



ADVANCED MARKETING AND AGRIBUSINESS LOGISTICS (AMAL)

QUARTERLY REPORT Q3 FY15



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ADVANCED MARKETING AND AGRIBUSINESS LOGISTICS (AMAL)

Global Development Alliance

PROJECT YEAR 1, QUARTER 3 PROGRESS REPORT

April 1, 2015 – June 30, 2015

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

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ACRONYMS

AMAL	Advanced Marketing and Agribusiness Logistics
ATS	Agriculture Technical Schools
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
SVU	South Valley University
USAID	United States Agency for International Development

EXECUTIVE SUMMARY

This Q3 FY15 quarterly progress report covers the period from April 1, 2015 through June 30, 2015. It is the second quarterly progress report submitted to the United States Agency for International Development (USAID)/EGYPT under Cooperative Agreement No. AID-263-A-15-00014. Progress reports are submitted according to USAID's fiscal year.

Highlights of activities during this quarter include the following:

- Completed the staffing for the AMAL project
- Submitted the Monitoring and Evaluation (M&E) plan to USAID
- Held the post-award meeting with USAID
- Finalized the procurement of necessary items to operate the Luxor packhouse in time for the 2015 grape season
- Completed the baseline study for project beneficiaries
- Submitted the first draft of the Cost Benefit Analysis (CBA) and presented the results to USAID
- Identified the associations to engage in AMAL activities
- Liaised with the South Valley University and Upper Egypt associations to elicit their participation on the project
- Held an orientation meeting at the Horticulture Export Improvement Association (HEIA) premises to agree on the roles of each partner

PROJECT SUMMARY

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:

- (i) **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.
- (ii) **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.
- (iii) **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.
- (iv) **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 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. The approach not only creates employment opportunities for graduates, it also creates a sustainable knowledge resource base that horticulture 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.

IMPLEMENTATION PROGRESS

USAID Post-Award Meeting

On April 6th, seven representatives from ACDI/VOCA attended the post-award meeting with 12 representatives from USAID at the USAID premises in Maadi. The meeting started with a presentation by Albert E. Carrera, from USAID, followed by discussions on key issues pertinent to project implementation. Distributed handouts included: the cooperative agreement terms and clauses, the updated presidential decree (in Arabic), contractor notice as well as

contractor's startup operations manual. During the meeting, the group agreed on the deliverables due to USAID and their timelines. The group also went through the agreement to explain the most important parts and to clarify confusions, if any.

HQ Field Visit

ACDI/VOCA headquarters staff, including [REDACTED], Executive Vice President of Project Management; [REDACTED], Managing Director of Project Management; and [REDACTED], AMAL Project Manager came on a start-up support visit to Egypt. The group met with USAID and HEIA, and conducted a field visit to Upper Egypt. They toured the perishable terminal and the Center of Excellence to gauge the status of the established facilities. In addition, the team also met with representatives of Nesa'eia Association in Armant, Luxor to check the association's willingness to partner with the AMAL project. During the meeting, the ACDI/VOCA team learned about the progress that the association has been making in providing services to farmers through the computer center that was delivered to the association as an in-kind grant through the New Zealand Embassy.

HEIA Orientation Meeting

On June 28th, the AMAL team held an orientation meeting with HEIA top management and board members to explain the project to them, clarify goals, objectives and activities as well as each partner's role on the project. During the meeting, the partners discussed the leverage contribution and the training matrix. The meeting was crucial to updating partners and agreeing on the terms moving forward.

Project Staffing

ACDI/VOCA completed project staff recruitment and onboarding during the reporting period. The organizational chart below shows current project personnel in both the head office in Cairo and the field office in Qena as well as staff titles and reporting lines.

Cost Benefit Analysis

During the baseline implementation, AMAL staff collected crop budget information for potential crops as well as crops traditionally grown in the project's areas of intervention. Along with a Cost Benefit Analysis (CBA), this information will help the project select value chains to engage in.

On May 28th, USAID met with ACDI/VOCA representatives to discuss and review the progress on the CBA. USAID asked to add additional potential value chains to the CBA analysis, rank all value chains (the new as well as the old ones), and select the first five to work on based on the results of this analysis.

