



European Commission
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PROGRESS REPORT NO.1

MAY-DECEMBER 2006

Provision of Technical Assistance to the Ministry of
Agriculture and Irrigation
for the implementation of the
Perennial Horticulture Development Project Afghanistan

EuropeAid/ASIE/2006/119984

JANUARY 2007



in cooperation
with



KEY DATA SHEET	
Name of the Project:	Perennial Horticulture Development Project (PHDP)
Contractor:	IAK consortium, comprising: IAK Agrar Consulting GmbH AHT Group AG University of Florence Department of Horticulture
Contracting Authority:	European Commission
Contract Number:	EuropeAid/ASIE/2006/119984
Start/End Date:	20 th May 2006 to 19 th March 2011
Budget:	€12,500,000 overall, Technical assistance through IAK consortium €4,317,490, €6,500,000 grants to NGOs
Beneficiary:	Government of Afghanistan Ministry of Agriculture and Irrigation (MAI) Farmers of Afghanistan
Primary Location:	Kabul MAI Headquarters
Secondary Location:	Kabul-Badam Bagh, Herat, Balkh, Kunduz, Nangarhar, Kandahar (MAI research farms); nationally, in conjunction with NGO implementing partners
Key Events to Date:	
20 th May 2006	Official commencement of project; TL takes up office in MAI
27 th –31 st May 2006	Initial fact finding mission to Mazar-i-Sharif and Kunduz with the medium term horticulture policy adviser (from forerunner mission of PHDP main mission; part of handover process which terminated 7 th June 2007)
4 th June 2006	The first monthly report for the project, for the month of May, was sent to the Delegation, and the format has been used on every monthly report since.
13 th June 2006	Opening Ceremony with HE Obaidullah Ramin, Minister of Agriculture and Irrigation, at MAI HQ, Kabul, including presentation of project by TL
19 th June 2006	Arrival of Horticulture Expert TA
1 st July 2006	First local expert staff and support staff started with the project
2 nd July 2006	First meeting with NGOs to present the aims and objectives of the project and to explain about the use of NGOs as implementing partners
12 th July 2006	First meeting of Horticulture Steering Committee, which disagreed with the recruitment process of project local expert staff without consultation with MAI. The recruitment to date was subject to review, and the process of recruitment changed, to include review by a selection sub committee. Some recruited staff then began to leave the project
24 th July 2006	Arrival of the Agronomist TA
16 th August 2006	Arrival of the Agricultural Economist TA
27 th August 2006	The issue of the revised recruitment process for local experts was resolved, and several approved candidates' CVs were sent to EC Delegation for endorsement

Perennial Horticulture Development Project

30 th August 2006	The proposed technical terms and conditions for the call for proposals from NGOs to act as project implementing partners were presented to the Horticulture Steering Committee and after incorporation of comments from the HSC were forwarded to the EC Delegation.
11 th –12 th September 2006	A workshop was held for provincial directors of agriculture and their directors of research or research farm, for the project participating provinces of Balkh, Herat, Kunduz, Nangarhar and Kandahar, as well as senior MAI persons, to explain the aims and objectives of the project, and to verify various ideas to be put forward in the Inception Report. The workshop was attended by all the PHDP staff currently in post, and the workshop continued on 13 th and 14 th September for the project staff.
20 th September 2006	The draft of the Inception Report was submitted to the EC Delegation, and comments were later incorporated in a final text
24 th September 2006	The draft of the Work Plan 2006 was submitted to the EC Delegation and comments incorporated in the final text, which was prepared and distributed in one volume with the Inception Report
3 rd October 2006	EC Delegation issues call for proposals to NGOs cooperating with PHDP and sets closing date 21 January 2007
31 st October 2006	Briefing session for NGOs on call for proposals at Delegation
5 th November 2006	The Minister of Agriculture and Irrigation, Mr Obaidullah Ramin, and his senior managers were briefed by the team leader. A short written summary and responses to questions raised was later provided to the Minister.
8 th November 2006	A technical seminar on germplasm collection work to date was held for all interested MAI and NGO officials
12 th November 2006	The Project Germplasm Specialist finished his input into the project. This is a substantial change to the project to allow for the recruitment of a key long term Training and Human Resources Specialist TA. The germplasm collection and germplasm development programmes will be supported by specialist short term TA, within the overall project budget
	November/December 2006. A series of training sessions were held in the project research farms to demonstrate orchard planning and pruning. These practical training sessions will continue throughout the life of the project.
4 th December 2006	Meeting of HSC, at which more information was requested about the project
14 th December 2006	At the request of the HSC, a workshop to explain all aspects of the project to the senior staff at MAI was held.
December 2006	A horticulture department is in the process of formation by MAI. The project is tentatively offered more office space in the new Cooperative Building completed at Badam Bagh, which would ease the constraints on the project in terms of space since the project began.

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NOTE: Documents used in preparation of this document, and excerpts from which are quoted in this document include:

Inception Report

Work Plan 2006 (bound in one volume with the Inception Report)

Work Plan 2007

Project Monthly Progress Reports, eight issues for May to December 2006

These documents are with the EC Delegation and are not reproduced in full here.

Abbreviations and Acronyms

ADB	Asian Development Bank
AHT	AHT Group AG (formerly Agrar- und Hydrotechnik GmbH)
ALP	Alternative Livelihoods Program (from USAID)
ASAP	Accelerating Sustainable Agriculture Program (USAID)
AusAID	Australian Agency for International Development
CADG	Central Asia Development Group
DANIDA	Danish Agency for Development Assistance
DF	Demonstration Farm
DFID	Department for International Development (GB)
DO	Demonstration Orchards
DUS-Test	(for new plant varieties) - distinct (D) from any other variety, sufficiently uniform (U) and stable (S)
EC	European Commission
ECD	European Commission Delegation
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
GAF	German Afghanistan Foundation
GTZ	Gesellschaft für Technische Zusammenarbeit mbH (German Technical Cooperation)
HACCP	Hazard Analysis and Critical Control Point
HEDC	Horticultural Export Development Council
HLP	(Emergency) Horticulture and Livestock Project (World Bank)
HSC	Horticulture Steering Committee
HVH	High Value Horticulture (Task Force)
IAK	IAK AGRAR CONSULTING GMBH
IDA	International Development Association (World Bank)
IMF	International Monetary Fund
IPGRI	International Plant Genetic Resources Institute
LFA	Logical Framework Approach

LFWG	Legal Framework Working Group
MAI	Ministry of Agriculture and Irrigation, <i>Previously:</i> Ministry of Agriculture, Animal Husbandry and Food (MAAHF)
MCPD	Multi-Crops Passport Descriptors
NGO	Non-Governmental Organisation
NN	Nucleus Nurseries (also referred to as Mother Stock Nurseries)
OTF	On the Frontiers (US American consultancy firm) - (Competitiveness Project)
PCM	Project Cycle Management
PHDP	Perennial Horticulture Development Project
PHD Centres	Perennial Horticulture Development Centres (<i>combined sites incorporating "Nucleus Nurseries", "Demonstration Orchards" and "Germplasm Collection" centres</i>)
PR	Public Relations
PRA	Participatory Rural Appraisal
PRAG	Practical Guide to contract procedures financed from the General Budget of the European Communities in the context of external actions
RAMP	Rebuilding Agricultural Markets Project (USAID funded)
TL	Team Leader
ToR	Terms of Reference
UK	United Kingdom
US	United States
USAID	United States Agency for International Development

1. MANAGEMENT SUMMARY

1.1 Introduction

This Progress Report covers the activities of the Perennial Horticulture Development Project in Afghanistan (EuropeAid ASIE/2006/119-984) over the period from 20th May to 31st December 2006.

