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THE AGRIBUSINESS PROJECT



QUARTERLY PROGRESS REPORT– VII
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THE AGRIBUSINESSPROJECT

Quarterly Progress Report–VII (April – June 2013)

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The authors' views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

ABBREVIATIONS AND ACRONYMS

ASF	Agribusiness Support Fund
BDS	Business Development Services
BDSPs	Business Development Services Providers
BRC	British Retail Consortium
EA	Environmental Assessment
COP	Chief of Party
FFA	Fish Farmers Association
FAO	Food and Agriculture Organization of United Nations
FEG	Farmer Enterprise Group
GB	Gilgit Baltistan
GAP	Good Agricultural Practices
ICT	Islamabad Capital Territory
IEE	Initial Environmental Examination
IFS	International Featured Standards
KPK	Khyber Pakhtun Khwa
KFS	Kissan Field School
M&E	Monitoring and Evaluation
MFFA	Muzaffargarh Fish Farmers Association
NGO	Non-Government Organization
PTC+	Practical Training Centre
PRC	Planning and Review Committee
PRHA	Participatory Rural Horticultural Appraisal
PRLA	Participatory Rural Livestock Appraisal
PERSUAP	Pesticide Evaluation Report and Safe Use Action Plan
RSP	Rural Support Programme
SME	Small and Medium Enterprises
SoW	Scope of Work
TA	Technical Assistance
TAP	The Agribusiness Project
USAID	United States' Agency for International Development
VCP	Value Chain Platform

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1 SUMMARY OF PROGRESS

A summary of the project progress and activities undertaken during the reporting period is as under:

- i. A total of 1078 jobs approximately were created as a result of implementation of project activities, including provision of seed potato, support in cultivating HV/OSV, establishment of grapes orchards, supply and installation of aero-tubes and portable milking machines. The total number of jobs created by The Agribusiness Project (TAP) as of June 30, 2013 is 5193.
- ii. A total of 9695 rural households benefited directly from project interventions during the quarter, while the total of 21,701 rural households benefitted from project interventions by the end of reporting quarter.
- iii. An amount of USD 906,400 new private sector investment leveraged for agribusiness, totalling USD 1,339,100 private sector investment leveraged till end of reporting quarter.
- iv. Female beneficiaries' account for 21% of total project beneficiaries in the reporting quarter. So far 29% of the total beneficiaries by TAP are females.
- v. The Project's Environmental Assessment conducted and Environmental Assessment report submitted to USAID for approval. A total of 624 EDFs for individual/FEGs grants and 14 EDFs for challenge grants were developed and approved. As of June 2013, a total of 1634 EDFs for various grants were developed and approved.
- vi. The Project through CNFA engaged four international consultants to complete value chain assessments for meat, chili, seed potato and cold chain storage, which identified gaps and suggested improvements and interventions for short, medium, and long-terms.
- vii. A total of 1506 hectares of land was brought under improved technologies and management practices as a result of USG assistance till the reporting period, of which 1278 hectares were achieved during the reporting quarter.
- viii. Five technical and managerial trainings were conducted in horticulture and livestock value chains imparting training to 102 beneficiaries. A total of 22 technical and managerial trainings were conducted imparting training to 511 participants/agribusinesses till end of the reporting period. The trainings will provide an opportunity to adopt good agriculture practices to increase their production, sales revenue and income.
- ix. With the support of the implementing partners, the project formed 1087 FEGs within targeted value chains till end of reporting period. 5640 FEG members/agribusinesses were trained in 470 enterprise development/technical trainings organized by implementing partners during the reporting period, whereas a total of 6585 FEG members were trained till end of the reporting period.
- x. Matching grants support was provided to 114 individual/corporate farmers in the form of aero-tubes, milk chillers, milking machines, establishment of grapes orchards during the reporting period. 201 FEGs have also received matching grant support in the form of seed potato, cucumber/peas seed,.
- xi. The district-wise project's data on USAID's Pak Info website was also updated till the last quarter.
- xii. Six Pakistani processing and exporting companies (fruits and vegetables) were supported for participation in Fruit Logistica. As a result of their participation in the event, these companies have received work orders from new buyers for export of potato and mangoes worth USD 1.9 million to Russia, UAE, Canada, and Switzerland.
- xiii. Eleven participants/companies were supported to participate in AgraME. As of June 2013, the companies received work orders worth USD 1.73 million from buyers in Spain, Ukrain , UAE, Jadah, Saudi Arab, India, Iran and Afghanistan for export of Butter, Jams, Lemon, Kinnow, Dried fruits, fresh fruits and Vegetables, Kinnow, Mango, Meat and Dairy, Pickles, Honey.
- xiv. The project supported ten companies to participate in World Food Moscow (WFM) in Sep. 2012. The companies reported export orders from new buyers in Russia, Indonesia, UAE etc. for dates, potato, kinnow worth USD 9.7 million in December 2012 and additional export orders of these commodities amounting to USD 7.6 million as of June 2013, totalling USD 17.3 million received till end of reporting quarter as a result of participation in the WFM.

- xv. Value Chain Platforms (VCPs) for potatoes and strawberry were established and a meeting for each of these was conducted.
- xvi. During this quarter, five grant -roducts were advertised, which includes Post-Harvest Drying Technology for Chillies; promoting HV/OSV cultivation in KPK and GB; Small Tunnel Dryers for Processing of Fruits & Vegetables; and Seed Potato Production
- xvii. The consultation and certification process was initiated for 23 certifications for British Retail Consortium (BRC), International Features Standards (IFS) and GlobalGAP certifications, out of which, 19 certifications completed and were certified by certification body.
- xviii. The project in its second year is supporting 30 enterprises for four certifications namely ISO-22000, HACCP, Halal and GlobalGAP. The consultation and certification process was initiated for 30 certifications in areas mentioned above. It is expected that preparation process of the companies for certifications will be completed and at-least 20 companies will be ready for final audit to secure certification by end September 2013.
- xix. Nineteen professionals from private sector participated in three days training program on train-the-public trainers in Global GAP, which included representatives from companies involved in quality assurance business, certification bodies and experts from fisheries sector. At the end of the program and as part of the training program, examination was conducted by the trainer. Out of 19, 16 participants managed to pass certification examination. The successful candidates now have an opportunity to become GlobaGAP approved train-the-public trainers in Pakistan after fulfilling certain documentary requirements.
- xx. J.E. Austin Associates (JAA), sub contracted for the International Market Linkages Program (IMLP), joined the agribusiness project on April 15, 2013. JAA will support the agribusiness project by providing international technical assistance support for agriculture marketing and brand development directed to identify and capitalize on opportunities in high price markets to develop linkages for Pakistani agribusiness products. JAA engaged two local and one international consultant to assist the Team lead in the program startup phase and work plan development. Consultative meetings were held with various stakeholders of meat, fruit and vegetable value chain to get input for the work plan. The work plan was developed and submitted to ASF on May 15, 2013.

2 PROJECT OVERVIEW

2.1 INTRODUCTION

This quarterly report of the project is submitted as per provision of the cooperative agreement signed between USAID Pakistan and ASF. It covers the activities carried out by the project during the period from January 01, to March 31, 2013. In addition to the preliminaries, the report comprises of three sections, and Annexures.

- The first section briefly introduces the project background, goal, objectives, components, staffing details, and financial progress during and up to the reporting quarter.
- The second section provides highlights of the achievements and activities carried out by the project during the reporting quarter. It provides information on the progress achieved against the planned targets.
- The third section provides progress update against indicators in results framework.

These sections have been structured with a view to facilitate an essential understanding of the broader achievements of the project in general and particularly during the reporting quarter.

2.2 BACKGROUND

The Agribusiness Project (TAP) funded by USAID Pakistan is being implemented by Agribusiness Support Fund (ASF) in collaboration with international and national partner organizations. This five years project, commenced on 10th November, 2011, aims at increasing competitiveness and productivity of horticulture and livestock sub-sectors in Pakistan. The overall goal of the Project is to support improved conditions for broad-based economic growth, create employment opportunities and contribute to poverty alleviation through increase in competitiveness of horticulture and livestock value chains in partnership with all stakeholders.

The project was designed to address priority problems and constraints impeding development of the agriculture sector in Pakistan. Interventions under the project focus on improving and strengthening off-farm and on-farm activities by enhancing competitiveness of enterprises to explore and exploit their potential in both domestic and international markets. Keeping in view the diversity and spread of agriculture production in Pakistan, and with a view to ensure effective implementation, a sub-sector cluster approach was adopted by the Project, whereby areas with the greatest potential for value addition, employment creation and outreach were prioritized and targeted. In addition, overlapping with other USAID funded projects was also considered to avoid duplication of efforts and attribution issues. The project has already been serving as a catalyst to leverage private sector's investment in agribusinesses and related enterprises.

2.3 GOAL

The overall goal of The Agribusiness Project is to support improved conditions for broad-based economic growth, create employment opportunities and contribute to poverty alleviation through increase in competitiveness of horticulture and livestock value chains in partnership with all stakeholders.'

2.4 OBJECTIVES

The objectives of the project are to:

- Strengthen the capacity in horticulture & livestock VCs to increase sales to domestic and foreign markets;
- Strengthen the capacity of smallholders and farmer enterprises to operate autonomously & effectively;
- Increase agriculture efficiency and productivity through adoption of new farming techniques and technological innovation among targeted beneficiaries.

2.5 PROJECT COMPONENTS

The project activities are organized into the following two project components. The project scope, size, components, and number of value chains are being revised as per discussion with USAID and once finalized, will be incorporated in the upcoming QPR.

2.5.1 TECHNICAL ASSISTANCE (TA) FOR CAPACITY BUILDING AND PROGRAM SUPPORT

This component of the project focuses on upgrading and strengthening the targeted value chains of horticulture and livestock sub-sectors by providing technical assistance and capacity building support. An abstract of the technical assistance component is given below:-

- i. **International Compliance Certifications Program:** Support is being provided to enterprises for demand based certifications for enhancing capabilities of enterprises for compliance to requirements of high end markets (domestic and export).
- ii. **International Markets Access Program (IMAP):** This activity aims to facilitate a significant increase in sales to domestic (high end) and export market of the target value chains by providing support to key stakeholders including selected enterprises, processors, market functionaries and exporters to participate in international exhibitions, trade shows, trade fairs and other international trade promotion events.
- iii. **Establishment of Value Chain Platforms (VCPs):** The activity aims to establish several Value Chain Platforms to validate findings of studies and develop consensus among key stakeholders to deliberate and address key issues and develop value chain road-maps.
- iv. **International Market Linkages Program (IMLP):** It provides TA support for agricultural marketing and brand development directed to identify and capitalize on opportunities in competitive markets to develop linkages for Pakistani agriculture products.
- v. **Technical and Managerial Trainings:** The project is offering technical and managerial trainings for farmers, enterprises, BDS providers, agricultural professionals and other relevant stakeholders for building necessary capacities.
- vi. **Organization of Kissan Field Schools in Selected Value Chains:** To address the productivity gap and quality assurance right from the point of production it is imperative to have necessary skills and capacity of farmers. The concept evolved from Farmer Field Schools (FFS), pioneered by FAO. The FAO is being engaged for implementation of KFS component.
- vii. **Capacity Building of Business Development Services Providers (BDSP):** It aims to improve provision of business development services for the agribusiness in horticulture and livestock sectors. It provides a sustainable solution and an opportunity for long term development of the agribusinesses.
- viii. **Formation of Farmer Enterprise Groups (FEGs):** This activity is being implemented through implementing partners to establish small farmers into FEGs within identified clusters and value chains. The FEG is facilitating collective action and joint access to services and resources. These FEGs are being provided with matching grants for value added activities (processing, grading/packing, storage and marketing) on commercially viable and sustainable basis.

