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# AFGHANISTAN SMALL AND MEDIUM ENTERPRISE DEVELOPMENT (ASMED)

QUARTERLY REPORT – APRIL THROUGH JUNE 2009

Second Quarter 2009

This publication was produced for review by the United States Agency for International Development. It was prepared by the prime contractor for the Afghanistan Small and Medium Enterprise Development project, Development Alternatives, Inc.

# AFGHANISTAN SMALL AND MEDIUM ENTERPRISE DEVELOPMENT (ASMED)

**QUARTERLY REPORT APRIL THROUGH JUNE 2009**

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## **DISCLAIMER**

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# Abbreviations

ABA	Afghan Builder's Association
AIBM	Afghan Institute of Business Management
AIB	Afghan International Bank
AIRES	Agriculture, Rural Investment and Enterprise Strengthening
AISA	Afghanistan Investment Support Agency
ARFC	Afghanistan Rural Finance Center
AKF	Aga Khan Foundation
AICC	Afghanistan International Chamber of Commerce
ASMED	Afghanistan Small and Medium Enterprise Development
AWBC	Afghan Women's Business Council
BDC	Business Development Center
BDS	Business Development Services
CTCC	Construction Trades Training Center
DIAG	Disbandment of Illegal Armed Groups
GDA	Global Development Alliance
MDG	Marketplace Development Grant
MOU	Memorandum of Understanding
NGO	Non-governmental Organization
NSDP	National Skills Development Program
NSP	National Solidarity Program
PMP	Performance Monitoring Plan
PRT	Provincial Reconstruction Team
SME	Small and Medium Enterprise
STTA	Short-term Technical Advisor
TLO	Tribal Liaison Office
VARA	Volunteer Association for Rehabilitation of Afghanistan

# EXECUTIVE SUMMARY

During ASMED's Second Quarter of 2009, the project heard positive word on the exercise of two extension years and the allocation of supplemental funding for programming during this period of time. With this expression of support from USAID, ASMED continued to address the needs for the development Afghanistan's private sector, but with a much more ambitious, resource-intensive approach.

## COMPONENT 1: IMPROVE MARKET INFORMATION

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

## COMPONENT 2: IMPROVE BUSINESS DEVELOPMENT AND MANAGEMENT SKILLS

In the second quarter, ASMED furthered its support to Afghanistan's BDS sector for its provision new and improved consultancy services. In training SMEs and business associations and linking the private sector to effective consultancy services, ASMED has continued to work with a wide variety of firms, each with different capacities, technical foci, and geographic locations. In expanding the definition of a "BDS firm," ASMED has been able to lend support and facilitate the development of a wider array of firms that improve product value chains.

## COMPONENT 3: STRENGTHEN BUSINESS ASSOCIATIONS

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

## COMPONENT 4: GLOBAL DEVELOPMENT ALLIANCES AND GRANTS

With the departure of the Senior GDA Advisor, the GDA team continued to build on the implementation phase of many existing GDAs. Specifically, the second season of Dream and Achieve has begun and the OLPC and WPCO programs both expanded in this quarter to include many new beneficiaries. As these projects have unfolded, their models of implementation have been updated as lessons learned are constantly integrated and reflected in improved project designs. Other exciting concepts currently in development include renewable energy applications for rural, powerless areas and access to low-cost pharmaceuticals. As with all other technical areas, the sector focus means that several GDAs are also in development for the marble, gemstone, and carpet sectors.

## COMPONENT 5: HUMAN CAPACITY BUILDING

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

**Progress Towards Indicators - Regional Breakdown**

PMP Ind	PERFORMANCE INDICATOR	Region of Coverage	Qtr 02 09			Cumulative			PROJECT Totals		
	Indicator		April - June			2007 - June 2009			Target Committed	Project to date	%
	<i>(source of information)</i>		Target	Ttl	%	Target	Ttl	%			

**I. ACCESS TO MARKET INFORMATION**

Sub Intermediate Result: Increase access to and use of market information among private enterprise

1.1	<b>12 market assessments completed with help from local partners.</b> <i>(Copies of Assessments)</i>	<b>Afghanistan-wide</b>	<b>1</b>	0	0%	<b>11</b>	20	188%	<b>12</b>	<b>20</b>	167%
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**II. BUSINESS DEVELOPMENT AND MANAGEMENT SERVICES**

Sub Immediate Result: Improve Business Development and Management Services

2.1	<b>135 Business Development Service Providers operating</b> <i>(BSP Reg Forms)</i>	<b>TOTAL</b>	<b>12</b>	84	720%	<b>123</b>	169	137%	<b>135</b>	<b>169</b>	125%
		<b>Central</b>	<b>2</b>	5	300%	<b>38</b>	37	97%	<b>40</b>	<b>37</b>	93%
		<b>Eastern</b>	<b>3</b>	13	390%	<b>32</b>	26	82%	<b>35</b>	<b>26</b>	74%
		<b>Western</b>	<b>3</b>	65	1950%	<b>27</b>	80	300%	<b>30</b>	<b>80</b>	267%
		<b>Northern</b>	<b>2</b>	1	60%	<b>18</b>	19	104%	<b>20</b>	<b>19</b>	95%
		<b>Southern</b>	<b>2</b>	0	0%	<b>8</b>	7	84%	<b>10</b>	<b>7</b>	70%
2.2	<b>6,000 businesses supported.</b> <i>(Enterprise and Association Reg forms)</i>	<b>TOTAL</b>	<b>1033</b>	749	72%	<b>4967</b>	6370	128%	<b>6,000</b>	<b>6,370</b>	106%
		<b>Central</b>	<b>283</b>	96	34%	<b>1317</b>	831	63%	<b>1,600</b>	<b>831</b>	52%
		<b>Eastern</b>	<b>250</b>	287	115%	<b>1200</b>	2179	182%	<b>1,450</b>	<b>2,179</b>	150%
		<b>Western</b>	<b>250</b>	61	24%	<b>1200</b>	1125	94%	<b>1,450</b>	<b>1,125</b>	78%
		<b>Northern</b>	<b>167</b>	200	120%	<b>833</b>	1627	195%	<b>1,000</b>	<b>1,627</b>	163%
		<b>Southern</b>	<b>83</b>	105	126%	<b>417</b>	608	146%	<b>500</b>	<b>608</b>	122%
2.3	<b>800 new SMEs created.</b>	<b>TOTAL</b>	<b>117</b>	22	19%	<b>683</b>	463	68%	<b>800</b>	<b>463</b>	58%
		<b>Central</b>	<b>25</b>	10	40%	<b>125</b>	57	46%	<b>150</b>	<b>57</b>	38%
		<b>Eastern</b>	<b>25</b>	3	12%	<b>175</b>	46	26%	<b>200</b>	<b>46</b>	23%
		<b>Western</b>	<b>25</b>	0	0%	<b>175</b>	36	21%	<b>200</b>	<b>36</b>	18%
		<b>Northern</b>	<b>25</b>	3	12%	<b>125</b>	311	249%	<b>150</b>	<b>311</b>	207%

	(Enterprise Reg forms)	<b>Southern</b>	<b>17</b>	6	36%	<b>83</b>	13	16%	<b>100</b>	<b>13</b>	13%
2.4	<b>30 SMEs accessed bank loans/equity as a result of USG assistance.</b> (Enterprise Survey DB, Reg. and Survey Forms)	<b>Afghanistan-wide</b>	<b>3</b>	8	240%	<b>27</b>	64	240%	<b>30</b>	<b>64</b>	213%

### III. BUSINESS ASSOCIATION

Sub Immediate Result: Formalize and strengthen business associations o create economic reform and maintain sustainability

3.1	<b>100 business associations established</b> (Association Reg forms)	<b>TOTAL</b>	<b>7</b>	0	0%	<b>93</b>	123	132%	<b>100</b>	<b>123</b>	123%
		<b>Central</b>	<b>2</b>	0	0%	<b>16</b>	8	50%	<b>18</b>	<b>8</b>	44%
		<b>Eastern</b>	<b>1</b>	0	0%	<b>23</b>	41	181%	<b>24</b>	<b>41</b>	171%
		<b>Western</b>	<b>1</b>	0	0%	<b>21</b>	31	150%	<b>22</b>	<b>31</b>	141%
		<b>Northern</b>	<b>1</b>	0	0%	<b>26</b>	34	132%	<b>27</b>	<b>34</b>	126%
		<b>Southern</b>	<b>1</b>	0	0%	<b>8</b>	9	108%	<b>9</b>	<b>9</b>	100%
3.2	<b>225 existing business associations supported</b> (Association Reg forms)	<b>TOTAL</b>	<b>40</b>	6	15%	<b>185</b>	244	132%	<b>225</b>	<b>244</b>	108%
		<b>Central</b>	<b>8</b>	0	0%	<b>42</b>	81	194%	<b>50</b>	<b>81</b>	162%
		<b>Eastern</b>	<b>8</b>	6	72%	<b>42</b>	92	221%	<b>50</b>	<b>92</b>	184%
		<b>Western</b>	<b>8</b>	0	0%	<b>42</b>	27	65%	<b>50</b>	<b>27</b>	54%
		<b>Northern</b>	<b>10</b>	0	0%	<b>40</b>	35	88%	<b>50</b>	<b>35</b>	70%
		<b>Southern</b>	<b>5</b>	0	0%	<b>20</b>	9	45%	<b>25</b>	<b>9</b>	36%
3.3	<b>4,500 new members in business associations as a result of USG assistance</b> (Association Survey)	<b>Afghanistan-wide</b>	<b>667</b>	936	140%	<b>3833</b>	15,296	399%	<b>4,500</b>	<b>15,298</b>	340%

### IV. PUBLIC-PRIVATE SECTOR ALLIANCES - GDA

Sub Immediate Result : Establish private-public sector alliances to strategically invest in enterprises

4.1	<b>37 private-public partnerships (GDAs) formed as a result of USG Assistance</b> (GDA Agreements)	<b>TOTAL</b>	<b>6</b>	1	18%	<b>31</b>	16	51%	<b>37</b>	<b>16</b>	43%
		<b>Central</b>	<b>1</b>	0.2	15%	<b>8</b>	3.2	42%	<b>9</b>	<b>3.2</b>	36%
		<b>Eastern</b>	<b>1</b>	0.2	15%	<b>8</b>	2.2	29%	<b>9</b>	<b>2.2</b>	24%
		<b>Western</b>	<b>1</b>	0.2	15%	<b>8</b>	3.2	42%	<b>9</b>	<b>3.2</b>	36%
		<b>Northern</b>	<b>1</b>	0.2	20%	<b>5</b>	4.2	84%	<b>6</b>	<b>4.2</b>	70%
		<b>Southern</b>	<b>1</b>	0.2	30%	<b>3</b>	3.2	96%	<b>4</b>	<b>3.2</b>	80%

4.2	<b>\$5.4 million leveraged through Private-Public partnerships (GDAs)</b>  (GDA Agreements)	<b>TOTAL</b>	<b>\$958,333</b>	\$505,000	53%	<b>\$4,416,667</b>	\$11,417,797	259%	<b>\$5,375,000</b>	<b>\$11,417,797</b>	212%
		<b>Central</b>	<b>\$250,000</b>	\$101,000	40%	<b>\$1,125,000</b>	\$1,789,187	159%	<b>\$1,375,000</b>	<b>\$1,789,187</b>	130%
		<b>Eastern</b>	<b>\$250,000</b>	\$101,000	40%	<b>\$1,125,000</b>	\$1,423,580	127%	<b>\$1,375,000</b>	<b>\$1,423,580</b>	104%
		<b>Western</b>	<b>\$250,000</b>	\$101,000	40%	<b>\$1,125,000</b>	\$1,827,870	162%	<b>\$1,375,000</b>	<b>\$1,827,870</b>	133%
		<b>Northern</b>	<b>\$125,000</b>	\$101,000	81%	<b>\$625,000</b>	\$4,373,580	700%	<b>\$750,000</b>	<b>\$4,373,580</b>	583%
		<b>Southern</b>	<b>\$83,333</b>	\$101,000	121%	<b>\$416,667</b>	\$2,003,580	481%	<b>\$500,000</b>	<b>\$2,003,580</b>	401%

## V. HUMAN CAPACITY DEVELOPMENT

Sub Intermediate Result: Build Capacity of Afghan work force to secure greater income through employment and improve performance of their enterprises

5.1	<b>900 internship opportunities provided</b>  (Internship lists)	<b>TOTAL</b>	<b>133</b>	140	105%	<b>767</b>	1025	134%	<b>900</b>	<b>1025</b>	114%
		<b>Central</b>	<b>27</b>	0	0%	<b>153</b>	302	197%	<b>180</b>	<b>302</b>	168%
		<b>Eastern</b>	<b>27</b>	80	300%	<b>153</b>	264	172%	<b>180</b>	<b>264</b>	147%
		<b>Western</b>	<b>27</b>	0	0%	<b>153</b>	184	120%	<b>180</b>	<b>184</b>	102%
		<b>Northern</b>	<b>27</b>	0	0%	<b>153</b>	155	101%	<b>180</b>	<b>155</b>	86%
		<b>Southern</b>	<b>27</b>	60	225%	<b>153</b>	120	78%	<b>180</b>	<b>120</b>	67%
5.2	<b>450 participants in Professional Learning Mentorship Program</b>  (Participant lists)	<b>TOTAL</b>	<b>67</b>	0	0%	<b>383</b>	521	136%	<b>450</b>	<b>521</b>	116%
		<b>Central</b>	<b>13</b>	0	0%	<b>77</b>	159	207%	<b>90</b>	<b>159</b>	177%
		<b>Eastern</b>	<b>13</b>	0	0%	<b>77</b>	57	74%	<b>90</b>	<b>57</b>	63%
		<b>Western</b>	<b>13</b>	0	0%	<b>77</b>	106	138%	<b>90</b>	<b>106</b>	118%
		<b>Northern</b>	<b>13</b>	0	0%	<b>77</b>	100	130%	<b>90</b>	<b>100</b>	111%
		<b>Southern</b>	<b>13</b>	0	0%	<b>77</b>	99	129%	<b>90</b>	<b>99</b>	110%

A	<b>1,275 SMEs that have added value and/or diversified into higher value products and services as a result of USG assistance</b>	<b>TOTAL</b>	<b>267</b>	205	77%	<b>1008</b>	1114	110%	<b>1,275</b>	<b>1114</b>	87%
		<b>Central</b>	<b>67</b>	28	42%	<b>233</b>	145	62%	<b>300</b>	<b>145</b>	48%
		<b>Eastern</b>	<b>75</b>	68	91%	<b>275</b>	212	77%	<b>350</b>	<b>212</b>	61%
		<b>Western</b>	<b>75</b>	38	51%	<b>275</b>	33	12%	<b>350</b>	<b>33</b>	9%

		<b>Northern</b>	<b>33</b>	64	192%	<b>142</b>	679	479%	<b>175</b>	<b>679</b>	388%
	(Enterprise Survey DB, Reg and Survey forms)	<b>Southern</b>	<b>17</b>	7	42%	<b>83</b>	45	54%	<b>100</b>	<b>45</b>	45%
<b>B</b>	<b>95% increase in number of clients of Business Development Service providers</b> (BSP Survey)	<b>Afghanistan-wide</b>	<b>8%</b>	54%	648%	<b>67%</b>	38%	57%	<b>95%</b>	<b>38%</b>	40%
<b>C</b>	<b>15,000 full-time equivalent (FTE) jobs created by USG supported activities</b> (Enterprise Survey DB, Reg. and Survey Forms)	<b>Afghanistan-wide</b>	<b>2667</b>	3,717	139%	<b>12,333</b>	25,255	205%	<b>15,000</b>	<b>25,255</b>	168%
<b>D</b>	<b>3,500 firms investing in improved technology as a result of USG assistance</b> (Enterprise Survey DB, Reg. and Survey Forms)	<b>Afghanistan-wide</b>	<b>500</b>	200	40%	<b>3,000</b>	1572	52%	<b>3,500</b>	<b>1572</b>	45%



## PROGRAM COMPONENT I:

# MARKET INFORMATION

## FIELD ACTIVITIES – NATIONWIDE

### KABUL

#### Kabul AgFair:

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

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



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

#### Domotex Middle East 2009

ASMED sponsored and organized the participation of 12 Afghan Carpet Companies at Domotex Middle East 2009, the region's largest international carpet trade show. The supported carpet producers and traders were impressively displayed under a custom-built 'Afghanistan' stand, which highlighted Afghan carpet-making culture and tradition. This experience offered participants the opportunity for exposure to new international clients and export markets. Surveys revealed direct sales of \$40,000 and future orders at approximately \$520,000.

