



Community Development Agriculture Program in Paktia, Paktika, Khost and Southeast Ghazni



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VEGA Afghanistan: Community Development Agriculture Program in Paktia, Paktika, Khost and Southeast Ghazni (CDA-P2K)

Quarterly Report October through December 2008

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Table of Contents

Commonly Used Acronyms

1.	Executive Summary	1
2.	Program Overview	2
2.1	CDA-P2K Background	2
2.2	Project Goal and Objectives.....	2
2.3	The VEGA Alliance Team	3
2.4	Implementation Strategy	3
3.	Quarterly Results	3
3.1	Objective 1 – Identify and Exploit Markets	3
3.2	Objective 2 – Increase Production and Improved Quality	6
3.3	Objective 3 – Mobilize Services and Supply Industries.....	11
3.4	Objective 4 – Rehabilitate Irrigation and Market Infrastructure	13
3.5	Objective 5 – Establish Support Institutions	16
4.	Program Management and Administration	17
4.1	Staffing	17
4.2	Facilities	18
4.3	Security	18

ACRONYMS

ADP East	Alternative Development Program East
ADT	Agribusiness Development Team
ASAP	Accelerating Sustainable Agriculture Program
AVA	Afghan Veterinary Association
CBO	Community Based Organization
CDC	Community Development Council
GAGA	Gardez Apple Growers Association
GCK	Grand Council of Kuchis
GPFA	Global Partnership for Afghanistan
LWA	Leader with Associates
MAIL	Ministry of Agriculture, Irrigation and Livestock
M&E	Monitoring and Evaluation
NGO	Non-Governmental Organization
NRM	Natural Resource Management
NWFP	Northwest Frontier Province
P2K	Paktia, Paktika, Khost and Southeast Ghazni
PRT	Provincial Reconstruction Team
RFA	Request for Applications
SME	Small and Medium Enterprises
USAID	United States Agency for International Development
USG	United States Government
VEGA	Volunteers for Economic Growth Alliance
VFU	Veterinary Field Unit
VSBE	Village Based Seed Multiplication Enterprise

I. Executive Summary

The VEGA Alliance concluded a Leader with Associate Agreement (LWA) EEM-A-00-04-00002-00 (Associate Cooperative Agreement 306-07-023) with the United States Agency for International Development (USAID) November 16, 2007 for the Community Development Agriculture project in Paktia, Paktika, Khost and Southeastern Ghazni provinces (CDA-P2K). Since project launch, the operating environment has changed significantly and the security situation has deteriorated. This has resulted in a change in implementation strategy. Personnel changes have presented additional challenges. The project has leased office facilities in Gardez and Kabul, and operates from PRT Gardez while the Gardez office is being finalized.

During the reporting period, the CDA-P2K team has resubmitted the work plan and budget while opening an office in Kabul and making major staff changes including the replacement of the COP and DCOP. The team has established many administrative procedures and processes.

Achievements during the reporting period include the following:

- Identified 12 Farm Stores locations and investors
- Identified 600 women for livestock projects
- Pine Nut Survey conducted
- Developed a training program for nursery owners and orchard management
- Continued to develop a training program for new Veterinary Farm Units (VFUs) with the Afghan Veterinary Association (AVA)
- Identified improved seed recipients

2. Program Overview

2.1 Background

The project implementation zone of Paktia, Paktika, Khost (P2K) and Southeast Ghazni province is an area of challenging opportunity for agricultural development in Afghanistan. Positioned in the southeast portion of the country and bordering Pakistan's Waziristan Region, the mountainous area is composed of independent and isolated rural tribal communities. This region remains a safe-haven for insurgent attacks on coalition forces. In addition, there is a considerable presence of Government of Afghanistan agents and non-governmental organizations (NGOs). In this environment, CDA-P2K supports increased productivity in key sub-sectors, market-led production of higher-value products and improved technologies that lead to greater production of commodities at lower cost per unit.

