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# AFGHANISTAN SMALL AND MEDIUM ENTERPRISE DEVELOPMENT (ASMED)

**ANNUAL REPORT 2010**

**Annual Report 2010**

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# **AFGHANISTAN SMALL AND MEDIUM ENTERPRISE DEVELOPMENT (ASMED)**

**ANNUAL REPORT 2010**

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## ABBREVIATIONS:

|        |  |
|--------|--|
| ABA    | Afghan Builders' Association                               |
| ABA    | Afghan Banker's Association                                |
| ABC    | Advanced Business Consulting                               |
| ACCA   | Afghan Consulting Companies Association                    |
| ACCI   | Afghanistan Chamber of Commerce and Industry               |
| ACCW   | Afghan Craft Carpets Weaving and Processing Company        |
| ACEG   | Afghan Carpet Exports Guild                                |
| ADP/E  | Alternative Development Program/East                       |
| ADT    | Agribusiness Development Team                              |
| AEW    | Afghan Earth Works   |
| AIBM   | Afghan Institute of Business Management                    |
| AICB   | Afghan Innovative Consulting Bureau                        |
| AISA   | Afghanistan Investment Support Agency                      |
| AREDP  | Afghanistan Rural Enterprise Development Program           |
| ASMED  | Afghanistan Small and Medium Enterprise Development        |
| AWAA   | Afghan Women's Agriculture Association                     |
| AWBF   | Afghan Women's Business Federation                         |
| AWSBDA | Afghan Women's Social and Business Development Association |
| BBA    | Bachelor in Business Administration                        |
| BDC    | Business Development Center                                |
| BDS    | Business Development Services                              |
| BSP    | Business Service Providers                                 |
| CBS    | Comprehensive Business Services                            |
| CCI    | Chamber of Commerce and Industries                         |
| CEFE   | Competency Based Economies through Formation of Enterprise |
| CIDA   | Canadian International Development Agency                  |
| EPAA   | Export Promotion Agency of Afghanistan                     |
| ESDC   | Entrepreneurship Skill Development Center                  |
| FICCI  | Federation of Indian Chamber of Commerce and Industries    |
| FMFB   | First Micro Finance Bank                                   |
| GDA    | Global Development Alliance                                |
| HUDO   | Hewad United Development Organization                      |
| IITF   | India International Trade Fair                             |

|         |   |
|---------|---|
| ISO     | International Organization for Standardization                  |
| MDG     | Marketplace Development Grant                                   |
| MHP     | Mini Hydro Power  |
| MICC    | Mashallah Ibrahim Construction Company                          |
| MoCI    | Ministry of Commerce and Industries                             |
| MOU     | Memorandum of Understanding                                     |
| MRRD    | Ministry of Rural Rehabilitation and Development                |
| NGO     | Non-governmental Organization                                   |
| PCCTNUK | Provincial Council of Crafters/Traders National Union of Kunduz |
| PCCUB   | Provincial Council of the Crafters Union, Baghlan               |
| PDT     | Peace Dividend Trust  |
| PRT     | Provincial Reconstruction Team                                  |
| QSPA    | Qataghan Seed Production Association                            |
| RFP     | Request for Payment   |
| RHL     | Remote HydroLight   |
| SCPC    | Shadmerh Candy Production Company                               |
| SDLR    | Social Development and Legal Rights                             |
| SME     | Small and Medium Enterprise                                     |
| SPWA    | Seed Producer and Wholesaler Association                        |
| TMF     | Turquoise Mountain Foundation                                   |
| WPCO    | Women's Public Call Office                                      |
| WWA     | Women's World Association                                       |

# EXECUTIVE SUMMARY

ASMED supports private sector growth in Afghanistan with the ultimate objectives of small- and medium-enterprise development and job creation. Following approval of the project's two-year extension and the allocation of supplemental funding for continued programming, ASMED expanded technical teams and established a new Central Region office, enabling the project to increase delivery of assistance to Afghanistan's private sector. During the year, 633 SMEs added value and/or diversified into higher value products and services through ASMED assistance. BDS providers showed a 57 percent increase in clients. ASMED created 14,142 full-time jobs through U.S. government-supported activities. Far exceeding expectations, 612 firms invested in improved technology through ASMED assistance. Highlights of activities by program component are presented here.

## COMPONENT I: IMPROVE MARKET INFORMATION

ASMED continued to support the participation of SMEs within key sectors at regional, national and international trade fairs. Among these events, ASMED-supported enterprises attended the India International Trade Fair (New Delhi), the Dubai Big 5 Marble Trade Show 2009, the Tucson Gemstones & Jewelry Exchange (Tucson, Ariz.), the Moscow Fair (Russia), the Domotex 2010 Carpet Fair (Hanover, Germany), New York International Gift Fair (New York City), Carraramotec Marble Exhibition (Carrara, Italy) and the Hong Kong Jewelry & Gem Fair.

Building market linkages through participation in trade fairs is a key priority for ASMED. Direct contact with buyers and agents, particularly from distant end-markets, not only provides valuable learning opportunities for Afghan SMEs, but also generates significant economic growth. This year saw further penetration of Afghan SMEs into new and existing markets.

### Highlight: Domotex 2010 Carpet Fair Hanover, Germany

ASMED sponsored 21 Afghan companies' participation in Domotex 2010 Carpet Fair Jan. 16-19. According to the participants, Domotex 2010 was the most successful trade event for Afghans in recent years. All Afghan carpet dealers made contracts and sold most of their carpets. Each participant departed from the fair with at least 10 serious contacts.

In Domotex 2009, the participants' total contracts amounted to \$2,485,000. **The 2010 contracts value represents a significant increase of 388 percent from 2009.**

In addition, an Afghan producer, Nomad Ltd/Chak Palu, won the Modern Carpet Design Award. ASMED also sponsored a matchmaking dinner, setting up a networking event between 20 international buyers and 21 Afghan exporters.

*"I have orders of different companies from Japan, Holland, Norway, UK, Spain, and USA. It will not only benefit the Afghan weaver families, but also it will benefit the economy of our beautiful country Afghanistan."* – **Abdul Hakeem, CEO, Afghan Rugs**

*"I think we had a successful show on multiple levels of marketing, product branding and market recognition in Domotex Hannover 2010."*

- **Asadullah Khall Mohammadi, CEO, Khall Mohammadi Co. Ltd.**



Domotex Hannover, Germany Carpet Exhibition Jan. 16-19, 2010  
USAID/ASMED

**Highlight: First SME Trade Fair in Kandahar City**

Despite ongoing security concerns, Kandahar City held its first SME Trade Fair Nov. 19-21, 2009, co-funded by ASMED and CIDA. The deputy provincial governor of Kandahar inaugurated the fair. More than 30 exhibitors from SMEs in Kandahar and other provinces displayed products and services. Approximately 3,000 visitors from the Kandahar business sector and public attended. Almost \$2,000 in sales were generated, and \$50,000 in business deals initiated.



First SME trade fair, Kandahar  
USAID/ASMED

**Highlight: Afghanistan International Marble Conference II, Herat**

The Afghanistan International Marble Conference II was held in Herat April 12-16. The opening ceremony, hosted by USAID/ASMED, welcomed 17 International delegates from Italy, Canada, United States, Turkey, Indonesia and Norway.

Highlights from the conference, held at the Jalaluddin Mohammad Balkhi Hall, Herat City, included:

- A technical workshop and a helicopter flight to marble quarries in the Cheshti Sharif area arranged for approximately 50 attendees;
- The Ministry of Mines and Italian Embassy announced approval of \$20 million each (\$40 million total) for construction and improvements on the existing road from Herat to Chesht. The Governor of Herat showed full commitment to coordinate efforts to begin work. This road will allow better access for traders in the varying districts;
- The Ministry of Finance agreed to remove tariffs on all Afghanistan-processed marble as of April 12, creating tax-exempt marble exporting;
- The Overseas Private Investment Corporation, American investors and Afghan partners agreed to provide access to credit ranging from \$100,000 to \$250 million as long-term loans for businesses;
- Afghan Growth Finance has agreed to provide access to finance ranging from \$50,000 to \$10 million with interest rates set between 9 and 17 percent for businesses.

**COMPONENT 2: IMPROVE BUSINESS DEVELOPMENT AND MANAGEMENT SKILLS**

The BDS team continued its work in expanding access to BDS services throughout all regions. During this year, ASMED supported 26 BDS firms, 10,018 businesses, created 423 new SMEs and accessed bank loans/equity for seven SMEs, through U.S. Government assistance.

ASMED also furthered its support of Afghanistan’s BDS sector. Working with consultancy firms, local associations, universities and ADTs, the project continued developing and expanding training in business practices, management, marketing and agribusiness for SMEs, which should greatly improve business productivity and profitability.

**Highlight: Quality Control Management training**

BDS has focused on the development of business plans and basic management skills training during the past three years, with a number of BSPs being assisted or set up albeit with a limited scope of offerings.

Recognizing that knowledge of quality standards and the implementation of quality systems are prerequisites for entry to a number of markets ASMED focused this year on Sector Specific Skills Training.

ASMED implemented the first Sector Specific Skills training program for 14 consultants from five different provinces in quality assurance and quality control at the ASMED office in Kabul Aug. 8-19.



Quality Control Management Training Field Visit  
USAID/ASMED

Graduates of the program now provide basic training and consultancy services to SMEs in quality, and develop awareness programs on quality assurance for SMEs in their regions. Follow-up training scheduled for January 2011 will provide candidates of merit an opportunity to achieve a Lead Assessor qualification.

### **COMPONENT 3: STRENGTHEN BUSINESS ASSOCIATIONS**

As major delivery conduits for training services, machinery and equipment grants, and other BDS services, associations remain major partners in ASMED's programming. During this year, **ASMED supported 16 existing business associations**. These institutions provide ASMED the opportunity for improved coordination and support of certain activities and greater scale of impact. Associations within targeted economic sectors receive greater levels of technical assistance and financial support. While continuing its support of national associations, ASMED also worked with smaller, locally based associations across the regions, assisting them to improve their services, representation skills and financial sustainability. Consolidating nascent associations into effective organizations is a priority for ASMED. ASMED works with each organization to define services and products that meet the needs of their members. We are supporting a range of activities across the regions.

#### **Highlight: Cool Storage Facility in Panjsher Province**

ASMED funded the construction of a cool storage in Ko-e-Talkha Village, Bazarak District, Panjsher Province through an Association grant valued at \$28,920 for the construction of the storage facility and training of the local farmers in using the facility properly. The facility also allows the local farmers to store their products during peak harvest time and sell them during high-demand periods. The storage facility can store 50 metric tons of agricultural products. It is composed of three storage rooms under one roof with a solar system to keep the normal temperature and lighting system running. Construction work on the facility is completed and the project handed over to the community.



Top view of cool storage  
USAID/ASMED

## COMPONENT 4: GLOBAL DEVELOPMENT ALLIANCES AND GRANTS

The GDA and Grant teams implemented new processing systems and controls, making it possible to process a great volume of activities, while greatly improving oversight and compliance. During this year, ASMED approved 28 new GDAs, contributing \$6,955,785, leveraging \$56,672,129. ASMED approved 39 new grants during the year, totaling \$1,709,250, and completed 12 grants, totaling \$744,821.

### Highlight: Foroshgah-e Bozorg Afghan inauguration

U.S. Ambassador for Afghanistan, Karl Eikenberry, and Kabul Mayor Mohammad Younus Nawandish inaugurated the reconstructed Foroshgah Shopping Center Aug. 22. Foroshgah Shopping Center, located in Kabul City, substantially damaged during an attack Jan. 18 by three Taliban insurgents on governmental buildings, which officials say killed at least 27 people and injured more than 50. ASMED helped the shopkeepers immediately through a Marketplace Development Grant.

The U.S. government, represented by USFOR-A and USAID, financed a portion of cleaning and removal of unsafe material and a portion of the renovation cost of the building, totaling \$238,500. The owner of the building agreed to cover all other costs.



U.S. Ambassador, Karl Eikenberry and Kabul Mayor, Mohammad Younus Nawandish attend the Foroshgah-e Bozorg Afghan inauguration  
**USAID/ASMED**

## COMPONENT 5: HUMAN CAPACITY BUILDING

Building a professional, qualified workforce for continued private sector development remains a key priority for ASMED. Our professional internship program supports practical business training for Afghanistan's private sector leaders of the future. With an extraordinary success rate in securing permanent employment for its graduates, ASMED continues receiving multiple requests for expansion. The ASMED Internship Program provided 932 opportunities for participants, leading to 250 graduates trained in sector-specific skills.

### Highlight: ASMED's New Internship Program Strategy

ASMED Internship Department worked on the new internship strategy in April, marking the transition of the internship program to the private or public sector universities in Afghanistan. Meetings conducted with private sector institutes – including Ajeer Institute Kabul, Kardan Institute Kabul, Karwan Institute Kabul, Khurasan Institute Nangarhar, Iqra Institute Paktia and, most recently, Herat University - discussed the transition. As a result, the five institutes showed interest in the new strategy. ASMED provided a manual to the institutes to help them to learn how to organize and execute a successful internship program. Herat University has already commenced implementation of its own program.

# REGIONAL SNAPSHOT

## Central Region

*Kabul is the capital and largest city of Afghanistan, located in the Kabul Province with a history of more than 3,500 years.*

*According to the 2008 official estimates, the population of Kabul metropolitan area is 2.8 million people.*

*It is the economic and cultural center, situated 1,800 meters above sea level in a narrow valley, wedged between the Hindu Kush Mountains along the Kabul River. The city is linked with Kandahar, Herat and Mazar-e Sharif via a circular highway that stretches across the country. It is also the start of the main road to Jalalabad and further to Peshawar, Pakistan.*

*Kabul's main products include fresh and dried fruit, nuts, rugs, leather and sheep skin products, domestic clothes and furniture, and antique replicas.*



Center of Kabul  
Photo: Mohammed Ibrahim Wahid

## REGIONAL SUMMARY

The Central region with its eight provinces as the main organizing body in ASMED had great achievements and played active role in Afghanistan's private sector development - especially in introducing Afghan valuable products to the international market and building a market network between Afghan and international traders.

Central Region played a major role in recovering Afghan branding for products - especially carpet, Gemstone and Handicraft sectors.

### Highlights

- ASMED supported a variety of capacity building trainings including: gem cutting and polishing training in Madagascar, basic banking, SME Finance, Micro Finance, Financing imports & exports opportunities & challenges, SME Access to Credit, Business Plan Development, loan applications for Afghanistan Bankers Association and launching a website for the Association.
- ASMED sponsored participation of 21 carpet dealers to Domotex Germany and Domotex Middle East carpet shows, a group of Gem and Jewelry traders to Tucson Arizona, and Hong Kong Gem Show in 2010
- Construction of a Cool Storage in Kohe-Talkha-Panjsher Province,
- Procurement of fruit packaging equipment for Charikar Fruit Processing to facilitate export
- Procurement of marble extraction and processing equipment to Afghan Marmar Company
- Renovation of Foroshgah Shopping Center in Feb 2010 through its GDA program
- Procurement of carpet cut-and-wash machinery to Paiman Atlas Group, equipment and machinery to Pamir Poultry Feed Mill Wool Washing equipments to Zia Uddin Wool Washing Company through its GDA program

### Challenges

- Lack of technical knowledge on the dairy sector and the technology required for milk packaging and processing (Logar Dairy Cooperative)
- Lack of government support (Ministry of Justice) on registering the Gem Cutters and Jewelry Association
- Improper and lengthy custom clearance protocols for Charikar Fruit Processing Company for exporting fresh fruits and vegetables to international markets. (Lack of cool storage facility at the airports caused the company to suffer spoilage of fruit.)
- Lack of governmental legislative (Ministry of Mines) on legalizing mining and export of gemstones in Afghanistan. Many precious stones illegally mined and transported to international markets. The government lacks a transparent policy.

### **Future activities**

- ASMED will finance organization and procurement of design software for Electronic Carpet Design training in Kabul
- ASMED will fund vocational training for capacity building and job creation specifically for women (i.e. tailoring to the Association of Poor Afghan Women in Kabul)
- ASMED will finance a marble GIS survey throughout the country
- Per the new work plan, we will focus on activities in the newly targeted area of operation

# REGIONAL SNAPSHOT

## Eastern Region

*Jalalabad is a city in eastern Afghanistan, located at the junction of the Kabul River and Kunar River near the Laghman Valley, Jalalabad is the capital of Nangarhar Province. It is linked by approximately 153 kilometers of highway with Kabul to the west. Major industries include papermaking, as well agricultural products including oranges, rice, olive oil and sugarcane. Jalalabad is one of the leading trading centers with Pakistan.*



Jalalabad, Bihsud Bridge  
Photo: Wikipedia.org

## REGIONAL SUMMARY

ASMED East has had a very full year, supporting the Eastern Region through grants, capacity development training, and participation in various market development activities. The Eastern Region has great potential with a growing population that lacks significant professional business training, but is filled with entrepreneurial zeal. Jalalabad City is a thriving center for trade between Pakistan and Afghanistan. The Region is also blessed with valuable natural resources such as its fertile soil, an extended growing season, and rich mining material.

During the year, the region has seen a steady deterioration of the security environment, with significant increases in AGE activity even within Jalalabad City limits, which previously was considered to be relatively safe. The summer floods in Pakistan and Afghanistan also had a negative impact on business and life in the Region. Despite the challenges posed by lack of business capacity, the instability of the security situation, and a highly disruptive natural disaster, we have seen a number of successes throughout the year. We have faced challenges as well, and hope we have learned to improve in the areas where we can exert some control, and minimize negatives effects where we cannot.

Overall, the success of many of our projects, and the continued enthusiasm for business exhibited by the people of the Eastern Region provide reasons for cautious optimism.

## Highlights

- ASMED provided support for Tarsian & Blinkley in the training of 100 tailors on new sewing equipment and establishment of a new facility in Jalalabad, where production has been steadily increased to more than 4,000 uniforms per month (Jalalabad facility only).
- Gemstone Cut and Polish Training Center and Mid-Term Graduation Ceremony included a three-month initial training for 40 young Afghans which lays the groundwork for the first generation of Afghan gemstone finishers. As they continue to improve their skills, less stones will have to go to Pakistan for cutting/polishing, thus retaining value in the Afghan market.
- ASMED introduced equipment that has helped Sahil Marble Quarry increase production to 800 tons/month of block marble (not blasted), with increasing sales. The local marble association is now seeking ways regional quarries can expand production through the purchase of similar equipment.
- ASMED has provided support for training of a total of 200 economically depressed women in embroidery and beading. Participants pass their knowledge along to other family members, who have started their own SME's.
- ASMED invited 100 local business participants to attend the Economic Growth & Investment Promotion Conference, an exhibition in which the majority of exhibitors were ASMED-supported businesses, and facilitated a roundtable discussion introducing ASMED and connecting local businesses with international donors.
- ASMED provided foot-powered thread-making machines and training for 207 poor and jobless women who migrated back to Afghanistan from Pakistan and are based in Sheikh

Misri Refugee Camp. These machines enable the women to triple their wool production capacity, allowing them to earn a living.

### **Challenges**

- The floods in Pakistan and Eastern Afghanistan brought much of regional business to a grinding halt, as goods could not be transported and business stopped. ASMED grants also suffered as a result of goods procured from abroad being stopped in Pakistan during the floods and sustaining substantial flood damage.
- Certain grants (such as Alishing MDG, Laghman) have had to be put on hold or canceled due to inaccessibility of the region because of poor security. Other grantees continue to be slow to comply with the agreed upon timeframes for completion of milestones.
- ASMED has established Carpet and Gemstone markets in Jalalabad that have suffered from poor local markets and poor market linkages. These problems have caused the shops to operate more like warehouses than true thriving shops.

### **Future activities**

- Marble testing facility that will test local marble to international standards
- 18 MDG's with preliminary plans in place through Khost, Paktiya, Nangarhar, Kunar, and Laghman
- Jewelry Production Training
- Marble Extraction Capacity improvement
- Fish Hatchery to be established
- Poultry Hatchery Capacity improvement

# REGIONAL SNAPSHOT

## Northern Region

*Mazari Sharif is the fourth largest city of Afghanistan, with population of 300,000 people. It is the capital of Balkh Province and is linked by roads to Kabul in the southeast, Herat to the west and Uzbekistan to the north. Mazari Sharif means "Noble Shrine," a reference to the large, blue-tiled sanctuary and mosque in the center of the city known as the Shrine of Hazrat Ali or the Blue Mosque. Some Muslims believe that the site of the tomb of Ali ibn Abi Talib, the cousin and son-in-law of Prophet Muhammad, is in Mazari Sharif. The city is a major tourist attraction because of its fabulous Muslim and Hellenistic archeological sites.*

*The city is a traditional center for Buzkashi, and the Blue Mosque is the focus of Afghanistan's Nawroz celebrations. The local economy is dominated by agriculture, carpet and karakul production. Small-scale oil and gas exploitation have boosted the city's prospects. There is some trade with Uzbekistan via the Afghanistan–Uzbekistan Friendship Bridge over the Amu Darya River.*



Mazari Sharif, the Blue Mosque  
Photo: Mohammed Ibrahim Wahid

## REGIONAL SUMMARY

ASMED Mazar Office successfully extended its services to other provinces. With ASMED technical support a number of carpet traders and carpet producers attended various international exhibitions. ASMED Mazar office has successfully created several GDAs, MDG and association projects where each of them could be considered as a good service and job provider source for entrepreneurs and SMEs. According to our assessment, the most successful projects, which raised the image of ASMED in the society, were MDGs, GDAs and some of the few association projects, especially those associations who were able to provide better services to their members like Balkh Dry Fruit Processing Association in Mazar and Ajmeer Beekeeping Association in Baghlan Province.

## Highlights

- The Grain Market of Sari Pul is a medium-size market in Sari Pul City, Sari Pul Province. There are 45 shops at the market; each shop with three full-time workers. Approximately 1,500 customers visit the market daily. Approximately 135 direct and 100,000 indirect beneficiaries benefited from the MDG project.
- Construction of cold storage for the Sadat Tomato Paste Production enables the company to increase the purchase of inputs (tomato) from farmers during the peak season. This can be an opportunity to the farmers as their harvested products can be sold in the market and avoid wastage. The company accessed to raw materials around the year. Hence, it is offering a chance to the company to double the production capacity.
- The Pamir Belawr Salt Refinery Company is the first and largest salt refinery company in Afghanistan. The company already contracted with government of Afghanistan about extraction of Andkhoy salt mine for 10 years; therefore, the company imported Indian technology to refine 10 MT of salt in an hour. ASMED helped the company with purchase of laboratory to ensure timely check up of the product, and purchase of generator and power transformer in order to keep the factor running, while the public electricity cut. Marketing and making the product known is the next stage, which ASMED helps company to grow. The company creates more than 100 employment opportunity.

## Challenges

- The biggest challenge for implementing the projects is the security issue, which is expanding every time in Northern provinces.
- GDA and Value Chain projects need to procure machinery and equipment not readily available in Afghanistan. Procurement from other countries is a tedious process.

### **Future activities**

- Meat Market in Puli Khumri City, Baghlan Province
- With USAID/ASMED grant, the Ariana Poultry Development Association will increase the poultry productions including one-day old chick and poultry feed. The association members work closely with farmers, indirect beneficiaries of the project. The farmers will get the poultry production on a discounted price. The next step of the implementation will be procurement of master chicks' incubator with capacity of 40,000 eggs per cycle (20 days). So far the association has completed the registration with Ministry of Justice in Afghanistan as it is the first activity under the USAID Grant support.

# REGIONAL SNAPSHOT

## Southern Region

Kandahar is the second largest city in Afghanistan, with a population of about 450,000. It is the capital of Kandahar Province, located in the south of the country at about 1,005 meters above sea level. The Arghandab River runs along the west of the city. "Kandahar" is the latest modified form of the ancient name Gandhara.

Kandahar is a major trading center for sheep, wool, cotton, silk, felt, food grains, fresh and dried fruit, and tobacco. The region produces fine fruits, especially pomegranates and grapes, and the city has plants for canning, drying, and packing fruit.

## REGIONAL SUMMARY

Kandahar, Zabul, Helmand, Nimroz, Uruzgan and Dai Kundi are the provinces in the Southern Region. Due to its strategic and geographic location, the region has core importance in the country. ASMED plays a key role in supporting and enhancing small and medium enterprises and creating job opportunities in Kandahar, Helmand, Uruzgan and Zabul provinces. ASMED was unable to extend its activities to Dai Kundi and Nimroz provinces because of logistical and security issues. Despite the region's instability, ASMED had great successes including locating/increasing marketing opportunities specifically for agricultural and handicraft products, creating sustainable and temporary employment opportunities, building the capacities of SMEs and enhancing local production.



Kandahar Province, Shrine of Ahmad Shah Durrani  
Photo: Mohammed Ibrahim Wahid

## Highlights

- ASMED developed Kandahar Business Directory for the first time in the southern region, including collecting data for more than 3,000 SMEs, designing, printing and publishing the directory, which was distributed nationally in Kandahar, Kabul, Nangarhar, Herat and Balkh Provinces, increasing marketing opportunities building new marketing networks.
- ASMED provided business development and technical training, particularly in the fields of accounting, management and marketing, for more than 400 SMEs operating in Kandahar, Zabul and Helmand Provinces.
- ASMED provided financial support for capacity development and increasing technical skills to two key business associations in Kandahar.
- ASMED successfully conducted Internship Program for the first time in Zabul, Uruzgan and Helmand provinces for 150 fresh graduated students of high school who got employment opportunities after the 3 months theoretical training.
- ASMED provided financial support to procure equipment for establishing dry fruits packaging and paper recycle industries in Kandahar.
- ASMED successfully conducted the first SME Trade Fair in Kandahar City allowing 30 SMEs from across the country to showcase products for 3,000 businesses and visitors

## Challenges

- Insecurity was the biggest challenge in the region.
- Lack of external capacities for providing support to the implementation of ASMED's activities
- Lack of power for the industrial areas
- Lack of logistical access between the provinces and districts
- Lack of governmental support and bureaucracy in the documentation process

## Future activities

- Developing the quality and quantity of the targeted sector products (agribusiness, handicrafts, wool/natural fiber and construction) by creating interventions to eliminate bottlenecks in the value chain.
- Creating and supporting marketing linkages between farmers/rural traders and urban business/international business environment.
- Supporting the process of creating new SMEs / job opportunities.
- Empowering business association/cooperatives for development of private sector through supporting SMEs.

# REGIONAL SNAPSHOT

## Western Region

*Herat is situated in the valley of the Hari Rod River that flows from the mountains of central Afghanistan (Bamyan) and is about 110 kilometers east of the Iranian border.*

*With a population of approximately 400,000 people, Herat is the third largest city in Afghanistan, after Kabul and Kandahar.*

*The city is believed to date back more than 2,700 years. The ancient city of Herat is the largest city in western Afghanistan and is the main trade city for exports to Iran, Turkmenistan and the Middle East. Alexander the Great first built its citadel in about 330 BC. Over time, following numerous conflicts, much of the citadel was destroyed and rebuilt by successive rulers. Herat is the site of the Masjed-e-Jameh or Blue Mosque, an important pilgrimage center built more than 800 years ago and noted for its beautiful blue tile flowers and mosaic decoration. The mosque is the largest building in the city and a significant example of Islamic architecture.*

*Herat is an important business and industrial center with the most advanced industrial park in Afghanistan. Factories located at the industrial park include soft drink bottling companies, concrete and rebar manufacturing, small engine and motorcycle assembly plants and 15 marble processing plants.*



Herat Province, Herat Minarets  
Photo credit: Mohammed Ibrahim Wahid

## REGIONAL SUMMARY

The relatively high level of industrial production in Herat (mainly focused around the industrial park) has facilitated ASMED to identify and work with partners in the establishment of sizable industrial projects, which offer a significant potential for the creation of direct and indirect employment. In addition, Herat City and the industrial/commercial areas surrounding the city operate as a significant trading hub for all regional trade and agricultural production. This has facilitated ASMED to positively impact markets by developing the value and volume of trade, simultaneously supporting markets in outlying districts through improving market linkages between the Hub and target districts.

### Highlights

- Hosted the Afghan International Marble Conference II
- Conducting the Afghan Artist & Artisan Exhibition, marking International Woman's Day (March 8)
- Establishment of Steel Foundry to turn scrap metal into construction inputs
- Supporting, in partnership, an apprenticeship scheme providing capacity development training & sustainable jobs for 160 low skilled-workers in industrial companies.
- Developing an input supply facility (Hatchery & Feed Mill) to supply poultry farmers in the Western Region.
- Export Standard Marble Processing Plant

### Challenges

- Delays in introducing new technology/equipment due to lengthy customs procedures.
- Delays in implementation of projects due to limited ability of beneficiaries to manage construction projects.
- Lack of capacity of smaller scale beneficiaries to solve problems heavily increasing the workload of ASMED staff.

### Future activities

- Establishment of processing facility (de-hairing & Scouring) for Afghan produced raw cashmere, through a GDA.
- Significantly improve the hygiene, access and quality of the Herat Central Fruit & Vegetable Wholesale marketplace, improving the profitability of the traders operating there, in partnership with the Herat Fruit and Vegetable Sellers Association
- Support for the development of an international standard Saffron production input supply and processing facility, through a GDA
- Developing an input supply facility to supply mushroom farmers in the Western Region of Afghanistan, through a Value Chain grant.

# MONITORING AND EVALUATION (M&E)

Table I below summarizes ASMED's progress towards fiscal year 2010 targets and indicators.

