



## The Agribusiness Project, ASF

# WORK PLAN-4

**October 01, 2014 to November 9, 2015**

**October 09, 2014**



## **Table of Contents**

	<b><u>Page #</u></b>
1. Introduction	01
2. Work Plan for FY 2015	01
2.1 Apricot Value Chain	02
2.2 Banana Value Chain	04
2.3 Red Chili Value Chain	07
2.4 Citrus/Kinnow Value Chain	09
2.5 Grapes Value Chain	10
2.6 HV/OSV Value Chain	12
2.7 Livestock and Meat Value Chain	14
2.8 Seed Potato Value Chain	16
2.9 Challenge Grants	18
2.10 CNFA Technical Assistance	18
2.11 Intl. Market Linkages Program (J.E. Austin Associates TA)	19
2.12 Environmental Compliance	19
3. Indicative Budget for activities of Work Plan-4	20
4. Close-out Plan	20
<b><u>Annexures</u></b>	
Annexure-1: Planned targets vs Progress achieved	21
Annexure-2: CNFA Technical Assistance	24
Annexure-3: Intl. Market Linkages Program (J.E. Austin Associates TA)	25
Annexure-4: Indicative Budget for activities	27
Annexure-5: Project Close-out Plan	28
Annexure-6: Replies to AOR queries on The Agribusiness Project Work Plan – 4	30

# Work Plan-4 for FY 2015

## 1. Introduction

The Agribusiness Project (TAP) funded by USAID Pakistan is being implemented by Agribusiness Support Fund (ASF) in collaboration with international and national partner organizations. This four years project, commenced on November 10, 2011, aims at increasing competitiveness and productivity of horticulture and livestock sub-sectors. The overall goal of the project is "to support improved conditions for broad-based economic growth, enhanced profitability, employment opportunities and contribute to poverty alleviation through product and process transformation in selected horticultural & livestock value chains. The specific objectives of the project are to: a) strengthen capacities in selected VCs to increase sales to domestic and foreign markets; b) strengthen the capacity of smallholders, individual farmers and agribusinesses to operate effectively and efficiently; and, c) Increase productivity and profitability through adoption of new techniques and technological innovations.

In October 2013, upon recommendations from OIG and performance of the project, the USAID decided to de-scope the project to a lesser life of project i.e. \$40 million compared to initial LOP of \$ 89.4 million, bringing down the number of value chains from 23 to 8, limiting geographic spread to clusters where focus would be on transformation and setting examples for others to follow. (For details refer to approved project document). The project during FY 2014, supported agribusinesses in prioritized eight value chains<sup>1</sup> through technical assistance, enterprise development and grant support. The project during FY 2015 will continue to work with these beneficiaries to establish replicable models.

The project during FY 2012 and FY 2013 selected 51 enterprises for 53 internationally accepted certifications including British Retail Consortium (BRC), International Features Standards (IFS), Global GAP, ISO-22000, Halal, HACCP. Out of 53, 3 enterprises each for Global GAP and HACCP, one enterprise each for IFS and ISO were dropped out, while 45 certifications were successfully completed. These include 16 BRC, 10 each HACCP and Global GAP, 5 ISO, 3 IFS and 1 Halal. The certification program has been successfully completed. The project supported participation of fruit, vegetables & meat processors/exporters in various international marketing events for fruit, vegetables and meat. As a result of their participation in these events the participating companies have reported export of USD 10.21 million. The total value of export as September 2014 comes to USD 20.52 million.

1033 FEGs, each FEG consisting of 14-15 members/farmers formed in prioritized value chains. These include 335 FEGs of high value off-seasons vegetables (HV/OSV), 174 FEGs of Seed Potato, 100 FEGs of Red Chilli, 54 FEGs of Banana, 80 FEGs of Apricot, 17 FEGs of Grapes, 5 FEGs of Pomegranate and 268 FEGs for breed improvement and kitchen gardening program. The FEG is facilitating collective action and joint access to services and resources. The FEGs were formed and organized with the support of implementing partners. The project during FY 2014 provided grant support to 7798 enterprises/beneficiaries in fruit, vegetables and meat value chains, whereas total number of grants beneficiaries as of September 2014 is 12681.

## 2. Work Plan for the Year 2015

This work plan covers the period from October 01, 2014 to November 9, 2015. The project during its final year will continue to work in eight value chains to consolidate and upscale the good work already implemented. The value chain wise work plans are given in subsequent paragraphs. These activities will be implemented in identified clusters under the Project with each value chain headed by a Value chain

---

<sup>1</sup> *Apricot, Banana, Red chili, citrus, grapes, high value off-seasons vegetables (HV/OSV), meat, and seed potato.*

lead. The training and capacity building of stakeholders, a cross-cutting domain, of the value chains will continue in the last year with focus on the enhancement of the skills of SMEs / agribusinesses. The work plan for each value chain provides narratives regarding rationale for project interventions in value chain followed by a Gantt chart showing proposed activities in each value chain with timeline for implementation. The targets for EGA indicators were discussed with USAID counterparts and mostly upward revised in April 2014. The progress achieved during FY 2014 and total as of September 2014 against proposed EGA targets is given at Annexure-1. The management support unit (MSU) will continue to collect and analyse data regarding the progress achieved on implementation of activities as well as measure its contribution towards the results of EGA indicators for reporting to USAID. The project will implement activities mentioned in the work plan subject to release and availability of funds from USAID.

The Project has sub-contracted J.E. Austin Associates (JEA), for implementation of International Market Linkages Program (IMLP). JEA will provide technical assistance support for agriculture marketing and brand development directed to identify and capitalize on opportunities in high price markets by developing business to business linkages. The JEA has already completed the market competitiveness assessment reports for various value chains.

The forthcoming year being the last year of the project life, the ongoing efforts of development and strengthening of forward and backward linkages among the actors of the target value chains will be consolidated to ensure smooth phasing out of the program with sustainable results. ASF, as an organization, is the host of many initiatives (most of which were also part of a 5-year ADB-funded program implemented by ASF) e.g. Farmer Enterprise Groups, Value Chain Platforms, National Technical Working Groups, Associations/Apex Bodies etc.; therefore, ASF's platform will by default be available to facilitate the future endeavors of most of the beneficiaries, thereby contributing towards the institutional sustainability of the TAP-funded enterprises.

### **2.1. Apricot Value Chain**

Global apricot production was estimated at 3.9 million metric tons in 2011. Turkey is the world's largest producer, growing 676,000 tons of fresh apricots in 2011. An estimated 12-15% of the worldwide crop of fresh apricots, and about 65-70 % of the worldwide production of dried apricots comes out of Malatya region in Eastern Anatolia. Iran is the second largest producer and Uzbekistan, according to FAO data, was the 3<sup>rd</sup> largest apricot producer in the world in 2011. Pakistan with 303,706 tons of Apricot stands the fourth largest producer of Apricot. The share of GB in apricot production is 114,286 tons.

Although Pakistan is a leading producer of apricot, most of the Apricot is consumed domestically and only a minor proportion is exported fresh or dried. Gilgit-Baltistan (GB) and Balochistan are the main apricot growing regions in Pakistan. The project is working on Apricot Value Chain in GB, located in the north, the region is isolated with population small and dispersed, the terrain harsh and weather conditions variable. Only 1% of the land area is cultivated and average farm size is less than 1ha. Farming systems are subsistence; however, apricots make a significant contribution to on-farm incomes. Due to the high perishability of apricot and distance from market, the majority of harvest is dried on-farm and sold through wholesalers in auction markets down-country. Quality is generally poor and value low.

There are several performance constraints identified in the production, processing and trading components of the value chain, specifically with the technology, market structure and availability of input 'drivers'. These included the lack of improved commercial apricot cultivars to produce high quality marketable fruit and the absence of packaging, cold storage and refrigerated transport for trading in the high-value fresh apricot market. The export of quality processed apricot products to overseas buyers has started on a small-scale; however, creating additional export market linkages and satisfying quality standards is proving challenging for processors.

The objective of the interventions in Apricot VC is to increase income opportunities for Apricot farmers in GB. A two pronged strategy is being followed; a) The export oriented Gilgit based SMEs will be supported enabling them to act as market drivers for creation of 'demand pull' and b) The apricot producers are being organized in groups as micro enterprises to produce quality dried apricot and act as intermediary enterprises to link the neighboring farmers with SMEs by purchasing fresh apricot and drying hygienically under controlled environment. The SMEs are being supported in technology transfer to increase exports while FEG members are being provided with technical and managerial trainings and small drying tunnels to produce large volume of quality apricot. The FEGs are being linked with SMEs to provide a secure market for their produce and at the same time a guaranteed supply of quality dried apricot for exports. During FY 2014 the following progress was achieved.

- Established 720 Apricot solar drying tunnels.
- 794 Apricot farmers trained in 2 day technical training and 510 of these also trained in enterprise development.
- 20 Apricot orchards established and are being provided with technical assistance in orchard management including trees pruning, fertilizing & irrigation.

The Project is providing support to farmers in adoption of new techniques and technical innovation in Apricot drying, processing and marketing. The formation of FEGs and training them on good agriculture practices for Apricot drying, safe use of agrochemicals and their disposal, improved packing and transportation skills, will contribute towards achievement of the intended results.

