

**Rebuilding Afghanistan's Agricultural Markets Program  
(RAMP)**

**First Annual Work Plan**

**For the period: July 3, 2003 – September 30, 2003**

**Submitted by:**

**Chemonics International Inc.**

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## **LIST OF ACRONYMS**

AACA	Afghanistan Assistance Coordination Authority
ACBAR	Agency Coordinating Body for Afghan Relief
ADB	Asian Development Bank
APS	Annual Program Statement
CG	Consultative Group
CLIN	Cost Line Item Number
COP	Chief of Party
CTO	Cognizant Technical Officer
JOC	Job Order Committee
LOE	Level of Effort
MAAH	Ministry of Agriculture and Animal Husbandry
NRM	Natural Resources Management
PRB	Partners in Revitalization and Building
RAMP	Rebuilding Afghanistan's Agricultural Markets
REFS	Rehabilitation of Economic Facilities and Services
SOW	Statement of Work
TISA	Transitional Islamic State of Afghanistan
UN	United Nations
UNOPS	United Nations Office of Project Services
USAID	United States Agency for International Development
USDA	U.S. Department of Agriculture
WTO	World Trade Organization

## EXECUTIVE SUMMARY

On July 3, 2003, the U.S. Agency for International Development (USAID) issued a three-year contract to Chemonics International Inc. for implementation of the Rebuilding Afghanistan's Agricultural Markets Program (RAMP). This project has as its intent to enhance food security and increase rural incomes quickly through the rapid execution of job orders that will bring to bear a broad range of international and national resources in the agricultural sector over the entire country. We will build on success and move fast to build and maintain the momentum that is crucial to effective project implementation. RAMP is the largest donor initiative in the agricultural sector and, as such, will play a strong role in leading the Afghanistan government, donors and other organizations in innovational approaches to accelerating development in this sector. The size and qualifications of the Core Team will allow RAMP to undertake tasks flexibly along several high impact initiatives simultaneously.

This program will stimulate and support agricultural development in the following areas:

- Rehabilitation of rural infrastructure, with emphasis on farm-to-market roads; irrigation systems that will expand the land under cultivation; and the construction of village/district market facilities;
- Rural financial services that will expand lending to farmers and microprocessors, as well as to lending to small and medium agribusinesses; and
- Agricultural technology and market development, with emphasis on crop and livestock productivity and the input and product markets that support those activities.

**Illustrative Results:** These expected results are summarized below:

<b>By End of:</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
Additional Sales from RAMP Clusters (\$ million)	\$75	\$112	\$250
Additional Agro-enterprise Net Profits (%)	15	22	50
Number of commercial enterprises assisted (cum.)	200	550	1000
Additional Wheat (tons) [2.68 million ton , 2002 base]	660,000	955,079	2,000,000
Increased Average (Labor) Productivity, or Net Returns to Labor (\$/day) [\$1.51/day, base]	\$1.90	\$2.40	\$3.02
Number of farm families assisted (cum.)	150,000	350,000	500,000
Agro enterprise Net Profits (%/year)	15	15	15
Additional Seed/Germplasm Nurseries (no.)	150	224	500
Additional Technology Demonstrations (no.)	300	448	1,000
<b>Rural Financial Services</b>			
Active Outstanding Clients	3,992	5,872	12,702
Percent Female Clients	25%	25%	25%
Number of Cumulative Loans	5,410	10,238	36,670
Total Loan Value Outstanding (\$ million)	\$10	13	20
Portfolio At Risk >90 days (max %)	5%	5%	5%
Operational Viability (Operating Income as % of Cost)	80	86	100
Regional Financial Services Staff Satisfactorily Trained (%)	30	45	100
<b>Physical Infrastructure Reconstruction or Repair</b>			
Roads (km)	300	448	1,000
Village Irrigation Systems	150	224	500
Small Dams (no.)	30	45	100
Medium-scale Dams (no.)	5	7	15
Canals Repaired/Cleaned (km)	300	448	1,000
Market Structures Repaired/Rehabilitated (no.)	300	448	1,000

To accomplish these results, we will spend the contract funds at following levels over the three years of the contract life. We estimate that a project of this type will create an ROI of 75%. This ROI does not include the benefits and spin-offs to society such as food safety, household food security, self-sufficiency in small-scale agriculture, job creation, income generation and competitiveness.

<b>Component</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Total</b>
CLIN 0002 – Infrastructure	\$23,625,000	\$30,375,000	\$13,500,000	\$ 67,500,000
CLIN 0003 - Rural Financial Services	\$ 8,750,000	\$11,250,000	\$ 5,000,000	\$ 25,000,000
CLIN 0004 - Agricultural Technology and Market Development	\$14,000,000	\$18,000,000	\$ 8,000,000	\$ 40,000,000
<b>Total</b>	<b>\$46,375,000</b>	<b>\$59,625,000</b>	<b>\$26,500,000</b>	<b>\$132,500,000</b>

**Work Plan:** This work plan covers the first year of the contract, from July 3, 2003, through September 30, 2004. The work plan lays out certain tasks, but the program requires a maximum level of flexibility to respond to “targets of opportunity” as well as to maintain a methodical approach to policy reform, assessment of agricultural regions, and development of program indicators. This “apparent conflict” can be handled by the capability of the Core Team to handle multiple tasks along distinct tracks as the responsibilities will be delegated across key staff members. The team structure will be flexible to be able to assign “SWAT”: teams to handle special tasks and to handle surges in demand for project services. The main “tracks” and tasks of this program are as follows:

- Mobilization of the RAMP core team
- Track One – Rapid Development of Job Orders
  - Definition of the Job Order Process
  - Solicitation of Proposals
  - Evaluation of Proposals
  - Awarding of Subcontracts and Grants
- Track Two -- Assessments
  - Market and Sub sector Assessments
  - Benchmark Surveys
- Track Three -- Execution of a Communications Strategy
- Track Four -- Policy reform and Strengthening of TISA Capabilities, particularly the MAAH
- Track Five – Monitoring and Evaluation
  - Establishment of Performance Indicators and Targets
  - Monitoring of Job Order Results and Agricultural Sector Performance
- Performance Reporting

### **Our Integrated Strategy**

**RAMP's Contribution to Afghanistan Agricultural Development** – RAMP interventions will double the returns to farmers' wages by increasing crop and livestock productivity and reducing marketing costs. These gains in competitiveness will be achieved by introduction of improved production and marketing technologies, expanded access to credit and rehabilitation of rural infrastructure.

**Market Development** – Our commodity/sub sector emphasis is on enhancing food security and increasing rural incomes by ensuring that food grain security is initially emphasized/attained, and then proceeding to develop markets for current high value commodities, and later, new high value commodities. While commodities/sub sectors with high competitive potential are being developed, marketing emphasis will initially be on local/in-country markets, followed by regional, near cross-border, and later followed by international markets. The market development process includes promotion of competitiveness through value added interventions

**Priority Sub sectors Within Each Regional Market Cluster** – One major RAMP activity will be to identify regional clusters of provinces that have high potential for further market development. Within each of the regional clusters, the commercial commodity/sub sector clusters with high market development potential are strengthened with RAMP assistance via job orders. This regional-growth pole approach is consistent with the Ministry of Reconstruction and Rural Development's (MRRD) regional development approach. This approach will be an important tool for the Ministry of Agriculture to apply in its formulation of a competitive market development policy. In coordination with Ministry of Agriculture will develop joint strategies for supporting the development of these clusters.

**Job Orders to Increase Competitiveness Within Each Regional Market and Sub sector** – One of our highest priorities will be the issuance of job orders within the parameters of RAMP based on the experience, geographical focus, and appropriate activities of international organizations; domestic and foreign NGOs; and private companies that have existing capabilities in Afghanistan. We will initiate this process immediately to achieve short-term results by December 2003 and May 2004. In some cases, job orders will build on existing successful projects should receive continued funding. We are adding a long-term Program Liaison Officer to work with our technical staff and our Contracting Officer to assist in the proposal management process.

Once the job order process and sub agreement awards have been put in motion, we will conduct assessments in regional market clusters to identify critical constraints to the development of priority sub sector. Concepts on how constraints can be reduced or eliminated by providing new technologies and best practices, plus identification of additional infrastructure rehabilitation opportunities, to more fully exploit existing rural land, labor and water resources, consistent with the principles of competitive advantage, will be added into the on-going job order process..

**Policy Dialogue to Increase Competitiveness** – The agricultural policy framework will be analyzed and recommendations will be made where reforms can increase agricultural competitiveness. This will be a broad consultative process with the Ministry of Agriculture that seeks consensus and the adoption of robust market-driven progress. Table 3 summarizes the constraints facing agriculture and the relationships that must be formed with both ministries and donors to overcome them. In addition, we will provide an agricultural policy advisor to advise the Minister of Agriculture; a liaison officer to work closely with the MAAH and other relevant ministries; and technical advisors to several different ministries to achieve the objectives of RAMP. We will also identify and nurture our counterparts in the MAAH to achieve a consultative process through which RAMP's activities can be shaped for greater effectiveness. We will also work with and through other relevant ministries, including the Ministries of Reconstruction and Rural Development, Irrigation, Transport and Public Works, Commerce and Small Industries, and Finance

Specific donors activities in the agricultural sector have been described in this plan and the maximum efforts will be made to provide a leadership role, minimize duplication of efforts, and create synergies.

**Communications Strategy** – The results achieved must be communicated on a number of different levels, to Washington, the Afghan government, through local media to the Afghan public and stakeholders, subcontractors, and donors. We will use communications to reinforce the positive impacts of this program and its momentum. We will mobilize a short-term Communications Strategist and a long-term Communications Specialist to develop and implement a broad-ranging communications strategy for RAMP.

**Monitoring and Evaluation of RAMP Performance** – A practical set of performance indicators, benchmarks and targets will be established to set goals for RAMP implementation activities and track the achievement of those goals. We will track performance through biweekly, quarterly and annual progress reports, plus periodic surveys and assessments of priority commercial clusters.

### **Guiding Values**

Our implementation strategy is based on a set of core values and that will guide our operational plan. We will implement RAMP from a private sector, demand driven perspective that is consistent with the competitiveness framework that will fully utilize Afghanistan's agricultural development potential. We will further undertake this program with the maximum level of flexibility, addressing rapidly emerging targets of opportunity. Finally, we will manage for success, and coordinate that process through all of our assistance to the Ministry of Agriculture and Animal Husbandry's leadership of the Natural Resource Management Consultative Group.

## **I. INTRODUCTION**

### **A. Rebuilding Afghanistan's Agricultural Markets (RAMP)**

On July 3, 2003, the U.S. Agency for International Development issued a three-year contract to Chemonics International Inc. for implementation of the Rebuilding Afghanistan's Agricultural Markets (RAMP). The project aims to enhance food security and increase rural incomes in coordination with the MAAH's policy and budget.

### **B. Objectives of RAMP**

RAMP has two main objectives: a) increased agricultural productivity and output, and b) increasing incomes through effective linkages between producers, processors and markets.

To increase productivity and output, RAMP will address constraints imposed by the lack of cash resources for productive activities and deteriorated rural infrastructure. At the same time, USAID will initiate rural infrastructure rehabilitation activities that would not be appropriate to carry out through RAMP because of their more capital-intensive nature. To a lesser extent, the program also will support the expansion of the knowledge and use of improved technologies (new varieties, fertilizers, crop management and protection practices, initiatives in animal health, equipment and machinery) through extensive field demonstrations, information dissemination, and efforts to develop the capacity of private sector input dealers and service providers to meet farm demand.

### **C. The Chemonics/RAMP Consortium**

Chemonics has two subcontractors in the Chemonics/RAMP Consortium. The International Fertilizer Development Center (IFDC) will provide leadership in strengthening the fertilizer dealer network to expand into sales of other agricultural inputs, including seed, animal medicines, pesticides and farm equipment. ShoreBank Advisory Services will provide leadership in the rural financial services component.

### **D. RAMP Statement of Work**

The Chemonics RAMP contract is a Cost-Plus-Fixed-Fee (CPFF) contract, term form (level of effort) for a core team, plus a Job Order process for three sub component activities that will be implemented through competitively issued job orders to qualified local and international organizations.

