel or plastic mulch, and an irrigation solution such as drip irrigation, to at least 150 new farmers. The chart below shows distribution to date, and the number still to be distributed.

	Plastic Tunnel	Plastic Mulch	Drip Irrigation
New Farmers in New Groups	52	15	18
New Farmers in Original Groups	14	8	7
Total	66	23	25
Remaining to Distribute	61		125

Activity 4D: Environmental Protection and Improvements

DAC initiated the first phase of the environmental protection and improvement activities. DAC staff trained members of farmer groups in five expansion communities to build forestry nurseries, and to prepare poly bags for growing tree seedlings. Fruit tree seeds (mandarin and papaya) were collected and distributed, and contacts were made with other organizations (CCT / RDP4/PER) that provide other saplings such as casuarinas and mahogany.

DAC staff also held community socialization meetings, and conducted a community mapping exercise to identify the most important areas for erosion prevention and mitigation.

Administrative and Technical Management

Personnel

LONG TERM TECHNICAL ASSISTANCE:

In this quarter, DAC hired 3 new Field Technical Assistants to fill open positions and enable our continued expansion. We also added 2 new Field Assistants, a junior level position that helps to fill gaps while providing excellent training and experience for entry level staff. Finally, we hired for an open Business Development Specialist on our Community Mobilization Team.

- Agostinho Sarmento, Field Technical Assistant
- Miguel de Araujo Malic, Field Technical Assistant
- Zaulino Gomes, Field Technical Assistant
- Amsoleman Araujo, Field Assistant
- Denilva Silva, Field Assistant
- Caetano Mirando, Business Development Specialist

SHORT TERM TECHNICAL ASSISTANCE:

- Bruno Benavente completed an assignment to identify and assess potential sites for expansion for the DAC commercial partners. Mr. Benavente identified and assessed 27 sites.
- Jeff Gucker completed an assignment to continue improving brassica production in the upland areas, finalize the broccoli production manual, and demonstrate screenhouse construction for pest control in Boklelo

EMDAP ADVISOR:

DAC project agreed to host an intern through USAID's Emerging Markets Development Advisor Program. Mr. Ryan Talmage started work on April 15. In this quarter, his work included:

- Contributions to the DAC Fresh Vegetable Value Chain Analysis report
- Assistance in identifying and sourcing appropriate onion varieties for testing, and researching best practices in onion cultivation and post-harvest handling in the tropics
- Preparation of a summary presentation for DAC commercial partner Kmanek Agriculture on the potential for export of fresh vegetables

- Reviewed current processes in the field, and made recommendations on improving post-harvest handling and transportation for commercial partner Kmanek Agriculture
- Initial work on cost of production analysis for farmers and for commercial partners

SIGNIFICANT EVENTS

- On May 24, a large ceremony including the US Ambassador, USAID Mission Director, and Minister of Agriculture celebrated the formal handover of the greenhouse assets to the legally registered Associations in Sarin and Liurai
- On May 24, the formal opening of the Farmer Field School training was held with the US Ambassador, USAID Mission Director, and Minister of Agriculture in attendance

Annex 1

Updated Year 3 Workplan Timeline

See next two pages

DAC YEAR THREE WORKPLAN TIMELINE	2012				2013							
	September	October	November	December	January	February	March	April	May	June	July	August
Activity One: Assist SHA farmers to manage commercial horticulture												
<i>Activity 1A: Continued improvement in farming operations (managerial)</i>												
Farming as a Business Training												
Farming as a Business technical assistance												
Business skills training for farmers and farmer groups												
Organizational/managerial training for Associations (Sarin/Liurai)												
Develop business plans for Sarin and Liurai												
<i>Activity 1B: The formation of a legal business entity</i>												
Registration of Sarin and Liurai Greenhouse Associations												
Formation of Aileu District Horticulture Association												
Activity Two: Improve horticulture production to meet market demand												
<i>Activity 2A: Continued improvement in farming operations (technical)</i>												
Sarin and Liurai greenhouses technical assistance												
Sarin, Liurai, Selo, Lequitura outdoor production technical assistance												
Completion of contract farming model												
Training on improved production planning												
Farmer Field School training of trainers (IPM / horticulture production)												
Farmer Field School training (Aileu Villa)												
<i>Activity 2B: Environmental Protection and Improvement</i>												
<i>Activity 2C: Identification of more communities interested in DAC model</i>												
Continued technical assistance to 5 communities in Selo												
Expansion to additional communities												
Activity Three: Develop Strong Horticulture Value Chain												
<i>Activity 3A: Value Chain Stakeholders Seminar</i>												
<i>Activity 3B: Horticulture Working Group</i>												
<i>Activity 3C: Diversification of clientele</i>												
<i>Activity 3D: Business development assistance to key actors</i>												

DAC YEAR THREE WORKPLAN TIMELINE	2012				2013							
	September	October	November	December	January	February	March	April	May	June	July	August
Activity Four: USAID/ConocoPhillips GDA Partnership Project Expansion												
<i>Activity 4A: Engage at least 5 additional communities/150 new farmers</i>												
<i>Activity 4B-1: On site training and TA (managerial)</i>												
Farming as a Business Training												
Farming as a Business technical assistance												
Business skills training for farmers and farmer groups												
Introduce contract farming model												
<i>Activity 4B-2: Integrate farmers into District Association</i>												
<i>Activity 4C-1: On site training and TA (technical)</i>												
Direct technical assistance												
Farmer Field School training (Laularan/Remexio)												
International Training												
Training on Improved Production Planning												
Introduction of Contract Farming Model												
<i>Activity 4C-2: Assisting communities to develop agriculture assets</i>												
Horticulture nursery facilities												
Forestry nursery facilities												
Outdoor production facilities												
<i>Activity 4D: Environmental Protection and Improvements</i>												