

QUARTERLY PROGRESS REPORT

Rebuilding Agricultural Markets Program (RAMP) Afghanistan

For the Period: July 1 – September 30, 2004



Submitted by: Chemonics International Inc.

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Development**

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Acronyms and Abbreviations

BRAC	Bangladesh Rural Assistance Committee
CLIN	Cost Line Item Number
COP	Chief of Party
CPFF	Cost Plus Fixed Fee (contract)
CTO	Cognizant Technical Officer
DCA	Dutch Committee on Afghanistan
FAO	Food and Agriculture Organization of the United Nations
GIS	Geographic Information System
GPS	Global Positioning System
Ha	Hectare
IALC	International Arid Lands Consortium
ICARDA	International Center for Agricultural Development in the Dry Areas
IFDC	International Fertilizer Development Center
EIPG	Embassy Interagency Planning Group
IQC	Indefinite Quantity Contract
IR	Intermediate Result
Km	Kilometer
LOE	Level of Effort
M&E	Monitoring and Evaluation
MAAH	Ministry of Agriculture and Animal Husbandry
MISFA	Microfinance Investment Support Facility – Afghanistan
MIWRE	Ministry of Irrigation and Water Resources
MLIF	Ministry of Light Industries and Foodstuffs
MOF	Ministry of Finance
MPW	Ministry of Public Works
MRRD	Ministry of Rural Rehabilitation and Development
mt	Metric Ton
NBFI	Non-Bank Financial Institution
NDF	National Development Framework
NGO	Non-Governmental Organization
NWFP-AU	Northwest Frontier Province - Agriculture University
PRA	Participatory Rural Assessment
PRT	Provincial Reconstruction Team
RAMP	Rebuilding Agricultural Markets Program
RFP	Request for Proposals
SME	Small and Medium Enterprises
SO1	Strategic Objective 1
SPS	Sanitary, Phyto-Sanitary
TISA	Transitional Islamic State of Afghanistan
TOT	Training of Trainers
UN	United Nations
UNODC	United Nations Office on Drugs and Crime
UNOPS	United Nations Office of Project Services
USAID	United States Agency for International Development
VBSE	Village-Based Seed Enterprise
WFP	World Food Program
WOCCU	World Council of Credit Unions

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Executive Summary

The July-September quarter was a very busy one for the Chemonics International Inc. (Chemonics) and its partners, implementing the single largest contract under USAID/Afghanistan's Rebuilding Agricultural Markets Program (RAMP). During the quarter, the RAMP/Chemonics team improved the systems and procedures it uses to manage its Implementing Partners (IPs) who execute subcontracts. With regional offices in Lashkar Gah, Helmand Province and in Jalalabad, Nangarhar Province fully functional, the prime contractor is better able to support the initiatives of its IPs. Among other things, this has resulted in improved construction work. In addition, the foundation is now in place for the development of new initiatives that will integrate the project's infrastructure rehabilitation, rural financial services, and agricultural technology and market development much more than has been the case in the past. The project is applying critical lessons learned to launch an integrated alternative livelihoods initiative in Helmand Province.

During the quarter the project's senior management team completed and submitted the *RAMP Contract Implementation Strategy* to the RAMP Cognizant Technical Officer for approval. The next chapter of this report reproduces that document in full. In addition, the team completed a draft Life of Project Work Plan for CTO review and comment. It will submit a final version of this document early in the final quarter of 2004.

Physical Infrastructure Reconstruction of Repair

The project's efforts to reconstruct and repair infrastructure critical to market-led agricultural development continued. With the construction of 12 irrigation structures and improvements to another 24 kilometers of drains and canals, the project was able to bring another 4,800 hectares under irrigation. In addition, the quarter saw the construction of an additional 58 kilometers of farm-to-market roads and 14 market centers.

Rural Financial Services

The project rural financial services component had an especially active quarter. Implementing Partner (IP) Afghanistan International Bank (AIB), which provides debt capital, made its first project-supported loan during the quarter, a \$50,000 loan to finance the importation of critically needed veterinary supplies. Also during the quarter the rural financial services team finalized agreements with two additional IPs, which broadens the array of financial services offered under RAMP. The Afghanistan Finance Company will provide critically needed leasing services, while the Afghanistan Renewal Fund will provide equity capital to accelerate the rebuilding and growth of the agricultural sector.

Agricultural Technology and Market Development

The project's agricultural technology and market development unit, working through various IPs and in close collaboration with several public sector institutions, made significant strides to open new export markets for Afghan producers. Key public sector collaborators included the Ministry of Agriculture and Animal Husbandry's (MAAH) Extension Service, The Export Institute, and the Ministry of Commerce's (MOC) Export Development Department. An effort is underway to install much-needed testing equipment in the Export Institute. This will help assure that Afghan exporters meet their markets' sanitary and phyto-sanitary requirements.

During the July-September quarter, demonstrations continued on over 300 test plots. This will lead to increased production of high-value crops in coming seasons. The project's emergency pest control efforts had substantial impact, saving 270,000 hectares from locust infestation and an estimated crop of 460,000mt of wheat worth \$78 million.

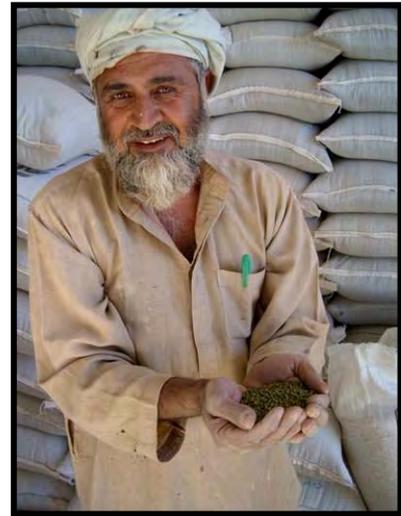
Finally, thanks to the efforts of several project staff who have worked hard to bring together MAAH, USAID, USDA and the European Community an important Memorandum of Understanding (MOU) to coordinate development efforts focused on improved veterinary services is ready for signing. The ceremony will take place in early November.

Timothy J. Mooney
Acting Chief of Party

RAMP Contract Implementation Strategy

In July 2003, Chemonics International, Inc. (Chemonics) began implementing a contract issued by the U.S. Agency for International Development (USAID) in Afghanistan under its Rebuilding Agricultural Markets Program (RAMP). RAMP encapsulates the Mission's strategy to help the people and Government of Afghanistan rehabilitate the country's rural sector, focusing specifically on enhancing food security and increasing rural incomes. In addition to this contract, RAMP includes cooperative agreements with Land O'Lakes, the Central Asian Development Group (CADG), and IF Hope, and a participating agency services agreement (PASA) with the U.S. Department of Agriculture.

This document outlines the strategy that will guide Chemonics and its implementing partners¹ as they execute specific tasks to rehabilitate and repair infrastructure that is critical for rural sector growth, increase the flow of capital, primarily in the form of credit, to the sector, and introduce improved technology to produce and develop markets for agricultural products. The ultimate purpose of these activities is to increase the sales of agricultural products.



Displaying mung bean production in Kandahar

The sections that follow present the objectives of the contract, summarize the approach the contractor will follow to achieve those objectives, discuss the assumptions that support this effort, describe what the contract team envisions will be in place at the end of the contract, and ends with the principles that will guide this undertaking.

Contract Objective and Results Framework



The strategic objective of this contract is to increase the marketable value of agricultural products sold in local, regional and international markets by \$250 million by the end of crop year 2006.² Intermediate results that will contribute to the accomplishment of this objective are increased sales in the following:

- **\$100 million in fresh and dried fruit;**
- **\$20 million in fresh and dried vegetables;**
- **\$50 million in nuts;**

¹ As of September 2004 over 40 implementers, including local and international NGOs, private firms, and international organizations, were carrying out RAMP activities.

² The strategic objective of RAMP is to enhance the food security and increase the incomes of Afghanistan's rural population by a) increasing agricultural productivity and output, and b) increasing incomes by making the linkages between producers, processors and markets more efficient.

- **\$50 million in livestock and poultry;**
- **\$30 million in wheat and food grains.**

The figures above are targets. The flexibility of the contract allows the contractor to pursue other opportunities as they arise.

Using a Market-Driven, Value Chain Approach

To achieve its objective, the contract team will employ a market-driven, value chain approach. This approach may be best summarized by the theme “**produce what will sell.**” Simply put, a value chain approach emphasizes the importance of strengthening all the processes from input supply, through production, post-harvest handling -- storage, transportation and processing -- and marketing to increase sales of agricultural products.

The value chain methodology provides the overall structure for implementation. In addition, the following criteria will guide the contractor’s efforts to design and implement interventions. It will:

- Concentrate on five principal, higher return product lines;
- Focus geographically in 13 provinces;
- Integrate infrastructure rehabilitation, financial services, and technology and market development components;
- Work collaboratively with other USAID contractors and grantees, key ministries of the Government of Afghanistan, and companion activities funded by other donors



Inspecting Parwan grapes for shipment to India

After describing the value chain methodology, the sections below explain briefly the logic supporting each of these criteria.

Value Chain Methodology

To implement a market-driven, value chain approach the contract team will:

- Define market needs and communicate them to intermediaries – processors, transporters, and warehouse operators – and producers along the value chain;
- Identify opportunities to create new marketing arrangements between buyers and producers;
- Increase the access producers, processors, wholesalers, retailers, and exporters have to financial resources needed to expand and improve their operations;
- Introduce new, innovative technology to increase production, and make processing, and marketing enterprises more efficient and competitive;
- Rehabilitate and repair critical infrastructure needed to increase production and make marketing more efficient;
- Make the regulatory and legal environment more supportive of agricultural sector development.



Wheat market in Kunduz

Focused Product Line

It is important to focus the product line in order to have a measurable impact and generate significant results. Afghanistan is an agricultural country that produces a broad array of crops and livestock products. Based on its preliminary assessments, the contract team will focus on the following product lines:

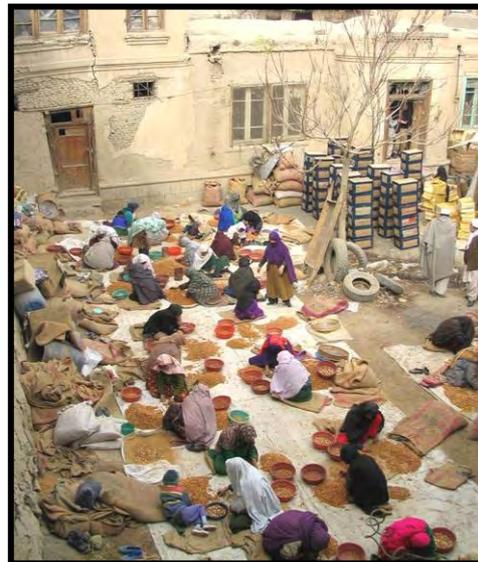
- fresh and dried fruit – grapes and raisins, fresh and dried apricots, and pomegranates;
- fresh and dried vegetables – potatoes, onions, melons, tomatoes, okra and eggplant;
- nuts – almonds, walnuts, and wild pistachio;
- livestock and poultry; and
- wheat and food grains.



Improved tomato variety for quality and yield

Economic growth in Afghanistan will have to come from agriculture and the strategic priorities for resource allocation, as defined by Mellor³, are, in rank order, (1) fruit and nuts, (2) “irrigated” livestock, (3) cotton, (4) cereals, (5) range livestock, and (6) forestry. However, growth is product specific and resource allocation has to be rationalized in such a way that only those products that have the greatest potential for expansion, incomes and employment generation, and export trade have to be promoted. The selection of high-value products will increase private sector participation, marketing activity and agribusiness capabilities, further providing additional incomes and employment opportunities for many people through both backward and forward linkages.

The contribution of agricultural products to incomes and economic development depends to a considerable extent on their competitiveness and comparative advantage in domestic production and export marketing. A combination of methods and criteria were employed to identify products that can produce the desired results and be realistically promoted under RAMP. A historical comparative analysis was conducted for product groups to estimate their contribution to the national economy. Further analysis was then conducted to evaluate the economic profitability of products to decide whether the crop, fruit, livestock and other products being undertaken in the country represent an efficient use of the country’s scarce land, labor, capital and foreign exchange.



Women sorting almonds in Kabul

Geographic Parameters

Just as it is necessary to focus on product lines in order to have a measurable impact and generate significant results, it is also necessary to concentrate the contract’s interventions geographically. The contractor and its implementing partners will focus the bulk of their efforts in five priority regions, encompassing 13 provinces. The specific criteria that drove this selection process included: population density to achieve maximum impact; high potential agriculture production; the presence of regional market centers; and the potential

³ See Mellor, John W. 2004. *Strategic Priorities for Afghanistan’s Agriculture – The Key to Rapid Growth and Poverty Reduction*. Kabul; RAMP. May 11.

availability of transport links to major domestic and export markets. The selected regions are set forth in Table 1, below.

Table 1: Contract Priority Regions

Initial Priority Regions for Chemonics/RAMP Contract	Population ⁴	% Total
1. Shomali: Parwan, Kabul, Kapisa	4,030,215	19.6%
2. Ghazni, Wardak, Logar	2,602,969	12.6%
3. Nangarhar, Laghman, Kunar	1,809,962	8.8%
4. Kandahar, Helmand	1,607,231	7.8%
5. Kunduz, Baghlan	1,573,349	7.6%
Priority Regions Total:	11,623,726	56.4%

These five regions contain about half of the total Afghan population, are close to primary roads, have significant irrigation infrastructure and other production advantages, and have at least some marketing services concentrated in nearby regional population centers.



Rice demonstration plot in Kunduz compared to nearby farmer's field

Different regions will have different priority crops, as summarized, below:

- Dried fruit and nuts offer major export potential for producers in all the target regions, although on a smaller scale in Ghazni, Wardak and Logar;
- Potato, apples, apricots, plums and some grapes (and raisins) are important crops in Ghazni, Wardak, and Logar;
- Melon and watermelon are mainly produced in Kunduz and Helmand;
- Pistachio production is important in Kunduz;
- Vegetable production takes place in all regions, particularly in Shomali Plain, which stretches from Kabul Province through Parwan and into Kapisa; winter vegetables have the potential of offer poppy growers an alternative in Kandahar and Helmand, and have potential in Nangarhar and Kunduz; and
- All of the targeted regions produce food grains, with the heaviest concentrations in the Helmand, and the north, Kunduz and Baghlan.

Integrating Activities for Results

The contract is comprised of four components (CLIN)⁵:

⁴ 2002 population estimates from UNAIDS, Kabul

⁵ CLIN = Contract Line Item Number

- Management, Administration and Technical Assistance
- Physical Infrastructure Reconstruction or Repair
- Rural Financial Services
- Agricultural Technology and Market Development



Roads for transport



Irrigation for water



Market centers for storage

A value chain is only as effective as its weakest component. The contract team will use RAMP resources to intervene at multiple points along selected value chains to (i) improve critical infrastructure – farm-to-market roads, irrigation systems, and market centers, (ii) increase the flow of capital, (iii) introduce improved technology and extension services to help producers become more efficient; and (iv) identify market opportunities and build market systems to take advantage of them. Identifying market opportunities drives the overall process. Implementing cost-effective interventions in a focused manner along targeted value chains will produce sustainable results. For example, to increase the marketable value of fresh fruits in a region, it may be necessary to repair roads and irrigation systems, construct market centers, establish cold storage facilities, make refrigerated transportation available, and provide operators all along the chain with better, more timely information about the specifications of the specific product(s) the market wants.

Cooperating with Other USAID Contractors and Grantees, Government Ministries and Other Donors

The challenges Afghanistan's rural population faces are enormous. To address problems resulting from nearly three decades of conflict, intermittent drought and economic mismanagement, the country needs broad support from the international donor community. To best meet the needs and serve the interests of the Afghan people, it is important that donors' interventions are complementary, timely and not duplicative.

The contract team will work closely to identify other USAID- and donor-funded activities with which it can collaborate and strive to channel scarce resources so that their impacts are complementary. In addition, it will collaborate closely with key ministries, including the Ministries of Agriculture and Animal Husbandry, Irrigation, Reconstruction and Rural Development, and Commerce, as well as provincial and district authorities. An important part of the team's diagnostic work will be to identify other activities intervening along the priority value chains it has targeted for development. This will result in the leveraging of other donors' support and will serve to accelerate rural sector growth and well-being in Afghanistan.



Inspecting a project with the Deputy Minister of Irrigation



Working with the MAAH Extension Department

Assumptions

Several critical assumptions support the strategy that will guide implementation of this RAMP contract. The first is that the political situation in Afghanistan will remain reasonably stable, if not improve, over the coming two years. This assumption hinges in large part on the October 2004 Afghan Presidential elections and what transpires afterwards. A second critical assumption concerns weather patterns. Since increased production and sales from agriculture depend upon at least near-normal rainfall and snow melt, the agriculture sector is unlikely to expand without at least average climatic conditions and adequate water resources. A third assumption is that Afghanistan's relations with its neighbors and trading partners will accommodate and support increased cross-border trade. A fourth critical assumption is that the U.S. foreign assistance program will 'stay the course' and that USAID will remain in the vanguard as far as economic development of the rural sector is concerned.

End of Contract Status

In addition to increasing sales of agricultural products by \$250 million by the end of crop year 2006, the contract will have generated the following intermediate-level outputs:

Table 2: Summary of Metrics Targets

Indicator	Cumulative Total to Date	June 30th 2006 Target
Infrastructure		
Km. of canal rehabilitated	329	750
Irrigation structures rehabilitated	233	300
Hectares receiving improved irrigation	306,100	370,000
Km. of farm to market roads rehabilitated	168	900
Financial Services		
Micro Loans disbursed	8400	15,000
SMEs assisted through financing or TA	-	200
Agricultural Technology and Market Development		
Number of Potential Buyers Identified	-	120
Chickens distributed	20,249	200,000
Women training in poultry mgmt	4,110	25,000
Farmers served by extension	564,566	1,500,000
Livestock vaccinated/treated	3,679,222	12,000,000

The above list is only a summary. The end of contract outputs will equal the sum of all the outputs generated by the contract's implementing partners. These outputs -- improved infrastructure, more responsive financial institutions, readily available improved technology, and more efficient marketing systems -- will strengthen the foundation upon which rural sector development continues well past the contract end date.

Guiding Principles

It is essential that the contractor perform in manner that is both operationally practical and realistic in light of the current realities in Afghanistan. The following principles will guide the contract team's efforts. It will:

- Focus on the primary RAMP target. The objective of increasing the value of marketable commodities guides resource allocation. For example, RAMP Implementing Partner ICARDA is teaching Afghan farmers to produce vegetables in the off-season to be more competitive in local markets.



Saffron planting demonstration in Herat

- Produce what will sell. A market-driven approach ensures that production responds to market

demand for quality commodities at a competitive price. In Shomali Plains, for example, RAMP is helping farmers grow quality grapes of varieties demanded by export markets.

- Address problems along the value chain. Contract interventions will address impediments to improved production, value added processing, and product marketing. For example, RAMP irrigation projects in Baghlan have stimulated farmers to produce higher value crops such as vegetables. Further along the value chain, RAMP Implementing Partner Development Works Canada (DWC) will establish a vegetable drying facility in Nangarhar to increase demand and raise incomes.



Sun dried tomatoes in Parwan

- Build trust among value chain participants. The contractor will play the role of “honest broker” between parties. RAMP will work closely with traders in Pakistan and India as well as Afghanistan producer organizations of fresh and dried fruits and nuts to catalyze export-led growth.

- Integrate activities for maximum impact. The integration of agricultural production, infrastructure, finance and market development activities is critical. Within its target regions in Afghanistan RAMP will insure that where there are improved irrigation systems, there will be demonstration sites, improved access to inputs and financial services and improved roads to get to market. This integration of activities is imperative to realize maximum results.



Working with Kabul raisin and almond traders

- Reform policy to support marketable output. Agricultural research and extension and other policy reform and sector planning efforts with the MAAH will work to increase marketable output. For example, RAMP has begun building the Ministry’s capacity to produce agricultural extension materials to increase yields and reduce spoilage.



Parwan grapes meeting market standards

- Nurture the formation and expansion of commodity clusters by widely communicating individual success. An integral part of

the program's strategy is to interest other potential producers, processors, marketers and investors in order to expand agriculture development activities even more. This summer, RAMP launched a successful pilot project to export grapes which has generated interest from both buyers and farmers.

- Coordinate with other projects and donors. RAMP activities work in conjunction with existing donor and private activities along the value chain. For example, RAMP agricultural inputs often work in tandem with road construction funded other USAID contracts or other donors. RAMP will be co-investing, along with other investors, in the Afghanistan Renewal Fund, a \$20 million equity fund to provide capital to small- and medium-sized agribusiness.
- Ensure programmatic flexibility. Recognize that the RAMP strategy is to serve as a guide for resource allocation, not as an operational constraint. For example, RAMP resources are being reallocated strategically to the challenges of developing and implementing an effective alternative livelihoods initiative in Helmand and Kandahar Provinces.



Dried apricot production in Kandahar

Management Reports: Agricultural Technology and Market Development

Accomplishments this Quarter:

Project agricultural specialists worked intensely with implementing partners, MAAH's agricultural extension agents, farmers, traders, exporters, the Export Institute and the Export Development Department of the Ministry of Commerce to facilitate the export of fresh and dried fruit to untapped international markets. Only selected, graded, and properly packaged fresh and dried fruit of high quality were exported to identified buyers in neighboring countries and Europe. The stakeholders involved in the export marketing of these fruits played a direct role in the initial samples sent and all of the marketing activities of the commercial shipments. These marketing efforts by the prime contractor and implementing partners are paving the way for additional exports to these international markets. Efforts to get more fruits exported played a role in increasing prices and incomes to Afghan farmers for fresh and dried fruit.

In the case of fresh fruit, project implementing partners are planning to integrate cold storage into the processing, packaging, and pre-shipping activities. Project staff members work closely with the Deputy Minister of the Ministry of Commerce, the Director of the Export Institute, the Trade Counselor of the Indian Embassy, and others to gain a mutual understanding of the practical trade barriers constraining the export of Afghan fresh and dried fruit and nuts. To test the quality (for aflatoxin, bacterial infection, and other contaminants) of Afghan agricultural products, the project is supplying laboratory equipment to the Export Institute of the Ministry of Commerce.

Implementing partners provided the necessary technical assistance and training to farmers to increase productivity and incomes by demonstrating best practices of high-value crops in over 300 summer crop demonstrations and field days. In plant protection, the emergency locust control program in the northern provinces saved approximately 270,000 hectares of wheat, estimated at 460,000 metric tons of production and a value of over \$78 million. The project constructed collection and market centers along roads being rehabilitated by the infrastructure component and linked them to agricultural production areas in many districts of the priority provinces. These centers will serve as a vital link in the efficient assembly, sorting, grading, packing, and shipping of agricultural produce.

Training in the off-season production of high-value crops in greenhouses and plastic tunnels and in the development of greenhouse construction and operation is well underway. In addition, project staff facilitated the business planning of private investors in agricultural product processing, cold storage, packaging, and exporting.

During this quarter, the project helped establish the Animal Health Coordination Committee and the impending signing of a MOU between the European Commission, USAID, USDA, RAMP, and the MAAH to coordinate the public and private sector development of animal services in Afghanistan. This and the provision of vaccinations and medical treatment for over 3 million animals nationwide during this quarter stands as significant and noteworthy achievements for the rehabilitation of the livestock sector.

Challenges Encountered:

Many constraints in the export of high-value products from Afghanistan exist, including poor product quality, competition from countries where product subsidies exist, Afghan product export taxes, and formal and informal trade barriers, such as, difficulties in obtaining import authorization documents from countries importing Afghan products and informal fees imposed on Afghan products in transit through Pakistan.

Sourcing quality agricultural produce is also a challenge since product quality varies widely in the same field, and since the tradition for farmers is to sell their entire field. With only a percentage of the crop of the desired quality demanded by foreign buyers, buying an entire field of produce is not economic nor feasible for many processors or exporters hoping to sell a differentiated product.

Quality control of agricultural inputs (fertilizer, seed, and agricultural chemicals) remains uneven.

Government policies and regulatory activities to solve the problem are slow in coming.

Many farmers interested in diversifying into higher value crops and livestock are land rich but cash poor, thus, unable to invest in technologies that have higher returns.

Some of the RAMP subcontracts (such as CADG, ACTED) do not specify a required quantity of products that the IPs would need to facilitate the marketing of. As a consequence, RAMP is having some difficulty in requiring increased marketing efforts to achieve higher sales of high-value products. For those RAMP partners involved in crop demonstrations, the transfer of these technologies to farmers served by extension needs to be closely monitored.

Security problems in certain districts in Ghazni, Helmand, and Nangarhar provinces severely impacted specific activities (such as, conducting crop demonstrations and field days) of implementing partners.

Looking Ahead:

Project staff members and implementing partners will:

- Expand the marketing (through, for example, the Kandahar Fresh Fruit Exporters Association and selected private traders) of additional fruits and nuts processed, packaged, and exported to untapped international markets.
- Participate and promote Afghan dried fruit and nuts at the International Trade Show in India in November.
- Establish and facilitate the operation of the laboratory for testing and analyzing product quality of fruit and nuts at the Export Institute. Determine where the second set of laboratory equipment needs to be located. Train Export Institute and other staff members on the operation of the equipment. Establish and implement a policy for charging for laboratory services rendered to those having their products tested.
- Find investors in food processing and packaging equipment through private investor meetings with, for example, the various Chambers of Commerce in Afghanistan. Find farmers and farmer associations interested and capable of investing in farm machinery, cleaning, sorting, and grading equipment, and other types of equipment and machinery that add value to farm products. Provide technical assistance in business planning and training to these investors.
- Integrate the assembly, sorting, grading, storage, and other marketing activities of farmer and trader associations at their respective market centers (built by implementing partners in Nangarhar and Kunduz) with the processing, cold storage, packaging, and marketing activities of the processors and exporters assisted by RAMP and its IPs.
- Determine the adoption rates of best practices (as demonstrated through crop demonstrations) by farmers in the five provinces.
- Develop further the integration of new market centers beside newly improved roads and rehabilitated irrigation infrastructure.
- Work in unison with the Monitoring and Evaluation Unit to determine the impact of project interventions in the targeted 25 districts in five provinces
- Determine the feasibility and the strategy for establishing cold chains for maintaining vaccines and other medicines in regional and provincial locations accessible to the Veterinary Field Units.

Infrastructure

Accomplishments this Quarter:

The project has constructed 58 kilometers of farm-to-market roads and 14 market centers. Service to irrigation has been improved over a command area of 4,800 hectares with the construction of 12 irrigation structures and improvements to 24 kilometers of canals and drains.

Farm-to-Market Roads and Structures

The pace of road work has accelerated because the infrastructure unit has succeeded in requiring several contractors who previously built roads to less stringent standards to: 1) complete more rigorous engineering work preceding the start of construction, 2) engage capable staff who can

implement tighter specifications and standards of construction, and 3) acquire equipment suitable for building well-compacted and well-drained roads including wobbly-wheel rollers and larger water tankers. All road contractors save one whose contract was terminated, are now rebuilding four to 10 kilometers of road per month.

The ESAR contract for building 26 kilometers of road, Ghazni-Merai, was terminated six months after the award since the subcontractor was not able to mobilize for the work. Construction of this section of road in Ghazni Province will be given to GRSP, which is successfully building 60 kilometers of road in this area despite problematic security conditions.

At the request of Charles (Randy) Frescoln of the Kunduz PRT, the infrastructure team undertook the design of the Qasemali Bridge on the Kunduz River.

Irrigation and Drainage

The pace of irrigation and drain work has slowed somewhat because several contracts have been completed and the new contracts are for systems and structures with complex technical requirements that largely require the input of specialists for completion. Despite this slow down, accomplishments were considerable.

Work by CRS/World Vision for rehabilitation of the Injil and Guzara canals (120 kilometers long), serving about 35,000 hectares of land near Herat City, has been limited to data collection and preparations for design. Three special design efforts are required; those for river intakes and sediment excluders, major cross drainage works, and conversion of the canals from inundation to controlled flow regimes.

IF Hope also has been preparing engineering studies for the dredging of some 114 kilometers of drains in the Kama/Ghosta area and in the command of the Nangarhar Valley Authority on the right bank of the Kabul River (13,700 hectares).

During July, DAI essentially completed dredging of drains in the Marja area (15,000 hectares) of the Middle Helmand system and canal rehabilitation work for 43,400 hectares of irrigated land in Baghlan and Kunduz provinces. Cleanup work is now in progress in the area of the Marja Drains.

The prime contractor and CADG agreed to terminate the latter's activities under the Check Dam Contract after completion of two masonry dams, Islam Dara II and Tangriz. The project will undertake construction at the remaining sites as groupings of water detention structures made of gabions that are to be built by the villagers to be benefited by resulting groundwater recharge. It is expected that some 75% of the money spent will be paid directly to the villagers. Security concerns in the countryside are hampering continuation of this work.

