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Commercial Horticulture and Agricultural Marketing Program

CHAMP



QUARTERLY REPORT

October 31 – December 31, 2010

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Cover page: Farmers training on orchard layout with CHAMP extension agents, Habib Noor and Noorulhaq, in Ahmad Aba District.

COMMERCIAL HORTICULTURE & AGRICULTURAL MARKETING PROGRAM (CHAMP)

Quarterly Report: October-December 2010



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AAIDO	Afghan Almond Industry Development Organization
ACBAR	Agency Coordinating Body for Afghan Relief
ADB	Asian Development Bank
ADT	US Military Agriculture Development Team
ANA	Afghan National Army
ANP	Afghan National Police
AOTR	USAID Agreement Officer's Technical Representative
ASAP	USAID Accelerated Sustainable Agriculture Program
AVIPA	Afghanistan Vouchers for Increased Production in Agriculture
COIN	Counter-insurgency Strategy
COP	Chief of Party
CDC	Community Development Council
DDA	District Development Assemblies
DAI	Development Alternatives Inc., a for-profit international development firm
DAIL	Directorate of Agriculture, Irrigation and Livestock
DST	District Stabilization Teams
EC	European Community
GIRoA	Government of the Islamic Republic of Afghanistan
GPFA	Global Partnership For Afghanistan, an INGO
GTZ	Gesellschaft für Technische Zusammenarbeit GmbH
IDEA-NEW	USAID program in North, East and West
IED	Improvised Explosive Device
IPM	Integrated Pest Management
IRD	International Relief and Development
ISAF	International Security Assistance Forces
LOE	Level of Effort
MAIL	Ministry of Agriculture, Irrigation and Livestock
M&E	Monitoring and Evaluation
MOE	Ministry of Economics
MOU	Memorandum of Understanding
MRRD	Ministry of Rural Rehabilitation and Development
P2K	The provinces of Paktika, Paktya and Khost
PHDP	Perennial Horticulture Development Program, funded by the EC
PMP	Performance Management Plan
PRT	Provincial Reconstruction Team
ROP	Roots of Peace
USAID	United States Agency for International Development
USDA	United States Department of Agriculture
USG	United States Government



Loading fresh pomegranate from Zabul Province for shipment to Canada. This was the first container of refrigerated pomegranates ever shipped from Afghanistan. The "reefer" passed through the port at Karachi onto ocean freight and then to Canada.

1. EXECUTIVE SUMMARY

Project Information

CHAMP began in February 2010 as a four year, \$34.9 million activity that will reduce poverty among rural Afghan farmers by assisting them to shift from relatively low-value annual crops, such as wheat, to relatively high-value perennial crops, such as almonds, grapes and pomegranates. Because improved trellising can dramatically improve the productivity of existing grape vineyards, a second component of CHAMP will be to assist grape producers to install improved trellising systems in new or existing vineyards. Participants will contribute \$4.5 million of their own funds as a “partnership” portion of the costs of the materials for the orchards and vineyards.

A marketing program will support the increased production by linking producers to merchants in a system that rewards farmers and merchants for higher quality production with higher prices and profits, working with farmers to improve quality, and with traders to improve harvesting, packing, cooling, shipping and marketing methods. Profits will be increased through interventions targeting higher paying, non-traditional, export markets and better access to trade credit. To insure that women specifically benefit, and to encourage equal opportunities for women, CHAMP is implementing a pilot women’s program, focusing on home gardens and poultry rearing. CHAMP is implementing programs in 16 provinces in the Eastern, South Eastern, Southern and Central regions of Afghanistan.

The four program components are:

- ❖ New orchards and vineyards
- ❖ Trellising vineyards
- ❖ Home egg production units and vegetable gardens for women
- ❖ Marketing programs for export and import substitution.

Achievements for Quarter

CHAMP is on track to achieve its first year (Feb/2010-Jan/2011) orchard establishment target of 825ha. Progress on achieving the trellising target has been slower than planned. In this reporting period, the CHAMP field staff focused on planting of commercial orchards and instructing the farmers to take care of the newly planted saplings as well as those saplings planted in the spring. Training was provided on irrigation, weed control, management of the vegetable or fodder intercrop, white-washing the trunks of the saplings to prevent sunburn and training farmers on performing integrated pest management (IPM).

