

Kyrgyz Agro-Input Enterprise Development Project
Eighteenth Quarterly Report
January 1, 2006- March 31, 2006

Prepared for

USAID Cooperative Agreement 116-G-00-01-00034-00



by



*An International Center for Soil Fertility
and Agricultural Development*

**P.O. Box 2040
Muscle Shoals, Alabama 35662, U.S.A.**

www.ifdc.org

April 2006

Table of Contents

	Page
Introduction.....	1
Program Achievements.....	2
Association Unit.....	3
Business Development Unit.....	6
Agronomy Unit.....	8
Conclusions.....	11
Annex 1. Association Development Unit Report on Strategic Objectives of the Work Plan.....	14
Annex 2. Agronomy Unit Report on Strategic Objectives of the Work Plan.....	18
Annex 3. Business Development Unit Report on Strategic Objectives of the Work Plan.....	23
Annex 4. Media Unit Detailed Report.....	31
Annex 5. Value of Cost Sharing.....	32

Acronym List

AAK	Association of Agribusinessmen of Kyrgyzstan
AAT	Agribusiness Association of Tajikistan
ADB	Asian Development Bank
AED	Academy for Educational Development
BSAIDD	Batken-Sughd Agro-Input Dairy Development
COP	Chief of Party
CPP	Crop Protection Products—includes both chemical and biological
GTZ	German Agency for Technical Cooperation
IFDC	An International Center for Soil Fertility and Agricultural Development
JICA	Japan International Cooperation Agency
KAED	Kyrgyz Agro-Input Enterprise Development Project
KAFC	Kyrgyzstan Agricultural Finance Corporation
OSCE	Organization for Security and Co-operation in Europe
PSES	Private Sector Extension Services
RI	Results Indicator
STC	Short-Term Consultant
TES	Training and Extension System
TTC	Technology Transfer Center—a field center featuring new practices and technologies to provide training to agro-businesses
USAID	United States Agency for International Development
VAT	Value-Added Tax

Kyrgyz Agro-Input Enterprise Development Project

Eighteenth Quarterly Report

January 1, 2006 – March 31, 2006

Introduction

For consistency and ease of understanding, the quarterly reports largely follow the format of the work plan submitted to the United States Agency for International Development (USAID) in October 2004. Progress is reported for each of the four program areas:

- Association development.
- Business development services.
- Media support.
- Agronomic services.

Project Summary

The Kyrgyz-Agro-Input Enterprise Development project managed by IFDC and funded by USAID has the primary goal of supporting the development of agro input dealers and to increase agricultural production through the use of improved seeds, fertilizers, crop protection products, and agronomic advice. To facilitate this goal, a strong trade association, Association of Agribusinessmen of Kyrgyzstan (AAK), has been formed. The association has 126 members of which approximately 26% are female, is governed by an elected board of directors, and has several working committees.

The AAK has become the premier agricultural trade association in Kyrgyzstan, annually hosting several thousand attendees and exhibitors at the popular Silk Road Expo. AAK was formed in Osh, but has expanded its influence throughout Kyrgyzstan, having recently opened a small, representative office in Bishkek. In addition to the offices in Osh and Bishkek, AAK has an office in Jalalabat, and representation in Batken.

Each year AAK conducts field demonstrations designed to clearly show farmers and agricultural product dealers the significant differences between use of traditional practices and products and use of new inputs and modern agronomy. Over 5,000 farmers and others attend these field demonstrations annually.

The monthly publication of the Agribusiness newspaper has a circulation of nearly 2,000 with 800 subscribers. The paper is published in the Kyrgyz, Uzbek, and Russian languages for the convenience of its readers.

AAK has demonstrated to the government and to numerous additional trade associations that the private sector, through associations, can have a voice in the development of Kyrgyz national policy. An example was the recent signing of the historic Memorandum of Cooperation between AAK and the Parliamentary committee on Agriculture.

Program Achievements

Almost all of the proposed results indicators (RIs) for the project are encompassed by the four program components with association development serving as the core of the entire project. The trade association of input dealers is the mechanism that provides the framework to facilitate access to credit and deliver communications, training, and advocacy on a sustainable basis. The supporting units of Business Development, Media, and Agronomic Services provide a value-added package that accompanies membership in the trade association and supports the project's goals to increase agricultural productivity.

During the 18th quarter, the project staff was very active in each of the strategic objective areas in the work plan. Some of the more significant activities are highlighted in this report in the discussions for each of the program areas. The annexes to the report contain specific actions directly related to the strategic objectives of the project.

Association Unit

The executive management, and board and staff of the Association of Agribusinessmen of Kyrgyzstan (AAK) were involved in several significant achievements as discussed below.

Planning—The management team, staff and board worked together to develop the quarterly work plan. This plan covers all activities and expenditures for the upcoming quarter, and serves as a benchmark to measure successes and challenges.

Cross Training—The association unit team conducted workshops and training exercises for the IFDC sister project (BSAIDD) board of directors and staff in Khujand, Tajikistan. Fifteen people participated in this important training session. The training program itinerary was as follows:

- Review of AAK board of director and committee structures.
- Discussions of how to develop the AAT mission, goals, and objectives.
- Presentations on the need for an association Code of Ethics.

Recently BSAIDD successfully registered the Agribusiness Association of Tajikistan. A great deal of time was allocated at the end of the formal presentations for the new AAT board and staff to interact with and ask questions of the AAK workshop presenters.

This training exercise was promoted by the KEAD staff. However, nearly 100% of the materials prepared and presented were developed by the AAK staff under the supervision of the Executive Director. This kind of activity clearly demonstrated the ability of AAK to become a highly respected local service provider (LSP). Additionally, having IFDC management and local staff working jointly with “sister” USAID funded projects in the region represented an excellent cost savings and cost sharing value for USAID.

Mr. Triton Cako, Executive Director of the Albanian Business Management Center (ABMC) conducted 5 days of training for the AAK staff, the AAK board, and the members of the informal AAK umbrella group. The purpose of this training was to introduce the participants to the ideas and concepts associated with starting a similar organization within AAK, and to

work with staff and the board to assist in the development of an AAK Credit Union. The training consisted of the following activities:

- SWOT analysis of the current AAK Success Plan.
- One-on-one session with the AAK Executive Director for the purpose of assisting her to gain a complete understanding of the value of and daily work associated with the ABMC.
- Formal presentation of ABMC concepts to all AAK staff, board and umbrella group representatives.
- Formal presentation of the Albanian Fertilizer Dealers Association Credit Union concepts to selected participants.