#### **D.1. The RAMP Core Team**

The Core Team is responsible for management, administration and technical assistance under cost line item number 1 (CLIN 1). The Team maintains an office on the Ministry of Agriculture and Animal Husbandry campus in Kabul to provide the logistical, administrative and technical support required by the MAAH. This team will manage the job order process and will seek opportunities to involve the MAAH in the job order process. This is the principal methodology to implement work identified through the assessments, conceptualized by the MAAH and RAMP teams as well as work proposed by local and international organizations. The

team will undertake assessments of regions and sub sector, requirements from which will be channeled into the job order process.

#### **D.2. Job Order Support to RAMP Objectives**

Job orders will be designed and competed on a competitive basis to firms and organizations outside the Chemonics/RAMP consortium, for implementation under CLINs 2 (Physical Infrastructure Reconstruction or Repair), 3 (Rural Financial Services) and 4 (Agricultural Technology and Market Development). The RAMP consortium will also undertake specialized services that will contribute to the objectives of the project. Each job order will be designed to support performance targets that will be developed from baseline assessments and revised in later quarters as required to achieve RAMP objectives.

#### **E. Work Plan Organization**

This work plan (See Table 6 for the Gantt Chart visually depicting major plan activities) covers the first year of the project, from July 3, 2003 through September 30, 2004. The remainder of the work plan is divided into three parts.

Section II describes our integrated strategy the RAMP team will use to rebuild Afghanistan's agricultural markets over the next three years in coordination with the MAAH.

Section III describes the implementation strategy the RAMP team will use to perform the work program over the life of the project.

Section IV describes the work plan for performing the key tasks prescribed in the contract SOW, plus mobilization of the RAMP Core Team.

Annex A describes the job order process and contains the flow chart to visually depict this process.

## II. OUR INTEGRATED STRATEGY

### A. RAMP's Contribution to Afghanistan Agricultural Development

RAMP will support the Ministry of Agriculture and Animal Husbandry's leadership of the Natural Resources Management Consultative Group by providing technical assistance to improve food security and increase rural incomes. Food security is a critical concern because of the massive displacement of farmers and the widespread destruction and lack of maintenance of rural infrastructure over more than two decades of military conflict. Large portions of the population have been food insecure because they could not produce their household food needs or did not have enough cash to purchase these needs.

RAMP will improve food security and increase rural incomes by introducing new knowledge on practical methods of increasing crop and livestock productivity. The fundamental gauge of RAMP's success will be the average returns to farmers' labor: we will target technologies and agricultural commodities that can double farmers' wages over the next three years. For example, average national agricultural wages have recently risen to about \$1.75 - \$2.00 per day, after falling to about one dollar per day throughout most of the last decade. These wage rates generally reflect the floor returns to labor that are dominated by grain production. RAMP will double the rural wage rates in RAMP priority areas over the next three years by improving farmers' competitiveness. To become more competitive, farm costs of production and marketing costs will have to be reduced in order to expand agricultural sales into new domestic and international markets. Lower prices will allow additional, lower-income consumers access to domestic markets and will result in increased purchases of Afghan agricultural produces by importers in international markets. RAMP will increase Afghan agricultural competitiveness by implementing interventions to improve agricultural technology, strengthen and expand markets, expand rural access to financial services and rehabilitate rural infrastructure.

Crop and livestock yields will be increased through the introduction of new, practical technologies, such as improved seed quality and plant varieties, improved cultivation, irrigation and harvesting methods, improved livestock breeds, improved feeds and feeding practices and improved livestock health practices. On-farm production demonstrations will be conducted throughout RAMP project areas to maximize the dissemination and adoption of these technologies by the largest number of farmers in the shortest possible time. RAMP will expose at least 500,000 farm households to these technologies and assure their adoption of the technologies by the end of the project. This would imply that at least 3.5 million people, or one-seventh of Afghanistan's population will be directly affected by RAMP at the farm level. Given the expected doubling of farm wages, and assuming only one adult worker per household, these households will earn at least \$200 million in extra wages over the next three years.

RAMP will reduce off-farm marketing costs by introducing agribusiness traders, processors, distributors, importers and exporters to practices that: reduce post-harvest losses; improve market timing by increasing access to timely price information; and reduce transportation, storage, handling and distribution costs. Agribusinesses in local and regional marketing centers that support the 500,000 RAMP farm households will be trained in improved business, post-harvest handling, processing, storage and brokerage practices. Particular attention will be given to enterprises that will expand women's economic participation. These improved practices will result in marketing cost reductions that will have the practical effect of reducing market prices and expanding market volumes. Under this scenario, food consumers expand consumption in

response to lower prices as farmers continue to expand production (at higher productivity) at lower prices to recoup what they received under higher marketing cost conditions.

RAMP will further strengthen agricultural markets by expanding financial services to micro, small and medium-sized agribusinesses. RAMP will provide capital to qualified Afghan rural finance NGOs and other financial institutions for lending to the agribusinesses along the value chains of each priority RAMP sub sector (cotton, grain, dried fruit, nuts, fresh vegetables, etc.). Women-owned and operated enterprises will be given special consideration for lending. These loans will expand market volumes by allowing agribusinesses to acquire and maintain larger inventories, expand inter-regional trade (to reduce temporary supply-demand imbalances) and invest in additional and improved marketing handling, processing, storage, and transport equipment. Again, the market effects of expanded agribusiness credit will be increased quantities of agricultural products marketed, at lower average prices, to the benefit of both consumers and producers.

RAMP will strengthen farm and agribusiness competitiveness by rehabilitating rural irrigation systems, roads and local market facilities. A typical small scale irrigation system (diversion dams, canals and kerezes) supports 500 to 1000 hectares of cultivated land in nearby villages. RAMP will rehabilitate up to 500 such systems, returning up to 250,000 to 500,000 hectares of cultivated land to full irrigated production. The effect on crop production will generally be at least a doubling of yields. Most secondary and tertiary roads connecting rural villages to district and regional markets are so poorly maintained as to be impassable to vehicular traffic, or allowing traffic at very low speeds and at great risk of truck damage. These road conditions translate into high transport costs, where roads are passable, or near isolation of rural village markets. The result is high prices for consumers and limited production and marketing possibilities for farmers. RAMP will repair at least 1,000 km of rural roads. Assuming a typical village connector road is 5 km, over 2,000 villages in RAMP priority regions will gain access to surrounding markets for the import of seeds, fertilizer and other inputs, and the export of crop and livestock products. Farm-to-market transportation costs for these villages will typically be reduced by up to 50 percent. Even if farmers increase production with RAMP-supplied technologies, there is often a lack of sufficient concentrated volume at the village level to attract traders. RAMP will assist villages in concentrating their products for local sale to traders by constructing or rehabilitating at least 1,000 community market centers and/or on-farm storage sheds, to reduce post-harvest losses and improve brokerage between farmers and traders. These storage facilities will reduce marketing losses, and increase demand for local produce by traders, who then have more incentives to extend transport services to villages because of reduced unit transport costs. These facilities will have the effect of reducing marketing costs in the same manner as improved rural roads.

## **B. Market Development**

We will enhance food grain productivity to establish a sound food security platform for reallocating saved labor and land, across current and newly identified high-value commodities, and from local to regional and international export targets (Table 1). This will ensure minimum household food grain security requirements are met, while freeing up resources for producing more profitable crops. At the national level, this approach, under a liberalized, open market system (supported through RAMP policy dialogue), will allow food grain surpluses to be exported. Any food grain deficits will be overcome through imports – paid for with earnings

from sales of high-value commodities, at lower prices than would be possible under a food grain self-sufficiency policy.

**Table 1. The Course of Agricultural Market Development, by Location and Commodity**

Market Location	1. Food Grain Security	2. Current High Value Commodities	3. New High Value Commodities
<b>A. Local/In-Country</b>	A1. Improve yields to reduce household food risk, up to the point where labor returns are higher in other commodities	A2. Apply technology to reach the productivity required to yield labor returns that are at least double the prevailing local wage rate	A3. Apply technology to achieve local competitive advantage in newly emerging high-value commodities.
<b>B. Regional/ Cross-Border</b>	B1. Export surplus grain and import deficits at competitive prices, with income earned from other commodities	B2. Apply post-harvest technologies and reduce transactions costs to create selling price advantages in border/regional markets	B3. Apply post-harvest technologies and reduce transactions costs to create selling price advantages in border/regional markets
<b>C. International</b>	C1. Export surplus grain and import deficits at competitive prices, with income earned from other commodities	C2. Increase production and processing, including quality control procedures in order to reach the standards demanded by international markets.	C3. As domestic volume grows, build on regional/cross-border markets to achieve competitive advantage in more distant markets

### C. Priority Sub sector Within Each Regional Market Cluster

In Table 2 (following page), five priority regions and five priority commodity clusters with high potential to build on the market expansion are identified that support the course described in Table 1. These regions contain about half of the Afghan population, have proximity to primary roads, have significant irrigation infrastructure and have significant marketing services concentrated in nearby regional population centers.

1. The Kandahar-Helmand Region has large-area mechanized food grains, cotton, intensive commercial horticulture, and cereal cropping.
2. The Shomali Plain Region has intensive vegetable and fruit production.
3. The Kunduz-Baghlan Region has cotton and food grains.
4. The Nangahar-Laghman-Paktia Region has high-productivity double cropping in food grains, vegetables, and fruits.
5. The Wardak-Logar-Ghazni Region has mixed high-altitude food cropping and fruits. Poultry production, an important source of employment for women, is concentrated throughout these regions, along primary roads and near regional market centers.

Dried fruits and nuts, particularly raisins, dried apricots and almonds, are a major export cluster for Kandahar-Helmand, Shomali, Kunduz-Baghlan, and Nangahar-Laghman-Paktia; pistachio production is important in Kunduz; cotton production and processing is concentrated in Kandahar-Helmand and Kunduz-Baghlan, with some in Nangahar-Laghman-Paktia and Wardak-Logar-Ghazni; vegetables are produced in all regions, with a concentration in Shomali; and food

**Table 2. Proposed RAMP Priority Regions and Sub-sectors**

Region (Province)		Sub-sector					Population 2002-2003		
		Poultry	Dried Fruit/Nuts	Cotton	Fresh Produce	Food Grains	Region	% of	
								Regions	Country
1	Kandahar-Helmand	++	+++	+++	++	+++	1,619,700	15	8
2	Shomali (Kabul-Parwan-Kapisi)	+++	++		+++	++	3,763,700	36	19
3	Kunduz-Baghlan	++	++	+++	++	+++	1,564,000	15	8
4	Nangahar-Laghman-Paktia	++	++	+	++	+++	1,876,500	18	9
5	Wardak-Logar-Ghazni	++	+	+	++	++	1,635,100	16	8
+ (tentative relative importance of market development potential)						<b>Total</b>	<b>10,459,000</b>	<b>100</b>	<b>52</b>

grains are produced in all regions, with concentrations in Kandahar-Helmand and Kunduz-Baghlan.

#### **D. Job Orders/<sup>1</sup> to Increase Competitiveness**

Job orders will be developed and issued to qualified local and international organizations to implement interventions that increase crop and livestock productivity and competitiveness, reduce marketing and transactions costs across the country, but with initial focus in priority regions and sub sectors. These interventions will focus on providing new production and marketing technologies and best practices, increased access to financial services and infrastructure rehabilitation, to more fully exploit existing rural land, labor and water resources, consistent with the principles of competitive advantage. Initially, we will identify existing projects that need additional funding to build on current work and demonstrate rapid impact.

To be fully “competitive,” farmers and agribusinesses involved with the RAMP will have to sell their goods and services on the open market, without special tax incentives, subsidies, or trade protections, and they will require domestic markets that are free from policy barriers to enter and exit. Foremost in any effort to improve competitiveness will be the need to structure job order interventions such that the incentives to RAMP beneficiaries are market-based. Regardless of the position in the commodity value chain, farmers and agribusinesses will have to contain costs if they are to be successful in attracting and retaining new customers – that is a prerequisite for this stage of Afghanistan’s redevelopment. Product differentiation by quality and branding will be increasingly important after production and marketing efficiencies (cost reductions) have been achieved. New technologies improve the efficiency of the existing resource base and allow more output per unit of input, or lower costs per unit of output. Finally, production and marketing services have to be agglomerated or clustered, and if not geographically, at least by communication and transportation modes that allow economies of scale along the market channel or value chain in sourcing inputs, producing goods and services, and processing and distributing the raw product to the final consumer. We will add a Program Liaison Officer to our long-term roster, who will assist local and international organizations to participate in the job order process, assisting them to incorporate technical requirements and innovations into their concept papers and proposals.

<sup>1</sup> A job order is an euphemism for sub contract or sub grant under RAMP.