Achievements in the CHAMP marketing and Gender programs have been beyond expectations. Women’s kitchen gardens are producing good profits and extra food for participating farm families. The chicks delivered to women participating in the poultry program are maturing (with losses which have been replaced) and should begin producing eggs in the next quarter. The Marketing program achieved two first-ever achievements: the first reefer of pomegranates to be exported from Afghanistan reached Canada in good condition and fresh pomegranates were stored in cold storage for the first time. Within two months of storage, the market price of pomegranates had doubled, showing the potential benefits of storage.

Throughout the quarter, communication with relevant Stakeholders (MAIL, DAIL, DDA, CDCs and USAID District Representatives) continued to receive high priority attention. CHAMP staff met with the mentioned Stakeholders at District, Provincial and National levels.

CHAMP is now implementing programs in all 16 provinces such as in Eastern Region (Nangrahar, Kunar, Laghman) South Eastern Region (Paktya, Paktika, Khost) Southern Region (Zabul, Uruzgan, Kandahar, Helmand) and the Central Region (Kabul, Parwan, Wardak, Bamyan, Logar, Ghazni). Accordingly, staff is being added as the Program expands into additional programmed districts. Currently, we have 98 employees with 1 each from America, Hungary and India.

CHAMP utilization of the Program funds reached 90% of planned expenditures for the first year. Contracts for saplings and trellising materials are the major expense items. These contracts require a 20% down payment with the remaining 80% paid on delivery, most of which will occur in 2011.

2. PERFORMANCE INDICATORS

CHAMP Performance Indicators Report						
(Codes refer to the US Mission in Afghanistan Agriculture Results Framework)						
SN	Code	Indicators	Units	Year 2: Feb/1/2011-Jan/31/2012		
				Y1 Target	Y1 to Dec 31	% Achieved
1	5b	Number of households benefitted by agriculture and alternative development interventions in targeted area	households	2,413	2,109	87%
2	5.1a	Net increase in private sector employment for assisted farms & agribusinesses (full-time)	jobs	741	509	69%
3	5.1b	Sales increase of licit farm and non-farm products in USG assisted areas over previous year	\$USD	\$350,000	\$839,020	240%
4	5.1c	Percentage increase in household income from licit agriculture in targeted areas	%	0%	81%	exceeded
5	5.1.1b	No. of farmers using USG-supported agricultural inputs in targeted areas	farmers	2,413	2,109	87%
6	5.1.1c	No. of farmers planting high-value crops	farmers	2,113	1,975	93%
7	5.1.1d	No. of hectares under improved irrigation		788	480	61%
8	5.1.1e	No. of farmers using improved irrigation techniques	farmers	2,081	1,725	83%
9	5.1.1f	No. of individuals received agriculture-productivity short-term training	farmers	2,413	2,109	87%
10	5.1.1g	No. of hectares of alternative crops under cultivation targeted by USG programs	hectares	875	535	61%
11	5.1.2a	Number of individuals benefitting from financial agreements	people	0	10	exceeded

CHAMP Performance Indicators Report

(Codes refer to the US Mission in Afghanistan Agriculture Results Framework)

SN	Code	Indicators	Units	Year 2: Feb/1/2011-Jan/31/2012		
				Y1 Target	Y1 to Dec 31	% Achieved
12	5.1.2b	Total value of capital provided to agricultural value chain (total dollars)	\$USD	\$1,273,128	\$779,793	61%
13	5.1.2c	No. of agriculture-related firms benefitting from USG-supported interventions	firms	110	664	604%
14	5.1.2d	Total value of input sales from agriculture-related firms	\$USD	\$1,273,128	\$779,793	61%
15	5.1.2e	No. of women's Org./Assoc. assisted as result of USG assistance	groups	4	8	200%
16	5.1.2f	No. of individuals who have received business skills training	people	110	664	604%
17	5.2a	Number of hectares under improved natural resource management	hectares	788	480	61%
18	5.3.2d	No. of GIROA agricultural extension staff trained in new techniques	staff	0	6	exceeded

3. PROGRAM ACHIEVEMENT HIGHLIGHTS

Horticulture & Agriculture Highlights

- Planted 389 new orchards on 108.5ha of mostly apricot and plum saplings in Paktika, Paktya, Khost, Nangarhar, Laghman, Kunar, Zabul, Helmand, Kandahar and Bamyan Provinces.
- Instituted a ROP practice of planting saplings in the fall to give them a head start in the spring
- 8,697 farmers are registered for establishment of commercial fruit orchards in spring season.
- 265 kg of onion seeds and 984 kg of alfalfa seeds have been provided to 554 farmers for planting as intercrops in Bamyan and Kunar province.
- CHAMP, working with support from the California Army Reserves, is implementing trial vineyards in Kunar.
- CHAMP worked on the procurement of the various components required for trellising with wire fasteners on their way from England to Kabul. Trellis cross bars are being manufactured in Jalalabad. Likewise, trellis posts are being manufactured in Kabul, Helmand and Kandahar.

