



# ADVANCED MARKETING AND AGRIBUSINESS LOGISTICS (AMAL)

QUARTERLY REPORT Q1FY16



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# **ADVANCED MARKETING AND AGRIBUSINESS LOGISTICS (AMAL)**

Global Development Alliance

## **QUARTER 1 FY 2016 PROGRESS REPORT**

**October 1, 2015 – January 31, 2016**

**Cooperative Agreement No. AID-263-A-15-00014**

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**ACRONYMS**

AMAL	Advanced Marketing and Agribusiness Logistics
ATS	Agriculture Technical Schools
AUC	American University in Cairo
CBA	Cost Benefit Analysis
COE	Center of Excellence
COP	Chief of Party
CPM	Competitive Profile Matrix
CSF	Critical Success Factor
DCOP	Deputy Chief of Party
FOB	Free on Board
F2F	Farmer-to-Farmer
GDA	Global Development Alliance
HEIA	Horticulture Export Improvement Association
MOU	Memorandum of Understanding
M&E	Monitoring & Evaluation
PRC	Public Relations and Communications
SVU	South Valley University
USAID	United States Agency for International Development
ToT	Training of Trainers

## INTRODUCTION

This document reports on progress of AMAL activities carried out during the period October 1 through January 31, 2016. This is the fourth report submitted to the United States Agency for International Development (USAID)/EGYPT under Cooperative Agreement No. AID-263-A-15-00014.

This report follows the outline provided by USAID during the synergy meeting that took place September 30, 2015 with ARDII project implementers at the Winter Palace Conference Room in Luxor governorate. The report highlights the achievements of AMAL during the reporting period. As well, it highlights the progress on project indicators against targets, identifies challenges, and provides a tentative plan for Q2FY16 activity implementation.

## EXECUTIVE SUMMARY

AMAL successes continue as the project approaches concluding its activities for the first implementation year. The different beneficiary groups engaged in a variety of training activities with the project. Farmers engaged in forward contracts with exporters. Significant achievements during the reporting period include:

- 549 beneficiaries engaged with AMAL activities to date, of which 55% are farmers. Other beneficiary groups include women, associations' staff, university graduates and HEIA staff.
- Out of 307 trained farmers in Sohag, Luxor and Aswan, 158 farmers cultivated 83 hectares of green beans for exporting. In addition to the classroom training, every contracted farmer received at least one technical in-field visit throughout the season.
- 100% of the contracted farmers applied at least one form of improved technology since the exporter ensured the delivery and cultivation of the desired improved green beans variety required for international markets.
- The first group of university graduates received eleven days of training.
- Nine associations received institutional capacity building training with AMAL.
- 89 hectares of green beans were grown under improved technologies.
- 156 women rolled into AMAL's training activities. Women in Aswan started receiving technical training in their desired project ideas.

## BACKGROUND AND PROJECT GOALS AND OBJECTIVES

AMAL will improve the livelihoods of 4,300 rural households in Upper Egypt, including smallholder farmers, landless laborers, women, unemployed youth, and entrepreneurs by building their capacity to integrate into high-value commercial horticulture markets. In concert with the Horticultural Export Improvement Association (HEIA), AMAL will employ a market-driven approach to increase smallholder incomes by sustainably intensifying their productivity, improving the ability of value chain stakeholders to interpret and respond to market signals, enhancing product marketing, and facilitating commercially oriented linkages between value chain actors. AMAL will leverage HEIA's investment in the perishable terminal at Luxor Airport and their contribution towards the construction of the Center of Excellence, and position the Center of Excellence as a service and information hub for the region, ensuring the impact of our interventions far outlive the duration of the project.

The anticipated project outcomes include:

- Beneficiaries equipped with the marketing skills and practices required to improve their access to markets and the use of market intelligence
- Linkages established between smallholder farmers in Upper Egypt and processors/exporters

- Perishable terminal (export base) established and operational in Upper Egypt to support smallholder producers
- Agricultural area in Upper Egypt under improved technologies increased
- Number of farmers adopting improved technologies increased
- Capacity of 80% of engaged producers' organizations enhanced

## PROJECT DESCRIPTION

The Advanced Marketing and Agribusiness Logistics (AMAL), Global Development Alliance (GDA) is a three-year USAID-funded project that aims at increasing the integration of smallholder farmers into high-value markets, promoting agricultural productivity and trade, and improving livelihoods in Upper Egypt. ACDI/VOCA is the implementing partner on the project and is partnering with the Horticulture Export Improvement Association (HEIA) to leverage HEIA's investment in the construction of the Center of Excellence (COE) in Upper Egypt that will serve as a knowledge and service hub for exporters and farmers. The center will allow Upper Egypt to more effectively compete in international markets by decreasing the time-to-market costs and bringing much needed supply chain infrastructure to the region. Project activities are implemented in the Upper Egypt governorates of Aswan, Luxor, Qena and Sohag. The primary goal of the AMAL project is to improve the livelihoods of 4,300 rural household members in Upper Egypt, including smallholder farmers, landless laborers, women, unemployed youth, and entrepreneurs through the following: **building** their capacity to integrate into high-value commercial horticulture markets, **employing** a market-driven approach to increase smallholder incomes by sustainably intensifying their productivity, **improving** the ability of value chain stakeholders to interpret and respond to market signals, **enhancing** marketing of products, and facilitating commercially oriented linkages between value chain actors, and **positioning** the Center of Excellence as a service and information hub for the region.

Working closely with HEIA, the AMAL project is building the capacity of the COE to provide relevant, market-driven services to horticulture value chain stakeholders, which will be key to the sustainability of the project.

Project activities are divided across four components:

- Improving Access and Use of Market Intelligence:** The project works with smallholder farmers, exporters, and Center of Excellence staff to build their capacity to interpret and respond to market signals. Smallholder farms will learn to integrate market signals into their production decisions, allowing them to increase profits and yields. The Center of Excellence will serve as a market information hub that provides market actors with information needed to make decisions.
- Facilitating Value Chain Linkages:** AMAL helps broker sustainable commercial linkages among smallholder farmers, exporters, international markets, and high-end domestic markets. AMAL's capacity-building programs enable the Center's staff to continue these activities after the project ends.
- Catalyzing Market-Oriented Production Practices:** The project builds the capacity of smallholder producers and exporters to meet international market quality requirements and integrates new technologies and techniques into the production process. It also works with packhouse operators and staff at the perishable terminal to ensure operational compliance with international standards.
- Organizing and Strengthening Producer Organizations:** Strong, commercially oriented producer organizations are critical for exporters to meet the quantity and quality

requirements of the international market and to achieve economies of scale. The project uses proven tools to assess farmer association capacity and tailor capacity-development plans to the unique characteristics of each farmer organization.

All activities are designed and executed in close coordination with HEIA to ensure the sustainability of project interventions. These activities complement infrastructure, such as the perishable terminal, facilitate the integration of smallholder farmers into commercial horticulture production systems, and position HEIA's COE as an information and service hub in Upper Egypt.

Another important part of the project's sustainability approach is the integration of agricultural university graduates into training programs across all of the project components. This approach not only creates employment opportunities for graduates, it also creates a sustainable knowledge resource base that horticultural value chain actors can draw on for assistance as they access horticulture markets. HEIA will be able to hire those newly-trained professionals to provide fee-based farm management and production support to exporters sourcing from smallholder farmers in Upper Egypt. This is a key aspect of the COE's sustainability. The AMAL project also collaborates with the Premium Project, which is working with the Agricultural Technical Schools (ATS), to identify promising ATS graduates to attend training programs at the COE.

In accordance with USAID and ACDI/VOCA policies, gender integration is critical to the success of the project. Since women take part in the decision making processes in the family, AMAL pays specific attention to transferring critical skills and knowledge to women to develop them. Project interventions are designed to maximize women participation. AMAL schedules events specifically targeting rural women with the objective of developing their capacities to better serve their families and communities.

## LOGICAL FRAMEWORK

The logical framework presented in this section displays the key objectives and outputs of the AMAL project as well as information pertinent for project monitoring and evaluation. Guided by the USAID format, the table is divided into the following logic:

- Narrative summary: project objectives (goals, intermediate results, and outputs) in narrative form
- Indicators: indicators used to track every level of objectives
- Data sources: the sources from which information regarding project indicators are gathered
- Assumptions: underlying assumptions of conditions that lead to higher level goals achieved