#### Assessment of the Women Owned Businesses:

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

ASMED is going to develop the following from the results for the survey soon:

- Database development for the analysis.
- Data entry
- Assessment tools development
- Narrative report

#### Assessment of the Beacon Consulting Report on Carpet Production in Bamyán and Panjshéer Provinces:

ASMED is working to assess and improve the carpet sector in Afghanistan and identify different regions of Afghanistan that produce specific types of carpets. ASMED, through this effort, intended to understand the types of carpet, production capacity, trade canals, and other businesses-intensive opportunities in these two provinces. It therefore contracted the Beacon Consulting Company to conduct a survey in these provinces in January 2009. The market information component at ASMED helped with the following activities:

- Monitoring and evaluation of the final report
- Recommendations for improving the reporting system of the surveys in the future

### **Ongoing Activities:**

#### **The Establishment of a new Carpet Marketplace in Jalalabad City**

ASMED is working closely with carpet associations and vendors to open a carpet market in Jalalabad, Afghanistan for Pakistani based Afghan carpet producers. It is estimated that approximately 1,000 Pakistan based Afghan carpet traders will be have the incentive to bring back their businesses to Afghanistan. This effort will help in establishing direct linkages of the Afghan carpet traders from within Afghanistan to international markets and have Afghan producers catch the value-chain profit.

#### **Preparations for Trade Show Representation:**

ASMED met with the Afghanistan Investment Support Agency (AISA) and the Export Promotion Agency of Afghanistan (EPAA) to discuss potential partnership for the Afghan business participation in the upcoming trade shows in India and China. The India International Trade Fair in India and the China Yiwu Carpet & Interior Decoration Expo are going to be held in November 2009. ASMED has started the preparations and organization early on in order to have an improved and more beneficial Afghan participation.

#### **Development of Radio Channel Concept:**

ASMED's market information department has developed the concept of a business and economic information system in Afghanistan. Under this program, it is hoped that business-relevant and needed market information will be disseminated. The need for such a system is great in many sectors of the Afghan economy including agribusiness, agricultural activities where prices and costs fluctuate often, without the knowledge of farmers in remote areas of the country. Yet, there is not any such program active in Afghanistan.

The concept of creating a business radio channel was developed through these activities:

- Survey all the media centers in Afghanistan and Kabul
- Meeting with the most popular once like TOLO TV and discussing the survey results
- Preparing the concept paper for this activity

## **FIELD ACTIVITIES – EAST**

#### **Marketing Materials for 35 SMEs/Associations:**

ASMED is supporting the Yoon Network in producing marketing materials for 35 SMEs/Associations in the eastern region. The material includes brochures, two types of banners and business cards. In addition, marketing materials have been published and distributed for eight SMEs and/or associations since February 2009.

## PROGRAM COMPONENT 2:

# BUSINESS DEVELOPMENT & MANAGEMENT SKILLS

## FIELD ACTIVITIES – CENTRAL

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

### New BDS Initiatives

#### Afghan Consulting Companies Association (ACCA)

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

#### Turquoise Mountain Foundation Business Skills Trainings

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

#### Tajiran-e Jawan (Young Entrepreneurs) Training

Tajiran-e Jawan is a non-profit project sponsored by ASMED BDS partner Fajilat Consulting. Tajiran-e-Jawan's mission is to support youth entrepreneurship in Afghanistan through training, coaching and a variety of business development programs targeting high school and vocational school graduates. ASMED has supported the summer pilot program, which trained 15 women graduates of the Afghan Vocational Technical Institute. The curriculum includes practical training in idea generation, how to evaluate a business idea, and how to implement a new business. Other Tajiran-e-Jawan services include one-on-one coaching, networking, continuing education, and one month internships.

#### AJEER SME Business Magazine

AJEER Business Training Institute was established by an ASMED BDS partner firm (CEFE ESDC), and now provides a wide variety of services to the SME sector. ASMED has supported the development and publishing of the first three issues of AJEER Business Magazine: Increase Your Business Income. 2000 copies of the first two issues of this high quality publication have been distributed. The magazine is in English and Dari, and has included articles on Doing Business in Afghanistan, Islam and Business, Business Opportunity of Saffron, Management as the Key to Success, and Contract Enforcement in Afghanistan.



Tajirane Jawan Training in Kabul  
(USAID/ASMED)

## **Capacity Building for BDS Firms**

### Association Management and Leadership Training of Trainers

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

### **Expanding BDS Sector**

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

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

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

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

## **EXPANDING BDS SERVICES TO CENTRAL REGION PROVINCES**

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

### **Parwan Province**

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

### **Kapisa Province**

The Kapisa Chamber of Commerce and Industries contacted ASMED through the Kapisa PRT and requested ASMED's assistance in business training. ASMED has established a program based on the successful Charikar Municipal Training Center series. A total of 7 trainings have been contracted. In Q2,

ASMED provided two trainings: SME Business Management for Men, SME Business Management for Women and Business Accounting for SMEs.

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

### **Panjshir Province**

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

1. 12 different types of Jams.
2. Canning of different fruits and vegetables.
3. Tomato paste and ketchup.
4. 3 different types of Pickles making from different 15 types of vegetables.
5. 12 types of syrup and squashes from different fruits.
6. Drying of different types of fruits through sulfur.
7. Drying of different types of fruits through PMS.
8. Drying of different types of vegetables through sulfur.
9. Drying of different types of vegetables through PMS.

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

### **Gemology Training**

From April 29-May 10, 2009, USAID/ASMED is conducting Afghanistan's first gemology course. Taught by legendary 'gem-hunter' and gemologist Gary Bowersox, the course trained 30 participants (half of whom are women) from Kabul, Panjshir, Nuristan, Kunduz, and Bamyan provinces to recognize the difference between real and synthetic gemstones. The course will enable Afghan jewelers and gemologists to guarantee gem authenticity in order to build trust with clients, increase profits, and strengthen Afghanistan's gemstone industry.

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



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

### **Dream and Achieve Success Stories**

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

### **BDS Firms Add Value to Kabul AgFair 2009**

ASMED staff and two ASMED partner BDS firms provided a seminar at the Kabul AgFair during May. The seminar provided information to interested businesses (many supported by other USAID projects) about

starting a business in Afghanistan, and on the use of internet marketing. This seminar was an opportunity for agricultural producers and processors to be introduced to the “business side” of their businesses, and to identify potential avenues of support (ASMED and private sector BDS firms). The ASMED GDA project with Paiwastoon (providing support to entrepreneurs in the IT industry) played a key role in this seminar.

### **Public – Private Sector Working Group for Marble**

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

## **FIELD ACTIVITIES – EAST**

### **Opening Ceremony for Honey Processing and Packaging Facility**

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

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

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

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

### **Nursery Development Training**

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

### **BBA Graduation Ceremony**

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



**A glimpse of the Honey Processing Facility in Jalalabad (USAID/ASMED)**



**Nursery Development Training in Jalalabad (USAID/ASMED)**

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

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



**Distribution of BBA Degree in Jalalabad (USAID/ASMED)**

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

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

### **Afghan Craft Cut & Wash Facility**

The first carpet cut and wash facility has processed more than 6000 sqm carpet during the second quarter of 2009. The firm has also opened a contact office in Kabul in order to attract more clients from other regions of Afghanistan. ASMED, through a value chain improvement grant, financially supported the establishment of this firm in order to retain value chain profit in the carpet sector in Afghanistan and provide this much-needed facility in country.

### **Feed Mill**

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

### **Business Development Centre (BDC)**

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

### **Beekeeping Training, April 5 - May 28**

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



**Beekeeping Training in Rodat Province (USAID/ASMED)**

In total, one hundred and forty beekeepers participated in the training. The training aimed to achieve the following:

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

## **FIELD ACTIVITIES – WEST**

### **Completed Activities:**

- Bank Service Presentation – ASMED sponsored a presentation of credit and debit card processing to local members of the Afghanistan Carpet Exporters Union, carpet producers and other carpet sellers of Herat by Afghanistan International Bank and Bank Alfalah. The ability to conduct credit or debit sales should greatly expand sales to certain international and domestic buyers and at bazaars at military bases.
- Marketing Training for Artists – A four-day training from 11-14 May, Afghanistan Chamber of Commerce and Industries conducted a marketing training for owners of the Art Instruction Institutes, Art Galleries, Art Associations and individual artists at Mili Gallery, Herat City.
- Website Design Training – As part of a contract between ASMED Kabul and the Kabul based IT company Paiwastoon, 20 days of training was held at Herat University for 30 IT students to provide them additional skills which hopefully will facilitate their being hired by local firms or starting their own IT consulting firms. Completion Ceremonies were held on Sunday, 31 May.
- Revisions of Commercial Law – A one-day program for manufacturing and service companies in Herat on revisions to the Afghan Commercial Law was conducted on 14 June. Thirty-five business people attended the event.
- Tahmina Handicrafts Design Training – A 30-day training program teaching 30 women how to produce and market three dimensional “picture boxes”, or “triangle plaques was completed on 17 June.
- Financial Report & QuickBooks Software Training – Business and Management Development Center (BMDC) organized training on 13 June for 40 private sector industrial and non-industrial companies. The training will be partly covered by ASMED and 30% of course fee will be covered by participants as a way to prepare to sustain the BDS firm in the long term and to make students aware that they need to pay for these services in future. Future subsidies would be reduced. The course will end in July.

### **Ongoing Activities:**

**Mushrooms Growing Training** - A three-month training program of mushroom growing for 30 women is ongoing.

**Business Plan Training** – This 20 day (one hour per day, three days per week) program, is conducted by BDMC for 25 students from the private sector. It was completed on May 27, 2009. The program addressed preparation and analysis of business plan.

### **Future Activities:**

**Training on Changes to Afghanistan Commercial Law** – A proposal from Kabiri & Partners being refined to address changes in the Commercial Law of Afghanistan. These changes will be most important to larger exporting companies.

**Mushroom Growing Training** - Another three-month training program of mushroom growing for 30 women is going to be implemented, which will provide supplemental income to the women following germination to harvest of the mushrooms. Marketing and sales training has been provided.

**Accounting for Construction Contracts Training** - An initial draft of 20 day training program has been designed to address Inventory and Construction Contracts and Accounting for costs related to construction contracts to enable construction companies to better control costs and perform financial reporting on contracts for USAID, UN, PRT, GoA and other donors.

## FIELD ACTIVITIES – NORTH

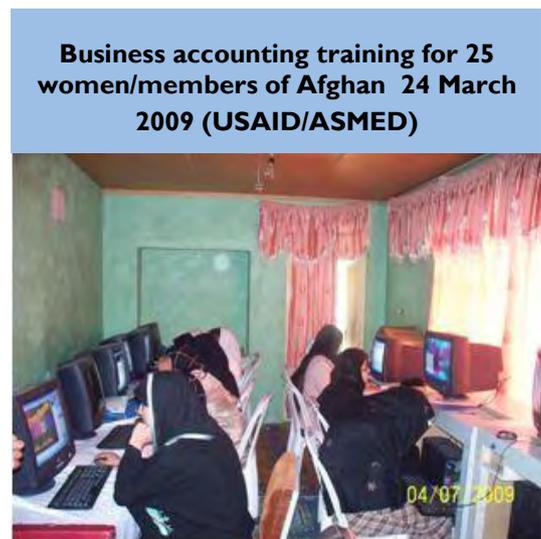
The most important accomplishment was a successful result of newly designed training courses. With BDS companies' close assistance, the project developed a new design of training course. Instead of a 3-day training, it was decided to have from 15 to 50-day training course depending on the specific training subject.

Another vital factor for training approval by ASMED is a modern classroom. Each classroom should have a proper set of training equipment and enough space for all participants. As a result, some BDS Companies made an investment in placing modern classrooms. In particular, Balkh BDS Company invited a number of qualified trainers from Pakistan to increase the capacity of its local trainers. Also, Balkh BDS Company rented a private compound, purchased 12 new computers, and installed flat screen projectors and other training equipment. The project expanded the training courses to other provinces such as Takhar, Baghlan and Faryab. A request for business proposals was submitted to BDS Companies and the winner was selected based on the ability to provide the best services and make a strong presentation in the province.