Several crops were tested to assess their potential for inclusion in the CBA analysis. The following list displays promising value chains considered for the CBA:

- Okra – fresh or chilled
- Sweet pepper
- Sweet potatoes
- Mangoes – fresh
- Dates – fresh only, not stuffed
- Guavas – fresh

Selection criteria: The preliminary selection is based on two dimensional criteria in order to select the new potential value chains:

- I. Market potential including Egyptian export experience and world market potential demand
- II. Target area production capacity and product characteristics.

These two dimensional criteria are comprised of 6 discrete sub-criteria as follows:

1. Previous Egyptian export history
2. Key Egyptian export destinations and trends
3. Growth of international market demand for the target product
4. Level and trend of Free on Board (FOB) prices
5. Existing plantations in the AMAL target areas
6. Crop characteristics, post-harvest and logistical issues

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.

DEVELOPMENT OF MARKETING AGENTS

ACDI/VOCA will work with South Valley University (SVU), the only university that serves all of the target project areas to train its graduate students in market systems analysis, export best practices, market research, and proper cold chain management. These trained young professionals will then provide valuable services at the Center of Excellence (COE) as marketing

agents.

Through conversations with SVU, ACDI/VOCA has established grounds for collaboration with SVU. The AMAL project will provide COE training opportunities for graduates to equip them with the necessary skills to operate the packhouse, provide quality extension services and work as marketing agents. SVU shall provide a list of the graduates and fourth year students who commit to attending the various training events and participate in internship opportunities outside the university.

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

The model forward contract previously provided by ACDI/VOCA is still being discussed and negotiated with AMAL partners. Terms of the contract are to be discussed with potential processors and exporters during the coming quarter.

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.

The team has already identified the host farms for link visits. Most of these farms are located in project area, including Sohag, Qena, Luxor and Aswan. The only exception is green onions farms which are located in Beni Suef, since Beni Suef farmers are experts in cultivating, harvesting, post-harvesting and transporting green onions.

COMPONENT 4: ORGANIZING AND STRENGTHEN PRODUCER ORGANIZATIONS

Objective: Strengthen 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.

Pursuant to the AMAL team's efforts in the previous reporting period, the COP and the DCOP held further meetings with candidates from farmer associations (16 associations) located in Sohag, Qena, Luxor, and Aswan. The main purpose of these meetings was to orient associations to the project, its goals, objectives, activities and their expected roles in relations to the project. The COP and the DCOP met with members of each association, gave them a short presentation on the project, gathered feedback and concerns, learned about their current growing practices, discussed their interest in growing AMAL potential crops, informed them of the baseline survey, and asked them to be cooperative and transparent during the survey implementation. These

meetings were fruitful and helped increase cooperation from associations while implementing the survey.

Sixteen potential associations were assessed during the baseline survey in order to select the associations that will participate on the AMAL project. For assessment purposes, AMAL team used the ACDI/VOCA M4 assessment tool with additional guiding questions in order to carry out the assessment. The M4 is a participatory survey for assessing capacity and identifying development priorities for associations in the processes related to *membership, money, management and marketing*. For selection purposes, the team applied the Competitive Profile Matrix (CPM)¹. This section provides a background and explanation of the tool and the means of applying it to the potential pool of associations and the selection results.

The CPM is a tool that compares the firm / association and its rivals and reveals their relative strengths and weaknesses.

CPM is a powerful strategic analysis tool. CPM allows business owners, stockholders and other interested parties to see the strengths and weaknesses of all major competitors in an industry on a single page. This helps visualize and communicate the competitive landscape.

Understanding the tool: In order to better understand the external environment and the competition in a particular industry/field of work, firms/organizations often use the CPM. The matrix identifies key competitors and compares them using industry's critical success factors. The analysis also reveals organizations' relative strengths so that organizations are able to determine those areas that are strong and those that need improvement.

Critical Success Factors (CSF): CSFs are the key areas, which must be performed at the highest possible level of excellence if organizations want succeed in a particular industry. They vary between different industries or even strategic groups and include both internal and external factors. The more critical success factors that are included, the more robust and accurate the analysis is.

