

3060143 (3)

A-1X (7.71)

DEPARTMENT OF STATE  
AGENCY FOR  
INTERNATIONAL DEVELOPMENT

1. Cooperating Country  
AFGHANISTAN

2. PIO/T No.  
306-143-5-50071

3.  Original or 1  
Amendment No.

4. Project/Activity No. and Title  
306-11-199-143  
Management Support for the  
Afghan Fertilizer Company (AFC)

PD-AAD-009

DISTRIBUTION

5. Appropriation Symbol  
75-1181003

6.A. Allotment Symbol and Charge  
49-50-306-00-61-01

6.B. Funds Allotted to:  
 A.I.D./W  Mission

7. Obligation Status  
 Administrative Reservation  Implementing Document

8. Funding Period (Mo., Day, Yr.)  
From 3/29/75 to 3/28/76

9.A. Period to Start (Mo., Day, Yr.)  
3/29/75

9.B. Completion date of services (Mo., Day, Yr.)  
3/28/76

10.A. Type of Action  
 A.I.D. Contract  Cooperating Country Contract  Participating Agency Service Agreement  Other

10.B. Authorized Agent  
AID/Washington

Estimated Financing		(1)	(2)	(3)	(4)
		Previous Total	Increase	Decrease	Total to Date
11. Maximum A.I.D. Financing	A. Dollars	20,000	330,000		350,000
	B. U.S.-Owned Local Currency				
12. Cooperating Country Contributions	A. Counterpart				
	B. Other				

13. Mission References  
WALD A-177 and 17/0/74, W.A. Perogh to own letter to 10/23/74, AF Executive Committee to own letter to 11/13/74.

14. Instructions to Authorized Agent  
Pursuant to the Determination for Single Source Procurement of Advisory Services for the Afghan Fertilizer Company, approved 2/12/75 by AA/NESA, it is expected that a new contract will be negotiated with Checchi and Company, 815 Connecticut Avenue, Washington, D.C. 20006. This instruction may be disregarded, however, if the new four (4) man advisory team proposed by Checchi for service in Afghanistan includes less than two (2) of those four (4) individuals presently serving in Afghanistan under the contract between AFC and Checchi which is being funded under Loan No. 306-H-017. Effective 2/26/75 the expiration date of that contract was extended to 3/28/75. The Instructions to Authorized Agent contained in the original of this PIO/T are hereby cancelled.

15. Clearances - Show Office Symbol, Signature and Date for all Necessary Clearances.

A. The specifications in the scope of work are technically adequate  
NESA/CD, Ted G. Lee 3/5/75

B. Funds for the services requested are available  
NESA/DP, Franz Herder

C. The scope of work lies within the purview of the initiating and approved Agency Programs

D. NESA/NEMA, Louis C. Stenberg 3/4/75

E.

F. Barry L. Knauf / 3/10/75  
CM/SD/REV, Barry Knauf

16. For the cooperating country: The terms and conditions set forth herein are hereby agreed to

Signature and date:  
Title:

17. For the Agency for International Development  
Signature: George M. Coleman  
Title: Chief, NESA/TECH/PSD BY

18. Date of Signature  
4/10/75

BEST AVAILABLE COPY

AID 1350-1X (9-70)	Cooperating Country AFGHANISTAN	PIO/T No. 306-143-5-50071	Page 2 of 9 Pages
PIO T	Project/Activity No. and Title 306-11-199-143 Management Support for the Afghan Fertilizer Company (AFC)		

**SCOPE OF WORK**

**19. Scope of Technical Services**

**A. Objective for which the Technical Services are to be Used** The primary objective of the project is to make improvements in the operation of the AFC so that it will be more efficient in the production and distribution of fertilizer to farmers. The purpose of the contract is to provide short-term, short-term specialists and other assistance to the AFC.