## E. Policy Dialogue to Support Agricultural Competitiveness

RAMP will assist the MAAH in strengthening its leadership of the natural resources component of the National Development Program. Much of the MAAH's success in

**Table 3. RAMP Policy Constraints and Dialogue Collaborators**

Policy Issue/Constraint	Collaborators	
	Ministerial	Other
Inputs		
Seed (property rights, certification, inspection)	Agriculture	ICARDA, CIMMYT, NGOs, seed companies
Fertilizer (packaging/labeling)	Commerce	IFDC, Fertilizer dealers
Agric chemicals (packaging/labeling)	Commerce	Ag. Chemical dealers
Water use (surface and subsurface water rights)	Irrigation	WB, Louis Berger, DAI
Animal health	Agriculture	FAO, Dutch Development Committee
Leasing agreements (tax treatment)	Finance	WB (MISFA)
Rural infrastructure (irrigation, roads, rural market facilities)	Irrigation, Public Works, Agriculture, MRRD	UNOPS, WB, Louis Berger, ADB, NGOs
Investment Incentives (tax holiday, repatriation of earnings, one-stop shopping)	Finance, Commerce	Provincial Governors, Chambers of Commerce, AISA
Community land use (related to desertification, natural forests)	Agriculture, Natural Resources	Provincial Governors, ADB
Warehouse receipt system (legal, bonding, and contractual)	Agriculture, Finance	Commercial banks
Weights and Measures	Bureau of Standards	
Grades and Standards	Bureau of Standards	Private sector (traders)
Inspection services (phytosanitary, plant protection/quarantine, product quality)	Agriculture, Commerce	USDA, Donors
Transport customs and fees	Transport, Commerce, Finance	Local government, private sector (trucking)
Trade policies	Commerce Small Ind.	Finance
Customs and import duties (agricultural inputs and commodities)	Finance, Commerce	Bearing Pt., Adam Smith Institute, Donors
Export tariffs	Finance, Commerce	Bearing Pt., Donors
Duty drawback	Finance, Commerce	Bearing Pt., Donors
Export promotion	Finance, Commerce	Bearing Pt., GTZ, Donors
Regional policy harmonization	Finance, Commerce, Foreign Affairs	WTO, Int'l Trade Associations
Cooperative laws (bank and non-bank); Association Laws, NGO Laws	Finance, MRRD, MoJ, Commerce, Agriculture	Commercial banks, WB, NGOs
Commercialization laws (bankruptcy, liquidation)	Finance, MRRD, MoJ, Commerce	Commercial banks, Bearing Pt.
Licensing for agribusinesses, NGOs, others	Commerce	Chambers of Commerce, NGO Associations
Inter-ministerial policy harmonization	All Ministries	Donors
Government obstructive policies to private sector development	Ag, Commerce	Chambers of Commerce, private sector associations, GTZ, donors

strengthening agricultural competitiveness will depend on the extent to which it is able to formulate and implement policies that ensure sustainable use of Afghanistan's fragile land, water and forest resource base. This will require close and continuous coordination with the Ministries of Rural Rehabilitation and Development, Irrigation, Water Resources and Environment, Public Works, Commerce and Light Industries, and Finance, and stakeholders to identify the constraints to RAMP objectives. A list of actual and potential constraints that should be addressed in order to improve the competitiveness in Afghanistan is identified in the Table 3 above. Policy dialogue with the TISA government will be continuous in order to reduce/eliminate obstacles that prevent private sector investment from modernizing agriculture. RAMP will support this effort by providing a senior policy advisor to directly advise the Minister of Agriculture, and a ministerial liaison advisor to assist in the coordination of RAMP activities across all relevant TISA ministries. The prioritization of these policies will be coordinated with the various Ministries.

#### **F. Communications and Dissemination Strategy**

We will bring in a short-term Communications Strategist to develop a project-wide communications strategy. He will analyze the communications requirements at all levels of the project. We also will introduce a long-term communications specialist to implement the strategy. These levels include communications: regarding the project to Washington; to the Afghan government; to potential participants and the Afghan public; to potential subcontractors; and among the project team. Communications to Washington, which are important because of the political importance of this project, include all normal reporting, special reports, biweekly cable drafts; and other reports and information on demand. Communication to the Afghan government will be directly with our counterparts and staff of other relevant cooperating ministries. Communications with potential subcontractors include all solicitation notices for general and specific RAMP activities, briefings, workshops, meetings, and debriefings. Communications among the project team means ensuring that frequent planning sessions are held and the clear communications takes place among all colleagues on the project team to ensure coordination and cohesion. We will also establish a website to accommodate the various aspects of the strategy and the job order procurement process. The Communications Specialist will also organize the technical and job order database for use by the Core Team.

#### **G. Monitoring and Evaluation of RAMP Performance**

The success of RAMP will depend on the extent to which RAMP interventions via job orders improve agricultural productivity and market efficiency, in line with international standards for best practices and resource use. RAMP's monitoring and evaluation (M&E) program will measure the impact of job order interventions on competitiveness in RAMP priority regions, which will be selected to maximize the diffusion of agricultural development best practices throughout the country. Baseline and periodic marketing assessments and village-level Participatory Rural Assessment (PRA) surveys will be used to establish an objective database for identifying appropriate performance indicators, establishing life of project (LOP) performance targets, and assessment of job order impacts against targets in each RAMP priority region. The RAMP Monitoring and Evaluation Advisor will maintain an M&E plan for implementing these procedures. The RAMP component advisors, the senior policy advisor and the ministerial liaison advisor will use M&E results to coordinate the design and implementation of new job orders that either improve results under existing indicators and targets, or support new indicators and targets that may be required beyond the RAMP mobilization phase.

### III. IMPLEMENTATION PLAN FOR PRIORITY TASKS

#### A. Guiding Values

The RAMP Consortium and Core Team's vision and commitment to making RAMP a success is based on three pillars of guiding values: a private sector, demand-driven approach; build on current successful projects and move fast; and manage for success.

##### A.1 Private Sector, Demand-Driven Approach

The Chemonics Consortium's approach to RAMP implementation recognizes that the private sector – from the farmer in the field to input suppliers, intermediate processors, financial intermediaries, and commodity wholesalers and retailers – acts as drivers for generating increases in agriculture productivity and incomes. We further recognize that demand drives supply – and therefore, that RAMP farmers and value chain operators must produce what domestic, regional, and international markets demand if agriculture productivity and, in turn, incomes are to recover and grow in Afghanistan.

##### A.2 Build on Current Successful Projects and Move Fast

We recognize that the timely production and delivery of development results is central to the success of the TISA. We will therefore build on current successful projects and move fast to capture programmatic successes and lessons learned, and extend our impact by harnessing the capabilities and experience of these institutions for achieving the objectives of RAMP. This guiding value incorporates a high level of flexibility on the part of the Core Team to respond quickly to emerging requirements. We will also work closely with the MAAH to identify the projects they have in their pipeline. We recognize that best market development practices have to be quickly disseminated to the largest possible critical mass of adopters, with particular attention to the seasonal demands of Afghanistan's diverse cropping system.

##### A.3 Manage for Success

The challenge of increasing agricultural productivity and, in turn, incomes will depend on the simultaneous development of each of the program components –infrastructure, financial services, and technology and market development – as well as their subsequent integration into a coherent program at the farm, market, village, regional, and international levels. To achieve these results, our management process will operate around the following core elements:

**Quality Work** – Regional and sub sector assessments and job orders will be developed and implemented according to the needs of MAAH, existing projects that can be built on and the standards and practices that produce quality work products. The RAMP Core Team and job order teams will take pride in their activities and produce results that merit appreciation by TISA, the MAAH and the beneficiaries.

**Results With Enduring Impact on Priority Regions and Sub sector** -- The RAMP team will strive to produce results that have positive impacts on Afghanistan's agricultural development well beyond the life of RAMP. Also, job orders will meet the objectives of the MAAH to the extent practical. Job orders will serve as innovations and catalysts for improving the market development process.

**Responsive to USAID/TISA Clients' Needs and Expectations** -- Job order development and implementation will be responsive to clients' needs and expectations. Results of RAMP activities will be designed to expedite the regional development process.

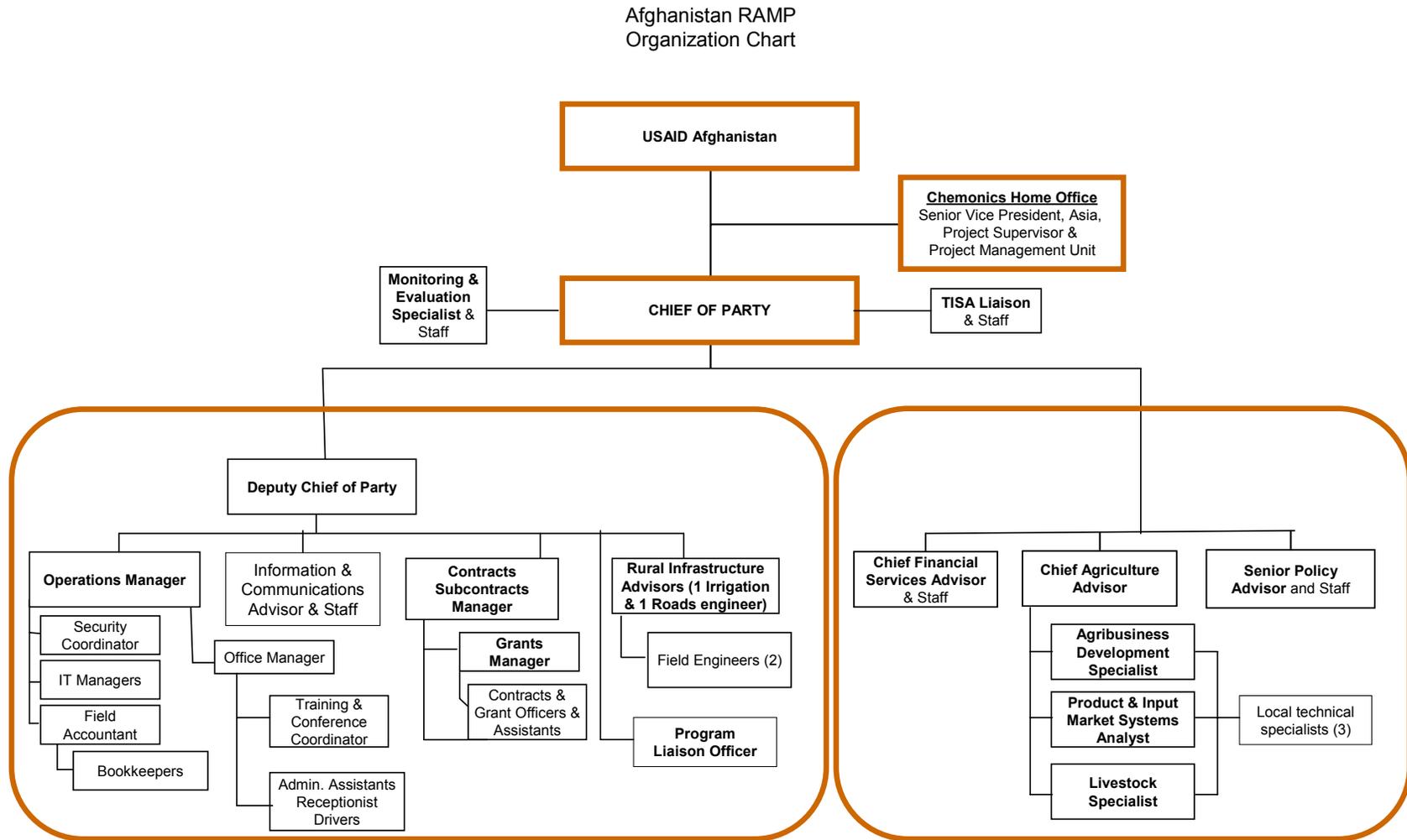
**Competitive Delivery of Technical Assistance** -- The RAMP Core Team will promote competition in providing job order technical assistance services from qualified local and international organizations to maintain quality work and effective results.

**Procedural Transparency** -- In the spirit of competition, we will promote procedural transparency in the development and implementation of job orders, as a prerequisite for efficient use of consultant services. Guidelines on job order operations will be provided to all RAMP clients to ensure effective communication and coordination on the management of each task order.

### **B. Team Organization**

The RAMP Core Team Organization Chart is presented in Figure 1. Formal communications with USAID on contractual approvals and transmittals of official correspondence and project reports will be through the Chief of Party. MAAH will be regularly consulted on RAMP activities as MAAH counterparts will be assigned to key RAMP staff members.