Weight: Each CSF is assigned a weight ranging from 0.0 (low importance) to 1.0 (high importance). The number indicates how important the factor is in succeeding in the industry. If there were no weights assigned, all factors would be equally important, which is an impossible scenario in the real world. The sum of all the weights must equal 1.0. Separate factors should not be given too much emphasis (assigning a weight of 0.3 or more) because the success in an industry is rarely determined by only one or few factors.

Rating: The ratings in CPM refer to how well organizations are performing in each area. They range from 4 to 1, where 4 means a major strength, 3 a minor strength, 2 a minor weakness and 1 a major weakness. Ratings, as well as weights, are assigned subjectively to each organization, but the process can be done easier through benchmarking. Benchmarking reveals how well organizations are doing compared to each other or the industry's average. It is important to mention that organizations can be assigned equal ratings for the same factor.

Score & Total Score: The score is the result of weight multiplied by rating. Each organization receives a score on each factor. The total score is simply the sum of all individual scores for the

¹ The CPM was initiated by Michael Porter in 1990 in the Harvard Business Review aimed at private sector firms and applied in 1999 in the seventh edition of Fred R. *David's Strategic Management, Concepts and Cases*, geared towards the public sector and NGOs.

organization. The organization that receives the highest total score is relatively stronger than its competitors.

Benefits of the CPM:

- The same factors are used to compare organizations/firms. This makes the comparison across organizations more accurate
- The analysis displays the information on a matrix, which makes it easy to compare organizations visually
- The results of the matrix facilitate decision-making. Organizations can easily decide which areas they should strengthen, protect, and which strategies they should pursue
- Includes both internal and external factors as parameters

Applying the CPM to AMAL Potential Associations: After completing the baseline study, the AMAL team met together in order to identify the CSFs and assign weights according to the importance of each of the factors. In order to objectively implement the methodology, CSFs were identified and weighted separately for new and old associations. The assessment team was comprised of three team members. After agreeing on the CSFs, each member on the team independently assigned a weight for each of the CSFs. The team then discussed their weights together and came to a consensus on the agreed upon weights for the old as well as the new associations. The table below outlines the CSFs and the agreed upon weights for the new and the old associations.

Critical Success Factors	Weights for Old Associations	Weights for New Associations
Distance	0.10	0.20
Potential Crops	0.15	0.30
Number of Members	0.15	0.10
Women’s Activities	0.20	0.10
Past Experience	0.20	NA
Leader	0.20	0.30

Explanation of CSFs:

- Distance: the association’s distance from the Luxor airport
- Potential crops: measures the association’s readiness to grow AMAL potential crops based on their past experiences
- Number of members: the number of farmers registered in each of the associations
- Women’s activities: this factor looks at the association’s willingness to engage women in their activities
- Past experience: this factor applied only to old associations and it is an assessment of their level of cooperation with the project
- Leader: this measures the strength of the leader in each association and is one of the most important factors to look at



Association's Assessment in El Ghad El Moshrek Association – June 6, 2015

The tables below show the assessment results based on the CSFs, weights, weighted scores and total scores for old as well as new associations.

The first two tables display the ratings and assessment results for continuing (old) associations.

CSF	Weight	El Mataana		El Nesa'eia		El Negu Bahary		Asfun		Bait Khallaf		El Mostakbal -El Selsela	
		Rating	Weighted Score	Rating	Weighted Score	Rating	Weighted Score	Rating	Weighted Score	Rating	Weighted Score	Rating	Weighted Score
Distance	0.10	3	0.30	4	0.40	3	0.30	3	0.30	1	0.10	1	0.10
Potential Crops	0.15	4	0.60	2	0.30	4	0.60	2	0.30	4	0.60	1	0.15
# of members	0.15	4	0.60	3	0.45	3	0.45	4	0.60	3	0.45	2	0.30
Women Activities	0.20	3	0.60	4	0.80	3	0.60	3	0.60	1	0.20	3	0.60
Past Experience	0.20	4	0.80	4	0.80	4	0.80	4	0.80	4	0.80	3	0.60
Leader	0.20	4	0.80	4	0.80	4	0.80	4	0.80	4	0.80	3	0.60
Total/ Score	1.00	3.70		3.55		3.55		3.40		2.95		2.35	