**B. Description** Assistance will be given in the following areas:

1. Advisory services in general management, planning, financial management (including accounting), procurement transportation, warehousing, and marketing.
2. Training of the Afghan staff of the AFC in all of these functions.
3. As one part of carrying out the above two functions, the preparation of procedures, regulations and manuals covering as many as possible of the above activities for the approval of the AFC and eventual publication and use by the AFC staff.
4. Subject to prior USAID/Afghanistan approval, advisory services, as time permits, for the development of new project activities which will be complementary to the present activities of the AFC and serve to make the AFC a more effective institution for the development of agriculture in Afghanistan. (Continued on page 6)

**C. Technicians**

(1) (a) Number	(b) Specialized Field	(c) Grade and/or Salary	(d) Duration of Assignment (Man-Months)
1	General Management	\$36,000/annum	12
1	Financial Management	\$25,000/annum	12
1	Marketing	\$20,000/annum	12
1	Supply & Distribution	\$24,000/annum	12
4	Various (Short-term)	\$30,000/annum (est.)	2-Man-months
2	Home Office Support - General	\$33,000/annum (avg.)	12/total =
<del>(2) Duty Post or Duration of Technician's Services</del>			
1	Home Office Support - Project Mgt.	\$30,000/annum	1
1	Home Office Support - Procurement	\$25,500/annum	33/
<del>(3) Language requirements</del>			
1/ Requires prior approval of USAID/Afghanistan.			
2/ Performance of these services requires prior approval of the Contract Officer.			
<del>(4) Access to Classified Information</del>			
3/ Performance of more than 2 man-months of services requires prior approval of the contract officer.			

(2) Duty Post and Duration of Technician's Services. Kabul, Afghanistan full-time except for field trips as specified by the AFC.

(3) Language requirements: None required.

(4) Access to Classified Information: Not applicable.

**BEST AVAILABLE COPY**

(5) Dependents  Will  Will Not Be Permitted to Accompany Technician

**D. Financing of Technical Services**

(1) By AID - \$ 350,000

(2) By Cooperating Country - As stated in ProAg.

AID 1350-1X (9-73)  PIO/T	Cooperating Country AFGHANISTAN	PIO/T No. 306-143-5-50071	Page 3 of 9 Pages
	Project/Activity No. and Title 30-11-100-143 Management Support for the Afghan Fertilizer Company (AFC)		

20. Equipment and Supplies (Related to the services described in block 19 and to be procured outside the Cooperating Country by the supplier of these services)

(1) Quantity	(2) Description	(3) Estimated Cost	(4) Special Instructions
--------------	-----------------	--------------------	--------------------------

B. Financing of Equipment and Supplies

(1) By AID - \$ NA

(2) By Cooperating Country - NA

21. Special Provisions

A. This PIO/T is subject to AID (contracting) ~~BASE~~ ~~AFGHANISTAN~~ regulations.

B. Except as specifically authorized by AID, or when local hire is authorized under the terms of a contract with a U.S. Supplier, services authorized under this PIO/T must be obtained from U.S. sources.

C. Except as specifically authorized by AID/W, the purchase of commodities authorized under this PIO/T will be limited to the U.S. under Geographic Code 000.

D. Other (specify): Contractor is authorized to employ a third-country national to fill one of the four full time positions in Afghanistan.

Costs of travel and transportation of the below-listed contractor technicians and dependents from their respective places of residence to Kabul, Afghanistan, during the period January 1, 1975 to March 15, 1975, are authorized as pre-contract expenses; the total amount of such costs is not to exceed \$6,200.00.

Mr. Joseph Hartsig  
Mr. Hugh M. Helm, and Mrs. Helm (wife)  
Mr. Don Coonitellike  
Mr. Robert Benton

BEST AVAILABLE COPY

AID 1350-1K (9-70)	Cooperating Country AFGHANISTAN	PIO/T No. 396-113-5-50071	Page 4 of 9 Pages
PIO/T	Project/Activity No. and Title 306-11-100-113 Management Support for the Afghan Fertilizer Company (AFC)		

22. Reports by Contractor or Participating Agency (Indicate type, content and format of reports required, including language to be used if other than English, frequency or timing of reports, and any special requirements)

A. Monthly Operations Report

The Chief Advisor and Team Leader shall prepare and submit to the AFC and USAID/Afghanistan within five (5) working days after the end of each calendar month a report in five (5) copies on progress and problems encountered during the previous month in carrying out the work of the field team, individually and collectively, under this contract.

B. Semi-Annual Report

The Contractor will prepare a semi-annual report on activities under this contract. This report will be due in Kabul 15 days after the end of the reporting period. Ten copies will be submitted to the AFC Supreme Council, ten to USAID/Afghanistan and three to AID/Washington.