ASMED Progress Towards Indicators, Year 2010

| PMP Ind  | PERFORMANCE INDICATOR<br><i>(source of information)</i>  | Region of Coverage      | Cumulative Year 2010 |        |      | LIFE OF PROJECT Totals |        |      |
|--|--|-------------------------|----------------------|--------|------|------------------------|--------|------|
|  |  |                         | Target               | Ttl    | %    | LOP Target             | Ttl    | %    |
| <b>Tier I Indicators</b>   |  |                         |                      |        |      |                        |        |      |
| <b>J1. BUSINESS DEVELOPMENT AND MANAGEMENT SERVICES</b>                    |  |                         |                      |        |      |                        |        |      |
| Sub Immediate Result: Improve Business Development and Management Services |  |                         |                      |        |      |                        |        |      |
| 2.1  | <b>50 BDS Firms Supported</b><br><br><i>(BSP Reg Forms)</i>  | <b>TOTAL</b>            | 20                   | 26     | 130% | 50                     | 26     | 52%  |
|  |  | Central                 | 4                    | 9      | 225% | 10                     | 9      | 90%  |
|  |  | Eastern                 | 4                    | 8      | 200% | 10                     | 8      | 80%  |
|  |  | Western                 | 4                    | 3      | 75%  | 10                     | 3      | 30%  |
|  |  | Northern                | 4                    | 0      | 0%   | 10                     | 0      | 0%   |
|  |  | Southern                | 4                    | 6      | 150% | 10                     | 6      | 60%  |
| 2.2  | <b>10,000 businesses supported</b><br><br><i>(Enterprise and Association Reg forms)</i>  | <b>TOTAL</b>            | 9000                 | 10,018 | 111% | 10,000                 | 10,018 | 100% |
|  |  | Central                 | 2400                 | 1,141  | 48%  | 2,500                  | 1,141  | 46%  |
|  |  | Eastern                 | 2175                 | 3,456  | 159% | 2,500                  | 3,456  | 138% |
|  |  | Western                 | 2175                 | 1,706  | 78%  | 2,200                  | 1,706  | 78%  |
|  |  | Northern                | 1500                 | 2,702  | 180% | 1,800                  | 2,702  | 150% |
|  |  | Southern                | 750                  | 1,013  | 135% | 1,000                  | 1,013  | 101% |
| 2.3  | <b>1450 new SMEs created</b><br><br><i>(Enterprise Reg forms)</i>  | <b>TOTAL</b>            | 400                  | 423    | 106% | 1,450                  | 1,068  | 74%  |
|  |  | Central                 | 75                   | 15     | 20%  | 230                    | 96     | 42%  |
|  |  | Eastern                 | 100                  | 234    | 234% | 300                    | 331    | 110% |
|  |  | Western                 | 100                  | 156    | 156% | 340                    | 296    | 87%  |
|  |  | Northern                | 75                   | 18     | 24%  | 460                    | 332    | 72%  |
|  |  | Southern                | 50                   | 0      | 0%   | 120                    | 13     | 11%  |
| 2.4  | <b>140 SMEs accessed bank loans/equity as a result of USG assistance</b><br><br><i>(Enterprise Survey DB, Reg. and Survey Forms)</i> | <b>Afghanistan-wide</b> | 20                   | 7      | 35%  | 140                    | 123    | 88%  |

ASMED Progress Towards Indicators, Year 2010

| PMP Ind | PERFORMANCE INDICATOR<br><i>(source of information)</i> | Region of Coverage | Cumulative Year 2010 |     |   | LIFE OF PROJECT Totals |     |   |
|---------|---|--------------------|----------------------|-----|---|------------------------|-----|---|
|         |   |                    | Target               | Ttl | % | LOP Target             | Ttl | % |

**III. BUSINESS ASSOCIATION**

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

|     | TOTAL   | Target | Ttl | %   | LOP Target | Ttl | %    |
|-----|---|--------|-----|-----|------------|-----|------|
|     |   | 75     | 16  | 21% | 350        | 377 | 108% |
| 3.2 | <b>350 existing business associations supported</b> | 16     | 3   | 19% | 80         | 90  | 113% |
|     | <i>Central</i>                                      | 17     | 7   | 41% | 80         | 136 | 170% |
|     | <i>Eastern</i>                                      | 16     | 3   | 19% | 75         | 73  | 97%  |
|     | <i>Western</i>                                      | 16     | 2   | 13% | 75         | 63  | 84%  |
|     | <i>Northern</i>                                     | 10     | 1   | 10% | 40         | 15  | 38%  |
|     | <i>Southern</i>                                     |        |     |     |            |     |      |
|     | <i>(Association Reg forms)</i>                      |        |     |     |            |     |      |

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

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

|     | TOTAL  | Target       | Ttl          | %     | LOP Target   | Ttl          | %    |
|-----|--|--------------|--------------|-------|--------------|--------------|------|
|     |  | \$12,000,000 | \$50,101,353 | 418%  | \$36,000,000 | \$63,119,150 | 175% |
| 4.2 | <b>\$36 million leveraged through Private-Public partnerships (GDAs)</b> | \$3,000,000  | \$5,549,569  | 185%  | \$7,540,000  | \$7,338,756  | 97%  |
|     | <i>Central</i>   | \$3,000,000  | \$5,449,831  | 182%  | \$7,225,000  | \$6,873,411  | 95%  |
|     | <i>Eastern</i>   | \$3,000,000  | \$33,724,745 | 1124% | \$7,575,000  | \$35,552,615 | 469% |
|     | <i>Western</i>   | \$2,000,000  | \$4,841,205  | 242%  | \$9,935,000  | \$10,814,785 | 109% |
|     | <i>Northern</i>  | \$1,000,000  | \$536,005    | 54%   | \$3,725,000  | \$2,539,585  | 68%  |
|     | <i>Southern</i>  |              |              |       |              |              |      |
|     | <i>(GDA Agreements)</i>  |              |              |       |              |              |      |

**V. HUMAN CAPACITY DEVELOPMENT**

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

|     | TOTAL  | Target | Ttl | %    | LOP Target | Ttl   | %    |
|-----|--|--------|-----|------|------------|-------|------|
|     |  | 900    | 932 | 104% | 2,200      | 1,942 | 88%  |
| 5.1 | <b>2200 internship opportunities provided</b>          | 180    | 115 | 64%  | 500        | 299   | 60%  |
|     | <i>Central</i>   | 180    | 392 | 218% | 550        | 778   | 141% |
|     | <i>Eastern</i>   | 180    | 126 | 70%  | 400        | 308   | 77%  |
|     | <i>Western</i>   | 180    | 156 | 87%  | 350        | 296   | 85%  |
|     | <i>Northern</i>  | 180    | 143 | 79%  | 400        | 261   | 65%  |
|     | <i>Southern</i>  |        |     |      |            |       |      |
|     | <i>(Internship lists)</i>                              |        |     |      |            |       |      |
| 5.2 | <b>500 Graduates Trained in Sector Specific Skills</b> | 150    | 250 | 167% | 500        | 250   | 50%  |
|     | <i>(Graduate registration forms)</i>                   |        |     |      |            |       |      |

ASMED Progress Towards Indicators, Year 2010

| PMP Ind                   | PERFORMANCE INDICATOR<br><i>(source of information)</i>   | Region of Coverage      | Cumulative Year 2010 |        |      | LIFE OF PROJECT Totals |        |      |
|---------------------------|---|-------------------------|----------------------|--------|------|------------------------|--------|------|
|                           |   |                         | Target               | Ttl    | %    | LOP Target             | Ttl    | %    |
| <b>Tier II Indicators</b> |   |                         |                      |        |      |                        |        |      |
| <b>ALL COMPONENTS</b>     |   |                         |                      |        |      |                        |        |      |
| A                         | <b>600 SMEs that have added value and/or diversified into higher value products and services as a result of ASMED assistance</b><br><br><i>(Enterprise Survey DB, Reg and Survey forms)</i> | <b>TOTAL</b>            | 300                  | 633    | 211% | 600                    | 2,724  | 454% |
|                           |   | <i>Central</i>          | 70                   | 71     | 101% | 140                    | 384    | 274% |
|                           |   | <i>Eastern</i>          | 80                   | 212    | 266% | 160                    | 864    | 540% |
|                           |   | <i>Western</i>          | 80                   | 108    | 134% | 160                    | 449    | 281% |
|                           |   | <i>Northern</i>         | 45                   | 176    | 390% | 90                     | 765    | 850% |
|                           |   | <i>Southern</i>         | 25                   | 67     | 267% | 50                     | 262    | 524% |
| B                         | <b>25% increase in number of clients of Business Development Service providers</b><br><br><i>(BSP Survey)</i>   | <b>Afghanistan-wide</b> | 25%                  | 57%    | 227% | 25%                    | 57%    | 227% |
| C                         | <b>55,000 full-time jobs created by USG supported activities</b><br><br><i>(Enterprise Survey DB, Reg. and Survey Forms)</i>  | <b>Afghanistan-wide</b> | 15,000               | 14,142 | 94%  | 55,000                 | 51,913 | 94%  |
| D                         | <b>400 firms investing in improved technology as a result of ASMED assistance</b><br><br><i>(Enterprise Survey DB, Reg. and Survey Forms)</i>   | <b>Afghanistan-wide</b> | 200                  | 612    | 306% | 400                    | 2,751  | 688% |

| Fiscal Quarter       | Start Date | End Date  | Activity Description  | Activity Status   | Province  | District      | Village       |
|----------------------|------------|-----------|---|---|-----------|---------------|---------------|
| 1 <sup>st</sup> 2010 | 27-Sep-09  | 19-Oct-09 | Accounting Training for Construction Companies                                    | 20 Male participants learned how the accounting concepts affect the profit and loss and to prepare financial statements extracts for construction contracts and to comply with relevant and required reporting standards and Costing.           | Hirat     | Hirat         | Hirat         |
| 1 <sup>st</sup> 2010 | 01-Oct-09  | 01-Oct-09 | Mentorship Program in Hirat   | 50 Young Professionals (24 Female) versed in Business Rights, Business Plan, Proposal Writing, Time Management and Marketing subjects.  | Hirat     | Hirat         | Hirat         |
| 1 <sup>st</sup> 2010 | 23-Jan-10  | 23-Jan-10 | SME Business Basic Accounting, SME Business Management and SME Marketing Training | 20 women owned SMEs learned how to enhance women handicrafts and encourage women to participate in business and to identify marketing opportunities.  | Kandahar  | Arghandab     | Arghanda b    |
| 1 <sup>st</sup> 2010 | 02-Oct-09  | 07-Oct-09 | Technical training of Puli Khumri Carpenters                                      | 30 male carpenters learned how to operate new machinery and use the improved equipment procured by ASMED.   | Baghlan   | Puli Khumri   | Puli Khumri   |
| 1 <sup>st</sup> 2010 | 17-Oct-09  | 02-Dec-09 | Business Accounting Training  | 25 male participants learned how to use modern accounting in their daily business affairs and enhance the accounting knowledge in Afghan business sector.   | Samangan  | Aybak         | Aybak         |
| 1 <sup>st</sup> 2010 | 17-Oct-09  | 15-Nov-09 | Business Marketing Training   | 25 male versed on how to use modern marketing and enhance the knowledge of marketing in Afghan business sector.   | Samangan  | Aybak         | Aybak         |
| 1 <sup>st</sup> 2010 | 29-Aug-09  | 31-Oct-09 | Business Accounting Training  | 25 male participants learned on how to use modern accounting and enhance the accounting knowledge in Afghan business sector.  | Balkh     | Mazari Sharif | Mazari Sharif |
| 1 <sup>st</sup> 2010 | 13-Oct-09  | 13-Oct-09 | Aqcha Grocery Market Development Grant  | ASMED refurbished the surface of the district's largest grocery market, home to more than 300 shops catering to an estimated 4,000 shoppers on a daily basis. The gravel surface solved the dual problems of dust in summer and mud in winter.  | Jawzjan   | Aqcha         | Aqcha         |
| 1 <sup>st</sup> 2010 | 28-Oct-09  | 28-Oct-09 | Kaldar Market Development Grant   | 350 shopkeepers and 5000 other indirect beneficiaries benefited from ASMED assistance in refurbishing the market, which will also help to increase commercial activities on the district level.   | Balkh     | Kaldar        | Kaldar        |
| 1 <sup>st</sup> 2010 | 01-Sep-09  | 10-Oct-09 | BBA Teachers Trainings Program  | Four teachers of Khurasan University received training in Total Quality Management and are now teaching BBA subjects.   | Nangarhar | Jalalabad     | Jalalabad     |
| 1 <sup>st</sup> 2010 | 01-Sep-09  | 29-Oct-09 | Business Plan Writing Training  | 15 female involved in different small business improved technical knowledge in order to be capable of writing business plans and getting funds from different donors.   | Nangarhar | Jalalabad     | Jalalabad     |
| 1 <sup>st</sup> 2010 | 10-Oct-09  | 10-Oct-09 | Inauguration of Laghman Association Incubator                                     | New offices for 5 associations help the associations attract new members, conduct training sessions, and hold conferences, putting them on the path to sustainability, increased activity, which will bring benefits for the SMEs in the region | Nangarhar | Jalalabad     | Jalalabad     |
| 1 <sup>st</sup> 2010 | 07-Oct-09  | 07-Oct-09 | Provision of office equipment to 5 agribusiness associations                      | Five Association obtained office equipment to support and develop the services provided to their members.   | Laghman   | Mihterlam     | Mihterlam     |

|                      |           |           |   |  |           |               |               |
|----------------------|-----------|-----------|---|--|-----------|---------------|---------------|
| 1 <sup>st</sup> 2010 | 13-Oct-09 | 14-Oct-09 | Association Management Training Carpet Guild Association          | 25 (male) Carpet Guild Association Members learned about types of associations, rules of associations, how to develop an association, and lead an association better.  | Kabul     | Kabul         | KABUL         |
| 1 <sup>st</sup> 2010 | 14-Nov-09 | 14-Nov-09 | Gemstone Market opened with ASMED Grant support                   | ASMED grant to Nuristan Gemstone Miners, Producers and Traders Association supported the newly contracted Gemstone Market, which will greatly increase sales of gemstones, assisting both gemstone traders, and gemstone producers from rural areas        | Nangarhar | Jalalabad     | Jalalabad     |
| 1 <sup>st</sup> 2010 | 25-Sep-09 | 10-Nov-09 | Handicraft/ Embroidery Training (First Batch)                     | 20 female members of Afghan women Social and Business Development Association (AWSBDA) learned both technical handicraft and business skills. The training will help the women establish their own SMEs in the province.                                   | Nangarhar | Jalalabad     | Jalalabad     |
| 1 <sup>st</sup> 2010 | 10-Oct-09 | 25-Nov-09 | Handicraft/ Embroidery Training (Second Batch)                    | 20 female members of Afghan women Social and Business Development Association (AWSBDA) learned both technical handicraft and business skills. The training will help the women establish their own SMEs in the province.                                   | Nangarhar | Jalalabad     | Jalalabad     |
| 1 <sup>st</sup> 2010 | 12-Sep-09 | 12-Nov-09 | Design (Board) Rug weaving tableau training                       | 15 female trainees received tableau looms and learned new tableau designing and weaving techniques, thus increasing income-generating opportunity for women and their self-sustainability.   | Hirat     | Zinda Jan     | Zinda Jan     |
| 1 <sup>st</sup> 2010 | 22-Oct-09 | 18-Nov-09 | Concept Paper, Proposal and Business Plan Writing Training        | 28 staff of ACCI, AISA, BDS firms and business association learned to write high quality business documents in order to support local SMEs and investors, and BDS firms, business association, AISA and ACCI   | Kandahar  | Kandahar      | Kandahar      |
| 1 <sup>st</sup> 2010 | 19-Nov-09 | 21-Nov-09 | First-Ever SME Trade Fair in Kandahar                             | Through ASMED support, 30 SMEs displayed their products and services to around 3000 business and general visitors, creating business linkages and new sales opportunities.   | Kandahar  | Kandahar      | Kandahar      |
| 1 <sup>st</sup> 2010 | 14-Nov-09 | 16-Nov-09 | Preparation of Financial Documents and office management training | 20 staff of construction companies learned how to improve the reporting system of their companies and enhance the management system of the construction firms.   | Kandahar  | Kandahar      | Kandahar      |
| 1 <sup>st</sup> 2010 | 14-Nov-09 | 15-Nov-09 | Access to Credit training   | 26 participants, including 5 female, learned to create relations between banks and SMEs, about the procedures of banks in lending to SMEs and BDS companies, and finding the easiest way to access credit from banks.                                      | Balkh     | Mazari Sharif | Mazari Sharif |
| 1 <sup>st</sup> 2010 | 16-Nov-09 | 16-Nov-09 | Puli Khumri Carpenters Association Grant                          | 30 Association members, including 1 female, acquired new carpentry machines and equipment provided by ASMED. The project completion ceremony also served to present the Association's activities to potential members in the region.                       | Baghlan   | Puli Khumri   | Puli Khumri   |
| 1 <sup>st</sup> 2010 | 19-Dec-09 | 21-Dec-09 | Marketing and Design Training                                     | 25 female members of association learned how to use and combine different colors for new and modern design to find marketing of their products based on the international market requirements.   | Hirat     | Hirat         | Hirat         |
| 1 <sup>st</sup> 2010 | 15-Dec-09 | 15-Dec-09 | Marketing Training for Domotex Carpet trade show                  | 21 exhibitors (1 woman) selected to participate in Domotex 2010 trained on writing marketing plans and developed a marketing plan for Domotex.   | Kabul     | Kabul         | KABUL         |
| 1 <sup>st</sup> 2010 | 15-Apr-09 | 23-Dec-09 | Export Readiness Seminar  | 13 (8 female) participants acquired the skills to market, profitably produce and sell products to the growing export market, established a group forum for cost sharing and joint marketing and acquired understanding of the tools used in export markets | Kabul     | Kabul         | KABUL         |

|                      |           |           |  |   |           |            |              |
|----------------------|-----------|-----------|--|---|-----------|------------|--------------|
| 1 <sup>st</sup> 2010 | 09-Dec-09 | 13-Dec-09 | The First Afghan Trade Fair in Moscow  | 30 male & 1 female-owned SMEs from dried fruits, fresh fruits, carpets, handicraft, marble, and semi precious gemstones sectors exhibited their products, enabling creation of new sales linkages for Afghan companies.               | Kabul     | Kabul      | KABUL        |
| 1 <sup>st</sup> 2010 | 12-Nov-09 | 17-Dec-09 | SMEs business Accounting, SMEs Marketing and SMEs Business Management Training | 60 SMEs learned methods of modern and standard accounting, steps towards better SME management and new techniques for finding better marketing opportunities, providing quality products and satisfying the clients                   | Zabul     | Qalat      | Qalat        |
| 1 <sup>st</sup> 2010 | 15-Dec-09 | 15-Dec-09 | SMEs Basic Accounting, SMEs Marketing and SMEs Business Management Training    | 40 female participants learned how to make profit/loss statement and keep proper records, identify market opportunities, and management systems   | Kandahar  | Kandahar   | Kandahar     |
| 1 <sup>st</sup> 2010 | 27-Dec-09 | 31-Dec-09 | Fishery Development Training   | 20 fish producers were trained on modern methodologies and techniques of fish production, the size of fish ponds, different fish diseases and business and marketing topics   | Laghman   | Mihterlam  | Mihterlam    |
| 1 <sup>st</sup> 2010 | 01-Dec-09 | 15-Dec-09 | BBA Teacher Training Program   | 8 Instructors of Economics Faculty were trained in three BBA subjects: E-Commerce, Statistics, and Financial Management, thus building their capacity to train BBA students in those subjects.  | Nangarhar | Jalalabad  | Jalalabad    |
| 1 <sup>st</sup> 2010 | 17-Oct-09 | 02-Dec-09 | Business Accounting Training   | 25 female traders learned how to use accounting in their daily work, which will assist them improving their businesses.   | Faryab    | Maimana    | Maimana      |
| 1 <sup>st</sup> 2010 | 17-Oct-09 | 15-Nov-09 | Business Marketing Training  | 25 female traders acquired knowledge on marketing in the business issues to use in their business.  | Faryab    | Maimana    | Maimana      |
| 1 <sup>st</sup> 2010 | 18-Oct-09 | 18-Oct-09 | Graduation and Match making ceremony of Internship Program                     | 160 participants of 2 groups of ASMED Internship program trained on accounting, management and marketing, and then applied the gained knowledge through practical work in host companies.   | Nangarhar | Jalalabad  | Jalalabad    |
| 1 <sup>st</sup> 2010 | 10-Oct-09 | 10-Oct-09 | Support for BBA department of Nangarhar University                             | 8 BBA instructors were provided with equipment i.e. computer, printer etc, and office files to work in the BBA department that has been recently established at Economics Faculty of Nangarhar University.                            | Nangarhar | Jalalabad  | Jalalabad    |
| 1 <sup>st</sup> 210  | 15-Dec-09 | 15-Dec-09 | Internship Program in Kandahar   | 60 interns in the internship enhanced skills through theoretical training and internship in host companies, after which 45 interns found permanent job in their host firms.   | Kandahar  | Kandahar   | Kandahar     |
| 1 <sup>st</sup> 2010 | 13-Sep-09 | 13-Dec-09 | Paktiya University Internship  | 40 interns enhanced their skill in theoretical training and internship in host companies, after which 32 interns received job offers from their host companies.   | Paktiya   | Gardez     | Gardez       |
| 1 <sup>st</sup> 2010 | 20-Mar-09 | 26-Dec-09 | Dara-I-Nur Marketplace Development Grant                                       | ASMED provided grant for the construction of marketplace stalls in Dara-I-Nur to give the local community improved access to their daily necessities created 10 SMEs and provided permanent job opportunities for at least 20 people. | Nangarhar | Dara-I-Nur | Qala-i-Shahi |
| 1 <sup>st</sup> 2010 | 31-Oct-09 | 01-Nov-09 | Business Development Training for Women in Jalalabad                           | 28 female-owned SMEs enhanced their marketing skills, business plan writing and gained valuable skills needed to make their business profitable.  | Nangarhar | Jalalabad  | Jalalabad    |
| 1 <sup>st</sup> 2010 | 27-Oct-09 | 29-Oct-09 | Veterinary Training and Livestock Treatment in Laghman                         | 17 students and 3 professors from Nangarhar University learned essential skills needed to perform general animal health inspection and treatment, and gained important practical experience.  | Nangarhar | Jalalabad  | Jalalabad    |

|                      |           |           |   |  |           |               |               |
|----------------------|-----------|-----------|---|--|-----------|---------------|---------------|
| 1 <sup>st</sup> 2010 | 30-Sep-09 | 31-Dec-09 | A Sail Foods Value Chain Improvement Grant  | New equipment purchased through ASMED's Value Chain Improvement Grant enabled A Sail Food Company to produce 5 metric tons of chips, and benefited local potato growers.   | Nangarhar | Jalalabad     | Jalalabad     |
| 1 <sup>st</sup> 2010 | 15-Mar-09 | 31-Aug-09 | Masroor Foods Value Chain Improvement Grant   | ASMED's Value Chain Improvement Grant helped Masroor Foods to expand their production to meet market demand.   | Nangarhar | Jalalabad     | Jalalabad     |
| 1 <sup>st</sup> 2010 | 12-Nov-09 | 14-Nov-09 | Access to Credit Training   | 17 Participants from leading commercial and governmental banks in Kabul learned the fundamentals of SME access to credit services offered by banks, notably loan application procedures.   | Kabul     | Kabul         | KABUL         |
| 1 <sup>st</sup> 2010 | 30-Sep-09 | 01-Oct-09 | Website Training for Jalalabad-based SMEs   | Two ASMED-supported SMEs were trained on how to develop and maintain a website that can be used to advertise and sell their respective products.   | Nangarhar | Jalalabad     | Jalalabad     |
| 1 <sup>st</sup> 2010 | 01-Jul-09 | 31-Aug-09 | Kandahar Local Business Directory   | The AICB has completed the design of the Kandahar Local Business Directory in both Pashto and English. It includes information on 3000 local SMEs, and ASMED will distribute 1000 copies to ACCI, ASIA, and the Ministry of Commerce.                    | Kandahar  | Kandahar      | Kandahar      |
| 1 <sup>st</sup> 2010 | 05-Dec-09 | 06-Dec-09 | Tucson Gemstone & Jewelry Exchange (GJX) Trade show Training                                      | 14 GJX Exhibitors trained on buyer's profiles and display of goods, inventory, pricing goods, labeling, negotiating sales and payment, customs clearance and fees, exporting and importing goods from Afghanistan, and the taxation process              | Kabul     | Kabul         | KABUL         |
| 1 <sup>st</sup> 2010 | 19-Nov-09 | 19-Dec-09 | Business Development Trainings  | 40 Women SMEs participants learned new methods of Accounting, Marketing and how to effectively generate profit and prevent loss. The training also offered considerable support to women-owned and run business in the region.                           | Kandahar  | Kandahar      | Kandahar      |
| 1 <sup>st</sup> 2010 | 26-Jan-10 | 26-Jan-10 | Business Development Workshop   | 29 women entrepreneurs participated in interior design training, organized through ASMED's support to AWBF through grants in order to provide improved services to its members.  | Balkh     | Mazari Sharif | Mazari Sharif |
| 1 <sup>st</sup> 2010 | 01-Aug-09 | 31-Oct-09 | Marketplace Development Grant   | With an ASMED Marketplace Development Grant, ten new market stalls were completed at Almar market, creating 20 permanent jobs and a number of temporary construction jobs. The people of Almar are now able to easily access goods locally.              | Faryab    | Almar         | Almar         |
| 1 <sup>st</sup> 2010 | 19-Dec-09 | 24-Jan-10 | Association Development Grant for Provincial Council of Crafters/Traders National Union of Kunduz | 1600 Men and 40 Women benefited from ASMED's Association Development Grant, as the association increased its services for members, including vocational training - tailoring, flower arranging, mobile phone repairing, and running a beauty parlor      | Kunduz    | Kunduz        | Kunduz        |
| 1 <sup>st</sup> 2010 | 20-Sep-09 | 20-Oct-09 | IT Training   | Five IT employees of national and international organizations proceed towards becoming Microsoft Certified System Engineers (MCSE) by earning their Certification as Microsoft Certified Professionals (MCPs).   | Kabul     | Kabul         | KABUL         |
| 1 <sup>st</sup> 2010 | 31-Aug-09 | 31-Dec-09 | Market Development Grant  | Through an ASMED grant, Etefaq Market was refurbished and 300 shopkeepers protected from rain, snow during the winter, and the dual problems of wind and dust in the summer, which had made conditions unhygienic for the shopkeepers and 1000 shoppers. | Jawzjan   | Sherberghan   | Sherberghan   |
| 1 <sup>st</sup> 2010 | 18-Nov-09 | 19-Nov-09 | Access To Credit Training   | 29 Participants learned about relationship between Bank and SMEs, Business Plan drafting, loans and financing, cash flow and banking best participants.  | Hirat     | Hirat         | Hirat         |

| S. No | Province  | District       | Village                             | Activity name  | Activity description  | Starting Date | Ending Date |
|-------|-----------|----------------|-------------------------------------|--|---|---------------|-------------|
| 1     | Kabul     | Kabul          | Kart-e-Parwan                       | Skill development training for TMF students  | 80 participants (28 female, 52 male) increased their business development skills and able to start and develop their own businesses successfully  | 2-Jan-10      | 15-Jan-10   |
| 2     | Balkh     | Mazari Sharif  | ACCI                                | Cloths designing training  | 15 female participants learned the latest designs of cloths which have got good market  | 24-Jan-10     | 30-Jan-10   |
| 3     | Kandahar  | Kandahar City  | Kandahar                            | Strategic planning workshop in Kandahar  | 28 participants learned about the processing of grants, GDAs, and learned how to conduct a SWOT analysis of their companies   | 13-Jan-10     | 13-Jan-10   |
| 4     | Zabul     | Qalat          | Qalat                               | Installation of metal awnings to 80 market stalls in Qalat   | 40 SMEs were supported, metal awnings installed to 80 market stalls; temporary jobs created, food and agriculture products are protected;   | 31-Jan-10     | 31-Jan-10   |
| 5     | Kandahar  | Dand           | Shin Ghazai Ashabi                  | SME business accounting, SME business management and marketing trainings in Dand District, Kandahar Province | 40 females owned SMEs were trained to get capability to manage their business properly and accurately   | 26-Dec-09     | 26-Jan-10   |
| 6     | Laghman   | Mihterlam      | Mihterlam                           | 2 <sup>nd</sup> Batch of Five-day technical training on Fishery development                                  | 20 (male) Laghman fish farmers were trained in modern and scientific techniques of fish farming to build their capacity, improve their technical knowledge and develop their business   | 3-Jan-10      | 7-Jan-10    |
| 7     | Nangarhar | Khewa          | Abdul Khail                         | "How to start business" Training   | 15 female SMEs have been trained on how to start their own business.  | 25-Jan-10     | 26-Jan-10   |
| 8     | Nangarhar | Jalalabad City | Agriculture Directorate             | Round table and general assembly meeting of NBA  | 30 members and district representative of Nangarhar Beekeepers Association were updated on association's achievements and challenges it faces   | 19-Jan-10     | 19-Jan-10   |
| 9     | Nangarhar | Jalalabad City | Jalalabad                           | Conference and Exhibition of female SMEs in Jalalabad  | 90 participants attended the Exhibition and conference where opportunities and challenges of female businesses have been shared with governmental authorities and their production has been put on exhibition.  | 16-Jan-10     | 16-Jan-10   |
| 10    | Nuristan  | Dara-e-Noor    | Janjapor                            | ASMED market development grant: Dara-e-Noor Market   | New stalls at Dara-e-Noor market in Janjapor Village, Dara-e-Noor district were officially inaugurated. The facility was built with the assistance of an ASMED MDG to boost business activities in the district. The new market will create 20 permanent jobs for the people of Janjapor. | 3-Jan-10      | 3-Jan-10    |
| 11    | Nangarhar | Jalalabad City | Jalalabad                           | BBA teachers training program  | 8 teachers of BBA department were trained in financial instates and money market, SME management, critical thinking and Islamic banking. Now they are able to teach such subjects in BBA classes at Nangarhar university.   | 1-Dec-09      | 15-Feb-10   |
| 12    | Nangarhar | Jalalabad City | Labor and Social affair directorate | Tailoring Designing Training   | ASMED-funded AWBF Jalalabad supported women-owned businesses in conducting a five-day tailoring design training, 15 women were trained in tailoring to develop and improve their cutting and designing skills.  | 31-Jan-10     | 4-Feb-10    |
| 13    | Baghlan   | Baghlan Jaded  | City                                | Distribution of 92 Hive boxes for Bee keepers  | With ASMED technical support, the association members collected 92 honey hive boxes and a Wax Printing machine to increase production and improve the quality of honey produced. It will also increase the income of the association.   | 24-Feb-10     | 24-Feb-10   |

|    |           |                |                           |  |  |           |           |
|----|-----------|----------------|---------------------------|--|--|-----------|-----------|
| 14 | Kabul     | Istalif        | Zeri Chanar               | ASMED Global Development Alliance : Micro-hydro installations across the country, nearly all in rural areas with no access to grid power | The turbine at Istalif gave 14.8 kW of electricity power. This is enough to power 148 houses with lights and electronics. This plant will give power to 60 families for lights, electronics and cooking  | 25-Mar-10 | 25-Mar-10 |
| 15 | Nangarhar | Jalalabad City | Nangarhar University      | Internship program In Nangarhar  | 80 interns (45 male and 35 female) expanded their knowledge in Management, Accounting, Marketing and Supervision through theoretical training and practical work in host companies   | 1-Sep-09  | 1-Mar-10  |
| 16 | Nangarhar | Jalalabad City | Karzai Conference Hall    | Opening ceremony of Shaheed Sardar Mohammad Dawood Khan International Carpet Market  | In partnership with Eastern Region Carpet Exporter Guild, the inaugural International Carpet Market held an opening ceremony March 25, with the financial assistance of ASMED in Jalalabad City.   | 25-Mar-10 | 25-Mar-10 |
| 17 | Nangarhar | Bihsud         | Abdul Khail               | How to start business  | 15 Female received skills necessary for starting their own business.   | 14-Mar-10 | 15-Mar-10 |
| 18 | Nangarhar | Jalalabad City | Jalalabad                 | Marketing training program   | 15 members of Naveed Afghan Handicraft center were trained in marketing  | 30-Mar-10 | 31-Mar-10 |
| 19 | Sar-e-Pul | Sari Pul City  | Woman Affairs Department  | International Women Day  | 150 Females participated in the ceremony celebrating the International Women's Day; projects identified during the ceremony  | 8-Mar-10  | 8-Mar-10  |
| 20 | Balkh     | Mazari Sharif  | Carpet Association Office | Printing the Carpet Buyers Guide to North Afghanistan Carpet Exporters Guild   | Carpet traders will have good market in the region and outside of it   | 15-Mar-10 | 15-Mar-10 |
| 21 | Baghlan   | Puli Khumri    | Puli Khumri               | Business development training  | 20 women increased their knowledge in business world and learned how to sustain their business in Mazar Women Market   | 30-Mar-10 | 30-Mar-10 |
| 22 | Kandahar  | Kandahar City  | Kandahar                  | SME business accounting, management, marketing and banking system trainings  | 30 SMEs member of ACCI were trained in business accounting, management, marketing and bank system; linkages created between SMEs and BDS companies.  | 21-Mar-10 | 30-Mar-10 |
| 23 | Kandahar  | Kandahar City  | Airport                   | Kandahar Business Procurement Conference   | 105 participants learned of marketing opportunities in Kandahar; linkages created between international military procurement officers and private sectors representatives.   | 30-Mar-10 | 30-Mar-10 |
| 24 | Kandahar  | Kandahar City  | Kandahar                  | Development of the Kandahar Local Business Directory   | 1,000 copies of Kandahar local business directories printed, linkage of Kandahar businesses created with different sources in Afghanistan  | 15-Mar-10 | 15-Mar-10 |
| 25 | Hirat     | Hirat City     | Estaqlal Hotel            | Handicrafts & fine arts exhibition   | 80 handicrafts SMEs and fine arts associations exhibited their products for a total direct sales exceeding \$60,000, stimulating producers to increase their production and product quality.   | 8-Mar-10  | 12-Mar-10 |
| 26 | Wardak    | Asadabad       | Asadabad                  | Wardak Marble Roundtable   | During the meeting, the offices of the Governor and Mayor pledged to make more land available for marble processors, and 15 participants pledged to create a Wardak Marble Miners and Processors Association.  | 6-Jan-10  | 6-Jan-10  |
| 27 | Parwan    | Charikar       | Charikar                  | Charikar Economic Conference   | ASMED held its Charikar Economic Conference, bringing together 300 participants from the private sector, government and donors to discuss the challenges facing business development in the provinces of Kapisa, Panjsher, and Parwan                      | 10-Jan-10 | 10-Jan-10 |
| 28 | Nangarhar | Jalalabad City | Jalalabad                 | ASMED Value Chain Improvement Grant: Tarsian & Blinkley begin operations in Jalalabad  | ASMED is supplying 106 sewing machines to Tarsian & Blinkley, an Afghan-owned garment factory which has been awarded contracts to produce both military and police uniforms  | 1-Jul-09  | 14-Feb-10 |
| 29 | Kabul     | Kabul          | Kabul                     | Afghan Traders at Domotex Carpet Trade Show  | Domotex 2010 was the most successful event for Afghanistan's carpet sellers. This year's event yielded \$12,116,500, an increase of 388%. Almost 90% of the entire inventory of the pavilion was sold, & deals were made with buyers from different places | 16-Jan-10 | 19-Jan-10 |

|    |           |                |                                  |  |   |           |           |
|----|-----------|----------------|----------------------------------|--|---|-----------|-----------|
| 30 | Logar     | Puli Alam      | Woman Affairs Department         | SME Roundtable in Logar Province   | 100 participants, including 15 women, identified key sectors in Logar Province and provided them with the opportunity to discuss their problems and areas for improvement, and to introduce solutions for existing problems.                                    | 17-Jan-10 | 17-Jan-10 |
| 31 | Nangarhar | Jalalabad City | Jalalabad                        | AWBF conference  | AWBF presented to their members the available business opportunities for women in the region and attracted the attention of relevant government ministries and donor agencies to the problems women face in their daily business.                               | 16-Jan-10 | 16-Jan-10 |
| 32 | Nangarhar | Jalalabad City | Agriculture Directorate          | Beekeeping Association General Meeting   | The Nangarhar Beekeepers Association held its start of the year general assembly meeting. The main aim of the meeting was to brief new members on the accomplishments of the association over the past two years.   | 12-Jan-10 | 12-Jan-10 |
| 33 | Laghman   | Mihterlam      | Mihterlam Base PRT               | Veterinary Training in Laghman   | 17 students from Nangarhar University learned essential skills needed to perform general animal health inspections and treatment, conducted by the Laghman ADT in extensive hands-on training session   | 13-Jan-10 | 14-Jan-10 |
| 34 | Hirat     | Ghoryan        | Mahal Arabha and Dehran villages | Saffron Process Cultivation and Marketing training   | ASMED supported the Ghoryan's Women Saffron Association in conducting a 24-day training course for 200 of its female members, aimed to support the association to expand production and markets.  | 18-Jan-10 | 12-Feb-10 |
| 35 | Hirat     | Hirat City     | Tahmina Association              | Introduction of new technologies for Carpet Producers  | ASMED supported the Tahmina Industrial and Cultural Association to procure new carpet cutting equipment to support its 130 members (110 female) to improve the 'final cut' quality, and therefore the profitability, of their respective carpet production.     | 17-Jan-10 | 17-Jan-10 |
| 36 | Hirat     | Hirat City     | Hirat City                       | Business Modeling Support  | ASMED conducted a business modeling session with 4 (one female) Herat city based entrepreneurs who are in the process of setting up Afghanistan's first 'on-line marketplace' company.  | 18-Jan-10 | 18-Jan-10 |
| 37 | Kabul     | Kabul          | Kabul                            | Accounting training for women  | Afghan Women Business Federation (AWBF) conducted a five day accounting training for 15 women in its central office training center in Kabul  | 24-Jan-10 | 28-Jan-10 |
| 38 | Hirat     | Hirat City     | Hirat City                       | Business Modeling Support  | ASMED conducted a series of business modeling sessions with the Ayubi Poultry Industrial Company. The company is the main regional supplier of imported poultry farming inputs  | 22-Jan-10 | 24-Jan-10 |
| 39 | Kabul     | Kabul          | Kabul                            | ASMED Global Development Alliance : Emergency relief fund for Foroshgah-e-Afghan shopkeepers | Following the suicide attacks on the Foroshgah-e-Afghan Shopping Center in Kabul, ASMED assisted Ambassador Eikenberry, Mayor Nawandish and Governor Mojadidi in presenting shopkeepers with an emergency relief fund of \$1,000 to each of the 80 shopkeepers. | 30-Jan-10 | 30-Jan-10 |
| 40 | Nangarhar | Jalalabad City | Jalalabad                        | Jalalabad Business development center becomes independent                                    | The management and individual members of the BDC have benefited from financial support while learning to manage their respective service practices sustainably. ASMED started a transition to fully independent management of the BDC                           | 29-Jan-10 | 4-Mar-10  |
| 41 | Nangarhar | Jalalabad City | Jalalabad                        | Tailor design training   | AWBF conducted a 5 day tailoring design training funded by ASMED. The training will enable the women to expand their design patterns to better match market demand, increasing overall sales and assisting them in improving their business                     | 31-Jan-10 | 4-Feb-10  |
| 42 | Balkh     | Mazari Sharif  | Shortakzar Street                | ASMED Marketplace Development Grant: Shortakzar market refurbishment completed               | ASMED completed the concreting and installation of mosaic cementing of 50 shops (employing approximately 150 people) at the Shortakzar market in Mazari Sharif  | 22-Nov-09 | 1-Jan-10  |