CSF	Weight	Al Amal		Ganoub Al Wady		Ryad El Salehin		Al Hekma		Mostakbal El Said	
		Rating	Weighted Score	Rating	Weighted Score	Rating	Weighted Score	Rating	Weighted Score	Rating	Weighted Score
Distance	0.10	1	0.10	2	0.20	1	0.10	1	0.10	3	0.30
Potential Crops	0.15	1	0.15	2	0.30	1	0.15	1	0.15	3	0.45
# of members	0.15	3	0.45	1	0.15	1	0.15	4	0.60	1	0.15
Women Activities	0.20	1	0.20	3	0.60	1	0.20	3	0.60	3	0.60
Past Experience	0.20	3	0.60	3	0.60	2	0.40	2	0.40	2	0.40
Leader	0.20	3	0.60	3	0.60	2	0.40	2	0.40	1	0.20
Total / Score	1.00	2.10		2.45		1.40		2.25		2.10	

The table below displays ratings and assessment results for new associations

CSF	Weight	El Tood		El Ghad El Moshreq		Nagea Gaddal		El Farsia		Al Eslah	
		Rating	Weighted Score	Rating	Weighted Score	Rating	Weighted Score	Rating	Weighted Score	Rating	Weighted Score
Distance	0.20	4	0.80	3	0.60	2	0.40	1	0.20	2	0.40
Potential Crops	0.30	4	1.20	2	0.60	2	0.60	4	1.20	3	0.90
# of members	0.10	3	0.30	2	0.20	1	0.10	4	0.40	1	0.10
Women Activities	0.10	4	0.40	4	0.40	4	0.40	2	0.20	1	0.10
Leader	0.30	4	1.20	4	1.20	3	0.90	2	0.60	1	0.30
Total / Score	1.00	3.90		3.00		2.40		2.60		1.80	

Based on the goals and objectives of the AMAL project, the team selected nine associations to work with. Because the project will be implemented over three years, seven of the associations will be selected from continuing associations and two will be selected from the pool of new associations. However, for outreach and sustainability purposes, associations which are not selected will be invited to attend relevant training programs implemented by the project. Below is the list of selected associations:

- I. Continuing Associations
 1. El Mataana Association for Agricultural Community Development
 2. El Nesa'eia Association for Future and Development
 3. El Negu Bahary Association for Agricultural Community Development
 4. Association for Agricultural Community Development in Asfun
 5. Bait Khallaf Association for Agricultural Development
 6. El Mostakbal Association for Community Development in El Selsela
 7. Ganoub El Wady Association for Agricultural Community Development

- II. New Associations
 1. El Ghad El Moshreq Association for Agricultural Community Development
 2. El Tood Association for Agricultural Development

Applying the Pearson's test of correlation between the CPM score and each of the M4 scores shows a statistically significant relationship between the CPM and management scores. The Pearson's correlation coefficient demonstrates a fairly strong correlation between the CPM and management score ($R^2 = 0.6$ approximately). The table below shows the M4 and CPM scores for selected associations

#	Association	Membership score	Marketing score	Money score	Management score	CPM Score
1	El Mostakbal Association for Community Development in El Selsela	2.85	2.00	3.48	3.44	2.35
2	El Nesa'eia Association for Future and Development	3.97	1.00	3.50	3.67	3.55
3	El Ghad El Moshreq Association for Agricultural Community Development	2.62	1.92	3.43	3.11	3.00
4	El Negu Bahary Association for Agricultural Community Development	3.07	2.80	3.43	3.44	3.55
5	Association for Agricultural Community Development in Asfun	3.63	2.77	2.90	3.63	3.40
6	El Tood Association for Agricultural Development	3.44	2.35	3.29	3.31	3.90
7	El Mataana Association for Agricultural Community Development	2.39	3.20	3.43	3.44	3.70
8	Bait Khallaf Association for Agricultural Development	2.96	2.80	3.17	3.00	2.95
9	Ganoub El Wady Association for Agricultural Community Development	2.56	2.35	3.29	3.11	2.45

TRAINING AND CAPACITY BUILDING PLAN

The AMAL team has been reviewing the training matrix (annexed to this report) with HEIA and the HEIA exporters to ensure that it meets the needs of the members – the topics ensure farmers can meet their specifications. HEIA staff will receive training primarily in "hard skills" such as packhouse operations and management, and IT/market information. In addition, HEIA has requested soft skills training in topics such as communications, management skills, and time management. The AMAL team is exploring the possibility of developing a curriculum in soft skills, utilizing volunteers through the USAID-funded Farmer-to-Farmer (F2F) program.