During the FY 2015 the project will develop market linkages of agribusinesses with International buyers for Apricot through nomination and participation of selected exporters for Apricot in international marketing events and B2B meetings. The Gilgit based SMEs will be linked to farmers. The SMEs entrepreneurs will facilitate FEGs members in further value addition and export of their dried apricot to international market. The visit of SME entrepreneurs will be organized when harvesting of Apricot is complete and drying is in progress. The harvesting starts from June to September in different elevations. The proposed activities of apricot VC are given below in Table-1:

**Table 1: Gantt chart – Apricot Value Chain**

DESCRIPTION OF THE KEY ACTIVITIES WITH BENCHMARKS - APRICOT VC	Y4Q1			Y4Q2			Y4Q3			Y4Q4		
	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	June-15	Jul-15	Aug-15	Sep-15
1. Linkages development of 60 Apricot FEGs with 4 SMEs (Large buyers/processors)						20	20	20				
2. Exposure visit of 10 Apricot stakeholders to Turkey,								10				
3. Conduct technical training on Apricot Pre-harvest practices for 100 Women Extension Service providers (WESPAS)					50	50						
4. Provision of Pruning and Grafting toolkits to 20 WESPAS					50	50						
5. Establishment of small drying tunnels – Completion of <b>Milestone-2 by remaining 660 FEG members</b>	30	30	200	200	200							
6. Establishment of small drying tunnels – Completion of <b>Milestone-3 by 800 FEG members</b>								50	300	400		
7. Support to 2 SMEs for Apricot drying/processing/Packaging and technology transfer							1	1				
8. Conduct On-site demonstrations (Average 6-7 farmers) on Apricot orchards management practices including a) Pruning b) Integrated Pest and Disease Management c) Irrigation and Inter-cropping					2	2	2	2	2			

## 2.2. Banana Value Chain

Pakistan produced about 6.8 million tons of fruits in 2011-12. Banana occupies an important position among fruits in Pakistan with 96,545 tons of banana produced in 2012. Banana fruit is fourth leading in term of production after citrus, mango and guava. It accounts for about 1.42% percent of total production of all fruits in the country. It is grown on around 22,098 hectares. Pakistan accounts for about 0.13 percent of the world total production of Banana in 2011 (FAO, Stats). Sindh with 92 percent of national production in 2011 is the centre of production for banana.

Nearly 80% of the bananas produced are from Sindh province. Major growing districts are; Khairpur, Thatta, Matiari, Shaheed Benazir Abad, Naushero Feroze, Sanghar, and Tando Allahyar. Opportunities exist within the banana value chain, specifically with regard to the expanding domestic market and demand in neighboring Afghanistan. However, the value chain has erratic production due to Bunchy Top Virus (BTV), and while it will not be possible to address this problem appropriately in the remaining project life, intervention of the project can mitigate this indirectly while raising profitability of the chain actors directly. Project assistance can transform the banana value chain through capacity building for

better management of banana orchards, introduction of improved packaging, establishment of sprinklers irrigation system and pack houses.

Despite the numerous constraints, the banana sector in Pakistan is growing. However, due to lack of technical knowledge of Banana farmers, obsolete techniques of production and the use of planting materials carrying pests and diseases, the yield is 23% of the world average. Experience shows that Banana Farmers tend to only receive a quarter of final retail price with various middle men sharing the profit margins. By strengthening links between Banana farmers and market, the farmer could get a better price for their produce.

The project for the first time in Pakistan certified one large Banana farm from Matyari in Banana Global GAP certification. The project carried out formation and organization of Banana farmers from its natural clusters (Hyderabad, Tando Allahyar & Matyari districts) into Farmer Enterprise Groups, each FEG consisting of on 15 farmers, for collective farm management and to enjoy economies of scale. A total of 653 Banana FEG members were trained in enterprise development, while 40 producers/exporters/processors of Banana VC were trained in Banana supply chain management, Pre-post-harvest management and banana bunchy top control and management in collaboration with Sindh agriculture University Tando Jam. The project also introduced improved agriculture practices on 40 acres of land of 8 model farms.

The project during FY 2015 will continue to work with up to 75 Banana farmers/FEG members by providing them technical assistance, trainings in pre and post-harvest practices and grant support of farming toolkits and sprinkler as well as drip line irrigation to two Banana farmers, enabling them to produce improved quality high yield per acre. The project will also link them to the market for marketing of their produce at the premium price. Secondly, the project will extend technical assistance to existing eight and/or new model farms so as to demonstrate good agriculture practices to Banana producers through conducting farmer field days for upscaling and replicating these practices on their entire Banana farms. Thirdly, the project will provide technical assistance and support in establishment and operationalization of up to three Banana pack houses in private sector to partially address demand of Banana produce in International market. Fourthly, the project is aiming to support a study tour of Pakistani Banana producers/processors to Australia to get a better understanding of banana production, processing and marketing techniques. The aforementioned interventions will positively impact the production and quality of fruit, thereby increasing private sector investment, sales revenue, and income and of enterprises concerned, besides, creating new full time equivalent jobs opportunities. The proposed activities of Banana value chain are given below in Table-2:

**Table 2: Gantt chart – Banana Value Chain**

DESCRIPTION OF THE KEY ACTIVITIES WITH BENCHMARKS – BANANA VC	Y4Q1			Y4Q2			Y4Q3			Y4Q4		
	14-Oct	14-Nov	14-Dec	15-Jan	15-Feb	15-Mar	15-Apr	15-May	15-Jun	15-Jul	15-Aug	15-Sep
1. <b>Infield Portable Pack-house:</b> Demonstration of three Portable pack-house and its proper use and maintenance				1	2							
1.1. Environmental Analysis of sites, EDF and EMMP development												
1.2. Environmental Monitoring for EMMP compliance												
2. <b>Consistency of supply:</b> Consistency of supply of fruit available in the market place, by timely and proper sucker succession. –												
2.1. On form demonstration on sucker selection for 16 model farms					16	16	16	16	16			
2.2. On form demonstration on sucker selection for 75 FEG members on 5 five model farms					15	15	15	15	15			
3. <b>Micro Sprinklers:</b> Demonstration of two micro irrigation systems					2							
3.1. Environmental Analysis of sites, EDF and EMMP development												
3.2. Environmental Monitoring for EMMP compliance												
4. <b>Fruit protection Bagging:</b> Provision of 8000 primary and secondary impregnated bags to 8 model farms for protection against insects, colder period and sun damage.								4000	4000			
5. <b>Packaging:</b> Proper packing, packaging and presentation improving transportability and substantially reducing losses therefore increasing the return to the grower.												
5.1. Demonstration on use of improved, packing and packaging materials to 16 staff members of 16 models farms				8	8							
5.2. Supply of 4500 corrugated boxes and plastic bags each to 3 pack houses.				1500	3000							
6. <b>Develop a protocol for Quality Assurance</b> in the pack-house sanitation, calibration and packed product inspection.					1							
7. <b>Scientific Crop Nutrition:</b> Demonstration on Nutrition affects quality & quantity of yield for 16 model farms					4	4	4	4				

DESCRIPTION OF THE KEY ACTIVITIES WITH BENCHMARKS – BANANA VC	Y4Q1			Y4Q2			Y4Q3			Y4Q4		
	14-Oct	14-Nov	14-Dec	15-Jan	15-Feb	15-Mar	15-Apr	15-May	15-Jun	15-Jul	15-Aug	15-Sep
8. <b>Pest and Disease Management:</b> Demonstration of pest and disease management techniques to 16 model farms					4	4	4	4				
9. <b>Hand Tools:</b> Provide Banana farming toolkits to 16 model farmers and 75 FEG members with Demonstration on its use.						31	30	30				
10. <b>Cold Storage/Ripening Chamber:</b> Demonstration on proper use of existing two Cold Storage/ Ripening Chambers for 16 model farms			8	8								
10.1. Environmental Analysis of sites, EDF and EMMP development												
10.2. Environmental Monitoring for EMMP compliance												
11. <b>Marketing:</b> Establish Banana Stalls at two superstores (Hyperstar, Metro etc.) for display and marketing of produce		1	1									
12. Study tour of Pakistani Banana producers/processors to Australia				1								

### 2.3. Red Chilies Value Chain

According to the FAO, Pakistan ranked third in the world among chili growing countries with 5.87% of world total production in 2011, after India, China and Taiwan (FAO 2013). Total world production of Red Chilies reached 3,457,533 tons during 2011, while Pakistan produced 40,414 tons of red chilies having share of 2.05% in total national condiments production in 20011-12 (Fruit, Vegetables and Condiments Statistics of Pakistan, 2013). According to Fruit, Vegetables and Condiments Statistics of Pakistan, 2011-2012 Statistics published in April 2013, Pakistan exported 3,584 tons of chilies worth PKR 415 million to UAE, Mexico, South Africa, Sri Lanka, USA and Bahrain. Pakistan also exported 960 tons red chilies powder having value of 138 million rupees in major markets included Saudi Arabia, UAE, Canada, Egypt, USA, Kuwait etc. Also Pakistan imported 554 Tons chilies worth 124 million rupees. India and China were the main markets in 2010.

