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AFGHANISTAN SMALL AND MEDIUM ENTERPRISE DEVELOPMENT (ASMED)

ANNUAL REPORT 2009

Annual Report 2009

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ANNUAL REPORT 2009

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ABBREVIATIONS

ABA	Afghan Builder's Association
AIB	Afghan International Bank
AIRES	Agriculture, Rural Investment and Enterprise Strengthening
AISA	Afghanistan Investment Support Agency
ARFC	Afghanistan Rural Finance Center
AKF	Aga Khan Foundation
ACCI	Afghanistan Chamber of Commerce and Industries
ASMED	Afghanistan Small and Medium Enterprise Development
AWBC	Afghan Women's Business Council
AWBF	Afghan Women's Business Federation
BDC	Business Development Center
BDS	Business Development Services
BDSP	Business Development Services Provider
CSR	Corporate Social Responsibility
CTCC	Construction Trades Training Center
DIAG	Disbandment of Illegal Armed Groups
EDP	Economic Development Program
EPAA	Export Promotion Agency of Afghanistan
GDA	Global Development Alliance
MDG	Marketplace Development Grant
MOU	Memorandum of Understanding
MNC	Multi-national Corporation
NGO	Non-governmental Organization
NSDP	National Skills Development Program
NSP	National Solidarity Program
PMP	Performance Monitoring Plan
PRT	Provincial Reconstruction Team
SME	Small and Medium Enterprise
TLO	Tribal Liaison Office
VARA	Volunteer Association for Rehabilitation of Afghanistan
HUDO	Hewad United Development Organization
MDG	Market Development Grant

AICB	Innovative Consulting Bureau
CEFE	Competency Based Economies through Formation of Enterprise
ESDC	Entrepreneurship Skills Development Center
AWAA	Afghan Women's Agriculture Association
SPWA	Seed Producer and Wholesaler Association
FAO	Food and Agriculture Organization
PRT	Provincial Rehabilitation Team
MOU	Memorandum of Understanding
WPCO	Women's Public Call Offices
OLPC	One Laptop Per Child
NGO	Non-Government Agency
TMF	Turquoise Mountain Foundation
SIP	Structural Insulated Panels
RHL	Remote Hydro-Light
ANTCC	Afghan Norway Tueter Construction Company
ANI	American Nuristani Import International
ACCW	The Afghan Craft Carpets Weaving and Processing Company
ASFPC	A Sail Food Products Company
CCI	Chamber of Commerce and Industries

EXECUTIVE SUMMARY

ASMED supports private sector growth in Afghanistan with the ultimate objectives of small- and medium-enterprise development and job creation. Following approval of the project's two-year extension and the allocation of supplemental funding for continued programming, ASMED expanded technical teams and established a new Central Region office, enabling the project to increase the delivery of assistance to Afghanistan's private sector. Highlights of activities by program component are presented here.

COMPONENT I: IMPROVE MARKET INFORMATION

ASMED continued to support the participation of SMEs within key sectors, at regional, national and international trade fairs. Among these events, ASMED-supported enterprises attended Domotex Germany, the Northern Region Carpet Exhibition, and the Mazar Agfair. Exposure for SMEs at these events provides not only an education about new markets, but also achieves real, sustainable business deals and relationships. As a separate activity, ASMED supported the capacity of business associations to produce newsletters and marketing materials that disseminate actionable market information to member companies.

In May, the ASMED project sponsored the successful participation of Afghan SMEs at two trade fairs - the National AgFair in Kabul and Domotex Middle East's Carpet Exhibition. ASMED also continued to support business associations as they provide marketing materials and training support to member SMEs looking to improve market linkages. ASMED also conducted market assessments on carpet production in Bamyan and Panjshir and on women-owned and -managed businesses nationwide.

ASMED continued to sponsor the successful participation of Afghan SMEs at national and international trade shows - including the New York Trade Show, the ASMED-IDEA NEW Dried Fruits Producers and Trade Conference, and the Heart Handicraft and Fine Arts Exhibition. Preparations were made for the India International Trade Fair. ASMED continued its support of SMEs and business associations with its completion of an assessment of the Northern Region carpet sector, a business mapping survey in Uruzgan and an SME Identification Survey in Maiwand.

Building market linkages through participation in trade fairs is a key priority for ASMED. Direct contact with buyers and agents, particularly from distant end-markets, not only provides valuable learning opportunities for Afghan SMEs, but generates significant economic growth. This quarter saw further penetration of Afghan SMEs into new and existing markets.

Highlight: Inaugural SME Trade Fair in Kandahar

With assistance from ASMED, the inaugural SME Trade Fair was held in Kandahar in November. The trade fair brought together local and regional businesses, and attracted more than 3,000 visitors. The First Moscow Fair of Afghan Products, held in Moscow in December, opened up new markets for the marble, carpet, and dried fruits sectors, generating contracts in excess of \$15 million.

"The trade fair was a good opportunity for creating business deals, business-to-business meetings and knowing about local production. We hope similar programs will be ongoing in the future, and the local production will be developed both within Afghanistan and in international markets." - Eng. Abdul Baqi, Director of Afghanistan Chamber of Commerce and Industries – Kandahar

"This was really a wonderful event. I did good business deals and sold my products, but it was very interesting for me that I met many other businessmen. International companies promised

me they will find marketing opportunities for our goods and will try to obtain regular contracts for international markets.”

- *Haji Abdul Raziq, carpet trader*

COMPONENT 2: IMPROVE BUSINESS DEVELOPMENT & MANAGEMENT SKILLS

The BDS team worked to expand access to BDS services throughout the central region, offering new training series and support services in Parwan, Kapisa, and Panjshir Provinces. In Herat, a comprehensive survey of BDS providers was conducted to evaluate products offered and identify further, potential areas where ASMED interventions could be maximally beneficial in raising the sector’s performance. This survey revealed a rapid expansion in both the number of BDS firms operating and the diversity of services offered. Legal services to private enterprises were given special attention at a Commercial Contracts Roundtable, which brought together the local business and legal communities to discuss the importance of commercial contracting procedures.

ASMED furthered its support to Afghanistan’s BDS sector with its new and improved consultancy services. In training SMEs and business associations, and linking the private sector to effective consultancy services, ASMED has continued to work with a wide variety of firms, each with different capacities, technical foci, and geographic locations, which will improve product value chains.

ASMED also furthered its support of Afghanistan’s BDS sector. Working with consultancy firms, local associations, universities and ADTs, the project continued to develop and expand its training in business practices, management, marketing and agribusiness. In Jalalabad, ASMED convened a business matchmaking event and expanded its Business Development Center while finalizing its Kandahar Local Business Directory in the south.

BDS providers are vital for sustained and efficient private sector growth. ASMED continues working with consultancy firms, local associations, and universities to develop and expand training for SMEs in improved management practices, new investment and expansion, the introduction of new products and services, and the improvement of business productivity and profitability. Highlights include significant expansion of training activities to SMEs in the southern region, and continued support to the ASMED-established BBA course at Nangarhar University.

COMPONENT 3: STRENGTHEN BUSINESS ASSOCIATIONS

The ASMED project continued its work with two of its major, national business association partners, AMGPA and AWBF, both of whom held landmark conferences. The 2009 Marble Conference brought together the Afghan private sector, government ministries and international investors and financiers to hold a constructive dialogue on developing Afghanistan’s emerging marble sector. In February, the AWBF held its inaugural conference bringing together Afghan businesswomen, international companies, international donors and NGOs to identify the challenges of women businesses and coordinate solutions to effectively address them.

As major delivery conduits for training services, machinery and equipment grants, and other BDS services, associations have remained major partners in ASMED’s programming. These include national associations like AWBF and AMGPA, as well as lesser-known, locally based business organizations. These institutions provide ASMED the opportunity for improved coordination of its support for certain activities and greater scale of impact. Associations within targeted economic sectors receive greater levels of technical assistance and financial support.

ASMED continued its support of national associations such as the AWBF and the ACCI, as well as smaller, locally based business organizations including beekeepers, carpet traders, seed producers, food producers, saffron traders, and the handicrafts and gemstone sector. ASMED conducted a needs assessment of associations in Ghor Province, and plans for a Kunar Business Incubator are underway.

While continuing its support of national associations, ASMED also worked with smaller, locally based associations across the regions, assisting them to improve their services, representation skills and financial sustainability. Consolidating nascent associations into effective organizations is a priority for ASMED. ASMED works with each organization to define services and products that meet the needs of their members. We are supporting a range of activities across the regions, from the establishment of association incubators in the east, to assisting small artisan associations in providing vocational training in the west.

COMPONENT 4: GLOBAL DEVELOPMENT ALLIANCES AND GRANTS

The GDA team implemented several impactful projects and identified several more with great BOP potential for Afghanistan. However, due to pending contractual and financial issues, new initiatives were put on hold in February and March. The same was true of the Grants Department, who, because of outstanding contractual modifications, did not approve the issue of new grants. However, the Grants Department, in collaboration with M&E staff, began assessments of all Value Chain Improvement grants issued over the life of the ASMED project, identifying strengths and weaknesses of these activities, to better inform future interventions.

ASMED's GDA portfolio was consolidated with the arrival of the GDA Junior Advisor. Conferences were held in both Herat and Mazar-e-sharif to identify GDA opportunities in those regions. Despite the departure of the Senior GDA Advisor, the GDA team continued to build on the implementation phase of many existing GDAs. Specifically, the second season of Dream and Achieve has begun, and the OLPC and WPCO programs both expanded to include many new beneficiaries. As these projects have unfolded, their models of implementation have been updated as lessons learned are constantly integrated and reflected in improved project designs. Other exciting concepts currently in development include renewable energy applications for rural, powerless areas and access to low-cost pharmaceuticals. As with all other technical areas, the sector focus means several GDAs are also in development for the marble, gemstone, and carpet sectors.

Both the GDA and Grant teams implemented new processing systems and controls, making it possible to process a great volume of activities while improving oversight and compliance.

From October 2006 until the new systems were in place in October 2009, ASMED concluded 17 GDA agreements for a total value of \$3.7 million in a three-year period. Since October 2009, ASMED has concluded an additional 17 GDA agreements with a value of more than \$4 million in slightly more than three months. Similarly, where ASMED processed an average of 16 grants per quarter in the base period, in the last quarter alone, the team processed 24 grants with the average value of grants increasing from \$31,000 to \$57,000.

Highlight: Reviving Afghanistan's provincial markets

Last winter, the surface of Etifaq market was so thick with mud that traders and shoppers had begun to stay home. The market, in the northern city of Sherberghan, is a regional center of the Afghan carpet industry. Carpet producers come to Etifaq to buy raw materials needed to weave Afghanistan's world famous carpets, while traders come to the bazaar to buy rugs for sale in Kabul and beyond. The muddy, uneven surface had made trading almost impossible in winter.

Following a request from the Sherberghan municipality, ASMED began work on refurbishing the market as part of its Marketplace Development Grant program. The market was resurfaced, with new gravel and fresh concrete laid, making access to the 90 shops easier for customers and traders.

The refurbished bazaar was inaugurated in October. Thanking ASMED, Najib, a local carpet trader proclaimed, "We will have no more dust and mud in our market, and customers will more often visit our shops after this concrete work."



Refurbished Etifaq Market Inauguration Ceremony, Sheberghan city, Jawzjan Province (USAID/ASMED)

Highlight: Lighting up Jalalabad

Ten years ago, computers were hard to find in Afghanistan, and the internet was a world away. A decade on, the country still lags behind in access to computers and internet connectivity, but all that is changing thanks to a public-private partnership between ASMED, NATO, the La Jolla Golden Triangle Rotary Club Foundation (based in San Diego), Nangarhar University and a consortium of Afghan partners. The project, "Light Up Jalalabad", is bringing internet connectivity to education institutions in Jalalabad.

Internet access and training on how to use it is a problem in Afghanistan. Also limiting are the high cost of connectivity and computing equipment. ASMED is building computer labs with internet access at Nangarhar University, Nangarhar College of Education, Nangarhar Hospital and Medical School, five local high schools, as well as creating a centrally based internet café in downtown Jalalabad for use by local entrepreneurs.



Light up Jalalabad project completion Jalalabad City, Nangarhar Province (USAID/ASMED)

The groundwork has begun with refurbished computer labs at the Nangarhar Medical School and Nangarhar University's Faculty of Computer Science. With just a handful of functioning computers between them, the schools now have more than 70 new computers, as well as webcams, projectors, stabilizers and software. Internet connectivity is provided by NATO, linking all locations with one central server.

Highlight: Building classrooms of the future

After years of war, instability, and times when computer technology was banned, ASMED is bringing laptops designed to improve education into Afghan schools.

This classroom of the future is being piloted in Afghanistan today thanks to an innovative GDA between ASMED, OLPC, the Ministry of Education, the Ministry of Communication and Information Technology, Roshan Social Programs, and Afghan IT Company Paiwastoon Networking Services.



Afghan Children using laptops
(USAID/ASMED)

This successful venture improves Afghanistan's educational system and rebuilds the country's human capacity, creating opportunities for much-needed income-generating activities.

Highlight: Bringing Back Afghan Skills

During the years of instability, many of Afghanistan's carpet weavers and traders fled to Pakistan where they re-established their businesses and have remained to this day.

With the deterioration of security in Pakistan, notably in the Northwest Frontier Province, home to most Afghan carpet professionals, ASMED and the Afghan Carpet Exporters' Guild - Jalalabad (ACEG), are repatriating 108 Peshawar-based Afghan carpet traders. ASMED and ACEG have identified a marketplace for these businesses in Jalalabad, and will assist with their repatriation, furnishings, business management and advisory services, and the development of a B2B website for members of the association.

This initiative will not only benefit the carpet traders, but will bring back traditional Afghan skills, increase the export of Afghan-made carpets, attract more Afghan carpet professionals back to their homeland, increase carpet production and value-added services in the country's east, and provide an important economic impact in other service sectors that feed into the carpet sector.

COMPONENT 5: HUMAN CAPACITY BUILDING

Preserving a high rate of job placement, the ASMED project graduated interns in Kabul, Jalalabad, Mazar-e-Sharif, Herat, Kandahar, and Bamyan. Replicating the successes from other provinces, Bamyan's internship program was the first in the province. The ASMED program also began the first series of Mentorship Seminars, with ACCI as a partner in Kabul, Jalalabad, Mazar-e-Sharif, Herat, and Kandahar. At the end of the third quarter, Human Capacity, with M&E support, began a focus group to explore feedback from interns who had recently graduated from the Kabul program. The results of this focus group can be found in April 2009's Monthly Report.

The ASMED program has continued its successful implementation of its Internship and Mentorship programs. Interns continue to receive a high level of job offers, and mentor-mentee relationships continue to flourish as mentees build their professional networks and ambitions. Nangahrar Public University has trained new professors to continue its successful BBA program.

Building a professional, qualified workforce for continued private sector development is a key priority for ASMED. Our professional internship program supports practical business training for Afghanistan's private sector leaders of tomorrow. The program continues to expand, reaching into the less-secure provinces of the southern region. With no universities in Helmand, Uruzgan and Zabul, ASMED has adapted this successful activity to enable high school students in these

underserved provinces to learn the same skills as their university counterparts in other provinces. Programs for tertiary students began at Paktia and Baghlan Universities and continued at Kabul, Herat, Nangarhar and Balkh Universities.

With an extraordinary success rate in securing permanent employment for its graduates, ASMED continues to receive multiple requests from students and companies to expand this program. Plans are now underway for the internship program to begin at Faryab University in the next quarter.

Highlight: Rebuilding a professional workforce

After completing his studies at the Faculty of Education at Kandahar University, Aziz Ahmed joined ASMED's internship program and spent three months with a local construction company during his practical placement. His newly acquired skills in office administration and management led to an offer from Afghanistan's premier telecommunications company, Roshan, Afghanistan's leading cellular service provider. Ahmed is now Roshan's Agent Sales Coordinator for the southern region.

MONITORING AND EVALUATION (M&E)

PMP Ind	PERFORMANCE INDICATOR Indicator <i>(source of information)</i>	Region of Coverage	Qtr 01 10 October - December 2009			Cumulative Year 2010			LIFE OF PROJECT Totals		
			Target	Ttl	%	Target	Ttl	%	LOP Target	Ttl	%
Tier I Indicators											
II. BUSINESS DEVELOPMENT AND MANAGEMENT SERVICES											
Sub Immediate Result: Improve Business Development and Management Services											
2.1	50 BDS Firms Supported and Created <i>(BSP Reg Forms)</i>	TOTAL	5	1	20%	20	1	5%	50	1	2%
		<i>Central</i>	1	0	0%	4	0	0%	10	0	0%
		<i>Eastern</i>	1	1	100%	4	1	25%	10	1	10%
		<i>Western</i>	1	0	0%	4	0	0%	10	0	0%
		<i>Northern</i>	1	0	0%	4	0	0%	10	0	0%
		<i>Southern</i>	1	0	0%	4	0	0%	10	0	0%
2.2	10,000 businesses supported. <i>(Enterprise and Association Reg forms)</i>	TOTAL	750	577	77%	9000	8659	96%	10,000	8,659	87%
		<i>Central</i>	200	21	11%	2400	1002	42%	2,500	1,002	40%
		<i>Eastern</i>	181	130	72%	2175	2959	136%	2,500	2,959	118%
		<i>Western</i>	181	74	41%	2175	1394	64%	2,200	1,394	63%
		<i>Northern</i>	125	313	250%	1500	2594	173%	1,800	2,594	144%
		<i>Southern</i>	63	39	62%	750	710	95%	1,000	710	71%
2.3	1450 new SMEs created. <i>(Enterprise Reg forms)</i>	TOTAL	100	21	21%	400	21	5%	1,450	671	46%
		<i>Central</i>	19	0	0%	75	0	0%	230	82	36%
		<i>Eastern</i>	25	18	72%	100	18	18%	300	114	38%
		<i>Western</i>	25	2	8%	100	2	2%	340	144	42%
		<i>Northern</i>	19	1	5%	75	1	1%	460	318	69%
		<i>Southern</i>	13	0	0%	50	0	0%	120	13	11%
2.4	140 SMEs accessed bank loans/equity as a result of USG assistance. <i>(Enterprise Survey DB, Reg. and Survey Forms)</i>	Afghanistan-wide	5	0	0%	20	0	0%	30	100	333%

PMP Ind	PERFORMANCE INDICATOR Indicator <i>(source of information)</i>	Region of Coverage	Qtr 01 10 October - December 2009			Cumulative Year 2010			LIFE OF PROJECT Totals		
			Target	Ttl	%	Target	Ttl	%	LOP Target	Ttl	%
III. BUSINESS ASSOCIATION											
Sub Immediate Result: Formalize and strengthen business associations o create economic reform and maintain sustainability											
		TOTAL	19	1	5%	75	1	1%	225	1	0%
3.2	350 existing business associations supported	Central	4	0	0%	16	0	0%	50	0	0%
		Eastern	4	0	0%	17	0	0%	50	0	0%
		Western	4	0	0%	16	0	0%	50	0	0%
		Northern	4	1	25%	16	1	6%	50	1	2%
	<i>(Association Reg forms)</i>	Southern	3	0	0%	10	0	0%	25	0	0%
IV. PUBLIC-PRIVATE SECTOR ALLIANCES - GDA											
Sub Immediate Result : Establish private-public sector alliances to strategically invest in enterprises											
		TOTAL	\$3,000,000	\$9,031,943	301%	\$12,000,000	\$9,031,943	75%	\$36,000,000	\$22,849,740	63%
4.2	\$36 million leveraged through Private-Public partnerships (GDAs)	Central	\$750,000	\$265,305	35%	\$3,000,000	\$265,305	9%	\$7,540,000	\$2,054,492	27%
		Eastern	\$750,000	\$1,487,625	198%	\$3,000,000	\$1,487,625	50%	\$7,225,000	\$2,911,205	40%
		Western	\$750,000	\$222,005	30%	\$3,000,000	\$222,005	7%	\$7,575,000	\$2,049,875	27%
		Northern	\$500,000	\$6,835,005	1367%	\$2,000,000	\$6,835,005	342%	\$9,935,000	\$13,608,585	137%
	<i>(GDA Agreements)</i>	Southern	\$250,000	\$222,005	89%	\$1,000,000	\$222,005	22%	\$3,725,000	\$2,225,585	60%
V. HUMAN CAPACITY DEVELOPMENT											
Sub Intermediate Result: Build Capacity of Afghan work force to secure greater income through employment and improve performance of their enterprises											
		TOTAL	225	191	85%	900	191	21%	2,200	1256	57%
5.1	2200 internship opportunities provided	Central	45	66	147%	180	66	37%	500	368	74%
		Eastern	45	75	167%	180	75	42%	550	379	69%
		Western	45	0	0%	180	0	0%	400	184	46%
		Northern	45	50	111%	180	50	28%	350	205	59%
	<i>(Internship lists)</i>	Southern	45	0	0%	180	0	0%	400	120	30%
5.2	500 Graduates Trained in Sector Specific Skills	TOTAL	0	0	0%	150	0	0%	500	0	0%
	<i>(Graduate registration forms)</i>										

PMP Ind	PERFORMANCE INDICATOR Indicator <i>(source of information)</i>	Region of Coverage	Qtr 01 10 October - December 2009			Cumulative Year 2010			LIFE OF PROJECT Totals		
			Target	Ttl	%	Target	Ttl	%	LOP Target	Ttl	%

Tier II Indicators

ALL COMPONENTS

	TOTAL		75	184	245%	300	184	61%	600	184	31%
A	600 SMEs that have added value and/or diversified into higher value products and services as a result of ASMED assistance	<i>Central</i>	18	32	183%	70	32	46%	140	32	23%
		<i>Eastern</i>	20	55	273%	80	55	68%	160	55	34%
		<i>Western</i>	20	52	261%	80	52	65%	160	52	33%
		<i>Northern</i>	11	16	140%	45	16	35%	90	16	18%
		<i>Southern</i>	6	29	469%	25	29	117%	50	29	58%
	<i>(Enterprise Survey DB, Reg and Survey forms)</i>										
B	25% increase in number of clients of Business Development Service providers <i>(BSP Survey)</i>	Afghanistan-wide	25%	105%	420%	25%	105%	420%	25%	105%	420%
C	55,000 full-time equivalent (FTE) jobs created by USG supported activities <i>(Enterprise Survey DB, Reg. and Survey Forms)</i>	Afghanistan-wide	3750	3,067	82%	15,000	3,067	20%	55,000	37,579	68%
D	400 firms investing in improved technology as a result of ASMED assistance <i>(Enterprise Survey DB, Reg. and Survey Forms)</i>	Afghanistan-wide	50	153	305%	200	153	76%	400	2181	545%

Note: In the first three years of implementation, with COTR's agreement, ASMED used calendar years (January-December) for reporting purposes. Due to the original contract ending in October 2009, and because all project indicators and targets were tracked with that date in mind, ASMED proposes to adjust its reporting year to USAID's fiscal year (October-September) for the additional two years of its extended contract (2010-2011). Due to this change, and the adjustment of indicators, for 2009 there are two reports on the indicator results, one for the period January-September, and another for October-December.

