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AGRICULTURAL LINKAGES PLUS PROJECT (ALP UZBEKISTAN)

QUARTERLY REPORT (Q2 FY 2013)

JANUARY 2013 – MARCH 2013

APRIL 2013

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AGRICULTURAL LINKAGES PLUS PROJECT

(ALP)

Q2 FY 2013 QUARTERLY REPORT

JANUARY 2013 – MARCH 2013

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U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

RAISE Plus IQC

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ACRONYMS

ALP	Agricultural Linkages Plus project
CAR	Central Asian Republics
CE	Categorical Exclusion
DAI	Development Alternative Inc.
DPP	Dynamic Planning Process
EU	European Union
FY	Fiscal Year
ha	hectare (10,000 square meters, 100 meters by 100 meters, 2.47 acres)
MAWR	Ministry of Agriculture and Water Resources of Uzbekistan
M&E	Monitoring and Evaluation
MOU	Memorandum of Understanding
PERSUAP	Pesticide Evaluation Report and Safe Use Action Plan
SME	Small and Medium size Enterprises
TA	Technical Assistance
TCN	Third Country National
USAID	US Agency for International Development
WUA	Water User's Association
WUASP	Water User's Association Support Project

This report covers the second quarter (January, February, March 2013) of activities of the AgLinks Plus (ALP) Project in Uzbekistan in fiscal year (FY) 2013.

A. BACKGROUND

A.1 Project goals and objectives

The purpose of the Agricultural Linkages Plus Project is to increase employment and incomes through improved competitiveness of selected agriculture value-chains in Uzbekistan. The project consists of four components aimed at addressing project objectives: improving farm level productivity, public and private sector service support, agro-processing, and training and human resource development. ALP seeks to improve competitiveness in the value chains related to grape, stone and pome fruits, subtropical fruits and nuts.

A.2 Project Components

The project consists of four components aimed at addressing project objectives:

- Component 1: Improving Farm Level Productivity
- Component 2: Public and Private Sector Service Support
- Component 3: Agro-Processing
- Component 4: Training and Human Resource Development

A.3. Geographic and commodity focus

The list of approved areas for ALP to operate has been expanded to six provinces: the original three (Namangan, Ferghana and Samarkand) plus Andijan, Bukhara and Tashkent and 26 districts. A Memorandum of Understanding between USAID and MAWR was ratified on December 12, 2012.

Provinces	Samarkand	Namangan	Ferghana	Tashkent	Andijan	Bukhara	Totals
Districts	Taylog	Pop	Quvasoy	Ohangaron	Andijan	Jondor	
	Payarik	Turakurgon	Ferghana	Bustonlik	Bulokboshi		
	Samarkand	Uychi	Quva	Zangiota	Hujaobad		
	Urgut	Konsonov	Oltarik	Parkent	Marhamat		
	Bulungur	Chortok		Kibray	Jalakuduk		
		Yangikurgan					
AgLinks (old)	3	2	1	0	0	0	6
ALP (new)	2	4	3	5	5	1	20
Sub-totals	5	6	4	5	5	1	
Total	26						26
Other	plus Tashkent City						

List of ALP districts and provinces

The targeted commodities under ALP are the following:

- Stone fruits - peaches, nectarines, cherries, apricots and plums
- Pome fruits - apples, pears and quince
- Sub-tropicals - pomegranate and walnuts
- Vineyards - table grapes

A4. Administrative

Expansion

Introductory visits with local authorities took place in the provinces and districts added under the expansion that became official during the previous quarter. A tripartite delegation consisting of representatives from the MAWR (Mukhammadjon Kosimov), USAID (Alexander Kalashnikov) and ALP (Chuck May and Asror Nazirov) met with the Provincial Deputy Khokims, MAWR provincial and district representatives, Agrifirms, WUAs and nursery, farm and cold store entrepreneurs in Samarkand and Bukhara provinces.

Other

Recruitment of additional technical staff was completed with the hiring of two new Regional Managers for Tashkent Province (Elbek Suleymanov – sub-specialty in post-harvest marketing) and Andijan Province (Gholibjon Mahmudov – sub-specialty in agricultural engineering).

ALP staff took part in USAID’s training on “How to take better photos” which was followed by an office visit by the USAID/CAR Development Outreach Specialist on February 12.