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|----|-----------|----------------|-------------------|---|--|-----------|-----------|
| 43 | Kabul     | Kabul          | Kabul             | New York International Gift Fair  | 12 Afghan handicrafts producers exhibited at the New York International Gift Fair, generating \$8,000 in confirmed sales, requests for additional samples from a number of international buyers  | 30-Jan-10 | 4-Feb-10  |
| 44 | Baghlan   | Puli Khumri    | Azar BDS Compound | Accounting and Management training courses for Textile Factory Staff      | With support from ASMED, the Azar BDS Company completed an accounting and management training for 25 administrative staff (comprising of 8 women and 17 men) of Baghlan Textile Factory.   | 13-Oct-09 | 20-Jan-10 |
| 45 | Hirat     | Hirat City     | Hirat City        | Bano Food Processing Company, Herat city                                  | ASMED provided an on-site business consultation with 11 staff (all female) of the Bano Food Processing Company   | 20-Jan-10 | 20-Jan-10 |
| 46 | Kandahar  | Dand           | Ghazai Ashabi     | Concept paper, proposal and business plan writing training for women SMEs | 40 women SMEs versed in Business Accounting, Business Management, and Marketing, after attending trainings provided by ASMED, in partnership with Advanced Business Consultancy (ABC)  | 26-Dec-09 | 26-Jan-10 |
| 47 | Kabul     | Kabul          | Kabul             | AWBF trainings, Kabul   | AWBF conducted a 2 day training in costing and pricing for 15 women at its offices in Kabul. The participants all work in carpet, handicrafts and home design businesses.  | 17-Jan-10 | 18-Jan-10 |
| 48 | Baghlan   | New Baghlan    | New Baghlan       | ASMED marketplace development grant: New Baghlan Grain Market             | ASMED's MDG grant improved marketplace, supported local farmers in the area, allowing shopkeepers and customers to stay longer in the market due to improved facilities in all seasons, created job opportunities for local community  | 1-Dec-09  | 25-Feb-10 |
| 49 | Kabul     | Kabul          | Kabul             | Artisan Production Sector: Inclusive stakeholder meeting                  | ASMED hosted a meeting with 25 handicraft producers at ASMED's office to present ASMED's new strategy for the handicraft sector  | 10-Feb-10 | 10-Feb-10 |
| 50 | Kabul     | Kabul          | Kabul             | Gem and Jewelry exchange Trade show in Tucson                             | Afghan gemstone miners and traders recently returned from the Gem and Jewelry Exchange trade show held in Tucson, Arizona. ASMED sponsored the visit and made the arrangements for the booths for the participants at the gem show   | 2-Feb-10  | 7-Feb-10  |
| 51 | Nangarhar | Jalalabad City | Jalalabad         | Eastern Region Agribusiness Development Team (ADT) planning conference    | ASMED attended the second Agribusiness Development Team (ADT) planning conference held at FOB Fenty in Jalalabad. The conference marked a significant achievement in coordination between the parties in the eastern region and will allow for a greater unity of effort on the best way to develop the Afghanistan agricultural sector. | 15-Feb-10 | 15-Feb-10 |
| 52 | Balkh     | Shortepa       | Togai             | Amo Liquorices Association roundtable meeting                             | The main purpose of this roundtable meeting was to re-elect the board of directors for this association, as well as to motivate the executives from the neighboring village (Joi Wakil) to join the association.   | 25-Feb-10 | 25-Feb-10 |
| 53 | Hirat     | Hirat City     | Hirat City        | Artisan producers market linkage support (Internationally)                | ASMED supported the linkage between four national handicraft producers with four (one female) Herat city based entrepreneurs who are in the process of setting up Afghanistan's first 'on-line marketplace' company  | 22-Feb-10 | 22-Feb-10 |
| 54 | Hirat     | Guzara         | Industrial Park   | Afghan capacity building (Apprenticeships)                                | ASMED (in partnership with the USAID LGCD project) conducted a series of stakeholder meetings to start the development of a multi-partner project, to support a trial project to provide 160 (30 female) unskilled workers with apprenticeships  | 16-Feb-10 | 10-Mar-10 |

|    |           |                |                   |   |  |           |           |
|----|-----------|----------------|-------------------|---|--|-----------|-----------|
| 55 | Kabul     | Kabul          | Kabul             | AWBF Annual Conference Growing Women's Business   | The main objective of this conference is to identify the role AWBF plays in solving the constraints to women's entrepreneurship  | 9-Mar-10  | 9-Mar-10  |
| 56 | Kabul     | Kabul          | Kabul             | Microsoft Certified System Engineer (MCSE) training                                     | Five Participants learned how to develop information technology skills on Windows Server 2003, configuring, maintaining and troubleshooting of network system, and obtaining MCSE online certification, which assures certified trainees from Microsoft.     | 20-Jul-09 | 28-Feb-10 |
| 57 | Nangarhar | Khewa          | Abdul Khail       | Business development training   | 15 women learned modern business skills that will help them start their own businesses and learned of the types of businesses that are successful in the province and generate suitable amount of income per month (i.e. handicraft, poultry, nursery, etc.) | 28-Feb-10 | 4-Mar-10  |
| 58 | Nangarhar | Surkh Rod      | Doronta           | Launch of second semester of ASMED-ADT Field days                                       | ASMED, in conjunction with 1-6 Kansas Agriculture Development Team (ADT), launched the second semester of the ADT field day program for students from the Nangarhar University Faculty of Agriculture  | 4-Mar-10  | 4-Mar-10  |
| 59 | Kandahar  | Kandahar City  | Kandahar          | Accounting, Business Management, Marketing and Banking system training in Kandahar City | 30 SME members of the Afghanistan Chamber of Commerce and Industries in Kandahar learned accounting, business management, marketing and banking system, which ASMED, in partnership with Hewad United Business Consultancy (HUBC) conducted                  | 2-Mar-10  | 28-Mar-10 |
| 60 | Nangarhar | Jalalabad City | Jalalabad         | Tailor design training  | The training, funded by ASMED to train 15 women, allows the women to expand their design patterns to better match market demands, which could result in increasing overall sales.  | 31-Jan-10 | 4-Feb-10  |
| 61 | Wardak    | Maydan Shar    | Maydan Shar       | Wardak Association Management and Leadership training                                   | ASMED conducted a five-day leadership and management training in order to help 12 officials of Wardak Marble Miners and Processors' 50 members of five apple producers associations understand best practices in association development and sustainability  | 7-Feb-10  | 15-Feb-10 |
| 62 | Wardak    | Maydan Shar    | Maydan Shar       | Wardak Marble Association election  | A new Marble Miners and Processors Association was established in Wardak Province. ASMED selected Kabul Group BDS Company as an expert and held a roundtable for election of Board of Directors' for the association   | 31-Jan-10 | 31-Jan-10 |
| 63 | Wardak    | Maydan Shar    | Maydan Shar       | Investment planning assistant to Afghan Marmar Company                                  | ASMED technical assistance led to development of a business plan for investment in technological improvement and increase in production.   |           |           |
| 64 | Khost     | Khost          | Khost             | Sheikh Zaid University Internship program, Khost  | 80 interns took part in internship program, This program enables business/industry/SMEs to grow future workforce, training or orientation costs may be reduced if the business/industry/SMEs hire students after the internship period ends                  | 8-Jun-09  | mar-8-10  |
| 65 | Bamyan    | Bamyan City    | Bamyan University | Bamyan University Internship program  | 80 interns took part in internship program, This program enables business/industry/SMEs to grow future workforce, training or orientation costs may be reduced if the business/industry/SMEs hire students after the internship period ends                  | Jun-27-09 | 27-Mar-10 |

|    |           |                |                   |   |  |            |           |
|----|-----------|----------------|-------------------|---|--|------------|-----------|
| 66 | Balkh     | Mazari Sharif  | University        | Balkh Internship program  | 70 interns took part in internship program, This program enables business/industry/SMEs to grow future workforce, training or orientation costs may be reduced if the business/industry/SMEs hire students after the internship period ends                    | Aug-6-09   | Mar-15-10 |
| 67 | Baghlan   | Puli Khumri    | University        | Baghlan Internship program  | 60 interns expanded their knowledge in Management, Accounting, Marketing and Supervision through theoretical training and practical work in host companies   | July-13-09 | Jan-13-10 |
| 68 | Kandahar  | Kandahar City  | Kandahar          | ASMED association development grant: Provision of English and Computer Classes Equipment to Khadija Kubra Women Association for Culture | Through ASMED grant the association procured IT/technical equipment, furniture, generator, 4-business trainings and marketing costs for products, enabling KKCAW to expand their services for members to English, technical, computer, and management training | 20-Jan-10  | 28-Feb-10 |
| 69 | Kandahar  | Kandahar City  | Kandahar          | Distribution of Laptops through One Laptop per Child program in Kandahar  | Through the OLPC program, 200 XO laptops were distributed to 120 girls and 80 boys in Zarghona Ana Middle School in Kandahar City  | 10-Mar-10  | 11-Mar-10 |
| 70 | Nangarhar | Jalalabad City | Governor's Palace | Economic Growth and Investment promotion conference   | ASMED East actively contributed in the economic growth and investment promotion conference which took place in Governor's Palace Jalalabad City  | 28-Mar-10  | 29-Mar-10 |

| S. No | Province  | District  | Village    | Start Date | End Date  | Activity Description   | Activity Status   |
|-------|-----------|-----------|------------|------------|-----------|--|---|
| 1     | Hirat     | Hirat     | Hirat      | 12-Apr-10  | 16-Apr-10 | The Second Annual International Afghanistan Marble Conference                              | Promoted the Afghanistan marble resources, Established business relationship between international and Afghan marble companies for future business opportunities/investments and promoted the Afghanistan marble brand  |
| 2     | Kabul     | Kabul     | Kabul      | 28-Apr-10  | 28-Apr-10 | Global Development Alliance: Deployment of 313 One lap Per Child in Jamhoriyat High School | This alliance has a significant impact on youth empowerment and community development in rural and urban Afghanistan, Important contribution to education and learning opportunities for youth. Great opportunity to develop special vocational training and support. |
| 3     | Nangarhar | Jalalabad | Jalalabad  | 30-Mar-10  | 31-Mar-10 | Marketing training program   | 15 members of Naveed Afghan Handicraft center were trained in marketing.  |
| 4     | Nangarhar | Jalalabad | Angor Bagh | 25-Apr-10  | 25-Apr-10 | Opening Ceremony of Gemstone Cutting and Polishing Facility                                | The first Gemstone Cutting and Polishing Facility will help gemstone companies cut and polish stones inside Afghanistan avoiding extra expenses.  |
| 5     | Nangarhar | Jalalabad | Jalalabad  | 25-Apr-10  | 29-Apr-10 | Handicraft Training  | 15 members of Women Relief Association (WRA) were trained to improve the quality of their handicraft products.  |
| 6     | Sari Pul  | Sari Pul  | Sari Pul   | 12-May-10  | 12-May-10 | Installation of Concrete inside of the Market  | Improved facilities allow shopkeepers and customers to stay in the market longer in all seasons, creating job opportunities for the local community.  |
| 7     | Kabul     | Kabul     | Kabul      | 14-May-10  | 14-May-10 | Turkmen's Women Active Rights Association (TWARA)  | 15 women & 10 men participated in an exhibition demonstrating handicraft activities, enabling participants to see transparency in their work and the quality of goods. 2761\$ was the total one-day sales was \$2,761 for TWARA products.                             |
| 8     | Nangarhar | Jalalabad | Jalalabad  | 26-May-10  | 27-May-10 | Certificates Distribution to AWSBDA Trained Women  | 100 women were trained on how to start their own handicrafts business enabling them to support their families with income generated the business venture.   |
| 9     | Kabul     | Kabul     | Kabul      | 17-Jun-10  | 20-Jun-10 | Exhibition of Furniture Manufacturers  | To assist Kabul Regional Contracting Office in identifying suitably qualified Afghan-owned manufacturer's of office equipment.<br>To contact suitably qualified Afghan furniture manufacturers<br>To verify the authenticity of potential suppliers                   |
| 10    | Nangarhar | Jalalabad | Jalalabad  | 3-Jun-10   | 3-Jun-10  | Embroidery (Khamakdozi) Vocational Training  | 15 women were trained who will start their new business and support families with income generated through handicrafts  |
| 11    | Kabul     | Kabul     | Kabul      | 13-May-10  | 14-May-10 | Afghan Women Business Federation   | 20 association members displayed and sold handicrafts made by women organizations   |
| 12    | Nangarhar | Jalalabad | Jalalabad  | 15-Jun-10  | 15-Jun-10 | Training for using carpet cutting machine  | Five participants learned the method of using a carpet-cutting machine  |

|    |               |               |               |           |           |  |   |
|----|---------------|---------------|---------------|-----------|-----------|--|---|
| 13 | International | International | International | 25-Jun-10 | 27-Jun-10 | Participation of Craftsman union in Tajikistan Exhibition                            | To introduce Afghan products to international markets and sell Afghan products and link Afghan craftsmen to Tajikistan businesses   |
| 14 | Balkh         | Mazari Sharif | Mazari Sharif | 13-Apr-10 | 21-Apr-10 | Cloth designing and sewing training by Afghan Women Business Federation Mazar Branch | AWBF provided six days of training on clothes designing and sewing for 12 women. Participants learned sewing and designing of four models of Afghan women's clothes, which has a high market demand   |
| 15 | Balkh         | Mazari Sharif | Mazari Sharif | 26-May-10 | 31-May-10 | Business Management Training for Women Entrepreneurs                                 | The AWBF in Mazari Sharif started a five-day Business Management training course for 15 women entrepreneurs   |
| 16 | Kabul         | Kabul         | Kabul         | 29-May-10 | 29-May-10 | ASMED Grant: ABA launches new website (www.aba.org.af)                               | With assistance from an ASMED grant, Afghanistan Bankers Association (ABA) launched its new website. The website provides up-to-date information on banking systems, opportunities, developments, activities, operational methodology and services, and achievements in Afghanistan's banking sector                            |
| 17 | Jawzjan       | Aqcha         | Aqcha         | 23-May-10 | 26-Apr-10 | Global Development Alliance: Olum Wool Spinning, Washing & Drying Company            | This GDA will assist the Olum Company in its plans to establish a wool spinning, washing and dyeing facility  |
| 18 | Hirat         | Hirat         | Hirat         | 15-Jun-10 | 25-Jun-10 | ASMED Grant: Western Region Craftsmen Union  | The grant supports the association to sell and promote members' products and develop trade relations with producers/wholesalers in neighboring countries by participating in a regional business promotion exhibition in Dushanbe, Tajikistan. 20 artisans (5 women) participated.  |
| 19 | International | International | International | 10-May-10 | 12-May-10 | Domotex Middle East, Dubai   | DOMOTEX is the only specialized trade show for carpets, as it seeks to tap into an estimated \$22 billion value market for interior design products in the region. The 10 Afghan companies in ASMED's sponsored pavilion represented various carpet production regions of the country, and displayed various styles and designs |
| 20 | International | International | International | 19-May-10 | 22-May-10 | Carraramarmotec Marble Exhibition  | Based on interest and results of the Afghanistan International Marble Conference II in Herat, ASMED sent a delegation to the Carrara Marble Show for immediate follow-up on opportunities presented at the marble conference.   |
| 21 | Balkh         | Mazari Sharif | Mazari Sharif | 30-Mar-10 | 2-May-10  | Business Development Training for women entrepreneurs                                | 20 women entrepreneurs successfully accomplished 26 days of training supporting business operations at the Mazar Women's Market.  |
| 22 | Kabul         | Kabul         | Kabul         | 13-May-10 | 14-May-10 | Spring Gift Exhibition by AWBF   | AWBF organized a Spring Gift Exhibition in coordination with 20 members at Kabul Serena Hotel. AWBF is an apex association representing 110 sub-associations with a total of 30,150 members.  |
| 23 | Hirat         | Hirat         | Hirat         | 1-Nov-09  | 30-Apr-10 | Hirat Internship Program   | 59 students expanded their knowledge in management, accounting and marketing during the theoretical portion of the internship program and practical work with host companies  |

|    |           |             |               |           |           |   |   |
|----|-----------|-------------|---------------|-----------|-----------|---|---|
| 24 | Nangarhar | Jalalabad   | Jalalabad     | 2-Feb-09  | 31-May-10 | Marketing Materials for 35 SMEs/Associations                            | ASMED has created approximately 35 associations and supported many of them technically and financially. Most of the existing and ASMED-created associations/SMEs need marketing for its products and services   |
| 27 | Nangarhar | Jalalabad   | Shekh Masri   | 11-Apr-10 | 25-May-10 | AWSBDA Handicraft training, Nangarhar                                   | 50 Women were trained and will start new businesses to support their families with income generated through handicrafts   |
| 28 | Laghman   | Laghman     | Laghman       | 11-Apr-10 | 25-May-10 | AWSBDA Handicraft training, Laghman                                     | 50 Women were trained who will start and will start new businesses to support their families with income generated through handicrafts  |
| 29 | Hirat     | Hirat       | Hirat         | 20-Jun-09 | 30-Jun-10 | New Technologies for Carpet Producers                                   | ASMED supported the Tahmina Industrial and Cultural Association to install new productive technologies (carpet-cutting equipment). The association, based in Herat Province, will use this equipment to support its 130 members (110 women) to improve the "final cut" quality, therefore improving the profitability                 |
| 30 | Kandahar  | Daman       | Da Ghara Kali | 6-Mar-10  | 6-Apr-10  | SME Business Accounting, SME Business Management and Marketing Training | ASMED successfully completed SME Business Accounting, SME Business Management and Marketing training in partnership with HUDO for 20 women SMEs in Daman District for 27 days (March 6 to April 6) in Da Ghara Kali Village, Daman District, Kandahar Province.   |
| 31 | Kunar     | Nurgal      | Nurgal        | 15-Jun-09 | 30-Apr-10 | Market Development Grant: Nurgal Marketplace                            | With assistance from an ASMED Marketplace Development grant, the construction of stalls completed at Nurgal District, Kunar Province concluded April 27   |
| 32 | Faryab    | Faryab City | Faryab City   | 4-Oct-08  | 30-Jun-10 | ASMED Grant: Faryab Leather Processing Association                      | Supporting activities for the Association Development grant (\$10,000) includes the association registering with the Ministry of Justice, digging of a 75-meter-deep well, purchasing 70 meters of PVC pipes, a water pump machine, a generator and a three-inch water pipe.  |
| 33 | Faryab    | Faryab City | Faryab City   | 6-Jan-10  | 6-Jun-10  | Faryab Internship Program   | 50 students expanded their knowledge in Management, accounting and marketing through their theoretical portion of the internship program  |
| 34 | Kabul     | Kabul       | Kabul         | 17-Sep-09 | 30-Mar-10 | Kabul University Internship Program                                     | The second batch of 54 interns from Kabul University has successfully completed the practical session of the internship training. Precisely 42 out of 54 interns received job offers from companies hosting the three-month practical period, proving the internship program is a good source for university graduates to find a job. |

| Province  | District  | Village    | Start Date | End Date  | Activity Description   | Activity Status  |
|-----------|-----------|------------|------------|-----------|--|--|
| Nangarhar | Jalalabad | Jalalabad  | 29-Jun-10  | 14-Aug-10 | Handicraft Training (Second Batch), Nangarhar                      | 50 women trained in the second batch of AWSBDA handicrafts training program In Nangarhar Province, Most of them started their own businesses and now they are financially supporting their families.   |
| Kunar     | Chawkay   | Chawkay    | 29-Jun-10  | 14-Aug-10 | Handicraft Training (Second Batch), Kunar                          | AWSBDA Handicrafts Training Program trained 50 Women in the second batch of the training in Kunar province. Most of them started their own businesses through which now they are supporting their families.  |
| Kandahar  | Kandahar  | Kandahar   | 20-Jun-10  | 25-Sep-10 | AutoCAD Training   | 25 engineers were trained in AutoCAD for 60 days. The training had both theoretical and practical sessions in Kandahar City.   |
| Kunduz    | Kunduz    | Kunduz     | 15-Apr-09  | 31-Aug-10 | Gemstone Training Center   | Through an ASMED grant, the Jewelers Guild in Kunduz purchased tools and equipment for a gemstone processes and jewelry skills training center to improve product quality, and conduct skills training in gemstone cutting, polishing and jewelry manufacturing.           |
| Laghman   | Mihterlam | Mihterlam  | 17-Jul-10  | 22-Jul-10 | First Batch of six-days Technical Training on Poultry development  | 26 Laghman poultry farmers were trained on modern and scientific techniques of poultry farming in order to build their capacity and improve technical knowledge and develop their businesses.  |
| Kunar     | Asadabad  | Asadabad   | 17-Jul-10  | 22-Jul-10 | First Batch of six-days Technical Training on Poultry development  | 26 Kunar poultry farmers were trained in first batch on modern and scientific techniques of poultry farming in order to build their capacity and improve technical knowledge and develop their businesses.   |
| Kunar     | Asadabad  | Asadabad   | 27-Jul-10  | 2-Aug-10  | Second Batch of six-days Technical Training on Poultry development | 21 Kunar poultry farmers were trained in second batch on modern and scientific techniques of poultry farming in order to build their capacity and improve technical knowledge and develop their businesses.  |
| Kandahar  | Kandahar  | Kandahar   | 21-Jul-10  | 21-Jul-10 | Kandahar Contractors Conference                                    | 30 engineers from local construction companies were informed about the new projects and link was created between the construction companies and the PRT's Engineers Team.  |
| Kandahar  | Kandahar  | Kandahar   | 4-Aug-10   | 5-Aug-10  | Distribution of Kandahar Local Business Directory                  | 15 Companies and Associations distributed 295 copies of Afghans Local Business Directories and linkages were developed between SMEs.   |
| Kabul     | Kabul     | Darul Aman | 22-Aug-10  | 28-Sep-10 | Food Safety Training Program                                       | 15 participants including 7 women have been trained in basic sanitation, hygiene, and food safety from three different provinces of Afghanistan. Graduates of the program are now able to provide basic training and consultancy services in these areas in their regions. |

|           |             |               |           |           |  |   |
|-----------|-------------|---------------|-----------|-----------|--|---|
| Kabul     | Kabul       | Darul Aman    | 8-Aug-10  | 19-Aug-10 | Quality Control Training   | ASMED, in partnership with Banyan Global, conducted the first sector-specific skills training program. A total of 14 consultants from five provinces participated in the quality assurance and quality control training.  |
| Kabul     | Kabul       | Kulola Pushta | 22-Aug-10 | 4-Sep-10  | Veterinary field units training<br>In Financial & Business<br>Management                                     | 10 veterinary doctors were trained on professional topics, such as animal treatment and vaccination, as well as in financial and business management and to build their capacity in business.   |
| Kabul     | Kabul       | Kabul         | 10-Sep-10 | 15-Sep-10 | Hong Kong Trade show   | The Hong Kong Jewelry & Gem Fair took place at AsiaWorld-Expo (AWE) with more than 1,300 quality exhibitors Sept. 14-18.  |
| Nangarhar | Jalalabad   | Jalalabad     | 7-Mar-10  | 30-Sep-10 | 7th Nangarhar Internship<br>Program  | 75 interns (25 female) were trained in business management and marketing and were placed in different host companies and completed their practical session.   |
| Baghlan   | Puli Khumri | Puli Khumri   | 11-Jul-10 | 11-Jul-10 | ASMED Global Development<br>Alliance: 279 XO-Laptops were<br>distributed in Firdausi High<br>School Baghlan. | With the help of ASMED, the Ministries of Education and Information and Communication Technology, gave the low-cost, power efficient XO-laptops to approximately 279 students and teachers at Firdausi High School in Baghlan.  |
| Kabul     | Kabul       | Kabul         | 9-Jul-10  | 12-Jul-10 | Santa Fe Kabul Folk Art Market<br>(SFIFAM)Trade Show   | ASMED paid a portion of the costs for WOHP to attend and display dolls made by Afghan women wearing traditional Afghan dresses.   |
| Kabul     | Kabul       | Kabul         | 16-Jul-10 | 19-Jul-10 | California Gift Show   | With support from USAID's ASMED program, Turkmen's Women Actives Rights Association (TWARA) attended the California Gift Show from July 16 – 19. The California Gift Show is a high-profile trade fair where exhibitors promote the sale of crafts from around the world. |
| Kabul     | Kabul       | Kabul         | 16-Aug-10 | 16-Aug-10 | Hong Kong Trade Show<br>preparation  | 25 Afghan Jewelers and gem traders were trained on how to obtain visas, and prepared for participation in Hong Kong Jewelry and Gem Trade Show.   |
| Nangarhar | Jalalabad   | Jalalabad     | 15-Aug-09 | 15-Aug-10 | Gemstone trainees graduate   | ANI gemstone company in Nangarhar Province trained 36 Men on Gemstone's practical cut and polish. They successfully finished the training and received completion certificates and they were hired by the company.  |
| Hilmand   | Lashkar Gah | Lashkar Gah   | 22-Sep-10 | 22-Sep-10 | Helmand Interns Graduation<br>Ceremony   | 49 high school graduates of Hilmand Province successfully finished both theoretical and practical sessions of the internship program, and received certificates of completion.  |
| Zabul     | Qalat       | Qalat         | 23-Sep-10 | 23-Sep-10 | Zabul Interns Graduation<br>Ceremony   | 50 high school graduates of Zabul Province successfully finished both theoretical and practical session of the internship program, and received certificates of completion.   |

|           |                 |                 |           |           |   |   |
|-----------|-----------------|-----------------|-----------|-----------|---|---|
| Uruzgan   | Tirin Kot       | Tirin Kot       | 28-Sep-10 | 28-Sep-10 | Uruzgan Interns Graduation Ceremony                                       | 44 high school graduates of Uruzgan Province successfully finished both theoretical and practical session of the internship program, and received certificates of completion.   |
| Kabul     | Kabul           | Kabul           | 29-Sep-10 | 29-Sep-10 | Trade Fair Participation and Export Awareness Training                    | ASMED did need assessment in Baghlan province; the team comes up with feasibility of SME development, economic growth projects & operational requirements for future ASMED projects   |
| Baghlan   | Puli Khumri     | Puli Khumri     | 24-Aug-10 | 27-Aug-10 | Need assessment survey, Baghlan   | ASMED conducted a need assessment in Baghlan Province. The team came up with feasibility of SME development, economic growth projects and operational requirements for future ASMED projects.   |
| Samangan  | Aybak           | Aybak           | 28-Aug-10 | 31-Aug-10 | Need assessment survey, Samangan  | ASMED conducted a need assessment in Samangan Province. The team came up with feasibility of SME development, economic growth projects and operational requirements for future ASMED projects.  |
| Nangarhar | Jalalabad       | Jalalabad       | 1-Jul-09  | 6-Jul-10  | ASMED Grant: Tarsian and Blinkley   | ASMED provided Tarsian and Blinkley with a \$194,500 Value Chain grant for the expansion of the company's apparel manufacturing plant through the purchase of apparel manufacturing equipment.  |
| Kandahar  | Kandahar        | Kandahar        | 1-Jul-09  | 2-Sep-10  | Afghanistan Chamber of Commerce & Industries                              | ASMED supported ACCI in Kandahar through an Association Development grant (\$12,600) for purchasing office equipment, furniture and four business development trainings July 1, 2009  |
| Baghlan   | Baghlan-e Jadid | Baghlan-e Jadid | 15-Feb-09 | 1-Sep-10  | ASMED Association Development grant: Qataghan Seed Production Association | With this grant, the association purchased a 5KW generator, a bag-stitching machine, a seed-cleaning machine, a packaging machine, training in seed treatment processing method, which really helped them to increase their production. |
| Sari Pul  | Sari Pul        | Sari Pul        | 10-Mar-10 | 4-Jul-10  | ASMED Grant: Improvement of waste collection system in Sari Pul           | Sari Pul Shopkeepers improved sanitary conditions of business areas for shopkeepers and customers, allowing them to stay longer and visit with greater frequency.   |
| Kabul     | Kabul           | Kabul           | 14-Feb-10 | 30-Sep-10 | ASMED Global Development Alliance: Foroshgah-e-Afghan Shopping Center     | This Global Development Alliance helped the owner rebuild with new and better facilities for shopkeepers in Foroshgah-e-Afghan Shopping Center.   |
| Kabul     | Kabul           | Kabul           | 3-May-10  | 20-Aug-10 | ASMED Global Development Alliance: Insulated Sandwich Panels              | ASMED helped the company set up a manufacturing plant, opened Aug. 5, to produce construction materials, in which 200 jobs were created and 500-1000 site jobs creations were created.  |

# PROGRAM COMPONENT I: MARKET INFORMATION

## FIELD ACTIVITIES – NATIONAL AND INTERNATIONAL

### Index Interior Design Show, Dubai, United Arab Emirates

ASMED funded Turquoise Mountain Foundation's participation at INDEX Interior Design Show, held in Dubai Nov. 14-17, 2009. Eye-catching items including intricate woodwork calligraphy panels, lattice screens, bookcases, tables, and other carvings of cedar and black walnut, detailed calligraphy on large canvases, as well as marble, carpets and textile samples were on display.

This is Turquoise Mountain's third year of participation at INDEX. The show's greatest success was the exposure received for the lucrative Middle Eastern interior design market, which generated interest from a large range of local and international interior design professionals. The TMF team sold almost all of their pieces for an approximate value of \$20,000. Most importantly, the contacts made at the show will translate into future work for Afghan Artisans.

### India International Trade Fair, New Delhi, India

ASMED supported 31 Afghan traders at the annual India International Trade Fair (IITF), held in Delhi Nov. 14-27, 2009. The traders represented several sectors (marble, carpets, handicrafts and agribusiness products).

IITF is one of the biggest events of its kind in the region. Open to industry professionals and the public, in 2009 IITF attracted more than 5,500 enterprises from 66 countries - including Germany, Japan, United Kingdom, Korea, Bangladesh, Myanmar, Bhutan, Thailand, China, and Pakistan.

The ASMED-sponsored pavilion was awarded first prize in the Foreign Pavilions section. Total sales for the Afghan delegation approximately \$353,000 led by carpet, fresh fruit, handicrafts and dried fruit sectors. AISA and the Federation of Indian Chambers of Commerce and Industries (FICCI) facilitated highly successful business-to-business meetings Nov. 18-19, 2009, securing further sales contracts in saffron, silk scarves, dried fruits and carpets.

### Dubai Big5 Marble Trade Show 2009, Dubai

ASMED participated in Dubai Big 5, the largest marble trade show in the Middle East, featuring more than 3,000 exhibitors Nov. 23-26, 2009. ASMED Marble Team explored demand and market opportunities for Afghan marble, publicized investment opportunities for the sector, identified potential investors and promoted the Afghanistan International Marble Conference 2010 (held in Herat Province in April). ASMED shared a booth with Equity Capital Mining, an Afghan marble firm displaying its white marble, known as Doost White Marble, from Chishti Sharif. The samples generated a great deal of interest from leading marble buyers throughout the world.

In addition to meeting with potential investors and discussing opportunities in the Afghan Marble Sector, ASMED met with Flavio Marabelli, president of Confindustria Marmomacchine, the Italian association of manufacturers and users of marble machinery and other equipment for natural stone processing. Together with Marabelli, ASMED planned training in modern quarry equipment and techniques for about 30 Afghan quarry operators. Experts will deliver the training on the machinery at one of Afghanistan's major quarry operations through an ASMED-supported GDA.



Afghan marble at Dubai Big5 show  
USAID/ASMED

### **Tucson Gemstones & Jewelry Exchange Show preparations**

ASMED hosted a workshop for 24 participants of the Tucson Gemstone and Jewelry Exchange (GXJ), a trade show held in Arizona in February. Gary W. Bowersox, the author of "The Gem Hunter", a renowned gemologist and adventurer who is among the top 10 experts in the world, trained participants for show preparations Dec. 5-9, 2009. Topics included presentation, inventory selection and security, specific U.S. Gem Show selling techniques, pricing, labeling, customs clearances, financing, banking, and invoicing customers. Bowersox worked with gem miners in Afghanistan, Brazil, Burma, Madagascar, Sri Lanka, and Thailand, chaired eight symposiums from 1982 to 2001 on gems and minerals of Afghanistan, and was featured on "The Gem Hunter in Afghanistan 2001", a 50-minute television documentary. Bowersox's support for the Tucson show included making special arrangements with U.S. Customs clearance, inspections, and travel to the show, as well as raising the profile of Afghan traders exhibiting in Tucson. ASMED's Trade Fair Specialist discussed pre-export inspection and re-importation procedures.

### **First Moscow Fair of Afghan products, Moscow, Russia**

ASMED, in partnership with GTZ and EPAA, supported Afghanistan's participation in the Moscow Fair held at All-Russian Exhibition Center in Moscow Dec. 9, 2009. A total of 31 Afghan SMEs exhibited carpets, handicrafts, leather products, marble, gemstones, fresh and dried fruits. The Ambassador of Afghanistan, deputy director of Russian Chambers of Commerce attended the opening of the show. This was the first exhibition in more than 20 years. Afghan participants had a total of \$442,000 sales, particularly carpets, fur coats and jewelry.



Afghan carpets on display at the First Moscow Fair of Afghan products, Moscow, Russia  
USAID/ASMED

### **Domotex 2010 Carpet Fair Hanover, Germany**

ASMED sponsored 21 Afghan companies' participation in Domotex 2010 Carpet Fair Jan. 16-19. According to the participants, Domotex 2010 was the most successful trade event for Afghans in recent years. All Afghan carpet dealers made contracts and sold most of their carpets. Each participant departed from the fair with at least 10 serious contacts.