The AMAL team will develop a training schedule for green bean farmers on August and will also start developing the training at the COE.

GRANT PROCUREMENT AND ADMINISTRATION

The procurement list has undergone several amendments based on the discussions and negotiations with HEIA members. The list presented in this report is an update to the list that was submitted with the previous progress report

DESCRIPTION	# UNITS
Sorting / packing flat tables (1m X 2m)	60
Belt conveyors for full field boxes	3
Belt conveyors for full empty field boxes	3
Belt conveyors for full cartons	7
Slides for empty cartons	4
Free roller conveyors	7
2 kg scale	140
30 kg scale	10
Electric forklift	2
Manual handlift	4
Electric handlift	4
5 ton truck (REFER)	6
20 ton truck (REFER)	1
Pick-up (Double cabin)	1
Pallet wrapping machine	2
Carton erecting machine	1
Flow pack sealer for green beans	5
Metal detector	4
Low Height Plastic crates	2,000
Washing machine for plastic crates	1
Scissors for cleaning grapes	500
Knives for cutting green beans	500
Desktop PC	6
Plastic pallets for storage of raw materials	200
Wooden pallets for storage of raw materials	200
Manual sealing machine	5
Garbage basket	150

DESCRIPTION	# UNITS
Digital Thermometer reads humidity	4
Manual Thermometer reads humidity	4
Acidity meter	2
Digital refractometer	8
Grape Sizer	50
Cantaloupe Sizer	50
Uniform for packhouse personnel	520
Boots	120
Belt Conveyor for warehouse	1
Center of Excellence furniture	1
Computer servers and accessories	2
Laptops for Center of Excellence	12
Projector	4
Printers for Centre of Excellence	6
Screens (LED) Centre of Excellence	3
Photocopiers for Centre of Excellence	4
Traceability software	1
Safe box	1
Central Air-conditioning for Centre of Excellence (L.E1000/sq.m)	1
2 ton scale	2
Compressor, dryer and filters for the carton erecting machine	1
Traceability printers - barcode Zebra GK420t	3
Traceability printers - barcode Zebra ZM400	3
Traceability printers A4 size paper	8
Traceability - Server for the traceability system	1
Traceability - laser barcode scanner ID	9
Traceability - Enterprise Mobile Computer (Bar code reader)	4
Traceability - MS Windows Server for the traceability server	1
Traceability - MS Windows 8.1 for the traceability Desktops + Cal	11
Traceability Hardware installation and delivery	1
Traceability - Cal for each user	11
Software for the laptop	12
Software for the Server	2
Router	1
Access point	9

During this reporting period, AMAL team successfully equipped the COE and the packhouse in Luxor with the necessary equipment and tools indicated in the list below. The total value of the assets is slightly over three million Egyptian Pounds. Suppliers installed the equipment and provided necessary how-to training to the Center operators in time when the Center was ready to pack harvested grapes for exporting.

Qty	Item Description	Qty	Item Description
-	Belt Conveyors System	1	Pickup, Double cabin
1	Carton Erector	1	Safe
-	Central Air Conditioning System	10	Scale, 30 kg
1	Compressor	140	Scales, 2 kg
2000	Crates, Plastic	2	Scales, 2 ton
1	Forklift, Diesel	Set	Scissors
1	Forklift, Electric	-	Tables for sorting & Packing
1	Grape Sizer	1	Thermometer, Digital
2	Handlift, Electric	1	Thermometer, Manual
4	Handlift, Manual	1	Traceability System
200	Pallets, Plastic	520	Uniforms
200	Pallets, Wooden		

Upon the onset of the packhouse operations, two experts from HEIA, who specialize in quality control and packhouse operations, delivered extensive hands-on 2-day training for laborers at the packhouse. Throughout the season, the experts watched the laborers work and provide additional training and feedback for an average of two hours per day. Training topics included crop handling, sorting, grading, packaging, data recording, wrapping and pallet preparation, precooling, utilizing packhouse equipment, cold storage and product standards, and crop sampling among others. As a result of the training, trainees became well equipped with the necessary skills to perform the various operations at the packhouse.