NARRATIVE SUMMARY	INDICATORS	DATA SOURCES	ASSUMPTIONS
<p><b>AMAL Goal:</b></p> <ol style="list-style-type: none"> <li>I. 30% increase in net present value of on farm income</li> <li>II. Increased gross margin per hectare</li> </ol>	<ul style="list-style-type: none"> <li>▪ The change in net present value of on farm income</li> <li>▪ Gross margin per hectare, animal or cage of selected product</li> </ul>	<p>Project surveys, data collected through producers' organizations, farm records</p>	
<p><b>AMAL Purpose:</b></p> <ol style="list-style-type: none"> <li>A. Improved access and use of market intelligence</li> <li>B. Strengthened value chain linkages</li> <li>C. Improved production practices</li> <li>D. Organized, commercially oriented producers' organizations</li> </ol>	<ul style="list-style-type: none"> <li>▪ Value of exports of targeted agricultural commodities as a result of USG assistance</li> <li>▪ Value of incremental sales (collected at farm-level) attributable to USG programming</li> <li>▪ Number of farmers and others who have applied new technologies or management practices as a result of USG assistance</li> <li>▪ Number of hectares under improved technologies or management practices as a result of USG assistance</li> <li>▪ Number of food security enterprises, producers organizations, water user associations, women's groups, trade and business associations, and community based organizations (CBOs) receiving USG assistance</li> </ul>	<p>Surveys and project records, farm records, association records, technical field reports</p>	<ul style="list-style-type: none"> <li>▪ Stable market prices and exchange rates</li> <li>▪ Stable environmental conditions including favorable weather conditions as well as the absence of unexpected environmental conditions</li> <li>▪ Transparency of beneficiaries in reporting their data during surveys</li> </ul>
<p><b>AMAL Outputs:</b></p> <ol style="list-style-type: none"> <li>1. 50 trained university graduates and COE staff to work with smallholder farmers to integrate marketing information into production practices</li> <li>2. 750 smallholder farmers trained in Farming as a Business (FaaB), Production Planning and Forward Contracting</li> <li>3. Farmers trained in forward contracting</li> <li>4. 24 forward contracts signed with exporters/processors</li> <li>5. Increased value of exports from Upper Egypt</li> <li>6. 3000 Beneficiaries trained in improved production, water-saving and harvesting techniques</li> <li>7. 12 producer organizations received capacity building activities (e.g. training in production planning, business management, acquiring inputs and advisory services, economic analysis, marketing, etc.)</li> </ol>	<p style="text-align: center; font-weight: bold;">Crosscutting: Gender, youth</p> <ul style="list-style-type: none"> <li>▪ Number of members of producer organizations and community based organizations receiving USG assistance</li> <li>▪ Number of contracts between smallholder farmers and market channels</li> <li>▪ Number of individuals who have received USG supported short-term agriculture sector or food security training</li> <li>▪ Number of food security enterprises, producers organizations, water user associations, women's groups, trade and business associations, and community based organizations (CBOs) receiving USG assistance</li> </ul>	<p>Project records, periodic progress reports, training records</p>	<ul style="list-style-type: none"> <li>▪ Stable political situation resulting in stable tourism rates and the availability of shipment options from Upper Egypt</li> <li>▪ Commitment of contracting parties to fulfill contractual terms</li> <li>▪ Stable market prices and exchange rates</li> </ul>
<p><b>AMAL Inputs: Resources and Interventions</b></p> <ol style="list-style-type: none"> <li>1. 21 days of training for 1000 farmers in integrated crop management</li> <li>2. 62 training days for 75 university graduates in horticulture extension services</li> <li>3. 54 training days for 50 university graduates in packhouse management</li> <li>4. 15 days of training for 50 association staff and lead farmers in association capacity building</li> <li>5. 6 days of training for 750 women and youth in harvest/post-harvest handling</li> <li>6. 5 link visits and 240 days of field visits/on-the-job training to beneficiaries</li> <li>7. Procurement of equipment necessary to operate Luxor packhouse &amp; COE</li> <li>8. ICT tools put in place</li> </ol>			<ul style="list-style-type: none"> <li>▪ Stability in the political situation and rules and regulations, in addition to the existence of support programs</li> <li>▪ Partners' continued support/alignment with the strategic goals of AMAL as they relate to the success of the project and the achievement of its results.</li> <li>▪ Ease of administrative procedures with the governmental authorities</li> </ul>

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## COMPONENT 1: IMPROVING ACCESS AND USE OF MARKET INTELLIGENCE

*Objective: facilitate access to market information, build the capacity of farmers to adjust their production systems appropriately, and assist exporters in identifying promising market opportunities. As part of the project's sustainability approach, it will position the Center of Excellence to disseminate and analyze market information.*

### MARKET DATA CAPTURE AND ANALYSIS

Twenty one trainees of which 50% were females received 10 days of training in marketing intelligence as a first step towards educating beneficiaries in capturing and analyzing market data. AMAL Marketing Intelligence Expert, [REDACTED], divided the training into two phases; attendees included staff working at the Regional Center of Excellence and university graduates. The first phase of the training took place 29 November – 3 December, 2015 and it focused on the basic concepts that trainees need to be aware of before getting into the data acquisition and analysis techniques. These concepts included the difference between supply-push and demand-pull production, the value chain and its components, customer satisfaction, etc. Trainees were introduced to the market data websites Trade Map and Comtrade and received a written assessment of their level of understanding.

Phase II took place 13-17 December, 2015 and it focused on practical application of data mining techniques dealing with data warehousing websites and implementing ACIDI/VOCA's market windows unmet profitable demand techniques to rank potential crops and markets for Upper Egypt growers. The most important topics covered included competitiveness, globalization, and market dynamics covered with several examples and case studies. Towards the end of the training, the trainees were tasked to prepare a complete case study of what they learned during the two phases. The group of 21 participants was divided into seven groups; each group comprised of three participants and was responsible for applying the case study for a certain crop to explore the export potential and market window. The purpose of the exercise was to evaluate trainees' knowledge of the concepts they learned during the two phases of the training. On the last day of the training, each group presented their case findings; presentations were evaluated by other groups as well as by AMAL team (Marketing Intelligence Expert, Chief of Party (COP), Deputy Chief of Party (DCOP), and Monitoring and Evaluation Manager). Evaluation results (AMAL team's evaluation as well as the evaluation carried out by the other participating groups) were averaged to judge the performance of each group. Groups received their scoring based on the completeness of data, presentation of findings, and simple analysis of those findings. Each member of the winning group received a tablet through which they can continuously access market information websites. Training materials from the two rounds of training have also been loaded as favorites on the tablets.

Trainees were asked for feedback at the end of each training. Feedback results were very positive indicating that the training added valuable information to their academic knowledge and enhanced their understanding of the concepts in the business world. Trainees asked for more practical training to help them further absorb the concepts.

*DEVELOPMENT OF MARKETING AGENTS*

In addition to the training in marketing intelligence, the same group of university graduates received training in soft skills and presentation skills. Combined, the training offered to university graduates aims at developing their skills to work as marketing agents and crop advisors at the Center of Excellence and to be employed by exporters. Further in-depth training will be offered to this group of youth during the next quarter. In addition, a new group of graduates will enroll with the project to receive the same modules of training.

The following table summarizes training activities that university graduates and HEIA staff received during the reporting period:

Training Topic	# Days	Start Date	End Date	Location	Trainer	M	F	Total
Presentation Skills	1	22-Oct-15	22-Oct-15	Qena	Dr. Walid Sallam	17	6	23
Fresh Produce Export Intelligence and Management – Phase I	5	29-Nov-15	3-Dec-15	Qena	[REDACTED]	12	11	23
Fresh Produce Export Intelligence and Management – Phase II	5	13-Dec-15	17-Dec-15	Qena	[REDACTED]	11	10	21

*DEVELOPING ICT TOOLS TO DISSEMINATE MARKET DATA*

The Memorandum of Understanding has been finalized with Microsoft Egypt – Masr Ta3mal Initiative. According to the MOU, Microsoft Egypt will provide training of trainers to 15 potential trainers at ACDI/VOCA in soft skills (interpersonal skills, communication skills, problem solving, critical thinking and team building), basic IT skills, business skills (sales and negotiation, marketing, business planning and financial analysis), and back office management and leadership skills.

Microsoft also agreed to establish the web portal to upload content and share information with AMAL target beneficiaries. In addition to establishing the portal, Microsoft will also train people on utilizing and troubleshooting the system and making changes to it. AMAL trainers shall later redeliver the training to beneficiaries.



University Graduates Training

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## COMPONENT 2: FACILITATING VALUE CHAIN LINKAGES

*Objective: Broker sustainable commercial relations between HEIA exporters and smallholder farmers in Upper Egypt...facilitating forward contracting schemes between exporters and producer organizations.*

### FACILITATING FORWARD CONTRACTING

As mentioned in the previous report, seven AMAL beneficiary associations signed nine contracts with two green beans exporters. The total contracted area reached 127.68 Hectares of green beans. However, the actual cultivated area depended primarily on the amount of seeds delivered by the buyer which was only enough to cultivate 89 Hectares of green beans.

**Sohag:** The season concluded successfully in Sohag. Farmers in Shoraneya delivered 100% of their produce to Green Egypt; while Dar El Salam farmers sold to local markets in addition to the sales to the exporter. Sales to exporter mounted to 70% of total sales. While it was planned to prepare the crop for exporting at the Regional Packhouse run by HEIA in Luxor, the exporter decided to transport and process the produce at the exporter's packhouse in Cairo in order to cut their operational costs after the failure of the crop from northern Egypt due to the rainfalls. 540 tons of green beans were delivered by Sohag farmers to Green Egypt and 79 tons were sold in the local markets. Two contracts were signed and fulfilled between two associations in Sohag and the buyer.

**Luxor:** The season is almost over in Luxor. Three associations signed contracts with Green Egypt at the beginning of the season, namely: El Tood Association for Agricultural Development, El Nesa'eia Association for Future and Development and the Association for Agricultural Community Development in Asfun. Asfun was dropped out for two main reasons: 1) the association is currently engaged with the USAID-funded Premium Project, 2) Only four farmers ended up growing nine feddans (3.78 hectares) of green beans after the beginning of the season; however, according to the technical opinion, farmers were not responsive to master trainers' recommendations and the germination rates were too low and the land was not suitable soil for green beans. As for El Nesa'eia association, almost all lands had high salinity levels so the actual cultivated area was only 0.84 Hectare (equivalent to two feddans) managed by two farmers rather than the contracted 4.2 Hectares. One farmer plowed his land while the other one (0.42 Hectare) continued the season but got a yield of only 390 KG. In conclusion, El Nesa'eia and Asfun were engaged with the project on a limited scale, were faced with soil problems and are thus excluded from the income and financial calculations for the green beans 2015/2016 season.

On the other hand, El Tood farmers had a successful season as demonstrated by their high yields. The contractual area was almost fulfilled in El Tood, 21 Hectares were contracted and the actual cultivated area reached 20.45 Hectares representing 26 farmers. Like Sohag, the produce from Luxor is being delivered to the exporters' packhouse in Cairo. El Tood was the only association in Luxor that fulfilled its contractual agreement with Green Egypt.

**Aswan:** Farmers in Aswan are approaching the end of the season and shall start harvesting their crops and delivering the produce soon. The condition of the crop in the land is promising of good yields in Aswan. While 42 Hectares were contracted, only 25 Hectares were cultivated (the seeds delivered by the exporter were only enough to cultivate 25 Hectares). Four contracts were signed between two exporters (Nivex and Green Egypt) and two associations in Aswan (Al Amal and Al Hekma).

With the exception of El Nesa'eia and Asfun associations, the green beans season and contracts were successful in Luxor and Sohag. The table below displays actual cultivated areas in the different associations and the quantities delivered for exporting.