2.5.2 PARTNERSHIP WINDOW COST-SHARING GRANTS

A wide range of grant products are being dispersed at national level under component two of the project on cost-sharing basis. All players within targeted value chains including agribusinesses, farmers, farmer enterprise groups, associations, processors and exporters, transporters, service providers, universities and research institutes, are benefitting from it. The main purpose of this component is to address weakness and market failures in order to strengthen private sector and market systems. Focus of investments under the project is on up-stream marketing and processing (off-farm) aspects of the value chains for fostering value addition and to

capitalize on the strengthened capacities through assistance provided under TA component. A variety of grants are being provided under the project, which includes:

- i. Farmer Enterprise Group (FEG) - Support Grants
- ii. Support to FEG's Clusters, Farmers' Associations, Business Associations and Cooperatives–
- iii. Support to Individual Farmers and Enterprises engaged in Farming
- iv. Research & Development / Private Sector Agriculture Extension Services Grants
- v. Challenge grants
- vi. Lead company grants

2.6 STAFFING

The project has recruited 213 staff members including 31 female staff for the project office and 10 regional offices. In-addition, CNFA has engaged necessary full time staff together with national and international short term consultants. The diversity of staff capacities in project management, implementation and monitoring and evaluation has enabled the project to achieve progress against the targets. The detail of staff is given in **Annexure-1**.

2.6.1 PARTICIPATION IN TRAINING OF TRAINERS WORKSHOP

Five staff members of the Agribusiness Project participated in the 5 day Training of Trainers workshop on SME Management Solutions from Business Edge International Finance Corporation (IFC) at Islamabad. The objective of the training was to build the capacity of project staff in developing and managing the technical assistance and training component of TAP.

2.7 FINANCIAL SUMMARY

Duration of the Project:	Nov. 10, 2011 to Nov. 09, 2016
Cooperative Agreement No.	AID-391-A-12-00001
Total Estimated Agreement Amount:	USD 89,412,942
Amount obligated to date:	USD, 27,300,000
Accrued expenditures reporting quarter:	USD 2,967,392
Cumulative accrued expenditures to date:	USD 11,472,954

The detail financial progress is placed at **Annexure-2**.

3 PROJECT PROGRESS

3.1 TECHNICAL ASSISTANCE AND CAPACITY BUILDING SUPPORT

3.1.1 TECHNICAL AND MANAGERIAL TRAININGS

The plan for technical and managerial trainings was finalized keeping in view the recommendations of the value chain assessments, regional priorities and demands of potential beneficiaries. A total of twenty training themes were identified for year 2 of the project. During the reporting quarter, following five technical and managerial trainings were conducted and attended by 102 participants (97 male and 5 female) from horticulture and livestock farmers, enterprises, BDS providers, agricultural professionals and other relevant stakeholders for their business development. The trainings were conducted in collaboration with pre-selected institutions, which helped the project in developing the training program, contents and materials followed by the implementation of trainings.

- i. Improved Dairy Farm Management and Marketing Practices
- ii. Banana Supply Chain Management
- iii. Fodder Preservation through Silage Production on Commercial Basis
- iv. Peach & Strawberry Processing on Commercial Basis
- v. Up-gradation of Livestock Extension Services Skills through specialized Artificial Insemination Training to Veterinarians and Para Vets of FATA

Details of the training completed are placed at **Annexure-3**. The project will not be conducting some of the technical and managerial trainings proposed in previous quarter as new technical and managerial trainings as per revised scope of project in prioritized value chains will be identified and initiated accordingly.

3.1.2 INTERNATIONAL COMPLIANCE CERTIFICATIONS PROGRAM

The project during first year, selected 20 companies (exporters/processors/farmers) through a competitive process for demand based certifications and enhancing capabilities of enterprises for compliance to requirements of high end markets. Contracts were signed with one certifying body¹ and two consulting firms². The consultation and certification process was initiated for 23 certifications for British Retail Consortium (BRC), International Features Standards (IFS) and GlobalGAP certifications. Nineteen certifications have been completed and certified by certification body. Out of 19, 4 certifications were completed during the reporting quarter. The list is placed at **Annexure-4**.

The project in its second year is supporting 30 enterprises (List placed at **Annexure-5**) for four certifications namely ISO-22000, HACCP, Halal and GlobalGAP. Contracts were signed with above mentioned certifying body and two consulting firms. The consultation and certification process has been initiated for 30 certifications in the areas mentioned above. It is expected that preparation process of the companies for certifications will be completed and at-least 20 companies will be ready for final audit to secure certification by end September 2013.

¹BureauVeritas

²Quality Systems and Star Farms

3.1.3 INTERNATIONAL MARKET ACCESS PROGRAM

i. **Fruit Logistica 2013 (Berlin, Germany, February 6-8, 2013)**

Six Pakistani processing and exporting companies (fruits and vegetables) were supported for participation in Fruit Logistica for promotion of horticulture products from Pakistan. As a result of their participation in the event and business to business meetings arranged by the project, these companies received work orders from new buyers for export of potato and mangoe worth USD 1.9 million to Russia, UAE, Canada, Switzerland and Netherlands.

ii. **AgraME 2013(Dubai, UAE, March 26-28, 2013):**

Eleven participants/companies were supported to participate in AgraME, an exposition for horticulture and livestock products, technology and inputs, held at Dubai. As of June 2013, the companies received work orders worth USD 1.73 million from buyers in Spain, Ukrain , UAE, Jadah, Saudi Arab, India, Iran and Afghanistan for export of Butter, Jams, Lemon, Kinnow, Dried fruits, fresh fruits and Vegetables, Kinnow, Mango, Meat and Dairy, Pickles, Honey.

iii. **World Food Moscow (September 2012):**

The project supported ten companies to participate in the World Food Moscow (WFM) in Sep. 2012. The companies reported export orders from new buyers in Russia, Indonesia, UAE etc. for dates, potato and kinnow worth USD 9.7 million by December 2012 and additional export orders of these commodities amounting to USD 7.6 million by June 2013, totalling USD 17.3 million received till end of reporting quarter as a result of participation in the WFM.

3.1.4 FARMERS ENTERPRISE GROUP (FEG) FORMATION

The Agribusiness Project through its implementing partners had formed 1087 Farmer Enterprise Groups (FEGs) in targeted value chains of the project. The details value chain-wise break-up of FEGs formed are exhibited in pie chart below.

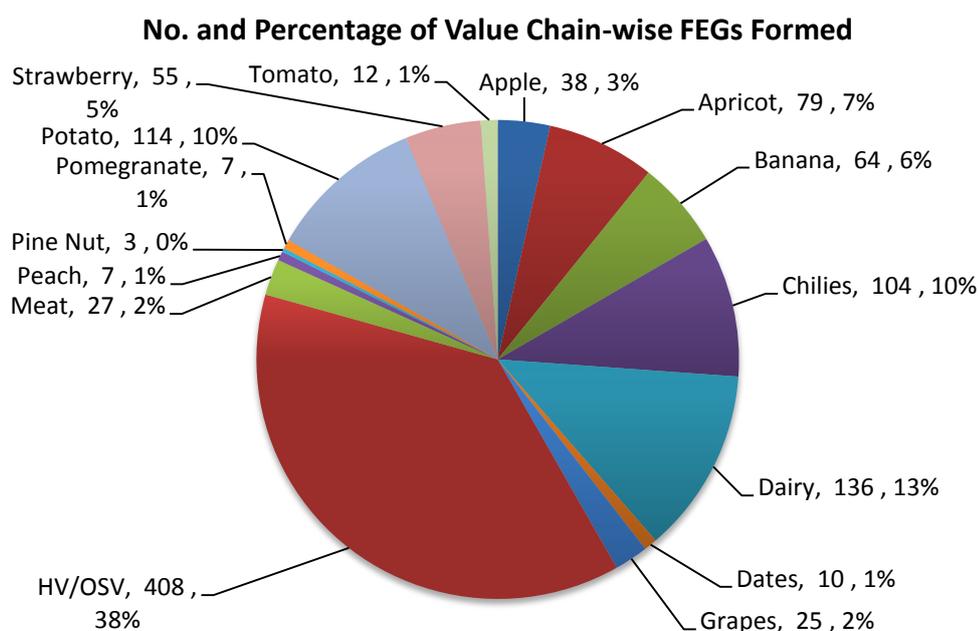


Figure 1: Details of FEGs formed in each VC

The FEGs were provided enterprise development and technical trainings on collective farm management and were supported in developing concept notes and applications for the grant support. Moreover, farmers are being facilitated in jointly accessing services and markets with focus on collective purchase of inputs and selling of their produce.

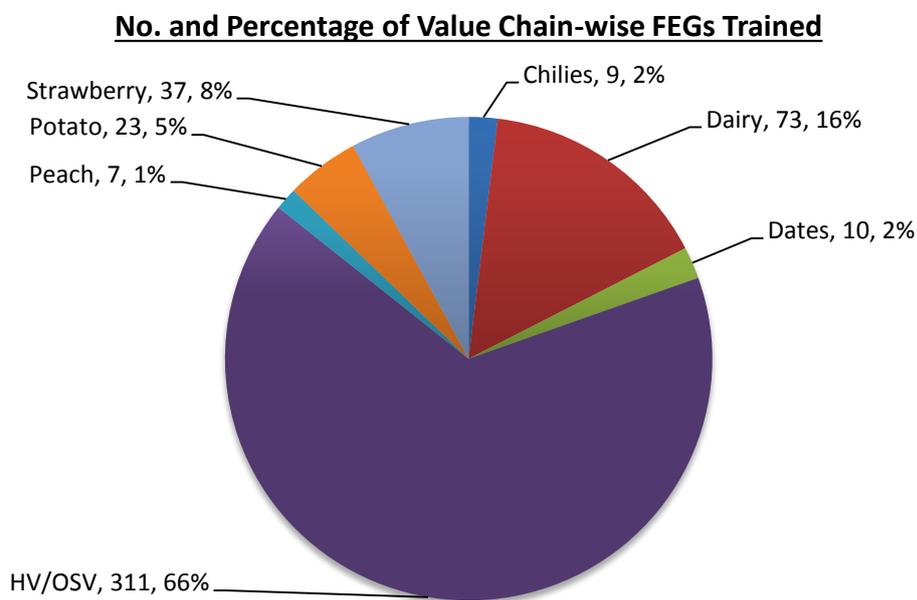


Figure 2 Details of FEGs trained for each VC

3.1.5 DETAILED STUDIES ON SELECTED VALUE CHAINS

During the reporting period, the project engaged four international consultants to complete various value chains assessments and follow on studies. Final reports were prepared after field visits. Value chain studies were conducted for meat, chili, seed potato, and cold chain storage. The chili assessment identified gaps and suggested improvements and interventions for the short-, medium-, and long-term in regards to mycotoxin mitigation to meet international food safety standards and recapture lost export markets. The meat assignment focused on the feasibility of operating meat retail shops and feedlot/fattening facilities. The cold chain follow on assignment allowed the consultant to assess specific organization's facilities and provide recommendations which assisted in identifying grants to be disbursed. The seed potato study focused on potential interventions to better develop and manage seed stocks in Pakistan and improve post-harvest handling. The recommendations have guided the project's strategic focus for different interventions and stakeholders within the target value chains as detailed below:

- i. **Cold Chain Interventions,** The consultant in continuation of initial Cold Chain Assessment, continued with the study in seventh quarter. Of particular importance was the emphasis on reducing postharvest losses and providing a uniform product to the Pakistani supermarket and export sector for fresh produce. Detailed construction specifications of a cold store and cooling unit, which could be used either for kinnow or peaches or other produce, was given to be used as a standard for new stores. The unit designed would cool and store 60 tons of kinnow a day, which is sufficient for two refrigerated containers a day.
- ii. **Breeding, Cattle Fattening, and Retail Meat Feasibility Study:** Following his previous meat value chain assessment, the consultant during reporting quarter targeted at further interventions into meat value chain.