The chilies value chain has witnessed a down turn in terms of exports despite a 145% expansion of its annual production during the last five years. The average yield of chilies is 2.71 tons/ha. Three districts of Sindh produce the bulk of the country's crop with major share accounted by Umerkot, Mirpurkhas and Badin. Chilies value chain offers potential for exports as well as value addition, provided that compliance to standards is ensured especially with regard to solving the problem of aflatoxin. The value chain offers potential with regard to enhancing productivity, value addition (through technological innovation) with the resultant impact realized in the form of increased exports. The key challenge that the industry is facing is to ensure quality control that bring down the aflatoxin levels to an acceptable level. Quality certification regarding compliance to Hazard Analysis and Critical Control Point (HACCP) will support augmenting exports to high end markets of value added chilies and will

assist Pakistan to regain the market share it has lost. The value chain is participated by large number of small farmers and therefore project interventions will help realize greater social benefits.

The relatively lower productivity and poor quality of the produce with no proper packaging and branding makes chili uncompetitive in export markets despite massive devaluation in the country's currency over the last four years. The main problem is contamination caused by fungi, which produces aflatoxin. A large proportion of production is lost post harvesting owing to such problems as rotting, sprouting and weight loss. Lack of post-harvest infrastructure (cool chain, pack houses, poor packaging etc.) and logistics for maintaining the quality of chilies and other highly perishable vegetables that carries poor physical market access, increasing input prices, poor coordination among stakeholders, lack of economies of scale and traditional practices are some of the constraints that impact the production of chilies & other perishable vegetables in Sindh, Karachi region.

The quality of red-chilies will be improved by; 1) Improving the harvest and post harvest handling techniques through awareness raising and sharing information of best practices; 2) Access to national & international markets and developing linkages through B2B meetings, participation in exhibitions/events. 3) Support to processing industry through international compliance Certifications; This would result in increased competitiveness of red chilies value chain, thereby increasing the income opportunities for the chilies growers, buyers and processors.

Through the TAP intervention during 2014, 1000 Red Chili Growing farmers have been provided with Geo-Textile sheets for drying of fresh Red Chili over these instead of just spreading the fresh product on soil. The normal practice is that farmers spread the fresh red chili on soil and it takes from 8 to 12 days for drying. As a result Mycotoxins also grow on the Chilies specially Aflatoxins and Salmonella. During 2009 National Foods experimented use of Geo-Textile sheets for Chili drying, followed by manual grading as a result they got a product fully complying the EU requirements and the product was exported to EU. Simultaneously PARC conducted field research and experiments on different materials including use of Geo-Textile sheets and also found best results on Geo-Textile sheets for all three main parameters including Control of Aflatoxin, Color, and Pungency. The chili farmers have been trained in Post-Harvest practices. The proposed activities of red chili value chain for FY 2015 are given below in Table-3:

**Table 3: Gantt chart – Red Chili Value Chain**

DESCRIPTION OF THE KEY ACTIVITIES WITH BENCHMARKS – RED CHILI VC	Y4Q1			Y4Q2			Y4Q3			Y4Q4		
	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15
1. Support to 15 red chili farmers provided with Geo-tex sheet in product quality assessment through lab analysis of Aflatoxin level			15									
2. Conduct business to business meetings (Red Chili Growers versus Large buyers /Processors for marketing of produce).			50	50						50		
3. Conduct Farmers Field Days on <b>pre-harvest fruiting</b> for demonstration of Good agriculture practices (Total 150 farmers will attend in 3 field days)									1	2		
4. Facilitate Farmers Field Days on <b>Integrated Pest Management</b> (Seed & pesticide companies representative will conduct the demonstrations for the growers – each field day will be attended by around 50 participants).								1	1	1		
5. Support participation of Pakistani Red Chili growers/ exporters (up to 10 participants)in AgraMe Dubai/Gulf Food					1							
6. EMMP compliance of previously implemented activities - Quarterly Environmental Monitoring of 100 FEGs												

#### 2.4. Citrus / Kinnow Value Chain

Pakistan stands among the top ten kinnow growing countries in the world with annual growth rate of 32% as per Kinnow value chain competitiveness study conducted by the Agribusiness Project in 2013. However, Pakistan realized an average value of USD 402 per ton, which is the lowest among the top exporting countries and in absolute term it represents only 44% of the world average<sup>2</sup> per unit price. The value chain, however, is constrained by a number of weaknesses including skills and technological gaps in both pre and post-harvest stages of crop, inability of industry to ensure compliance with standards mainly Global GAP and HACCP, and poor institutional capacity of producer organizations warranting attention. Some of key performance gaps identified are as under:

- High losses during harvest and post-harvest handling.
- Lack of awareness and resources to adopt good agriculture practices especially in harvest and post-harvest handling, packaging and storage.
- Inadequate trained technical work force at farm and pack-house level of Kinnow supply chain to produce quality fruit
- Lack of orientation of export culture and markets, weak management and market information system, skills, quality management system, and buyers’ product requirements.
- Poor Coordination among various VC stakeholders including academia and business service providers.

The project aims to address some of the key constraints in the harvest, and post-harvest practices to reduce wastages and improve quality of fruit so as to demonstrate good post-harvest practices. The VC transformation will be brought into practice by focusing on; a) capacity development through trainings

<sup>2</sup> Source: ITC trade map 2013

and/or grant support b) improving packaging, branding and marketing to increase private sector investment, incremental sales and income of targeted businesses.

The project through its IMAP/IMLP component will continue to develop market linkages of Pakistani Kinnow processors and exporters with International large Kinnow buyers for Kinnow marketing. The project will also support participation of Pakistani Kinnow exporters, processors, producers etc. in international fruit and vegetables marketing events and facilitating their business to business (b2b) meetings for increasing export sales. A study tour of Pakistani Kinnow stakeholders to a developed Industry of Kinnow producing country(s) that may include Morocco, Australia, Spain etc. is also planned. This would enable the kinnow value chain actors to get a better understanding and insights of the practices involved in Kinnow production, harvest and post-harvest handling and marketing. The proposed activities of Kinnow value chain are given below in Table-4:

**Table 4: Gantt chart – Kinnow Value Chain**

DESCRIPTION OF THE KEY ACTIVITIES WITH BENCHMARKS – KINNOW VC	Y4Q1			Y4Q2			Y4Q3			Y4Q4		
	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15
1. Support participation of Pakistani Kinnow exporters in marketing events/trade shows. 1.1. World Food Kazakhstan– Nov. 2014 1.2. Fruit Logistica, Germany- Jan/Feb 2015 1.3. AgraMe Dubai/Gulf Food – Feb. 2015		1		1	1							
2. Support a 10 member delegation of Pakistani Kinnow producers /exporters to Morocco/Spain/Australia for understanding best practices in pre-harvest, post-harvest handling and marketing.												
3. Reproduction and printing of technical training materials on kinnow harvest												
4. Training on Kinnow Harvest–(30 x16=480 participants)				240	240							
5. Post-training follow-up and need based assistance on Kinnow Harvest												
6. Training on Kinnow post-harvest handling – 5 x16 = 80 participants			40	40								
7. Post-training follow-up and need based assistance on Kinnow post-harvest handling												
8. Support of Harvest Toolkit / Export Certifications to the trained participants					240	240						

## 2.5. Grapes Value Chain

Grape value chain in the Pothohar region presents a unique opportunity for both producers and buyers to earn high incomes. Before its de-scoping, The Agribusiness Project (TAP) did significant work in this value chain in the region and helped farmers establish vineyards on 90 acres. The aspect which makes

the grape value chain unique in the Pothohar Region is the two varieties, i.e. Kings Ruby and Seedless Flame. These varieties mature in June, i.e. before the monsoon rains start and are thus not affected by the rainy season at all. The window during which these grapes are available is the last two weeks of June when no other grapes are available in the market. Thus they face zero competition and fetch high incomes to those involved in the sector.

To increase farm income of small, medium and large growers through the introduction and promotion of table grape industry in Pothohar and ICT a two-pronged strategy has been adopted to i) Increase existing area under table grapes ii) provide technical support to existing vineyards in pruning, disease control, Vineyards management, including irrigation and canopy management. During the FY 2015 the project will continue support to the beneficiaries of grape value chain in the following activities.

- Participation of selected grape farmers in marketing events.
- Introduction of birds netting and field heat removal and evaporative precooling systems.
- The potential grape farmers and other stakeholders will be taken on an Intl. exposure trip to grape producing country to get a better understanding of grape production, processing and marketing.
- Conduct Grape gala.
- Increase the fruit shelf-live through demonstration of on-farm evaporative pre-cooling structures for field heat removal.