In Domotex 2009, the participants' total contracts were \$2,485,000. The 2010 contracts value represents a significant increase of 388% from 2009.

In addition, an Afghan producer, Nomad Ltd/Chak Palu, won the Modern Carpet Design Award. ASMED also sponsored a matchmaking dinner, setting up a networking event between 20 international buyers and 21 Afghan exporters.



Domotex Hannover, Germany Carpet Exhibition Jan. 16-19, 2010  
USAID/ASMED

*"I have orders of different companies from Japan, Holland, Norway, UK, Spain, and USA. It will not only benefit the Afghan weaver families, but also it will benefit the economy of our beautiful country Afghanistan."* – Abdul Hakeem, CEO, Afghan Rugs

*"I think we had a successful show on multiple levels of marketing, product branding and market recognition in Domotex Hannover 2010."* - Asadullah Khall Mohammadi, CEO, Khall Mohammadi Co. Ltd.

## New York International Gift Fair

New York International Gift Fair took place in New York City Jan. 30-Feb. 4. An international expert in artisan production, a local Afghan representative, and an ASMED employee represented 12 Afghan companies. They displayed a variety of locally produced handicrafts, met with buyers, and familiarized themselves with the international market.

Producers included:

- Chelcheragh
- Azana Silks
- Hadya Gallery
- Khabar-e-Khush Company
- Nasima Silks
- Rahyab Handicrafts
- Saleh Fine Silk
- Turkmen Women's Active Rights Association
- Women of Hope
- Noor Jewelry
- Zarif Design



Afghan Attractive Handicraft Products in NYIGF in January 2010.  
**ASMED/USAID**

## Gem & Jewelry Exchange Trade Show 2010 Tucson, Arizona

Afghan gemstone miners and traders returned from the Gem and Jewelry Exchange Trade Show in Tucson, Ariz. Feb. 2-7. ASMED sponsored the visit and arranged the booths for 24 participants. In addition to the gem show, participants benefited from visits to a local copper mine, a mineralogical and geological testing laboratory and a heavy mining equipment manufacturers' testing site area organized by the U.S. Department of Commerce's Afghanistan-Iraq Reconstruction Task Force Office, Washington, D.C.

Participants rated the visit and their participation at the gem show critical for the future success of their industry and Afghanistan's capability to export rough specimens and cut stones to the international market.

Through their exposure to numerous buyers, retailers and cutters at the gem show, Afghan participants gained a better awareness of the demands in the market. They plan to work with ASMED to help strengthen the "mines-to-market" program and to solve the problems Afghanistan faces in the areas of exploration, mining, extraction, cutting and marketing stones for export.



ASMED sponsored booths at the Gem and Jewelry Exchange Show, Tucson, Ariz. "AQUA GEMS"  
**USAID/ASMED**

*"Americans asked for higher color, higher quality mineral specimens for cutting. Next year I will be prepared." – Haji Gharit Khan, Gemstone Dealer*

### **Domotex 2007-2010 exhibition participants' meeting**

ASMED gathered the participants of Domotex 2007, 2008, 2009 and 2010 for a meeting to exchange experiences, evaluate results and identify strengths and weaknesses for the past four Domotex shows. Thirty-two of 60 invitees attended the meeting Feb. 22. There was an election of a Trade Fair Management Committee to build the capacity of Afghan traders to collaborate with ASMED on its presence and to continue moving forward. Traders were encouraged to bring their facilities and operations to Afghanistan in order to promote the Afghan handmade carpet under the “Made in Afghanistan” brand to international markets.



Domotex Trade Show participant meeting Feb. 22, 2010  
USAID/ASMED

### **Visits to producers**

An artisan production intern, selected from ASMED's internship program, visited 12 producers in January and February at their workshops to gather accurate data about their financial status, new products, and the problems.

### **Need's identification meeting**

ASMED, along with Parwan Province PRT, met the provincial governor April 24. The meeting identified the needs and sought solutions for private sector development in the province. The governor requested building shops for women's parks. The ASMED team also visited two women's parks in Charikar to see the feasibility of a Marketplace Development Grant.

### **Domotex Middle East, Dubai**

Afghan carpet traders completed another successful trade show at the DOMOTEX Middle East in Dubai May 10-12. DOMOTEX is the only specialized trade show for carpets, as it seeks to tap into an estimated \$22 billion value market for interior design products in the region. The 10 Afghan companies that attended the exhibit in ASMED's sponsored pavilion represented various carpet production regions of the country, and displayed various styles and designs, including Khal Mohammadi, Mushwani, Chobi Ziegler, Sherwan, Turkmen Bokhara, Kazak, Kargai and Belgique. Although the market is suffering under the effects of the global economic recession, Afghan traders increased their sales and contracts by 15 percent from last year for an estimated total value of \$450,000. Buyers represented various hotel chains, luxury apartment complexes, carpet wholesalers and retail outlets from across the region. They all said it was good to see traders at the show, as Afghanistan carpets are renowned throughout the world for its exquisite designs, subtle elegance, attractive colors and workmanship.



Domotex Middle East May 2010, Dubai, UAE  
USAID/ASMED

ASMED's partner, EPAA, also sponsored a matchmaking event, bringing together the Afghan carpet traders and several buyers in a more intimate venue to discuss obstacles to trade between Afghanistan and the Gulf Region. The ASMED trade fair advisor also presented the various project initiatives supporting the value chain, including cut-and-wash facilities and carpet-design training. Given this support to recapture the value-added inside the country, as well as higher than anticipated sales and contracts done at the two DOMOTEX trade shows in 2010, it appears 2010-2011 will be a blockbuster year for the Afghan carpet industry.

*“I have never experienced carpet exhibitions, though we are carpet producers in the west region of Afghanistan (Herat City). I never acted as a main seller in the international exhibition, but now I feel experienced enough to subscribe into the future exhibitions all around the world. Now I know the main carpet buyers and types of carpet they are looking*

for. Since returning from DOMOTEX in Dubai, we are trying to organize and renew our local design and upgrade them for international buyers.”

– Shirjan Fushanj, North American Service Center

“I believe without your (ASMED) support we wouldn't be very successful. I really appreciate your effort. Your team did a great job. It is such a big honor for Afghanistan. I really did very good business. I sold all my carpets for around \$25,000, and I got orders for \$100,000 from Russia and Dubai.”

– Abdul Hakeem, Afghan Rugs

### **Carraramarmotec Marble Exhibition**

Carraramarmotec Marble Exhibition was a smaller, but very important fair held in Carrara, the heart of the marble capital in Italy. Carrara is famous worldwide for its unique and beautiful marble resources quarried for more than 500 years. Based on interest and results of the Afghanistan International Marble Conference II in Herat, ASMED sent a delegate of three to the Carrara Marble Show May 19-22 for immediate follow-up on opportunities presented at the marble conference. Conference attendees were able to display the vast resources and the ability to work in Afghanistan. They also said this was the complete opposite of nightly news depictions about Afghanistan. They agreed the focus should be on finding more quarries and different types of marble and granite samples. Suggestions included:

- Continued promotion of Afghanistan marble recourse at international trade shows
- Establish new relationships with other key marble associations
- Focus on training in and out of the country
- Explore new quarries
- Evaluate the quarries
- Core drilling
- Sample collection
- Determine the quality and marketability of the samples

It was also suggested ASMED work closely with AMIA to take the advantage of the offer from the Italian Association for organizing the study tour/show in Verona, Italy in September.



Carraramarmotec Marble Exhibition, May 2010, Italy  
USAID/ASMED

### **Furniture Exhibition**

ASMED organized the first-ever Furniture Manufacturers Exhibition June 17-20 with more than 40 manufacturers from Kabul, Herat, Balkh and Nangarhar Provinces exhibiting sample household and office furniture products in Kabul.

The exhibition was in response to a request from Camp Eggers Local Acquisition Group, who was unable to source Afghan-manufactured office equipment. ASMED assisted Kabul Regional Contracting Center in its efforts to localize purchasing by conferring with local contractors at two “Vendor Open Days” organized at Camp Eggers in May. The concept of the exhibition derived from discussions held during the “Vendor Open Days.” Vice President of Afghanistan and government ministers attended the exhibition opening ceremony.

The exhibition area closed to the public June 19, and the Local Acquisition Group, toured the three exhibition halls, spoke to manufacturers and detailed capacity, firm size and capabilities.

The Minister of Education also toured the exhibition site June 19, and the role of ASMED explained, as well as ASMED’s objectives and achievements.



Furniture Exhibition in Kabul, June 17-20  
USAID/ASMED

The new quality management program will assist manufacturers in developing “Quality Plans” to meet purchasing requirements for products.

### **Hong Kong Trade Show preparation**

Second training on Hong Kong Jewelry & Gem Fair preparation took place at ASMED office Aug. 16. ASMED supported the attendance of 25 Afghan jewelers and gem traders in the Hong Kong Jewelry & Gem Fair Sept. 14-18 in Hong Kong.

During the training, the following topics were discussed:

- Guidance on visa application and administrative formalities
- Technical assistance for required documentation in trade fair
- Trade fair rules and regulations
- Best presentation of goods
- Pricing and labeling
- Shipment procedures
- Customs clearance requirements



Hong Kong preparation training  
USAID/ASMED

### **Need assessment survey, Northern Region**

ASMED’s central region team surveyed Baghlan and Samangan Provinces for a need assessment Aug. 24-31.

After an economical background study of the provinces, the team met government officials, private sector key players and individuals to find out the feasibility of SME development and economic growth projects and operational requirements for future ASMED projects.

As a result, ASMED identified the following projects in the region:

- Marble processing plant, electric wire processing plant and rehabilitation of wheat and rice market in Samangan;
- Tomato paste production, ferula foetida (hing) packaging and cool storage in Puli Khumri ;
- Shoe factory, design centre for embroidery (for women) and vocational training (masonry, carpentry, tailoring, house painting and vehicle maintenance) in Baghlan;
- Construction of a slaughterhouse, rehabilitation of butcher markets, establishment of fruit and vegetable markets in both provinces.

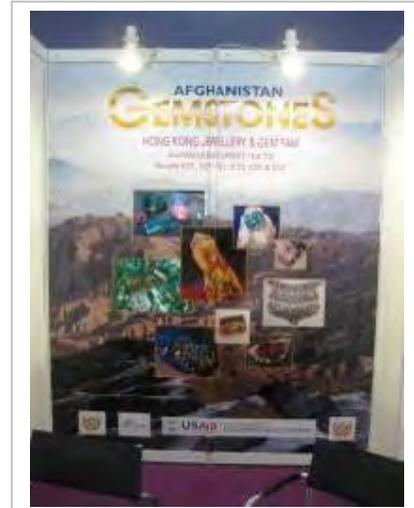


Need assessment field visit, Puli Khumri  
USAID/ASMED

### **Hong Kong Jewelry & Gem Fair**

Afghanistan is the source of some of the finest quality emeralds, rubies, tourmalines, aquamarines and lapis lazuli.

The September Hong Kong Jewelry & Gem Fair took place at AsiaWorld-Expo (AWE) with more than 1,300 quality exhibitors Sept. 14-18. A total of 38,724 visitors attended the fair, an increase of nearly 20 percent over last year. Close to 50 percent of the buyers were from China, with other major buyers from India, United States, Taiwan, Japan, Thailand, Korea, Philippines and Australia. Exhibits included a variety of jewelry raw material such as diamonds, gemstones, pearls, packaging, tools & equipment. ASMED sponsored and paid for six booths and display equipment for Afghan gem and jewelry traders. Afghan participants were responsible for their own travel expenses, accommodation, shipping of inventory, visa costs and other personal expenses. Due to delays with the Chinese Embassy in Kabul, only two of 22 applications were issued in time for the fair. The ASMED team was able to fill the remaining booths with Afghan businesses based in Hong Kong who had a good supply of gems and jewelry from Afghanistan and a large promotional booth where literature, videos and brochures distributed to interested buyers.



Hong Kong Jewelry and Gem Fair  
USAID/ASMED

## **FIELD ACTIVITIES – EAST**

### **Associations, SMEs marketing material publication**

ASMED created approximately 35 associations and supported many of them both technically and financially. Most of the existing and new associations and SMEs need marketing. Publicizing this marketing material creates business-to-business links, and helps with finding ways to the national and international markets for their products and services - especially during the matchmaking meetings and tradeshows.

As a result, ASMED signed a contract with Yoon Network to publish marketing material for 35 SMEs and associations in the eastern region. The material includes brochures, banners and business cards.

### **ASMED sponsors SMEs to Gulfood Show Dubai 2010**

ASMED provided support for eight companies at the Dubai Gulfood 2010 Show Feb 21-24 in Dubai. Gulfood had 3,500 exhibitors from 80 countries. The exhibition created trade linkages among the companies with global operations. Many exhibitors visited Afghanistan's booth and were very interested to see the products from Afghanistan. The focus of the exhibition was processed foods and food processing equipment. ASMED supported the establishment of international business linkages between companies from Afghanistan with international and Gulf Community Countries buyers and suppliers.



Minister of Agriculture, Irrigation and  
Livestock inaugurates Afghanistan's booths  
USAID/ASMED

## FIELD ACTIVITIES – NORTH

### Developing marketing strategy plan for Baghlan cement factory

ASMED supported Beacon BDS Company in developing a marketing strategy plan for Ghori Cement Factory in Baghlan Province Jan. 30. As a result, the company was advised how to increase production and sales. Beacon BDS Company also conducted a presentation for better understanding of the strategy for factory employees. This plan helps the company:

- Identify competitive advantage of product
- Develop a clear position of product in market
- Develop advertising tools, TV ads, billboards, workshops with construction companies
- Identify potential customers by contacting the construction companies involved in large-scale construction work in the Northern Province; and
- Identify strong and weak points of the production by conducting surveys of shopkeepers and construction companies.

## FIELD ACTIVITIES – SOUTH

### First SME Trade Fair in Kandahar City

Despite ongoing security concerns, the first SME Trade Fair held in Kandahar City Nov. 19-21, 2009. Co-funded by ASMED and CIDA, the deputy provincial governor of Kandahar inaugurated the fair. More than 30 exhibitors from SMEs in Kandahar and other provinces displayed products and services. Approximately 3,000 visitors from the Kandahar business sector and public attended. A business-to-business meeting was arranged on the final day, between national and international SMEs was another success during the event. Almost \$2,000 in sales generated, and \$50,000 in business deals initiated.



First ever SME trade fair, Kandahar, Nov. 19-21, 2009  
USAID/ASMED

### Strategic planning workshop in Kandahar

ASMED arranged a strategic planning workshop at the ASMED office in Kandahar Jan. 13. Participants included the director of Department of Economy, regional manager of AISA, representatives of ACCL, business associations, independent SMEs, BDS firms and ASMED regional staff. Through different sessions of the workshop, strengths and weaknesses, opportunities for the business environment, and threats highlighted. Based on the outputs of this workshop, ASMED can work in the southern region more strategically, using its funding in efficient ways.



Strategic Planning Workshop, Kandahar City  
ASMED/USAID

### Kandahar Local Business Directory

ASMED printed 1,000 copies of the Kandahar Local Business Directory March 16. AICB collected data and designed the directory in 2009, which included updated and recent information about approximately 3,000 SMEs in Kandahar Province. The directory distributed at different events arranged by ASMED, with assistance from the ministry of economics, ACCL, AISA, business associations, ASMED regional offices across the country. The purpose of the printing and circulation is to create a linkage between SMEs in Afghanistan and to find more marketing opportunities for local production in Kandahar.

## FIELD ACTIVITIES – WEST

### Herat Art & Artisan Exhibition

ASMED supported the New Community Development Organization hosting an Afghan Artist & Artisan Exhibition to mark international Woman's Day, March 8, conducted in coordination with the provincial government and the Directorate of Women's Affairs. The exhibition provided a high-profile retailing space for 62 exhibitors of Afghan artisan products who were predominantly woman-owned or woman-orientated SMEs and associations. The success of the event exceeded all expectations with the total level of sales averaging approximately \$9,000 per day, reaching a significant \$18,967 on the last day, resulting in total sales of more than \$60,000. Ariana Television Network evening news broadcasted the opening, which had more 2,000 visitors, nationwide to advertise the event.



Women's Day Exhibition view, Herat City  
ASMED/USAID

### Afghanistan International Marble Conference II, Herat

ASMED hosted the Afghanistan International Marble Conference II in Herat Apr. 12-16, attended by more than 300 national & international delegates. There was an opening ceremony at the 1001 Nights Restaurant hosted by USAID/ASMED, welcoming the 17 International delegates from Italy, Canada, United States, Turkey, Indonesia and Norway.

Highlights from the conference, held at the Jalaluddin Mohammad Balkhi Hall, Herat City, included:

- A display of Marble samples and local carvings;
- A technical workshop and a helicopter flight to marble quarries in the Cheshti Sharif for approximately 50 attendees;
- The Ministry of Mines and Italian Embassy announced approval of \$20 million each (\$40 million total) for construction and improvements on the existing road from Herat to Chesht. The Governor of Herat showed full commitment to coordinate efforts to begin work. This road will allow better access for traders in the varying districts;
- The Ministry of Finance agreed to remove tariffs on all Afghanistan-processed marble as of April 12, creating tax-exempt marble exporting;
- The Overseas Private Investment Corporation, American investors and its Afghan partners agreed to provide access to credit ranging from \$100,000 to \$250 million as long-term loans for businesses.

## **PROGRAM COMPONENT 2: BUSINESS DEVELOPMENT & MANAGEMENT SKILLS:**

### **FIELD ACTIVITIES – NATIONWIDE**

#### **BDS Sector Survey**

ASMED BDS department BSPs operating in Afghanistan to develop a “BDS Sector Directory” to be shared with AISA, ACCI, and other organizations operating within private sector development.

This survey identified and registered 653 BSPs. Eighty BSPs have been identified in the Western Region (Herat, Badghis, Ghor and Farah), 235 in the Central Region (Kabul) and 338 in the South (Day Kundi, Hilmand, Kandahar, Nimroz, Uruzgan, and Zabul).

#### **Quality Control Management training**

BDS has focused on the development of business plans and basic management skills training during the past three years, with a number of BSPs being assisted or set up albeit with a limited scope of offerings.

Recognizing that knowledge of quality standards and the implementation of quality systems are prerequisites for entry to a number of markets ASMED focused this year on Sector Specific Skills Training.

ASMED implemented the first Sector Specific Skills training program for 14 consultants from five different provinces in quality assurance and quality control at the ASMED office in Kabul Aug. 8-19.

Graduates of the program now provide basic training and consultancy services to SMEs in quality, and develop awareness programs on quality assurance for SMEs in their regions. Follow-up training scheduled for January 2011 will provide candidates of merit an opportunity to achieve a Lead Assessor qualification.

#### **Food Safety Training, Kabul**

ASMED works directly and indirectly with a number of SMEs engaged in food processing. To expand production and increase sales, producers for the domestic market need to ensure products are safe for consumers, extend shelf life and improve packaging.

Exporters must meet the market requirements of export destinations and clients. ASMED designed and implemented the first part of a Specific Skills Training program for 15 participants Aug. 22-26 at ASMED in Kabul.



Planning the BDS Sector Survey, Kabul  
USAID/ASMED



Quality Control Management Training Field Visit  
USAID/ASMED

ISO 22000:2005 specifies requirements for a food safety management system where an organization in the food chain needs to demonstrate its ability to control food safety hazards in order to ensure that food is safe at the time of consumption.

It is applicable to all organizations, regardless of size involved in any aspect of food chain and wants to implement systems that consistently provide safe products. The means of meeting any requirements of ISO 22000:2005 can be accomplished using internal and/or external resources.

### **Food Safety Training Phase II, Kabul**

Training carried out in August and September on Food Safety Standards was a significant milestone for ASMED. A major contributor to the GNP, the food-processing sector beset with bad practice in handling, processing and storage of agricultural products.

Training in Pre-Hazard Analytical Critical Control Point requirements concluded, and the next step in raising standards is underway. Inspection audits are taking place with the group, visiting a broad selection of processes in the food industry and the results analyzed in a Group Forum.

Training will continue in December with the emphasis on fieldwork, thermo bacteriology, risk assessment, process and packaging systems and vendor quality programs, involving audits of food processing units in Kabul. These food-processing audits are ongoing since September with a local Afghan trainer in charge of the group. Participants represent different organizations and are being enabled to develop capacity within local BSPs to deliver advisory and training services food processors.



Food Safety Training phase II  
USAID/ASMED

These concepts appear deceptively simple but difficult to ingrain without repetition and practical example.

Contacts are being made with accreditation bodies to certify trainees by conducting a Lead Assessor Training Program in ISO 22000:2005 Food Safety Management Systems with registration by the International Register of Certified Auditors.

### **Veterinary Field Unit training**

Currently there are 380 VFUs operated by several different NGOs with more than 428 personnel. Overall, there are nearly 700 VFUs nationwide with approximately 1,000 staff.

VFUs are located in districts and provide animal healthcare services to the nearby villages. These units provide vaccination, de-worming, medical and surgical services to the district animals.

Today, the majority of the VFU operators have the status of para-veterinarian, while Doctors of Veterinary Medicine contribute only 15 percent to the total. The western and southern provinces in particular depend completely on the services provided by para-veterinarians recruited and are supported from their own local communities. Without the presence of these para-veterinarians, many animals would have no access to veterinary services.

ASMED supported the Dutch Committee for Afghanistan (DCA) by funding the development of a training curriculum in financial and business management for VFUs. This five-module course was designed and delivered and Training of Trainers (ToT) completed. The capacity now exists in the DCA to train VFUs countrywide.

### **BPeace Finalists Business Plan Development**

Haqiqi Consulting delivered five business plans required for the finalists in the BPeace competition. ASMED's BDS team reviewed each plan before accepting on behalf of the Business Council for Peace.

### **Start Your Own Business and Improve Your Own Business (SIYB)**

The SIYB program introduced in more than 83 countries worldwide and estimated to be the best training available worldwide. There is a module available for persons who wish to start a business or improve their existing business.

ASMED has reached agreement with the International Labor Organization (ILO) to use this SIYB Module. A Master trainer, who speaks Dari and has experience in Afghanistan, has been contacted and is due in Kabul in January 2011.

### CEFE for Non-literates

ASMED are resourcing a qualified trainer to deliver the “Competency-based Economies through Formation of Enterprise Training Program for Illiterates” known as “CEFE for Non-literates”. This will be delivered on a pilot test basis in Heart during the month of December.

### Furniture Trade Exhibition with Furniture and Traders Association (FACT)

USAID through its Afghanistan Small & Medium Enterprise Development (ASMED) project organized the First-ever Afghan Furniture Manufacturers Exhibition June 17-20 with more than 40 manufacturers from different regions of Afghanistan, such as Kabul, Herat, Mazari Sharif and Jalalabad exhibiting sample household and office furniture products in Kabul International Exhibition Hall. The exhibition was opened by Mr. Karim Khalili, the Second Vice President of Afghanistan with six other representatives from various ministries. The exhibition was in response to a request from the Camp Eggers Local Acquisition Group, who was unable to source Afghan-manufactured office equipment. ASMED resolved the problem with this exhibition.

“There was no proper market for us before in the country and we had no idea about the value of our product in local market of Afghanistan,” said Wasim Hussain, an exhibitor at the Furniture Exhibition from Wasim Hussain Furniture Company. “We had very little knowledge before about local market and the value of my product which was only limited in my own region. Now I have made linkages with people here and made contract with some other companies of Afghanistan who will be buying my product as a joint business.”

The exhibitors were introduced to Local Acquisition Group and a business directory has been published listing the local furniture manufacturers; this has been distributed among the local ministries, NGOs, and US based organizations to ensure they buy their furniture from these local Afghan owned companies in the future. A website was developed for these manufacturers.



Local Acquisition Group in the exhibition checking the capacity of a furniture manufacturer  
USAID/ASMED

## FIELD ACTIVITIES – CENTRAL

### Business skills training for TMF students

ASMED partner, Competency Based Economics, through Formation of Enterprise and Entrepreneurship Skills Development Centre (CEFE-ESDC), is conducting business development courses for 80 students of calligraphy, carpentry, art and pottery at the Turquoise Mountain Foundation. The training program designed to assist trainees in starting their own businesses. It covers four different modules - business planning, marketing, accounting and finance. Based on the students’ levels of understanding, CEFE-ESDC has divided participants into eight groups and developed the training materials and training methodology. The 12-month training was completed in January.

The division of groups and subjects as follows:



TMF students in Business Skill Development Training  
USAID/ASMED

| Groups                 | Modules Taught  | No of Students |
|------------------------|---|----------------|
| Carpentry First Group  | Marketing and Business Planning                       | 8              |
| Carpentry Second Group | Business Planning, Marketing and Financial Management | 12             |
| Ceramics First Group   | Marketing and Business Planning                       | 4              |
| Ceramics Second Group  | Financial and Marketing Management                    | 6              |
| Jewelry First Group    | Marketing and Business Planning                       | 11             |
| Jewelry Second Group   | Accounting, Marketing and Financial Management        | 15             |

|                          |  |    |
|--------------------------|--|----|
| Calligraphy First Group  | Marketing Management and Business Planning   | 14 |
| Calligraphy Second Group | Accounting, Marketing and General Management | 10 |

### **ASMED Economic Conference, Charikar**

ASMED organized an Economic Conference for Kapisa, Panjsher, and Parwan Provinces in Charikar City, Parwan Province Jan. 10. The purpose of the conference was to bring private sector, government officials and donors together and discuss challenges and resources available in all three provinces. It was important to find out what resources are available outside the provinces (i.e. from donors, national government and the banking sector).

There were 300 participants, mostly representing the private sector. Approximately 60 of the participants were women - mostly from Parwan.

Government officials expressed support for development of private sectors, emphasizing preparedness to provide land for investors and other required supportive services such as electricity. ASMED organized roundtables for business sectors, allowing them to share and discuss opportunities and challenges facing their enterprises where the government and donors were available to observe and discuss possible interventions to support them.

Handicraft sector identified needs for technical training in embroidery, access to markets and assistance in effectively sourcing raw materials. Agribusiness sector expressed the need for market information and market linkages, packaging, beekeeping training and storage. ASMED will address these needs through its program. Marble sector expressed needs for mining and processing machinery and technical expertise. The sector also requested government assistance in building roads and providing electricity for mines and processing facilities. Marble sector roundtable also requested assistance in a marble and gemstone mines survey in Panjsher and Kapisa.



Economic Conference in Charikar for Kapisa, Panjsher and Parwan Provinces, Jan. 10.  
**USAID/ASMED**

### **Gahzni and Bamyani need assessment roundtables**

ASMED organized need assessment round tables in Ghazni and Bamyani Provinces Jan. 26 and 31. The roundtables identified the challenges SMEs face, and sought ways to address the bottlenecks in the mentioned provinces. To gain a deeper understanding of the local market environment, as well as to analyze the present challenges SMEs face, ASMED invited SME owners from different sectors and representatives from different government ministries to share their perspectives.

### **Logar roundtable**

In coordination with different governmental agencies and the private sector, ASMED conducted a roundtable in Logar Province Jan. 17. Different governmental agencies representatives, SME owners, cooperative representatives, and people involved in the agriculture, carpet, marble, handicrafts and other sectors attended. There were 100 participants (15 women). The roundtable identified key sectors in Logar Province and provided opportunities to discuss problems and areas for improvement, and introduced solutions for existing problems.

### **Microsoft Certification training**

With assistance from ASMED, Afghan Pooshesh Training Institute successfully conducted Microsoft MCSE Certification training July 20, 2009 to Feb. 28 for participants working as system engineers, professionals, technical support engineers, system analysts, network analysts and technical consultants in Kabul City. This training required students to configure and troubleshoot network systems. Participants developed their IT skills on Windows Server 2003 and obtained MCSE online certification, which assures certified trainees from Microsoft Cooperation.



MCSE training, Kabul  
**USAID/ASMED**

### **Wardak marble miners, processors roundtable**

ASMED organized a one-day roundtable for 15 marble miners and processors in Wardak Jan. 6 to discuss its problems and opportunities with ASMED, local government officials and the Provincial Reconstruction Team.

The roundtable identified solutions to major challenges in the Wardak Marble Sector that included the governor and mayor's pledge to provide land plots for marble processors, creation of Wardak Marble Miners and Processors Association, and collaborating opportunities for investment to improve mining and processing machinery.



Wardak marble miners and processors roundtable  
USAID/ASMED

### **Afghan Contractor Training Center**

BDS assisted on this program with meetings at the Afghan Military Training Center Kabul. Trainers taught contracting modules at the center April 25.

### **BPeace develops business plans, conducts business plan training**

A Business Plan development and training program started March 30. Skill Tree BDS Company implemented this program for six Bpeace contest finalists. This training assisted entrepreneurs in developing realistic, professional business plans and implemented Business Plan Development training. This training concluded May 9.

### **First Computerized Carpet Design Center, Kabul**

USAID/ASMED is establishing the first computerized carpet design center in Kabul. The purpose is not only to use computers for designing, which currently most of the carpet manufacturers are doing, but also to provide the proper carpet-designing software and to develop a network with the international design centers. The Afghan carpet industry is one of the most prominent and lucrative industries in Afghanistan. Lack of computerized design centers is one of the bottlenecks in the carpet industry. The design center will help carpet producers develop new ideas and keep manufacturers updated with international market demands and requirements.

The initial meetings arranged with ACEG, the largest carpet guild in Afghanistan, and Kabul Carpet Manufacturers and Exporters, Kabul's leading carpet association, finalized requirements and operational methods of the center.

ASMED arranged a meeting May 27 with Goethe Institute to collaborate and match all the possible resources to make the design center more successful. After explaining the project's objectives, the director of the institute was very receptive to the idea of supporting the carpet design center.

In a separate meeting, ASMED team met with the dean of Fine Arts Faculty at Kabul University May 24. The university agreed to give a series of lectures on the traditional motifs, designs and the history of carpet weaving in Afghanistan and the region. In addition, the assistant professor for graphic design and computer graphics expressed his interest in lecturing at the design center.

In another meeting May 25, ASMED discussed the design center with Turquoise Mountain Foundation. The foundation is interested in collaborating on this project.



Paiman Atlas Group for carpet design Center May 18  
USAID/ASMED

### **Business in a Box**

ASMED, with Paiwastoon, an established IT development company, has developed a training system, which will be menu- and exercise-driven from a handheld laptop. Many association members, farmers and other agricultural producers, processors, village groups, cooperatives and individuals are difficult to reach due to security considerations or because terrain makes access difficult. A high proportion of training costs comprise expenditures on logistics and security. Delivery of a training module assisted substantially by transferring the content into a "netbook" designed for this type of use, With this Computer Based Training (CBT), content delivered through the computer, using any combination of text, video, audio, or interactive assessment. It can be as basic as reading text on a screen or as advanced

as answering quiz questions based on a computerized video the trainee has viewed. With CBT, the training program is stored on the hard-drive and upgraded by a USB memory stick. The training program for Veterinary Field Units presently under construction will be the test module for this CBT-based system and developed by Paiwastoon and Flag International with oversight supplied by ASMED.

## FIELD ACTIVITIES – EAST

### Refurbishment of BBA Faculty Office, Nangarhar University

ASMED supported the first BBA program at the Economics Faculty of Nangarhar University in September 2007, accredited by the Ministry of Higher Education in 2008. The first class of 80 students graduated in August 2009. As part of its support to the university's BBA Department, ASMED provided the faculty office with basic office equipment (computer, printer, scanner, cabinets and office files).

Khurasan University delivered training in four subjects (E-commerce, Financial Management, Total Quality Management and Statistics) for eight instructors of the Economics Faculty of Nangarhar University December 2009.

### Business Development Center, Jalalabad

Business Development Center (BDC) is a business incubator in Jalalabad City. This center is home to a number of Afghan business development companies, assisting local SMEs in writing business plans, securing loans, winning grants, and developing better business practices.

ASMED supported establishment of the BDC through a grant and partial cost sharing with the goal of helping the BDC attain sustainability. The management and individual members of the BDC have benefited from financial support while learning to manage their respective service practices. ASMED has now closed out its support for this project and is confident of the future success of its beneficiaries.

### Handicraft training, Jalalabad

ASMED, in coordination with Afghan Women's Social and Business Development Association, held two handicrafts trainings for 40 women. The first training occurred Sept. 25-Oct. 10, 2009, and the second from Oct. 10-Dec. 25, 2009. During the six-week training, the women learned both business management and technical handicraft skills, assisting them in establishing their own SMEs in Nangarhar province.



Handicraft training for AWSBDA, Jalalabad, USAID/ASMED

### Fishery Development Training, Laghman Province

ASMED and the Agriculture Development Association conducted a five-day fish rearing training (three days theoretical and two days practical) Jan. 3-7 in Laghman Province to develop the technical skills of 20 existing fish producers from various districts within the Province. The training helped develop participants' businesses and increase local fish production.

### Afghan Women Business Federation (AWBF) Conference

AWBF in Jalalabad held its annual conference on *Opportunities for Women Businesses in the Eastern Region* Jan. 16. The conference helped educate participants regarding the available business opportunities for women in the region. The conference also attracted the attention of relevant government ministries and donor agencies to the problems women face in their daily business. Ninety participants, including the deputy governor of Nangarhar, director for Women's Affairs and donor agencies, attended the conference. The Provincial Deputy Governor promised that the government would provide AWBF space in the industrial park to extend and develop its activities. The director of Women's Affairs said all women-related business training funded by the government will be implemented through AWBF.



AWBF annual conference, Nangarhar Province USAID/ASMED

### **AWBF Tailoring Design training, Jalalabad City**

ASMED supported AWBF Jalalabad in conducting a five-day tailoring design training Jan. 31-Feb. 4 for 15 women to develop and improve their cutting and designing skills. Prior to the training, the participants' lack of skill in cutting and designing negatively affected their businesses. The training took place at the Labor and Social Affairs Directorate in Jalalabad City.

