

**Afghanistan Quick Impact Project – Shomali Plains (AQIPS)**  
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**Quarterly Report**  
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## **Introduction:**

The Afghanistan Quick Impact project (AQIP) supports USAID's overall strategy to assist in refugee repatriation and infrastructure rehabilitation that will enable Afghan farmers to improve their families' food security. The AQIP Cooperative Agreement was executed between USAID and Chemonics on October 16, 2002, and the completion date of the Agreement is July, 22, 2003.

In cooperation with four Afghan implementing partners, the Reconstruction Authority for Afghanistan (RAFA), Helping Afghan Farmers (HAFO), Pamir Reconstruction Bureau (PRB), and the Agency for Rehabilitation and Energy Conservation (AREA), the Project will benefit approximately 110,000 families in portions of the Shomali Plain in Kabul, Parwan and Kapisa Provinces. The project area has a long tradition of being renowned for its sophisticated and intensive agriculture production, but the irrigation systems and access roads have suffered severely during more than 20 years of war and fell into disrepair as people fled the long conflict. The destruction of the infrastructure has resulted in low productivity, which has been further aggravated by more than five years of drought.

The Project is contributing food security through household purchasing power generated by employing large numbers of local laborers on infrastructure renovation activities. The renovation of community irrigation systems and farm to market roads is stimulating agriculture production and strengthening the farmers' marketing capability. Laborers are earning cash to purchase food, farming inputs, and household necessities, while improving the irrigation systems and access roads that are vital to improving agriculture productivity.

Income generating activities for women are introducing a new element of economic participation into Afghanistan agriculture. Family gardens will soon be equipped with drip irrigation systems to enable women to earn additional income through the sale of higher value crops and improve the nutritional status of their families through the cultivation of vitamin A-rich crops.

## **1. Key Activities: Results Achieved vs. Planned**

### **1.1 Establishment of Administrative Units**

As programmed, the Project concluded the opening of an office, acquisition of office equipment and supplies, and the hiring and training of the technical and administrative personnel required to adequately implement the various activities under the AQIP Agreement. A rental contract was signed with the International Rescue Committee (IRC) to provide for fixed fee services: such office space, internet access, vehicle maintenance, travel/visa arrangement, and security advisors. Likewise, the four NGO implementing partners expanded their field operations and hired appropriate technical staff to assure compliance with defined technical standards and provide technical assistance and training

to project personnel. The NGOs trained community personnel to maintain controls and registries for day laborers and project advance. These administrative tasks are the responsibility of the NGO field technicians and had to be completed prior to the activity implementation, whether it be the construction of water diversion dams, the cleaning of karezes, or income generating activities. In order to maintain contact with the Government of Afghanistan each of the NGO partners liaise with designated representatives within the Ministry of Irrigation and the Ministry of Reconstruction and Rural Development.

## **1.2 Financial Control Training**

To ensure that the NGO partners were able to adequately account for the receipt and use of USG resources, Chemonics arranged for a TDY Financial Analyst to review the financial procedures of each of the NGOs. Prior to this consultancy all four NGOs were keeping hand-written accounts, with supporting receipts for their respective donors. While the off-line systems were comprehensive and accurate, they are extremely time-consuming to maintain. Therefore, the financial analyst provided training and assisted the NGOs to install “Quick Books,” a computerized accounting system. The monthly financial reports are being submitted to Chemonics in the Quick Books format. It is expected that the NGOs will maintain simultaneous systems (paper and electronic) for a certain period of time, until they become comfortable with using Quick Books. Each of the NGOs will advance at their own pace until the local accountant becomes thoroughly familiar working with a computerized accounting system. Attachment # 3 is a copy of the consultant’s report.

## **1.3 Planning of Rehabilitation of Sub-Projects**

The designs were completed for five water diversion dams to irrigate approximately 14,000 hectares of additional land. The Ministry of Irrigation approved the designs and subsequently authorized the NGOs to proceed with the construction. Prior to final selection of activity sites, meetings were held with local Shuras and community leaders to identify their priorities and obtain firm commitments that they would assign the required number of workers for each selected activity. For each of the sub-projects (cleaning of karezes, rehabilitation and cleaning of irrigation canals, the excavation of wells, and road reconstruction), Community Rehabilitation Committees have been formed to organize work parties from the participating communities. The promotion for a series of income generating activities, focused on empowering women, has also been carried out with several communities within the Istalif area. In all locations the project has been very well received and commitments have been obtained to support the activities and provide the required labor during the implementation phase.

## 1.4 Infrastructure Rehabilitation

### Road Reconstruction

**Road Repair:** During the Project start-up phase we realized that the implementation of certain tasks would be extremely difficult or could not achieve the desired quality using only community labor. Road construction is a good example of an activity which needs to follow construction standards to ensure that the quality of the road will last a minimum of three years with minimal maintenance. To assure the durability of the AQIP roads, emphasis will be placed on quality construction which includes, i) crowning and compaction of the road surface to permit adequate water run off; ii) drainage ditches must be cleaned or dug to prevent road and road embankment erosion, and iii) reinforced cross drainages will be installed to enable water to cross the road, rather than running down the road. In order to comply with these engineering standards “labor intensive” is being replaced with “labor based”, which combines light equipment with manual labor.

**Road Training:** Chemonics formed a partnership with the UNOPS and the Ministry of Public Works to provide road constructing training to our partners prior to initiating road work. The first phase of the training focused on design standards, to ensure that completed roads will sustain heavy rains, winter and vehicle traffic for a minimum of three years. Chemonics sponsored 12 participants for the training, 11 from our four NGO partners and one from the Central Asia Development Group. The preliminary classroom training was completed in November 2002, and the second phase, on-the-job training, will begin in January 2003. AQIP road rehabilitation will start immediately after the training in February 2003.