Gender Program Highlights

- This quarter, the CHAMP Team distributed 1,825 chicks, 12,500kg of chicken feed, 125 drinkers, 125 feeders and materials for coops (chicken houses) construction to selected CDCs for pilot gender programs in Helmand, Kandahar, Bamyan, Nangarhar and Paktya Provinces in close coordination with RRD and Women's Affairs Directorates.
- Also, CHAMP provided comprehensive basic poultry management training to the Helmand, Bamyan, Nangarhar, Paktya, and Kandahar CDCs members (about 25 each).

- Distributed vegetable seeds and fertilizers to 50 women in Kandahar, Nangarhar and Helmand along with basic vegetable production training.

Marketing Program Highlights

- CHAMP Marketing Program exported chilled grapes from Kabul to Karachi in October 2010. This first shipment contained 16mt which had 50% of CHAMP subsidy on transportation cost. The participating merchant continued to ship an additional 4 reefers of grapes under CHAMP supervision; but, without additional subsidy.
- Chilled pomegranates were exported from Zabul to Canada and Holland via land and sea using 40ft reefers containing 16mt each packed in 5.2kg cartons designed by CHAMP. The shipment to Canada departed October. The shipment to Holland departed in December.
- Through CHAMP Marketing Assistance, Estalif farmers produced 23.5mt of export quality mulberries purchased by Haidar Refat Co Ltd who later exported a 40' container shipment containing 22mt dried mulberries via land and sea to Canada.
- Afghan merchants participated in the successful Indian International Trade Fair. During the Fair, 2.2mt of pomegranates, and 0.5mt of apples and 0.2mt dried apricots were sold at outstanding prices. Most importantly, the participating merchants met with Indian buyers and arranged commercial relations.
- Trainings were held in Kabul and Kandahar to educate 35 participating merchants and their packers on proper grading, processing, packing, chilling and storing fresh pomegranates (using the right temperature of 5-degrees Centigrade and humidity of 90%).
- CHAMP assisted Omid Bahar Company to export 15mt of unchilled pomegranates from Kandahar to Dubai by air for Qatar and Bahrain markets by Global Services Cargo on November 09, 2010. Following the first test, the firm itself sent another consignment of 16mt to Dubai by air.



Checking condition of packaged saplings, Bamyan



Transporting saplings to farms, Bamyan

4. HORTICULTURE & AGRICULTURE PROGRAM REPORT

Quarterly Achievements

NEW ORCHARDS AND VINEYARDS ESTABLISHMENT

During this quarter, CHAMP planted 389 new orchards of mostly apricot and plum saplings on 108.5ha in Paktika, Paktya, Khost, Nangarhar, Laghman, Kunar, Zabul, Helmand, Kandahar and Bamyan Provinces. See the table of planting details in the Annex. 8,697 farmers are registered for establishment of commercial fruit orchards in the spring season.



Use of planting board to aline sapling

In this reporting period, CHAMP field staff focused on layout of commercial orchards, planting fall season orchards and instructing the farmers to take care of their spring-planted saplings. Planting saplings in the fall is a new practice being introduced by CHAMP to the participating farmers. Traditionally, farmers have only planted in the spring. Planting in the fall gives the saplings a head start over spring-planted saplings because the saplings can take advantage of the first warmth of the spring. Often too, the saplings have been able to produce some root growth in the fall before cold weather arrives. We expect fall plantings will increase over the life

of CHAMP as farmers see the results of these initial fall plantings. Activities this quarter also included training on irrigation, weed control, managing the vegetables or fodder intercrop, white washing the trunks of the saplings and performing integrated pest management (IPM). CHAMP initiated procurement of farm inputs required for the spring planting program.