*Harvested Green Beans in El Tood – Harvesting Boxes Provided by Green Egypt*



*Green Beans Harvest in Shoraneya - Sohag*

Item	Unit	El Shoraneya			Dar El Salam	El Tood	Aswan (Al Hekma & Al Amal)	Nesa'eia	Asfun	Totals
<b>Variety</b>	<b>Name</b>	P	S	T	Paulista	Paulista	Paulista	Paulista	Paulista	-
<b># Contracted Farmers</b>	<b>Number</b>	38	12	50	51	25	32	1	4	158 <sup>1</sup>
<b>Contracted Area</b>	<b>Feddans</b>			70	40	50	100	10	34	304 Feddans Contracted
	<b>Hectares</b>			29.4	16.8	21	42	4.2	14.28	127.68 Hectares Contracted
<b>Cultivated Area</b>	<b>Feddans</b>	49.02	8.25	57.27	47.42	48.70	60.50	1.00	9.00	213.89 Feddans Cultivated
	<b>Hectares</b>	20.59	3.47	24.05	19.92	20.45	25.41	0.42	3.78	89.83 Hectares Cultivated <sup>2</sup>
<b>Cash Advance</b>	<b>\$/Feddan</b>	62.5	62.5	62.5	-	62.5	250			
	<b>\$/Hectare</b>	148	148	148	-	148	595			
<b>Export Selling Price</b>	<b>\$/Ton</b>	281.25	375		281.25	375	562.5 <sup>3</sup>	375	-	297.4 <sup>4</sup>
<b>Association Commission</b>	<b>\$/Ton</b>	-	-	-	-	6.25	12.5	6.25	-	
<b>Seeds Provided</b>	<b>Yes/No</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>Harvest Boxes Provided</b>	<b>Yes/ No</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes
<b>Box Capacity</b>	<b>KG</b>	11	11	11	11	11	11	11	NA	11 KG
<b>Deduction Per Box</b>	<b>KG/Box</b>	0.5	0.5	0.5	0.5	0.5	0.5	0.5	NA	
<b>Harvest Start Date</b>		November 21			November 28	December 9	February 13	December 16		November 21
<b>Harvest End Date</b>		January 3			December 23	February 10	Ongoing	January 4		Mid March <sup>5</sup>
<b>Export Sales Quantity</b>	<b>Tons</b>	306.15	51.7	357.85	183	49.75	1.25	0.39	-	592.24
<b>Total Sales Quantity</b>	<b>Tons</b>	306.15	51.7	357.85	262	279.65	1.25	0.39	-	901.14
<b>Percentage of Export to Total Sales</b>	<b>% of Quantities</b>	100%	100%	100%	70%	18%	100%	100%	-	66%
<b>Buyers</b>		Green Egypt			Green Egypt	Green Egypt	Green Egypt Nivex	Green Egypt		Green Egypt Nivex

<sup>1</sup> 163 farmers were contracted at the beginning of the season with associations, however due to the problems faced by some of the farmers, only 158 farmers ended up cultivating their lands.

<sup>2</sup> This figure excludes Luxor farmers who were faced with problems and did not continue the season.

<sup>3</sup> Anticipated

<sup>4</sup> Weighted average of selling prices. Weights represent the actual quantities delivered by the associations to the buyers.

<sup>5</sup> Anticipated

Nine contracts were signed between two green beans exporters and seven associations to supply the produce of 127.68 hectares (304 feddans) of green beans from Upper Egypt. These include four contracts in Aswan and five in Luxor and Sohag. To date, three contracts (out of five in Luxor and Sohag) have been successfully fulfilled and two contracts failed to complete due to the reasons mentioned before. It is expected that Aswan contracts will be fulfilled also. AMAL beneficiary farmers in Upper Egypt delivered 592 tons of green beans to exporters to date during the winter 2015/2016 season. Contracts were signed between buyers and the farmers associations; the associations in turn handle the financial settlement and in-kind distribution with the farmers.

As noted in the preceding table, AMAL farmers who engaged in forward contracts with the exporter, received cash in-kind advances from the buyers. The amount of cash advance distributed differed from one governorate to another. Basically, with the exception of Aswan whose farmers received cash advances of 595 \$/Hectare, farmers in Luxor and Sohag received 148 \$/Hectare. During the first green beans season in Upper Egypt, 158 farmers cultivated 213 hectares of green beans.

Yields and selling prices also varied by location. While Sohag farmers got the highest yields (averaging 14 Tons/Hectare and reaching 20 Tons/Hectare), they received the least sales' price: 281.25 \$/Ton compared to 562.5 \$/Ton for Aswan farmers (double the price). The relatively high price received by Aswan farmers compared to other Upper Egypt governorates, is justified by extending the supply of open air green beans in the international market from Egypt to end in mid-March rather than mid-January.

The benefit of the extended growing season for buyers is undeniable as well; open-air cultivation of green beans was not previously available at this time of the year in Upper Egypt. Previously, buyers resorted to greenhouses to cultivate green beans in northern Egypt. Cultivating green beans in greenhouses costs at least four times that of open-air cultivation; the additional costs come from the use of plastic and the huge amounts of chemicals and pesticides required. The reduced costs of purchasing the green beans from Upper Egypt will significantly increase both Egyptian exporters' competitiveness in the international markets as well as their returns.

Extending the cultivation and harvesting seasons also positively impacts the operations of the Luxor packhouse. On the one hand, operating the facility decreases its annual operational costs; while on the other hand, extending the operational season creates additional seasonal employment opportunities for Luxor villagers who perform the needed post-harvest operations including sorting, grading, and packing the produce at the packhouse.

Summary of general contracting terms:

- Crop is contracted by area cultivated rather than by quantity supplied.
- Buyers supplied the desired variety of seeds to the associations who handled the seeds' distribution with the farmers. Value of seeds provided shall be deducted from sales at the end of the season.
- Two varieties of green beans were grown in upper Egypt during the winter 2015/2016 season: Paulista (96% of the total area grown) and Samansa (4% of total area cultivated).

- Cash advances as well as the value of seeds received by farmers shall be deducted from sales.
- Buyers provide the harvesting boxes required to ensure safe transportation of the crop.
- Crop supplied must meet the technical standards predetermined in the contract; otherwise, the buyer has the right to reject the produce delivered (including shape, size, color, IPM standards, etc.).
- Buyers have the right to send a technical person to check the status/condition of the crop under cultivation throughout the season.

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### COMPONENT 3: CATALYZING MARKET-ORIENTED PRODUCTION PRACTICES

*Objective: Build the capacity of farmers as well as packhouse and perishable terminal operators to adapt production and management practices to meet international best practices and buyer quality requirements.*

#### INTEGRATED CROP MANAGEMENT

In order to mitigate environmental risks resulting from poor agricultural practices, farmers learned how to grow and protect their crops using safe and locally adapted sustainable production systems. As indicated by the exporter, the crop is in a very good condition and the samples tested complied with the export standards with regards to the shape, size, color, pesticide residue tests, etc.

#### IMPROVED PRODUCTION TECHNIQUES AND TECHNOLOGIES

Throughout the season, guided by exporters' requirements and [REDACTED] training, master trainers transferred the concepts of good agricultural practices (GAP) to AMAL beneficiary farmers in the various stages of cultivation starting from land preparation and seed transplantation all the way through proper harvesting and post-harvesting practices up until the delivery of the produce to the exporter. Since all farmers who grew under contract received the desired seed variety from the exporter, 100% of the contracted farmers applied improved technologies in at least one stage of cultivation: improved seed varieties. In addition, at least 90% of the contracted farmers applied other improved practices related to cultivation method (land preparation, bed shaping, spacing between plants, etc.), fertilization and irrigation schedules and planting dates.

Aswan farmers lack access to high quality chemicals and agricultural inputs which adversely affects the condition of the crop and the land. To further enhance value chain linkages and facilitate farmers' access to high quality trustworthy inputs, AMAL project coordinated efforts with Aswan Field Manager to arrange for the collective purchase of the recommended fertilizers for AMAL green beans farmers. The associations purchased high quality inputs in bulk quantities from a reliable chemicals' supplier at a reduced cost to farmers. Contracted farmers agreed with the association's representatives to use the cash advances received from the exporter to pay for the chemical inputs.

The group of five master trainers supervised by AMAL Lead Master Trainer for green beans, [REDACTED] delivered technical assistance to 307 farmers in improved production practices during the green beans season during the reporting period. Technical assistance comprised of classroom training as well as on-the-job field visits in the farmer's land. Whenever a master trainer visited a land to provide technical assistance, neighboring farmers were invited to attend

the technical visits, ask questions and receive recommendations. A technical report is completed for every field that receives a visit; the report is signed by the master trainer and counter-signed by the farmer. Reports have unique serial numbers; four copies are available of each report: one original copy and three carbonated copies. The farmer receives a copy, a copy is kept with the master trainer, a copy for filing in AMAL Qena office and a copy for filing in AMAL Cairo office.

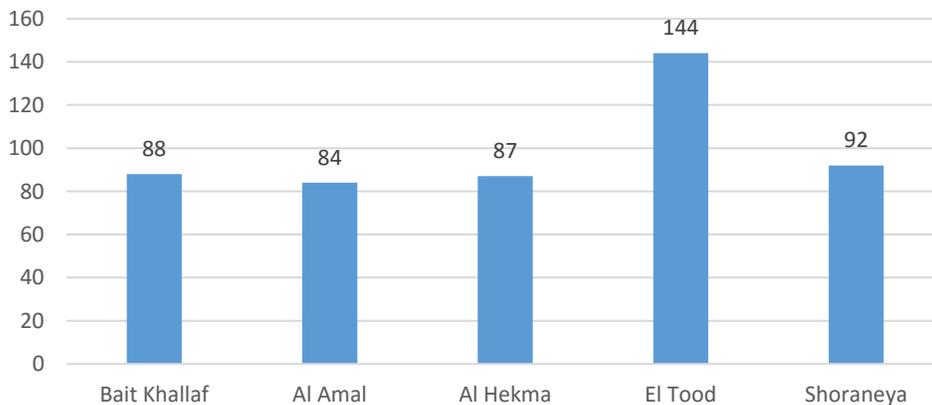


Farmers' In-field Training

Out of 307 trained farmers, 158 farmers engaged in forward contracts with the exporter to supply the produce of green beans. As mentioned earlier, 158 farmers (100% of contracted farmers) applied improved technologies in at least one stage of production. This corresponds to 100% of the contracted land under improved technologies.

In addition to the classroom training, the team of master trainer trainers worked for 66 days during which they conducted 495 visits to farmers affiliated with AMAL associations.