The proposed activities of Grapes value chain are given below in Table-5:

**Table 5: Gantt chart –Grapes Value Chain**

DESCRIPTION OF THE KEY ACTIVITIES WITH BENCHMARKS – GRAPES	Y4Q1			Y4Q2			Y4Q3			Y4Q4		
	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15
1. Completion of trellising on existing 62 vineyards (32 grantees to compete milestone-2 while 52 grantees will complete milestone-3 by June 2015)						32 grantees to complete MS-2			52 grantees to complete MS-3			
<b>2. Technical trainings to 96 existing Grape Farmers</b>												
2.1. Training on pruning, Irrigation, fertilization			96									
2.2. Training on disease management.					96							
2.3. Training on canopy management							96					
3. <b>Introduction of new exotic varieties grapes plants</b> to existing progressive Grape farmers (Provision of up to 3000 plants to 50 famers).				50								
4. Conduct Intl. exposure visits for grape farmers/actors to Turkey				1	1							
5. <b>Establishment of evaporative Pre-cooler structures</b> for field heat removal on demonstration basis – demo on sites							3	3				
5.1. Environmental Monitoring for EMMP compliance												
6. <b>Demonstration of birds netting on 4 vineyards</b> for 96 Grape farmers (on average 24 participants per vineyard)								96				
6.1. Environmental Analysis of sites, EDF & EMMP dev.:												
6.2. Environmental Monitoring for EMMP compliance												

DESCRIPTION OF THE KEY ACTIVITIES WITH BENCHMARKS – GRAPES	Y4Q1			Y4Q2			Y4Q3			Y4Q4		
	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15
6. <b>Support for improved packaging material and cold logistics</b> – demo on sites								3	3			
7. <b>Market linkages development</b> - Conduct Grape Fruit Gala									1			
8. <b>EMMP compliance of previously implemented activities</b>												
8.1. Quarterly Environmental Monitoring of previously implemented grants												

## 2.6. High Value Off-Season Vegetables Value Chain

The high value horticulture in and around major urban centers is emerging as a way to transform agriculture by adopting modern technology and precision farming in many developing countries including Pakistan. For sustainable high value horticulture, investment in modern farming techniques is important especially greenhouse farming which is currently hindered by the perceived risk associated with it and the lack of technical know-how.

With a total horticulture production of 8.1 million tons, high value off-seasons vegetables is estimated at 4.5% or 350,000 tons. The market competitiveness assessment for HV/OSV conducted by the project shows high demand for HV/OSV in the market. There is also a huge demand for fresh vegetables in international markets, which include Europe, Middle East, and Far Eastern markets but due to perishable nature of HV/OSV, the export is not encouraging. The importance of vegetables cannot be denied due to their nutritional value as they provide proteins, carbohydrates and salts that are essential ingredients for growth of human body. Vegetables are used in their raw form as salad or cooked according to taste and provide a balanced diet to keep us healthy.

Due to shortage of storage and processing facilities for fresh vegetables in Pakistan and the perishable nature of most vegetables, HV/OSV appears to be a viable option that can create employment and increase income opportunities for farmers and others across value chain. It presents opportunities for enhancing competitiveness through quality production, value addition (grading, packaging) and increased sales (technical assistance, collective marketing). Support in improving traditional (market oriented & management) practices will help to transform the HV/OSV value chain. The project has supported over 5000 HV/OSV farmers in FATA, KP and Punjab.

The project during FY 2013 and FY 2014 supported 282 FEGs and 168 high tunnel farmers in North region and 53 FEGs and 113 high tunnels farmers in South region for production of HV/OSV. The project supported HV/OSV growers (high tunnels and FEG members) through enterprise development and technical trainings, technical assistance for linkages development, and transformational grant support in the form of establishment of tunnels, provision of seed, and farming toolkits etc.

During FY 2015, the project will continue to focus on adoption of good agricultural practices by participating farmers and establishment of their market linkages. JE Austin Associates (JEA), an international consultancy firm has been engaged to structure and implement a comprehensive market linkages program to link selected project beneficiary enterprises with international markets chains,

including buyers targeting high end markets inside the country. The project during the FY 15 will provide support in the following activities;

- Facilitate formation of Off season Vegetable Producers Associations;
- Establish B2B (Business to Business) meetings with various stakeholders;
- Introduction of Packaging material for better market visibility;
- Formation and strengthening of HV/OSV associations/groups.
- Assistance to selected tunnel farmers for installation of drip irrigation system as demonstration.
- Introduction of improved technology through field days and exposure visits.
- Support in participation of national and international exhibitions.
- Provide technical and managerial trainings.

Through focused interventions capacity of smallholders and farmer in marketing will be strengthened to operate in a commercially viable manner and effectively undertake value addition and marketing. The strategy towards achievement of this objective will involve organization of technical training; technical assistance and utilizing services of Business Development Services (BDS) Providers;. Farmer Field Days (FFD) will be arranged to strengthen the capacities of farmers involved in production of HVOSV. Both in-house technical experts and STTAs will be utilized for educating the farmers on various aspects of crop production through tunnel farming. The proposed activities of HV/OSV chain are given below in Table-6:

**Table 6: Gantt chart – HV/OSV Value Chain**

DESCRIPTION OF THE KEY ACTIVITIES WITH BENCHMARKS – HV/OSV VC	Y4Q1			Y4Q2			Y4Q3			Y4Q4		
	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15
1. Support for conducting Farmers Field Days (FFDs) and visits to potential production clusters/markets <i>(2 FFDs for South and 7 FFDs for North per month)</i>	9	9	9	9	9	9	9	9	9			
2. Development of market linkages of HV/OSV producers/traders with high end market including b2b meetings, participation in marketing events etc.												
3. Support establishment of 2 collective buying centers at Lahore and Shiekhupura for HV/OSV produced by high tunnels farmers				1	1							
4. Development of communication materials on production and marketing of HV/OSV			1									
5. Conduct two International market exposure visits to Jordon (One each for KPK and Punjab)			1	1								
6. Consultative meetings with HV/OSV Producers organized in 5 Clusters/Associations formation including Malakand, Peshawar, Hazara, Potohar and Lahore	1	1	1	1	1							
7. Formation and Strengthening of HV/OSV Producers in 5 Clusters/Associations formation in 5 regions (Malakand, Peshawar, Hazara, Potohar and Lahore)	1	1	1	1	1							

DESCRIPTION OF THE KEY ACTIVITIES WITH BENCHMARKS – HV/OSV VC	Y4Q1			Y4Q2			Y4Q3			Y4Q4		
	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15
8. Pre-harvest TA support to high tunnel grantees on crop/variety selection and/or nursery raising	137	137										
9. Pre-harvest TA support to high tunnel grantees-land preparation, ploughing mulching, transplantation	137	137										
10. Pre-harvest TA support to high tunnel grantees for tunnel management (IPM, Irrigation, Pruning, Lowering, Fertigation) for 274 high tunnel grantees		137	137	137	137	137	137					
11. Post-harvest TA support to high tunnel grantees on produce handling							137	137				
12. Support enterprises for establishment of 3 pack houses for washing, grading & packing of produce (North)							3					
12.1. Environmental Monitoring for EMMP compliance												
13. Support HV/OSV Producers Regional Competition Event(s) - North						1						
14. Demonstration of Five low cost Drip Irrigation System at High Tunnel Grants sites (North)					5							
14.1. Environmental Analysis of sites, EDF and EMMP development												
14.2. Environmental Monitoring for EMMP compliance												
15. Strengthening of existing 274 high tunnels through anchors against winds, storms etc.				74	100	100						
16. EMMP compliance of previously implemented activities												
16.1. Quarterly Environmental Monitoring of previously implemented grants												
16.2. Training on IPM including introduction to PERSUAP and MSDS												

## 2.7. Livestock & Meat Value Chain

The livestock sector in Pakistan contributes approximately 55.4% to the Agricultural and 11.9 % of the national GDP and provides employment to 30 million people. The sector is divided into two main value chains i.e. dairy and meat. The meat value chain is further segmented into beef (buffalo, cattle, camel) and mutton (sheep, goat) sub value chains. In 2011-12 the worth of the global Halal meat segment was US\$ 600 billion. The share of the Pakistan meat industry was only US\$ 115 million The total production of meat in Pakistan is 3.23 million tons, out of which beef production is 1.77million tons, mutton production is 0.63 million tons and poultry production is 0.83 million tons. Pakistan being the 4<sup>th</sup> largest livestock producer and traditionally having a 100% Halal meat value chain (though not internationally certified) has tremendous potential for significant growth in the meat sector. Although Pakistan enjoys this natural advantage, still meat exporters are unable to capitalize on this relative

advantage, due to non-availability of indigenous beef breeds, lack of corporate beef farming, absence of modern processing facilities, lack of knowledge of carcass grading, classification and standard measures of meat quality, fragmented production and consequently the lack of product uniformity. The major supply of beef comes from end-of-career dairy animals, whereas mutton animals are mainly supplied from rain fed areas especially southern Punjab. Compliance to food safety standards and proper training of personnel is missing at all levels of the meat VC.

Despite these constraints, local demand for higher quality and value added products and the strong global demand for Halal meat and meat-products offer significant prospects where income opportunities can be increased. To tap into this immense potential, The Agribusiness Project team has devised a comprehensive strategy to revamp the livestock sector using an integrated approach to interventions that will initiate a broad based economic impact to the sector with sustainable value additions after the life of the project.