- a. **Phase 1-Feasibility Study for Retail Meat Shops:** The consultant conducted a study of opening and operating retail meat shops throughout Pakistan and developed a business plan with proposed funding schemes, leveraging private sector investment and/or project grant funds. A marketing plan and export strategy for deboned meat products was also provided, targeting the regional and Middle East markets.
 - b. **Phase 2-Breeding and Cattle Fattening Farms:** Phase 2 of the assignment provided a business plan for the targeting of two farms that could pilot the recommendations on breeding and cattle fattening and become model seed stock and cattle fattening enterprises for the industry.
- iii. **Chili Value Chain Assessment:** The consultant carried out a follow on study for chili, focused in growing areas of Hyderabad and Multan, with a particular emphasis on mitigating mycotoxin levels in dried chili order to regain lost export markets regionally and in Europe. The Consultant provided recommendations for specific production regions and post-harvest handling practices along with a recommendation to provincial government labs to introduce and help producers cultivate atoxic strains, so that mycotoxins would be less prevalent in the environment.
- iv. **Seed Potato Production and Micro-propagation:** The consultant conducted a seed potato assessment to provide realistic recommendations for production, post-harvest handling, and micro-propagation improvements and bulk up. Various constraints in the value chain specific to seed potato were identified and recommendations were provided.

3.1.6 VALUE CHAIN PLATFORMS

- ii) **Formation of Value Chain Platforms (VCPS):** Value Chain Platforms of Potato and Strawberry were established and made operational with the objective to validate findings of studies and develop consensus among key stakeholders for value chain development priorities. First meetings of the VCPs on Potato and Strawberry were held in Lahore on April 29, 2013 and attended by stakeholders from Lahore, Faisalabad, Peshawar and GB regions. The discussion revolved around access to market and provision of mobile diagnostic labs for potato farmers and introduction of new varieties of strawberry, technical trainings for fertigation, crop protection, etc and market linkages for the strawberry farmers.

3.1.7 CAPACITY BUILDING OF SERVICE PROVIDERS - GLOBAL GAP AQUACULTURE

Under the BDSPs Capacity Building component and for the first time in Pakistan, The Agribusiness Project organized a training program on 3-5 June 2013 at Islamabad, for the purpose of developing master trainers in the local market in GlobalGAP protocols, Aquaculture Based (version 4). GlobalGAP is an international private body that sets voluntary standards for the certification of production processes of agricultural (including livestock and aquaculture) products around the globe. GlobalGAP certified agricultural produce are acceptable in the European and other international markets.



Nineteen professionals from private sector participated in three days training program on train-the-public trainers in Global G.A.P., which included representatives from companies involved in quality assurance business, certification bodies and experts from fisheries sector. The list of the participants is placed at

Annexure-6. At the end of the program and as part of the training program, examination was conducted by the trainer. Out of 19 participants, 16 managed to pass the certification examination. The successful candidates now have an opportunity to become GlobaGAP approved train-the-public trainers in Pakistan after fulfilling certain documentary requirements.

This initiative by TAP was the first of its kind in Pakistan which has produced local experts in the market who may provide international level of consultancy / advisory services at low cost to the fish farming community. The initiative has also helped develop business and job opportunities in the market for the participants.



3.2 COST SHARING GRANTS

The cost-sharing grants component of the project is offering a wide range of grant products to all the value chain actors, across the target value chains, including input suppliers, farmers, farmer enterprise groups, associations, processors, transporters, cool-chains, exporters, research institutions, agri-extension service providers etc. The products were developed keeping in view market demand as well as the recommendations of the value chain studies conducted by the project.

3.2.1 MATCHING GRANT SUPPORT PRODUCTS

A total of 1302 proposals under four major grant categories were approved to strengthen horticulture and livestock sectors. They consisted of:

- 727 grants to farmer enterprise groups in different value chains,
- 563 grants to individual/corporate farmers for aero-tube technology, portable milking machines, solar dryers, apricot commercial orchard, HV/OSV tunnel, grapes orchard, milk chillier and dhakki dates,
- 10 challenge grants awarded to grantees in dairy, fruit and vegetable processing value chains,
- one grant for strengthening dairy sector extension services
- One grant for Association as shown in the. Figure-3 below

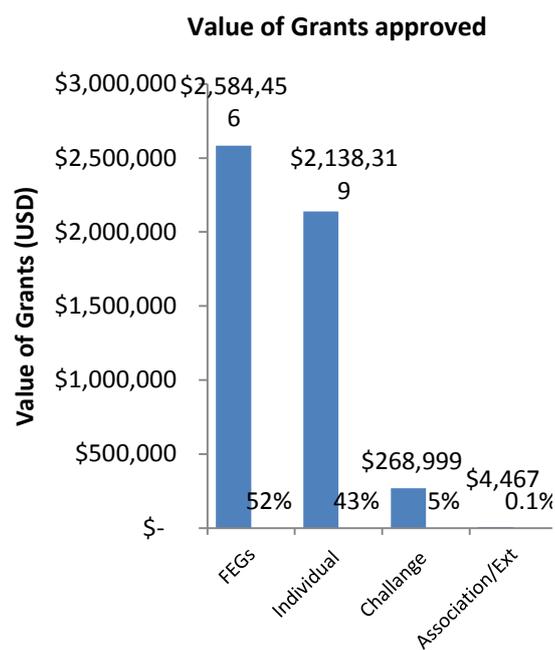
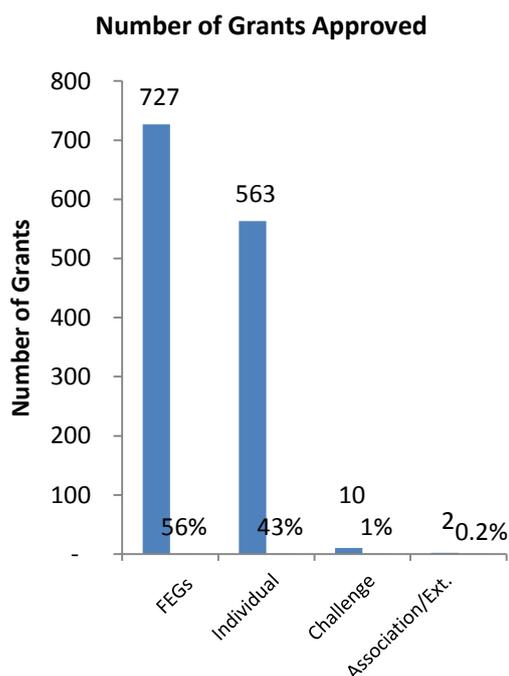


Figure 3: Details of number of grants distributed for graph-

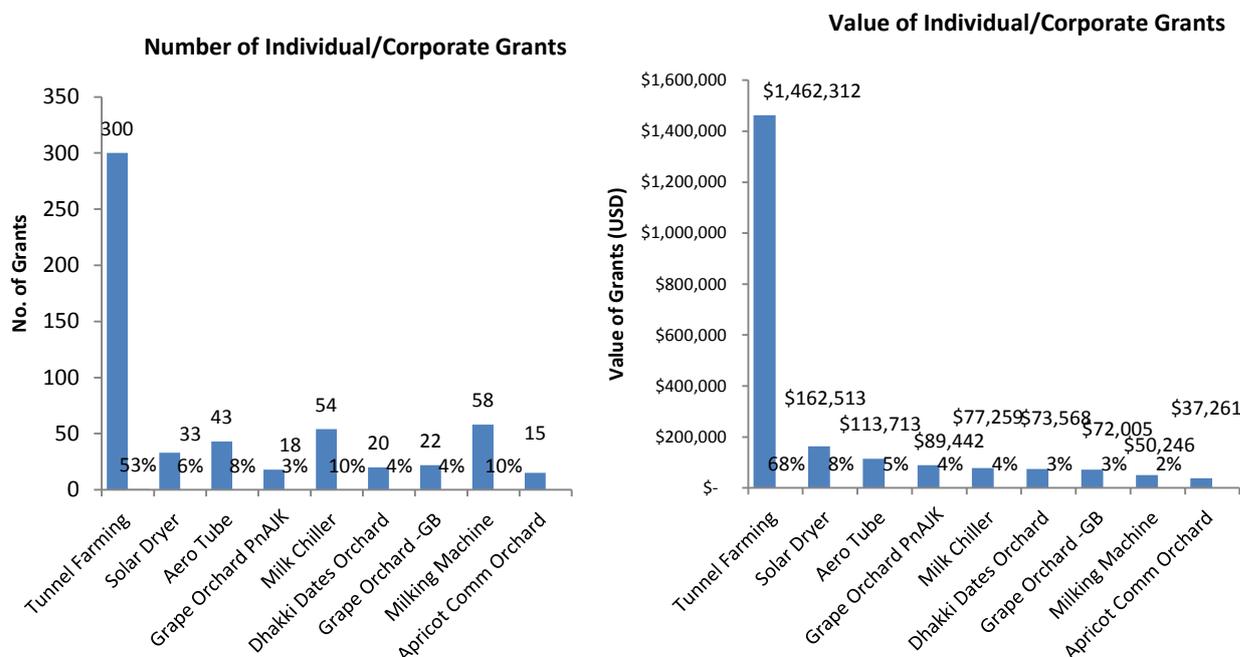
Figure 4: Details of value of grants approved for each grant type

The total financial value of approved 1302 grants is USD 4,996,241 (USD 5 million). The total value of FEGs grant is USD 2.58 million or 52% of total grants value, followed by Individual/Corporate Grants, which comes

to 43%, while remaining 5% share is of challenge grants, extension services and Association grants as exhibited in Figure-4. These grant products and their implementation status is further discussed below.

3.2.2 MATCHING GRANT SUPPORT TO INDIVIDUAL/CORPORATE FARMERS:

A total of 563 grants, encompassing nine products of horticulture and livestock value chains for individual/corporate products at a cost of USD 2,138,319 approximately were approved. The number and value of grants with percentage to total for each



category is given in descending order in Figures 5 and 6 below.

Figure 5: Details on No. of grants for each grant item **Figure 6: Details on value of individual and corporate grants for each grant item**

The highest number of 300 grants or 53% of total grants is for tunnel farming followed by milking machines, milk chillers, while least number of 15 grants under this category is for establishment of apricot commercial orchards in Gilgit Baltistan project region. Similarly, the cost comparison show highest value of grants amounting to USD 1.46 million or 68% of total grants value under this category for establishment of 300 tunnels, followed by provision of solar dryer for drying of fruits and vegetables, while least value of grants is for establishment of apricot commercial orchards in Gilgit Baltistan region. The Individual/corporate grants are in various stages of completion, implementation and procurement as discussed below.

a. Aero tube Technology – 87 Aero-tubes

The project provided matching grant support for supply and installation of 87 aero-tube technology units to 43 fish farmers in Multan, Faisalabad, Karachi and Sukkur Project regions. Fifty seven and twenty four aero-tubes units were installed in Multan and Sukkur regions respectively, while three aero-tubes units each were installed in Faisalabad and Karachi regions. This support will increase the efficiency and productivity of fisheries sector through adaption of new farming techniques such as the use of aero



tubes. The Project in collaboration with M/S Global Fusion (Pvt) Ltd., (vendor for aero-tubes) also organized a training session at Multan on use of aero-tubes, besides conducting a Grant award ceremony for provision of support to 28 fish farmers in the form of 57 aero-tubes.

b. Portable Milking Machines – 58 Grants

The Agribusiness Project provided grant support to 32 dairy farmers from Lahore, Faisalabad, Multan, Karachi and D.I.Khan project regions in the form of supply and installation of 32 Portable milking machines for hygienic milk collection, while remaining dairy farmers will receive the support in the beginning of next quarter. The milking machines will help milk animals under hygienic conditions; prevent wastage of time, labour and milk and also to maintain the health of animals, besides, putting the farmers at ease while milking and subsequent handling.