The project commenced on 20th May 2006. The Team Leader was already in country completing an input on another project and was able to rapidly commence activities. The first tasks were to verify the sites for the implementation of the project, and the Team Leader accompanied the Horticulture Policy Adviser, Jan van Agthoven, to some of the MAI research farm sites proposed for the project implementation. The input of the Horticulture Policy Adviser had been funded for nine months from the PHDP overall funding as a lead in to the main implementation phase of the project. The medium term Horticulture Policy Adviser had participated in the preparation of the Horticulture Section of the Agriculture Master Plan, and had provided other inputs into development of horticultural policy, such as the formation of a Horticulture Task Force, which really brought the development of horticulture to the fore as a key priority in MAI.

During the initial four months, the project team gradually developed its own approach based on visits and consultations around the country. These series of small changes were cumulative, such that the Inception Report contains a revised project logical framework that can be said to be substantially different from that in the original project proposal.

The Inception Report covering, the activities of the Perennial Horticulture Development Project over the period 20th May to 20th September 2006, was submitted on 20th September to the EC Delegation, and later revised to incorporate comments, corrections, and explanations as required by the Delegation. Besides the changes in the Logical Framework (Annex A), recommendations were made in the total budget to increase the civil works and reduce the amount of money to be spent on the machinery and equipment.

1.2 Redefined project

In the original terms of reference, there were some substantial internal inconsistencies. These included the differentiation of the roles of the private sector and the MAI in the running of demonstration farms (Result 2). The project now is clearly focused on the role of the MAI in running the demonstration orchards on the MAI research farms. There was also a lack of clarity in terms such as germplasm collection and nucleus nursery. The project will

essentially make a national collection of fruit and nut varieties in the country. The project will *catalogue* these varieties, that is, list them with names and codes, describe them and keep them as living collections on the MAI research farms. After collection, and cataloguing, the varieties will be evaluated and the information provided to nursery growers, farmers and extension workers, and demonstrated in the demonstration orchards. Each variety will be collected onto two sites to ensure security of the collection. The collection will not all be in one place, but will be accessible through records held on a central database, thus creating a “*National Collection*”. All the varieties will be made available to the fruit tree nursery growers through a system of dissemination of planting and grafting materials, after cleaning of the varieties from pests and diseases. These clean planting and grafting (budding) materials will be held in (registered) mother stock nurseries. The research farms holding the collections of varieties of fruits and nuts are not suitable for acting as registered mother stock nurseries, as the varieties of fruits and nuts collected are not necessarily free of pests and diseases. The term “nucleus” stock should have a very limited meaning, as a highly protected small number of plants, derived directly from material that has been cleaned up from specific pest and disease contamination. The existing mother stock nurseries at Badam Bagh and Herat Urdokhan farms, containing imported rootstocks, could not be registered as disease free under a full scale planting materials certification system. However, for the present, these nurseries offer better materials than exist in general, and will be continued as part of the training and demonstration parts of the project.

Various major donors are considering investments in horticulture in different areas and on different research farms within the Ministry. The project team will continue to adapt the project to changing circumstances under the guidance of the Horticulture Steering Committee, while remaining committed to the project purpose and to the project’s core activities. The first reaction to the impact of the new upcoming projects after the completion of the Inception Report was to focus even more clearly on the core functions of the project, dropping the local expert on horticultural marketing and providing for an extra person on germplasm development. The need for greater emphasis on training has resulted in the proposal for recruitment of a specialist Human Resources Development and Training TA. These various changes are included in the Work Plan for 2007, and at the time of preparation of this report, some of these proposed changes have to still to be formalised in contract addenda and other documents.

1.4 PHDP core implementation activities

The guiding mission of the project is seen as the creation of a core of knowledge for the horticulture industry in Afghanistan, centred around the knowledge of the best varieties, and of the best growing techniques for a market focused high quality export horticulture industry. As part of the guiding concept the project team will liaise with other donors and projects to ensure that the commensurate development of other facilities and services takes place, including all aspects of integrated pest and disease management; soil, water and plant tissue analysis; agricultural inputs (fertilisers and agrochemicals) control and regulation; irrigation management; packing, storage and transport facilities. The project will be a key player in the development of the horticulture industry in Afghanistan.

2. PROJECT WORK PROGRAMME

Proposed Activities

The project work programme over the coming five years is split into five components, each with its own set of tasks and objectives. In each component there is an agreed set of tasks split up into sub tasks, all of which lead to agreed outputs and which will be monitored and reported on during the life of the project. There is a further set of horizontal tasks, which are defined in a separate section. The project will also manage a set of activities to be carried out by implementing partners, generally NGOs. In a further section, these activities are defined and the parameters for selection of implementing partners are laid down.

Progress to Date and planned Activities for the next Reporting Period

Component 1: MAI with established Horticulture Sub-Sector

A Horticulture Steering Committee (HSC) has met several times during the first few months of the project. The HSC was set up by authority of the Minister MAI and takes over the role of providing overall guidance and coordination to horticulture programmes. It is envisaged that this HSC will continue to be effective at least during the life of the PHDP and a programme of training is planned. This training programme will include study tours abroad and an initial proposal for a study tour to Bulgaria is in preparation.

The role of the HSC includes policy and strategy development and the HSC will oversee the inputs into the overall Ministry planning framework and coordination with other Ministries and donors. One task of the HSC is to oversee the process for any update of the Agriculture

Master Plan with a revised horticulture section, reflecting progress since the first Master Plan was prepared in November 2005.

Towards the end of 2006 the Ministry of Agriculture and Irrigation took steps to set up a horticulture department. It is clear that the PHDP will have a key role in assisting in the development of the new department

- The HSC will also define a range of policies and strategies in pursuit of the overall objectives. Various interventions will be proposed by the HSC, only some of which will be funded under PHDP. In this regard, assistance from many other donors will be invoked.

Table 1. Component 1. Activity Frame

Activities	Sub-activities During the reporting period	Sub-activities Planned for the next reporting period	Comments
Assist in the coordination activities of the Horticulture Steering Committee.	<ol style="list-style-type: none"> 1. Developed proposals on investment at PHD centres, conditions for NGO implementation partners, and work plans with submission to HSC 2. Organised and supported five meetings of the HSC 3. Response awaited on suggestions for planning coordination and monitoring systems 	<ol style="list-style-type: none"> 1. Develop proposals on various topics. 2. Organise and support regular meetings of the HSC 3. Organise planning coordination and monitoring systems 	<p>Immediate actions include linking WB HLP with PHD centres</p> <p>More planning and coordination will be linked to new horticulture department</p>
Ensure that the aims and activities of the project are understood among stakeholders and other projects	<ol style="list-style-type: none"> 1. Initial work commenced on preparation of a leaflet introducing the project 2. Workshops and other meetings were arranged 	<ol style="list-style-type: none"> 1. Prepare a leaflet introducing the project 2. Organise regular workshops and other meetings 	<p>The EC visibility guidelines also have to be followed; a signboard for the main office was prepared</p>