C. Final Report

The Contractor will prepare and submit to the AFC and A.I.D. a final report on activities under this contract. The report shall provide a descriptive listing of the activities of the Contractor's resident advisory team, consultants and home office personnel and a discussion of the progress of the AFC, along with the (continue p. 5)

23. Background Information (Additional information useful to Authorized Agent and Prospective Contractors or Participating Agency; if necessary cross reference Block 19.C(4) above.)

Management assistance to the AFC originated under Loan No. 306-H-017 under which nine(9) technicians provided approximately 18 man-years of services, first as managers and then as management advisors, over a 26-month period. The loan financed contract, which was to have expired January 15, 1975, has been extended to March 28, 1975 to provide for the continued services of four(4) technicians pending completion of negotiations on a new A.I.D. direct contract. The new contract will become effective March 29, 1975. In its request for continued management advisory assistance on a grant basis, the Government of Afghanistan specifically sought the continued services of four members of the original loan-financed team. Changes in duties from those performed under the earlier contract will be required for several team members but USAID/Afghanistan does not regard this as a serious problem. (See also Project Paper-Block 13 first item; ProAg; Preliminary Project Proposal; Loan Agreement 306-H-017 dtd 11/1/72; CAP No. DLC/P 1049 for Loan 017.)

24. Relationship of Contractor or Participating Agency to Cooperating Country and to AID

A. Relationships and Responsibilities

See Block 19. All contractor expatriate technicians in Afghanistan will report to and work with senior officers of the AFC.

B. Cooperating Country Liaison Official

Mr. Fazle Rahim Rahim, Deputy Minister of Agriculture and Irrigation  
Dr. Zarif Salem, President, Afghan Fertilizer Company

C. AID Liaison Officials

Mr. John R. Wilson, Chief Food and Agriculture Officer  
Mr. John Standish, Chief Capital Development and Engineering Officer  
Dr. Raymond Hooker, Economist, Development Planning Office

BEST AVAILABLE COPY

AID 1350-1X 19-701	Cooperating Country AFGHANISTAN	PIO/T No. 306-143-5-50071	Page 5 of 9 Pages
PIO/T	Project Activity No. and Title 50-11-199-143 Management Support for the Afghan Fertilizer Company (AFC)		

**LOGISTIC SUPPORT**

25. Provisions for Logistic Support	In Kind Supplied By		From Local Currency Supplied By	
	All	Cooperating Country	All	Cooperating Country
A. Specific Items (Insert "X" in applicable column at right. If entry needs qualification, insert asterisk and explain below in "Comments")				
(1) Office Space		X		
(2) Office Equipment		X		
(3) Housing and Utilities, and Maintenance	X			
(4) Furniture		X		
(5) Household Equipment (Stoves, Refrig., etc.)		X		
(6) Transportation in Cooperating Country		X		
(7) Interpreter Services and secretarial services		X		
Other Specify:				
(8)				
(9)				
(10)				
(11)				
(12)				
(13)				
(14)				
(15)				

B. Additional Facilities Available From Other Sources

EA

C. Comments

Evaluation Plan

The Contractor will participate with USAID/Afghanistan and AFC in a program of evaluation designed to ensure that the project makes acceptable progress toward achieving its purpose.

(1) In-Depth Evaluation

Within eight(8) to ten(10) months following the date of commencement of work under this contract, USAID will organize an in-depth evaluation of the progress under the project and the performance of the Contractor. Participants will include Contractor's field and home office personnel, personnel from USAID/Afghanistan, AID/Washington and the AFC. This evaluation will lead to a decision whether this contract shall be extended for an additional year. (continue on p. 9.)

BEST AVAILABLE COPY

DEPARTMENT OF STATE  
AGENCY FOR  
INTERNATIONAL DEVELOPMENT

Worksheet  Issuance

PAGE 6 OF 9 PAGES

CONTINUATION  
SHEET1. Cooperating Country  
AFGHANISTAN2.a. Code No. PIO/T No.  
306-143-5-500/1

FORM SYMBOL

TITLE OF FORM

PROJECT IMPLEMENTATION  
FIELD/TECHNICAL SERVICES

2.b. Effective Date

2.c. Amendment  
 Original OR No.:3. Project/Activity No. and Title  
306-11-199-143Management Support for the Afghan  
Fertilizer Company (AFC)Indicate block  
numbers.