c. Solar Dryer – 33 Grants

For reducing the wastage and enhance production of quality dried fruits and vegetables like dates, apricots, chilies, Grapes and Green leafy vegetables, the project is providing 33 matching grant support in the form of supply and installation of 33 solar dryers in Peshawar, D.I. Khan, Lahore, Faisalabad, Multan, Karachi and Gilgit Baltistan regions. The work order for supply and installation of solar dryers was issued and the vendor initiated work on construction of 8 solar dryer for drying of dates in D.I. Khan district. The supply and installation of all the solar dryers will be completed during the next quarter.

d. Apricot Commercial orchards for GB – 15 Grants

For the transformation of traditional apricot production system to scientifically managed commercial orchards, increase production and reduce pre/post-harvest losses, the project announced matching grant support for establishment of apricot commercial orchards for GB. The procurement process for provision of in-kind support to apricot orchards is in progress. The project is also looking forward for the planning of post-harvest activities, imparting technical assistance and post-harvest apricot trainings, which will further strengthen the apricot value chain.

e. Tunnel Farming grants–300 Grants:

The tunnel farming for HV/OSV is a nation-wide package, where 300 grants will be provided to growers of HV/OSV in the form of in-kind support for tunnel structure, protective plastic cover sheet and anti-insect sheets for minimum pesticide use. A total of 4 tunnels will be installed on one acre and/or per beneficiary. This intervention will result in improving produce quality, quantity and reduce post-harvest losses and evolve a working model for production of better quality, high yields of off season vegetables in various regional locations of Pakistan. The project is in the process of identifying the suitable areas according to market cluster and access for implementation of this project activity. The procurement process for selection of vendor to install the 1200 tunnels all over Pakistan is under process and the bids received are being technically and financial evaluated.

f. Establishment of Grapes Orchards:

The Agribusiness Project provided support to 17 corporate grape farmers from Pothohar and AJK region in the form of provision of structures i.e. stay poles, line post and string for establishment of the grape orchards to strengthen grapes value chain. The project also



provided technical assistance and technical trainings on growing of grapes varieties suitable for the region. The establishment of grapes orchards will help in Improving production and quality of grapes and reduce pre/ post-harvest losses.

Milk Chillers – 54 Grants

Thirty three Milk chillers of 500 lts capacity were installed in previous quarter while support for 21 milk chillers of 300/200 Liters capacity were provided in Lahore, Potohar/AJK, Faisalabad, Multan, Peshawar, D.I. Khan, Karachi, Sukkur and Quetta project regions. A number of issues were faced by the project especially low voltage and absence of stabilizers at beneficiary premises, which delayed the installation and operationalization of milk chillers in some cases. The use of milk chillers will help in strengthening of milk value chain by improving the storage quality and reducing post-harvest losses which will ultimately results in the improvement of the household income by getting good profit.



g. Dhakki Dates – 20 Grants

The project will provide matching grant support for establishment of Dhakki dates orchards as a model to support Dates value chain. The Project identified 20 farmers for implementation of grants in Multan and D.I. Khan Project regions. The provision of this grant will help in Promoting Dhakki dates variety through model orchard resulting in increase in production, quality and reduction in post-harvest losses. This activity is also in procurement stage and selection of vendor to install Dhakki dates model is in progress.

3.2.3 MATCHING GRANT SUPPORT TO FEGS:

A total of 727 grants, encompassing nine products of horticulture and livestock value chains for farmers' enterprise groups at a cost of USD 2,584,456 approximately were approved. The number and value of grants with percentage to total for each category is given in descending order in Figures 7 and 8 below.

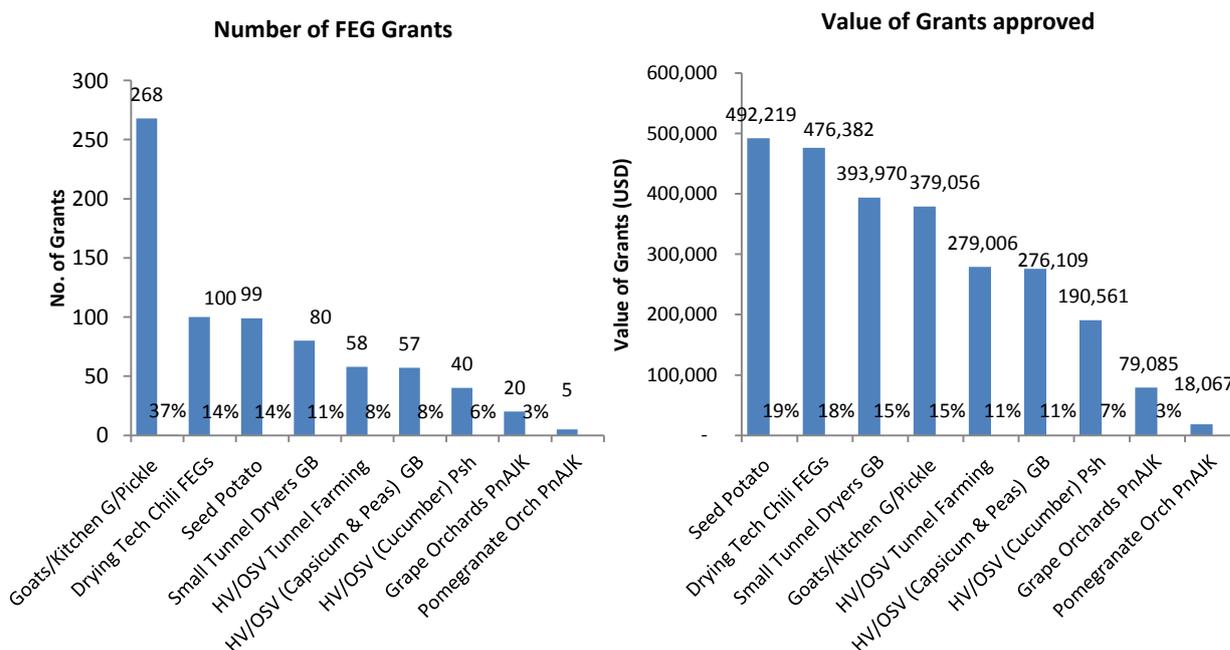


Figure 7: Details on number of FEGs

Figure 8: Details on value of FEG grants

The highest number of 268 FEGs grants or 37% of total grants is for goats breed improvements and kitchen gardening kits/pickle production tools followed by post-harvest drying technology for chillies and potato seed production each having 14% of the total number of grants, while the least number of five grants under this category is of pomegranate orchards establishment in Potohar and AJK project regions.

Similarly, the cost comparison show highest value of grants amounting to USD 492,219 or 19% of the total grants value for seed potato FEGs, followed by post-harvest drying technology for chillies with 18%, small tunnel dryers and goats breed improvements and kitchen gardening kits/pickle production tools each having 15% of the total grants value, while least percentage value of grants under this category is of Pomegranate orchards establishment in Potohar and AJK project regions. These FEG grants are in various stages of completion, implementation and procurement as discussed below.

a. Seed Potato Production – 99 EGs

A total of 99 Seed Potatoes FEGs were formed and supported through provision of seed potatoes (Rocco variety) for sowing in Gilgit Baltistan and Peshawar project regions. Out of 99, 74 FEGs were from four districts of GB namely Gilgit, Diamer, Ghizer and Hunza/Nagar districts, while 25 FEGs were from Chitral and Mansehra districts of Peshawar region.



The project also provided continued follow-up

technical assistance and training support to FEGs for sowing of seed potato. These FEGs will be provided tool kits, harvest bins and packing materials during the next quarter.

b. High Value/Off Season Vegetables (Peas and Cucumber Seed) for Gilgit Baltistan– 57 FEGs

A total of 57 FEGs were formed and organized for supporting beneficiaries by providing seed (peas, tomato, capsicum, potato) with related packing and packing materials, technology and extension service. The project supported 37 FEGs and 20 FEGs through provision of peas and cucumber seeds respectively for sowing in Diamer district. The project provided continued follow-up technical assistance and training support to FEGs members in this regards. These FEGs will be provided tool kits, harvest bins and packing materials during the next quarter.

c. High Value/Off Season Vegetables (Cucumber Seed) for Peshawar – 40 FEGs

A total of 40 FEGs were formed and organized for supporting beneficiaries for providing cucumber seed with related packing and packing materials, technology and training on pre and post-harvest losses management of vegetables Crop. The project supported 40 FEGs from Malakand, Dir lower, Swat and Mansehra districts through provision of Peas seed for sowing. The project provided continued follow-up technical assistance and training support to FEGs members in this regards. These FEGs will be provided tool kits, harvest bins and packing materials during the next quarter.

d. Grant Support for Goat & kitchen gardening/pickle production tools – 268 FEGs

A total of 268 FEGs comprising of 2,291 female members, which were reactivated and supported through provision of goats in last quarter, were further supported through provision of pickle production kits/kitchen gardening tools during the reporting quarter. This grant support was provided to 2241 FEGs members from Peshawar, Lahore, Faisalabad, Multan, Karachi, SUkkur and Gilgit Baltistan, project regions. This grant was successfully competed and most interestingly 100% beneficiaries of this intervention are female

FEG members. The project is looking forward towards improvement of the socio-economic conditions of these FEG members/entrepreneurs through their agribusiness businesses development.

e. Grant Support for High Value/Off Seasons Vegetables Tunnels (structure) farming – 58 FEGs

A total of 870 FEGs' members i.e. of 58 FEGs of Peshawar region were provided in-kind support for establishment of tunnel structure during the last quarter. The project provided continued follow-up technical assistance and training support to FEGs for establishment of tunnel structure and growing of High Value/Off Seasons Vegetables. This support would enable FEG members to adapt good agriculture practices taught to them in the trainings in cultivating high yielding vegetable varieties with better quality to cater market demand for off-season vegetable. The use of multi-cropping (different vegetables) will increase their production, sales revenue and income, besides creating new job opportunities in market.

f. Establishment of Pomegranate Orchards – 5 FEGs

The project organized 75 FEG members from 5 FEGs of Poonch district of AJK and provided them in-kind matching grant support for establishment of five pomegranate orchards during previous quarter. The project provided continued follow-up technical assistance and training support to FEGs members for establishment of the orchards. This support would enable FEG members to adapt good agriculture pre and post-harvest practices taught to them in trainings for production of better quality pomegranate in second year to cater for high market demand for pomegranate. The cultivation of pomegranate fruit will not only increase incremental sales and income of the agribusinesses from the same piece of land but will also contribute to creation of new jobs and strengthening of pomegranate value chain.

g. Establishment of Grapes Orchard for ICT and Potohar– 20 FEGs

The Project formed and organized 20 FEGs from Chakwal, ICT and Attock districts for establishment of grapes orchards. The procurement of in-kind support is in final stages and purchase order to selected vendor likely to be issued in July 2013 for supply and installation of in-kind support in the form of poles, stay etc. The project will also carry out training of FEG farmers in growing of grapes.

h. Small Tunnel Dryers for Gilgit Baltistan – 80 FEGs

The Project formed and organized 80 FEGs in four districts of Gilgit Baltistan namely Gilgit, Ghizer, Ghanche and Hunza/Nagar districts for provision of matching grant support for supply and installation of small tunnel dryer using advanced drying technology for processing of fruits (apricot) and vegetables. Due to this intervention, desired quantity of dried fruits and vegetable will be available at each FEG level and concept of collective marketing will be achieved. This intervention will minimize post-harvest losses.

i. Post-Harvest Drying Technology for Chili – 100 FEGs

The project formed 100 FEGs in Kunri area of Hyderabad for adopting post-harvest drying technology for drying of chilli produce. Under this grant proposal, chili farmers will be provided matching grant support in the form of three rolls of geotextile sheets and 19 plastic bins will be provided to each farmer, enabling him/her to adopt efficient technology for drying of produce. This will significantly improve quality of chilli produce, reducing post-harvest losses by drying through conventional method.

3.2.4 CHALLENGE GRANTS

Ten challenge grants, for strengthening of horticulture and livestock value chains at a cost of USD 268,999 approximately were approved. The number and value of grants with percentage to total for each category is given in descending order in Figures 9 and 10 below. It consists of four challenge grants each for

four screen houses, four challenge grants in fruits and vegetables preservations and strengthening of dairy sector and two grants for provision of two improvised farm storage/reefers.