**Road Sites:** Pertaining to the sub-agreements that Chemonics executed with HAFO and AREA, a combined total of 60 kilometers of roads should be rehabilitated. HAFO was scheduled to repair the Sarobi to Tagab road, and AREA’s Agreement called for it to rehabilitate the Farza road. Since the Farza road is being repaired by another NGO, AREA has requested authorization to select a substitute road. After visiting several sites, in coordination with the Ministry of Rural Development, it was mutually agreed that HAFO and AREA should combine forces to rehabilitate as much of the Sarobi-Mehmood Raqi road as possible. This road could be a major artery which opens up the Panjsher Valley and is a high priority for the Governor of Kapisa. AREA will repair the road between Nijrab and Tagab, and then continue towards Sarobi to link up with HAFO. AREA is currently surveying the road, and HAFO and AREA will initiate rehabilitation efforts in early February immediately after the road construction training.

## Water Diversion Dams & Irrigation Canals

The construction of five water diversions dams and the cleaning of complementary irrigational canals are anticipated under AQIP.

Three water diversion dams will be constructed by RAFA on the Ghorband River to provide water for irrigation to villages of Akhtachi, Matak, Mahigeer, and Charikar. When completed the water diversions dams will supply a reliable source of water to irrigate over 6,000 hectares of land. Two of the dams, the Matak and the Mahigeer, are under construction, and work on the Akhtachi dam will start in July, after the spring floods.



**Fig. 1:** Excavation of foundation for water diversion dam on Ghorband River by RAFA

Despite a series of difficulties faced during the excavation phase, huge boulders which require blasting, infiltration of water, flooding due to rains, and freezing weather, RAFA's construction is basically on track. The excavation for these dams has been extremely difficult due to the size of the river, water seepage that hampers excavation, and the huge boulders requiring constant blasting. In order to overcome these difficulties and accelerate construction, RAFA has increased the number of laborers and has initiated construction on both sides of the river simultaneously. To minimize the delays caused by infiltration of water into the excavated foundation, RAFA purchased additional pumps and is pumping water out of the foundation 24 hours a day. In order to speed up the mixing of cement and improve the quality of mortar, RAFA is using two mechanical cement mixers. Approximately 85% of the excavation is completed for the Mahigeer Dam, and 25% of the stone masonry has been completed. Progress on the Matak Dam has been a little slower and about 45% of the excavation is completed and the stone masonry work will start in January 2003.

The excavation of RAFA's third water diversion dam, the Akhtachi dam, will start in July or as soon as the water resides.

The 30 meter Khwaja Hassan Canal water diversion dam being constructed by PRB will provide sufficient water to irrigate over 700 hectares of agriculture land and provide water for household use to approximately 400 families. Work commenced in mid-October and over 75% of the structure is completed. While the dam is completed the retaining walls and canal intakes are in various stages of construction. The cleaning of the seven kilometer Khawaja Hassan canal has been completed under the guidance of PRB by the residents of Ismala and Qabr Malik, the recipients of the water.

Mixing and pouring of cement due to freezing weather in the Istalif area has made the construction difficult. While PRB initially planned to discontinue construction during the winter months, due to its late start and fear of losing momentum, actions were taken to continue construction even with freezing weather. In order to continue working in the winter PRB is heating the water and mixing calcium chloride, a cold weather concrete additive, with the cement mixture to prevent freezing of the concrete during its curing stage. Additionally, it plans to construct a green house type structure over parts of the construction site in order to raise the temperature for stone masonry work.



**Fig. 2:** Construction of water diversion dam at Istalif by PRB.

HAFO is constructing a 50 meter water diversion dam on the Tagab River. This dam, when completed, will enable farmers to recover approximately 1,000 hectares of agriculture land that has been taken out of cultivation due to a lack of reliable water. The construction of the dam is completed, and construction of the retaining walls and water intake are well underway. HAFO estimates that over 75% of the total construction is complete. HAFO has completed the cleaning of the seven kilometer canal which will obtain its water from the Khanano Water Diversion Dam. The Khanano canal has an average width of 1.5 meters, and in excess of 6,300m<sup>3</sup> of silt was removed during the cleaning.

### Kareze Rehabilitation

PRB's sub-agreement provides for the rehabilitation of 5 kilometers of karez, 2.5 km in Istalif and an additional 2.5 km in Shakar Dara. The cleaning of the Istalif karez began in mid-October and were completed by December 31, 2002. As PRB prepared to shift its karez cleaning activity to Shakar Dara the Istalif community leaders requested that it continue with this priority activity in Istalif. After assuring that other NGOs



**Fig. 3:** Karez Cleaning in progress in Istalif

were cleaning karezes in the Shakar Dara area, PRB has inquired with Chemonics to continue cleaning karezes in Istalif rather than move to Shaker Dara. Unless, USAID has an objection with PRB continuing to clean karezes in Istalif, Chemonics plans to authorize it to clean an additional 2.5 kilometers of karezes in the Istalif area. There are advantages to remaining in Istalif. PRB already has a reliable, specialized crew in Istalif, the equipment is on site and it can immediately initiate activity.

## 1.5 Well Excavation

### Improved access to Safe Drinking Water.

AREA is scheduled to excavate up to 40 multi-family wells, equip them with concrete seals and install hand pumps on each of the wells. AREA's work plan anticipated that it would install the wells in Farzah, the same geographic vicinity of the road identified for rehabilitation. Since the Farzah road is being repaired by another NGO, and the excavation of wells is also part of that plan, AREA had to identify another region for its well and road program. In coordination with the Ministry of Rural Development and the local Shuras, AREA is currently selecting communities for wells in Khushi, Kulangar and Waghajam in the Logar Province.

### Irrigation Water Supply.

As with the multi-family wells, this activity was supposed to be implemented in coordination with road rehabilitation. Since AREA lost close to six weeks in resolving the road selection issue, this activity was also put on hold. Based on recent discussions with the Ministry of Rural Development, AREA will excavate both the wells for drinking water and irrigation in the Logar Province. AREA will excavate eight wells and install diesel pumps for irrigation purposes. These will be relatively shallow wells which will enable farmers to recuperate agriculture lands due to the prolonged drought. Additionally, sites will be selected based on potential for installing drip irrigation systems. In coordination with the Ministry of Rural Development, Chemonics and AREA completed selecting the sites prior to December 31, 2002.