Work by RSSA at the tail of the Nangarhar Valley canal system proceeds with the construction of flood control and canal rehabilitation measures that benefit a number of villages of the Shinwari tribe. Progress was slowed during July because the area was inundated by monsoon rainfall and discharge of a hill torrent onto the piedmont of the project area. The flooding was intense enough to cause local fatalities. Once completed, this 6,000 hectare irrigation area will be brought back into production after a lapse of decades without water for some of the farmers.

MADERA completed the Kanday Road (Jalalabad to Assadabad) rehabilitation and rechannelization project in Nangarhar Province.

STAAR has resumed work for the Shigee and Koti Tarran canals now that high river flows have receded. Under construction are diversions and other works that serve some (18,600) hectares from the Kunar River.

Buildings and Market Centers

Construction of the office building in the MAAH compound was completed during the quarter.

Progress was on schedule and well advanced at the DWC vegetable dehydration plant building at Charikar.

Construction of Market Collection Centers was essentially completed during the quarter.

Designs were prepared for the larger APMCs and 20 refrigeration units were procured to promote widespread installation of refrigeration units through demonstration and the promotion of private investment.

Challenges Encountered:

There is a near-total absence of subcontractors who possess the experience and understanding to address the design and construction of works and structures that adhere to rigorous standards and where inspection and follow up is frequent and thorough.

However, as noted above, RAMP made considerable progress with road contractors during the quarter. In the irrigation arena however the effort still is developing.

Looking Ahead:

An \$8,000,000 RAMP initiative to build infrastructure in Helmand and Kandahar in support of an equally large agricultural and marketing (Alternative Livelihoods) program has been formulated and has received approval of USAID. Two contracts totaling US\$3 million already have been agreed and work is to start the first of November.

Institutional restructuring is to take place at the national, provincial and local level to facilitate the capacity of water users to operate, manage, maintain, and finance canal systems from the farm to the river intake by canal command. This contract is for an initial period of one year and is being funded for \$1 million.

The second contract is that let for the continued dredging of major drains in the Shamalan and Darweshan canal commands of the Middle Helmand area. This contract has been funded for \$2 million.

The prime contractor has authorized sub-contractor, RAFA, to revise the design of the intake structure of the Barq Canal on the Salang River to accommodate potential future discharges for the production of hydropower. This initiative resulted from coordination among MIWRE, the Ministry of Water and Power, a USAID/COE team and RAMP. Construction likely will begin at mid-quarter.

It is expected that the retraining of two road contractors, Afghanaid and Relief International, and of new irrigation contractors to be recruited for the Middle Helmand work, will be accomplished during this quarter.

RAMP is preparing and processing the paperwork to competitively bid and start construction of the Qasamaili Bridge over the Kunduz River. Also 10 kilometers of road will be built to connect the bridge to production areas and to marketing warehouses built by RAMP along the Kunduz to Kabul highway.

Rural Financial Services

Accomplishments this Quarter:

During this quarter, the Rural Financial Services unit was able to complete three additional contract mechanisms to expand the continuum of financial options for the agricultural sector. Afghanistan International Bank (AIB) is the furthest along, as far as, lending to agribusinesses. In fact, one loan was approved for an input dealer recommended by our agricultural sub-contractor, IFDC. The loan is structured as a letter of credit for \$50,000 to purchase veterinary medicines from a Chinese supplier. Two other two contracts, Afghanistan Renewal Fund (Fund) and Afghanistan Finance Company were signed late in the quarter and will become operational in the fourth quarter.

Both of these subcontractors are making progress towards their agreed upon objectives under their contracts. The Fund's main issue is to align all of its investors and close the fund before year-end. It will also be necessary to develop the pipeline of potential investments that are expected as the first deliverable in mid-October. The Afghanistan Finance Company (AFC) will need to begin operations expeditiously in order to show impact for the sector. As a pioneer in the field of leasing in

Afghanistan, there will be a lot of pressure for the AFC to lease equipment that will benefit the processing sector and add value to agricultural produce. AFC will need to have their lending policies and procedures in place to meet the demands for leasing.

Constraints Encountered

The reduction of the available budget from \$25 million to \$17.2 million has presented a significant challenge to the number of activities that can be developed under the project and some opportunities were missed for mutually reinforcing activities. In particular, two initiatives were under development, a guarantee fund in partnership with GTZ and a credit bureau to be developed for both the micro and SME financial institutions. These were not pursued after the funding ceiling was met.

Due to the reduced activities, Afghan agribusiness entrepreneurs will have less access to finance through fewer RAMP financial partners. Also, the borrowers will not have a system to maintain their credit history through an institution such as a credit bureau to allow other lenders information about the borrower's ability to repay.

Looking Ahead

The next quarter should include the finalization of the last contract under the rural finance component. This last contract will be for UNDP to support a Business Advisory Centre that will provide pre-and post financing advice and support to selected agribusiness entrepreneurs. With this contract, RAMP will have four sources of financing vehicles from microfinance → SME debt financing → leasing → equity participation. The clients for SME debt, leasing, and equity will have access to the Business Advisory Centers, a local source of information and expertise to support the development of the borrower's business. The project rural finance team will aim to work closely with both the agricultural subcontractors and the financing entities to ensure that the agribusinesses along the value chain have access to credit. The financing to the agribusiness should allow the businesses to reestablish themselves and access new markets.

The Rural Financial Services team is supportive of the request for a no cost extension that was submitted by MISFA during the quarter. This will allow microfinance institutions six more months to disburse RAMP provided loan capital. Also, the microfinance institutions will have access to further technical assistance from MISFA to develop agricultural loan products.

The financial sector in Afghanistan is very dynamic, and there remains tremendous opportunity to affect positive change that will impact agribusiness entrepreneurs

Rural Financial Services
Microfinance Investment Support Facility for Afghanistan (MISFA)
Life of Project: 18-Dec-03 to 31-Dec-04
Provinces: Nationwide

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#1-0003-MISFA	18 Dec. 2004	Fran Toomey	Dan Miller	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$5,000,000	\$0.00	\$979,587	\$0.00	\$4,020,413
<p>Project Description: MISFA is the umbrella microfinance program which funds microfinance institutions that use a diversified range of products, methodologies, geographic locations and targeted clients. This is an 18-month grant of \$5,000,000 to the Ministry of Reconstruction and Rural Development to channel funds to the Microfinance Investment and Support Facility Afghanistan (MISFA). MISFA will finance a mix of organizations that implement a diverse range of microfinance approaches in order to test their applicability to Afghanistan and support the development of a diverse and competitive microfinance sector. This is a World Bank supported activity.</p>				
<p>Expected Results (by end of project):</p> <ul style="list-style-type: none"> • Total loan portfolio: \$4,000,000 • Approximately 15,000 loans • Target number of institutions disbursing loans: 11 nationwide 				

Accomplishments this Quarter:

BRAC received \$147,196 from the RAMP loan fund for the pilot test of the Agriculture and Livestock Development and Credit Support Program (ALDCSP). During September, BRAC recruited and trained staff and started a baseline survey. Client training will start in October, and the first disbursements will follow shortly after that time. The pilots will take place in the following provinces /districts:

- Khewa, Beshod - Nangarhar Province
- Jabul Siraj, Bagram - Parwan Province
- Kohistan-2, Moh. Roqi - Kapisa Province
- Chorai shihab, Mirbachakot - Kabul
- Injil, Gojara - Herat

BRAC's Regional Managers will collaborate with other RAMP partners working in the same areas to identify potential clients.

- **Ariana Financial Services/Mercy Corps** experienced a change in management and the latest Program Director prematurely resigned from the position. Also, Ariana took the step to slow down lending as they experienced some delinquencies in the portfolio. Together these issues have impacted the lending program for Ariana and have led to some stagnation in the program. Mercy Corps is actively recruiting for this position to keep the program on-track. Due to this stagnation, the further cooperation with Medeir to coordinate on developing a loan product with the female poultry rearers that Medeir is assisting. The Agricultural Specialist will resume collaboration with Ariana once a new Program Director is on the ground.
- **Aga Khan** began disbursing agricultural loans through MISFA/RAMP funds. Aga Khan has developed Terms of Reference for external support to assist them in developing new loan products including a micro-leasing product. Once new loan products have been developed, Aga Khan will present a proposal for MISFA/RAMP funds to support these loans.
- **CHF** – The MISFA Agricultural Specialist visited the Bamiyan offices of CHF to assess and monitor their loan portfolio. Some discrepancies were discovered in the offices and the Agricultural Specialist worked closely with the Country Director of CHF to develop a work plan to rectify the situation.
- **FINCA** has not started utilizing MISFA/RAMP funds although the Agricultural Specialist continues to coordinate with FINCA on developing appropriate loan products.
- **Madera** submitted an application to the MISFA steering committee to become an official member of MISFA. Madera expects to lend up to 60% for agricultural lending and has requested \$755,000 in loan funds of which 60% will come from RAMP.
- **Innovative Loan Products** – MISFA coordinated with Ariana Financial Services to develop a Terms of Reference for an external consultant to evaluate the lending potential in the southern provinces and design appropriate lending models. The consultant's findings included determining the potential lending methodologies and loan products viable for the south of the country and defining the

regional constraints. A presentation of his findings was organized in the MISFA office on Thursday, September 2 and the report received on September 12.

- **Agriculture Loan Survey** – MISFA contracted with Altai Consulting to provide a more accurate figure for the number of loans that were used for agricultural-related activities while not initially recorded as such by the microfinance institutions. The survey is expected to provide interesting information regarding client's satisfaction and preferences in terms of agricultural lending products.
- **No Cost Extension Request** was submitted to RAMP to compensate for the late start of the MISFA project.

Challenges Encountered and Remedial Actions Taken

- **MFI Reporting** – There have been some inconsistencies in the statistics submitted by the microfinance institutions to MISFA. The Facility Manager of MISFA is to follow-up with the microfinance institutions to ensure there is proper reporting on the regular reports from the microfinance institutions.
- **Credit Bureau** – The support for the credit bureau from USAID/RAMP has been reversed since the initial concept of starting a credit bureau. Nevertheless, MISFA believes this initiative is very important to the entire financial sector and will proceed with their own funding to jump start it. Together with Bearing Point, a Terms of Reference was drafted for a consultant to spend one month in Afghanistan and to make all the preliminary steps for the set-up, including drafting an RFP that would be advertised towards mid November.
- **Save the Children** – there has been no interest from the other microfinance institutions to assume the portfolio developed in Andkhoy. Therefore, the recommendation was accepted by Save the Children-Afghanistan to close the program.
- **ICARDA** have decided that they are not willing to work with a program that would charge interest on their loans and they have not been cooperative with MISFA. The MISFA Agriculture Specialist has there discontinued further collaboration with this organization.
- **Innovative Loan Product Report** did not provide any specific information for Kandahar nor did it delve into specific lending models as expected from the TOR. The consultant was asked to provide more detail but the additional information did not shed enough light on moving the process forward in the South.

Looking Ahead

The next months will primarily involve continuous monitoring of the agricultural loan products initiated and approval of the no cost extension. Specifically, MISFA will:

1. Monitor CHF closely and provide training as needed.
2. Follow through with the AKDN mission to finalize an agricultural proposal for submission to USAID/RAMP.
3. Agriculture Survey follow up: review results of the survey, adjust disbursements appropriately as well as projections. Meet with Altai to come up with a more standard and less intensive format for future quarterly surveys.
4. Coordinate consultant visit to work on credit bureau and ensure RFP is prepared for advertisement during the next reporting period and that all financial partners in the country are involved in the process.
5. Determine whether or not the poultry project with Ariana can be reactivated.
6. Ensure that Madera gets funding and can start operations, present baseline monitoring format to Madera and seek feedback.
7. Monitor BRAC program start up, review comments to baseline data and start using information.
8. Follow-up on the no cost extension submitted to USAID/RAMP.

Security Issues

The MISFA offices and several of the microfinance institutions halted operations just prior and after the Afghan elections. This immobilization will reduce the number of loans disbursed during the October period.

Project Manager Comments

MISFA is on track although they will have to do some catch-up for the time that they were away pre and post Afghan elections. Based on the preliminary results of the agricultural survey, the microfinance institutions have demonstrated that they are lending more than targeted for agricultural

related enterprises. MISFA needs to reassess RAMP loan funds allocated to the microfinance institutions to realign it based on the results of the survey to capture the full number of agricultural loans the institutions are disbursing.

USAID/RAMP should approve the no cost extension for MISFA based on the unanticipated delay for the microfinance institutions to get their activities underway in 2004. Also, MISFA needs to ensure that they are effectively using their technical assistance to promote the development of new agricultural loan products to meet the needs of agricultural enterprises.

Kandahar Check Dams
Central Asia Development Group (CADG)
Life of Project: 15-Oct-03 to 15-Aug-04
Provinces: Kandahar and Helmand

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#2-0002-CADG	Oct. 15, 2003	James Huddleston	Dan Miller	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$706,915	\$0.00	\$66,732.50	\$63,539.40	\$576,643.10

Project description: Water retention structures are to be built for some 19 villages. CADG has constructed two check dams, Islam Dara II and Tangriz, to store the flow of rainwater runoff, to recharge aquifers and karezes. Additionally a series of gabion structures will be built to temporarily retain water on a broader area of the outwash than do check dams.

Expected Results (at end of project):

Enhanced Livelihood – Improved water supply to two villages from check dams and to several more villages after construction of gabion structures.

Accomplishments this Quarter:

Completed construction of the Tangriz Dam

Challenges Encountered and Remedial Actions Taken

It has been determined that detention dams of gabions can be built to achieve equal results at considerably less cost.

Security concerns in the countryside of Kandahar and Helmand have forestalled layout of the planned facilities and construction activities.

Looking Ahead

Resources will be used in future to directly fund village beneficiaries who will construct these more simple structures to the extent that perhaps as much as 75 percent of funding will flow directly to them.

Irrigation Rehabilitation for the Char Dara, Bala Doori and Darqad Systems
Development Alternatives, International (DAI)
Period of Performance: 17-Feb-04 to 30-Jun-06
Provinces: Kunduz, Baghlan, Helmand

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#3-0002-DAI	21-Oct-03	Ibrahim Sultani	Dan Miller	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals</i>	<i>Balance</i>
\$3,779,028	\$0.00	\$1,538,818.88	\$1,625,683.20	\$614,526
<p>Project Description: This contract encompasses 6 separate rehabilitation activities in two productive agricultural regions – the Kunduz and Helmand River basins.</p> <p>Phase One: Rehabilitation of the Char Dara, Bala Doori and Darqad Irrigation projects, on the Kunduz River, Kunduz and Baghlan Provinces – these were completed March 2004.</p> <p>Phase Two: DAI started work on 2 of the Phase II activities in March 2004. These activities were the Marja Drain Cleaning Phase II in Helmand and the Bala Doori Canal Structures Activity in Baghlan Province. Work on the third activity, the Dand-e-Gehuri Road Rehabilitation Activity, also in Baghlan Province, began on 1 June 2004. A fourth activity, the Shamalan S10 Lateral Canal Bank Repair activity was postponed and subsequently cancelled.</p>				
<p>Expected Results (by end of project):</p> <p>Phase One – 48,000 Hectares receiving improved irrigation; 35,600 farm families with increased productivity; and 482,000 person days of employment.</p> <p>Phase Two - These activities are benefiting 13,000 families or 78,000 people, and a total of 28,200 hectares of agricultural land.</p>				

Projects Successfully Completed: The Char Dara, Bala Doori and Darqad irrigation systems

In Kunduz and Baghlan provinces three rural irrigation systems were rehabilitated and more than 45,000 hectares of cultivated land were returned to full irrigated production. This includes de-silting and widening irrigation canals, repairing and replacing water intakes, canal banks, protection walls, turnouts, and sluice gates. In general, providing a reliable source of water for irrigation has the effect of doubling crop yields.

Accomplishments this Quarter

Completed road rehabilitation portion of project in August 2004 and dedicated project 31 August. Dredging of Marja drains was essentially completed and evaluations of quantities of work accomplished are in progress.



Local farmers working to de-silt the Darqad canal

Challenges Encountered and Remedial Actions Taken

A review is in progress to determine the extent of dredged spoil disposal that is required. Some of the spoil is being used by farmers to improve soil fertility, the remaining still requires disposal.

Looking Ahead

With completion of the Marja Drain reiew and completion of outstanding tasks, work under JO #3 should be completed in December.

Project Manager Comments

By December 2004 all tasks under JO #3 will have been satisfactorily completed within budget.

Kunduz Road and Khanabad Irrigation System Rehabilitation
Kunduz Reconstruction Agency (KRA)
Period of Performance: 10-Oct-03 to 31-Aug-04
Provinces: Kunduz

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#4-0002-KRA	20-Oct-03	Saroj Basnyet	Dan Miller	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$544,831	\$0.00	\$325,000	\$30,000.	\$189,831
Project Description: KRA is upgrading 24.5 km of tertiary roads, and has completed repairs on the Khanabad Dam Irrigation System by building a protection wall to prevent erosion from causing the dam to fail. The protection wall for the Khanabad Dam was completed March, 2004				
Expected Results (at end of project): The repairs to Khanabad Dam prevented failure due to flooding and erosion – and protected the water supply for over 40,000 hectares of irrigated land.				
Enhanced Livelihood – 21,621 farm families with increased access to markets; 10,300 Hectares receiving improved irrigation; and 34,000 farm families with increased production.				

Khanabad Dam Protection Wall: The successful completion of the protection wall has prevented the failure of the dam to flooding. Failure would have resulted in 1.5 meters of degradation to the river bed and loss of water service to over 40,000 hectares of land.

Accomplishments this Quarter:

**Nek Pai & Boin 24.5km secondary road rehabilitation
Nekpai 13km road.**

The last 1 Km was completed this reporting period and 13km of road is complete, including 50 culverts. The road is now in use. Market collection centers, built by RAMP, along the road are also in use for storage and selling produce to traders.

Tarnab 11.5km road.

To date, 9.5 km of the total 11.5km of road are complete. The 46 culverts contracted for under RAMP have been installed along with 3 additional culverts identified by KRA – for a total of 49. Completed portions of road are now in use, with a count of 100 vehicles a day.

Work Progress:

- 1- The 13km Nek pai road is 100% completed and ready.
- 2- All of the culverts on both roads has been 100% completed
- 3- Only 2km of the Tarnab road are still under construction.

Tasks Completed:

Nek Pai Road (13km)

Total Road Graveled: 13km
 Total Sub grade: 13km
 Culverts Installed: 50

Boin Road (11.5km)

Total Road Graveled: 9.5km
 Total Sub grade: 9.5km
 Culverts Installed: 46 under contract – 3 by KRA

Cultivation:

Rice is being harvested and vegetables mostly tomato are being collected and send to markets. Melon season is over and there is preparation for winter season now.

Note:

It is anticipated that the project will be completed ahead of the deadline.

Project Manager Comments

Traffic is moving comfortably at 60kph + on the Tarnab-Boin road. Due to the time lag between the provision of the sub-base and final gravel layer on Nek Pai, the crowning of the sub-base had to be redone.



Grader leveling the Tarnab road



Constructing a culvert



Development of Rural Poultry Production Activity

Food and Agriculture Organization (FAO)

Life of Project: November 3, 2003 – June 30, 2006

Provinces: Nangarhar, Kunduz, Helmand, Parwan, Ghazni

Job Order No.	Date of Award	Project Manager	USAID CTO	USAID CO
JO#5-0004-FAO	19-Oct-04	Daad Mohammad	Dan Miller	Kyle Newkirk
Ceiling Price	Quarter Expenditures	Cumulative Expenditures	Accruals to Date	Balance
\$3,599,239.00	\$0.00	\$299,240	\$1,170,000	2,129,999

Project Description: FAO will provide training in improved poultry care and production to 25,000 village women as well as introducing poultry income generating activities to open new markets for the surplus eggs.

Expected Results (by end of project):

1. Enterprises Developed: 5 feed processing centers established to produce and sale poultry feed
2. Enhanced Livelihood: 25,000 women trained and supported to establish poultry farms; 25,000 families benefit from improved nutrition and supplemental income

Accomplishments this Quarter:

The second training cycle was started with the selection of new villages in Kunduz and Parwan and the selection of about 1,200 new trainees. The training and organization of 2,287 earlier selected women into formal village women groups in Nangarhar continued and the training cycle for 250 families in Nangarhar was completed. Organizing the village women into Producer Groups continued in all locations covered by the program. Sixteen new trainers received training for technical and organizational matters and were recruited for the program. Grinders for feed processing were purchased and delivered for the Kunduz and Parwan Provinces. The selection of additional villages and trainees in Nangarhar and Parwan is ongoing.

Procurement and Distribution of Material

- 10,000 kg of balanced poultry ration, 1000 aluminum drinkers, one grinder with engine and 1,500 meters of wire mesh and necessary amount of poultry medicines were sent to Kunduz for project implementation in October. Another grinder was purchased for feed preparation for Parwan villages.

- Quotations for the purchases of feeders, drinkers and pullets needed for next month, have been collected.

- Distributed 3,000 pullets for 250 trained families in the Surkhrud District of Nangarhar Province.

- Distributed 3,000 Kg of balanced ration, 250 feeders, 250 drinkers and 500 meters of wire mesh to the above-mentioned 250 families in Surkhrud.



Chicken coop constructed in Kunduz

Training of Village Women

- Organized 312 one-hour technical classes for 2,287 selected village women in 5 districts (58 villages) of Nangarhar, Kunduz and Parwan Provinces.

- More than 523 interested village women have also attended the classes at their own initiative.

- The women trainers made 5,311 visits (practical training) to the houses of the village women under training.

- The poultry trainer surveyed new areas in the Nangarhar, Parwan and Kunduz Provinces and selected 1,209 families for the next training cycle.



Village women in training

Organizational works

- 11 new Poultry Producer Groups have been established and other activities continued to strengthen the already existing 25 Poultry Producer Groups (PPGs).

- Organized 12 technical staff meetings to exchange ideas and to solve field problems.

- The PPGs have organized 36 meetings in which more than 914 village women participated. They discussed common interest issues like vaccinations and establishing and maintaining of revolving funds.

- The Leaders of the PPGs made 824 visits to the houses of their members and gave necessary assistance and advice.

Poultry development works

- The selected families newly completed 516 chicken coops.

- The Group Leaders vaccinated about 31,558 chickens against New Castle Disease.

- The Group Leaders have also treated 2,708 sick birds for common bacterial diseases and external parasites.
- The Group Leaders sold 8,709 Kg of balanced ration to the villagers.
- An assessment survey of new families in the districts of Parwan province is ongoing.
- The Village Group Leaders have marketed 17,439 eggs.

Looking Ahead

- Signing of the LOA with an IP for Nangarhar.
- Completion of the assessment survey in Parwan and Nangarhar Provinces.
- Start/continue training of approximately 3,180 selected women beneficiaries in about 35 villages of Parwan, Kunduz and Nangarhar Provinces.
- Vaccination of more than 5,000 birds by the Village Group Leaders.
- Treatment/health service delivery for about 1,500 birds by the Village Group Leaders.
- Distribution of 23,800 kg poultry ration by the project and selling of 25,000 kg feed by the Group Leaders.
- Distribution of 23,760 pullets for trained families in Kunduz and Parwan Provinces.
- Organizing 12 meetings and 10 technical classes for the women trainers in Parwan, Kunduz and Nangarhar Provinces.
- Organizing 6 meetings for the Village Group Leaders in the three target Provinces.
- Assessment of possibilities to start activities in Ghazni and Helmand



Women receiving their pullets in Kunduz

Project Manager Comments

Poultry project activities in Ghazni and Helmand were not implemented because of security problems. With the elections over, FAO is anticipating that security will get better and that the project's activities can get started in these provinces. If not, more effort will be put into provinces (such as, Kunduz, Nangarhar, and Parwan) where FAO has ongoing project activities and in adjacent provinces to these.

To strengthen integration between livestock projects, FAO is being advised to coordinate with the DCA veterinary field unit project when animal health training programs are being conducted in the provinces where there are women involved in poultry operations and in need of veterinary services. The paravets in the various veterinary field units should also be invited to FAO poultry training programs so that the link is made between the two projects.

Potato Seed Distribution and Technical Assistance

International Center for Agricultural Research in the Dry Areas (ICARDA)

Period of Performance: 10-Nov-03 to 30-Jun-06

Provinces: Ghazni, Nangarhar, Prawan, Kabul

Job Order No.	Date of Award	Project Manager	USAID CTO	USAID CO
JO#6-0004-ICARDA	10-Nov-03	Abdul Qahar Samin	Dan Miller	Kyle Newkirk
Ceiling Price	Quarter Expenditures	Cumulative Expenditures	Accruals to Date	Balance
\$662,891	\$50,804.53	\$50,804.53	\$77,530	\$534,556.47

Project Description: ICARDA and its subcontractors shall provide technical guidance in needs assessment, machinery and equipment needs, and start-up inputs, and training for virus-free potato seed production, multiplication, storage and marketing.

Expected Results (by end of project): An operational *in vitro* based seed production laboratory and screen houses established; seed and through tissue culture available to specific seed farmers.

Capacity Building - 1,000 farmers trained as commercial seed producers; 24 on-farm storages built and used by potato seed growers, in a reduction of seed storage loss.

Enhanced Livelihood - 10,000 farm families with increased production and incomes from using virus-free potato seed.

Accomplishments this Quarter

The project team is noting increased profits from seed potato production in Nangarhar that range from 171 – 457%. They are still involved in harvesting, data collection and analysis in Ghazni, Helmand, Kunduz and Parwan. Aphid population monitoring is complete in all the target provinces and data is under analysis. Fifteen storage units have been constructed, meeting project targets, and most of them are currently in use. The Nangarhar region is currently sowing their potato crop. A field day was organized at Surkh-e-Parasa district in Parwan that was attended by 103 farmers.

Seed Production and Multiplication at Farm-Level

Nangarhar

Behsud, Surkhorud, Kama and Batikot districts

- Site selection survey for potato seed demonstration completed
- Stored potato was graded, packed and transported to planting sites
- Procurement of fertilizers, fungicide and insecticide done
- Khogiani District
- Weekly visits were made to the country stores to check the condition of seed potatoes at Karim Khiel
- Stored potato was graded and packed for transporting to planting sites at low-altitude
- One ton of potato transported to Helmand

Ghazni

Center, Khwaja, Omari, Jaghuri, Nawar and Qara Bagh districts

- A training on Potato seed marketing was organized in Ghazni Center during 17 to 22 August 04
- Seventeen participants (progressive farmers, traders, NGO and MAAH personnel, and technicians) from RAMP target provinces were trained
- Seed production plots were inspected and diseased and off type plants were rouged out.
- Farmers were asked to dehaulm the seed crop
- Collection of data on varieties evaluation continued
- Aphid population monitoring continued

Parwan

Center-Parwan, Jabal Saraj, Siah Gerd and Surkhe Parsa districts

- A training was organized on Potato Seed Marketing in Charikar during 22 to 24 August
- Thirty-five participants (progressive farmers, traders, NGO and MAAH personnel, and technicians) from RAMP target provinces were trained. An observer from RAMP also attended the training course
- Diseased and off type plants were rouged out in Charikar and Jabal Saraj
- Necessary precautionary measures were taken against late blight
- Collection of data for varieties evaluation continued
- Aphid population monitoring continued

Kunduz

Center Kunduz, Ali Abad, Char Darah, Archi, Khan Abad and Imam Sahib districts

- Potato seed kept in country stores at Khinjan and Dara Ki-yan was monitored



Autumn potato planting in Nangarhar

- Potato growers were taken to country stores to explain them the utility and functioning of stores Miadan Shar
- Potato growers were interviewed to assess the impact of project activity. Many farmers expressed their willingness to adopt new agronomic practices and improved varieties
- Farmers of Titamor, Chaghra, Zaman Kheil and Gunda Kheil villages expressed their satisfaction about the performance of Desiree, Cardinal and KCM varieties
- Collection of field data for variety evaluation continued. The crop was healthy and vigorous

Developing and Strengthening Micro-Propagation Facilities of Basic Seed Production

- A screen house (6x15x2 m) was erected in Badam Bagh (Kabul) premises
- Equipment cleared from customs were kept in tissue culture laboratory and necessary furniture was procured from local market. Florescent lights were fixed in culture racks
- A technician has been hired for Tissue culture Laboratory
- Water supply was restored and the tissue culture laboratory were painted

Potato Storage and Marketing

- All fifteen proposed Country Stores are ready. A majority of the stores are in use.
- Two marketing trainings were held during August month. A 5 year plan-“Vision 2009” for potato production and marketing was developed.