### Balkh Province:

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

- **Business Accounting Training.** Total number of participants was 25 members of Mazar dried fruit association. The training course was conducted from 25 January to 24 March conducted by SINA BDS institute.
- **GDA Workshop:** A total number of participants were 70 guests: investors, traders, loan companies, association in Mazar-e-Sharif city. The workshop was for one day conducted on 27 June by Balkh BDS Company in Balkh BDS compound.
- **Business Accounting Training.** Total number of participants was 20 relevant staff of SMEs and associations in Mazar-e-Sharif city. The training course was conducted from 16 February to 16 April conducted by Balkh BDS Company.
- **Business Computer Training.** Total number of participants was 20 relevant staff of SMEs and associations in Mazar-e-Sharif city. The training course was conducted from 24 February to 25 March conducted by Balkh BDS Company.
- **Business Computer Training.** Total number of participants was 20 relevant staff of SMEs and associations in Mazar-e-Sharif city. The training course was conducted from 04 March to 04 April conducted by Balkh BDS Company.
- **Business Accounting Training.** Total number of participants was 20 relevant staff of SMEs and associations in Mazar-e-Sharif city. The training course was conducted from 04 March to 04 May conducted by Balkh BDS Company.



- Business Marketing Training. Total number of participants was 25 members of Ariana poultry association in Mazar-e-Sharif city. The training course was conducted from 25 March to 14 April conducted by Azar BDS Company.
- Business English Training. Total number of participants was 25 entrepreneurs' women in Mazar-e-Sharif city. The training course was conducted from 25 March to 25 May conducted by Azar BDS Company.

### **Kunduz Province:**

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

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

### **Takhar Province:**

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

- Business Computer training. Total number of participants was 25 women who are active members of Afghan Women Skill Building and Employment Association in Taloqan city. The training course was conducted from 04 April to 19 May.
- Business English training. Total number of participants was 25 women who are active members of Afghan Women Skill Building and Employment Association in Taloqan city. The training course was conducted from 04 April to 19 May.
- Business Accounting Training. Total number of participants was 25 women who are active members of Afghan Women Skill Building and Employment Association in Taloqan city. The training course was conducted from 04 April to 19 May.
- Office Management Training. Total number of participants was 25 SMEs and associations in Taloqan city. The training course was conducted from 10 March to 28 April.



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

- Business English Training. Total number of participants was 25 SMEs and associations in Taloqan city. The training course was conducted from 10 March to 10 May.
- Business Computer Training. Total number of participants was 25 SMEs and associations in Taloqan city. The training course was conducted from 10 March to 28 April.
- Business Accounting Training. Total number of participants was 25 SMEs and associations in Taloqan city. The training course was conducted from 10 March to 28 April.
- Business Accounting Training. Total number of participants was 25 SMEs in Taloqan city. The training course was conducted from 13 June to 27 July.
- Business Communication and Leadership Training. Total number of participants was 25 SMEs in Taloqan city. The training course was conducted from 13 June to 27 July.
- Business Accounting Training. Total number of participants was 25 SMEs, members of Azrakhsh agribusiness association in Taloqan city. The training course was conducted from 13 June to 27 July.
- Business Management Training. Total number of participants was 25 SMEs, members of Azrakhsh agribusiness association in Taloqan city. The training course was conducted from 13 June to 27 July.
- Business Management Training. Total number of participants was 25 SMEs in Taloqan city. The training course was conducted from 13 June to 27 July.

#### **Baghlan Province:**

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

- Business Accounting Training. Total number of participants was 25 SMEs and business associations in Pul-i-Khumri city. The training course was conducted from 4<sup>th</sup> of April to 19<sup>th</sup> of May.
- Business Computer Training. Total number of participants was 25 SMEs and business associations in Pul-i-Khumri city. The training course was conducted from 31<sup>st</sup> of May to 29<sup>th</sup> of June.
- Business Computer Training. Total number of participants was 25 SMEs and business associations in Pul-i-Khumri city. The training course was conducted from 31<sup>st</sup> of May to 29<sup>th</sup> of June.
- Business Management Training. Total number of participants was 25 SMEs and business associations in Pul-i-Khumri city. The training course was conducted from 9<sup>th</sup> of June to 29<sup>th</sup> of June.

#### **Faryab Province:**

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



**Business accounting training for SMEs in Mazar-e-sharif city by Miranzai Tokhi bds company(USAID/ASMED)**

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

## FIELD ACTIVITIES – SOUTH

### Completed Activities:

#### Four Business Development Trainings in Arghandab:

SME Basic Accounting, SME Management, SME Marketing and Customer Services Trainings were completed in Arghandab district on June 09, 2009. This training, which was arranged for a period of 30-days for 20 males and 25 females, in two venues, was successfully completed and it has been a notable achievement for ASMED. Insecurity, and a lacking knowledge of people about benefits of such programs in the area were the main concerns but still it was conducted successfully with solid attendance. All the participants stayed very active throughout the training period. The following were successfully achieved during the training period:

- 20 male & 25 females trained in four business development trainings;
- Local business capacity enhanced in Arghandab district;
- SMEs learn about better marketing
- Local awareness about business is increased;



**ACCC training in Kandahar (USAID/ASMED)**

Many more businesswomen in the area are interested to get similar trainings, while most of the SMEs have agreed to have a business association in Arghandab. ASMED is doing the follow up for the new requests.

On the last day of the training, ACCI through ASMED's support arranged a certificate distribution ceremony in which training certificates were distributed to the trained participants. At the end of this event, they all thanked from ASMED for arranging such programs for them.

### Future Activities:

#### Three Business Development Training Series in Kandahar City:

ASMED is looking forward to arrange three business development trainings in Kandahar city for 20 women SMEs.

#### Business Plan, Proposal and Concept Writing Training in Kandahar city:

CEFE ESDC was selected to arrange these trainings for 25 trainees from the ACCI, AISA, business associations and BDS firms. This training will be arranged for a period of 24 days in Kandahar city.

**BDS Sectoral Survey:**

ASMED found that AICB is the most qualified firm to conduct a BDS sectoral survey in the southern region based on the received proposal requested through an RFP. ASMED will sign a PO with AICB to conduct the survey in seven major cities of southern region.

**Three Business Development Trainings:**

Based on the request of 40 women SMEs in Kandahar, ASMED will arrange SME Basic Accounting, SME Business Management and SME Marketing training.

**Business English and Computer Trainings:**

ASMED received an official request from the Kandahar Industrial Association for arranging Business English and Computer Trainings for 40 key member firms of the association. ASMED will have a meeting with BDS firms who has training institutes and other institutions on how to arrange this training. A new training curriculum for these specific topics will need to be developed.

**Preparation of Financial Documents and Office Management Training:**

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

## PROGRAM COMPONENT 3:

# BUSINESS ASSOCIATIONS

## FIELD ACTIVITIES - CENTRAL

### AWBF:

AWBF sponsored a roundtable event on Practical Opportunities to Grow Women's Businesses on June 17. The event was co-sponsored by AISA, and attracted 80 participants including the First Vice President, Deputy Minister of Women's Affairs, Deputy Minister of Economy, and the CEO ACCI. AWBF has recently developed an approach that involves the entire membership taking part in developing women's businesses through AWBF. Seven sector groups have been created, each with 4 to 20 members. The sectors are 1) Handicrafts, 2) Agriculture, 3) Carpet, 4) Embroidery, 5) Silk products 6) Jewelry and 7) Construction. The main objective of the conference was to introduce the sector groups and to present their achievements and plans and to gain the support and participation of their membership and other stakeholders.

### Afghanistan Marble and Granite Processors Association

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

### Gemstone Sector

#### Gemstone Cutting and Polishing Equipment and Training Research

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

## FIELD ACTIVITIES – EAST

On April 18, the Hisarak District Pine Nuts Producer and Wholesaler Association (HDPNPWA) registered with the Ministry of Justice. ASMED will begin to work more closely with the newly established association for the development of the pine nut business in the district to maximize their productivity and income.

## FIELD ACTIVITIES – WEST

**Western Afghanistan Travel Agents Association** – The Association held a roundtable meeting for its members on 19 April. The Chairman and Board of Directors were selected, and their by-laws drafted.

### Future Activities:

**Needs Assessment & Establishing Associations Ghor Province** –ASMED and BAMSAs BDS firm have completed association roundtable meetings and association elections for five new associations in Ghor Province. Coordination was completed at USG and Provincial governmental authorities in Ghor. Roundtable meetings were conducted with the following women Associations: Carpet Weavers; Dairy Producers; and the following men Associations: Dry Fruit Processors/Exporters; Wool

Processors/Exporters and Carpenters/Metalists. Grant applications are being developed for submission to Kabul for approval and funding.

**Turkmen Carpet Weavers Association** – Scope of work completed for Website. Request for proposals to be submitted to several firms in Herat and Kabul for website development for this Association with 1,200-carpet weavers association in and around Herat City. Meeting arranged between Association and Herat based thread and yarn producer for direct purchase of input from the producer rather than from the bazaar. Initial discussions look promising regarding quality and opportunities for net 30-day payment terms. Work continues on supply arrangements, being followed-up by ASMED staff.

**Establishing IT Companies Association:** ASMED staff are identifying potential members of the association and coordinating need assessment in order to develop Herat sector strategy for IT.

**Empowered Women Association** – Application is under review in Herat for this food processing Association, working with Bano Food Processing.

**Establishing Associations in Farah Province** – Initial draft of applications for 10 Associations Grants were received 19 June. Travel to Farah by Association Specialist Malali Emadi and Grants Specialist Mohammad Rafi Haghshenas is planned for 25 July.

**Proposed Association of Handicraft Associations** – is being proposed as a vehicle for retail sales in Herat and to market handicraft products from many producers associations in Western Afghanistan. Retail sales sites in Herat have been identified where products from at least 40 producer associations could be sold. Initial international sales efforts have been conducted in Italy, with follow-up needed. Concept proposal will be submitted by 2 July for review by ASMED. Meeting of Association members anticipated by 10 July.

## **FIELD ACTIVITIES – NORTH**

### **Key Accomplishments**

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

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

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

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

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

On 15 June, the project conducted roundtable meeting through Kaweyan BDS Company in Feeroz Nakhjeer district, of Samangan province. In the roundtable 70 grape traders and exporters attended the roundtable and established Feeroz Nakhjeer grape association.

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

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

On 20<sup>th</sup> June, the project signed a grant agreement with Mr. Faqir Muhammad, Chairman of the Jeweller's Guild at ASMED Mazar office. The grant is giving for procure of power generator, mobilizing association office and registering with the Ministry of Justice.

### **Obstacles**

- Because of environmental issue, the last instalment of grant for Aqcha hand knotted carpet association is pending. The association members contacted ASMED Mazar office for disbursing the last instalment of grant which is for purchasing a dust removing machine.

### **Planned activities**

- Roundtable meeting for Emam Saheb carpet producers and traders, in Emam Saheb district of Kunduz province.
- Roundtable meeting for Aqcha melon export traders in Aqcha district of Jawzjan province.
- Roundtable meeting for Khulm pomegranate traders and exporter, in Khulm district of Balkh province.
- Processing grant application for Mazar dry fruit association, the association wants to build store house in side the market compound to be use by all members.
- Processing grant application for Amo liquorice association, the association requested building store house to keep and processing also requested chopping, clearing, sorting and packing tools.
- Processing grant application for Khulam leather processing association, the association BOD requested mobilizing leather processing factory in Khulm district of Balkh province.
- Processing grant application for Khulam beekeeping association, the association requested bee hives, honey extracting machine other honey processing tools.
- Processing grant application for Ariana poultry association, the association requested feed mile, master chicks incubator capacity (60,000 chicks) generator and registration with Moj.
- Processing grant application for Feeroz Nakhjeer Tahafi grape exporters /traders association. The association requested warehouse to store grape for temporary, sorting and packing then exporting.
- Processing grant application for Ishkamish fresh fruit association, the association is requesting storehouse for collecting fresh fruit products, sorting, clearing and packing then sending to the markets.

## **FIELD ACTIVITIES – SOUTH**

### **Future Activities:**

#### **Eclat Construction Companies Union:**

Through grant# 001-069, ECCU will arrange Proposal Writing, Bidding, Management, Accounting and Report Writing Training for 50 member construction firms. This training will be arranged in two portions. First, the training in the pre-selected topics will be arranged for 25 construction companies by a local BDS firm, which will be selected through an open bidding system. ASMED BDS and Grant departments will be

closely monitoring the training and upon successful achievements of the first training, the second portion will be arranged for another 25 construction companies.

**Afghanistan Chamber of Commerce and Industries – Kandahar:**

During a recent VBIED attack on Provincial Council Office in Kandahar, the office of ACCI was damaged and most of its assets were useless after the incident. Being a key partner for ASMED project, ACCI Kandahar submitted a grant application for purchasing new equipment and furniture for its office. ACCI will also arrange business development training for key members. Through this grant, specific office equipment and furniture will be procured and Banking System, Business Management, Marketing and Accounting Trainings will be provided for 30 key member SMEs of ACCI.

## **PROGRAM COMPONENT 4:**

# **GLOBAL DEVELOPMENT ALLIANCES and GRANTS**

## **FIELD ACTIVITIES – NATIONWIDE**

### **Global Development Alliances**

The Second Quarter has been a productive Quarter with an emphasis on supporting implementation of existing and new GDAs approved from April to June. In addition, the GDA Senior Advisor visited India to meet with MedPlus. Organic STTA visited Kabul and met with potential partners. Mazar GDA conference was another success to bring together a number of new GDAs with ARFC loans. A Marble Sector STTA was here to develop a plan of activities for the coming years, including four to six GDA's to support this important sector. The GDA Department had several events like the OLPC deployment, and stakeholder meetings in various sectors. The Renewable Energy STTA came to Afghanistan in the month of May. The Renewable STTA had meeting with different stake holders and trained local partners. The second season of Dream and Achieve has started and auditions were held in Kabul, Mazar, Herat and Jalalabad.

### **Follow up implementation For Tolo « Dream and Achieve » Second season GDA #102.8**

Judges were selected and the audition is in July. TV and radio promotion is ongoing and brochures were made and is distributed among partners. Roshan Telecom has been selected as a main sponsor and would like to be the leading private company to sponsor a major part of the Dream and Achieve show again next year.

Auditions were held in Kabul, Mazar and Herat and will continue for Jalalabad, Badakhshan and Kandahar. The first Program will be broadcasted in the middle of July.

### **Silk Value Chain improvements, GDA # 102.12**

#### **Azana**

Azana has been making significant progress on marketing and outreach and Azana is expanding its manufacturing facility in Kabul. Azana visited Herat in May to source more raw silk and talked with the suppliers, making more and better linkages with the local market. Azana's web site was launched and online ordering is now possible from buyers in Europe, see [www.azana.net](http://www.azana.net)

#### **Zarif**

Zarif Design expanded its production capacity in new facilities allowing the company to respond to the additional local demand by providing a larger selection of garments for sale at the Gangina store located in Shar-e-Naw. Zarif Design has participated in an exhibition in Venice on 9<sup>th</sup> of June, and an exhibition on the 16<sup>th</sup> of June in Tokyo Japan. Zarif Design is working on sizing and hired a pattern maker from the US to train their tailors and initiatives to develop new designs are in progress. On July 3, 2009 there is an exhibition at the Turquoise Mountain Foundation where Zarif Design will prepare scarves and shirts with printing. Zarif Design is trying to form a long-term contract with Le Bistro restaurant in Kabul, in order to sell their products and showcase some of Zarif's best designs.