February marked the required move from local cash payments for salaries to the “plastic” card system (i.e. debit card) based upon instructions from the project’s bank. ALP’s bank agreed to provide 50% salary on a “plastic” card basis and 50% in cash but was unable to honor this commitment at the end of the month due to a lack of cash at the bank. “Plastic” cards cannot access cash and local staff only accessed half their salaries in “virtual” money for February. This explains the lower Labor billings in February 2013. The project is working with the bank to determine when the remaining funds will be released and in what manner (virtual or real cash).

B. PROJECT ACTIVITIES UNDER COMPONENTS

B.1. Component 1: Improving Farm Level Productivity

The central objective of this activity is to increase incomes through improved competitiveness of selected agriculture value-chains. This is done by addressing the

causes of low productivity in the production of grapes and other fruits. The project improves productivity through addressing the following farm level constraints:

a. Improving On-farm Water Management. A drip irrigation system, built in 2012 on an ALP demonstration site hosted at the Shreder Horticultural Research Institute (Shreder) has shown a lot of positive results. Therefore, the management of Shreder expressed a desire to expand the use of drip irrigation in the 2013 growing season. Shreder will add four demonstration sites in 2013. The first is on a nearby area of four hectares, which has been identified for a stone fruit collection orchard. The orchard will be planted with intensive technology using trellis systems of different types and will be irrigated using advanced irrigation systems. In the site built in 2012 and this first one planned for 2013, irrigation and fertigation activities will be used according to the recommendations of leading specialists at Shreder.

The second demonstration site is being developed near the Shreder Institute. This site has an area of 2.7 ha. and will devoted to pome fruit (mainly apple varieties and rootstocks). The relief of the field is very complex and does not allow for the traditional furrow irrigation technique, so using the new advanced irrigation techniques are an ideal solution for irrigation here.

The final two additional modern irrigation demonstration fields will be organized in the Samarkand Province. The area of each site there is five hectares.

The benefits of the expanded demonstration sites will be twofold: 1) they will help to spread the information throughout Uzbekistan (rather than being limited to the project's targeted districts) since the Institute conducts advanced irrigation training sessions on their demo plots for trainees and visitors from all over Uzbekistan (during last year the demo plot had 4,000 visitors); and 2) Shreder will have the capacity to research the optimal schedule of water application and fertigation for orchards and develop recommendations for farmers. The following table includes information on additional ALP drip sites that are planned for installation during 2013.



Mist irrigation system in Shreder Head green house (Tashkent Province)

Province	Client	Crop	Area, ha
Tashkent	Shreder Head Office	stone fruit collection orchard with intensive trellis support	4.0
Tashkent	Shreder Head Office	pome fruit orchard intensive trellis	2.7
Samarkand	Samarkand Province, Samarkand district, farm "Mahmudov Umidjon Boglari", farmer Mahmudov Alam	fruit nursery and intensive orchard using trellis support	5.0
Samarkand	Samarkand Province, Taylak district, farm "Davlatjon Sardor Togzori", farmer Mallaev Asrol	Vineyard, fruit nursery and intensive orchard using trellis support	5.0
Total area			16.7

Table 1: Four new demonstration sites using advanced irrigation techniques

Irrigation and Drainage (I&D) Assessment. The I&D assessment covering WUAs and Agrifirms in the original provinces and districts was completed in January 2013 after two months of field work by two local consultants (ALP-30). They reviewed both the technical and institutional aspects related to intra-farm I&D rehabilitation for those areas cultivating project-targeted crops. They provided a rank order of priority improvements and rehabilitations to undertake. Based on their report, ALP will initiate specific intra-farm I&D rehabilitations in April 2013 projected to have the greatest impact on the largest number of farmers and their on-farm water utilization. Besides rehabilitation, a number of training programs aimed at improved water management will be provided for WUA staff and farmers.

b. Improving Plant Material and Agronomic Practices. Two critical constraints to higher productivity are the shortage of quality seeds and plant material, and farmer's lack of knowledge of basic and advanced techniques. To address these constraints AgLinks Plus will provide plant material, training and cost-shared inputs. In particular, activities include:

- New Seeds and Plant Material.** The Uzbek government has recently begun to promote the planting of intensive orchards. A key element of any intensive orchard is good quality trees. Intensification is possible by using dwarfing and semi-dwarfing rootstocks that control tree size and induce early cropping. Thousands of hectares of dwarfing apples have been planted all over Uzbekistan. But dwarfing apple trees require high establishment costs because of the expense of importing the trees. Also dwarfing apple trees are shown to have a high susceptibility to bacterial diseases which can be devastating to pome fruit orchards. Additionally, the imported dwarfing apples have high water and nutrient requirements and are not very resistant to insects or sunburn. Losses of up to 20% in several apple orchards were observed during the 2012 growing season. However, local semi-dwarfing apple trees have proven to be more resistant to environmental changes and pest pressure.