Tasks Completed During the Reporting Period

Seed Production and Multiplication at Farm-Level Nangarhar

Behsud, Surkhorud, Kama, Khewa and Batikot districts

- Project team remained engaged in site selection and negotiations with farmers
- Stored potato was graded and transported to planting sites in various districts
- Field preparation and planting started for seed production
- About 13.0 mt seed potato was distributed and planted in 7.3 ha area (Table-1)
- Varietal evaluation trial was planted in Behsud district
- Farmers and respective extension workers were trained in ICM covering:
 - Land preparation
 - Fertilization application
 - Planting distance of seed tuber
 - Planting methodology
 - Irrigation application

Khogiani District

- Fifteen tonnes seed graded, packed and transported from Karam Khiel to other districts for autumn season planting.
- Weekly visits were paid to stored potato seed in Karim Khiel

Ghazni

Center, Khwaja Omari, Jaghuri, Nawar and Qara Bagh (Activities are same in All districts)

- Potato fields were inspected and crop dehaulmed
- Harvesting started
- Team remained engaged in seed procurement in Khwaja omari and in center Ghazni
- Data collection for varietal evaluation continued
- Aphid Monitoring completed

Parwan

Center-Parwan, Jabal Saraj and Bagram

- Aphid monitoring completed
 - Farmers in these areas are cultivating potato for the first time. KCM and Desiree varieties produced satisfactory yields.
- Siagerd and Surkhe parsa Districts
- Diseased plants were rouged out and precautionary measures were taken against late blight
 - Potato fields were dehaulmed and harvesting started



Some of the 15mt of potato seed for planting in Nangarhar

- A field day was organized at Surkhe Parsa on 1st September, 2004. Eighteen farmers, 2 extension officers, 3 ICARDA staff from Parwan office and 2 from ICARDA-Kabul attended the field day.

Kunduz

Center Kunduz, Aliabad, Chardara, Archi, Imam sahib and Khan Abad Districts

- Regular supervision of stored potato in Khinjan and Dara Ki-yan continued.
- Farmers will start potato planting during November. Currently farmers are engaged in preparations

Helmand

- Potato seed distributed by the project has been planted

Miadan Shar

- Harvesting expected to start within 2 weeks time

Developing and Strengthening Micro-Propagation Facilities of Basic Seed Production

- A 50 cm high wall was constructed around screen house at Badam Bagh, Kabul. Net imported from India would be fixed soon
- Safety grills were fixed on windows
- Two air conditioners were installed in tissue culture laboratory

Potato Storage and Marketing

Nangarhar

- Seed Potato has been stored for last one month in three above ground country stores in Karm Khel Khogiani district (Nangarhar). Potato seed was graded and shifted to low altitude districts for fall season planting. Farmers are contemplating to use the empty potato stores for storing tomato
 - List of seed potato growers was distributed among NGO's, seed/ware farmers and Agriculture directorate to develop marketing linkages for seed potato
- Ghazni
- Wooden planks were purchased and kept under potato bags in stores for aeration
 - Windows were made in country stores for air-circulation

Kunduz

- Country stores in Khinjan and Dara Ki-yan were used for seed storage
- List of seed potato growers was distributed among NGO's, seed/ware farmers and Agriculture directorate to develop marketing linkages

Looking Ahead

Nangarhar

Behsud, Surkhorud, Kama and Batikot districts

- IDM training
- Regular supervision of participating farmers to provide them timely information on ICM for good quality seed production.
- Initiation of aphid monitoring

Khogiani

- Country stores would be supervised weekly

Ghazni

Center, Khwaja Omari, Jaghuri, Nawar and Qara Bagh

- Meetings with farmers and traders to develop linkages for marketing and seed exchange
- Procurement of quality seed, bags and tags
- Compilation of aphid monitoring data

Parwan

Center-Parwan and Jabal Saraj while Siagerd and Surkhe Parsa

- Dehualming and harvesting of seed crop
- Farmer training on grading, packing and storage
- Submission of reports on yield data, cost benefit ratio and aphid monitoring
- Procurement of quality seed, bags and tags

Kunduz

- Weekly visits to stored potato in Khinjan and Dara Ki-Yan
- Land preparation for potato planting
- Submission of report on cost benefit ratio
- Logistic arrangements for coming season

Miadan Shar

- Collection of quality seed in Titamor, Chaghra, Zaman Kheil and Gunda Kheil villages

- Collection of variety evaluation data in Miadan Shar
- Farmer training on grading, packing and storage

Developing Strengthening Micro-Propagation facilities of basic seed production

- Initiate work on in-vitro propagation

Potato Storage and Marketing

- Shifting of seed potato from farmer fields to country stores in Ghazni and Parwan
- Follow up of potato marketing training in Ghazni and Parwan
- Sign board installation on stores in Parwan
- Regular visits to stores in Nangarhar, Parwan, Ghazni and Kunduz

Nangarhar

- Unexpected high temperatures may damage crop.

Ghazni

- Project has to procure 100 mt seed potato which needs more technical staff.

Table-1: Seed potato distribution in Nangarhar for autumn season 2004-05

Surkhrud district:

No	Farmers' name	Village	District	Area (m2)	Variety	Seed distributed (kg)	distribution date
1	M. Ishaq	Q.Bakhtan	Surkhrud	3000	KCM	500	10 /09 /04
2	A. Karim	Q.Bakhtan	Surkhrud	2000	KCM	350	10 /09 /04
3	M.Rahim	Banda	Surkhorud	2000	KCM	350	09/09/04
4	M.Malang	Banda	Surkhorud	2000	KCM	350	09/09/04
5	Noora Jan	Mir Jalal	Surkhorud	2000	KCM	350	09/09/04
6	Mi Rehman	Q.Khaja	Surkhorud	2000	KCM	350	09/09/04
7	Asker khan	Q.Bati	Surkhorud	2000	KCM	350	09/09/04
Total				15000		2600	

Behsud district

No	Farmers' name	Village	District	Area (m2)	Variety	Seed distributed (kg)	distribution date
1	M. Tahir	Q. Janan	Behsud	4000	KCM	700	08 /09 /04
2	Nadir Shah	Beh. Khas	Behsud	4000	KCM	700	08 /09 /04
3	Ghulam Mohd	Beh. Khas	Behsud	2000	KCM	350	08 /09 /04
4	A. Hakim	Gawmishbila	Behsud	2000	KCM	350	08 /09 /04
5	M.Said	Qala Janan Khan	Behsud	2000	KCM	350	07/09/04
6	Mir Jwar	Qala Janan Khan	Behsud	2000	KCM	350	09/09/04
7	Aiwar	Qala Janan Khan	Behsud	2000	KCM	350	09/09/04
8	Safer. M	Qala Janan Khan	Behsud	2000	KCM	350	09/09/04
9	Sheen Gul	Qala Janan	Behsud	2000	KCM	350	07/09/04
Total				22000		3850	

Kama district

No	Farmers' name	Village	District	Area (m2)	Variety	Seed distributed (kg)	distribution date
1	Ahmad Shah	Qalai Akhound	Kama	4000	KCM	700	06 /09 /04
2	Zer Jan	Zakhel	Kama	2000	KCM	350	06 /09 /04
3	M. Zaman	Zakhel	Kama	2000	KCM	350	06 /09 /04
4	Noor Ali	Candee	Kama	2000	KCM	350	05/09/04
5	Ahmad Shah khan	Mast Ali	Kama	2000	KCM	350	05/09/04
6	A.Baqi	Mast Ali	Kama	2000	KCM	350	05/09/04
7	Rasoul khan	Qala Akhand	Kama	2000	KCM	350	05/09/04

8	Safeer M	Qalal Akhand	Kama	2000	KCM	350	05/09/04
	Total			18000		3150	

Baticot district

No	Farmers' name	Village	District	Area (m2)	Variety	Seed distributed (kg)	distribution date
1	H. Murid Khan	Daman	Baticot	2000	KCM	350	11 /09 /04
2	Sayeed	Daman	Baticot	2000	KCM	350	11 /09 /04
3	Samiullah	Qatar Kalay	Baticot	2000	KCM	350	11 /09 /04
4	Noor Khan	Qatar Kalay	Baticot	2000	KCM	350	11 /09 /04
	Total			8000		1400	

Khewa district

No	Farmers' name	Village	District	Area (m2)	Variety	Seed distributed (kg)	distribution date
1	Shamasu Rehman	Atawer	Khewa	2000	KCM	350	07 /09 /04
2	Jalil Rehman	Atawer	Khewa	2000	KCM	350	08 /09 /04
3	Sartoor	Bar Atwar	Khewa	2000	KCM	350	07 /09 /04
4	Khiali gul	Bar Atwar	Khewa	2000	KCM	350	08 /09 /04
5	Zarif	Bar Atwar	Khewa	2000	KCM	350	08 /09 /04
	Total			10000		1750	
	Grand Total			73000		12750	

Table-2: Average yields of KCM and Desiree varieties in Parwan

District	Potato variety	Average yield (MT/ha)
Bagram	KCM	10.5
	Desiree	12.3
Center	KCM	9.80
	Desiree	8.75
Jabal Saraj	KCM	12.30
	Desiree	9.80

Project Manager Comments:

1. RAMP needs to be given at least one week's notice of dates planned for the training programs in the clean seed potato project. RAMP has not been consistently informed of the trainings.
2. It has been necessary to advise ICARDA that expatriate consultants for their projects need to meet with the RAMP project manager or Chief Agricultural Specialist and that they should be in Afghanistan for at least two weeks in order for their visit to be cost-effective.
3. The ICARDA job orders, the potato project, the on-farm demonstrations, crop demonstrations, village based seed enterprises and the protected agriculture need closer coordination in order to take full advantage of training and technology transfer opportunities for farmers.
4. ICARDA needs to inform FAO of the results of its potato seed project and potato crop demonstrations. FAO is conducting trials with many new varieties of potatoes.

Village Seed Enterprise Program

International Center for Agricultural Research in the Dry Areas (ICARDA)

Period of Performance: 10-Nov-03 to 30-Jun-06

Provinces: Nangarhar, Kunduz, Helmand, Parwan, Ghazni

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#7-0004-ICARDA	10-Dec-03	Abdul Qahar Samin	Dan Miller	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$1,928,063	\$74,184.64	\$74,184.64	\$119,946.32	\$1,733,905.04

Project Description: ICARDA will develop village based seed enterprises (VBSE) as well as conduct market surveys, needs assessments, monitoring and evaluation. Technical assistance will be provided to selected entrepreneurs on appropriate machinery, equipment, storage facilities, start-up inputs, and business management.

Expected Results

1. Capacity Building: 50% of the village-based seed enterprises achieve financial viability; 180 farmer/extensionists trained and 750 farmers exposed, through farmer-field days, to technology used in production and marketing of seed
2. Enterprises Developed: 20 village-based enterprises developed; 200 farmers operating commercial seed marketing
3. Enhanced Livelihood: 2,000MT quality seed produced annually; 40,000 farm families grow quality seed annually; Yield of staples (wheat, rice and legumes) increases by 10% over the current level; Crop diversity and the share of high-value crops in the cropping system increased by 15% and 20% respectively.

Accomplishments this Quarter

The President of the Khoja Omari (Ghazni)VBSE reported that 45mt of seed of 5 wheat varieties was produced. From that total, 89% was sold to an NGO (ISRA) and 3.3% was sold to local farmers generating total revenue of US\$10,916. This VBSE also exchanged 3.5 MT wheat seed to procure seed of other crops for its own use. VBSEs in Center, Ali Abad, Char Dara, and Khan Abad districts in Kunduz province produced about 29, 76, 84, and 45 mt seed (wheat, rice, chickpea and mung bean), respectively. About 92mt of seed (40 %) was sold and 141 mt seed has been retained by VBSEs for their own use.

From its core budget, ICARDA provided 7 mt seed potato (for multiplication), urea and DAP to VBSEs in Behsood, Kama, Khewa and Surkh Rud in Nangarhar as a credit. Similarly, VBSEs in Helmand (Nad Ali and Bolan) received 7 mt of basic wheat seed and VBSEs in Parwan will also receive seed and fertilizer as credit. A survey has been conducted toward establishing one VBSE in Bagram (Parwan). ICARDAs' economist met with members of VBSEs in target provinces to finalize the business plans.

In July/August -

Ghazni Province -

- Assisted Khoja Omari VBSE in making contacts with NGOs that might be possible buyers of seed.
- A 10 member VBSE has been established in Qara Bagh district
- Farmers are being introduced to the concept of VBSEs through potato and on-farm demonstration projects being conducted under separate job orders.
- Business plans are being drafted through regular meetings with Khoja Omari and Qara Baghto VBSEs.

Nangarhar Province

Kama VBSE

- Members trained in keeping business records.
- Technical assistance rendered to paddy rice growers.
- Training given in Integrated Plant Protection Management (IPPM) and Integrated Crop Protection Practices (ICPP) for paddy rice and mung beans

Behsood VBSE

- Members trained in keeping business records.
- Credit collection against wheat seed and chemical fertilizer remained in progress (credit was provided from ICARDAs' core budget)
- Members trained in Integrated Plant Protection Management (IPPM) and Integrated Crop Protection Practices (ICPP) for paddy rice and mung beans

Surkh Rud VBSE

- Members trained in keeping business records.
- Credit collection against wheat seed and chemical fertilizer remained in progress (credit was provided from ICARDAs' core budget)
- Support was provided to mung bean growers
- Members trained in Integrated Plant Protection Management (IPPM) and Integrated Crop Protection Practices (ICPP) for paddy rice and mung beans

Kunduz Province

- Farmer seed exchange organized
- All 4 VBSEs have draft business plans completed.
- Technical assistance provided for rouging and weeding paddy rice fields.
- Third dose of urea application completed

Helmand Province

- Three VBSEs were merged into one to increase available resources.

Parwan Province

- Two meetings held with VBSEs at Tutum Dara and Jabul Seraj.
- Both VBSEs have draft business plans completed.
- ICARDA-Parwan procured 3,052 kg seed of Gul-96 from the farmers of Ghazni who were the owners of demonstration plots
- Seed was cleaned, treated and packed in bags to be provided to VBSEs for multiplication

Interface with Other Projects/Organizations

- Six members each from 6 VBSEs attended 3 field days (JO #8), and were trained in best practices for paddy rice, tomatoes and onion cultivation.
- Three members each of Tutum Dara and Jabul Deraj VBSEs from Parwan province were trained in seed potato marketing (JO#6).

In September:

Ghazni Province

- Khoja Omari VBSE produced 45 MT wheat seed of 5 improved varieties (Amu-96, Gul-96, Heart-99, Mazar-99, Palmir-94) on 10 ha land. Seed was sold at 12,100 Afs/ Tonnes (for details, please see Table-1)
- Members of 2VBSEs (Khoja Omari and Qara Bagh) indicated during a meeting that they intend to produce wheat on 20 ha each for seed purpose. Members also have shown interest to cultivate potato and onion seed during spring and requested for technical inputs

Nangarhar Province

Kama VBSE

- Harvesting of paddy rice and mung bean began
- Seed potato and chemical fertilizer was given to selected farmers as credit (from ICARDAs' core budget)

Behsood VBSE

- Mung bean was harvested
- Seed potato and chemical fertilizer was given to selected farmers as credit (from ICARDAs' core budget)
- ICARDAs' Economist held meeting (21st September) with members of VBSE, and drafts of business plans were further discussed. Members expressed their commitments to implement the same
- ICARDA provided a seed cleaner from core budget (previously funded by USAID)

Surkhrud VBSE

- Mung bean harvested
- Seed potato and chemical fertilizer were given to selected farmers as credit (from ICARDAs core budget)

Khewa VBSE

- Seed potato and chemical fertilizer were given to selected farmers as credit (from ICARDAs core budget)

Table- 1: Details of wheat seed produced and sold by Khoja Omari VBSE

Sold/ Exchanged	Quantity (MT)	Price/ MT	Total price (Afghanis)
ISRA (NGO)	40.0	12,100	4,84000
Local farmers	1.5	12,100	18,150
Exchanged with farmers in community	3.5		-
Total	45.0		5,021,50

Table -2: Seed potato and fertilizer credit made available to VBSEs in Nangarhar

S/No	Name	District	Area (m ²)	Seed (Kg)	Fertilizer kg	
					Urea	DAP
1	M.Sayed	Behsood	2000	350	50	50

2	A.Sayed	Behsood	2000	350	50	50
3	Mir Jawar	Behsood	2000	350	50	50
4	Ewaz	Behsood	2000	350	50	50
5	Safeer m.	Behsood	2000	350	50	50
6	Sheen Gul	Behsood	2000	350	50	50
	Sub Total		12000	2100	300	300
1	Noor Ali	Kama	2000	350	50	50
2	Ahmad Shah	Kama	2000	350	50	50
3	Ahmad Shah	Kama	2000	350	50	50
4	A.Baqi	Kama	2000	350	50	50
5	Rasool Khan	Kama	2000	350	50	50
6	Safeer M	Kama	2000	350	50	50
	Sub Total		12000	2100	300	300
1	M.Rahim	Surkhrud	1700	300	50	50
2	M.Malang	Surkhrud	1700	300	50	50
3	Noor Jan	Surkhrud	1700	300	50	50
4	Mir Rhman	Surkhrud	1700	300	50	50
5	Asker Khan	Surkhrud	1700	300	50	50
	Sub Total		8500	1500	250	250
1	Shams	Khewa	1700	300	50	50
2	Jalil	Khewa	1700	300	50	50
3	Sartoor	Khewa	1700	300	50	50
4	Khaili Gul	Khewa	1700	300	50	50
5	Zarif	Khewa	1700	300	50	50
	Sub Total		8500	1500	250	250
	Grand Total		41000	7200	1,100	1,100

Table-3: List of participants in business plan meeting

S/No	Name	District	Occupation
1	Ahmad Shah	Kama	Pres.of VBSE
2	Zer Jan	Kama	V.Pres.of VBSE
3	Taj Mohammad	Kama	Mem. of VBSE
4	Faqir Mohd	Surkhrud	V.Pres.of VBSE
5	Jalil	Surkhrud	Mem. of VBSE
6	Khan Zareen	Surkhrud	Mem. of VBSE
7	M.Tahir	Behsood	Pres.of VBSE
8	Nadir Shah	Behsood	Mem. of VBSE
9	Sheen Gul	Behsood	Mem. of VBSE
10	Fazal Rahim	Khewa	Pres.of VBSE
11	Sartoor	Khewa	Mem. of VBSE
12	Noor Sayed	Khewa	Mem. of VBSE
13	Khalid Wadan		ICARDA
14	Moeen-u-Din		ICARDA
15	Noor-ul-Haq		ICARDA
16	A.R.Rahmani		ICARDA
17	Dr.Bahram		ICARDA

Kunduz Province

- Harvesting of paddy rice and mung bean have started
- ICARDA purchased (through its core budget) 21 mt wheat seed (Amu-99, Lalmi-2, Mazar-99, Rosha -96) for 6 VBSEs
- Data collected about production, sale and exchange of wheat, paddy rice, mung bean, potato, tomato, flax, sesame, onion, chickpea and melon seed by 6 VBSEs
- All VBSEs requested for credit in the form of fertilizer and pesticides. They also expect to get some help to buy farm machinery, especially combines

Table-4: Details of seed (Wheat, rice, chickpea and mung bean) produced by VBSEs in districts of Kunduz*

District	Seed sold to farmers (MT)	Seed stored for own use (MT)
Center	12.738	15.781
Ali Abad	59.838	16.378
Chardara	14.228	69.570
Khan Abad	5.570	39.705

Crop wise detail will be provided separately

Helmand Province

- ICARDA through its core budget arranged a credit of 7 mt of basic wheat seed (var. Amu- 99 and Rosha-96) for multiplication that would be planted on 40 ha land

Parwan Province

- Survey was conducted to establish the third VBSE in the province. Considering the availability of water through out the cropping season, Dasht-e-Rubat (Bagram district) was selected as farmers there have deep wells. Members have been selected and process of establishing a VBSE is in progress.
- ICARDA through its core budget is arranging to provide credit as wheat seed (Gul-96) and fertilizer to VBSEs at Tutum Dara and Jabul Seraj, and only fertilizer to Dasht-e-Rubat
- ICARDA organized a training for extension workers on basic principles of VBSE, techniques of seed production and post harvest activities

Procurement of seed cleaning equipment

- Quotations for 15 seed cleaning and treating machines have been submitted to Chemonics for approval.

Interfacing with other projects/ organizations

ICARDA-Helmand procured 7 mt of wheat seed from farmers who were partners in the on-farm demonstrations (JO #8).

Looking Ahead:

Ghazni Province

- Assisting VBSE members in selection of proper land and preparations for the forthcoming season
 - Regular meetings with members to support their activities, and to assess their needs
 - Providing final business plan to each VBSE for 2004-2005

Nangarhar Province

- Assistance in site selection for wheat seed multiplication by all VBSEs
- Follow up with credit collection provided from ICARDAs core budget
- Regular meetings with members to prepare future plans
- Providing final business plan to each VBSE for 2004-2005

Kunduz Province

- Cleaning, treatment, bagging and storage of paddy rice
- Regular meetings with members to prepare future plans
- Selection of field and preparation for wheat seed sowing
- Providing final business plan to each VBSE for 2004-2005

Helmand Province

- Follow up with the VBSEs to initiate their activities
- Regular meetings with members to prepare future plans and to perform need assessment in case credit becomes available
- Providing final business plan to each VBSE for 2004-2005

Parwan Province

- Follow up with the members to strengthen the enterprise
- Regular meetings with members to prepare future plans and to advice them in carrying out various agronomic tasks during the cropping season
- Providing final business plan to each VBSE for 2004-2005

Challenges Encountered and Remedial Action Taken:

Security remained a major concern throughout the month. With elections and escalating violence against aid workers and international agencies, activities of project and movement of ICARDA staff is expected to be adversely affected.

Ways and means have to be devised to ensure the safety of staff. It is a very serious matter that needs to be addressed urgently.

Project Manager Comments:

Business plans developed by the ICARDA economist need to be modified and streamlined into more useful and practical form. Financial statements need to be integrated and presented in a standard format. ICARDA also needs to provide more training in managing and operating their VBSEs as a business and in developing by-laws.

According to the farmers in the VBSEs, the seed cleaners that ICARDA has been purchasing and providing to VBSEs are inappropriate, too large, and expensive.

Crop Demonstration Best Practices Project

International Center for Agricultural Research in the Dry Areas (ICARDA)

Period of Performance: 10-Nov-03 to 30-Jun-06

Provinces: Nangarhar, Kunduz, Helmand, Parwan & Ghazni

Job Order No.	Date of Award	Project Manager Contact	USAID CTO	USAID CO
JO#8-0004-ICARDA	10-Nov-2003	Abdul Qahar Samin	Dan Miller	Kyle Newkirk
Ceiling Price	Quarter Expenditures	Cumulative Expenditures	Accruals to Date	Balance
\$1,899,058.	\$120,139.75	\$120,139.75	\$198,220.04	\$1,580,698.21

Project Description: ICARDA will develop demonstration plots in farmer's fields throughout the 5 RAMP target provinces to facilitate the rapid diffusion and adoption of new technologies, improved and adapted varieties, improved field irrigation management practices, and appropriate crop management.

Expected results: The wheat seed rate trial has caught special attention of farmers and it is expected that they would readily adopt the new technology leading to about 40 % reduction in seed use. As a result farmers are expected to save about 600 Afghani/ ha, and the pressure on the scars seed availability would also be reduced.

Accomplishments this Quarter:

Wheat demonstration plots were harvested in Ghazni and Parwan and onion demo-plots were harvested in Helmand.

- In Parwan: Wheat demonstration plots had a 39% average higher yield than nearby farmer's fields.
- In Helmand: The average potato yield on 10 demo-plots was 3.5mt per jerib, valued at \$575.
- In Helmand: The average onion yield in 10 demo-plots 2.6mt per jerib, valued at \$467.

Three field days were held, two in Nangarhar and one in Parwan that attracted a total of 274 farmers. Farmers have expressed their gratitude for the new technology and shown keen interest in adopting the introduced varieties.

In July/August:

Ghazni Province

Wheat

- Harvesting completed in Khoja Omari , Center of Ghazni, Qara Bagh and Jaghori districts but remained in progress in Nawar
- Data collection continued in demonstrations and farmers' fields.

Potato

- Aphid monitoring remained in progress
- Plots were irrigated and rouged
- A field day was organized in center of Ghazni on 09th August that was attended by 75 farmers, staff of MAAH and NGOs, and extension agents. Participants were given theoretical and practical knowledge about best agronomic practices for potato, onion and tomatoes.

Tomato

- 7th and 8th irrigation applied
- Urea was applied with each irrigation and hand weeding was done
- Farmers were provided practical information on identification of diseases and pests

Onion

- Plots were hand weeded and 7th and 8th irrigation applied
- During the field day, farmers were explained the advantages of transplanting over the traditional seed broadcasting method
- Monitoring remained in progress to provide on the spot technical assistance

District	Demonstration Plot	Farmers' field
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Table below: Wheat Cost-Benefit Analysis for Ghazni

	Total cost (Afs)	Total income (Afs)	Net income (Afs)	Total cost (Afs)	Total income (Afs)	Net income (Afs)
Center	8345	18060	9715	6659	8200	1541
Qara Bagh	10235	20470	10235	8110	10000	1890
Jaghori	2280	8400	6120	1790	6400	4610
Nawar	1425	13000	11775	930	8700	7770

Helmand Province

Wheat

- Preliminary discussions were held with farmers to select land for the next years' demonstrations
- Two hundred eighteen kg seed of Amu-99 and Roshan-96 procured for the next years' demonstrations

Onion

- Demonstration plots were monitored and technical support was given on a regular basis
- Last irrigation was applied crop matured for harvesting

Nangarhar Province

Wheat

- Seed of different varieties was manually cleaned under the supervision of ICARDA technical staff
- Seed bags were labeled and kept in store

Potato

- Seed potato was transported to newly constructed country stores
- Stored seed was monitored for any possible damage

Tomato

- Picking continued in Khogiani District (high altitude-colder area) whereas completed in other districts (Behsood, Kama, Surkhrud and Btikoat)
- Low losses during harvesting and transportation, longer shelf life, more demand and better price as compared to local variety has created great interest of farmers in the newly introduced 'Rio grand' variety
- A high average yield in demonstration plots in all target districts is expected to lead a high adoption

Rice

- Variety Kanduz-1 was in flowering stage where as variety Basmati- 385 was near flowering. No disease or insect infestation was reported from any of the demonstrations
- Second dose of urea was applied
- Weeds were mechanically controlled
- A group of 10-12 farmers was trained at different agronomic practices at each demonstration plot

Mung beans

- Mung bean demonstration plots were in flowering stage
- Weeds were mechanically controlled
- A group of 10-15 farmers were trained at different agronomic practices at each demonstration plot
- Insects reported in Surkhrud, controlled by Lorsban spray

Kunduz Province

Wheat

- Yield Data were analyzed and an average 52.8% increase was found over the farmers' field

Potato

- Yield Data were analyzed and an average 240% increase was found over the farmers' field

Tomato

- Plots were irrigated and hand weeding was done
- Picking started and data collection continued

Onion

- Harvesting started (Archi, Center, Khanabad, Imam Sahib) which is expected to be complete by mid-September

Rice

- All 30 demonstrations were monitored and technical support was provided
- Rouging, weeding and irrigation was done

Mung beans

- Plots were weeded and irrigation was given

Parwan Province

Wheat

- Yield data was collected from demonstration plots and farmers' field, and data is under processing
- About 7 tons (6.944) seed of Gul-96 variety was procured for the next seasons' demonstrations from the farmers of Bagram, Charikar, Jabul Saraj and Siahgerd districts

Potato

- Technical support was provided to participating farmers
- Harvesting started in Bagram and Jabul Saraj
- Farmers, extension agents and NGO personnel attended a 3 days Seed Potato Marketing Course (For details, please see the Monthly Progress Report-August for Job Order # 06)

Tomato

- Picking continued
- Data collection remained in progress
- Due to attractive color, shape and size; and long shelf life variety Kabul-64 has got an instant acceptance among the locals and farmers

Onion

- Technical support was provided to participating farmers
- Test harvesting during the field day showed a very good bulb size (400-600 gm), color and shape

In September:

Ghazni Province

Wheat

- Harvesting and threshing completed
- Project team procured 1085 Kg wheat seed (variety Gul-96) from VBSE which was cleaned, treated by Vitavax, packed in bags and stored for 2004-2005 demonstrations
- A meeting of representatives of Ministry of Agriculture and Animal Husbandry (MAAH) and ICARDA scientists held on 16th September at ICARDA-Ghazni to discuss technology demonstration plan for 2004-2005.
- Six demonstrations will be conducted in each of 4 targeted districts (5 for variety evaluation and one for seed rate). Farmers conducting varietal demonstrations would be provided with 35 Kg seed, 25 Kg DAP and 50 Kg Urea/ Jerib while for seed rate testing the farmers would receive 42 Kg seed, 25 Kg DAP and 50 Kg Urea/Jerib
- Layouts and data collection sheets have been prepared, and extension workers were trained in using the same

.Potato

- Last irrigation was applied and plots were rouged
- Weed control and plant protection measures were taken
- Dehulming was completed

Tomato

- 9th and 10th irrigation were applied.
- Plots were weeded and inspected regularly
- Harvesting continuing and data collection remained in progress

Onion

- Weed control was completed
- 9th and 10th irrigation was applied and plots were weeded
- Plants were selected for bulb selection

Helmand Province

Wheat

- Process of farmers' selection continued

Potato

- Ten farmers were selected in Nad Ali and Lashkargah districts to participate in demonstrations during fall season. Each of them was provided with 100 kg potato seed of KCM variety, 10 kg DAP and 250 gm Furadon. Each demonstration is planted on 400 m²

Onion

- Crop harvested and farmers got an average of 13.8 MT/ ha with an average net income of US \$ 1,900/ ha

Nangarhar Province

Wheat

- Stored seed was monitored

Potato

- Fertilizer was procured, and seed and fertilizer was distributed to participating farmers

Tomato

- Picking continued in Khogiani District (high altitude-colder area) whereas report submitted for other districts (Behsood, Kama, Surkhrud and Btikoat)

Rice

- Harvesting of both varieties (Kanduz-1 and Basmati-385) started
- A group of 8-10 farmers at each site compared the yield of demonstrations with that of farmers' field

Mung beans

- Mung bean harvested and threshing remained in progress
- A group of 10-12 farmers at each site compared the yield of demonstrations with that of farmers' field

Kunduz Province

Wheat

- Wheat seed procurement for next season, cleaning and storage of seed

Potato

- Monitoring of stored seed

Tomato

- Harvesting completed and data being analyzed

Onion

- Harvesting completed and data being analyzed

Rice

- Harvesting completed and data being analyzed

Mung beans

- Harvesting completed and data being analyzed

Parwan Province

Wheat

- Yield data analyzed
- Six participating farmers were identified in Surkh-e-Parsa district and seed and fertilizer was made available to them
- Separate meetings were held with the Extension officers of Bagram, Charikar, Jabul Saraj and Sia Gerd districts on 15th, 16th, 19th, and 21st September, respectively to discuss/ finalize the selection of participating farmers in next seasons' demonstrations

Potato

- Harvesting completed in all districts except in Surkh-e-Parsa
- Aphid monitoring completed in other districts except Surkh-e-Parsa

Tomato

- Picking and data collection continued
- Due to attractive color, shape and size; and long shelf life variety tomatoes of Kabul-64 and Rio Grand varieties are sold at about 25 % higher rate than the local ones
- Farmers and extension workers were trained in collection, drying and storage of seed
- Project team procured 350 kg tomatoes of Kabul-64 (from Jabal Saraj) and 385 kg of Rio Grand (from Charikar) that yielded 1.4 and 1.0 kg seed, respectively

Potato

- Harvesting completed in all districts except Surkh-Parsa. Yield data is summarized in Table -7.