#### **Saleh Fine Silk**

Trainee learned to weave fabrics and shawls and trainees were trained on how to make the thread ready for weaving. Forty percent of productions were sold. Ninety percent of the trainees are now familiar with using threading machines.

#### **Roshan Telecommunications WPCO project, GDA # 102.4**

Contracts for two new partners were drafted and sent to the partners for signature. All the old sets were replaced with new ones. Roshan is in the process with First Microfinance Bank (FMFB) and Ariana Financial Service (AFS) to increase the number of WPCOs in Kabul and Jalalabad. Both banks will use existing clients contacts to expand this program.

#### **One Laptop project, OLPC GDA # 102.9**

The Education and Head of Curriculum Department of the Ministry of Education were selected and employed to develop teaching methodology for computer teaching in schools with the new laptop computers. Health Content Developer employed who will develop health activities and supervise Monitoring and evaluation for Health Impact of XO. Ministry of Public Health approved health contents, which are to put in school servers.

Multimedia contents from educational radio and television has been delivered to PAIWASTOON and is to be put in school servers. In Jalalabad and Kabul, training sessions were held in all four schools for 5 days of four hours each. 20 teachers (19 females, one male) in Sorya High schools were trained from May 24 to May 28. 19 teachers (17 females, 2 males) in Aryana High School were trained from May 31 to June. 19 teachers (8 females, 11 males) in Shaheed Afzali School were trained from June 7 to June 11. 24 teachers in Sayed Jamaluddin Experimental School were trained from June 14 to June 20. To date, 1,529 XO laptops has been provided by MoE and installed. Wiring for the schools is finished and the school servers have been installed, configured, and tested with wireless routers.

The Shaheed Safiullah Afzali and Sayed Jamaluddin Experimental School were selected for Kabul Deployment. Deployment Ceremony was held in Sayed Jamaluddin Teacher's Training Institute Auditorium (21st June 09). Follow up trainings for Sorya and Aryana School are finished. The next step is to deploy in Herat province.

#### **Micro-hydro Development project, GDA #102.14**

The remaining parts are expected to be built and assembled shortly. Some design work is needed on the guide vanes prior to making the mold and casting the draft tube and pipe parts. The next step is to assemble all the parts and produce the first Proto type.

#### **SIPS cold storage project, GDA-102.13**

All the equipment is ordered and will be reaching Kabul by the end of July.

#### **Affordable housing**

Afghan Earthworks (AEW) AEW has now received preliminary advice about the code compliance of ALL shelters in Afghanistan. The structural engineering consultants have examined both AEW's own and UNHCR's documents, in terms of adaptation to meet the NZ seismic earth building code, and following their first recommendations AEW are substantially revising their design approach.

The necessary modifications to make the originals designs code-compliant would then make them too expensive. Further investigation is a crucial part of the GDA proposal, and we are seeking to collaborate with like-minded academics and research institutes who wish to benefit from our presence in the field. Next step is to build a number of low cost housing Proto type with earth quick code approved.

#### **Pharmaceutical Value chain improvement**

A number of meetings were held including meeting with MedPlus India.

## **FIELD ACTIVITIES – WEST**

## **Approved and Ongoing Grants or GDAs:**

**Tor Gondi Market Grant** – Approval of payment of work completed to date and authorization to finish the project has been issued by ASMED Kabul. Completion of work is anticipated by July 30.

**WPCO Program** – 50 interested women in different parts of Herat province were introduced to Roshan Company to further process, Roshan is working with the women to make application to FMFB for loans. Some women were interested in cash purchase of the equipment, signage and top-up cards. The Roshan contract has been extended and women are being registered.

## **Future Activities**

**Marble Processing** – Roundtable meeting of Herat based processing firms was held 17 May to confirm their support of proposal to invest \$50,000 each into a new venture to produce export quality cut & polished marble. Additional meetings to confirm their positions have been held in Herat. Legal counsel is being retained to develop shareholder agreements.

**GDA Conference** – Rafi Haghshenas, Grants Specialist, attended the GDA Conference in Mazar and will be using that successful experience to facilitate planning for a proposed GDA Conference for Herat of qualified companies from the Herat Industrial Park. The program has the support of the Herat Industrial Union who is participating in the planning. Anticipated date will be shortly after Ramadan in September.

**Habib Omid Company (Cashmere & Wool Thread Production)** – Anticipated submission of Value Chain Grant request for Cashmere and Wool Wash and thread/yarn production facility in the Industrial Park of Herat was withheld by the investors pending an ownership and capitalization restructuring. Project includes use of reverse osmosis water treatment facility for waste water, thereby dramatically reducing waste discharge. The Grant application is anticipated to be resubmitted by 20 July.

**Laparoscopy Clinic in Herat** – proposal for the first Laparoscopy Clinic in Herat will be submitted by 20 July for purchase of equipment to support these less invasive surgical techniques. Surgeries would take place at Herat Hospital.

## **FIELD ACTIVITIES - NORTH**

### **Key Accomplishments**

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

### **Activity:**

- During the reporting period the project identified and motivated a considerable number of production companies in Northern provinces to come with business concept papers for ASMED consideration. BDS companies supported the enterprises with developing business concept papers and financial documents.
- During the quarter, 40 SMEs came up with business concept papers and financial documents for ASMED grant consideration; we have linked many of the potential companies with financial institutions.
- On 7<sup>th</sup> April 09, the Afghan Growth Finance Company invited and visited four companies (Haji Abdul Rahman carpet company, Taj zada silk processing company, Sadaat tomato paste, Almobasher food processing company), to process with loan support
- On 18<sup>th</sup> April 09, the Afghanistan Rural Finance Company invited and visited several companies (Afghan tax carpet company, Sina PVC production company, Almobasher food company, Takht Rustam marble

company, Chashme Shafa Agribusiness company, Yarash Huma brick production company, Aria plastic footwear company) and processed loan, the loan already approved for 3 projects and 3 more accepted by Afghanistan and send for further processing to home office.

- On 27<sup>th</sup> May 09, the project conducted GDA conference in Balkh province, Mazar city, with participation of 17 successful SMEs, financial institutions (investors) BDS companies, relevant government authorities and Balkh provincial advisor for economic growth. The SMEs present their program/ plan and required support.
- On 31<sup>st</sup> of May, the project submitted the documents of Pamir Belawr Salt Company to ARFC for processing a loan.
- On 31<sup>st</sup> May, the project had a field trip to Faryab, and had a meeting with the Mayor of Faryab, discussing about the trashcans project final installation.
- On 31<sup>st</sup> May, purchasing and providing the quotation for the Faryab Leather processing association over in Faryab.
- On 1<sup>st</sup> Jun, the project had a day trip to Pulikhumri city in Baghlan Province, to investigate the purchased machineries for this association after their first installment.
- On 7<sup>th</sup> of June, the project received confirmation from Afghanistan Rural Finance Company on the approval of loans for the following companies: Abdul Rahman Sons Ltd (Carpet) - \$100,000; Almobashir Bakery - \$100,000; Takhte Rustam Marble - \$60,000. The business plans and financials were prepared with ASMED technical support. The companies were among 17 SMEs selected that attended the GDA conference.
- On the 3<sup>rd</sup> of June, the project had a site visit to Baghlan Province. During the visit project monitored the implementation of grants recently approved. The mission visited Puli-Khumri Carpenters' Association, Qatagan Seed Association and Ajmeer Beekeepers' Association.

#### **Obstacles:**

- Lack of capacity of SMEs in developing and writing of grant proposal and business plan.

#### **Planned for next quarter:**

- To support SMEs by subcontracting BDS Companies in developing and writing of grant proposal and business plan
- To finalize and follow up with submission GDA concept papers.
- To process a grant application for identified SMEs for Value Chain Project

## **FIELD ACTIVITIES – SOUTH**

### **Planned events**

**GDA Conference** – ASMED arranged a pre-orienting workshop in Kandahar city for business associations, independent entrepreneurs, ACCI and AISA. The purpose of this event was to invite and provide information on a GDA conference and GDA process to investors who would apply for a GDA. In addition, ASMED also sent staff to Helmand and Uruzgan for circulating this issue.

This event will be held in early September and the ASMED regional office will try to get as many concepts as possible for this conference considering the criteria of GDA.



**GDA Gathering in Kandahar (USAID/ASMED)**

## GRANTS

### NATIONWIDE ACTIVITIES:

#### Section A: Quantitative information:

##### A.1. Quarter Highlights:

- During this quarter, seven different types of Grants Projects are completed and are ready for the use of local community in various regions.
- During this quarter 32 Grant Projects was approved and the implementation process has started in various regions.

##### A.2.Total Grants Projects approved from beginning to June 2009:

Type of Grant	Number of projects			Total committed Value	Total Disbursed	Balance
	Closed	Active	Total			
Associations	48	24	72	\$1,679,191.50	\$1,317,147.17	\$313,641.27
MDGs	47	17	64	\$710,980.88	\$535,753.05	\$160,288.50
Value Chain Improvement	9	13	22	\$1,721,666.00	\$1,141,642.00	\$570,661.00
Enterprise	1	0	1	\$5,000.00	\$5,000.00	\$0.00
<b>Grand-Total</b>	<b>105</b>	<b>54</b>	<b>159</b>	<b>\$4,116,838.38</b>	<b>\$2,999,542.22</b>	<b>\$1,044,590.77</b>

#### Section B. Qualitative Information:

##### B.1. Approved Grants during this Quarter:

###### Grants approved in April 2009:

###### Grant Nr: 001-055

Grantee: Ajmeer Beekeeping Association

Location: New Baghlan, Baghlan Province.

Grant Amount: US\$17,714.00

Grant Type: Value Chain Improvement Grant

Approved Date: April 4, 2009

Ajmeer Beekeeping Association was established in 2007 in Baghlan Province by 52 progressive farmers who were interested in beekeeping and maintaining 200 beehives. It is the only beekeeping association that provides services to its members in the province. The association works to control diseases from entering the area, by ensuring that all imported bees have the disease free certification. It also provides expertise on quality of production and training on beekeeping to its members. ABA has made a commitment to encourage the farmers to re-start the beekeeping business because there is strong demand in the local market. ABA is marketing the production to Kabul and other cities, where current honey supply is from Iran, UAE and Pakistan.

The association is planning to increase and improve honey production with ASMED technical support. Current market demand exceeds the production capacity of the association's members. The association is in need of new equipment for beekeeping. This equipment, owned by the association, will be distributed to members in order to increase their production. By providing new equipment to members, the association supports them to improve the quality of the product and increase the production capacity. In turn, members' increased business will also ensure the association's financial sustainability. The support provided to one member will have a positive effect on a whole family. The association is covering their expenses by providing services to members such as supplying raw materials, sales of goods and through membership fees.

All funds requested from ASMED will be spent on equipment to increase production and on training of association members in new techniques.

**Grant Nr: 001-064**

Grantee: World of Women Sales Service Associations

Location: Cote Sange, Kabul City

Grant Amount: US\$10,300

Grant Type: Association Development Grant

Approved Date: April 4, 2009

World of Women Sales Service Association has planned a new promotion for the market: the Joma Bazaar. This is a special bazaar on Friday during which women and families will shop at the bazaar. WOWSSA will provide the best facilities for shopping, and in addition to WOWSSA members, more than 20 other associations will take part with booths set up in the WOWSSA market. This bazaar will provide an opportunity for all women associations to find market for their product.

- Intense marketing is required because it is the first time that we have provided this service
- WOWSSA association will decorate the market and provide facilities (tables, chairs, display booths) for other associations that also can take part
- Security will be an important part of this program because we want to provide the most comfortable place that everyone will enjoy
- WOWSSA will provide guest refreshments for approximately 100 guests to invite each Friday

The association has complete office equipment (Computer, Printer, chair, table, carpet, shelves).

WOWSSA operates in a rented building in Kothay Sangi.

More than 40 women will have their own shops and be able to make more than \$1000 income per month within five years.

**Grant Nr: 001-065**

Grantee: Qataghan Seed Production Association

Location: Aryana Market, New Baghlan/ Baghlan Province

Grant Amount: US\$16,950

Grant Type: Association Development Grant

Approved Date: April 4, 2009

The association, with ASMED technical support is planning to increase and improve the quality of seeds supplied to farmers. There is a high demand for improved seeds among farmers; however, there is not enough equipment to satisfy the demand. The association is in need of new equipment for seed cleaning, processing and packaging. All members of the association will use this equipment, owned by the association. By providing new equipment to members, the Association expects to improve the quality of seeds, which ensures the association's financial sustainability.

Qataghan Seed Production Association has a vital objective to provide technical support (equipment, trainings, and financial assistance) to association members and to other traders and farmers in order to empower business activities on provincial level. Unfortunately, the association does not have enough financial capital to deliver these services. QSPA is working on training and encouraging other traders and farmers on techniques of cleaning, processing and improving the seeds.

**Grant Nr: 001-060**

Grantee: Wahdat Saripul Dry and Fresh Fruit Association

Location: Dara-Zenjak, Sari Pul Center, Sari Pul Province

Grant Amount: US\$8,630

Grant Type: Association Seed Grant

Approved Date: April 4, 2009

The Association was established and formed on September 16, 2008 by Balkh BDS Company with technical support from ASMED in a roundtable meeting. Prior to that, all the fruit traders and gardeners were doing their businesses individually. There has been a rapid increase of members because the Association implements proper dissemination and advocacy procedures that greatly encourage the gardeners, farmers,

entrepreneurs and related business people to join. The Association moves forward based on a well developed business plan.

The Association has carried out a rapid survey of fruit production in Angot villages, Kohestanat and Sancharak District of Sari Pul province and a comprehensive survey of potential problems, obstacles, barriers and ways forward for addressing these issues in one sub village of Angot village and two districts of Sari Pul Province.

In addition, the Association is struggling to mobilize resources in exploring different financial channels that will enable the construction of a well air-conditioned warehouse to be used by all of the Association members. The air-conditioned warehouse will greatly increase the revenue of the business, as fruits will be preserved in the controlled environment during the hot summer fruit season.