Because local farmers do not have experience cultivating semi-dwarf fruit trees in high density planting, but have a high desire to learn the new approach, AgLinks Plus has been establishing demonstration intensive apple orchards using semi-dwarfing rootstock and a trellis system. Traditionally, Uzbek farmers plant 400-500 semi dwarfing trees per hectare. The new demo plots are more than double that size, hosting 1,000-1,250 semi-dwarfing apple trees per hectare.

The list of four new demo plots provided with the saplings is presented below.

Name	Province	District	Farm	# of trees	Area
Isomiddin Hudoyorov	Namangan	Chortoq	Peshqorgon Hudoyori	625	0.5
Masudahon Sharipova	Namangan	Yangiqorgon	Sharipova Masudahon Abdurahmonovna	625	0.5
Mamirjon Abrorov	Andijan	Marhamat	Osiyoxon Sara Boglari	625	0.5
Mansur Sohibnazarov	Samarkand	Taylok	"Dilkusho Sifat" AF	625	0.5
Total				2,500	2

- Improving Agronomic Practices: Pruning.** The ALP-promoted pruning methods (known as “American” in targeted districts) have proven to be highly beneficial. New skills, quality tools and demonstration plot farmer testimonials resulted in increased popularity of the pruning teams and demand for their services. The pruning group consisted of seven people under the leadership of Abbosali Tukaev (HEP 5 alumnus) from Kuvasay District of Ferghana Province. Over the course of a year, the group was asked to prune 60 ha of peaches and apricots in Tashkent Province, and 30 ha in Kuvasay District of Ferghana Province. “The Aglinks Plus project has changed my life completely. The pruning business became an additional source of income for me and my family (my brother is also in the group) increasing my profits by 50%”, said Abbosali. His colleague Yuldashev Toir, along with his workers, pruned 17 ha in Ferghana Province. According to Mr. Toir, “Farmers are very careful about switching to a new pruning method. To promote it we first prune a couple of trees. During the next year the farmers see the results and ask us to prune 50% of the orchard. The following year it is always 100%.” Mr. Toir started with six people but this year he hired four more people to satisfy the demand.
- Improving Agronomic Practices: Topworking.** Uzbek farmers with existing traditional orchards and vineyards face problems related to orchard replacement. Rather than removing all the trees or vines and replacing them with new varieties, ALP promoted the more economical procedure of grafting the new variety to knee level limbs. This quarter ALP assisted farmers in Ferghana and Namangan provinces to graft a few trees as an experiment:

apricot on peach; plum on peach and peach on peach. The results will be evident next season.

- **Improving Agronomic Practices: Cherry Production.** International consultant Joe Grant started a series of trainings on the best sweet cherry production practices. The trainings were based on the assessment conducted last year that explored the reasons for the decline in cherry production. Topics for discussion included pest and disease identification and control, irrigation, pruning, pollination and fertilization.
 - **Improving Agronomic Practices: Trellising.** The bidding process was initiated to procure 3,335 trellises. Four types of trellises, the newly introduced “Lyre” and “V” plus the traditional “I” and Oltariq types, will be installed 13 demo plots in the newly added locations and ultimately cover 7 ha of land.
- c. Pest and Disease Management.** Destruction of crops from pest and diseases (P&D) are a major source of output and results in income loss among fruit farmers, wholesalers, retailers and exporters, not to mention the human health problems that can also occur. Thus, ALP’s activities include the promotion of Integrated Pest Management (IPM) and the next quarter’s Horticultural Exchange Programs (HEP) will be devoted entirely to that subject. During this quarter, the project team reviewed 33 applicants sourced from the three HEP program stakeholders: USAID, the Ministry of Agricultural and Water Resources (MAWR) and ALP. One representative from each of these stakeholders comprised the panel that reviewed and scored the applicants, and 15 nominees were interviewed. A total of 10 finalists and two alternates were identified, all of whom are owners/operators of intensive orchards or vineyards: one person from the MAWR, one from the Ministry of Foreign Affairs, two agricultural researchers, one Agrifirm manager, and five farmers.
- d. Post-Harvest Storage and Losses.** ALP continued with the cold storage assessment initiated during the previous quarter. This activity was implemented via Unicon-S and assessed the following:
- The effectiveness of forced vacuum cooling and portable forced air-cooling methods – three portable and three chamber pre-coolers will be provided to selected cold stores to test their effectiveness in the up-coming harvest season.
 - The effectiveness of using sulphur pads to prolong the storage capacity of table grapes. Preliminary results have shown that newly introduced sulphur pads keep grapes in excellent shape and prevent them from moisture losses and rotting. Losses were only 2% when compared to 15% using traditional storage methods.
- e. Agrifirm Production and Marketing Support**
- Quarter 2 represented the most intensive period of project expansion activities with introductions to new local authorities at both the provincial and district levels