**Figure 1. RAMP Core Team Organization Chart**



## **IV. WORK PLAN**

This section delineates the activities and tasks in our work plan. Table 6 presents a Gantt chart of the key activities to be implemented over the first project year.

### **A. Mobilize the RAMP Core Team**

The Core Team will be fielded during July and August. Chemonics home office staff will be fielded in mid-July to hire local staff, open a bank account, procure office equipment, and arrange for office space and expatriate advisor housing by mid-August.

### **B. Track One: Rapid Development of Job Orders**

The Job Order component of the Chemonics RAMP contract will be implemented through competitively issued job orders that will be designed, issued and managed by the Core Team, consistent with USAID procurement rules and in line with the needs of the MAAH. This process will be formulated and put into action shortly after the Core Team is fielded. Annex A describes the job order development process in detail including creation of the Job Order Committee (JOC) to consider and approve Job Orders under RAMP. In general, the process will consist of five elements: a job order committee; an information campaign; job order solicitations (RFP, RFA, APS); proposal evaluation and award; and awardee servicing to ensure specific results.

#### **B.1 Form Job Order Committee**

The RAMP Core Team will collaborate with USAID and the MAAH to form a RAMP Job Order Committee (JOC). The JOC will be responsible for the preparing and managing the operating procedures that will guide the job order process. See Annex A.

#### **B.2 Initiate Information Campaign**

The Core Team will prepare materials and establish information dissemination methodologies to advertise the job order program to the broadest possible audience of capable implementers.

#### **B.3 Solicit Proposals for Job Orders**

The Core Team will solicit proposals from the widest possible audience of qualified local and international organizations, consistent with the principles of competition and timely implementation of RAMP interventions. Initially, the job orders will build-on pre-existing projects which have already been approved by the MAAH and the Ministry of Irrigation. The solicitations will generally include statements of work (SOW) that will be developed by Core Team component advisors to reflect the work requirements of the project. The information campaign will support the solicitation process to ensure transparency and competitiveness in the identification of the most capable organizations to implement RAMP financed work.

The types of work required by the respective components can be summarized by the following illustrative job orders.

**Illustrative Job Orders for Infrastructure Rehabilitation:**

Job orders will be prepared for implementation by the REFS contractor, in the case of "large-scale" construction jobs, and by Chemonics, in the case of smaller jobs.

- Roads
- Irrigation Systems
- Dams
- Wells, canals and "Kerezes"
- Market Structures

**Illustrative Rural Financial Services Job Orders:** RAMP will act as a facilitator and intermediary of financial services through job orders, as described in the examples below:

- Agreement to support the Microfinance Investment and Support Facility for Afghanistan (MISFA) through which loan capital will be provided at market interest rate to 10 pre-selected microfinance institutions.
- Contract with an organization (e.g., Aga Khan's First MicroFinance Bank of Afghanistan, ShoreBank, ACDI/VOCA, etc.) to undertake market-rate lending to commercial farmers, agro-processors, traders, exporters, etc.
- A performance contract could be provided to a poultry wholesaler which would supply day-old chicks, formulated feed, appropriate veterinarian services, slaughter and marketing services to poultry out growers. Producers would be assured of high quality chicks, feed and veterinary services as well as the market for their birds.
- Contract with an organization to develop and capitalize producer associations that would build and operate commercial storage facilities (eventually issuing warehouse receipts that could be discounted with IFIs/banks).

**Illustrative Job Orders for the Agricultural Technology and Market Development**

**Component:** As a major activity in the RAMP, the development of markets will require demonstrations through which training and technical assistance can be delivered to improve productivity, production, marketing skills and knowledge at various levels of the marketing chain. The types of training, technical and financial assistance that would be involved in the job orders would vary with the crop or livestock sub sector targeted. Training in agricultural input procurement; distribution; and sales; irrigation infrastructure operation and maintenance; on-farm water use; field demonstrations of production technologies including proper soil preparation; developing grain storage capability; demonstrations of harvesting, cooling-packing, storing and marketing of perishable commodities; cotton ginning; feed manufacturing; grain milling; fruit processing; food safety and product packaging and labeling would represent the type of job orders anticipated.

To begin with, it is anticipated that a Job Order for fertilizer dealer training will be awarded to the International Fertilizer Development Center (IFDC) based on predominant capability. This program is urgently needed in order to help consolidate accomplishments achieved under a centrally funded cooperative agreement that commenced in early 2002 and will end on August 31<sup>st</sup>.

The timing of many interventions would follow the production season and the requirements of the market agents. Many other interventions may arise abruptly due to the ever changing market conditions and opportunities. It is expected that as the production of especially high value crops increases, the training and technical assistance needs will also change to quality and packaging concerns and potential export linkages.

Other possible job orders for rapid implementation, particularly by December 2003, might involve: market structure construction or rehabilitation; animal health and vaccination program; fruit tree and vineyard pruning and rehabilitation; poultry raising; and introduction and training in dried fruit and nut grading and standards.

#### **B.4 Evaluate Proposals and Award Job Orders**

Chemonics will manage the design, receipt and evaluation of proposals for work under RAMP and will seek opportunities to involve MAAH throughout the process. Proposal review committees will be formed to review and score proposals and develop feedback/comments to offerors. This process is explained fully in Annex A.

The following illustrative activities are expected to be designed and implementation started as job orders under CLINs 2-4 prior to September 30, 2004:

##### **Agricultural Technology and Market Development:**

- Develop a job orders for on-farm demos, post harvest improvements, wheat seed production/marketing, and others
- Build and strengthen the fertilizer dealer network through dealer training, association development, etc.
- Implement on-farm crop technology & marketing demonstrations
- Identify and implement post harvest technical improvements (storage, grading, packing, cooling), and provide appropriate technical training
- Identify and follow-up on short-term training needs in production agriculture, seed production and marketing, agricultural policies, grain storage and marketing, agribusiness, livestock and poultry production, etc.
- Identify potential partners, research, develop a livestock job order for primarily private sector veterinary services, training, vaccinations, etc.
- Develop a village/on-farm grain storage job order
- Develop a farm machinery job order to provide custom machinery services, demonstrate proper land preparation techniques, train farmers and mechanics in proper tractor and implement maintenance and repair
- Develop a job order to repopulate the national livestock herd
- Develop a job order to create and strengthen farmer associations and service cooperatives for irrigation system operation and maintenance, provision of marketing services and/or sale of farm supplies and other services plus representational support for a farmer policy agenda
- Develop job orders for study visits and/or training in Afghanistan and/or in/to select countries to study specific aspects/components of their agricultural industry, e.g., to Turkey to visit and study the dried fruit and nuts industry, to India to study on-farm irrigation techniques, to organize one or more short-courses in aspects of production agriculture, fruit tree pruning, etc. through the University of Illinois/Pakistan connection.

##### **Rural Financial Services:**

- Review and make a decision on a MISFA proposal for funding to 10 pre-selected microfinance institutions (MFIs)
- Coordinate with MISFA to hold a workshop with the MFIs regarding RAMP indicators

- Identify and Assess the financial services needs of agri-businesses, commercial farmers, cooperatives and associations and prepare a feasibility study on establishment of one or more non-bank financial institutions (NBFI)
- Develop job order(s) to establish one or more NBFI to provide SME size loans to agri-businesses, commercial farmers, traders, etc.
- Develop job orders for implementing new agriculture production credit lending approaches
- Coordinate with commercial banks such as Standard Charter and the 1<sup>st</sup> Microfinance Bank of Afghanistan to develop linkages/products for agro-related lending
- Coordinate with the Ministry of Finance, MISFA and other organizations to develop appropriate policies for agriculture and agribusiness lending
- Develop job orders to undertake study visits to several select countries to study and understand agricultural and agribusiness credit policies, institutions, programs, etc.

#### **Physical Infrastructure Rehabilitation:**

- Conduct fact-finding assessments to establish dialogue with regional and local government to identify infrastructure rehabilitation needs in key agricultural areas
- Develop job orders for rehabilitation of secondary and tertiary roads and related infrastructure
- Develop job orders for rehabilitation of irrigation canals, and other irrigation works
- Develop job orders for rehabilitation and/or construction of public markets and other market-related infrastructure

#### **B.5 Implement and Service Job Order Development Partners**

The Core Team will ensure timely achievement of job order deliverables by monitoring the monthly performance reports that will be required from each job order holder. Job orders may be issued by the Core Team (CLIN 1) to qualified local organizations to conduct periodic field/on-side monitoring of job order implementation, as needed.

#### **B.6 Report on Results**

The Core Team will provide bi-monthly, quarterly and annual performance reports of Core Team activity in assessing market development conditions, preparing and issuing job orders and monitoring the results of job orders that are being implemented.

#### **C. Track Two: Assessments**

The Core Team will conduct benchmark assessments of market development situations in priority regions to determine the technology and market development, rural financial services and infrastructure rehabilitation assistance that are needed to achieve RAMP objectives. These assessments will be supplemented by annual monitoring assessments. Benchmark village-level PRAs and annual monitoring PRAs will also be conducted to provide an objective estimate of farm-level production and marketing to project the input and product marketing services that are required to support current farm production.

## **C.1 Undertake Regional Market and Subsector Assessments**

Market<sup>2</sup> and subsector assessments and PRAs will be conducted in two regions within the first 45 days after the contract is signed, and in three other regions prior to year-end 2003. For the first two-region assessment, Kunduz and Helmand Provinces will be surveyed as representative of the Kunduz-Baghlan and Kandahar-Helmand regions originally proposed by Chemonics.

The assessment team will include Core Team advisors, representatives from MAAH and representatives of FAO (livestock) and ICARDA (grain). The assessment team will cover one province at a time, starting with a rapid reconnaissance of the central market centers to identify major commodities traded, and then concentrating on: estimating prices and volumes; describing trading practices, sources of purchases and sales; describing the constraints to market development, including policies and infrastructure rehabilitation; and describing input markets and credit services that support these commodities.

In regions outside the first five priority provinces mentioned above, Chemonics will ask select job order awardees to include similar assessments and PRAs as two of their first deliverables. To ensure continuity and consistency in the assessments and the PRAs, we will provide training and orientation in the PRA and assessment methodology used in the five priority regions and may actually accompany awardees during their assessments.

## **C.2 Execute Benchmark Surveys**

Village-level benchmark PRA surveys will be conducted through sub-contracts issued out of CLIN 1 to one or more local NGOs to generate region-wide estimates of targeted market information, such as agricultural production and market volume, as well as indicators of market clusters having the highest potential for market expansion and improved competitiveness through technology transfer activities and the dissemination of market information. Surveys will be restricted to the districts where provincial agricultural production is concentrated. Data from village samples will be projected to yield district-level estimates of production and marketing. The districts selected for these surveys will serve as the targets for initial market development interventions via job orders (after quick impact job orders have been executed). At least two of these surveys will take place prior to the Indicator Workshop to be held in late September, and results will be shared with all workshop participants and development partners for consideration and discussion at the workshop.

## **C.3 Monitor Annual Performance**

As agricultural data are collected during the assessment phase and throughout implementation of the project, processes and methodologies for conducting village-level PRAs will be refined and passed-on to our development partners. The refined surveys will be conducted in target areas periodically by Chemonics directly (through sub-contracts) and/or by other implementing partners. In addition, the performance of each individual job order will be assessed and monitored on a regular basis, and the overall impact of the RAMP project will be assessed on an annual, semi-annual and quarterly basis. These job order performance

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<sup>2</sup> By “market” it is meant an assessment of the actual market for agricultural products and the physical facilities of that market, as well as assessments of all the agriculturally related infrastructure such as farm to market roads (secondary & tertiary roads), irrigation infrastructure, storage facilities in the market and on-farm, etc.

assessments will be provided in addition to bi-weekly activity status reports, quarterly progress reports, and in conjunction with the 12-month work plan reviews.

#### **D. Track Three: Execution of the Communications Strategy**

Key to RAMP success is communicating about the program and ensuring a steady flow of information from RAMP to various audiences inside and outside of Afghanistan as well as an information flow from project beneficiaries and stakeholders to the RAMP implementing contractors, MAAH and USAID.

Chemonics International will place priority on such an information campaign and flow to ensure RAMP is responsive to MAAH, the stakeholders and beneficiaries concerns and that project accomplishments and successes are documented and communicated to the various audiences. The development of the communications strategy was discussed in the previous section.