TRELLISING VINEYARDS

During this quarter, CHAMP was in preparation mode. The team worked on the procurement of the various components required for trellising. CHAMP contracted three trellis manufacturers and began to build inventory of trellis posts and the other materials required for the trellising activity. Wire fasteners are on route from England to Kabul. Likewise, cross bars are being manufactured in Jalalabad, trellis posts are being manufactured in Kabul, Helmand and Kandahar. Installation of posts



Inserting holes in trellis posts

for five trellising demonstration plots has been completed and the T-Bar and wire installation are under process in Kabul, Parwan and Kandahar Provinces.

CONTRACTING WITH NURSERIES FOR SAPLINGS

During this quarter, CHAMP horticulturalists visited numerous nurseries throughout the program area. We intend on purchasing locally from nurseries that can demonstrate their competence in producing the quality saplings we require. By purchasing locally (within province or even within district) we are able to connect the farmers more closely with the nurserymen. This is important as we expect our farmers to expand their orchards on their own in the coming years. After identifying the nurseries that satisfied our quality requirements, we announced to the selected nurseries a request for quotations to deliver the desired number of saplings. We signed contracts with the following nurseries:

CHAMP Sapling Contracts Summary Fall 2010				
SN	Nursery Name	NGO	Number of Contracted Saplings	Location
1	Samsor Ban	ROP	117,000	Various
2	Abdul Khaliq	ROP	74,000	Helmand
3	Abdul Ghani	ROP	21,000	Helmand
4	Amanullah	ROP	16,250	Helmand
5	Abdul Baqi	ROP	7,000	Helmand
6	Abdul Haq	ROP	5,000	Helmand
7	Haji Abdullah	ROP	24,060	Helmand
8	Haji Mirza	ROP	18,000	Helmand
9	Ghulam Ali	ROP	16,250	Helmand
10	Dand Nursery Grower Association	ROP	35,000	Kandahar
11	Mohibullah	ROP	67,000	Kandahar
12	Abdul Wasi	ROP	214,000	Kandahar
13	Laghman Nursery Grower Association	ROP	39,500	Laghman
14	Nangarhar Nursery Grower Association	ROP	54,000	Nangarhar
15	Hamishabahr	ROP	10,000	Nangarhar
16	Maidan Wardak Nursery Grower Association	ROP	30,000	Wardak
17	Mohammad Rafiq Sherzai	ROP	24,000	Wardak
18	Mahmood Nursery	ROP	30,000	Ghazni
19	Sanaee Nursery Grower Association	ROP	10,000	Ghazni
20	Jan Mohammad	ROP	23,500	Ghazni
21	Logar Fruit Nursery Grower Association	ROP	25,538	Logar
22	Paktya Nursery Grower Association	GPFA	400,000	P2k provinces
23	Baghban Buzurg	GPFA	350,000	Various
Total			1,611,098	

GRAPE GROWING TRIAL IN KUNAR

CHAMP is working with support from the California Army Reserves to implement two trial vineyards in Kunar. Kunar is not currently a grape production area but has climate suitable for grape production. Rather than immediately implementing commercial vineyards, we have selected to test the grapes with two trial vineyards. One is in Asadabad District and the other is in Asmar District in Kunar Province. The two vineyards have been planted, fertilized and mulched for optimum growth. These test vineyards will be evaluated each year. The results will be known in 2012.

PREPARATION FOR WINTER AND SPRING PLANTINGS 2011

Registration of farmers for establishment of commercial fruit orchards and vineyard trellising is on-going in targeted Districts of the program area. Currently, 8,697 famers have registered. Farmers usually delay registering until just before the planting season. So, we are in a positive situation to have many committed farmers this season, so early. We would be on target if we get 9,000 farmers in the up-coming spring plantings. Since we are already at 8,697 farmers committed for 2 months before planting time, we would expect to easily surpass our target for Year 1 and Year 2 new orchards.



Layout training for CHAMP agents Dand



Lay out training for Champ agents Helmand



Class room session, lay out training Kandahar



Lay out training in Kandahar

Next Quarter Priorities: Horticulture & Agriculture Program

TEAM AND CAPACITY BUILDING

Several training activities will characterize next quarter's work. The extension team will receive training on pruning, integrated pest and disease management (IPM) for winter activities, orchard layout and planting and trellising. Additionally, CHAMP has to build up the capacity for farm input distribution plus sapling packing and handling.

CARE FOR NEWLY PLANTED ORCHARDS

CHAMP will provide basic training to farmers on irrigation, weeding, white washing of the trunks, the importance of soil leveling, mulching and intercropping. Also, those farmers who planted orchards last spring will be given training on pruning and shaping the young trees. Doing this job correctly will have a major, positive influence on the productivity of the orchards.