along with meetings with potential new partner agrifirm and water user associations. The project team was focused on these new partners and no new activities were undertaken with existing agrifirm partners during this expansion intensive period. Note that the expansion required the project to introduce themselves and the project's activities in 20 new districts.

B.2. Component 2: Public Private Sector Service Support

This quarter John Driver finalized the tissue culture lab technical specifications in collaboration with the Shreder Horticultural Research Institute. This procurement consists of three lots: lab supplies and equipment (mostly procured in the US), laboratory furnishings (lab benches, shelves, desks, etc.) and a greenhouse. The latter two will be procured locally.

B.3 Component 3: Agro-Processing and Exports:

The newly introduced sulphur pads to a number of famers in previous months proved to extend storage period of fruits: stored grapes were in perfect condition, allowing farmers to sell the produce in April-May when prices are the highest.

B.3. Component 4: Training and Human Resource Development (HRD):

A total of 493 participants attended producer-level trainings this quarter, including intensive orchard basics and best practices in sweet cherry production. Please see the statistics in the table below.

Training	Nursery and intensive orchard - John Driver		Intensive orchards - Tim Mitchell		National Exchange Program -2		Grape Pest & Disease and their control - Ulugbek Bekchanov		Pruning training - Shuhrat Abrorov		Best sweet cherry production practices - Joe Grant		Total
	F	M	F	M	F	M	F	M	F	M	F	M	
Dates	12 - 19 January		4 - 11 February		19-20 February		27 Feb - 4 Mar		13 -16 March		28 March		
Province	F	M	F	M	F	M	F	M	F	M	F	M	
Samarkand	1	51	1	9	6	48	3	43			1	19	182
Ferghana	0	31	0	12					2	49			94
Namangan	0	57	1	28					0	71			157
Andijan	0	31											31
Bukhara							1	28					29
Totals	1	170	2	49	6	48	4	71	2	120	1	19	493
Total - 493 (16 Female, 477 Male)													

Horticultural Exchange Program (HEP). The fifth Horticultural Exchange Program to California (HEP05) took place from January 17 to February 11, 2013 focusing on intensive orchard and vineyard management. A total of 10 Uzbek delegates participated with five from the public sector and five from the private sector. Public sector attendees included staff from the Shreder Horticulture Research Institute, Plant Science Institute and the MAWR along with a representative of the Ministry of Foreign Affairs (MFA). Four of the private sector participants were intensive orchard farmers while the fifth has an intensive vineyard. “Intensive” horticulture is different from traditional practices due to dense spacing, advanced watering systems, trellising, dwarf or semi-dwarf varieties, and unique tree training techniques.



HEP participants studying intensive vineyards on trellis (California)

HEP05 provided delegates exposure and access to owner-operators in California’s intensive stone fruit orchards and vineyards along with leading academic and practical experts. All aspects of growing stone fruits in high density orchards including land preparation, planting, nutrient and water management, integrated pest control, pruning and tree training on trellises, harvesting and post-harvest practices and short-term storage were covered during the three week visit (one week each in Davis, Modesto and Fresno areas). Mechanical and hand pruning of high density stone fruit and walnut orchards were of particular interest to the Uzbek delegates. During each visit and seminar the participants had the opportunity for hands-on experience, with sufficient time to ask numerous questions.