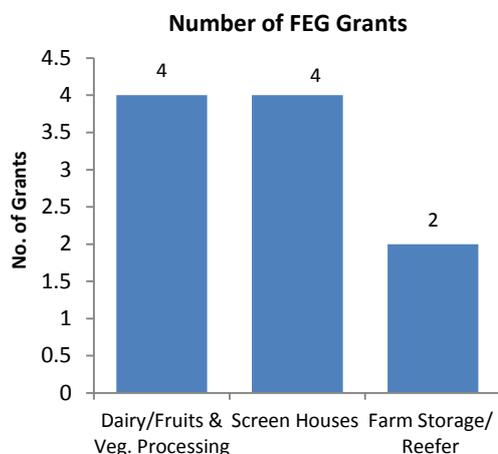


Figure 9: Details on grant items distributed under FEG component

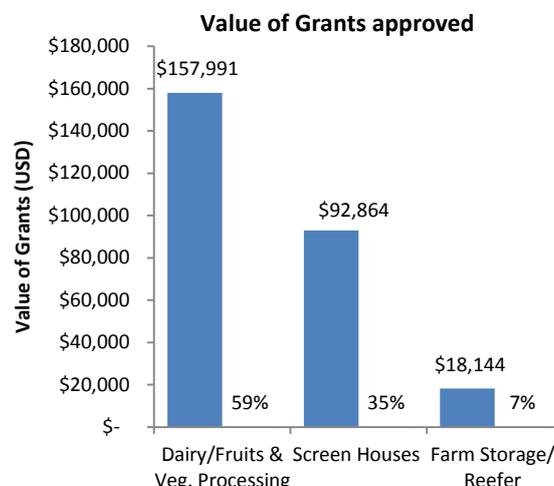


Figure 10: Details on value of grants items approved for distribution under FEG component

The matching grant support in the form of supply and installation of two improvised farm storage/reefers in Sukkur and Peshawar regions respectively is being provided, which will help in reduction of post-harvest losses and improving quality of fruits and vegetables.

The project initiated installation of four screen Hhouses (one each at Hyderabad, Matiari, Lahore districts and Malakand Agency), with the objective to facilitate availability of true-to-type disease free fruit plants grown under best practices for the horticulture industry of Pakistan. Each screen house is expected to start producing 30,000 to 50,000 true to type certified plants to the farmers by the 3rd year of this project. The fruits will include; mango, citrus, guava, peach, apple, apricot, dates and grapes. Three out of four screen houses were largely completed during the reporting quarter; however, there were some concerns on the quality of material including mesh made of stainless steel mesh for screen houses, therefore the quality of material used will be tested in material testing laboratory for necessary course correction. The provision of these grants will help in promoting availability of diseases free fruits plants.

The project selected horticulture and livestock companies for provision of matching grant support for dairy, vegetable and fruit processing sectors in Karachi, Peshawar and Lahore during the quarter. The contract agreement with these grantees is in progress and hopefully will be completed by start of next quarter. These interventions will help in the strengthening of these value chains.

3.2.5 EXTENSION AND ASSOCIATION GRANTS

During the reporting quarter, the project provided grant support one each for extension services and strengthening of association.

The fish farmers from Multan region realized that they were many in number but did not have a platform to discuss their problems, exchange their experiences, share the best practices of the sector, voice their concerns to the public authorities and use the economy of scale to their leverage. As a result of continuous meetings and deliberation sessions, as many as 25 progressive fish farmers agreed to get organized and get

their association registered as Muzaffargarh Fish Farmers Association (MFFA). In response to the request from fish farmers, the project supported formation and registration of Muzaffargarh Fish Farmers Association by providing 50% cost for registration of FFA. This activity was completed during the reporting quarter. The project also provided grant support to Pakistan Hoslamand Khawateen Network (PHKN) for execution of six capacity building/extension services trainings/activities and 50% matching grant support cost for seasonal vaccination and de-worming for 2500 animals. The work planning and preparatory arrangements for trainings were completed during the reporting quarter, while the trainings workshops will be largely completed in the next quarter. The activity is likely to target over 2000 households as beneficiaries.

3.2.5 UPCOMING MATCHING GRANTS SUPPORT

During this quarter, five grant products were launched, which includes post-harvest drying technology for chillies, promoting HV/OSV cultivation for KPK and GB, small tunnel dryers for processing of fruits & vegetables, table/seed potato production etc. as per details placed at **Annexure-7**.

3.3 PROJECT MONITORING AND EVALUATION

During the reporting quarter, the project developed M&E and reporting system that would link the performance indicators with project activities and targets of the work plan. The M&E system enables the project to make informed decisions and take corrective measures during implementation of activities. The abstract of M&E activities are presented below.

- i) **Monitoring, Evaluation and Reporting System:** The M&E continued support in development of the reporting templates for grant and TA products rolled out by the project. The monitoring formats will help the project field teams to collect information on project beneficiaries, activities and indicators at the time of activity executions and post relevant information into database. The standardized activity based data collection forms support the progress reviews, reporting and decision making requirements.
- ii) **Database Development:** The project continued to further develop and post data into FEGs databases that included data input forms and provide output reports on beneficiary registration, baseline data and progress on training component of FEGs. As of June 2013, beneficiary registration and rolling baseline data of almost 90% of newly formed FEGs i.e. 941 FEGs having 13632 FEG members have been posted into the database.
- iii) **Development of IMIS:** The work on design and development of an Integrated Management Information System³ (IMIS) was continued. The software vendor completed, pre-tested and operationalized Iteration-1 (Finance, human resources, and procurement etc.). The Operational Acceptance Test (OAT) for iteration 1 verified that the system worked as required and validated that the correct functionality had been delivered by the vendor. The M&E team also worked with the software vendor to prepare for development and implementation of iteration II modules to clarify the processes in Grants, M&E and Program Management functions.
- iv) **Gender Integration Plan:** As one of the cross-cutting theme of the project, the project developed draft gender integration plan, which include steps that will be required to incorporate gender during design, planning, implementation and monitoring and evaluation stages of project interventions to achieve the project target of reaching 30% women beneficiaries throughout value chains. The draft gender integration plan is being finalized in the light of comments/ feedback of project staff.
- v) **Monitoring of Project activities:** The M&E team continued support for monitoring of project activities, grants disbursements, data collection, and validation of farmers enterprise groups, project beneficiaries and provided information to relevant teams and project management for necessary course correction, where required.
- vi) **Support to Project Management:** The M&E provided support to project management in development of revised work plans, presentations for project activities. The progress review committee meetings were held on fortnightly basis and important decisions relating to program planning, implementation and monitoring were made.

³ a standardized technology platform supported by an internet protocol connecting its offices all over Pakistan for the automation and standardizing of its financial, grants, project management, HR/payroll, procurement, inventory management and performance management functions.

- vii) **Reporting of Project activities:** The M&E team provided continued support to the project management in preparation of periodic progress reports including Bi-weekly /monthly, quarterly and annual progress reports for submission to USAID and ASF and other project level meetings. The district-wise project's data on USAID's Pak Info website was also updated till the last quarter.

3.4 BRANDING, MARKING AND COMMUNICATION

Communications department provided direct support to activities in concerning both the project components i.e. 1) Technical Training and Capacity Building and 2) Cost Sharing Window Grants to ensure that all direct and indirect stakeholders of the project, specially the beneficiaries, are aware that the financial assistance for all Grants Awarded and Capacity Building Initiatives is coming from the American people through USAID and the Agribusiness Support Fund (ASF), a Pakistani not for profit organization, is making it happen. Developments in this regard were: -

- Branding and marking of project activates.
- Publication (supportive and promotional martial with Identity of USAID and ASF)
- Make sure that selected tools of communication are it internal or external have the capacity to reach all of the right stakeholders.
- Highlighting the success stories of beneficiaries
- Field visits and pictures archiving.
- Media coverage (press and electronic)
- Website management and social media updates

3.5 ENVIRONMENTAL ASSESSMENT AND COMPLIANCE

- i) **Environmental Assessment:** The environmental assessment of the project was completed in quarter 2, with approval of final EA report during the reporting quarter, allowing the project to move ahead with implementation of large challenge and lead grants. The environmental compliance system was implemented to assist with environmental screening for all project activities that require approval through Environmental Documentation Form (EDF) in accordance with delegation of powers for approvals in approved EA. The project developed and approved 624 additional EDFs, bringing the total EDFs approved to date to 1620 as per details placed at **Annexure-8**.
- ii) **Environmental Assessments of Challenge Grants:** Although the EA provided guidelines for carrying out grant-specific environmental assessments of challenge grants, additional national environmental protection laws of Pakistan also have to be followed in any EA conducted for a large grant. As it was determined that all grantees need to receive provincial governments' Environmental Protection Agency (EPA) approval for the proposed grant prior to receipt of funds by the TAP, the Environmental Compliance Team initiated the process of conducting the EA through the grantee itself with technical assistance provided by the project. Three challenge grants initially met the criteria requiring an EA, but it was later determined that one did not need to conduct an EA per the local laws. Two other grantees conducted an EA of their potential activities. One has received approval from the provincial Punjab government's EPA while the approval of the second case is awaited from the provincial KP's government EPA. During the reporting period, 14 EDF's were developed for challenge grants, of which 10 EDFs were developed for feed mills and 4 were developed for Farmer's Dairy in Lahore, Global Social Enterprise in Swat, Keevlar Fruit and Vegetables marketing project in Karachi, and a tissue culture laboratory in Karachi.

- iii) **Environment Chapter for the Grants manual:** An environmental compliance chapter was developed for inclusion in the TAP Grants Manual so that necessary guidelines and procedures will be incorporated into grants management as required in CFR 216 and the approved EA.
- iv) **Health and Safety Manual:** A manual for human health and safety management was developed, which is an extract from EA and provides guidelines for management of health and safety issues related to implementing activities under the project.
- v) **Waste Management Manual:** A manual on waste management was developed which explains the types of wastes that might accumulate while implementing activities under the project.

3.6 CNFA SUPPORT TO THE AGRIBUSINESS PROJECT

During the reporting quarter, CNFA continued its support to the project by providing technical and management assistance to project in areas of M&E, IT/GIS, Environment, and value chain studies. CNFA engaged four international consultants to complete value chain assessments for meat, chili, seed potato and cold chain storage, which identified gaps and suggested improvements and interventions for short, medium, and long-terms.

The CNFA also contributed to development of appropriate M&E systems/templates to operationalize performance monitoring plan (PMP), which allows capture of M&E data against performance indicators. The development process of M&E framework included the planning and implementation of data management, monitoring, evaluation and reporting system. The system enables the project to make informed decisions and take corrective measures during implementation of activities. As part of M&E support, a Gender Integration Plan was developed to provide a framework to create value chain interventions that would target at least 30% of women beneficiaries throughout the life of project. CNFA assisted ASF in making further progress towards implementation of IMIS through coordination with software vendor for development, pre-testing and operationalization of Iteration-1 and to prepare for development of iteration II to clarify processes in Grants, M&E and Program Management functions.

The CNFA continues to support the TAP in developing GIS maps for different value chains and activities. Through the IC Helpdesk staff, the project received support in training of staff on different software applications and databases and assistance in migrating and configuring a new email system.

The CNFA assisted the project's environmental compliance team in achieving several important milestones including approval of EA report by USAID, preparation of manuals for health and safety and waste management and development of 624 additional EDF, 14 EDF's for challenge grants during the quarter.

3.7 JE AUSTIN SUPPORT TO THE AGRIBUSINESS PROJECT

J.E. Austin Associates (JAA), sub contracted for the International Market Linkages Program (IMLP), joined the agribusiness project on April 15, 2013. JAA will support the agribusiness project by providing international technical assistance support for agriculture marketing and brand development directed to identify and capitalize on opportunities in high price markets to develop linkages for Pakistani agribusiness products.