Activities	Sub-activities During the reporting period	Sub-activities Planned for the next reporting period	Comments
Developed horticulture policies and strategies.	<ol style="list-style-type: none"> 1. Assisted Agriculture Master Plan development. 2. Organised collation of data for planning & monitoring purposes 3. Liaison with relevant persons in MAI to ensure horticulture staff positions developed will continue. 	<ol style="list-style-type: none"> 1. Further assist Agricultural Master Plan development 2. Continue collation of data for planning & monitoring purposes 3. Liaise with relevant persons in MAI to ensure horticulture staff positions developed will continue 	A new round of planning development is needed, with a harder information basis. PHDP has specific data collection role in tree nursery business.
Continue the Policy and Strategy Advisory role during the project's lifetime.	1. The follow up to the Master Plan was completed and a new basis for preparation of strategy documents in conjunction with stakeholders is needed	1. Prepare strategy documents in conjunction with stakeholders.	The Team Leader will continue to provide input into fact finding and project proposal preparation TAs.
Assist the MAI in coordination of NGOs and other actors in the horticulture sub-sector.	1. Held two general meetings with NGOs who were potential implementing partners to the PHDP	<ol style="list-style-type: none"> 1. Hold meetings with NGOs that are selected implementing partners to the PHDP 2. Ensure NGOs provide feedback with reports and data for the PHDP and MAI information systems. 	<p>The TOR for NGO cooperation with PHDP was discussed with the HSC.</p> <p>The NGOs will be enjoined by the EC to have a working relationship with the PHDP Consultant, who will need to have proactive data collection and coordination programmes.</p>
Assist in the development of a sustainable public-private partnership for the perennial horticulture sector	1. Began surveys of fruit tree nurseries with a view to development of relevant associations	<ol style="list-style-type: none"> 1. Support to horticultural export promotion 2. Support to the development of the Horticulture Union sponsored by the WB HLP 	<p>The organisation development programme of PHDP includes different industry groups.</p> <p>The organisation development programme of PHDP will link its farmers and marketing groups to specific marketing organisations and projects.</p> <p>The Horticulture Union is expected to be the main public/private sector horticulture stakeholder group</p>

Component 2: Demonstration Orchards

The demonstration orchards and vineyards will be a key feature of the Perennial Horticulture Centres, to include the germplasm collections and mother stock nurseries and other horticultural activities as may be developed later. The Centres will ensure the building up of the technical knowledge required to strengthen the MAI role in the development of the horticulture sector, particularly in such subjects as: horticultural extension, National Variety List development; a plant certification system; definition of market standards for fruit and nuts; definition of best horticultural practices and other related topics.

The work for 2006 was necessarily limited to defining where the PHD Centres should be, measuring and mapping the areas, investigating what facilities are already available on the various sites, and defining requirements for investment. The investment requirements were drawn up into detailed procurement specifications for the Delegation of the EC in Kabul. The overall procurement requirements were outlined in the Inception Report prepared in 2006, and the more detailed procurement list is included in Annex C of the Work Plan for 2007.

The planting of the demonstration orchards will start in 2007. The 2007 Work Plan includes the orchard planting and detailed training programmes. A separate work plan for each demonstration orchard has been prepared.

Table 2: Component 2. Activity Frame

Activities	Sub-activities During the reporting period	Sub-activities Planned for the next reporting period	Comments
Development of the PHD Centre sites.	1. The design of the buildings and ancillary civil works started in 2006	1. The design of the building and ancillary civil works will be completed early in 2007 2. The detailed designs, technical specifications, bills of quantities will be finalised early in 2007 and the resulting procurement documents passed to the EC Delegation; for procurement around May 2007	Work in Kandahar will commence as soon as possible in 2007. The procurement process will be in the hands of the EC Delegation once the technical specifications are agreed with MAI

Activities	Sub-activities During the reporting period	Sub-activities Planned for the next reporting period	Comments
The first areas for activity for demonstration orchards have been identified, and plans prepared.	1. Preliminary proposals for the sites were prepared in 2006.	1. Detailed plans are included in 2007 Work Plan.	Plans for the Kandahar site will be prepared in early 2007; funding will be reserved until activities can commence there.
Implement demonstration orchards and properly maintain them.	1. The programme includes orchard lay out, tree planting, pest and disease control, irrigation, and training of trees. 2. Training of MAI staff started end 2006.	1. The different operations during the next reporting period will also be used as a basis for providing the relevant training to the Ministry staff.	The detailed system of funding for operational expenses has to be worked out with the EC Delegation.
Identify the needs for participatory research.		1. A survey of farmers will be undertaken in the demonstration farm areas 2. Problems of farmers will be analysed to develop a programme of immediate needs and areas suitable for participatory research identified	The sites for the demonstration farms become the centres from which participatory research is organised.

Component 3: Mother Stock Nurseries & Nucleus Nursery

During the Inception phase of the project, the project re-defined the system for producing high quality fruit trees, and this is explained in detail in the Inception Report and Work Plan 2007. As the project develops, it is intended that the main mother stock nurseries are held in the private sector, under a government regulated certification and inspection system. These mother stock nurseries receive material from a specialised facility to be set up to clean up good clones of named varieties and to maintain small quantities of this cleaned up material in glasshouses or netting tunnels to protect the material from contamination and virus carrying insects such as aphids. This facility would be the nucleus nursery, or nuclear stock nursery.

A survey of the private sector nurseries in Jalalabad and Herat started in 2006, and this will be continued in 2007 to survey all the nurseries in the country, as the project staff are recruited for the remaining areas.

Table 3: Component 3 Activity Frame

Activities	Sub-activities During the reporting period	Sub-activities Planned for the next reporting period	Comments
Development of PHD Centre sites.	<ol style="list-style-type: none"> 1. Detailed design of the PHD Centres was mostly completed for Herat by the end of 2006 and that design is used as the basis for the other sites. 2. Initial sowings of seedling rootstocks to accept collected germplasm budwood took place at the end of 2006, and will continue in early 2007 	<ol style="list-style-type: none"> 1. The designs for other sites will be completed early 2007 passed to the EC Delegation for procurement. 2. Budding onto rootstocks will take place in early and late summer 2007 	Work in Kandahar will commence early 2007 if possible.
Completion of a strategic plan to support "nucleus" nurseries (<i>registered mother stock nurseries</i>) (structures, numbers, functions, status).	<ol style="list-style-type: none"> 1. Surveys of nurseries have commenced and will continue through 2007. 	<ol style="list-style-type: none"> 1. A short term international consultant will be recruited in early 2007 to look at possibilities for developing clean germplasm systems 2. The information and suggestions provided by the industry will be used in preparing a strategic plan 	
Work will start on the evaluation of germplasm including rootstocks and the development of improved germplasm	<ol style="list-style-type: none"> 1. A survey of available rootstock materials was carried out in 2006, but procurement of new materials will not be until 2007/2008 winter season 	<ol style="list-style-type: none"> 1. Initial work will begin on the propagation methods, compatibility issues and other technical issues with germplasm 	A germplasm development officer has been recruited to develop this area of expertise

Component 4: Germplasm Collection

The first phase of the germplasm collection commenced in July 2006. This involved various study trips around the country to identify areas where there is germplasm held in the major fruit and nut growing areas. Previously, some written information had been collected from earlier studies on germplasm and germplasm collection. Existing germplasm collections were identified. Many of these collections are incompletely recorded. Some small quantities of budwood have been collected in Jalalabad and budded onto to rootstocks available in commercial nurseries.

During the 2006 work, the beginnings of a germplasm collection and development policy and strategy were laid down. This policy and strategy is being used to inform the work during 2007. While there was a small amount of collection of material for the germplasm collection, the main purpose of the 2006 efforts was to define the scope of the work for 2007.

In November 2006 the PHDP team purchased seed of different species to be used as rootstock material. These rootstock seeds were sown at Badam Bagh, Herat, Kunduz and Jalalabad in time to allow natural stratification (exposure to cold to break dormancy). Extra quantities were placed in pits in bags at Badam Bagh to undergo the stratification process. These seeds can easily be recovered and will be sown in early 2007 in Mazar-i-Sharif and Kandahar, where the project does not yet have a presence. The seeds will be grown on for budding in 2007 with the collected germplasm budwood

A short term consultancy input was arranged for early in 2007 to prepare detailed proposals for long term development of facilities for the cleaning up of planting materials. It is expected that these facilities will include micropropagation laboratories with disease indexing facilities. In order to support this work, the project in December recruited a local germplasm development officer to be responsible for overseeing developments in the germplasm clean up and in the development of the germplasm multiplication systems,

The database systems have been developed to manage the large amount of data to be collected on the germplasm collection.