##### **D.1 Organize Kick-off Event**

To start this process, on Wednesday, August 27<sup>th</sup>, Chemonics will plan and undertake a “kick-off” event to present and explain the RAMP to the Transitional Islamic State of Afghanistan government and the foreign donor community. At this event we will endeavor to support the signing of the Memorandum of Understanding (MOU) between USAID and the MAAH.

The “kick-off” event will be on the basis of printed invitations under the signature of the Minister of Agriculture and will be held at the MAAH complex with national and international media representatives present.

Chemonics will ensure mass media coverage and will issue a press release (approved by USAID) before the event. After the event, Chemonics will prepare various articles with pictures to follow-up with continued presence in the mass media. These stories with pictures will be made available to the U.S. Public Affairs officials through USAID/Kabul.

##### **D.2 Organize other Information Disseminating Events**

Working closely with the senior level staff designated by the Minister of Agriculture, a second event will be planned after the kick-off to present and explain the RAMP to potential implementing partners (US, Afghan and 3<sup>rd</sup> country NGOs, consulting firms, CGIAR entities, universities, other USAID contractors, etc.) and to non-US donor government implementing agencies and their contractors, and other interested parties. This second event will be a workshop rather than simply a ribbon-cutting event and will provide more detailed information including:

1. Presentations and identification of the key players and their roles (introductions).
2. Description of RAMP and the USG-TISA MOU (provide bilingual handout).
3. Criteria for financing RAMP supported projects (identified in the USG-TISA MOU) (provide bilingual handout).
4. Methodology for gaining work under RAMP, i.e., the process of issuing targeted RFPs, Annual Program Statements (provide bilingual handout).
5. The JOC and how that committee will work (provide bilingual handout).
6. Role of USAID in the program

7. Role of Chemonics International, IFDC and ShoreBank in the program.
8. Q&A.

Invitations to the workshop will be distributed widely among the foreign and local NGO community in Afghanistan (through the Agency Coordinating Body for Afghan Relief (ACBAR), and by direct e-mail, press releases with pictures before and after the event (approved by USAID) will ensure wide media coverage. A post workshop report with pictures will be packaged by the Chemonics communications specialists so audiences in the Washington can also learn of RAMP activities.

Depending on the field assessments and feed-back obtained from the first two events as well as demand for coordination, information, instruction, etc., Chemonics, with collaboration from the MAAH, other donors, stakeholders, etc., will develop a series of mini-workshops, seminars, and symposia. These may focus on specific RAMP needs such as coordinating work, providing information, improving proposal preparation skills and other topics.

The exact topics and schedule of these events will be developed quarterly by the Chemonics communications and information team in consultation with leaders of the various pillars, the MAAH, USAID, implementing partners, etc. Illustrative topics might include:

- World Bank MISFA program together with 10 pre selected MFIs and Chemonics to coordinate rural finance
- Regional kick-off events similar to the national event but on a regional basis;
- Proposal preparation training
- Field days/demonstration plots
- Preparation of loan proposals
- Seminars and events for Afghan women
- Bidder's conferences to explain a specific RFP, etc.
- Accounting and financial management for NGOs (recipients of RAMP funds)
- Gatherings of specific constituents/RAMP customers/development partners to learn of concerns, identification of problems, issues requiring policy change, etc.
- Periodic meetings of implementing partners with CI to review progress, identify implementation issues, communicate and changing RAMP priorities, criteria, etc., and
- Other subjects TBD during implementation.

### **D.3 Develop Communications and Information Strategy**

As discussed in Section II, CI will field a short-term Communications Strategist to assist the long-term communications and information advisor in the development of an appropriate multifaceted communications and information strategy. As part of the strategy, CI will ensure media coverage of RAMP events in coordination with the MAAH and its development partners. CI may issue local press releases (with USAID approval), and will provide reporting and communication to USAID for transmission to Washington plus a range of other services as discussed above.

### **E. Track Four: Policy Reform and Strengthening of TISA Capabilities**

RAMP will support the Ministry of Agriculture in providing leadership to the natural resources portion of the National Development Program. The RAMP Senior Policy Advisor and

his MAAH counterparts and staff will prepare and maintain current policy briefing papers that describes the critical issues facing Afghanistan's food security and rural income goals, the constraints to reaching these goals, and recommended courses of action to eliminate the constraints with quick, cost-effective policy changes. Table 3 (RAMP Policy Constraints and Dialogue Collaborators) above will be the initial basis for developing the first paper. The Advisor and his MAAH counterpart staff will also prepare special policy issues briefings, as required, to apprise the Ministry of Agriculture and Animal Husbandry.

USAID/Afghanistan and the RAMP Core Team should be aware of current policy developments that are relevant to the success of RAMP. This assistance will be managed to assist the Ministry of Agriculture in raising the stature of agricultural development policy, while guiding that development along a course of competitiveness and strong private sector management of agricultural production and marketing.

As part of the overall policy dialogue with the Ministry of Agriculture and Animal Husbandry, Chemonics will work with senior key ministry staff to develop a new vision of the MAAH, taking it from an implementing ministry (where it provided the services directly to farmers) toward becoming an execution ministry. While developing a shared vision is the first step, ministry-wide acceptance and implementation of this new direction for the MAAH may take some time. Integrating select Chemonics professional staff with their natural MAAH counterparts is the first step. But even that will be a challenge as this ministry is still being rebuilt (physically as well as institutionally) almost from the ground up since it ceased to function for years during the war and most of its buildings and facilities were destroyed by the fighting.

### **E.1 Facilitate Coordination at the Ministerial Level**

The Government of Afghanistan has established a Consultative Group (CG) framework, within which the National Budget is planned, financed and implemented. Consultative Groups will be convened by the chair Ministry, supported by a donor or donor/UN agency Focal Point. Other concerned ministries will participate, as will the major donors, UN agencies, and representative NGOs.

The Consultative Groups are the primary mechanism for coordinating reconstruction efforts at a program level and for assisting the government to develop its policies, strategies and programs. The Natural Resources Management (NRM) CG focuses on sustainable use and improved management of natural resources, and develops sub-sector programs for agriculture, water resources and irrigation, forestry, rangeland and environment. Through these programs the CG will provide support to government to achieve the objective of improved rural livelihoods. The NRM CG currently includes:

- Chair: Ministry of Agriculture
- Other ministries: Ministry of Rural Rehabilitation Development, Ministry of Irrigation, Water Resources and Environment
- Focal point: Asian Development Bank
- UN organizations: FAO, UNAMA, UNEP, UNOPS, WB
- International organizations: ICRC
- Donors: USA, Agha Khan, Canada, China, EC, Denmark, France, Japan, Turkey, UK

The NRM CG will ensure that additional assistance is: 1) targeted to support sector priorities, 2) coordinated, and 3) complementary to existing sector activities. Further, the CG will provide assistance where required to the budget preparation process and planning for the concerned ministries.

In order to ensure Government leadership, ownership and coordination, the NRM CG will provide a key mechanism for the RAMP implementation. While the high level CG will be the forum for the formal announcement of project launches, the majority of the details will be resolved at the Technical Working Group levels. For the Natural Resources Management CG, there are four Technical Working Groups (TWG): Water Resources, Crops and Livestock, Forestry and Rangeland and Institutional Strengthening and Capacity Building, each focused on specific National Development Budget Programs.

While the majority of RAMP may fall within the NRM CG, there are clearly overlaps in other Ministries and CGs. This overlap reflects the importance of agriculture in Afghanistan, both culturally and economically. Some of these Ministries may include Commerce, MRRD, Irrigation and Environment, Finance, Public Works, Women's Affairs etc.

Developing these linkages and integrating these to the mainstream government functions is critical to the success of the project and the longer term development of the MAAH. Rather than creating parallel structures, RAMP will build on existing process such as the CGs and the TWGs. This will not only avoid duplication, but substantially reduce the efforts as these processes are now fairly well understood by both Government and donors. Longer term, this will create essential links across these ministries and assist the development of effective government.

The TISA Liaison Office is critical in ensuring integration of the Government objectives with RAMP. While this advisor provides a key communication channel in both directions, he will also work with our senior policy advisor and key decision makers in the MAAH to help develop and disseminate the shared vision for the new MAAH, and in developing/improving capacity (human resource development - coordinating with our training and meeting coordinator) at different levels in the MAAH. The liaison officer is already located within the Minister's office complex and has begun to work directly with the Minister and senior staff. The liaison officer will coordinate closely with other Chemonics staff/advisors to ensure key concerns of the MAAH, the TISA Government and regional authorities are addressed. The relationships developed by the liaison officer and our senior policy advisor with the minister and his key staff will also provide a conduit directly to and from the Minister to ensure key issues are understood at the highest levels and their issues/concerns may be addressed by RAMP.

The Liaison will also play a critical role in coordination with other Government bodies and processes. There are a number of Government bodies, other than Ministries, that can provide valuable input for the successful implementation of RAMP. The Afghanistan Assistance Coordination Authority (AACA) provides support to the CG framework and substantial information on donor activities. They also have some important linkages with other ministries, most notably the Design and Feasibility Unit, who is charged with assisting Ministries to develop their development budget into concrete projects that can readily be implemented. Other organizations include Central Statistics Office, to ensure minimal duplication of statistical collection and utilization of existing resources, Policy Unit (Office of the President) to ensure linkages and information flows at Presidential level, Office of the Spokesman for the President to ensure information dissemination to the general public that will reinforce the role of

Government and the President, in partnership with USAID, in all project milestones and successes.

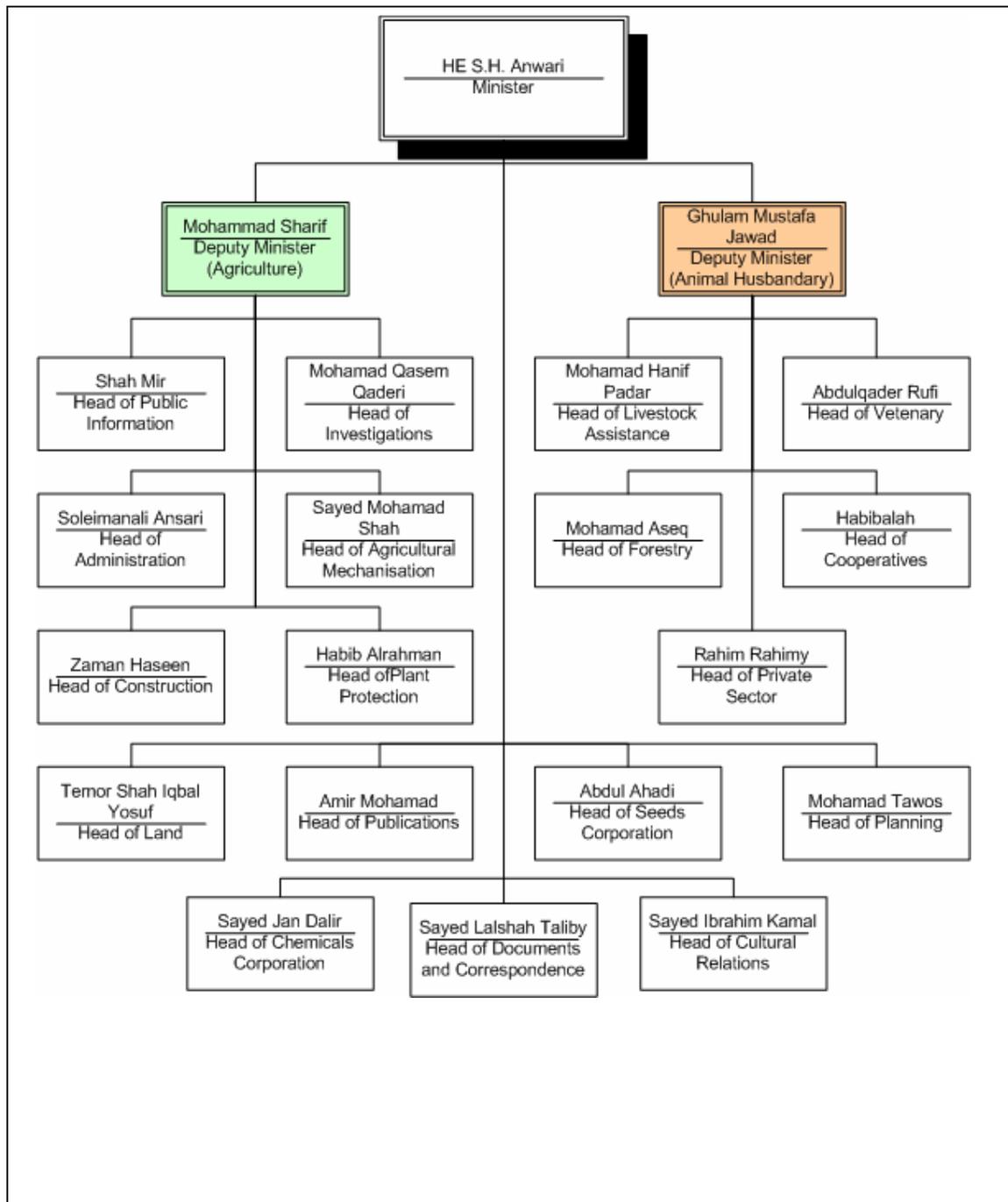
In addition, RAMP will have a series of innovative communications strategies that maximizes the exposure of this project both nationally and internationally. In particular, there will be a series of kick off meetings that ensure awareness of RAMP both within the Government as well as donors and implanting agencies. There will be regional events, workshops, field days etc on an ongoing basis.