Number of Master Trainers Technical Visits by Association



Extending the green bean season is among AMAL's most significant successes during the first cultivation season. Supported by this season's successes, AMAL expects to multiply the number of green beans farmers and hectares in the coming winter seasons. Season extension directly and positively impacts all actors in the value chain as explained below:

- Farmers: extending the green beans’ season significantly increased farmers’ incomes at this time of the year in comparison to previous years.
- Buyers: the benefit of the extended growing season for buyers is undeniable; open-air cultivation of green beans was not previously available at this time of the year in Upper Egypt. Previously, buyers resorted to greenhouses to cultivate green beans in northern Egypt. Cultivating green beans in greenhouses costs at least four times that of open-air cultivation; the additional costs come from the use of plastic and the huge amounts of chemicals and pesticides required. The reduced costs of purchasing the green beans from Upper Egypt will significantly increase both Egyptian exporters’ competitiveness in the international markets as well as their returns.
- Youth and laborers: extending the cultivation and harvesting seasons positively impacts the operations of the Luxor packhouse. On the one hand, operating the facility decreases its fixed costs; while on the other hand, extending the operational season creates additional seasonal employment opportunities for Luxor villagers who perform the needed post-harvest operations including sorting, grading, and packing the produce at the packhouse. Although the Luxor packhouse has not been operational during the winter 2015/2016 green beans season, the impact will be evident in the coming years.
- End consumer: at this time of the year, consumers in Egypt’s main export destinations usually get green beans that are cultivated in greenhouses and at higher process. Thanks to the success witnessed during this season, consumers will be able to get high quality naturally produced green beans at prices that are more reasonable.

Before AMAL’s intervention, Luxor and Aswan farmers grew tomatoes and/or traditional crops, but not green beans. Sohag farmers grew green beans for exporting before AMAL project, but their technical knowledge about green beans was relatively low. AMAL educated farmers about all stages of cultivation of green beans. The positive impact of AMAL interventions is evident in the extended season and increasing farmers’ income from agriculture. The chart below compares the production calendar in previous years to that of this year.

Governorate	August				September				October				November				December				January				February				March			
	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4
<i>Winter 2014/2015 Season - Before AMAL</i>																																
Sohag									Planting				Harvest																			
<i>Winter 2015/2016 - After AMAL</i>																																
Sohag									Planting				Harvest																			
Qena									Planting				Harvest																			
Luxor									Planting				Harvest																			
Aswan									Planting				Harvest																			

Starting October 1, 2015, 307 AMAL farmers received six days of classroom training in the different stages of producing green beans. The table below summarizes the farmers’ training events that took place during the reporting period.

Training Topic	Date	Location	Trainer	# Trainees
Practical training in green beans cultivation	1-Oct-15	Al Tood, Luxor		11

<b>Training Topic</b>	<b>Date</b>	<b>Location</b>	<b>Trainer</b>	<b># Trainees</b>
Cultivating green beans for exporting	4-Nov-15	Aswan		29
Cultivating green beans for exporting	5-Nov-15			24
Practical training in cultivating green beans for exporting	16-Nov-15			17
Practical training in cultivating green beans for exporting	17-Nov-15			18
Green beans harvest and post-harvest practices	18-Jan-16	Aswan		9

### LINK VISITS

Four link visits took place during the reporting period. Forty four non-AMAL farmers from the governorates of Sohag, Luxor and Aswan visited AMAL green bean farmers to observe how specific agricultural practices are carried out on targeted crops. Given the successful season and the impressive crop witnessed by non-AMAL farmers, the visits will increase farmers' membership base with AMAL in the coming seasons. A master trainer is always on site during link visits to explain the featured technologies. AMAL beneficiary farmers also share their stories regarding the technical assistance and exporting experience with the visitors. The table below summarizes link visits that took place so far for green beans farmers.

Host Association (AMAL Association)	Visiting Association (non-AMAL Association)	# Males	# Females	Total	Trainer	Date
Rural Woman Community Development Association in Shoraneya	Bait Khallaf Association for Agricultural Development	7	0	7		7-Dec-15
El Tood Association for Agricultural Development	Community Development Association in Nagea Gaddal	14	0	14		9-Dec-15
El Tood Association for Agricultural Development	El Nesa'eia Association for Future and Development	8	5	13		10-Dec-15
Community Development Association in Al Hekma	Ryad El Salehin Association for Community Development Association in Kom Ombo	10	0	10		20-Jan-16



*Link visit of Bait Khallaf Farmers to Shoraneya – December 7, 2015*

**COMPONENT 4: ORGANIZING AND STRENGTHEN PRODUCER ORGANIZATIONS**

*Objective: Strengthen the institutional capacity of producer organizations to negotiate collective purchase arrangements with buyers and suppliers, manage and provide quality control throughout the production process, and provide services to members.*

Nine associations from the governorates of Sohag, Luxor and Aswan engaged with AMAL project to date. Out of the nine associations, seven received institutional capacity building training and seven associations signed forward contracts with the buyers to supply the produce of green beans. The table below shows associations' engagement in AMAL activities throughout the reporting period.

Governorate	Association	Signed Contract	Fulfilled Contract	Farmers' Training	Association's Training	Women's Training
Sohag	Rural Woman Community Development Association in Shoraneya	√	√	√	√	√
	Bait Khallaf Association for Agricultural Development	√	√	√	√	X
Luxor	El Tood Association for Agricultural Development	√	√	√	√	√
	El Nesa'eia Association for Future and Development	√	X	√	√	√
	Community Development Association in El Farsia	X	X	X	√	√
	El Ghad El Moshreq Association for Agricultural Community Development	X	X	X	√	√
	Community Development Association in Nagea Gaddal	X	X	X	√	X
Aswan	Community Development Association in Al Hekma	√	In Process	√	X	√
	Community Development Association in Al Amal	√	In Process	√	X	√

Fifty two members representing nine associations received training with AMAL project during the period October 2015 till end of January, 2016. Training topics included:

- Marketing: trainees learned about product competitiveness, the adoption curve, types of customers, the difference between a consumer and a client, product life cycle and the 5 P's of marketing (product, price, promotion, place and positioning).
- Business planning and crop budgeting: concepts learned in this training included calculating project's variable and fixed costs, determining the selling price breakeven point, etc.
- Soft skills training in leadership, teamwork, communications and conflict resolution. These included the importance of communication, means of communication, tips for effective communications, traits of the successful leader, the difference between a leader and a manager, etc.

Associations' training relied primarily on interaction between the trainers and the trainees. Trainers divided the trainees into groups to exchange experience and work on exercises that helped absorb the

concepts of the training. In most of the cases, more than one association participated in the training sessions. AMAL is currently hiring a team of trainers to work closely with associations on developing their institutional capacities. The following table summarizes training events that took place during the reporting period.



*Associations' Training*

The following table summarizes associations' training that took place during the reporting period:

Training Topic	# Days	Start Date	End Date	Location	Trainer	M	F	T	Participating associations
Communication skills and leadership	2	18-Nov-15	19-Nov-15	Shoraneya – Sohag	[REDACTED]	15	6	21	Rural Woman Community Development Association in Shoraneya
Communication skills and leadership	2	2-Dec-15	3-Dec-15	Luxor	[REDACTED]	3	12	15	El Tood Association for Agricultural Development El Nesa'eia Association for Future and Development
Crop budgeting and business plan	1	15-Dec-15	15-Dec-15	Luxor	Dr. Walid Sallam	16	12	28	Al El Tood Association for Agricultural Development Community Development Association in El Farsia
Basic marketing skills	1	16-Dec-15	16-Dec-15	Luxor	Dr. Walid Sallam	16	12	28	El Tood Association for Agricultural Development Community Development Association in El Farsia
Crop budgeting and business planning	1	22-Dec-15	22-Dec-15	Shoraneya - Sohag	Dr. Walid Sallam	25		25	Rural Woman Community Development Association in Shoraneya
Teamwork and conflict resolution	2	13-Jan-16	14-Jan-16	Luxor	[REDACTED]	5	12	17	El Tood Association for Agricultural Development El Nesa'eia Association for Future and Development

## GENDER INTEGRATION

Gender inequality persists within the Egyptian boundaries and is especially evident in rural communities. According to a 2009 research by the American University in Cairo (AUC) females make up half the labor force and only 50% of the females are rewarded for their work while the other half is engaged in unpaid family labor. In addition, despite the fact that it is a shame (for the majority of rural people) to admit women's role in the decision-making process in the household, women do play a critical role in household decisions. Thus, arises the need to develop rural women. AMAL realizes the need to integrate women for the success of the project. During the reporting period, AMAL designed training modules that address the needs of rural women to build their capacities to better serve their households and communities.

One hundred and fifty six beneficiaries received women-related training with AMAL during the reporting period. Given the geographical boundaries, women's training engaged females from different associations, to the extent possible, to allow the opportunity to exchange experience and build a network. Training topics included:

**Basic marketing skills:** trainees learned about how to think of designing a marketable product from a business rather than a consumer prospective. The training relied on a high degree of interaction with the trainers and a variety of group exercises to help absorb the concepts. At the end of the training, each group thinks of a product as a business idea and the competitiveness criteria for their products. This is the first topic designed for every group of women. Dr. Walid Sallam, AMAL Chief of Party (COP), designs and delivers the marketing training to rural women.

**Budgeting and business planning:** this training builds on the concepts delivered in the marketing training and is thus delivered to the same group that receives the marketing training. Dr. Walid Sallam, designs and delivers this training as well. Like the marketing training, this training is also highly interactive and relies on a variety of exercises. Trainees work in groups to design the implementation plans for their small business ideas. Integral to their business plan is budgeting their projects. Trainees also work together with the help of the trainer to design simple budgets for their project ideas.

**Safe use of pesticides:** this training is delivered independently of the previously mentioned subjects. Professor [REDACTED], Professor at the South Valley University – specialized in Integrated Pest Management (IPM) practices. [REDACTED] designed and undelivered training in the safe use of pesticides for rural women. Topics covered in the training included means of proper disposal of empty chemicals' packages, ways of getting infected with pesticides and methods of dealing with infections, etc. Unlike the marketing and business planning trainings, this training is mainly educational rather than interactive.

**Technical training in sewing and embroidery:** based on the plans completed at the end of the business planning training, women break up into groups to start working on their small project ideas. The sewing and embroidery group was among the first groups to start the technical training. Technical training started with an assessment of trainees' knowledge and identifying the training needs. AMAL purchased the training tools required for the sewing technical training including machines, kits, etc. and safeguarded a location at the association where such tools will be available for training and educational purposes and later for income generation for females and the associations. [REDACTED], Senior Sewing Teacher in Aswan Technical Schools, delivers the sewing training. Given the nature of the training, sewing training is practical.

Technical training in embellishment and glass painting: this training was designed in line with the sewing training and followed the same scenario. Needs assessment took place before starting the training. ■■■■■

■■■■■, Former Senior Embellishment Teacher in Aswan Technical Schools, delivers this training. Embellishment training is practical.