To boost the competitiveness and productivity of livestock producers, TAP will partner with artificial insemination programs in Punjab, KPK and FATA regions to introduce improved genetic material. Pakistan exports have been increasing over the last five years however 88% is carcasses to the Gulf. Pakistan has virtually 100% market share of this category (fresh carcasses) in the Gulf markets not requiring international standards for traceability. This is anticipated to change with all Gulf countries expected to adopt and enforce food safety regulations and standards for meat over next three years.

TAP will provide technical assistance to value chain to develop Pakistan's comparative advantage in supplying fresh beef to the Gulf given its location and extract more value and volume through diversification into fresh boneless cuts, where the Gulf has an equally as large demand. Farmers will also be linked with silage feed industry members which are being supported by the program so that they can access the comparatively cheaper and nutritious balanced silage based rations which are being produced by them. Workshops will be organized by the program to inform farmers of the benefits of silage based rations. The Meat value chain will work with the IMLP&MAP components of TAP to develop and to strengthen market linkages with downstream profitable markets both domestic and international. The support will also motivate and support meat exporters to diversify and tap into higher end domestic and export markets for value added meat products like, cuts, frozen boneless, vacuum pack and ready to cook products.

TAP will facilitate local meat companies in getting access to and developing linkages with the major players in global Halal meat market particularly those from Saudi Arabia, UAE, Malaysia, Indonesia and Egypt. These B2B linkages will be developed through a variety of measures including attendance at international expositions in the target countries, international buyer's visits to Pakistan, visit to target markets by local companies. The proposed activities of livestock and meat value chain are given below in Table-7:

**Table 7: Gantt chart – Livestock and Meat Value Chain**

DESCRIPTION OF THE KEY ACTIVITIES WITH BENCHMARKS - Livestock & Meat VC	Y3Q1			Y3Q2			Y3Q3			Y3Q4		
	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14
1. Support for standardization of meat cuts and training of processors on meat cuts certifications (45 persons)					15	15	15					
2. Support for breed improvement through provision of quality semen in livestock clusters of Punjab (160) and KPK (80) farms - 2500 doses of quality sex semen to be inseminated to 1300 cattle in 260 farms					833	833	834					
3. Training/Certifications on Feedlot Fattening Operations for livestock clusters of Punjab (160) & KPK (80) farms					120	120						
4. Development of Guidelines on Meat Feedlot Fattening												
5. Support for market linkages, meat cuts promotion in international markets.												
5.1. Organize Pakistan Meat Expo at Lahore					Feb-14							
5.2. Support participation of Pakistani Meat Processors /Exporters in two Intl. Meat marketing events-TBD							1	1				
6. Support for breed improvement through artificial insemination technicians skill development			50									
7. Transformational grant support for demonstration of silage making in KPK through Pioneer Seed												
7.1. Promotion of silage feeding in KPK & GB									80			
7.2. Environmental Monitoring for EMMP compliance												

### 2.8. Seed Potato Value Chain

Cultivation of potatoes in Pakistan is on a constant rise and has increased to around 185,100 hectares (457,197 Acres) during 2012-2013. This number has increased from close to three thousand hectares at the time of independence. The average yield for the potatoes have increased to more than double during this period as the average yields rose from around 9 MT/hectare (3.65 MT/Acre) in 1947 to 22.13 MT/hectare (8.96 MT/Acre) in 2012. (Economic Survey of Pakistan 2013)

Pakistan has huge potential to substitute the import of seed potato with local production of desired quality to address national needs. The latest data indicates that the import of the seed along with local certified seed potato has never exceeded three percent of the total potato seeds requirements (Economic Survey of Pakistan, provisional, 2012-13), which means that more than 97% of the seed is produced informally without having appropriate knowledge to do so. Potato yields are affected by several factors, quality of seed is one of the most important factors. The literature and studies completed indicate that the use of good quality seed produces 30-50% higher yields when compared to a low quality seed produced with little knowhow by farmers.

The Seed Potato Value chain in Pakistan in general, is not formalized. Imported seed is multiplied many times without proper supervision and technical know-how which makes it susceptible to a number of diseases, not only adversely affect quality of seed but also reduces the yields quantity. The lack of training and seed production technologies amongst stakeholders' (Seed farmers, seed importers, seed multipliers, and extension and certification departments) makes the situation worst.

In order to help address some of the key constraints, the project is planning to support seed potato farmers/enterprises from GB, and other relevant players in the value chain. The nature of support include capacity building of relevant growers in pre and post-harvest good agriculture practices, exposure visits and ensure follow-up of project provided seed storage facilities. This will help increase the productivity, reduce post-harvest losses and ensure availability of quality seed. The project will also help in developing market linkages of seed potato producers with high end markets.

The project will contribute in the improvement of the seed potato stock at the national level, and will provide the assistance under the following categories mentoring Support (On farm) to selected progressive Seed Potato farmers (production clusters) at Punjab Seed Potato clusters on seed production techniques/field days & support in certification/soil testing in production clusters. The project will focus on strengthening capacity of the farmers and enterprises within seed potato value chain to increase sales of quality material at the national markets, mainly to table potato producers. In order to achieve this, an integrated strategy will be developed including criteria for prioritization/selection of participants within potato value chain to be eligible for technical assistance, capacity building and marketing assistance. Under this initiative, the project will support seed potatoes growers in project production clusters (based on accessibility, manageability, presence of FEGs and willingness of private sector to invest) will be linked to seed multipliers and table potato growers for purchase of seed potatoes and selling produce to them. The proposed activities of Seed potato value chain are given below in Table-8:

**Table 8: Gantt chart – Seed Potato Value Chain**

DESCRIPTION OF THE KEY ACTIVITIES WITH BENCHMARKS – SEED POTATO VC	Y4Q1			Y4Q2			Y4Q3			Y4Q4		
	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15
1. Exposure visit of 100 FEG members from GB to Seed Companies/Producers of Punjab for onsite demonstration of seed production techniques <sup>3</sup> .				100								
2. Field Days on land preparation and seed <sup>4</sup> sowing at 5 clusters-GB with average of 30 participants per FFD							3	2				
3. Field Days on <b>Pre-harvest practices</b> at 5 clusters-GB with average of 30 participants per FFD								2	3			

<sup>3</sup> TAP will provide transportation support from GB to Punjab to GB, while accommodation and food will be provided by host Seed Companies/Producers.

<sup>4</sup> Each demon plot on 4 kanals, of Seed potato varieties like Rocco, Paramount, Astrex,

DESCRIPTION OF THE KEY ACTIVITIES WITH BENCHMARKS – SEED POTATO VC	Y4Q1			Y4Q2			Y4Q3			Y4Q4		
	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15
4. Field Days on <b>Post-harvest practices</b> at 5 clusters-GB with average of 30 participants per FFD									1	4		
5. Training on Seed Potato for 20 Seed Dealers followed by visits to large seed companies at Punjab						1						
6. Capacity building of 925 Seed Potato Farmers in harvest and post-harvest practices	500	425										
7. Training on use of Seed Potato Cellars and Follow-up support on Cellars Operationalization	14											
8. Strengthening of Seed Potato VCP– Facilitate two meetings of VCP-Seed Potato						1				1		

**2.9. Challenge Grants:** The challenge grants are in various stages of completion. The completion deadline for these grants varies on case to case basis. 2 out of 8 challenge grants namely provision of improvised reefers have been completed. The contract agreements for remaining three challenge grants have been signed between ASF and beneficiaries and their status is as under:-

- i. Establishment of Milk Pasteurization Plant and Bio-Gas plants: The grantee was unable to submit his share despite repeated reminder. The project has initiated contract termination.
- ii. Establishment of a Fruit Processing & Solar Drying Unit by Global Social Enterprises at Swat – Purchase order issued and machinery procured; however, the grantee is yet to arrange 3 phase-electricity supply. The machinery will be installed and operationalized well before the start of the fruit season (May 2015).
- iii. Establishment of Fruits/Vegetables Washing, Grading & Packing Unit (MAP Technology): The imported machinery has reached Karachi and it will reach Lahore in next two weeks, while installation of machinery will be completed in another 2-3 weeks.
- iv. Challenge grants for screen houses: The challenge grants for establishment of three screen houses have been 75% completed. There were issues in quality of materials installed by the vendor. The mesh has been replaced. However, there are still issues with flooring and irrigation system of screen houses. These issues are being sorted out in consultation with the grantees hopefully by end March 2015. The matter was taken with AOR for approval of additional amount for completion of three screen houses. The AOR has taken up the matter with AO as it falls under his jurisdiction.

**2.10. CNFA Technical Assistance:** CNFA will provide continued technical assistance through its core country national staff in the areas of monitoring and evaluation/management support unit, environment, capacity development, IT/IMIS, database, GIS and CNFA HQ support, where required . In addition to this, the international and national/local experts will be engaged through CNFA during FY 2015 as per details at Annexure-2.

2.11. **International Market Linkage Program Work Plan (JE Austin Associates TA):** The IMLP work plan for the period covering October 2014, up till 30th June 2015 includes support to all marketing activities identified under the respective value chain work plans. Furthermore, additional crosscutting activities are tentatively planned for the remaining period of the project and are reflected in the table placed at Annexure-3. However, follow-on marketing activities are expected to emanate from existing planned initiatives and will be included accordingly.