Membership—Membership growth, development, and recruitment are daily routines within AAK. The KAED staff and management are constantly looking for new ways to demonstrate the value of membership to current and potential members.

During the quarter, the team focused on membership recruitment in the Jalalabat Oblast in particular. A complete list of current and potential members was distributed to board and committee members working in this oblast so that they would have a better idea of who to recruit. The staff also prepared information for the board, members and potential members on how the AAK–KAED credit program works. The fact that the association has available credit for members was a useful tool during the membership recruitment campaign.

As a result of the campaign, which was not limited to the Jalalabat Oblast, 12 new members were added during the quarter. Six have paid full membership dues and 6 have paid partial dues. In addition, all new members are required to pay an initiation fee. Full membership dues must be paid prior to or at the time of the General Assembly in August, in order for the company or individual to be allowed to participate in the meeting.

Opening new farm retail stores remained a priority during the quarter. Currently, the organization has 14 stores located throughout the southern Oblasts. As a direct result of this work, 2 additional stores will have grand openings during the month of April.

On March 17-18 the KAED staff, AAK staff, and boards organized and participated in the first Jalalabat “AAK Open House.” This event was timed to celebrate the 4th anniversary of AAK. The open house consisted of a mini-exhibition and informational meetings. Members from the local Oblast, city government, the AAK board, the Executive Director of AAK, an international exhibitor, USAID, and the COP made remarks complimenting the work that has been accomplished by AAK in such a short time.

Over 400 people (120 female) attended the Open House and festivities. Six (6) of the 12 new members recruited throughout the quarter were a direct result of the Open House.

Advocacy—Advocacy work on behalf of the members of AAK continued throughout the quarter. The AAK Executive Director was placed on an Asian Development/Ministry of Agriculture subcommittee to assist in determining what kind of agricultural development projects are most critical for the southern oblasts of Kyrgyzstan. The first draft of the subcommittee’s work was presented to the Minister of Agriculture in January.

The COP continues membership on an Asian Development Bank committee charged with assisting it and the Ministry of Agriculture in writing a comprehensive 10 year strategic plan for Kyrgyzstan agriculture. The formal presentation of the committee’s work is expected to be made during April or May.

The association unit manager worked directly with the Kyrgyzstan National Seed Association (KNSA) in an effort to harmonize the AAK and KNSA positions on seed registration and testing protocols.

The association unit manager also prepared and presented a series of seminars in both the Jalalabat and Batken Oblasts as part of the Asian Development Bank’s efforts to develop a development model for the south of the country.

Training and Education—In conjunction with Rosink, an affiliate member company, the association hosted and assisted with seminars in Jalalabat and Osh on feed and bio

supplements for cattle breeding, crop protection product uses, and safe handling procedures in both Jalalabat and Osh.

Europlant, a new affiliate member and the leading potato seed company in Germany, conducted training sessions for members in Bishkek and in Osh on potato seed varieties, planting, handling, and variety availability. Smaller meetings were also held with a selected group of AAK members who have particular interest in the potato business.

Regional Meetings—In cooperation with the other project units, the association development unit hosted Regional meetings in the regions of Karasuu, Aravan, Kadamjai, Nookat, Uzgen, and Jalalabat. Total attendance was 92 persons (9 female). The purpose of the meetings was to gather input from members on their needs, to inform them of the previous quarter's activities, to discuss the next quarter's work plan, discuss the upcoming August General Assembly, collect dues payments, sell subscriptions to the newspaper, introduce the new AAK credit program, and to present the results from the 2005 demonstration TTC test plots.

Business Development Unit

The Business Development Unit (BDU) is primarily responsible for: assisting AAK members to find new and affordable sources of credit; farm store development training; and bringing members into contact with prominent local and international suppliers and manufacturers of inputs.

Credit—During the quarter the unit signed an agreement with the Bai Tushum Financial Fund to make credit available to AAK members at a preferential rate of 24%. The unit manager also signed an agreement with the Kyrgyz Agricultural Financial Corporation (KAFC). This agreement called for AAK to transfer 600,000.00 som (US \$14,815.00) into KAFC. In return KAFC will set aside a similar amount. Because of AAK's participation, KAEC agreed to offer AAK members loans at 14%, plus a 1% fee for servicing the loan. This agreement provides the best interest rates available in the country. Unfortunately the fund is relatively small, so only a few AAK members will be able to take advantage of the low rates.

Joint Procurement—AAK, as a result of some rather intense negotiations by the Executive Director, the BDU manager, and the KAED staff signed an agreement with the local NGOs, i.e., TES Centre and AgriKredit. The agreement requires the TES Centre Farmer Groups to work directly with AAK members in procurement of inputs in order to obtain credit from AgriKredit. In return, AAK has offered the farmer groups a guarantee on the quality of the seeds, fertilizers, and CPPs purchased. AgriKredit, under this agreement, will transfer the money necessary to fill the order that was developed jointly between the farmer groups and the TES Centre agronomist. Once the farmer is satisfied that the AAK dealer has delivered the products per the terms and conditions of the contract, then AAK will release payment to the AAK dealer. In return for this oversight AAK will be paid a 1% commission based on the value of each order.

During the quarter, TES farmer groups ordered products from AAK dealers valued at 672,562 som (US \$16,606.00). As a result, AAK received 6,876.00 som (US \$169.00) in service fees.

Trade Mission Research—An important added value of the KAED project and to AAK and its members is information on trade missions. The BDU investigated and informed members about possibilities in China, Kazakhstan, and Kyrgyzstan during the quarter. Several members attended these trade shows at their own expense.

Sales Data—The monthly collection of sales data and publication of the data in the newspaper has become very important to the AAK members. During this quarter, according to this survey, 1,890.1 tons of fertilizer was purchased by AAK members surveyed. The fertilizer came from four major suppliers.

Additionally retail sales of input products were monitored. According to this survey, the respondents sold US \$20,228.00 in crop protection products (CPPs) during the quarter. The BDU tracked sales of improved seed varieties throughout the quarter also. Sale of vegetable seeds was reported as US \$30,166.00. Sales of other seeds were:

- Cereal—68.3 mt.
- Cotton—40 mt.