The table below shows the number of female trainees who received training in the different training subjects by geographic location

	Aswan	Luxor	Sohag
<b>Basic marketing skills</b>	58	25	23
<b>Business planning and budgeting</b>	22	-	-
<b>Safe use of pesticides</b>	32	41	26
<b>Sewing and embroidery</b>	14	-	-
<b>Embellishment and glass painting</b>	10	-	-



*Women's Technical Training in Aswan*

Women beneficiaries received 19 days of training during the reporting period. Breakdown and details are displayed in the table below:

Training Topic	Trainer	Date	Governorate
1. Basic marketing skills	Dr. Walid Sallam	21-Oct-15	Luxor
2. Basic marketing skills	Dr. Walid Sallam	17-Nov-15	Aswan
3. Safe use of pesticides		15-Dec-15	Aswan
4. Safe use of pesticides		20-Dec-15	Sohag
5. Basic marketing skills	Dr. Walid Sallam	21-Dec-15	Sohag
6. Safe use of pesticides		30-Dec-15	Luxor
7. Basic marketing skills	Dr. Walid Sallam	4-Jan-16	Aswan
8. Budgeting and business planning	Dr. Walid Sallam	5-Jan-16	Aswan
9. Embellishment and glass painting		12-Jan-16	Aswan
10. Sewing and embroidery		12-Jan-16	Aswan
11. Processing Dairy Products		12-Jan-16	Aswan
12. Embellishment and glass painting		18-Jan-16	Aswan
13. Sewing and embroidery		18-Jan-16	Aswan
14. Embellishment and glass painting		20-Jan-16	Aswan
15. Sewing and embroidery		20-Jan-16	Aswan
16. Embellishment and glass painting		25-Jan-16	Aswan
17. Sewing and embroidery		25-Jan-16	Aswan
18. Embellishment and glass painting		27-Jan-16	Aswan
19. Sewing and embroidery		27-Jan-16	Aswan



Women's Marketing Training in Luxor

SIDE ACTIVITIES

**AMAL Orientation Meeting:** AMAL team organized the AMAL Orientation Session that took place November 9 at the Movenpick – Media City hotel, 6 of October City. The event was attended by HEIA members, USAID and two representatives from Upper Egypt associations. Speakers at the event

included [REDACTED] – HEIA Chairman, [REDACTED] – Director of USAID Economic Growth Office and three speakers from ACDI/VOCA AMAL project: Dr. Walid Sallam, Chief of Party – [REDACTED] Deputy Chief of Party and [REDACTED] Market Intelligence Expert. Representatives of AMAL beneficiary associations and farmers were also invited to attend. The meeting was a good chance for all the stakeholders to gather together and communicate openly about means of cooperation and expectations of each party.



AMAL Orientation Meeting – November 9, 2015

**Collaboration with other USAID-funded projects:** AMAL team collaborated with the USAID-funded Farmer-to-Farmer Project to host three volunteer consultant (VC) assignments during the reporting period. F2F brings in international expertise to educate and develop a potential cadre of trainers who shall redeliver the training and spread the knowledge to others.

**Soft Skills Training:** Edward Doherty, Life Skills Consultant, delivered a 7-day extensive training during the period October 7-14, 2015, to AMAL team of trainers, potential trainers and staff. Training covered the topics of communications, building teams, conflict resolution, and leadership. Trainees were divided into groups where each group worked on preparing a course outline and presenting material on one of the topics to the other groups. After presenting their presentations, potential trainers received feedback and recommendations for going forward. At the end of the training, 17 participants were handed certificates for successfully completing the training course. Two of the trainees were later hired by AMAL to redeliver the soft skills training to AMAL beneficiary associations.



*Interactive purposed games presented by F2F Volunteer Edward Doherty during the soft skills training*

**Integrated Pest Management for Green Beans:** [REDACTED] – Plant Pathologist for green beans and [REDACTED] – Consultant in IPM for green beans carried out an incountry assignment during the period November 1-11, 2015 during which they visited the different AMAL regions where farmers grow green beans to observe the condition of the crop and identify problems. Before they start their field assignment, the consultants met with [REDACTED], AMAL green beans Lead Master Trainer to learn about the specific protection and prevention measures against green beans infections. Findings of the VCs indicate that green beans infection in AMAL fields is minor.



*F2F VCs field visit in Sohag – November 8, 2015*

**Green Bean Harvest and Postharvest Management:** [REDACTED], Post-harvest Consultant, conducted his field assignment during the period December 7-15, 2015. During his visit, [REDACTED] visited green beans fields in Sohag, Luxor and Aswan as well as the Luxor packhouse. The assignment focused on training laborers in:

- Proper harvest and post-harvest practices,
- Means of controlling and limiting crop losses resulting from improper harvest and post-harvest handling,
- The importance of keeping infected crops (if any) far from the lots of harvested crops to control the infection and to avoid its spreading out,
- The impact of proper harvest and post-harvest practices on adding value to the crop, increasing farmers' incomes and subsequently raising laborers' wages.

During his visit the VC was accompanied by representatives from the associations, AMAL staff, representatives from the exporter as well as HEIA staff. The following table summarizes the VC’s field visits:

Date	Association – Governorate	# Farms Visited	# Male Laborers	# Female Laborers	Total # Laborers
December 7	Rural Woman Community Development Association in Shoraneya – Sohag	3	14	35	49
December 8	Bait Khallaf Association for Agricultural Development (Dar El Salam) – Sohag	3	19	12	31
December 9	El Tood Association for Agricultural Development – Luxor	2	23	17	40
December 10	El Tood Association for Agricultural Development – Luxor	1	14	18	32
December 14	Community Development Association in Al Amal – Aswan	1	11	0	11
December 15	Community Development Association in Al Hekma – Aswan	Training conducted in the Association	0	12	12



F2F VC, [redacted], Technical Training in Proper Harvest and Post-Harvest Practices – December 10, 2015

**Data Quality Assessment visit:** AMAL team received a data quality assessment visit from SIMPLE and USAID representatives on December 8, 2015 at ACDI/VOCA premises in Maadi. The aim of the visit was to check the quality of data gathered and means of validating and reporting on data to USAID. Partners' feedback of the meeting was positive.



*SIMPLE Visit – December 12, 2015*

**USAID field visit January 12, 2015:** AMAL team received a field visit from USAID representatives – Ms. Annie Steed and [REDACTED] – on Tuesday January 12 in Aswan. The purpose of the meeting was to check Aswan training locations. Ms. Steed and [REDACTED] started by visiting a green beans 0.42 piece of land owned by [REDACTED] affiliated with the Community Development Association in Al Hekma in the attendance of green beans' Lead Master Trainer, [REDACTED]. The crop looked promising as indicated by the good flowering of the plant. The field visit was followed by a visit to Al Hekma training room to observe the women's training.



USAID Field Visit to Aswan – Tuesday, January 12, 2016

**USAID visit – January 20, 2016:** In Aswan, on Wednesday January 20, AMAL team received a visit from the USAID representatives including the Acting Mission Director, [REDACTED], AOR, Ms. Annie Steed, Alternate AOR, [REDACTED]. The visit started in the field around noon followed by a visit to the women’s training and concluded by local Lunch before USAID representatives departed to Aswan airport.

*First: Green Beans Field Visit and Link Visit*

The visit started at noon by visiting a 0.42-hectare green beans piece of land owned by [REDACTED] affiliated with the Community Development Association in Al Hekma. The field visit was attended by representatives of Luxor and Sohag associations, farmers from the area, farmers from Kom Ombo (another district in Aswan), AMAL Lead Master Trainer for green beans, Nivex representative, Aswan Field Coordinator as well as other farmers from the area. Below is the list of attendees invited by AMAL to share their experiences during the field visit:

- [REDACTED] representative of El Tood Association for Agricultural Development – Luxor accompanied by [REDACTED], a farmer from the association
- [REDACTED] representative of the Rural Woman Community Development Association in Shoraneya – Sohag accompanied by [REDACTED], a farmer from the association
- [REDACTED], Nivex Managing Partner
- [REDACTED], AMAL Green Beans Lead Master Trainer accompanied by Aswan field master trainer, [REDACTED]
- [REDACTED], Aswan Field Coordinator
- AMAL representatives: Dr. Walid Sallam, Chief of Party – [REDACTED], Deputy Chief of Party – [REDACTED], Director of Administration and Human Resources and who was responsible for interpretation throughout the visit – [REDACTED], Public Relations and Communications Officer – [REDACTED], M&E Assistant.



██████████ in his Farm with his Four Children

Representatives of El Tood Association brought samples of their freshly harvested green beans to present to ██████████. The crop in the field looked promising as indicated by the good flowering of the plant. ██████████ spoke directly with the beneficiaries and the stakeholders about their experience with the project and listened to their feedback. Highlights of the conversation included:

- ██████████, El Tood farmer, dedicated 0.42 hectare to grow the green beans that has recently been introduced to him by the project. Given its high profitability within a relatively shorter production cycle, ██████████ is intending to dedicate additional 4 hectares jointly with other farmers to grow green beans with the project next season. Farmers agreed to the fact the technical assistance employed by AMAL beneficiaries has helped eliminate plant infections. El Tood and El Shoraneya farmers expressed their satisfaction with the high yields that reached as high as 16.7 tons/hectare (7 tons per feddan) and averaged 11.3 tons/hectare (4.75 tons per feddan).



Sharing his Farming Experience

- Associations' representatives representing El Tood and El Shoraneya also spoke positively of their contracting experience especially in the existence of the technical assistance provided by AMAL. The high quality of the produce represented a guarantee as they entered into forward contracts with the exporters. Given the high yields, El Tood farmers had to borrow additional hands from neighboring villages to help with harvesting, according to [REDACTED] of El Tood. [REDACTED] also stressed the importance of the capacity building programs AMAL has been providing to women and associations' board members. [REDACTED] pointed out that Luxor farmers used to prepare their lands at this time of the year for growing their wheat; while this season they took advantage of growing the cash crop to generate high returns in a short period of time while not missing out on the wheat's season.



██████████ from El Shoraneya Sharing his Experience

- Getting ready to receive the fresh produce from the open fields in Aswan, ██████████ hailed the quality of the produce and expressed optimism about the land productivity. ██████████ remarked that growing green beans in Aswan's Wadi Nuqra in particular will put Egypt in a competitive position in the international market during the season that extended from January to March. Wadi Nukra small farmers grow the crop in open fields like few other exporter countries, such as Senegal and Morocco, and hence eliminating the cost of using greenhouses. ██████████ highlighted the importance of teaching small growers the GlobalGap standards in all stages of production in order to gain increasing access to the European markets – Nivex's main export destinations. He also added that associations in distant regions should be provided with additional cold transportation facilities to transport the produce to exporters' locations – as one of the standards of GlobalGap.