Furthermore, the Association intends to put additional effort on verifying market information for its members in order to direct their exports through proper channels and subsequently increase their revenue. There are 75 members of this association; 950 men and 150 women will be beneficiaries of this project.

**Grant Nr: 001-067**

Grantee: Puli Khumri Carpenter's Association

Location: Puli Khumri, Baghlan Province.

Grant Amount: US\$19,880

Grant Type: Association Development Grant

Approved Date: April 4, 2009

The association, with ASMED technical support is planning to increase and improve the quality of production supplied to customers. There is strong demand and good market for the association products at provincial level; however, there is not enough equipment to satisfy the demand. The association is in need of new equipment for improving the quality of its furniture. All members of the association will use this equipment, owned by the association members.

The business of all association members, 150 workshops, is located in one place, the carpentry production center in Puli-Khumri. It is a well-known place and customers from other provinces visit the area. All members have an extended previous work experience in carpentry.

The association objectives are to provide and extend services for its members and to the public. It also provides professional training on specific techniques in carpentry to the members. The association is in need of new and modern equipment to improve the quality and quantity of the production and provide efficient response to the customers' requirements and preferences. This equipment, owned by the association, will be distributed to members in order to increase the production, which will ensure the association's economical sustainability. It is expected that production capacity will be doubled and will replace the imported products from China, Malaysia and Turkey. The price will be cheaper compared to imported products due to available natural resources, and transportation costs.

**Grant Nr: 002-057**

Grantee: Etifaq Market MDG

Location: Sheerghan Ctiy, Jawzjan Province

Grant Amount: US\$9,950

Grant Type: Marketplace Development Grant

Approved Date: April 4, 2009

With an ASMED Marketplace Development Grant, the Construction Company will gravel and concrete the sidewalk of the Etifaq Market (Carpet Market) in Sheberghan City, Jawzjan Province. The request was received from the Mayor of Sheberghan. The idea came from shopkeepers and was approved by the Mayor of Sheerghan.



View of the Sheerghan Bazar in Jawzjan (USAID/ASMED)

The project implementation will indirectly support development of carpet industry in Jawzjan Province. The market sells a wide range of goods related to carpet production at the Etifaq Market. The project implementation will help ASMED/Mazar Office to spread information on MDG projects in Jawzjan Province and establish a working relationship with local government and the business community.

The Etifaq Market is the medium-sized market of Sheberghan City. The market has around 90 shops; each shop has three or more people working there. There are 1,000 people that visit the market on regular day; however, larger numbers of customers visit the market on market days. The market has a wide range of assortments related to carpet production. Currently, sidewalks inside the market are not graveled and have no concrete on the sidewalk, which makes it difficult during market days during the fall, winter and spring seasons. The roads get muddy and wet making it impossible to get into the market after rain or snow. 300 shopkeepers will be direct beneficiaries and 5000 indirect Customers for this project.

**Grant Nr: 002-054**

Grantee: Charbolak District  
Location: Charbolak City, Balkh Province  
Grant Amount: US\$10,198  
Grant Type: Marketplace Development Grant  
Approved Date: April 20, 2009

With an ASMED Marketplace Development Grant, a construction company will construct two deep wells in the center of the District bazaar.

Additionally, the company will also construct roads in the marketplace. The Mayor of Charbolak has also requested the gravelling of the Charbolak Marketplace Road. The idea of the road construction and digging of the wells originated from the shopkeepers in the market and was approved by the Mayor. The shopkeepers will contribute to the improvement of the market sanitary system.

The construction of two wells and graveling of the road in marketplace will allow shopkeepers and customers to stay longer in the market in all seasons of the year, and will increase commercial activities subsequently creating job opportunities to the local inhabitants.

The market is located in the center of the city and there are no proper sanitation systems close to the market. The market's new market sanitary system will allow the following:

Shopkeepers and customers can have access to a clean marketplace in all seasons of the year. In addition, that will allow them to have clean water for drinking and washing the fruits to keep them safer and away from disease.

**Grant Nr: 002-059**

Grantee: Kaldar District MDG  
Location: Kaldar District, Balkh Province  
Grant Amount: US\$10,000  
Grant Type: Marketplace Development Grant  
Approved Date: April 27, 2009

With an ASMED Marketplace Development Grant, the shopkeepers will gravel a sidewalk of the Central Market in Kaldar, Balkh Province. The request was received from the Mayor of Kaldar through Paul Ware, USAID Field Program Officer in the Northern Region, who visited the town and met with local authorities. The idea came from



View of the Charbolak City Bazaar(USAID/ASMED)



View of the Kaldar District Bazaar (USAID/ASMED)

shopkeepers and was approved by the Mayor of Kaldar. The shopkeepers will be responsible for maintaining of market sanitary system in the future.

The project implementation will help ASMED/Mazar Office to spread information on MDG projects in Balkh Province and establish a working relationship with local government and the business community. It will also increase public awareness of USAID support to community economic development in the Northern Region.

The gravelling of sidewalk at the Central Market will address the following needs:

- Proper identifiable market; and
- Improve the market infrastructure of the Central Market
- Extend the commercial activities in the area

The graveling of sidewalk in marketplace will allow shopkeepers and customers to stay longer in the market during all seasons of the year, and will increase commercial activities subsequently creating job opportunities to the local inhabitants. .

Initially, it is estimated that the representative of the shopkeepers on a temporary basis will employ up to 300 laborers. Full time employment will be generated by increased business activities as well as the maintenance and management of the facility itself.

#### **Grant Nr: 001-061**

Grantee: Afghan Carpet Exporters Guild (ACEG)

Location: Mazar-e-Sharif City, Balk Province

Grant Amount: US\$21,410

Grant Type: Marketplace Development Grant

Approved Date: April 27, 2009

ACEG facilitated in exporting of 2,000,000 m<sup>2</sup> carpets and gilems of the North Region in 2007. All above mentioned carpets and gilem were sent to Pakistan and further exported to other countries with a "Made in Pakistan" label.

Currently, ACEG does not have the technical capacity to operate as a coordination agency for carpet producers and traders in the Northern Region. There is a great opportunity to create a business information center within the ACEG/Mazar Office. With ASMED technical support, the ACEG will play a vital role as the business information center for the carpet industry by providing informational support and promotion of member products.

The creation of a carpet industry business information center will allow the services provided by ACEG to members to move to a new level. Furthermore, the ACEG will put additional effort into verifying market information for members regarding direct export opportunities and further increasing revenues of carpet producers. The ACEG would like to take a lead on assisting members in proper production and packaging also.

#### **Grant Nr: 004-025**

Grantee: Mawj Packages Factory

Location: Mazar-e-Sharif City, Balkh Province.

Grant Amount: US\$35,000

Grant Type: Value Chain Improvement Grants

Approved Date: April 27, 2009

The Mawj Packaging Factory was created in 2004 and the registration process of the factory is in progress with the Afghanistan Investment Support Agency (AISA). The Company's objective is to take an active part in the social and economic development of Afghanistan through providing high quality and low price packaging products to private companies and farmers.

With ASMED technical support, Mawj Packaging Company is planning to expand and extend its services in providing the packaging material to companies in the Northern Region. It will be the only company that

provides such services in the area. With the proposed investment on procuring and installation of packaging equipment, the company will be able to project its presence onto the market. It will provide additional job opportunities for 26 employees in the initial start-up and it will increase to 38 by the end of the first year when the demand for services will be higher. New packaging equipment will support a gradual replacement of imported packaging material from other countries.

We anticipate that after installation of proposed machineries our initial products will be 5000 packages in 24h that will increase to 10,000 in the course of a year. Due to market demand, we will also introduce the a night shift of production, which will increase the number of staff as well. The company is planning to replace imported carton boxes with their own production and to get at least 25% of market share for all carton boxes in the Northern Region Provinces in the next five years.

#### **Grants approved in June 2009:**

##### **Grant No.: 002-027**

Grantee: Masrou Food Processing Factory

Location: Jalalabad City, Nangarhar Province

Grant Amount: \$26,577.00

Grant Type: Value Chain Improvement Grant

Approved Date: June 1, 2009

Masrou Foods is an fruit and vegetable processing company that has been in operation since 2008 that specializes in the production of jams, jellies, pastes, and juices. Masrou Foods exhibited in Kabul Ag Fair, which resulted in a high demand for their products. Currently, the company is selling their entire production to retail shops in Jalalabad and exporting Pomegranate jam to Pakistan. ADP-E has just completed a three month training in production, packaging and marketing with Masrou Foods. The company needs to upgrade their equipment to meet new demand from buyers in Kabul.

The company is currently selling its products to wholesalers and shopkeepers in Jalalabad and has received interest from shopkeepers in Kabul through the Kabul Ag Fair 2008. They will make an effort to capture the market throughout Afghanistan.

The Majority of the firm's inputs are fresh fruits and tomatoes, which will be supplied by local farmers or local market. The firm will only import preservatives and mangos from Pakistan because they are not available domestically. They already have agreements with the Eastern Region Fruit Growers Association who would be supplying fresh fruits on contract basis to our factory. ADP/E has facilitated agreements for Masrou foods to purchase fruits and vegetables grown by farmers in Sherzad and Khogyani districts of Nangahrar province.

The company will extend processing activities to other provinces. In future, the company will be able to promote the food processing business and will increase its production. We will be specifically looking forward to bringing the following listed changes in the company within 5 years of operations:

- a. To double the production by second year of the operation;
- b. To increase the number of employees to 40;
- c. To own their location by the second year;
- d. To have distributor in all major cities of Afghanistan by the 3<sup>rd</sup> year of operation.

Twenty company staff and laborers and 1200 Fruits growers will be benefitted by this project.

##### **Grant No.: 001-068**

Grantee: Nuristan Gemstones Miners, Producers & Traders Association

Location: Jalalabad City, Nangarhar Province

Grant Amount: \$23,200.00

Grant Type: Association Development Grant

Approved Date: June 11, 2009

ASMED Jalalabad Office created an association for the Afghans involved in the gemstone sector to work with the Ministry of Mines to legitimize the business. The association has been closely working with the Ministry since July 2008 and has received a legal license for gemstone mining and trading in the region after paying a deposit of \$40,000.

Due to a government ban on gemstone mining and its trading in the region, many Afghan traders have their shops in Peshawar. Now that the association has legalized gemstone trading in the East, it is an excellent opportunity to persuade these Pakistan-based traders to shift their operations to Jalalabad.

As part of the effort to convince the gemstone traders to move their businesses to Jalalabad, the association will develop a gemstone bazaar and rent around 20 shops. In order to be accepted in the bazaar, traders must become association members, and pay monthly fees. As part of this initiative, ASMED will initially subsidize 2/3 of the rent of their shops, or \$1600 per month, whichever is less for a period of one year. This will:

- Encourage traders to join the Gemstone Association and pay monthly fees, thereby contributing to the sustainability of the association;
- Provide an incentive and reduce the cost associated with moving their operations from Pakistan.

The establishment of a gemstone market in Jalalabad will create hundreds of direct and indirect job opportunities to people of the region and will be a source of income for the government. In addition, it will help ASMED identify opportunities to work with gemstone miners to improve their mining operations, and link them with our GDA activity. ASMED will prepare office space for the Gemstone Association within the BDC. The Association will pay \$150/month towards the operation of the BDC.

The grant application includes funding for accounting services. The Association will increase its financial management capacity by having an accountant available for managing the rent payments, for managing Association sales, and for assisting Association members businesses.

**Grant No.: 001-069**

Grantee: Eclat Construction Companies Union

Location: Kandahar City

Grant Amount: \$12,000.00

Grant Type: Association Development Grant

Approved Date: June 11, 2009

As the association is newly established, it has only provided few services to its members to date. Most of the construction companies in Afghanistan are financially weak. Through the agreement with Afghan United Bank, those member companies who win large contracts will be advanced loans to help them start their projects. Throughout the agreement ECCU will continue to introduce the companies to the bank for this service using a specified criteria:

The association was established with the aim of offering the following services to the members:

- ensuring collaboration in the related sector;
- building the existing capacities of the construction companies
- provide security measurements to those companies which work in the risky areas;
- facilitate loan processing from private-sector banks for construction projects to the construction firms;
- to support the self-financial sustainability of the construction companies;
- and others.`

The association needs support in several programs. Currently ECCU is requesting capacity building support from ASMED. The specific details for each line items of the project budget requested from ASMED are as follow:

- Accounting Training
- Management Training
- Proposal Writing Training
- Bidding Process Training
- Report Writing Training

In total, 30-days training will be delivered for a period of 75-hours in the above 5 topics. The results will be delivered both to the 25-construction companies and the management of the association, which will follow up on the implementation of the topics learnt. Business Development Services Companies will be contracted to conduct the training.

**Grant No.: 001-070**

Grantee: Laghman Nursery Farmers Association

Location: Mehtarlam, Laghman Province

Grant Amount: \$16,959.00

Grant Type: Association Development Grant

Approved Date: June 11, 2009

Laghman Province is considered to be one of the most fertile provinces in the country and has a high number of agricultural-based businesses. The province produces wheat, rice, honey and several types of fruits and vegetables.

To further strengthen and develop their activities, Laghman agricultural directorate provided five rooms inside the agricultural directorate to agri-business associations based in Laghman Province for a period of three years. Through this grant, five offices will be renovated inside the Agriculture Directorate. The Laghman Nursery Farmers Association will occupy one of the offices, with four other associations occupying the rest. The other Associations are the Laghman Ag Company, the fish producers, dairy producers, and beekeepers associations.

Since the rooms have not been properly utilized in the last few years, they need renovation and painting to make them appropriate for office use. The associations are new and are not able to fund the renovation, painting and fixing of the electrical system of the rooms. An ASMED grant will provide office space not only to Laghman nursery farmer association but also to four other associations created or supported by ASMED in the province.

Goals of association for the next 2-5 years include:

- To increase the production of members
- To improve the quality of members' products
- Find new markets (National and International) for members' products
- Coordination amongst all members
- Encouraging more people to start similar businesses

**Grant No.: 001-071**

Grantee: Gemstone Training Center

Location: Kunduz

Grant Amount: \$30,260.00

Grant Type: Association Development Grant

Approved Date: June 11, 2009

A training center will be set up for gemstone processing and jewellery making. Semi-precious stones are available from several locations in Afghanistan (emeralds, rubies, lapis lazuli, aquamarine, tourmaline, kunzite, etc). Kunduz shop owners have a high awareness of such stones and know where to source them but most are exported either totally unprocessed or only semi-processed, and are made into gemstones, larger polished stones or jewellery by the many Afghan-Pakistani firms that set up in the area around Peshawar and other jewellery centers in Pakistan. There is now a Gemstone Institute in

Peshawar.