CDA-P2K confronts significant challenges in the targeted region. In other Afghan provinces, activities are well underway to build high-value horticultural markets. The P2K region, however, has not received the same level of attention and resources and consequently is less developed with regard to these efforts. A key concern is the instability of the security environment, which disrupts farm and business development as well as staff travel and program activities. Thus, the project team must identify high-value markets in which P2K products can be competitive and provide support to local farmers. Proximity to Pakistan via Khost and to Kabul via Gardez is an advantage, assuming that improved production can occur and be sold at competitive prices. With rehabilitation of irrigation facilities, market research, training, improved production and post harvest treatment, there are excellent opportunities for the increased sale of fruits, vegetables, ornamental plants, livestock products, non-timber forest products and agro-forestry products.

2.2 Project Goal and Objectives

The goal of CDA-P2K is to generate increased income, employment and sales of agricultural products for communities in the region. To achieve this goal, the CDA-P2K program will undertake activities to accomplish the following five specific objectives:

- Objective 1:** Identify and exploit markets that can be profitably served by the agricultural enterprises in the P2K region
- Objective 2:** Increase production and improve quality of horticultural, livestock, and agro-forestry products through improved genetics, management practices and use of inputs
- Objective 3:** Mobilize the services and supply industries to create opportunities for enterprises in P2K
- Objective 4:** Rehabilitate community irrigation and market infrastructure to support improved production, handling and marketing of horticultural, livestock and agro-forestry products
- Objective 5:** Establish associations and other agricultural support institutions to provide services and support to agribusiness in P2K

2.3 The VEGA Alliance Team

Each partner in the VEGA Alliance team has a specific program description, and together they provide a cohesive approach to implementation:

- As the lead, **ACDI/VOCA** is responsible for overall program management and implementation, technical support to agricultural production activities, the project's grants program, logistics, operations, and security.
- **CNFA** develops Farm Stores and related services for input supplies to farmers and rural enterprises, supports the development of VFUs and the Ministry of Agriculture, Irrigation and Livestock's (MAIL's) agricultural extension delivery, and contributes to the overall development of the horticultural and livestock value chains.
- **Winrock International** provides support for community-based natural resource management, as well as advisory services for gender issues and community relations.
- **GCK** is responsible for community engagement, tribal liaison activities, and advising project staff on safe operation in the P2K area.

2.4 Implementation Strategy

The CDA-P2K team develops initiatives with individual community and tribal stakeholders, associations and enterprises. Activities include training, technical assistance, improved inputs and agricultural techniques, post harvest treatment and initiatives to support increased access to markets. The program includes a focus on private sector involvement, as well as a cross-cutting emphasis on support for women, youth and the disadvantaged. To build a sense of ownership, the CDA-P2K team involves target groups in the planning process. The design of each intervention takes into account local conditions, and support is conditional on a commitment to the project by target groups and communities.

Through its grants program, CDA-P2K maintains the flexibility to take calculated risks to identify and test potential income-generating activities, and provides assistance directly to community based organizations (CBOs), CSOs, NGOs, cooperatives, associations, processors and suppliers. Grants provide an effective and competitive means of adding value through services, training, technical assistance, and technology that expands business linkages and market opportunities for producers, suppliers, processors and agribusiness.

3. Quarterly Results

Quarterly progress is described in the following sections. Information is presented by objective, and within each objective by technical area or project type.

3.1 Objective 1 – Identify and Exploit Market Opportunities

3.1.1 Overview

The main focus of agricultural production in the project area is food security. Wheat is the staple crop, and maize, beans and fodder are also produced. Crop by-products are used for livestock feeding. Some areas produce vegetables, many households have fruit trees and there is some

production of nuts. Fruit, particularly apples, is sold primarily to Pakistani traders at harvest with no value addition activities. Onions and potatoes are also sold mainly to Pakistani traders at harvest. While there is little empirical evidence, a review of the situation on the ground suggests that post harvest losses are high. The population in the P2K area conducts some sun drying of fruit, particularly apricots and grapes, for home consumption or for sale in local bazaars. The quality of this dried fruit is generally poor. Pine nuts are harvested from the Jerghoza pine (*Pinus gerardiana*) and are mostly exported to Pakistan in unprocessed form. Livestock is sold mainly for local consumption, and livestock by-products (hides and offal) are mostly exported unprocessed.