### **Agribusiness Development Team (ADT) Planning Conference, Jalalabad**

ASMED attended the second ADT Planning Conference Feb. 15 at FOB Fenty in Jalalabad. Representatives from ADTs in Laghman, Nangarhar, and Kunar Provinces, USAID, IDEA-NEW, and Task Force Mountain Warrior attended the conference. The conference marked a significant achievement in coordination between parties in the Eastern Region, allowing greater unity of effort on developing the Afghanistan agricultural sector. Agricultural production and processing through promotion of rural private enterprise will increase. After completion of a unified strategy, Brigade Commander, Col. Randy George, hopes to arrange similar quarterly meetings in the future.

### **AWBF starts, improves business training**

ASMED supported AWBF in conducting training on how to start and improve businesses for 30 women in Abdul Khail Village, Bihsud District, Nangarhar Province Jan. 25-27 and Feb. 27-28. Participants are involved in different home-based businesses. The women learned how to improve and extend their businesses, improve the quality of their products, and how to better market their products. Results of the training show an improvement and extension in their businesses and will motivate more women to start a business.



### **Carpet market opening ceremony, Nangarhar Province**

In partnership with Eastern Region Carpet Exporters Guild, the International Carpet Market held an opening ceremony with financial assistance from ASMED March 25. The provincial governor, deputy minister of commerce, representative of EPAA, deputy governor for Nangarhar Province, deputy of provincial council, members of parliament, members of provincial council, members of Carpet Exporter Guild from Kabul, Peshawar and eastern region and head of Afghan American Chamber of Commerce attended the ceremony. Officials considered the project very helpful and supportive for the development of the overall carpet sector in the region.

### **Marketing training for handicraft company, Jalalabad**

ASMED supported AWBF Jalalabad in conducting a two-day marketing training March 30-31 for 15 members of the Naveed Afghan Handicraft Company that produces baby-sleeping sets.

### **ASMED-ADT field day training, 2nd term begins**

Following the success of last semester, ASMED, in coordination with Kansas ADT, launched the second semester of the ADT Field Day program for agriculture students of Nangarhar University. Twenty-six students received instructions about the principles of soil evaluation at Laghman PRT Demo Farm March 4. The students learned techniques farmers use to select the best soil for planting crops.

Laghman ADT hired three of the students who attended the training session in July 2009 as agriculture extension workers. As part of their work, the extension workers asked to help ASMED-ADT training in the future. This train-the-trainer approach will greatly benefit the larger Laghman community, as it will employ graduates of the training program, in addition to helping new students learn valuable farming skills.



### **Economic Growth, Investment Promotion Conference**

ASMED assisted in the Economic Growth and Investment Promotion Conference at the Governor's Palace, Jalalabad City March 28-29. ASMED invited 100 participants from Kunar, Laghman and Nangarhar Provinces to participate. ASMED also arranged an exhibition in close coordination with ACCI and Nangarhar Industrial Association.

The Minister of Power & Energy, Minister of Mines, Minister of Commerce & Industry, Minister of Economics, Governor of Nangarhar, Governor of Kunar and approximately 300 participants from different regions and Pakistan attended.

On the second day, ASMED held a business round table to brief potential investors about ASMED's mandate and sectors of activities. Potential investors who were willing to invest in milk and dairy products, juice production, gemstones, and other businesses attended the round table. ASMED staff answered questions and explained how to access ASMED assistance.



Economic Growth and Investment Conference, Nangarhar Province  
USAID/ASMED

### **Handicraft training for women, Nangarhar, Laghman, Kunar Provinces**

USAID/ASMED supported Afghan Women Social and Business Development Association to train 200 women in Nangarhar and Laghman Provinces. The women received training in handicraft production to help them start their own businesses, generate supplemental income and create jobs for the community. Participants received Certificates of Completion May 26 and 27.

### **Gem cutting, polishing facility, Jalalabad**

The first gemstone cutting and polishing facility opened in Jalalabad April 25. Representatives from the Ministry of Mines, gemstone traders, NGOs and donor agencies attended the opening ceremony. Representatives consider the facility very important for the development of the gemstone sector in the region. The owner of the facility hired two qualified trainers from Jaipur, India who have trained 40 people in gemstone cutting and polishing. Trainees are now capable to cutting stones to a high level of quality and the facility can now provide local gemstone traders with finishing services in Jalalabad, allowing more Afghan finished gemstone products identified and sold as Afghan products (rather than Pakistani).



USAID/ASMED funded gem-processing facility in Nangarhar Province  
USAID/ASMED

### **AWBF handicraft training, Jalalabad**

ASMED Jalalabad funded a one-week handicraft training, implemented by AWBF, to improve the quality of production for 15 Women Relief Association members working in handicrafts June 3. The training allowed them to improve the quality of their handicrafts.

### **Loan access facilitation**

ASMED facilitated loan access for SMEs Aug. 22. ASMA Water and Afghan Rice Processing firms were introduced by ASMED to USAID/ACE (Agricultural Credit Enhancement). The ACE project is newly established and works under the scope of the Ministry of Agriculture, Irrigation and Livestock (MAIL).



AWBF handicraft training  
USAID/ASMED

### **Poultry Farm Management training, Kunar, Laghman Provinces**

ASMED supported Agriculture Development Association of Afghanistan (ADAA) through an association grant (\$9370) to conduct a six-day Poultry Farm Management training in Kunar and Laghman Provinces July 17- Aug. 2. One hundred trainees participated in the practical and theoretical sessions. During the training, participants learned how to identify and understand poultry-related diseases and how to prevent them. They also learned about vaccination, storing meat, eggs and poultry, and marketing their products. Participants were thankful of ASMED's support and requested establishment of a poultry association and poultry hatchery in the province.



Poultry farming training in Laghman and Kunar Provinces  
USAID/ASMED

### **Gemstone Training Center graduation, Nangarhar**

ASMED attended the first graduation ceremony of the gemstone cut-and-polish trainees in the Gemstone Training Center Aug. 25. American Nuristani Imports (ANI) organized the ceremony in Nangarhar.

ASMED provided cut-and-polish machinery for ANI for establishment of the Gemstone Training Center in the region. Trainees received mid-term certificates, and ASMED granted each trainee \$38 as incentive for refreshments and transportation costs. Such trainings will help keep the value of the Afghan gemstones in the hands of the Afghans, and they will be able to train others.



Graduation Ceremony organized by ANI in Nangarhar Province  
USAID/ASMED

## **FIELD ACTIVITIES – NORTH**

### **Jawzjan Chamber of Commerce, Industry receives accounting training**

ASMED, in partnership with Ahmadi BDS Company, launched a 39-day accounting training and 26-day marketing training in Sheberghan, Jawzjan province Oct. 24, 2009.

Twenty-five SMEs, members of Jawzjan Chamber of Commerce and Industry, participated.

### **Accounting, management training for textile factory staff**

ASMED selected Azar BDS for training the administrative staff of Baghlan Textile Factory Nov. 22, 2009-Jan. 17 for 25 administrative staff (eight women). Subjects covered included basic accounting and fundamentals of management that will be instrumental in the factory standardizing its procedures, as well as improving its productivity.



Management and accounting training for Baghlan Textile Factory  
USAID/ASMED

### **Accounting training, Mazari Sharif**

ASMED funded a two-months accounting training for 25 SMEs in Mazari Sharif City Oct. 29, 2009. Ufoq Aria BDS Company delivered the training. Trainees learned standard accounting procedures that will assist them in developing their financial management systems.

### **Accounting training for women entrepreneurs, Maimana**

In partnership with Asia International Company, ASMED funded an accounting and marketing training for 25 women entrepreneurs in Maimana, Faryab Province Oct. 24-Dec. 9, 2009.

### **Baghlan Cement Factory Marketing Strategy Development**

Following a request from Baghlan Cement Factory in Puli khumri, ASMED contracted Beacon BDS Company, a local BDS company to develop a marketing strategy plan for the factory. Although the factory's products

had once been in high demand, the destruction of machinery and the decline in the local market during the war negatively affected outputs of this lucrative business. With a new market strategy, the company promoted and advertised its product successfully and regained its market share.

### **Business Development training, Mazari Sharif**

With USAID/ASMED technical support, Balkh BDS conducted a three-month Basic Business Development training course for 20 women entrepreneurs who are the members of the Women World Association. This training course strengthened the theoretical and practical knowledge of members to start and sustain businesses at the Mazar Women's Market. It also helped participants identify constraints hindering business skill development, provided professional technical support and proved beneficial for conducting matchmaking events with banks in Mazar City. The course ended May 2.



Basic business development training Mazari Sharif  
USAID/ASMED

## **FIELD ACTIVITIES – SOUTH**

### **ASMED publishes business directory for Kandahar SMEs**

Afghan Innovative Consulting Bureau completed the compilation of “Kandahar Local Business Directory.” The directory includes information about approximately 3,000 SMEs in the region. ASMED distributed the directories through ACCI, AISA, Ministry of Commerce, and local business associations in Kandahar City, Aug. 4-5.

### **Business Development trainings, Arghandab District, Kandahar Province**

ASMED, in partnership with HUDO, completed three business development trainings for 20 women-owned SMEs in Arghandab District, Kandahar Province Oct. 29, 2009. Subjects included Basic Accounting, Business Management and Marketing. Evaluations by both HUDO and ASMED verified that SMEs are using apprehended skills in their day-to-day business. The training enabled women to improve the quality of their products and increase their clients.

### **Business Development survey**

ASMED successfully completed BDS sector survey in seven major cities of Kandahar, Zabul, Hilmand, Nimroz, Uruzgan and Dai Kundi provinces. Afghan Innovative Consulting Bureau surveyed 333 BDS firms in the region July 15 - Nov. 30.

### **Financial Document, Office Management training, Kandahar**

ASMED, in partnership with Afghan Innovative Consulting Bureau (AICB), delivered three-day training in office management and preparation of financial documents for 20 participants from construction companies in Kandahar City Nov. 16, 2009. Kandahar Department of Economics requested the training. It was designed to assist the firms that work with the Departments of Economics and Finance, AISA and other governmental agencies. Before beginning the training, AICB conducted a needs assessment of construction firms.



A graduate of ASMED's first ever business training in Qalat city receives his certificate, Zabul province.  
USAID/ASMED

### **First Business Development trainings, Qalat City**

ASMED, in partnership with HUDO and Qalat City municipality, successfully completed the first business development training in Qalat City. The 20-day training in accounting, management and marketing was for 60 participants from local SMEs Nov 12-Dec 17, 2009. This training introduced new methods of accounting, improved SME management, and new techniques for finding better marketing opportunities, and tips on how to provide quality products and satisfy client demand. An evaluation by HUDO found participants are now using the new skills in their day-to-day business.

### **Development trainings for women SMEs, Kandahar**

ASMED conducted accounting, business management and marketing trainings for 80 women-owned SMEs in Dand and Kandahar Districts of Kandahar Province. The training started Dec. 26, 2009 for 27 days. This training familiarized women with modern accounting and marketing techniques, improved their overall financial management and enabled them to effectively manage their businesses and provide quality products.

### **Business Development training for women SMEs**

ASMED completed three business development trainings on basic accounting, management and marketing for 40 women-owned SMEs in Dand District, Kandahar Province Dec. 26 for 27 days. This training helped participants learn about different methods and techniques of standard accounting, management and marketing through lecture and group discussions. Participants learned to properly keep records, know about the profit and loss of the business, effectively manage the business environment and find more marketing opportunities through increasing clients, improving product quality, and advertising.

### **Kandahar Business Procurement Conference**

ASMED, in collaboration with USAID/Regional Embassy Platform South, arranged the Kandahar Business Procurement Conference March 30 at the Kandahar International Airport. Participants included representatives from USAID, U.S. Embassy, Regional Command South, U.S. military procurement officers and NATO Maintenance & Supply Agency from Kandahar Airfield, Provincial Governor of Kandahar, line ministries, business associations and representatives of the key private sectors in Kandahar. The conference introduced contracting opportunities on Kandahar Airfield and procedures local suppliers provide to the U.S. and NATO military in the Southern Region as part of the AFGHAN FIRST policy. The conference will gradually create opportunities for local suppliers to do business on Kandahar Airfield. It will help the private sector increase its business activities, create job opportunities, and the international military forces will be able to get local supplies at lower prices, better quality and with greater efficiency.

### **Basic business trainings, Daman District**

ASMED started three business development trainings (SME Business Basic Accounting, SME Business Management and Marketing) for 20 women-owned SMEs in partnership with HUDO in Daman District, Kandahar Province March 6 for 27 days. The participants are owners of women SMEs dealing with embroidery and tailoring businesses in Kandahar City. They provide products to other SMEs and directly to clients. SMEs will be able to keep proper accounts in their businesses, effectively manage the business/products and find marketing opportunities.

### **Basic business trainings, Daman District**

ASMED successfully completed business development training in accounting, management, marketing and banking systems for 30 member SMEs of ACCI in Kandahar City March 21 in partnership with Hewad United Business Consultancy. Participants learned about new techniques of standard accounting, methods toward better SME management, explored new marketing opportunities and introduced to the banking system. The training increased the production and profits of the targeted SMEs.



Accounting, Management and Marketing training graduation ceremony, Dand District, Kandahar Province  
USAID/ASMED



Business Procurement Conference, Kandahar Province  
USAID/ASMED



Basic business training, Kandahar Province  
USAID/ASMED

### **Enhancing industrial technical skills**

ASMED awarded the contract for enhancing industrial skills of four employees of Etehad Afghan Group March 9 in the fields of microbiology, microchemistry, maintenance and electrification. These individuals, permanently employed by Etehad Afghan Group, sent to Bangladesh to receive technical training for three months at Double Cola Industry in Dhaka. After completion of the training, EAG will place them in their group industries for the required technical fields. Etehad Afghan Group will also provide the services of these technical experts to other industries and will train others for industrial areas in southern Afghanistan. This training will support industries in specific technical fields, meaning they will no longer need to bring technicians from foreign countries, reducing financial costs and preventing or minimizing work stoppage.

### **SME Business Development, Helmand Province**

ASMED started three business development trainings for 60 women SMEs in the fields of SME Business Basic Accounting, SME Business Management and Marketing in partnership with Hewad United Business Consultancy began April 3 for 30 days in Nahri Saraj District, Helmand Province. This training supported women-owned businesses in more rural and unsecured areas, where women can increase their productivity, gain more profit and provide quality products. Participants learned standard techniques of basic accounting - including systematic financial recording, preparing profit/loss accounts, effective management of their businesses, clients and products, proper communication skills, identifying new marketing alternatives, etc. It also encouraged other women in the area to start their own businesses.

### **AutoCAD Training, Kandahar City**

ASMED started AutoCAD training for 25 engineers in Kandahar City for 60 days (120 training hours) consisting of both theoretical and practical sessions June 20 to Aug. 20. Hewad United Business Consultancy implemented the program in collaboration with Loy Kandahar Construction Companies Association (LKCCA) for the civil engineering staffs of construction companies who are members of LKCCA. This program not only enhances the capacities of the construction companies, but also increases services, which creates job opportunities at a local level. This also helps improve the quality of construction jobs as per required standards, which empower local government and supports donor agencies by working with qualified construction partners.

### **Kandahar Contractors Conference**

USAID/ASMED and Kandahar PRT engineers' team arranged a Contractor's Conference at the PRT compound in Kandahar City July 2. The conference introduced local construction companies to the new PRT engineers' team and found marketing opportunities for local construction companies. Thirty construction firms attended the conference. The new Engineer team provided information on upcoming projects, the bidding system and procedures. The conference included a Q & A session, which helped build a networking link between the construction companies and the PRT team.

### **Distribution of Kandahar Local Business Directory, Kandahar City**

ASMED distributed 295 copies of Kandahar Local Business Directory Aug. 4-5 to the Afghan Innovative Consulting Bureau, Hewad United Business Development Consultancy, Organization for Human Welfare, Department of Economics, ACCI, Kandahar Industrial Association, Kandahar Public Library, Dry Fruits Association, Industrial Park, Governor's Office, Municipality, Afghanistan Investment Support Agency, Peace Dividend Trust, Afghan Center for Training Development and Youn Business Consultancy in Kandahar City. Distribution created linkage between SMEs in Afghanistan and found more marketing opportunities for local production in Kandahar City.

## **FIELD ACTIVITIES – WEST**

### **Construction companies in Herat receive accounting training**

Accountants of 20 leading construction companies in Herat completed a 20-day accounting training Oct. 19, 2009. The course, conducted by a local private-sector educational institute and specifically designed to introduce international standards (IAS 2) of accounting in construction projects, enhanced the operations of these companies and their ability to compete with international firms in bidding for larger construction projects.

### **Business training, Badghis Carpet dealers**

ASMED supported an exposure visit and training for Badghis carpet dealers to develop market linkages and demonstrate the use of carpet-cutting machines as post-production value addition. The team visited the Tahmina Cultural Association on June 15 and viewed their carpet-cutting operation. The association then gave the traders training on the machine usage. The delegation also met with Herat carpet dealers the next day and discussed mutual problems, linkages and bottlenecks. As a result, the traders built market-linkages and secured future carpet sales with the Herat carpet dealers.

### **Afghanbids.com Portal Training**

ASMED conducted a two-day registration and introduction of Afghanbids.com portal "e-procurement website" session on Sept. 27-28. The event was divided into three groups: buyers (NGOs, Companies, UN offices and PRTs), sellers (production companies), and buyers from (construction companies and professional service providers). The purpose of this event was to get all the sellers and buyers in the western region of Afghanistan familiar with, and registered on Afghanbids.com portal.



Carpet cutting and machine work training, Herat Province  
USAID/ASMED

## PROGRAM COMPONENT 3: BUSINESS ASSOCIATIONS

### FIELD ACTIVITIES – CENTRAL

#### **ABA Roundtable, Banking Sector challenges, Kabul**

Based on a request from banking and financial services institutions, the Afghanistan Banks Association (ABA), in collaboration with ASMED, held a seminar at the Safi Landmark Hotel in Kabul Oct. 21, 2009. The meeting brought together senior managers from banks and financial institutions to discuss challenges. Participants included the representatives of Da Afghanistan Bank, Kabul Bank, Azizi Bank, Aryan Bank, Bakhtar Bank, FMFB, USAID, MRRD, AREDP, ASMED, Afghan consulting firms, business associations and SMEs. Participants discussed high operating costs for banks in Afghanistan, lack of documentation of Afghan businesses, vulnerability of banks to political and security risks, the limited number of bank customers, competition among banks for existing customers rather than approaching untapped customers, and the lack of trained staff at Afghan financial institutions.



Banking sector challenges roundtable, Kabul  
(USAID/ASMED)

#### **Gem Cutters and Jewelry Association selects BoD**

Through an Associations Grant ASMED, helped Afghanistan Gem Cutting and Jewelry Association to organize a roundtable in Kabul to select the association's board of directors. Fourteen association members attended the election Nov. 10, 2009. The grant initiated to enable the association to register with the government, establish an association office, and receive management training. Gemstone is one of ASMED's strategic sectors. This grant would have assist the people working in the field of gem cutting, polishing and jewelry to produce higher standard products and compete in the international markets, create new jobs and increase incomes for the industry. Due to some technical problems between the Association's management and the ministry of justice the registration process did not take place, and the reason described by grantee was lack of government support (Ministry of Justice) on registering the Gem Cutters and Jewelry Association, which in the cancellation of the grant. However, ASMED sponsored a training for three gemstone cutter trainers in Antananarivo, Madagascar at the Institute de Gemology de Madagascar Oct. 5 to Dec. 24, 2009.



Gem Cutter and Jewelry Association members  
vote in board members, Kabul.  
(USAID/ASMED)

#### **Access to Credit training, Kabul**

The ABA, with assistance of ASMED, completed access to credit training for 17 participants (two women) from the leading commercial and governmental banks Nov. 11-12, 2009. Comprehensive Business Services conducted the training in Kabul. Topics included access to banking services for SMEs, banking services for regional SMEs, cost benefit analysis, cash flow analysis, banking loans, SME evaluations, basic concepts of interest, market analysis and financial products, and business plans.



Access to Credit training, Kabul  
(USAID/ASMED)

### **Women receive business management training, Kabul**

With support from ASMED, AWBF conducted business management training for 14 women in Kabul Dec. 5-9, 2009. Topics included staff management, financial management, marketing planning, customer awareness, and evaluating business activities.

### **ABA Conference, Kabul**

ASMED supported an ABA roundtable in Kabul Dec. 21, 2009. Fifty people, including representatives of the Ministry of Urban Development, the Ministry of Public Works, the Afghanistan National Standardization Authority, Kabul Municipality, Kabul University's Faculty of Engineering, ACCI and SMEs in construction participated. Participants discussed key concerns of the sector including building codes, knowledge sharing within the industry, advocacy, taxation issues, tools and resources.

### **Wardak Marble Association Election**

The Association of Marble Miners and processors established in Wardak Province Jan. 31. Ten association members attended the election. Marble is one of ASMED's strategic working sectors. Establishing the association helps miners and processors produce better quality products and face challenges as a group. Association members believe working in a group is the best way to achieve its goals.

### **AWBF Annual Conference Growing Women's Business**

ASMED funded the AWBF annual conference March 3. The conference identified the role of AWBF in solving the constraints to women's entrepreneurship. AWBF's role included the association's services to the members' trainings, exhibitions, conferences and any events targeting the business issues. The Minister of Commerce and Minister of Work and Social Affairs, Minister of Economy, head of ACCI, representative from Ministry of Women Affairs, USAID authorities, ISAF authorities, U.S. and Netherlands Embassy authorities, heads of national and international organizations and most of the national media participated in the conference.

### **Spring Gift Exhibition by AWBF**

AWBF organized a Spring Gift Exhibition in coordination with 20 members at Kabul Serena Hotel May 13-14. AWBF is an apex association representing 110 sub-associations with a total of 30,150 members.

### **Cool Storage Facility in Panjsher Province**

ASMED funded the construction of a cool storage in Koh-e-Talkha Village, Bazarak District, Panjsher Province through an Association grant valued at \$28,920 for the construction of the storage facility and training of the local farmers in using the facility properly. The facility also allows the local farmers to store their products during peak harvest time and sell them during high-demand periods. The storage facility can store 50 metric tons of agricultural products. It is composed of three storage rooms under one roof with a solar system to keep the normal temperature and lighting system running. Construction work on the facility is completed and the project handed over to the community.



Wardak Marble Association Election 31, Jan 2010  
USAID/ASMED



AWBF Annual Conference Growing Women's Business  
USAID/ASMED



Top view of cool storage  
USAID/ASMED

## FIELD ACTIVITIES - EAST

### **Inauguration of Laghman Association Incubator, Laghman Province**

Following the success of the Nangarhar Association Incubator, ASMED signed an MOU with the Directorate of Agriculture for Laghman Province to establish an association incubator in one of the directorate's offices August 2009. This incubator houses five agribusiness associations: the Laghman Beekeeper Association, Laghman Fish Producer Association, Laghman Nursery Grower Association, Laghman Seed Producer Association and the Laghman Fruit and Vegetable Wholesaler Association.

Laghman Association Incubator opened in October 2009 and helped the associations attract new members, conduct training sessions and hold conferences. Without office space and a proper training facility, these groups were unable to conduct meetings and attract funds for trainings. The incubator has helped solve both of these problems, and with ASMED support over the last year has put the associations on a path toward sustainability. In the long term, the increased activity and prominence of these associations will aid in the overall growth of the Laghman business community.

### **Beekeepers Association general assembly meeting**

Nangarhar Beekeepers Association held its general assembly meeting Jan. 12. Nangarhar Agriculture Directorate, NGOs, donor agencies, ACCI and members of the association attended the meeting. The director of the Association briefed participants on the Association's achievements over the past two years, including the increase in members, increase in revenues through membership fee, provision of technical training to 300 members on beekeeping, and the creation of a honey processing facility in. The activities and coordination have significantly improved the overall beekeeping sector in Nangarhar Province.

### **Laghman Seed Producer and Wholesalers Association board meeting**

Laghman Seed Producers Association held its board meeting and discussed plans to increase its seed production Jan. 17. In 2009, the association produced approximately 100 metric tons of improved seed sold to the Ministry of Agriculture. The association plans to increase its production and achieve a target of 300 metric tons by the end of 2010. ASMED supported the association providing office space and equipment in Laghman Association Incubator that will help the association develop its business and increase seed production.

### **Nangarhar Beekeepers' Association, Nangarhar**

Nangarhar Beekeepers Association worked with ASMED to open the first honey processing and packaging facility in the Eastern Region, establishing a small business called Season Honey in May 2009. The new processing facility had an immediate impact on the development of the beekeeping sector as it allowed beekeepers throughout the Eastern Region to sell their honey locally for the first time. The ability to sell processed and packaged honey domestically, as opposed to selling unprocessed honey to Pakistan for processing, enabled local beekeepers to increase their profits by \$0.60 per kilo of processed honey sold. Currently, Season Honey is focusing sales in supermarkets in Kabul, but would like to extend distribution to cities in other parts of the country. ASMED has assisted Season Honey with technical support and establishing market linkages at Gulfoods 2010 in Dubai.

### **Nursery Grower Association's business roundtable**

Nangarhar Nursery Growers Association held a business roundtable March 16 to discuss its problems with government departments and donor agencies working for the agriculture development in the province. Nangarhar Agriculture Directorate, representatives of ACCI, USAID/IDEA-NEW, other donor agencies and members of the association attended. The Director of the Association said the importation of plants/saplings from Pakistan affects their business and market and asked the Agriculture Director, other relevant ministries and customs to stop the importation of saplings from Pakistan or impose higher customs duties on Pakistani products. The Agriculture Director said he would discuss the issue with the relevant ministries. The Association Director also requested NGOs and other organizations to



Nursery Growers Association roundtable  
USAID/ASMED

buy plants/saplings from local nursery growers instead of buying Pakistani products that are not adoptable in the climate of Afghanistan.

The Association produced three million plants through its 140 members in 2009. The plants sold in Nangarhar and Kabul to farmers and the local community. With ASMED support, activities of the Association have significantly developed and strengthened. ASMED also provided a three-day technical training for 60 members on nursery management to build capacity to grow high-quality plants.

### **Nangarhar Association Incubator's Purchase Order modified**

ASMED has supported seven agribusiness associations (Eastern Region Fruit Growers, Nangarhar Fish Producers, Nangarhar Beekeepers, Agriculture Development Association for Afghanistan, Nangarhar Seed Producers and Wholesalers, Nangarhar Nursery Growers and Spin Ghar Poultry Farmers) with offices located in the Nangarhar Agricultural Directorate in Jalalabad City. To make them sustainable, ASMED provided technical and financial support, sponsored them at national and international trade fairs and printed business cards, brochures and banners. The associations have made substantial improvements as ASMED has continued to support the Incubator through September. ASMED is now discussing with the associations and the Agriculture Directorate sustainable solutions for ending financial assistance.

### **Laghman Nursery Farmers Association**

As part of support to the agribusiness sector, ASMED supported the establishment of Laghman Nursery Farmers Association (LNFA). LNFA has 1,100 members (including 100 women). Its establishment contributes to strengthening and developing agribusiness activities in Laghman Province. ASMED's contributed \$17,000 for the renovation of the association's office building and the procurement of office equipment, as well as to build organizational capacity in accounting and office management. The project completed June 30. This project has helped increase the volume of sales and the capacity of the SMEs. It has also improved coordination between the entrepreneurs, markets, donor agencies, government, technical service providers and potential buyers.



A view from the Laghman Nursery Farm  
USAID/ASMED

### **Nangarhar Associations search for solutions**

ASMED, along with Nangarhar Agriculture Directorate, called a meeting to find solutions for problems within the Nangarhar Associations Aug. 30. In this meeting, various organizations participated - including DAI/IDEA NEW, USAID/OAG, and Nangarhar Associations. September was the final month of ASMED contracts supporting the Nangarhar associations. It was suggested Nangarhar Agriculture Directorate allow the association to remain in the directorate building up to six additional months. ASMED wants to see the sustainability of Nangarhar associations. Payment of operational costs will never bring sustainability. ASMED will provide technical services upon request from the associations supporting the sustainability of the Nangarhar Association.

## **FIELD ACTIVITIES – NORTH**

### **Roundtable for Women Entrepreneurs**

ASMED, in partnership with Balkh BDS, held a roundtable meeting for women entrepreneurs – members of the Women's World Association - in Mazar Sharif Oct. 22, 2009. A total of 20 women entrepreneurs participated in the event and elected a Board of Directors. The Board selected the chair, deputy chair and secretary of the association Oct. 24, 2009.



Roundtable for women entrepreneurs, Mazari  
Sharif  
ASMED/USAID

### **Mazar Dry Fruits Processing Association**

This Association registered with the Ministry of Justice and now works as a legitimate business association. ASMED supported the registration process in January. ASMED also supported construction of a warehouse for the association. This enables association members to purchase large quantities of dry fruits and raise their incomes accordingly.

### **Pulikhumri Carpenters Association**

This project was successfully completed and officially launched Nov 16, 2009. As a result of this grant (\$19,880), members of the Carpenters Association obtained modern carpentry machineries/equipments in addition to receiving technical training on how to operate these new machineries. Association members are now capable of producing more quality products in an effective and efficient manner. This has increased their revenues, addressed market needs in Pulikhumri City as well as the neighbouring provinces, and contributed to providing quality carpentry services with reasonable prices and reducing imported furniture from other countries.

### **Carpet Buyers Guide publication for North Afghanistan Carpet Exporters Guild**

ASMED funded designing and printing of 4,600 copies of Carpet Buyers Guides as part of the promotional material for the North-ACEG March 15 to increase carpet marketing in Northern Afghanistan. The Carpet Buyer's Guide consists of general information on carpet production, types of carpets, wool, spinning, dying materials, carpet weaving (knotting), phases of carpet production and other helpful information.

### **Afghan Carpet Knotting/Weaving, Washing and Exporting Association, Jawzjan Province**

Supporting activities for this Association Development Grant (\$49,950) included construction of a cut and wash facility to serve members of the association. The purchase of cut-and-wash equipment and construction activities are complete.

### **Wahdat e Saripul Dry and Fresh Fruit Processing Association, Saripul Province**

Supporting activities for this Association Development Grant (\$8,630) included ensuring the association register with the Ministry of Justice, purchasing office equipment (computer, printer, scanner & copier), along with organizing the initial roundtable meeting. The Association registered with Moj Nov. 8, 2009, and all of office equipment and gardener equipment was purchased and handed over to the grantee.

### **Aryana Poultry Production in Mazar**

With ASMED support, the association increased the poultry production including one-day-old chick and poultry feed. It also registered with the Ministry of Justice in February. The association members work closely with farmers, indirect beneficiaries of the project. The farmers get the poultry production at a discounted rate. The next step of the implementation will be procurement of a master chick incubator with capacity of 40,000 eggs per cycle (20 days). The association and ASMED implementation team collected the quotations for the needed master chick incubator.

### **Amo Licorice Association Shortepa, Balkh Province**

With technical support of ASMED, Kaweyan BDS Company conducted a roundtable meeting for Amo Licorice Association in Shortepa District, Balkh Province Feb. 25. This roundtable meeting assisted the association members to re-elect the Board of Directors, as well as motivated business owners from the neighboring village to join the association. Kaweyan BDS firm started the registration process.

ASMED supported the Amo Licorice Association in the construction of a warehouse through an Association Development grant (\$27,658). ASMED's technical support encourages licorice traders and farmers to join the association to improve their businesses, since the association has planned to support its members to increase revenues through introducing international standards, methods of increasing production, marketing techniques and increasing value addition.



Amo Licorice Association, warehouse  
USAID/ASMED

### **Ajmeer Bee Keepers Association**

ASMED technical support to Ajmeer Bee Keepers included the provision of the protective equipment, tools for wax removal, feeders unit for winter feeding, wax, brush for cleaning bee hives and smoke sprayer to the members of the association, has enormously helped the association members to improve honey production and the quality of the products as well as increase their production capacity. In turn, members' increased business contributed to the association's financial sustainability.

### **Gemstone Training Center, Kunduz City**

ASMED grant support to the Jewelers Guild in Kunduz City includes purchasing tools and equipment for a Gemstone Processing and jewelry skills training center to improve the product quality, and conduct skills training for members and non-members in gemstone cutting, polishing and jewelry manufacturing. The training will improve business opportunities and provide jobs for family businesses and others. Provision of one unit big generator with high-capacity (55 KW) and one smaller one (5.5 KVA), ensure availability of adequate electricity to the Gemstone Training Center. This will increase the Jewelry Guild's production and income as well as will assist training more SMEs to acquire skills on the jewelry processing business.

## **FIELD ACTIVITIES – SOUTH**

### **ACCI Kandahar**

Following a suicide attack, which destroyed much of the ACCI offices in Kandahar in November 2009, ASMED provided the association funds for replacement equipment (office furniture, computer, projector and software), helping ACCI continue service deliveries. ASMED is also helping the ACCI to provide business development trainings to key members.

### **Khadija Kubra Women Association for Culture**

Through an Association Development Grant (\$16,500), ASMED provided equipment for English and computer classes to Khadija Kubra Women Association for Culture, the grant was approved Feb. 1. The equipment included five desktop computers, two power stabilizers, 20 desks, 40 chairs and a power generator.



Equipment provided to KKWAC, Kandahar City  
USAID/ASMED

## **FIELD ACTIVITIES – WEST**

### **Garment producers get marketing, design training**

ASMED supported a marketing and design training for 25 women garment producers, members of Tahmina Social and Industrial Association Dec. 19-21, 2009. The association contracted an experienced trainer to teach techniques for developing new designs (with the use of new color blends) to compete against imported goods.

### **Dorkhshan Carpet Weavers Association, Badghis**

ASMED assisted Dorkhshan Carpet Weavers Association in Badghis Province in the registration process with the Ministry of Justice. The association has 1,400 (1,391 women) members.



Marketing and Design training, Herat  
(USAID/ASMED)

### **Tahmina Industrial and Cultural Association, Herat**

ASMED supported the Tahmina Industrial and Cultural Association in Herat to register with the Ministry of Justice as a business association with 500 (430 women) members. ASMED also awarded the association a grant to conduct marketing and design training Dec. 21-22, 2009, for 25 female garment producers who are members of the association. For this training the association contracted an experienced trainer to teach

techniques in developing new designs (with the use of new color blends) to compete against imported goods. ASMED also supported one member of the association to attend the India International Trade Fair, held in Delhi, on Nov. 14-17, 2009. This presented an opportunity for the association to market its goods internationally, which resulted in \$2,000 of actual sales and the establishment of new market linkages. A further grant was awarded to the Tahmina Industrial and Cultural Association Jan. 17 to begin the procurement of new carpet-cutting equipment. The association is using this equipment to support the 130 members (110 women) of the association who are involved in carpet production to improve the “final cut” quality and profitability of its production.