ASMED Progress Towards Indicators - September 2009

PMP Ind	PERFORMANCE INDICATOR	Region of Coverage	LOP Totals, September 2009		
	Indicator		Target Committed	Project to date	%
	(source of information)				

III. BUSINESS ASSOCIATION

Sub Immediate Result: Formalize and strengthen business associations to create economic reform and maintain sustainable

		TOTAL	100	123	123%
		<i>Central</i>	18	9	50%
		<i>Eastern</i>	24	41	171%
		<i>Western</i>	22	30	136%
		<i>Northern</i>	27	34	126%
		<i>Southern</i>	9	9	100%
3.1	100 business associations established				
	(Association Reg forms)				
		TOTAL	225	251	112%
		<i>Central</i>	50	81	162%
		<i>Eastern</i>	50	99	198%
		<i>Western</i>	50	27	54%
		<i>Northern</i>	50	35	70%
		<i>Southern</i>	25	9	36%
3.2	225 existing business associations supported				
	(Association Reg forms)				
3.3	4,500 new members in business associations as a result of USG assistance	Afghanistan-wide	4,500	15,298	340%
	(Association Survey)				

IV. PUBLIC-PRIVATE SECTOR ALLIANCES - GDA

Sub Immediate Result : Establish private-public sector alliances to strategical

		TOTAL	37	19	51%
		<i>Central</i>	9	3.2	36%
		<i>Eastern</i>	9	2.2	24%
		<i>Western</i>	9	3.2	36%
		<i>Northern</i>	6	7.2	120%
		<i>Southern</i>	4	3.2	80%
4.1	37 private-public partnerships (GDAs) formed as a result of USG Assistance				
	(GDA Agreements)				
		TOTAL	\$5,375,000	\$13,937,797	259%
		<i>Central</i>	\$1,375,000	\$1,789,187	130%
		<i>Eastern</i>	\$1,375,000	\$1,423,580	104%
		<i>Western</i>	\$1,375,000	\$1,827,870	133%
		<i>Northern</i>	\$750,000	\$6,893,580	919%
		<i>Southern</i>	\$500,000	\$2,003,580	401%
4.2	\$5.4 million leveraged through Private-Public partnerships (GDAs)				
	(GDA Agreements)				

ASMED Progress Towards Indicators - September 2009

PMP Ind	PERFORMANCE INDICATOR	Region of Coverage	LOP Totals, September 2009		
	Indicator <i>(source of information)</i>		Target Committed	Project to date	%

V. HUMAN CAPACITY DEVELOPMENT

Sub Intermediate Result: Build Capacity of Afghan work force to secure

5.1	900 internship opportunities provided <i>(Internship lists)</i>	TOTAL	900	1,065	118%
		<i>Central</i>	180	302	168%
		<i>Eastern</i>	180	304	169%
		<i>Western</i>	180	184	102%
		<i>Northern</i>	180	155	86%
		<i>Southern</i>	180	120	67%
5.2	450 participants in Professional Learning Mentorship Program <i>(Participant lists)</i>	TOTAL	450	521	116%
		<i>Central</i>	90	159	177%
		<i>Eastern</i>	90	57	63%
		<i>Western</i>	90	106	118%
		<i>Northern</i>	90	100	111%
		<i>Southern</i>	90	99	110%

Tier II Indicators

A	1,275 SMEs that have added value and/or diversified into higher value products and services as a result of USG assistance <i>(Enterprise Survey DB, Reg and Survey forms)</i>	TOTAL	1,275	1,114	87%
		<i>Central</i>	300	145	48%
		<i>Eastern</i>	350	212	61%
		<i>Western</i>	350	33	9%
		<i>Northern</i>	175	679	388%
		<i>Southern</i>	100	45	45%
B	95% increase in number of clients of Business Development Service providers <i>(BSP Survey)</i>	Afghanistan-wide	95%	38%	40%
C	15,000 full-time equivalent (FTE) jobs created by USG supported activities <i>(Enterprise Survey DB, Reg. and Survey Forms)</i>	Afghanistan-wide	15,000	25,255	168%
D	3,500 firms investing in improved technology as a result of USG assistance <i>(Enterprise Survey DB, Reg. and Survey Forms)</i>	Afghanistan-wide	3,500	1,572	45%

PROGRAM COMPONENT I:

MARKET INFORMATION

FIELD ACTIVITIES – NATIONAL AND INTERNATIONAL

KABUL

Domotex Trade Fair 2009, Hannover, Germany

Domotex 2009, in Hannover, Germany, provided 26 Afghan carpet producers the opportunity to display their handmade carpet art in the world's biggest carpet trade fair. Domotex 2009, "The World of Flooring," brought together thousands of carpet traders Jan. 17-20, 2009. More than 1,300 flooring exhibitors from 60 nations participated. Afghan exhibitors were impressively displayed together under a custom-built stand constructed by the Turquoise Mountain Foundation, which featured traditional Afghan woodwork and architecture. An attractive display, beautiful carpet products, and a group of well-prepared Afghan traders, carefully selected from across Afghanistan, built on the success of the 2008 show, which produced an estimated \$14 million in gross revenue. Another successful showing this year continued to restore the place of Afghan carpets in the international marketplace and bolstered a positive image of Afghanistan's business climate. To facilitate Afghanistan's participation at this and similar trade fairs, the USAID, through its small and medium enterprise development project, collaborated with the Export Promotion Agency of Afghanistan (EPAA) to support the delegation's event admission, marketing, logistics, and other preparatory coordination. Surveys revealed direct sales of \$40,000 and future orders at approximately \$520,000. More information about the Afghan Exhibit at Domotex 2009 can be found at www.carpetpromotion.af

Preparations for 2010 Domotex Carpet Trade Show, Hanover, Germany

There were 21 Afghan exhibitors who participated in the ASMED-sponsored Afghanistan Pavilion at the Domotex Carpet Trade Show in Hanover, Germany Jan. 16-19. The group came to the ASMED Kabul Office in December 2009 to participate in a one-day marketing training with visiting short-term brand marketing consultant, Alan James. A lively discussion took place in which all the major steps in a marketing plan (market research, planning objectives for the show, developing a trade show marketing plan, and "Seven Steps to Effective Selling") were mapped.

Peace Dividend Trust (PDT)

In the first quarter, Peace Dividend Trust completed the final deliverables under its purchase order agreement with the ASMED project. These final deliverables were comprised of additional functionalities to the "Building Markets" website, a portal launched in May 2008 that provides opportunities for businesses to link to other businesses, buyers and suppliers. This platform now contains more than 3,000 local business listings, all with access to public tender announcements from international donors, NGOs and military procurement agencies. These announcements are also text-messaged to subscribers as part of an emerging campaign to support the local procurement of foreign consumers. The online procurement directory is constantly expanded and updated via the ASMED-supported call center, located within PDT's offices.

Kabul AgFair

The ASMED project helped Afghan traders participate in the Kabul 2009 AgFair May 20-22. The AgFair brought together business leaders from Afghanistan's agricultural sector from all across the country to display their agro-products to establish linkages to both national and international markets.

Overall, ASMED supported 40 companies (12 from Kabul, 10 from Mazar, 8 from Herat, and 10 from Jalalabad) to participate in the National AgFair. An ASMED survey revealed sales of the participating firms increased by 36 percent because of participation in this fair.



ASMED supported booths at Kabul AgFair
09
(USAID/ASMED)

Assessment of the Women-Owned Businesses

ASMED is assessing data on women-owned and managed businesses surveyed in 2008 by Synergy consulting firm. The survey covered six provinces (122 businesses) of Afghanistan (Kabul, Nangarhar, Herat, Balkh, Kandahar, and Badakhshan).

After reviewing the results of the survey, ASMED will soon develop a database development for the analysis, data entry, assessment tools development and a narrative report.

Assessment of the Beacon Consulting Report on Carpet Production in Bamyan and Panjshir Provinces

ASMED is working to assess and improve the carpet sector in Afghanistan and identify regions of Afghanistan that produce specific types of carpets. Through this effort, ASMED will understand the types of carpet, production capacity, trade canals and other businesses-intensive opportunities in Bamyan and Panjshir Provinces. Beacon Consulting Company began a survey in these provinces in January 2009. The market information component at ASMED helped with monitoring and evaluation of the final report and recommendations for improving the reporting system of future surveys.

Ongoing Activities:

Development of Radio Channel Concept

ASMED's Market Information Department has developed the concept of a business and economic information system in Afghanistan. Under this program, business-relevant and market information will be disseminated. The need for such a system is great in many sectors of the Afghan economy, including agribusiness and agricultural activities, where prices and costs fluctuate often without the knowledge of farmers in remote areas. Presently there is no similar program active in Afghanistan.

The concept of creating a business radio channel was developed through surveying all media centers in Afghanistan and Kabul, meeting with the most popular ones like TOLO TV and discussing the survey results and preparing the concept paper for this activity.

Trade Fair, New York City

ASMED sponsored the Export Promotion Agency of Afghanistan (EPAA) effort to send Khammohamadi Carpet Company to the New York Trade Show Sept. 20-22, 2009. Mr. Mohammadi represented the Afghan carpet sector at the "Afghan Allure" exhibit at the New York International Carpet Show promoting business opportunities in the Afghan rug sector. Other Afghan products, including jewelry, lapis bowls, tapestry and fashion design, were also on display in the exhibit, but the main display was devoted to Afghan carpets. Mohammadi was able to dialog with importers and retailers interested in Afghan rugs and products, make sales, distribute promotional materials and seek out prospective buyers/investors, and positively represent and advance the image of the Afghan carpet industry, solidifying relationships with U.S. rug businesses. The Afghan Allure exhibit was well-received by the visitors to the booth. The U.S. rug industry provided positive feedback, and some U.S. interior design magazines (Home Décor and Metropolitan Home) are interested in publishing articles on Afghan rugs. The EPAA will submit a final report on its achievements.

Index Interior Design Show, Dubai, United Arab Emirates

A highlight of the 2009 INDEX Interior Design Show, held in Dubai Nov. 14-17, was the ASMED-funded Turquoise Mountain Foundation booth. Eye catching items included intricate woodwork calligraphy panels, lattice screens, bookcases, tables and cedar and black walnut carvings, detailed calligraphy on large canvases, marble, carpets and textile samples. This was the third year Turquoise Mountain exhibited at INDEX, and expectations were very high. The show's greatest success was the exposure it provided to the lucrative Middle Eastern interior design market, generating interest from a large range of local and international interior design professionals. The TMF team sold most of its pieces for an approximate value of \$20,000. Most importantly, the contacts made at the show will translate into future work for Afghanistan's artisans.

FIELD ACTIVITIES – EAST

Marketing Materials for 35 SMEs/Associations

Most of the existing and ASMED-created Associations/SMEs need marketing for their products and services. They lacked marketing materials such as brochures, banners and visiting cards. ASMED is supporting the Yoon Network in producing marketing materials for 35 SMEs/Associations in the eastern region. The materials include brochures, two types of banners and business cards. In addition, marketing materials have been published and distributed for eight SMEs and/or associations since February 2009.

Web site Development for SMEs

A web site is a collection of related web pages, images, videos or other digital assets that are addressed with a common domain name or IP address in an Internet Protocol-based network. A web site is hosted on at least one web server, accessible via the internet or a private local area network. A web site is vital to promoting one's business locally or globally. Carefully planned and administered web sites can promote a company beyond the limitations of conventional advertising and localized promotional materials. By using the Internet and a web site, potential customers have access to a product, information or services 24 hours a day, seven days a week. A web site can even be used as an online store to sell and market products or services to those who don't have access to one's retail space. There are two types of websites:

Static Website usually displays the same information to all visitors. Similar to handing out a printed brochure to customers or clients, a static website will generally provide consistent, standard information for an extended period of time. Although the website owner may make updates periodically, it is a manual process to edit the text, photos and other content and may require basic website design skills and software. Visitors are not able to control what information they receive via a static website, and must instead settle for whatever content the website owner has decided to offer at that time.

Dynamic Website is one that changes or customizes content automatically and/or frequently based on certain criteria. The page composition is usually data-driven and collates information ad hoc each time a page is requested. The main purpose of a dynamic website is that it is much simpler to maintain a few template pages and a database than it is to build and update hundreds or thousands of individual web pages and links.

ASMED has supported many SMEs/Associations in various ways. Development of such web sites will provide market information promoting Eastern Regional products to national and international buyers. The Eastern Region has a competitive advantage in the production of agri-business products. These industries need assistance in identifying buyers outside of the Eastern Region and Afghanistan. A purchase order has been approved for Yoon Network to create two dynamic-type web sites for *Masroor Food Processing Company* and *Season Honey*. The web sites will serve as an online store to sell and market products or services to those who don't have access to retail space.

ASMED/IDEA-NEW Dried Fruits Producers and Traders Conference

ASMED, in conjunction with IDEA-NEW, hosted a Dried Fruits Producers and Trader Conference Aug. 11, 2009. Producers and traders throughout the Eastern Region attended. The goal of the conference was to identify the needs of the industry and to brief the participants of ASMED's role in the development of the region. After the conference, it was determined the most urgent needs of the industry were better roads to rural producers, and modern packaging and storage facilities to help local producers compete with Pakistani production.

Editions of Bi-Weekly Business Newspaper

ASMED supported the National Union of Craftsmen/Classes Association of Nangarhar Province to develop and issue a Bi-Weekly business newspaper publication titled *Workforce Assistance for Development & Achievement (WADA)* for six months. This paper includes promotional information on businesses in the eastern region. One hundred copies of the paper are published and distributed in the eastern region. The paper highlights problems of the business community as well as advertising products produced in the eastern region. It introduces SME - including producers, services providers,



Bi-Weekly Business Newspaper
(USAID/ASMED)

private businesses and companies - to marketing and advertisement, allowing them to encourage customers to buy their products and find contractors. This business bulletin is also garnering attention of key ministries to the problems within the business community. Seven editions of the newspaper has been published and distributed among the private and public sectors to date.

FIELD ACTIVITIES – WEST

Challenges & Opportunities for Women in Business Roundtable

A Roundtable was held in Herat Jan. 11 with leading women representatives of NGOs, government, business, health care and civil society. Attended by representatives of USAID and U.S. Department of State from Kabul and Herat, the discussions focused on possible support to women to upgrade their technical training, management & marketing skills, as well as improving access to financing and markets, allowing them to better capitalize on opportunities in the growth of the western region. Specific recommendations were developed which are being followed up by ASMED.

Afghan Marble & Stone Conference

Stone and marble companies in Herat were surveyed for the Marble & Stone Business Directory and informed of the Afghan Marble & Stone Conference March 24-26 in Kabul.

Women Handicraft Marketing Training

A two-day marketing training program March 3 and 4 in Herat was developed for 40 women, which grew to 70 due to positive demand. The Deputy Director of the ACCI, a well-known trainer and business consultant, conducted the training. The participants also were privy to a two-day Exhibition of Handicrafts.

Women Handicraft Exhibition

A two-day exhibition of women handicrafts was held March 5 and 6 at the Estiqlal Hotel in Herat. Opening day was attended by Governor Nuristani, U.S. Military, Deputy Director of Industrial Union, Provincial Director of Agriculture, Director of Culture & Information, U.S. Department of State and USAID staff. Media coverage by TV and radio from Herat and Kabul, including BBC, Tolo TV and others was also present.

Exhibition of Women Handicraft Producers

A two-day exhibition was held for women producers in Gouzara District and Injil District of Herat Province. Focused around International Women's Day (March 7 and 8), the exhibition highlighted women produced products for sale in the village and for purchase by shopkeepers in Herat. Held in Injil District, the exhibition was opened by District Governors of Injil and Gouzara Districts, Director of Culture & Information and advisor to the Governor for Culture.

Coordination Meeting between Yousufi Woolen Thread Producer and Turkman Carpet Weavers Association

Market linkages were established between a producer of thread and yarn and a user, Turkman Carpet Weavers Association. Preliminary information indicates yarn and thread can be used and sold to weavers through the association, directly from the producer, rather than weavers purchasing directly from the bazaar. Discussions are underway to offer 30-day net payment terms.

Handicraft & Fine Arts Exhibition in Herat

The New Community Development Organization (NCDO) conducted an exhibition with 70 Western Region vendors of handicraft and fine art at the Estiqlal Hotel in Herat Province. The opening ceremony was attended by a number of dignitaries, including Yousuf Nuristani, the Governor of Herat Province, the Director for Economy, the Director for Culture, representatives from ACCI and the Industrial Union. The 53 exhibiting booths included vendors from Herat, Farah and Badghis Provinces.

Impact of the activity:

- The introduction of handicrafts from the western region
- Identification of potential marketing linkages
- Attraction of potential donors and stakeholders in the handicraft sector
- Total sales of \$140 288, and 10 business contracts
- Agreements with the Women's Development Organization of Afghanistan (WDOA) to provide the training for SHGs and with shopkeepers in Herat city to buy saffron

- Contracts signed with the WDOA, Bano shop and Ahmad Saleem (a Kabul trader)
- WDOA 2 agreements with Badghis Association
- Aider signing three contracts with three private schools for the production of school uniforms

FIELD ACTIVITIES – NORTH

One of the key accomplishments was a significant promotion of carpet and handicraft sector in national and international arenas. The project supported traders and producers in various exhibitions in other countries. In particular, the project contacted several carpet traders and helped them in submitting documentation for attendance at the Domotex Carpet Exhibition in Germany in January 2009. The project also identified six firms to participate at Domotex Carpet Exhibition in Dubai, UAE, in May 2009.



Minister of Agriculture visits Mazar AgFair (USAID/ASMED)

ASMED organized the Northern Region Carpet Exhibition March 19-21 with close coordination of the Afghanistan Carpet Export Guild and Afghanistan Chamber of Commerce during the Afghan New Year. The event yielded an estimated \$34,000 in direct sales for all traders and an additional number of future contracts for carpets and gemstones. The Governor of Balkh Province, Ustad Atta Mohammed Noor, inaugurated the exhibition in a ribbon-cutting ceremony. In his inauguration speech, he thanked USAID and ASMED for their successful operation in the Balkh Province.

Balkh BDS Company with ASMED technical support held an Opening Ceremony Feb. 17. The Governor of Balkh Province, Ustad Atta Mohammed Noor, inaugurated the opening in a ribbon-cutting ceremony. The Ceremony was attended by private companies, provincial agencies, BDS Companies, local TV companies and others. A workshop for possible GDA opportunities was also conducted.

The project supported participation of nine private companies at the Mazar Ag Fair March 11. During the fair, the companies established business contacts with potential buyers and input suppliers.

Mazar-i-Sharif International AgFair & Cashmere Exhibition 2009

Mazar-i-Sharif 2009 AgFair and Cashmere Exhibition were held March 11-13 in Mazar-i-Sharif, Balkh Province. Farmers, private businesses, government officials, agricultural development programs, and association members exchanged ideas, formed partnerships and celebrated Afghan agriculture. International participants were invited from countries throughout the region, Europe, Asia, and North America. Afghan businesses, cooperatives, organizations, donors, ministry and government officials demonstrated the latest in agricultural techniques and explored potential business linkages.

Market information is a major component of the ASMED program. Attending/sponsoring such trade shows will provide market information that will help promote Eastern Regional products to local, national and international buyers. The Eastern Region has a competitive advantage in the production of marble, carpets, handicrafts and agro business products. These industries need assistance in identifying buyers outside of the Eastern Region and Afghanistan. A delegation of the agribusiness and marble companies (*Masroor Food Processing Factory, Sahil Marble Factory, Nangarhar Dry Fruits Sellers Association, Seed Producers & Wholesalers Association, Nangarhar Beekeepers Association and Afghan Women Agriculture Association*) were sponsored to attend to exhibit and find new markets for their products.

Carpet Sector Study

One of the key accomplishments was the completion of a study of current carpet production in northern Afghanistan. The study was conducted by Beacon Consulting, a local business service provider in Balkh. Findings included the identification of key players in the carpet sector and their production capacity. In addition, the study helped gather contact information for producing firms, and recorded the different carpet varieties of the Northern Region. The study also helped to identify the scale and quantity of carpet production - including all steps in the value chain beginning with the production or procurement of wool

thread and ending with the marketing of produced carpets in the bazaar. This information will be placed on the Afghan Carpet Exporters Guild web site, making it readily available for all interested in the sector.

Baghlan Cement Factory

Another key accomplishment was a visit to the Baghlan Cement Factory and identification of their challenges, particularly in marketing. ASMED will help the firm develop a viable marketing strategy through a BDS company.

FIELD ACTIVITIES – SOUTH

Agribusiness Seminar:

AICB, in collaboration with ACCI, arranged the first agribusiness seminar in Kandahar April 21, 2009. This seminar, funded by ASMED, CIDA and AICB, saw 96 people participate - including business associations, SMEs, farmers, associations, government departments, donor agencies and other stakeholders. The seminar had two groups work through the key challenges, solutions and opportunities. The findings were collected in five groups (traders, industries and process, livestock, horticulture and stakeholders). The finding report by AICB has been circulated to donors, stakeholders, GoA, AISA and ACCI. It included the opportunities for GoA, donor agencies and other stakeholders on how to support the agribusiness sector.

Women Handicrafts Seminar

AICB, in collaboration with the Department of Women Affairs, successfully arranged and completed the Business Sectoral Seminar Focusing on Handicrafts (especially women-related) May 25, 2009 in the DoWA conference room. In addition to 84 women, business associations, SMEs, donor agencies and other stakeholders also participated. The detailed report is being circulated by AICB, and a copy was sent to ASMED.



Women Handicrafts Seminar in Kandahar (USAID/ASMED)

Completed Activities:

SME Identification Survey in Maiwand

In partnership with the Hewad United Development Organization (HUDO), the ASMED project conducted a survey to identify small and medium enterprises in Maiwand District, Kandahar Province. The survey, conducted in July, helped to identify key areas for ASMED interventions. Through guidance from both ASMED and HUDO, the survey focused on bottlenecks, threats, opportunities and solutions for SME development in the district. Opportunities and solutions included information to assist the growth of the private sector in the district and other parts of Kandahar Province. The survey has been completed and HUDO submitted its final report to ASMED.

Private Sector Development Forum in Kandahar

With support from ASMED, CIDA, ACCI, and the Afghan Innovative Consulting Bureau, a meeting was held July 26, 2009 to establish a private sector development forum in Kandahar. Participants discussed opportunities for the development of the private sector and to maintain collaboration between the private sector, donor agencies, the GoA and other stakeholders. Twenty-six representatives of GoA departments, ACCI, business associations and SMEs participated. After thorough discussions, a committee was established for a coordination unit in Kandahar.



Business Mapping Survey - Uruzgan

A Business Mapping Survey was conducted in August in Tirin Kot, Uruzgan, through partnership with the Organization for Human Welfare (OHW). ASMED and OHW provided training



Business Mapping Survey in Tirin Kot City – Uruzgan (USAID/ASMED)

on how to conduct the survey and how to identify outputs. The survey had three main functions - meeting with GoA related officials; gathering key SMEs together and collecting information; and identifying key challenges and solutions. Information about SMEs in Tirin Kot has been compiled. The problems they face in growing their businesses have been identified, and key recommendations have been provided to ASMED. These include the provision of a storage facility, establishing a local business association, and providing business development and technical training. ASMED is working with OHW to respond to the needs of the private sector in the area.

PROGRAM COMPONENT 2:

BUSINESS DEVELOPMENT & MANAGEMENT SKILLS

FIELD ACTIVITIES – NATIONWIDE

BDS Sector Survey

In March 2009, the ASMED BDS department began the process of surveying business service providers (BSPs) operating in Afghanistan in order to develop a “BDS Sector Directory” to be shared with AISA, ACCI, and other organizations operating in private sector development.

Expanding BDS Sector

From 2006-2008, ASMED’s support to the BDS sector was focused on the traditionally defined BDS firms – business consulting and training firms. This provided a strong foundation for ASMED’s 2009 strategy to increase the capacity of the top BDS firms, and to develop the ACCA. However, this narrow definition of BDS firms limited ASMED’s ability to leverage the power of existing BDS firms to serve ASMED sectors and the broader SME market.

BDS firms can also be understood as firms that help existing SMEs to manage their businesses better, to introduce new products or services, to expand their businesses, to improve productivity and profitability and to address key bottlenecks in value chains. ASMED’s revised and approved PMP uses the following definition of BDS firms:

BDS Providers are defined as entities providing services such as market research, insurance, advertising, marketing, labeling, financial management, logistics, consolidation and transport services, new production technologies, customer service, accounting, business plan development, loan applications, human resources, and arbitration on either a full- or partial-fee basis.