3.1.2 Goals

The goals under this objective are to identify and develop:

- Markets for products that are already being produced in the area while identifying value addition activities that render the produce suitable for the identified markets
- Market opportunities for produce with potential in the area but not yet being produced in commercial quantities

3.1.3 Main Activities

Pine Nut Survey

The VEGA field staff undertook a Pine Nut value chain survey. Pine Nuts are collected in the area and often times sent to Pakistan for further processing. The staff collected harvest and market information.

3.1.4 Results

Pine Nuts represent a potential niche market for the area as they are a natural resource of the area that offers additional income. Generally a trader or businessman offers the farmers a determined amount of money for the nuts within a forest. The collected information now allows the staff to develop a strategy for economic development. The strategy will be to develop the collection and processing into a sustainable business such that the community benefits from adding value to a local commodity. Furthermore the team received proposal from local women organization to develop a marketing cooperative for the Pine Nuts.

3.1.5 Challenges

The small scale of individual production units, lack of technical knowledge, poor infrastructure and weak support institutions make for a challenging development environment. There is little documented information on the availability of raw material, and the fragmented nature of production is likely to make quality assurance difficult. Some form of locally centralized processing with the women organization will be the answer to this challenge.

Security in the P2K implementation area continues to be a concern. The P2K team will depend heavily upon a highly skilled national staff to work in the field and implement the program.

Thus, the international staff will work closely with the national staff to train them on project implementation of program activities in a timely and responsive manner.

3.1.6 Plans for Next Quarter

During the upcoming quarter the CDA-P2K international staff will work closely with the national staff and the local growers to develop a strategy for increasing the revenue from Pine Nuts. The team will work more closely with the women organization to develop a sustainable business. Plans for the upcoming quarter are dependent upon approval of the work plan by USAID.

3.2 Objective 2 – Increase Production and Improved Quality of Horticultural, Livestock and Agro-forestry Products

3.2.1 Overview

Horticultural crops typically produce the highest value per unit area of land. This makes them especially important in areas where the average land holding is small, as is the case in P2K. Most rural families also own livestock. In addition, a relatively large number of migrant Kuchi herds come to the project area for summer grazing and a lesser number over winter in Khost province. Crop by-products are an important constituent of animal feed during the winter.

3.2.2 Goals

Through activities within this objective, the P2K team seeks to increase the incomes of the target population through improved:

- Perennial and annual horticultural crop production
- Livestock management
- Agro-forestry activities

3.2.3 Main Activities

Increase Production of Higher Quality Fruit

Building on information gathered during field visits to nurseries, orchards, vineyards, and cereal and fodder production areas, the CDA-P2K team designed several activities to improve production of agricultural and horticultural crops. Poor quality planting material has particular significance for perennial crop production. Depending on the growing system, fruit trees are expected to crop for 20 to 40 years. If the planting material has low yield potential, farmers are at a disadvantage for that entire period. Increased production costs magnify the effect of this factor.

While good quality planting material is fundamental in achieving yield and quality, improved management also increases returns. Typically, traditional irrigation practices lead to reduced yields as a result of poor water management and scheduling. Potential irrigated area is also reduced as typically too much water is applied. Most pruning is done by migrant labor from outside of the area.

To address the situation, the CDA-P2K team is working closely with the Global Partnership for Afghanistan (GPFA) to develop an improved orchard and vineyard management program. Activities to be conducted will focus on enhanced management of existing and newly established orchards and vineyards that will be planted with material of known genetic quality. Demonstrations will include improved flood irrigation and drip irrigation technology, modern pruning methods, alternative orchard layouts and planting systems depending on the planting material used, tree staking and trellising and vineyard trellising.