National Exchange Program (NEP). This quarter ALP conducted NEP-02, which focused on intensive orchards. Roughly 60 horticultural entrepreneurs, consisting of nursery and input suppliers, producers, cold storage operators and others, from 25 districts of Uzbekistan attended the two-day program held in Samarkand on February 19-20, 2013. Participants were exposed to both the theory and practice of intensive orchard best practices with on-farm sessions hosted by alumni of the project’s Horticultural Exchange Program who shared knowledge, experience and technologies gained during their US study tours. Participants also purchased plant material from newly trusted vendors that will directly impact the upcoming 2013 growing season.



NEP-2 participants visiting advanced intensive orchard (Samarkand Province)

C. ENVIRONMENTAL COMPLIANCE

C.1. Monitoring.

The list of activities that were completed during the first quarter of 2013 is given. All mitigation measures that were envisioned were followed and obeyed and no adverse effects from the activities were recorded.

1. Category 1 – No risk
ALP-38 : Advanced Nursery Trainings
2. Category 2 – No significant risk of negative environmental impact
ALP-30 : Irrigation and drainage network assessment completed and consultants included environmental considerations in their report.
ALP-36 : HEP05 Activity underway with environmental issues included in site visits and discussions with US farmers based on EPA and USDA regulations
ALP 43: National Exchange Program-2. Group of farmers, mainly from newly added districts visited Samarkand to learn best intensive orchard practices and postharvest technology.
ALP 44: Spring Cherry Tree Pruning - conducted in March by Joseph Grant
3. Category 3 – Possible risk but mitigated with measures to limit impact
ALP-41 : Tissue Culture Lab procurement: Prepared draft Environmental Review with full description of chemicals, equipment, tools, testers and lab appliances and their proper handling/storage procedures, first aid measures, proper protective clothing, and other lab safety, health and environmental requirements. Updating final document based upon USAID/REO suggestions.

C.2. Mitigation.

AgLinks Plus promotes environmentally friendly agrotechnologies and techniques to mitigate possible adverse impacts of agricultural activities. The proper use of agrochemicals as a means for pest and disease control in orchards is always on the project agenda. The basis for the mitigation of potential negative environmental impacts of agrochemicals use is the PERSUAP and pest and disease control manual published by the project in cooperation with the National Plant Protection Institute. In every single pest and disease control training program a special session is reserved for the safe use of agrochemicals. Trainers always highlight this key aspect. New project activities, such as using pheromone traps for optimal scheduling of chemicals application, also helps to mitigate undesirable environmental side effects. Farmers will know exactly when to apply chemicals and how much to apply, instead of using them blindly. Promotion of advanced irrigation systems, is also directly linked to improving environmental issues in irrigated agriculture through the mitigation of water loss and water erosion of arable lands.

C.3. Issue(s).

No other major issues were identified during this quarter.

D. Finance

D.1. Disbursements.

ALP disbursements this quarter are presented in the table below by the four major line items (Labor, Other Direct Costs, Indirect Costs and Fee).

Obligated = 6,667,686	LOP Budget	Invoices 1-15 Oct 11 to Dec 12	16 Jan-13	17 Feb-13	18 Mar-13	Total Invoiced To-Date	% CLIN Expended	LOP Budget Balance
LABOR	1,955,582	424,927	41,486	21,103	34,740	522,256	27%	1,433,326
ODC	7,607,080	2,398,940	185,279	89,892	110,168	2,784,279	37%	4,822,801
INDIRECT	1,827,005	222,959	21,767	11,073	18,228	274,028	15%	1,552,977
FEE	654,905	175,193	14,291	7,019	9,380	205,882	31%	449,023
TOTAL	12,044,572	3,222,020	262,822	129,087	172,516	3,786,445		8,258,127

D.2. Issue(s).

There are no outstanding financial issues with the ALP project at this time. The project is on schedule with regards to its project budget and obligation level.

ANNEX A

- Monthly Report for January 2013
- Monthly Report for February 2013

USAID AgLinks Plus (ALP) Project
Monthly Report #11 – January 2013

Contract # EDH-I-00-05-00004-00
TO # AID-176-TO-11-00002-00

ADMINISTRATION. Protocol #1 to the MOU between USAID and the MAWR was signed on December 12, 2012 enabling ALP to expand activities to new regions and crops. This change in the project coincided with a change in the DAI Home Office which moved from a sector-based to a geographic-based organization. Effective 1st January 2013 ALP is now in DAI's Asia Region and has new project backstop personnel (see table below). A delegation consisting of MAWR (Muhammadjon Kasimov), USAID (Nathan Park & Alexander Kalashnikov) and ALP (Asror Nazirov) visited Ferghana, Andijan and Namangan provinces to meet with local authorities to introduce the expanded project. A similar visit will be made to Bukhara and Samarkand in February. The recruitment of new technical staff to accompany the expansion closed in late January and evaluation began of 81 applicants (10 female). On January 29 ALP took part in a meeting at the US Embassy on "Creating alliances with private businesses."