Table 4: Component 4 Activity Frame

Activities	Sub-activities During the reporting period	Sub-activities Planned for the next reporting period	Comments
Detailed collection of a range of varieties of fruits & nuts varieties	<ol style="list-style-type: none"> 1. An initial survey defined the scope of the work needed, and allowed a future programme to be defined 2. A small number of trees were marked and a start made on collection of germplasm. 	<ol style="list-style-type: none"> 1. A continuous programme throughout the year is expected to label and collect several hundred specimens 	Limited to the main areas as previous experience shows, and to the more secure areas of the country.
Develop a strategic plan to set-up and manage germplasm collection and preservation centres.	<ol style="list-style-type: none"> 1. An outline on which to base the specific work plan for 2007 was made. 2. Seedling rootstocks were sown in preparation to take collected budwood grafts. 	<ol style="list-style-type: none"> 1. The specific work plan for 2007 is detailed in Annex B of the 2007 Work Plan 2. Seedling and clonal rootstocks will be planted and prepared to take collected budwood grafts 	Ex-situ collections will be held at the Perennial Horticulture Development Centres, and some other sites
Develop a strategic plan indicating the methods and schedule for evaluation of the germplasm collection.	<ol style="list-style-type: none"> 1. Recruitment germplasm development officer was the first step taken in 2006 	<ol style="list-style-type: none"> 1. the first step will be to bud the collected varieties onto uniform rootstocks (rooting cuttings in the case of grapes, pomegranates) 	Evaluation depends on availability of trees of the required varieties, from 2009 onwards
Develop a strategic plan for cleaning up selected germplasm and providing clean germplasm to the fruit tree nursery industry	<ol style="list-style-type: none"> 1. Plans for a short term international adviser recruitment to advise on germplasm clean up systems was made 2. The post of germplasm development officer has been created in support 	<ol style="list-style-type: none"> 1. The short term international advisor will be recruited to advise on germplasm clean up systems 	Further project funding may be requested. Interaction with the tree nursery industry is needed at all stages
Prepare specifications for the rehabilitation/ construction and equipment of the germplasm centre(s).	<ol style="list-style-type: none"> 1. The Perennial Horticulture Centres have been selected to provide joint sites for germplasm collection and for demonstration orchards. 	<ol style="list-style-type: none"> 1. Preparation of the specifications for the rehabilitation / construction and equipment of the centres will be started 	The EC Delegation handles the detailed procurement.

Component 5: Support to Farmers

The PHDP team prepared the technical aspects of the Call for Proposals for NGOs that will result in a selected number becoming implementing partners in the project, to support the development of farmers' organisations. How this will be done will be more clear when the proposals of the NGOs are evaluated after 21st January 2007.

Additionally, the PHDP will work with all the major fruit tree producers in the country, and with the one or two interested NGOs, to develop fruit tree nursery associations and a system of fruit tree nursery registration. Leading tree nurserymen will be asked to cooperate in developing quality standards and voluntary codes of practice. The PHDP began this work with some initial surveys of nursery growers in the East, in areas close to Jalalabad; in Herat area; and in areas centred on Kabul.

Table 5: Component 5. Activity Frame

Activities	Sub-activities During the reporting period	Sub-activities Planned for the next reporting period	Comments
Ensure that the NGO implementing partners have adequate programmes to support farmers in terms of production technology, processing, marketing, business management.	1. Assisted the EC Delegation in preparing technical aspects of the calls for proposals for NGOs.	1. Assist the EC in assessing the NGO proposals in the context of the 2006 call for proposals 2. Monitor the NGO surveys on which they base the development and support programmes 3. Collate information collected by NGOs 4. Prepare common training modules for use by individual NGOs 5. Ensure that NGO training is technically adequate and uses information gathered during the course of the project	Regular coordination and information exchange meetings planned

Activities	Sub-activities During the reporting period	Sub-activities Planned for the next reporting period	Comments
Complete information collection about fruit tree nurseries	<ol style="list-style-type: none"> 1. Began carrying out nursery surveys 2. Began entering collected information in organised PHDP database. 	<ol style="list-style-type: none"> 1. Organise surveys 2. Organise nursery grower meetings for interchange of ideas 3. Start collection of information in organised PHDP database 	Gradual movement to a registration system
Begin process of registration of nursery growers and development of nursery associations	<ol style="list-style-type: none"> 1. General information gathering and formulation of association rules begun in 2006 2. Internal discussion only in 2006 on development of nursery technical standards for voluntary adoption 	<ol style="list-style-type: none"> 1. Preparation for the organisation of nursery growers into groups or association 2. Start developing technical standards for voluntary adoption 	Training in improved nursery practices
Assist in marketing and other developments to benefit the farmers.	<ol style="list-style-type: none"> 1. In 2006, discussions only with projects such as HLP, ASAP, CADP, which were all in pre start up / formulation phase. 	<ol style="list-style-type: none"> 1. Link with other specialist projects and organisations to provide information for the NGO farmer groups 	Support the development efforts of the Horticulture Union.

Horizontal Activities and other Tasks

The project as a whole aims to integrate and lead the development of the horticultural industry through support of some key activities. The first of these is the support to the Steering Committee and the new Horticulture Department. The team leader is particularly focussed on drawing together the various initiatives from donors into a cohesive development, and will work across the Ministry with the various planning and monitoring institutions. In 2006, the only developments in the Agriculture Master Plan was the reformulation of the programmes in line with the Afghanistan National Development Strategy (ANDS), which resulted in the enunciation of seven main goals with seven sets of actions, with perennial horticulture counting as one of the seven major areas for action.

Table 6: Horizontal Activities and Project Management. Activity Frame

Activities	Sub-activities during the reporting period	Sub-activities planned for the next reporting period	Comments
Prepare any technical paper in relation to the Project activities the Delegation of the European Commission may require.	1. The Team Leader has already provided advice to the EC Delegation on the TOR for a study of gaps in horticulture development programmes	1. Prepare technical papers as required 2. Prepare presentation & information materials 3. Provide project web pages for the MAI website	
Ensure that all terms of the Financing Agreement established between the Islamic Republic of Afghanistan and the EC are fulfilled by the two signatories of the agreement.	1. Monitoring the terms of the Financing Agreement took place in the period.	1. Monitor the terms of the Financing Agreement on a regular basis	Proposals were made in the Inception Report, with more detail in Work Plan 2007
Review at regular stages Annex III of the Contract (organisation and methodology).	1. Actions in the project were in line with the contractual obligations,	1. Review the contract and its implementation on a regular basis	
Draft Annual Work Plans that will need to be discussed with the EC and then be submitted to the HSC for approval.	1. The first annual work plan was prepared in September 2006, The 2007 Work Plan was produced in December 2006		The next Annual Work Plan will be prepared in the second half of 2007 only
Prepare all tender documents requires for works or supplies procurement and assist in the evaluation of the bids and the supervision of the execution.	1. The main lists for the procurement have been prepared with follow up work to continue in 2007	1. Assist the EC Delegation in managing the procurement process and preparing the operating grant for the future functioning of the PHDP centres	The EC rules and guidelines will be followed.

3. INPUTS AND FINANCE

Technical Assistance Inputs in 2006

Key Experts

The Team Leader and Specialist for Horticulture Policy, Strategy and Reform Mr. Gregory Cullen was in post 20th May to 24th September and 29 October to 19th December 2006

The Horticulturist Mr. Juan Ignacio Trives Pire was in post 19th June to 20th October 2006

The Agronomist Dr. Gholam Shams was in post 24th July to 12th November. During this input, the initial survey of germplasm resources in Afghanistan was completed, and his further planned input will be re-allocated to a Human Resources Development & Training specialist.