- Potato—250 mt.
- All others—369 kg.

Tracking sales turnover was one of the objectives of the BDU during the quarter. Of the 13 farm store owners reporting, a total of US \$57,409.00 in turnover was recorded. The project goal for this activity was US \$1,000.00 per year per store. Obviously, farm store sales have far exceeded original expectations.

Additional Activities—In addition, the BDU also assisted the representative of Europlant, a new affiliate member, to organize meetings in the Bishkek and Osh. These meetings were well received and will result in the introduction of more Europlant potato varieties next year. A major tender for the GTZ was distributed to AAK members. This is becoming a standard practice for other NGOs to come to AAK–KAED to ensure their clients are getting good quality seed at a competitive price. The BDU also conducted a seminar on Farm Store Management. A total of 22 persons participated in this training activity.

Finally, the BDU:

- Assisted the American company, Lancaster International Trading, to find CPPs for apricots.
- Participated with the COP and the manager of the Agronomy Unit in a meeting with national policy makers on seed registrations and demonstration field procedures.
- Surveyed EXPO exhibitors on the number of signed contracts as a direct result of the contacts made during the event.

As of this date 7 contracts have been signed with a value of approximately US \$30,000.00, with 10 contracts still pending. BDU assisted with a new farm store opening in Nookat.

Agronomy Unit

The agronomy unit (AU) has the primary task of introducing new seed varieties, improved fertilizers and CPPs, and developing and managing the various TTC demonstrations around the country, and reporting on the results. Additionally, the AU conducts important agronomy training seminars.

Technical Transfer Centers (TTCs)—During this quarter the team signed contracts with 7 farmers to host the TTC demonstrations for 2006. Four of the farmer hosts are AAK members. Future plans are for AAK's services for the trials to be conducted on a reimbursable fee basis. This year demonstrations at one of the sites will be implemented specifically for Nunhems Seed Company, and will be managed by the AU on a fee basis. For the first time, one of the demonstration fields will be located in the north of Kyrgyzstan near Bishkek. This is a critically important step for AAK in its efforts to become recognized as a national association.

The crops for this year's demonstration fields are; corn, soybeans, potatoes, cotton, wheat (winter, irrigated and dry-land), sugar beets, tomatoes, and various other vegetables such as peppers, cucumbers, and onions. Also, the very popular watermelon varieties will be planted.

During this quarter the Agronomy Unit manager and the project COP held a meeting in Bishkek with the Assistant Minister of Agriculture, the head of the CPP department, the head of the Seed Variety Registration Commission, the Kyrgyz National Seed Association President, and the local manager of the SIDA project to discuss the results of the 2005 TTC demonstrations and to engage them in the planning process for the 2006 sites. In the past the State officials have been critical of AAK for not informing them about the varieties being planted in the various TTCs. Therefore, the various government officials and the seed association were appreciative of the opportunity to provide input.

In fact, AAK has been at fault in previous years for planting varieties that had not yet received full approvals from the government. This activity, while very limited, was contributing to strained relations between AAK and the government entities.

As a result, one of the agenda items was to discuss the possibility of the AAK–KAED demonstration plots being used by the State Variety Testing Commission as officially recognized sites. Although the TTC demonstrations are not intended to be scientific experiments, all parties agreed that this could be useful, if the limitations of the TTC demonstrations are recognized. This meeting has resulted in increased cooperation between the public and private sector in this area.

Economic Return Reports—The AU completed the yield surveys for the 2005 TTC demonstrations during this quarter. The results were compiled into booklets and handed out at each of the Regional meetings. This activity, while time consuming is immensely important and the booklet has become a valuable decision making tool for dealers and farmers alike. Approximately 600 of these booklets have been distributed to farmers and members. During these meetings 94 persons (9 female) attended.

Variety Registration—AAK–KAED continue to work in a cooperative effort with international suppliers of seed to speed up the process of new seed registration. During this quarter it was reported that 3 new Europlant potato varieties were successfully registered.

Agronomy Training—The AU conducted 2 days of training on the proper use of CPPs as an ongoing part of the Certified Applicator program initiated by AAK–KAED. Twenty three persons (five female) participated in this critical training.

A seminar on apple tree pruning and protection was conducted in conjunction with a short term consultant. The AAK agronomy unit organized this meeting that was attended by 29 participants (5 female).

A round table training/informational session was held during the quarter dealing with the availability of and proper use of various CPPs. The session was jointly conducted by representatives from several crop protection companies and the two AAK–KAED agronomists. This activity was attended by 32 people (8 female) from the AAK farm stores.

The team participated in one meeting in the north and one in the south of the country to discuss new potato seed varieties being offered by the German company Europlant. Five AAK members (1 female) as well as two potential members attended.

During this quarter, the AU prepared a detailed article for the Agribusiness newspaper on proper and safe applications of fertilizers. The Agronomy Unit also prepared an application recommendations calendar outlining proper fertilizer rates for tomatoes, corn, potatoes, and

wheat which was added as a supplement to the AAK Agribusiness newspaper. Also, articles were written and published in the newspaper on proper pruning of fruit trees, and disease and pest control in orchards.

Cross Training—The AU conducted 5 days of training for the agronomist representing the IFDC project, BSAIDD, in the Batken oblast. The BSAIDD project also calls for the development of demonstration fields. In an effort to help AAK become a widely recognized LSP, the staff from the KAED project was used for this activity. Not only was it more cost effective, but it was also more effective using locals to train locals. Considerable effort and funds have gone into training the KAED team and qualifying them to be used in a train-the-trainer fashion.

The AU met with the JICA and TES Centre teams to map out the 2006 cotton testing protocol. This is an AAK/TES Centre joint venture using JICA funds to test cotton varieties from around the region.

Conclusions

Each of the units was actively engaged throughout the quarter in promoting the value of AAK membership. Also the requirements of the KAED work plan have been either met or exceeded.

The KAED COP was actively engaged with the staff of both KAED and AAK throughout the quarter, attending staff meetings, and coaching the team on various association development and business management topics.