2.12. **Environment Compliance:** Environmental Compliance has been recognized as an integral part of TAP implementation as required under 22CFR216 and approved Environmental Assessment of TAP. Based upon the TAP work plans for different value chains in FY2015, the environmental compliance team will support TAP in:

- EMMP (Environmental Mitigation and Monitoring Plan) compliance and reporting for the TAP implemented activities as per the EDFs (Environmental Documentation Form)
- Conduct site visits for detailed environmental analysis of new identified activities in each value chain for FY 2015
- EDF development for grant support activities in FY 2015
- Guide the grantees on the process of obtaining No Objection Certificates from regional EPAs
- Prepare waste management and human health and safety plans

The proposed activities for environmental compliance for TAP activities implemented in Year-2 and Year-3 are given below in Table-9:

**Table 9: EMMP Compliance Monitoring and Reporting for TAP activities implemented in Year 2 and 3**

DESCRIPTION OF THE KEY ACTIVITIES	Y4Q1			Y4Q2			Y4Q3			Y4Q4		
	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15
1. Quarterly Environmental Monitoring of Solar Dyers												
2. Quarterly Environmental Monitoring of Milk Chiller												
3. Quarterly Environmental Monitoring of Aero Tubes												
4. Quarterly Environmental Monitoring of Milking Machines												
5. Quarterly Environmental Monitoring of Potato Cellars												
6. Quarterly Environmental Monitoring of Small Tunnel Dryers of FEGs												
7. Quarterly Environmental Monitoring of Apricot Orchard												
8. Quarterly Environmental Monitoring of Grapes FEGs												
9. Quarterly Environmental Monitoring of Pomegranate Orchards												
10. Quarterly Environmental Monitoring of HVOSV FEGs												
11. Quarterly Environmental Monitoring of Reefers												

DESCRIPTION OF THE KEY ACTIVITIES	Y4Q1			Y4Q2			Y4Q3			Y4Q4		
	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15
12. Quarterly Environmental Monitoring of Screen Houses												
13. Training of TAP staff on Institution of Occupational Safety & Health course "Managing Safely"												
14. Workshop on Reduce, Reuse, Recycling and Recovery of wastes												

**3. Indicative Budget for activities of Work Plan-4**

The indicative budget for the activities proposed under the work plan is provided in the Annexure -4.

**4. Project Close-out Plan**

The project close-out plan is provided in the Annexure -5.

**ANNEXURE-1: Progress achieved against Key results / EGA Indicators as of FY 2014**

Sr. No	Indicator	Unit of Measure	Revised LOP Target	Achievements as of Sep 2013	FY-2014 Targets	Achievements FY 2014		Cumulative Achievements as of Sep 2014	FY - 2015 Targets	%age achieved of total target
						During Quarter-4	During FY 2014			
1	2	3	4	5	6	7	8	9	10	11
1	2a. Number of jobs attributed to program implementation (4.5-2)	No. of FTE Jobs	13,135	5,604	3,596	1,361	2,481	8,085	5,050	62%
2	2c. Project-related household incomes of USG targeted beneficiaries	Change in HHs Income	2,908,000	689,383	1,163,200	689,499	963,621	1,653,004	1,254,996	57%
3	2.1a. Value of incremental sales attributed to program implementation	USD	39,468,788	11,644,966	7,811,571	3,991,172	12,399,847	24,044,813	15,423,975	62%
4	2.1b. Value of exports of targeted commodities as a result of USG assistance (4.5.2-36-mod)	USD	27,145,926	10,315,120	7,549,468	2,500,520	10,329,278	20,644,398	6,501,528	76%
5	2.1c. Number of micro and small enterprises linked to larger-scale firms as a result of USG assistance to VCs	No. of Enterprises	8,244	2,255	2,128	1,134	5,302	7,557	2,794	92%

Sr. No	Indicator	Unit of Measure	Revised LOP Target	Achievements as of Sep 2013	FY-2014 Targets	Achievements FY 2014		Cumulative Achievements as of Sep 2014	FY - 2015 Targets	%age achieved of total target
						During Quarter-4	During FY 2014			
1	2	3	4	5	6	7	8	9	10	11
6	2.1.1b. No.of micro, small & medium enterprises including farmers, receiving BDS from USG assisted sources (4.5.2-37)	No. of Enterprises / Farmers	13,333	7,339	2,078	2,516	6,926	14,265	2,849	107%
7	2.1.1c. Value of new private sector investment leveraged with USG resources	USD	7,600,000	813,701	5,320,000	2,052,372	5,461,584	6,275,285	1,324,715	83%
8	2.1.2b. Number of persons receiving training on skill dev.:	Persons	12,440	2,480	6,651	6,234	10,334	12,814	3,259	103%
9	2.1.3b. Number of entities (e.g., farmers or private enterprises) that have applied new technologies or management practices as a result of USG assistance	Entities	19,813	7,339	6,623	2,098	6,734	14,073	5,741	71%
10	2.1.3c. Number of hectares under improved technologies or management	No. of Hectares	5,737	1,947	2,402	1,417	2,055	4,002	1,735	70%

Sr. No	Indicator	Unit of Measure	Revised LOP Target	Achievements as of Sep 2013	FY-2014 Targets	Achievements FY 2014		Cumulative Achievements as of Sep 2014	FY - 2015 Targets	%age achieved of total target
						During Quarter-4	During FY 2014			
1	2	3	4	5	6	7	8	9	10	11
	practices as a result of USG assistance (4.5.2-2)									
11	2.2.2a. Number of USG-assisted organizations that participate in legislative proceedings and/or engage in advocacy at all levels	Organizations	7	6	1	-	1	7	-	100%
12	2.2.3a. Number of rural households benefiting directly from USG interventions (4.5.2-13)	Households	28,209	8,938	12,352	4,154	12,815	21,753	6,456	77%
13	2.2.3b. Proportion of female participants in USG-assisted programs designed to increase access to productive economic resources (GNDR-2)	%age	20%	42%	10%	12.5%	27%	34%	10%	168%

Note: The value of HHs income and Private sector leverages indicators will significantly increase in FY 2015 upon receiving data from

- a) 45 companies that obtained international certification (See 3.1 above) as a result of project support.
- b) 24 Pakistani exporting companies for fruit, vegetables and meat that were supported for participation in the international marketing events for fruit, vegetables and meat and business to business meetings. These companies have reported achievement of export sales of USD 20.5 m as a result of participation in these events. These companies are yet to disclose the profit margins in the export sales. The project will collect the data on the profit margins in the next quarter.

## Annexure-2: Indicative List of International and Local STTAs to be placed through CNFA

VC	No. of STTAs	Tentative Timeline	Assistance area	STTAs required
1. <b>Meat</b>	1 60 days/ 2-3 trips	Dec, 2014 – June, 2015	Beef production, Breed Improvement, Feedlot, Animal health training & Development of SOPs/manuals	International
2. <b>Grapes</b>	1 45 days/ 2 trips	Jan - May 2015	Production, IPM, Orchard Management	International
3. <b>HV/OSV</b>	2 45 days/ 2 trips	Dec 2014 – Jan 2015 March – April 2015	Crop Management Postharvest Management and Marketing	Local / National
4. <b>Apricot</b>	1 90 days	Feb – March 2015	Orchard Management (Local STTA)	Local / National
5. <b>Chili</b>	1 30 days	Jan – April 2015	Production, seed and sowing / Local STTA	Local / National

### Annexure-3: List of Indicative Marketing and Branding STTAs to be placed through J.E. Austin Associates

Activity	Objective	Timeline	STTA Required
Marketing & Branding Strategy	Develop a framework for marketing and branding for the targeted agriculture produce and make specific marketing and branding recommendations for 2-3 value chains	25 October - 13 December 2014	2 x International STTAs (William Scott / William Mott) for a total of 56 days
Support for training in value-added meat-cuts	Train and develop guidelines for the standardization of meat-cuts and develop a manual for the same	January – April 2015	1 x International STTA (Wayne Murtagh) for a Total of 75 days in 2 in-country trips
Support for Trade Fair participation and training	Accompany key trade show exhibitors from Pakistan at Saudi Food Expo and guide them in best practices around organization, participation and follow-up activities. Furthermore, a formal training on trade show participation will be conducted in Pakistan, targeting key exporters. As a direct output, a guide for international trade show participation shall be developed.	15 November - 25 December 2014	1 x International STTA (Charlie Stathacos)
Develop local market linkages and engage private sector	Engage the private sector businesses, including super markets, hotels, restaurants, traders etc. and facilitate market linkages with target value chain growers of TAP	15 September 2014 - 30 June 2015	1 X Local STTA (Marketing Expert, Abid-ur-Rehman)
Develop promotional and communication material for IMLP	The objective of this technical assistance is to develop requisite graphic designs for upcoming trade show events, focusing on creating a unique identity for Pakistani pavilion at the respective shows and document 'success stories', both video and in narrative form	30 November 2014 - 30 April 2015	2 x Local STTAs for a total LoE of 150 days
Trade Show Participation: Fruit Logistica 2015	Facilitate participation at the premier food industry exhibition held in Berlin every year. The support will include identifying and organizing key exporters/growers/producers for the show and showcase products of target value chains of TAP, aimed at increasing sales and exports	4-6 February 2015	TBD
Trade Show Participation:	Facilitate participation at the premier food industry exhibition held in	8-12 February 2015	TBD