The Agricultural Economist Dr. Bernhard Homeyer was in post 16th August to 15th December

Some changes in the four originally proposed (key) experts were discussed and proposed to the EC Delegation in December 2006. It has been decided to bring in an HRD/Training expert for up to 26 months inputs in 2007-2010. Reflecting the demands of the project at the present time, he will replace the Germplasm collection expert (Agronomist). The general programme of germplasm collection will be supervised by the Horticulturist and the Team Leader and will be supported by specialised short term inputs.

It has further been decided that the Agricultural Economist will complete his inputs with a further 5 months in 2007, bringing a total of 9.5 months over the life of the project. The Horticulturist will increase his inputs to 9 months in 2007, and will run at increased annual inputs to accumulate 40.5 months over the life of the project. The overall man months for the project team will remain the same.

Short term International Experts

There were no short term international specialist inputs during 2006. The first input of the short-term Germplasm Development expert was approved by the EC Delegation in December 2006 and the expert will start with his first mission in February 2007.

Long term local experts

There is limited availability of suitable candidates for the various local experts positions. Some posts have been advertised up to four times and over 1000

applications have been screened. At the end of 2006 four positions remained vacant, namely those of training manager, organisational development expert, field horticulturist Balkh and field horticulturist Kandahar. Suitable CVs for these positions have been received, and it is expected that the positions will be filled by mid-February 2007.

Short term local experts

No provision was made for local short term experts in the original project terms of reference, but it was found necessary to request permission to vary the term of the Consultant's contract to allow provision for short term experts. In order to be able to employ specialist persons on short term contracts, 27 man months of long term local experts were converted into 13.5 man months of local short term experts. The change in the fee rate allows for the use of more expensive specialists for specific tasks. Less than one man month of this short term input has been contracted by the end of 2006, for the input of a civil engineer on designing the Perennial Horticulture Development Centre in Herat.

Table 7: List of Expert Positions and planned inputs as at end 2006

No	Resource	Code	Man-Months	Category ^{*)}
1	Team Leader, Specialist for horticulture policy and strategy, reform specialist	TL	50	TL
2	Horticulturist, Support to Nucleus nurseries and demonstration orchards, knowledge development	HO	40.5	LIS
3	Agronomist/ Germplasm Expert, Support to setting up a Germplasm centres	AG	4	LIS
4	Agriculture Economist/Organisation Development Expert, Support to farmers' organisations	AE	9.5	LIS
5	Human Resources Development & Training Expert (from 2007)	HR	26	LIS
6	Unallocated short term	?	10	SIS
7	Senior Project Administrator	TS/PM	55	LLS
8	Training Manager (from 2007)	TM	48	LLS
9	Database & information resources Expert	IT/MI	48	LLS
10	Organisation Development Expert (from 2007)	FO	48	LLS
11	Marketing Expert (left & not replaced)	M	1.5	LLS
12	Lead Germplasm Research	NM	54	LLS
13	Germplasm development officer	GD	48	LLS
14	Field horticulturist (1) Kabul	FH1	50.5	LLS
15	Field horticulturist (2) Herat	FH2	52	LLS
16	Field horticulturist (3) Balkh (from 2007)	FH3	47	LLS
17	Field horticulturist (4) Kunduz	FH4	48	LLS
18	Field horticulturist (5) Nangarhar	FH5	53	LLS
19	Field horticulturist (6) Kandahar (from 2007)	FH6	47	LLS
20	Short term local experts (includes civil engineers)	?	13.5	SLS

*) Categories: TL = team leader; LIS = Long-term International Senior; SIS = Short-term International Senior; LLS= Long-term local senior. SLS = short term local senior

Table 8: Expert Inputs in 2007 in Days (subject to minor changes in dates)

MONTH	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total days
International Experts (possible days)	24	24	24	26	27	25	27	25	23	24	25	23	297
Team Leader	14	24	24	13	17	25	27	25	11	3	25	12	220
Horticulturist		24	24	26	13	13	27	16		25	25	5	198
Agricultural Economist (Org. devpt)			14	26	26			11	23	21			121
Training		12	24	26	26			12	23	24	7		154
Short term		11	11			6	15			11	11		66
Local Experts													
<i>Senior Project Administrator</i>	22	23	24	24	24	24	24	24	23	22	24	21	279
<i>Germplasm lead researcher</i>	22	23	24	24	24	24	24	24	23	22	24	21	279
<i>Germplasm development officer</i>	22	23	24	24	24	24	24	24	23	22	24	21	279
<i>Training Manager</i>	22	23	24	24	24	24	24	24	23	22	24	21	279
<i>Database & Information Resources</i>	22	23	24	24	24	24	24	24	23	22	24	21	279
<i>Organisation Development Expert</i>	22	23	24	24	24	24	24	24	23	22	24	21	279
<i>Field Horticulturist Jalalabad</i>	22	23	24	24	24	24	24	24	23	22	24	21	279
<i>Field Horticulturist Herat</i>	22	23	24	24	24	24	24	24	23	22	24	21	279
<i>Field Horticulturist Mazar</i>	22	23	24	24	24	24	24	24	23	22	24	21	279
<i>Field Horticulturist Kunduz</i>	22	23	24	24	24	24	24	24	23	22	24	21	279
<i>Field Horticulturist Kabul</i>	22	23	24	24	24	24	24	24	23	22	24	21	279
<i>Field Horticulturist Kandahar</i>				24	24	24	24	24	23	22	24	21	210

The estimates for local experts are averages, taking into account public holidays and annual leave, to be taken at convenient times by mutual consent

The estimates for international experts are meant to be indicative of total input days and approximate dates, and are subject to change

“Possible days” are days in the month, less Fridays, and less public holidays (estimate only- with moveable dates on Islamic calendar)

3.2 Project Facilities and Logistics

The project team has been established in the green building (formerly the advisers' building) at the MAI. The project has only been given the ground floor space, which is insufficient. The WB Horticulture and Livestock Project started occupying the top floor of the building from December 2006. Discussions are under way for the project to use space at the new Cooperative Building, which is nearing completion at Badam Bagh, just outside the research farm area.

At the Badam Bagh (Kabul) research farm, and at the five provincial farms designated for project activities, there are no facilities, or insufficient facilities, so the project proposed the building of Perennial Horticulture Development Centres. The original outline design has been worked up in to a detailed design for Herat and will be used as a basis for design centres at the other five sites. The full specifications and bills of quantities will be worked up for each site in early 2007.

3.3 Project Management

The project team has the task to realise the different project results in close cooperation with the MAI as direct counterpart. The project has been implemented under the guidance and oversight of the Project Steering Committee/Horticulture Steering Committee. The Consultant's head office has on one hand mobilised the team and provided backstopping and quality control, and on the other hand managed the contractual aspects with EC Delegation in Afghanistan.

Consultant's Responsibilities

The Consultant is responsible for mobilising experts, backstopping, fulfilling reporting requirements and quality control. It has made arrangements for exchange of information and using maximum flexibility for mobilising short term experts and providing technical backstopping, based on expert resources, experiences and knowledge within each of the firms, providing the best available experts and knowledge to the project.

Several backstopping missions by the Project Director have been implemented during the reporting period. An office manual as well as a security manual have been prepared for the Consultant's TA team and local staff with clear instructions on EC procedures to be followed

and security considerations to be taken into account, especially when travelling to the project sites in the country.

An internal management meeting took place at the end of 2006 in the Consultant's headquarters to inform all consortium members on project progress and activities and plans for the next reporting period.