Gemstone Training, Kunduz (USAID/ASMED)

ASMED will provide the following kinds of tools and equipment for training purposes:

1. Furniture for a training center (benches, stools, cupboards etc)
2. Generator for lighting and cooling purposes
3. Generator for operating electrical equipment
4. Other office furniture for administration of the training centre (desks, filing cabinets, display cabinets, desktop computer)

Expected outcome:

Gemstone cutting and polishing, and jewellery manufacture, will be properly established in Kunduz, Mazar and other towns. This project will improve value-added activities by an intervention in the value chain for semi-precious stones. This chain begins at the mining centers like Juim and Badakshan where, for instance, raw Lapis rock is mined and exported to processing centers, many of which are in Pakistan.

150 men, 90 women and 100 others will be direct beneficiaries per semester. One semester includes 9 months.

**Grant No.: 001-072**

Grantee: Ghoryan’s Women Saffron Association

Location: Ghoryan District, Herat Province

Grant Amount: \$9,972.00

Grant Type: Association Seed Grant

Approved Date: June 11, 2009

The Ghoryan Women Association came into existence as a result of common cooperation of 70 active women and 2 supportive men in 2008 and is registered with Ministry of Justice under license # 1160. In the first year of activity the Association obtained support from ICARDA and the Italian PRT resulting in donation of 2,500 kg of saffron corms.

Saffron is planted by the members and the Association serves as a facilitating point in saffron harvesting and drying services offered for free to encourage more members to join and current members to pay the monthly membership fee. The Association also provides marketing services for members through participation in National and International trade shows.

The Association distributed the donated saffron corms to members for four years, and after this period the corms will be recollected and part of the newly developed corms will be distributed to new members to increase the number of women benefiting from the Association’s efforts, bringing more jobs and income for women in the Ghoryan District. This will also help the Association to reach its goal of increasing and expanding saffron planting and cultivation in the District and in Herat Province.

The equipment, materials and services to be provided through the ASMED grant will be used as follows:

- The Software, Computer and other IT equipment will enable the Association management to record and keep track of all its accounts and activities.
- The plastic crates will bring a significant reduction in wastage of saffron during collection time
- The Association has developed some marketing material, including banners and business cards. Additional marketing material will further expand the awareness of the Association’s services and products in the saffron market and their role as one of the most successful women saffron associations.
- The training program will train 30 members on saffron processing and marketing to increase the knowledge of members on saffron post harvest handling, drying, packaging, quality control and marketing to generate more income through better processing techniques and to broaden the market for their products.

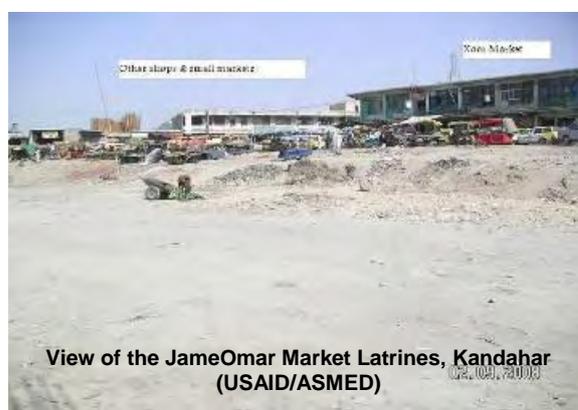
**Grant No.: 002-050**

Grantee: Jama-e-Omar Market Latrines Construction

Location: Kandahar City

Grant Amount: \$10,002.00

Grant Type: Marketplace Development Grant



View of the Jame Omar Market Latrines, Kandahar (USAID/ASMED)

Approved Date: June 11, 2009

ASMED and Kandahar municipality funding will be used to construct 15 latrines (5 female / 10 male separately) in Jama-e-Omar Market of Kandahar city. ASMED's contribution will be used for procuring various construction materials, as well as skilled and unskilled labor costs. The Kandahar Municipality's contribution will be used for purchasing construction materials, covering skilled / unskilled labor costs, and for the partial salary of supervising engineer and future maintenances of the latrines.

As per the design drawn by municipal engineer and approved by Kandahar mayor, 15-latrines will be constructed, 5 for women and 10 for men with each set having separate entrances. A contractor will be hired to manage the project.

The construction company will build a septic tank that will be placed 100m from the 60m deep well that will serve as the water source for the flush latrines.

The successful completion of the project will directly affect the improvement of the sanitation system in the area. The project will improve sanitation conditions for shopkeepers and consumers. Proper facilities will also reduce the potential for the spreading of diseases.

**Grant No.: 002-060**

Grantee: Noorgram Market Stalls

Location: Noorgram District, Nuristan Province

Grant Amount: \$10,537.00

Grant Type: Marketplace Development Grant

Approved Date: June 11, 2009

With an ASMED Marketplace Development Grant, the Asia Mashriq Construction & Road Company (A.M.C.R.C) will construct market stalls comprised of 10 complete shops with individual closing doors. The district municipality will contribute land, security and an engineer to oversee the contractor's work.

The Noorgram district area is located 50 Km in the North East of Laghman province. Currently, residents have to travel a few hours by road to the nearest market in Laghman province.

The implementation of this project will have the following achievements:

- The residents will have better access to a local bazaar for purchasing daily items.
- The project implementation will create temporary jobs for the community through construction work.
- It will extend the services of the district government, providing the government with a revenue source.
- It will serve as a catalyst for new businesses creation and growth in the area.



View of the Noorgram Market Stalls in Nuristan (USAID/ASMED)

**Grant No.: 002-061**

Grantee: Shortakzar Market MDG

Location: Mazar-e-Sharif, Balkh Province

Grant Amount: \$9,938.00

Grant Type: Marketplace Development Grant

Approved Date: June 11, 2009

With an ASMED Marketplace Development Grant, the Construction Company will install the cement concrete mosaic at the sidewalk of the marketplace in the Shortakzar market at Mazar-e-sharif. The request was received from the shopkeepers through Mr. Haji Abdul Rahman, Director of Department of

Economy of Balkh Province. The idea of placing a cement concrete mosaic in the marketplace came from the shopkeepers and was approved by the Department of Economy of Balkh Province.

The project implementation will directly support the development of a commercial activity in Shortakzar market of Mazar-e-sharif City.

The project implementation will help ASMED/Mazar Office to spread information on MDG projects in Balkh Province and maintain a working relationship with local government agencies (Department of Economy of Balkh Province) and the business community.

Direct beneficiaries will be 150 Shopkeepers and indirect beneficiaries will be 1,500 customers.

**Grant No.: 002-062**

Grantee: Doab District Market MDG

Location: Doab District, Nuristan Province

Grant Amount: \$11,844.00

Grant Type: Marketplace Development Grant

Approved Date: June 11, 2009

Through an ASMED MDG grant, The Gairat Construction Company (G.C.C) will construct market stalls comprised of ten shops with individual closing doors. The district municipality will contribute land, security and an engineer to oversee the contractor's work.

Doab district is a mountainous area with a sizeable population located 105 Km northeast of Laghman province. There are no nearby markets for the people to buy their daily necessities. Currently, residents have to travel for hours by road to the nearest market in Laghman province.

The implementation of this project will have the following achievements:

- The residents will have access to a local bazaar.
- The project implementation will create temporary jobs for the community through construction work.
- It will extend the services of district, and provide a revenue source for the local government.
- It will serve as a catalyst for new businesses in the area

Direct employment will be 28 temporary and 20 to 30 permanent jobs created from this project, and indirect employment will be 1200 area residents. Approximately 800 men and 430 women will be beneficiaries of this project.

**Grant No.: 002-063**

Grantee: Dara-e-Noor District Market

Location: Jalalabad City, Nangarhar Province

Grant Amount: \$15,435.00

Grant Type: Marketplace Development Grant

Approved Date: June 11, 2009

With an ASMED Marketplace Development Grant, the Sarwan Niazi Construction Company (S.N.C.C) will construct market stalls comprised of 10 complete shops with individual closing doors, surrounding walls, a main gate installation and electrical wiring. The district municipality will contribute land, security, an engineer to oversee the contractor's work and the installation of a new power transmission line.

The Dara-e-Noor district is remote and mountainous district which does not have much land for cultivation. This market is will be constructed in Janjapoor village of Dara e Noor district, which is located 50km north from Jalalabad city.

It has expected that implementation of this project will have the following achievements:

- There is one big Microhydro Power Dam nearby, which will be linked to the market for its use in lighting at night and for industrial purposes in the daytime.
- Connecting the market with an MHP will be a new opportunity for the creation of new business in the area.
- Community people will have good access to this bazaar for purchasing daily needs.
- The project implementation will create temporary job opportunities for the community people through its construction work.
- It will extend the services of the district, providing the local municipality with tax revenue, in turn.

**Grant No.: 002-065**

Grantee: Almar District MDG

Location: Almar District, Fayab Province

Grant Amount: \$9,955.00

Grant Type: Marketplace Development Grant

Approved Date: June 11, 2009

With the ASMED technical support of a Marketplace Development Grant, the construction company will be constructing 10 new shops at the Almar district in Faryab Province. The request was received through District Governor of Almar district. The Municipality of Almar will take part in the construction activities of the market and co-finance the construction work.

The shopkeepers will contribute to the construction operation and further maintain the sanitary system at the market. The project implementation will directly support development of a commercial activity in the Almar district. It will be the only centralized marketplace for the procurement of foodstuffs and clothing in the district.

The project implementation will help ASMED Mazar Office to spread information on MDG projects in Faryab province and establish a working relationship with the local government and business community.

The construction of new shops will address the following needs:

- Establishing the only centralized marketplace in the district
- Improve the commercial activities on the district level
- Increase the availability of commodity goods at the district level
- Waste management/collection system at the market area
- Attract the local customers for procurement goods locally
- Saving time and transportation costs for local SMEs

**Grant No.: 002-066**

Grantee: Qalat City Market

Location: Qalat City, Zabul Province

Grant Amount: \$9,919.00

Grant Type: Marketplace Development Grant

Approved Date: June 11, 2009

Through the proposed project metal awnings will be installed for 80 shops in Shar-e-Naw Markets of Qalat city. The municipality of the city and the private sector constructed these four new markets. Recently, almost 100-SMEs were created, because of the market construction.

The ASMED grant will be used for purchasing metal sheets, metal pipes, nuts and bolts, cement, gravel, hiring welding machines, and for the use of skilled and unskilled laborers.

The municipality engineer will supervise and monitor the project and they will be responsible for future maintenance of the markets.

In these four markets, more than 120 shops are constructed, but this project will only support those shops that have perishable food items, such as agricultural and dairy products.

After the completion of this project, 80 SMEs will be shielded from the sun, rain and snow. SMEs will pay rent for the shops, which are owned by the municipality. No additional cost will be collected from the SMEs other than rent, which they already pay. 26,000 men and 18,000 women will be beneficiaries of this project.

**Grant No.: 002-067**

Grantee: Shah Joy Market

Location: Shah Joy District, Zabul Province

Grant Amount: \$10,551.00

Grant Type: Marketplace Development Grant

Approved Date: June 11, 2009

Shah Joy District is an unsecured, but important district in Zabul Province as it is located on the Kandahar – Kabul Main Road to the east of Qalat City. Shah Joy has a larger population than Qalat City and has more advanced commercial activities, but lacks market facilities to engage in sophisticated commerce.

The ASMED and Grantee contribution will be used to construct a small market, which will include 8-shops. The market will be constructed as a one-floor building with proper and high quality construction materials.

The contribution of ASMED will be used for construction as follows:

- All required construction materials;
- Skilled labor wages for construction
- Unskilled labor wages for construction;

In addition to the ASMED contribution, the grantee's (district government/local shura) contribution will be used for the following:

- Cost of land on which market will be constructed;
- Salary of municipality engineer;
- Future maintenance of the market;

As a result, both contributions of ASMED and district government and local Shura will be used to produce a small market in the district. 36,000 men and 24,000 (Total Population of District) women will be beneficiaries of this project.

**Grant No.: 004-027**

Grantee: Ikhlas Wool Spinning Company

Location: Mazar-e-Sharif, Balk Province

Grant Amount: \$60,000

Grant Type: Value Chain Improvement Grant

Approved Date: June 11, 2009

The Ikhlas Wool Spinning Company was incorporated and established in February of 2002 by Mohammad Sadeq with the partnership of Mohammad Esmahil and Esmatullah. The company has a license received from Afghanistan Investment Support Agency (AISA #D-5479/7). The Ikhlas Wool Spinning Company requested US\$ (60,000) as a Grant from ASMED for the construction of a storehouse and the procurement of electrical equipment for the factory's infrastructure. The Ikhlas Wool Company's Office is located on the second floor of Bakhruddin-Bye Market in Mazar-e-sharif. Currently, the company is working as a primarily as a distributor of woolen thread in the Northern Provinces.

New facilities will allow the company to save time and money, because the raw materials are available at a good price in Northern provinces, Afghanistan. The beneficiaries will be carpet and rug weavers whom can get these quality materials at good prices. The company will charge lower prices than imported products. The average cost will be very low as compared to imported wool thread from other countries.

The factory will be semi-automatic and operated on electrical power. Initially, the final production will be distributed to the local market in Mazar-e-sharif and then to the closest provinces. Soon, the company is

planning to open warehouses and distribution centers in other provinces. The Ikhlas Wool Spinning Company will recruit around 45 employees and alleviate a critical bottleneck in the wool/carpet value chain.

**Grant No.: 004-028**

Grantee: Ziar Confectionary Company (ZCC)  
Location: Jalalabad, Nangarhar Province  
Grant Amount: \$33,700.00  
Grant Type: Value Chain Improvement Grant  
Approved Date: June 11, 2009

This activity has two objectives. The first is to expand the company's current production of fresh baked goods and retail outlets. ZCC has been in business for several years, and has an excellent reputation for high quality products, and an established client base. The Company wants to upgrade their equipment and machinery to produce more baked products for expanding their market.

Secondly, the Company will start producing pre-packaged biscuits, cookies and small cakes to compete with the Pakistani and Iranian imports. In addition, their products are of higher quality, and will be priced competitively against imported products. Most of the ingredients for their products are purchased locally. ASMED will facilitate the company's local purchases through associations and private businesses including the Nangarhar Beekeepers Association for honey and Masrouh Foods for Apple jam. ZCC will use its years of experience and strong relationships with area shopkeepers to distribute their pre-packaged goods.

They will purchase baking and packaging machinery with this ASMED grant and will be producing packed cookies, cakes, bread, biscuits and different types of sweets with selling points in Nangarhar, Laghman and Kunar provinces. In addition to the ASMED grant, they are constructing a new building on a new site in Jalalabad.