Increase Production of Higher Quality Vegetables

In Paktia province, the production of vegetables is constrained by climatic conditions and in particular by the severe winters. Extended season production can be facilitated through the use of protected cropping structures to extend production in the autumn, starting production earlier in the spring and raising seedlings to enable earlier field planting of certain crops. CDA-P2K staff will manage a pilot project with selected farmers to demonstrate this technology. A training program has been designed for MAIL staff, farmers and project staff will be designed and implemented by a volunteer organization.

Improved Wheat Production

The production of wheat, the staple food in the area is a major economic activity, and the importance of wheat production to families has grown as a result of the sharp price increases during the past year. Most farmers use seed saved from their commercial crop and varieties are old with low disease resistance and yield potential. In the past, seed multiplication projects were conducted through which seeds were distributed to farmers via MAIL and beneficiaries were required to return seed the following year for redistribution to other farmers. Discussions with beneficiaries reveal mixed results of these projects. In some cases, good quality seed may have been switched out and inferior quality seed supplied to farmers in its place. There was also no way of ensuring that seed returned by farmers would be of good quality.

CDA-P2K proposes to implement a voucher program for the area. The objective is to introduce high quality seeds through the Farm Store Network. The use of improved high quality seed will demonstrate the benefits of investing in higher quality seeds as compared to purchasing locally and by utilizing the Farm Stores as the distribution points to link farmers with suppliers.

3.2.4 Results

The CDA-P2K team is working with organizations to develop the following businesses and training program:

- Improved fruit tree nurseries
- Improved orchard management
- Improved wheat seed production
- Improved agro-forestry activities
- Protected cropping infrastructure and vegetable production

The team is waiting for USAID approval to begin implementation of the proposals.

3.2.5 Challenges

Planting material for perennial and annual crops is generally of very poor quality and many suppliers, for example fruit tree nursery owners, are not even aware of this. Poorly developed CBOs including some cooperatives further constrains the potential pace and scale of project implementation. The security situation in the area has become less permissive and this will impact on the travel of international specialists and may also have implications for the ability of national staff to work or travel in some areas.

3.2.6 Plans for Next Quarter

During the upcoming quarter the main activities will be to implement the trainings in areas of nursery upgrading, improved orchard and vineyard management, commercial woodlots and forest tree nurseries, greenhouses for vegetable seedling and vegetable production and VBSEs. In addition, entrepreneur grants will be made available to those attending the trainings. Plans for the upcoming quarter are dependent upon approval of the work plan by USAID.

CDA-P2K will conduct training in Kabul for high value vegetable crop production. The training course will include:

- Propagation and production of vegetable seedlings
- Production of vegetables for sale in plastic greenhouses

The trainers will recommend and make available reference material in English for beneficiaries, project agricultural staff and MAIL staff. Training material for farmers will be made available in both English and Pashto. Furthermore the CDA-P2K staff will begin developing an interactive volunteer program that will allow US based volunteers to work in the project area through electronic methods.

3.3 Objective 3 – Mobilize Services and Supply Industries to Create Opportunities for Enterprises in P2K

3.3.1 Overview

Activities in this objective focus on developing opportunities that will improve storage, handling and processing of agricultural products. To support farmers in the P2K area, the CDA-P2K team works to identify appropriate interventions that will build the capacity of enterprises and ensure their productive growth. Farm Stores are an integral component of project implementation within this objective, and play a key role in supporting a variety of interventions. Farm Stores are more than retail showrooms where tools, equipment and small-packaged inputs are sold. At the end of CDA-P2K, the stores will be genuine Rural Development Centers that provide integrated assistance to farmers and communities.

3.3.2 Goals

Through activities conducted within this objective, the CDA-P2K team will:

- Identify opportunities for Farm Stores and engage owners
- Expand farmer, market and supply linkages
- Establish and upgrade VFUs

3.3.3 Main Activities

Farm Stores

During the reporting period, CDA-P2K staff identified 12 farm store investors after extensive interviewing and vetting. The project team is now working closely with the investors to develop business plans, cash flow statements and complete applications.