The submission of reports has been in accordance with the ToR. The Inception Report and Work Plans for 2006 and 2007 were prepared according to schedule. This report is the first Interim Progress Reports to be prepared every six months. For convenience, this first report covers the first seven months and twelve days of the project, to report up to 31 December 2006.

The Identification and Timing of major Milestones

Major milestones were proposed for completing key activities or for achieving defined project results, and progress to date against these milestones is laid out below.

Table 9: Major Milestones achieved to date

Milestone	Date	Description & comments
Project commencement	20 May 2006	Team Leader in place 20 May
Overlap with Horticulture Policy & Strategy Adviser	Until 7 June 2006	Joint travel to evaluate project sites
Arrival Project Horticulturist	19 June 2006	Undertook joint travel with TL and separate travel to evaluate project sites
Recruitment first local experts	1 July 2006	Project administrator and Horticulture marketing specialist commenced work
First Horticulture Steering Committee meeting	12 July 2006	Issue raised on recruitment of local expert staff, which was subject of further meetings and recruitment stalled until 1 September 2006
Arrival Project Germplasm Expert	24 July 2006	Completed travel to all main project areas and assessed germplasm resources and collections
Arrival Project Organisation Development Expert	16 August 2006	Made some initial orientation visits to Kunduz and Mazar-i-Sharif before the Inception Report completion.

Milestone	Date	Description & comments
Preparation terms of reference for calls for proposals from NGOs	September 2006	The draft terms of reference were circulated to the HSC members before the end of August 2006
Preparation plans for Perennial Horticulture Development Centres with procurement proposals	September 2006	Perennial Horticulture Development Centres to include demonstration orchards variety collections and mother stock nurseries on same sites. Workshop on proposals completed
Inception report	September 2006	Includes decisions on sites of project implementation, revisions in Project Logical Framework, and other decisions discussed at the Horticulture Steering Committee.
Work plan 2006	September 2006	Covers from project commencement to end 2006
Adoption of Inception Report and Work Plan 2006	October 2006	Inception report & work plan agreed By EC Delegation and adopted by Steering Committee
Master Plan input completed	Nov 2006	Recasting existing data in summary format only
Detailed procurement for Perennial Horticulture Development Centres prepared and sent to EC Delegation.	Dec 2006	Included in Work Plan 2007 following initial procurement list in the Inception Report
Prepare and plant germplasm collections	Nov/Dec 2006	Seed for rootstocks of almonds, peaches, apricots sown
Prepare and plant demonstration orchards & vineyards	Nov/Dec 2006-	Identification of sources of planting materials, for planting by March 2007
Work plan 2007/8 <i>With similar timing for subsequent years</i>	Dec 2006	Inclusion plans for demonstration orchards & nucleus nurseries; training programmes year 2; extension & demonstration programme

3.4 Finance

The PHD Programme has a total budget of approx. 12,500,000 EURO which is split in several budget lines. Up to the end of 2006, expenditures only occurred for the Technical Assistance budget. Expenditures for the other budget lines will start in 2007 once the procurement procedures for vehicles, agricultural machinery, equipment, inputs and works are finalized.

TECHNICAL ASSISTANCE EXPENDITURES

	BUDGET €	ACTUAL EXPENDITURE TO DATE €	% OF BUDGET
Fees			
Team Leader	836,000	114,760	14%
Long term International Experts	1,232,000	208,600	17%
Short term International Experts	162,800	0	0%
Long term Local Experts	1,122,000	48,620	4%
Short term Local Experts	50,490	0	0%
Sub-total	3,403,290	371,980	11%%
Incidental Expenditures			
Sub-total	914,200	34,114	4%
TOTAL	4,317,490	406,094	9%

Incidental Expenditure

As per ToR the incidental expenditure budget provisions are to be used for:

- Travel costs and subsistence allowances for missions to be undertaken as part of this contract from the base of operations in the beneficiary country, Kabul. This includes per diem allowances for MAI staff, associated with the project e.g. for attending workshops and seminars and the experts, away from their basis of operation;
- Incentives for government staff;
- Studies and data collection for the project
- Training, Workshops and seminars.

The Contractor is responsible for ensuring that incidental expenditure conforms to the EC contract conditions. The Contractor will seek prior approvals from the EC Delegation before spending. The Contractor is responsible for overall management of project budgets to ensure sufficient money is available over the five years for necessary project expenditure.

A general outline on the agreed expenditures under the Incidental Expenditures budget is shown in Annex B of this report.

SUPPLIES AND WORKS FOR DO / NN / GERMPLASM CENTRES EXPENDITURES

	BUDGET €	ACTUAL EXPENDITURE TO DATE €	% OF BUDGET
Civil Works	200,000	0	0%
Cars & Motorcycles	167,000	0	0%
Agricultural Machinery	64,000	0	0%
Office Equipment	50,000	0	0%
Field Irrigation Equipment	27,000	0	0%
Laboratory Equipment	18,000	0	0%
Field Equipment	10,000	0	0%
Pruning Equipment	5,000	0	0%
Local Tools	1,000	0	0%
Inputs	132,000	0	0%
Direct Labour	265,000	0	0%
TOTAL	939,000	0	0%

DIVERSE EXPENDITURES

	BUDGET €	ACTUAL EXPENDITURE TO DATE €	% OF BUDGET
Additional Training not covered under Incidental Expenditures	163,156	0	0%
Additional Studies not covered under Incidental Expenditures	31,700	0	0%
Information Costs	40,000	0	0%
Additional Operation Costs not covered under Incidental Expenditures	38,690	0	0%
TOTAL	273,546	0	0%

AUDIT AND M&E EXPENDITURES

	BUDGET €	ACTUAL EXPENDITURE TO DATE €	% OF BUDGET
Monitoring and Evaluation	180,000	0	0%
Audit	90,000	0	0%
TOTAL	270,000	0	0%

EXPENDITURES FOR GRANTS FOR NGOs

	BUDGET €	ACTUAL EXPENDITURE TO DATE €	% OF BUDGET
Support to Farmers through NGOs	6,500,000	0	0%
TOTAL	6,500,000	0	0%

ANNEXES

Annex A Revised LogFrame

Annex B Incidental expenditure budget for the whole project (outline)

Note that expenditures for farm operations labour are included in the annual work plan for 2007.

Annex C List of Training Activities carried out in 2006 and proposed Training Plan for 2007

Annex A Logical Framework

The logical framework for the project is an important tool for the implementation and monitoring of the project, as it gives clear direction to the Implementing contractor and other stakeholders as to what should be achieved and how to measure the achievements

Intervention Logic	Objectively Verifiable Indicators	Means of Verification	Risks and Assumptions
<p>Overall Objectives:</p> <p>To contribute to poverty alleviation in particular for the rural population;</p> <p>To contribute to the general economic recovery of Afghanistan;</p>	<p>Increase of farmers' income from horticulture</p> <p>Average increase in horticulture exports of 22% per year (according to Agriculture Master Plan);</p> <p>Increase in GDP from horticulture;</p>	<p>Central Statistics Office Annual Reports, AREU Rural Livelihoods Research reports;</p> <p>Reports of IMF/WB on economic development;</p>	<p>"The successful implementation of the horticulture component of the Agriculture Master Plan is key to transforming Afghanistan's rural economy. A robust and vibrant rural economy will improve the livelihoods of hundreds of thousands of farmers, increase profits for the private sector, and improve Afghanistan's macro-economic indicators of income and trade". Agriculture Master Plan 2005</p>
<p>Project Purpose:</p> <p>Development of a demand oriented and export-led perennial horticulture industry. <i>(in support of Agriculture Master Plan goal)</i></p>	<p>By the end of the programme net benefit from horticulture has increased at least by 20% in average on production level by implementing farmers compared to start-up phase of project.</p>	<p>Reports from implementing partners and general progress monitoring reports of the project;</p> <p>MAI annual and provincial reports.</p>	<p>The components of net benefit include better net prices, higher yields from existing areas due to improved production techniques and larger crop areas because of replanting programmes.</p>