NURSERIES

CHAMP purchased the saplings for the fall and spring season plantation from the selected and contracted nurseries. This will mean that the distribution of approximately 1.6 million saplings is programmed. Meanwhile the extension team will continue monitoring the nurseries practices to assure sapling quality.

NEW ORCHARDS AND VINEYARDS ESTABLISHMENT

One of the main activities of the incoming quarter will be the spring season orchard establishment. This process will include proper sapling handling procedures, the distribution of saplings and farm inputs and the orchards establishment. We expect to establish 3,450ha orchards in the spring season.

TRELLISING VINEYARDS

In the end of January, we expect the delivery of the first load of trellising posts. This will allow us to start with the layout activities and the installation of the concrete posts. Depending on the progress of the installation process, we can also start to place the T-bars and wire system. We expect to install trellising in 250 vineyards.



Installing posts in Shamali



Note augur for digging holes



Posts curing under plastic due to cold weather

Challenges to Implementation: Horticulture & Agriculture Program

Communications & Collaboration

We are encountering problems meeting expectations for communication and collaboration with the multiple USG officials (USAID, USDA, USDOD and PRT) at the regional and district levels. The USG officials expect to speak directly with our national level managers, which is becoming difficult as the number of USG officials exceeds the number of our staff by several multiples.

Differing Subsidies by NGOs

We are encountering problems finding farmers willing to pay our small co-pay which we require of participating farmers. We believe that the co-pay requirement selects for farmers who are seriously interested in establishing trellised vineyards and orchards. Our experience elsewhere in Afghanistan shows that the survival rate for orchards established by paying farmers is significantly higher than those planted under programs where all inputs are free. Other NGOs and military groups are providing trellising and orchard establishment materials to farmers in Helmand and Kandahar provinces and elsewhere free of charge.

The presence of heavily subsidized programs is detrimental to CHAMP's longer-term trellising and orchard establishment activities and to the GIRoA and USAID development goals. **We would ask that USAID take a more vigilant role in scrutinizing any subsidized inputs in new contracts.** High subsidies will aid the implementing organization to gain rapid acceptance of their subsidized materials. But these high subsidies will ultimately have a negative impact and harm the sustainability of the activity and distort the results.

We are attempting to contact other development groups to ensure the compatibility of their subsidy program with our subsidy program. Fortunately, our efforts to bring the situation to the attention of USAID and other programs are having positive results. For example, the US Marine Corps in Helmand was planning to implement an orchard establishment project, providing all of the inputs (saplings, intercrop seeds and fertilizer) free of charge. After listening to our reasoning for requiring a farmer-co-pay, the USMC decided to change their program to better complement the CHAMP and eliminated their planned free distribution of trees.

Security

A CHAMP extension advisor of ROP subcontractor GPFA was killed in Paktika Province during June. The extension advisor, Sher Khan, was on his way to a village for training when he spotted armed Taliban. Mr. Khan fled towards an Afghan Army checkpoint. The Taliban followed in pursuit. A fire fight ensued between the Taliban and the Afghan Army. Mr. Khan was killed during this fire fight. It was not clear how he died, but there were many possibilities. The Taliban had already approached Mr. Khan in the days before demanding "taxes", but Mr. Khan had refused. ROP had no prior knowledge of the initial Taliban approach to Mr. Khan.

Our extension advisors are exposed to increasing threats for protection money. Afghans working for foreign organizations are assumed to be earning significant incomes and therefore are targets for protection schemes.

Roads are being blocked more often. These blockades do not stop our work, but do cause delays. A typical example was that of our M&E manager who had plans to visit Gardez in the Paktya Province. Security was reviewed and plans made for the trip two days later. When our M&E Manager drove there, he was turned back due to a security problem. There was active fighting between American forces and Taliban. The road was blocked. The team returned two days later.



Newly constructed chicken coop, Bamyan



Interior of chicken coop, Bamyan



Women sowing onion seed, Lashkargar



Woman with poultry program inputs Paktya

5. GENDER PROGRAM REPORT

Quarterly Achievements

The gender-focused Program component is divided into two subcomponents: kitchen garden establishment and home-based egg production.