Use this form to complete the information required in any block of a PIO or PAA form.

6. Subject to prior USAID/Afghanistan approval, assistance in such other areas as may be requested by the President, Executive Committee or the Supreme Council of the AFC to the extent that such assignments are within the capability of the advisors and consistent with the overall scope of work and objectives of the contract.

SPECIFIC TASKS

Specifically, the Contractor is expected to furnish a field staff, home office support staff and short-term specialists to carry out the following:

General Management Advisory Services

These services will be provided mainly by the Chief Advisor who will be located next to, and work closely with, the President of the AFC. He will also, from time to time, report directly to the Supreme Council of the AFC. Specific areas of responsibility:

- a. Provision of advice and assistance on the overall management of the AFC;
- b. Evaluation and recommendations regarding office management and administrative procedures of the AFC. This will include projects initiated by the advisory team which have been approved by the AFC and projects specifically requested by the Executive Committee of the AFC. Areas of special importance include personnel administration and performance evaluation;
- c. Overall management of the resident advisory team and short-term specialists;

2. Financial Management Advisory Services

These services will be provided mainly by the Financial Advisor, who will be located next to and work with the Chief Financial Officer of the AFC and the Administrative Vice President. Specific areas of responsibility:

- a. Advisory assistance on the day-to-day operation of the AFC's Financial Department.
- b. Training of the staff of the Financial Department in all aspects of its work.
- c. Working with the staff of the Financial Department, and with

(continue on p. 7.)

CONTINUATION SHEET

FORM SYMBOL

DEPARTMENT OF STATE  
AGENCY FOR  
INTERNATIONAL DEVELOPMENT

TITLE OF FORM

PROJECT IMPLEMENTATION  
ORDER/AGREEMENT SERVICES

Worksheet  Issuance

PAGE 7 OF 9 PAGES

1. Cooperating Country  
AFGHANISTAN

2.a. Code No. PIO/T No.  
396-1475-50071

2.b. Effective Date

2.c. Amendment  
 Original OR No.:

3. Project/Activity No. and Title  
300-11-100-143  
Management Support for the Afghan  
Fertilizer Company (AFC)

Use this form to complete the information required in any block of a PIO or PAA form.

Indicate block numbers

short-term specialists if requested by the AFC, on the development of detailed recommendations for improvements in the financial operations of the AFC. Priorities will be worked out between the Contractor's personnel, the AFC Executive Committee and USAID. Possible areas to work include but are not limited to: (1) improved budgeting procedures; (2) improved financial documentation; (3) improved record keeping and information retrieval; (4) more timely financial reporting systems; (5) more uniform accounting systems for headquarters and the regions; (6) improved internal auditing procedures; and (7) possible computer applications for AFC financial management.

d. As time and resources permit, preparing draft procedures, regulations and manuals reflecting the above work.

3. Marketing Advisory Services

These services will be provided mainly by the Marketing Advisor, who will be located near and work closely with the AFC Vice-President for Sales. Specific areas of responsibility:

- a. Advisory assistance on the day-to-day fertilizer marketing operations of the AFC including the AFC's role in fertilizer credit programs;
- b. Training the AFC headquarters and regional staff in all phases of the fertilizer marketing operation;
- c. Working with the marketing staff, and with short-term specialists if requested by the AFC, on the development of detailed recommendations for improvements in the AFC's marketing operations. Priorities will be worked out between the Contractor's personnel, the AFC Executive Committee and USAID. Possible areas of endeavor include the following: (1) fertilizer requirements projections, by crop and location, and sales forecasting; (2) retailer training and performance evaluation; (3) research, demonstration and advertising programs and; (4) analyses of prospects of AFC marketing other commodities;
- d. As time and resources permit, preparing draft procedures, regulations and manuals reflecting the above work.

(Continued on page 8.)

CONTINUATION  
SHEET

FORM SYMBOL

100 / P

DEPARTMENT OF STATE  
AGENCY FOR  
INTERNATIONAL DEVELOPMENT

TITLE OF FORM

PROJECT IMPLEMENTATION  
ORDER/TECHNICAL SERVICES

Worksheet

 Issuance

PAGE 8 OF 9 PAGES

1. Cooperating Country  
AFGHANISTAN2.a. Code No. PIO/T No.  
396-143-5-50071

2.b. Effective Date

2.c. Amendment  
 Original OR No: \_\_\_\_\_

3. Project/Activity No. and Title

306-11-199-143

Management Support for the Afghan  
Fertilizer Company (AFC)Indicate block  
numbers.