## 1.6 Income Generating Activities

### Poultry Egg Production Activity.

By the end of this quarter, PRB had completed approximately 400 chicken pens in the Istalif



*Fig. 4: Women in Ismala examine their new chickens*

area. PRB initially planned on purchasing the three month old chickens from Afghan poultry farms. Due to the unavailability of birds in Afghanistan, PRB had to purchase and transport the chickens from Pakistan. On December 26, 2002, the first 2,000 chickens arrived and were immediately delivered to 200 recipient families. The second shipment of chickens arrived and was distributed to an additional 200 families on January 2, 2003. In addition to the chickens, each of the families will receive concentrate for up to three months, subject to the satisfactory completion of the PRB poultry training courses.

### Ceramics and Patu activities.

Due to the large number of NGOs working in the Shomali Plain, there is competition among NGOs and often a community sides with whichever organization's promises appear the most interesting. For example, after several months of promoting and selecting families to participate in rehabilitating a local ceramics industry, another NGO promised the community a multi-purpose center if it would work with it rather than PRB. A similar issue derailed the patu weaving component in Shakar Dara, and PRB is shifting this activity to Deh Meskin and Kalakan. PRB is well advanced in modifying the implementation arrangements for the previously proposed income generating activities, most of which will be initiated next quarter. See Section 4.3, Proposed Activities for Next Quarter, for a discussion of this topic.

### **1.7 Cash for Work**

The return of refugees from neighboring countries to Afghanistan has significantly increased the number of unemployed. Cash for work is an appropriate and essential response to employ large numbers of workers, thus providing them with the economic means to adequately care for themselves and their families. One of the objectives of AQIP is to inject cash into the community, by providing temporary employment. During the quarter a combined total of approximately 19,000 skilled and unskilled labor days were financed under the project with a total value of over US \$57,000. The primary activities which employed these workers were for the construction of water diversion dams, and the cleaning of karezes and irrigation canals. Cash payments to the beneficiaries enable them to purchase food, agriculture inputs and other essential assets.

## **2. Environmental Monitoring**

The Project continues to promote activities that contribute to the development of productive and sustainable systems. This includes soil and water conservation practices, erosion control, construction and use of family wells and water reservoirs, dams which assist in flood control, and drip irrigation.

During the quarter, procedures for measuring the probable environmental impacts of project interventions and how to minimize any negative affects were developed and distributed to the implementing NGOs. Preliminary analysis of the activities being

implemented range from not having a significant impact on the environment (NS) to having a significant impact (S).

The environmental impact of water diversion dams can reduce the speed of the flow of a river and assist in flood control. All the dams include in their design a cement stone masonry mortar apron in the downstream area of the dam to eliminate the danger of riverbed erosion resulting from the flow of turbulent water. Additionally, protection walls on both sides of the river will strengthen the riverbanks and prevent erosion immediately downstream from the dam. Nevertheless, there could be significant negative affects on the environment if water is indiscriminately diverted without consideration of the need for adequate water downstream. Therefore, the plans for all water diversion dams are approved with the Ministry of Irrigation. Additionally, misuse of irrigation can result in a build up of salts in agriculture lands. While the construction of water diversion dams could result in a significant negative impact, incorporating sustainable water use standards into the programs mitigates the risks to the environment and decreases the environmental risks from significant to moderate.

The construction of wells and cleaning of karezes fall into the category of insignificant effect, which indicates that the interventions are being adequately managed, and the quantity of water diverted is insignificant to alter the water table.

Design standards for road construction have been developed in coordination with UNOPS to assure that the damage to the environment will be minimal during the construction phase as well as after the road is completed. Environmental training has been provided to the NGOs which will rehabilitate roads, and the NGOs will follow the environmental guidelines during the rehabilitation of roads. Road rehabilitation will start next quarter.

Complementary agriculture activity being implemented by the NGO partners is contributing to overall soil protection through the planting of perennial crops such as fruit trees and grapes. Approximately 15,000 fruit trees have been distributed by the NGO partners within the project area. The fruit trees, while providing a source of income for the farmers, minimize soil tillage and serve as wind breaks.

### **3. Gender Awareness**

Women are either direct beneficiaries or partners in AQIP. Through the successful implementation of the project, the food security of women will be significantly improved by having reliable access to water for family gardens and increased family-irrigated agriculture production. The income generating activities specifically target women. The poultry component has delivered chickens to 400 women, most of them widows. In order to increase the probability of success of this component, chicken feed will be distributed to the women that participate in poultry training classes during a three month period. During follow-up to this initial distribution, most of the women indicated that they will be able to control the resources of this activity.

Family gardens generally are maintained by the women and children. The importance of these gardens should not be underscored. Women will be trained in the selection and cultivation of vitamin A rich crops that can be grown in family gardens. Approximately 50 family gardens will be equipped with rudimentary drip irrigation systems. The installation of drip systems will enable women to basically convert a family garden into a small commercial garden. Rather than selling the surplus, women will be able to produce for the market and consume the surplus. Family gardens utilizing drip irrigation are further discussed in Section 5.2, Proposed Activities for Next Quarter.

## **4. Planned Activities (January –March 2003)**

### **4.1 Infrastructure Rehabilitation**

#### Road Reconstruction

**Road Reconstruction Training:** The UNOPS, the Ministry of Public Works and Chemonics will jointly sponsor a “hands on” four week road rehabilitation training course. The training will initiate in January 2003 and continue through mid-February. The participants that received the classroom training are eligible to participate in the “On-Site Training”. The training will place emphasis on labor based construction, which combines light equipment with manual labor. The equipment to be used during the training and subsequent road rehabilitation work is small (walk behind) compactors, water tanks pulled by either a tractor or truck to moisten the road surface prior to compaction, and a truck to haul select gravel and other material for the road surface. AREA and HAFO purchased small compactors through the UNOPS, with counterpart resources. The UNOPS merely increased the number of compactors it’s purchasing under its ongoing road rehabilitation program to accommodate the Chemonics NGO partners which are improving rural roads.