Grapes Cartoons Ready for Pre-cooling

The packhouse began operations on May 13, 2015. From that time through June 12, the packhouse laborers processed 950 tons of grapes, out of which 650 tons went to exports and the remaining quantity was sold in local high-value markets. The technical head count, which included the sorting, grading and packing laborers as well as the support staff, reached a maximum of 264 laborers per day during the operational season.



Female Laborers Working at the Packhouse

Women make up approximately 83 percent of the laborers responsible for crop preparation as well as general packhouse supervision. Male laborers are responsible for support services required for packaging such as package stickers. The table below details the laborer’s data throughout the operational season

Date	# Female Laborers	# Male Laborers	Total Number of Laborers per day	Percent of Female Laborers
13-May-15	150	45	195	77%
14-May-15	134	45	179	75%
15-May-15	168	43	211	80%
16-May-15	185	43	228	81%
17-May-15	188	44	232	81%
18-May-15	186	45	231	81%
19-May-15	205	48	253	81%
20-May-15	182	38	220	83%
21-May-15	181	34	215	84%
22-May-15	201	34	235	86%
23-May-15	200	34	234	85%
24-May-15	195	42	237	82%
25-May-15	201	44	245	82%
26-May-15	203	42	245	83%
27-May-15	218	44	262	83%
28-May-15	215	42	257	84%
29-May-15	216	48	264	82%
30-May-15	216	41	257	84%
31-May-15	208	48	256	81%
1-Jun-15	202	45	247	82%
2-Jun-15	206	48	254	81%

Date	# Female Laborers	# Male Laborers	Total Number of Laborers per day	Percent of Female Laborers
3-Jun-15	198	43	241	82%
4-Jun-15	199	35	234	85%
5-Jun-15	198	33	231	86%
6-Jun-15	190	33	223	85%
7-Jun-15	188	33	221	85%
8-Jun-15	189	30	219	86%
9-Jun-15	195	30	225	87%
10-Jun-15	150	28	178	84%
11-Jun-15	206	32	238	87%
12-Jun-15	175	30	205	85%

MONITORING, EVALUATION, AND LEARNING (MEL)

The AMAL project Monitoring and Evaluation (M&E) team submitted the M&E plan to USAID along with the baseline plan and tools for the baseline study. During June 2015, the team implemented the baseline study. The study was comprised of 5 main components:

- Individual one-on-one interviews with farmers
- Focus groups with groups of farmers
- Focus groups with female family members of the farming community
- Associations' assessments
- Questionnaires with processors/exporters

A comprehensive report on the findings of the baseline is currently being completed and will be submitted to USAID at the start of Q4 FY15.

PROBLEMS/CHALLENGES

- ACDI/VOCA submitted all the requisite paperwork for obtaining sales tax exemptions from the Sales Tax Authority on procurement of services and commodities under AMAL. The Sales Tax Authority should respond in August 2015.
- To ensure that project trainings are relevant and well received, any trainings that are not universally agreed upon by the project partners will be postponed. This may delay the training dates but will ensure the trainings are most effective.
- The governorates of Sohag and Aswan are located in remote areas far from the Luxor packhouse and perishable terminal. The roads to the associations in these two governorates are not paved which increases transportation costs for transporting the crops and the beneficiaries to Luxor. In order to cut down the transportation costs, project sponsored trainings will be conducted for Aswan and Sohag beneficiaries in their governorates of residency.

PLANNED ACTIVITIES

- Finalize the training matrix with HEIA and agree on a means of conducting the training and paying the costs
- Identify and hire instructors who will prepare training materials and implement training
- Start building market intelligence systems to be operated, managed and sustained by the COE
- Organize and implement the COE launch event. The event will be an opportunity to conduct the training needs assessment to refine AMAL's training matrix
- Complete the CBA with all potential value chains
- Finalize the forward contract template to be recommended for contracts between processors/exporters and farmer associations
- Link farmer associations with exporters and processors and facilitate contracting between them
- Submit the baseline report
- Procure the remaining items for the Luxor Center of Excellence and packhouse