Figure 2 is an organization chart of the MAAH. While full counterpart relationships have not been developed yet, preliminarily we envision the following counterpart relationships for members of the Core Team:

<b>MAAH</b>	<b>Chemonics International</b>
Minister of Agriculture	Senior Policy Advisor TISA Liaison Officer
Deputy Minister (Agriculture)	Chief Agricultural Advisor
Deputy Minister (Animal Husbandry)	Livestock Specialist
Head of Public Information	Communications Specialist
Heads of Private Sector and Cooperatives	Agribusiness Advisor
Head of Plant Protection	Products & Input Market Specialist

Other counterpart relationships will be established as appropriate and as the MAAH moves toward acceptance and implementation of the new vision for the Ministry.

**Figure 2 – Ministry of Agriculture and Animal Husbandry**



### **E.3 Facilitate Relationships to Other Donors and Partners**

The RAMP team will provide key support to the Ministry to ensure coordination, collaboration and maximum synergies across donors. Because of the large amount of funds dedicated to RAMP, our efforts should in short order provide leadership among donor efforts in the agricultural sector. RAMP will provide direct assistance to the Government to ensure they are able to play the maximum leadership role possible in the reconstruction efforts in this sector. Critical to this success is working within the current government frameworks for donor assistance and close collaboration facilitated by a number of senior advisors working directly with the Government.

Donors who have the Natural Resource Management sector of the National Development Program (NDP) as their budget focus, and are members of the NRM CG, include:

- Focal Point: Asian Development Bank
- UN Bodies & Multilaterals: Food and Agriculture Organization, UNAMA, UNEP, UNOPS, UNDP, WB
- International Organizations: ICRC
- Donors: USA, Agha Khan, Canada, China, EC, Denmark, France, Japan, Turkey, UK

The respective activities of the above donors include:

- Asian Development Bank (ADB) operations will cover rehabilitation of production, irrigation systems, and provision of input supplies and services. ADB is proposing to provide an agriculture sector program loan in 2004 to support policy and institutional reform to be followed by a irrigated agriculture development project in 2005. In addition, ADB will undertake a wide range of non-lending activities supporting renewable energy development, biodiversity management, livelihood promotion, pilot labor-intensive irrigation, community-based service delivery, and local market development.
- World Bank support is directed at rural and livelihood development, rehabilitation projects' agricultural inputs and equipment through Emergency Public Works and Community Empowerment Project, NGO Support Program, and the MISFA program for microfinance.
- European Union is providing support for rural development, agriculture, and horticulture.
- United States is focusing on humanitarian food aid, security, high impact projects, rural development, and agriculture and horticulture.
- Belgium has funded food aid.
- Danish assistance has covered agriculture and horticulture.
- Government of India's assistance is aimed at supply of essential agriculture inputs, implements, and experts.
- United Nations Development Program assistance is aimed at input supply, irrigation, and forestry management
- German aid is supporting improvement of food security through supply of seeds and rehabilitation of irrigation systems.
- Government of Japan will support agriculture sector in general during 2003-2004.

## **F. Track Five: Monitoring and Evaluation**

### **F.1 Establish Performance Indicators and Targets**

The RAMP team will collaborate with USAID and collaborating Afghan Ministries and NGO partners to gain a consensus on the accuracy of information on hand vis-à-vis the agricultural situation for the current cropping season. As RAMP start-up coincides with harvest, all parties will have a unique sense of what to expect in terms of acreage planted, yields, prices and estimated quantities of food grains, high-valued crops and livestock to be marketed.

These data will collectively serve as the foundation for establishing intermediate results and long-term objectives, focused on existing projects which can demonstrate rapid results and will be tangible and recognizable by summer 2004, and providing a foundation of sustainability components that will contribute to the long-term RAMP objectives and extend benefits to the agriculture sector of Afghanistan beyond the life of the project. It is expected that the established intermediate results will be proportionate to the long-term objectives outlined in the RAMP contract, while providing ambitious yet attainable benchmarks to be realized in the first year of the project.

In late September, all collaborating parties will convene for an *Indicator Workshop*, where proposed intermediate results and benchmarks will be presented by the RAMP team, and feedback from MAAH, USAID and other players will be taken into consideration. The intermediate results will be revised upon reaching a consensus to accommodate the socio-political needs of the relevant parties, and ensure that the overriding long-term objectives of RAMP are met.

While the indicators, benchmarks and targets cannot be finalized at the time of submission of the first annual work plan, illustrative results can be presented from the RFP LOP results and simulated incremental market values of crops over the LOP. Table 4 shows the three year projection of production, yields, price and amount marketed for priority high value crops, high value crops and food grain crops for LOP. These illustrative results show the increases in the amounts of commodities marketed, or incremental market value, across commodities. These results would be expected with technology transfer and increased access to markets throughout the LOP. It should be noted that due to significant increases in land area cultivated as well as yields, price could soften slightly across commodities as the increase in supply outpaces the increase in demand. While the data in Table 4 are illustrative, they represent the framework and types of results that may be expected in the performance indicator, benchmark and target formulation exercise at the end of the first project quarter.

These illustrative performance indicators show the realistic potential for increases of on-farm income due to improved technologies, increased education and improved access to markets resulting from RAMP activities and demonstrations.

The illustrative results in Table 4 are for crops, which will be a significant part of overall RAMP performance results. In Table 5, results are estimated for indicators and LOP targets over all three components (CLINS 2-4) that were presented in the RAMP RFP. Again, as in the case of Table 4, the results in Table 5 represent the framework and types of results that may be expected in the performance indicator, benchmark and target formulation exercise at the end of the first project quarter.

**Table 4. Illustrative Projected Incremental Market Value of Crops Over the Life of RAMP**

	Base	Year			Annual Compound Growth Rate (%)	
		1	2	3	(projected; implied)	
<b>Priority HV Crops [a]</b>						
Hectares	300,000	345,000	396,750	456,263	15.0	<b>p</b>
Production (tons)	2,400,000	3,450,000	4,959,375	7,129,102	43.8	<b>i</b>
Yield (tons/ht)	8.00	10.00	12.50	15.63	25.0	<b>p</b>
Farm Price (Af/kg)	15.00	14.85	14.70	14.55	-1.0	<b>p</b>
Production Value (Af million)	36,000	51,233	72,910	103,760	42.3	<b>i</b>
Percent of Production Marketed	70	74	77	81	5.0	<b>p</b>
Marketed Value (Af million)	25,200	37,656	56,269	84,081	49.4	<b>I</b>
Marketed Value (\$ million)	\$486	\$691	\$983	\$1,399		
Incremental MktValue (\$ million) [b]	<b>\$0</b>	<b>\$205</b>	<b>\$498</b>	<b>\$914</b>		
<b>All Other HV Crops [c]</b>						
Hectares	1,000,000	1,080,000	1,166,400	1,259,712	8.0	<b>P</b>
Production (tons)	7,000,000	8,694,000	10,797,948	13,411,051	24.2	<b>I</b>
Yield (tons/ht)	7.00	8.05	9.26	10.65	15.0	<b>P</b>
Farm Price (Af/kg)	10.00	9.95	9.90	9.85	-0.5	<b>P</b>
Production Value (Af million)	70,000	86,505	106,902	132,109	23.6	<b>I</b>
Percent of Production Marketed	50	52	53	55	3.0	<b>P</b>
Marketed Value (Af million)	35,000	44,550	56,706	72,179	27.3	<b>I</b>
Marketed Value (\$ million)	\$674	\$818	\$991	\$1,201		
Incremental Mkt Value (\$ million) [b]	<b>\$0</b>	<b>\$143</b>	<b>\$317</b>	<b>\$527</b>		
<b>Food Grain Crops [d]</b>						
Hectares	2,213,000	2,279,390	2,347,772	2,418,205	3.0	<b>P</b>
Production (tons)	3,585,060	3,988,021	4,436,274	4,934,912	11.2	<b>I</b>
Yield (tons/ht)	1.62	1.75	1.89	2.04	8.0	<b>P</b>
Farm Price (Af/kg)	6.20	6.08	5.95	5.84	-2.0	<b>P</b>
Production Value (Af million)	22,227	24,231	26,416	28,797	9.0	<b>I</b>
Percent of Production Marketed	10	11	12	13	10.0	<b>P</b>
Marketed Value (Af million)	2,223	2,665	3,196	3,833	19.9	<b>I</b>
Marketed Value (\$ million)	\$43	\$49	\$56	\$64		
Incremental Mkt Value (\$ million) [b]	<b>\$0</b>	<b>\$6</b>	<b>\$13</b>	<b>\$21</b>		
<b>Total HV and Non-HV (Food Grain) Crops</b>						
Hectares	3,513,000	3,704,390	3,910,922	4,134,179	5.4	<b>I</b>
Production (tons)	12,985,060	16,132,021	20,193,597	25,475,064	24.2	<b>I</b>
Yield (tons/ht)	3.70	4.35	5.16	6.16	17.8	<b>I</b>
Farm Price (Af/kg)	9.87	10.04	10.21	10.39	1.7	<b>I</b>
Production Value (Af million)	128,227	161,969	206,228	264,666	26.3	<b>I</b>
Percent of Production Marketed	130	136	142	149	4.6	<b>I</b>
Marketed Value (Af million)	62,423	84,872	116,171	160,093	36.0	<b>I</b>
Marketed Value (\$ million)	\$1,203	\$1,557	\$2,030	\$2,665		
Incremental Mkt Value (\$ million) [b]	<b>\$0</b>	<b>\$355</b>	<b>\$828</b>	<b>\$1,462</b>		
Exchange Rate (Af/US\$)	51.9	54.5	57.2	60.1	5.0	<b>P</b>

[a] "Priority HV Crops" include vegetables, fruits, and nuts -- crops found to have the highest potential competitive advantage.

[b] Incremental values are farmgate sales. The 3-year RAMP Market Development Component cost is \$40 million.

[c] All other HV crops -- vegetables, fruits, hybrid maize, and pulses. Note: "HV" crops should have a labor return at least double the local casual wage rate, or about Af 140-200 per day, as of early 2003.

[d] Grain crops: barley, open pollinated maize, millet, rice and wheat.

**Table 5. Illustrative Annual RAMP Results By Component Over Three Years**

	Year			Annual Compound Growth Rate (%)
	1	2	3	
<b>Agricultural Technology and Market Development</b>				
Additional Sales from RAMP Clusters (\$ million)	\$75	\$112	\$250	49
Additional Agroenterprise Net Profits (%)	15	22	50	49
Additional Wheat (tons) [2.68 million ton , 2002 base]	660,000	955,079	2,000,000	45
Increased Average (Labor) Productivity, or Net				
Returns to Labor (\$/day) [\$1.51/day, base]	\$1.90	\$2.40	\$3.02	26
Agro enterprise Net Profits (%/year)	15	15	15	
Additional Seed/Germplasm Nurseries (no.)	150	224	500	49
Additional Technology Demonstrations (no.)	300	448	1,000	49
<b>Rural Financial Services</b>				
Active Outstanding Clients (See Table II-4)	3,992	5,872	12,702	47
Percent Female Clients	25%	25%	25%	NA
Number of Cumulative Loans (See Table II-4)	5,410	10,238	36,670	89
Total Loan Value Outstanding (\$ million)	\$10	13	20	25
Portfolio At Risk >90 days (max %)	5%	5%	5%	NA
Operational Viability (Operating Income as % of Cost)	80	86	100	8
Regional Financial Services Staff Satisfactorily Trained (%)	30	45	100	49
<b>Physical Infrastructure Reconstruction or Repair</b>				
Roads (km)	300	448	1,000	49
Village Irrigation Systems	150	224	500	49
Small Dams (no.)	30	45	100	49
Medium-scale Dams (no.)	5	7	15	48
Canals Repaired/Cleaned (km)	300	448	1,000	49
Market Structures Repaired/Rehabilitated (no.)	300	448	1,000	49
Note: The projections are cumulative, as described in the RFP, except for “Additional Agro-enterprise Net Profits” and “Active Outstanding Clients” and “Total Loan Value Outstanding.” Cumulative results are based on assuming a reasonable 1st year result and a compound annual growth rate (generally about 49%) that reaches the expected result at the end of 3 years, except in the case of wheat production and labor wage rate, where base values prior to year 1 are assumed. In the case of physical infrastructure reconstruction or repair activities, our strategy will be to deviate from the illustrated result schedule by completing well more than 50% of the works within the first 6-24 months, to maximize market development benefits over the life of RAMP.				