██████████ – Managing Partner of Nivex

- The most striking fact experimented by the pioneer group under ██████████ supervision has to do with extending the season well into February instead of November. This window of time can put Egypt as a major exporter in the international market since only a few competitive countries can export green beans during this period. According to ██████████ and as confirmed by Wadi Nukra farmers, the yield for this season will average 8.3 – 9.5 tons per hectare (3.5 - 4 tons per feddan) which is regarded as excellent level of productivity given the nature of Wadi Nukra soil being poorer than that of middle Egypt. ██████████ confirmed that farmers were persuaded to grow the green beans when assured that the Return On Investment (ROI) will be relatively higher than other crops they used to grow due to the shorter agricultural cycle, minimal products costs and high produce quality. ██████████ asserted that production costs can be considerably reduced by eliminating the use of greenhouses and using open field cultivation in Wadi Nukra – where AMAL has been operating – and the Delta (in middle Egypt).



*talking to USAID representatives*



*Group Photo in the Field with the Farmers and AMAL Representatives*

### *Second: Women's Training*

The field visit was followed by a visit to Al Hekma training room to observe the women's technical hands-on training. Two groups of women were receiving training in their small projects' ideas. Ten women were receiving training in embellishment and glass painting and twelve women were receiving training in sewing and embroidery. [REDACTED], AMAL M&E/Gender Manager facilitated the dialogue between [REDACTED] and the female beneficiaries. [REDACTED] asked for an overview on the progress of AMAL women's activities in Aswan. This group of women was receiving their fifth round of training with AMAL after receiving training in marketing, business skills, technical needs' assessment and a first technical session. Trainees showed [REDACTED] samples of their work and each of the trainers explained the process in details. [REDACTED] asked the trainees about what their goals behind attending the training are. Trainees in both groups indicated that they worked with AMAL team on developing their business plans for their small projects, as well as calculating the foundational, operational and variable costs for their products to determine their marginal profits. According to their business plans, the first step is learning how to do the job and this is where the group stands. Trainees are looking forward to run their own small projects to generate additional income for their families. Some of the trainees in the sewing group indicated that this would also help them save money by making clothes for themselves and their families. About their project ideas, trainees in the embellishment group mentioned that project ideas include decorating mirrors and picture frames as well as another project which the group call "the wedding set" to work on decorating glasses and trays to sell and/or rent for local brides. In her conversation with the two groups, [REDACTED] stressed the importance of empowering rural women

since she plays a critical role in the decision-making process in her family and also because she is responsible for transferring the knowledge to the rest of her family members.



*With the Groups of Women in Al Hekma – Aswan*

The women's visit concluded by [REDACTED] handing out three sewing machines as in-kind grants for the women's sewing group. These will be used primarily for training purposes for this group and other groups that follow. Afterwards, machines will be accessible to local females to generate incomes for themselves. The group was thrilled to receive the grant and is eagerly looking forward to start their own projects. Machines are placed in a secured but accessible place at the association's premises.



*Sewing Machines Granted to Al Hekma Association*

### *Third: Local Lunch with the Villagers*

The site visits were concluded by lunch that was attended by USAID representatives, AMAL team, AMAL invitees (listed under the preceding two sections), farmers, women, and local villagers. During lunch, [REDACTED] shared the table with the local women enrolled in the current projects of sewing and dairy products and was accompanied by [REDACTED], the interpreter. Each woman was given the opportunity to express her personal interests in, and aspirations from, the training programs. They see such programs as great windows of opportunities to generate incomes for themselves and the families they need to provide for. Their ambitions for better living standards were already stirred at the onset of the training sessions.



SIMPLE??

## GRANT PROCUREMENT AND ADMINISTRATION

In addition to the previously procured list of items for operating the Regional Center of Excellence (RCOE) and the Packhouse, AMAL team finalized the procurement of the furniture and the IT equipment required for the RCOE.

## MONITORING, EVALUATION, AND LEARNING (MEL)

The AMAL project Monitoring and Evaluation (M&E) team submitted the Baseline report M&E plan to USAID on November 12, 2015. A copy of the report is annexed to this report as well.

Continuous adjustments take place in the internal AMAL M&E systems and reporting templates in order to make sure accurate data are recorded to capture progress on the different project activities, highlight shortcomings and address them.

The M&E plan for the next quarter focuses mainly on designing the plan and tools necessary for AMAL annual beneficiaries' survey. The survey shall be implemented in April/May 2016. The plan is to survey the different beneficiary groups to realize the impact of AMAL interventions on developing them. This includes:

- Green beans farmers: farmers who grew green beans under contract with their associations will be surveyed at the end of the season and after settling all due payments with the buyers.
- Associations: the same M4 tool utilized during the baseline study will be conducted with associations that engaged with the project in year 1 to compare their new scores with their baseline scores.
- Women groups: groups of women who received technical assistance with AMAL during the reporting period will also be included in the survey. Specific attention will be paid to women who started the technical training for their small projects.
- University graduates and HEIA staff: this group of beneficiary shall also be assessed during the annual survey.

With the engagement of AMAL team members, optimum timing for conducting the survey will be determined for each of the groups. Optimum timing is decided separately for each beneficiary group and is based primarily on concluding a stage that is supposedly sufficient to witness change in the beneficiary group. This point (stage) is determined by AMAL technical and field teams.

**LIST OF FTF STANDARD AND CUSTOM INDICATORS (ACOMPARISON OF ACTUALACCOMPLISHMENTS TO TARGETS)**

#	Indicator	Actual	Project Target
<b>Custom</b>	The change in net present value of on farm income	NA	50%
<b>4.5-16,17,18</b>	Gross margin per hectare, animal or cage of selected product	NA	TBD
<b>4.5.2-27</b>	Number of members of producer organizations and community based organizations receiving USG assistance	549	4,300
<b>4.5.2-36</b>	Value of exports of targeted agricultural commodities as a result of USG assistance	46,600	TBD
<b>Custom</b>	Number of contracts between smallholder farmers and market channel	9	24
<b>4.5.2-23</b>	Value of incremental sales (collected at farm-level) attributable to USG programming <sup>6</sup>	NA	TBD
<b>4.5.2-5</b>	Number of farmers and others who have applied new technologies or management practices as a result of USG assistance	156	1800
<b>4.5.2.7</b>	Number of individuals who have received USG supported short term agriculture sector or food security training	107	3,000
<b>4.5.2-2</b>	Number of hectares under improved technologies or management practices as a result of USG assistance	89.83	60% of cultivated area

<sup>6</sup> Data not yet available

<b>4.5.2.11</b>	Number of food security enterprises, producers organizations, water user associations, women’s groups, trade and business associations, and community based organizations (CBOs) receiving USG assistance	9	12
<b>4.5.2.42</b>	Number of private enterprises, producers organizations, water users associations, women’s groups, trade and business associations, and community-based organizations (CBOs) that applied new technologies or management practices as a result of USG assistance	NA <sup>7</sup>	9

**Custom Indicator: The change in net present value of on farm income**

According to the Feed The Future definition of the indicator, the change in net present value of on farm income calculates the additional cash flow resulting from project interventions compared to a “without the project” scenario. In order to capture data on the indicator, AMAL plans to include a control group during the annual survey to compare the results to and carry out the necessary calculations for the indicator. The control group represents a group of beneficiaries from the same geographic locations where the project operates who have not received the technical training with the project. Indicator will be reported upon the completion of the annual survey.

**Indicator 4.5-16,17,18: Gross margin per hectare, animal or cage of selected product**

Farmers’ gross margin during the winter 2015/2016 season is estimated at approximately 1900 \$/Hectare as extracted from the figures provided by the associations. The figure shall be updated after the conclusion of the season in the governorates of Luxor and Aswan and after settling all the payments with the buyer in order to account for deductions from sales.

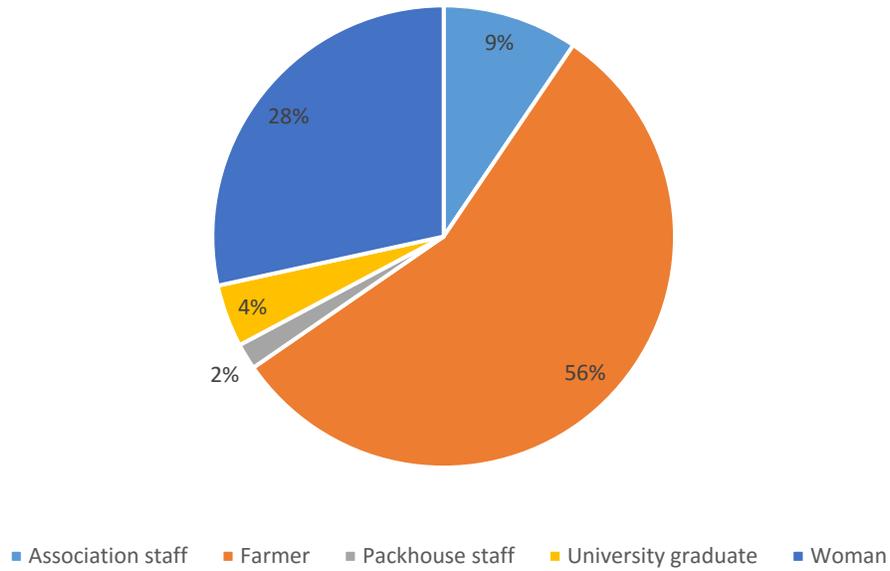
**Indicator 4.5.2-27: Number of members of producer organizations and community based organizations receiving USG assistance**

To date, AMAL has outreached 549 beneficiaries including farmers, associations’ staff, university staff, packhouse operators, and women. The table and chart below shows the breakdown of AMAL beneficiary groups

<b>Beneficiary Type</b>	<b># Beneficiaries</b>
<b>Association staff</b>	52
<b>Farmer</b>	307
<b>Packhouse staff</b>	10
<b>University graduate</b>	24
<b>Woman (not affiliated with other beneficiary groups)</b>	156
<b>Total</b>	<b>549</b>