The actual site for the road training has not been selected. While the UNOPS is proposing a site in Herat, due to more favorable weather conditions, Chemonics has requested that the training be combined with reconstructing the Sarobi/Tagab/Nijrab road. Shifting the training site to the Sarobi-Mehmood Raqi road will increase the amount of road improved by approximately 20 additional kilometers on this important Kabul bypass. The site will be selected by January 10, 2003, and the actual training will initiate shortly thereafter.

#### Road Construction

AREA initiated the surveying of the Sarobi/Tagab/ Nijrab road in December 2002, and the actual reconstruction is scheduled to start in early February 2003. If we are successful in convincing UNOPS to use this road as the training site we will be able to significantly increase the 60 kilometers of roads to be repaired vs. the projected number in the AQIP Work Plan..

## Water Diversion Dams

Continuing construction during the winter months has been a challenge. While a series of techniques are available to mix cement mortar in the winter they generally have not been practiced in Afghanistan. Since the water diversion dams must be secure enough to withstand the spring floods procedures have to be initiated to enable the mixing and curing of cement in near freezing temperatures. PRB and RAFA will continue to mix calcium chloride, a cold weather concrete additive with the cement mixture to prevent freezing. Additionally, PRB has constructed a “green house” type structure over its stone masonry work. These interventions will enable the continuation of construction and the use of cement during the next quarter.



*Fig. 5: Construction of water diversion dam, foundation level with the river bed*

RAFA should complete the remaining excavation and the stone masonry work for the Mahigeer dam and most of the retaining walls during the quarter. Rather than attempting to complete the Matak dam before the spring floods, RAFA plans to finish the dam foundation and the masonry stone work up to the level of the river bed. The stone masonry foundation for this dam will be 12 feet deep. After constructing the stone masonry work level with the river bed, RAFA will postpone work prior to the spring floods. While floods should not damage the foundation and fortified sub-terrain masonry wall, a partially completed wall higher than the river bed would probably be washed out during floods. When the water level drops, probably in late July RAFA will again divert the river channel, clean the debris off the foundation and resume construction of this dam.

The construction of the third water diversion dam, the Akhtachi Dam, will not start during the next quarter. Any work that could be completed during the quarter would probably be destroyed during the spring floods. The work on this dam is scheduled to start in July 2003.

PRB should complete the Khwaja Hassan Canal water diversion dam during the next quarter. The main constraint is the weather, but PRB is taking adequate precautions to continue working during the winter months. The completion of this dam will provide water prior to spring to over 500 families in Ismala for irrigation and household use. This dam will provide water for approximately 400 individual family reservoirs and sufficient

water to irrigate over 700 hectares of land. Many of the family reservoirs will be used family gardens, some of which will be equipped with AQIP funded drip irrigation systems.

HAFO is also projecting to complete the construction of the Khanano water diversion dam on the Tagab River during the next quarter. The seven kilometer Khanano irrigation canal has already been cleaned and with the completion of the water diversion dam a reliable supply of water will be available to irrigate an additional 1,000 hectares of agriculture land, benefiting approximately an equal number of families.



*Fig. 6: Construction of water intake for completed water diversion dam*

#### Karez Cleaning

During the next quarter, PRB in coordination with the local Shuras and other community leaders will select and initiate the cleaning of additional 2.5 kilometers of karezes in the Istalif area. Most, if not all, of the work will be completed during the quarter. Karez cleaning generally is not hampered during the winter months, labor is available due to a decrease in construction activity and the temperatures within the karez tunnels are considerably warmer than the air temperature. The karezes that will be cleaned during the next quarter are the Surband Karez, Malik Khani Karez, Noor Salah Karez, Noor Sang Karam Karez and the Qul Chinar Karez.

#### **4.2 Well Excavation**

After several months of delays, some of which were out of AREA's control, AREA is finally in a position to initiate well excavation. During January 2003, AREA will complete the selection of the recipient communities and well sites. As soon as sites are selected work groups will be formed and excavation initiated. Most of the wells, both for irrigation and drinking water will be in the communities of Kulangar, Khushi and Waghajan in the Logar Province. AREA is projecting that to complete over 50 percent of the work associated with excavating the 48 proposed wells and installing them with hand or diesel pumps during the quarter. The eight wells which will be used for irrigation purposes will be selected for their potential to install, at a future date, drip irrigation systems to recuperate agriculture lands lost during the prolonged drought.

### 4.3 Income Generating Activities

In order to avoid duplication of efforts within the same communities, PRB had to cancel its planned ceramic component and shift patu weaving from Shakar Dara to Deh Meskin and Kalakan. Based on a series of discussions with local Shuras and Chemonics, PRB is in a position to immediately initiate the following income generating activities during the month of January 2003:



*Fig. 7: Chickens in pens*

- Commencement of poultry activity in Shakar Dara for 400 families.
- Continuation of the poultry activity in Istalif.
- Implementation of patu weaving in Deh Meskin for 50 families.
- Implementation of embroidery project in Istalif for 40 families.
- Implementation of patu weaving in Kalatan for 40 families.
- Implementation of embroidery activity in Kalakan for 40 families.
- Implementation of poultry activity in Kalakan for 40 families.
- Installation of one oilseed press in Istalif.
- Installation of drip irrigation systems for 17 families. (February and March 2003)

## 5. Drip Irrigation

While Afghanistan has a well-developed and sophisticated structure of irrigation canals many farmers still have to rely on wells to obtain water for irrigation purposes. With the prolonged drought the water table has dropped drastically, and the cost of pumping water is becoming more costly. Additionally, some of the long-term problems associated with this type of irrigation are the excessive use of water, the build up of salts in the soils, and potential conflicts with neighbors for hording water.