JAA engaged two local and one international consultant to assist the team lead in the program startup phase and work plan development. Consultative meetings were held with various stakeholders of meat, fruit and vegetable value chain to get input for the work plan. The work plan was developed and submitted to ASF on May 15, 2013.

In order to narrow the focus of TAP a criterion was developed in consultation with the ASF staff to shortlist 10 value chains having the highest potential for linkages to high price domestic and international markets. A sales tracking format was also developed to measure sales in domestic and international markets that are going to be facilitated by IMLP. JAA engaged an international STTA for rapid assessment of key markets. The international consultant contracted for this activity has completed his preliminary data collection in Pakistan and will soon begin his international field work.

JAA successfully conducted its first trial export on April 22, 2013 by facilitating International Traders, a local company, to export 1.4 tons (value USD 8000) of beef and mutton to Dubai. JAA began developing an integrated strategy and Road Map for the Livestock and Dairy value chain as one of the prioritized sectors of the program. JAA's scope of work was modified to include the Market Access Program (MAP) and the 'Livestock and Dairy' value chain. Furthermore, JAA along with University of Veterinary and Animal Sciences conducted a training needs assessment for meat processors and exporters. Training modules have been developed and is expected to commence in September.

JAA also had initial meetings with the Punjab Halal Development Association (PHDA) as part of the strategy developed for the livestock sector. It included obtaining Halal certification for slaughterhouses and training on Halal and food safety management at each tier of the meat value chain. In addition, possible cooperation on organizing an international Halal conference was also discussed. JAA facilitated the participation of the components Agribusiness specialist to attend a two week conference for Halal compliance and training organized by Malaysian Technical Cooperation Organization. It proved to be a step forward in developing international linkages and to promote Pakistan as a Halal and traceable hub.

4 QUATERLY PROJECT PROGRESS

The progress against the performance indicators during the reporting quarter and overall up to end of reporting quarter is given in the table below.

Achievement Against Performance Indicators QPR-VII (April – June, 2013)

Performance Indicators	Achievements till last Quarter	Achievements reporting Quarter	Achievements up to June 2013	Contributing Activities
abdo1. Number of jobs attributable to program implementation	4,116	1,078	5,193	Matching grants for seed potatoes, HV/OSV, aero-tubes, grapes orchards, milking machines, fish farm association, PHKN, tunnel farming, pomegranate orchards, milk chillers & goats
a2.1.1,3. Value of new private sector investment leveraged with USG resources	432,700	906,400	1,339,100	Beneficiaries' contributions for above mentioned activities.
a2.1.3,2. Number of entities (e.g., farmers or private enterprises) that have applied new technologies or management practices as a result of USG assistance	2,723	3,947	6,670	Agribusiness including pomegranate orchards, milk chillers, tunnel farms, seed potatoes, HV/OSV, aero-tubes, grapes orchards, milking machines, VCPs, BDSPs.
aboth1. Number of rural households benefiting directly from USG interventions	12,007	9,695	21,701	Rural households benefitted from grants for tunnel farming, pomegranate & grapes orchards, milk chillers, goats/KG/Pickle production, FEG members, aero-tubes, milking machines, T&M trainings participants, VCPs, BDSPs.
a2.1.3,3. Number of hectares under improved technologies and management practices as a result of USG assistance	228	1,278	1,506	Established grapes & pomegranate orchards, tunnel farms, HV/OSV, Seed potatoes, Peas and cucumber seed, aero-tubes, trainings participants
aboth2. Proportion of female participants in USG-assisted programs designed to increase access to productive economic resources	41%	21%	29%	Female members of newly formed FEGs and ii) Existing female FEGs members provided with Goats & kitchen gardening tools/pickle production kits and other in-kind support.
a2.1.1,2. Number of micro, small and medium enterprises (MSMEs), including farmers, receiving business development services from USG assisted sources	1,055	5,742	6,797	Provision of business development services to pomegranate orchards and tunnel farmers, FEG members, T&M trainings participants,
a2.1.2,2. Number of persons receiving training on skill development	1,354	5,742	7,096	Beneficiaries of FEG trainings, T&M trainings
a2.2.2,1. Number of USG-assisted organizations that participate in legislative proceedings and/or engage in advocacy at all levels	2	4	6	Banana, Chili, Potato, Strawberry VC platforms, Fish farm association established to perform advocacy role
ab2.1,1. Value of incremental sales attributed to program implementation (\$ value)	9,740,350	9514585	19254935	The information is based on self-reported data by exporting companies, who attended the marketing events.
ab2.1,3. Number of micro enterprises linked to larger-scale firms as result of USG assistance to the value chain	1,103	1,152	2,255	FEG members, individual/corporate farmers for grant products facilitated.

SUCCESS STORY

High Value Off-Seasons Vegetable Production-Serving & Supporting Pakistani Farmers:

Agriculture contributes to 21% of Pakistan's GDP. It is a major source of livelihood for about 60% of the rural population and 45% of the country's labour force (Economic Survey of Pakistan 2011-12).

With a total horticulture production of 8.1 million tons, High Value off-seasons vegetables (HV/OSV) is estimated at 4.5% or 350,000 tons only and offers potential for growth in domestic and export markets. A large number of small farmers are involved in cultivation of vegetable as it represents opportunities for enhancing competitiveness through quality production, value addition and increased sale.

The Agribusiness Project (TAP) funded by USAID Pakistan is being implemented by Agribusiness Support Fund (ASF). This five year project initiated in November 2011 aims at increasing competitiveness and productivity of horticulture and livestock sectors. One of the project's objectives specifically focuses on strengthening the capacity of smallholders and farmer enterprises. Under this project small farmers are forming Farmers Enterprise Groups (FEGs) to not only facilitate joint access to services, resources, economies of scale but also to overcome financial and technical constraints currently being faced by them. Some of these FEGs comprise of farmers involved in cultivation of vegetables. Production of high value off-season vegetables leads to greater profits. Thus as a result these FEGs are being provided technical and financial assistance for walk in tunnel farms under TAP.

Realizing high market demand of fresh vegetables in Islamabad, an FEG consisting of eleven farmers involved in vegetable cultivation from Chatta Bakhtawar, Chapper and Buni Behak villages was formed. The FEG members were trained in enterprise development and use of commercial scale tunnel technology, besides providing support in establishment of tunnel infrastructure, provision of improved seeds and establishing their linkages with the market for sale of their produce. The case in focus is one of the FEGs members, who participated in USAID's assisted support for growing HV/OSV

Mr. Ibrar Hussian, an FEG member from Chatta Bakhtawar village, and his family used to grow cereal crops for several decades; has now shifted towards growing HV/OSV. Mr. Ibrar installed two tunnels with off season vegetable plants of tomato, cucumber and capsicum with support from The Agribusiness Project. Considering tunnel farming's benefits he constructed the third tunnel with his own resources to get maximum benefits from off-seasons vegetable production. "It encouraged me to install more tunnels to get maximum benefits from HV/OSV production", said Mr. Ibrar. He added that the initiative inclined the local community of Chatta Bakhtawar towards growing HV/OSV in their small land holdings to fulfil family's bread and butter requirements, besides creating new job opportunities for the local people.

Enable Small Scale Farmers towards growing High Value/Off Season Vegetables



Mr Ibrar Hussain showing his value chain fruiting stage with happy face

Mr. Ibrar proudly said that he earned fifty thousand rupees from ASF HV/OSV tunnel without spending even a single penny and still earning from tomato plants as they are still in fruiting stage. He said in past he used to grow cereal crops (wheat and Maize) on six acres by spending sixty thousand and receiving a sales revenue Pak rupees one hundred thousand only. Further he had to hire five to six labourers on time of sowing and harvesting for 10 days which was burden on him. On the other hand in HV/OSV, he needs only two labourers for land preparation and two for nursery and on hoeing stage only.

Mr. Ibrar has also established his outlet near his farm for sale of fresh vegetables. He is making more than double money from the same piece of land by growing HV/OSV. He said ASF helped me in marketing of my produce not only in local market but also established linkages with Metro Islamabad and Lahore Expo Center, for supply of produce.

Mr. Ibrar thanked USAID and ASF for the support extended to his farm. He was optimist that profitability will lead the sustainability step in future and by doing this he can make the living standard of his family better.



Mr. Ibrar Hussian presenting his produced vegetable as a souvenir to USAID Team from his outlet.

ANNEXURE-1: LIST PF STAFF

Positions Filled - By Location	Total Staff		
	Male	Female	Total
Project Office-Islamabad	40	10	50
Regional Office-Lahore	17	4	21
Regional Office-Peshawar	24	2	26
Regional Office-DI Khan	18	0	18
Regional Office-Gilgit	15	4	19
Regional Office-Sukkur	13	2	15
Regional Office-Karachi	12	6	18
Regional Office-Multan	15	1	16
Regional Office-Faisalabad	10	0	10
Regional Office – Powthar/AJK	14	2	16
Regional Office-Quetta	4	0	4
Total	182	31	213

Progress By Location	CNFA Staff		Cumulative (June 2013)
	As of June 30, 2013		
	Male	Female	
Project Office-Islamabad	7	2	9
Regional Office-Lahore	2	1	3
Regional Office-Peshawar	1	0	1
Regional Office-Gilgit	1	0	1
Regional Office-Karachi	1	0	1
Total	11	3	15

ANNEXURE-2: FINANCIAL PROGRESS

	Head of Account	During Third Quarter April to June 2013	Cumulative till June 2013
1	Salary, Wages & STTA	496,401	2,716,476
2	Fringe Benefits	157,403	506,690
3	Travel	93,400	549,230
4	Equipment	36,082	452,891
5	Supplies	26,633	451,265
6	Communication	8,810	28,224
7	Security Cost	33,654	112,367
8	Training	1,104	12,708
9	Sub-Contracts	691,597	1,299,105
10	Sub-Grants	819,001	1,339,121
11	Others Direct Costs	603,306	4,004,878
	Total Cost	2,967,392	11,472,954

ANNEXURE-3: TECHNICAL AND MANGERIAL TRAINING PLAN FOR AGRIBUSINESSES

No.	Name of Training	In Collaboration with	Dates	Venue	No. of persons trained (male + female = Total)
i.	Improved Dairy Farm Management and Marketing Practices	Gomal College of Veterinary Sciences under the Gomal University DI Khan	April 22-26, 2013	D.I.Khan	25+0=25
ii.	Banana Supply Chain Management	Tando Jam University	June 18-21, 2013	Hyderabad	21+1=22
iii.	Fodder Preservation through Silage Production on Commercial Basis	University of Agriculture, Peshawar	April 29 to May 4, 2013	Peshawar	21+0=21
iv.	Peach & Strawberry Processing on Commercial Basis	University of Agriculture, Peshawar	May 20-23, 2013	Peshawar	21+4=25
v.	Up-gradation of Livestock Extension Services Skills through specialized Artificial Insemination Training to Veterinarians & Para Vets of FATA	University of Agriculture, Peshawar	May 27 June 10, 2013	Peshawar	10+0=21
	Total:				98+5=103

ANNEXURE-4: LIST OF BENEFICIARIES (FY 2012) AWARDED BRC & IFS CERTIFICATIONS

S#	Company Name	Contact Person	Certification	Region
1	Saeed Khan Enterprises	Saeed Khan	BRC	Karachi, Sindh
2	Get Fresh	Shazia Mateen	BRC	Karachi, Sindh
3	Shaikh International	Shahzad Shaikh	BRC	Karachi, Sindh
4	Hamza Brothers Impex	Raja Muhammad Ilyas	BRC	Karachi, Sindh
5	M.Ilyas & Brothers	Muhammad Naseer	BRC	Karachi, Sindh
6	Jehanzeb Muhmand & Co.	Jehanzeb Khan	BRC	Karachi, Sindh
7	M.K. Enterprises	Syed Jan Muhammad	BRC	Karachi, Sindh
8	Nazir & Sons	Shehzad Waraich	BRC	Karachi, Sindh
9	Durrani Associates	Nadir Khan Durrani	BRC, IFS	Karachi, Sindh
10	Seabird Fisheries	Masood Pervaiz / Faisal	BRC	Karachi, Sindh
11	Imtiaz Enterprises	Imtiaz / Naveed Anwar	IFS	Karachi, Sindh
12	Jam Traders	Munawwar Hussain	BRC	Karachi, Sindh
13	Anas Tropical Fru & Veg Export Co.	Muhammad Zamman Anas	BRC	Karachi, Sindh
14	Khurram Enterprises	Aamir Saeed Khan	BRC	Karachi, Sindh
15	Green Overseas	Ghulam Abbass	BRC	Karachi, Sindh
16	Asia Megafoods	Mr. Waqar Ahmed	BRC & <u>IFS</u>	Karachi, Sindh
17	Tata Best Foods Ltd.	Bilal Shahid Anwer	BRC & <u>IFS</u>	Karachi, Sindh
18	KGF Farm - Rabia Sultan	Rabia Sultan	<u>Global GAP</u>	Muzzafargarh, Punjab
19	Ghulam Ali Shah Pasha	Ghulam Ali Pasha	Global GAP	Matiari, Sindh
20	Syed Raheel Nasir Shah	Syed Raheel Nasir Shah	<u>Global GAP</u>	Matiari, Sindh

* Certifications marked with italic font and underline is yet to be completed.