Onion

- Harvesting completed in all districts except Surkh-e-Parsa (high altitude)
- Due to superior quality the introduced variety Red Cleor has attracted good demand. According to Extension workers, farmers are offered 30-35 % more price than the local varieties. Project team met with two farmers : Mr. Abdol Manan (Qala-e-Surkh) and Haji Mohammad Amin (Bala Gill) who have bought 490 and 700 kg onions for multiplication as seed for next cropping season.

Interfacing with other projects/ organizations

Ghazni

- Project staff attended a workshop (The Sphere Project –Minimum Standard in Disaster Response) on 30-31 August which was organized by ACBAR .
- Attended security meeting of NGOs in DACAR office
- Attended a meeting at Swedish Committee for Afghanistan (SCA) to discuss the price for a seed + fertilizer package for one Jerib land for fall planting
- Had meetings with Provincial Director of Agriculture and extension workers from target districts
- Attended a security meeting of NGOs active in the area to decide the course of action during election time.

Parwan

- The Director of Apiculture attended the field day and discussed the possibility of interfacing with owners of demonstration plots and other partners in RAMP projects

Helmand

- Project team participated in an all NGO meeting active in the province and presented its activities
- Project team also attended a meeting organized by the Helmand Directorate of Rural Development which was hosted by the Governor

Looking Ahead

This next quarter will be largely centered on preparing for the next growing season – farmers to be selected for demonstration plots, preparation of land, etc. Data on the demonstration plots from this last season is being gathered for analysis and reporting.

The demonstration plan is as follows:

Crop	Provinces					Total
	Nangarhar	Parwan	Kunduz	Helmand	Ghazni	

Wheat	18	30	18	30	24	120
Rice	8	0	12	0	0	20
Potato	12	10	12	10	8	52
Tomato	6	5	6	5	0	22
Mungbean	5	4	12	10	0	31
Okra	5	4	12	10	0	31
Cotton	0	0	12	10	0	22
Peanuts	0	0	12	5	0	17
Onion	6	5	6	5	4	26
Total	60	58	96	80	36	341

Challenges Encountered and Remedial Action Taken

Ghazni

- Lack of water remained a major problem through out the province, particularly in Jaghori district. A request has been made to RAMP to replace Jaghori with Malistan.

Nangarhar

- To improve the mobility of extension workers and enable more frequent visits to demonstration plots, seven motor bikes have been purchased.
- Due to several attacks on aid workers causing death and serious injuries, ICARDA staff remained under severe danger and stress.

Project Manager Comments

Motor bikes should have been purchased last year when the project was signed. The subcontractor needs to be more timely in reporting results of on-farm demonstrations.

It is also recommended that ICARDA take additional steps to ensure that farmers attending the on-farm demonstrations are fully understanding the material on best practices that is presented. Also along those lines, farmer interviews are needed after the on-farm demonstrations to provide data on adoption rates.

Introducing Protected Agriculture in Marginal and Water Deficient Areas
International Center for Agricultural Research in the Dry Areas (ICARDA)
Life of Project: November 10, 2003 – June 30, 2003
Provinces: Nangarhar, Kunduz, Helmand, Parwan & Ghazni

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#9-0004-ICARDA	10-Nov-03	Abdul Qahar Samin	Dan Miller	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$1,624,845	\$36,408.78	\$36,408.78	\$185,649.74	\$1,402,786.48

Project Description: ICARDA is introducing protected agriculture for cash crop production in marginal and water deficit areas of Afghanistan. The project is promoting the adoption of affordable and sustainable protected agricultural systems to produce high value crops, using marginal or otherwise non-productive lands and water more efficiently, by establishing a central demonstration and training site within Kabul and by installing simple greenhouse structures at selected pilot sites with participating farmers.

Expected results (by end of project):

Capacity Building - Establishment of one private sector plastic greenhouse fabrication shop; Establishment of 25 independent greenhouse enterprises.

Enhanced Livelihood – At least five fold increase in the production of cash crops compared to open field production system; 1.2Ha land under greenhouse technology; Farm families participating in the greenhouse systems of production will experience at least a three-fold increase in annual net returns on a per hectare basis.

Accomplishments this Quarter:

The greenhouse production facility was inaugurated on September 26, 2004. Three farmer-owned greenhouses have been planted in cucumber and tomatoes and 3 more greenhouses have been installed in farmer fields.

- Twenty participants were trained in greenhouse technology including: 8 growers, 7 extension agents from MAAH and other NGOs.
- Cucumber seedlings were transplanted in one of the greenhouses, and lay out was completed in other 3
- Installation of one greenhouse each in farmers' field at Gulbagh village (Chardi District) and Shiwaki village (Bagrami district) completed
- Market study continued and data was collected from the central vegetable and fruits market
- Room renovation completed for the greenhouse manufacturing workshop at PAC
- Data for benchmark study is under processing and shall be reported during the next month



Cucumbers growing in greenhouse

Looking Ahead

- Identification of local fabricators of plastic houses to be trained at PAC workshop
- Planting in Qalai-Bakhtyar greenhouse
- Maintenance of crops in GHs at PAC and data collection on yield
- Technical assistance to farmers for maintaining GHs and crops
- Plant protection measures at PAC and in farmers' greenhouses
- Organization of IPPM course for trainers
- Organization of IPPM course for growers
- Farmers Field School
- Market study and collection of data from the central vegetable and fruit market

Challenges Encountered and Remedial Action Taken:

- Unavailability of door-net in Afghanistan requires that the material be imported.
- Security and protection of greenhouses in farmers' fields is a serious concern

Project Manager Comments

There were very poor communications between Dr. Moustapha, the Protected Agriculture Specialist who is based in Dubai, and the ICARDA/Kabul office during the second quarter of 2004. The poor communication resulted in insufficient progress in the second quarter, requiring the Protected Agriculture Project Management to compress much



of the activities that were not accomplished in the second quarter into the third and fourth quarters of 2004. The third quarter included many start up activities and a training program to get the greenhouses built and operating, however, there is much to do in the fourth quarter to transfer the technologies, set up a workshop, etc. Because the project has been slow to develop, any failure of the project to meet the requirements of its current workplan during the months of October and December quarter will result in the project being seriously reviewed.

ICARDA did not notify RAMP of the opening ceremonies of the protected agriculture greenhouses in Badam Bagh.

Shamali Plains Road Upgrade
Agence d'aide a la Cooperation et au Developpement (ACTED)
Period of Performance: 01-Dec-03 to 15-Jan-05
Provinces: Kabul, Kapisa, Parwan

Job Order No.	Date of Award	Project Manager	USAID CTO	USAID CO
JO#10-0002-ACTED	01-Dec-03	Saroj Basnyet	Dan Miller	Kyle Newkirk
Ceiling Price	Quarter Expenditures	Cumulative Expenditures	Accruals to Date	Balance
\$5729,255	\$100,187	\$218,533	\$97,223	\$413,499
Project Description: ACTED is rehabilitating the Main Shakh and the Nahri Charikar tertiary roads and the Nahri Charikar canal irrigation system in Shamali Plains to increase market access to areas receiving improved irrigation.				

Accomplishments this Quarter:

During the month of September working on two roads continues: the Canal Road and the Main Shakh Road.

MAIN SHAKH ROAD	Work in Sept(km)	Previous Work (km)	Total Work (km)
Longitudinal drainage	0.89	3.69	4.58
Gravel Applic.	0.89	4.41	5.30
Compaction	0.89	4.41	5.30
Completed Road	0.89	4.41	5.30
CANAL ROAD			
Drainage	+++	+++	+++
Gravel Applic.	1.01	3.76	4.77
Compaction	1.01	3.76	4.77
Completed Road	1.01	3.76	4.77



Workers on the Main Shakh Road

The Nahri Charikar Canal

The Nahri Charikar Canal flows from the Bamyán Valley. Fed by the Ghorband River, it is one of the most important water sources in Shamali plains and crucial to the agriculture of the area. It irrigates approximately 6 valleys, at an estimated 7,000 hectares (see map). During the month of September the following tasks on the Nahri Charikar Canal were completed.

Nahri Charikar Canal		Cleaning of Canal	Widening of Canal	Removal of Earth
Work completed in September	(m)	200	200	n/a
	(m ³)	1400	n/a	2200
Work completed previously	(m)	2000	2000	n/a
	(m ³)	8960	n/a	3360
Total Work Completed	(m)	2200	2200	n/a
	(m ³)	10,360	n/a	5560

Rehabilitation of the Nahri Charikar Canal includes the construction of retaining walls. A total of 145m of retaining walls will be built, split up and spread over various locations as required. Work is presently focused on two of the retaining walls, the largest (45m) and a smaller retaining wall at the Parchawai Charikar Stream.

The larger retaining wall is intended to stop the Nahri Charikar from breaking through an existing flimsy wall, sweeping into the Ghorband Valley, and flooding the area with not only water but stones and silt. This has happened before, laying waste to a large area of farmland which is even now uncultivated. Smaller retaining walls are being constructed along the length of the canal (100m in total) as dictated by the engineering requirements.

Retaining Walls*		Foundation Excavation	P.C.C.	Stone Masonry	Pointing	Filling
45m Retaining Wall	Month of September	0	0	0	0	280
	Previous Months	1,160	1,680	27,987	1,647	1,160
	Total Work Completed	1,160	1,680	27,987	1,647	1,440
100m of	Month of September	0	120	726	38	160

Retaining Walls	Previous Months	290	600	10,346	345	280
	Total Work Completed	290	720	11,072	383	440

* All the measurements are in m3, except for the pointing which is in m2

Construction of Water Outlets

Construction of two water outlets began in July, one of which has a diameter 1m and the other a diameter of 0.5m. The construction continued during the month of September.

Water Outlets		Foundation Excavation	P.C.C.	Stone Masonry	Pointing	R.C.C Slab for outlet
Outlet Number 35	Month of September	40	120	1,452	345	466
	Previous Months	850	2,004	11,543	1995	2795
	Total Work Completed	890	2,124	12,995	2,340	3,261
Outlet Number 39	Month of September	60	180	726	38	311
	Previous Months	260	420	3449	383	0
	Total Work Completed	320	600	4175	421	311

* All the measurements are in m3, except for the pointing which is in m2

Looking Ahead

In October work will continue on all our projects, and ACTED will:
 Proceed with work on both the Canal Road and the Main Shakh Road;
 Continue to clean and widen the Nahri Charikar Canal;
 Continue working on the retaining walls.
 Continue working on the two water outlets (numbers 35 and 39)

Project Manager Comments:

ACTED is constructing well-compacted gravel roads.

Kanday Road Reconstruction
Mission d'Aide au Developement des Economies Rurales en Afghanistan (MADERA)
Period of Performance: 15-Dec-03 – 25-Jun-04
Provinces: Kunar

Job Order No.	Date of Award	Project Manager	USAID CTO	USAID CO
JO#11-002-MADERA	15-Dec-03	Khodaidad	Dan Miller	Kyle Newkirk
Ceiling Price	Quarter Expenditures	Cumulative Expenditures	Accruals to Date	Balance
\$448,131	\$0.00	\$339,810	\$108,321	\$0.00

Project Description: MADERA has rehabilitated a collapsed section of the Kanday road, connecting Jalalabad and Assadabad, and constructed a stone masonry protection wall, diversion canal and a combination of dumped rock and gabion dike to prevent erosion of the road during flood periods.

Expected Results (at end of project):

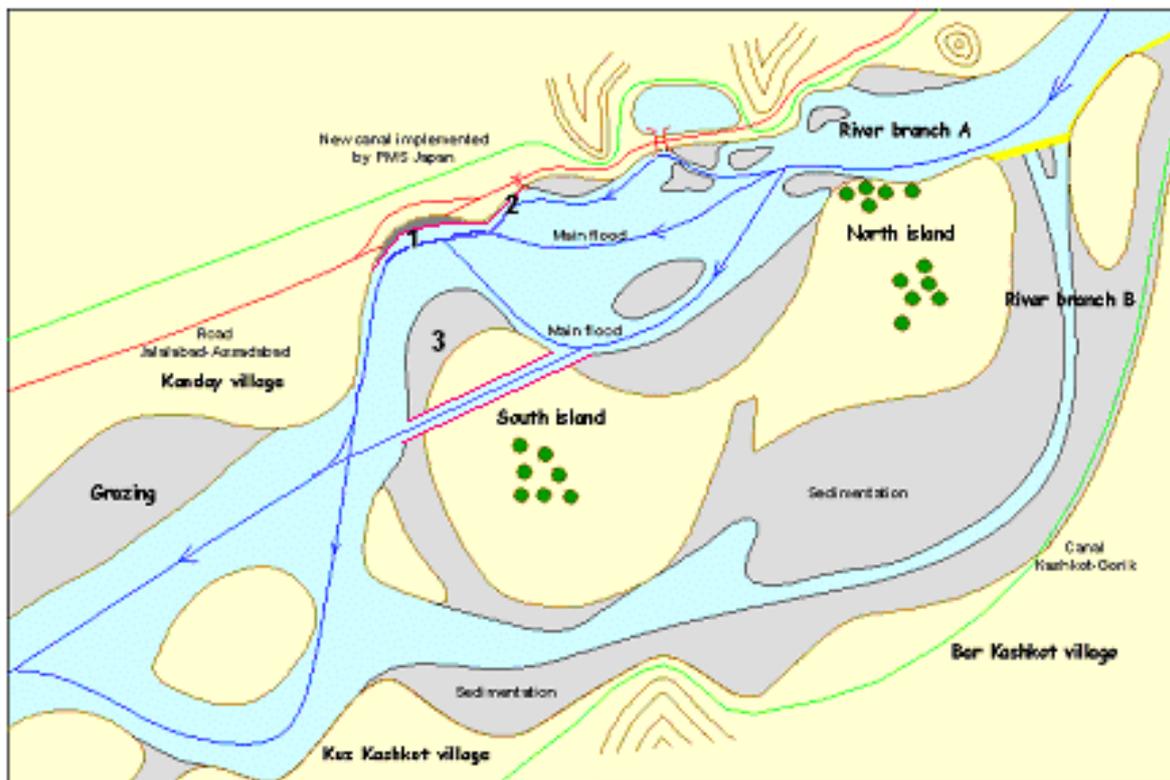
Enhanced Livelihood – 500,000 farm families with improved access to markets; 5,100 hectares receiving improved irrigation; and 6,850 person-days of employment.

Accomplishments this Quarter:

This completed project achieved the goal of construction a protection wall along the Kunar River in Kanday village. The objectives of this project were to protect the local lands, the main road between Nangarhar and Kunar Provinces and a new irrigation canal implemented by PMS (Japanese NGO). This project started on January 2004 and I for a duration of 5 months. The activities defined in the contract were as follow:

- a. Rehabilitation of a 300 meter section of the road between Jalalabad and Assadabad with a minimum of a 20 cm layer of gravel material. The road shall be crowned and compacted with side ditches on both sides of the road and cross irrigation systems installed as necessary.
- b. Construction of a protection wall and gabion dyke. This activity shall include at the minimum 4,750 m³ of material for the gabion dyke and 15,000 m³ of material for filling. (1 and 2)
- c. Construction of a diversion canal, with 4,650 m³ excavated. (3)

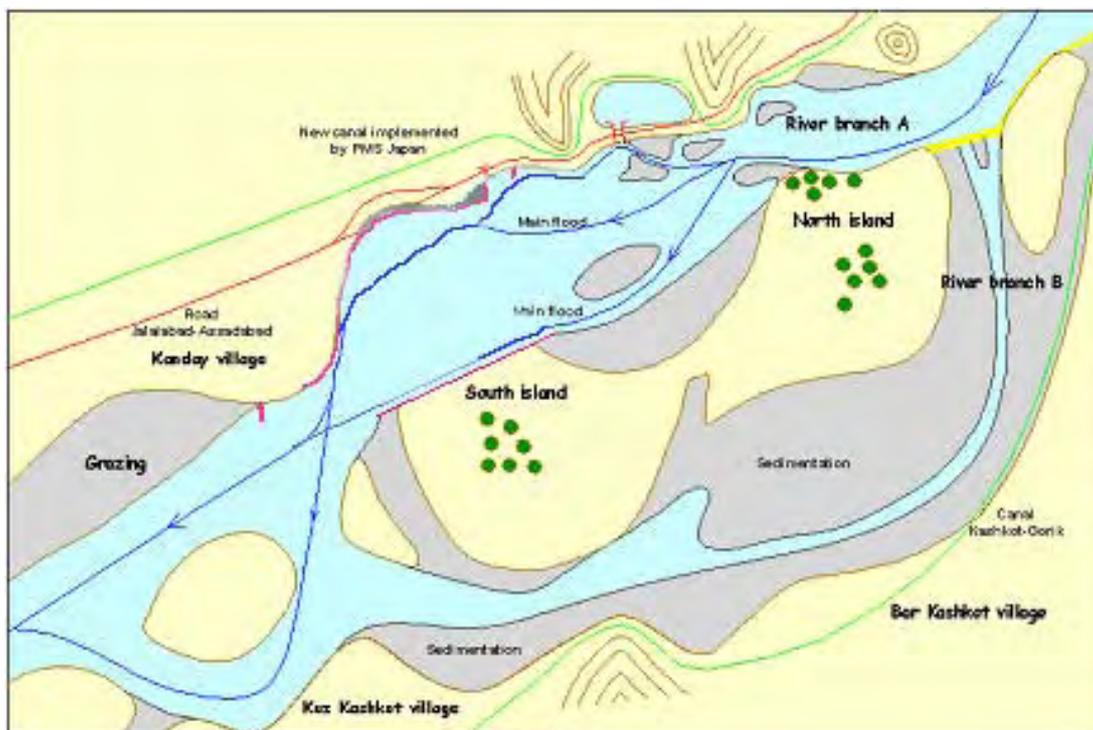
Map below represents the flooding situation before construction of the retaining wall and road.



The project has been completed and the performance targets have been achieved for each activity.

Nevertheless, due to technical and hydrological constraints, we had to adapt the design defined in the concept paper "Kanday Project – November 2003".

After construction of the retaining wall:



Design adaptations

Channel:

It was initially planned to dig a channel in the island in front of the erosion spot in order to divert the water from the implementation site. This action was to make our work possible and to give a new way for the main flow, diverting it permanently from the curve. In fact, when the proposal has been validated, PMS, the Japanese NGO, had already started their own construction work. We decided to work together to make it more efficient by its width and depth. Later, we decided to dig a new channel to facilitate the washing of this sedimentation point.

Gabion set up:

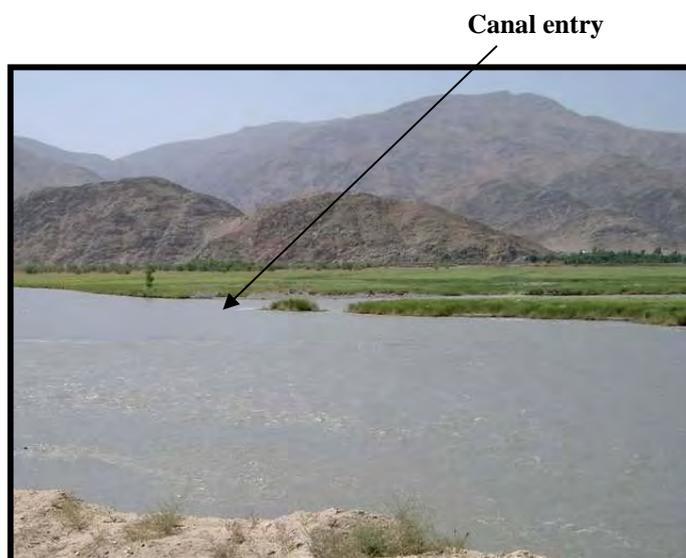
Along an important part of the bank, despite the flow diversion operated by the new dug channel, it was not possible to set up gabions directly on the river bed. As mentioned in a letter dated on 23/02/2004, foundations for the dyke were built using big rocks. These boulders are blocked by each others and are trapping medium rocks inside. This base is approximately 6 m. width and has been used as a road to unload additional rocks. The whole foundation was continuously compacted by daily trips of more than 30 dumpers (> 15 MT each).

Gabion mattresses:

Later, it was determined to be more efficient and sustainable to replace the mattresses of gabions by a layer (width: 3 m, thickness: 1 m) of rocks in front of the first gabions' layer.

Alignment:

In the proposal, the position of the gabion wall was not defined precisely and one could think that it would follow the bank. It was decided to make it more intrusive in the river bed. This option was chosen because we wanted to divert the flow – whether important or not, towards the middle of the river and so to drive it as much as possible away from



the wall. We expected thereby to prevent any digging of the river bed at the foot of the wall and even to have sedimentation along the wall.

Sedimentation due to the construction of the protection wall along the river bank



Spikes:

As another means of diverting the water away from the wall, rocks were used to build up spikes in strategic locations.

4th layer of gabions:

To prevent the wall being over-flown and its back filling washed away, a 4th layer of gabions (of about 100 m. long) were constructed at the upstream end of the wall, the one that is at most under the erosive pressure of the river current.

Results:

This year's flood has been less important even if the water reached the level of last year. As forecasted, the canal has diverted a large share of the water and later has facilitated the sedimentation in front of the gabion wall. The curve of the riverbed has been decreased, distancing the flow from the river bank. The location of the dyke combined with the spikes has resulted in sedimentation occurring in the curve of the river all along the protection wall.

New branch:

Actually a new branch appeared just at the upstream end of the protection wall. Many assumptions can be made regarding its causes but one has to consider the particularity of the Kunar River. It has, as many mountain rivers, a bed that draws kind of plaits, with multiple branches. During some time, some of these branches are the major ones, while later it changes. Some of these changes are predictable, some others not.

Problem:

The flow in this new branch of the river became quickly very strong and caused sinking of part of the protection wall at its upstream end. To stop this and to prevent any further damage to the rest of the gabion wall, we doubled it by a rock dyke (height: 5 m, width: 4 m, length: 20 m) at the contact point.

Conclusion

Even after implementing many adaptations to the characteristics of the river and the project, the initial objectives have been reached. To increase the sustainability of the whole construction, we forecast:

- A regular monitoring of the dyke and the implementation of an "post-flood" assessment;

A detailed map of the dyke including elevation points has been prepared. We will monitor the elevation of the dyke on a monthly basis to detect any sagging. In the winter, when the water level is low, the protection wall will be surveyed to detect damage or weak points.

Reinforcement of the dyke:

The next challenge will be to transform this artificial bank into a more "natural" one. In this regard, we will discuss with local communities about the opportunity to set tree plantations all along the dyke. The advantage will be double:

- To reinforce the dyke and backfilling through the roots of the trees;
- When the lands will be cultivated, to prevent damage on the gabions by planting trees between them and agriculture plots.

To be sure that plantations are going to be sustainable, Madera intends to approach local communities in a way that they appropriate the project and take care for the trees.



Constructing a spike to divert water-flow away from protection wall

Project Manager Comments: The main objectives of this project were to: straighten the curve of the river on the right bank, push the main flow to the middle, protect two irrigation canals, and halt the erosion of the main road between Nangahar and Kunar/Nooristan provinces. A tree planting program is now under review to reinforce the dike and the river bank.

Market Based Production Project

Agence d'aide a la Cooperation et au Developpement (ACTED)

Period of Performance: 21-Dec-03 to 30-Jun-06

Provinces: Parwan, Kapisa, and Kabul

Job Order No.	Date of Award	Project Manager	USAID CTO	USAID CO
JO#12-0004-ACTED	21-Dec-04	Abdul Qahar Samin	Albert Merkel	Kyle Newkirk
Ceiling Price	Quarter Expenditures	Cumulative Expenditures	Accruals to Date	Balance
\$1,800,000	\$0.00	\$112,242.06	\$259,991	\$1,427,766.94

Project Description: ACTED will work with farmers in the Shomali Plains to rehabilitate orchards and vineyards, establish nurseries, develop fruit processing by constructing innovative low-tech facilities (greenhouses, solar dryers and storage warehouses) as income-generating activities with a priority on women's involvement.

Expected Results

1. Capacity Building: 3 agriculture cooperatives revitalized; The management and technical competency of 90 DCC members, 16 technicians and 10 cooperative members enhanced through sustained training; 3 women DCCs established and 430 women access the coops: 70 women trained in income generating and small business activities; Agriculture best practices spread among 1,500 persons (1,070 men and 430 women)
2. Enhanced Livelihood: 385Ha vineyards and orchards revitalized with the provision of rootstocks and saplings; Average fruit productivity increased by 35% and total marketable output by 40%; Input supplied for 1,200 ha of land to plant with cereals and vegetables; Average cereal and vegetable productivity increased, respectively, by 25% and 15%; 1,290 cooperative members double their income; 102 households double their income by constructing greenhouses for seasonal vegetables.

Accomplishments this Quarter:

1. ACTED conducted 65 demonstrations and held 2 field days with 95 participants. 132 farmers visited the demonstration plots and 512 farmers were visited by extension workers.

2. In order to mitigate the risks of soil degradation that results from tilling, ACTED is using CIMMYT technology to train farmers in "no-till" or "hand planting" agriculture. This process involves directly planting the seeds and fertilizer together in the soil, with an instrument known as a "hand planter" (pictured to the right). The result should be better conservation of topsoil, without the labor costs imposed by tilling the soil.



Farmers at a maize field day in Qarabagh

3. Training in Pest Management in Kohistan and Charikar Districts

Following training in plant pathology and the use of inputs to combat diseases, ACTED/RAMP agronomists began training cooperative members in the use of agro-chemicals. Better knowledge of how to use agro-chemicals will help our beneficiaries increase their agricultural yields and temper the risks associated with agricultural production, all while ensuring that the intensification of agricultural production does not result in environmental degradation.