### 5.1 Commercial Agriculture

World wide farmers are turning to more environmentally friendly drip irrigation for the cultivation of higher value crops. In many countries drip irrigation has already become a small farmer intervention. AREA has been excavating wells and installing diesel pumps on the wells so they could be used for irrigation purposes. AQIP will improve the impact and productivity of several of these wells by installing an elevated water tank and drip irrigation tape for up to four hectares at several of these sites. A variety of commercial

agriculture sites will be selected. For example one of the sites will utilize drip irrigation to irrigate fruit trees the first day, then the next day rotate the water line to irrigate vegetables. Another site has four separate vegetable plots ranging from one hectare to one half of a hectare, with the well located in the middle. A third site is a grape field which has suffered due to the drought. The remaining sites will be selected during January 2003. About half of the drip systems will irrigate approximately eight hectares of fruit trees, apples, plums, peaches and grapes. The remaining eight hectares will be for a mix of vegetables similar to those identified below, under family gardens. While drip tape with predetermined spacing will generally be used for vegetables, one half inch polyurethane tubing with drip inserts will be required for existing fruit trees and grape vines which have erratic spacing. In order to avoid working in a vacuum of other agriculture initiatives, AQIP has reached an agreement with International Fertilizer Development Corporation (IFDC) for it to conduct soil analysis and distribute fertilizer for the commercial drip irrigation systems.

## **5.2 Family Gardens**

Approximately 50 families currently participating in the NGO family garden activity will be selected to receive drip irrigation systems. Each of these gardens will be equipped with six to eight 15 meter drip tapes. Gardens of this size will enable the participating families to sell a significant portion of the production and consume the surplus. This is a shift from the kitchen garden concept where families produce primarily for household consumption and only sell if there is a surplus. AQIP funds will be used for the purchase of drip irrigation supplies and finance the technical assistance to NGOs and the recipient families. Counterpart resources will generally be used for the purchase and installation of the 100 to 200 liter family water tanks.

The 50 family gardens will be broken down into 16 drip systems for AREA to strengthen its kitchen garden activity funded by the Dutch, 17 systems for RAFA to complement its family garden activity funded through CARITAS, and 17 units for PRB which will add family gardens to its chicken project. In the event that HAFO decides to participate in this activity the number of drip systems per entity will be reduced proportionally. The most common crops which will be cultivated with drip irrigation are tomatoes, okra, green peas, potatoes, eggplant, cauliflower, cabbage, turnips and cucumbers. These crops require similar spacing which will simplify ordering one size of drip tape. Additionally, PRB wants to reintroduce strawberries, which used to be cultivated in Afghanistan prior to the war years.

Chemonics Home Office will purchase and ship the drip supplies to Afghanistan during the month of January 2003, prior to the arrival of the drip irrigation specialist in February 2003. The drip irrigation specialist will train the NGOs and actively participate in the installation of drip systems for the commercial and family gardens. Most of the systems will be installed during this quarter prior to spring planting. Having the drip systems in place during the planting cycle will enable the technician to assist the NGOs and farmers with system utilization, regulating the water flow and provide general trouble shooting during the initial use of the system.

## **6. Price Information Boards**

AQIP is in the process of establishing a Price Information Board which will help the farmers to incorporate themselves into the market structure. This system may prove useful, since the awareness of prices and markets are essential for farmers to go beyond subsistence to commercial farming. The price information board system will be different from the price collection survey of ICARDA, because this system will be maintained by the local community itself and does not require continued technical assistance. This system is self-enforcing by encouraging community members to report on prices of agricultural products that they observe in nearby markets.

Also a complementary enterprise budget model has been designed to help Shomali farmers better understand the competitiveness of their current production versus yields that can be achieved with best practices and technologies.

## **7. Sub-Grant Amendment Request**

### **Protection of the Khuram and Khwaja Irrigation Tunnels.**

The Governor of Kapisa Province and the Ministry of Irrigation have requested assistance from PRB to construct a series of retaining walls and dikes to protect the Khuram and Khwaja Irrigation Tunnels on the Panjshir River. These tunnels provide water to a series of canals to irrigate over 12,000 hectares of agriculture land. The tunnels are at risk since an intermittent stream that flows into the Panjshir River up stream from the irrigation tunnels washes large amounts of debris such as trees, rocks, sand and trash into the path of the tunnels, which consequently blocks the water intakes. The flow of water for irrigation virtually stops until the river level drops, enabling the community to clean the water intakes and tunnels.

The work required to adequately protect the tunnels is;

- The construction of a 50 meter concrete wall along the mouth of the stream.
- The construction of 350 meters of a gabion wall (170 meters on the right bank and 180 meters on the left bank.)
- The construction of three concrete dikes (approximately 5 to 8 meters each) to channel water from the Panjshir River into the tunnels.
- Deepening the channel of the Panjshir River to better enable it to carry the flow of the stream.

PRB is prepared to initiate the work immediately since, with the exception of the construction of the three dikes and the deepening of the Panjshir River channel, the work will be done along the intermittent stream which only has water during the spring floods. Based on estimates provided by PRB engineers, the construction of the 50 meter concrete wall and the construction of most of the 350 meters of gabion structures could be completed prior to the spring floods expected in April. The construction of the concrete

dikes and deepening of the Panjshir River channel would commence in July and be completed in October 2003.

PRB is currently preparing a detailed budget and the construction designs for the protection of the Khuram and Khwaja Irrigations Tunnels. The plans will be approved by the Ministry of Irrigation prior to commencement of the construction activity. The estimated costs for the protection of these irrigation tunnels, is approximately U.S. \$100,000 and can be funded within the existing AQIP budget.

Subject to USAID's concurrence, Chemonics will amend the sub-agreement with PRB to increase the funding level and authorize it to commence work for the protection of these important irrigation tunnels.