### **Carpet Technology and Design Training, Zindajan District, Herat Province**

Fifteen women carpet weavers from Zinda-Jan District, Herat Province completed three-month training in rug weaving Nov. 15, 2009. The Asia Foundation, with support from ASMED, implemented the training and introduced improved production techniques and new ‘Tableau’ designs to participants. Trainees have introduced these new fashion designs into their product ranges, enhancing the profitability of individual enterprises.

### **Women’s Saffron Association, Ghoryan District, Herat Province**

ASMED supported the Women’s Saffron Association in Ghoryan District to register with the Ministry of Justice as an official business association with 72 (70 women) members. ASMED also awarded the association a grant to conduct production training for its members.

### **Agri-Processing & Product Marketing training**

ASMED supported Ghoryan’s Women Saffron Association in conducting a training course from Jan. 18-Feb. 16. The association contracted an experienced trainer to conduct the course which helped introduce new technologies in the production and marketing of Saffron for 200 women members of the association.



Agri- Processing Marketing Training, Herat  
USAID/ASMED

## **PROGRAM COMPONENT 4:**

# **GLOBAL DEVELOPMENT ALLIANCES AND GRANTS**

### **GLOBAL DEVELOPMENT ALLIANCES (GDAS)**

During the third year ASMED GDA component formed 28 new GDAs in the sectors of Carpet & Handicrafts, Agriculture/Agribusiness, Health, Trade Fairs, Gemstones, Marble, Communication/Production, Retail/Trade, Textile, Steel Foundry and Construction Material.

#### **One laptop Per Child, Kabul**

After years of war, instability, and times when computer technology was banned, USAID is bringing laptops designed to improve education in Afghan schools. This classroom of the future is a pilot project in Afghanistan, thanks to an innovative GDA between ASMED, OLPC, Ministry of Education, Ministry of Communication and Information Technology, Roshan Social Programs, and Paiwastoon Networking Services.

With the assistance of ASMED, Ministry of Education and Ministry of Information and Communication Technology, approximately 1336 low cost, power efficient laptops were distributed to the students and teachers of the Firdausi high school in Baghlan, Zarghona Ana in Kandahar and Jamhuriat high school in Kabul.



One Laptop Per Child, Baghlan  
USAID/ASMED

#### **Remote HydroLight**

Remote HydroLight (RHL) has been operating in Afghanistan for the past five years, producing micro-hydro turbines. RHL has also been importing and manufacturing parts for turbines made and installed by other Afghan SMEs RHL helped establish. The business has effectively enabled the production and installation of more than 1,000 micro-hydro plants across the country, nearly all in rural areas with no access to grid power. The primary turbines used in Afghanistan are Cross-flow, and the managers of RHL, (Anders Austegard, PhD engineering and Owen Schumacher, P.E.) have been involved with the development and implementation of cross-flow turbine technology transfer to local Afghan workshops since 1995. RHL has created more than 10 private Afghan SMEs with four to 10 workers each, actively manufacturing the cross flow turbine for government, villages and small private sector projects. ASMED contributed (\$200,000) in the form of a GDA on Nov. 1, 2008. The first prototype with a capacity of 12KW electricity was installed in Istalif. The second turbine was shipped to the Norwegian University of Science and Technology, Trondheim, Norway for testing.

#### **Low-cost pharmacy**

The objective of this GDA is to analyze the current situation in Afghanistan, meeting with key stakeholders and selected entrepreneurs, and create a new Afghan business in partnership with MedPlus India, a pioneer in low-cost retail franchising, to provide low-cost/high-quality pharmaceuticals to Afghanistan. The expectation is KIPS Pharmaceuticals, the first ISO 9000 certified Afghan pharmaceutical manufacturer and wholesaler, with experience in procurement, logistics, sales and marketing, will invest in this opportunity and partner with MedPlus to create a major new enterprise that will have a significant social impact and become the leader in the estimated \$300 million-plus market for pharmaceutical and medical supplies. ASMED contributed \$260,000 in a \$1,320,000 project. The GDA was approved Nov. 1, 2009.

## Light-Up Jalalabad

This project provides internet access and computer labs to Nangarhar University, Nangarhar College of Education, Nangarhar Hospital, Nangarhar Medical School, and supports the creation of an internet café for use by local SMEs. This GDA (\$1.691 million) in partnership with NATO (\$420,000), La Jolla Golden Triangle Rotary Club Foundation (\$200,000), Afghan Telecom (\$20,000) and Nangarhar University (\$200,000), with ASMED contribution (\$851,000) was approved on Nov. 15, 2009.

### Update

- Fifty computers purchased and installed in the Department of Computer Science, Nangarhar University. Seventeen of these are connected to the internet through a connection (17 facilitated by NATO. The remaining thirty-three computers are being used for training on various software applications).
- Carpets and curtains installed to enhance the two rooms. This facility serves approximately 300 University students.
- Students from various high schools in Jalalabad met in a central location and participated in a live video conference call with students in the United States. Judith McHale, under-Secretary of State for Educational and Cultural Affairs participated in this conference
- Working with Afghan Telecom to increase bandwidth at all sites.

LUJ continues to support connectivity at five high school sites with one soon to be added. Additionally LUJ supports the IT instructor at the Nangarhar University Medical School. **Enhancements to existing sites include**

- Adding five computers to lab at Jalalabad Rotary School, four paid for by the GDA, and one paid for by Rotary.
- The Light-Up Jalalabad project **donated 10 computers and furniture for** Bibi Girls High School.
- The project will purchase a generator for Saudi school's computer lab.
- Purchase of 100 copies of Norton Anti-Virus licenses through Tech Soup (at \$4 per copy) to be loaded on high school computers

## Moscow Trade Fair - International

The first Moscow Trade Fair of Afghan products was held between Dec. 9-14 2009, exhibiting dried and fresh fruits, carpets, handicrafts, marbles and precious and semi precious stones. (See *Component 1: Market Information*)

## Awaz Communication

USAID granted the approval for the production of "Afghan Successes," a weekly business program broadcast nationally on television and radio. As a part of the GDA project, ASMED contributed \$268,295 in an alliance of \$536,590. Awaz Communications produces the program, which highlights successful enterprises, some sponsored by USAID, and shows the true business opportunities Afghanistan can offer. Primarily targeting the Afghan business community, the program combines informational (interviews and features) and entertainment (reports, portraits and business tips). There is also a weekly segment dedicated to women entrepreneurs. The 30-minute program is presented in Dari and Pashto and broadcast during primetime on the national Radio Television Afghanistan.

## Pathology Lab

Contributors for the Pathology Lab were SHARP Mary Birch Hospital for Women (\$27,500), Mughal Khan Memorial Hospital (MMH) (\$30,000) and ASMED (\$84,000). This GDA totaling \$141,500 developed a private pathology laboratory based in Jalalabad. This GDA impacts a larger, regional community and fills an urgent need in Afghanistan's health sector for a laboratory that can provide a tissue histopathology diagnosis in a timely and accurate fashion. It brings together Dr. Arturo Mendoza, the Medical Director of SHARP Mary Birch Pathology laboratory based in San Diego, with a local partner, MMH and USAID/ASMED. SHARP will send a technician from San Diego every 3-4 months to train and assist the laboratory staff. ASMED will provide funding for some of the laboratory equipment, transportation and accommodation for SHARP staff, and will provide oversight of the laboratory for SHARP. The GDA was approved Feb. 6. The first shipment of equipment arrived June 6. The equipment included:

- Tissues processing kit
- Microtome
- Embedding Center (also called Paraffin Embedding Center)
- Slide Stain Set (Tissues Slide Staining Kit)
- Microscope and Camera

### **Zia Uddin Wool Washing Facility**

Strategically located in Kabul, “Uddin Wool Washing” was a start-up wool washing company. The company will start an industrial scale wool washing facility in Afghanistan, and compete with companies in Pakistan. ASMED supported Uddin Wool Washing Facility through a GDA totaling \$967,400, in which ASMED contributed \$306,800. The GDA was approved on March 8. The equipment will be procured and ready to ship to Afghanistan by the end of December 2010. The construction of the warehouse is completed and ready for use. By supporting the carpet washing facility, wool traders will no longer send wool to neighboring countries washed and re-exported to Afghanistan. The company ordered the equipment slated to arrive in Afghanistan by the end of December.

### **Veterinary Supply Business VetServ**

ASMED, in Partnership with Dutch Committee for Afghanistan (DCA), supported the establishment of new SME VetServ. VetServ will take over the existing DCA activities of purchasing, financing, importing, storing and distributing a variety of livestock medicines and vaccines. Currently DCA charges a fixed percentage for services - 15 percent for vaccines and seven percent for medicines though VetServ - will be free to adjust these margins up or down in order to remain competitive and grow its market-share. In 2008, DCA had approximate gross revenue of \$672,265, with COGS of \$603,680 resulting in a gross margin of \$68,435 or a 10.1 percent gross margin. This GDA (\$1,300,000) with a contribution of \$300,000 supports the establishment of the new enterprise and helps formation of the veterinary field unit’s cooperatives. USAID approved the GDA April 1.



Quality Veterinary Medicine  
USAID/ASMED

### **Paiman Atlas Group Carpet**

At \$150 million in 2009, the largest official export of Afghanistan is carpets. Traders ship 80 percent of unfinished Afghan carpets to Pakistan for cut-and-wash due to the lack of local and large-scale processing facilities with advanced technology in Afghanistan. Once the carpets are processed, the Afghan traders in Pakistan export the carpets with “Made in Pakistan” labels. An opportunity for Afghans to capture higher value from carpet production is lost due to a lack of good quality carpet finishing facilities and access to international markets. According to On the Frontier Group (OTF) analysis, Afghanistan can capture up to twice the value if there are more trade-related activities in the country. With the establishment of the Islamic Republic of Afghanistan and support of international donors, Afghanistan has shown great progress in terms of reconstruction. Afghanistan has emerged from nearly 30 years of conflict and is rapidly growing at 10 percent real GDP per year. Private business is booming, with the establishment of more than 18 banks, five telecommunication companies, four airlines and hundreds of small manufacturers. Paiman Atlas Group facility will replace Pakistani carpet cut-and-wash facilities and will enable Afghans to re-establish the Afghan Carpet brand and export with “Made in Afghanistan” labeling, showing product differentiation. USAID approved the Paiman Atlas Group GDA (\$1,012,750) and contribution of (\$ 201,793) May 15. Equipment is in Afghanistan and will be in the facility by the end of October.

### **Mushkani Paper Recycling Company**

ASMED signed an agreement with Mushkani Plastic Processing Company for establishing Mushkani Paper Process Production Company (MPPPC) in Kandahar City May 15. The GDA totals \$399,000 with ASMED's contribution of \$85,000 for the purchasing of paper recycling equipment. The company will produce corrugated paper for factories that produce corrugated boxes. In addition to improving the environment, the GDA will also result in sustainable employment opportunities and will reduce the import of corrugated paper. It will particularly support the process of providing professional packaging to the dry and fresh fruits sector in Afghanistan. Construction of the building is completed. Currently the procurement of the equipment is in process.

### **Afghan Marmor Company**

Afghan Marmor Company requested ASMED assistance for financing the purchase of marble extraction equipment (\$297,000) and seeking a loan (\$270,000) from ARFC as part of total investment of (\$1,505,800). The AMM will offer top-quality white marble tiles in Afghanistan and for export. The new investment will enable the company to improve its current mining and processing operations that will enable the company to produce up to 64,896 square meters of marble tiles, reduce wastage by 80 percent and meet requirements of international buyers. Equipment ordered, and the company is currently in the process of hiring companies to prepare the site for new equipment to start modern extraction.

### **ISP Factory starts operations**

Most building construction in Afghanistan is with bricks with an RCC structural frame and roofing system. The cost of material is cheap when compared with alternative building systems, but the construction process is time-consuming, requiring multiple activities to complete a project. Insulated Sandwich Panels (ISP) attached to lightly gauged, framed structures such as wall and roof cladding is cheaper, faster, and easier to build. This adds very little weight to the structure while providing excellent thermal resistance and eliminating the need for exterior and interior finishing since the panels are all pre-painted. The superior insulating properties of ISPs also increase thermal efficiency, thereby reducing costs associated with air conditioning and heating while promoting “green” structures.

“The achievement that we are celebrating today – the development of an Afghan source of raw material for construction is a key milestone in filling the gap in the construction sector value chain to maximize industry potential,” said John Stamm, deputy director of economic growth, during a press conference Aug. 5. The GDA (\$1.397 million) with a contribution of (\$366,000) from ASMED successfully closed Aug. 20.



### **Foroshgah-e Bozorg Afghan inauguration**

U.S. Ambassador for Afghanistan, Karl Eikenberry, and Kabul Mayor Mohammad Younus Nawandish inaugurated Foroshgah Shopping Center Aug. 22. Foroshgah Shopping Center, located in Kabul City, substantially damaged during an attack Jan. 18 by three Taliban insurgents on governmental buildings, which officials say killed at least 27 people and injured more than 50. ASMED helped the shopkeepers immediately through a Marketplace Development Grant.

The U.S. government, represented by USFOR-A and USAID, financed a portion of cleaning and removal of unsafe material and a portion of the renovation cost of the building, totaling \$238,500. The owner of the building agreed to cover all other costs.



### **Afghan Folad**

Afghan Folad Steel Mill Company is a start-up processing facility for steel. The company has no local competitors and is the first major steel processing mill in Afghanistan. The founder of the company has more than 20 years experience. He is currently receiving technical assistance and support from MA international in India. The owner invested \$4.33 million and received a \$1.25 million loan from ARFC. USAID/ASMED supported Afghan Folad Steel Mills through a GDA (\$450,000) approved on March 28. AFSM requested a furnace from ASMED. Construction of the furnace facility is 80 percent completed.

### **Pamir Poultry Feed Mill**

This GDA with a contribution of (\$159,700) from ASMED supports the feed mill processing facility located in Dehsabz District, Kabul Province to produce and supply poultry feed. The GDA approved March 9. Through this initiative, the GDA will provide feed mill machinery and other necessary equipment to enable the feed mill in producing quality feed at a lower price than the imported feeds. The initiative will have the overall benefit of providing an important foundation of the poultry value chain for poultry farmers throughout Afghanistan. The company purchased the equipment.

### **Chisht Marble Processing Company**

Chisht Marble processing GDA (\$400,000) helps establish a marble processing plant capable of producing slabs and claddings for exports. ASMED contributed in the purchase of a complete processing line used to produce high-quality finished marble products - expected to meet international standards and begin to build the Afghan marble brand name.

The required equipment arrived at the factory July 20. This factory will be one of the modern marble processing companies in the country. The process of installing the equipment will be completed December.

### **LITEBUILT Lightweight Concrete Production Facility**

ASMED, in partnership with Sayed Bilal Sadaat Construction Company, contributed \$385,000 of a total of \$1.555 million July 25. This project will produce lightweight concrete building material. This material has several unique characteristics. The material is self-insulating, reducing energy use by 70 percent for heating and cooling, and when used for floor slab it is damp-proof. Use of LITEBUILT concrete speeds construction time by 30-40 percent because it is easier to work with due to it being lightweight, with no need to grout between blocks. With a price comparable to traditional brick, LITEBUILT also reduces energy and labor costs, making it an environmentally friendly and cost-effective building material.

### **Ayubi Poultry Company**

This GDA (\$1,111,130) supports one of the largest poultry farm and processing facilities in Western Afghanistan to produce and supply poultry farming inputs (chicks and feed), to the regional markets. Through the supply of equipment and training, the GDA provides new technologies (improved breed mother stocks, industrial incubators, a feed-mill combined with a blood and offal processor) that will enable the company to supply inputs of a higher quality, and lower price, than the imported inputs presently available. The GDA was approved March 1, construction of the new facilities is about 70 percent complete, and the incubators have arrived in the country.

### **Sadat Tomato Paste Production Company**

Sadat Tomato Paste is an existing tomato paste processing company that, with the help of ASMED, is purchasing new equipment and transitioning into a state of the art facility, thus allowing it to increase its capacity, improve the quality of the product, and source more tomatoes from local farmers. ASMED is paying for a new cold storage facility, quality-checking equipment, BDS/consultancy services for the company (\$120,000). The company took out a loan from ARFC to finance equipment and also contributed new equity and existing land for a total contribution of approximately \$700,000. The project was approved on Aug 31 and construction of the cold storage is 85 percent complete. The company has already built a room for the laboratory and the testing machineries will reach Mazar in the coming month.

### **Shadmehr Candy Production Company**

Shadmehr is an existing candy production company that ASMED is supporting to increase its capacity and quality of product by purchasing machineries and providing BDS/consultancy services. ASMED's contribution of \$130,000 is matched by the companies own contribution of \$550,000 (land, building, existing, and new

equipment) and a loan from ARFC for equipment and raw material. Machinery was installed at the Shadmehr Candy Production Company on April 5. This equipment increases the production level of the factory from 4 to 10 metric tons per day with better quality and shapes.

#### **Pamir Iodine Salt Production Company**

Pamir is an existing salt production company that has been using outdated equipments and techniques, rendering low quality and perhaps unsafe product. With the help of ASMED, the company is building a new facility and purchasing state of the art equipment to produce high quality and safe/clean salt. ASMED is paying for a power supply system (generator, etc.), a laboratory to test the quality of salt, and BDS services (\$150,200); the company is paying for the land, building, and purchase of complex new machineries (\$1.6m est.), and also took out a loan from ARFC for the construction of storehouses and purchase of trucks (\$400,000). The 540 kw generator, which will provide power for the company when city power is unavailable, has been installed. Construction of the factory is almost complete, and a first test run of the equipment took place last month.

#### **Abdul Rahman Wool Dyeing Facility**

This GDA supported Haji Abdul Rahman Company (wool natural dyeing, wool spinning and carpet weaving company) to purchase some modern/new equipment for wool dyeing and spinning in order to help the company expand its business operations, thus bringing back some operations from Pakistan and reducing the amount of imported wool yarns. The GDA also provides BDS/consultancy services. The project began on Nov. 25, 2009. The project has received the first installment for purchasing good quality wool spinning and wool washing equipment from Pakistan. With ASMED's support, the company will begin industry-level wool spinning in Andkhoy District, which is famous for its carpet throughout Afghanistan.

#### **Takht Rustam Marble Company – Marble Mining**

This GDA is facilitating needed investment in modern equipment in order to improve efficiency and quality so that the company can increase the output of product to meet local demand. ASMED is providing financing for modern quarry extraction equipment and installation of modern admin/financial management system. The company has received a portion of the extracting marble equipment from India, with the rest on its way, and equipment installed at the quarry. The representative of Takht Rustam Marble Company together with ASMED Mazar staff visited India in search of the required equipment. The new equipment extracts marble in a modern technological way by cutting from the quarry rather than blasting.

#### **Olum Wool Spining Company**

Olum Carpet Company is a family business with long history in carpet production. The company operates in Aqcha (carpet production center) of Jawzjan Province. The owner has 45 years of experience in the sector and the company currently has various business directions in carpet sector: from distributing the wool to carpet weavers and final selling the carpets at the international market. This GDA will help the company establish wool spinning, washing and dyeing facility in order to bring an important part of the carpet value chain back into Afghanistan. Olum will be able to use the wool thread for its own carpet production as well as supply to other carpet producers at a price lower than imported thread. The company owner will be heading to China soon to look for reasonable wool spinning machineries for the company.

#### **Sanai Zada Oil Production Company**

This GDA will help this existing, small-scale industrial oil production company purchase new machineries to upgrade its product and produce sanitary edible oil. The company currently processes cotton, flax, and sesame seeds using outdated machinery and processes. A GDA of \$136,385 approved March 25. ASMED has recently contracted an international expert to help procure the necessary machineries.

## GRANTS

### Highlights:

- During this fiscal year, 39 grant projects, valued at \$\$1,709,250, approved, and the implementation process has started in various regions.
- During this fiscal year, 14 grant projects (\$402,409) completed in various regions.

## FIELD ACTIVITIES – CENTRAL

### MARKETPLACE DEVELOPMENT GRANTS

#### **Foroshgah-e Afghan Shopping Center Shopkeepers, Kabul**

The Marketplace Development Grant (\$80,000) provided emergency relief to 76 Foroshgah-e Afghan shopkeepers affected by the damage caused during the attack Kabul City Jan. 18, the MDG was approved Jan. 30. The fund helped shopkeepers reestablish themselves through restocking inventories and refurbishing shops. Subsequently ASMED provided another MDG (\$281,000) for relief to the shopkeepers May 30.

### ASSOCIATION DEVELOPMENT GRANTS

#### **Afghan Carpet Export Guild, Domotex 2010 Hannover Germany Carpet Exhibition**

The Afghan Carpet Exporters Guild (ACEG) was established in 1967 in Kabul City, with the main focus on export support and market promotion of carpet and gilem. The main duties of ACEG are to identify the value, brand and quality of carpet and gilem exported from Afghanistan to other countries.

This Association Development Grant (\$227,432) served the market promotion for the carpet sector. It sent Afghan carpet dealers to Domotex 2010 Hannover Germany Carpet Exhibition, the largest floor covering show in the world, displaying Afghan carpets. The grant funded exhibition space and transported carpets for a delegation of 21 Afghan carpet producers. In addition, a matchmaking event supported international market linkages between foreign carpet buyers and Afghan carpet dealers. To promote the Afghan carpet at the fair, a carpet guide magazine was distributed to the international buyers. Participation in Domotex generated carpet contract orders and sales from international buyers, of more than \$2.4 million dollars, represents a 400 percent return of ASMED investment and created an additional 800 to 1,000 jobs. A total of 210 (10 women) will benefit from this project.

#### **Afghanistan Marble Industry Association**

ASMED awarded Afghanistan Marble Industry Association (AMIA) an Association Grant (\$134,237) April 20. The grant project will support them in promoting marketing materials and conduct a global positioning system (GPS) survey to locate marble and granite resources in Afghanistan.

The AMIA is a newly established association, registered with the Ministry of Justice.

The quality and quantity of Afghan marble deposits provides a comparative advantage the industry can leverage to build a competitive advantage. With numerous high-quality deposits, the Afghanistan dimension stone industry has great potential to benefit from this growth and become a driving force in the Afghan economy.

With investments and training on modern marble extraction and processing technology, Afghanistan can be very competitive in the region. Furthermore, a vibrant dimension stone industry will provide thousands of rural jobs at the quarries.

#### **Charikar Fruit Processing**

ASMED awarded a Value Chain Improvement Grant (\$15,000) June 15. The project helps Charikar Fruit Processing to sort, clean and pack the fruits and vegetables for export to United Arab Emirates. The grantee is located north of Charikar City, Parwan Province in the regional agricultural area. This is a pilot project to integrate the whole value chain from the farmer to the customer.

The Charikar Fruit Processing is packaging fresh fruits and vegetables for export and local markets and the packaging facility is to international standards and requirements.

### **Afghans participate in Hong Kong Jewelry and Gem Fair 2010**

USAID approved a Value Chain Improvement grant (\$30,900) for Shaiq Habibi Logistic and Services Company (SHLS), an Afghan firm specializing in logistic and construction services, Aug. 1.

The grant served the market promotion for Gem & Jewelry sector and sent Afghan Gem and Jewelry dealers to a major regional industry show.

The grant funded the rental exhibit equipment (showcases and lighting), promotional material publication, purchase of supplies, matchmaking event, and the costs for a show facilitator's lodging and airfare.

### **Vocational Training Association for Poor Afghan Women (VTAPAW), Kabul City**

VTAPAW has been involved in vocational and skills trainings for more than four years and has been providing training in handicrafts and tailoring for more than 18 months and graduated more than 200 students.

VTAPAW receives orders from Roshan Plaza (Punjabis), Bonyad Jalal (couch covers) and some small contracts to produce school uniforms (children and teacher's uniforms).

The association is in the process of being established and is setting up an office/workshop in Kabul, which will be located within the housing compound of the Director of the Association with assistance from an ASMED Association Development grant (\$7,100). All the members are professional handicraft workers.

The grant fund will be used to facilitate the following:

- Formally register the association with the MoJ.
- Establish the office
- Print teaching materials
- Purchase key machinery rather than outsource this value-added step to a third party.

The grant approved Aug. 2.

## **VALUE CHAIN IMPROVEMENT GRANTS**

### **Turquoise Mountain (TM), Tucson Gem Show**

TM was invited to participate in the Tucson Gem Show by ASMED, who, through a Value Chain Improvement grant (\$10,097), also sponsored the Turquoise Mountain booth at the show. TM was part of a larger, AMSED-sponsored Afghan gem dealer participation, which also included trips to local mines and other training activities prior to the beginning of the show.

The Tucson Gem Show is one of the largest gem and jewelry exhibitions in the world. With the help of ASMED, TM had a booth to display and sold its products. This provided an invaluable opportunity to reach new international wholesale and retail markets.

The Tucson show was a crucial learning experience for TM's Afghan staff. While at the show, TM studied market trends in design, pricing, and techniques. This information will be vital in informing future work and direction of TM business development.

### **Hong Kong Jewelry & Gem Fair**

Shaiq Habibi Logistic and Services Company (SHLS) is an Afghan firm specialized in logistic and construction services under a private investment. The company has a large permanent team of experienced managers and staff enabling the company to deliver high-quality transportation, trade show facilitation, logistics and construction services.

The Value Chain Improvement grant (\$30,878) served the market promotion for the Gem & Jewelry Sector; the purpose of the grant was to send Afghan gem and jewelry dealers to the Hong Kong Jewelry & Gem Fair in September. The grant funded the exhibit equipment rental (showcases and lighting), banner/brochure printing, trade fair directory advertising, purchase of supplies, delivery of scales, matchmaking event, and the costs for a show facilitator's lodging and airfare in support of the Afghan delegation of gem and jewelry producers to attend the show.

## FIELD ACTIVITIES – EAST

### MARKETPLACE DEVELOPMENT GRANTS

#### **Bihsud District Market, Nangarhar Province**

With an ASMED Marketplace Development grant (\$11,000), a small wholesale market building was constructed, comprised of 14 individual shops inside a larger bazaar area. Construction was completed March 25 in Bihsud District, Nangarhar Province. The market provides a centralized wholesale market area, lowering transportation costs, and improving quality/increasing wholesale prices by providing a storage facility. The market also encouraged more local farmers and merchants to bring more food, vegetables, and other goods to the market, which will create job opportunities to locals. Approximately 9,000 Afghans (including 1,000 women) will be indirect beneficiaries of the project.



Bihsud District Market  
USAID/ASMED

#### **Dar-i Noor District Market, Nangarhar Province**

With an ASMED Marketplace Development grant (\$15,435), the Sarwan Niazi Construction & Road Construction Company built a market facility comprised of 10 shops with individual closing doors. The company completed the construction work Dec. 26, 2009. The district authority provided technical staff to monitor the project implementation and provided security. Land for the facility provided by the district. The grant closed Jan. 7.



Dar-i Noor District Market  
USAID/ASMED

#### **ASMED builds market in Nurgal District**

ASMED granted an MDG (\$14,840.00) for the construction of a market facility (12 shops) in Nurgal District, Kunar Province. The project began June 15, 2009 and successfully handed over to the community April 30, creating 20-30 permanent jobs.

### ASSOCIATION DEVELOPMENT GRANTS

#### **Afghan Carpet Exporter Guild/Carpet Trader Relocation**

ASMED seized the opportunity of relocating some of the carpet traders that relocated to Peshawar over the past years back to Jalalabad through an Association Development grant (\$169,800). ASMED, in coordination with the Afghan Carpet Exporter Guild, identified 108 Peshawar-based Afghan carpet traders who moved back to Jalalabad immediately. However, through discussions with these traders ASMED realized the move would have a major adverse impact on their business, unless there was financial support to lower the costs associated with moving their operations to Jalalabad and the subsequent setup.

ASMED identified a new market place to house these businesses and subsidized the rent for six months on a three-year contract. The traders agreed to become part of the carpet guild association, and pay for the majority of their furnishings and transportation of their inventory back to Jalalabad.

ASMED will build a comprehensive B2B website for the Carpet Guild Association, enabling the association to effectively market their products, and liaise with international buyers.

The opening of a 108-shop carpet bazaar in Jalalabad can provide a wider economic impact on many sectors, including warehousing, transportation and logistics companies; wool processing throughout the value-chain, and restaurants and hotels from increased travel. It will also support the ASMED-funded cut-and-wash, and

provide a basis for more carpet cut-and-wash facilities to open in the area. The economic benefit realized in the rural areas through the increase in production of wool and wool processing, thread and carpets. The establishment of carpet market in Jalalabad will create hundreds of direct and thousands of indirect job opportunities to people of the region and will provide a permanent market for the carpet production produce in the region.

Currently the market is suffering from a lack of exposure and low foot-traffic from real buyers. Without proper marketing, the shops effectively become warehouses rather than stores. In order to remedy this situation ASMED is working with the Association to create effective marketing to bring more buyers to the market.

### **Gemstone Market Opens, Jalalabad**

ASMED supported the gemstone bazaar in Jalalabad through a Value Chain Improvement Grant (\$23,200) beginning Nov. 14, 2009. More than 200 people, including the governors of Kunar, Nuristan and Nangarhar attended the ceremony. The Governor of Nangarhar thanked USAID and said he was hopeful the market would provide job opportunities for the people of Jalalabad. The Director of Nuristani Gemstone Association thanked ASMED for helping bring the local gemstone industry national recognition. Thanking ASMED for their efforts, each Governor spoke in support of the gemstone industry in their provinces and encouraged the development of a regional market.

After the ceremony at the Governor's palace, the delegates moved to the bazaar for the opening of the market and exhibition of stones. As gemstone traders proudly exhibited their products, customers and delegates admired the impressive gem displays including mounds of raw aqua marine, tourmaline and emeralds recently mined from the Nuristani Mountains. The market will house more than 20 gemstone trading SMEs, many of whom have recently returned from Pakistan because of ASMED's assistance. Under this grant, ASMED has also provided accounting services to the traders for one year.



Gemstone bazaar, opening ceremony, Jalalabad  
USAID/ASMED

## **VALUE CHAIN IMPROVEMENT GRANTS**

### **Gulestan Essential Oil Company, Jalalabad**

ASMED secured a grant (\$54,000) to purchase rose oil distillation equipment for Gulestan Oil, the grant started Dec. 01, 2008 and was significantly delayed due to serious family health issues, making managing director of the company unavailable for part of 2009 and 2010. The company was already distilling rose oil, but the new equipment will help the company more than double its production. Gulestan has markets for its oil in France and Canada, with buyers ready to purchase the increased capacity. Rose oil is a high value product and the expansion of production will not only greatly increase Gulestan's profit, but also help support over 250 rose farmers in Nangarhar Province. This quarter, Gulestan began site preparation for the installation of the new distillation equipment.

### **Ibrahim Malikzai Foods & Beverages Company, Angor Bagh, Jalalabad City, Nangarhar**

Ibrahim Malikzai Foods & Beverages Company (IMFBC) is a private local partnership business between two partners (Yama Malikzai and Abdul Nasir), operating since 2009 and legally registered with AISA. With assistance from an ASMED Value Chain Improvement grant (\$134,450), the company wants to expand its product line to produce juice from fruit grown in Afghanistan. This will support rural employment by giving farmers an opportunity to sell their products through a separate market channel. Initially, IMFBC will purchase fruit pulp concentrate from production facilities in Merkahal Village, Nangarhar, and the women-owned ADP (Alternative Development Program/USAID) pack-house. Currently, the company produces two kinds of drinks, mango juice and sweet orange juice. The pulp is imported from Pakistan, as mango and sweet orange do not exist commercially in the East. The company will produce pomegranate, cherry, apple, and peach juice and supply these products to the local markets, sourcing product from local markets whenever

possible, as with pomegranate. IMFBC already has a building with the required space for the machinery. The grant, approved Jan. 24. Equipment ordered and tested prior to shipment and installation.

### **Eastern Region Thread-making**

Thread making is one of the oldest businesses in Afghanistan in which hundreds of women are involved. Wool thread is an essential input of the profitable carpet-weaving sector. Currently most carpet weavers in the country rely on imported spun wool from Pakistan. Often, the wool originates in Afghanistan, but due to limited processing capacity, sent to Pakistan for spinning, and re-imported into Afghanistan. The several medium-sized carpet weaving businesses in the Eastern Region all rely on imported thread from Pakistan. There are several smaller local wool spinning companies, but none of them produce spun wool at a large enough capacity to adequately supply the carpet weavers. This results in an increase in production cost as 1kg thread that is imported from Pakistan costs AFA 380 to 400.



A view from the Wool string Machines at  
Ali Sahil Company  
USAID/ASMED

AWCC is providing thread-making training to 207 poor and jobless women who have recently migrated back to their homeland from Pakistan and based in Sheikh Misri Refugee Camp. The women have basic understanding of thread weaving, but require specific training to use machines, thus increasing their productivity. The company would like ASMED through an ASMED Value Chain Improvement grant (\$13,500), to assist them in the provision of wool thread/string making machines provided to the trainees at the end of the training to start their own business.

The provision of thread making machines will considerably increase the spun wool production. The women will be able to produce at a maximum capacity of 3kg of thread per day and earn approximately 500 AFA/day, sufficient for a woman to feed her family and educate her children. When spun by hand, a woman can produce only 1kg of thread per day and generate only 165 AFA/day worked, which is below subsistence wages.

The company was previously given 35 electrical thread-making machines by a donor agency, but due to the lack of power in the region, AWCC has not been able to use the machines. The company has now taken delivery of the foot-powered spinning wheels and has expanded their operation through increased productivity (triple production per employee). The spinning wheels purchased by ASMED do not require any electrical power. The project provides permanent job opportunities and helps the entire carpet sector develop, grow, and create additional job opportunities to the region.

### **Sahil Marble, Jalalabad**

Through a Value Chain Improvement Grant (\$81,000), ASMED contributed to the purchase of diamond wire block-cutting machinery for Sahil Marble Factory to extract and cut marble in neat blocks and reduce the loss incurred during blasting, the extraction method previously employed by Sahil. The more efficient equipment has already greatly increased Sahil Marble's overall production and sales. Sahil Marble now extract 600-800 tons of marble month. Most of the extracted marble is transferred from the Merkekkel (Nangarhar) quarry to Sahil's factory in Jalalabad for further processing. Additional new processing equipment purchased by the firm with support from ASMED has arrived and installed in Jalalabad. Training received, and the equipment is now operational.