ANNEXURE-5: LIST OF BENEFICIARIES (FY 2013) UNDER PROCESS FOR CERTIFICATIONS

S.no	Company	Contact Person	Location	Certification
1	Organo Botanica	Emaduddin Ahmed,	Gilgit	HACCP
2	Buffield Private Ltd.	Bilal Ghazi,	Karachi	HACCP
3	Raza Traders	Syed Hasnain Raza,	Karachi	HACCP
4	Imran Qasim Trading Est.	Syed Imran Ali Zaidi,	Karachi	HACCP
5	M. Ansar M. Afsar	M. Afsar, M. Ansar M. Afsar,	Karachi	HACCP
6	NF International	Faisal Rehan	Karachi	HACCP
7	A. Rehman & Sons	M. Rehan	Karachi	HACCP
8	Al Hameed Enterprises	Abdul Hameed	Karachi	HACCP
9	Zulfiqar & Co.	Zulfiqar Ali	Karachi	HACCP
10	M. F. International	Athar Khan	Karachi	HACCP
11	Bilal Traders	Afzal Ahmed	Karachi	HACCP
12	Jan & K Enterprises	M. Javed	Karachi	HACCP
13	SMA Enterprises	Syed Mehmood	Karachi	HACCP
14	Dairyland Private Ltd.	Sulaiman Monnoo	Karachi	Halal
15	Pak Millan Sohan Halwa	Ahmed Mujtaba	D. I. Khan	ISO-22000
16	Virk International Pakistan	Rahat Abbas	Karachi	ISO-22000
17	F. A. International	Sameer Pakhali	Karachi	ISO-22000
18	M. Z. Trading Corp.	Zahida Hameed	Karachi	ISO-22000
19	Hamza Halal Food	Fayaz Ahmad	Peshawar	ISO-22000
20	Pakia Garden Food Products	Kamran Khan	Peshawar	ISO-22000
21	Saddruddin & Company	Saleem Sadruddin	Bhalwal	GlobalGAP
22	Adeel Mahmood Shah	Adeel Mahmood Shah	Tando Allahyar/Matari	GlobalGAP
23	Pak Sun Green (Pvt) Ltd.	Nadir Durrani	Karachi	GlobalGAP
24	Imam Fruit Farm	Syed Fakhar Imam	Kabirwala	GlobalGAP
25	Gardezi Farms	Syed Mazhar Gardezi	Multan	GlobalGAP
26	Lutfabad Farms	Tariq Khan	Multan	GlobalGAP
27	Nawab Sarbuland Farms	Waseem Khan	Multan	GlobalGAP
28	Qaim Gardezi Farm	Wajahat Hussain	Kabirwala	GlobalGAP
29	Muzaffarnagar Fruit Farm	Muzaffar H. Khakwani	Multan	GlobalGAP
30	Tawakkal Fish Hatchery	M. Shahid Iqbal	Muzaffargarh	GlobalGAP (Aquaculture)

ANNEXURE-6: LIST OF GRANT PRODUCTS ADVERTISED

Sr. No	Grant Type	Month of Advertisement	Region
1	Post-Harvest Drying Technology for Chillies	April, 13	Karachi
2	High Value/Off-Season Vegetables	April, 13	KPK
3	High Value/Off-Season Vegetables	April, 13	Gilgit-Baltistan
4	Small Tunnel Dryers for Processing of Fruits & Vegetables	April, 13	Gilgit-Baltistan
5	Table/Seed Potato Production	April, 13	Gilgit-Baltistan

ANNEXURE-7: LIST OF EDF DEVELOPED DURING QUARTER-3, FY 2012-13

No.	Grant Category/Type	No. of EDFs Approved
1	High Value Off Season Vegetables – FEGs in Diamer (LASOONA)	55
2	High Value Off Season Vegetables – FEGs in Gilgit (AKRSP)	2
3	High Value Off Season Vegetables–FEGs in Kaghan (HASHOO Foundation)	11
4	Seed Potato – FEGs in Kaghan (HASHOO Foundation)	10
5	Seed Potato – FEGs in Diamer (LASOONA)	22
6	Seed Potato – FEGs in Chitral (AKRSP)	8
7	Seed Potato – FEGs in Gilgit	11
8	Seed Potato – FEGs in Ghizer	20
9	Seed Potato – FEGs in Hunza	21
10	Dhakki Dates in Multan and D.I Khan regions	48
11	HVOSV in Swat – FEGs by LASOONA	25
12	Tunnel farming – Individual	391
Subtotal for this Quarter		624
EDFs Prepared and Approved in Quarter Oct to Dec 2012 (PY2, Q1)		141
EDFs Prepared and Approved in Quarter Jan to March 2013 (PY2, Q2)		996
Grand Total EDFs Prepared and Approved To Date		1620

ANNEXURE-8: LIST OF PARTICIPANTS OF GLOBALGAP (AQUACULTURE) JUNE 2013, AT ISLAMABAD

Sr.#	Name	Designation	Company	Address	Contact #	Email ID	Remarks
1	Muhammad Junaid Wattoo	Consultant & Advisor	Fisheries Development Board	M. Junaid Wattoo, Fisheries Development Board, H. # 9, Street 4, Gulshan-e-Al Huda, Park Road, Islamabad	0300-9896497	junaid.wattoo@gmail.com	Employed at Fisheries Development Board. Has relevant qualification and experience. Providing consultancy & advisory services to fish farmers from the company's platform.
2	M. Talha Siddiqui	Auditor & BDE	RI&CA (Pvt) Ltd.	D-13, Al Hilal Society, University Road, Karachi	0333-3571770	talhaalamsiddiqui@gmail.com	Working for CB and qualified in food technology
3	M. Shahid Iqbal	Assistant Manager Certifications	SGS Pakistan (Pvt) Ltd.	M. Shahid Iqbal, SGS Pakistan (Pvt) Ltd., Plot 7, Din Muhammad Town, 19 km off Multan Road, Lahore	0321-2887123	shahid.somroo@sgs.com	Qualified and experienced person employed at SGS, a certification body.
4	Abdul Razak Chawro	Owner & Consultant	Al Razak Fisheries	Abdul Razak Chawro, Al Razak Fisheries, Village Hashim chawro, Indus Highway, Wagan Road, Larkana	0307-8235361	chawro@yahoo.com	Own a fish farm and provides technical assistance to fish farmers. Also deal in fish food, medicines.
5	M. Aamir Saeed	Mgt. Systems Consultant	Management Systems Consultant	Management Systems Consultant, 13/20, Firdos Colony, Gulshan Ravi, Lahore	0300-4113831	aamir@iso.com.pk	Qualified and experienced person employed at consultancy body.
6	Dr. Hafiz Mudasser	Training Coordinator	Business Incubation Centre, UVAS	Dr. Hafiz Mudasser, Business Incubation Centre, UVAS, Out Fall Road, Lahore	0345-7222821	tc2.bic@uvas.edu.pk	Working as consultant in a project focussed on implementing GlobalGAP protocols in livestock value chains.
7	Sammer Mumtaz	Business Coordinator	Business Incubation Centre, UVAS	Sammer Mumtaz, Business Incubation Centre, UVAS, Out Fall Road, Lahore	0345-4054157	samermumtaz@hotmail.com	Working as trainer in a project focussed on implementing GlobalGAP protocols in livestock value chains.

Sr.#	Name	Designation	Company	Address	Contact #	Email ID	Remarks
8	Insha Nadir	Consultant	Free Lance Consultant (BIC)	Insha Nadir, Business Incubation Centre, UVAS, Out Fall Road, Lahore	0332-4174076	insha.nadir@gmail.com	Working as free lance consultant in a project focussed on implementing GlobalGAP protocols in livestock value chains.
9	Sajid Mahmood	Deputy Manager Mktg.	Oryza Organics (Pvt) Ltd.	Sajid Mahmood, Oryza Organics, E-6, 1st Floor, Garden Town, 47 Babar Block, Garden Town, Lahore	0321-7763558	sajid.mahmood786@yahoo.com	Qualified in fisheries and employed im mktg. deptt. at organic fish feed manf. Company.
10	G. M. Wadahar	Director Fisheries	Directorate of Fisheries Sindh	G. M. Wadahar, Directorate of Fisheries , Near Rani Bagh, Thandi Sarak, Hyderabad	0333-7174775	sindhfisheries_inland@yahoo.com	Qualified and experienced person. Can be a highly potential consultant in Sindh.
11	M. Omair Farooqui	Business Development Executive	SGS Pakistan (Pvt) Ltd.	Omair Farooqui, SGS Pakistan, 313, Sector 5, Korangi Industrial Area, Karachi	0333-2105075	umair_farooqui@hotmail.com	Qualified and experienced working with certification body.
12	Junaid Sabir	Business Development Executive	SGS Pakistan (Pvt) Ltd.	Junaid Sabir, SGS Pakistan, 313, Sector 5, Korangi Industrial Area, Karachi	0344-2944984	junaidsabir92@yahoo.com	Qualified and recently joined SGS to work on fishery sector..
13	Umar Hayat	Director	Creative Solutions	Umar Hayat, 47-B, The Mall, Peshawar	0346-5971718	umarpesh@gmail.com	Qualified and experienced person working as consultant.
14	Muhammad Ibrahim	Master Trainer	Star Farm Pakistan (Pvt) Ltd.	Star Farm Pakistan, D-803, 8th Floor, City Tower, 6-k Main Boulevard, Gulberg III, Lahore	0300-8113910	muhammad.ibrahim@starfarm.com.pk	Qualified and experienced person working with a GlobalGAP consultancy company.
15	Ghazanfar Hussain	Chief Executive	Kulstr Ejukason Farm	Ghazanfar Hussain, H # D-411, Bilal Town, Jehlum	0333-5808808	ghazan@live.com	Experienced in fisheries and working for a communal fish farm supported by the provincial govt.
16	Muhammad Ali	Trainer	Star Farm Pakistan (Pvt) Ltd.	Star Farm Pakistan, D-803, 8th Floor, City Tower, 6-k Main Boulevard, Gulberg III,	0300-8113926	muhammad.ali@starfarm.com.pk	Qualified and experienced person working with a GlobalGAP consultancy company.