## **8. Estimated Project Completion Date**

As stated in the beginning of this report, the AQIP was executed between USAID and Chemonics on October 16, 2002 and the completion date is July 22, 2003. While a number of initiatives have been undertaken to accelerate implementation, it's not feasible to complete all activities prior to the July 22, 2003 completion date. As aforementioned, RAFA will probably have to discontinue work on the Mahigeer Water Diversion Dam prior to the spring floods and will only be able to resume work after the river level drops, probably in July. Likewise the work on the third water diversion dam for the Akhtachi Canal is not scheduled to start until July 2003. PRB will require an extension through October 2003 if we approve its request to protect the Khuran and Khwaja additional time

Although AREA has not requested an extension for the excavation of the 40 multi-family wells and/or the installation of hand pumps for these wells, it's unlikely that AREA will complete this activity prior to the current July 2003 completion date. The well excavation will start in January, and during the spring planting season there may be a shortage of workers which could result in a significant slow down for four to six weeks. After thoroughly reviewing project progress and analyzing the time required to complete the work that will be remaining at the end of July, we estimate an additional four months may be required to complete all activities, which include the Akhtachi water diversion dam. Chemonics is aware that while it's too early to formally request a no additional cost extension, we want to bring to USAID's attention that such an extension may be required.

## Annex I -- Chemonics/AQIP Progress Database As of December 31, 2002

Partner	Project		Location			Type of Activity	Labour Days		Beneficiaries		Canal Rehab (Km)	Karezes Cleaned		Road Repair/ Refunctioning (Km)	Diversion Dam Completed (%)
	No.	Name	Province	District	Villages		Skilled	Unskilled	Persons	Families		No.	(Km)		
PRB	PRB/001	Income Generation and Irrigation in Istalif	Kabul	Istalif, Shakardara	Khawja Hassan,	Irrigation and Income Generation	523	3,948	6,139	830	7	5	2		80
RAFA	RAFA/002	Construction of Akhtachi water diversion dam	Parwan	Charikar	Charikar, Mahigeer, Bagram, Matak, Jabul-Saraj	Irrigation		2,500	1,122	158					60
		Construction of Mahigir diversion dam						2,200	1,130	152				20	
		Construction of Matak Diversion Dam						0						0	
HAFO	HAFO/003	Construction of Khanano diversion dam and rehabilitation of Tagab Road	Kapisa	Nijrab, Tagab	Various villages in Nijrab Tagab	Irrigation and Road Rehabilitation	1,254	8,367	5,892	840	7				75
AREA	AREA/004	Rehabilitation of Road and Construction of wells	Kapisa and Logar	Khushi, Khulangar, Nijrab, Tagab	Various villages in Nijrab Tagab and Logar	Irrigation/road rehabilitation and provision of safe drinking water									
<b>Total</b>							<b>1,777</b>	<b>17,015</b>	<b>14,283</b>	<b>1,980</b>	<b>14</b>	<b>5</b>	<b>2</b>	<b>0</b>	



## Annex II: AQIP Quarterly Financial Report

	Totals			
	Budgeted	Invoiced	Difference	Percent Invoiced
<b>A. Personnel</b>	\$342,760.00	\$63,029.13	\$279,730.87	18%
<b>B. Fringe Benefits</b>	\$115,790.00	\$27,348.84	\$88,441.16	24%
<b>C. Travel</b>	\$158,645.00	\$44,236.14	\$114,408.86	28%
<b>D. Equipment</b>	\$124,559.00	\$95,785.26	\$28,773.74	77%
<b>E. Supplies</b>	\$134,415.00	\$62,634.01	\$71,780.99	47%
<b>F. Contractual</b>	\$1,129,197.00	\$333,684.00	\$795,513.00	30%
<b>G. Other Costs</b>	\$345,987.00	\$41,566.49	\$304,420.51	12%
<b>H. Total Direct Charges</b>	<b>\$2,351,354.00</b>	<b>\$668,283.87</b>	<b>\$1,683,070.13</b>	<b>28%</b>
<b>I. Indirect Costs</b>	<b>\$407,964.00</b>	<b>\$90,527.37</b>	<b>\$317,436.63</b>	<b>22%</b>
<b>J. TOTAL INVOICED</b>	<b>\$2,759,317.00</b>	<b>\$758,811.34</b>	<b>\$2,000,505.66</b>	<b>27%</b>
<b>K. Total Cost Share</b>	\$159,720.00	\$54,681.16	\$105,038.84	34%
<b>GRAND TOTAL</b>	<b>\$2,919,037.00</b>	<b>\$813,492.50</b>	<b>\$2,105,544.50</b>	<b>28%</b>



**Annex III -- AQIP Subawards Expenditures As of December 31, 2002**

Agency	Approved Financial Plan Budget	Total Advanced	Expenditure		Total Expenditures	Remaining Balance
			October & November	December		
AREA	378,095.00	4,870.00		450.00	450.00	378,095.00
HAFO	212,492.00	118,823.00	52,170.20	26,676.00	78,846.20	93,669.00
PRB	199,981.72	112,293.00	48,451.73	41,395.95	89,847.68	87,688.72
RAFA	200,068.00	127,148.00	44,669.00	52,523.00	97,192.00	72,920.00
<b>Total (US\$)</b>	<b>990,636.72</b>	<b>363,134.00</b>			<b>266,335.88</b>	<b>632,372.72</b>

\* An amount of US \$29,450 for the third advance is in process in home office

**Cost Sharing Expenditures**

Agency	Approved Financial Plan Budget	Expenditure		Total Expenses	Remaining Balance
		October	November		
AREA	37,809.50	0.00	0.00	0.00	0.00
HAFO	21,250.00	3,794.00	4,214.00	8,008.00	13,242.00
PRB	27,300.00	13,050.00	4,600.00	17,650.00	9,650.00
RAFA	20,964.00	8,465.00	1,020.00	9,485.00	11,479.00
<b>Total (US\$)</b>	<b>107,323.50</b>			<b>35,143.00</b>	<b>34,371.00</b>



## **Annex IV -- A Women's Economic Participation Success Story**

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“Now with the attention and assistance from the aid community, I am more optimistic of the future for myself and my children”; Says Hafiza, mother of two daughters and two sons, who has returned to Istalif last February 2002 from Pakistan. “When we returned home we were shocked by the extension of devastation and destruction of all what we owned”.