4. In Kohistan and Charikar ACTED initiated several vegetable marketing pilots

ACTED team is empowering farmers through the construction of cooperatives that allow them to pool their harvests and exercise more leverage when selling their produce on the market. To assist the farmers with marketing, ACTED distributed the following supplies and assistance:

- 400 wooden crates
- 5.5 kg of nails
- 400 Yellow sheets of paper to identify packed material
- 1.9 kg of nylon stripping
- 2.5 kg of steel strips
- 21 kg of packing material (old newspaper)
- Subsidized transportation costs at .20AFA/crate

During the month of August, ACTED's marketing pilot put cucumbers, ladyfinger, eggplant, green peas, tomatoes and snack cucumbers on the market. The results of the pilot in the Charikar district were the following:

Crop Marketed	Volume Marketed	Price Obtained	Total Revenue
Snack Cucumbers	1,300 pieces	2 AFA/piece	2600 AFA
Lady Finger	378kg	8 AFA/kg	3024 AFA
Eggplant	1,907kg	3 AFA/kg	5721 AFA
Green Peas	120 kg	10 AFA/kg	1,200 AFA

Tomatoes	41,779 kg	3.5 AFA/kg	143,755 AFA
Cucumber	22,550 pieces	1 AFA/piece	22,550 AFA

In Kohistan, ACTED agronomists introduced tomato cultivation to the region and now helped the farmers find markets for their produce. The results of the pilot in the Kohistan district were the following:

Crop Marketed	Volume Marketed	Price Obtained	Total Revenue
Tomatoes	9,729 kg	6.5 AFA/kg	66,106 AFA

During the month of September, ACTED assisted farmers in marketing okra, eggplant, green peas, tomatoes and snake cucumbers. This activity was designed to provide farmers with the capacity and know-how to bring their own produce to market, bypassing middlemen, and therefore earn more income. The results of the pilot in the Charikar district were the following:

Crop Marketed	Volume Marketed	Price Obtained	Total Revenue
Snake Cucumbers	3,000 pieces	1.11 AFA/piece	3,330 AFA
Okra	378 kg	11.27 AFA/kg	4,260 AFA
Eggplant	3377 kg	5.6 AFA/kg	18,911 AFA
Green Peas	167 kg	12.49 AFA/kg	2,085 AFA
Tomatoes	30,811 kg	5.58 AFA/kg	171,925 AFA
Cucumber	22,550 pieces	0.94 AFA/piece	21,197 AFA
TOTAL			221,708 AFA

In Kohistan, ACTED agronomists introduced new agricultural techniques in vegetable cultivation and are now helping farmers in bringing their produce to market. The results of the pilot in the Kohistan district were the following:

Crop Marketed	Volume Marketed	Price Obtained	Total Revenue
Tomatoes	12,391 kg	5.58 AFA/kg	69,142 AFA
Okra	1,713 kg	9.90 AFA/kg	16,959 AFA
Potatoes	1,862 kg	8.86 AFA/kg	16,497 AFA
Onion	17,710 kg	6.32 AFA/kg	111,927 AFA
Pepper	161 kg	14.95 AFA/kg	2,407 AFA
Eggplant	1,440 kg	5.77 AFA/kg	8,309 AFA
TOTAL			225,241 AFA

5. Tests done on the production of dried tomatoes and raisins

The ACTED/RAMP team has conducted a series of tests on the best ways of producing dried tomatoes and raisins in the Shamali Plains. The tests used a GERES designed vegetable dryer and tested a number of variables, including:

For the Tomato Drying Tests

- The material of the roof of the dryer
- The slant of the roof
- Treatment of the vegetables

For the Raisin Drying Tests

- The material of the roof of the dryer
- Arrangement of grapes in the dryer
- Blanching processes

The tests now enable ACTED to recommend standard processes for drying tomatoes and raisins in the Shamali Plains, which will be an effective and low-tech method of processing fruits and vegetables. This should allow the farmers of the Shamali more flexibility in the marketing of their produce and, therefore, more power to affect their own economic development.

On September 15th in Kohistan district, ACTED held a maize field day at a RAMP demonstration plot. The purpose of this field day was to introduce new varieties of maize seed to the Kapisa Province and to distribute the new seed to the farmers. This distribution of seeds was accompanied by discussion of modern maize cultivation techniques and of diseases that typically affect maize in the region. Participants included 45 local farmers, MAAH General Director and various district and provincial leaders.

6. Vineyard rehabilitation

ACTED/RAMP agricultural team rehabilitated over one hectare of vineyards, including:

1st vineyard in Khuja Sayaran village: Rehabilitated one hectare of vineyards, continued to prune and thin vines. When fully rehabilitated, the vines should produce around 31,500 kg of grapes annually.

2nd vineyard in Khuja Sayaran village: Rehabilitated 2 jeribs (about .4 hectares), continued pruning of vines and when fully rehabilitated, the vines should produce around 12,600 kg of grapes annually.

7. Cooperative development

Completed the construction of the market collection centers in Totum Dara Bala, Abdiby, Istergheich and Khoja Sayaran. Completed the Qarabagh and Charikar District Centers for the Cooperatives. The Qarabagh and Charikar Cooperatives have been successfully legally created. The ACTED cooperatives will consist of 860 farmers with 430 being men and 430 being women. The levels of registration of women in ACTED's three cooperatives are:

Female Integration of the Cooperatives	Women Registered	Women that Paid Membership Fee	Target Levels (end of year 3)
Kohistan District	62	62	430
Charikar District	168	116	430
Qarabagh District	50	7	430
TOTALS	280	185	1290

ACTED expects that the numbers of women joining the cooperatives will increase exponentially when the benefits of membership are more obvious to the average farmer in the Shamali Plains. Workshops were held to familiarize the local population with the concept and advantages of joining cooperatives. It is also important to note that in registering women in the cooperatives, we are targeting "vulnerable" women in our target districts. This means widowed women or women that are subsisting on very low incomes.

8. Training for Women

A. The ACTED gender team is working to provide opportunities for widows, among Afghan society's most vulnerable, through agricultural and marketing training. ACTED's gender team went into villages and sought out vulnerable women to train in all aspects of grape vine cultivation, including:

- Spacing of vines during transplantation, including mapping the vineyard
- Pruning of grape vines
- Plant health and the use of fertilizers during the right seasons
- Plant pathology and the different chemical and practical techniques for treating diseases
- Grape harvesting techniques that ensure high quality and longer preservation times
- Practical techniques for sorting and packing grapes during the harvest

The Gender team expects that this training will help these vulnerable women increase their incomes derived from grape cultivation and provide them with a greater degree of economic independence.

B. ACTED is training women as part of vegetable marketing pilots in order to allow them to play a greater role in the economic life in the Shamali Plains. During the month of August, ACTED trained 150 women in post-harvest activities that are designed to add value to agricultural produce, such as cleaning, sorting, and packing fresh vegetables. These women were trained by four trainers, who were themselves trained at the ACTED women's center in Charikar. Then during ACTED's marketing pilot in Charikar, four women members of the cooperative were included in the pilot and had their produce sold through the market stalls set up by ACTED.

9. Greenhouse construction

Seven women were selected to receive private greenhouses in Charikar, Kohistan and Qarabagh. The women selected are considered "vulnerable" either because they are widows, disabled or subsisting on extremely low revenues. The greenhouses will allow them to provide for themselves in a culturally-appropriate manner. The women were also selected for their visibility and standing in the community, with the further propagation of agricultural techniques among other women in mind. ACTED completed construction of the private greenhouses for four of the nine beneficiaries. Now training and cultivation will begin to allow the women beneficiaries to receive an income from their greenhouses, allowing them a measure of economic independence.

10. Market Price Surveys

Market vegetable prices were collected in both main bazaars of Shamali (Charikar and Qarabagh) and Kapisa markets. A first analysis of the data was conducted to look for both seasonal and geographical variations in market price. This information will be made available to farmers in the cooperatives in order to empower them, either by giving them more leverage in their dealings with traders or by allowing them to take the risk of bringing their own goods to market.

11. Technical and economic analysis of the possibility of producing juice or jam

ACTED conducted an economic and technical analysis of the possibility of producing juice or jam from locally grown varieties of fruit. This analysis was conducted due to the large surpluses of grape and mulberry production that are present in the Shamali Plains. The ACTED Team examined a number of factors critical to the success of any local food processing effort, including:

- The Inputs: price of fruit, price of other inputs (containers, additives, etc)

- The Production Process: cost of labor and technical requirements
- The Marketing Aspect: consumption habits in Afghanistan, price of comparable imports

The conclusions of the analysis were that the production of jam or juice faced significant “upstream” production problems, but if they could be overcome the price differentials they could create substantial profits for producers in the Shamali Plains (although, it should be noted that jam consumption is currently focused around the Ramadan period in Afghanistan).

12. The feasibility for vinegar and pickled vegetables processing included:

Although time constraints did not allow for a thorough market study of the potential for vinegar and pickled vegetables, the following steps were taken to estimate the size of the market for these products:

- Analyzed Afghan consumption habits
- Visited Kabul and Shamali markets to explore consumption rates and the prices paid for similar products
- The prices and availability of off-season vegetables and grapes were analyzed, using both existing surveys and collecting original market data.
- Suppliers of key equipment: Found, contacted and received quotes from suppliers of key pieces of equipment, necessary for vinegar and pickle production.
- Detailed budget: Created a detailed budget for both the cost of building the factory and the running costs the factory would incur.
- Final Economic Analysis: Combining data on the size of the market, prices of inputs and cost of creating the factory, determined the economic feasibility of such a factory.

Challenges Encountered

ACTED is having the following difficulties in the construction and operation of its cooperatives:

Organizational difficulties: The size of the cooperatives (860 members) was proving difficult to manage and their overhead was proving unsustainable.

Heterogeneous production: The production of farmers in the Shamali Plains is quite heterogeneous and it was proving difficult to find economies of scale that large cooperatives could exploit.

Mentality difficulties: The perception of the boards of directors was difficult to change from one of cooperatives as vehicles for “humanitarian aid” to more of a “development” mindset. They see the cooperatives’ primary function as distributing aid and not as empowering farmers.

As a consequence, ACTED is involved in a Comprehensive Strategic Planning Process with the objectives of assessing current accomplishments, retaining the best aspects of the project, and focusing on marketing high-value and processed agricultural products.

Looking Ahead

ACTED will complete their strategic planning process and focusing their program on high-value crop marketing including, among other areas, vinegar and pickled vegetable processing.

Project Manager Comments

ACTED must integrate their program activities increasingly more with value-added processing and packaging in order for the project to succeed at significantly increasing the rural incomes. The Cooperative District Centers need to be integrated into value-added processing and packaging. The packaging of nuts and dried fruit needs to be included in the program activities of ACTED.

Livestock Health, Production, and Marketing Improvement Program
Dutch Committee for Afghanistan (DCA)
Life of Project: January 6, 2004 - June 30, 2005
Province: Nationwide

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#13-0004-DCA	06-Jan-04	Daad Mohammad	Dan Miller	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$7,673,062	\$274,139.98	\$1,066,848.22	\$945,641.69	\$5,660,572.09

Project Description: This project will create a national network of private veterinary field units (VFU) capable of providing livestock health services in all 380 districts of Afghanistan. DCA will also train sufficient numbers of para-veterinarians (paravets) to staff and service the national network, and create a livestock health, production, and marketing information system that link this private paravet network with government departments on such issues as disease surveillance, livestock inventories, and trans-border issues.

Expected Results (by end of project):

Capacity Building – 360 financially sustainable VFUs established; 540 paravets trained

Enhanced Livelihood – Annual livestock population increased by 10%; 2 Million farm families with increased food security.

Accomplishments this Quarter:

By the end of September 2004, DCA and its partners, Afghan Veterinary Association (AVA) and Partners in Revitalization and Building (PRB) collectively administered a total of 4,317,106 animal vaccinations and treatments in our RAMP-supported efforts to improve animal health and rural livelihoods in Afghanistan.

All the regional offices of DCA and their partners AVA and PRB continued their activities in surveillance and support of the veterinary field units. The other DCA offices in Kabul and Mazar made several fieldtrips to monitor the VFUs in their respective working areas. The same was done by the two partner organizations AVA and PRB. Overall, the provision of vaccinations, medications and other veterinary services were increased.

New motorbikes and bicycles have been ordered for VFUs. AVA is distributing their 16 purchased motorbikes and 82 bicycles to VFUs in their working area. DCA and PRB will finalize the order for bicycles in the coming month. The procurement lists for equipment, instruments and supplies for refurbishment are still under development.

Working with the government of Afghanistan:

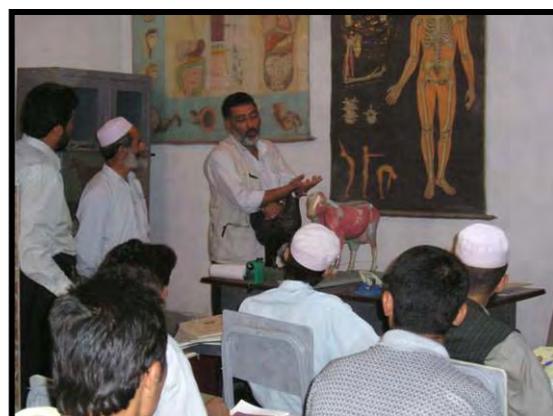
DCA – MAAH Meetings:

On September 6 and 11, 2004 two joint meetings of DCA-RAMP with the MAAH-Vet.Dept. were held, under the chairmanship of the EU-advisor to the Government Veterinary Department, Dr. Philippe Blanc. On the agenda were topics related to the privatization activities of the DCA-RAMP project and the government activities, like the supply of vaccines to government clinics and the organization of national vaccination campaigns. The new DCA-office in Mazar received requests from several government clinics to purchase animal vaccines from the DCA-RAMP project. In the meeting we were informed about the government plans to distribute 7 million doses vaccines all over the country as part of a free vaccination campaign. DCA was told to wait till the distribution of the government vaccines has been completed.

Two meetings were held with the Animal Vaccine Production Laboratories (AVPL) in Kabul with a request for quotation of 3 million doses of Anthrax Spore Vaccine (ASV). Other topics that were discussed with the AVPL Director, Dr. Emam UI Din was the renewal of the rent of cold store facilities at AVPL for the DCA-RAMP vaccines; the possibility to purchase Haemorrhagic Septicaemia Vaccine from AVPL.

As far as importing vaccines for the DCA-RAMP project two samples along with relevant documentation of each of the vaccines from the Spanish Pharmaceutical Laboratory Syva has been given to the MAAH-Vet.Dept. for approval: Neo-bacteria (a polyvalent Pasteurella vaccine) and Syva-Bax (Enterotoxemia/Clostridium vaccine). The approval from the Ministry arrived in two weeks time.

The MAAH-Vet.Dept. has given approval for the recruitment of new paravets and their training in the Veterinary Training and Service Center in Herat. Permission has been given to monitor in Parwan and Kapissa provinces the need to establish new Veterinary Field Units (VFU) and to coordinate the activities of government clinics and the privatized VFUs within the DCA-RAMP project.



USAID/USDA/EU Memorandum of Understanding:

The draft MOU is in the office of the Minister of Agriculture. A meeting is planned in October for the signing of the MOU.

International Veterinary Conference in Kuwait:

The Country Program Director, Dr. Sherman, attended the First International Veterinary Conference in Kuwait from September 21-23 in Kuwait City. Dr. Sherman was an invited speaker at the meeting and spoke about Peste des Petits Ruminants and other disease constraints on goat production in the region. Other Afghan attendees included Dr. Raoufi, President of the Veterinary Department in the Ministry of Agriculture and Animal Husbandry and Dr. Fahima, also of the Vet Department, Dr. Noor Ahmad Ahmad, Dean of the Kabul Veterinary Faculty and his Deputy Dean, Dr. Aby, and Dr. Sayed Gul Safi, President of the Afghan Veterinary Association.

The meeting was remarkably useful in reestablishing a cordial, constructive and cooperative relationship between DCA and the Veterinary Department. It was also an important opportunity to link Afghan veterinary leaders with their American counterparts to foster long term collaborations and relationships. For instance, Dr. Safi, President of the Afghan Veterinary Association (AVA) was able to meet with Dr. Jim Nave, former President of the American Veterinary Medical Association (AVMA). Dr. Nave offered technical assistance in helping to strengthen the organizational structure and operation of the AVA. This is quite relevant to the RAMP project as AVA is an implementing partner of the veterinary project and building capacity of the AVA to effectively represent its veterinary membership and to influence future veterinary policy in Afghanistan.

Vaccine and Medicine distribution:

Good progress has been made in the order and procurement of about 12 million doses of 11 different kinds of animal vaccines for the coming seasons. The different product leaflets have been translated into Dari/Farsi, while the DCA, RAMP and USAID logos will be put on the packing and labels of the vaccines.

Some vaccines that are due to expire in October 2004 are now distributed free of charge to the VFUs working within DCA-RAMP project (Sheep pox and Newcastle Disease Vaccines).

Five different medicines originating from the Dutch pharmaceutical company Eurovet will be distributed via our regional stores to the privatized veterinary field staff.

Challenges Encountered and Remedial Actions Taken:

At the DCA Veterinary Training and Service Center (VTSC) in Herat a 5-month training course for 14 newly recruited paravets started on September 19, 2004 and is ongoing. Field training of new Basic Veterinary Workers (BVWs) in Ghorian and Andraskan districts of Herat Province had to be postponed due to serious political unrest and fighting.

The Veterinary Training and Service Centre in Charikar had some unexpected problems with the local governor and Provincial Agriculture Department to get permission to use the land behind the present premises for the construction of the new practical training facilities. The Governor of Charikar has given a written approval to DCA on September 30, 2004 to use the land. In the meantime five construction companies submitted their design and quotations for the construction of the practical training facilities. Very soon a contract will be signed with one of them and the construction should be completed within two months time, before the frost season is there.

Once again the monitoring and extension activities in the DCA Herat region had to be at a reduced level due to serious fighting, even in Herat city. Our regional office was closed for a period of three days; fortunately nothing seriously happened to our staff and the office. Only few VFU-staff managed to come to DCA Herat office for reporting and collecting new veterinary drugs.

Looking Ahead

The refurbishments of the DCA Mazar-i-Sharif office have been completed; the medicine store and training centre will be completed in the coming two months. Six new VFUs signed a contract within the conditions of the DCA-RAMP project; while in the coming month some new VFUs will be contracted in Faryab province, where there is great need for good veterinary field service. The problem of the existing government clinics has been discussed at the central office of the Veterinary Department in two meetings on 6 and 11 September. Our policy is to concentrate only at (para) veterinarians that like to work in a privatized system of veterinary services.

The order for purchase and the installation of cattle restraining equipment (crushes) will be done before the winter season starts.

DCA expects to reach performance targets in the number of vaccinations and medications within the first phase of the project easily. The process of contracting new VFUs continues like planned, while the identification of new VFU sites continues in all the provinces, inclusive the selection of candidates for training.

In the field of training a 5-month training course for 14 newly recruited paravets started at the Veterinary Training and Services Centre in Herat, with participants from 4 different provinces all over Afghanistan. Another 5-month training course for newly recruited paravets will start at the end of October 2004 at the Veterinary Training and Service Center in Charikar. This month the trainers of the VTSC in Charikar have been working on the revision all the textbooks and made them digital.

At DCA Headquarters in Lelystad the staff members have been working on the quotations and ordering of 12 million doses of 11 different vaccines like Enterotoxaemia, Clostridium, Haemorrhagic Septicaemia, Pasteurellosis, Sheep pox, Peste de Petite Ruminants, Black Quarter, Anthrax, Rabies, Newcastle Disease and Gumboro Disease.

A total of 972,000 doses of different vaccines have been distributed from the DCA main store in Kabul to the regional distribution stores and some access-groups in the month of September 2004.

The monitoring and support to the different VFUs will still continue, especially with regard to the ordering and distribution of motorbikes, cattle crushes and veterinary equipment. Also the identification of new locations for privatized VFUs and sub-VFUs and Paravet candidates to staff them will continue. A meeting will be organized to access the progress in the VFU support package and to develop a format for the animal health, production and marketing reports.

The preparations and recruitment of new Paravets for the planned training course to begin in October, 2004 at VTSC Charikar will proceed. The revision of the text books will be completed. A plan will be developed to modernize the teaching classes with the introduction of new presentation technologies like Powerpoint presentations, vcd and dvd.

The construction of the facilities for animals and a training clinic at VTSC Charikar will commence and be completed in two months time, along with a good and reliable water and electricity supply.

An agreement needs to be made between the DCA RAMP project and the Government Veterinary Services on our separate activities in the field of vaccination campaigns.

Project Manager Comments:

Good reports on DCA activities are coming in from the provinces. All of the performance targets established at the beginning of the project for vaccinations and the administration of medicine were met and exceeded. Good progress has been made in the procurement of approximately 12 million doses of 11 different types of animal vaccinations. The provision of bicycles and motorbikes will enhance the mobility of veterinarians and allow them to increase their activities and outreach.

In collaboration with RAMP and the MAAH, considerable effort has gone into the development of a Memorandum of Understanding that represents a major breakthrough in relationships between the Ministry Livestock officials and the development of private veterinary clinics. It is expected that this agreement will be presented, approved and signed in October.

Bridge Construction in Aga Khil
Agency for Rehabilitation and Energy Conservation in Afghanistan (AREA)
Period of Performance: 07-Jan-04 to 15-Feb-04
Provinces: Wardak

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#14-0002-AREA	7-Jan-04	Saroj Basnyet	Dan Miller	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$2,454	\$0.00	\$2,454	\$0	\$0
Project Description: AREA reconstructed the bridge (24 meters long, 3 meters high with 42 culverts) near Aga Khil in Wardak which connected Ghazni-Hazarajat market centers. Also, 42 km of road rehabilitated including 42 washes and culverts. This project was begun under AQIPS and completed under RAMP in January 2004				
Projected Impact: reliable access to markets for families Wardak and Ghazni				

Project Successfully Completed

**Construction of Three Dams for Shamali Plains
Reconstruction Authority for Afghanistan (RAFA)
Period of Performance: 31-Dec-03 31-Jan-04
Provinces: Parwan**

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#15-0002-RAFA	7-Jan-04	Ibrahim Sultani	Dan Miller	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$2746	\$0.00	\$2746	\$	\$0
Project Description: RAFA has completed the design and reconstruction of three water diversion dams along the Ghorband River. This project was begun under AQIPS and completed under RAMP.				
Projected Impact: 18,000 hectares of land provided with a reliable source of water.				

Project Successfully Completed



**Rehabilitation of Irrigation Canals in Parwan
Reconstruction Authority for Afghanistan (RAFA)
Life of Project: 01-Feb-04 to 31-Dec-04
Provinces: Parwan**

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#16-0002-RAFA	21-Jan-04	Ibrahim Sultani	Dan Miller	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$800,000.	\$109,023.98	\$187,417.88	\$118,745.34	\$493,836.78
Project Description: RAFA is rehabilitating and constructing six new water diversion dams along the Salang and Ghorband rivers to divert water to six canals that provide water for most of the agricultural land in Parwan.				
Expected Results (by end of project)				
Enhanced Livelihood:				
<ul style="list-style-type: none"> • 3380ha new land brought into cultivation and a total of 28,670 hectares receiving an improved supply of water • 28,670 hectares of land benefit from improved water supply 				

Accomplishments this Quarter:

RAFA accomplished the following major construction activities over the past month.

a). Belawdan Canal Intake

• Excavation of Foundation	154	Cu.m
• Mass Concrete Work	277	Cu.m
• Dewatering of excavated foundation	111	Hours
• Gabion Work	126	Cu.m
• Stone Masonry work	15	Cu.m
• R.C.C work	3	Cu.m
• P.C.C work	18	Cu.m
• Back Filling	88	Cu.m

b). Barq Canal Intake

• Mass Concrete work	353	Cu.m
• Dewatering of excavated foundation	122	Hours
• Stone Masonry work	226	Cu.m
• Gabion work	194	Sq.m
• Backfilling	185	Cu.m

c). Afghan Canal Intake

• Construction of Temporary Diversion dam	510	Cu.m
• Excavated foundation	1262	Cu.m
• Dewatering	210	Hours

d). Ibrahim Khil Canal Intake

• Construction of Temporary dams	580	Cu.m
• Excavation	405	Cu.m
• Dewatering	125	Hours

Tasks Completed During the Reporting Period:

During this quarter RAFA made satisfactory progress under extremely difficult working conditions with construction of Barq, Belawdan, Afghan and Ibrahim Khil Canal intakes. Mobilization and access arrangements were completed for Toghbirdy Canal for which cross river structural work is planned for October. Almost 50% of the required building materials such as stone and gabion wire are secured.

Barq Canal Intake - RAFA partially completed the main wall of the dam as well as the right half of the gabion weir, RCC and Masonry works based on the technical specification and drawings.

Belawdan Canal Intake - several temporary diversion dams have been constructed to enable construction of the main diversion wall (which has partially been completed) as well as to provide secure working environment for construction of the masonry wing wall.

Similar activities have been completed for Ibrahim Khil and Afghan canal intakes.

The Afghan Canal - mass concrete work on the main wall and stone masonry and gabion weir work. of the weir The Ibrahim Khil Canal - arrangements for pouring mass concrete and masonry work are complete and work will start next month. Work inside the canals and river mainstream will begin after the fall planting season ends and the community allows RAFA to divert water from the canals.

Looking ahead

Discussion with local communities regarding the schedule for diverting water and beginning work inside the canals will be finalized.

For Afghan and Ibrahim Khil diversions, RAFA will continue with masonry work, mass concrete work based on the contract documents. Excavation and gabion work for Toghberdy will begin.

No activities have been scheduled for the Bakhshi Canal intake, since demining of the project site is required.



Challenges Encountered and Remedial Action taken

Constant water seepage, huge boulders that require blasting, and the steep slope and banks of the river are major challenges making the process of excavation and supply of material difficult for construction in the river bed.

RAFA has canceled construction of the Bakhshi Canal Intake due to the presence of mines in the project site. While RAFA informed local authorities and demining agencies, but to date, no remediation steps have been taken. Because of the delay, this portion of the project will not be completed by the proposed date.

To overcome the above mentioned problems, RAFA carried out some extra arrangements. These efforts include:

- Construction of several temporary diversion dams in the main stream of the river to provide secure working facilities for the construction of the actual structures.
- To dewater the excavated foundation, RAFA has installed several water pumps with different pumping capacity.
- For the easy conveyance of construction material to the project site RAFA constructed secondary routes leading to the project site and pedestrian bridges in different location of the river.
- To make the area of Bakhshi canal intake ready for construction, RAFA discussed the issue of mine with local authority and de mining team to make sure the area is clean and safe for construction activities. Having been waited almost for four months for this problem to be resolved by concern agencies, Up to filling this report, no practical steps have been taken in this regard. RAFA has finally decided to cancel all the planned activities for this specific project site because of this problem.

Project Manager Comments:

Coordination among USAID hydro-power interests, the Ministry of Water and Power, MIWRE, RAMP and RAFA is moving toward agreement on the appropriateness of the capacity of the diversion head gate to serve both irrigation and power needs of the Barq Canal.

Road Rehabilitation in Balkh Province
Agency for Rehabilitation and Energy Conservation in Afghanistan (AREA)
Period of Performance: 01-Jan-04 to 31-Dec-04
Provinces: Balkh

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#17-0002-AREA	17-Feb-04	Saroj Basnyet	Albert Merkel	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$1,242,867	\$228,134.48	\$398,814.56	\$145,143.20	\$698,909.24
Project Description: AREA is rehabilitating 100 km of tertiary roads in Balkh province including construction of culverts, drainage, and other road structures.				
Expected Results (at end of project): Enhanced Livelihood – 83,000 farm families with increased access to markets; 114,239 person-days of employment.				

Accomplishments this Quarter

Over 100 km of road is being rehabilitated for this project:

1. Chimtal road -18km
2. Langarkhana road - 20km
3. Yangi-E-Argh road 10km
4. Balkh road - 8km
4. Dehqazi road - 7km
5. Daggo or Kolambooo road - 25km
6. Dehragay road - 12km

Chimtal road:

Connects the Chimtal district with the Balkh district. This is a high traffic road in an important area for fruit production. More than 40% of the Mazar-e-Sharif market receives produce from this area.

Langarkhana road:

This road connects Nahri-E-Shahee district with Balkh city, many villages are located along this road. The working progress of this road is actively going on and the people as local authority are much happy with the work quality there. The total length of this road is 20km and right now the villages named (Langarkhana Kalan, Langarkhana Khurd and other are benefited from road construction and up to the location of these villages the transportation facilities have been solved.