KITCHEN GARDENS DEVELOPMENT

CHAMP staff distributed vegetable seeds and fertilizers to Kandahar, Nangarhar and Helmand CDCs (about 50 members each) and provided comprehensive basic vegetable production training to the Kandahar, Helmand and Nangarhar CDCs (about 50 members).

POULTRY AND EGG PRODUCTION

This quarter, the CHAMP Team distributed 1,825 chicks, 12,500kg of chicken feed, 125 drinkers, 125 feeders and materials for coops construction to selected CDCs for pilot gender programs in Helmand, Kandahar, Bamyan, Nangarhar and Paktya Provinces in close coordination with RRD and Women's Affairs Directorates.

Also, CHAMP provided comprehensive basic poultry management training to the Helmand, Bamyan, Nangarhar, Paktya, and Kandahar CDCs members (about 25 each). Meetings took place with CHAMP subcontractor GPFA for the CHAMP poultry and kitchen gardening projects. CHAMP will expand GPFA's role with inclusion into the gender programs in Paktya province. The team publicized the CHAMP gender implementation plan in targeted provinces by organizing meetings with RRDs, CDCs and DDAs, to determine interested CDCs for the gender

Next Quarter Priorities: Gender Program

During the next quarter CHAMP gender team will focus on capacity building, home poultry and home gardening beneficiaries and regular supervision of the chicks and vegetable plots for solving beneficiaries problems directly.

Challenges to Implementation: Gender Program

Security is a challenge and getting worse in the targeted provinces. No other unexpected or abnormal challenges to note at this point. Security is the primary challenge for implementation of gender activities in all targeted province (Kandahar, Helmand, Paktya and Nangarhar) except Bamyan.

- Female extension officers are threatening in directly by anti government elements by issuing night letters or rumors that no one should work with NGOs specially women.
- Cultural issues: most of the targeted area people do not like that their women going out from their houses or unknown women entering into their houses. Both actions are part of program implementation. Extension officers must to go beneficiaries houses for training or they have to organize a group training at a local home.
- Road blocks by anti-government forces, suicide attacks and military gun battles are increasing in frequency.

6. MARKETING PROGRAM REPORT

Quarterly Achievements

REFRIGERATED GRAPE EXPORTS TO KARACHI

In April, 2010, CHAMP and Kabul fresh fruit merchants signed an MOU for trial shipments of chilled and un-chilled grapes to targeted international markets. According to the MOU, the CHAMP marketing team trained the merchants, their staff and farmers on the improved methods of harvesting, grading and



Moving grapes from pre-cooler to cold storage at MBK

the grapes and the labor costs for harvest and post-harvest operations. The packaging took place in the fields under temporary shade structures provided by CHAMP and after field packing; the grapes were chilled and stored temporarily in Mir Bacha Kot (MBK) Market Center using the center's pre-cooler and two cold-rooms. (The MBK center was built under USAID's Rebuilding Agricultural Markets Project (RAMP).) The first shipment contained 16mt of grapes and was sent to Karachi on October 10, 2010. CHAMP provided a 50% subsidy of the transportation cost. The first reefer arrived in Karachi in good condition and sold well on the market.

packaging the grapes. The following describes the export of chilled grapes from Shamali to Karachi during this quarter. Without refrigeration, fresh grapes cannot be shipped in good condition from Kabul to Karachi. The trip can take 6-7 days. Thus, this is a new marketing system. ROP and the currently participating merchant began testing this marketing channel last year.

CHAMP staff supplied training on selection, grading and packing the grape. The merchants supplied the packaging recommended by CHAMP,

As soon as the participating merchants (Afghan Dost Company) saw the results of the first sale, they began shipping, additional refrigerated containers of grape to Karachi without CHAMP subsidy. The second reefer shipped on Oct, 17, 2010, followed shortly by a third, fourth and fifth container using CHAMP-recommended packaging and cold chain techniques. The total weight of the shipped grapes was 78.5mt. Shipments were cut shorter than hoped due to the poor crop of grapes in Shamali Plain (north of Kabul) caused by hail which destroyed a large portion of the crop. The table below compares the farmers and merchants incomes via the traditional system and the recommended cold chain system.

Summary Results:

- Increase in farmer's income: 8% (\$35/mt)
- Increase in trader's income: 1278% (the profit in the targeted market was \$153/mt versus \$12/mt. from the traditional market in Peshawar.