The project was visited by important USAID and Embassy officials during this quarter. On March 28, 2006, the project staff hosted the Kyrgyzstan Country Representative and 7 important visitors representing the Department of State and USAID Washington, DC. The primary purpose of the visit was to provide insight to the visitors on the goals and objectives of the KAED project, and to discuss our successes and remaining challenges. The KAED staff received favorable comments for its efforts.

A USAID program development team led by Mr. Alen Isendraft visited the project during the quarter. Mr. Isendraft was accompanied by the outgoing USAID agricultural specialist, the incoming specialists, and the project CTO. The purpose of the visit was to ascertain from the project and the Ag-Fin Plus project opinions on what is working and what is not working in the agricultural development field, and use that information, in addition to insight gained from others, as the basis for program RFP recommendations of the future. KAED and AAK staff opinions were well received.

Assistant Mission Director Mr. Tom Delaney and Mr. Lewis Tatum from UASID-Bishkek also visited the project during the quarter. This was primarily a visit designed to give Mr. Delaney a first-hand look at the various projects under his oversight. A visit to an AAK farm store was arranged as well as several meetings with other members of the agricultural value chain. The KAED staff received favorable comments for the work being accomplished.

Meetings with the Asian Development Bank with the goal of developing a strategic plan for agriculture for the Kyrgyz Republic continued during the quarter. The KAED COP is a member of the team working on this important document. The team leader anticipates making a formal national presentation in April or early May.

AAK took a significant step in the direction of being recognized as a national association by opening a representative office in Bishkek on February 1, 2006. This move, which was approved by the project CTO, represented a significant accomplishment for the project as well as for AAK. Since opening the office, three additional members have joined AAK, making a total of nine members in the northern oblast. The near term potential is for six additional members by September 30. If the KAED project is given the funding to fully operate in the north, the potential for new members will significantly increase. Initial research indicates the north has approximately 80 potential members. Expansion into the north is essential for the long-term success of AAK post project involvement.

Work continued throughout the quarter on project extension and new project ideas in an effort to extend the value of the KAED project in terms of time and geographic locations.

The KAED project hosted short term consultant Mr. Triton Cako in March. Mr. Cako, the Executive Director of the Albanian Business Management Center (umbrella organization), was here to conduct training and seminars on how such an organization can be formed by AAK, and to discuss the development of a credit union owned and managed by the association. The Albanian Business Management Center was developed using USAID funding, and has been very successful for several years in managing the affairs of a number of trade associations.

The KAED project hosted the United States Ambassador to Kyrgyzstan in Osh during this quarter. The Ambassador was given a tour of one of the AAK farms stores located in the center of the Osh bazaar. She spent a great deal of time talking to the media, the shop owner, AAK staff, and KAED staff about the project. In a follow-up thank you note, she thanked the KAED staff for the excellent reception and the good work being done.

Tables 1-5 in Annex 5 provide details of the value of cost sharing for the project for years 2002-2005.

**Annex 1. Association Development Unit Report on Strategic Objectives
of the Work Plan**

Objective	Activities	Notes	Details	Planned Activities
Elections and General Assembly				
	Support nomination process for candidates—conduct elections	Oblast level elections to Board proportionate to membership		
	Fifth General Assembly		<p>During the Board of Directors meeting the following decisions of the fifth General Assembly were recorded in the minutes:</p> <ol style="list-style-type: none"> 1. To conduct the Fifth General Assembly in August 2006. 2. Cholpon-Ata, Issykul oblast, was selected as venue of General Assembly. 3. AAK members are to cover trip costs (from regions to Bishkek and back) themselves. 4. The nomination program among AAK members for 2006 was established 	
	KAED staff development and training in association development		<p>February 21-24 training for staff and Board of Directors of Association of Agri businessmen in Tajikistan was conducted.</p> <p>The agenda follows:</p> <p>Review of the Association of Agrobusinessmen of Kyrgyzstan “Jer Azygy;” Training for the Board of Directors of non-profit organization; Cooperation of Board of Directors and association staff; Structure of an Association; Development of Association vision and mission; membership policy; code of ethics working Q& A session of Board of Directors. In total 15 people attended.</p> <p>Executive Director of Association and Business Management Center of Albania, Tritan Cako conducted a seminar on “Business Center Establishment and providing business associations with services,” for KAED/IFDC staff, on March 29.</p>	

Objective	Activities	Notes	Details	Planned Activities
AAK Strategic Plan				
	Strategic Planning Retreat—Board of Directors	Completed in August of 2005.		
	Strategic Planning Review—Board of Directors			
	Communication of strategic plan to AAK members	This will be done at regional and village level meetings		
AAK Business Plan				
	IFDC work with board and staff to train and develop	Update budgeted revenues and expenses with a 5-year projection		
	Board review and modify, then adopt			
	Annual revenue generation will equal annual expenditures by end of project	Identify sources of dues and non-dues revenue and match to expenses of core programs	200 som was collected as entrance fee from Mr. Emahunov Almaz and Esenov Sagyndyk.*	
Dues Paying Membership				
	All staff active in contacting individual members		<p>During the time frame of January 24-28, the following work was completed by the Association Development Unit:</p> <ol style="list-style-type: none"> 1. The list of potential members of Jalalabat oblast was specified. 2. Information about AAK credit program was distributed. 3. Meeting with AAK members, which are planning to open retail store was carried out. 4. AAK quarterly work plan was distributed. <p>On March 17, 2006 AAK organized and held the AAK Open house, in Jalalabat, dedicated to the 4th anniversary of AAK. About 400 people attended the expo, among them 120 females. Among officials there were: Agro Industrial Complex and Ecology Committee; Deputy Governor of Jalalabat oblast, the CEO of the Malaysian company “Ancomcropcare”, the AAK</p>	