Intervention Logic	Objectively Verifiable Indicators	Means of Verification	Risks and Assumptions
<p>Result 1:</p> <p>The MAI is structured and equipped to support the development of an expanding private sector horticulture industry.</p>	<ol style="list-style-type: none"> 1. Horticultural research and extension workers are trained and able to provide services to the private sector at central and regional level in the country within 3 years of the start of the project ; 2. Central programme activities implemented (specific extension training, other training, extension materials, education support) at least 3 years after start of project; 	<p>Training assessments</p> <p>Horticulture policy/strategy documents;</p> <p>Minutes of coordinating committees/ workshop proceedings;</p> <p>Minutes from coordination meetings;</p> <p>Reports from training activities;</p> <p>Records of extension material production;</p> <p>Reports from higher education;</p>	<p>MAI accepts restructuring and formation of new coordination bodies. <i>(The project will facilitate development of a HVH Task Force with a Steering Committee);</i></p>

Intervention Logic	Objectively Verifiable Indicators	Means of Verification	Risks and Assumptions
<p>Result 2:</p> <p>Demonstration Orchards are operational and have the ability to perform extension services on request of the private sector. The agronomic potential is better understood and used to formulate detailed policies and strategies.</p>	<ol style="list-style-type: none"> 1. Six MAI research farms include functional Perennial Horticulture Centres at least three years after project start, with demonstration orchards planted and training courses given for at least 5 major crops by staff of MAI Perennial Horticulture Centres. 2. Number of farmers (in farmers' organisation context) having attended training courses and demonstration farm visits; 3. Number of farmers implementing advice provided by demonstration plots (via their farmer groups); 	<p>Research reports;</p> <p>Training course materials;</p> <p>Attendance list training courses & visitors list (open days)</p> <p>Farmer field reports;</p> <p>Extension material;</p> <p>Departmental reports;</p>	<p>Sufficient suitable support staff can be recruited and located;</p> <p>The demonstration orchards will be used as training of trainer facilities, and provide the models for other demonstration orchards set up elsewhere by other projects;</p>
<p>Result 3:</p> <p>The private sector fruit and nut tree production industry is providing sufficient and healthy plant material to meet the demand of the growing private horticulture sector.</p>	<ol style="list-style-type: none"> 1. Regulatory framework is put in action at least 3 years after start of project; (Codes of practice for nursery production agreed after one year) 2. Sufficient numbers of certified mother stock nurseries producing clean, healthy materials for the private sector nursery industry 2. Number of trees/vines produced to acceptable standards at least three years after project start. 3. Number of farmers using advice provided by nurseries (via their farmer groups); 	<p>Surveys of private sector tree nurseries</p> <p>Research reports;</p> <p>Delivery notes to nurseries;</p> <p>Farmer field reports;</p> <p>Departmental reports;</p>	<p>The private sector is essentially responsible for the whole fruit tree production chain, including development of disease free mother stock nurseries, with regulatory systems to be developed in partnership with the government. Current production of fruit trees in government stations is not supported by PHDP and should eventually be phased out, following principles developed elsewhere that it is not government role to be producer and regulator</p>

Intervention Logic	Objectively Verifiable Indicators	Means of Verification	Risks and Assumptions
<p>Result 4 :</p> <p>The full range of Afghanistan's fruit and nut tree crop varieties is collected into secure locations, and is catalogued and evaluated for the benefit of the Afghanistan horticulture industry.</p>	<ol style="list-style-type: none"> 1. For most important horticulture species core germplasm collections are established by year 3 after project start. 2. The MAI Perennial Horticulture Centres act as sources of true to type planting materials 3. The variety collections are collected into electronic databases available on the MAI website 	<p>Annual reports of MAI;</p> <p>Perennial Horticulture Centre records;</p> <p>MAI website databases</p>	<p>Major collection efforts can be completed in 3 years; evaluation of germplasm will take longer - 6 to 15 years.</p> <p>The collected varieties are not necessarily disease free, and a cleaning up and verification procedure needs to be included before commercial production of varieties can proceed</p> <p>A germplasm development strategy can be added, probably developed at the end of year 3, to include breeding programme proposals;</p>
<p>Result 5:</p> <p>Support to farmers is given through their organisations and with the assistance of NGOs in the field of production increase, demonstration, quality improvement, post harvest handling and marketing.</p>	<ol style="list-style-type: none"> 1. Number of farmer groups having developed a business plan and offering services to members after year 3 of start of project; 2. Number of farmers receiving regularly, production means and advice from their farmer groups after year 3 of start of project; 3. Number of farmers using processing and marketing facilities of their farmer groups by year 3 after start of project; 4. Number of farmer groups having reached economic sustainability by the end of project. 	<p>NGO reports and business plans</p> <p>Sample surveys;</p>	<p>Sufficient suitable support staff can be recruited and located;</p>

Annex B Project budgets, with latest projections

Incidental Expenditure projections totals

Expert (cost per item US\$)	Months	days out per month	DSA	flights/month	flight cost total	vehicles trips/month 100 day rate	hired vehicle costs	TOTAL
		65		150				
Team Leader	50	4	\$13,000	1	\$7,500		\$0	\$20,500
Horticulturist	40.5	8	\$21,060	1	\$6,075		\$0	\$27,135
Agronomist	4	8	\$2,080	1	\$600		\$0	\$2,680
Ag. Economist	9.5	8	\$4,940	1	\$1,425		\$0	\$6,365
HRD/Training	26	8	\$13,520	1	\$3,900		\$0	\$17,420
Short term international staff	10	8	\$5,200	2	\$3,000		\$0	\$8,200
Project administrator	55	1	\$3,575	0.5	\$4,125		\$0	\$7,700
Database & information	48	1	\$3,120	0.5	\$3,600		\$0	\$6,720
Training manager	48	10	\$31,200	1	\$7,200		\$0	\$38,400
Organisation Devtpt	48	10	\$31,200	1	\$7,200		\$0	\$38,400
Hortic. Marketing	1.5	10	\$975	1	\$225		\$0	\$1,200
Germplasm research	54	10	\$35,100	1	\$8,100		\$0	\$43,200
Germplasm development officer	48	10	\$31,200	1	\$7,200		\$0	\$38,400
Field Horticulturist BB	50.5	2	\$6,565		\$0		\$0	\$6,565
Field Horticulturist He	52	2	\$6,760	0.5	\$3,900		\$0	\$10,660
Field Horticulturist DD	47	2	\$6,110		\$0		\$0	\$6,110
Field Horticulturist Ku	48	2	\$6,240		\$0		\$0	\$6,240
Field Horticulturist Jal	53	2	\$6,890		\$0		\$0	\$6,890
Field Horticulturist Kan	47	2	\$6,110	0.5	\$3,525		\$0	\$9,635
Short term local staff	13.5	10	\$8,775	1	\$2,025		\$0	\$10,800
Drivers (6 at Dos/NNs)@45 per day	48	12	\$25,920					\$25,920
Drivers(3 at HQ) @45 per day	48	24	\$51,840					\$51,840
HQ town vehicles 6 months x 2	12		(hired town vehicles @ monthly rate =\$800)			800	\$9,600	\$9,600
HQ 4WD vehicles 2 months x 2 cars	4		(hired 4WD vehicles @ monthly rate =\$1200)			1200	\$4,800	\$4,800
Provinces (1) before vehicles arrive	15		(hired 4WD vehicles @ monthly rate =\$1200)			1200	\$18,000	\$18,000
Totals (months=expert months only)	753.5		\$321,380		\$67,575		\$32,400	\$423,380
								=euros 333,370

ANNEX B.1: STAFF OF THE MINISTRY OF AGRICULTURE & IRRIGATION

The Project has a detailed programme for cooperating with the staff of the Ministry of Agriculture and Irrigation in the implementation of the project. These staff are located at each of the Perennial Horticulture Development Centres at the six main regional research centres where the project is developing the variety collections, demonstration orchards and mother stock nurseries.