Support to the Afghanistan Veterinary Association

After multiple meetings, AVA presented CDA-P2K an unsolicited proposal to implement a training activity to improve services and capabilities of 24 VFUs in targeted districts of P2K. The proposal contains measures designed to improve animal health through a variety of interventions, thus bolstering livelihoods and family earnings from animal products. Proposed interventions include supply of cold chain equipment, transport, AI, training of Para-vets and Basic Veterinary Workers at village level, and community training in animal nutrition and information systems as well as provision of diagnostic equipment to VFUs.

3.3.4 Results

In this quarter, the CDA-P2K team:

- Interviewed potential Farm Store investors
- Identified twelve Farm Store investors and supported them in the development of business plans

3.3.5 Challenges

The greatest challenge at this time is to finalize the business plans to open the stores in February.

3.3.6 Plans for next quarter

During the upcoming quarter, the CDA-P2K team will:

- Finalize business plans for Farm Stores
- Have all twelve stores operational
- Finalize the training plan for AVA Identify the 24 para-vets to receive training from AVA
- Continue support program for the AVA and VFUs

3.4 Objective 4 – Rehabilitate Irrigation and Market Infrastructure

3.4.1 Overview

Irrigation

In meetings with District Shuras, District Development Shuras, farmer organizations, individual farmers and informal farmer groups, improved irrigation is mentioned as the most important issue. This underlines the dependence of most of the project area on irrigated crop rather than rain-fed production.

Afghanistan has a long history of irrigated crop production, and earthen canals and karezes have been the main system used for water distribution. These require regular maintenance, usually annually, and traditionally carried out by a group consisting of one member of each family that benefited from the particular irrigation infrastructure. During the years of unrest, up to 90% of the population was displaced. As a result, traditional maintenance was discontinued and consequently much of the irrigation infrastructure has fallen into disrepair. The extent of the necessary rehabilitation is significant and would require a very high contribution from the communities. There are now also a number of deep wells equipped with pumps that are usually diesel powered. The P2K staff have not encountered any solar or wind powered pumps.

The traditional method of on-field water distribution is flood irrigation, the scheduling of which is controlled by water masters. The system is time based rather than based on actual crop water requirement. When water is available the result is usually over-watering, which results in waste of water or alternatively a reduction in the area irrigated and leaching of nutrients that usually lead to a reduction in yield. On pumped systems there is a significant increase in costs due to the cost of fuel, and if irrigation efficiency is only 25%, up to 70% of fuel may be wasted.

The P2K strategy for irrigation infrastructure rehabilitation, as outlined in the life of project document, is “to emphasize follow up activities such as minor repair to branch canals, on-field distribution and alternative irrigation models. Where bigger engineering works are required the PRTs will be requested do the job or alternatively small contracts may be awarded. In addition to the actual repairs, the team will establish responsibilities and support functions from community groups, CDCs, local shuras and associations to ensure that ongoing maintenance and support of irrigation facilities is managed in the future. For farmers to realize the benefits of the rehabilitated infrastructure they will need training on irrigation scheduling and modern production methods together with availability of quality inputs. This emphasizes the importance of an integrated approach to implementation with all local, district, provincial and national stakeholders.” This strategy is dictated in part by budget limitations. The project is coordinating with the provincial PRT’s and ADT’s to implement irrigation infrastructure rehabilitation.

Market Infrastructure

Market infrastructure in the project area is inadequately developed. Produce is sold in local markets or to traders from outside, mostly from Pakistan, without any value adding activities. Market centers, where they exist, are largely for retailing of local or imported produce, and do not serve as assembly points for domestically produced produce that is exported to other national

markets or more usually to Pakistan. Most surplus produce is purchased by Pakistan traders, their agents or is brought to assembly markets in the NWFP, where it is usually sold to traders from other major provincial markets such as Lahore, Rawalpindi and Islamabad, or re-exported to third countries and in particular to China. Ethnic and religious conflict in border areas results in frequent border closures and disrupts the normal flow of produce to market.