Objective	Activities	Notes	Details	Planned Activities
			<p>Chairman, Executive Director, USAID, and the project COP. During the open house an exhibit of agro-inputs was held. 10 AAK members and representative of the processing company “Rahmonberdi” participated as exhibitors. Six new members joined AAK during the open house.</p> <p>In total 12 new members joined AAK during this quarter; 6 members have paid dues till the end of 2006;</p> <p>Contacted businessmen from Issy Kul oblast Mr. Almaz Emahunov, and Esenov Sagyndyk business people from Issy Kul oblast.</p> <p>Mr. Almaz Emahunov and Mr. Esenov Sagyndyk joined to AAK*</p> <p>Met with Mr. Bolotbek Kazakbaev manager of Azat Overseas company. He agreed to write an article and buy copies of the agribusiness newspaper,*</p>	
	KAED Credit Specialist is acting CFO for AAK—report actual paid members		<p>Provide a monthly report to the AAK Vice-Chairman on membership status</p> <p>Europlant company agreed to be an AAK member (affiliate member), sent him an invoice.*</p> <p>Kant MIS seed farm agreed to be an AAK member. Sent him an invoice*</p>	
	AAK Vice-President will act as Membership Chairperson—KAED will work with this person to grow the base	Provide a monthly report to the AAK Vice-Chairman on membership status	.	
Revenue Generation				
	Dues		\$438 (\$916)	
	Fee for service		\$742 (\$2330)	
	Cost sharing and participation fees		\$8170(\$9562)	
	Other revenue		Credit obtained \$7980 (\$14565)	

Objective	Activities	Notes	Details	Planned Activities
Advocacy and Lobbying				
	Round Table or other forum in the south			
	Round Table or other forum—national			
	Position papers on policy issues		Worked with Toktogul from SIDA project on seed registration issues. Provided him with AAK proposal on seed registration process*	
	Update policy matrix to track advocacy issues		Matrix has been updated	
Financial Progress				
	Asset base growth initial evaluation			
	Projected core operations and program costs (annual post donor)			
	Revenues as a % of costs—initial evaluation			

Annex 2. Agronomy Unit Report on Strategic Objectives of the Work Plan

Objective	Activities	Notes	Details	Planned Activities
Yield Improvement				
	Selection of locations for at least 3 fall planted TTC demos	Use AAK seed company locations where possible		Monitor the progress of the wheat fields and report accordingly.
	Selection of locations for at least 3 spring planted TTC demos	Use AAK seed company locations where possible		
		Selection of at least 2 fields for TTC demos in the North of the republic in 2006.	<p>For spring 7 fields were identified, 4 of them are AAK members fields.</p> <p>Three fields in the south are for corn, soy, potato and cotton will be planted near with wheat fields that were planted in autumn.</p> <p>One field in the north in the Kant region will plant corn, potato, sugar beet, and tomato.</p> <p>Met with the land owners and informed of the terms and conditions of arranging demo fields for the KAED project.</p> <p>2 vegetable fields will be planted in 2 southern oblasts.</p> <p>1 vegetable field in Osh for will be planted and managed for NUNHEMS company on fee basis</p>	
	Plant locations		Conducted planting of vegetable seeds to the hotbeds to prepare seedlings	
	Harvest locations		Conducted top dressing of the winter wheat on 4 TTCs	
	Process and distribute comparative information			The reports will be distributed among companies and also booklets based on report will be distributed after COP approval.
	Compare farmer results with and without inputs			Reports will be published in January 2006.
	Track yield reports from Ministry of Agriculture			

Objective	Activities	Notes	Details	Planned Activities
Economic Return Improvement				
	Track all input costs for TTC demos		Purchased 2 tons of fertilizer at 5,850.00 som per ton totaling 11,700.00 som Purchased potato seeds for TTC demos, from Nukok cooperative 135 kg for 2,100.00 som, and from German AgroAction. German Agro Action provided 70% of seeds free of charge and 30 % (75 kg) were bought for 1,500.00 som	
	Track of release price from farms.			
	Generate and distribute economic return information by each crop/variety		Presentation was made during regional meetings for AAK members. Distributed informational booklets	
	Economic comparison from on-farm results of users and non-users of improved inputs		Reports published in January	
	Generate comparison with general farm results	Basis Reports and/or Government Statistics	Reports were developed and distributed.	
New Varieties and Crops				
	Obtain wheat and maize varieties from CIMMYT			
	Seeds from local suppliers and bazaar or saved by farmers		Purchased vegetable seeds for TTC demos—tomato, cabbage, pepper, lettuce, from the Mukaramov seed farm (Kujand, Tajikistan). Also 2 varieties of soy, and 1 variety of fodder beets were purchased. Two local varieties of tomato received from local breeder from Scientific research institute of Kyrgyz Republic were purchased.	

Objective	Activities	Notes	Details	Planned Activities
	Seeds from potential international suppliers		Received seeds from NUNHEMS company and Agrimatko (local branch)* Agreed with Nunhems company on terms and conditions associated with arranging a Nunhems only vegetable field as a fee based service Negotiating with Europlant company to providing potato seeds for demonstration	
	Seeds from other donor projects		During AgroExpo conducted negotiations with “Seeds Technologies” (Israel), “Rosink” Ltd. (Russia), concerning CPPs; and mineral fertilizers “Kazphosphat” (Kazakhstan) The theme of negotiations was organization of demonstration fields for tomato sowing in the spring of '06. Seeds of four tomato varieties for 2 ha. All inputs were provided on a free trial basis. AAK will oversee the testing.	
	Share seed with state seed testing farms		Seven new cotton varieties from Nazili Institute (Turkey) have been tested in State Variety Testing plots. According to the results of a 2-year test, three potato varieties of German company “Europlant” will be included in the Public Register.	
	Track Registration of new varieties	Responsibility of commercial companies		
Field Day and Seminar Attendance				
	Winter seminars	Short modules at local meetings, collaboration seminars with RAS, TACIS	A 2 day Crop Protection products applicators certification program was conducted on 2-3 of March. 23 males and 5 female participants attended the seminar.	
	Field Day events at TTC for AAK	Three per TTC per season for AAK		
	Collaboration field days with other donor organizations at TTC demos	One or more per TTC demo per season		
	PSES training workshop			

Objective	Activities	Notes	Details	Planned Activities
	Meetings of Agronomy Unit		<ul style="list-style-type: none"> Conducted training on arranging demonstration fields for AAK members. 18 members participated. Agronomist met with JICA and TES center to discuss 2005 year results and plans for 2006 year joint work on cotton demonstration 	
			Presentation of TTC demo results were conducted during the village meetings. 94 participants with 9 females participated.	
Production and Distribution of Technical Information				
	Maintain library of technical publications		Article on fertilizer application was prepared and submitted	
	Design new publications as needed			
	Track distribution			
	Generating of crop growth and input certification program			
Mass Media Campaign on CPP Safety				
	Design and produce			
	Run			
Technical Brochures Distributed				
	Distribute through AAK existing brochures of other donor organizations	RAS, TES, NADPO, Sida, GTZ, AgFin+		
	Produce internal brochures and distribute through AAK	NPK Fertilizer, Maize production, CPP Safety and others as needed	Prepared informational brochures on the TTC demo results and distributed, among AAK members and farmers, nearly 586 copies.	
Media Campaign on CPP Safety				
	Select target audience	Possibly AgFin+ clients		
	Script the campaign	Possible assistance from international companies		