New DAI HO Structure (beginning January 2013)		Previous DAI HO Structure (through end December 2012)	
Title	Occupant	Title Listed in ALP Contract Budget	Occupant
Regional Managing Director for Asia	Jenny Baker	not listed in ALP contract	Zan Northrip
Project Team Director for Inclusive and Sustainable Growth in Asia	Cheryl Doty	Technical Area Manager	Dave Besch
USAID ALP Project Manager	Meghan Karchner	Technical Backstop	Chris Reynolds
USAID ALP Project Associate	Elizabeth Cutler	Project Administrative Backstop	Gwendolyn Armstrong

TECHNICAL. January saw the HEP05 departure, completion of the I&D assessment along with the commencement of seasonal training programs.

Horticultural Exchange Program (HEP). The pre-departure meeting for HEP05 (ALP-36) was held at the MAWR on 09 January and the program started on 17 January with a main theme of "Intensive orchards and vineyards." After a flight delay in Europe due to weather conditions the HEP05 group arrived in California after an unscheduled stopover in Washington. The overnight delay did not negatively impact the scheduled exchange visit agenda. This was the second flight delay under the HEP program which highlighted the need for these groups to have reliable communication capability. Written requests for nominees for HEP06 were provided to project partners including MAWR and Shreder Horticultural Research Institute with a submission deadline of 23 February. HEP06 will focus on "Integrated Pest Management" and commence in late April.

Irrigation and Drainage (I&D) Assessment. The I&D assessment covering WUAs and Agrifirms in the original provinces and districts was concluded in January 2013 after two months of field work by two local consultants (ALP-30). These consultants reviewed both the technical and institutional aspects related to intra-farm I&D rehabilitation for those areas cultivating project targeted crops. They provided a rank order of priority improvements and rehabilitations to undertake. Based on their report, ALP will initiate specific intra-farm I&D rehabilitations in spring 2013 projected to have the greatest impact on the largest number of farmers and their on-farm water utilization.

Advanced Nursery Techniques trainings. John Driver and ALP technical staff held advanced nursery trainings from 12 to 19 January (ALP-32). Five day-long training sessions in the targeted provincial capitals attracted 171 participants. Ways and means of assuring "true-to-type" varieties in nurseries and propagation techniques to accelerate moving new saplings to market were highlighted. Nursery operators were paired with intensive orchardists to facilitate learning and link these dependent aspects of the horticultural value chain. Trainings drew heavily on local experience with visual aids (photos and films), hands-on demonstrations and Q&A sessions. A wide cross-section of interested economic actors attended including State Owned Enterprises (SOEs) affiliated with the Ministry of Foreign Economic Relations (ex., UzInterImpeks and Kosonsoy AgrolImpeks) with follow-up meetings held at their request. Trainees were especially

interested in new techniques including grafting almonds onto peach rootstocks which allows trees to bear fruit much earlier in their lifecycle. An official from the Hokimyat of Andijan Province thanked the trainers at the end of their training and stated that the training would be beneficial to the provincial economy if it were replicated in all the region's districts.



John Driver Demonstrates Grafting Techniques Samarkand Province

Tissue Culture Lab. John Driver finalized the tissue culture lab technical specifications in collaboration with Shreder Horticultural Research Institute. This procurement consists of 3 lots: lab supplies and equipment (mostly procured in the US)(ALP-41), laboratory furnishings (lab benches, shelves, desks, etc.) and greenhouse. The latter two will be procured locally.

ENVIRONMENTAL COMPLIANCE. Initial Environmental Review documents were prepared and ongoing monitoring continued for the following activities in January.

Category 1 – No risk

ALP-38 : Advanced Nursery Trainings

Category 2 – No significant risk of negative environmental impact

ALP-36 : HEP05 Activity underway with environmental issues included in site visits and discussions with US farmers based on implementation of US-EPA and USDA regulations

ALP-30 : Irrigation and drainage network assessment completed and consultants included environmental considerations in their report.