Sr.#	Name	Designation	Company	Address	Contact #	Email ID	Remarks
				Lahore			
17	Syed Raza Hussain	Trainer	Star Farm Pakistan (Pvt) Ltd.	Star Farm Pakistan, D-803, 8th Floor, City Tower, 6-k Main Boulevard, Gulberg III, Lahore	0300-8113932	raza.hussain@starfarm.com.pk	Qualified and experienced person working with a GlobalGAP consultancy company.
18	M. Adnan Arshad	Auditor & Trainer	Bureau Veritas Pakistan (Pvt) Ltd.	BVQi, 334, Block A-1, Johar Town, Lahore	0333-4530346	adnan01978@hotmail.com	Qualified and experienced person working with CB.
19	Tariq Qamar	Manager Food Certification	Bureau Veritas Pakistan (Pvt) Ltd.	BVQi, 334, Block A-1, Johar Town, Lahore	0300-8488792	tariq.qamar@pk.bureauveritas.com	Qualified and experienced person working with CB.
20	Aimal Khan	Consultant	Pakistan Marine Council	Aimal Khan, Bagdad Autos, Shop 31, Saddiq Shaheed Road, Quetta	0334-2456726	aimal_khan21@yahoo.com	Qualified in marine sciences and potential consultant in the region.

ANNEXURE-9: SUMMARY OF PROGRESS ACHIEVED DURING THE THIRD QUARTER OF YEAR-2

Activities / Outputs	Target Year 2	Unit Cost (\$)	Annual Consolidated Total Cost (\$)	Timeframe											Progress Update	
				2012			2013									
				Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug		Sep
PROJECT MANAGEMENT																
Staff Training and Capacity Development (National & International)																
a. International Training (Persons)	5	3000	15,000													
b. National Training (Persons)	20	200	4,000													50 staff members participated in a three-day strategic planning workshop in Islamabad. 5 project staff members participated in 5-day TOT workshop on SME Management from Business Edge, IFC at Islamabad.
c. Exposure Visit(s)	2	3000	6,000													One staff member participated in Fruit Logistica 2013, Germany, February 6-8, 13 Four staff member participated in AgraME 2013 (Dubai, UAE, March 26-28, 2013).
ENVIRONMENTAL COMPLIANCE																
Programmatic Environmental Assessment (PEA)																
a. Programmatic Environmental Assessment	1	LS	250,000													Environmental assessment of the project conducted and EA report approved by USAID on April 13, 2013.
b. Development of Environmental Manual	1															Environmental Manual developed
c. Environmental Documentation	1760															1620 EDFs developed & got approved from USAID for various grant activities including

Activities / Outputs	Target Year 2	Unit Cost (\$)	Annual Consolidated Total Cost (\$)	Timeframe											Progress Update	
				2012			2013									
				Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug		Sep
Form																624 EDFs developed and approved during the reporting quarter.
d. Environmental Assessment/EDF for challenge grants	59															14 EDFs for challenge grant developed and approved. Five project assisted beneficiary firms facilitated in conducting Environmental Assessments for their agribusinesses. Of 5 applicants for challenge grants, EDFs for 3 applicants developed. One applicant received NoC from EPA Lahore, second applicant's NOC from EPA Peshawar is under approval, while third applicant did not require NOC.
e. Environmental Assessment (lead company grants)	6															Not required as no lead company grants approved till-date.
PROGRAM IMPLEMENTATION																
Objective-1 (S-IR 1.1.1): Strengthened Market Linkages in Selected Value Chains																
Technical Assistance and Capacity Building Support under Export, Quality Assurance and Food- Safety Compliance Certifications	30	4000	120,000													The certification process was initiated for 23 certifications for BRC, IFS and GlobalGAP. 19 certifications completed and certified by certification body. The project in its second year is supporting 30 enterprises for four certifications namely ISO-22000, HACCP, Halal and GlobalGAP. Contracts were signed with certifying body

Activities / Outputs	Target Year 2	Unit Cost (\$)	Annual Consolidated Total Cost (\$)	Timeframe												Progress Update
				2012			2013									
				Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
																and two consulting firms. The certification process initiated for 30 certifications and 20 companies will be ready for final audit to secure certification by end September 2013.
Technical Assistance and Capacity Building Support under International Markets Access Program (IMAP)	40	4000	160,000													31 horticulture and livestock companies supported to participate in Intl. marketing (World Food Moscow, Euro Tier, Fruits Logistica-06, AgraMe, Dubai). The companies have received exports orders. 9 companies will be supported to participate in Saudi Agro Export & Sahara Egypt in 3-4 week of Sep. 2013.
Development and Operation of Value Chain Platforms (VCPs) / Sector Working Groups / Platforms																
a. Value Chain Platforms (VCPs) established	16	LS	200,000													6 VCPs established:-National Agribusiness Forum (NabF), i.e. 2 National Technical Working Group F&V & Livestock, -VCPs of Banana , Chili , Potatoes and Strawberry established, -Another 2 VCPs for Apricot and Fisheries are being established.
b. Meetings of VCP members organized	32															Meeting of NabF and 3 VCPs for Banana, Chili & attended by members.
Objective-2 (S-IR 1.1.2): Strengthened Capacity of Smallholders & Farmer Enterprises																

Activities / Outputs	Target Year 2	Unit Cost (\$)	Annual Consolidated Total Cost (\$)	Timeframe											Progress Update		
				2012			2013										
				Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug		Sep	
Technical and Managerial Trainings																	
a. Selection of Training themes and priorities for training within the targeted value chain and clusters.	20	10000	200,000														20 training themes identified. Training plan, calendar and themes developed and SOW for trainings developed.
b. Trainings organized																	4 trainings held. 2 trainings scheduled for June – July 2013.
Organization of Kisan Field Schools(KFS)																	The signing of agreement with UN-FAO was under process for quite some time. As per discussion with USAID, this component may be dropped in new scenario of the project.
a. Participatory curriculum development workshops	5	2280	2,052,000														
b. Training of facilitators	5																
c. Establishment of Kisan Field Schools (KFS)	900																
d. Distribution of tools/kits to graduated KFS	22500																
Technical Assistance & Capacity Building of BDS providers																	
a. BDS providers selected and provided TA and capacity building support	19	6000	114,000														40 BDSPs (28 companies & 12 individuals) trained in BRC, IFS, ISO 9001:2008 QMS, Global GAP (Aquaculture) etc. for delivery of services to agribusinesses

Activities / Outputs	Target Year 2	Unit Cost (\$)	Annual Consolidated Total Cost (\$)	Timeframe											Progress Update		
				2012			2013										
				Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug		Sep	
Formation of Farmer Enterprise Groups (FEGs)																	
a. Rapid market assessment ⁴																	Conducted Rapid Market Assessments of all Value Chains in project regions. The findings of RMAs used to organize FEGs to meet the market demand
b. Meeting with partners to determine market demand and identify number of FEGs																	
c. Formation of FEGs initiated by Agribusiness Project through implementing partners	1500	1000	1,500,000														Organized small farmers into 612 FEGs in targeted value chains of the project, thus making total of 1087 FEGs formed.
d. Grants support to FEGs	1500	5000	7,500,000														201 FEGs received grant support in the form of Seed potato, cucumber/peas seed, HV/ OSV during the reporting period, besides providing 63 new FEGs (.58 for Tunnel Farming, and 5 for pomegranate orchards) and 268 existing FEGs provided with grant support for Goats, and Pickle Production kits./ Kitchen gardening tools.
e. Business Associations/ Cooperatives /FEG Clusters /Farm Services Centers	55	1000	55,000														Two Capacity need assessment workshops held at Peshawar and D.I.Khan project regions and attended by members from Farms Services Centers, Agriculture and

⁴ RMA in order to determine who the buyers are, how much quantity is demanded, the quality of product demanded, and the number of FEGs/individual farmers to be organized in order to produce the required product and sell it to the market.

Activities / Outputs	Target Year 2	Unit Cost (\$)	Annual Consolidated Total Cost (\$)	Timeframe												Progress Update
				2012			2013									
				Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
organized																Livestock Extension Services of FATA.
f. Grants support provided to Business Associations/ Cooperatives / FEG Clusters/ Farm Services Centres	55	8000	440,000													Grant support provided for formation and registration of Muzaffargarh Fish Farmers Association (MFFA).
Objective-3 (S-IR 1.1.3): Improved Technological Innovation																
Matching Grant Support to individual farmers & Enterprises																
a. Call for RFPs/RFAs	205	6000	1,230,000													During this quarter, five grant products were launched, which includes Post-Harvest Drying Technology for Chillies, High HV/OSV for KPK & GB, Small Tunnel Dryers for Processing of Fruits & Vegetables, Table/Seed Potato Production etc. In the last quarter advertised grant products including Animal Feed Mill, Improvised Reefers, Aero Tubes, Apricot Commercial Orchards, Grape Orchards, Portable Milking Machine, Tunnel Farming for HV/OSV, Dairy Processing & Livestock Production, Dhakki dates orchards, Grape Orchards for FEG.
b. Agribusiness Profiling and Prioritizing Interventions																

Activities / Outputs	Target Year 2	Unit Cost (\$)	Annual Consolidated Total Cost (\$)	Timeframe												Progress Update
				2012			2013									
				Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
c. Grant support provided to individual Farmers / Enterprises																33 milk chillers 500 liters capacity provided.
Matching Grants for Support to Off-farm enterprises (processing, marketing and export)																
a. Call for RFPs/RFAs issued to enterprises	59	70000	4,130,000													
b. Profiling Agribusinesses and Prioritizing Interventions																
c. Grants support (challenge grants) issued to enterprises as per prioritized value chains																Advertised grant products including Animal Feed Mill, Improvised Reefers, Screen houses and other 5 challenge grants approved by USAID.
d. Grants support process initiated to lead company grants issued	6	800,000	4,800,000													The process for multiple lead company grants initiated, however, feasibility study and preparatory arrangements require time and resources for Lead companies
SECTION FOUR: MONITORING, EVALUATION & COMMUNICATION																
a. Preparation Work Plan for Year 2 & 3																Work plan approved for year-2.
b. Monthly Progress Review Meetings																Weekly progress review meeting are being held.

Activities / Outputs	Target Year 2	Unit Cost (\$)	Annual Consolidated Total Cost (\$)	Timeframe												Progress Update
				2012			2013									
				Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
c. Quarterly Progress Review Meetings																As above.
Studies and Assessments																
a. Meat Industry (Part 2)		LS	621,000													Meat VC assessments part-1 and 2 Completed. Reports published.
b. Cattle Colony Karachi																Completed. Report published.
c. Cold Chain Infrastructure																Cold Chain assessment part-1 & 2 completed. Reports published.
d. Studies for each value chain (taking lead from the list of 16 planned VC for FY-13)																Apricot, Chili & Potatoes VC assessments completed. Reports published.
e. Horticulture Value Chain Analysis																Horticulture (potato, peaches, chilies, Banana) VC assessment Completed. Report published.
f. Dairy VC Analysis																Completed. Report published.
g. Fruit Plant Certification Scheme																Pending
h. Beneficiaries Studies (Rolling Benchmarking)																On-going
i. Assessment of Farm Service Centers																In progress.
j. Other studies																
k. Establishment of M&E database and Software Testing		LS														On-going

Activities / Outputs	Target Year 2	Unit Cost (\$)	Annual Consolidated Total Cost (\$)	Timeframe												Progress Update
				2012			2013									
				Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
i. On-going monitoring of program activities as per AWP, Log frame and PMP		Covered from OB														On-going
m. Submission of bi-weekly reports	24															Bi-weekly reports submitted.
n. Submission of quarterly progress reports	4															Quarterly progress reports submitted.
o. Information communication and dissemination		LS	228,500													Ongoing
p. Outsourcing and development of IMIS Software	1	120,000	120,000													Firm engaged. Iteration-1 developed & training conducted. Development of Iteration-2 is in progress.
q. Project reporting on USAID Pak Info																Data on Indicators & district wise spending is being updated regularly.
r. CNFA budget	1	476,748	476,748													
s. IMLP budget	1	800,000	800,000													--
Total Budget			25,022,248													
Operational Budget			6,226,322													
Total Budget			31,248,570													
Carry Over (Grant Amount) to 2013-14			8,298,050													
Net Funds requirement for 2012-13			22,950,520													