Yangi-E-Arigh road:

This road is located in Charbulak district of Balkh province. Appreciation for improving the road has been expressed by villagers, local authorities and ISAF. This road starts from the Balkh – Juzjan main road, loops through the main villages of this district, and connects back to the Balkh-Juzjan road.

Dehqazi road:

This road is located in Balkh district and connects a big portion of this district with main paved road. To date, 5km of sub-grade of this road has been prepared. The main villages connect by this road are: Dehqazi, Dehrazi, Charsang, Samarqandian, Chimtal and Bagala.. This road is also in great importance and connects the main villages of the area with main paved road.

Daggo or Kolambooo road:

Within this period, relevant agreements were reached with local authorities and the communities to begin construction.

Dehragay road

This road has been located in Balkh district of Balkh province. Total length of this road is 12km and the following villages are connecting by this road: Nawabad-E-Dehragay, Arghon, Dehbabi, Bahuldin and Plaspush.



The rehabilitated Langarkhana road

Road name	Working specification	Worked	Planned
Langarkhana	Rework and sub-grade improvement	7 Km	20 Km
	Leveling and compaction	7 Km	20 Km
	Gravelling and compaction	6.5 Km	20 Km
	Structure construction	7 Km	20 Km
	Drainage digging	7 Km	20 Km
Chimtal	Rework and sub-grade improvement	14 Km	18 km
	Leveling and compaction	14 Km	18 km
	Gravelling and compaction	13.5 Km	18 km
	Structure construction	2 Km	18 Km
	Drainage digging	9 Km	18 Km
Yang-Arigh	Rework and sub-grade improvement	10 Km	10 Km
	Leveling and compaction	10 Km	10 Km
	Gravelling and compaction	9 Km	10 Km
	Structure construction	8 Km	10 Km
	Drainage digging	10 Km	10 Km
Dehqazi	Rework and sub-grade improvement	4 Km	7 Km
	Leveling and compaction	3 Km	7 Km
	Gravelling and compaction	1	7 Km
	Structure construction	0	7 Km
	Drainage digging	4 Km	7 Km
Deragy	Rework and sub-grade improvement	5.5 Km	12 Km
	Leveling and compaction	5.5 Km	12 Km
	Gravelling and compaction	1.5 Km	12 Km
	Structure construction	3 Km	12 Km
	Drainage digging	5.5 Km	12 Km
Kolambo	Rework and sub-grade improvement	3.5 Km	25 Km
	Leveling and compaction	3.5 Km	25 Km
	Gravelling and compaction	0.5 Km	25 Km
	Structure construction	1.5 Km	25 Km
	Drainage digging	5 Km	25 Km

At the beginning of the project the work have been faced with some delay either by some financial as well as administrative issues or by RAMP monitoring team observation, but as the start of the project is strengthened according to standards and RAMP monitoring team observation then the works will be accelerated and we hope the project will be completed successfully.

Project Manager Comments:

Work on this project was delayed due to subcontractor financial, administrative and technical difficulties. However with RAMP urging and support, the execution of this construction is accelerating.

The speed and quality of the rehabilitation work continues to improve. AREA has begun using roller/vibrators that apply high pressure on the sub-base and the gravel surface.

**Rehabilitation of Irrigation Systems and Water Management
Reconstruction and Social Services for Afghanistan (RSSA)
Period of Performance: 17-Feb-04 to 1-Aug-05
Provinces: Nangarhar**

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#18-0002-RSSA	17-Feb-04	Ibrahim Sultani	Dan Miller	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$1,853,549	\$316,467	\$561,619.60	\$350,168	\$941,761.40
Project Description: RSSA is rehabilitating channels, protection works against overland flood flows from mountain streams, and diversion structures in the tail reach of the Nangarhar canal system.				
Expected Results (at end of project): Enhanced Livelihood – restoration of irrigation supply to 6,000 hectares of farm land that have been out of production for several years as well as firming up supply to another two distributaries that have experienced greatly reduced deliveries due to canal breaches along a dry floodway. More than 6,000 farm families will be benefited.				

Accomplishments this Quarter:

Flood Diversion Retaining Wall

- Excavation 3110 m3
63.5 %
- Backfilling 12000 m3
52 %
- PCC 46.5 m3
52 %
- Pointing 750 m2
38 %

Protection Bund (wall)

- Compacted earth fill 20500 m3
- Stone pitching 538 m3

Main Canal

- RCC on siphon pipes 933 m3
- Excavation for concrete pipes 530 m3
- Excavation for Main canal 3432 m3
- Backfilling of embankment of main canal 25389 m3
- PCC 250 m3



Project Managers Comments

RAMP will be undertaking the following activities during the coming quarter to improve the original design and to accommodate the villager's request for an extension of the flood protection works:

- Re-design and build the 4 km reach of the sub canal 29. Parallel to the sub canal 29 a road will be build to connect the area to the broader market road system of Nangrahar.
- Assist and mobilize the villagers upstream from the rebuilt siphon to participate in construction of a gabion flood diversion wall.

These activities will be funded under existing RAMP contracts with RSSA and AfghanAid.



**Repair of the Ghazni - Meray Access Road
Engineering Services for Afghanistan Reconstruction (ESAR)
Period of Performance: 01-Mar-04 to 30-Nov-04
Provinces: Ghazni**

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#19-0002-Jamal	1-Mar-04	Saroj Basnyet	Dan Miller	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$9,000	\$0	\$0	\$9,000	\$0.00
Project Description: ESAR will repair 26 km of road connecting Andar district center of Meray to the main Kabul-Kandahar highway.				
Expected Results (at end of project): Enhanced Livelihood – 146,000 farm families with increased access to markets				

Accomplishments this Quarter:

An agreement has been reached with this implementing partner to cancel the contract.

***Challenges Encountered and Remedial Actions Taken
Looking Ahead***

Project Manager Comments:

The contractor has been advised that the contract has been terminated due to the inability to start work after 6 months. This project will most likely be transferred to GRSP in early 2005 when water is available along the roadway in this thoroughly drought stricken area.

Reconstruction of Roads in Kunduz Partners in Revitalization and Building (PRB) Life of Project: 16-Feb-04 to 16-Aug-04 Provinces: Kunduz				
<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#20-0002-PRB	18-Feb-04	Saroj Basnyet	Dan Miller	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$857,291	\$103,386	\$189,115	\$67,958	\$600,218
Project Description: PRB is upgrading and rehabilitating 73.6 km of secondary roads in Kunduz, in the Imam Sahib district.				
Expected Results (at end of project): Enhanced Livelihood – 10,800 farm families with increased access to markets.				

Accomplishments this Quarter:

Alif Berdi Road

- Work in this road continued normally this quarter. During October, gravel was hauled to the site and will be spread this month.

Aaq Masjid Road

- Eight of 10km of road completed during the quarter.

Ismail Qishlaq Road

- Work on this road stopped after 4 km by RAMP. UNOPS/LIWP demanded to be permitted to complete the road, and RAMP has yielded to their request.

Botta Kashan Road

- According to the agreement between UNOPS and RAMP, this road will be rehabilitated by UNOPS.

Description	BOQ				Current	
	Unit	Quantity	Rate	Amount	Quantity	Amount
Excavation of side drainage ditches	cu.m	1995	3	5,985	950	2850
Resurfacing existing road surface leveling,, crowning & compaction	sq.m	15110	0.3	4,533	719.5	217
Laying and compacting gravel base (surface)	cu.m	9147	10.32	94,397.0	2,700	27,864
Structures: -Culvert size 60cm x 800cm	No.	8	1092.8	8,742.88	---	---
-Culvert size100m x 800cm	No.	3	1463.8	4391.4	---	---
				Total:118,049.32	Total: 28,081	

Looking Ahead:

Alif Berdi Road

- Resurfacing will continue along with the construction of culverts.
- Gravel base of the road will be executed.
- Construction of Culverts will continue.

Aaq Masjid Road

- Further excavation, resurfacing and graveling of the road will be accomplished during the quarter.

Project Manager Comments:

RAMP is considering authorization of PRB to build the Sayed Ahmad Shah Road with resources saved from discontinued construction of the Ismail Qishlaq and Botta Kashar roads.

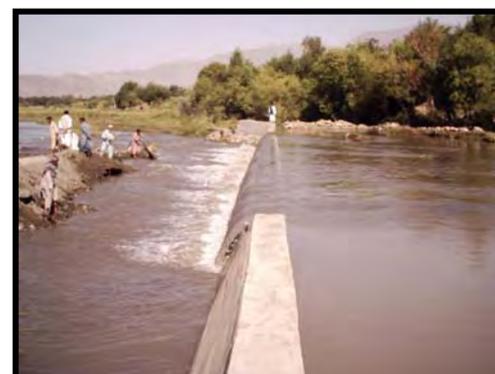
Irrigation Rehabilitation in Khewa District
Social and Technical Association for Afghanistan Rehabilitation (STAAR)
Life of Project: 16-Feb-04 to 16-Jul-04
Province: Nangarhar

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#21-0002-STAAR	18-Feb-04	Ibrahim Sultani	Dan Miller	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$336,448	\$85,547.88	\$207,062.58	\$0.00	\$129,385.42
Project Description: STAAR is constructing the main canal intake, rehabilitating a 100m retaining wall, constructing 19 culverts and a waste-way and sluicing gate along the Shegee main canal. Also waste-ways are being constructed for the Koti-Tarn and Kachara canals. Intakes at the heads of the Koti-Taran and Kachara canals are being rebuilt..				
Expected Impact (at end of project): Enhanced Livelihood – 18,050 hectares receiving improved irrigation; 8,250 farm families with increased production; and 14,252 person-days of employment generated.				

Accomplishments this Quarter:

Status of the project activities:

- Shegee main canal protection wall is completed 100%
- Koti main canal protection wall is completed 100%
- Construction work of nineteen culverts is completed 100%
- Construction of two agriculture collection centers 100% complete
- Construction work of Shagee main canal intake is completed 95%
- Construction work of Kachara and Koti main canal intakes completed 5%



Market Centers

Two Market Collection Centers are being constructed at the Taran and Kachara villages in the Khewa district.

Challenges Encountered and Remedial Action Taken

The primary challenge has been the river flooding and resulting delay in construction.

Looking Ahead

Work on suspended activities will begin in the first week of October.

Project Manager Comments

Work on Shegee Intake Apron and Spillway/Sediment Ejection structures were stopped in July due to high flow of water in Kunar River. STAAR is required to design the spillway and submit it for approval to RAMP. They were briefed about the technical requirements for a spillway structure. Project completion date is extended to January 2005 to enable STAAR to complete Kotti/Tarran Intake and outstanding works of Shegee Intake.



Market Center in the Khewa district

**Road Rehabilitation in Malistan and Jaghori Districts
Ghazni Rural Support Program (GRSP)
Life of Project: 17-Feb-04 to 17-Jul-04
Provinces: Ghazni**

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#22-0002-GRSP	17-Feb-04	Saroj Basnyet	Dan Miller	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$748,422	\$188,815	\$263,615	\$480,398	\$4,409
Project Description: GRSP is rehabilitating two roads for a total of 60km in the Malistan and Jaghori Districts including retaining walls and concrete pipes for draining water crossing the road.				
Expected Results (at end of project): Enhanced Livelihood – 5,800 farm families with increased access to markets				

Accomplishments this Quarter:

Key Staff recruitment completed

- Continued coordination with relevant ministries, local authorities and communities, especially with respect to the planned extension of the road.
- Subcontractor purchased new rollers, vibrators and water tanks.

Site preparation

- Pre-cast slabs completed 115
- Culverts with 3m span completed 3
- Culverts with 1m span complete 1
- Culverts with 60cm span completed 3
- Causeway completed 1
- 25 km of the road graveling is completed
- survey of the additional 30km of road from Jaghori to Malistan completed.

Based on the urgent request of representatives from the local bazaar, the road segment inside Sange Masha bazaar was completed .

Looking Ahead:

Tasks scheduled during next reporting period

- 3 culverts would be in the next period.
- 10 km sub base course
- 10 km graveling placing

Challenges Encountered and Remedial Actions Taken:

For several segments of the road, construction activity was restricted by a lack of water due to the drought.

Project Manager Comments

Some villagers and local authorities had expected the road to have a hard surface. Possibly because of this misunderstanding, complaints were raised regarding the quality of construction of this gravel road. RAMP and GRSP are working together to resolve the issue.



Agricultural Production, Processing & Marketing Project
Central Asia Development Group (CADG)
Life of Project: February 17, 2004 - June 30, 2006
Provinces: Helmand and Khandahar

<i>Job Order No.</i>	<i>Date of Award</i>	<i>RAMP Project Manage</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#23-0004-CADG	15-Feb-04	Atiqullah Mohibi	Albert Merkel	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$ 4,265,208.00	\$329,644.83	\$368,466.96	\$71,469.62	\$3,825,271.42

Project Description: CADG will establish demonstration farms, contract growing of selected crops, and provide agricultural technical assistance and expertise, processing and marketing, application of technologies to crop development, and implementation of drip irrigation plots.

Expected Results (by the end of project):

Capacity Building - At least 40Ha new vineyards and another 40Ha new orchards developed on land currently being planted with seasonal crops; 10 extension workers from the MAAH trained; Extension service provided to 6,000 farmers; One local fruit and nut processing facility developed and expanded.

Enhanced Livelihood – Grape/raisin yield increased by 35% due to the adoption of the trellis system; Fruit, cash crops and vegetable yield increased by 36% from adopting drip irrigation.

Accomplishments this Quarter:

Apricots

In 2004, CADG sent dried apricot samples to Germany (April), India (August), and Singapore (May). CADG bought 4,630 kilograms of dried apricots from 6 CADG-trained (in apricot drying) farmers in Zbul and processed the dried apricots in its raisin factory. The apricots are ready for shipment. CADG paid up to Afs 3/kg more for dried apricots (of higher quality) from the trained farmers than market prices.

Canola

As a trial, CADG crushed 180 kg of Helmand Canola in July 2004 in the peanut factory in Zhari Dashte, Kandahar – it produced 28% oil. There are plans to crush about 1mt later this month to continue the trial.

20 Canola demonstrations are planned for this winter, both in North and South Helmand. Last year the top yields were 549 kg/gerib in Nahrirsiraj district and 459 kg/gerib in Mosa Qala. If farmers continue to use our best practices then they will get high yields. (using a seeding rate of 2 kg/gerib)

Pakistan buys canola for both seed and oil extraction. Some samples have been sent to Punjab and they offered price PRs 17/kg which is a low price, but CADG is still waiting for a price from an oil extraction factory in Pakistan.



Pomegranates

CADG has been investigating the possibilities of exporting Pomegranates to Dubai and/or Singapore.

Last year we successfully exported the fruit to Singapore where it competed well with Spanish imports.

This year, meetings have been held with fruit traders in both cities, and feedback has been excellent. Samples were given to the traders, and it would seem that there is no shortage of demand for the fruit. We are now looking at different options for packaging and also ways of getting the fruit out of the country in good condition and at a competitive price.



Pomegranate Prices – Dubai

The wholesale prices in the market now are as follows:

Prices are in dhs, US\$ 1 = 3.5 dhs

Source of Fruit	Price per box of fruit (dhs)	# Pomegranates per box
Iran	10 - 12	12 - 15
Tunisia	20	12
Jordan	14	12
India (Red colour)	35	12
India (White colour)	20	15
Turkey	14	12

Spanish Pomegranates, when they reach the market in about a month have 36 – 42 fruit in each box, and start at 75 – 85 dhs per box at the beginning of their season, and dropping to 25 – 35 dhs by the end of their season.

Extension

An average of 30 farmers attended CADG's field days. Installed drip irrigation and trellis systems are being promoted through the extension service. Farmers understand the benefits of using trellis for their grape vineyards, however, the cost of the concrete trellis is expensive, while the wooden trellis is more affordable. Farmers also understand the benefit and have shown interest in drip irrigation, however, only where water is limited. Also, drip irrigation is expensive to install. For trellis and drip irrigation, farmers may need credit in order to install these technologies.



Challenges Encountered and Remedial Action Taken

Security continued to be an important issue. For this reason, all field days were cancelled through September until after elections.

One of the Lashkargah accountants was shot whilst traveling in Helmand province; luckily he was only hit in the shoulder, and is making a recovery. Sadly, his brother with whom he was traveling was killed in this same incident.

Project Manager Comments:

There is no doubt that CADG has worked a lot on the project expected activities. It is appreciated but I have some comments on their marketing activities which are:

1. CADG has not been able to separate accomplishments made on its RAMP-funded project from other USAID-funded projects.
2. CADG has not been able to integrate Afghan traders and processors into their marketing program. CADG needs to transfer the processing and marketing methods and technical expertise to the private sector and associations. For example, CADG has exported a considerable amount of dried apricots to Germany and Czech Republic but did not mention any information about purchase prices, processing, cleaning, packing, export costs, and the results of the export. Another example, CADG has crushed 180 kg of canola in July 2004 but has not reported the results.

**Agri-Input Dealer Training and Development Project
International Fertilizer Development Company (IFDC)**

Life of Project: 17-Feb-04 to 30-Jun-06

Provinces: Kunduz, Helmand, Ghazni, Nangarhar, Parwan

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#24-0004-IFDC	15-Feb-04	Abdul Samed Nazari	Dan Miller	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$2,970,300	\$192,116.19	\$276,589.43	\$275,964.65	\$2,417,745.92

Project Description: IFDC will train 2,000 agri-input dealers, improve market transparency through analysis and dissemination of market information, develop business linkages between Afghan and regional suppliers of agri-inputs and establish five private sector associations of agri-input dealers.

Expected Results (by the end of project):

Capacity Building - 2,000 dealers trained; Agri-input dealers increased by 32.3%, from 1,436 to a total of 1,900; 7 sustainable dealer associations formed at provincial and regional levels and 1 at the national level.

Enhanced Livelihood - Farm production of both foodgrains and high-value crops increased by 25% to 35%. Aggregate wheat production increased by 192,000Mt (valued at US\$19.2M)

Accomplishments this Quarter:

A meeting with 14 large, private and independent agricultural input wholesalers/dealers (fertilizers, seeds, CPP) from Kabul, Jalalabad and Ghazni was arranged with the Minister of Agriculture and Livestock, Sayed Hussain Anwari on September 1 at the Ministry. The dealers indicated that they fully support the wheat campaign and ensured the government that they would supply the farmers in a timely manner with approximately the same quantity of supplies as supplied last year. The meeting led to the preparation of a proposal signed by the Minister which has been forwarded to the Presidents office covering most of the problems indicated by the traders, particularly the need for credit and the removal of taxes, duties and cess that would enable the sector to procure and market increased quantities of inputs.

Project Integration

The first commercial credit loan was awarded to Noor Brothers to import CPP and veterinarian products. The loan was provided by the Afghan International Bank and was assisted by efforts from the project and the RAMP Finance section. The project provided a list of recommended traders for loan considerations. AKDN-ARMP has indicated that some small loans have been provided to agricultural input dealers in the provinces of Balkh, Badakshan, Bamiyan, Baghlan and Kunduz. The list of dealers was provided by the Project. A meeting between RAMP and a large grain-flour trader was facilitated by IFDC. The trader, the largest operator in the Baghe Kazi wholesale market is interested in investing in a flour mill. RAMP through GIA can provide technical assistance.

Other tasks completed this quarter:

- In September, one dealer training program was held in Logar. Thirty-nine agri-input dealers and 14 other people from extension and other agriculture organizations participated.
- From May to the end of September, 16 training programs have been conducted in 18 provinces in which 658 agri-input traders and 201 staff from extension, NGOs and international organizations were trained in basic technology of fertilizers, seed and crop protection products.
- A one day workshop for Nangarhar wholesalers and importers was held on September 23 in which 14 traders, the Deputy Director of Agriculture and the head of administration of the province participated. The program included instruction on planning, marketing, customer handling, bookkeeping and records, and other business issues were discussed.
- The work plan for October has been finalized.
- Three dealer training programs will be held in Maidan Wardak (Maidan Shehar), Parwan and Kabul on October 4, 20 and 27, respectively.
- Work continued on the wheat booklet, recommendation charts, leaflets and other training materials during the month. In addition, a distribution plan for the booklets was developed and implemented. Other routine field work continued.
- A brief summary of the dealer baseline survey is given below. This information has been entered into a database and reports are being generated. Currently, due to security concerns, the provinces of Uruzgan, Zabul and Nuristan and a few districts in other provinces were not covered in the survey. When situations stabilize, this work will be completed in the presently omitted areas.

Number of agro-input dealers surveyed: Total – 18 provinces - 1,176 agro-input dealers

The following databases were updated:

- Dealer Database from baseline dealer survey
- International Prices of Fertilizers
- Retail Prices of Fertilizers in local markets
- Retail Prices of Seed in the local market
- Retail Prices of CPP in local market
- Prices of Major Commodities

Analysis of the above data bases has started. A monthly report reviewing agricultural input prices and commodity prices in selected markets is being prepared. This report will be distributed monthly.

A meeting with 14 large, private and independent agricultural input wholesalers/dealers (fertilizers, seeds, CPP) from Kabul, Jalalabad and Ghanzi was arranged with the Minister of Agriculture and Livestock. During the meeting the dealers were able to directly communicate with the Minister. The dealers indicated that they fully support the wheat campaign and ensured the government that they would supply the farmers in a timely manner with approximately the same quantity of supplies as supplied last year. Moreover, they indicated that if the government wanted more supplies brought into the country then the government would need to assist the traders in overcoming business constraints. In addition, the dealers provided a list of suggestions for removing barriers to the agricultural input business and requested resolutions to the problems. The Minister prepared a proposal from the information provided to him by the dealers. The proposal signed by the Minister was forwarded to the President's office covering most of the problems indicated by the traders, particularly the need for credit and the removal of taxes, duties and cess.

- The wheat crop technology booklet was printed in Dari and Pashtu and a distribution plan was developed and implementation started. The booklets will first be distributed to dealers and producers in the higher elevations followed by distribution to dealers and farmers in the lower elevation. This order was determined by the normal planting date for wheat.
- Recommendation charts for Kabul Zone were prepared in Dari and Pashtu and taken to the printers. Similar charts are being prepared for Kandahar followed by Nangarhar. These charts will serve as quick reference guides for the dealers and will be displayed in the shops.
- Sales registers for dealers were printed in Dari and Pashtu and distribution was started.
- The dealer training program for Maidan Wardak scheduled for September 29 had to be delayed until October 4. The only available hall was being utilized by the UN for election training purposes.
- Mr. Mirza Feisal Beig was replaced by Dr. Gerald Turnbull as the COP in Kabul.

Looking Ahead

The following activities have been planned for Agricultural Input Dealer Training Programs/Workshops, etc.

Location Dates

Dealer Training in Maidan – Wardak - October 4

Dealer Training Program in Parwan - October 20

Dealer Training Program in Kabul - October 27

- Completion of the fertilizer, small farm implement and CPP market assessments.
- Distribution of the Dari and Pashtu wheat crop production technology booklet
- Printing and distribution of the input recommendations charts for two zones in Dari and Pashtu
- Finish translation of Fertilizer Guide to Dari and Pashtu and distribute.
- Follow-up with multi-national CPP and seed companies to link up with Afghan traders and dealers
- Planning of dealer training programs and other activities for November.
- Development of training material for second round of training. Areas of training will be marketing, business and marketing planning, record keeping, farm implements and a technical review.

Challenges encountered and remedial action taken:

When the work plan was originally developed there was no consideration for the elections. Currently increased security concerns have resulted in delaying the second round of training by one week. The office time will be used for developing training modules and completing charts and leaflets. Difficulties were encountered with printers changing file contents after submission for printing. In the future, files will be submitted in PDF form.

Security concerns continued to affect some field work. Car rental is still difficult in certain regions.

Project Manager Comments

IFDC was requested to utilize more effective means of communication at their training programs in order to make the program more interactive with the dealers and other participants.

**Agriculture Sector Training in Afghanistan
International Arid Lands Construction (IALC)
Life of Project: 1 April-04 to 30 June-05
Provinces: Nationwide**

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#25-0004-IALC	14-Mar-04	Alem Alemi	Dan Miller	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$400,000	\$0.00	\$300,000	\$0.00	\$100,000
Project Description: IALC is providing training toward the restoration of arid and semi-arid lands in Afghanistan. Trainees will learn to apply appropriate technologies in agriculture and livestock development. The training activities include: short courses, scientist to scientist mentoring and long term training at the M. Sc. level.				
Expected Results (by end of project): Capacity building - 100 agriculturists, MAAH staff members, and agriculture university faculty members will be trained in agricultural technology and enterprise development skills; 24 scientists will receive specialized practical training through twinning of Afghanistan and Pakistan Agricultural Research Institutions; 5 technical manuals will be produced, suitable for individual reference or farmer training sessions.				

Accomplishments this Quarter

This quarter saw the completion of all training programs and activities that were approved and funded. This comprehensive training program plan was elaborated in the Cooperative Agreement Renewal, submitted in September 2003.

In addition to the completion of FY 2004 activities, time was also given to forward planning. An FY 2005 work plan was prepared which, when combined with the FY 2005 budget, will constitute the Scope of Work and justify the continuation of core funding for this component. The next proposal, requesting \$648,200 in supplemental funding from RAMP to support calendar year 2005 training programs, is in near-final form and will be submitted next month.

Activities of this period (July 1 to September 30):

The last four short courses in the FY 2004 program of offerings were completed during this period. Courses titled "Animal Nutrition" and "Integrated Pest Management" were held in Peshawar during the period June 14 through July 12. The previous quarter's report provided course outlines and lists of participants.

The other two courses held during this quarter were "Preservation of Fruits and Vegetables" (July 16 to August 13 at the Agricultural Research Institute, Tarnab, Peshawar) and "Post-Harvest Management and Marketing Skills" which was conducted at the NWFP-AU, Peshawar during this same period. Outlines, participant lists and evaluation summaries for these last two courses are attached to this report. Completion of these courses has brought us to a total of eleven courses delivered since the August 2003 inception of these training activities, reaching a total of 229 participants who were drawn from all segments and levels of the agriculture sector in Afghanistan.

Another significant activity was the enrollment of ten Afghans in M.Sc. programs at the NWFP-AU. They arrived on campus August 12 and are taking a full load of courses during the fall semester. These long-term trainees were previously serving as instructors in the Faculties of Agriculture at Kabul and Nangarhar universities.

Progress is being made on specialized small group training, which is an integral part of the long-range process of establishing "twinning" relationships between research stations in these neighboring countries. After seven Afghan scientists had been sent to two selected stations in the NWFP-AU system for structured short-term experiences, these research-oriented training programs were put on hold due to cash-flow problems, i.e., difficulty in transferring the supplemental funding from RAMP-Kabul to IALC headquarters.

The Afghanistan-Pakistan Training (APT) Group met on July 28 and made significant progress in taking on their role as an advisory body, as well as being a source of expertise in carrying out some of the activities that are envisioned for this component. Having met for the first time in January 2004, the APT Group will continue to meet twice each year to provide input.

COURSE EVALUATION

ANIMAL NUTRITION-0904

HELD AT NWFP AGRICULTURAL UNIVERSITY, PESHAWAR

June 14 through July 12, 2004

Legend: A= Strongly Agree, B= Agree, C=Disagree, D= Strongly Disagree, E= No Opinion

No. of Respondents= 20

COURSE EVALUATION

No.		A	B	C	D	E
1.	The course was relevant to your professional responsibilities.	16	4	-	-	-
2.	The course improved your knowledge to a great extent.	8	12	-	-	-
3.	Enough time was given for classroom lecture/discussion.	12	8	-	-	-
4.	Enough time was given for field visits.	13	7	-	-	-
5.	Recent developments in research and latest knowledge of the subject were imparted.	10	10	-	-	
6.	Problems and issues, which you usually encounter during your professional duties, were discussed during the course.	8	12	-	-	

TRAINING METHODOLOGY

1.	Lectures were informative and very helpful in communication of knowledge.	17	3	-	-	-
2.	Group discussions and consultations with instruction provided an excellent opportunity for sharing of experience.	11	9	-	-	-
3.	Field visits provided the chance to see the problems as discussed in the classroom.	13	5	2		-
4.	Teaching Methodology was effective.	14	6	-	-	-
5.	Group discussions are more helpful than the lecture.	8	9	2	-	1
6.	Course duration was about right.	7	10	1	-	2

TRAINERS' PERFORMANCE

Give response about the trainer of the course through following statements:

1.	He has good knowledge of the subject.	15	5	-	-	-
2.	He presented the subject matter nicely and spoke clearly.	13	7		-	-
3.	He has the ability to relate subject matter with solutions of existing problems.	12	7	-	-	1
4.	He answered trainees' questions satisfactorily.	16	4		-	-
5.	His overall performance was good.	15	5	-	-	-

Suggestions for further improvement (if any):

One month of course duration was not sufficient. It should be increased.