**Table 6. First Year RAMP Work Plan (July 2003 – September 2004)**

Activity	2003						2004								
	Q3			Q4			Q1			Q2			Q3		
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>1. Mobilize</b>															
1.1 Contract Signed	X														
1.2 Mobilize start-up team w/COP	X														
1.3 Mobilize Core Team	X	X													
1.4 Prepare and Submit Annual Work Plan		X	X	X					X				X		
1.5 RAMP Kick-off Event (See Activity 4.3)			X												
1.6 Quarterly Update of Annual Work Plan				X				X		X		X			
1.7 Annual Work Plan review & new 12 month Work Plan															X X
<b>2. Track One - Rapid Development of Job Orders</b>															
2.1 Identify int'l organizations, INGOs, LNGOs etc.	X	X	X	X	X										
2.2 Form Job Order Committee in MAAH			X												
2.3 Develop/finalize Job Order policies & procedures		X	X	X											
2.4 Develop solicitation notice, documentation		X	X	X											
2.5 USAID approval			X												
2.6 Information campaign re RAMP	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
2.7 Project Liaison Officer arrives			X												
2.8 Call for concept papers/proposals		X	X	X	X	X									
2.9 Review concept papers, provide guidance		X	X	X	X	X	X	X	X						
2.10 Review proposals/applications, provide guidance		X	X	X	X	X	X	X	X						
2.11 Pre-award assessments when needed			X		X		X		X						
2.12 Award contracts/small grants			X	X	X	X	X	X	X	X	X	X	X	X	X
2.13 Service awardees/collaborating partners				X	X	X	X	X	X	X	X	X	X	X	X
2.14 Work with MAAH to identify projects in their pipeline			X	X	X	X	X	X	X	X	X		X	X	X
2.15 Carry-out additional assessments if needed to assess MAAH projects							X	X			X		X		X
2.16 Identify new potential partners & request proposals					X	X	X	X	X	X	X	X	X	X	X
2.17 Issue tenders or accept unsolicited proposals					X		X		X		X		X		X
2.18 Recycle steps 2.8 through 2.13 during year					X	X	X	X	X	X	X	X	X	X	X
<b>3. Track Two - Assessments</b>															
3.1 Develop PRA methodology, forms, etc.	X	X													
3.2 Prioritize regions and crops for assessments/PRA's	X														
3.3 Determine provinces & districts to complete PRA's	X														
3.4 Identify PRA sub-contractors & award fixed price contracts	X	X													
3.5 Undertake market assessments in 5 priority regions	X	X		X		X		X							
3.6 Implement PRA's in 125 villages & report	X	X		X		X		X							
3.7 Issue reports for each assessment			X		X		X		X						
3.8 New sub-contractors/awardees do assessments/PRA's		X	X	X	X	X	X	X	X	X	X	X	X	X	X
3.9 Identify key subsectors for assessment (e.g. vet services)		X	X		X		X		X		X		X		X
3.10 Undertake sub-sector assessments w/recommendations for add'l J.O.s			X		X		X		X		X		X		X
3.11 Undertake annual monitoring PRA's															X X

Table 6. First Year RAMP Work Plan (July 2003 – September 2004)

Activity	2003						2004								
	Q3			Q4			Q1			Q2			Q3		
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>4. Track Three – Communications Strategy</b>															
4.1 USAID approval of communications ST TA & LT advisor			X												
4.2 USAID approval of SOWs for LT & ST positions			X												
4.3 Kick-off event to launch RAMP & announce program		X													
4.4 LT communications/information advisor arrives			X												
4.5 ST communications/information consultant arrives				X											
4.6 Communications/Information strategy, plan & budget approved				X	X										
4.7 Workshop with working-level MAAH, MRRD, etc. & sub-contractors					X										
4.8 Web page developed & activated					X										
4.9 Web-based data base, informational, PR site linked to Web page						X	X								
4.10 Stream of articles, reports, press releases, TV progs, etc.					X	X	X	X	X	X	X	X	X	X	X
4.11 Success stories, posters, information flow to/from RAMP beneficiaries						X	X	X	X	X	X	X	X	X	X
4.12 Radio programs developed & used for Ag & Vet extension					X	X	X	X	X	X	X	X	X	X	X
4.13 Periodic media reports									X			X			X
<b>5. Track Four – Policy Reform &amp; Strengthen MAAH</b>															
5.1 TISA Liaison LT advisor arrives		X													
5.2 Agricultural Policy LT advisor arrives			X												
5.3 Develop policy framework			X	X	X										
5.4 Organize policy dialogue work groups in MAAH			X	X	X	X									
5.5 Identify other donor strategies & policy agendas			X	X			X	X		X	X		X	X	
5.6 Coordinate w/other donors to reconcile agendas			X	X	X	X	X	X	X	X	X	X	X	X	X
5.7 Recommendations w/report				X				X				X			X
5.8 Prepare & maintain current a Policy Briefing Paper					X	X	X	X	X	X	X	X	X	X	X
5.9 Prepare special policy issues briefing documents & events				X			X			X			X		
5.10 Facilitate the CG mechanisms for NRM w/MAAH leadership				X	X	X	X	X	X	X	X	X	X	X	X
<b>6. Track Five – Monitoring &amp; Evaluation</b>															
6.1 Prepare M&E Action Plan			X	X											
6.2 Establish draft performance indicators, benchmarks & targets for RAMP			X	X	X										
6.3 Workshop to finalize & get buy-in from MAAH, etc.			X												
6.4 Develop data gathering system beginning w/PRAs		X	X		X	X									
6.5 Incorporate results from PRAs		X			X		X	X							
6.6 Develop periodic surveys, follow-up PRAs for continual data gathering					X	X	X	X	X		X		X		
6.7 Develop M&E reports to feed to #4.9 Web-based info data base					X	X	X	X							
6.8 Upload information, data, pictures for each project under RAMP periodically						X		X		X		X		X	
6.9 Coordinate w/LT Communications-Info advisor			X	X	X	X	X	X	X	X	X	X	X	X	X
6.10 Prepare periodic M&E reports per contract			X	X	X	X	X	X	X	X	X	X	X	X	X
<b>7. Performance Reporting</b>															
7.1 Bi-weekly	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
7.2 Quarterly				X			X			X			X		
7.3 Periodic job order performance assessments						X		X			X				X
7.4 Annual (October 2004)															>

## G. Performance Reporting

The Core Team will submit bi-monthly, quarterly and annual performance reports on the results of assessments and surveys, and the status of job orders in development and implementation.

## H. Estimated Financial Obligations

The RAMP team is committed to achieving rapid results in a sustainable manner in Afghanistan. To this end, we anticipate financial obligations totaling about \$46.4 million across program CLINs 0002-0004 in year one. In year two, we expect increased program spending due to increased loan portfolios (CLIN 0003), increased spending on demonstration plots and other technology transfer and market linking activities (CLIN 0004), and large-scale usage of labor and inputs for the infrastructure component. If this holds true, we anticipate a total obligation of \$59.6 million in year two. Year three will see a decrease in spending on technical materials, lending and investment across CLINS, and should see an obligation of the remaining \$26.5 million. Table 5 below gives a detailed breakdown of anticipated LOP obligations across CLINS. It should be noted however, that it could be necessary some of the projected funds for year two to be required in year one due to high burn rates associated with activities aimed at rapid results.

**Table 5 – Life of Project Obligations by CLIN**

<b>Component</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Total</b>
CLIN 0002 – Infrastructure	\$23,625,000	\$30,375,000	\$13,500,000	\$ 67,500,000
CLIN 0003 - Rural Financial Services	\$ 8,750,000	\$11,250,000	\$ 5,000,000	\$ 25,000,000
CLIN 0004 - Agricultural Technology and Market Development	\$14,000,000	\$18,000,000	\$ 8,000,000	\$ 40,000,000
<b>Total</b>	<b>\$46,375,000</b>	<b>\$59,625,000</b>	<b>\$26,500,000</b>	<b>\$132,500,000</b>

## **Annex A – FLOW CHARTS FOR IMPLEMENTING JOB ORDERS UNDER RAMP**

RAMP will issue approximately \$132 million in Job Orders for carrying out work under the program. This documentation has been developed to guide the RAMP Field Office in the process of developing and issuing Job Orders under RAMP. Developing RAMP Job Orders is not a rigid process or procedure but is the creative part of this dynamic development program. Turning a problem statement into an idea and that into a tangible project under RAMP, selecting the best development partner and succeeding is the real challenge.

A RAMP Job Order may take the form of a subcontract, a cooperative agreement (prepared by Chemonics for issuance by USAID), a Fixed Amount Reimbursement Agreement (FARA) with international or government owned organizations, or a straight grant under the RAMP contract section H-15. Grants issued by Chemonics International will be up to \$100,000. Grants over that amount are issued by USAID unless a waiver is issued for such.

Recipients of Job Orders may be: (i) Commercial agribusiness companies or other agricultural-related commercial, for profit enterprises; (ii) For profit consulting companies; (iii) Non-governmental organizations; (iv) Universities; (v) International organizations (FARAs only) part of the CGIAR network, such as CIMMYT, ICARDA, AVRDC (Asian Vegetable Research Development Center); (vi) For-profit consulting engineering and design firms; and (vii) Construction companies/firms.

Sub-agreements (contracts, grants, FARAs, cooperative agreements) may go to an organization to implement some component of RAMP directly and/or to an organization that will issue multiple second-tier sub-agreements to other organizations.

The geographic code for the RAMP is 935, therefore, firms, NGO's, universities, international centers, etc. from most countries can receive sub-agreements.

The process of issuing sub-agreements can derive from the following:

- An open, competitive process i.e. obtain adequate price competition where Chemonics, as the RAMP implementing contractor and with USAID/A approval, issues a solicitation for work (Request for Proposals, and/or Request for Applications) under the project;
- Other than full and open competition i.e. justifying the absence of adequate price competition where Chemonics, as the RAMP implementing contractor and with USAID/A approval, issues a solicitation for work (Request for Proposals, and/or Request for Applications) under the project to pre-qualified firms, NGOs, etc; or selects a firm, an NGO to carry out work based on “predominate capabilities” as determined by Chemonics/USAID, and
- Unsolicited proposals/applications submitted to Chemonics for funding.

The Job Order Committee (JOC) is a three person committee that meets weekly at the RAMP office. Each member of the JOC has one vote on matters put to a vote. One

member of the JOC committee is the Minister of Agriculture and Animal Husbandry (or his designee), one representative is the USAID CTO for RAMP (or her designee), and the third member is the Chemonics RAMP Chief of Party (or his designee). Decisions are taken by consensus but in a situation where a consensus is not reached, a formal vote may be taken and the majority vote will be the deciding factor, i.e., two out of three members of the JOC must approve. On the first JOC meeting, operating policies and procedures will be approved by the committee. The Chemonics COP functions as the JOC chairman and may rely on one or more of his staff members to assist in this role.

Any individual, organization, firm, agency, etc. can propose project ideas for funding under RAMP. An initiative could come from a TISA ministry, from within USAID, from Chemonics International, a NGO, university, CIGAR Center, etc. These usually will take the form of a brief concept paper not to exceed five pages. The concept paper should:

- Answer the following questions:
  - What is to be done,
  - Where,
  - Why is it needed,
  - Who (agency, NGO, firm) will undertake the work
  - When is the project to be undertaken,
  - What are the expected results, and
  - How much is it likely to cost.
- Provide a justification for this being a RAMP-funded activity,
- Suggest/recommend the engagement methodology (i.e., contract, cooperative agreement, grant, .. etc.)