- New market confirmed and established

Proving Karachi Market for Shamali Grapes		
Activities	Traditional to Peshawar	Improved to Karachi
	Un-chilled shipments (\$/mt)	Chilled Shipments (\$/mt)
Fruit farm gate value	\$437.00	\$472.00
Cartons	\$85.00	\$88.00
Labor for processing and packing	\$16.00	\$22.00
Paper, plasters and ropes	\$2.00	\$2.00
Transporting from Shamali to MBK or Kabul	\$8.00	\$5.00
Loading and unloading	\$4.50	\$5.00
Afghan, custom, clearance charges	\$6.00	\$7.00
Transport to targeted Markets.	\$23.00	\$218.00
Pakistan custom duties	\$36.00	\$36.00
Clearance agent	\$1.80	\$1.80
Market charges	\$0.50	\$0.50
Loading and unloading in targeted market	\$2.70	\$2.70
Sales commission agent fee	\$40.50	\$64.68
Total cost	\$663.00	\$924.68
Sales revenue	\$675.00	\$1,078.00
Total Gross Profit	\$12.00	\$153.32
Profit in Percentage	2%	17%

The export of Shamali grapes to Karachi in refrigerated 40' "reefers" has become the leading success of the CHAMP to date. This achievement was built on those of last year when this marketing channel was first tested. The achievement is important for three reasons:

- It proves that grapes can be shipped from Kabul to Karachi in good condition. This is the first step toward getting the grapes onto the world market through the port at Karachi. Once this step is well-established, merchants will have confidence that we can begin marketing reefer-load quantities of grapes to international markets that can only be reached by sea.
- It establishes another, close-by market for grapes from the central and northern grape production areas. This is very important when the central and northern grape harvests are greater than expected, since the Karachi market can help absorb the unexpected production and help maintain reasonable prices for central and northern grape producers.
- It has encouraged other merchants, namely those in Kandahar, to begin testing the use of refrigeration to reach other new markets. The Kandahari merchants decided to test the possibility of reaching New Delhi with refrigerated grapes. They made the first test in June/July this year (with assistance from CHAMP) and decided to expand the test next year.



Grape harvest using improved tote baskets



Grape in-field packaging under shade



Grapes packaged for Karachi



Loading grapes for Karachi

UNREFRIGERATED GRAPE EXPORTS TO INTERIOR PAKISTANI MARKETS

Since the ROP-recommended marketing system for exporting un-chilled grapes from Shamali (near Kabul) to Pakistan resulted in attractive profits last year, merchants have begun this using the system to export un-chilled grapes from Ghazni and Kabul Provinces without CHAMP subsidy. The merchants followed CHAMP recommendations to more closely grade the grapes, package them in specially branded cardboard cartons and market them on non-traditional, up-scale markets in the interior of Pakistan rather than on traditional border, auction markets. Without CHAMP financial assistance, using only our technical assistance, the participating merchants exported a total of 341.5mt of fresh grapes through the improved system in 2010. The total included 252mt from Khowaja Omari District of Ghanzi Province, 62.5mt from Guldara District, Kabul Province and 27mt from Mirbachakot District, Kabul Province.

TABULAR SUMMARY OF CHAMP MARKETING RESULTS

The tables on the following page and in the Annex summarize the important details of CHAMP-assisted grape exports this season and the marketing channels and associated quantities shipped for all fruits in 2010. The key result is market expansion for Afghan grapes to new markets in Pakistan and India. Trader margin is a key figure as it is an indicator of the profitability of that market. High profitability translates to sustainable exports as traders will repeat their profitable business. Low margins translate to low export activity as traders will shift to more profitable markets. For this reason CHAMP marketing programs utilize trader margins as the key motivator for export, rather than heavily subsidizing the exports. The table below compares trader margin in various markets with the associated populations.

Export Markets for Afghan Grapes		
	Trader Margin	Population (millions)
Traditional Markets		
Peshawar, Pakistan	2%	1,400,000
Quetta, Pakistan		900,000
Sub-total		2,300,000
New Markets		
Karachi, Pakistan	13%	14,000,000
Islamabad, Pakistan	10-19%	1,200,000
Delhi, India	25-39%	22,200,000
Sub-total		37,400,000
Total		39,700,000
Questionable Markets		
Dubai, UAE	1.2%	5,000,000