3.4.2 Goals

The goals of work under this objective are to:

- Improve yields and irrigated area as a result of improved irrigation application, scheduling and water management.
- Add value to produce as a result of improved market infrastructure

3.4.3 Main Activities

Irrigation and Market Infrastructure

A joint mission to Ahmad Aba was conducted to familiarize the new development team with infrastructure projects that had been proposed to the previous PRT. These included rehabilitation of intakes for the Aladdin and Landai 3 canal and a number of erosion control and flood prevention measures. The PRT is currently preparing requests for funding for these works. A number of other possible irrigation infrastructure projects and erosion control projects have been discussed with the PRT. An SOW has been prepared for a volunteer assignment for an expert to advise on the correct use of gabions in combination with other technologies, and in particular bio-engineering, for erosion control and flood prevention. Preliminary discussions have also been held with the PRT to explore possible funding for the construction of market centers in Chamkani and Jaji districts.

Outreach

On December 13, 2008 at the invitation of CDA-P2K H.E. Sed Mohammad Sub-Governor of MirZaka District, members of the District and Development Shuras of Mir Zaka District attended a meeting with the CDA P2K Senior Agricultural Specialist at the P2K Gardez office. The meeting was the first between P2K and the Mir Zaka local government. Following introductions and welcoming remarks, the Senior Agricultural Specialist gave a presentation on the P2K project. In response the sub-governor thanked the project and said that he and the shuras looked forward to good cooperation with P2K. The sub-governor informed the meeting that the Mir Zaka was one of the most peaceful districts in Paktia and although there are 17 ANP members in the district the main reason for the good security situation is the commitment of the people who were “determined not to allow themselves to be battered by insecurity.” They also have a strong Arbakai in the district. He said they would guarantee the safety of any people working in the district.

As in other districts the lack of water for agriculture was a prime concern. A number of karezes have fallen into disrepair over the years and the delegation asked for assistance with rehabilitation. Animal health and the lack of good genetic breeding material were also a major

concern. P2K responded that while the project are keen to assist with irrigation there is a very limited budget and infrastructure projects tend to be relatively capital intensive. P2K were however holding ongoing discussions with the PRT on how we could best cooperate on improving agriculture in the province and that we had discussed the possibility of the PRT working on infrastructure and P2K would follow up with support and training for improved water management, irrigation scheduling and on-field distribution. P2K would also support the introduction of improved planting material, availability of quality inputs through the farm stores and farmer training. Technology to be introduced would depend on the particular agricultural enterprises being promoted.

The meeting was then joined by LTC Moy, the Gardez PRT commander and members of the Civil Affairs team. This was also the first meeting between the PRT and the LGU. Following from the earlier discussions the PRT agreed consider funding irrigation infrastructure projects in the district in addition to some other projects.

Training

A site was selected for the planned greenhouse training that was scheduled to be done in January but has been postponed pending USAID approval of the year two work plan.

Other activities

During this period P2K staff attended two workshops conducted by the PHDP project and the Anar (pomegranate) International fair at Badam Bagh and the AgFair in Mazaar Sharif.

During the quarter, CDA-P2K staff continued discussions with the Gardez municipal mayor and representatives of the meat traders regarding the establishment of a slaughter house and cold storage facility. During the previous quarter similar discussions regarding the upgrading of an existing livestock slaughter facility had been held in Khost. In a discussion with an expert in the field, it was determined that a hygienic slaughter house and small chilling facility could be constructed in Gardez and the existing plant in Khost upgraded at an estimated cost of \$150,000 to \$200,000 per facility, excluding land and site development. This would include three month training for meat inspectors and abattoir staff.

3.4.4 Results

The CDA-P2K team:

- Identified karez systems for potential rehabilitation and received estimates for repair work
- Continued discussions regarding the establishment of a slaughter house and cold storage facility

3.4.5 Challenges

The cost of major irrigation or market infrastructure rehabilitation is beyond the current CDA-P2K budget, and the potential to leverage other funds to undertake this work is less certain than appeared earlier. The information has been shared with the PRT and ADT teams.