ASMED’s work with this larger group of BDS firms has begun with the BDS Sector Survey. This survey will identify and register all firms providing the types of services listed above. It will also include a technical needs assessment of the “traditional” business consulting and training firms. The company information will be published in a hard copy and on-line BDS Directory, which will be housed with AISA, ACCI, PDT or another institution. The expectation will be to update the Directory annually. ASMED will commit to overseeing this update for 2010. In the second quarter of 2009, the BDS Sector Survey was completed in the Herat region.

FIELD ACTIVITIES – CENTRAL

Expanding Services to Central Region Provinces

ASMED continued to sponsor trainings and other BDS services in Parwan, Kapisa, Bamyān and Panjshir Provinces. The successful Charikar Municipal Training Center Business Skills Training Series is being replicated in Kapisa Province in collaboration with the Kapisa Chamber of Commerce and Industries, an ACCI chapter.

Parwan Province

ASMED continued programming in the Charikar Municipal Training Center, in collaboration with the Parwan Chamber of Commerce and Industries and the Afghan Women’s Business Federation Parwan regional office. ASMED sponsored four SME trainings:

1. SME Business Accounting
2. SME Business Accounting for Women
3. SME Marketing
4. Consumer Research / Market Research.

Kapisa Province

The Kapisa Chamber of Commerce and Industries contacted ASMED through the Kapisa PRT and requested ASMED's assistance in business training. ASMED has established a program based on the successful Charikar Municipal Training Center Series. Seven trainings have been contracted. In Q1, ASMED provided two trainings: SME Marketing and SME Marketing for Women.

Panjshir Province

ASMED and the PRT are jointly sponsoring a food processing training for women's associations in five locations in the Panjshir. All equipment has been purchased and, in collaboration with the Director of Economy and Director of Women's Affairs, five villages in five different districts were chosen: Jangalak (Bazarak), Qabazan (Rokha), Unaba (Unaba), Qala Surkha (Dara), and Kore Aba (Shutul). The classroom training has been completed and the practical training will begin in the next quarter.

Commercial Contracts Roundtable

The Commercial Contracts Roundtable was held at the Serena Hotel in Kabul Feb. 4, 2009. The conference was the first discussion on the topic of contracts since the fall of the Taliban, and was well attended with as many as 230 participants. The conference was funded by the ASMED program, and organized and presented by Rosenstock Legal Services, ASMED and the Afghanistan Chamber of Commerce and Industries (ACCI), the Lawyers Union of Afghanistan (LUA), the Afghan International Bar Association, and Social Development and Legal Rights Afghanistan. The roundtable allowed the members of the local business community, international donor community, and local legal community to discuss, identify, and understand how a more rigorous approach to contracting can improve the local business environment. The roundtable also identified challenges to facilitating a more rigorous approach to contracting in the local business community, which will serve as a roadmap to a more comprehensive attempt to address these challenges. Since the conference, ASMED has committed to completing three activities requested by the participants: the creation of an English/Dari/Pashto legal dictionary; a more in-depth training on contracts; and a training on creating and managing joint ventures.

In the second quarter of 2009, ASMED began implementing several aspects of new strategic support to the BDS sector. There have been several new initiatives led by the BDS sector. ASMED has continued to focus on improving the quality and diversity of services offered by these firms, while contracting top firms to conduct a variety of direct BDS services. In addition, we have expanded our definition of BDS firms to include a wider variety of business services that support the growth of key ASMED sectors.

NEW BDS INITIATIVES

Afghan Consulting Companies Association (ACCA)

The Afghan Consulting Companies Association held its inaugural meeting, electing an interim Board of Directors and initiating work on the Association by-laws and strategic plan. The objectives of the association are to improve the quality and diversity of services offered by existing firms, to promote the sustainable growth of the sector, and to advocate for the sector's interests with donors, government, and other stakeholders.

Turquoise Mountain Foundation Business Skills Trainings

ASMED has provided on-going support for the artisan students of Turquoise Mountain Foundation. These skilled artisans, upon graduation, will be supported in starting their own small businesses. An ASMED partner BDS firm, CEFE ESDC, has conducted two years of Basic Business Skills trainings for 150 students. CEFE ESDC is currently offering the third training to 80 students over a 10-month period in 2009. The training includes sessions on Basic Business Concepts, Accounting, Marketing, Microfinance, and Total Quality Management.

Tajiran-e Jawan (Young Entrepreneurs) Training

Tajiran-e Jawan is a non-profit project sponsored by ASMED BDS partner Fasilit Consulting. Tajiran-e-Jawan's mission is to support youth entrepreneurship in Afghanistan through training, coaching and a variety of business development programs targeting high school and vocational school



Tajirane Jawan Training in Kabul
(USAID/ASMED)

graduates. ASMED has supported the summer pilot program, which trained 15 women graduates of the Afghan Vocational Technical Institute. The curriculum includes practical training in idea generation, how to evaluate a business idea, and how to implement a new business. Other Tajiran-e-Jawan services include one-on-one coaching, networking, continuing education, and one-month internships.

AJEER SME Business Magazine

AJEER Business Training Institute was established by an ASMED BDS partner firm (CEFE ESDC), and now provides a wide variety of services to the SME sector. ASMED has supported the development and publishing of the first three issues of AJEER Business Magazine: Increase Your Business Income. Two thousand copies of the first two issues of this high-quality publication have been distributed. The magazine is in English and Dari, and has included articles on conducting business in Afghanistan, Islam and business, business opportunities in Saffron, management as the key to success, and contract enforcement in Afghanistan.

Capacity Building for BDS Firms

Association Management and Leadership Training of Trainers

ASMED conducted a critical training of trainers that will add significant value to both the Business Associations and Business Development Services components. This training in Association Leadership and Governance was conducted for 14 staff people from ASMED partner BDS firms. It presented a comprehensive approach to forming, leading and governing business associations, including chartering, strategic planning, communication, and conflict resolution. The training was created and presented by ASMED national staff, supported by ASMED's organizational development consultant Robert Stapp. The ASMED staff is now Master Trainers in this subject, and will be available for ongoing technical assistance to the BDS firms as they conduct this training for Afghan business associations. ASMED Master Trainers will also conduct this training in the ASMED regional offices for both ASMED staff and regionally based BDS firms.

Expanding BDS Services to Central Region Provinces

ASMED continued to sponsor trainings and other BDS services in Parwan, Kapisa, Bamyan, and Panjshir provinces. The successful Charikar Municipal Training Center Business Skills Training Series is being replicated in Kapisa province in collaboration with the Kapisa Chamber of Commerce and Industries.

Parwan Province

ASMED continued programming in the Charikar Municipal Training Center, in collaboration with the Parwan Chamber of Commerce and Industries and the Afghan Women's Business Federation Parwan regional office. In May, 29 participants received training in Human Resource Management, and 22 participants received training in Customer Service.

Kapisa Province

The Kapisa Chamber of Commerce and Industries contacted ASMED through the Kapisa PRT and requested ASMED's assistance in business training. ASMED has established a program based on the successful Charikar Municipal Training Center series. A total of seven trainings have been contracted. In Q2, ASMED provided two trainings: SME Business Management for Men, SME Business Management for Women and Business Accounting for SMEs.

In addition to the Training Series, ASMED also sponsored Association Management training for the Kapisa Carpet Producers Association and the Kapisa Beekeepers Association.

Panjshir Province

In the Panjshir, the strong agricultural base demands assistance with increasing value in the fruit sector. ASMED and the Panjshir PRT have contracted with a BDS firm, WDOA, to provide food-processing training to women's associations in five locations in the Panjshir. The training began in February 2009 and finished in July 2009. One hundred beneficiaries learned food processing (jams, juices, tomato paste, dried fruits and vegetables) and marketing skills. To date, tools and equipment have been provided to the five Food Processing Centers in Panjshir province. The BDS firm WDOA provided the training to the village trainers and now the women are able to produce the following:

- 12 different types of Jams.
- Canning of different fruits and vegetables.
- Tomato paste and ketchup.
- 3 different types of Pickles made from different 15 types of vegetables.
- 12 types of syrup from squashes and different fruits.
- Drying of different types of fruits through sulfur.
- Drying of different types of fruits through PMS.
- Drying of different types of vegetables through sulfur.
- Drying of different types of vegetables through PMS.

WDOA staff is working to improve quality control, packing and packaging of the products. Marketing is going well, with 2,500 bottles of product sold, with total revenue of \$1,460. WDOA also provided training on recordkeeping and marketing for the women.

Gemology Training

From April 29 to May 10, 2009, USAID/ASMED conducted Afghanistan's first gemology course. Taught by legendary "gem-hunter" and gemologist Gary Bowersox, the course trained 30 participants (15 women) from Kabul, Panjsher, Nuristan, Kunduz, and Bamyan Provinces to recognize the difference between real and synthetic gemstones. The course allows Afghan jewelers and gemologists to guarantee gem authenticity in order to build trust with clients, increase profits, and strengthen Afghanistan's gemstone industry.

Additional classes are planned. These classes will serve Afghan men and women who are pursuing gemology teaching as a career, and those planning to gain further qualifications in the field for employment at the proposed Allied Training Centre of the British Gemological Association in Kabul and the future Kabul Gem Laboratory.



Gemstone Training students demonstrate the use of new gemology equipment May 3, 2009 (USAID/ASMED)

Dream and Achieve Success Stories

ASMED reviewed the results of the Dream and Achieve contestants from 2008, in preparation for the new season. Eight of the top 20 contestants had notable improvements in their businesses, and ASMED compiled this information for use in the promotion of the new season and for USAID Success Stories.

BDS Firms Add Value to Kabul AgFair 2009

ASMED staff and two ASMED partner BDS firms provided a seminar at the Kabul AgFair in May. The seminar provided information to interested businesses (many supported by other USAID projects) about starting a business in Afghanistan, and on the use of internet marketing. This seminar was an opportunity for agricultural producers and processors to be introduced to the "business side" of their businesses, and to identify potential avenues of support (ASMED and private sector BDS firms). The ASMED GDA project with Paiwastoon (providing support to entrepreneurs in the IT industry) played a key role in this seminar.

Public – Private Sector Working Group for Marble

Maximizing the momentum established by the Afghan Marble Conference 2009, the Afghanistan Marble and Granite Processors Association (AMGPA) continued to hold working group meetings with the Ministry of Mines staff to encourage legal and regulatory reform as suggested by national and international participants in the conference. The continuation of these meetings is a positive result of the conference and a positive indication of the Ministry of Mines' consideration of the interests of the private sector.

ACTIVITIES

BDS sector survey conducted in Kabul.

Fadilat Consulting Company conducted a BDS sector survey in the Central Region and identified 150 BDS firms operating in Kabul. The purpose of survey is to identify business service providers operating in the region and develop a BDS Directory for all BDS firms operating in Afghanistan.

Turquoise Mountain Training

The CEFE-ESDC is implementing BDS training courses for 80 participants who are students of calligraphic, carpentry, art and pottery at the TMF. The training program is considered very important to the trainees who have started or intended to start their own business.

The training is for 12 months and will increase skills of business development of the participants and they will be able to start and develop their own businesses successfully. CEFE-ESDC has completed 10 months of training.

FMFB Clients follow up report

ASMED supported four-day accounting training for 15 SMEs who are FMFB clients. Following the accounting training, CEFE-ESDC conducted two follow-ups to report changes. The follow-up indicates that all the trainees are keeping track of their daily financial records effectively.

Support to AJEER magazine

The third edition of AJEER Business Magazine was published with ASMED support. AJEER Business Magazine is the first sustainable and profitable business magazine in Afghanistan, with more than 4,500 copies sold and distributed nationally. The publisher is enthusiastic about expanding his business boundaries through AJEER magazine into targeted national markets such as Mazar Sharif, Herat and Jalalabad Cities, for the purpose of developing business awareness nationally, as well as increase in sales.

Accounting and QuickBooks Training for AWBF

This training, held Oct. 10, 2009, developed capacity of Afghan Women Business Federation in the field of financial management, covering the development of standard operating procedures for the finance, procurement and retail store financial management. QuickBooks training was provided to four key members of AWBF operating in AWBF financial works.

BDS Sector Survey

As part of its nationwide survey of BDS firms, ASMED partner, the Fazilat Consulting Group, has identified 235 BSPs operating in Kabul. These comprise of 52 consulting companies, eight translation services providers, six media service providers, 29 legal firms that provides legal support for private companies, 48 printing presses, 18 internet service firms developing professional websites for market development purposes, 37 firms providing secure storage facilities for imported goods, four firms providing construction materials testing facilities, and 33 goods transportation firms.

Business Skills Training for 80 TMF Students

ASMED partner CEFE-ESDC, conducted business development courses for 80 students of calligraphy, carpentry, art and pottery at the Turquoise Mountain Foundation (TMF). The training program was designed to assist the trainees in starting their own businesses. It covered 4 different modules of Business Planning, Marketing, Accounting and Finance. Based on the students' levels of understanding, CEFE-ESDC divided participants into eight groups and developed the training materials and training methodology according to their levels of education and understanding. This 12-month training ended in January, 2010

The division of groups and their subject are as follows:



Planning the BDS Sector Survey, Kabul
(USAID/ASMED)

No	Groups	Modules Taught	No of Students
1	Carpentry First Group	Marketing and Business Planning	8
2	Carpentry Second Group	Business Planning, Marketing and Financial Management	12
3	Ceramics First Group	Marketing and Business Planning	4
4	Ceramics Second Group	Financial and Marketing Management	6

5	Jewelry First Group	Marketing and Business Planning	11
6	Jewelry Second Group	Accounting, Marketing and Financial Management	15
7	Calligraphy First Group	Marketing Management and Business Planning	14
8	Calligraphy Second Group	Accounting, Marketing and General Management	10

Microsoft Certification Training

Since July 2009, ASMED has been supporting five employees of national and international firms in Microsoft Certified System Engineering (MCSE) training as a way of increasing IT capacity in Afghanistan. The training continued this quarter with participants successfully completing exams in Windows XP Professional 70- 270, Windows Server 2003 environment 70- 290, Windows Server 2003 Network Infrastructure 70-291, Windows Server 2003 Network Infrastructure 70-293, and Windows Server 2003 Active Directory Network Infrastructure 70-294.

The trainees are now studying for their sixth exam in Internet Security Acceleration. This training was completed Jan. 15, with the final examination completed in February.



MCSE training, Kabul
(USAID/ASMED)

FIELD ACTIVITIES – EAST

BBA Teacher Training Program:

The first semester of BBA teacher training program was completed on Feb. 28, 2009. During this semester, eight Economics' Faculty instructors were trained in four BBA subjects: Principles of Accounting, Macro Economics, Principles of Marketing and Business Law. These instructors are supposed to teach BBA students in Nangarhar University. It is important to mention that BBA was initiated with the financial and technical support of ASMED has been approved by the ministry of higher education and now it is a permanent department of the Economics Faculty in Nangarhar University.

Business Development Centre (BDC)

A BDC management contract has been awarded to Comprehensive Business Services (CBS). There will be six organizations operating in the facility including two finance companies (AFG and AFC), two business services consultants (ABS and CBS), the Export Promotion Agency of Afghanistan (EPAA), and the Afghan Women Business Federation (AWBF). The combination of all six organizations will contribute a great deal in the business development in the region.



A Session of the BBA Teacher Training
Program in Nangarhar Province
(USAID/ASMED)

Other Activities in the Eastern Region:

- Afghan Craft Cut & Wash Facility: The facility has evolved a lot in the last three months in terms of new construction in the factory in order to achieve the desired goal of production.
- Feed Mill: The feed mill operated has improved the quality of the feed to great extent.
- Aimal Carpet Weaving Center Kunar Province: This Company has been provided with new looms. They have started production.
- Gemstone Training: A two-month training of gemstone cutting and polishing is being conducted for 28 trainees - including 10 females.

- **SME Development Program:** This initiative will help SMEs/businesses in this region to become sustainable and competitive both locally and regionally. In addition, this activity will identify, assist and prepare SME's for possible financial and/or technical assistance from international donors including ASMED.

Opening Ceremony for Honey Processing and Packaging Facility

The first honey processing and packaging facility started its operation with a ribbon cutting ceremony in Jalalabad city on May 12, 2009. Director for Economics in Nangarhar, government officials Nangarhar and Laghman province, directors and members of Nangarhar, Kunar and Laghman beekeeper associations and honey traders from Jalalabad and Kabul supermarket participated in the event.

This facility will play a vital role in the development of the beekeeping sector in the eastern region of Afghanistan. With this modern honey processing capabilities, Afghan honey producers in the region will be able to produce consistently high-quality honey to both domestic and the international markets.

Prior to the establishment of this honey facility, most raw honey produced in the region was exported to Pakistan. There, the honey was processed and exported to Afghanistan as much more expensive and finished Pakistani product. This was significant economic loss in the region and the establishment of the facility will expand the “Made in Afghanistan” brand.

ASMED has supported the establishment of this honey producing facility financially and technically through the Nangarhar Beekeepers Association.

Nursery Development Training

ASMED helped to provide a three-day technical training to members of the Nangarhar Nursery Grower Association on Nursery Development/Nursery Management in the Association Incubator in Jalalabad City June 7-23, 2009. Sixty members from Behsood, Kama, Chaparhar, Surkhrud and Bati Kot districts of Nangarhar Province learned new and modern techniques of grafting, cutting and irrigation. Through these new skills, members can improve which will have significant affect on their business.



Nursery Development Training in Jalalabad (USAID/ASMED)

BBA Graduation Ceremony

The Nangarhar Public University (NPU) awarded Bachelors Degrees in Business Administration (BBA) to 80 students June 11, 2009.

Three decades of conflict and a lack of investment in the education system has left Afghanistan's higher public education system in a poor state, unable to train a new generation of business leaders.

Understanding the need for professional business leaders, the ASMED project and the Nangarhar University signed a Memorandum of Understanding two years ago, laying groundwork for this educational opportunity to initiate Afghanistan's first BBA program. Since then, the Ministry of Higher Education accredited this first-year business degree program.

Prior to the course's inception, the masters-certified course instructors received further, specialized training from short-term technical advisors. These graduated students will play key roles in private sector development as they go on to lead different many different enterprises with a newly gained professional expertise in the fields of Business Management, Accounting, and Marketing.



Distribution of BBA Degree in Jalalabad (USAID/ASMED)

USAID's ASMED project provided financial assistance to the NPU's Economics Faculty to enroll 80 third-year students in the BBA program. Building the capacity of the Afghan young business leaders is a significant focus for ASMED.

Afghan Craft Cut & Wash Facility

The first carpet, cut and wash facility processed more than 6,000 square meters of carpet during the second quarter of 2009. The firm also opened a contact office in Kabul to attract more clients from other regions of Afghanistan. ASMED, through a Value Chain Improvement grant, financially supported the establishment of this firm in order to retain value chain profit in the carpet sector in Afghanistan.

Feed Mill

The Sabawoon Feed Mill achieved good results during the second quarter of 2009. The mill produced more than 200 tons of feed for a contract with the Food and Agriculture Organization (FAO). The mill has also signed a business contract with Amoo Limited, a poultry association in Mazar, to produce feed for them.

Business Development Centre (BDC)

Six different BDS firms were placed in the Jalalabad BDC to provide business services to regional businesses. The training program includes access to finance, business advocacy, business plan development, export-import and marketing.

Beekeeping Training, April 5 - May 28, 2009

ASMED supported a five-day technical training on beekeeping development and honeybee's healthcare and maintenance organized by the Agriculture Development Association for Afghanistan in Rodaat, Bati Kot, and Khogyani Districts of Nangarhar Province. The objectives of these trainings were to improve the beekeepers technical skills in honey production, and reduce honeybees' mortality rate.

In total, 140 beekeepers participated. The training aimed to:

- increase honey production to maximize profit;
- improve quality of honey production to compete with Pakistani and Iranian products in the market;
- inform beekeepers of different honey bees' diseases to reduce their mortality rate and;
- increase community employment and incomes.



Beekeeping Training in Rodat District (USAID/ASMED)

General BDC

The Business Development Center (BDC) in Jalalabad is an ASMED-supported office that is home to several different Afghan financial service companies. The business development firms at the BDC have assisted local SMEs to secure loans, win grants, and develop better business practices.

Two new firms, Pioneer Business Development Services (PBDS) and Women Capacity Development Center (WCDC), moved into the BDC. With the addition of the new firms, the BDC is now home to eight local companies.

BDS-SME Matchmaking Event in Jalalabad

The first of several scheduled Business Development Sector–Small and Medium Enterprise (BDS-SME) matchmaking events took place in Nangarhar in July. Many small businesses in Afghanistan struggle to find lenders willing to provide them with the capital necessary to keep their business profitable. Matchmaking events provide a unique opportunity for small businesses to meet with potential lenders. More than 70 participants, including banks, finance companies, and SMEs, attended the event.

SME Development Program

ASMED began the SME Development Program in March 2009. The program aims to provide technical and financial assistance to 35 SMEs located in the Eastern Region. ASMED is implementing the program through the Jalalabad-based CBS consulting firm. CBS's priority is to identify, and eventually find solutions for,



BDS/SME Matchmaking Event, Jalalabad (USAID/ASMED)

bottlenecks in the current business practices of the selected 35 SMEs. CBS will also assist these SMEs in obtaining the capital necessary to expand their businesses. In the first two months of the program, CBS collected market information and business data from the 35 selected SMEs.

This quarter marked the end of the first four months of the program. ASMED is currently waiting for CBS's progress report before beginning the final two months. The program's original aim was to help streamline the business practices of several SMEs in the Eastern Region, thereby increasing their overall profitability. CBS was, however, unable to receive full cooperation with most of the SMEs and as a result the SME Development Program has had little impact on local SME development.

BBA Teacher Training

Khorsan University held a one-day training course for BBA teachers Sept. 3, 2009. Eight professors from the Economics Faculty of Nangarhar University attended the training. The training will assist the professors better teach their own BBA courses at Nangarhar University. Specifically, the professors learned how to teach courses on project management and statistics. Overall the course will greatly improve the quality of teaching at Nangarhar University, which in turn will eventually lead to an overall increase in basic business knowledge throughout the province.

QuickBook Training

ASMED sponsored a QuickBook training course for 20 local SMEs in August 2009. The training was designed to help local SMEs institute more reliable accounting practices. Twenty students participated in the one-month course, including four instructors from the Economics Faculty of Nangarhar University. The university instructors hope to incorporate some of the QuickBook training they learned into their classes next semester. Most local SMEs rely on outdated accounting practices, which often make it difficult for them to obtain loans. The training will help improve the standard of accounting throughout the province.

Marketing Training

This quarter the Afghan Women's Business Federation (AWBF) conducted three separate two-day trainings on market development in Jalalabad. The first was held in July 2009, the second was held in August, and the final training was held in September and October.

The AWBF is a national organization created to promote the development of women's businesses in Afghanistan. The federation recently opened a regional office in the Jalalabad Business Development Center (BDC). During each training, a different group of fifteen local handicraft makers learned valuable skills from AWBF instructors on how to better market their handicraft products. Despite high demand, many local handicraft makers, especially women, often struggle to sell their products because of the lack of basic marketing knowledge. Trainings such as these will enable local handicraft makers to sell their own products.



AWBF trainings for women-owned SMEs, Jalalabad, Nanghar Province (USAID/ASMED)

Customer Care Training

In the third quarter 2009, the Laghman Institute of Management Studies (LEC) conducted a seven-day customer care training in Laghman Province. The training was intended for 25 participants, but LEC trained 47 students. The students came from various SMEs located in Laghman. Initially, the instructors divided the students into small groups to teach basic customer care theory. After the theoretical training, the students practiced various skill-building exercises with instructor supervision. Students learned various practical skills such as using body language and dealing with unsatisfied customers.