Depending on the action of the JOC in response to concept papers, Chemonics International will either prepare a SOW and other solicitation documents necessary for tendering or return the concept paper to the originator and inform the person that his/her concept/idea was rejected.

In order to achieve economies of scale within RAMP, it may be necessary to issue solicitations that would lead to establishment of one or more umbrella sub agreements to one or more NGO's or other organizations operating in Afghanistan to implement and manage a small- or micro-grant/contract operation where primarily local organizations may apply for small projects, usually under \$100,000, to undertake high impact, quick response or experimental type programs which would simply be too labor intensive for Chemonics, the CTO and the JOC to deal with.

The remainder of this document explains the step by step procedure for developing Job Orders under RAMP.

## Acronyms

BAFO	Best and Final Offer
CA	Cooperative Agreement
CI	Chemonics International
CICO	CI RAMP Contracting/Grants Officer
CNPR	Concept Paper (Similar to a Project Identification Document – PID – in USAID jargon)
CNPR-C	Concept Paper Champion (person or entity pushing for development of an idea or project for funding under RAMP)
CO	USAID Contracts Officer
COP	Chemonics Chief of Party
CP	Cost Proposal
CR	Competitive Range (those proposals/applications judged to be responsive from which one will be selected to receive an award, from 1 to 3 proposals/applications under most solicitations)
CRL	Competitive Range Letters (letter sent to offeror/applicant asking for clarification, instructing the offeror/applicant to eliminate some component, change their cost or technical proposal to better suite the objectives of RAMP)
DCOP	Deputy Chief of Party
FARA	Fixed Amount Reimbursement Agreement (contractual instrument for use with international organizations, government departments/ministries, replaces a contract or a cooperative agreement)
IP	Interested Party – champion, offeror, applicant
JO	Job/Work Order
JOC	Job Order Committee
MAAH	Ministry of Agriculture and Animal Husbandry
PAS	Pre Award Survey (Orchestrated by CICO, conducted by team selected by CICO from CI RAMP staff, MAAH staff & possibly ST consultants. Used to determine administrative and financial responsibility before an award is made. From these surveys, conditions precedent (changes that must be made prior to disbursing or initiating a project) are usually developed.
PLO	Program Liaison Officer
RC	Proposal Review Committee (not more than 2 technical CI advisors plus one MAAH official)
RFA	Request for Application (type of solicitation when the preferred instrument is a cooperative agreement or a grant; usually reserved for non-profit organizations. Fees cannot be charged under a cooperative agreement.)
RFP	Request for Proposal (type of solicitation when the preferred instrument is a contract. Any type of legal entity can compete)
USAID	U.S. Agency for International Development
WO	Work/Job Order (name given to a sub-project to be implemented under RAMP)

## **STEP BY STEP PROCESS FOR JOB ORDER DEVELOPMENT/<sup>3</sup>**

### **1.0 Establish JOC**

- 1.1 Get Agreement from USAID and MAAH on JOC concept.
- 1.2 If No, further discuss concept and reach agreement on alternate system for reviewing and approving Job Orders.
- 1.3 If Yes, finalize JOC operating policies and procedures
- 1.4 Approval by the JOC at first meeting

### **2.0 Review Proposals Already in Pipeline**

- 2.1 COP/DCOP/PLO receive proposal & name RC
- 2.2 PLO adds proposal to JO Tracker
- 2.3 RC reviews and scores proposals
- 2.4 RC prepares technical recommendations/scoring/questions (If only one proposal, skip step 2.5, go to 2.6)
- 2.5 Submit to CICO for establishment of CR
- 2.6 CICO with assistance from RC prepares CR technical questions
- 2.7 CICO reviews Cost Proposals of CR firms & issues CRL requesting Cost & Technical Clarification (Wait – applicants liaise with PLO)
- 2.8 PLO receives CRL technical answers, updates JO Tracker, submits to RC which re-scores CR technical proposals
- 2.9 CICO receives CRL cost answers & evaluates response
- 2.10 CICO decides if PAS (due diligence) is required, if YES, coordinate with PLO and complete, if NO, continue
- 2.11 RC makes final recommendation to CICO based on technical criteria
- 2.12 CICO uses response from TC, CRL/cost answers, results of PAS & ranks CR offers #1, #2, and #3 based on “Best Value to Chemonics/USAID” (If only one proposal, skip 2.12, go to 2.13)
- 2.13 CICO negotiates contract with #1, if fail, with #2, if fail, with #3
- 2.14 CICO prepares write-up with final recommendations for USAID CTO/CO, including any Conditions Precedent (developed from PAS/RC) – if Yes, next step, if No PLO liaises with applicant/offeree/TC to coordinate response to CO/CTO concerns. Replies received & recycle
- 2.15 CICO prepares write-up with final recommendations for JOC
- 2.16 JOC- Yes – CICO negotiates and gets contract/agreement signed with Conditions Precedents, as required
- 2.17 JOC – No – provide feedback\guidance for CICO and PLO follow-up and debrief process to start if applicable.

### **3.0 Other than Full and Open Competition / Justification of the absence of Adequate Price Competition**

- 3.1 Disseminate information on RAMP
- 3.2 CICO issues limited solicitation notice requesting CNPRs - wait
- 3.3 CNPRs received PLO adds to JO Tracker
- 3.4 COP/DCOP name RCs
- 3.5 RCs review CNPRs & approve/reject with comments
- 3.6 Limited competition feedback letter prepared by RC & PLO, signed by C/DCOP
- 3.7 New CNPR received & reviewed (recycle 3.3 – 3.5)

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<sup>3</sup> Flow charts to be developed after approval of this process.

- 3.8 RCs review CNPRs & disapprove w/comments
- 3.9 COP approves, go to 3.10, if reject second CNPR issue reject letter
- 3.10 COP requests full proposals
- 3.11 Receive full proposals & reconstitute CNPR RC
- 3.12 JOC updates JO Tracker
- 3.13 RC reviews and scores proposals
- 3.14 RC prepares technical recommendations/scoring/questions
- 3.15 CICO with assistance from RC prepares technical questions
- 3.16 CICO reviews Cost Proposals & issues CRL requesting Cost & Technical Clarification (Wait)
- 3.17 RC receives CRL Technical answers and re-scores CR Technical proposals
- 3.18 CICO receives CRL Cost answers & evaluates response
- 3.19 CICO decides if PAS (due diligence) is required, if YES, complete, if NO, continue
- 3.20 RC makes final recommendation to CICO based on technical criteria
- 3.21 CICO negotiates contracts
- 3.22 CICO prepares write-up with final recommendations for USAID CTO/CO, including any CPs
- 3.23 CTO/CO approval – continue, if No PLO orchestrates respond to CO/CTO concerns
- 3.24 CICO prepares write-up with final recommendations for JOC.
- 3.25 JOC- Yes – CICO negotiates and gets the contract/agreement signed with Conditions Precedent, as required
- 3.26 JOC – No – provide feedback\guidance for CICO and follow-up

#### **4.0 CP Development in House**

- 4.1 CNPR development coordinated by PLO
  - 4.1.1 contract short term TA to prepare studies, design, etc. if needed
  - 4.1.2 receive and accept or reject design, studies, etc.
- 4.2 C/DCOP names review committee & review (include recommendation/justification for further development of CNPR)
- 4.3 C/DCOP submits CNPR to CTO – Yes, continue, No, abort
- 4.4 C/DCOP submits recommendations/justification for adequate price competition (APC) or its absence to CICO
- 4.5 CICO makes determination of obtaining APC or justifying its absence.
- 4.6 COP approves/rejects CICO recommendation, if yes, continue, if no, agree on alternate action
- 4.7 Submit CNPR to JOC with recommendation for APC or its absence.
- 4.8 If Yes, continue procurement. If NO, C/DCOP sends rejection letter to CNPR-C for re-working of CNPR or dropping

## **5.0 Solicitation Mode (APC or justify its absence)<sup>4</sup>**

- 5.1 PLO and CNPR-C prepare tender documentation (SOW/TOR, budget format, deliverables, time frame, etc.) from CNPR or other documentation available to CI
  - 5.1.1 contract short term TA to complete design, if needed and not already done
  - 5.1.2 review and incorporate into final design
- 5.2 To CICO for review & approval, submit to C/DCOP for approval
- 5.3 C/DCOP approve/reject, if yes, continue, if no, PLO & CNPR-C re-work for new submission
- 5.4 Submit to CTO – Yes, continue, No, abort
- 5.5 Submit to JOC for approved Yes – continue sole source, limited or full competition
- 5.6 JOC decides on RFP, RFA, APS or Sole Source
- 5.7 USAID-CTO concurs or rejects, if concur – continue, if reject, repeat 5.1 – 5.5 or stop
- 5.8 Tender documentation prepared & submitted to JOC (including evaluation criteria): YES: DCOP submits to USAID & CICO for final approval/review
- 5.9 Issue tender; NO, satisfy JOC and/or USAID observations & recycle steps 5.1 – 5.5
- 5.10 If RFP or RFA – issue tender, wait
- 5.11 If APC absent PLO writes technical justification & forward to CICO for approval
- 5.12 If CICO approves, then submits APC justification to USAID for consent if applicable
- 5.13 If consent rejected – go to APC
- 5.14 PLO receives proposal, update JO Tracker & review (6.1 – 6.18)

## **6.0 Proposal Review**

- 6.1 PLO receives proposals/applications & C/DCOP names RC
- 6.2 PLO adds proposal/application to JO Tracker
- 6.3 RC reviews and scores proposals/applications
- 6.4 RC prepares technical recommendations/scoring/questions
- 6.5 Submit to CICO for establishment of CR (If only one proposal, skip this & go to 6.6)
- 6.6 CICO with assistance from RC prepares CR technical questions
- 6.7 CICO reviews cost proposals of CR proposals/applications & issues CRL requesting cost & technical clarification (Wait)
- 6.8 RC receives CRL technical answers and re-scores CR technical proposals
- 6.9 CICO receives CRL cost answers & evaluates response
- 6.10 CICO decides if PAS (due diligence) is required, if YES, complete, if NO, continue
- 6.11 RC makes final recommendation to CICO based on technical criteria
- 6.12 CICO uses response from TC, CRL/cost answers, results of PAS & ranks CR offers #1, #2, and #3 based on “Best Value to Chemonics/USAID” (If only one proposal, skip this step, go to 6.13)
- 6.13 PLO & RC prepares Program Description & other technical components for contract/agreement
- 6.14 CICO negotiates contract with #1, if fail, with #2, if fail, with #3

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<sup>4</sup> Assumes Start with an approved CNPR.

- 6.15 CICO prepares write-up with final recommendations for USAID CTO/CO, including any Conditions Precedent – if Yes, next step, if No respond to CO/CTO concerns
- 6.16 CICO prepares write-up with final recommendations for JOC
- 6.17 JOC- Yes – CICO negotiates and gets the contract/agreement signed with Conditions Precedent, as required
- 6.18 JOC – No – provide feedback\guidance for CICO and follow-up

## **7.0 Unsolicited Proposals**

- 7.1 PLO receives unsolicited proposals received by CI for RAMP funding
- 7.2 PLO adds proposal/application to JO Tracker, acknowledges receipt
- 7.3 C/DCOP constitutes RC
- 7.4 RC reviews and scores proposals/applications. If YES, continue, if NO, COP sends reject letter
- 7.5 If YES, RC prepares technical recommendations/scoring/questions
- 7.6 CICO reviews budget & issues letter requesting budget & technical clarification (Wait)
- 7.7 RC receives technical answers and prepares final comment/recommendations for CICO
- 7.8 CICO receives budget/cost answers & evaluates response
- 7.9 CICO decides if PAS (due diligence) is required, if YES, complete, if NO, continue
- 7.10 CICO uses response from TC & budget answers, results of PAS & makes final recommendation to COP, if YES, continue, if NO, send reject letter
- 7.11 PLO-RC prepares Program Description, Deliverables & other Contract/Agreement technical items
- 7.12 CICO prepares write-up with final recommendations for USAID CTO/CO, including any Conditions Precedent (from PAS) – if Yes, next step, if No respond to CO/CTO concerns
- 7.13 CICO negotiates agreement
- 7.14 CICO prepares write-up with final recommendations for JOC
- 7.15 JOC- Yes – CICO signs contract/agreement
- 7.16 JOC – No – provide feedback\guidance for CICO and follow-up

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