3.4.6 Plans for Next Quarter

Activities to be undertaken during the coming quarter include:

- Continuing interaction with the PRT and ADT to assist in the implementation of the identified opportunities.
- Site selection for demonstration of improved water management, irrigation scheduling and drip irrigation systems
- Subject to agreement with selected groups on an integrated approach to irrigation management, sink a limited number of deep wells.

3.5 Objective 5 – Establish Association and Community Outreach to Provide Services

3.5.1 Overview

Fruit tree nursery owners were organized into an association, supported by the GPFA. P2K agricultural staff members were involved in the latter stages of this effort and a number of meetings were held with the officer board. The nursery improvement project will be implemented with members of the association and will include an association strengthening and training component.

Agricultural services, anchored through a network of master or lead farmers identified by their peers and in cooperation with associations and grower organizations. In addition to producers, input suppliers (seed, fertilizer, fungicides, insecticides, veterinary supplies, machinery etc), traders (collectors, assemblers, wholesalers and retailers), processors and credit supplier associations help to improve the quantity and quality of produce that is in demand in the market.

3.5.2 Goals

Through activities within this objective, the CDA-P2K team seeks to:

- Strengthen and develop associations and cooperatives
- Increase outreach and participation of women and youth in off-farm activities
- Strengthen GCK outreach capacity
- Ensure effective collaboration with other projects to leverage resources

3.5.3 Main Activities

Association Strengthening

A relationship with the AVA was initiated through the receipt of an unsolicited proposal for support to VFUs in P2K during the reporting period. A request for support for the AVA annual

conference was also received positively with an agreement to sponsor twenty eight AVA members from the P2K area.

3.5.4 Results

During the quarter the CDA-P2K team continued to identify activities to strengthen associations operating in the project area. This included support to the following associations:

- Fruit tree growers
- GAGA
- Baladan Farmers Cooperative
- AVA

3.5.5 Challenges

A severe challenge to working with associations is the expectation that the main function of the association is to lobby for and passively receive grants for the members without any counterpart contributions. While the depressed state of the local economy and the deprivation of years of unrest and the activities of other donors may have led to this mentality, there is a need to move from relief to development and the principle of counterpart contribution needs to be established.

3.5.6 Plans for Next Quarter

During the next quarter the main activities will focus on support for the associations discussed above. Plans for the upcoming quarter are dependent upon approval of the work plan by USAID.

4. Program Management and Administration

4.1 Staffing

During the reporting period a new Chief of Party and Deputy Chief of Party joined the project. In addition, several national staff were recruited. The general approach to staffing the project is towards “Afghanization,” drawing on a professional class of Afghan human resources available as a result of seven years of the USAID development effort.

During the quarter the incoming staff worked to develop appropriate procedures and systems that comply with USAID regulations which facilitated the further organization of administrative activities and strengthens the ability to move forward as a functioning unit.

4.2 Facilities

The Gardez office and residence was outfitted and a small expatriate team will continue to operate from the PRT Gardez. Once the Gardez office is finalized, the team will operate from that facility as the security situation allows, and from the liaison office in Kabul. National staff will operate from the Gardez and Kabul offices and Khost as possible. A liaison office in Kabul was opened during the quarter.

4.3 Security

Road travel between Kabul and Gardez remains difficult and the P2K international staff members continue to use USAID Air for transport between locations. Afghan staff members have a larger degree of freedom of movement and conduct their travel through private or public transport.

Given the operational difficulties and continuing security challenges the management staff in coordination with the ACDI/VOCA security staff are developing a security plan similar to that used in Iraq. The premise of the program is to determine on a daily basis the districts that are safe for international staff to travel and work, a green and red status. International staffs are only allowed to travel in green districts and will be restricted from travel in red districts. A key element of this program will include the safety of the beneficiaries of the district and program awardees. National staff will be allowed to work in either the red or green district, however, the staff will be restricted from certain activities.