Website Development Training

ASMED helped facilitate a two-day website development training for two ASMED-supported SMEs located in Jalalabad Sept. 30 and Oct. 1, 2009. With the help of the Yoon Network, ASMED trained two SMEs, Season Honey and Masrouh Foods on how to develop and maintain a website that can be used to advertise and sell their respective products. The enormous marketing value of websites has the potential to dramatically

boost sales of the SMEs. ASMED had previously helped purchase equipment for both firms in order to expand production. ASMED's continued assistance with marketing will help these SMEs profit from their increased production.

Beekeeping Training in Nuristan

A five-day technical training on beekeeping development was conducted from June 28 – July 2, 2009 in the Nooragram District of Nuristan Province. Twenty-five participants studied beekeeping techniques and learned about the healthcare of honeybees. At the end of the training, each participant received five honeybee boxes to start their own business. A similar five-day technical training on beekeeping development was held July 5-9 in Want District, Nuristan Province for 25 additional participants. The trainings have been very successful at raising employment in rural districts by allowing participants to start their own beekeeping business at the completion of the program.

Nursery Management Training in Nangarhar

The Nangarhar Nursery Growers Association provided nursery development and management training July 22, 2009 to 60 of its members from different districts of Nangarhar Province. Participants learned plant growing techniques and management skills. The training helped increase the production capacity of plant growers which has, in turn, increased the overall plant production of the province.

Fish Farming Training in Jalalabad

The Nangarhar Fish Producer Association conducted fishery development training July 27, 2009 for 100 of its members. Fish producers from all over the province, including Bati Kot, Kama, Behsud, and Surkhrud Districts, attended the training. Participants learned valuable techniques about the healthcare of fish. The training has helped boost the production capacity of fish farmers, thus increasing the overall fish production of the province.

Joint ASMED – ADT Laghman Agricultural Training

The newly launched ASMED-Agribusiness Development Team (ADT) agricultural field days marks a unique and significant achievement in USAID collaboration with the DoD, Laghman PRT ADT, and Nangarhar University. Seventeen students traveled to the Laghman PRT Demonstration Farm Sept. 24, 2009 to learn about the principles of soil evaluation. The students learned the practical techniques farmers use in order to select the best soil for planting crops. Dean Bawary, the Dean of the Faculty of Agriculture at Nangarhar University, said the training was “very helpful because our students do not get enough hands on training.” The Nangarhar University Faculty of Agriculture no longer has access to a demonstration farm and, as a result, most of the students receive little practical training. The joint ADT-ASMED training project thus helps address one of the critical needs of the agribusiness sector in Nangarhar. Such instruction will help the university students become agribusiness leaders in their community and should help increase overall agricultural capacity in the province.



ASMED-ADT agricultural training, Laghman Province (USAID/ASMED)

The joint-program marks one of the most successful collaborations of ASMED and the U.S. military. Both ASMED and the Laghman ADT strive to improve the economic growth of Afghanistan in different ways. Training like the one conducted in Laghman show that, when combined, these different efforts have enormous potential. The security situation makes it difficult for members of the US military to freely engage with the local population, thus making finding students for training sessions nearly impossible. Thanks to the efforts of ASMED, however, the ADT instructors were able to share their vast agricultural knowledge and experience with the eager students ASMED selected from Nangarhar University.

The Laghman ADT instructors taught the class with the help of four graduates from the Nangarhar University Faculty of Agriculture. ASMED and the Laghman ADT had conducted a similar training session in July. Following the training, the Laghman ADT decided to employ four of the graduates as agriculture extension workers. As part of their work, the extension workers were asked to help with future ASMED-

ADT trainings. This train-the-trainer approach has greatly benefited the larger Laghman community as it has employed graduates of the training program in addition to helping new students learn valuable farming skills. With the help of the Laghman ADT, the program has resulted in both job creation and an increase in agricultural capacity.

Both the students and instructors are eager for the program to continue. Every two weeks, a new ASMED-ADT training session will be held at the Laghman PRT Demonstration Farm. ASMED hopes to replicate the program at other PRTs throughout the country.

Refurbishment of BBA Faculty Office, Nangarhar University

With ASMED's technical and financial support, the first BBA program was initiated at the Economics Faculty of Nangarhar University in September 2007, and accredited by the Ministry of Higher Education in 2008. The first class of 80 students graduated in August 2009. Two other classes are currently in progress.

As part of its support to the BBA department of Nangarhar University, ASMED provided the faculty office with basic office equipment (computer, printer, scanner, cabinets and office files).

Business Development Center, Jalalabad

The Business Development Center (BDC) is a business incubator located in Jalalabad that is home to a number of different Afghan business development companies assisting local SMEs in writing business plans, securing loans, winning grants, and developing better business practices.

ASMED supported the BDC's establishment through a grant and partial cost sharing with the goal of helping the BDC attain sustainability. The management and individual members of the BDC have benefited from financial support while learning to manage their respective service practices. ASMED has now closed out its support for this project and is confident of the future success of its beneficiaries.

BBA Teacher Training, Nangarhar University

In December 2009, eight instructors from the Economics Faculty of Nangarhar University completed training in four BBA business subjects: E-commerce, Financial Management, Total Quality Management and Statistics. This training was conducted by Khorasan University and allows instructors to teach these subjects as part of the BBA program initiated with the technical and financial assistance of ASMED East and accredited by the Ministry of Higher Education at Nangarhar University.



ASMED hands over new equipment to Chancellor Saber of Nangarhar University, Jalalabad (USAID/ASMED)

Handicraft Training in Jalalabad

During this quarter, through its partner, the Afghan Women's Social and Business Development Association (AWSBDA), ASMED held two handicrafts trainings for 40 women. The first training was delivered Sept. 25 to Oct. 10. During the six-week training, the women learned both business management and technical handicraft skills, assisting them in establishing their own SMEs in Nangarhar Province.



Handicraft training for AWSBDA, Jalalabad, (USAID/ASMED)

FIELD ACTIVITIES – WEST

Capacity Building for BDS Firms

The Herat regional office gathered a meeting of all Herat based BDS firms, to conduct a SWOT analysis similar to that done with Kabul firms in Q4 2008. Many results were similar, which was encouraging for the national development of the sector and coordination among BDS firms on an agreed upon agenda. The Western region firms were clearly interested and motivated to join with the Kabul firms in a national BDS association.

A few items that were of particular interest include:

- An emphasis on the role of BDS firms in facilitating access to finance
- An emphasis on the Government of Afghanistan as a potential market

In Q2 2009, the national BDS Specialist followed up with a visit to the Herat region.

ASMED has also created a proposal format for use by BDS firms in responding to RFPs from ASMED or other organizations.

OTHER COMPLETED ACTIVITIES:

Financial Management training program for private health clinics and private businesses

Business Management & Development Services (BMDC) conducted a 15-day program from Feb 7-22. The main goal of conducting this training was to boost the private clinics and companies finance staff capacity with new methods of accounting and financing in Herat province. Thirty students (21 men and nine women) from different private clinics and companies participated in the training.

Jacket Weaving & Design

Three days of training on improved production and designs for existing jacket weaving operation in Zinda Jan was conducted in February to increase sales and income for the 30 women weavers. Production includes apparel for women, men and children such as sweaters, jackets, vests, skirts. Increased sales are anticipated in the village and in Herat.

Marketing Training for Carpet Weavers

A Marketing & Design Training was conducted for 30 women carpet weavers in February from Injil District of Herat Province by Search Organization for Afghan Women (SOAW). The trainer also selected evaluator of students to produce orders for new carpets.

Initial Meeting of BDS Firms and ASMED BDS Specialist & Sector Lead

An initial meeting of principal BDS firms was held at ASMED for an introduction of the ASMED BDS Lead (Kabul), Catherine Johnston, and BDS Specialist (Herat), Fazl Rapi. Ten local BDS firms attended. Initial discussions were held regarding ASMED program of support for BDS firms, firm expectations of ASMED and SWOT analysis.

Silk Design Training

A three-day design-training program for 50 women silk weavers from Zinda Jan Women Social Vocational Association was completed in January. Zinda Jan is the leading silk-producing area of the Western Region, located 25 km. from Herat.

Bank Service Presentation

ASMED sponsored a presentation of credit and debit card processing to local members of the Afghanistan Carpet Exporters Union, carpet producers and other carpet sellers of Herat by Afghanistan International Bank and Bank Alfalah. The ability to conduct credit or debit sales should greatly expand sales to certain international and domestic buyers and at bazaars at military bases

ONGOING ACTIVITIES:

Mushroom Growing Training

A three-month training program of mushroom growing for 30 women started Jan. 25. This will provide supplemental income to the women following germination and harvest of the mushrooms. Marketing and sales of harvested mushrooms is being provided.

Business Plan Training

Conducted by one of Heart's best BDS firms, BMDC, this program continues, one hour per day, three days per week.

Association Formation in Ghor & Farah Provinces

Meetings with TRADE (Farah Province) and BaMSA (Ghor Province) held to finalize the budget of the establishment of new associations in each province and review security plan and proposed work and travel schedules. Travel started in March for both projects.

Completed Activities:

Bank Service Presentation

ASMED sponsored a presentation of credit and debit card processing to local members of the Afghanistan Carpet Exporters Union, carpet producers and other carpet sellers of Herat by Afghanistan International Bank and Bank Alfalah. The ability to conduct credit or debit sales should greatly expand sales to certain international and domestic buyers and at bazaars at military bases.

Marketing Training for Artists

A four-day training May 11-14, 2009, Afghanistan Chamber of Commerce and Industries conducted a marketing training for owners of the Art Instruction Institutes, Art Galleries, Art Associations and individual artists at Mili Gallery, Herat City.

Website Design Training

As part of a contract between ASMED Kabul and the Kabul based IT company Paiwastoon, 20 days of training was held at Herat University for 30 IT students to provide them additional skills which hopefully will facilitate their being hired by local firms or starting their own IT consulting firms. Completion Ceremonies were held May 31, 2009.

Revisions of Commercial Law

A one-day program for manufacturing and service companies in Herat on revisions to the Afghan Commercial Law was conducted on June 14, 2009. Thirty-five business people attended the event.

Tahmina Handicrafts Design Training

A 30-day training program teaching 30 women how to produce and market three dimensional "picture boxes", or "triangle plaques" was completed on June 17, 2009.

Financial Report & QuickBooks Software Training

Business and Management Development Center (BMDC) organized a training June 13, 2009 for 40 private sector industrial and non-industrial companies. The training will be partly covered by ASMED and 30 percent of course fee will be covered by participants as a way to prepare to sustain the BDS firm in the long term and to make students aware that they need to pay for these services in future. Future subsidies would be reduced.

Traffic Counting on Herat to Chishti Sharif Road in Herat Province

This three-week project has been completed. Organized to gather information on truck, bus and car traffic on the route from major marble mines in Chishti Sharif to Herat province, the information collected in this survey will be used to support requests for road upgrades needed for transportation of marble to more than 12 marble cut & polish companies in Herat.

Financial Report & QuickBooks Software Training

Forty participants attended this July training on business and financial management. The training program also covered QuickBooks, the software for financial management. By supporting the business development trainings, the ASMED project aims to build on the capacity of existing enterprises and help them manage their business more professionally and efficiently. In addition to ASMED's contribution, a notable feature of this training was that the participating firms contributed 30 percent of the course fee. This is an important step in sustainability as business firms need to be able to pay for training programs without donor support.

Food Processing and Tomato Paste Training in Karukh District of Herat Province

In this two-week training, implemented by Karukh District Cooperative, one hundred female and male beneficiaries learned tomato paste and food processing.

Media Training for ASMED Partners

Kabiri & Partners, a business services provider in Herat Province, conducted a media training Sept. 13-16, 2009 in Herat. Participants were selected from locally based SMEs working with ASMED. The training was designed to:

- help partners to develop media strategies;
- develop better relationship with media;
- demonstrate use of proper communication devices in public events
 - Advanced notice of events
 - Press Releases
 - Invitations to events
- introduce USAID and ASMED branding guidelines for sponsored events;
- demonstrate interview basics (training and filmed role playing interviews);
- utilize the internet for media relations (web site, web blog, e-mail Newsletters, etc.)and;
- identify the role of media in communications.

Green Shade Dried Raisin Processing Workshop

The ASMED project sponsored a raisin processing training from Sept. 5-6, 2009 in Zeyaratja Village in Herat Province. Zeyaratja is one of the leading villages for grape production. In order to protect the grapes from rotting and, instead, convert them to raisins, the ASMED project assisted the Zeyratja Village Farmers Cooperative in organizing the training workshop. As grapes have a short life span, they lose their freshness in an unprotected environment. Sixty gardeners learned new techniques on drying of grapes and producing raisins.

Tailoring and Design Workshop

The ASMED project provided a tailoring and design workshop for 50 female tailors from the Fateh Abad Village of Zinda Jan District in Herat Province. Participants were introduced to different methods used in designing and sewing cloths. This training will assist participants in improving their businesses, increasing their incomes and transferring new knowledge to other women tailors in their villages. Participants also received three electronic sewing machines to use in their businesses.

Training in Accounting for Construction Contracts

This 20-day training program began July 30, 2009, and covered basic accounting, inventory and construction contracts. The program was designed to enable construction companies to better control costs and perform financial reporting on contracts for USAID, UN, PRT, GoA and other donors.

ONGOING ACTIVITIES:

Rug Weaving Design and Production

Asia Support Foundation conducted a two-month training on Rug Designing for 15 women in Zandajan District of Herat Province. The training taught the women new and marketable designs which will increase the income and sales of their products. The training began Sept. 12.

FUTURE ACTIVITIES:

Silk Sector Survey

Silk is one of ASMED's priority sectors, particularly in the Western Region, where it has a long history. Many people, particularly women, are involved in different areas of the silk value chain, from seed growing to silken textile production.

In order to build a national strategy for this sector and prepare action plans for future activities, ASMED proposed a comprehensive silk sector survey to be conducted by RADAA. The survey will provide provincial information on seed production, processing and silk production and was contracted by September.

Herat Industrial Companies Accounting System Survey

After conducting a survey of the accounting needs of local industrial companies, ASMED implemented accounting training for 20 persons from different companies for twenty days. Local BDS firm BMDC began training Sept. 27.

FIELD ACTIVITIES – NORTH

The most important accomplishment was successfully redesigning training courses. With BDS companies close assistance, the project developed a new design for its training courses. Instead of three-day training, it was decided to have from 15- to 50-day training courses depending on the specific training subject, for two hours per day. Prior to approval, the project requires a short course syllabus, CV of trainers, schedule, and list of participants. The project also requested BDS Companies submit a letter from the company confirming the identity and position of the trainees.

Another vital factor for training approval by ASMED is a modern classroom. Each classroom should have proper training equipment and enough space for all participants. As a result, some BDS Companies made an investment in modern classrooms. Particular, Balkh BDS Company invited a number of qualified trainers from Pakistan to increase the capacity of local trainers. Also, Balkh BDS Company rented a private compound, purchased 12 computers, and flat screens, projectors and other training equipment. The project expanded the training courses to other provinces, including Takhar, Baghlan and Faryab Provinces. The request for business proposal was submitted to BDS Companies and the winner was selected based on best services and strong presentation in the province.

Balkh Province

During the reporting period, SINA BDS Institute and Balkh BDS Company held the training courses for SMEs and Associations as described below:

- *Business plan writing training:* Total number of participants was 20 from different SMEs and associations in Mazar-e-Sharif City. The training course was conducted Jan. 1-30 by Balkh BDS Company.
- *Business Computer training:* Total number of participants was 20 relevant staff of SMEs and associations in Mazar-e-Sharif City. The training course was conducted Jan. 20-Feb. 20 by Balkh BDS Company.
- *Business English training:* Total number of participants was 20 relevant staff of SMEs and associations in Mazar-e-Sharif City. The training course was conducted Jan. 20-March 20 by Balkh BDS Company.
- *Business accounting training:* Total number of participants was 20 relevant staff of SMEs and associations in Mazar-e-Sharif City. The training course was conducted Jan. 24-March 23 by Balkh BDS Company.
- *Business accounting training:* Total number of participants was 25 members of Mazar dried fruit association. The training course was conducted Jan. 25-March 24 by the SINA BDS institute.
- *GDA workshop and Balkh BDS opening:* Total number of participants was 70 guests, investors, traders, loan companies, associations in Mazar-e-Sharif City. The workshop was conducted Jan. 27 by the Balkh BDS Company in its compound.
- *Business Computer training:* Total number of participants was 20 relevant staff of SMEs and associations in Mazar-e-Sharif City. The training course was conducted Feb. 10-March 10 by the Balkh BDS Company.
- *Business accounting training:* Total number of participants was 20 relevant staff of SMEs and associations in Mazar-e-Sharif City. The training course was conducted Feb. 16-April 16 by the Balkh BDS Company.
- *Business Computer training:* Total number of participants was 20 relevant staff of SMEs and associations in Mazar-e-Sharif City. The training course was conducted Feb. 24-March 25 by the Balkh BDS Company.
- *Business Computer training:* Total number of participants was 20 relevant staff of SMEs and associations in Mazar-e-Sharif City. The training course was conducted March 4-April 4 by the Balkh BDS Company.
- *Business accounting training:* Total number of participants was 20 relevant staff of SMEs and associations in Mazar-e-Sharif City. The training course was conducted March 4-May 4 by the Balkh BDS Company.
- *Business marketing training:* Total number of participants was 25 members of Ariana poultry association in Mazar-e-Sharif City. The training course was conducted March 25-April 14 by the Azar BDS Company.
- *Business English training:* Total number of participants was 25 women entrepreneurs in Mazar-e-Sharif City. The training course was conducted March 25-May 25 by the Azar BDS Company.

Kunduz Province

Beacon BDS Company, held a training course for SMEs and associations as described below.

- *Business English training:* Total number of participants was 25 different SMEs and associations in Kunduz City. The training course was conducted Feb. 17-April 17.
- *Business Computer training:* Total number of participants was 25 different SMEs and associations in Kunduz City. The training course was conducted Feb. 17-March 17.
- *Business accounting training:* Total number of participants was 25 different SMEs and associations in Kunduz City. The training course was conducted Feb. 19-April 4.

Takhar Province:

Beacon BDS Company, held the following training courses for SMEs and Associations:

- *Business English training:* Total number of participants was 25 different SMEs and associations in Taloqan City. The training course was conducted Feb. 17-April 17.
- *Business Computer training:* Total number of participants was 25 different SMEs and associations in Taloqan City. The training course was conducted Feb. 17-March 17.

The new BDS Company registered Azar BDS. For the first time, the Azar Business Development Company held a roundtable meeting for the Khulm Bastan Leather Processors in Khulm district of Balkh province.

They also conducted accounting training for SMEs in Polikhumry City of Baghlan Province, two trainings on Marketing for the Poultry Association, and computer training for 25 different SMES in Mazar City, Balkh Province.

Balkh Province

SINA BDS Institute and Balkh BDS Company held the training courses for SMEs and Associations as described below.

- Business Accounting Training. Total number of participants was 25 members of Mazar dried fruit association. The training course was conducted Jan. 25-March 24 by SINA BDS institute.
- GDA Workshop: Total number of participants was 70 guests, investors, traders, loan companies, association in Mazar-e-Sharif City. The workshop was conducted June 27 by the Balkh BDS Company in its compound.
- Business Accounting Training. Total number of participants was 20 relevant staff of SMEs and associations in Mazar-e-Sharif City. The training course was conducted Feb. 16-April 16 by the Balkh BDS Company.
- Business Computer Training. Total number of participants was 20 relevant staff of SMEs and associations in Mazar-e-Sharif City. The training course was conducted Feb. 24-March 25 by the Balkh BDS Company.
- Business Computer Training. Total number of participants was 20 relevant staff of SMEs and associations in Mazar-e-Sharif City. The training course was conducted March 4-April 4 by the Balkh BDS Company.
- Business Accounting Training. Total number of participants was 20 relevant staff of SMEs and associations in Mazar-e-Sharif city. The training course was conducted March 4-May 4 by the Balkh BDS Company.
- Business Marketing Training. Total number of participants was 25 members of Ariana poultry association in Mazar-e-Sharif City. The training course was conducted March 25-April 14 by the Azar BDS Company.
- Business English Training. Total number of participants was 25 women entrepreneurs in Mazar-e-Sharif City. The training course was conducted March 25-May 25 by the Azar BDS Company.



Business accounting training for 25 Afghan women/members of Afghan March 24, 2009 (USAID/ASMED)

Kunduz Province

Beacon BDS Company, held the training courses for SMEs and Associations as described below.

- Business Accounting Training. Total number of participants was 25 different SMEs in Kunduz City. The training course was conducted June 20-Aug. 3.
- Business Communication and Leadership Training. Total number of participants was 25 different SMEs in Kunduz City. The training course was conducted June 20-Aug. 3.
- Business Management Training. Total number of participants was 25 different SMEs in Kunduz City. The training course was conducted June 23-Aug. 6.
- Business Computer Training. Total number of participants was 25 carpet traders/producers who are members of Kunduz Carpet Association in Kunduz City. The training course was conducted June 23-Aug. 6.
- Business Marketing Training. Total number of participants was 25 carpet traders/producers who are members of Kunduz Carpet Association in Kunduz City. The training course was conducted June 23-Aug. 6.

Takhar Province:

Beacon BDS Company, held training courses for SMEs and associations as described below. Beacon BDS submitted a short course syllabus, CV of trainers, schedule, and list of participants to ASMED. They prompt trainees to contribute at least 10 percent of the training cost. The selection was made based on preliminary testing of all participants to meet the training requirements.

- Business Computer training: Total number of participants was 25 women who are active members of Afghan Women Skill Building and Employment Association in Taloqan City. The training course was conducted April 14-May 9.
- Business English Training: Total number of participants was 25 women who are active members of Afghan Women Skill Building and Employment Association in Taloqan City. The training course was conducted April 4-May 19.
- Business Accounting Training: Total number of participants was 25 women who are active members of Afghan Women Skill Building and Employment Association in Taloqan City. The training course was conducted April 4-May 19.
- Office Management Training: Total number of participants was 25 SMEs and associations in Taloqan City. The training course was conducted March 10-April 28.
- Business English Training: Total number of participants was 25 SMEs and associations in Taloqan City. The training course was conducted March 10-May 10.
- Business Computer Training: Total number of participants was 25 SMEs and associations in Taloqan City. The training course was conducted March 10-April 28.
- Business Accounting Training: Total number of participants was 25 SMEs and associations in Taloqan City. The training course was conducted March 10-April 28.
- Business Accounting Training: Total number of participants was 25 SMEs in Taloqan City. The training course was conducted June 13-July 27.
- Business Communication and Leadership Training: Total number of participants was 25 SMEs in Taloqan City. The training course was conducted June 13-July 27
- Business Accounting Training: Total number of participants was 25 SMEs, members of Azrakhsh Agribusiness Association in Taloqan City. The training course was conducted June 13-July 27.
- Business Management Training: Total number of participants was 25 SMEs, members of Azrakhsh Agribusiness Association in Taloqan City. The training course was conducted June 13-July 27.
- Business Management Training: Total number of participants was 25 SMEs in Taloqan City. The training course was conducted June 13-July 27.

Baghlan Province:

For the reporting period, Azar BDS Company held training courses for SMEs and associations as described below. Azar BDS Company submitted a short course syllabus, CV of trainers, schedule, and list of participants to ASMED. All participants were provided a letter from companies with confirmation of identity and position of the trainees. The selection was made based on preliminary testing of all participants to meet the training requirements.

- Business Accounting Training: Total number of participants was 25 SMEs and business associations in Pul-i-Khumri City. The training course was conducted April 4-May 19.