Activity	Objective	Timeline	STTA Required
Gulf Food 2015	UAE every year. The support will include identifying and organizing key exporters/growers/producers for the show and showcase products of target value chains of TAP, aimed at increasing sales and exports		
Study Tour / Exposure Trip to Malaysia	Facilitate a group of sector stakeholders, including growers and processors from the citrus value chain to Malaysia. The purpose of the trip is to benchmark against best practices and develop market linkages	January 15, 2015	TBD
International Study Tour / Exposure Trip	Facilitate a group of sector stakeholders, including processors and exporters from the meat value chain to a suitable international destination. The purpose of the trip is to benchmark against best practices and develop market linkages	April 15, 2015	TBD
Market studies / Market Intelligence activities	Design and roll-out market intelligence activities international market opportunities for target value chains	February 28, 2015	TBD

#### Annexure-4: Indicative Budget for the Work Plan Activities (October 1<sup>st</sup>, 2014 to 9<sup>th</sup> November, 2015)

Sr. #	Expense Head	Budget (Amount in US\$)	Justification
1	Salary, Wages & STTA	2,456,388	The budget is allocated for the salaries, wages, of the project staff, STTAs and LTTAs.
2	Fringe Benefits	265,923	The budget is allocated for the fringe benefits to the project staff including project's share in provident fund, leave encashment, health and life insurance etc.
3	Travel	371,154	The budget is allocated for staff & consultants national & Intl. travel for implementation of project activities.
4	Equipment	-	-
5	Supplies	-	-
6	Communication	629,132	The funding is allocated for the projections of project activities in the targeted value chains, to ensure that all direct and indirect stakeholders of the project, especially the beneficiaries, are aware that the financial assistance for all grants awarded and capacity building initiatives come from the American people through USAID and ASF. The communication activities include branding & marking of project activities, publications, highlighting success stories of beneficiaries, appropriate and timely media coverage in press and electronic media, website management and social media updates.
7	Security Cost	70,000	The provision is allocated for the security of project staff, offices and assets.
8	Training	14,000	The provision is allocated for the project staff training.
9	Sub-Contracts	2,351,000	The budget is allocated for two international implementing partners (CNFA and J.E. Austin Associates). CNFA is providing TA support in areas of monitoring and evaluation, information technology, environment, capacity building, and placement of international consultants in targeted value chain for conducting various assessments and capacity building activities. The J.E. Austin Associates is supporting the project in agriculture marketing, linkages development of project beneficiaries with large buyers and processors.
10	Value Chain Transformation Support	5,108,219	The budget is allocated for provision of technical assistance and transformational grant support to the project beneficiaries in selected value chains including completion of apricot solar tunnels, high tunnels for production of HV/OSV, support in banana, meat, citrus, and grapes value chains.
11	Other Direct Costs	955,868	The budget is allocated for operational expenses including, administrative/operational costs of project offices i.e. office, rent utilities, POL, running & maintenance of office vehicles, assets, generators etc.
	<b>Total</b>	<b>12,221,685</b>	

The indicative budget is based on the work plan activities proposed to be implemented during the period of October 1<sup>st</sup>, 2014 to 9<sup>th</sup> November, 2015. With the current total utilization of US\$ 25.43 million, the estimated budget of US\$ 12.20 million for last year brings the total projected utilization of US\$ 37.63 million by the project completion date, i.e. 9<sup>th</sup> November, 2015. As up till now the total obligation of project funds stands US\$ 34.30 million, therefore, the timely obligation of incremental funds amounting to US\$ 3.34 will be critical to complete the activities, which are naturally the seasonal interventions, proposed in the work plan.

## Annexure -5: Project Close-out Plan

Timeline to Initiate Activity	Activity	Who	Details
<b>November 10, 2014</b>	Budget for Closeout	COP in conjunction with DCOP & Finance Director	Develop budget for the project's final year by budget line items.
<b>February 10, 2015</b>	Plan for continuity of services or other project funded activities	Executive Director in conjunction with COP	FEG's, Associations, VCP's and NTWG
<b>March 01, 2015</b>	Develop close-out requirements for sub recipients	Head Office	Send a formal letter to CNFA for ending of sub agreement by 30 <sup>th</sup> September 2015 and to J.E Austin by 30 <sup>th</sup> June 2015.  Also Communicate deadline for submitting final report to CNFA (September 01, 2015) and J.E Austin (June 01, 2015)
<b>May 10, 2015</b>	Review of HR requirements and phasing out of regions.  List of administrative close out tasks	Head Office HR in conjunction with COP and Program team  Admin team	Phasing out of project staff. Work with key staff on employment transition as needed. Plan for staff layoff and their final settlement.  Review of contracts, leases, insurance policies and other items that will need to be terminated (if applicable).
<b>July 01, 2015</b>	Preliminarily Review & Assessment of TAP activities  Budgetary review	Monitoring & Evaluation  Finance Director	Evaluation of the project results against EGA indicators.  Review of budget against the obligated/allocated funds.
<b>November 09, 2015</b>	Review Information needed for financial and performance reports required by USAID	Executive Director  Senior Manager Accounts (Head Office)	Complete financial close out and determine all project related cost for future for approval of USAID and stop incurring non administrative costs to be charged to the award.

Timeline to Initiate Activity	Activity	Who	Details
<b>February 10, 2016</b>	Submit final SF-425 Federal Financial Report	Senior Manager Accounts (Head Office)	Submit the final SF-425 in accordance with terms of cooperative agreement covering the entire Financial Report award period.
	Submit project final report	Executive Director & COP	Unspent funds must be returned to USAID. Submit final project report to USAID and the DEC in accordance with the terms of cooperative agreement.
	Submit final inventory report	Administration/Accounts	Submit final inventory report in accordance with the terms of cooperative agreement.
<b>Before March 31, 2017</b>	Submit final audit report (RCA)	Senior Manager Accounts/Auditors	Conduct a final audit covering last year of award. i.e. July 2015 to October 2015

**Note:** The deadlines and activities mentioned above are subject to periodic review and revision, wherever deemed appropriate, by ASF Head Office in consultation with TAP management.

#### Annexure 6: Reply to AOR queries on The Agribusiness Project Work Plan - 4

No.	AOR Comments n work plan	TAP Replies
1.	Please incorporate plan for the rest 7 challenge grants that were approved by the AO but yet to be completed. Remember that completion date for these grants was June 2013 and some of them are yet to be completed.	<p>Ok. The plan for completion of challenge grants has been incorporated in the work plan-4.</p> <p>The completion deadline for challenge grants varies on case to case basis. 2 out of 8 challenge grants namely provision of improvised reefers have been completed.</p> <p>The contract agreements for remaining three challenge grants have been signed between ASF and beneficiaries and their status is as under:-</p> <ol style="list-style-type: none"> <li>1. <b>Establishment of Milk Pasteurization Plant and Bio-Gas plants:</b> The grantee share is awaited for procurement of machinery. The project has already issued letter to the beneficiary for deposit of his due share.</li> <li>2. <b>Establishment of a Fruit Processing &amp; Solar Drying Unit by Global Social Enterprises at Swat</b> – Purchase order issued and machinery procured; however, the grantee is yet to arrange 3 phase- electricity supply. The machinery will be installed and operationalized soon after arrangement/installation of 3-phase meter by the grantee.</li> <li>3. <b>Establishment of Fruits/Vegetables Washing, Grading &amp; Packing Unit (MAP Technology):</b> The machinery imported and reached Karachi. It will reach Lahore in next two weeks, while installation of machinery will be completed in another 2-3 weeks.</li> </ol>
4.	Recently, ASF abandoned the three screen house grants, where the USAID share was 23,000 dollars and grantee share was more than 1.4 million PKR for each of the grant. ASF committed to pay back the grantee share who would then complete rest of the work on the screen house himself. Please incorporate closing out plan for these three challenge grants (grants with an average size of 30,000 dollars). The plan should clearly mention the deadline for completion as well as the milestones within each grant.	<p>The challenge grants for establishment of screen houses have been 75% completed. There were issues in quality of materials installed by the vendor. The mesh has been replaced. However, there are still issues with flooring and irrigation system of screen houses. These issues are being sorted out in consultation with the grantees.</p> <p>To complete the remaining work by the grantee it was agreed that project will return their share of PKR 1.4 million which is already consumed in the activity. The matter was taken with your good-self for approval of additional amount from the Agreement Officer for completion of three screen houses.</p>