Mr. Majnoon, who has over 20 years of experience in baking and confectionary baking, will head the company. He is currently managing the family-owned business. He was a member of a delegation that went to India with the financial support of USAID/DAI/ADPE last November to see different Indian manufacturing factories and to receive technical training on producing cookies, biscuits and cakes. Through this exposure, Mr. Majnoon decided that it was time to build on the business' excellent reputation in Jalalabad and expand his bakery. While in India, he purchased a 4 tray biscuit oven for \$8,000. ADP-E had agreed to pay for the shipping and is currently clearing it in Kabul.

The company is in the process of legally registering with AISA. The factory management will hire around five bakers and ten local unskilled laborers.

**Grant No.: 004-029**

Grantee: Medical Plaster Production  
Location: District No. 1, Kunduz Province  
Grant Amount: \$37,000.00  
Grant Type: Value Chain Improvement Grant  
Approved Date: June 11, 2009

The Nasir Shoaib Construction Material Production Company was created in 2006 and incorporated under the law of the Islamic Republic of Afghanistan. AISA registered the company in April of 2008.

The Company's objective is to take an active part in the social and economic development of Afghanistan through providing gypsum of high quality and low price. At the moment, the factory produces plaster-quality gypsum, supplying four provinces of North-Eastern Region. Due to the nature of gypsum usage, the production cycle is not seasonal, so a sales volume is relatively stable.



**View of the Medical Plaster Production Facility in Kunduz (USAID/ASMED)**

Current facilities include land, buildings, and vehicles as the factory's current product is mainly used in construction purposes. Currently, the company sells gypsum extracted at the quarry located in Chardara (district of Kunduz Province).

With the help of an ASMED Grant, the company will be able to break an importers monopoly in the gypsum plaster production, since it is currently only imported from neighboring countries. The availability of relatively cheap raw material, already functioning production facilities, and low-cost workers are strategic keys to successful launch of gypsum plaster production at the factory.

ASMED grant will be used to purchase machinery for the company. ASMED's and the factory's representatives will participate in the purchase procedure, and the supplier will be responsible for installation of the equipment.

The production of gypsum plaster consists of the following steps:

- Installation of granted equipment
- Testing of production will be done in 1-2 months.
- The product distribution will be done within Kunduz city and province. As we get more experience and establish relations with production users, gypsum plaster sales will gradually increase covering more geographical areas and markets. The marketing for the new product will be done at the beginning of the project and throughout the early production phases.

**Grant No.: 004-030**

Grantee: Shinwari Brothers Industrial Engineering Company

Location: Jalalabad, Nangarhar Province

Grant Amount: \$44,000.00

Grant Type: Value Chain Improvement Grant

Approved Date: June 11, 2009

SBIEC started its business with a focus on providing better engineering services for various types of heavy machinery parts fabrication and repairs, thereby assisting nearby businesses by providing these services locally. Having professionally skilled and experienced staff, this company has become one of the most prominent and well-known engineering services companies nationwide.

SBIEC has already several lithic machines installed for developing and producing several types of machinery and spares according to the needs of local businesses and industry. In addition to that, they are also producing machinery for the agriculture sector such as wheat threshers. Currently, the main reason for local customers contacting suppliers and manufacturers abroad (e.g. Pakistan) is that the parts cannot be made here. This mainly includes cogwheels for different machines in various designs and sizes.

The ASMED grant will be used for the procurement of a new machine for the fabrication of cogwheels. The machine is specific type of lithic machine made in UK and can be bought from Pakistan.

SBIEC plans to extend its capacity, products and business volume by importing and installing a cogwheel fabrication machine unit at the company's factory in Jalalabad. With the installation of required machine SBIEC will be able to:

1. Design and produce many new types of machine locally.
2. Provide complete range of machine spares to the industry and agricultural sectors.
3. Provide low cost machinery solutions to local businesses and farmers.
4. Help reduce unemployment by providing small business opportunities to local population.
5. Help reduce the volume of imports into Afghanistan.

The ASMED grant will be used for the procurement of a new machine for the fabrication of cogwheels. The machine is specific type of lithic machine made in UK and can be bought from Pakistan.

**Grant No.: 001-077**

Grantee: Dorokshan Carpet Weaving Association

Location: Qala-e-Naw Bazaar, Badghis Province

Grant Amount: \$8,250.00

Grant Type: Association Development Grant  
Approved Date: June 21, 2009

The Association, established through an ASMED Roundtable in 01 June 2008, started with 65 members, and currently has registered around 1,400 members. The Association manages its activity at a room in the Economic Department of the Badghis Province Women Council, but will rent a building as soon as they receive this grant to expand their revenue enhancing activities. The Association owns only 10 carpet weaving looms that are distributed to members. The rest of members use their own looms and raw materials, with the Association providing marketing services for the members and introducing buyers to their members products. The ASMED grant will be used to purchase equipment, machinery and a new generator. The grant will also include funding for formal association registration and support to the association to provide design and marketing training to association members. 9 Men and 1,391 women will be beneficiaries of this project.

**Grant No.: 004-032**

Grantee: Tarsian & Blinkley  
Location: Jalalabad, Nangarhar Province  
Grant Amount: \$194,051.00  
Grant Type: Value Chain Improvement Grant  
Approved Date: June 23, 2009

As part of USAID ASMED's Afghan First program, ASMED will assist in the expansion of an Afghan-owned garment factory to Jalalabad. Tarsian & Blinkley has been manufacturing apparel goods in Afghanistan since 2003 and currently holds a multi-year contract for Afghanistan Government uniforms. With ASMED support, T&B will have a competitive advantage over new foreign entrants, especially non-apparel companies who are merely logistics businesses who attempt to take business and manufacture it outside of Afghanistan, import the finished goods into the country, and deliver the product under the guise of "locally made". This will ensure that full-time jobs will be in Afghanistan for Afghans throughout the entire value-chain for this project.

With the help of an established and tested curriculum and experienced instructors, Tarsian & Blinkley will institute a rigorous training program that will transform 100 unemployed, refugee returnee, disadvantaged, and impoverished Afghan women into professional, factory-grade sewing machine operators able to work in a real factory setting. ASMED has contacted ICRC, to include their participants from their disabled vocational tailoring training program in the application process for the selection of an initial 100 full-time jobs that this program will create. Tarsian & Blinkley has been manufacturing apparel goods in Afghanistan since 2003 and currently holds a multi-year contract for government uniforms. It is in dire need of workers to meet its production requirements and will do everything necessary to transform these trainees into competent staff. The space in which the students will be trained and employed is now ready for immediate use.

**Grant No.: 004-031**

Grantee: New Sardar Afghan Import-Export Company (NSAIE)  
Location: Kandahar  
Grant Amount: \$40,000  
Grant Type: Value Chain Improvement Grant

Approved Date: June 27, 2009

NSAIE Company believes that reaching suitable markets with the timely exports of quality dry and fresh fruits could produce good effect on the economy of the region, and especially for farmers. Handsome earnings from fruits could attract people to grow fruits instead of poppies.

The requested amount of resources from ASMED along with contribution of NSAIE Company will be used for making a pioneer dry fruits packing center, where no such facility was found in the whole city and zone prior. The aim behind making dry fruits packing center is to properly pack dry fruits in a professional way, so that it could catch the attention of international costumers in foreign markets. Currently, Afghan dry fruit has low prices in international market, largely because of its poor packaging.

The new and modern packing system will bring a revolution and a new spirit to the Afghan dry fruits trade, especially in international markets. Thus, products can be sold at higher prices more competitively.

**Grant No.: 001-074**

Grantee: Afghan chamber of Commerce & industries

Location: Kandahar

Grant Amount: \$12,600

Grant Type: Association Development Grant

Approved Date: June 27, 2009

Afghanistan Chamber of Commerce and Industries – Kandahar is the main coordinating body between the local businesses, GoA and other stakeholders in the area. It has been active in Kandahar since 1938. Recently, during a suicide bomb attack on the Provincial Council Office, its office building was badly damaged. In addition, most of the office equipment and furniture were also destroyed. The ACCI Kandahar office has requested a Grant from ASMED to replace the equipment.

- Furniture and Office Equipment
- 4 Business Development Training

These trainings are required for the key members of ACCI Kandahar, which will be arranged for 30 participants from different SMEs. The training outlines will be:

- Banking system;
- Business Management;
- Marketing;
- Accounting.

After the completion of the proposed activities, ACCI will be able to provide better and quality services to its members through the proposed office equipment and furniture. In addition, 30 people will be trained from SMEs who are members of ACCI Kandahar.

**B.2. Grants projects completed and closed out during the quarter**

**Grants completed and closed out in April 2009:**

**Grant No.: 002-026**

Grantee: Farah City Municipality

Location: Farah City, Farah Province

Grant Amount: \$10,000

Grant Type: MDG

Date of closeout: April 1 2009

The Farah city project was a joint effort between ASMED, the Farah Military PRT and the Farah Municipality, which provided in-kind local support to the project.

The project had three components to it:

- installation of solar powered street lights;
- installation of two men's toilets and two women's;
- construction of two new mini traffic circles.

The installation of solar powered streetlights was done by the PRT.

The installation of two men's and two women's toilets was done by the ASMED MDG grant

The construction of two new mini traffic circles was done by the PRT.

The Farah city Municipality provided the designs for the above structures and will do the future maintenance for these structures.

Overall, the City of Farah now has smoother flowing traffic after the installation of the traffic circles and the landscape has improved.

The solar lights are now able to light the city. The solar lights need little maintenance and will last for a long time. At the same time, the city has improved the air quality by not burning fossil fuels for power.

Health and sanitary conditions have improved in the city with the installation of men and women's toilets. Overall, this project has enhanced the image of Farah City and that of the Municipality.

**Grant Nr: 002-009-B**

Grantee: Bala Baluk, Shewan, Farah  
Location: Farah City/Farah  
Grant Amount: US\$30,800  
Grant Type: Marketplace Development Grant  
Date close out: April 12, 2009.

The Shewan community and members of the Shewan Community Development Council identified the Shewan bazaar project. The project was implemented to stimulate the local economy, provide access to local goods, promote local growers and business people, and to provide a safe and clean market area to the people of Shewan.

Thirty new, technically appropriate bazaar stalls were constructed in the Shewan Bazaar. The stalls were constructed out of traditional materials using all local labor and construction methods. The project employed 200 skilled and unskilled laborers during the construction phase.

The village of Shewan lies on the strategic road, 517, between Farah city and Highway 1. It is the largest village between the two destinations and an important commercial center for the province. Years of insecurity in the province have not enabled Shewan to make full use of the benefits of this location. Hence, Shewan has remained underdeveloped. This refurbished marketplace will greatly improve this bleak scenario.

230 men and 90 women are the beneficiaries of this project.

**Grant Nr: 002-042**

Grantee: Arghandab District Market  
Location: Arghandab District, Kandahar Province  
Grant Amount: US\$9,990  
Grant Type: Marketplace Development Grant  
Date close out: April 20, 2009

With an ASMED Marketplace Development Grant, the Arghandab District Shura constructed 6 new shops in the district, which are mainly used for local agriculture products. Arghandab is one of the most famous districts in Kandahar for its fruits and other agricultural products. The market will benefit the local population and farmers because they will be able to sell their own products in the district without sending to other areas.

The planned three deliverables were successfully implemented as follows:

- Start of Project Activities:
- 50% Completion of Project Activities:
- 100% Completion of Project Activities and Final Report:

As a result all the objectives to construct 6-shops with the specific measures were achieved and everything as required was completed.

The successful implementation and providing a high quality market will dramatically increase the sales in the project area. In addition this project will create sustainable jobs in the project area. Directly 6-SMEs are impacted widely and positively. The project activities found job creation for 12-persons for around 40-days whom were both skilled and unskilled labors. This was a key importance of the project and in the area, which many young men are unemployed; this really helped them for finding temporary jobs.

800 men and 200 women are beneficiaries of this project.



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

**Grant Nr: 001-036**

Grantee: Nangarhar Beekeepers Association

Location: Association Incubator, Directorate of Agriculture Nangarhar Province

Grant Amount: US\$23,200

Grant Type: Marketplace Development Grant

Date close out: April 25, 2009

This ASMED Marketplace Development Grant has been used to purchase office honey processing plant, honey packing plant, capping machine, wax machine, stabilizer, two gas cylinders, water plastic cane, plant transportation, installation, boarding, loading and technical training charges for the association.

With the financial support of ASMED, an association was established to develop and support this business in the region, and to solve the problems of beekeepers and their businesses. The association has been established and supported with a well-organized office and office equipment. Therefore, it is able to provide high quality services to its members. In addition, a big step to move association toward sustainability was to assist the association with honey processing and packaging machinery. This machinery has enabled the association to process and package members' honey in a standardized way. Members' that process their products in the facility can then receive the maximum price for their products.

The project has been successfully completed and the objectives of the grant activity and deliverables, as stated in the grant application form, have been reached, fulfilled satisfactorily and in accordance with the pre-defined timeline. The main objectives reached are stated below:

- Jobs created for 10 people by working in the processing plant at initial stage through the implementation of this project.
- 170 Men and 65 Women are beneficiaries of this project.
- The Association members will be directly benefited and the entire business community will be indirectly benefited.

This machinery has enabled the association to process and package the honey in a standardized way to compete in local and international markets.

**Grant Nr: 002-048**

Grantee: Want Bazaar Road Graveling and Water drainage Facility

Location: Want District, Nuristan Province

Grant Amount: US\$15,985.00

Grant Type: Marketplace Development Grant

Date close out: April 25, 2009

This ASMED grant has been used to improve the interior bazaar road by graveling and improving its drainage system. Previously, the market bazaar was unlevelled and the drainage system was nearly non-existent. The lack of a proper drainage system was creating a build up of pools of sewage near where food products were sold.

Improving the road and creating a drainage system reduced the amount of standing water, which was a hazard to both humans as well as livestock. Improving the road and drainage system will help the flow of economic activity within the bazaar area. The improved transit lanes will lead to a higher level of economic activity within the local bazaar, encouraging new entrepreneurs to set up shops.

This community-initiated project will help improve stability in the region.

Direct employment came in the form of 26 laborers who were employed by the Kashtoon construction and the road construction company. The project will increase income for shop owners and all of their direct suppliers. Other new employment will result from new entrepreneurs opening shops.

Approximately 4,000 men and 700 women are the beneficiaries of this project.