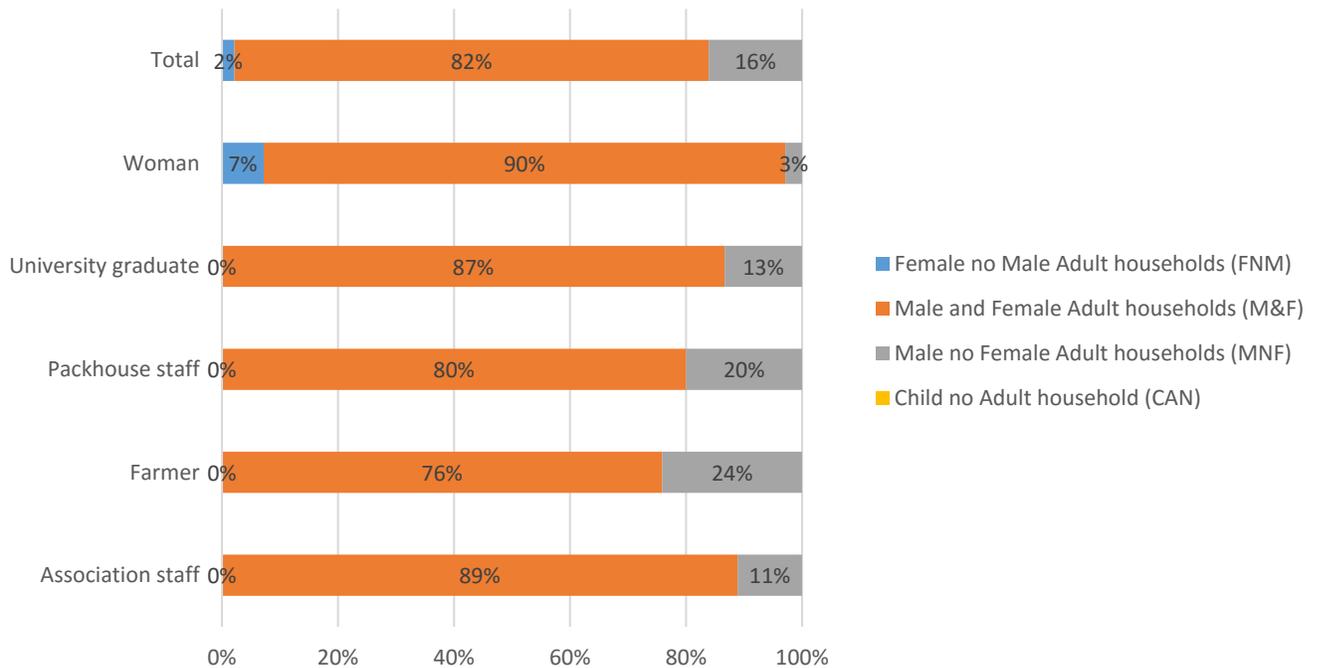
<sup>7</sup> Data not yet available and shall be reported by technical trainers for associations after the completion of the annual survey.

### Breakdown of AMAL Beneficiary Group



The following chart shows the gendered household type by beneficiary group. 82% of AMAL beneficiaries represent male and female adult households, 16% represent the male no female adult household and only 2% belong to female no male households.

### Gendered Household Type by Beneficiary Group



#### Indicator 4.5.2-36: Value of exports of targeted agricultural commodities as a result of USG assistance

The figure is calculated based on data provided by the Rural Woman Community Development Association in Shoraneya – Sohag and it reflects the value of exports of Shoraneya farmers of green beans. As is the case with the other income related indicators, data will be updated after the completion of the annual survey which shall be conducted after the end of the cultivation and harvesting season.

#### Custom Indicator: Number of contracts between smallholder farmers and market channel

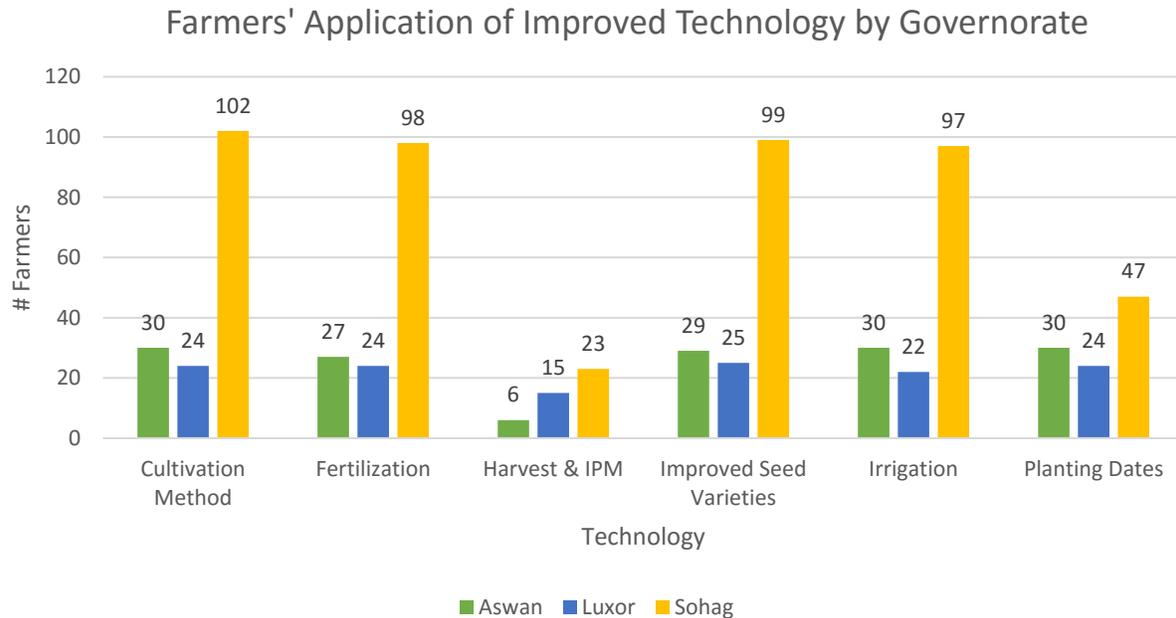
As indicated earlier in this report, nine contracts were signed between AMAL beneficiary associations and two green beans buyers for the winter 2015/2016 season. Two of the signed contracts between two associations in Luxor and Green Egypt failed to complete while the remaining seven contracts are expected to be successfully fulfilled.

#### Indicator 4.5.2-5: Number of farmers and others who have applied new technologies or management practices as a result of USG assistance

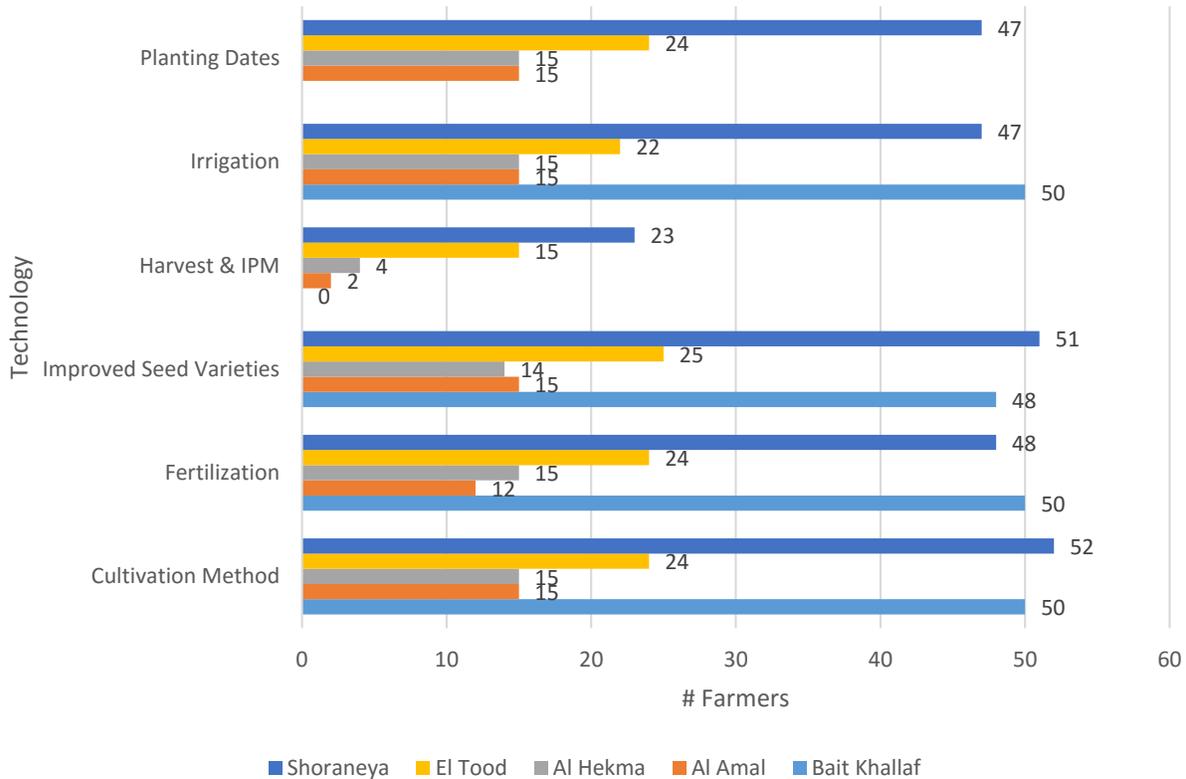
100% of green beans farmers who grew crops under contract with AMAL buyers applied improved technologies during the winter 2015/2016 green beans season. This is explained by two facts:

- 1) Buyers distributed the desired seed varieties at the beginning of the season to ensure the delivery of the desired quality and thus 100% of the farmers (who engaged in the contractual agreement) applied at least one technology related to the application of improved seed varieties required for exports.

- 2) 100% of AMAL green beans farmers received technical field visits in their own lands at least once throughout the season. Reports were completed for each farmer and land that received a technical visit. The two charts below show the number of famers by technology and governorate as well as the number of farmers by association.