5.	In the apricot value chain, installation of tunnels which were initiated early last year was to be completed by the end of 2014. Why are the rest of the milestones shown in 2015?	These grants are implemented under FOGs mechanism and FEGs members are responsible for establishment of tunnels. Due to non availability of sufficient service providers in the area the process is slow and these FEGs members are dependent on 2 to 3 companies providing the services and they have to wait for their turn. However the tunnel establishment will be completed by February 15, 2015.
6.	I can see a lot of training planned for the tunnel owners this year. Training was also planned for them last year. Does that mean that the project did not complete the activity? Let us <u>not</u> plan for working on apricot for another season which starts in June by which time the project will be preparing for close out.	The Apricot trainings planned for FY 2014 have been completed. The technical training on Apricot Pre-harvest practices for 100 Women Extension Service providers is scheduled for FY 2015. The project is not planning new activities and/or targeting new beneficiaries in Apricot VC except completion of activities already planned and TA support for consolidation of the results of activities.
7.	Installation of sprinkle irrigation for banana model farms is not part of the project mandate. Please create linkages with the Sindh Government or other providers to complement the farms established with the project support by installing efficient irrigation systems (like what you did for grapes in Punjab).	The proposed irrigation system is specialized for banana and project will support installation of only 2 systems for demonstration purpose. At present this facility is not available with The Government of Sindh and project will create linkage with government for replication of the activity for banana farmers through demonstration to concerned line agency.
8.	I see a lot of grey cells in the Gantt chart for banana with no specific numbers. Please explain what exactly you want to do during that time.	The grey cells in Gantt chart for banana reflect the environmental analysis (EDF preparation) and environmental monitoring (EMMP) of sites.
9.	On page-9, please refer to paragraph (The key ... market share it has lost). It points out that the real issue in the chili value chain is that of fungus. The Gantt chart on page-11 mentions activities which have no connection with this. The project mandate for chili was to work on post-harvest practices and bring down the aflatoxin level down in order for the product to be acceptable in international markets. Please plan accordingly.	The activities revised and project will focus on improving post-harvest practices in Chili VC. The project has already trained and provided geotextile sheets to 1000 red chili farmers for reducing aflatoxin to the acceptable level.
10.	Please share with me through a report verified by the monitoring team which mentions the activities so far undertaken under the citrus value chain. If nothing has been achieved so far, then why do you want to start a new value chain in the last 10 months of the project?	<p>The project has achieved significant progress on citrus VC. The project supported six enterprises from Punjab achieved Global GAP (Citrus) certifications. A total of 364 hectares have been brought under improved practices in citrus VC. 32 staff members of enterprises have been trained.</p> <p>The project supported 45 enterprises achieved 45 Intl certification including Global GAP, ISO 22000, IFS, BRC and HACCP. Out of 45,</p>

		<p>36 enterprises are exporting Citrus. Under the Intl Market Linkages Program, the project supported enterprises exported citrus.</p> <p>Under the Citrus Value Chain, the project aims to address some of the key constraints in harvest, and post-harvest practices to reduce wastages and improve quality of fruit for targeting export market.</p> <p>The proposed activities include trainings on harvest for labor associated with processors, training on post-harvest handling and/or provision of harvest toolkits to the trained participants. The interventions will contribute towards reduction in harvest losses, improve product quality and increasing export sales, income and creation of new jobs opportunities. The project will also continue to build linkages of the Pakistani Kinnow exporters with International buyers through participation in the international marketing events for fruit and vegetables, trade shows and exposure visits. Proposed intervention will be completed within project life</p>
11.	The figure of conducting 9 field days each month till the end of June next year under the HV/OSV value chain needs to be supported by what you would have done in the first two months (Oct, Nov). Please share with me reports that should prove that you have done it and will do it in the time to come, as scheduled.	These field days were held land preparation, nursery raising and transplantation and will undertake the proposed field days as per targets given in the work plan and share the report with you.
12.	Why does the project want to establish collective buying centers in Lahore & Sheikhpura only whereas the HVOSV value chain is also implemented in Islamabad and Peshawar region. I suggest you plan for establishing such centers everywhere that you work on HV/OSV.	The project intends to establish collective buying centers in Lahore and Sheikhpura on pilot basis, while the project will support establishment of three small pack houses for washing, grading & packing of produce in KP. These pack houses in KP will serve as buying centers too.
13.	The area of development of communication material in November 2014 and in Jan-June 2015. Please given specific targets that you want to achieve during these months.	The communication materials on good agriculture practices will be developed in December 2014 and will be issued to HV/OSV farmers for high tunnels.
14.	How come you want to take HV/OSV beneficiaries to Jordan Valley in the United States? Why would you do that? What do you want to achieve from it? Are you planning to export vegetables to the United States? All the other projects of USAID focus on the region while; thinking of such visits. AgBiz should follow the same practice.	It is not Jordan Valley in United States instead it may be read as Jordan Country having some good examples of HV/OSV production.
15.	What does consultative meetings with HV/OSV producers mean? What does the shaded area for the months of Feb-Sep. 2015 mean?	By consultative meeting, we mean exchanging views sharing information and help facilitate in organizing them in clusters/associations as well market linkages development.
16.	How many clusters do you want to establish during Feb-Sep. 2015?	Five Clusters/Associations (Peshawar, Malakand, Hazara, Potohar and

	Please give measurable targets.	Lahore).
17.	Please provide targets in the shaded area for the months of Nov. 2104 to June 2015 against the activity 'pre-harvest TA support ...high tunnel grantees.	The Pre-harvest TA support up to 274 high tunnel grantees for nursery raising, transplantation, crop management, picking and harvesting.
18.	Establishment of three green houses at this stage of the project seems quite difficult. We may just spend a lot of money by building the structures but may not use them for the purpose for which they were built. In Pakistan, a new hybrid technology has already been introduced in Abbottabad. Project should follow that.	This activity will be customized keeping in view the local conditions and modifying the existing 3 high tunnels one in each area.
19.	Under the potato value chain, at this stage, I suggest we don't plan an international exposure visit to Nepal. We may not learn anything new beyond what we already know.	This activity has been revised and trip to Nepal deleted.
20.	Fix a date where I could come to the project office to check all the environmental compliance reports. This is part of my TOR anyway.	We suggest January 2 <sup>nd</sup> or 5 <sup>th</sup> 2015.
21.	In the past three years, against the indicator 'increase incomes of the project related households', the project has only been able to achieve 14% of the total target. How come, for the last year, we are going to set a target that is 4 times higher than the cumulative achievement so far?	The results of major activities (high tunnels & vineyards established, support provided to chili, apricot, livestock-meat, potato farmers & IMAP/IMLP and international certification components etc.) implemented during last two years will be available in FY 2015, therefore, the households income value is likely to significantly increase. However we would like to further discuss the revision of target in the meeting with AO Wednesday December 17.
22.	Against the other two important indicators, employment and sales, the project has only achieved 62% of the total target. How confident is ASF to achieve the steep targets that have been set for the last year of the project?	The project has already made significant progress on jobs creation and incremental sales indicators. The project intend to achieve good progress on these two indicators during FY 2015 as result of above mentioned project interventions.
23.	Against the indicator, 'leveraging private sector; investment', the project has only achieved 28% of the LOP target. This shows that the project has had more focus on livelihoods (giving) and not on value chains.) Why has ASF set 3 times larger target for this indicator for the last year?	There is variation between the target given against the indicator and the target of leveraging private sector investment in the cooperative agreement. We would like to discuss this issue during the meeting with AO on Wednesday.
24.	ASF has suggested to spend only 37.63 million against the LOP of 39.9. Does that mean the balance of 2.3 million is no more required for the project?	Keeping in view the time constraint ASF has suggested timely and effective utilization of 37.63 million USD.
25.	What will be the value addition of the citrus group visiting Malaysia? What will be the follow up in the very last year of the project? Kinnow is already well inked to the world market and there is very little addition one could make keeping in mind the present quality	Malaysia is potential market for Pakistani Kinnow and through Malaysia Singapur and Indonesian buyer will be linked.

	and variety of the fruit.	
26.	<p>In the previous draft, the project submitted plans for establishing new vineyards. Why has it been dropped in this new version? For the past two quarters (during the quarterly reviews, parts of which were also attended by the Ag. Section Chief of USAID-EGA), the project staff has not only been committing to continue with the grape value chain but have also presented to us the plans that showed how they were going to complete activities within the project time period. How come all of a sudden the COP goes to Lahore and comes back with a message not to continue with the star value chain? Doesn't that mean a total disconnect between ASF HQ and the Project management? The excuse given is that it will not bear fruit within the project period. If that is the case, why have activities been planned under the citrus value chain which has not even been started and those activities will also not bear fruit during the project period. This is also true for a few other value chains.</p>	<p>The project will continue working in the grapes value chain. In past 2-year project provided support to good number of vineyard establishment and as a result of our support the surrounding farmers are replicating the model on their own.</p> <p>During 2015 project will focus completion of vineyards already initiated in FY 2014 on other important activities required in the value chain like pre-cooling techniques, bird netting, best practices and market linkages.</p>
27.	<p>The creation and implementation of the MIS System (ERP) was to be in place within a year of the issuance of the contract. The contract which was issued for one year, has been extended twice each for 6-month period. When will this be finally completed and in use. Remember this was one of the OIG recommendations of the performance audit and we were told by ASF that the system was in place.</p>	<p>The IMIS is in place for quite some time. The accounting, HR and procurement modules are in use for more than 12 months. The grants and M&amp;E modules have been developed and are being used. The output reporting aspects of these two modules are being further improved and operationalized.</p>