Objective	Activities	Notes	Details	Planned Activities
	Produce and place TV spots			
	Produce and place newspaper ads		Fertilizer application to winter wheat was overseen.	
	Produce literature for general distribution		Calendar supplement. In this calendar we have placed recommendations and rates of fertilizers for tomato, corn, potato and wheat.	
	Conduct round table or televised seminar		Pruning fruit trees.	
	Produce and place radio spots		Disease and pest control in orchards.	
Introduce Seeds From International Suppliers		Objectives: processing and analyzing opportunities		
	Invite suppliers to Osh	Nunhems, SVS +, Nickerson Zwaan, Syngenta	Conducted 2 meetings one for northern members and one for southern members with Europlant company on establishing business linkages. Total participants 5 AAK members and 2 potential members.	
	Establish sales outlets			
	Obtain samples	15+ kinds, varieties as recommended by companies	Vegetable seeds from Nunhems company were provided.	
Other Activities				
			Conducted training on arranging demo plots for AAK members. 18 AAK members attended.	
			Agronomist took part in a meeting with JICA and TES centre to discuss 2005 cotton demo fields results and plans for 2006. Met with TES centre on monitoring and production of cotton in 2006.	
			Prepared and submitted to TES centre final report for 2005 year results on cotton fields.	

Annex 3. Business Development Unit Report on Strategic Objectives of the Work Plan

Objective	Activities	Notes	Detailed Description	Planned Activities
Credit and Self-Investment				
	Assist clients in making credit applications	Fee based, on demand	Dehkanbaev H.—\$6,586.00 Tashirov Seed Farm—\$7,340.00 Jazy Dan seed Farm—\$640.00 Total of all applications was \$14,566.00	
	Where a member qualifies (i.e., legal activity inputs) support with credit guarantee funds and/or revolving credit funds	Fee based, on demand	1. During village meetings in three oblasts BDU team distributed information and leaflets on Credit programs for AAK members in 2006.	Continue informing AAK members on available credit sources and promote getting loans using CGF.
	Assist in joint procurement	Possible in fertilizer	Worked with TES Centre on 2006 contracts for its farmer groups. Total value of signed contracts between AAK members and TES farmer groups is 672,562.00 som. AAK received 6,876.00 som as a fee for the services payment. 20 farmer groups consisting of 205 farmers have been served through AAK.	

Objective	Activities	Notes	Detailed Description	Planned Activities
	Sub-sector trade missions in CAR		<p>Researched on possible trade missions and Expo in the region. See list below:</p> <ol style="list-style-type: none"> 1. AgriTek Astana Date: 1-3 March, 2006 Location: Astana, Kazakhstan 2. International AgroProdExpo 2006 Date: 26-28 October 2006 Location: Almaty, Kazakhstan 3. AgriTek Almaty Date: 25-28 April, 2006 Location: Almaty, Kazakhstan 4. International "AgroProdExpo" Date 12–15 September 2006 Location: Bishkek, Kyrgyzstan 5. AgriChina 2006 Date: 11-13 April, 2006 Location: Beijing, China 6. Dairy China—5 Date: 18-20 May, 2006 Location: Guangzhou, China 	X
	Individual business TA	Negotiated fee, on demand	<p>Assisted Kant MIS Seed Farm to develop a budget for bringing barley seeds for seed production according to the AgFin + project request. Kant MIS seed farm will produce barley seeds and AAK will be paid 1 som for each kilogram of produced barley seeds for its services.*</p> <p>Meeting with northern members for discussion possible ways of cooperation.</p>	Continue assisting AAK members on demand
	Preparation of business plan or feasibility study	Fee based, on demand	Developed a budget for Barley seed imports. Send to AgFin+ for approval.	
Legal Sale all Fert. Products		From 2003 Baselines		
	Track customs clearance	Available in January	Have sent letters to Osh, Jalalabat, and Batken oblast customs office requesting fertilizer import data. Osh customs office has replied.	

Objective	Activities	Notes	Detailed Description	Planned Activities
	Track actual procurement	Survey in November and December	<p>1. OshKrusteks Ammonium Nitrate—886 t Urea—511 t Ammophous—9.5 t</p> <p>2. Mr. Nasyrov Emil Ammophous—19 t. Potassium—9.6 t.</p> <p>3. Shakirova Habiba Ammonium nitrate—40 t Ammophous—15 t</p> <p>4. NAC Incorporation Ammonium nitrate—400 t</p> <p>Totally: 1890,1 t.</p>	Survey AAK members on sales on monthly basis
Legal Sale NPK Fert. Products		from 2003 Baselines		
	Tracking per above	Survey in November and December		X
Legal Sale CPP Products		From 2003 Baselines		
	Monitor local distributor activity	Survey in November and December	<p>Agrozoovetservice—\$14,588 Avilov Sabir—\$0 Yuldashev Hairulla—\$2,840</p> <p>Hazina Farm store (was not available) Tursunov Nurmahamat—\$300</p> <p>(Agrofighters farm store) Ak Chardak—\$500 AzatOverseas—\$2,000</p> <p>Totally: \$20,228</p> <p>Distributed GTZ tender forms for CPP purchase among AAK members in Bishkek.*</p>	Survey AAK members on sales on monthly basis
	Continue to contact international suppliers about setting up distributors	AgroExpo in December	<p>7 contracts have been signed. Value of those contracts in U.S. dollars is 27,000.00. Also 10 contracts are still pending.</p> <p>Negotiated with Europlant company on establishing distributorship in Kyrgyzstan. Europlant agreed to visit Kyrgyzstan and meet with AAK members and business people.</p> <p>Worked with ROSINK company on conducting seminar for AAK members. On 25th of January 2006-</p>	