**Grants completed and closed out in May 2009:**

**Grant No.: 002-027**

Grantee: Khandagal District Latrine Facilities

Location: Kunar Province

Grant Amount: \$9,434

Grant Type: MDG

Date of closeout: May 11, 2009

With ASMED Marketplace Development Grant, Hewad Construction Company constructed a small wholesale market, comprised of 12 enclosed stalls with individual doors to each stall along with surrounding wall, which has sufficient space to accommodate a great number of people in the Bazaar of district. The project has been completed successfully.

Through the implementation of this project, local inhabitants can do their business in this market now, which can encourage investors to create other market places there that generate local economic growth in the district.

**General Assessment of the activities.**

- It will provide a shelter facility to the local merchants and farmers to sell their food and vegetables in better condition, which will increase their income.
- It will facilitate more local businesses in the area to bring their products to the market. A permanent market place will encourage merchants to sell their products several days per week.
- The project implementation will create jobs for the community.
- It will improve sanitary conditions for the exchanging of food products.

Around 40 laborers were employed by the HC Company in Kandagal district that created temporary job opportunities for the inhabitants of Kandagal district.

65 men are total beneficiaries for this project.

**Grants completed and closed out in June 2009:**



**View of the Medical Plaster Production Facility in Kundoz (USAID/ASMED)**

**Grant No: 002-053**

Grantee: Marinara District Market Stalls  
Location: Marinara District, Kunar Province  
Grant Amount: \$11,000  
Grant Type: MDG  
Date of closeout: June 20, 2009

With ASMED Marketplace Development Grant, the Abbas Maundy Construction Company constructed a small wholesale market, comprised of 12 enclosed stalls with individual doors to each stall along with backside wall. The existing market facility is located on the side of the main road in the center of the district where it is accessible from adjoining districts and will provide shelter facility for merchants.



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

The obvious problems related to non-availability of a proper small wholesale market facility were addressed in the district. Addressing a lack of job opportunities in the area, the building of wholesale market encouraged more local farmers and merchants to bring more food, vegetables and other foodstuffs to the market, which promoted the market and will create job opportunities for local inhabitants.

## PROGRAM COMPONENT 5:

# CAPACITY BUILDING

## FIELD ACTIVITIES – CENTRAL

### Internship Graduation in Kabul:

An internship graduation ceremony was held in Kabul on Apr 6, 2009. Program completion certificates were distributed to 60 graduates including 24 female. The deputy chancellor of the Kabul University, Head of Faculties at Kabul University, University professors, CEO of Aziz Bank, CEO of the export promotion agency of Afghanistan, COP of Afghan e-Quality alliances Director of AJEER business and Management institute, representative of the host companies representative of the local business and also local media were the guests of the program. In the latest phase of the program, four hundred and ninety students (ninety-three females) at Kabul University took a qualifying exam in Jun 2008. One

hundred and twenty students (including forty females) in Kabul qualified for the program.



**Certificate Distribution in Kabul  
(USAID/ASMED)**

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

### Internship Test in Kabul:

On 3<sup>rd</sup> Jun 2009, ASMED, in partnership with Kabul University and Oriental Consulting (implementing partners) has given a qualifying internship test to 350 students of Kabul University. Senior students from the Departments of Economics, Computer science, Agriculture and Journalism participated in the test. Exactly 140 students, including 48 Females, were selected for the ASMED professional internship program. The theoretical training portion of the internship program was started on June 21, 2009. These interns will be trained in accounting, marketing and business communications for three months followed by three months practical work within various SMEs in Kabul province.



**Testing for the Internship Program  
(USAID/ASMED)**

### Mentorship Seminars in Kabul

On April 15, 2009 ACCI-ASMED's third month Mentorship seminar was held in Kabul at the ACCI building. Forty-eight young professionals, including 17 females, participated in the seminar. The seminar was facilitated by two mentors, Professor Yadgari, Dean of the Economics Faculty at Kabul University, and Mr. Zubair, the Capacity-building Manager at ACCI. The following subjects were presented in the seminar.

1. Role of the effective Marketing in business development.
2. Effective Marketing makes business Long-term and Profitable.

On May 17<sup>th</sup> 2009, ASMED in partnership with Afghanistan Chamber Of Commerce and Industries (ACCI), has conducted the 4<sup>th</sup> month mentorship seminar at ACCI conference hall in Kabul. 47 young professionals including 17 female participated in this one day seminar. Mr. Zubair Badakhshan ACCI BDS director introduced the mentors and topics of the seminar. Two senior business mentors Mr.Zaland and Miss. Ayesha facilitated the seminar. The topics discussed in the seminar were:

- How to improve an existing business.
- Importance of business plan.

On June 28, ACCI- ASMED's fifth mentorship seminar was held in Kabul. Prof. Yadgari, Dean of the Economics Faculty at Kabul University and Mr. Zubair Badakhshan, Director of the BDS Department at ACCI, facilitated this one-day seminar. Thirty-seven mentees, including 17 females, participated in the seminar. The topics discussed in the seminar were as following:

- Role of management in the public and private enterprises
- Role of planning in improvement of businesses



**Mentorship Seminars in Kabul (USAID/ASMED)**

## FIELD ACTIVITIES – EAST

### BBA teacher training program:

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



**BBA Training in Kabul (USAID/ASMED)**

Internship Program (4<sup>th</sup> batch): 80 interns have started their practical period and are working with different companies. They will graduate by the end of the 3<sup>rd</sup> quarter of 2009.

Internship Program (5<sup>th</sup> batch): 80 interns, including 35 females, are being trained in the fifth internship program of ASMED Jalalabad. The interns are trained in Marketing, Supervision, Accounting and

Management. They will spend three months in practical learning within different companies after they finish the program's 3-month theoretical portion.

## FIELD ACTIVITIES – WEST

### Mentorship Programs:

#### Completed Activity:

Mentorship program for young professionals (19 women and 31 men) in partnership with ACCI started its series of six monthly meetings on 10 February and continues. The Fifth session was completed in June.

#### Internship Programs:

On 17 June, the graduation ceremony for 120 interns and host companies was completed at the Five Star Hotel in Herat. The Director of the Economics Faculty represented Herat University. Kabiri & Partners, ASMED's implementing partner, were represented by Director Kabiri. The event was well-attended.

#### Ongoing Activity

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

#### Future Activity

Scoring the exam sheets and selecting the qualified students to attend the first phase of training. Class is anticipated to start on July 20, 2009.

## FIELD ACTIVITIES – NORTH

### Key Accomplishments

The project facilitated the smooth implementation of Internship and Mentorship Programs. The second year internship program covers 140 students of Balkh University, and the mentorship program is running well with ACCI.

#### Internship Activities

On 16 June 09, the graduation ceremony for second batch of first year internship program was conducted in Mazar. In the second batch, there were 62 students. After graduation and the successful completion of practical work, 47 of them were offered full-time employment with hosting companies. The ceremony was conducted in the Marcopolo Hotel in Mazar with the participation of interns, the University chancellor, faculty's deans, BDS Companies, the Director of Economy Department, Director of ACCI, ASMED and hosting companies.



**Graduation Ceremony in Mazar  
(USAID/ASMED)**

#### Second batch internship graduation ceremony in Mazar-e- Sharif

On 21 June 09, the qualifying exam from 530 students of Balkh University for 2<sup>nd</sup> year internship program and totally 140 of them selected, including 38 females and 102 males from Economics, Agriculture, Journalism and Science faculties.

## Mentorship Activities

- On 14<sup>th</sup> May 09, the 4<sup>th</sup> seminar of mentorship program was conducted with participation of 50 mentees in the ACCI office.
- On 24 June 09, the 5<sup>th</sup> seminar of mentorship program was conducted with the participation of 49 mentees in ACCI's Mazar office. The mentees had a study tour to the Sayed Jamal Production Company.

### Planned activities

- Placement of interns with relevant companies for practical work.
- To monitor closely the implementation of mentorship program.

## FIELD ACTIVITIES – SOUTH

### Mentorship Program

#### Second Seminar in Kandahar:

1<sup>st</sup> April 2009, ACCI Kandahar arranged the second seminar of the mentorship program for 50 participants from SMEs in Kandahar (42 men & 8 women) in the Spozhmai Saloon in Kandahar city. The assigned mentors taught the topics of banking systems and customer service to the participants.

#### Third Seminar in Kandahar:

ACCI successfully arranged the third Seminar of Mentorship program for 33 participants on April 22, 2009 in the Spozhmai Saloon in Kandahar city. It had the following objectives:

- To enhance the capacities of young professionals;
- To support local SMEs;
- To build networks between young professionals.

#### Outcomes:

- 33 selected mentees participated in the seminar (Industrial Management & Proposal Writing subjects presentations by mentors);
- Local SMEs are supported by building the capacities of their employees (young professionals);
- Networks are built between the young professionals and mentors.

#### Fourth Seminar in Kandahar:

ACCI successfully arranged the fourth Seminar of Mentorship program for 44 participants (42 men & 2 women) on May 23, 2009 in Spozhmai Saloon in Kandahar city. It had the following objectives:

- To enhance the capacities of young professionals;
- To support local SMEs;
- To build networks between young professionals;

#### Outcomes:



**Second Mentorship Seminars in Kandahar (USAID/ASMED)**



**Second Mentorship Seminars in Kandahar (USAID/ASMED)**

- 44 selected mentees participated in the seminar (Management & Health subjects presentations by mentors);
- local SMEs are supported by building the capacities of their employees (young professionals);
- networks are built between the young professionals and mentors;

### **Fifth Seminar / Study on Tour in Kandahar:**

ACCI Kandahar conducted the fifth seminar of its Mentorship Program for 38 young professionals including both mentors and mentees on June 27, 2009. This seminar included two portions, a study tour and a theoretical training. All mentees and mentors visited an Ice Factory in Kandahar city, and the manager provided a practical presentation on its production process, machinery and facility management. As part of industrial management, the study tour was an effective way for the young professionals to learn. In addition, through its second portion, the assigned mentors provided lectures and general discussion on ACCI and Custom Laws in Afghanistan.

### **Internship Program:**

#### **Internship First Portion – Accounting, Marketing and Management Training:**

On June 15, 2009, ABMI successfully completed the first phase of internship program in Kandahar University. This phase included 3-month training, which started in March for 60 interns from the Engineering, Agriculture and Education faculties. The training included management, accounting and marketing topics.

#### **Ongoing Activities**

#### **Internship Second Portion – Practical Working:**

ASMED introduced 60 interns who are trained in fields of Accounting, Management and Marketing from the Education, Agricultural and Engineering Faculties to various construction, agricultural, educational and other firms in the Southern region. The interns already started the practical work for the 3-month period on June 20, 2009 in their hosting organizations.



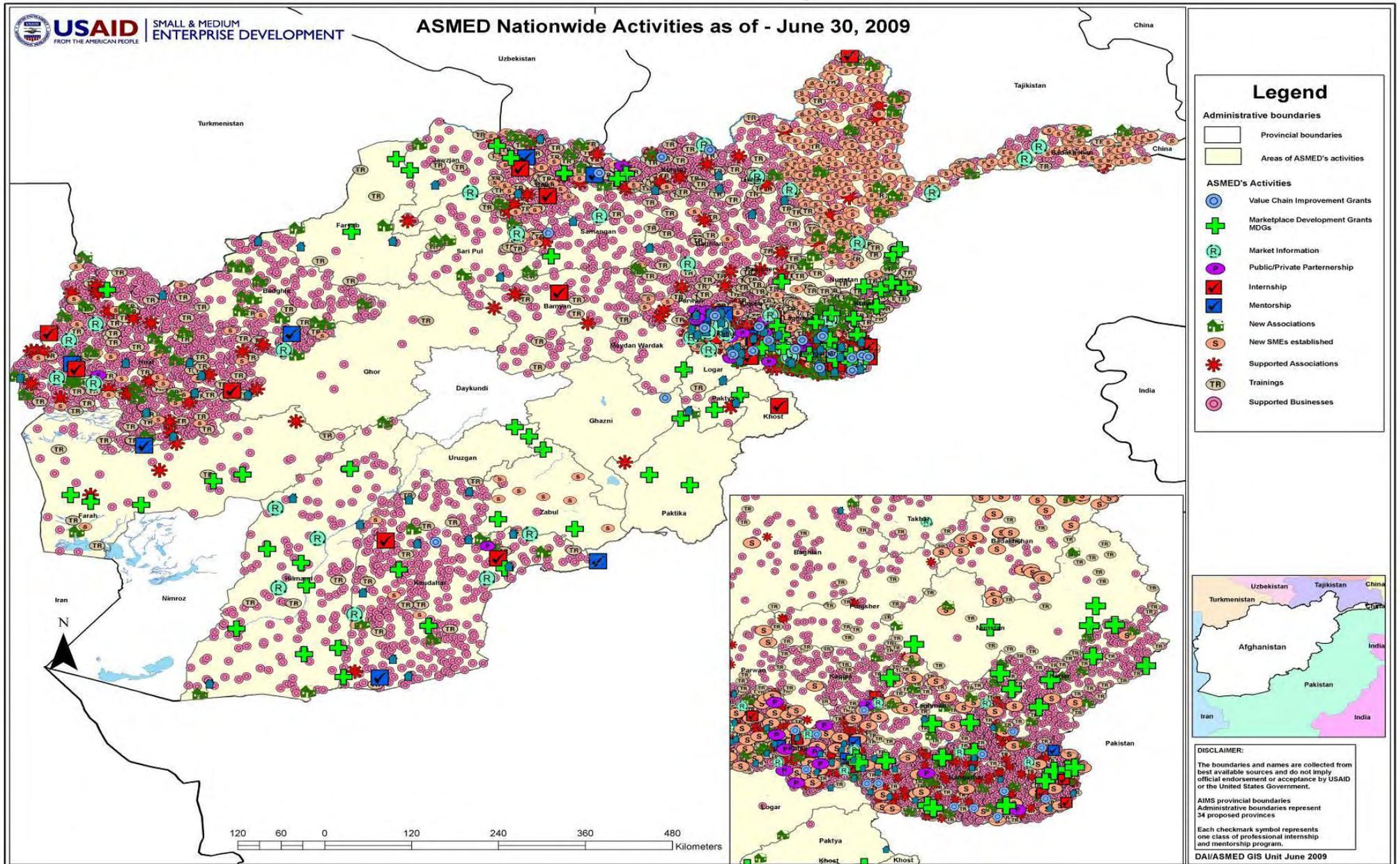
**Internship program in Kandahar (USAID/ASMED)**

#### **Future Activities**

#### **Internship Second Portion – Practical Working Experiences:**

The practical working portion will be ongoing for three months and all interns will be working in their placed organizations until their graduation from the program.

# ACTIVITY MAP I: PROJECT TO DATE



# ACTIVITY MAP I: SECOND QUARTER 2009