The course, teaching material and practical work was "the best". We are very much satisfied from Professors, researchers and technicians of NWFP AU. The course increased our knowledge and experience.

Practical and laboratory work should be increased. Enough time should be given to participants to practice his or herself all laboratory analytical work.

The course was very useful, teachers were expert and have a good knowledge and we have taken a lot of things in a short period of time.

We have completed one-year study work in one month.

If possible, the teaching material should be translated in Dari/Pushtu languages.

Relevant technical books should be provided to the participants.

M.Sc. program for B.Sc faculty members of Afghan Universities should be organized.

COURSE EVALUATION
INTEGRATED PEST MANAGEMENT-0604

HELD AT NWFP AGRICULTURAL UNIVERSITY, PESHAWAR

June 14 through July 12, 2004

Legend: A= Strongly Agree, B= Agree, C=Disagree, D= Strongly Disagree, E= No Opinion

No. of Respondents= 20

COURSE EVALUATION

No.		A	B	C	D	E
1.	The course was relevant to your professional responsibilities.	9	11	-	-	-
2.	The course improved your knowledge to a great extent.	4	16	-	-	-
3.	Enough time was given for classroom lecture/discussion.	6	8	6	-	-
4.	Enough time was given for field visits.	5	2	4	9	-
5.	Recent developments in research and latest knowledge of the subject were imparted.	3	17	-	-	-

6.	Problems and issues, which you usually encounter during your professional duties, were discussed during the course.	5	13	2	-	-
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TRAINING METHODOLOGY

1.	Lectures were informative and very helpful in communication of knowledge.	4	16	-	-	-
2.	Group discussions and consultations with instruction provided an excellent opportunity for sharing of experience.	1	14	4	-	1
3.	Field visits provided the chance to see the problems as discussed in the classroom.	7	7	6	-	-
4.	Teaching Methodology was effective.	7	11	1	-	1
5.	Group discussions are more helpful than the lecture.	6	9	4	1	-
6.	Course duration was about right.	1	6	5	7	1

TRAINERS' PERFORMANCE

Give response about the trainer of the course through following statements:

1.	He has good knowledge of the subject.	9	11	-	-	-
2.	He presented the subject matter nicely and spoke clearly.	7	12	-	-	1
3.	He has the ability to relate subject matter with solutions of existing problems.	8	12	-	-	-
4.	He answered trainees' questions satisfactorily.	6	14	-	-	-
5.	His overall performance was good.	5	14	-	-	1

Looking Ahead

Plans are being made for a TDY by Myers and Santas during the first half of November, with one week spent in Pakistan and one week in Afghanistan. Many changes have taken place and much progress has been made since our visit to the field one year ago. We anticipate the proposal for calendar year 2005 supplemental funding will have been submitted to RAMP-Kabul prior to our visit, so the centerpiece of our time in Kabul will likely consist of work with RAMP personnel to discuss and reach agreement on training activities they will support. Our proposal will include twenty M.Sc. degree starts in January 2005. If this portion of the proposal is approved by RAMP, we will need to move quickly on selection of these degree participants. They will likely be drawn from universities throughout Afghanistan that offer instruction in the agricultural sciences as well as from selected research stations and divisions of the Ministry of Agriculture and Animal Husbandry. If time and security conditions permit, we plan to visit Balkh University in Mazar-e-Sharif to discuss their training needs.

Project Manager Comments:

The Project must assess the impact of the training by following up with the Trainees after the Trainees have returned to their work station. There is concern whether these Trainees are actually using the knowledge and training that they have received.

IALC has been advised to provide a copy of the short term training course syllabi to the RAMP office as well as copies of the five technical manuals that IALC developed.

Dried Vegetable Program

Developments Works Canada (DWC)

Life of Project: February 29, 2004 – February 28, 2005

Province: Parwan

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#26-0004-DWC	15-Feb-04	Atiqullah Mohibi	Albert Merkel	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$2,223,102	\$400,394	\$400,394	\$513,022	\$1,309,686

Project Description: DWC will develop a dried vegetable agribusiness that includes the construction of a 6,200 square foot dehydration factory to be used for cleaning, dicing, and drying machinery, a warehouse, a small test laboratory, a classroom for the research farm and training opportunities, and a 70 meter borehole to provide clean water for washing produce and irrigating the research farm.

Expected Results (by the end of project):

Capacity Building - Construction of one fully operational vegetable drying factory; formation of one local Afghan profit-driven corporation to manage factory and marketing of products.

Enhanced Livelihood – Employment created for 400, mostly female farmers, in the sun-dried tomatoes projects; Employment created for 120 persons at the factory.

Accomplishments this Quarter:

Factory Construction:

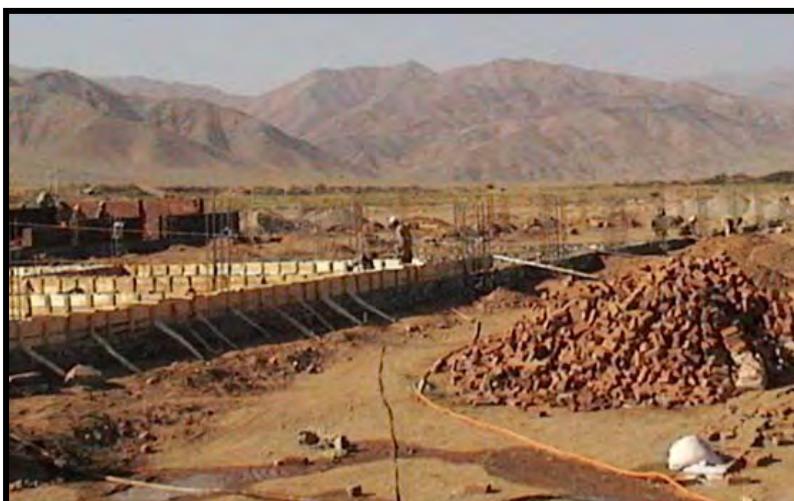
Construction order was issued on 27th July 04. Contracted mobilization fees were paid on 31st July 04 and on the 12th September for completion of the Foundations. Contracted term is four months with DWC occupancy planned for the 1st December 04.

Last estimate is that the walls shall be completed by the end of October. Apart from worker days lost through local security issues, the construction program is unaltered.

Generators:

Following the recent completion of the Factory Generator room and due to the continued total reliance on external power sources, four [4] units have been acquired.

- 3 x 100KVA & 1 x 27KVA.



Factory construction is on schedule

The total project power requirements, including contingency stand-by units have been planned at 3 x 100KVA & 2 x 27KVA. Initially one 27KVA shall be utilized to replace the rented unit at the temporary Charikar office and the other within the planned local crate manufacturing facility.

Truck acquisition:

The opportunity presented itself to acquire a new Kamas [ten wheel, 8 ton] high body truck from the Afghan agent in Mazar-e-Sharif. This unit has greater specification than what was initially envisaged – all within the budget limitations. The Kamas truck is now stationed at the Charikar Factory site under security control.

Research Farm

Research farm crops have been planted, and are presently being watered with typical furrow irrigation method on one plot. Overhead sprinklers have been setup on a second plot and land preparation and planting is underway. Drip irrigation is to follow at a later date.

Sun-Dried Tomato Project

DWC has made agreements with 14 communities to participate in the Sun-Dried Tomato project: Sadaqat; Sadulah; Daulana; Dashthofian; Mian Shakh & Babakhil; Totomdra Aolia; Totomdra Sofla; Doughabad; Akhtachi; Telanchi; Qalacha Soukhata; Khawja Siaran; Sofian Laghmani; Qalainaw Laghmeni.

No additional farmers have been approached as we have achieved our quota objective. Farmers are being re-visited until such time as we are ready to set contracts.

Verbal agreements and coordination arrangements have been made with the farmers. Contracts will be signed only once the factory is proven operational. As explained in the proposal and contract, actual payments will be based on spot-market rates as determined by DWC.

Challenges Encountered and Remedial Action Taken

The local commander stopped work and demanded all construction workers be hired from his village (workers were previously being hired from the market in Charikar town). As the governor has agreed with the commander we are now in the process of getting a list of workers from the commander in order to hire his people.

The canal is now being shared with Kapisa province and water availability was decreased to 4 days a week. This is slowing construction down. The contractor is bringing a large truck with a water tank.

De-mining of the farm site has stopped to allow the factory construction to continue. As it is within the 300m blast range the 2 exercises cannot be carried out simultaneously. De-mining will be completed when the factory closes over the winter. Current demining certificate has been obtained.

Looking Ahead

Arrange for procurement of vegetables from Jalalabad for processing this December and January 2005.

Factory

Completion of the walls by the end of October and install all machinery and equipment in order to begin processing vegetables in December.

Research Farm

- Acquisition of 2 x Tractors and associated equipment.
- Complete vegetable research work, tabulate and report results.

Crate Production

Continue crate production in Charikar;

Project Manager Comments:

Construction of the factory was delayed due to the explosion of a mine at the factory site.

Western Afghanistan Irrigation Rehabilitation Project and Agribusiness Program
Catholic Relief Services (CRS)
Life of Project: 15-Mar-04 to 28-Feb-05
Provinces: Herat

Job Order No.	Date of Award	Project Manager	USAID CTO	USAID CO
JO#27-0002-CRS	17-Feb-04	Abdul Quduus	Dan Miller	Kyle Newkirk
Ceiling Price	Quarter Expenditures	Cumulative Expenditures	Accruals to Date	Balance
\$3,499,767	\$0.00	\$0.00	\$0.00	\$3,499,767
Project Description: CRS is rehabilitating irrigation systems and creating market opportunities for three high value crops and providing technical assistance to producers and other supply chain entities.				
Expected results (by end of project): Enhanced Livelihood -100 km of primary canal structures rehabilitated; 16,000ha existing land irrigated optimally, resulting in annual gross income of US\$7.8M (annual wheat output value); 4,000ha extra arable land irrigated optimally, resulting in annual gross income of US\$1.9M (annual wheat output value); 7,000 farm families achieve increased output and incomes.				

Accomplishments this Quarter

Recruitment of staff:

- All international and 12 national Agronomists are in place. This includes both CRS agronomists and Ministry of Agricultural Training extensionists.
- 12 “Field offices” identified in Injil and Gujara districts by Agronomists and Extensionists. PRA’s initiated in the target areas to identify community needs and to begin sensitizing target communities on project activities.
- Establishment 8 sub-offices in Ingil and Guzara districts.
- General survey of program area: General land-use survey completed in Injil District. Similar survey is on-going in Guzara District. It is expected to be over by this month.
- Draft of detailed implementation schedule submitted
- Baseline data collection at sub-office locations under way.



CRS staff demonstrating saffron planting

Tomatoes (Activities):

Establish tomato demonstration plots

- Greenhouse construction in Urdu Khan research station started
- Green-house construction in 10 farmers’ fields started
- Tomato varieties for green house cultivation identified and seeds procured
- Seeds of one / two “transport friendly” varieties are procured
- Green house cultivation of tomato has been initiated in 10 villages. Plan is to organize field days with farmers to demonstrate critical stages of agri-business management. This will facilitate formation of tomato growers association.
- Materials for greenhouse demonstrations purchased, construction underway.
- 2 agronomists have attended greenhouse trainings in Kabul. Plans underway to train other 6 agronomists
- TWG members identified.
- Work with banks to facilitate provision of credit for cold storage and other facilities.
- Facilitate drafting of business plans and mechanisms for securing loans
- Meetings with CNFA confirmed their interest in working with CRS project participants on agri-business enterprises including small scale processing of tomatoes.
- RAMP cold storage expert came out to Herat and met with CRS staff and project participants. His input has been valuable both to CRS staff and to possible cold storage entrepreneurs.
- Work in these areas will resume in the second half of October.

Saffron (Activities):

Establish TWG

- Farmer members identified
- Saffron TWG formed by 15 Aug
- Saffron TWG has first meeting in the 2nd half of August.

Establish saffron demonstration plots

- In one place dates of sowing, Bulb size and inter-cropping experiment started
- 10 other farmers identified for saffron demonstration
- 20 other farmers identified for saffron demonstration
- Bulbs for saffron cultivation have been ordered
- Bulbs for remaining demonstration plots are waiting collection.
- Second planting completed on research saffron plot.
- Bulbs required for 10 demonstration plots are procured and demonstration plots are ready

Conduct local and international market surveys

- Market survey ongoing. Visits with saffron importers, exporters, shopkeepers, and farmers are being conducted. Also traders in Iran and Dubai have been identified.
- Will have results of sample tests by US spice distributors. Will have mapped possible export channels for saffron in the region.

Set up agreements with foreign buyers

- Working with CRS Fair Trade Officer in USA and SERRV to explore fair trade linkages
- Identified consultant to follow up market connections in US, EU and India
- Agri-business consultant to contact distributors/ wholesalers/ retailers in the US, ie McCormick, Whole Foods, and Trader Joes to gather information on their interest in supporting trade for Afghan spices, grades and standards, and volume requirements
- Provide technical training in improved saffron production agreement with RAMP to take 2 cold rooms for cold storage demonstrations.
- Extensionists are in the field daily between September 15-30. Resume in late October.

Cumin (Activities):

Establish TWG

- Traders identified for participation in TWG
- TWG establishes marketing strategy

Organize producers for collective marketing to traders

Conduct local and international market survey

Baseline market survey underway

- International spice companies/retailers (McCormick, Whole Foods) contacted for their interest in Set-up agreements with international buyers working with Afghan producers, and volume/quality requirements

Set-up agreements with international buyers

Technical training in production, harvesting, and cleaning

Agricultural Extension

- ASP has strengthened its agronomic extension team by hiring seven agronomists and one senior Agronomist. The program has also completed formalities for hiring four Government Extension officers as part-time workers with effect from first September. This will strengthen the ASP team in the field as well as build capacity for Government extension workers. This approach of ASP Agronomists and Government Extension workers working together will avoid chances of farmers getting conflicting message. The identified eight field offices will prompt farmers to access extension services more than ever before.
- CRS has also made a positive linkage with the Ministry of Agriculture Training to work with their extension agents for the benefit of both CRS and the Ministry. The 8 CRS agronomists and the 4 Ministry extension workers will work under the supervision of the Director of the Urdu Kahn Research Station and the CRS Technical Advisor for Agriculture and Env. CRS will subsidize Ministry employees salary for the duration of their work with the Agribusiness Support Program.
- The agronomists and extensionists will be based in 12 small field offices in Guzara and Injil Districts to support farmers and farmer groups in basic agronomy and best practices for horticulture production. Agronomists, extensionists, and farmer leaders will receive regular training in relevant topics.
- Two of CRS' agronomists attended a 5-day training on greenhouse production sponsored by ICARDA, in the first week of August.
- Demonstration plots for horticultural crops (tomatoes, peppers, cucumbers, etc) are being prepared for greenhouse production this fall.
- Demonstration plots for saffron are being prepared for planting in the next few weeks.

Credit for cold-storage

One challenge on cold-storage for this season is access to credit. CRS has spoken with RAMP about possible credit mechanisms, including the Afghan Int'l Bank and Afghan Finance Company. According to plan, Afghan Finance Company will provide credit in the range of \$10,000 to \$500,000 which covers the range we are immediately considering (\$10,000-30,000). As these credit providers are new and not expected to be ready in the immediate

future, we are considering alternatives. One is to procure cold storage facilities with RAMP funds and CRS private grant money, then establish some mechanism to finance them to buyers, post-facto. Two, CRS will meet with CNFA early in August to look at grants under their USDA-funded project. Three, CRS has met with representatives from MISFA to discuss possible credit opportunities for entrepreneurs and groups interested in agricultural credit. We met with FINCA to assess their interest in providing small loans (not micro) and will explore this more later in August.

Technical Support for cold-storage

The second challenge for getting cold-storage on the ground by October is the immediate need for technical support. Beyond the installation of the pre-fabricated cold-storage containers through GIA, there seems to be potential for building larger scale facilities in Herat. We met with an owner of a fairly large ice factory in Herat who has a relatively sophisticated cooling system; CRS and the owner are confident that a similar system could be modified for larger-scaled cold storage facilities.

Marketing survey

- Marketing survey data was collected in July and August. The information gathered to date is attached in a separate survey report.
- CRS will invite 2 consultants to Herat in November to (a) conduct import substitution surveys in Herat, other towns in western Afghanistan, and Kabul (b) provide input into developing modules and strategies for working with TWGs, and (c) train CRS staff, cooperative leaders, and some TWG members on marketing and supply chains.

Challenges Encountered and Remedial Actions Taken

- Due to delayed implementation, CRS had proposed to work primarily with greenhouse production this year and push for cold storage units in the 2005 harvest season. However, at RAMP's encouragement, we have initiated several activities to get some cold storage units established by end of October. Cold storage has much support in Herat province; however, few interested parties have the capital to invest in such facilities. The credit products expected to be available through RAMP and others are not yet ready for this harvest season. Farmers perceive existing loans have too high of an interest rate. For example the marketing committee is willing to take loans at 5-6% per annum, but used credit is at about 9%. CRS is looking for and helping to create the necessary credit sources for timely construction. One strategy that has been suggested by RAMP is that CRS put capital up-front, providing we can identify a lending institution that will then finance the cold storage units with end-buyers.
- Current security concerns in Herat Province surrounding upcoming elections and the removal of Ismail Khan as Governor of Herat have brought cold storage construction into question for the entrepreneurs CRS Agri-business staff members have been working with.

Grain Postharvest Training, Storage and Milling in Afghanistan
The Grain Industry Alliance
Life of Project: 15-Mar-04 to 30-Jun-06
Provinces: Kunduz, Helmand, Parwan, Nangarhar, Ghazni

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#28-0002-GIA	15-Mar-04	M. Alem Alemi	Albert Merkel	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$2,799,057	\$ 595,154.91	\$ 595,154.91	\$176,716.33	\$2,2027,185.76
Project Description: : GIA will provide training opportunities and demonstration sites for cleaning, storage and handling of grain, develop 25 community level storage sites, 25 full scale farm demonstration units and 25 small farm demonstration units.				
Expected Results (at end of Project): Enhanced Livelihood – Storage loss reduced from 5% to 15%; Approximately 20Mt/per unit saved, valued at wheat equivalent of US\$105,600				

Accomplishments this Quarter:

Bagram Dock High Warehouse with Cold Storage

- Eight dry wheat marketing/storage warehouses are transformed to dock high, cold storage, wet processing centers, offering also storage and processing for fruits, melons, and vegetables.
- Assisted in the potential privatization of Government owned Milling complexes and Silo/Mill and Bakery complexes at Kabul, Pul-I-Khumri and Mazar-I-Sharif.
- Ten cold storage rooms to be added to district warehouses shipped from Argentina destined for Karachi, Pakistan, then on to Kabul.
- Purchased three cold storage refrigeration containers for RoP grape pilot marketing program, these containers are being used for chilling packaged fresh grapes destined for markets in India.
- Hosted and assisted owner of Kunduz Flour Mill obtain exemption of 4% import tax on Agricultural Processing equipment.
- Transported Kunduz miller to Jalalabad for signatures at Port of Entry. GIA staff hand delivered five copies of tax exemption documentation to Peshawar, Pakistan equipment manufacturer
- Introduced Kunduz miller to Agriculture In-Process Bank Loans through RAMP supported finance program.
- Developed wheat origination for miller utilizing six district warehouses for Kunduz Province
- Introduced Kunduz and Herat Flour Millers to ICARDA wheat breeders with the aim of matching yield potential with product quality and demand.



The Bagram Dock High Warehouse under construction

Tasks in progress

- Warehouse construction at six Kunduz Province district locations
- Warehouse construction at two Parwan Province district sites
- Letting contracts for three district buildings in Kandahar and Ghazni Provinces
- Ten panelized cold storage rooms to place with associations & cooperatives
- Assessing district warehouse sites for Parwan, Ghazni and Helmand Provinces.
- Ministry of Agriculture Engineering reviewing training center design for Mir Basha Kot.
- GIA staff is revisiting sites selected to verify GPS readings and documenting utilization of tanks.
- Assisting in development of business plan for working capital loan to Kunduz Flour Mill owner.
- Introducing Kunduz entrepreneur to RAMP assistance in Developing Business Planning and Banking
- Ed Huxel, designs cold storage rooms for Training center. Proposes ammonia vaporization cooling.

Cold storage introduced at each district warehouse.

GIA assessed the cold storage needs of each district warehouse to determine the multi-use potential of each warehouse for fruits, vegetables and melons. Assistance will be offered to each producer association in developing a business plan to qualify for Ag loans developed by RAMP rural financial services projects. GIA will build one training center in Kabul Province at Mir Busha Kot. The detailed design and materials list have been approved by RAMP and await Ministry of Agriculture approval.

Quality Control and Food Safety

GIA will assist in the procurement of laboratory equipment (Aflatoxin testing kits from Vicam Equipment) for quality control at the government mill complexes and to furnish a food safety laboratory for the government. GIA will collect donated laboratory equipment needed for Mill and storage facilities while in the U.S.

Cold Storage Training and Technical Assistance

GIA has a staff Cold Storage Engineer in Kabul, Afghanistan to provide technical assistance in Cold Storage during the month of September. Ed Huxel designed cold storage rooms for the Mir Busha Kot Training Center. He designed poly-urethane panels for cold storage that can be built in Afghanistan. Ed is recommending the use of Ammonia Evaporation Cooling or gas powered refrigeration for the cooling systems. The systems are low cost easily maintained and reliable in

remote areas and villages without dependable electricity.



Three Cold Storage Refrigerated Containers purchased by GIA for Roots of Peace pilot marketing program.

Project Manager Comments:

GIA needs to train the recipients of the holding bins in postharvest technologies and relocate any bins that are in insecure locations. In addition, GIA needs to assist the village-based seed enterprises (ICARDA) that received the holding bins in understanding the various cleaning, storing, fumigating, and other techniques that are needed to maintain the various types of seeds (wheat, rice, mung beans, etc.)

GIA also needs to assist ICARDA, who is responsible for training the village-based seed enterprises in producing, maintaining, and marketing their seed, in training and transferring the post-harvest methods that involve the holding bins and storage and/or warehouse facilities.

Although the sub-contractors to GIA that are building the warehouses in Kunduz did not meet their construction deadline (end of September), they had some legitimate reasons for not finishing on time. However, the additional time to be given to the sub-contractors should not extend beyond October, otherwise the penalty (as put forth in all the contracts) will need to be assessed by GIA

Grape Revitalization for Afghanistan Productivity and Empowerment

Roots of Peace (RoP)

Life of Project: March 14, 2004 to March 30, 2006

Provinces: Parwan, Nangarhar, Ghazni, Helmand and Kandahar

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#29-0004-RoP	14-Mar-04	Abdul Samad Nazari	Albert Merkel	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$3,959,123	\$ 588,439.50	\$ 1,642,664.77	\$408,373.55	1,908,084.68

Project Description: RoP will provide extension services for Afghan farmers, training for MAAH extension agents, develop 10 model farms for best practices, create market/collection centers, improve vine propagation; establish 3 Farmer Owned Businesses (FOBs); promote commercial sales management to re-establish and develop local, regional, and international markets.

Expected Results (by end of project)

Capacity Building - Establishment of foundation nursery and integrated grape/raisin marketing system; 20 horticulture extension agents trained in vine propagation and maintenance; Establishment of 9 association managed processing/packaging centers

Enhanced Livelihood - 22,000ha vineyards upgraded through enhanced agricultural technology; 13,000 farm families adopt agricultural technologies leading to increased income; Grape/raisin export increased by 35%.

Accomplishments this Quarter

Marketing

- Surveyed and completed construction of 13 market collection centers in various districts in 4 provinces (Logar, Ghazni, Zabul/Qalat and Kandahar)
- A RoP delegation went to India, identified fresh grape buyers, and worked out an agreement with Indian traders to buy grapes
- Special shipping cartons for fresh grapes were purchased from J.K. Enterprises, a packaging manufacturer in India
- Visited Torkham border, Peshawar dry port, Wagah border, Karachi sea port and custom offices in Karachi to assess transportation cost and customs fees for Afghan products sent to Pakistan
- Reefers (refrigerated containers – 20-foot and 30-foot length) were put in position in Mirbachakot district of Kabul province for processing and packaging grapes
- About 1.5 MT of grapes were purchased from Kandahar farmers to be exported to India as a pilot project. Due to the late arrival of empty carton boxes from India and over ripening and high sugar content of the grapes, it was determined that they were not exportable quality. Therefore, the grapes were transferred to Kabul and sold in the local market for a good price.
- The quality and brix (sugar content) of the selected grapes in Shakardara and Guldara districts of Kabul province was very good (brix = 18-21%) for the Indian market. According to Mr. Salunki, the Indian consultant who supervised the selection of the grapes, there was enough time for the grapes to be shipped to India.
- During this period, RoP held several discussions and negotiation sessions with grape farmers about the purchase price of grapes; a reasonable purchase price (34 Afghanis or \$0.74/kg) was negotiated
- A total of 2,928 kg of the Thompson seedless grapes (Shunderkhani) from Shakardarah district of Kabul province were purchased (for US\$ 2,196). The grapes were sorted, graded and packed in 4.5kg carton boxes purchased from India
- 385 boxes of grapes from Shomali Plains were exported by Ariana Airline to Delhi, India
- 112 boxes of second quality grapes which were not exportable, were sold in local market in Kabul city for a good price.

Extension

RoP trained 40 extension workers in

- Viticulture production techniques from July 10-19, 2004
- Extension methods, training of trainers course from July31-August 12, 2004.
- Post-harvest grape technologies from August 21-24, 2004.

Informal training/meeting

- A post-harvest expert Mr. Salunke, was brought in from India to train extension agents in harvesting, grading and packing grapes for the Indian market.
- Trained 52 farmers and 22 laborers in harvesting and packing fresh table grapes for export.
- 238 grape growers were trained in the application of fungicides using a sprayers.
- Three manager's meetings were held in RoP to discuss harvesting methods, harvest date, and cluster weighing.

- Extension agents harvested 10 fields of the sulfur demonstration plots. A greater than 33 % increase in yield was obtained using a cluster as compared to the traditional methods. The demonstration was witnessed by 50 farmers.
- A total of 186 farmers in 32 vineyards were trained during the cluster and cane counting survey on harvesting techniques.
- A survey of vineyards using gibberellin to increase berry size was completed in Shakardara district. Shondurkhani variety grapes were purchased from one vineyard for the export pilot.
- More than 72 farms were surveyed for export quality grapes, six farms were found to have grapes of suitable quality.
- Two group meetings with farmers of Beezaar village in Shakardara were held during which negotiations for grape price were discussed. Representatives of RAMP were present during the meeting.
- Contact grape growers were trained in fertilizer and sulphur application.
- Three field days demonstrating the grape production technologies were conducted.

Sulphur demonstration

- Conducted sulphur demonstrations on 22 model farms and trained a total of 238 farmers on sulphur application.
- Harvested sulphur 11 demonstration plots, recorded the yield and compared the yield of vines on which sulphur was applied with the yield of vines where sulphur was not applied.

Market centers

Construction of two market centers (storage, processing and packing centers) in Shamali Plains (Bagram and Laghmani) is nearly finished and the construction of the third center (in Mir Bachikot) will start in the very near future.

Survey

- Conducted surveys (in Guldara and Skakardara two districts of Kabul province) of grape varieties treated with gibberilic acid to compare the production results with grape production of untreated vines
- Completed cluster counting and weighing of grape clusters, and analyzed the results
- The cluster counting evaluation survey is a valuable tool for both production and market planning. The number of clusters and canes per vine are used to calculate crop load, which directly affects cluster and berry size.

Nursery

- Selected one provincial nursery site in Mirbackakot district of Kabul province
- Weeded and irrigated foundation nursery of 22 different grape cultivars in Darulaman research station.

Others

- Provided technical instruction regarding grape collection/harvesting, sorting, packing and grape drying to the contact grape growers in various districts of Parwan and Kabul provinces.
- Visited project sites, provided suggestions and recommendations to grape growers on establishing grape nursery and vineyards
- Held a meeting with the representatives of Univ. of California Davis and Agland Investments to establish implementation strategies for the upcoming year.
- Analyzed percentage of glucose in grape demonstration plots
- Held a meeting and provided technical instruction to 24 grape growers regarding collection of the crop, processing, packing and delivering the grape to the market.
- Held three manager's meetings in RoP office. The purpose of the meetings was to discuss harvesting methods, time of harvesting, cluster counting & weighing of selected demonstration plots.
- Through the cane and cluster counting program, 186 farmers in the 32 vineyards were trained on pre- and post harvesting technology.

Challenges Encountered and Remedial Action Taken:

Grapes (Shunderkhani and Thompson seedless) of very good quality were found in Shakardara and Guldara districts. The grapes were generally large size as they were treated with gibberellic acid. However, the farmers were asking a very high price (58 Afs/kg) and preferred to keep their grapes (as it late in the harvest season) until they got the market price they were looking for. As a consequence, RoP purchased Taifi (red grapes with seeds) for export to India and Dubai.