Business accounting training for 25 women/members of Afghan Women Skill Building and Employment Association in Taloqan city (USAID/ASMED)

- Business Computer Training: Total number of participants was 25 SMEs and business associations in Puli Khumri City. The training course was conducted May 31- June 29.
- Business Computer Training: Total number of participants was 25 SMEs and business associations in Puli Khumri City. The training course was conducted May 31- June 29.
- Business Management Training: Total number of participants was 25 SMEs and business associations in Puli Khumri City. The training course was conducted June 9-29.

Faryab Province:

For the reporting period, Balkh BDS Company, held the training courses for SMEs and Associations as described below. Balkh BDS submitted a short course syllabus, CV of trainers, schedule, and list of participants to ASMED. The selection was made based on preliminary testing of all participants to meet the training requirements. For the first batch trainings, ASMED Mazar office issued a RFP among BDS companies. After evaluating proposals, Balkh BDS Company was selected for conducting trainings:

- Business Management Training: Total number of participants was 25 entrepreneur, members and staff of ACCI Faryab in Maimana City. The training course was conducted April 11-May 11.
- Business Computer Training: Total number of participants was 25 entrepreneur, members and staff of ACCI Faryab in Maimana City. The training course was conducted April 11-May 11.
- Business Accounting Training: Total number of participants was 25 entrepreneur, members and staff of ACCI Faryab in Maimana City. The training course was conducted April 11-June 10.
- Business Computer Training: Total number of participants was 25 SMEs in Maimana City. The training course was conducted May 27-June 11.
- Business Computer Training: Total number of participants was 25 SMEs in Maimana City. The training course was conducted June 14-July 28.
- Business Accounting Training: Total number of participants was 25 SMEs in Maimana City. The training course was conducted June 29-Aug. 26.

COMPLETED ACTIVITIES:

- The Azar BDS Company started an 18 day training course on business marketing June 11 for 25 SMEs in Pul-i-Khumri City which ended July 31.
- ASMED began a 45-day training Aug. 3 on business accounting through Asia International Company in Mazar-e-Sharif City, Balkh. A total of 25 SMEs participated in the trainings, which ended Sept. 29.
- The project began an 18-day training on business marketing Aug. 3 through Kaweyan BDS Company. Twenty-five SMEs participated in Aibak City, Samangan Province. It ended Aug. 25.
- ASMED commenced an 18 day training course Aug. 3 on business management through Kaweyan BDS Company. Twenty-five SMEs participated in the training in Aibak, Samangan Province. The training was completed Aug. 25.



Business accounting training for SMEs in Mazar-e-sharif City by Miranzai Tokhi BDS Company (USAID/ASMED)



Business Accounting Training By AIC In Mazari Sharif, Balk Province (USAID/ASMED)

- Balkh BDS Company completed a 26-day business management training Aug. 10 in Maimana City, Faryab for 20 SMEs.
- Balkh BDS Company completed a 52-day business accounting training Aug. 12 for 20 SMEs in Mazar-e-Sharif.
- The project opened a 52-day training Aug. 29 on business marketing through Ofoq Aria BDS Company. Twenty-five SMEs participated in the training in Mazar-e-Sharif which ended Oct. 31.
- The project opened an 18-day training Sept. 13 on Business Marketing through SINA BDS/College in Khulm District of Balkh Province. A total of 25 pomegranate traders and farmers participated in this training.



Business Marketing Training for Pomegranate Guardians from Khulm District, Balkh Province (USAID/ASMED)

Development of Marketing Strategy for Baghlan Cement Factory, Baghlan

Following a request from the Baghlan Cement Factory in Pul-i-khumri, ASMED sub-contracted a local BDS firm, Beacon BDS Company, to develop a Marketing Strategy Plan for the factory. Although the factory's products had once been in high demand, the destruction of machinery and the decline in the local market during the war had negatively impacted the output of this once-lucrative business. With a new market strategy, the company will be able to promote and advertise its product successfully and regain its market share. Beacon submitted four reports to ASMED Dec. 31: (i) The current status of the Baghlan Cement Factory, (ii) a survey of cement demand in the northern region, (iii) marketing tools in Afghanistan, and (iv) a Marketing Strategy Plan.

Business Accounting Training for Jawzjan CCI, Sherberghan

ASMED, in partnership with Ahmadi BDS Company, launched a 39-day training program Oct. 24 in business accounting and a 26-day training program in marketing in Sheberghan, Jawzjan Province for 25 SMEs, members of the Jawzjan Chamber of Commerce and Industry (CCI).

Accounting and Management Training Courses for Textile Factory Staff, Baghlan

Following a request from the USAID Baghlan Field Program Officer, ASMED selected Azar BDS training for administrative staff at the Baghlan Textile Factory, Baghlan Company to conduct training courses for 25 administrative staff (including eight women) of the Baghlan Textile Factory. This training began Nov. 22 providing staff with practical knowledge on basic accounting and fundamentals of management. The training is ongoing and will be completed in the next quarter.



Management and Accountancy Training for Baghlan Textile Factory (USAID/ASMED)

Business Accounting Training in Mazar-i-Sharif, Balkh province

Ofoq Aria BDS Company, with technical assistance from ASMED, delivered a 52-day Business Accounting Training Oct. 29 for 25 SMEs in Mazar-i-Sharif. The trainees were introduced to standard business accounting procedures that will assist them in developing their financial management systems.

Business Accounting Training for Women Entrepreneurs in Maimana, Faryab province

In partnership with Asia International Company, ASMED began a 39-day business and marketing training Oct 24 for 25 women entrepreneurs in Maimana, Faryab Province. The training ended Nov. 22.

FIELD ACTIVITIES – SOUTH

Completed Activities:

Four Business Development Trainings in Arghandab
SME Basic Accounting, SME Management, SME Marketing and Customer Services Training were completed in Arghandab District June 9. This training, which was arranged for 30 days for 20 males and 25 females, in two venues, was successfully completed, and it has been a notable achievement for ASMED. Insecurity and a lack of knowledge about such programs in the area were the main concerns. Training was conducted successfully with solid attendance. The following were successfully achieved during the training period:

- Local business capacity enhanced in Arghandab district;
- Local awareness about business was increased.

Many more businesswomen in the area are interested to receiving similar training, while most of the SMEs have agreed to have a business association in Arghandab. On the last day of the training, ACCI, through ASMED’s support, arranged a certificate distribution ceremony.

Preparation of Financial Documents and Office Management Training

As per a recent meeting with the Director of Economics Department, ASMED was requested to arrange training for 30 construction firms that have legal responsibility for reporting to DoEconomics, DoFinance and others. This training will specifically cover those areas of financial reporting to these parties and in addition will include information on how to manage financial records and report on them externally.

COMPLETED ACTIVITIES

Business Development Training Sessions for 20 women SMEs in Kandahar City

ASMED conducted three business development training sessions for 20 women SMEs in partnership with HUDO in Kandahar City in July 2009. The 20-day training covered SME Accounting, SME Business Management and SME Marketing. Participants came from women-owned tailoring and embroidery SMEs in Kandahar City, which provided products to other SMEs and directly to clients in Kandahar. The training covered topics including account keeping, business management and identifying



Business accounting training for women entrepreneurs, Maimana, Faryab (USAID/ASMED)



ACCC training in Kandahar (USAID/ASMED)



Business Development Trainings for women SMEs in Kandahar (USAID/ASMED)



Business Development Trainings for women SMEs in Kandahar (USAID/ASMED)

marketing opportunities for women-owned and -operated businesses in the area.

Three Business Development Training Sessions for 40-women SMEs in Kandahar city

HUDO completed training in basic business accounting, business management and marketing training for 45 women SMEs in Kandahar City Sept. 1. A graduation ceremony was held Sept. 4. The training was held for two hours each day over a 20-day period. Evaluations by ASMED and HUDO have found most of the SMEs have started to use proper accounting, business management and marketing methods learned during the training period. The improved methods will assist in increasing profits, improve effective management, provide quality products and increase access to more clients.

Afghanistan Information Technology Business Network Training in Kandahar City

With the financial and technical support of ASMED, Paiwastoon arranged AITBN training for 30 male (Sept. 1-6) and 15 female (Sept. 4-6) participants in Kandahar City. Through this training, the young professionals were trained in business, GIMP, JOOMLA and basic networking fields. This training will assist participants in finding employment opportunities and selling services to SMEs in the region. ASMED arranged a graduation ceremony to introduce the graduates to major SMEs in Kandahar.



AITBN Training in Kandahar City
(USAID/ASMED)

Kandahar Local Business Directory

Afghan Innovative Consulting Bureau completed the design of the Kandahar Local Business Directory. The directory includes information on 3,000 SMEs and is written in both Pashto and English. ASMED plans to finance the printing of an initial 1,000 copies to be distributed through the ACCI, AISA, the Ministry of Commerce, business associations and other stakeholders in the business community. This directory will assist the growth of SMEs both regionally and nationally.

ONGOING ACTIVITIES

BDS Sector Survey in Southern Region

The Afghan Innovative Consulting Bureau (AICB) is successfully continuing its BDS Sectoral Survey in all major towns and cities of the Southern Region. Despite many security and logistical access problems, more than 250 BDS firms, mostly in Kandahar, have been surveyed. New teams are being sent to those locations where less data has been collected in an effort to gather as much information as possible. After collecting the data, a national directory of all BDS firms will be developed which will support all BSPs both directly and indirectly through technical assistance from various stakeholders and access into new clients.



BDS Sector Survey in Southern Region
(USAID/ASMED)

Business Development Training for Women SMEs in Arghandab District

ASMED, in partnership with HUDO, started business basic accounting, business management and marketing training for 20 women SMEs in Arghandab District Sept. 28. The training is provided to women-headed SMEs working with handicrafts and boutique business in rural areas. This training will directly help participating firms maintain an accounting system, know periodic profit and loss, improve the quality of their products, increase access to new clients, and find new marketing opportunities. Following the success of this training, many other women-



Business Development Trainings for
women in Arghandab district
(USAID/ASMED)

owned SMEs in the area have requested similar business development trainings.

FUTURE ACTIVITIES:

Concept Paper, Proposal and Business Plan Writing Training, Kandahar

In November and December, ASMED delivered Concept Paper, Proposal and Business Plan Writing training for 28 participants from local BDS firms, the Afghanistan Investment Support Agency (AISA), the Afghanistan Chamber of Commerce and Industries (ACCI) and business associations in Kandahar city. This 24-day training, in partnership with CEFE-ESDC, assisted participants in writing and preparing concept papers, proposals and business plans for their clients.



Concept Paper, Proposal and Business Plan Writing Training, Kandahar (USAID/ASMED)

Business Development Survey Completed in South

ASMED successfully completed the southern component of its nationwide BDS Sectoral Survey in the seven major cities of Kandahar, Zabul, Helmand, Nimroz, Uruzgan and Dai Kundi provinces. The survey, conducted in partnership with Afghan Innovative Consulting Bureau, surveyed 333 BDS firms in the region. Despite security risks in areas such as Grishk, Lashkergah and Tirin Kot, the process was completed and more firms were surveyed than expected. The data collected will form part of the “BDS Sector Directory” to be published by ASMED in 2010.

Preparation of Financial Documents and Office Management Training, Kandahar

ASMED, in partnership with Afghan Innovative Consulting Bureau (AICB), delivered a three-day training Nov. 16 in office management and the preparation of financial documents for 20 participants from construction companies based in Kandahar City. This training, requested by the Kandahar Department of Economics, was designed to assist those firms who work with the Departments of Economics and Finance, Afghanistan Investment Support Agency (AISA) and other governmental agencies but who had experienced problems in preparing the required financial documentation and reports for these offices. Before beginning the training, AICB conducted a needs assessment of construction firms working with these departments, and agencies and developed a training curriculum designed to suit their needs.

First business development trainings in Qalat City, Zabul Province

ASMED, in partnership with Hewad United Development Organization (HUDO) and Qalat City Municipality, successfully completed the first business development trainings in Qalat City. The 20-day training in Business Basic Accounting, Business Management and Marketing were for 60 participants from local SMEs. This training introduced new methods of accounting, improved SME management, new techniques for finding better marketing opportunities, and tips on how to provide quality products and satisfy client demand. A final evaluation by HUDO verified that participants are now using the new skills learned in running their businesses.

Development Trainings for Women in Dand District, Kandahar

ASMED, in partnership with Advanced Business Consultancy (ABC), began Business Basic Accounting, Business Management and Marketing Training for 40 women SMEs in the Dand district of Kandahar Province. The training began Dec. 26 for 27 days. This training familiarized women with modern accounting and marketing techniques, improving overall financial management and allowing them to effectively manage their businesses, provide quality products, and increase both their clientele and profitability.

Business Development Trainings for Women, Kandahar

ASMED, in partnership with Afghan Innovative Consulting Bureau (AICB), delivered Business Basic Accounting, Business Management and Marketing Training for 40 women SMEs in Kandahar City. The training was completed Dec. 19. Participants learned new methods of accounting, marketing and effective SME management including how to increase their profitability and prevent loss. This training offered considerable support to women-owned and run businesses in the region and paved the way for more women to start their own businesses. Evaluations of the training confirmed women are practicing the new techniques and methods.



Business development training graduation ceremony in Kandahar city, Kandahar province (USAID/ASMED)

PROGRAM COMPONENT 3:

BUSINESS ASSOCIATIONS

FIELD ACTIVITIES – CENTRAL

AWBF Annual Conference

AWBF held its first conference at the Intercontinental Hotel in Kabul Feb. 25. Member associations, businesses, private sector partners, Afghan government officials, international organizations, and other interested parties attended. AWBF announced its 2009 strategy and the creation of a new advisory board, comprised of leading Afghan women entrepreneurs who will offer guidance in the organization's development and mentorship to its members. The findings of a recent membership survey were also presented, identifying common challenges facing women-owned businesses in Afghanistan today. Some of the most critical challenges, facing women in all sectors of the economy, are the lack of access to capital equipment and to finance. In addition, they have limited ability to conduct effective marketing, among other capacity constraints. Members and guests engaged in constructive dialogue about the ways in which AWBF can effectively address these challenges through opportunities for grants to procure productive machinery, improved financial services for women, specialized business training, linkages to new markets for women's products, and other public advocacy efforts. The Government of Afghanistan pledged support and cooperation in the economic empowerment of Afghan women through signing memoranda of understanding between AWBF and the Afghan Ministries of Commerce and Women's Affairs. Similar expressions of support and willingness to collaborate were signed by the Export Promotion Agency of Afghanistan, the Afghan Chamber of Commerce and Industry, and the Foundation for Culture and Civil Society. These commitments will allow for improved coordination among different stakeholder efforts in developing women's businesses. Other sponsors of the event and of AWBF's future activities included Alokozay Tea, MEDA, Afghanistan United Bank, and Peace Dividend Trust. AWBF also finalized the 2009 strategic plan and funding request, presented to ASMED in Q2.

Afghan Banks Association

The Afghan Banks Association completed the second training under their ASMED grant. Thirty-six bank staff from 10 member banks attended the five-day training Jan. 20-25 on SME Lending and Microfinance. The final day of the training included a panel discussion with SME and microfinance experts from the ARIES program, BRAC Bank, First Microfinance Bank, Kabul Bank and Azizi Bank.

Afghanistan Marble and Granite Processors Association

ASMED supported the Afghan Marble Conference 2009 in collaboration with the AMGPA and ACCI. A total of 120 national and international entrepreneurs from the marble sector, high level members of the Afghan government including Dr. Omar Zakhelwal (Minister of Finance), Waheedullah Shahrani (Minister of Commerce), Mr. Adel (Minister of Mines), Suleiman Fatimie (President EPAA), and Mr. Delawari (President AISA), as well as USAID Mission Director Michael Yates and the Italian Ambassador Claudio Glaentzer attended the program. The two-day conference publicized investment opportunities in the sector and the potential for economic growth and job creation. The conference also identified challenges in the development of the Afghan marble sector, and sought solutions through cooperation between the Afghan government and private sector. The conference also included a networking session in which Afghan and international businesspeople explored investment and trade opportunities in the sector. The third day of the conference was allocated for a technical workshop, which addressed the establishment of modern quarry operations in Afghanistan. In general, the conference was a significant step toward the promotion of the Afghan marble industry. It also helped to establish stronger relationships between the AMGPA and the Government of Afghanistan. Visiting guests/investors from Italy, Jordan, Turkey and the United States also had the opportunity to network with local entrepreneurs in the sector and provided feedback/suggestions for improvements.

Gemstone Sector

The U.S. State Department and ASMED hosted a second networking and information sharing meeting of key development stakeholders in the gemstone sector, including the U.S. Embassy Commercial Office, Ministry of Mines, Afghan Geological Survey, and USAID. ASMED will continue to hold these occasional sector meetings, assuming a leadership role in guiding the “mines to market” development and providing appropriate direct assistance - including support of gemstone sector associations, public private partnerships with gemstone industry firms, and establishing market linkages.

ASMED received the gemstone marketing materials informational boards with text and images about the mines of Afghanistan and the quality, variety and value of Afghan gemstones and an eight-minute film loop to be played during events and used for educational purposes.

ASMED’s gemstone sector consultant, Sophia Swire, completed a four-country trip identifying and developing marketing and training inputs to the ASMED gemstone sector strategy. She visited the Gemological Institute of America headquarters in California and their branch campus in Thailand, to secure their support for gemological training in Afghanistan. The first training will be held at the end of April. She met with the World Bank Community and Small Scale Mining (CASM) Secretariat to discuss certification for ethical mining, how to create a reliable provenance for Afghan gemstones, establishing a gemstone laboratory in Kabul, on-site mines training to improve techniques and safety. Along with expert gemologist Gary Bowersox, she also attended the Tucson Gem Show to explore ASMED’s support for Afghan gem dealers to attend the 2010 show. She also traveled to Colombia, the world leader in emerald exports, to view the Muso mines, the Columbian Emerald Federation, and the CASM representatives. Several Columbian gem-cutting experts have agreed to conduct training in Afghanistan.

Afghan Women Business Federation

AWBF sponsored a roundtable event on Practical Opportunities to Grow Women’s Businesses June 17. The event was co-sponsored by AISA and attracted 80 participants, including the First Vice President, Deputy Minister of Women’s Affairs, Deputy Minister of Economy, and the CEO ACCI. AWBF has recently developed an approach that involves the entire membership taking part in developing women’s businesses through AWBF. Seven sector groups have been created, each with four to 20 members. The sectors are: Handicrafts; Agriculture; Carpet; Embroidery; Silk products; Jewelry; and Construction. The main objective of the conference was to introduce the sector groups, present their achievements and plans, and to gain the support and participation of their membership and other stakeholders.

Afghanistan Marble and Granite Processors Association

Maximizing the momentum established by the Afghan Marble Conference 2009, the Afghanistan Marble and Granite Processors Association (AMGPA) continued to hold working group meetings with the Ministry of Mines staff to encourage legal and regulatory reform as suggested by national and international participants in the conference. The continuation of these meetings is a positive result of the conference and a positive indication of the Ministry of Mines consideration of the interests of the private sector.

Gemstone Cutting and Polishing Equipment and Training Research

ASMED supported a potential GDA partner, American Nuristani Imports, and an expert gemstone cutter from Kabul to conduct research in Jaipur, India - the top gem-cutting area of India. They identified and interviewed six potential trainers, and conducted cost and quality research on equipment for cutting and polishing facilities. ASMED will have an on-going need to provide trainers in gemstone cutting and polishing, and will provide the information gathered during this trip to all interested parties in the sector.

Association Management and Leadership Training to Kabul Carpet Exporters Guild

ASMED Association Department conducted an assessment of the needs of the Kabul Carpet Exporters Guild to build up their capacity in order to compete in the market and survive. The survey identified the following needs: promotion of the abilities of the Carpet Exporters Guild, the provision of trainings, and plans for the Carpet Exporters Guild entrepreneurs to reach their goals and objectives supporting by international communities.

Pioneer Consulting was tasked by ASMED to conduct an Association Management and Leadership Training Program aimed at building the capacity of the Guild. The training was held Oct. 13-14 at the hall provided by Carpet Exporters Guild and sponsored by ASMED.

Twenty-five participants from the Carpet Exporters Guild were present. The participants were well-organized and showed sharp interest in the proceedings. Participants suggested more training in the future on Carpet Processing Methods, Carpet Marketing, and Business Plan & Proposal Writing.

Marble Sector Surveys and Assessments for the Eastern Region and Kabul

Marble sector surveys were completed in Jalalabad and Kabul, with the aim of assessing the level and quality of operations within the Afghan Marble and Granite Producers Association (AMGPA) and the ACCI. ASMED is currently awaiting the results of the completed surveys. Once received, ASMED will put forward recommendations/strategy for either incorporating regional associations and into one national body or to provide specific support to the individual associations and the Chamber.

Afghanistan Gem Cutters and Jewelry Association Selection of Board of Directors, Kabul

With assistance from an Associations Grant from ASMED, the Gem Cutting and Jewelry Association held a roundtable in Kabul to select the association's board of Directors. Fourteen people attended the election Nov. 10. This grant will enable the association to register with the government, establish an association office, and receive management training. Gemstones are one of ASMED's strategic sectors. This grant will assist those working in the field of gem cutting, polishing and jewelry to produce products of a higher standard, able to compete on the international level, creating new jobs and increasing incomes for the industry and the country at large.



Gem Cutter and Jewelry Association members vote in board members, Kabul. (USAID/ASMED)

Afghanistan Bankers Association Roundtable on Banking Sector Challenges, Kabul

At the request of banking and financial services institutions operating in Afghanistan, the Afghanistan Banks Association (ABA), in collaboration with ASMED, held a seminar at the Safi Landmark Hotel in Kabul Oct. 21. The meeting brought together senior managers from banks and financial institutions to discuss the challenges facing their institutions. Participants included the representatives of Da Afghanistan Bank, Kabul Bank, AZIZI Bank, Aryan Bank, Bakhtar Bank, FMFB, USAID, MRRD, AREDP, ASMED, a number of Afghan consulting firms, business associations and SMEs.

Participants discussed high operating costs for banks in Afghanistan, lack of documentation of Afghan businesses, vulnerability of banks to political and security risks, the limited number of bank customers, competition among banks for existing customers rather than approaching untapped customers, and the lack of trained staff at Afghan financial institutions.



Banking Sector Challenges roundtable, Kabul (USAID/ASMED)

Access to Credit Training, Kabul

The Afghanistan Banking Association, with assistance from ASMED, completed a two-day Access to Credit training for 17 participants (including two women) from the leading commercial and governmental banks. The training took place in Kabul Nov. 11-12 and was conducted by Comprehensive Business Services. Topics covered included access to banking services for SMEs, banking services for regional SMEs, cost benefit analysis, cash flow analysis, banking loans, SME evaluations, basic concepts of interest, market analysis and financial products, and business plans.



Access to Credit training, Kabul (USAID/ASMED)

Afghan Women’s Business Federation Business Management Training, Kabul

With support from ASMED, the AWBF held a five-day business management training for 14 women Dec. 5-9 in Kabul. Topics included staff management, financial management, marketing planning, customer awareness, and evaluating business activities.

Afghanistan Builders’ Association Conference, Kabul

With assistance from ASMED, the Afghanistan Builders’ Association held a roundtable for 50 participants in Kabul Dec. 21. Representatives from the Ministry of Urban Development, the Ministry of Public Works, the Afghanistan National Standardization Authority (ANSA), Kabul Municipality, Kabul University’s Faculty of Engineering, the ACCI, other organizations and SMEs involved in construction attended. The conference participants discussed key concerns of the sector including building codes, knowledge sharing within the industry, advocacy, taxation issues, tools and resources.

FIELD ACTIVITIES - EAST

Supported Nangarhar Nursery Grower Association

Assisted Nangarhar Nursery Grower Association with office space in Association Incubator established by ASMED Jalalabad in agriculture directorate Jalalabad. The association has more than 100 active members throughout Nangarhar Province and the provision of office space will considerably improve and develop its activities and services it provides to its members. Now the association is able to host meetings, trainings and seminars to build the capacity of its members and as well as coordinate their activities and plans.