### **A Sail Food Products Company (ASFPC), Jalalabad**

A Sail finished installing potato chips production equipment purchased by ASMED August 2009. Previously, A Sail had been producing and selling snack products made from corn flour for over 2 years. The new equipment has allowed the firm to diversify its product line by producing potato chips, and has increased overall profits for the company. Before A Sail started production, there were no domestic producers of potato chips in the country and excess supply of potatoes that largely went to waste. The production of potato chips has also helped support potato farmers throughout the province by providing a local commercial buyer. A Sail Food started full production of potato chips using the equipment provided to them by ASMED November 2009.

### **Masroor Foods, Jalalabad**

In 2009 ASMED approved a grant (\$26,600) for purchase of new food processing equipment for Masroor Foods. In 2010 the new equipment arrived and has allowed Masroor to expand its production of fruit jams and juice, particularly pomegranate jam for which there is a large local market. The firm sources its fruit from local farmers, creating over 100 indirect jobs as a result.

### **Saboor Alokozai Textile and Manufacturing Factory**

ASMED approved a Value Chain Improvement grant (\$27,120) for Saboor Alokozai Textile March I. Through the grant, the company expanded production capacity for textiles in Jalalabad City. The company currently produces wool and cotton clothing and has demand for its products in the East and Kabul. By granting additional powered looms, ASMED provided the impetus for the company to inject more of its own working capital in the form of additional raw material, improve the facility, and employ more workforce in order to fill additional orders, providing low-cost, high-value, locally produced textiles to Afghans in substantial volume. The grant will create jobs up and down the value chain in the textile production sector.

### **Tarsian & Blinkley**

USAID/ASMED funded Tarsian and Blinkley with a Value Chain grant (\$194,500) for the expansion of the company's apparel manufacturing plant through the purchase of apparel manufacturing equipment July 1, 2009.

This grant allowed the training of more than 100 tailors and further improved their production capacity to fulfill the company's contract to provide uniforms for the Afghan National Army. Not only did it provide training and jobs, but also a specific skill set to be used in the future. The project has gradually increased its capacity and now produces uniforms at a rate of over 4,000 per month. The project was successfully completed July 6.

### **Shinwari Brothers Industrial Engineering Company, Jalalabad**

A grant (\$44,000) was approved for purchase of a cogwheel machine. Shinwari currently manufactures several different types of industrial equipment and the new machine will allow the company to manufacture cogwheels sold to other manufacturing companies in the area, boosting industrial production throughout the eastern region. Delivery of the machinery was significantly delayed during the severe floods of 2010 in Pakistan, with the situation further exacerbated by transport strikes. The machinery sustained some damage in the floods, but has been received (in usable condition) and installed, and the grant is ready for close-out.

### **Ziar Confectionary Company, Jalalabad**

USAID/ASMED approved a Value Chain Grant (\$33,700) for purchase of modern processing equipment June 11, 2009. Ziar Confectionary Company currently produces several baked goods and new equipment will allow it to produce tea biscuits for which there is a large market in Afghanistan. This procurement also suffered severely due to the Pakistan floods and strikes. The equipment received substantial damage and some parts may not be salvageable. In the coming weeks an engineer from the Chinese supplier will visit Ziar to assess which equipment will work and to assist with setup and training.

## FIELD ACTIVITIES – NORTH

### MARKETPLACE DEVELOPMENT GRANTS

#### **New Baghlan Grain Market**

With an ASMED Marketplace Development grant (\$9,940) approved Nov. 24, 2009, the construction company placed gravel and concrete for the sidewalk of the New Baghlan Grain Market in New Baghlan City, Baghlan Province. The project indirectly supported development of the carpet industry in Baghlan Province. The market has a wide range of goods related to grain at the market. The project also helps ASMED/Mazar Office disseminate information on MDG projects in Baghlan Province and establish a working relationship with local government and the business community.

The existing market has 120 shops with three or more employees, or approximately 300 people working regularly at the market. Around 1,200 customers visit the market daily. The market offers several kinds of wheat and rice and services in Baghlan Province. Improved market sanitation will support activities that are more commercial and attract more customers from rural areas. In support of local farmers in the area, the market will allow shopkeepers and customers to stay longer due to improved facilities in all seasons of year, mostly in winter. It creates temporary job opportunities for the local community.



New Baghlan Grain Market Road Situation  
USAID/ASMED

#### **Grain Market, Sari Pul**

With an ASMED Marketplace Development Grant (\$9,700), the construction company built concrete paving at the area in front of the shops and sidewalk of the Grain Market in Sari Pul – a medium-size market located in Sari Pul City, Sari Pul Province. There are 45 shops at the market – each with at least three people, totaling approximately 135 people. An estimated 1,500 customers visit the market on daily. Due to the unpaved sidewalk of the marketplace, dust spreads during summer, and the mud keeps customers from visiting for longer periods during winter. Implementation of the project supports an increase of commercial activities and cleaner market environment and increases public awareness of USAID-funded activities in the area. Improvement of the market sanitary system will allow shopkeepers and customers to stay longer at the market, increase commercial activities and create full time and temporary job opportunities to the local inhabitants. The project will have 135 shopkeepers as direct beneficiaries with approximately 10,000 indirect beneficiaries.



Sari Pul Grain Market Road Situation  
USAID/ASMED

#### **Meat Market, Puli Khumri City, Baghlan Province**

With an ASMED Marketplace Development grant (\$14,927), the construction company concreted the pavilions inside the meat market and dug a septic well with a drainage system in Puli Khumri City, Baghlan Province April 25. The project directly supports the development of area commercial activity. The project implementation will help ASMED/Mazar Office to spread information on MDG projects in Puli Khumri, Baghlan Province and maintain a working relationship with local government agencies and the business community. The security situation in Baghlan Province is very



Baghlan Meat Market, Puli Khumri City, Baghlan  
Province  
USAID/ASMED

critical, and it will be important to demonstrate the support to locals.

### **Charbolak Marketplace Gravelling, Balkh Province**

With an ASMED Marketplace Development grant (\$10,198), Zafarkhaliq Construction Company dug two deep wells in the center of the District bazaar. Additionally, the company also built a road for the marketplace. The market has approximately 200 shops, generating about 500 visitors daily. Graveled sidewalks inside of the market and tube allows shopkeepers and customers to stay longer in the market during all seasons of the year, increasing commercial activities and creating local job opportunities.

### **Almar District Market, Faryab Province**

With an ASMED Marketplace Development grant (\$9,955), 10 market stalls were built at the Almar Market, Almar District. The project implementation directly supported development of this commercial activity in the area. The construction created employment opportunities for a number of people in the district.

### **Shortakzar Market, Mazar City, Balkh Province**

With ASMED Marketplace Development grant (\$9,938), the Shortakzar Market project installation of concrete 32.23. m3 and installation of mosaic 155.91 m<sup>2</sup> and steel bar covering 240m canal in front of the shops in was completed. Implementation of this project:

- established good front market in district level
- created easy access by inhabitants of district
- saved time and money, reduced passing far distances to purchase retailed materials
- supported commercial activities in the district level
- supported local business in the area; allowing shopkeepers and customers to stay longer in the market
- supported the role of the government
- improved the relationship between the community and the local government.

A total of 1,650 (650 women) are beneficiaries of this project. The project closed Jan. 7.

### **Waste Collection System, Aybak, Samangan Province**

With an ASMED Marketplace Development grant (\$9,400), 50 trashcans installed in Aybak City, located in Samangan Province June 11. Improvement of the market sanitary system decreased the health risk to the population and allowed the shopkeepers and customers to stay longer in the market areas, which will increase commercial activities, creating job opportunities. The major benefit of this grant is an establishing working relationship with local municipality and governor's office for further ASMED activities expansion in the province. It will be a good change for ASMED to start the operation in Samangan Province. A total of 7,000 (2,000 women) will be indirect beneficiaries of the project.

### **Waste Collection System, Sari Pul Province**

USAID/ASMED's Marketplace Development grant (\$14,880) funded the installation of 80 trashcans enabling the city to establish waste collection points in market areas. The trashcans were handed over to the municipality June 10, and the grant was completed July 4. This grant allowed the city to place trashcans in market areas establishing a waste collection system. This has allowed the city to maintain sanitary conditions in market areas, encouraging more customers to visit and increasing positive commercial activity. With this activity, the city will maintain the cleanliness of these market areas. The population of Sari Pul City is more than 240,000 people. It is one of the more populated cities in the Northern Region of Afghanistan. The Municipality will create permanent jobs and charge a fee for waste collection from local markets and commercial areas where trashcans will be installed. The collected waste will be transported to a landfill designated by the Municipality of Sari Pul.

The trashcans will be placed close to business markets and commercial areas, particularly in Share Naw Blocks, Grain Market, Fresh Fruit Market, and Shahri Naw Shops, where most of the waste is generated.



Sari Pul Grain Market Road Situation  
USAID/ASMED

### **ASMED renovates Takhar Grain Market**

ASMED awarded a Market Development grant (\$15,000) for the construction of pavilions in the Takhar Grain Market July 27. Taloqan is one of the largest cities in the northern region with only one grain market in the area and more than 1,000 visitors a day.

ASMED is constructing pavilions in the grain market to protect the shopkeepers' products from inclement weather and dust. The shopkeepers and municipality will contribute in the preparation of the grounds as well as the construction of sidewalks. They have also agreed to start a waste collection system to improve sanitation in the market. Successful completion of this grant will create a cleaner environment for the market.

### **Pavilions for Sari Pul Women's Market**

With an ASMED marketplace development, grant (\$14,984) a construction company installed the two Pavilions inside the women's market in Sari Pul. The request for MDG project was received from the governor of Sari Pul Province. During the visit to Sari Pul province and a meeting between the governor and USAID Field Program Officer, the governor requested if USAID could help in financing the installation of pavilions for the Women Market in Sari Pul. The project started Mar 15 and completed Sept 15.

### **Etefaq Market MDG**

This project provided graveling and concreting of the sidewalks of the Etefaq Market (Carpet Market) in Sheberghan, Jawzjan Province. By graveling and concreting the sidewalks, this project allowed shopkeepers and customers to stay in the market during market days in all seasons, and thereby supported the development of carpet industry in Jawzjan Province.. The project had an official ceremony to hand over the Etefaq (Carpet Market) MDG Project to the local municipality in Jawzjan Province Oct. 14, 2009. The project had 270 direct beneficiaries (shopkeepers) and 2000 indirect beneficiaries (customers).

### **Aqcha MDG**

This project provided graveling of a sidewalk of the Central Market in Aqcha, Jawzjan Province, thereby directly supporting the development of commercial activities in Aqcha district. The project had an official ceremony to hand over the Aqcha MDG Project to local municipality Oct. 13, 2009. The project had 300 direct beneficiaries (shopkeepers) and 4000 indirect beneficiaries (customers).

### **Kaldar Market, Balkh**

This grant was completed Oct. 26 and the new Kaldar market was officially opened two days later. The graveling of the market's sidewalks will enable shopkeepers to extend their opening hours and better serve the needs of the 140 local villages who rely on the market to buy and sell their produce.

## **ASSOCIATION DEVELOPMENT GRANTS**

### **Faryab Fruits Processing Association, Faryab Province**

With the implementation of this Association grant (\$9,850), the Faryab Fruits Processing Association has made significant achievements in the area of marketing and training of new businessmen. The association members learned a well-developed marketing system in Pakistan and trained the marketing representatives within Afghanistan on Pakistani marketing system. This has improved the marketing effort of the association and contributed to the marketing of large amounts of Faryab fruits in local markets of Kabul and Mazar. The packaging equipment procured through the grant has enabled new businessmen and farmers to conduct business in a more organized manner and further reduces spoilage during transportation.

Equipment such as non-disposable carton boxes and jute bags have assisted the association members in packaging dried fruit products. This has facilitated the gardeners and farmers to collect and transport their fruits and cereal for processing in a timely and expeditious manner. This has created temporary jobs within the processing stage such as sorting and packaging. With new packaging, this has encouraged the customers from neighboring markets to approach the association and buy large quantities of association products.

The association has also strengthened the capacity of its members in developing a marketing system. They have improved their marketing of fresh produce through networking with markets in the neighboring provinces. Through their marketing efforts, members have been able to sell their products faster and with greater market reach at fair prices and increased profits. The association has also managed to export 200MT of melons and watermelons to Kabul and Pakistan.

### **Mazar Dry Fruits Processing and Export Association**

The Mazar-e-Sharif Dry Fruits Processing and Export Association was assisted with an ASMED Association Development grant (\$26,632). The overall objective of the Association is to support its members to increase revenue by introducing them to international standards on drying fruits, methods of increasing products, marketing techniques and other business-related trainings and construct a warehouse - the priority need for dry fruits processors and traders. The grant enables the Association to obtain formal registration from Ministry of Justice, construction of a warehouse, and packaging, sorting and cleaning training for 20 association members.

The warehouse has a capacity of 1,000m<sup>3</sup>. It will enable members to keep goods in a safe place and help continue dry fruits processing throughout the year. The association expects total sales and prices to increase. There are plans for sub-offices to be opened in main fruit producing provinces. The total indirect beneficiaries are projected at 12,500 (1,500 women) gardeners and processors, with 55 direct beneficiaries.



Dry Fruit Processing & Export Association  
Market  
USAID/ASMED

### **Women's World Association, Mazari Sharif City**

The Women's Market is located two kilometers from Ali Shrine (Blue Mosque), in the center of city. The land where the market resides belongs to the provincial municipality, which was handed over to Directorate of Women Affairs (DoWA). The Women's Market was constructed with UNDP's financial support, which includes 20 shops and 50 shelters and was handed over to Balkh Municipality and DoWA in 2007.

Consequently, the shops were distributed among the selected women entrepreneurs.

Currently, the market is not functional as UNDP failed to construct additional infrastructure to operate and sustain the market - including electricity, water, latrine and other facilities. ASMED received a request to support the market rehabilitation through an Association grant (\$41,198) and funds for women entrepreneurs from Directorate of Women Affairs of Balkh Province.

The Balkh BDS announced the project opportunities through local radio stations, posters and private meetings with women entrepreneurs. After receiving a number of proposals, Balkh BDS screened the applications and selected those that met the requirements. The final selection was made by a committee, which consisted of representatives of Department of Women's Affairs, Balkh BDS and ASMED. To date, the Balkh BDS has assisted the selected women entrepreneurs in the preparation of their business plans as well as the establishment of the Women's World Association, consisting of 20 members. ASMED also provides training to association members in the basics of business development and accounting.

The Women's World Association is planning to provide different services to female clients in Mazar City and surrounding provinces through the establishment of beauty salons, women's underwear, handicraft (candle making, embroidery), photographers, food processing shops, as well as retail shops selling items such as shoes and handbags.

### **Provincial Council of Crafter/ Traders National Union**

With an ASMED Association Development grant (\$18,180), implementation focused directly on increasing PCCTNUK services to its members and its ability to generate no-fee revenue. Increasing services also increased the number of dues-paying members, another step toward sustainability. The grant helped purchase office equipment, machinery and furniture. ASMED also provided vocational training (tailoring, beauty parlor, flower making, decoration, mobile repair and gemstone).



Tailoring training to the members of Association  
USAID/ASMED

### **Qataghan Seed Production Association**

The purpose of the ASMED Association Development grant (\$16,950) was to purchase equipment and conduct training to increase member production and skills including:

- Generator 5 KW
- Bag stitching machine
- Seed Cleaner machine
- Packaging machine, plastic bag capacity 50Kg
- Training in seed treatment processing method
- Four training sessions to increase capacity building of members
- Exhibition of improved seeds
- Database collection annual report
- Database collection annual report
- Stationary for training, banner, rental projector

Qataghan Seed Production Association is located in New Baghlan City. It has a vital objective to provide technical support (equipment, training, financial assistance) to association members and to other traders and farmers to empower business activities on the provincial level.

In the future, association members are planning to build a warehouse for storage. Twenty jobs created through this project. A total of 34 members (two women) benefited from this project. The grant closed in July.



## **VALUE CHAIN IMPROVEMENT GRANTS**

### **Ikhlas Wool Spinning Company, Mazari Sharif City, Balkh**

The Ikhlas Wool Spinning Company incorporated and established in February 2002. With assistance from ASMED through a Value Chain Improvement grant (\$60,000), the company constructed a storehouse, and purchased equipment.

### **Qadari Plastic Recycling**

Through an ASMED Value Chain Improvement grant (\$55,000), the Qadari Plastic Recycling Company will be able to purchase Plastic Grind Machine and Plastic Beads production Machine. This will bring more production and increase sales in the market, and the company will be able to expand operations. This project will contribute to the economic growth of the community. It ensures cleanliness of the environment by collecting plastic garbage from streets, lanes and houses and produces better quality material while establishing strategic relationships with Afghan and Pakistan importers. The project will also increase gross margins from 15 percent to 17 percent in the next three years. The total direct beneficiaries projected at 30 and indirect will be 200. The company added 10 new employees as a result of this project.



### **Etefaq Dawlatabad Carpet Weaving Company**

ASMED funded a Value Chain Improvement Grant (\$28,400) to support Etefaq Dawlatabad Carpet Weaving Company in Dawlatabad District, Balkh Province June 15. This value chain grant helps the company to increase carpet production and creates 220 permanent jobs for carpet weavers. This grant will contribute 495 square meter carpet loom together with benches (160 meters), printing poster and brochure and a 10 KW Generator. A total of 220 (20 women) Skilled Carpet weavers benefits from this project.

### **Turkmen's Women Active Rights Association**

The purpose of this ASMED Value Chain Improvement grant (\$16,600) is to procure machinery for making felt carpet. This will replace old equipment, modernizing and reducing production costs and increasing profit and output. Through the grant, the association will conduct training seminars on new felt carpet design for 50 trainees, consultancy training, construction of platforms and digging wells. After the successful completion of the project, participants can train more villagers at these manufacturing centers. The trainees will function as master trainers. The Association is located in Shortepa District of Balkh Province and Khanaqa District of Jawzjan Province. Turkmen's Women Actives Rights Association targets the Turkmen women living in remote parts of Afghanistan with a very low literacy rate and lack of awareness of economic opportunities. Turkmen's Women Actives Rights Association is also working with women in promoting their handicraft skills, especially hand-made felt carpets.



Handmade felt carpet, Turkmen Women's Actives Rights Association  
USAID/ASMED

### **Mawj Packaging Factory, Mazar City, Balkh Province**

The project, with the assistance from ASMED through a Value Chain Improvement grant (\$35,000) is 100 percent completed. The grant was used for upgrading and increasing manufacturing and production of carton packages.

## **FIELD ACTIVITIES – SOUTH**

### **MARKETPLACE DEVELOPMENT GRANTS**

#### **ASMED installs metal awnings in Qalat Markets, Zabul**

ASMED started construction of metal awnings for 80 shops in four newly built markets in Qalat City Dec. 5, 2009. These awnings will protect the agricultural and food products from sunlight in summer, rain and snow in winter. This MDG (\$9,920) did not only assist existing SMEs, but also created jobs for new traders in setting up their businesses and created temporary unskilled laborer jobs.

#### **Construction of Shah Joy District Market, Zabul**

ASMED, in partnership with the Shah Joy district community, local authorities and Mashallah Ibrahim Construction Company (MICC), began the construction of the market Dec. 5, 2009. Through this MDG (\$10,550), ASMED created eight new SMEs and 24 permanent jobs in one of the most insecure locations of Zabul Province. Both farmers and the customers will be able to access local agricultural products, food items and other goods in an improved market shelter, an important step in the economic development of Shah Joy. The project successfully completed July 1. The farmers can now sell their products at ease. A proper shelter created for food and agriculture items, and locals have an easier access to the market.

#### **Construction of Maruf District Market, Zabul**

The MDG (\$10,850) for construction of Maruf District Market approved by USAID and the agreement signed with the district government Oct. 12. Through this grant, a marketplace of five stalls constructed in Maruf District, 170km from Kandahar City and in one of the remote and insecure areas in Kandahar Province. The district has a population of approximately 150,000 people. This project created five SMEs, 12 temporary labor jobs and 20 permanent jobs, and provided both local producers and customers with an improved marketplace. The project successfully completed May 14.

### **Construction of Shahri Safa District Market Latrines, Zabul**

Shahri Safa market is located on Kabul-Kandahar highway, approximately 60 kilometers from Kandahar. In partnership with local community, ASMED recently constructed a small market in the district, which added great value in the area and provided great convenience for the people surrounding it.

The MDG (\$11,000) for construction of 10 latrines (five for women) at Shahri Safa District market approved Dec. 13, 2009. Marketplace vendors, visitors and travelers use the latrines. This grant will provide both temporary and long-term jobs and a better market environment for the people of Shahri Safa as well as travelers. The project successfully handed over to the community May 15.

### **Construction of Market Stalls, Daman District Center, Kandahar Province**

A Marketplace Development grant (\$13,815) used to construct 12 market stalls in Daman District, Kandahar Province. The district is located in the east of Kandahar and consists primarily of farmers. Many of the residents purchase food and agricultural products from city markets due to the lack of appropriate market shelters. The grant approved by May 12, and the completion date is Nov. 20. The project will have a positive effect on customers in the local market and food items kept away from sun light, hot and cold weather and dust. People will have easy access to quality products locally. A total of 33 men will be direct and 40,000 will be indirect beneficiaries of the project.

### **Construction of Market Stalls, Nawai Barakzai District Center, Helmand Province**

An ASMED Marketplace Development grant (\$12,357) used to construct eight market stalls in Nawai Barakzai District, located in the southern area of Helmand Province, near to Lashkergah City. This is an unsecure and underdeveloped district. The majority of the residents are dependent on income generated through their agriculture. Business growth is dramatically low.

Construction of the market stall will have a positive impact on the area. Food items protected from adverse weather. There will be easy access to agriculture and food items of local residents. Product costs will be reasonable, and farmers will be able to sell their produced products locally. A total of 16 new jobs will be created.

### **Pavements and Drainage System, Rangrizan Street, Kandahar City**

An ASMED Marketplace Development grant (\$10,002) used to contribute for the construction of pavements and a drainage system on Rangrizan Street in the central area of Kandahar City. This is an area where many markets and hundreds of shops are located. More than 80 percent of the clients are women.

The grant approved May 12 and the project completed in September. This project helps make a better and cleaner environment for the SME's and their clients. Improved market conditions create a more hygienic and easily accessible market area. SMEs products protected throughout the season, while clients now walk easily in the market area.

## **ASSOCIATION DEVELOPMENT GRANTS**

### **Afghanistan Chamber of Commerce & Industries**

ASMED supported ACCI in Kandahar through an Association Development grant (\$12,600) for purchasing office equipment, furniture and four business development trainings July 1, 2009.

ACCI Kandahar is the main coordinating body between the local businesses, GIRoA and other stakeholders in the area. ACCI has been active in Kandahar since 1938. Its office was completely destroyed in a suicide attack on the Provincial Council Office. ACCI Kandahar requested the grant from ASMED to replace the equipment and conduct training. Through the grant, ACCI delivered trainings (banking system, management, marketing and accounting) for 30 people from member SMEs. The direct beneficiaries of this project are 765 (five women) members of ACCI. The grant closed Aug. 31.

### **Khadija Kubra Women Association for Culture, Kandahar City**

Khadija Kubra Women Association for Culture established in 2003 and registered with the Ministry of Justice and Department of Employment and Social Affairs, Kandahar since 2006.

In order to provide better services and to encourage more women to apply for membership in the association, with an ASMED Association Development grant (\$16,500), the association will be better available to sustain through providing training to a number of women in the area in computer skills, English knowledge,

technical handicrafts skills, proposal writing, management, accounting and marketing training. The grant approved Jan. 16. A total of 1,945 (1,890 women) will be direct and 300 indirect will be beneficiaries.

## **FIELD ACTIVITIES – WEST**

### **ASSOCIATION DEVELOPMENT GRANTS**

#### **Ghoryan's Women Saffron Association**

ASMED supported the Ghoryan's Women Saffron Association conducting a 24-day training course for 200 women members Jan. 18-Feb. 16. The association, based in Ghoryan District, Herat Province, directly contracted a trainer to introduce new technologies in production and marketing of Saffron. This training supports the association in expanding production markets next season (December). Dec 2010, after their recent success in selling USD 6,000 of their product, whilst conducting an ASMED supported trial marketing, during a recent trade fair in India.

#### **Craftsmen Union/Western Zone**

To support a regional business association to sell and promote its membership products and develop trade relations with producers/wholesalers based in neighboring countries by participating in a regional business promotion exhibition to be held in June in Dushanbe, Tajikistan, ASMED approved an Association Development grant (\$8,800). The Craftsmen Union has participated in exhibitions in Iran and India promoting domestic products and getting familiar with new machinery. An Afghan market linkage event was held in Dushanbe June 25-27, and participants networked with buyers, showed, sold and marketed local products and services like flower making, carpet weaving, tailoring, metal working, carpentry, hairdressing, dried fruit production, bag making, furniture making and selling, engraving, leather selling and antique selling. Tajikistan is a good expanding neighboring market for such products. Participation helped craftsmen increase export opportunities. The project approved in June. Twenty (five women) will benefit from this project.

#### **Dorokhshan Carpet Weaving Association**

ASMED supported a group of over 300 home based female carpet weavers to establish & officially register the Dorokhshan Carpet Weaving Association. The association is active in supporting its membership to access carpet weaving inputs and in jointly marketing and retailing their production.

#### **The Tahmina Industrial & Cultural Association**

The Tahmina Industrial & Cultural Association, formed in 2008, is an independent, non-political and non-governmental organization whose mission is to support the development of female operated enterprises. They do this by providing capacity development support to qualified women through management training, developing new production techniques, and by supplying services to their membership, 130 members (110 female) who work in carpet production. The association works as a service provider for members, both on supplying inputs for and sales of products. The association provides markets for products that the members produce and also provides raw materials for production. To finance this operation the association charges 5-10% of the net profit from sales for its services to cover association expenses and to expand their activities. In addition, the association receives the full cost of 'loaned' raw materials after the sale of finished produce, which it then uses to fund further production. The association was awarded a grant from ASMED to procure two carpet-cutting machines to facilitate them to increase income for members. The association offers this service at a 70% discount to its members, compared to the Herat market based cutters, who charge around 90 to 150 AFA/Square Meter to do the cutting. The Association also generates additional income by offering this service to nonmember carpet weavers at a 30% discount to the market rate.

**List of approved Global Development Alliances (GDAs) during Fiscal Year 2010**

| <b>GDA #</b> | <b>GDA Name</b>                                       | <b>Start Date</b> | <b>End Date</b> | <b>GDA Amount</b> | <b>ASMED Contribution</b> | <b>Sector</b>                                 | <b>Partner</b>                                     | <b>Partner</b>                           | <b>Partner</b>    | <b>Partner</b>                |
|--------------|---|-------------------|-----------------|-------------------|---------------------------|---|--|--|-------------------|-------------------------------|
| GDA-102.19   | Candy Production                                      | 20-Oct-09         | 20-Oct-10       | \$930,000         | \$130,000.00              | Agriculture/<br>Agribusiness                  | Shadmehr Candy Production Company                  |  |                   |                               |
| GDA-102.21   | Low-Cost Pharma                                       | 01-Nov-09         | 30-Sep-10       | \$1,320,000       | \$260,000.00              | Health  | Access Health                                      | Kip<br>Pharmaceutical                    | MedPlus           |                               |
| GDA-102.22   | Chesht Marble Processing Plant                        | 15-Nov-09         | 16-Mar-10       | \$4,295,000       | \$400,000.00              |   | Chesht Marble Processing Plant (CMP)               |  |                   |                               |
| GDA-105.03   | Light Up Jalalabad                                    | 15-Nov-09         | 30-Sep-11       | \$1,691,000       | \$851,000.00              | Communication/<br>Technology                  | La Jolla Golden Triangle Rotary Club Foundation    | NATO                                     | Afghan<br>Telecom | University<br>of<br>Nangarhar |
| GDA-105.04   | Improved Techniques and Equipment for Gemstone Sector | 15-Nov-09         | 31-Dec-10       | \$562,092         | \$136,472.00              |   | American Nuristani Import International LLC (ANI)  |  |                   |                               |
| GDA-102.26   | Salt Extraction and Processing Improvement            | 01-Dec-09         | 30-Dec-10       | \$2,158,200       | \$150,200.00              | Food & Beverage                               | Pamir Belawr Salt Refinery Company                 |  |                   |                               |
| GDA-102.28   | Wool Dyeing and Spinning                              | 16-Dec-09         | 30-Dec-10       | \$500,000         | \$120,000.00              | Cashmere &<br>Wool                            | Haji Abdul Rahman Wool Dyeing and Spinning Company |  |                   |                               |
| GDA-102.32   | Takht Marble Mining Improvement                       | 20-Dec-09         | 31-Dec-10       | \$440,000         | \$110,000.00              | Mining and<br>Marble                          | Takht Rustam Marble Company                        |  |                   |                               |
| GDA-102.33   | ECM Marble Mining Improvement                         | 09-Jan-10         | 01-Jan-11       | \$26,050,000      | \$350,000.00              | Mining and<br>Marble                          | Equity Capital Mining (ECM)                        | ARFC                                     | OPIC              |                               |
| GDA-102.34   | AWAZ Communications                                   | 01-Feb-10         | 01-Jan-11       | \$536,590         | \$268,295.00              | Communication/<br>Production                  | AWAZ Communication                                 | RTA                                      |                   |                               |
| GDA-105.06   | Pathology Lab   | 06-Feb-10         | 31-Jan-11       | \$389,000         | \$84,000.00               | Health  | SHARP Mary Birch Hospital for Women                | MMH                                      |                   |                               |
| GDA-102.37   | Ayobi Poultry Industrial Company                      | 01-Mar-10         | 31-Mar-11       | \$1,111,130       | \$253,390.00              | Agribusiness                                  | Ayobi Poultry Industrial Company                   |  |                   |                               |
| GDA-102.38   | Zia UDDIN Wool Washing Facility                       | 08-Mar-10         | 28-Feb-11       | \$967,389         | \$306,792.00              | Textile                                       | Zia Uddin wool washing facility                    |  |                   |                               |
| GDA-105.08   | Pamir Poultry Feed Mill                               | 09-Mar-10         | 09-Aug-11       | \$763,450         | \$159,700.00              | Agriculture/<br>Agribusiness                  | Dr. Zenullah                                       |  |                   |                               |
| GDA-102.39   | Afghan Folded Steel Mill Company (AFSMC)              | 28-Mar-10         | 01-Apr-11       | \$3,500,000       | \$450,000.00              | Steel Foundry<br>(Metal Working)              | AFSMC  | AFRC                                     |                   |                               |
| GDA-102.36   | Veterinary Supply Business (VetServ)                  | 01-Apr-10         | 30-Sep-11       | \$1,300,000       | \$300,000.00              | Wholesale and<br>retail trade<br>Agribusiness | Veterinary Supply Business (VetServe)              | Dutch Committee for<br>Afghanistan (DCA) |                   |                               |
| GDA-105.07   | Youth Entrepreneurship & Mentorship                   | 13-Apr-10         | 30-Jun-11       | \$832,799         | \$402,199.00              | Education                                     | Fadilat Consulting                                 | One TV                                   |                   |                               |
| GDA-105.05   | Marble Mining Merkahal                                | 20-Apr-10         | 22-May-11       | \$1,341,000       | \$330,000.00              | Marble and<br>Mining                          | Afghan Narway Tueter Construction Company (ANTCC)  |  |                   |                               |

|            |  |           |           |              |              |                                  |  |      |  |  |
|------------|--|-----------|-----------|--------------|--------------|----------------------------------|--|------|--|--|
| GDA-102.42 | Mushkany Paper Recycling Company               | 24-Apr-10 | 24-Oct-10 | \$399,000    | \$85,000.00  | Agriculture/<br>Agribusiness     | MPPPC  |      |  |  |
| GDA-102.41 | Edible oil extraction and processing           | 25-Apr-10 | 24-Apr-11 | \$826,385    | \$136,385.00 | Agribusiness<br>/Food Processing | Sanizada Company   | ARFC |  |  |
| GDA-102.43 | Afghan Marmar Company                          | 15-May-10 | 26-Jun-11 | \$1,505,800  | \$297,000.00 | Marble                           |  |      |  |  |
| GDA-102.46 | Paiman Atlas Group Carpet Cut and Wash         | 15-May-10 | 16-Jun-11 | \$1,012,730  | \$201,793.00 | Carpets                          | Paiman Atlas Group Company   |      |  |  |
| GDA-102.45 | Olum wool spinning, washing and drying company | 26-May-10 | 30-Jun-11 | \$535,945    | \$124,745.00 | Carpets                          | Olum wool spinning   |      |  |  |
| GDA-105.11 | SBSCC Light-Built Concrete                     | 25-Jul-10 | 26-Aug-11 | \$1,940,000  | \$385,000.00 | Construction<br>Materials        | SBSCC  |      |  |  |
| GDA-105.09 | AICM   | 01-Sep-10 | 31-Jan-11 | \$12,020,000 | \$20,000.00  | Carpets                          | Sharafuddin Katawazy, Zia-Ur-Rahmanzia, Don Ritter (AICM Principals) |      |  |  |

**List of approved Grants during the Fiscal Year 2010**

| <b>Grant Serial Number</b> | <b>Grant Names</b>                                       | <b>Grant Program</b>    | <b>Province</b> | <b>City or Village/District/Province</b> | <b>Grant Amount (US\$)</b> | <b>Approval by USAID</b> |
|----------------------------|--|-------------------------|-----------------|--|----------------------------|--------------------------|
| 001-085                    | Afghanistan Gem Cutters Jewelers Association             | Association Development | Kabul           | Kabul City                               | \$64,600.00                | 3-Oct-09                 |
| 001-080                    | Mazar Dry Fruit Processing                               | Association Development | Balkh           | Mazari Sharif                            | \$26,632.00                | 2-Nov-09                 |
| 001-088                    | Amo Licorice   | Association Development | Balkh           | Azar Toaqy Village, Shortepa District    | \$26,759.00                | 26-Oct-09                |
| 001-089                    | Afghan Carpet Exporter Guild Grant Application           | Association Development | Nangarhar       | Jalalabad                                | \$169,800.00               | 10-Dec-09                |
| 001-093                    | Khadija Kubra Women Association for Culture              | Association Development | Kandahar        | Kandahar City                            | \$16,500.00                | 16-Jan-10                |
| 001-094                    | Mazar Women's World Association                          | Association Development | Balkh           | Mazari Sharif                            | \$41,198.00                | 22-Feb-10                |
| 001-092                    | Koh-e-Tolkha Agricultural Cooperative                    | Association Development | Panjsher        | Bazarak                                  | \$35,920.00                | 29-Mar-10                |
| 001-095                    | Logar Agricultural Cooperative Application               | Association Development | Logar           | Kulangar District                        | \$111,817.00               | 29-Mar-10                |
| 001-096                    | Afghanistan Marble Industry Association                  | Association Development | Kabul           | Kabul City                               | \$134,237.00               | 20-Apr-10                |
| 001-098                    | Craftsmen Union -Western Zone                            | Association Development | Hirat           | Hirat City                               | \$8,800.00                 | 16-Jun-10                |
| 002-088                    | Takhar Grain Market                                      | Marketplace Development | Takhar          | Taloqan                                  | \$14,954.00                | 27-Jul-10                |
| 001-099                    | Vocational Training for Poor Afghan Women                | Association Development | Kabul           | Kabul                                    | \$7,100.00                 | 2-Aug-10                 |
| 002-076                    | Construction of Maruf District Market                    | Marketplace Development | Kandahar        | Kandahar City                            | \$10,823.00                | 10-Dec-09                |
| 002-080                    | Mazar City Women Market Rehabilitation                   | Marketplace Development | Balkh           | Mazari Sharif                            | \$17,560.00                | 15-Mar-10                |
| 002-083                    | Puli Khumri Meat Market                                  | Marketplace Development | Baghlan         | Puli Khumri                              | \$14,927.00                | 25-Apr-10                |
| 002-086                    | Construction of Market Stalls in Nawai Barakzai District | Marketplace Development | Helmand         | Nawai District                           | \$12,357.00                | 12-May-10                |
| 002-085                    | Construction of Market Stalls in Daman District Center   | Marketplace Development | Kandahar        | Daman District                           | \$13,815.00                | 12-May-10                |
| 002-084                    | Pavements and Drainage System in Rangrizan Street        | Marketplace Development | Kandahar        | Kandahar City                            | \$10,002.00                | 12-May-10                |
| 004-033                    | Ibrahim Malikzai Foods & Beverages Company               | Value Chain Improvement | Nangarhar       | Jalalabad                                | \$38,000.00                | 24-Jan-10                |
| 004-038                    | Ariana Poultry Development Association                   | Value Chain Improvement | Balkh           | Mazari Sharif                            | \$43,100.00                | 16-Jan-10                |
| 004-040                    | Ali Sahil Wool String Making and carpet Weaving Company  | Value Chain Improvement | Nangarhar       | Jalalabad                                | \$13,500.00                | 22-Feb-10                |
| 004-041                    | Saboor Alokozai Textile Grant Application                | Value Chain Improvement | Nangarhar       | Sherzad District                         | \$27,120.00                | 15-Mar-10                |
| 004-044                    | Ehsan Fruit Processing and Packing Co. Charikar Branch   | Value Chain Improvement | Kabul           | Kabul City                               | \$15,000.00                | 15-Mar-10                |
| 004-045                    | Turkmen's Women Actives Right Association                | Value Chain Improvement | Balkh           | Khanaqa District                         | \$16,600.00                | 15-Jun-10                |
| 004-044                    | Charikar Fruit Processing Application                    | Value Chain Improvement | Parwan          | Charikar                                 | \$15,000.00                | 15-Jun-10                |
| 004-043                    | Etefaq Dawlatabad Carpet                                 | Value Chain Improvement | Balkh           | Dawlatabad                               | \$28,400.00                | 15-Jun-10                |
| 004-047                    | Hong Kong Jewelry and Gem Fair                           | Value Chain Improvement | Kabul           | Kabul                                    | \$29,908.20                | 1-Aug-10                 |

## PROGRAM COMPONENT 5: CAPACITY BUILDING

### GENDER REPORT

#### ASMED Audits AWBF

ASMED, with the help of DAI Afghanistan Operation Office, audited AWBF May 2. The AWBF grant was complete May 31. They also provided its financial sustainability plan for the coming year at the request of ASMED, which includes details and realistic projects.