Use this form to complete the information required in any block of a PIO or PAA form.

100) 14.

4. Supply and Distribution Advisory Services

These services will be provided by the Supply and Logistics Advisor. Specific areas of responsibility:

- a. Advisory and management assistance to the AFC on supply and distribution of fertilizer including procurement, reception at the Port of Karachi or other ports, transportation to Afghanistan through Pakistan or other countries, transportation within Afghanistan, warehousing, and distribution to retailers and farmers.
- b. Training AFC supply and distribution staff on all phases of the operation.
- c. Assistance with development of new procedures for reception and transportation of urea fertilizer from the plant at Mazar-i-Sharif
- d. As time and resources permit, preparing draft procedures, regulations and manuals reflecting the above work.
- e. Research and recommendations into the AFC's long-term warehousing and internal transportation requirements and approaches to meeting these requirements.

5. Foreign Procurement Services

Provision of advisory and direct services and training on the procurement of fertilizer from sources outside of Afghanistan. It is anticipated that most of such services will be provided by Contractor's home office personnel.

6. New AFC Activities

Based on priorities set by the AFC Executive Committee, in consultation with contractor personnel and with prior USAID/Afghanistan approval, conceptualization and development of new activities which the AFC might carry out which would be compatible with the AFC's existing activities, present and potential capabilities and potential donor assistance. Possible areas include production or procurement and distribution of other agricultural inputs, manufacture of fertilizer bags, additional fertilizer manufacturing facilities and collection, storage and possible processing and/or export of Afghan agricultural commodities.

BEST AVAILABLE COPY

CONTINUATION SHEET	DEPARTMENT OF STATE AGENCY FOR INTERNATIONAL DEVELOPMENT	Worksheet <input type="checkbox"/> Issuance <input checked="" type="checkbox"/>	PAGE <u>9</u> OF <u>9</u> PAGES
		1. Cooperating Country AFGHANISTAN	2.a. Code No. PIO/T No. 396-143-5-50071
		2.b. Effective Date	2.c. Amendment <input checked="" type="checkbox"/> Original OR No. _____
FORM SYMBOL	TITLE OF FORM	3. Project/Activity No. and Title 306-11-199-143 Management Support for the Afghan Fertilizer Company (AFC)	
FILE/P	PROJECT IMPLEMENTATION ORDER/TECHNICAL SERVICES		
Indicate block numbers.	Use this form to complete the information required in any block of a PIO or PAA form.		
<p>recommendations of the Contractor for future AFC activities and further foreign assistance if such activities and assistance are considered desirable. This report will be submitted one week prior to the final departure of the field team for Afghanistan. Twenty (20) copies will be submitted to the Executive Committee of the AFC, ten(10) copies to USAID/Afghanistan, and ten copies to AID/Washington. In the event of a <u>force majeure</u> situation resulting in departure of the resident advisory team from Afghanistan earlier than anticipated, a final report will be prepared as soon as possible by the home office assisted by the Chief-of-Party.</p> <p>(2) <u>Quarterly Evaluation</u></p> <p>At the end of each three-month period of work under the contract, a brief but formal evaluation will be carried out under procedures to be developed by USAID/Afghanistan and acceptable to AFC and the Contractor. This evaluation, involving the Contractor's field personnel, USAID/Afghanistan and the AFC, shall be designed to spot and help solve problems at the earliest possible moment and to help ensure the success of the project.</p> <p>No quarterly evaluation will be held during the quarter in which the In-Depth Evaluation described in (1) above is held.</p> <p>(3) <u>Target Definition</u></p> <p>To facilitate evaluation, the AFC will prepare, within 60 to 90 days of the signing of the ProAg, work plans and objectives for itself and the advisory team individually and collectively against which the performance of the Contractor, his expatriate team, and the AFC may be evaluated. These work plans should include a specific time frame within which the tasks and objectives would be accomplished.</p>			

BEST AVAILABLE COPY