When Hafiza and family returned home they realized that had lost everything--their house their vineyard, their backyard garden, their livestock and chickens. With the help of relatives and some assistance from aid agencies, she was sheltered in a shabby house. Also through Pamir Reconstruction Bureau (PRB) they received some agricultural tools, grapes and other fruit tree saplings and wheat seed. Still she was far from having a secured livelihood.

“Recently, I was informed by the Shura (local community leaders), that PRB was going to distribute some chickens and complementary feed and accessories. It was an unbelievable surprise for me; I always loved to raise chickens,” continues Hafiza.

The chicken distribution project is assisting 400 families in Istalif with the delivery of 10 chickens of three months old, 9 hens and one rooster, to the most vulnerable families. The delivery of a feeder, vaccination, treatment, three months feed and training is also included in the programme. The community Shura in coordination with PRB identifies the beneficiaries.

Hafiza is one of the women who was selected to participate in the poultry project in Istalif. According to her, she will use the income generated by selling the eggs to cover priority family expenses identified by Hafiza.

She recalls the visit of USAID officials to her village in late November 2002. “It was a good opportunity meeting a foreign lady in our village. During the meeting we explained our miseries and also our skills to her. It was rewarding to know that international aid agencies are concerned about our well-being and took the time to visit us in our homes to better understand our actual needs.”



## Annex V – Financial Management Specialist Report

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### MEMORANDUM

To: Ray Baum, COP AQIP  
Pete Siu, Operations Manager AQIP  
November 22, 2002

cc: AQIP PMU, Ousmane N'Diaye

From: Kelly McKenna

Re: Financial Capabilities of Four Local Afghani NGOs

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As part of the Scope of Work for my TDY, I was to evaluate the financial and administrative capabilities of the four local NGOs with whom AQIP would be working, and address any concerns that could prove to be detrimental to being able to adequately account for the receipt and use of Chemonics resources.

The first stage of the process was to install QuickBooks for each of the four NGOs: AREA, HAFO, PRB and RAFA. The schedule for installation was as follows:

8 November: PRB  
10 November: RAFA  
10 November: AREA  
11/12 November: HAFO

Training on QB was provided at the time of installation. The training included how to enter deposits of donor funds and expenses, and how to print the required reports from QB for the AQIP Monthly Report.

At the time of installation, a review of current accounting systems was conducted. All four NGOs were and still are keeping hand-written accounts, with supporting receipts being kept in binders, according to the donor for which the expense was incurred. The off-line systems are very comprehensive and accurate. The off-line reports are used when completing donor required forms. Each NGO has the capability of completing whatever reporting requirement the Donor requests. They merely use their numbers prepared in their off-line reports and enter the information again in whatever format is requested by the donor.

Two of the four NGOs are subject to an annual internal audit. Both PRB and RAFA presented audit reports for review.

For both AREA and HAFO, the financial managers are located in Pakistan, and visit the Kabul office on a monthly basis to review the accounts. The financial manager then takes the numbers back to Pakistan and generates the reports from there. While this ensures oversight of the accounts, this also results in inefficiencies within the financial reporting process.

The local accountant is responsible for gathering the receipts and making entries into the General Ledger. But it is the financial manager from Pakistan who comes to Kabul once per month to review the accounts, and then takes them back to Pakistan. All financial reports are then generated from Pakistan and sent to their donors.

It is possible that this system will result in delays after the first month's reporting period. The first Monthly Report was due from the NGOs on the 15<sup>th</sup> of November, which was a short turn-around time, considering that most NGOs would have been working with QuickBooks for less than a week before being required to generate their monthly financial reports. However, I personally assisted RAFA and PRB with preparing their financial reporting, and we were able to complete the reports within the requested timeframe. I was unable to contact AREA for follow-up because all senior staff was in a regional management meeting through the 15<sup>th</sup>. HAFO had requested an extension for submitting their monthly report on Sunday, the 17<sup>th</sup>.

For the next month, there may be delays since the financial managers will be responsible for preparing the reports unassisted. It is unclear to me whether or not the assistance of the Pakistan financial manager will be a help or a hindrance. If the Financial Manager has to take the accounts back to Pakistan before being able to provide the QuickBooks report, there may be some delays for AREA and HAFO.

On the other hand, this situation might not exist if the local accountant, using QuickBooks, e-mails the file to the Financial Manager located in Pakistan, who is also now using QuickBooks. After an initial review, the Financial Manager can simply offer verbal approval of the accounts and authorize the local accountant to print the QuickBooks reports in Kabul. Whether or not this will happen is hard to say – it is unrealistic to expect a quick systems change.

It is expected that the four NGOs will run simultaneous systems (paper and electronic) for a certain period of time until they become comfortable with using QuickBooks. This will result in initial inefficiencies due to a duplication of work, but it will also provide a period within which the local accountants can become more familiar with QuickBooks. The duplication of work might result in a delay in preparing financial reports for the first few months.

However, as part of the training, I have provided a checklist to the NGOs (Attachment A) and a calendar (Attachment B) to help them follow the requirements for monthly reporting.

### ***Current Financial Systems***

Currently, the four NGOs record their transactions in a bound journal specifically designated for the project. All receipts are kept together in a ring-binder, with a voucher cover sheet attached to the receipt. The voucher cover indicates the project name (and internal number if applicable), the description of the transaction, and the currency in which the expense was incurred.

All four NGOs incur expenses in the field, which are paid in the field, and the receipt is collected or sent to the financial manager in Kabul.

None of the four local NGOs have internal audit capabilities – the NGOs which have annual audits contract with a third party to conduct the audit.

**PRB:**

- Expenses paid in the field, receipt documentation submitted to accountant in Kabul.
- Voucher form created, has amount, description, currency in which the expense was paid, and 4 separate signature boxes: “Received by” “Prepared By” “Checked by” and “Approved by.” All vouchers are lastly approved by Eng. Noor.
- For unskilled labor, PRB obtains thumbprints of all individuals receiving payment, and they record the names of all laborers. The laborer will sign if they can.
- Provided accounting/documentation for closed projects for other donors.
- Internal annual audit conducted by PRB/third-party audit.