#### AWBF Organized Spring Gift Exhibition

ASMED sponsored the Spring Gift Exhibition May 13-14, in Serena Hotel, Kabul. AICB, Pixar Services, Carrier, and TASK also sponsored the exhibition.

The deputy Minister of Women Affairs and CEO of ACCI including delegates from the ministry of commerce participated in the opening ceremony.

#### AWBF and ACCI Joint Roundtable

ASMED sponsored the ACCI/AWBF Joint Roundtable in Safi Landmark Hotel May 30. Delegates from different national and international organizations including media joined the roundtable to:

- present annual achievements of AWBF
- prepare suggestions for development and promotion of the Afghan Business Women and entrepreneurs in Afghanistan
- announce commitments of AWBF for Assisting women business activities in center and provinces and help them to solve the problems they are facing while doing business
- create AWBF strategy for working together with ACCI so that to remove a double repetition of the activities, which helps both women and men.
- Strengthen of women participation in national and international exhibitions.



AWBF Spring Gift Exhibition, Serena Hotel  
USAID/ASMED

#### ASMED facilitates women's bazaar in Kabul

ASMED is working with Afghan Women Business and Development Association and Director of Municipality of District 13 Kabul to get permission for supporting Afghan Women Business and Development Association and Sport Women Association to build more shops in the park. Gender specialist and ASMED team visited the location Aug. 9.

#### ASMED Gender section visits Mazar Women's Market

The Mazar Women Market visited by ASMED Gender section Sept. 30 to observe the work and its implementation. Its renovation process completed through an MDG. The market will likely open in December.

#### ASMED facilitates women's bazaar

The ASMED team visited the Mazar Women's Market for overseeing the status of implementation.

The renovation process funded through an MDG grant (\$17,560). Legal Construction Company completed the renovation. The market opens in December.

The rehabilitation of the market will:

- directly benefit 20 women shopkeepers directly benefit
- serve as a pilot project to encourage other regions in establishing women markets
- encourage women to trade and increase their income



Women Bazaar in Mazar  
USAID/ASMED

- encourage businesspersons to mobilize their efforts and resources for better working conditions and improve the environment for customers.

## FIELD ACTIVITIES – CENTRAL

### Capacity Building Training for ABA

ASMED supported a variety of trainings in different sectors, since banking sector is one of the fast growing sectors in Afghanistan, a serious need for capacity building through conducting various banking trainings is essential.

ASMED supported ABA in financing trainings in the fields of basic banking, SME finance, micro finance, financing imports and exports opportunities and challenges, SME access to credit, business plan development, loan applications for Afghanistan Bankers Association and financed the launch of a website for the Association.

### Internship Program, Kabul University

The first batch of 66 (24 women) interns from Economics, Agriculture, Computer Science and Journalism faculties of Kabul University successfully completed the internship program Dec. 31, 2009.

Second batch of 75 interns (24 women) started theoretical training on modern accounting, business communications and marketing Oct. 3, 2009. The six-month internship session completed March 30.

Forty-three interns (13 women) resumed their theoretical training with 17 fewer participants forced to leave Kabul following the closure of one of the university's hostels due to a possible swine-flue Nov. 14, 2009.

The placement of this batch of Kabul University interns for practical period began in December 2009. Host companies included banks, telecommunication companies, BDS firms, the Export Promotion Agency of Afghanistan, NGOs, private businesses and ASMED.

### AWBF Trainings for Women

As part of an Association Development Grant (\$216,000) with AWBF ASMED funded below activities. Through the fiscal year, AWBF conducted 20 different trainings (report writing, marketing, accounting, cost and pricing, financial system in small businesses, how to seal your product, leadership, business basics) total 146 days with the participation of 361 of 90 percent women. Besides, AWBF arranged several events including:

- Bamyan Exhibition and conference
- Winter Exhibition Kabul
- AWBF Growing Women Business conference
- Celebration of Women's International Day
- AWBF Summer Exhibition Kabul



Cost and Pricing training AWBF Jan. 17-18  
USAID/ASMED

### Interns graduate from Bamyan University

Fifty interns of Bamyan University successfully completed the six-month ASMED Internship Program March 27. Twenty interns received job offers from host companies.

### ASMED's New Internship Program strategy

ASMED Internship Department worked on the new internship strategy in April, marking the transition of the internship program to the private or public sector universities in Afghanistan. Meetings conducted with private sector institutes – including Ajeer Institute Kabul, Kardan Institute Kabul, Karwan Institute Kabul, Khurasan Institute Nangarhar and Iqra Institute Paktiya - discussed the transition. As a result, the five institutes showed interest in the new strategy. ASMED will provide a manual to the institutes to help them learn how to conduct and execute a successful internship program.

## FIELD ACTIVITIES – EAST

### Pakhtiya University

The first batch of Pakhtiya University interns completed the internship program Dec. 14, 2009. IQRA Institute of Technology and Management Sciences, ASMED's implementing partner for Pakhtiya, reported 32 interns received permanent job offers from their host companies.

The second batch of Pakhtiya University interns started their practical period December 2009. Pakhtiya University batch two (40 students) successfully completed the six-month internship program March 13. A total of 28 interns received job offers from host companies.

### Internship Program – Nangarhar University

Following the completion of their three-month theoretical course in management, accounting, quick book, marketing, supervision and banking, 80 interns (35 women) from the Economics, Agriculture, Computer Science and Education faculties of Nangarhar University completed the six-month internship program Dec. 31, 2009.

ASMED organized a graduation ceremony to honor the successful completion of batch five of Internship Program for 80 interns March 15. The Chancellor of Nangarhar University, Dean of Economics Faculty, head of BBA Department, Director of Youths, CEO of Nangarhar Province, and representatives of the local business community participated ceremony. Chancellor of Nangarhar University praised ASMED's internship program saying it helps in building the capacity of students.

### Khost

Forty interns of Khost University successfully completed the six-month internship program March 8. Twenty of the interns received direct job offers from host companies.

### BBA Teacher Training

Eight instructors of the Economics faculty of Nangarhar University completed a two and half-month training in four Business Administration subjects (Small and Medium Enterprise Management, Financial Institutes and Money Market, Islamic Banking and Critical Thinking). Khurasan Institute of Higher Education conducted the training. This training enables the instructors to teach the aforementioned subjects as part of the BBA program at Nangarhar University.



BBA Teacher Training, Jalalabad City, Nangarhar Province  
USAID/ASMED

### Sixth batch of Internship Program starts in Jalalabad

The Economics, Agriculture, Computer Science and Education faculty selected the top 74 (24 women) qualified students based on an entry test for the sixth batch of the internship program March 1. During the three-month theoretical session, students studied advanced accounting, marketing, business management, and business and financial planning. The internship program was successfully completed Sept. 30.

### Business Training for Young Professionals, Laghman, Kunar Provinces

ASMED Jalalabad signed a purchase order with Blue Chip business development services to train 100 (20 women) interns in Laghman and Kunar Provinces April 12. Under the program, the interns received three months of theoretical training in basic accounting and office management. After the theoretical training, interns were introduced to SMEs for internships, (three months of practical training) in Laghman and Kunar Province. To coordinate the program with the government, preliminary meetings were conducted with the governor of Kunar Province, deputy governor of Laghman Province and other relevant directors in both provinces. The theoretical session was completed Aug. 31 and the practical period began Sept. 1.

### Internship Program placement, Kunar, Laghman

After completion of the theoretical period, ASMED introduced interns to different companies. One hundred interns (20 women) signed Letters of Agreement with host companies and started the three-month practical session Aug. 29.

### **Internship Program, Nangarhar Province**

ASMED placed 24 interns from Nangarhar Province at various companies including banks July 7. The interns were placed in Kabul Province for three months. ASMED paid \$150 per month as stipends to each of these interns. The interns learned practical knowledge on work-related activities. Upon completion, the companies may decide to keep the interns and sign them to a job contract with them based on their performance during the internship period.

### **Nangarhar University Teaching Hospital**

Computer training classes started for medical professionals of Nangarhar Teaching Hospital Aug. 7. Twelve doctors enrolled in the program. Classes taught three days a week for 35 days. Subjects included MS office package, internet searches (with emphasis on medical web sites), e-mail, and basic typing.

### **Internship Program theoretical session & placement, Laghman Province**

The theoretical session of the internship program in Mihterlam City, Laghman Province was completed. A total of 54 interns (24 women) attended the final exam Aug. 15. ASMED prepared and sent letters of agreement to the host companies in Laghman. ASMED introduced the interns to different companies and began their practical sessions Aug. 31.

### **Internship Program theoretical session and placement, Kunar Province**

ASMED, in partnership with BLUE-CHIP Institute, completed the theoretical session of the internship program in Asadabad City, Kunar Province. A total of 50 interns attended the final exam Aug 16. ASMED prepared and sent letters of agreement to the host companies in Kunar. ASMED introduced the interns to different companies.

## **FIELD ACTIVITIES – NORTH**

### **Internship Program Baghlan University**

ASMED successfully launched the internship program at Baghlan University. Azar BDS Company conducted a preliminary test and selected 60. The theoretical training (Accounting, Business Management, and Marketing) started Oct. 13, 2009, Students successfully completed the program March 2010.

### **Internship Program, Balkh University**

The group of 70 interns completed their theoretical courses in Accounting, Business Management and Marketing Nov. 26, 2009 and completed the six-month internship program February 2010.

### **Internship at Baghlan University**

With ASMED technical support, AZAR BDS completed the theoretical training (Business Management, Accounting and Marketing) for 65 interns (11 women) of Baghlan University. The program successfully completed April 16.

### **Internship Entrance Exam in Faryab Province**

ASMED conducted the entry test for internship program in Faryab University Feb. 22. Fifty interns (20 women) were selected. Balkh BDS is subcontracted to implement this six-month project for two periods. The six-month session successfully completed July.



Entrance exams for Internship Program at Baghlan University  
ASMED/USAID



Faryab University Internship Program, entry test  
USAID/ASMED

## FIELD ACTIVITIES – SOUTH

### Internship Program, Helmand, Uruzgan and Zabul

October 2009 was one of the most successful months for ASMED internship program with the expansion of the program to three most insecure provinces (Hilmand, Uruzgan and Zabul).

There are no universities in these provinces, ASMED offered internships to high-school students unable to travel to attend universities in other parts of the country.

ASMED conducted a qualifying test for high-school students in Hilmand, Zabul and Uruzgan Oct. 3 and 5, 2009. A total of 150 students were selected for the theoretical training Oct. 12, 2009. ASMED's partner, Advanced Business Consulting delivered the three-month training in Modern Accounting, Management and Marketing. After completing the theoretical trainings in the fields of entrepreneurship, career development and business basics for three months, the interns placed in host companies for practical session. The program will create job opportunities for the region's high school graduates, empowering and promoting private sector companies by providing qualified human capacities.

ASMED arranged a graduation ceremony for 150 interns in Zabul, Uruzgan and Hilmand Provinces Sept. 22, 23 and 28. The program designed for high school graduates from these provinces, to enhance the capacity of fresh graduates in business skills and enable them to find jobs.

### AutoCAD Trainees Graduate in Kandahar City

Twenty-five engineers successfully completed AutoCAD training organized by ASMED in Kandahar. The graduation ceremony took place Sept. 25. The training conducted by Hewad United Business Consultancy in collaboration with the Loy Kandahar Construction Companies Association, and designed to provide AutoCAD skills to local business service providers. Each trainee received an AutoCAD kit, which includes software and a manual.

## FIELD ACTIVITIES – WEST

### Internship Program 2009/2010, Herat University

A total of 140 students (45 women) from Economics, Law, Education, Computer Science, Agriculture and Literature faculties took part in the internship program at Herat University. The interns were divided into two batches of 70 students. The first batch (14 women) began their practical session Oct. 26, 2009.

The second batch (31 women) began their theoretical studies Oct. 28, 2009. ASMED began the practical placement of 61 interns with 26 Herat based private and public sector organizations. The project also conducted an impact assessment of interns who completed their practical training on Jan. 26. Of the Fifty-five (20 women) interns that completed the first tranche of the program, 26 (11 women) received permanent jobs within the host companies.

The project also began an impact assessment of the immediate success of interns who completed their practical training Jan. 26. Fifty-five (20 women) interns, all previously studying at Herat University, completed the first tranche of the program, 26 (11 women) received permanent jobs within the host companies.

M. Sadeq is a 22-year-old resident of Herat City, placed with Engineering and Rehabilitation Service for Afghanistan (ERSA). Sadeq is the only person in his direct family who has regular employment. Because of his new employment, he receives a salary of \$400 per month, which has made him very happy as he can support his family while doing a job he enjoys.

### Apprenticeships

ASMED, in partnership with the USAID Local Governance & Community Development project, conducted a series of stakeholder meetings to start the development of a multi-partner project, to support providing 160 (30 women) unskilled people with apprenticeships. The aim of the apprenticeship is to provide companies based in Herat Industrial Park with skilled labor needed to expand production, while providing locals access to sustainable jobs.



Entry test for internship program at Herat University  
USAID/ASMED

### **Internship Program 2010/2011, Herat University**

ASMED and Herat University began the Internship Program for the academic year 2010/2011. This program was substantially modified from the previous program. In 2010, ASMED has sought to internalize the program within the operations of the University of Herat to reduce the cost of the program, whilst enhancing the standing of the university and the course, and if funding could be secured, ensure the sustainability of the internship program after the end of ASMED. To achieve this ASMED has developed a partnership with the University of Herat for the delivery of a new course which started May 17, with 54 students (22 women) passing the exam and included in two batches of 27 students each. The first batch of 27 students (12 women) began the three-month theoretical training May 25 and started their practical placements in host companies in August. Contracts were signed and all the interns were introduced to host companies, who are sponsoring part of the cost of the program.

### **ASMED, LGCD implement apprenticeship scheme for Herat Industrial Park**

ASMED, in partnership with the USAID/ LGCD project, is supporting an apprenticeship scheme for unskilled workers to receive training to find employment in the growing industrial production sector. ASMED, in partnership with LGCD, supported "Back to Work" orientation sessions for 160 (30 women, 18 with disabilities) beneficiaries based in the Herat Industrial Park July 21-26 and Aug 2. The training finished with 159 of the participants receiving permanent jobs in their respective host companies.

This is the first month of their practical work, but they are optimistic for their future.

"Before, I was working as a shoe maker in Iran, and my earnings were good," said Salmon Ali, a 'Back to Work' participant. "I became sick and damaged one of the discs of my spinal cord. I walked with crutches when I returned to Afghanistan to continue to my previous profession. I was not able to make ends meet. After I participated in this new program, I am now working. I am glad and hopeful to get a fixed salary every month. My family is respecting me more, and I am getting my self-confidence back."

### **ASMED places interns with host companies**

ASMED Herat facilitated placements of 27 interns of Batch 1 in host companies in August. Contracts signed and all the interns introduced to host companies. This three-month apprenticeship period will help interns acquaint themselves with actual working environment within companies, learn practical work and practice the knowledge learned during the three-month theoretical period.

### **Internship Program, Herat**

ASMED Herat held a meeting with an internship trainer to discuss the progress of class activities in August. Divided in four groups, the 27 interns of Batch 1 were busy with projects (including carpet history, Saffron process, wool processing) for the final exam. Students had the opportunity to attend a special session facilitated by the Regional Director of Roshan Telecommunications on practical marketing, market assessment, and market risks and challenges. The interns will submit their assignments to ASMED upon completion.

### **Interns give marketing presentations**

Interns were divided into four groups for preparing marketing presentations Aug. 22. Two groups presented projects on saffron marketing and carpet marketing in Afghanistan. The purpose of the presentation was to encourage the interns to work on their own, do research and come up with their own ideas. This builds confidence and helps in performing their jobs during the apprenticeship period and in their practical lives.

### **Afghanbids.com Portal Training**

ASMED Herat conducted two-day training on registration and introduction of Afghanbids.com portal "e-procurement website" Sept. 27-28.

The training was divided into three groups: buyers (NGOs, Companies, UN offices and PRTs), sellers (production companies), buyers from (construction companies and professional service providers). The purpose of this training was to get all the sellers and buyers in the western region of Afghanistan familiar and registered to Afghanbids.com portal.



View of training on registration and introduction of Afghanbids.com Herat  
USAID/ASMED

**ASMED seeks Internship Program sponsor**

ASMED is searching for a company, BDS or NGO to continue the internship project in the future with its own funding and implementation methodology. ASMED would like a university to take over the program.

# ANNEX I: FINANCIALS AND MANAGEMENT

## Management Update

As of Nov. 1, ASMED entered its fifth and final year of implementation, and is programmed to close out in October 2011. ASMED's contract was modified to increase the contract ceiling by \$25 million Oct. 11, and additional activities were added to ASMED's scope, supporting SME growth and increased job opportunities in 24 Key Terrain Districts (KTDs).

ASMED has fully programmed all activities required to meet contract deliverables under core ASMED funding, and most of the core contract funds have been obligated.

ASMED is just beginning activity design and screening for KTD activities under Modification # 15. ASMED is on track to achieve performance targets for core activity indicators by October 2011. Of the eight auditable performance indicators, ASMED has met or exceeded life-of-project targets for three, is well ahead in meeting targets for three, and on track for the remaining two.

As part of this new modification, ASMED conducted a preliminary analysis of the 80 KTDs on the USG/GIRoA list. ASMED determined there are sufficient economic opportunities to work in the following 37 KTDs. Districts were assessed for potential economic growth and job creation opportunities based on the main industries active in the district, profiles of businesses already operating there, characteristics of the local economy and labor force, as well as accessibility and security considerations.

The selected districts are:

1. **Northern Region**, with a new coordination office in Kunduz: Kunduz, Aybak, Puli Khumri, Baghlani Jadid, and Imam Sahib (5KTDs)
2. **Eastern Region**, coordinated through the ASMED office in Jalalabad: Mihterlam, Qargahi, Surkh Rod, Khogiani, Jalalabad, Bihsud, Kuz Kunar, Nurgal, Shinwar, Muhmand Dara (10 KTDs)
3. **Southern Region**, coordinated through the ASMED office in Kandahar: Kandahar, Spin Boldak, Daman, Argandab, Lashkar Gah (5KTDs)
4. **Western Region**, coordinated through the ASMED office in Herat: Herat, Injil, Zanda Jan, Guzara, and Qala I Naw (5 KTDs)

In order to carry out work in these newly defined KTDs, ASMED is currently developing a new internal organization structure. The new structure will rely on several ASMED employees working full-time in the KTDs. These new ASMED employees will be able to identify and design activities in the KTDs by developing relationships with local business owners and leaders in the community. The new organization structure moves away from component teams toward functional teams. There will be a team focusing on Program Design and another team devoted to Program Implementation. This new structure helps ASMED greatly expand its activities.

ASMED HR has begun recruitment of up to 86 new professional staff for the fast start-up and successful implementation of this new phase of the project. With the elimination of component teams and a move to a new process based organization, some existing staff positions will be eliminated and those personnel may apply for the new positions defined in the new scopes of work. Staff previously in the Central Region team, BDS, GDA, and Grant teams, have already been re-assigned between the new Origination and Implementation teams, along with positions such as ASMED's Gender Coordinator and Training Coordinators.

ASMED has conducted leadership training for senior staff over the last year, and organized professional skills training for a number of staff. ASMED also sent staff to DAI organized training programs on contracts, procurement, compliance, finance, management, and other subjects. Finally, ASMED has brought one trainer in contracts and compliance from the DAI home office to provide on the job training for Afghan staff. ASMED will continue with staff capacity building activities in Year 5 in support of our Afghanization efforts, preparing more Afghan staff for positions with higher levels of responsibility and supervisory duties. As a result, ASMED has been able to conscientiously promote several Afghan staff to higher positions in the project over the last six months.

In order to institutionalize the gains that ASMED has made in capacity building and to ensure that the local expertise in the area of small and medium enterprise development remains accessible to both the Afghan business and donor communities, ASMED will investigate the possibilities of a spin-off registered as an NGO or a small business. If possible, we will register the spin-off before the completion of ASMED and invite ASMED's best professional staff to join this organization

In addition to reorganizing, ASMED also plans to update its TAMIS computer management system. In order to accommodate the change in ASMED's orientation toward the Key Terrain Districts, TAMIS is currently being customized to facilitate a fast and efficient activity design and approval processes and enabling tracking of all activities in those districts. The Grants and GDA modules will be merged and adapted to the new structure of grants and GDAs available in the KTDs, including addition of the proposal and procurement management components which will streamline the review approval process, as well as the implementation and procurement of appropriate equipment.

The Activity module will be modified to reflect the newly mapped service delivery process and team organization within ASMED, comprising all aspects of activity flow, from design and approval, over procurement and technical assistance, to final financial settlement. The new structure of the Human Resources module will make possible a swift recruitment and mobilization process of both local and expatriate staff, and facilitate HR functioning, including tracking staff documentation, leave, travel and level of effort for short-term consultants. The Travel module will be redesigned to support both travel needs and meet the security requirements related to working in the KTDs. Additional features will be installed that will permit easier scheduling, management and reporting of activities, such as an activity calendar, activity reports, overall KTD activity overview, and financial settlement overview.

Due to Presidential Decree No. 62 on the disbandment of private security contractors (PSCs), DAI expects changes to the security environment under which the ASMED project operates. While we are as yet uncertain of how the decree will be implemented by GIRA and what the final impact will be on USAID implementing partners, there is the possibility that DAI's private security company (EI), may not be permitted to continue providing the same range of security services to the project that ASMED has benefitted from to date. As a result of these developments, ASMED drafted a contingency plan for completing the project in a changed security environment.

ASMED is already experiencing disruption and delays caused by the decree, including:

- difficulty in recruiting new personnel planned for under the expansion due to the uncertainty surrounding contract lengths, living conditions, and security conditions
- difficulty in mobilizing security personnel because our security provider is unable to renew visas for existing staff and obtain visas for new personnel
- delays in activity approvals and processing as ASMED temporarily postponed new commitments for some activities involving expatriate TA until there is more clarity on the final impact of the decree
- delays in activity design and implementation as the ASMED COP and team members spent considerable time with contingency planning
- delays in activity design and implementation as the ASMED COP and team members spent considerable time covering for responsibilities in the scopes of work of expatriates who could not be fielded in a timely manner, and in recruitment efforts to identify new candidates for 3 LTTAs who did not accept employment offers due to PSC decree uncertainties.

It is anticipated that after we obtain more clarity on the final form of the decree and after further discussions with ASMED's COTR and CO, ASMED will request a no cost extension to allow for additional time to complete contract deliverables. Changes in the structure of program costs, including adjustments to labor, operating costs, and associated costs, would be made in the anticipated budget realignment.

As ASMED entered into the project's two year extension in this last quarter, a contract modification provided incremental funding to the amount of \$10,998,422.00. ASMED completed staffing of the expanded team in this quarter. In response to increasing demand for project activities in the East, ASMED redefined the project's regional management structures and established a dedicated Central Region office to serve the

provinces of an expanded Central Region including the provinces of Panjsher, Parwan, Kapisa, Kabul, Bamyan, Wardak, Logar, Paktiya, Paktika, and Ghazni. This will allow ASMED's Jalalabad office to intensify work in the Eastern provinces of Nangarhar, Kunar, Laghman, Khost, and Nuristan. ASMED completed a year four-work plan this quarter and submitted it to USAID, accompanied by draft budget realignment. By the end of the quarter, the sector strategies defined in ASMED's work

In preparation for an expanded program of activities, and in order to support an increase in the number of GDA agreements and grants processed by ASMED, the management team put in place a number of management tools designed to facilitate activity and contractual reviews by ASMED management and USAID partners, and better information flows between Regional Managers in the field and operational units in Kabul. These tools included:

COTR/CO approval processing tracker that allows ASMED and USAID to track COTR and CO approval requests. As part of this process, ASMED revised the format of CO and COTR approval requests to facilitate review by USAID.

Grant and GDA processing trackers that allow Regional Managers and ASMED management to follow the progress of Grant and GDA applications through processing, review, approval, and disbursement stages.

A new Grant/GDA committee which was Afghanized and made more transparent. The committee now includes three expatriate and three national staff reviewers, and the comments of each committee member are recorded and made available to regional teams.

A revised procurement process, requiring COP/DCOP review of RFPs, and instituting a centralized system of distributing solicitations and collecting bids. As part of this process the quality of ASMED's RFPs was improved and new procedures put in place for assignments to bid evaluation teams and award reviews.

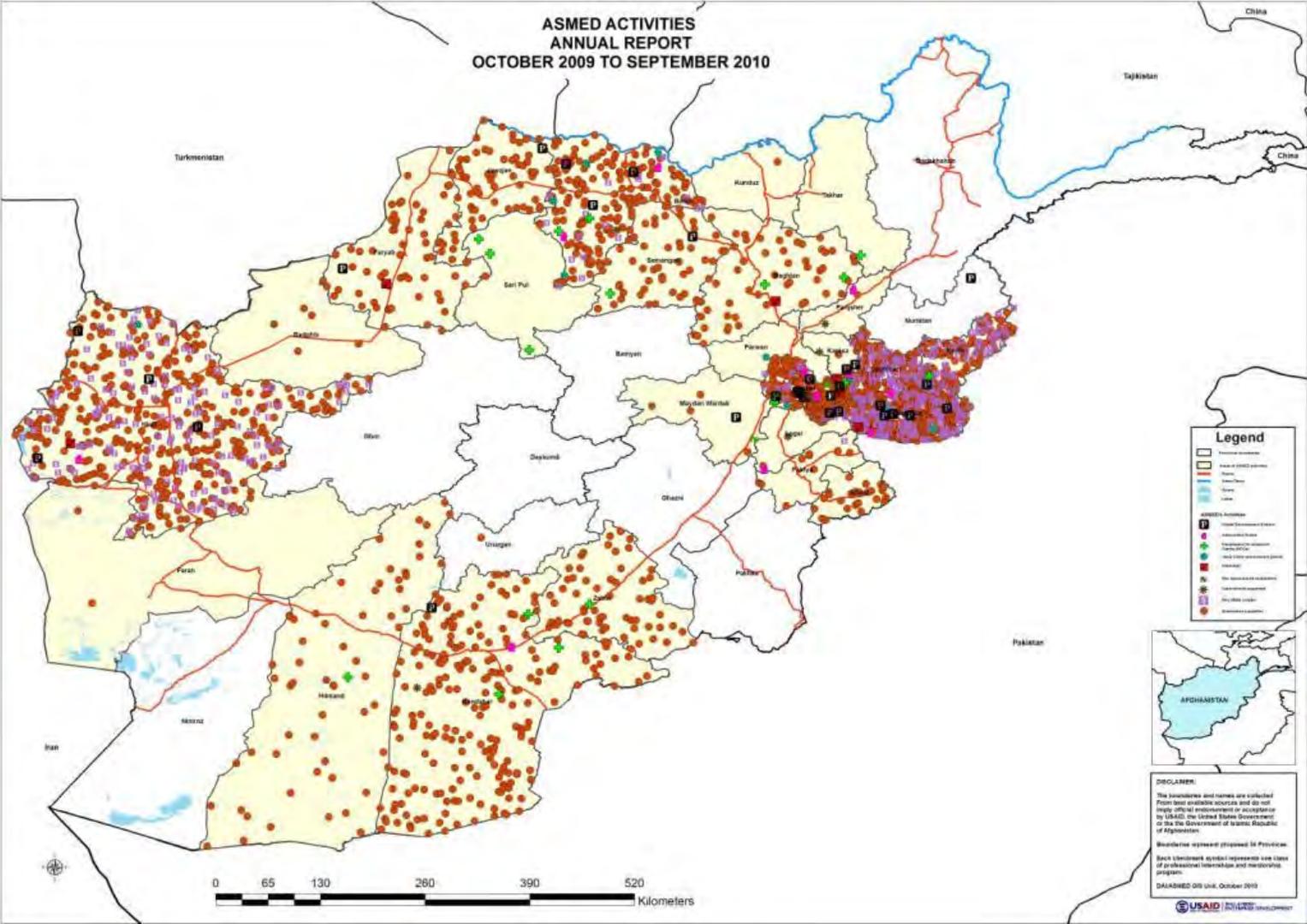
In the next quarter, ASMED will further strengthen project management systems by providing advanced training to national staff in the areas of procurement, finance, and internal audit. ASMED has also hired field monitors to carry out verification and reporting on grant, GDA, purchase order and procurement activities nationwide.

ASMED management has taken a proactive stance in ensuring that project operations, particularly in the areas of procurements, grants, and GDA agreements, meet the requirements of fairness, transparency, accountability, and good value. ASMED's Deputy Chief of Party Mr. Syed Usman, discovered and investigated irregularities in vouchers submitted to the finance team in Kabul by the Herat regional office. DAI supported this investigation by engaging an external audit firm to support the team in an audit effort that included audits of all 5 ASMED offices and a 100% review and verification of all procurements, grants, and operational expenses for ASMED's Herat office for the period of November 2008 to November 2009. In the course of this internal audit significant irregularities were noticed in the Herat office. ASMED management has removed all staff implicated in misconduct and DAI will withdraw all questionable items that were billed to USAID and make voucher adjustments as the investigation is completed. ASMED Chief of Party Michelle Morgan kept USAID fully informed of all findings and actions taken by ASMED at each step of the investigation, and presented a detailed accounting of findings to USAID and RIG auditors in order to obtain guidance on reaching full resolution of all the issues.

On November 6<sup>th</sup>, 2009, the Aga Khan Foundation submitted an official letter to DAI/ASMED management informing DAI that Aga Khan wished not to renew its subcontract agreement to DAI under the ASMED program, in light of the divergence between ASMED's and Aga Khan's programmatic objectives in Afghanistan. DAI/ASMED accepted Aga Khan's decision not to renew and is working with the Aga Khan Foundation, USA management to close out final invoices.



# ACTIVITY MAP 2: OCTOBER 2009 TO SEPTEMBER 2010



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