Looking Ahead

- Devise strategies for the control of the cicada species infesting vineyards in Bagram.
- Plans for cold-storage of fruit will be developed with growers.
- Additional workshops on pruning will be held.
- Demonstration of raisin drying will be given to farmers.
- Post-harvest methodology extension messages will be given to farmers.
- A two-week training program on agribusiness management will be held for extension agents

Locust Control Program, Northern Afghanistan

Food and Agriculture Organization (FAO)

Period of Performance: March 11, 2004 – Dec. 31, 2004

Project Sites: Balkh, Samangan, Baghlan, Kunduz and Takhar

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#30-0004-FAO	11-Mar-04	Abdul Samad Nazari	Dan Miller	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$606,651	\$0.00	\$461,465.	\$0.00	\$145,186

Project Description: FAO will implement an emergency locust control program in northern Afghanistan and supply essential laboratory equipment to the Plant Protection and Quarantine Department (PPQD) in the Ministry of Agriculture and Animal Husbandry

Expected Results (by end of project):

Capacity Building - 8 PPQD technical staff, over 1000 operators, and over 100 organizers/supervisors trained to carry out locust control operations.

Enhanced Livelihood - A total of over 100,000 hectares of agricultural land (with a potential production of 400,000 metric tons of wheat) protected from locust damage to crops. Food security improved for more than 270,000 farm families

Accomplishments this Quarter:

- Conducted the oviposition survey, which identified the sites where locust have laid eggs this year and determined their position by GPS. The survey is useful for forecasting locust problems by location and for planning the locust control campaign
- A two-day end-of-season Workshop to review this year's campaign was held in Pul-i-Khumri, center of Baghlan province.
- Collected all equipment from the field, cleaned and stored the equipment in FAO's Mazar regional office.
- Participated in an IPM strategy meeting
- Ordered most of the equipment and supplies for the rehabilitation and upgrading of the PPQD laboratory in MAAH, Kabul. The equipment & supplies arrived and are now in the Kabul custom house about to be cleared and installed at the Plant protection Department
- The physical renovation of the laboratory (floors, counters, tables, etc.) at the Plant Protection Department of the MAAH is 100 % complete

Challenges encountered

- Processing and clearance of report in FAO headquarters, FAO/Rome takes too long.
- The order which was sent by FAO for the equipment and supplies for the rehabilitation and upgrading of the PPQD laboratory took too long to receive.

Looking Ahead

- Submission of locust egg-bed survey results
- Rehabilitation and upgrading of the PPQD laboratory in MAAH, Kabul.

Locust Control Program Northern Afghanistan
GOAL
Life of Project: 11-Mar-04 to 31-Dec-04
Provinces: Balkh, Baghlan, Kunduz, Takhar, Samangan.

Job Order No.	Date of Award	Project Manager	USAID CTO	USAID CO
JO#31-004-GOAL	11-Mar-04	A. Samad Nazari	Albert Merkel	Andrew Holland
Ceiling Price	Quarter Expenditures	Cumulative Expenditures	Accruals to Date	Balance
\$627,072	\$ 0.00	\$ 217,939	\$0.00	\$409,133
<p>Project description: GOAL implemented a program to mitigate the impact of Moroccan locusts on rural livelihoods in Northern Afghanistan. Key activities included the chemical control of locusts with the provision of technical support, plastic sheeting, nets, barrels for water, ploughs and tents; mobilization of the rural population to areas of locust infestation, through the provision of transportation; full logistical support to the FAO and Ministry of Agriculture for chemical control intervention; monitoring of locust-infested sites and program advances through constant feedback, crop damage assessments, and locust egg-bed surveys; and final evaluation and provision of data for the locust database, the FAO, and AIMS.</p> <p>Projected Impact:</p> <ul style="list-style-type: none"> Control of about 90% of the potential locust damage to agricultural crops in five provinces in Northern Afghanistan. Determine the remaining locust problem as assessed through a locust egg-bed survey completed at the end of the locust control period. <p>Enhanced Livelihood</p> <ul style="list-style-type: none"> A crop damage less than the 2002 level of 9% About 120,000Ha agricultural land protected from locust infestation Food security improved for more than 150,000 farm families. 				

Accomplishments this Quarter:

GOAL Afghanistan, in conjunction with the Food and Agriculture Organization (FAO), the Ministry of Agriculture and Animal Husbandry (MAAH) and the Plant Protection and Quarantine Department (PPDQ) implemented a locust mitigation program in five (5) provinces of the northern region of the country, namely Baghlan, Balkh, Kunduz, Samangan and Takhar. The objective of this program was to reduce the prevalence of locusts in these areas, thereby improving food security by protecting the crop harvests.

Upon completion of the program in July a total of 192,348 hectares of agricultural land had been sprayed with chemical insecticide and 787,272 hectares of cultivatable land had been saved. The total number of direct beneficiaries was in excess of 220,000.

GOAL's major contribution to the program was the provision of logistical support in the way of recruiting in excess of 140 local staff for the mitigation campaign, and contracting over 90 vehicles. GOAL also conducted the final impact assessment and egg bed mapping survey in late June and early July.



Photo illustrating the degree of infestation

While this program started late (due to the late approval and release of funds) and finished early (due to GOAL withdrawing all expatriates from Afghanistan as a result of the deteriorating security situation) all objectives of this program were successfully met within a reduced timeline and with a reduced amount of money spent.

	Area (ha) irrigated land saved	Area (ha) rainfed land saved	Total (ha) cultivated land saved
TOTAL	163,000	107,000	270,000

Community Support and Participation

The locally recruited staff members provided an essential resource in terms of identifying priority areas, assisting in project planning and providing local knowledge of areas of locust infestation and high risk areas. 1,020 volunteers were recruited for the locust mitigation support program. The volunteers were trained in the use of chemical hand held sprayers. Teams of ten sprayers with a Provincial Organizer were assigned responsibility for locust control in their home areas. Communities within which they were working provided these teams with food and accommodation during the campaign.

Coordination and cooperation with the UN system, other international agencies and NGOs

Throughout the program GOAL has had a good working relationship with UN agencies (especially FAO) and other international and national NGOs working in Northern Afghanistan. GOAL worked closely with governmental

departments responsible for agricultural development at provincial levels; this program has been closely coordinated with MAAH and PPQD, in particular. The Provincial Transport Departments have also been involved in assisting with the control and management of the large number of vehicles required for the campaigns in each area.

Impact Assessment Survey

An Impact Assessment survey was carried out by GOAL and FAO during late June and July 2004 in four (4) Provinces of Northern Afghanistan and will provide evaluation as to the success and effect of this project. (Note: Takhar Province was not included in this assessment due to the insecurity of the area and the smaller scale of operations therein).

For the survey, a random selection of villages was chosen in each of the locust risk categories (High/Medium/Low) and the project stakeholders (farmers and community leaders) engaged in a semi-structured focus group discussions using an FAO generated questionnaire. In total over 600 farmers across 120 villages were involved (5 farmers from each village). In addition, operators were interviewed separately, where possible.

Twenty experienced GOAL Agricultural Monitors and an expatriate Agronomist (who had no connection with the locust mitigation program) were involved in conducting this survey.

The results of this assessment will indicate harvest yields and any crop damage in the affected provinces. It will also assess success at beneficiary levels and evaluate its implications on household food security situation. The assessment also hopes to ascertain what the likely outcome would have been if there had been no intervention.

Data gathered during this assessment has been analyzed and a Final Impact Assessment Report prepared in September 2004. This report is currently under independent review and will be available in October 2004.

Challenges Encountered and Remedial Actions Taken:

- The late start of this project resulted in the locusts maturing to the marching stage of their life cycle making the control more difficult due to their rapid and wide-ranging migration around northern target provinces.
- A serious shortage of pesticide was averted by an airlift to Mazar-I-Sharif by the Belgian Air force. They delivered 24,000 litres of Deltametrin on 10 and 12 May 2004;
- The relative insecurity in the North of Afghanistan has continued to be a constraint in terms of resources and access to the rural areas. While operations tended to continue unabated - factional fighting and threats to international organizations in the period leading up to the elections were a major consideration;
- There was a serious escalation in security incidents throughout the early summer months; with a GOAL contractor in Roi-Du-Ab targeted in a mine attack in May and five national & international humanitarian aid workers murdered in Badghis in June, followed by twelve Chinese contract workers in Kunduz a week later;
- These incidents, combined with continued factional fighting, pressures exerted by the up-coming elections and DDR process and the increased activities surrounding the opium trade all restricted GOAL's field activities significantly as stringent security measures were adopted including travel restrictions, no overnights, limited site visits, car convoys and early curfews. GOAL made a decision to withdraw all expatriates from Afghanistan in mid-July.

Project Manager Comments:

This successfully completed project exceeded the expected results.

**Green Kabul Program
United Nations Office for Project Services
Life of Project: 10-Mar-04 to 30-Nov-04
Provinces: Kandahar and Helmand**

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#32-004-UNOPS	09-Mar-04	M. Alem Alemi	Dan Miller	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$999,380	\$ 0.00	\$ 586,365	\$0.00	\$413,015
Project description: UNOPS will procure and distribute approximately 1 million trees throughout Kabul. Its key activities will include: planting fruit and forestry trees in various public locations throughout Kabul, including schools, government buildings, parks, roadsides, and the Kabul Green Belt; organizing Kabul Green Week activities, including public events, children's activities, receptions, entertainment, and education; and coordinating an ongoing public information campaign to raise public awareness of environmental issues in Afghanistan.				
Expected Results (by end of project):				
Capacity Building - 2.5 million Kabul residents receive Environmental Education through media.				
Enhanced Livelihood – activities will generate 30,000 labor hours of employment in and around Kabul.				

Accomplishments this Quarter:

In addition to the 750,000 trees distributed by the project during “Kabul Green Week” in March, UNOPS has kicked off an ongoing public information campaign throughout the year. This will tie in to public events, including children’s activities, formal receptions, art exhibitions, and educational initiatives. The activities listed below contribute to the long-term success of the effort, reminding residents to care for their trees and the larger role they play in reclamation of their country, while also serving to build on earlier environmental messages through public announcements and activities.

- Mural Paintings 2
- Youth Conservation Corps Chapters 5
- Partnerships to develop YCC 2
- Public Information Campaign 1
- Television 1 (ongoing)
- Radio 1 (ongoing)
- Revision and Distribution of Environmental Education Curriculum 30,000 copies
- Development and Distribution of Soil and Water Conservation
- Technical Manual 1
- Regional Training Workshop held 6
- Primary school students receive Environmental Curriculum 340,000

An overview of results achieved to date:

- 750,000 trees distributed and planted
- 83 locations in Kabul cleaned of garbage
- 5,000 students participate in Youth Conservation Corps inauguration
- 150,000 seedlings planted Kabul Green Belt nursery
- 530,000 Kabul families receive and plant trees
- 65,000 trees planted by Municipality in public locations in Kabul’s 15 districts
- 11 Government of Afghanistan Ministries participate in public tree plantings
- 1.5 million Kabul residents receive Environmental Education through media
- 25,000 primary school students receive Environmental Education
- Environmental science curriculum introduced into schools of 6 provinces
- 9 public environmental murals painted
- 3 centers for special students (orphans, street children, deaf) launch chapters of Youth Conservation Corps
- 200 hectares of native forest under reforestation in Kabul Green Belt

Projected Impact of these Activities:

- Increased yields of 10 local fruit varieties
- 16 public Environmental murals painted throughout the city
- Increased income potential from household fruit production
- 30,000 labor days generated
- 200 hectares of native forest under restoration in Kabul Green Belt
- Environmental curriculum integrated into 18 provincial primary schools

- A public Environmental Education Campaign in the national media

Tasks completed during this period

Training Workshops

These intensive workshops are part of a larger strategy to develop capacity among Ministry staff and will be specifically useful in guaranteeing proper management of trees procured over Kabul Green Week. All participants received a training manual to keep, and from which to base follow-up trainings in the regions. The training materials are being introduced across the country to laborers, Ministry staff, schools, institutions and community groups.

Seed Collection and Care Workshops in August and September

Workshops held in Takhar (NE), Mazar (N), Bamyan (C), Jalalabad (E), and Kabul (C&SE).

Each workshop was two days long, bringing together Government staff from the Department's of Irrigation/Environment and Agriculture and Animal Husbandry from the provinces in the region. The participants all have extensive practical, although not well informed experience. Therefore the ACC professionals that received specialized USDA training in the US led the seminars, but facilitated open discussion to share knowledge. The participants exchanged stories of their local experiences in seed collection, storage and germination rates.

Theoretical seminars included explaining the science of germination; practical work included collecting tree seeds that the participants cleaned, weighed, tested and labeled. ACC staff discussed how to adapt equipment needed and storage facilities to local conditions and presented a case study: Comparative germination rates in two ACC pistachio direct seeding projects. The workshops were well received.

Early spring monitoring revealed low germination rates at the nursery. It became clear that the general practice of procuring seed from the local bazaar and just sowing it, dictated these low rates. No care was given to choose the importance of origin and type of the seed. ACC responded with a training workshop on Seed Collection, Cleaning, Testing and storage for each region in the country. These workshops were held in each of the regions where ACC operates: Herat, Central, Eastern, Northeast and Northern areas of the country.

Environmental Education Curriculum

The developed Environmental Education curriculum, developed by ACC and Science professionals and professors and approved in new form by the Ministry of Education, was recently revised in a new edition. To date, 35,000 copies have been distributed in and beyond Kabul. Initial feedback from teachers and students was overwhelmingly positive, and in most cases, this was the **first curriculum of its kind to be taught in schools**. A new partnership with WFP will allow printing tens of thousands of copies of the new edition to distribute with WFP shipments to schools throughout the country.

Public Information Campaign

An ongoing public information campaign continues to broadcast to Kabul residents news coverage, Roundtable discussions, Public Service Announcements, educational segments and children's shows. Follow-up focus groups confirmed the effectiveness of this campaign. The Ministry of Information and Culture pledge their ongoing cooperation in support of these initiatives.

Looking Ahead

In this final phase of the project, all murals, workshops, irrigation activities related to Kabul Green Week will draw to a close. However, many programmatic activities will continue under newly allocated USAID funding.

Monitoring will continue with teams from Ministry of Irrigation and Ministry of Agriculture of public locations and nurseries. This will continue to include donor site visits to project locations. Regular follow-up meetings of the Kabul Green Week Working Group partners will be held to review monitoring and plan follow-up activities and priorities.

Project Manager Comments

UNOPS and its sub-contractor, ACC, are being advised to coordinate with the Department of Forestry and Rangeland of the Ministry of Agriculture and Animal Husbandry in making use of available saplings (conifers) at nurseries that could be part of the Department's overall program of planting trees.

Special attention needs to be given to the (over 100,000) pine seedlings at the Paghman Nursery. At least 15% of the se seedlings died due to poor adaptability. The Nursery's management of the trees needs to regularly monitored and reported by UNOPS.

**Repair of the Fil Koh Chute
Gulson Cucurova
Life of Project: 07-Apr-04 to 08-May-04
Provinces: Kandahar**

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#33-0002-Gulsan	29-Apr-04	Ibrahim Sultani	Dan Miller	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$45,000	\$0.00	\$45,000	\$0.00	\$0.00
Project Description: GULSAN-Cucurova assessed the damage and repaired the hole, finished the floor, constructed an energy dissipation structure, repaired the wingwalls and installed riprap.				
Expected results: maintaining reliable irrigation supply for 35,000 hectares of land				

Project Successfully Completed

The Fil Koh chute is part of an irrigation/hydroelectric project that was implemented by USAID long before the Soviet occupation of Afghanistan. As a result of military action, the chute was damaged, threatening approximately 35,000 hectares with disruption of irrigation.

Governor Pashtoon of Kandahar Province confirmed that the repair of the Fil Koh chute was an immediate priority for reconstruction. USAID repair efforts were coordinated with representatives of the Japanese government, who were in the process of developing their master plan for rehabilitating the Kandahar agriculture sector.



The damaged chute before repairs

The repair effort was more complicated than anticipated, due to undermining of the structure by attempts to run water through the chute while damaged. Repair work proceeded quickly, starting April 7, 2004 and was completed in time for farmers to start planting for the 2004 crop cycle.



The repaired chute and rebuilt wingwalls

Project Manager Comments

This project was the result of good planning and collaboration. Because the GULSAN-Cucurova group was already in the region working on other contracts, they were able to dedicate resources to this project at very low overhead cost.

**Agricultural Produce Market Centers
Relief International (RI)
Period of Performance: 15-Apr-04 to 30-Apr-05
Province: Nangarhar**

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#34-0002-RI	23-June-2004	James Huddleston	Dan Miller	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$1,337,707	\$0.00	\$0.00	\$0.00	\$1,337,707
Project Description: RI was to construct and equip 9 agricultural produce market centers. Each center was to include 9 secure storage units and 24 market stalls. RI was also to build 20 market collection centers and improve the wholesale fruit and vegetable market in Jalalabad.				
Expected Results (at end of project): Enhanced Livelihood – 53,500 farm families with increased access to market				

Accomplishments this Quarter:

RI built 19 of the 20 programmed market collection centers (MCCs) and designed an agricultural produce market center (APMC).

Challenges Encountered and Remedial Action Taken:

For unspecified reasons, Relief International opted not to continue planning for the work on the fruit and vegetable market in Jalalabad in July. RI built several of the MCCs in locations not adjacent to areas with the appropriate degree of agricultural production. RI budgeting requirements for construction of the APMCs were very high, and even after negotiation, the proposed costs were determined to be too high.

Because of the poor performance on construction of the MCCs and high costs proposed for the construction of the APMCs, RAMP and RI agreed to terminate this contract during August, 2004.

Looking Ahead:

Prepare a new Decision Memorandum for construction of APMCs and issue a contract to an approved builder.

Project Manager Comments:

Construction of the APMCs has been offered to the contractor who successfully built the office building for RAMP on the Ministry of Agriculture compound in Kabul. The design has been modified to include a water supply from a well and toilet facilities. The proposed cost of construction is to be less than the final budget proposal submitted by RI.

Reclaiming Salinized and Waterlogged Farmland in Nangarhar
International Foundation for Hope (IFHope)
Life of Project:
Provinces: Nangarhar

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#35-0002-IFHope		Ibrahim Sultani	Dan Miller	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$199,185	\$0.00	\$0.00	\$ 199,185	\$0.00
Project Description: Cleaning and rehabilitating 114 km of blocked drainage ditches within the Nangarhar and Kama Irrigation systems in the province of Nangarhar and establish a sustainable irrigation plan for rehabilitated areas.				
Expected results:				

Accomplishments this Quarter:

- Continuation of surveys of drainage ditches ("drains" and "collectors," in local engineering parlance) in Momandara, Bati Kot, and Kama Districts of Nangarhar Province.

Tasks Completed During the Reporting Period

- Surveyed 5 NVDA (Nangarhâr Valley Development Authority) drains and 10 Kâma-District drains, for a total of 19.1 Km during September.
- Supported the repair of NVDA dredging equipment.

Looking Ahead

- During the next quarter, IFHope will finalize surveys remaining drains to be cleaned;
- Begin excavation operations after the NVDA equipment repairs are completed.

Challenges Encountered and Remedial Action Taken

A jurisdictional dispute between the MIWRE (Ministry of Irrigation, Water Resources, and Environment) and the MRRD (Ministry of Reconstruction and Rural Development) over drainage rehabilitation in Kâma District, remains unresolved. The MRRD is continuing its reported substandard work on three drains scheduled for rehabilitation under IFHope's program: the LanDa Buch Collector (no. 1 in IFHope's Kâma survey), the Deh Tâhir Drain (also called the Haji Baba Collector, no. 2), and the Jamâli Drain (no. 9). It is unclear whether the MRRD work in Kâma is funded by UNDP, or USAID. Therefore work cannot begin on drains in Kama until this dispute is resolved. In the meantime, work is beginning on the NVDA drains.



Substandard work done by MRRD, IFHope photo

Project Manager Comments

The pace of work should quicken with the completion of the surveys and layouts for dredging operations by IFHope. Dredging should begin early during the next quarter once equipment is repaired.

Rural Financial Services
Afghanistan Renewal Fund (Fund)
Life of Project: 14-Sept-04 to 15-Dec-04
Provinces: Nationwide

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#39-0003-Acap	14 Sept. 2004	Fran Toomey	Dan Miller	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$200,000	\$0.00	\$0.00	\$0.00	\$0.00
Project Description: The purpose of this Fixed Price SubContract is for the start-up costs of establishing an equity fund – the Afghanistan Renewal Fund (“Fund”). Once Acap Partners successfully completes this initial set-up phase for the Fund; RAMP has made a commitment to provide \$3.8 million in equity funds to capitalize the Fund. These additional funds are conditional upon Acap Partners meeting the deliverables as stated in this Fixed Price Subcontract. Acap Partners will utilize these start-up costs to solidify the commitments from other investors. Currently, there are commitments of \$19 million inclusive of RAMP to capitalize the Fund.				
Expected Results (by end of project):				
<ul style="list-style-type: none"> • Develop the workplan for the Fund; • Register Acap Partners with the legal authorities; • Identify and recruit the key personnel for the Fund; • Develop a list of targeted businesses to create a pipeline of potential investees; • Prepare conditions on which RAMP funds can be deployed; and • Design appropriate systems to track each investors stake in the Fund. 				

Accomplishments this Quarter

This job order was approved at the end of the quarter and thus there is no report on any accomplishments. As a fixed fee contract, Acap Partners, the Fund Manager, will be responsible for two sets of deliverables to meet the expected results defined above.

Looking Ahead

The first set of deliverables will be due in mid-October and the second set of deliverables will be due in mid-December. Acap Partners has already demonstrated their professionalism in other documents they have prepared so there is high confidence in their meeting the deadlines for the distinct deliverables as defined in their contract. Until the Fund is established, the RAMP rural finance team will identify any agribusinesses eligible for equity financing and bring these businesses to the attention of the Fund Manager.

Project Manager Comments

This is a high visibility project for the USAID mission. The Fund has also received funding for technical assistance under the USAID Economic Office. Based on the USAID investment and the other bi-lateral and multi-lateral investments to the Fund, there are high expectations for results.

Rural Financial Services
Afghanistan International Bank (AIB)
Life of Project: 22-Aug-04 to 4-July-06
Provinces: Nationwide

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#40-0003-AIB	22 Aug. 2004	Fran Toomey	Dan Miller	Andrew Holland
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$2,000,000	\$0.00	\$0.00	\$0.00	\$2,000,000

Project Description: This revolving credit facility through AIB undertakes to extend medium and large sized loans (US\$50,000 to \$500,000) to entrepreneurs and enterprises, to value added processors along the agricultural value chain. These enterprises may already be receiving technical assistance and support through other RAMP implementing partners, and this activity provides the best opportunity to quickly meet an identified credit need and create linkages with other sections of the RAMP program. AIB will be a self-sustaining partner that will have the capacity to provide financial services to agribusinesses beyond the life of the RAMP project.

Expected Results (by end of project):

- Disburse 20 medium to large loans with an average loan size of \$100,000
- Portfolio at Risk – average 5%
- Growth of the Agricultural Portfolio through the leveraging of other sources of funds

The US Ambassador signed a Letter of Intent outlining the collaboration between USAID/RAMP and AIB during the grand opening of the bank.

- The USAID/RAMP Rural Finance team conducted a brief training for several RAMP Implementing Partners on the various financial institutions available to their beneficiaries to seek financing options. As a follow-up to this training, the Rural Finance team held a follow-up session specifically for the USAID/RAMP Agricultural staff to understand the different financial institutions who are partnering with the project, what steps to follow when a potential client comes to the RAMP office, and which financial institution would best serve the client's financial needs.
- A comprehensive loan manual with appendices of practical forms was developed for AIB by the USAID/RAMP rural finance team in conjunction with the CEO and Loan Officer of AIB.
- The AIB Loan Officer received one-on-one training from the USAID/RAMP Rural Finance team.
- A pipeline report of prospective deals was started by the USAID/RAMP Rural Finance team based on input from the RAMP Implementing Partners.
- The credit committee was designated within the AIB team and includes the Relationship Manager from the USAID/RAMP team. The protocol for the credit committee was also completed.
- A credit committee was held during September and the first loan was approved under this credit facility to an input dealer referred by a RAMP Implementing Partner.



Left to right, John Haye, Chief Executive Officer of AIB and U.S. Ambassador Khalilzad signing the agreement at the bank opening.

Challenges Encountered and Remedial Actions Taken

Based on the preliminary pipeline report, the RAMP Rural Finance team needs to take a pro-active approach in working with the RAMP Implementing Partners and other institutions to identify appropriate agribusinesses that need the credit products available under this loan facility. Each agribusiness will need to be reviewed carefully to ascertain whether the business will have impact on the agricultural value chain.

Looking Ahead

Optimistically, the \$2,000,000 loan capital should all be on-lent to clients within the first 12 months of the program. It will take efforts by the bank, RAMP Implementing Partners, and the RAMP rural finance team to ensure these funds are lent in a timely manner to impact the agricultural sector.

Project Manager Comments

The AIB project is off to a good start. The current Loan Officer at AIB, a young Afghan/Dutch graduate student, will be leaving at year end to finalize his MBA studies. Thus, the RAMP Rural Finance team will have to work closely with the AIB CEO to identify and recruit and train a new Loan Officer. The plan is that there is some overlap between the current Loan Officer and the future Loan Officer of AIB, who will be dedicated to this loan portfolio.

Rural Financial Services
Afghanistan Finance Company (AFC)
Life of Project: 1-Sept-04 to 1-Jul-06
Provinces: Nationwide

<i>Job Order No.</i>	<i>Date of Award</i>	<i>Project Manager</i>	<i>USAID CTO</i>	<i>USAID CO</i>
JO#42-0003-AFC	1 Sept. 2004	Fran Toomey	Dan Miller	Kyle Newkirk
<i>Ceiling Price</i>	<i>Quarter Expenditures</i>	<i>Cumulative Expenditures</i>	<i>Accruals to Date</i>	<i>Balance</i>
\$2,000,000	\$0.00	\$0.00	\$0.00	\$2,000,000
Project Description: The AFC will be a credit delivery mechanism to fulfill the unmet financing needs of small and medium enterprises (SMEs), specifically in the agricultural sector. The primary aim will be to finance SME activities along the value chains that are receiving support through RAMP funded projects. There is currently very limited lending available to SMEs, especially for agro-businesses. Making leasing available in Afghanistan will not only encourage processing to begin taking place, but will also allow business owners to obtain other types of equipment without having to front the full cost of the equipment. A finance and leasing company will be an integral part of the financial sector continuum in providing access to credit and making equipment available in country for agribusinesses.				
Expected Results (by end of project):				
<ul style="list-style-type: none"> • 40 Small to Medium Sized Leases or Loans (\$10,000-\$50,000) • 10 large Leases or Loans (over \$50,000) • Lease/Loan Size Range \$10,000 - \$250,000 • Portfolio at Risk – Average 5% during year 1, average 3% during year 2 • At least \$1 million in cumulative disbursements by Year 1 • At least a 20% growth of the Agricultural Portfolio through the Leveraging of Other Sources of Funds 				

The contract was signed during the last month of the quarter so there were only a few accomplishments this quarter. The accomplishments include:

- Rented an office space in Wazir Akbar Khan;
- Developed Scopes of Work for short-term experts to be responsible for the Finance and Leasing Company set-up;
- Completed job descriptions for senior staff and local staff positions;
- Identified and recruited local staff to fill the key local staff positions;

Challenges Encountered and Remedial Actions Taken

The challenge ahead will be to start the operations of the Finance and Leasing Company immediately in the 4th quarter and begin leasing. To accomplish this task, the senior staff will need to be efficient and organized to start their lending operations.

Looking Ahead

The following are tasks which need to be accomplished during the 4th quarter of 2004 for this project.

- Register the Afghanistan Finance Company (AFC);
- Equip office space and housing for expat staff;
- Develop the business plan including loan projections for AFC;
- Train and Evaluate the key personnel and local staff for AFC;
- Develop policies and procedures manuals;
- Design leasing products; including delivery mechanisms and partners, in key sectors of the agricultural value-added processing environment;
- Develop a leasing equipment procurement plan based on Afghan market demands;
- Develop a list of targeted businesses to create a pipeline of potential borrowers; and
- Design appropriate systems to track the portfolio.

Project Manager Comments

This project has not moved along as rapidly as anticipated. The RAMP rural finance team will have to give this activity our full attention during the last quarter of 2004 in order to ensure they meet the objectives outlined above. There is full confidence within RAMP that the activities will be accomplished.