Category 3 – Possible risk but can be mitigated with measures undertaken to limit impact

ALP-41 : Tissue Culture Lab procurement: Prepared draft Environmental Review with full description of chemicals, equipment, tools, testers and lab appliances and their proper handling/storage procedures, first aid measures, proper protective clothing, and other lab safety, health and environmental requirements. Updating final document based upon USAID/REO suggestions.

FINANCIAL. ALP expended 52% of obligated funds through January 2013. Labor costs almost double normal levels as payments covered both December 2012 and January 2013. ODC billings were slightly higher than trend as they included costs for the Global Cold Chain Alliance workshops in December 2012 (ALP-33) and the final payment on the pre-cooling materials to be tested during the 2013 harvest season (ALP-31). Indirect costs, comprised of General & Administrative (G&A) plus Overhead, and Fee are all contractually fixed percentages and do not require comment.

Obligated = 6,667,686	LOP Budget	Invoices 1-13 Oct 11 to Oct 12	14	15	16	Total Invoiced To-Date	% CLIN Expend- ed	LOP Budget Balance
			Nov-12	Dec-12	Jan-13			
LABOR	1,955,582	374,343	20,729	29,856	41,486	466,413	24%	1,489,169
ODC	7,607,080	1,892,068	101,049	131,246	162,685	2,287,048	30%	5,320,032
INDIRECT	1,827,005	440,053	24,142	33,342	44,361	541,898	30%	1,285,107
FEE	654,905	155,622	8,390	11,181	14,291	189,483	29%	465,422
TOTAL	12,044,572	2,862,085	154,310	205,624	262,822	3,484,842	29%	8,559,730

NEXT MONTH. The following major activities are anticipated for February 2013:

1st week – Intensive stone fruit orchard and nursery trainings in Samarkand & Ferghana Valley

2nd week – MAWR & USAID delegation to Samarkand and Bukhara provinces; HEP05 returns

3rd week – NEP02 in Samarkand Province on intensive stone fruit orchards

4th week – Grape Pest and Disease Identification in Samarkand

DAI, Inc.

January 2013

USAID AgLinks Plus (ALP) Project
Monthly Report #12 – February 2013

Contract # EDH-I-00-05-00004-00
TO # AID-176-TO-11-00002-00

ADMINISTRATION. Project introductory visits with local authorities continued in the new provinces and districts added under the expansion agreed and signed by USAID and the Ministry of Agriculture and Water Resources (MAWR) on 12 December 2012. A tripartite delegation consisting of representatives from the MAWR (Mukhammadjon Kosimov), USAID (Alexander Kalashnikov) and ALP (Chuck May and Asror Nazirov) met with the Provincial Deputy Khokims, MAWR provincial and district representatives, Agrifirms, WUAs and nursery, farm and cold store entrepreneurs in Samarkand and Bukhara provinces. Recruitment of additional technical staff was completed with the hiring of new Regional Managers for Tashkent Province (Elbek Suleymanov – sub-specialty in post-harvest marketing) and Andijan Province (Golibjon Mahmudov – sub-specialty in agricultural engineering). ALP staff also took part in USAID’s training on “How to take better photos” which was followed by an office visit by the USAID/CAR Development Outreach Specialist on February 12.

February marked the required move from local cash payments for salaries to the “plastic” card system (i.e. debit card). ALP’s bank agreed to provide 50% salary on a “plastic” card basis and 50% in cash but were unable to honor this commitment at the end of the month due to a lack of cash at the bank. “Plastic” cards cannot access cash and local staff only accessed half their salaries in “virtual” money for February. This explains the lower Labor billings in February 2013. The project is working with the bank to determine when the remaining funds will be released and in what manner (virtual or real cash).

TECHNICAL. The 2013 horticultural season got underway with a series of farm level trainings designed to impact yields.

Horticultural Exchange Program (HEP). The 5th Horticultural Exchange Program to California (HEP05) took place from 17 January to 11 February 2013 under the main theme of “Intensive Orchard and Vineyard Management.” A total of 10 Uzbek delegates participated with 5 from the public sector and 5 from the private sector. Public sector attendees included staff from the Shreder Horticulture Research Institute, Plant Science Institute and the MAWR along with a representative of the Ministry of Foreign Affairs (MFA). Four of the private sector participants were intensive orchard farmers while the other has an intensive vineyard. “Intensive” horticulture is different from traditional practices due to dense spacing, advanced watering systems, trellising, dwarf or semi-dwarf varieties, and unique tree training techniques.