Objective	Activities	Notes	Detailed Description	Planned Activities
			<p>seminar of “ROSINK” company on “Animal feed and bio supplement for cattle breeding and CPP”, was held in Osh, people attended- 25/5 female.</p> <p>On 26th of January 2006, seminar of “ROSINK” company on “Animal feed and bio supplement for cattle breeding and CPP”, Jalalabat, people attended- 21/0 female.*</p> <p>Visited Kyrgyz State Quarantine Inspection for the purpose of getting necessary documents for importing seeds of new varieties for demonstration purposes from Seeds Technologies company (Israel).*</p> <p>Worked with Europlant company to arrange a meeting in Bishkek and Osh.*</p> <p>Worked with MAY SEED GROUP to get a quote for royalty for cotton seeds left from last year yield for TES center.*</p>	
Increase Sale of Improved Seed		From 2003 Baselines		
	Track AAK member sales activities	Survey in November and December	<p>Pyak Ludmila—\$6,000.00</p> <p>Dmitrii Kham—\$8,500.00</p> <p>Oshkrastex Vegetables seeds—\$2,135.00</p> <p>Agrovetservice farm store Vegetable seeds—\$7,344.00</p> <p>Raihan Farm store Vegetable seeds—\$1,357.00</p> <p>Nasyrov E. Vegetable seeds—\$658.00</p> <p>Orumbai seed shop: Vegetable seeds—\$4,172.00 Alfalfa—150 kg</p>	Survey AAK members on sales on monthly basis

Objective	Activities	Notes	Detailed Description	Planned Activities
			Sainfoin—30 kg Barley—300 kg Wheat—500 kg Tashirov seed farm Cotton—40 tons Nukok cooperative Potato seed—250 tons Tameki seed farm Wheat seeds—51 ton Barley—16.5 Tobacco—189 kg Totally: Vegetables—\$30,166.00 Cereals—68.3 tons Cotton—40 tons Potato—250 tons Other—369 kg	
	Assist AAK members in marketing		Have sent to Lancaster International Trading company contact information of AAK members who are involved in CPP application in Osh and Aravan regions. This company is looking for people who work with CPP. Products for apricots.	
	Create “Quality and Guarantee” program to promote AAK members products			To open 7 new farm stores and put AAK logo on them, as AAK has a good image.

Objective	Activities	Notes	Detailed Description	Planned Activities
	Monitor state certification program		<p>1. Participated in a meeting between IFDC staff and ministry of agriculture representatives to discuss possibilities for future cooperation in arranging demonstration fields and developing those according State Seed Testing Committee (SSTC) standards. SSTC chairman Mr. Ten agreed to work close with AAK agronomy team.*</p> <p>2. Met Mr. Toktogul and received a project of a new seed law proposed to Parliament. He asked to review and give comments on the given document. Mr. Toktogul was provided complete authority to reprint the AAK proposal.</p>	
	Monitor market availability and prices	Applies to all products—fert., CPP, and seed	<p>Surveyed AgroExpo 2005 exhibitors on signed contracts.*</p> <p>Prepared and submitted price information for Inputs requested by TES for coming season.*</p> <p>Collected price information from AAK members in Bishkek.*</p>	Prepare price information on monthly basis
Establish Retail Outlet Shops		Year 4 = 6 new shops (14 total)	Opened a new farm store in Nookat region “Arrivo” with AAK logo usage	
	Provide credit facilitation for shops		Mr. Matanov Abdulla AAK member and “Oyatillo” farm store owner requested to take a loan for the development of his farm store. We have provided him with information and list of documents needed to get a loan.	X
	Use CGF in particular for shops			X

Objective	Activities	Notes	Detailed Description	Planned Activities
	Assist with design, stocking, marketing	Winter training programs for current and prospective farm store businesses; follow up training during season; introduction of animal feed products.	<p>Visited retail outlet shops in Jalalabat oblast the “Mir Semyan” shop, “Oytillo” shop. Shops are preparing for operations during the coming season.</p> <p>Worked with “Orumbai seeds” shop in Osh. Shop owner agreed to accept USAID representatives and show his business.</p> <p>Seminar for Farm Stores have been conducted on 14.02.2006 «New ideas on developing farm stores for agricultural sector with AAK dealers».22 participants.</p>	X
Turnover	Annual Survey	Goal is \$1,000 per shop annual	<p>Farm store turn over:</p> <p>Oyatillo—\$2,200.00 Osh Roza—\$1,200.00 Raihan—\$9,792.00 Agrofighters—\$6,120.00 Vectra—\$1,835.00 Dyikan—\$6,325.00 Hazina—\$2,448.00 Mir semyan—\$1,713.00 Orunbai—\$2,500.00 Priroda—\$1,470.00 Oshkrastex—\$10,036.00 Agrovetservice—\$5,613.00 Agrovetservice—\$6,120.00</p> <p>Totally—\$57,409.00</p>	
Product Diversity	Annual Survey	48 varieties of vegetables		
Establish Grades and Standards		Coalition effort needed with all members of the value chain		
Manage indoor and outdoor Expo			<p>Invited Bishkek companies to participate in Jalalabat fair. Following companies agreed to participate:</p> <p>Azat overseas Holland seeds Rosink Agrovita—4 sq.m.*</p>	

Objective	Activities	Notes	Detailed Description	Planned Activities
Contact affiliated trade associations to discuss management opportunities			Participated in the Local Market Development project meeting (cluster meeting). Presented planned activities for 2006 of AAK and KAED. Also invited other association for cooperation.	X
Develop certification program for crop scouting and input use, as well as business management			Assisted agronomy team to invite companies for the second round of certification program planned for 2-3 of March.*	

Annex 4. Media Unit Detailed Report

Agribusiness Monthly: Subscription 2006—995
 Circulation 2006—2,000

January Agribusiness Monthly Video Spot:

TV Pyramida	January 5-11
TV Osh 3000	January 5-11
Osh TV	January 5-11
Radio Pyramida	January 5-11

Video Spot:

AAK Open House	JTR	February 20 – March 16
AAK Farm Store	JTR	March, 2006
	Osh TV	March, 2006
	Pyramida TV	February 1 – 28, 2006
News on US Ambassador visit	Local TV companies (5)	News

AAK Sponsorship of “Weather Forecast:”