Beekeeping Training in Laghman Province

Provided a five-day technical training (two days theoretical and three days practical) on beekeeping development to 60 beekeepers in Katal Village, Laghman Province Jan. 4-15. The main objective behind the training was to improve the technical skill of beekeepers to develop and improve their business by facilitating them modern techniques of beekeeping through qualified and experienced trainers having years of theoretical and practical experience in beekeeping. The director of agriculture and other government representatives, who attended the opening ceremony of the training, considered the training very significant for beekeeping development in Laghman Province and thanked ASMED for its activities in the province. The 60 beekeepers were trained in two sessions and the duration of each session was five days.



Beekeeping training in Laghman Province
(USAID/ASMED)

Nuristan Gemstone Association Signed Agreement with the Ministry Of Mines

The Nuristan gemstone association, created with the technical and financial assistance of ASMED, signed an agreement with the ministry of mines Jan. 13 for mining and trading of gemstone in Eastern Region. This is the first time that gemstone mining, and trading is legitimized in the region. In the past, the business was conducted illegally and gem-products were smuggled to Pakistan where they were cut and polished and sold as Pakistan-branded gemstones to international markets. After getting a license from the government, the association is planning to have a gem bazaar in Jalalabad where all the gem-products will be bought and sold as Afghan-branded products to the national and as well as international buyers.

Technical Beekeeping Training in Kunar Province

ASMED helped to provide a five-day technical training (two days theoretical and three days practical) on beekeeping development to 100 beekeepers in Assad Abad City, Kunar Province. The main objective was to improve the technical skill of beekeepers to develop and improve their business by facilitating them with modern techniques of beekeeping through qualified and experienced trainers. The training will significantly improve the technical skills of the beekeepers, which will result in an increase in production and improvement in quality. The governor for Kunar Province, Fazalullah Wahidi, who participated in the certificate distribution ceremony, considered the training very useful for the beekeepers of Kunar Province, as most of the trainees were new to the business and needed capacity building training to develop their businesses. The 100 beekeepers were trained in four.



A Session of the Beekeeping Training in Kunar (USAID/ASMED)

Training on Honey Beehives Diseases

The Nangarhar Beekeeper Association created and supported by ASMED, provided technical training on honey beehives diseases and mite control to its 300 members in various districts Feb. 16. The training was funded by GTZ IS PAL. After being assisted and created by ASMED, the association has created contacts with different donor agencies and got some useful projects for its members.

Nangarhar Nursery Growers Association

The Nangarhar Nursery Grower Association, supported by ASMED, planted fruit orchards on 120 Jeribs of land in Dar-e-Noor District of Nangarhar Province on March 1. The project is funded by GTZ PAL. The activities of the association have been significantly improved after getting office space in association incubator built by the ASMED project.



Fruit Plant Plantation, NNGA Nangarhar (USAID/ASMED)

ASYCUDA Training for NTAA members:

Sixty-one members of NTAA were trained in ASYCUDA (Automatic System for Custom Data). It is a new, computerized system introduced by the Ministry of Finance in Nangarhar Custom House. The training was provided by the Ministry of Finance, but the computers used for the training were provided by ASMED to build the capacity of the members of the association in basic computer skills required for the training.



ASYCUDA training, Nangarhar Province (USAID/ASMED)

Created Hesarak Pine Nuts Producer Association:

A one-day roundtable Feb. 28 was conducted to discuss the opportunities for the development of Pine Nut businesses in Hesarak District, Nangarhar Province, as well as elect the leadership for a Pine Nuts producer association. Hesarak District is famous for the production of high-quality pine nuts, but unfortunately, their product is sold at very low cost as it is not properly processed and packaged. If the product is properly processed and packaged, its price will significantly go up, improving the daily life of producers and trades people. At the end of the roundtable, there was an election to appoint a director, deputy director and board members for the association. ASMED will work closely with the leadership of the new association for the development of the business in the district. The Hesarak District Pine Nuts Producer and Wholesaler Association (HDPNPWA) registered with the Ministry of Justice April 18. ASMED will begin to work more closely with the association.



Establishment of Pine Nuts Producers Association
(USAID/ASMED)

Afghan Carpet Exporter Guild

The carpet sector is one of the most productive sectors of the Afghan economy, employing thousands. Because of the many years of conflict, many Afghan carpet weavers and traders relocated in Pakistan. The security situation in Pakistan is, however, no longer stable. ASMED is currently in the process of helping these carpet weavers and traders move their businesses back to Afghanistan. ASMED plans to help pay for transportation costs, temporary storage and the refurbishment of the new Jalalabad Carpet Bazaar in order to ease the transition. The new bazaar will have room for 108 SMEs. It will have an important impact on the carpet sector throughout the Eastern Region. A modern, secure and centrally located market, exclusively devoted to the sale of Afghan carpets, should greatly increase sales throughout the area. Construction of the building is complete and tenants are ready to move in pending grant approval.

Nuristan Gemstone Miners, Producers and Traders Association (NGMPTA)

A new bazaar for gemstone traders is currently under construction in Jalalabad. A recently approved grant will be used to help the gemstone traders pay their rent for the first six months. When completed, the gemstone bazaar will be the first of its kind in the entire country. This modern, secure and centrally located market completely devoted to the sale of Afghan gemstones will greatly increase sales throughout the area. An increase in sales will assist not only gemstone traders, but also gemstone producers from rural areas, many of which have seen little economic growth in recent years.

Construction of the bazaar was completed in September, and the new tenants are currently moving into the building. The first installment of the grant will be released once the tenants have moved in.

Nangarhar Beekeepers Association

In May, the association, with the help of ASMED, opened the first honey processing and packaging facility in the Eastern Region. The new processing facility has had an immediate impact on the development of the beekeeping sector as it has allowed beekeepers to sell their unprocessed honey domestically for the first

time. The ability to sell processed and packaged honey domestically, as opposed to selling unprocessed honey to Pakistan, has allowed beekeepers in the region to increase their profits by 60 cents per kilo of processed honey sold. The association has not reported the creation of any new permanent jobs, although the increased profits may attract more people to the market in the future.

The association reports it has processed and packaged more than 9,000 kilograms of honey this quarter, still short of maximum production. Eventually, the association hopes to produce 18,000 kilograms of honey per quarter. In addition, the association reports successfully selling all the honey processed to supermarkets in Kabul. ASMED further assisted the Beekeepers' Association by displaying the processed honey at the Jalalabad PRT. Several members of the PRT expressed interest in buying large quantities of honey.

Afghan Women's Agriculture Association (AWAA)

ASMED purchased packaging equipment, a freezer and a showcase for the AWAA in May to increase sales. Previously, the association struggled to sell its product because of a lack of proper packaging equipment. Before the installation of the ASMED equipment, AWAA reported selling 800 to 1,000 jars per month. Now, the association routinely sells more than 1,200 jars per month. Consumers have also benefited from fresh local produce at a decreased price. The association sold more than 4,000 jars of pickles this quarter.

Nangarhar Seed Producer and Wholesaler Association (SPWA)

In January 2008, with the support of ASMED, the association installed a seed storage facility in Behsud. Previously the association had to store its seed in insecure and unventilated facilities. As a result, much of the produced seed was lost or spoiled before being sold. The seed store facility also helped the association attract new buyers as it has made displaying and certifying the association products much easier. As a result, seed production throughout the province has increased, while the importation of Pakistani seed has decreased. This season the association stored approximately 300 tons of improved wheat seed in the seed storage unit. The association then sold its improved wheat seed to the Ministry of Agriculture, the FAO and several PRTs. The wheat seed season has ended, and the association is currently preparing to plant rice and maize, the seeds of which will then be collected and stored in the storage facility.

Nangarhar Craftsmen and Classes Association (NCCA)

For six months, ASMED supported the publication of a bi-weekly business newsletter. The newsletter was the first of its kind in the region and helped businesses throughout the area circulate information concerning trade fairs, major association events and overall business activity. The paper has greatly increased the communication between local SMEs and has helped many businesses advertise their products. This quarter, the bi-weekly business newsletter was published for the first time without financial support of ASMED. NCCA was able to finance the publication on its own, with money from private advertisers. This marks a significant achievement in the self-sustaining distribution of marketing information.

Laghman Association Incubator

Following the success of the Nangarhar Association Incubator, ASMED is supporting the creation of a new association incubator for Laghman. In August, ASMED signed an MOU with the Directorate of Agriculture for Laghman, allowing ASMED to establish the incubator in one of the Directorate's offices. The association incubator will serve as a central administrative office for several associations in the province. The new office will help the associations attract new members, conduct training sessions, and hold conferences. Currently, the associations, which will eventually have offices in the incubator, have struggled to attract donors as none had offices to host prospective partners. In addition, the associations have, to date, offered few, if any trainings, due to a lack of proper training facilities. The incubator will help solve both problems which will, in turn, put the associations on a path toward self-sustainability. In the long run, the increased activity and prominence of these associations will aid in the overall growth of the Laghman Business Community. Construction of the incubator finished in September, and an opening ceremony was held Oct. 11.

Kunar Association Incubator

This quarter, ASMED worked on establishing a similar incubator in Kunar. After some initial difficulties in finding a location, ASMED has since come to an agreement with the Governor of Kunar on where to place the future incubator. ASMED hopes to complete the new incubator before the end of the calendar year.

Afghan Carpet Exporter Guild, Jalalabad

ASMED is assisting displaced Afghan carpet traders who moved to Peshawar over the years of conflict, to relocate to Jalalabad. In coordination with the Afghan Carpet Exporter Guild, the project identified 108

Peshawar-based Afghan carpet traders willing to move back to Jalalabad. Through discussions with these traders, ASMED designed a grant to help them move their operations to Jalalabad and establish a carpet training center there. ASMED has identified a new market place to house these businesses which will create hundreds of direct and thousands of indirect job opportunities for people of the region. Through reviving carpet trading in the East and establishing service providers in the value chain, including wool spinning and dyeing, a carpet design center, and carpet cut and wash facilities, this activity will be one of several geared to re-establishing high-value carpet production traditions in Afghanistan.

As an incentive to relocate to Jalalabad, ASMED is providing the Guild with office furnishing, a contribution toward the transportation costs and temporary storage of carpets and equipment from Peshawar, a comprehensive B2B website, business management and advisory services, and international marketing support.

Nangarhar Seed Producer and Wholesaler Association, Jalalabad

The Nangarhar Seed Producer and Wholesaler Association held its board meeting Dec. 14 to discuss plans for the coming year. The association will produce 1,500 metric tons of improved wheat seed in 2010, an increase from the 1,200 metric tons sold in 2009. Based on this success, plans are now underway to produce improved rice and maize seed that will not only increase production, but will also create further job opportunities.

ASMED has supported the association with a seed storage facility and office space in the Nangarhar Association Incubator, assisting it in developing business and increasing production.



Nangarhar Seed Producer Association
board meeting, Jalalabad
(USAID/ASMED)

Season Honey Site Visit, Nangarhar

The ASMED Regional Manager for the East led a site visit to the Nangarhar Beekeeping Association honey processing plant Dec. 2 for members from the Kunar Agribusiness Development Team (ADT). The Regional Manager was also joined by the USAID FPO from Nangarhar and the Economic Advisor to Regional Command East. The site visit provided a unique opportunity for members of the Kunar ADT to learn how to design value added production facilities in conjunction with associations.

FIELD ACTIVITIES – WEST

Completed Activities

Visit completed to Badghis Province

Ms. BiBiDil, gender specialist /M&E Coordinator and Atiqullah Shahabi Professional Skill Development/ Association Coordinator, assessed needs of 10 previously formed associations Jan. 12-17. Meetings were held with the Governor, Director of Women Affairs, Director of Economy, Chamber of Commerce and coordination provided with US representatives at the Badghis PRT. Associations included (five women and five men): Women carpet weaver; Women Dairy Producer; Women tailoring Production; Women embroidery; Women cloth weavers; Natural Agriculture; Livestock; Carpet dealers; Poultry and Agriculture dealers. Specific recommendations were developed with many of the associations and are being followed-up.

Future Activities

Ghoryan District Women Saffron Association (GDWSA), Ghoryan District, Herat

With a grant from ASMED, the GDWSA registered with the government of Afghanistan, and bought packaging, and marketing equipment used by its members to develop their businesses. In addition, the

association used part of the grant to establish a functioning office to serve its members. GDWSA also plans to organize further capacity building trainings for its members in the future. The association has already developed a brand for their saffron production (Tork Sorkh), and is selling it to both external and internal markets.

Durokshan Carpet Weavers Association (DCWA) of Badghis Province

The DCWA registered with the Afghan Ministry of Justice. ASMED is working with the association to procure further equipments needed to develop the business of its members in Badghis Province.

Tahmina Industrial and Cultural Association (TICA) of Herat Province

ASMED assisted TICA to register with the government of Afghanistan (Ministry of Justice). The project is also working with them to develop marketing materials and a capacity-building training program to assist its members.

Marketing and Design Training for Garment Producers

From Dec. 19-21, 25 female garment producers, all members of the Tahmina Social and Industrial Association, participated in a Marketing and Design training course supported by ASMED. The training was conducted by an experienced trainer - contracted by the association - to teach techniques for developing new designs (with the use of new color blends) which can compete against imported goods. It is expected that the producers will be able introduce new designs into their own work in the near future.



Marketing and Design training,
Herat
(USAID/ASMED)

Durokshan Carpet Weavers Association, Badghis

ASMED assisted the Durokshan Carpet Weavers Association of Badghis Province in officially registering with the Ministry of Justice as a business association with 1,400 (1,391 female) members. In addition the association has been awarded a grant which will enable them to introduce new technologies, purchase new looms, and conduct skills training.

The Tahmina Industrial and Cultural Association of Herat province

ASMED supported the Tahmina Industrial and Cultural Association of Herat Province to register with the Ministry of Justice as a business association with 500 (430 Female) members. ASMED also awarded the association a grant to conduct trainings which will enable them to introduce new marketing materials for their membership. ASMED supported one member of the association to attend the India International Trade Fair, held in Delhi from the Nov. 14-17. This opportunity for the association to market its goods internationally resulted in \$2,000 of actual sales and the establishment of new market linkages which should result in future orders.

The Women's Saffron Association of Ghoryan District, Herat

ASMED supported the Women's Saffron Association of Ghoryan District, Herat province to officially register with the Ministry of Justice as a business association with 72 (70 female) members. ASMED also awarded the association a grant to introduce new equipment and packaging. The grant will also support new the production of marketing materials, and enable the association to conduct a production training program for their membership.

The Turkmen Carpet Weavers Association, Herat

ASMED supported the Turkmen Carpet Weavers Association to develop a plan for producing an association website. Once developed, the website will assist the association in marketing their products internationally. In addition to this, ASMED facilitated several meetings between the association membership and yarn producers, to help the association purchase inputs directly from producers. This will increase the profitability of association members.

Carpet Technology and Design Training, Zinda-jan district, Herat

Fifteen female carpet weavers from the Zinda-Jan district of Herat province completed a three-month training in rug weaving Nov. 12. The course was delivered by the Asia Foundation, with ASMED support,

and introduced improved production techniques and new 'Tableau' designs to the participants. The trainees have begun to introduce these new fashion designs into their product ranges, enhancing the profitability of their individual enterprises.

FIELD ACTIVITIES – NORTH

- The project provided support and assistance to several associations in obtaining grants, business trainings, and roundtable meetings. The project supported opening of one new BDS Company. Seven new associations were created and 35 new and existing associations supported through providing different types of trainings. The focus of ASMED technical support is on equipment and empowerment of association members. One of the major income sources of associations is the fee from sales made by members.
- The project conducted roundtable meeting through Balkh BDS Company in Mazar-e-Sharif city, Balkh Province Jan. 23. In the roundtable, 30 poultry farm owners attended and established the Ariana Poultry Association of Mazar-e-Sharif.
- The project conducted a roundtable meeting through Miranzai Tokhi BDS Company in Maimana City, Faryab Province Jan. 27. In the roundtable, 50 members of the Faryab Leather Processors Association discussed issues common to their industry.
- The project conducted roundtable meeting through the Ahmadi BDS Company in Maimana City, Faryab Province Jan. 28. In the roundtable, 50 carpenters of Maimana city attended and established a new business association.
- The project conducted round table meeting through Balkh BDS Company in Mazar-e-Sharif city, Balkh Province Feb. 22. In the roundtable meeting, 50 dried fruit traders, many of them almond traders, attended. The participants elected the members of BoD and established the Mazar Dried Fruit Association.
- The project conducted round table meeting through Miranzai Tokhi BDS Company in Ishkamish District/Takhar Province Feb. 24. In the roundtable meeting, 70 Balochi dress makers attended. The BDS trainer explained the concept of an association, its objective, and entrepreneurial value. A new BoD was elected and set of bylaws prepared.
- The project conducted a roundtable meeting through Miranzai Tokhi BDS Company in Ishkamish District/Takhar Province Feb. 25. In the roundtable, 50 members of the Ishkamish fruit association attended and the trainer explained the concept of association, its objective, and activity.
- The project conducted a roundtable meeting through Azar BDS Company in Khulm District, Balkh Province March 26. In the roundtable, 50 leather processors attended where they elected a BoD, drafted association bylaws, and established the Khulm Leather Processors Association.

Key Accomplishments

The project provided support and assistance to several associations in obtaining grants, business development trainings, and roundtable meetings. Within this quarter project supported one new association created and provided technical support to new and existed associations supported through providing different types of trainings. The focus of ASMED technical support is on equipment and empowerment of association members. One of the major income sources of association is fee from sales made by members.

The project, in collaboration with GTZ, submitted to the Grants Committee a grant proposal on establishing a Gemstone Training Center in Kunduz. The grant proposal will support the gemstone operation in Kunduz to move to another level. It is expected that a number of job opportunities will be created in the province.

The project signed a grant agreement with the chairman of Wahdat-e-Saripul Fresh and Dry Fruit Association at the ASMED Mazar office April 10. The grant creates an association office and procures packing and marketing tools.

The project signed a grant agreement with the chairman of Ajmeer Beekeeping Association at ASMED Mazar office May 20. The grant procures honey extracting and processing machines, beekeeping tools, and packing equipment.

The project signed a grant agreement with the Chairman of Pul-i-Khumri Carpenters Association at ASMED Mazar office June 1. The grant is given for the procurement of improved carpentry machinery.

The project conducted roundtable meeting through Kaweyan BDS Company in Feeroz Nakhjeer District, of Samangan Province June 15. In the roundtable, 70 grape traders and exporters established the Feeroz Nakhjeer grape association.

The project signed a grant agreement with Satar Baigzada, northern branch manager of Afghan Carpet Exporters Guild at ASMED Mazar office June 20. The grant increases services of guild to its members and procures of office electronic equipments and marketing supplies.

The project signed a grant agreement with Shah Muhammad Muhaqiq, chairman of the Qataghan Seed Production Association at ASMED Mazar office June 20. The grant provides a seed-cleaning machine, Jute sewing machine, scale and other association equipment.

The project signed a grant agreement with Mr. Faqir Muhammad, Chairman of the Jeweller's Guild at ASMED Mazar office June 20. The grant will purchase a power generator, mobilize the association office and register the association with the Ministry of Justice.

Women's Garden in Pulikhumri City

ASMED will facilitate the establishment of the Women's Garden in Pulikhumri City. Based on USAID's Field Program Officers request, ASMED project will follow up on establishing the Association of Agricultural Cooperatives. The project will also help the association prepare grant applications, including a request for a cold storage.

Roundtable for Women Entrepreneurs, Mazari Sharif

ASMED, in partnership with Balkh BDS, held a roundtable meeting Oct. 22 for women entrepreneurs in Mazari Sharif. A total of 20 women entrepreneurs participated, forming the Women's World Association (WWA) and electing a board of directors. The Board selected the chair, deputy chair and secretary of the association Oct. 24. The WWA will start their businesses in the Mazar Women's Market with a grant from ASMED.



Roundtable for women entrepreneurs, Mazari-i-Sharif
ASMED/USAID

FIELD ACTIVITIES – SOUTH

Future Activities:

Eclat Construction Companies Union:

ECCU will arrange Proposal Writing, Bidding, Management, Accounting and Report Writing Training for 50 member construction firms. This training will be arranged in two portions. First, the training in the pre-selected topics will be arranged for 25 construction companies by a local BDS firm, which will be selected through an open bidding system. ASMED BDS and Grant departments will be closely monitoring the training and upon successful achievements of the first training, the second portion will be arranged for another 25 construction companies.

ONGOING ACTIVITIES

Eclat Construction Companies Union

ECCU will arrange a proposal writing, bidding, management, accounting and report writing trainings for 50 members of various construction firms in the southern region. ECCU released a Request for Proposal to BDS firms in Kandahar and received three proposals. In collaboration with ASMED, ECCU will identify a BDS firm to arrange the trainings. Two groups will attend the trainings. The first group of 25 construction companies will participate in the initial course. A second group of 25 firms will attend the second phase. The business development section at ASMED project will monitor the training and its achievements.

Afghanistan Chamber of Commerce and Industries, Kandahar city, Kandahar

Following a suicide attack which destroyed much of the Afghanistan Chamber of Commerce and Industries' offices in Kandahar, in November, ASMED provided the association with replacement equipment. The equipment – office furnishings, computer, projector and software - were provided to help the ACCI continue service deliveries to its members. ASMED is also helping the ACCI to provide business development trainings to key members.

PROGRAM COMPONENT 4:

GLOBAL DEVELOPMENT ALLIANCES AND GRANTS

Global Development Alliances (GDAs)

The GDA Senior Advisor attended the Domotex Carpet Fair in Hannover, the largest rug and carpet trade fair in the world, and is working with David Bellak, the Carpet Sector STTA to develop a plan of activities for the year, including two or three GDAs to support this important sector. The Domotex show itself was a success for the 40 participants sponsored by ASMED and the Afghan Pavilion. Other significant events in the first quarter included the launch and deployment of the One Laptop Per Child project in Jalalabad, the launch of AITBN, the launch of the AZANA web site and participation in the New York Gift Show, as well as meetings in India for the launch of the pharmaceutical GDA.

Several new GDAs are also in the advanced stages of preparation and were submitted in April, including a combined GDA for several different Marble processing firms in Herat, a gemstone sector GDA, a shipping and logistics GDA for the carpet and handicraft sector and a new GDA with Moby Media to produce a second season of Dream and Achieve, the TV reality show. The GDA Senior Advisor met with key pharmaceutical players in Hyderabad and Bangalore to establish the low cost pharmaceutical GDA, which should be signed by the partners in April.

To strengthen the team and support the growing number of GDAs, a new GDA local staff member was approved and hired.

The GDA Senior Advisor visited India to meet with MedPlus. Organic STTA visited Kabul and met with potential partners. Mazar GDA conference was another success to bring together a number of new GDAs with ARFC loans. A Marble Sector STTA was here to develop a plan of activities for the coming years - including four to six GDAs. The Renewable Energy STTA came to Afghanistan in May. The Renewable STTA had meeting with different stake holders and trained local partners. The second season of Dream and Achieve started and auditions were held in Kabul, Mazar, Herat and Jalalabad.

The GDA Junior Advisor was hired, and is in the process of taking the lead on new GDAs.

The GDA conference in Mazar was a major activity in the third quarter. A number of concept papers were developed. Among the concept papers, the Tomato Production and Candy Production GDAs were approved.

A similar conference took place in Herat to discuss GDA opportunities in the western region. A wool processing and reprocessing GDA was already identified and approved. Rahim Walizade, the private sector partner, has ordered equipment to move forward with the project.

Several other GDAs such as Light Up Jalalabad, Tajaran Jawan, and Low Cost Pharmaceutical have been approved and are being contracted. Environmental assessments for pending GDAs are in the process for Chesht Marble Processing, Equity Capital Mining, Jalalabad Wool Washing, Improved Techniques for Gemstone Sector, and Marble Mining Merkahal, and Wool Dyeing and Spinning.