After careful consideration of the tasks that needed to be done at the Perennial Horticulture Development Centres, it was decided to focus on four members of the provincial research farms to be nominated by the Ministry to cooperate actively with the project and participate in the PHDP.

These four positions were designated as:

- Horticulture Development Coordinator
- Orchard management specialist
- Germplasm collection specialist
- Horticulture Extension coordinator

The role of the Perennial Horticulture Development Centre staff was discussed at a workshop on the 11-12 September 2006 for the Provincial Directors of Agriculture and other senior managers, and it was broadly agreed with the participants that the PHD Centre staff would be:

- Working as a team to develop the centre
- Working initially as trainees
- Undergoing training to develop as specialists
- All learning some general skills first
- Learning English & basic computer skills
- Learning simple farm accounting & management skills

There was agreement on the criteria for the selection of staff, which included the following:

- Ability to absorb training
- Able to give a return on investment in training
- Basic qualification – university degree
- Maximum age limit
- Personal character
- Gender balance

The workshop also agreed on the selection methods for the selection of the Ministry staff to work with the project and this included;

- A selection panel to be constituted
- Selection in the province
- Two members from provincial directorate of agriculture to be included in the panel
- One person from the PHDP also to be on the selection panel
- Use of objective criteria

The conditions for participation of MAI staff in the PHDP was also discussed at the September workshop, and it was agreed that:

- The staff will receive incentives on a monthly (fixed) basis
- Per diems will be payable when off station
- Training programmes will be organised
- Study tours would also be organised where appropriate
- Management should commit staff to PHD centre work

Within the PHDP budget for Incidental Expenses, it had been agreed by the EC that there could be payments for MAI staff that were not subject to the higher pay scales that will come into place after the PRR process (Civil Service Reform). The following scale of payments was agreed (some time after the workshop of the 11-12 September 2006, following debate in the Ministry:

- ❑ Horticulture Development Centre coordinator to take general responsibility, payment US\$250 per month
- ❑ Other staff members US\$200 per month
- ❑ Per diems only when away from station

Germplasm testing, germplasm clean-up, and nucleus nursery

It is hoped that an additional team from the MAI will be recruited to work at Badam Bagh, Kabul to develop expertise in testing collected germplasm for viruses and other pernicious diseases, cleaning up the materials, and multiplying the materials in protected environments for distribution to registered mother stock nurseries. The existing facilities for micropropagation and protected tunnel cropping would be incorporated into this section. Four staff would be nominated as:

- ❑ Germplasm lead technician
- ❑ Germplasm technician (3 posts)

Horticulture Department

At the time of the workshop in September, there was no indication that the Minister would put forward the creation of a horticulture department. The initial proposal for support to the Horticulture Task Force could be transferred to support to the MAI staff in the Horticulture Department, particularly those dealing with:

- ❑ Planning & policy evaluation
- ❑ Monitoring & evaluation
- ❑ Regulation & Quality control
- ❑ NGO coordination

By the end of 2006, only a limited number of stations and personnel had been included in this incentive scheme, as persons were nominated and approved.

Incentives for Ministry staff – projected expenditure

	US\$		US\$				
Kabul-Badam Bagh				Kunduz			
PHD Centre coordinator	250	52	13,000	PHD Centre coordinator	250	52	13,000
Horticulturist	200	52	10,400	Horticulturist	200	52	10,400
Germplasm coordinator	200	52	10,400	Germplasm coordinator	200	52	10,400
Extension coordinator	200	52	10,400	Extension coordinator	200	52	10,400
			44,200				44,200
Kabul-Badam Bagh Nuclear Stock				Jalalabad			
Micropropagation technician	250	52	13,000	PHD Centre coordinator	250	52	13,000
Virus testing technician	200	52	10,400	Horticulturist	200	52	10,400
Field testing technician	200	52	10,400	Germplasm coordinator	200	52	10,400
Clean plants systems monitor	200	52	10,400	Extension coordinator	200	52	10,400
			44,200				44,200
Herat –Urdokhan				Kandahar-Kohkaran			
PHD Centre coordinator	250	52	13,000	PHD Centre coordinator	250	52	13,000
Horticulturist	200	52	10,400	Horticulturist	200	52	10,400
Germplasm coordinator	200	52	10,400	Germplasm coordinator	200	52	10,400
Extension coordinator	200	52	10,400	Extension coordinator	200	52	10,400
			44,200				44,200
Mazar – Dehdadi				Horticulture Department			
PHD Centre coordinator	250	52	13,000	Planning & policy evaluation	250	52	13,000
Horticulturist	200	52	10,400	Monitoring & evaluation	200	52	10,400
Germplasm coordinator	200	52	10,400	Regulation & Quality control	200	52	10,400
Extension coordinator	200	52	10,400	NGO coordination	200	52	10,400
			44,200				44,200
			44,200	Total			\$353,600

ANNEX C List of Training Activities carried out in 2006

Date	Topic
11 th – 12 th September 2006	Training workshop for MAI staff
11 th – 14 th September 2006	PHDP staff workshop
8 th November 2006	Technical seminar on germplasm collection
13 th November 2006	Training for second year Kabul University students at Badam Bagh on the importance and use of rootstocks in fruit tree production
November- December 2006	Horticulture technical training for second year Kabul University students at Badam Bagh
13 th December 2006	Training workshop for the Steering Committee members to present and discuss the project design and purpose and the 2007 work plan
25 th –27 th December 2006	Training on pruning of stone fruit trees at Jalalabad Shisham Bagh Research Farm

Note: The above training activities were covered under the Incidental Expenditure budget of the TA contract and the project team will continue to implement similar training activities under the same budget in the next reporting period.

The proposed training plan for 2007 below will also cover training to be implemented through NGOs and to be financed under the grant scheme for the support to farmers by NGOs.

ANNEX D Proposed Training Programme for 2007

There are four main groups of persons to receive training: the MAI senior staff will participate in a study tour planned for April/ May 2007, and the other groups include the MAI horticulture staff in Kabul and in the provincial research centres, the Cooperative Department trainers, who will receive horticulture & related business training to help them incorporate horticulture business in their training syllabuses, and then the farmers, who will receive training mainly within cooperatives, and in groups. The main providers of this training will be the NGOs participating in the project, and the NGO trainers will also be offered relevant training where needed.

Subject	Participants	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Fruit tree research and development	MAI senior staff					XX							
Germplasm and management	MAI hortic. Staff				X						X		
Technical training in horticulture	COOP trainers					XX			XX			XX	
Train the trainers in horticulture	NGO field staff						XX	XX		XX			
Horticulture on the job training	Res stat staff	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX
Horticulture: budding and grafting	Coops and farmers							XX	XX				
Horticulture: pruning	Coops and farmers											XX	XX
Horticulture: transplanting	Coops and farmers											XX	XX
Horticulture: orchard preparation	Coops and farmers									X	XX		
Growing grapevines	trainers, NGOs										X	XX	
Grapevines training and trellis	Trainer, NGOs			X	XX								
Improvement of Pistachio production	Trainers, NGOs											X	XX
Post harvest handling of grapes	Trainer, NGOs								X	X	XX		
Post harvest handling of grapes	Coops and farmers									XX	XX	X	
Post harvest handling of apples	Trainer and NGOs									X	XX		
Post harvest handling of apples	Coops and farmers									X	XX	X	