TV Pyramida: January 5, 2006 through January 5, 2007 (1 year)

Jalalabat TV March 1 through September 30 (7 months)

Annex 5. Value of Cost Sharing

Table 1. Value of Cost Sharing in US \$—2002

No.	Activity 2002	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
1	Association meetings/ member visits	2,086	1,372	854	1,168	2,790	1,228	1,092	10,407	5,010	1,381	272	1,212
2	Field days/advisory meetings					111	575	430	270	81	220	100	
3	Trade missions/ study tours			400			900						
4	Seminar attendance/ business counseling					100	380		400		329	6,272	270
5	Tenders, Trade Credit or Consignment												10,086
6	Media coverage		135		235		400		200		870	195	110
7	Credit obtained										2,174	2,118	3,260
8	Internships	750	1,500	1,500	1,500	1,500	750			7,000*	7,000	7,000	7,000
9	Grant obtained												
10	Domestic investment by entrepreneurs							235	251	1,804			467
11	Membership registration dues and fees for services			10	56	91	39	54	60	0	585	196	192
	Total US \$	2,836	3,007	2,764	2,959	4,592	5,022	1,811	11,588	13,895	12,559	16,153	22,597
	Accumulative Total US \$	2,836	5,843	8,607	11,566	16,158	20,430	22,241	33,829	47,724	60,283	76,436	99,033

*Intern funded by Government of Netherlands, Mr. Dilshod Abdulhamidov.

Table 2. Value of Cost Sharing in US \$—2003

No.	Activity 2003	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
1	Association meetings/member visits	3,359	1,500	96	1,449	2,487	115	320	5,961	885	1,602	507	594
2	Field days/advisory meetings					412	376	820		100		138	
3	Trade missions/study tours	18		1,006	2,520	8,000	6,050		36,000				
4	Seminar attendance/business counseling			2,636			1,836	178	432	672		3147	515
5	Tenders, Trade Credit or Consignment												
6	Media coverage	250	1,250	1,070	3,750	1,517	433	1190	135	950			
7	Credit obtained	6,000	8,000	14,000									
8	Internships	7,000*	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
9	Grant obtained						4,000*						
10	Domestic investment by entrepreneurs											100	
11	Membership registration dues and fees for services	611	584	160	182	645	353	424	709	76	175	197	44
	Total US \$	17,238	18,334	25,968	14,901	20,061	20,163	10,252	50,237	9,683	8,777	11,089	8,153
	Accumulative Total US \$	116,271	134,605	160,573	175,474	195,535	215,698	221,950	272,187	281,870	290,647	301,736	313,889

*TEMPUS grant.

Table 3. Value of Cost Sharing in US \$—2004

No.	Activity 2004	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
1	Association meetings/ member visits	3,505	2,559	1,175	319	1,689	1,299	1,966	8,764	4,975	844	540	2,790
2	Field days/advisory meetings			235		63	725	594	408	136			
3	Trade missions/study tours			2,700			70	900	900	1,000			
4	Seminar attendance/ business counseling			14	7,344		672	189					23,400
5	Tenders, Trade Credit or Consignment												
6	Media coverage	730	180	45	390	845	345	240	370			1,794	475
7	Credit obtained			12,940		1,200	11,820		2,365	1,182			
8	Internships	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,375*	7,375*	8,875**
9	Grant obtained						4,000					9,050	6,200
10	Domestic investment by entrepreneurs												
11	Membership registration dues and fees for services	694	717	554	223	212	350	902	34	1,000	1,127	6,683	3,319
	Total US \$	11,929	10,456	24,663	15,276	11,009	26,281	11,791	19,841	15,293	9,346	25,442	45,509
	Accumulative Total US \$	321,818	332,274	356,937	371,673	382,682	408,963	420,754	440,595	455,888	465,234	490,677	535,736

* = The media and public relations department has a U.S. Peace Corps Volunteer working on newspaper development on a part time basis (25% x \$1,500/month).

** = AAK has a full-time Peace Corps Volunteer working as a Small Enterprise Development officer (100% x \$1,500/month).

Table 4. Value of Cost Sharing in US \$—2005

No.	Activity 2005	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
1	Association meetings/member visits	1,146	1,084	687	1255	1762	1,380	273	5,971	1,041	871	3,420	402
2	Field days/advisory meetings						2,562	140	250	122			
3	Trade missions/study tours				900								
4	Seminar attendance/business counseling	327	579	2,812			164	284	328			2,100	
5	Tenders, Trade Credit or Consignment												
6	Media coverage		560	1,145	708	364	985	176			647	1,090	247
7	Credit obtained												
8	Internships*	8,875	8,875	5,375	6,360	5,720	3,800	1,500	5,000	5,316	0	0	0
9	Grant obtained												
10	Domestic investment by entrepreneurs												
11	Membership registration dues and fees for services	523	818	1,300	774	109	1,201	748	1,694	336	3,640	4,640	177
	Total US \$	10,871	11,916	11,319	9,997	7,955	10,092	3,121	13,243	6,815	5,158	11,250	826
	Accumulative Total US \$	546,607	558,523	569,842	579,839	587,794	597,886	601,007	614,250	621,065	626,223	637,473	638,299

*= The Intern funded by the Government of the Netherlands (Mr. Dilshod Abdulhamidov) spent several days working with the Winrock AgFin⁺ Project during these months. The cost share amount reflects a deduction from the base rate of \$7,000.00 per month according the number of days he worked there during any given month. Also included is the U.S. Peace Corps Volunteer working for AAK @ \$1,500/month).

Table 5. Value of Cost Sharing in US \$—2006

No.	Activity 2006	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
1	Association meetings/member visits	1032	360	8170									
2	Field days/advisory meetings	0	0	0									
3	Trade missions/study tours	0	0	0									
4	Seminar attendance/business counseling	589	0	185									
5	Tenders, Trade Credit or Consignment	0	0	0									
6	Media coverage	224	0	1400									
7	Credit obtained	0	6585	7980									
8	Internships*	0	0	0									
9	Grant obtained	0	0	0									
10	Domestic investment by entrepreneurs	0	0	0									
11	Membership registration dues and fees for services	0	0	0									
	Total US \$	1845	6946	17,735									
	Accumulative Total US \$	640,144	647,090	664,825									