*Fitz Kelly demonstrates peach grafting techniques
Fresno County, CA – Fitz Kelly Farms*

HEP05 provided delegates exposure and access to owner-operators in California’s intensive stone fruit orchards and vineyards along with leading academic and practical experts. All aspects of growing stone fruits in high density orchards including land preparation, planting, nutrient and water management, integrated pest control, pruning and tree training on trellises, harvesting and post-harvest practices and short-term storage were covered during the 3 week visit (one week each in Davis, Modesto and Fresno areas). Mechanical and hand pruning of high density stone fruit and

walnut orchards were of particular interest to the Uzbek delegates. During each visit and seminar the participants had opportunity for hands-on experience and sufficient time to ask numerous questions. The next quarterly HEP program has already collected applications with HEP06 focused on “Integrated Pest Management” and the MAWR, USAID and ALP Selection Committee will meet in early March to finalize selections.

National Exchange Program (NEP). Roughly 60 horticultural entrepreneurs consisting of nursery and input suppliers, producers, cold storage operators and others from 25 districts of Uzbekistan attended a two-day National Exchange Program (NEP) held in Samarkand on 19-20 February 2013. Participants were exposed to both the theory and practice of intensive orchard best practices with on-farm sessions hosted by alumni of the project’s Horticultural Exchange Program (HEP) who shared knowledge, experience and technologies gained during their US study tours. Participants also purchased plant material from newly trusted nursery vendors which will directly impact the upcoming 2013 growing season.

Best Intensive Orchard Practices. A total of 52 farmers in 4 newly added districts located in Samarkand, Namangan and Ferghana provinces were trained in basic intensive orchard best practices by ALP staff and international consultant, Tim Mitchell (ALP-38). The ALP team also made site visits, at farm and nursery owner request, to offer site specific recommendations during the period of 04-11 February 2013.

ENVIRONMENTAL COMPLIANCE. Initial Environmental Review documents were prepared and ongoing monitoring continued for the following activities in February.

Category 2 – No significant risk of negative environmental impact

ALP-34 : NEP01 – National Exchange Program on Best Horticultural Practices

Activity completed with environmental issues included in site visits and discussions with HEP program participants sharing US experiences

ALP-44 : Spring cherry trainings in March-April with consultant Joe Grant

Training will incorporate best environmental practices related to cherry production.

Category 3 – Possible risk but can be mitigated with measures undertaken to limit impact

ALP-41 : Tissue Culture Lab procurement:

Updated Environmental Review based upon USAID/REO recommendations with full description of chemicals, equipment, tools, testers and lab appliances and their proper handling/storage procedures, first aid measures, proper protective clothing, and other lab safety, health and environmental requirements. Monitoring underway to assure environmental concerns are respected throughout the procurement process.

FINANCIAL. ALP expended 54% of obligated funds through February 2013. Labor costs were lower than trend for February as the local banks had no cash to pay the local employees with the change to “plastic” card payments. ODC billings were significantly lower as anticipated seasonal activities were not yet billed. Indirect costs, comprised of General & Administrative (G&A) plus Overhead, and Fee are all contractually fixed percentages and do not require comment.

Obligated = 6,667,686	LOP Budget	Invoices 1-14: Oct 11 to Nov 12	15 Dec-12	16 Jan-13	17 Feb-13	Total Invoiced To-Date	% CLIN Expend- ed	LOP Budget Balance
LABOR	1,955,582	395,072	29,856	41,486	21,103	487,516	25%	1,468,066
ODC	7,607,080	1,993,117	131,246	162,685	78,795	2,365,843	31%	5,241,237
INDIRECT	1,827,005	464,194	33,342	44,361	22,170	564,068	31%	1,262,937
FEE	654,905	164,012	11,181	14,291	7,019	196,502	30%	458,403
TOTAL	12,044,572	3,016,395	205,624	262,822	129,087	3,613,929	30%	8,430,643

NEXT MONTH. The following major activities are anticipated for March 2013:

1st week – Grape pest and disease identification and control – Samarkand and Bukhara provinces;
HEP06 Selection Committee meetings

2nd week – Meeting with Tashkent Province MAWR branch; Stone Fruit Pruning and Disease Control
in Ferghana, Namangan provinces; submit HEP06 documents to TrainetVCS

3rd week – Stone Fruit Pruning and Disease Control – Andijan Province

4th week – Spring Pruning of Cherry Trees (Joseph Grant) – Samarkand Province