### Farmers' Application of Improved Technologies by Association



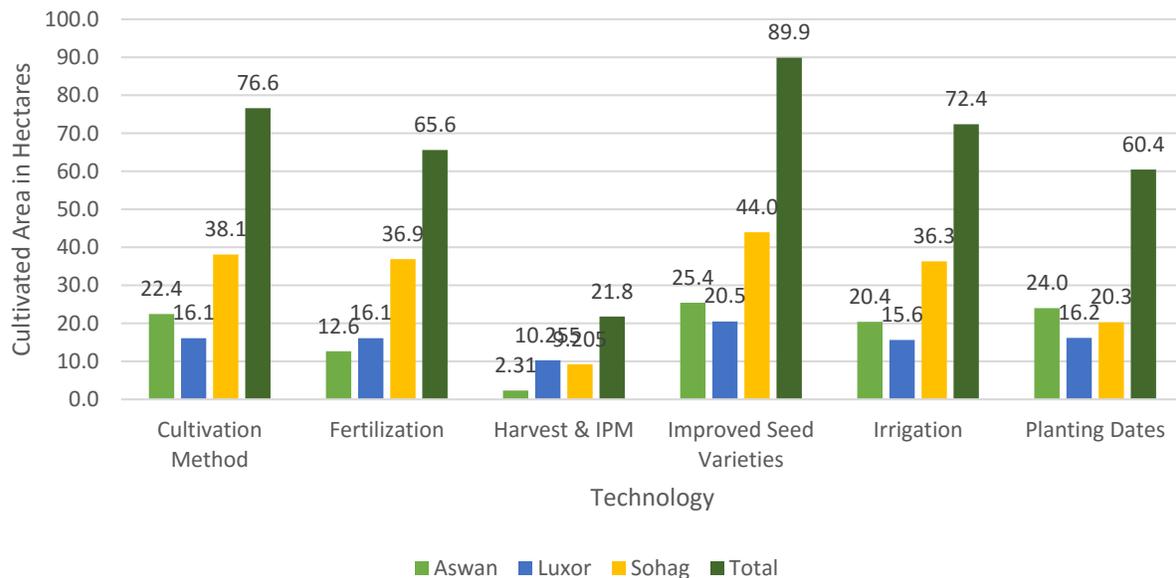
**Indicator 4.5.2.7: Number of individuals who have received USG supported short term agriculture sector or food security training**

As explained under indicator 4.5.2-27, 549 beneficiaries enrolled in AMAL to date, 307 out of 549 (56%) represent farmers. 79% of the farmers belong to male and female adult households and 24% to male no female adult households. Out of 307 farmers, 158 farmers grew under contract with AMAL buyers and received technical field visits at least once throughout the season. AMAL green beans farmers received extensive technical assistance in the different stages of production throughout the season. In addition, neighboring farmers (who were not engaged in contractual agreements) were invited to classroom training, link visits and field visits to spread the knowledge on a wider scale and to gauge the farmers' membership with AMAL in the future.

**Indicator 4.5.2-2: Number of hectares under improved technologies or management practices as a result of USG assistance**

As is the case with the farmers who grew green beans under contract with AMAL during the winter 2015/2016 season, green beans lands underwent the same pattern of technology adoption with 100% of the cultivated lands utilizing improved seed varieties provided by the buyers.

### Hectares Under Improved Technology



**Indicator 4.5.2.11: Number of food security enterprises, producers organizations, water user associations, women’s groups, trade and business associations, and community based organizations (CBOs) receiving USG assistance**

As shown under component four of this report, nine associations engaged in the different activities of AMAL during the reporting period. Please refer to the summary table under component four for further details.

**PROBLEMS/CHALLENGES**

- The local market prices of green beans increased slightly than the contractual price due to the severe weather conditions in lower Egypt which resulted in losses to farmers in the north and translated to higher market prices for Upper Egypt farmers. AMAL team coordinated closely with the farmers and the associations to fulfil their contractual agreements as a step towards sustaining the relationship with the buyers.
- The vague relationship between the exporters and HEIA association, especially since the exporters decided to transport the green beans from Luxor and Sohag to their packhouses in Cairo and lower Egypt, rather than preparing the crop at the Luxor packhouse.
- The lack of highly qualified temporary labor especially for harvesting the green beans.
- Farmers’ and associations reluctance to reveal their income and production data. To address the issue, AMAL tasked each master training with gathering the data required from his assigned association.
- The leverage issue has not been finalized yet between USAID and HEIA; consequently, HEIA is not fully engaged in AMAL activities per the contractual terms.
- Farmers’ uncertainty and resistance towards changing their traditional growing patterns and growing untraditional crops for export. With the exception of Shoraneya, Upper Egypt farmers

lack the technical knowledge required for growing crops for export and thus had high fears of alternating their patterns and undertaking the risk.

- Cultural constraints surrounding women in rural communities and the difficulty of transporting them outside their villages, and engaging them in AMAL activities.

## PLANNED ACTIVITIES

Technical field visits will follow the regular schedule for farmers who are still in the cultivation stage. After the conclusion of the green beans season, focus will be on extensively engaging other groups of beneficiaries in AMAL's activities. Farmers will also receive training in xx

Women's technical training in Aswan will also follow the regular schedule for the two groups that already started. The third group shall start receiving training soon. Similar training activities will take place with women in Luxor. AMAL anticipates three women groups to engage in technical training. Training schedules and plan will be determined by the technical trainers to be hired by AMAL. In addition to the technical training in small projects' ideas, AMAL will provide general educational training for rural women in AMAL areas of intervention. Training topics will include safe use of pesticides, safety and hygiene, first aid, etc. Weekly schedules may differ slightly depending on holidays and other issues that arise.

The table below presents a tentative calendar of events scheduled for Q2FY16:

Activity/ Event Name	Tentative Date(s)	Location	Target Group
<b>February 2016</b>			
Training Aswan field team on reporting and basic computer skills	Feb. 3-4	Aswan	Master Trainers, technical education coordinator,
Data extrapolation from Trade Map and representation of results on excel	Feb. 22-25	Luxor RCOE	University graduates & HEIA staff
Marketing and business plan	Feb. 21-22	Luxor RCOE	Rural women
Training Luxor association staff and 4 master trainers in Financial Analyses and Marketing	Feb. 23-25	Luxor RCOE	Association staff
Financial Analyses	Feb. 29 – Mar. 1	Luxor	Association staff
Financial Analyses	Feb. 29 – Mar. 1	Shoraneya – Sohag	Association staff
Financial Analyses	Feb. 29 – Mar. 1	Aswan	Association staff
Women's technical training (two groups: one group of sewing and embroidery and another group of embellishment and glass painting)	Feb. 27	Aswan	Rural women
Women's technical training (two groups: one group of sewing and embroidery	Feb. 29	Aswan	Rural women

Activity/ Event Name	Tentative Date(s)	Location	Target Group
and another group of embellishment and glass painting)			
<b>March 2016</b>			
Basic Marketing Skills	Mar. 2-3	Luxor RCOE	Association staff
Production and crop planning	Mar. 2-3	Luxor RCOE	University graduates & HEIA staff
Basic Marketing Skills	Mar. 2-3	Shoraneya – Sohag	Association staff
Basic Marketing Skills	Mar. 2-3	Aswan	Association staff
Women’s technical training (two groups: one group of sewing and embroidery and another group of embellishment and glass painting)	Mar. 5	Aswan	Rural women
Financial Management	Mar. 6-10	Luxor	Association BoD
Preparing the export plan	Mar. 7-9	Luxor	University graduates & HEIA staff
Women’s technical training (two groups: one group of sewing and embroidery and another group of embellishment and glass painting)	Mar. 7	Aswan	Rural women
Crop budgeting, production planning, and contracting	Mar. 8-9	Sohag	Farmers
Financial Management	Mar. 6-10	Luxor	Association BoD
Soft skills	Mar. 9-10	Aswan	Association staff
Women’s technical training (two groups: one group of sewing and embroidery and another group of embellishment and glass painting)	Mar. 12	Aswan	Rural women
Contracting, crop budgeting, and production planning	Mar. 21-22	Luxor RCOE	Association staff
Women’s technical training (two groups: one group of sewing and embroidery and another group of embellishment and glass painting)	Mar. 14	Aswan	Rural women
Crop budgeting, production planning, and contracting	Mar. 16-17	Sohag	Farmers
Dairy processing	Mar. 22	Aswan	Rural women
Training in best integrated crop management practices – soil management, land preparation and cultivation	Mar. 22-24	Luxor	University graduates & HEIA staff

Activity/ Event Name	Tentative Date(s)	Location	Target Group
Contracting, crop budgeting, and production planning	Mar. 23-24	Shoraneya – Sohag	Association staff
Dairy processing	Mar. 23	Aswan	Rural women
Financial Management	Mar. 20-24	Beit Khallaf, Sohag	Association BoD
Crop budgeting, production planning, and contracting	Mar. 23-24	Aswan	Farmers
Financial Management	Mar. 20-24	Shoraneya – Sohag	Association BoD
Dairy processing	Mar. 28	Aswan	Rural women
Dairy processing	Mar. 30	Aswan	Rural women
<b>April 2016</b>			
Training Luxor association staff in Word	Apr. 4-7	Luxor RCOE	Association staff
Hygiene & Sanitation	Apr. 5	Luxor	Rural Women
First Aid	Apr. 7	Sohag	Rural Women
Dairy processing	Apr. 4	Aswan	Rural women
Evaluation of the export plan: Financial Planning and budgeting	Apr. 5-7	Luxor	University graduates & HEIA staff
Training rural women in dairy processing	Apr. 6	Aswan	Rural women
Contracting, Crop budgeting, and production planning	Apr. 11-12	RCOE	Association staff
Hygiene & Sanitation	Apr. 5	Sohag	Rural Women
First Aid	Apr. 14	Luxor	Rural Women
Contracting, Crop budgeting, and production planning	Apr. 13-14	Aswan	Association staff
Dairy processing	Apr. 11	Aswan	Rural women
Dairy processing	Apr. 13	Aswan	Rural women
Training Aswan association staff in Word	Apr. 18-21	Sohag	Association staff
First Aid training	Apr. 21	Aswan	Rural Women
Training Aswan association staff in Word	Apr. 18-21	Aswan	Association staff
Dairy processing	Apr. 18	Aswan	Rural women
Training Luxor association staff in excel	Apr. 18-21	Luxor RCOE	Association staff
Hygiene & Sanitation	Apr. 19	Luxor	Rural Women
Export soft skills: Team Building, Communication Skills	Apr. 19-21	Luxor	Fresh graduates & HEIA staff
Dairy processing	Apr. 20	Aswan	Rural women
Training Sohag association staff in excel	Apr. 25-28	Sohag	Association staff
Training Aswan association staff in excel	Apr. 25-28	Aswan	Association staff
Dairy processing	Apr. 25	Aswan	Rural women
Dairy processing	Apr. 27	Aswan	Rural women