**HAFO**

- Expenses paid in the field, receipt documentation submitted to accountant in Kabul.
- Voucher form created, approval process is thorough. All expenses are reviewed by Office Manager, Site Manager, Accountant, and then finally, Finance Manger in Kabul.
- Based on monthly expenditures, the Finance Manager then wires funds to the Kabul office from the main office in Peshawar.
- HAFO does not have money in their budget to perform an annual audit. However, whenever a donor requests an audit, they more than welcome the financial review. Currently, Cortaid is conducting an audit of HAFO’s contract in Kabul.

**RAFA**

- Expenses paid in the field, receipt documentation submitted to accountant in Kabul.
- Voucher form created, has amount, description, currency in which the expense was paid, approvals.
- For unskilled labor, RAFA obtains thumbprints of all individuals receiving payment, and they record the names of all laborers. The laborer will sign if they can.
- RAFA has had project audits performed by donors in the past, but it is unclear whether or not they conduct annual internal audits.

**AREA**

- Expenses paid in the field, receipt documentation submitted to accountant in Kabul.

- Voucher form created, has amount, description, currency in which the expense was paid, approvals, and reviewed by the Finance Manager in Peshawar.
- The Finance Manager visits the Kabul office on a monthly basis to review the local accounts, and then takes reports back to Peshawar with him. The financial reports to donors are normally prepared in Peshawar.
- AREA conducts annual internal audits (through a third-party) as well as project audits conducted at the request of donors.

### ***The Link Between Programs and Accounting***

The local accountants play an integrated role with programs. It is customary for the Kabul accountant to make frequent site visits to authorize expenses incurred by the field accountant. While at the field site, they review the receipt documentation, prepare the vouchers, obtain the appropriate on-site approvals. In the case of RAFA, the accountant is also an engineer who works on projects. Due to the nature of NGOs having small staffs, there is a strong link between programs and accounting.

Out of the four NGOs with whom AQIP will be working, it is my opinion that at first glance, management for three out of the four will take an active role in the financial tracking of this project. Engineer Noor, of PRB, Engineer Qadir of RAFA, and Deputy Director Amanullah Sarabi of HAFO were all very interested in the QuickBooks program and how it would track project expenses. QuickBooks was installed for the AREA Financial Manager's laptop for use in Peshawar, as well as for Amanullah Sarabi (HAFO), who will also be able to use QuickBooks in Peshawar.

### ***Cost Sharing***

All four NGOs seem to have a good handle on their cost sharing abilities, and they have methods in place with which to track these expenses.

As per the monthly report template created for each NGO (attachments C, D, E and F) tracking cost sharing expenditures will be done on a monthly basis, and we have also asked them to project their future cost-sharing expenditures so that Chemonics will always know how each NGO is performing in relation to their cost sharing budgets.

### ***Conclusion***

The capabilities of the four NGOs are quite strong. In the absence of a computerized accounting software program, their paper record keeping is extremely detailed and accurate. The NGOs are quite flexible in their record-keeping abilities, so as to comply with the varying requirements of their donors.

For the NGOs which have their Finance Manager based in Peshawar, receipt documentation is customarily kept in Peshawar. However, since Chemonics has requested that receipt documentation be provided with monthly reports, those NGOs will keep their documentation in Kabul. A break from their normal procedures, but this is part of their flexibility to comply with various donor requirements.

AREA and HAFO, the two NGOs with Financial Managers located in Peshawar, have an additional layer of financial review to go through on a monthly basis. Whether or not this will consistently delay their monthly reports is hard to say. HAFO's first monthly financial report is outstanding – they are using QuickBooks to track their cost sharing expenses as well as their billable expenses. This was beyond the requirement we instituted, since the capabilities of the other accountants indicated that it would take them a while to get used to the QuickBooks program. So having the financial manager located in Peshawar might prove to be an asset for these two NGOs.

Overall, the four NGOs are capable of presenting the requested information on a monthly basis. It remains to be seen whether or not the NGOs will incorporate QuickBooks with their existing system and use it for other donors. As the accountants become more familiar with the program, it is likely. The main drawback of using QuickBooks is its limitation for a single currency. This would be the main reason why the NGOs would not use the system for tracking costs for all donors.

The NGOs are pleased with the QuickBooks software and are anxious to use it and familiarize themselves with it. Even if they only use it for the AQIP contract, it will still build the capacity for expense tracking and oversight that was intended.

**ATTACHMENT A – GRANTEE CHECKLIST**

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**GRANTEE CHECK LIST FOR FINANCIAL REPORTING**

Enter all expenses for current month: \_\_\_\_\_

Enter all funding deposits from Chemonics for current period: \_\_\_\_\_

Print Transaction Detail by Account Report from QuickBooks: \_\_\_\_\_

Summarize expenses per budget line items and complete the Grantee Expenditure and Advance Request: \_\_\_\_\_

Complete Next 30 Days Advance Request per Grantee Expenditure And Advance Request: \_\_\_\_\_

Complete the Cost Sharing section of Grantee Expenditure and Advance Request: \_\_\_\_\_

Attach Transaction Detail QB Report to the Grantee Expenditure and Advance Request, as original supporting receipts (or copies where agreed upon): \_\_\_\_\_

**ATTACHMENT B – GRANTEE CALENDAR OF ACTIVITIES**

**GRANTEE SCHEDULE FOR FINANCIAL REPORTING**

30/31 Finish entering monthly expenses, close financial books	1 Prepare QuickBooks reports for Monthly Report	2	3	4	5	6
7 Review previous month expenditures, prepare next cash advance estimate in accordance with contract line items	8	9	10 Fill out Grantee Expenditure & Advance Report to be attached to the technical portion of monthly report	11	12	13
14	15 Monthly report due for each grantee	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31 Finish entering monthly expenses, close financial books	1 Prepare QuickBooks reports for Monthly Report		