ASMED concluded an additional 17 DGA agreements with a value of more than \$4 million in a little more than three months. GDAs were approved and contracted for Candy Productions, Light Up Jalalabad, Chesht Marble Processing, Low Cost Pharma, the Moscow Trade Fair, Improved Techniques and Equipment for the Gemstone Sector, Salt Extraction and Processing Improvement, Wool Dyeing and Spinning, and Takhat Marble Mining Improvement.

Tolo TV Entrepreneur Series *Dream and Achieve*

The final of the second season of *Dream and Achieve* was recorded in front of a live audience at the Kabul Serena Hotel on Oct. 24 and aired across the country on Tolo TV the following night.

This season's overall winner was Basear, an entrepreneur from Herat whose wheat-cutting machine earned him a 1 million Afs (\$20,000) prize. Second place went to the maker of a brick processing machine, while third place was awarded to the maker of a series of CDs designed to assist in the education of the blind.

Dream and Achieve was a tremendously successful collaboration between ASMED and Tolo TV, inspiring entrepreneurialism and providing basic business skills education to viewers. The program taping was attended by a number of VIP guests including John Irons, director of the Office of Economic Growth at USAID Afghanistan, representatives from the Ministry of Commerce and Industry, the Ministry of Finance, the Afghan Parliament, the Afghan Chamber of Commerce and Industry, and the Afghanistan Bankers and Builders Association. Leading Afghan business consulting firms and associations were also in attendance. submitted final close-out reports.



Dream and Achieve finalists, Kabul
(USAID/ASMED)

Silk Value Chain improvements

All advance payments have now been liquidated against purchases of new equipment, training, and other start-up costs, and all four participants are now producing different Afghan silk products, which are being introduced to the market. A survey has also been started by ASMED's M&E department to measure the full impact of the GDA at all levels of the value chain.

Azana, which makes silk scarves, participated in the New York Gift show exhibition and has a backlog of orders already. AZANA conducted a PR tour, holding presentations to promote AZANA in Germany. The newly designed AZANA product label meets all requirements for exporting/importing scarves to all OECD countries.

AZANA has also successfully filed and registered as a trademark in Germany, and now has a collection of more than 70 different scarf designs. AZANA launched its online shop in May/June 2009 to consumers in Germany, UK, France, Switzerland and Austria. They will gradually expand their presence to other countries over time. Azana has launched a new web site to market its product and reach out to new markets through the internet. The website is: www.azana.net

Zarif Design is expanding its production capacity, allowing the company to respond to increasing local demand. An additional collection of samples was taken abroad for display and distribution in New York, Dubai, Paris and London for Afghan Aid Fundraising March 12, 2009. ASMED is assisting this company with reaching both national and international markets – focusing initially on New York.

Zarif Design focuses on building the capacity of Afghan women tailors. Over the past four years, the company has been able to increase the salaries of its 17 women tailors by 30 percent (from \$75 to \$105). This outcome is substantial in a country where average annual per capita income remains low.

Cardboard Factory

The objective of the program is to install a box factory in Kandahar which will reduce the Cost of packaging from \$2.00 per 20 kilos to \$1.00 for tens of thousands of farmers in Helmand and Kandahar. The factory produces 90,000 boxes every month and supplies to dry fruits and fresh produces.

Blast-free Marble Mining

The Mir Brothers Marble Alliance allowed a shift from traditional to "no-blast" mining which greatly increases the quality and value of marble produced. Activities included training in improved mining practices and technology up-grades. The objective of the program is to build a profitable and competitive marble extraction industry in Afghanistan. The road to the quarry was built and the five villages get access to the market

Tofa.com Productized Diaspora Remittances

To increase remittances from Afghans overseas, to sustainable employments, trainings and revenue stream provided for unskilled and homeless young adults. The web site is up in running www.tofa.af. The company will receive up to five orders per week.

International Standards Apparel Manufacturing Training Center

The aim of the project is to establish an International Standards Apparel Manufacturing Training Center for knitwear-manufacturing, Creation of 120 fair-labor jobs, in repairing of machinery and in knit wearing, Engender a domestic garment industry and Reduce the quantity of apparel and apparel-related imports coming into the country. As a result of the support the client T&B got National Army's contract. The company employed 120 Personnel.

FIELD ACTIVITIES – NORTH

Key Accomplishments

The project successfully identified several SMEs for ASMED grants and other financial institutions for loan support. The project took an initiative on holding a Global Development Alliance Conference in Mazar-e-Sharif. The conference helped ASMED identify opportunities where USAID funds can be deployed to stimulate public-private sector alliances. During this reporting period, the project coordinated/ invited financial companies like ARFC and AGF to visit the potential companies identified by ASMED and consider them for loan support.

Activity:

- The Afghanistan Rural Finance Company invited and visited several companies April 18 (Afghan tax carpet company, Sina PVC production company, Almobasher food company, Takht Rustam marble company, Chashme Shafa Agribusiness Company, Yarash Huma Brick Production Company, Aria plastic footwear company) and processed loan which is already approved for three projects and three more accepted by Afghanistan.
- The project conducted GDA conference in Balkh Province, May 27 in Mazar City, with participation of 17 successful SMEs, financial institutions (investors) BDS companies, relevant government authorities and Balkh Provincial Advisor for Economic Growth.
- The project had a day trip to Pulikhumri City in Baghlan Province June 1 to investigate the purchased machineries for this association after their first installment.
- The project received confirmation June 7 from Afghanistan Rural Finance Company on the approval of loans for the following companies: Abdul Rahman Sons Ltd (Carpet) - \$100,000; Almobashir Bakery - \$100,000; Takhte Rustam Marble - \$60,000. The business plans and financials were prepared with ASMED technical support. The companies were among 17 SMEs selected that attended the GDA conference.
- The project had a site visit to Baghlan Province June 3. During the visit, ASMED monitored the implementation of grants recently approved. The mission visited Puli-Khumri Carpenters' Association, Qatagan Seed Association and Ajmeer Beekeepers' Association.

Gulistan Essential Oil Company, Jalalabad City, Nangarhar

Gulestan Essential Oils Company has set up a distillation facility in the Nangarhar Province, primarily for Rose Essential Oil and Neroli Oil (bitter orange). Procurement has been done for distillation equipment, construction, and raw materials for test production last year. GULESTAN received confirmation from two

buyers, Wala of Germany (Largest importer of Rose Oil globally) and The Rose Oil Company of Germany, that their product is up to export standard.

The Value Chain Improvement grant (\$54,000) will be used to procure one Distillation Unit (Alembic and Florentine); origin: Turkey and one Electricity Generator (20 KVA). For quality assurance, GULESTAN has contacted IMO, an international Organic Certification Organization, which will visit the GULESTAN production facility in 2009 to certify its product as organic.

GULESTAN expects more than 400 direct beneficiaries from this project with about 100 women employed to harvest the roses. The goal in the next two years is to maximize rose oil production, ensure cultivation of rose fields and maintain relationships with buyers. After they are satisfied with the results from the rose oil production, they will move into mass production of another high-value product, Neroli Oil (Bitter Orange). The main obstacles in achieving these goals are security and weather. Closed out Feb. 5, 2009.

Grants completed

Afghan National Business Association for Peace

The grant set up the Afghan National Business Association for Peace as an association and also created a functional office where the ex-combatants can meet and discuss or act on their affair. The grant completed Oct 15, 2008. The grant also facilitated training in business management, marketing, basic accounting and micro business administration.

RWA Road and Construction Engineering Company

ASMED supported RWA Road Construction Company to import the complete plant of concrete mixing from Zhengzhou Unique Industrial Equipment Co. Ltd of Zhengzhou City, China. The equipment was made to RWA specifications. The order for the equipment was placed through a confirmed letter of credit Aug. 5, 2008 through Azizi Bank of Kabul. The plant was shipped by sea to Kabul via Karachi Pakistan. The shipment arrived in Karachi and was transferred to the Karachi-Kabul leg by road. The shipment arrived in Kabul Nov. 3, 2008. After the clearing customs in Kabul, the shipment was transported to Ghazni. The grant was completed Nov. 22, 2008.



Afghan Women Agriculture Association

ASMED supported AWAA to purchase potato paste machine, carton packing machine, showcase, freezer, plastic barrels, manufacturing and expiry date putting machine, including delivery costs of equipment from Pakistan to Jalalabad and one-month training for 60 members in processing of foods. The grant was closed Dec. 18, 2008.

After procuring the appropriate equipments, the association is now able to provide high-quality services to its members. It is now able to:

- provide technical and professional trainings to its members;
- market its products;
- resolve problems between members and governmental agencies (lobbying activities);
- hold regular meetings with its members and governmental authorities, ensuring a smooth-running operation;
- participate in the AG Fair Trade Show to establish market link for member-produced improved seeds.

The general assessment of the association is residents of Jalalabad City, including other provinces of Afghanistan, can get high-quality, hygienic food items at low prices.

Many jobs opportunities – 170 direct - have been created for the members of the association through the implementation of this project.

Market Stalls –Batikot District, Nangarhar Province

With an ASMED Marketplace Development grant (\$9,494), the Muqadas Saeed Construction Co. LTD built a small wholesale market comprised of 12 stalls with surrounding wall, which has sufficient space to accommodate a great number of people in the bazaar. The district municipality contributed land and maintenance. Through the implementation of this project, locals can conduct business in this market, which encourages investors to construct other marketplaces there and improves local economic growth. It will provide a shelter facility to the local merchants and farmers to sell food and vegetables in good condition, which will increase their incomes. Market shelters improve sanitary conditions. The beneficiary category for men is 1,000 and for women 180. Close out Jan. 18, 2009.



Opening Ceremony of the BatiKot Market Stall, Nangarhar (USAID/ASMED)

Zenith Women Tailoring, Embroidery and Bead Weaving Association, Kandahar Province

An ASMED Association Seed grant (\$9,950) for the Zenith Women Tailoring, Embroidery and Bead Weaving Association was successfully completed, and all of the planned activities were achieved based on the grant agreement. With this grant, the association registered with the Ministry of Justice, and purchased equipment and furniture for the association office. In addition, 12 days of training was conducted for business management, accounting and marketing. Thirty key members of the association participated in the training.

The increase in ZWTEBWA business services for its members will include the advancement of the technical skills of members, sharing of market data, awareness of women's working rights, and new access to sales/marketing opportunities. This will have a direct impact on increasing services, sales and activities for the members of the association, and more women will become interested in starting businesses and becoming members of ZWTEBWA. Beneficiaries Categories for men is 15 and women 57. Close out Jan. 18, 2009.



Equipment bought under the ZWTEBWA Associate Seed Grant, Kandahar (USAID/ASMED)

Jebrail Saffron Processors Association (JSPA)

This ASMED Association Seed grant (\$6,980) was successfully implemented and the milestones were achieved according to the signed agreement. The Association was registered with the Ministry of Justice. Equipment and furniture was purchased for the association office, and sorting and packaging trainings were provided to the members of the association. Members are pleased with the successful implementation of this project, and they expect it will directly affect production, by upgrading it according to the international market standards, increasing their sales and encouraging more members to participate in the process of private small businesses by seeking membership in the association. Moreover, it is expected that the association will extend its services and if possible, will have sub-offices in the area. Total Beneficiaries category for the men is 100 and for women 400. Close out Jan. 18, 2009



Equipment Bought under the Grant, JSPA (USAID/ASMED)

Kandahar Carpenters Association

This ASMED Association Seed grant (\$9,080) was successfully implemented and the milestones were achieved according to the grant agreement. The association was registered with the Ministry of Justice,

equipment and office supplies were procured, and capacity building training was offered to key members of association. In general, after the completion of this project, it is expected the association will be strengthened, and the members will be able to work together more effectively. Three hundred men have benefited from this project. Close out Jan. 25, 2009.

Faryab Waste Collection System

With an ASMED Marketplace Development grant (\$9,400), the Maimana Municipality established waste collection in areas where most of the street shops and street vendors conduct business. The trashcans were manufactured by a local workshop. The idea of placing the trashcans around the city comes from the Mayor of Maimana.

The Maimana Municipality contributed to the project by cleaning and maintaining the waste collection system. It is planned for the municipality to start charging fees for waste collection from local shops, where trashcans will be installed. The Maimana Municipality has several trucks that collect the waste in the city but does not have enough trashcans. Five thousand men and 2,000 women are beneficiaries of this project.



Waste Collection Baskets, Faryab
(USAID/ASMED)

Helmand Metal Workers

This ASMED Association seed grant (\$7,900) is used according to the grant plan and activity budget. Association by-laws were completed approved and the association was registered with the Ministry of Justice. Office supplies, equipment were procured and an office set up for the association. Capacity Building training is offered to association management and key members.

The result has been widespread increases in sales and activities of its member enterprises. Beneficiaries category for this grant is 215 men. Close out Feb. 5, 2009.



Capacity Building Program, HMWA,
Helmand
(USAID/ASMED)

Helmand Women's Handicrafts Association

ASMED Association Seed grant (\$8,450) was successfully implemented, and the milestones were achieved according to the signed agreement. The association was registered with the Ministry of Justice. Equipment and furniture was purchased for the association office, and Capacity Building training was provided in the fields of management, marketing and accounting. Members expect this will directly affect development and promotion of their businesses, increase their sales and encourage more women to participate in the process of private small businesses by seeking membership in the association. Although security was one of the main concerns in the area, it was completed successfully.

Beneficiaries for this grant were 48 Women. Close out Feb. 15, 2009.



Capacity Building Program, HMWA,

Helmand Carpenters Association-Helmand



Management Training of the HCAH
(USAID/ASMED)

ASMED's Association seed grant (\$9,370) was used for registration with the Ministry of Justice. By-laws were developed, office equipment purchased, Capacity Building training was administered, and, through the support of ASMED, the association increased services to its members.

The grant was able to establish the association legally and to start the association activities and services to its member enterprises. Beneficiaries' category for the project was 48 men. Close out Feb. 15, 2009

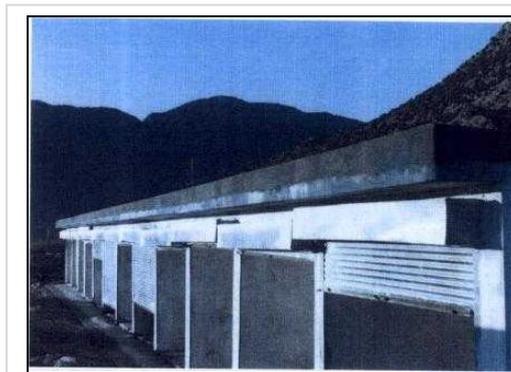
Chardara Agro Service Association, Kunduz Province

ASMED Association Seed grant (\$7,800) was implemented with the procurement of computers and printers, association management and seed processing for quality improvement training and printing publications for the association. The project was implemented in another high-risk district in the northern region. CASA was established to increase the production of food, thereby helping stabilize market prices for grain. With the help of the ASMED Grant, CASA was able to arrange a trade exhibition and seminars at provincial levels, offer advisory services, publications and media, delivery of new technologies for best agro practices, and to provide quality seed to customers. A total of 98 men and 30 women benefited from this project. Close out March 24, 2009.

Dawlat Shah District MDG Market, Lagham Province

With an ASMED Marketplace Development grant (\$17,974), the Latife Faisal Road & Construction Ltd. constructed a small wholesale market comprised of 12 enclosed stalls with individual doors to each stall in one line. The compound will have access to electricity and water from the governor's house. By implementing this project, local inhabitants can do their business in this market. This will encourage investors to construct other marketplaces, making local economy grow. Construction of market stalls will increase commerce in an area that sees significant foot traffic, create both temporary and permanent jobs in the area, support the local provincial government agency and improve relations between the community, the local government and U.S.-supported agencies such as USAID and ISAF.

The Latife Faisal Road & Construction Ltd. employed approximately 45 laborers. In the district town of Dawlat Shah District, which created temporary job opportunities for the inhabitants of Dawlat Shah District, 24 permanent jobs will be created with each market stall employing two people. One thousand men and 500 women have benefited from this project. Close out March 26, 2009.



Market in Dawlat Shah
(USAID/ASMED)

Shah-e-Safa District Market Shops, Zabul Province

The ASMED Marketplace Development grant (\$10,294) and contributions from the District Shura were used for construction of six shops in Shah-ri Safa District in Zabul Province. The contributions of district authorities and District Shura included land, unskilled labor costs (preparation and cleaning of construction site after completion of project). As a result, six shops with front metal covers and an I-boring well with a hand pump were constructed.

Shah-ri Safa District Shura / Community Development Council will directly manage the market and for a period of approximately six months, the shops will be provided free to the businesses to encourage people to enter the market and provide good services. The project provided employment opportunities to the locals. The construction company hired eight skilled and 16 unskilled laborers for 2.5 months. In addition, those who supplied construction materials were also positively impacted by the project. A total of 25,600 men and 12,400 women benefited from this project. Close out March 26, 2009.



Market Shops in Shah-e-Safa District, Zabul
(USAID/ASMED)

Shah Wali Kot District Market, Kandahar Province

With ASMED Marketplace Development grant (\$9,990), the market was constructed near the district center, which is almost 65 kilometers from Kandahar City, in the northern area of Kandahar Province. Six shops were constructed in the marketplace. Four skilled and 12 unskilled laborers were hired for various jobs during the project implementation period. A total of 108 men and 144 women were beneficiaries of this project. Close out March 26, 2009.

Lalpur District Market, Nangarhar Province

With an ASMED Marketplace Development grant (\$11,044), the Sahar Afghanistan Road & Construction Company built a small wholesale market, comprised of 12 stalls along with a surrounding wall, which has sufficient space to accommodate a number of people in the bazaar.

Implementation of this project means local people can do their business in this market, helping the local economic growth. There was no wholesale/retail market in the Lalpur District before this project. The market will provide an opportunity for new retail and wholesale business to enter the market, reducing the need to travel to Jalalabad for shopping and selling produce.

The Sahar Afghanistan Road and Construction Company employed 20 laborers. Thirty permanent jobs will be created. A total of 3,000 men and about 130 women will benefit from this project. Close out March 26, 2009.



Market in Lalpur District, Nangarhar
(USAID/ASMED)

Kandagal Market, Manogai District, Kumar Province

With an ASMED Marketplace Development grant (\$8,819.38), the Hewad Construction Company built a small wholesale market comprised of 12 stalls with a surrounding wall, which has sufficient space to accommodate a number of people in the bazaar. Implementation of this project means local people can do their business in this market, helping local economic growth. There was no wholesale/retail market in the district before this project, and the people had to travel to Assad Abad City to buy their daily required items. The market will provide an opportunity for new retail and wholesale business to enter the market and will reduce the need to travel for shopping. The Hewad Construction Company employed 15 laborers during the construction phase for more than four months. The project will create 20 permanent jobs for local residents. Close out March 29, 2009.

Farah City Municipality, Farah Province

The MDG (\$10,000) was a joint-effort between ASMED, the Farah Military PRT and the Farah Municipality, which provided in-kind local support. The project consisted of installation of solar-powered street lights, two men's and two women's toilets, and construction of two new mini traffic circles. Overall, the City of Farah now has smoother flowing traffic after the installation of the traffic circles, and the landscape has improved. The solar lights are now able to light the city, requiring little maintenance and lasting a long time. The city has improved the air quality by not burning fossil fuels for power. Health and sanitary conditions have improved in the city with the installation the toilets. Close out April 1, 2009.

Shewan Community Development Council Bazaar, Farah City

The Shewan Community and members of the Shewan Community Development Council identified the Shewan Bazaar project in a Marketplace Development grant (\$30,800). The village of Shewan lies on a strategic road, between Farah City and Highway 1. It is the largest village between the two destinations and an important commercial center for the province. Years of insecurity in the province have not enabled Shewan to make full use of the benefits of this location. Hence, Shewan has remained underdeveloped. This refurbished marketplace will greatly improve this once bleak scenario.

The project was implemented to stimulate the local economy, provide access to local goods, promote local growers and businesses, and to provide a safe and clean market area. Thirty new, technically appropriate bazaar stalls were constructed out of traditional materials using all local labor and construction methods. The project employed 200 skilled and unskilled laborers during the construction phase. A total of 230 men and 90 women were beneficiaries of this project. Close out April 12, 2009.

Arghandab District Market, Kandahar Province

With an ASMED Marketplace Development grant (\$9,990), the Arghandab District Shura constructed six new shops, mainly used for local agriculture products. Arghandab is one of the most famous districts in Kandahar for its fruits and other agricultural products. The market will benefit the local population and farmers because they will be able to sell their own products in the district without sending to other areas. The successful implementation of providing a high-quality market will dramatically increase sales in the project area. In addition, this project will create sustainable jobs in the project area. Directly, six SMEs are impacted. The project activities found job creation for 12 skilled and unskilled workers for approximately 40 days. Beneficiaries included 800 men and 200 women.



View of the Market Stalls in Arghandab
(USAID/ASMED)

Nangarhar Beekeepers Association

This ASMED Marketplace Development grant (\$23,200) has been used to purchase office furniture for a honey processing plant, packing plant, a capping machine, wax machine, stabilizer, two gas cylinders, a water plastic cane and plant transportation. With the financial support of ASMED, an association was established to develop and support this business in the region, and to solve the problems of beekeepers and their businesses. The association has been established and supported with a well-organized office and office equipment. In addition, a big step to moving the association toward sustainability was to assist with honey processing and packaging machinery. This machinery has enabled the association to process and package members' honey in a standardized way. Members who process their products in the facility can receive the maximum price for their products. This machinery has also allowed the association to process and package the honey in a standardized way to compete in local and international markets. Ten jobs were created in the processing plant. A total of 170 Men and 65 Women are beneficiaries. Close out April 5, 2009.

Want Bazaar Road Graveling and Water Drainage Facility, Nuristan Province

This ASMED Marketplace Development grant (\$15,985) has been used to improve the interior bazaar road by graveling and improving its drainage system. Previously, the market bazaar was unlevelled and the drainage system was nearly non-existent. The lack of a proper drainage system was creating a build-up of pools of sewage near where food products were sold. Improving the road and creating a drainage system reduced the amount of standing water, which was a hazard to humans and livestock. Improving the road and drainage system will help the flow of economic activity within the bazaar area. The improved transit lanes will lead to a higher level of economic activity within the local bazaar, encouraging new entrepreneurs to set up shops. This community-initiated project will help improve stability in the region. Direct employment came in the form of 26 laborers employed by the Kashtoon Construction and Road Construction Company. The project will increase income for shop owners and all of their direct suppliers. Other new employment will result from new entrepreneurs opening shops. Approximately 4,000 men and 700 women are the beneficiaries of this project. Close out April 25, 2009.

Khandagi District Latrine Facilities, Kunar Province

With an ASMED Marketplace Development grant (\$9,434), Hewad Construction Company built a small wholesale market comprised of 12 enclosed stalls with individual doors to each stall with a surrounding wall, which has sufficient space to accommodate a great number of people



Opening Ceremony for Marinara District
Market Stalls
(USAID/ASMED)

in the Bazaar. Local inhabitants can do their business in this market, encouraging investors to create other market places, generating local economic growth. The new facilities will provide shelter facility for local merchants and farmers to sell their food and vegetables in better condition, which will increase their income. It will facilitate more local businesses in the area to bring their products to the market. Approximately 40 laborers were employed by the HC Company in Kandagal District that created temporary job opportunities. A total of 65 men were beneficiaries for this project. Close out May 11, 2009.

Marinara District Market Stalls, Kunar Province

With an ASMED Marketplace Development grant (\$11,000), the Abbes Maundy Construction Company constructed a small wholesale market, comprised of 12 enclosed stalls with individual doors to each stall along with a backside wall. The existing market facility is located on the side of the main road in the center of the district where it is accessible from adjoining districts and will provide shelter for merchants. Addressing a lack of job opportunities in the area, the building of a wholesale market encouraged more local farmers and merchants to bring more food, vegetables and other items to the market, which promoted the market and will create more job opportunities. Close out June 20, 2009.

FIELD ACTIVITIES - CENTRAL

Afghan Women's Business Federation, Kabul City

AWBF has committed to and carried out major association reforms and has agreed to change its membership structure to include individual members. AWBF has trimmed staff, reduced salaries, and changed its overhead/program cost ratio. It has established a strategic plan and a work plan, and now report progress against those plans on a monthly basis. They have also increased the number of revenue-generating member services they provide, as well as generating additional revenues by providing services such as training to other organizations. ASMED's Association Development grant (\$216,000) will finance AWBF operation costs for the Kabul Main office, with sub-branches in the regions. In addition, the project will continue to finance business management, public advocacy roundtables, publications and networking events conducted by the federation.

FIELD ACTIVITIES – EAST

Doab District Market, Kunar Province

With an ASMED Marketplace Development grant (\$11,844), the Ghairat Construction Company built a retail market comprised of 10 closed stalls and a surrounding wall. The project was successfully completed. Locals can do their business in this market and help local economic growth. The market will provide an opportunity for new retail and wholesale business in the market. Fifteen locals were provided temporary jobs for three months. The project created 20 permanent jobs. Closed out Aug. 30, 2009.

Road graveling of Wama District Bazaar, Nuristan Province

With an ASMED Marketplace Development grant (\$18,000), the Kultan Construction and Road Company graveled the road and improved the sanitation system of Wama District Bazaar that has helped the local shopkeepers extend and improve their business activities. Before the project, the district bazaar was in very bad condition, especially during winter season, as it was full of mud and water due to lack of a proper sanitation facility. By implementing this project, locals can start different small businesses that will help the local economy grow. During the construction, 20 locals were provided temporary jobs for three months. Closed Aug. 30, 2009.

Marawara District Market, Kunar Province

With an ASMED Marketplace Development Grant (\$11,000), the Abbas Mohmmad Construction Company built a retail market comprised of 12 shops that will help create 12 new SMEs in the district.

Locals can start different small businesses helping the local economy grow. During the construction, 20 locals were provided temporary jobs for three months. The project will create 20 permanent jobs. Closed out May 17, 2009.

FIELD ACTIVITIES – NORTH

Provincial Council of Crafter Traders National Union of Kunduz, Cemina Nasher

PCCTNUK is part of the Central Council of Crafters/Traders National Union of Afghanistan (CCCTUNA), a membership union with 20 years background in advocacy, service delivery, and business facilities. Kunduz Branch currently has 4,200 members from Kunduz City and one nearby district. Members come from producers, repairing and sales/trading operations. In the past, the union was a contact point, used by traders and businesses providing fuel and secondhand sales to business and traders from government agencies. This ended with government policy changes, and PCCTNUK became an institution collecting membership fees, but offering few services for its members. However, in recent years, PCCTNUK began to offer business support and advocacy services for its members. This Association Development grant (\$18,180) allows the association to increase services to its members and provide equipment for a professional service delivery office. This generates non-fee revenue. Increasing services will also increase the number of paying members.

FIELD ACTIVITIES - WEST

Tahmina Industrial & Cultural Association, Herat Province

The Tahmina Industrial & Cultural Association is an independent, non-political and non-governmental organization whose mission is to train qualified women in industrial fields, production factories, handicrafts and other productive activities that increase family incomes. The association provides training and marketing services for its members. The Association Development grant (\$8,600) is to develop programs members can use to obtain better income. Direct beneficiaries will be 105 men and 395 women. More than 2,500 families will benefit indirectly.

PROGRAM COMPONENT 5:

CAPACITY BUILDING

FIELD ACTIVITIES – CENTRAL

KABUL

An internship graduation ceremony was held in Kabul April 6, 2009. Program completion certificates were distributed to 60 graduates, including 24 females. The deputy chancellor of the Kabul University, Head of Faculties at Kabul University, University professors, CEO of Aziz Bank, CEO of the export promotion agency of Afghanistan, COP of Afghan e-Quality alliances Director of AJEER business and Management institute, representative of the host companies representative of the local business and also local media were guests. A total of 490 students (93 females) at Kabul University took a qualifying exam in June 2008. A total of 120 students (including 40 females) in Kabul qualified for the program.

Selected interns were trained in two batches of 60 in Business Management, Marketing, and Accounting and placed for practical work experience at leading private sector firms and business organizations. In Kabul, the interns worked at Roshan Tele-Communication, AIB Bank, Etisalat, Azizi Bank, EPAA, Paiwastoon, Afghanistan Growth Finance Company, Zurmat Construction Company, Afghan United Bank, Brack Afghanistan Bank, Flag International, GTZ, Coca Cola and others.

- ACCI-ASMED's first month Mentorship seminar was conducted in Kabul Feb. 10, 2009. A total of 43 young professionals, including 17 females participated in the seminar.
- ASMED, with ACCI, conducted the second Mentorship seminar in Kabul March 30, 2009. A total of 40 young professionals, including 17 females participated in the seminar.

BAMYAN

An internship graduation ceremony was held at Bamyan University April 12, 2009. Program completion certificates were distributed to 40 graduates including 15 females.

Internship Test in Kabul:

ASMED, in partnership with Kabul University and Oriental Consulting (implementing partners), gave a qualifying internship test to 350 students of Kabul University. Senior students from the Departments of Economics, Computer Science, Agriculture and Journalism participated in the test June 3, 2009. A total of 140 students, including 48 females, were selected for the ASMED professional internship program. The theoretical training portion began June 21, 2009. These interns were trained in accounting, marketing and business communications for three months followed by three months practical work within various SMEs in Kabul Province.



An Intern Receiving his Certificate of Completion, Kabul (USAID/ASMED)



Testing for the Internship Program (USAID/ASMED)

Mentorship Seminars in Kabul

ACCI-ASMED's third month Mentorship seminar was held in Kabul at the ACCI building April 15, 2009. A total of 48 young professionals, including 17 females, participated in the seminar.

ACCI- ASMED's fifth mentorship seminar was held in Kabul June 28. Prof. Yadgari, Dean of the Economics Faculty at Kabul University and Mr. Zubair Badakhshan, Director of the BDS Department at ACCI, facilitated this one-day seminar. A total of 37 mentees, including 17 females, participated in the seminar.



Mentorship Seminars in Kabul
(USAID/ASMED)

No	Host Companies /Organization	Number of Interns Accepted
1	Afghanistan Chamber of Commerce and Industry	6
2	Roshan Telecommunication Company	14
3	Azizi Bank	5
4	Tolo TV	1
5	Pashtany Bank	3
6	Harakat	3
7	EPAA(Export Promotion Agency of Afghanistan)	5
8	BRAC Bank	2
10	Ajeer Institute of Business Management	6
11	Parwan Construction Company	2
12	ASAP/USAID	2
13	HLP/USAID	2
14	Afghan eQuality Alliance	3
15	Care International	1
16	Insight consulting	1
17	MEDA	6
18	Global Partnership for Afghanistan	1
19	Oriental consulting	1
20	Mercycorps	1
Total		65

ONGOING ACTIVITIES

Mentorship Program

ACCI-ASMED's sixth month mentorship seminar took place at the ACCI conference hall in Kabul July 12. A total of 45 young professionals (including 17 females) participated in the seminar on starting a successful small business. The seminar was facilitated by two mentors, Mr. Ziarmal and Mr. Yadga Yadgari. The ACCI-ASMED mentorship program ended July 19. A graduation ceremony took place at ACCI in Kabul in which certificates were distributed.

Internship Program – Kabul University

The first batch of interns from the faculties of Economics, Agriculture, Computer Science and Journalism at Kabul University began the three-month practical portion of their six-month ASMED professional internship program Oct. 1. All 66 ASMED interns (including 24 women) found placements. This practical training provides the opportunity for interns to gain professional experience in an office environment.



ACCI-ASMED mentorship seminar, Kabul (USAID/ASMED)

Table 1: Placement of class one of Kabul Interns

No	Host Companies /Organization	Number of Interns
1	Afghan eQuality Alliance	4
2	Afghanistan Chamber of Commerce and Industry	6
3	Azizi Bank	5
4	Cetena Group	3
5	Brac Afghanistan Bank	2
6	Pashtany Bank	5
7	Export Promotion Agency of Afghanistan (EPPA)	6
8	Parwan Construction Company	2
10	Care International	1
11	Insight Consulting	1
12	Global Partnership for Afghanistan	1
13	Accelerating Sustainable Agriculture Program	2
14	Tolo TV	1
15	Mennonite Economic Development Associates	5
16	Roshan Telecommunication Company	14
17	Horticulture and Livestock Project/USAID	2
18	Atimad Engineering and Construction Company	1
TOTAL		66

The second batch of 75 interns (including 24 women) began the program with theoretical training comprised of three months of classes on modern accounting, business communications and marketing, delivered by ASMED partner, Oriental Consulting.

Table 2: Placement of class two of Kabul Interns

No	Host Companies /Organization	Number of Interns
1	United Nations Food and Agricultural Organization (UNFAO)	6
2	Afghanistan Small and Medium Enterprise Development (ASMED)	6
3	National Security Hospital	1
4	Global Partnership for Afghanistan	4
5	Net Links	2
6	Afghanistan International Bank	14
7	Oriental Consultant	2
8	Capacity Development in Agriculture Services	2
10	Bakhtar Bank	4
11	Roshan Telecommunication	2
12	Global Rights Partners	1
13	Adil Omar Construction Company	1
14	Shuhada Organization	1
15	Afghan Telecom	1
16	Coordination of Humanitarian Assistance	1
17	Durukshah Agriculture & Social Association(North)	1
18	Afghan eQuality Alliance	2
19	Ariana International Logistics and Trading Co	1
20	Ministry of Commerce & Industry	1
21	HLP/Mail	2
TOTAL		55

FIELD ACTIVITIES – EAST

- Internship Program (completed): A total of 70 interns have graduated, including 30 females from the third internship program of ASMED Jalalabad. More than 55 percent of the students have jobs in different sectors.
- Internship Program (ongoing): 80 interns including 35 females are being trained in the fourth internship program of ASMED Jalalabad. The interns are trained in marketing, supervision,



Students Taking Qualifying exam for the Internship Program in Jalalabad, Nangarhar (USAID/ASMED)

accounting and management. They will spend three months in practical learning with different companies after they finish theory.

- ASMED Jalalabad, in partnership with Nangarhar University and Afghan CNN (implementing partner) gave a qualifying internship test to 180 students of Nangarhar University Feb. 14, 2009. A total of 80 students, including 35 females, were selected for the ASMED professional internship program. The theoretical training portion of the internship program was started March 1, 2009. These interns will be trained in accounting, marketing, business management and supervision for the three-month period followed by three months practical work with SME's in Nangarhar Province.

BBA teacher training program:

The third semester of BBA teacher training program was completed. Under the training, eight instructors of the Economics Faculty were trained in four business subjects: Cost Accounting, HRM, Small Business Entrepreneurship, and Marketing Research. The instructors will teach the business subjects to the new students of the BBA. The Ministry of Higher Education has accredited the BBA, initiated with the technical and financial assistance of ASMED, in collaboration with Nangarhar Public University.

Internship Program (4th batch): A total of 80 interns started their practical period and are working with different companies. They graduated at the end of the third quarter of 2009.



Internship Program (5th batch): A total of 80 interns, including 35 females, are being trained in the fifth internship program of ASMED Jalalabad. The interns are trained in marketing, supervision, accounting and management. They will spend three months in practical learning within different companies after they finish the program's three-month theoretical portion.

Khost

ASMED, in partnership with Khost University and Oriental consultants, administered an internship test to 103 students June 4, 2009. Students from the Department of Agriculture, Computer Science and Economics participated in the test. A total of 80 students were selected for the ASMED professional internship program. The theoretical training portion of the internship program was started June 8, 2009. These interns were trained in accounting, marketing, business management and supervision for the three months period followed by three months practical work with SME's in Khost province.

Internship Program

The fourth class of the ASMED internship program has concluded. After completing the three-month theoretical course, the 80 students from the fourth class trained with various SMEs throughout the province for an additional three months. All of the interns received a starting salary paid for by ASMED. Approximately 60 percent of the students received full employment opportunities with various SMEs, NGOs and government agencies. ASMED held a graduation ceremony after Ramadan. In addition, 80 students from the fifth class of the ASMED internship program completed their theoretical courses held at the Education Faculty of Nangarhar University. During the theoretical portion of the training students studied basic management, accounting, marketing, and banking skills.

Internship Program – Nangarhar University

Following the completion of their three-month theoretical course in basic management, accounting, quick book, marketing, supervision and banking, 80 ASMED interns (including 35 women) from the Economics, Agriculture, Computer Science and Education faculties of Nangarhar University, began the practical portion of their ASMED professional internship Oct. 1, 2009. All 80 were placed for three months practical experience with Jalalabad-based private and public sector organizations.

Table 3: Placement of class 5 of Jalalabad Interns

S/N	Host Companies /Organization	Number of interns
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1	Kabul Bank	2
2	Afghanistan Chamber of Commerce and Industries (Nangarhar Branch)	6
3	Kardan University	1
4	Nawe Faisal Hamza Company Limited	1
5	Masroor Food Processing Company	1
6	Incentives Driving Economic Alternative/North, East and West (IDEA/NEW)	3
7	Ministry of Agriculture, Irrigation and Livelihood (Nangarhar Branch)	1
8	Afghanistan Institute of Business Management	1
9	Afghan Shamsad Construction Company	1
10	Javid Afghan Ltd	2
11	International Relief and Development Inc (IRD)	2
12	Tariq Omer Production & Construction Company	2
13	ASMED Jalalabad	3
14	Merwais Ahmad Dastger Ltd.	1
15	Da Afghanistan Bank	1
16	Numan Fahim Ltd.	1
17	Independent Election Commission	1
18	Numan Jalal Road Building & Construction Company	1
19	Norwegian Project Office - Rural Rehabilitation Association for Afghanistan	1
20	Export Promotion Agency for Afghanistan (EPAA)	2
21	Afghani Women and Kids Education and Necessities	2
22	Road Roof Construction Company	1
23	United Medical Center for Afghans/Rehabilitation Program for Afghanistan	1
24	Nangarhar Nursery Growers Association	1
25	Agency for Rehabilitation and Energy conservation in Afghanistan	1
26	Agriculture Development Association for Afghanistan	1
27	Sahil Marble	1
28	Maiwand Bank	1
29	Afghan Independent Human Rights Commission	1
30	Shamal Sharg Aria Building and Road Construction Company	1
31	Afghanistan Central Business Registry - Jalalabad	1
32	Afghan Women Business Development Federation	2
33	Ahmad Shah Abdali High School	4

34	Khurasan University	1
35	Afghanistan Women Welfare Department	3
36	Shams London Academy	3
37	Killid Radio	2
38	Afghan Women Radio	3
39	Afghanistan Women Welfare Department	1
40	Afghan Women Social and Business Development Association	1
41	International Orphan Care	1
42	Global Connection and Exchange Program	1
43	Ministry of Counter Narcotics	2
44	Sherzai English Academy	1
45	Paiwand Educational, Vocational Services Organization	1
46	Global Connection and Exchange Program	2
47	Save the Children	1
48	Aman Construction and Rehabilitation Company	1
49	Afghan Rehabilitation and Education Program	2
50	Engineering Construction, Highway Construction Company	1
51	Soliderate Afghan Belgium	1
	Total	80

FIELD ACTIVITIES – WEST

- Internship programs for 120 Herat University students were conducted into two groups (60 interns each group, with two classes of 30 students). The first group started its three-month theoretical in Sept. 25, 2008, and finished the theoretical period Dec. 25, 2008. This group then started its practical period, ending March 25, 2009. The second group started its three-month theoretical Dec. 15, 2008, and finished March 15, 2009. Interns were then placed in different organizations to complete their practical work. Both groups of interns have completed their theoretical and practical periods.
- ACCI- ASMED's first mentorship business seminar was conducted Feb 10, 2009 at the Chamber of Commerce Conference, in Herat Province. A total of 56 young professionals, including 19 females participated in the seminar.

Other Events:

ACCI Awards Presentation:

The Regional Manager, Grant Coordinator and Regional Security Manager attended the ACCI Business Leaders Award ceremony Feb. 28 with 150 guests, including the Provincial Governor, Mayor, ACCI and Industrial Union Director, Tajik Consul General and Herat member of Parliament. ASMED coordinated with USAID and U.S. Department of State Herat officers, to conduct a briefing for the Herat Governor and Provincial Development Council of ASMED activities March 22.

Mentorship Programs

Mentorship programs for young professionals (19 women and 31 men) in partnership with ACCI started its series of six monthly meetings Feb. 10. The fifth session was completed in June.

Ongoing Activity

The Herat-based BDS firm BaMSA was selected from an open competition to carry out the new internship program. Qualifying exam for 400 students of Herat University from Economics, Agriculture, and Computer Science, Teacher Training, Law and Political Science and Literature Faculties was conducted July 12, 2009 at Compass of Herat Teacher Training Institute.

Impact

- Young professionals attended six mentorship sessions
- A total of 50 mentees took part in business rights, business plan preparation, proposal writing, time management and marketing subjects.
- Gained support of Afghanistan's private sector through building capacity of the participating mentees.
- Exposure visits to active and successful industrial companies.

Herat University Internship

ASMED, in partnership with Herat University and implementing partner BAMSA (Business and Marketing Services Agency of Afghanistan), conducted a qualifying internship test for 500 students at Herat University July 12, 2009. A total of 140 students (including 50 females) qualified for the program. The theoretical training portion of the first group of 70 interns including 31 females started July 25, 2009. These interns will be trained in accounting, marketing, business management and supervision for a three-month period followed by three months practical work with SMEs in Herat.

ASMED arranged a study tour for 70 interns of the first group to a Tomato Paste Production Company in Herat Sept. 20, 2009. Another study tour was arranged by ASMED for 70 interns from Herat University Sept. 29. The students visited Nagin Industrial and Production Company in Herat.

ONGOING ACTIVITIES

Mentorship

ACCI-ASMED's sixth month mentorship seminar took place July 18 in Herat Province. A total of 46 young professionals including 19 females participated in the seminar on management skills. After the sixth seminar, young professionals, accompanied by mentors, attended the third study tour. The mentees visited the Super Rehan Production Company and learned about the production process, storage and distribution methods.

FIELD ACTIVITIES – NORTH

The internship project facilitated smooth implementation of the Internship and Mentorship Program. The second group of interns was successfully placed at the national and international companies. The Closing Ceremony for the Mentorship Program was arranged by ASIA with ASMED technical support. The event was attended by Technical Department of Governor's Office, ACCI, Finance Department of Balkh Province, other government agencies and private companies.

The second internship program was implemented successfully with 62 interns. The host companies offered permanent jobs for 47 but only 17 interns accepted.

Fifty mentees were selected for the second round mentorship program Feb. 10, 2009.

ASMED honored 58 interns in a graduation ceremony held at Balkh Province Jan. 20, 2009. A total of 51 young professionals including eight females participated in the seminar. ACCI-Mazar Second seminar was held March 30. A total of 50 young professionals including eight females participated in the seminar.



Mentorship Seminar in Balkh
(USAID/ASMED)

Second group internship graduation ceremony in Mazar-e- Sharif

The qualifying exam from 530 students of Balkh University was held June 21, 2009 for the 2nd year internship program and a total of 140 students were selected, including 38 females from Economics, Agriculture, Journalism and Science faculties.

Kunduz

ASMED, in partnership with Kunduz University and Ajeer Institute of Business Management, gave a qualifying internship test to 220 students of Kunduz University June 11, 2009. Seniors from the Department of Agriculture and Education participated. A total of 50 students, including 20 Females were selected for the ASMED professional internship program. The theoretical training portion of the internship program began June 20.

Mentorship Program

ACCI-ASMED conducted a mentorship seminar July 12, 2009. A total of 45 young professionals, including eight females, participated. Topics included accounting and management. The graduation ceremony was held July 19.

Internship Program - Balkh University

ASMED partner, Balkh BDS, continued its implementation of the internship program at Balkh University. The first group of 70 interns completed their theoretical training courses in Accounting, Business Management and Marketing Nov. 26 and began practical placements Dec. 1 with Mazar-i-sharif-based private and public sector organizations including Roshan, WASL Telecommunications, and local BDS firms. The theoretical component of the second batch (70 students) began Dec. 12.

Internship Program - Baghlan University

ASMED successfully launched its internship program at Baghlan University. Implementing partner, the Azar BDS Company, conducted a preliminary test and selected 60 out of 198 students to participate in the program. The theoretical training in Accounting, Business Management, and Marketing began Oct. 13 for three months.

Internship Program - Faryab University

ASMED was approached by Faryab University with a request to begin its internship program at the college Nov. 2. The program will start early next quarter with Balkh BDS as its implementing partner.



Entrance exams for Internship Program at Baghlan University (ASMED/USAID)

FIELD ACTIVITIES – SOUTH

Internship graduation ceremony was held at Kandahar University Jan. 18, 2009. The ceremony was arranged by ASMED Kandahar and Afghan CNN (ASMED implementing partner in the Southern Region).

Afghan Consulting and National Network (CNN), the implementing partner for the program in Kandahar, gave a qualifying exam to 95 students from the departments of Engineering, Agriculture and Education at Kandahar University in June 2008. Sixty students, including three females, were selected. The students were trained in modern accounting, marketing and business management for three months, and then placed within various private sector firms for a three-month practical internship. According to Afghan CNN, 52 interns out of the original sixty have received permanent jobs at their respective hosting firms during this.



Internship Graduation Ceremony in Kandahar (ASMED/USAID)

Placement of 59 Interns in SMEs in Kandahar

ASMED Regional Office placed 59 interns with various SMEs in Kandahar. These interns benefited from practical work experience at these host firms for three months from June 20 to Sept. 19. The participants are from the agriculture, education and engineering faculties at Kandahar University. Fifty percent of the interns received permanent jobs with their host firms.

Sixth Mentorship Seminar/Study Tour:

ACCI Kandahar arranged the sixth mentorship seminar July 11. The seminar included a study tour and lectures on business management and business health issues. Forty-six mentees and mentors participated, visiting a major food and beverage producing facility in Kandahar and attending a brief presentation by the assistant manager of the plant.

Helmand, Uruzgan and Zabul

October was one of the most successful months for the ASMED internship program with the expansion of the program into the three most insecure provinces of the country's south: Helmand, Uruzgan and Zabul. There are no universities in these provinces, and ASMED is providing internships to high school students unable to travel to attend universities in other parts of the country.

A qualifying test was conducted for high school students in Lashkargah Oct. 3. A total of 218 students participated, of which 50 were selected to begin their theoretical training Oct. 12. ASMED partner, Advanced Business Consulting, delivered the three-month training in Modern Accounting, Management and Marketing. The three-month practical placement with Helmand-based organizations followed.

The qualifying test was held for 61 high school students in Uruzgan Province Oct. 9. A Total of 50 interns were selected and began training in Accounting, Management and Marketing. They were then be placed with Uruzgan-based SMEs for three months of practical training.

The test was conducted for students in Zabul Province Oct. 5. A total of 88 students participated, with 50 selected to begin theoretical training Oct. 12.

FIELD ACTIVITIES – SOUTHEAST

- Eighty interns graduated from the ASMED professional internship program in Khost Province Feb. 26. The graduated interns are from the Economics, Agriculture and Computer Science departments of the Khost University. Each of these interns completed a three-month training program in the field of business management, accounting, and marketing followed by a three-month practical study with SME's in Khost Province.
- ASMED, in partnership with Afghan Institute of Business Management, conducted an internship qualifying test July 22. More than 95 students participated, and 80 were selected for the ASMED internship Program.

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