Marketing Channels and Total Fresh & Dried Fruit Exported in 2010 Through CHAMP Assistance						
Product	Origin of Product	market	Mode of Transport	Quantity of Export via CHAMP assistance (mt)	Quantity of Export with CHAMP tech. assistance, but no subsidy (mt)	Quantity sold domestically with CHAMP tech., but no subsidy (mt)
Grape	Dand	India	Air	0.135		
Grape	Arghandab	Dubai	Air	0.25		
Grape	Arghandab	India	Reefer	2.475		
Grape	Dand	India	Reefer	3.375		
Grape	Daman	India	Reefer	1.67		
Grape	Arghandab	Pakistan	Truck	27		
Grape	Dand	Kabul	Truck			9

Marketing Channels and Total Fresh & Dried Fruit Exported in 2010 Through CHAMP Assistance						
Product	Origin of Product	market	Mode of Transport	Quantity of Export via CHAMP assistance (mt)	Quantity of Export with CHAMP tech. assistance, but no subsidy (mt)	Quantity sold domestically with CHAMP tech., but no subsidy (mt)
Grape	Khowaja Mory	Pakistan	Truck	28		
Grape	Mir Bocha Kot	Pakistan	Truck	43.5		
Grape	Guldara	Pakistan	Reefer	16		138
Grape	Guldara	Pakistan	Reefer		62.5	
Grape	Khowaja Mory				252	
Grape	Mir Bocha Kot				27	
Grape	Guldara	Kabul				212
Grape	Mir Bocha Kot	Kabul				107
Grape	Kalakan	Kabul				10
Grape	Kalakan	Kabul				27
Pomegranate	Panj	Tajikistan	Truck	10		
Pomegranate	Qalat	Canada	Reefer	16		
Pomegranate	Panj	India	Truck	5		
Pomegranate	Dand	Dubai	On-going	15		1
Pomegranate	Arghandab	India/Dubai	Truck/Air	10		14
Apple	Said Abad	India	Air	0.5		
Pomegranate	Dand	India	Truck	2.2		
Dried Mulberry	Istalif	Canada		22		
Dried Mulberry	Istalif	Kabul				58
Dried Apricot	Ghorband	Pakistan		2		
Dried Apricot	Ghorband	Kabul				26
Pomegranate	Qalat	Holland	Reefer	16		
Pomegranate	Qalat	Dubai	Air	15		
Total				221.105	341.5	586

Note that the grape merchants exported 341.5mt without CHAMP financial assistance. They exported 122.46mt with financial assistance in the context of marketing trials. That is, more than half of the CHAMP assisted exports were done without financial assistance (only technical assistance).

CHAMP-Assisted Chilled and Un-chilled_Fresh Grape Exports in 2010

Date	Produced and Exported	Mode	Quantity exported mt	Price Per mt	Improved Price Per mt	Farmers Increase in income	Total merchants cost Per mt	Sales Revenue Per mt	Total Sales Revenue	Total Gross Profit on Sales	Profit Margin
July	Kandahar to Dubai	Air	0.135	\$653.59	\$910.00	\$122.85	\$1,829.32	\$1,852.00	\$250.02	\$3.10	1.2%
July	Kandahar to India	Air	0.25	\$653.59	\$910.00	\$227.50	\$2,288.25	\$3,787	\$946.75	\$373.60	39%
Aug	Kandahar to India	Reefer	7.5	\$631.00	\$840.00	\$6,300.00	\$2,270.55	\$3,030.30	\$22,727.25	\$5,700.00	25%
Aug	Kandahar to Islamabad	Truck	27	\$653.59	\$780.00	\$21,060.00	\$1,372.10	\$1,699.00	\$45,873.00	\$8,826.30	19%
Sep	Ghazni to Islamabad	Truck	28	\$310.00	\$340.00	\$9,520.00	\$595.50	\$664.00	\$18,592.00	\$1,918.00	10%
Oct	Shamali to Islamabad	Truck	43.5	\$420.00	\$436.00	\$18,966.00	\$688.20	\$785.00	\$34,147.50	\$4,219.50	12%
Oct	Ghazni to Islamabad	Truck	224	\$330.00	\$370.00	\$82,880.00	\$643.00	\$711.00	\$159,264.00	\$15,232.00	10%
Oct	Shamali to Islamabad	Truck	45.5	\$437.00	\$468.00	\$21,294.00	\$732.00	\$825.00	\$37,537.50	\$4,231.50	11%
Oct	Shamali to Karachi	Reefer	78.5	\$437.00	\$472.00	\$37,052.00	\$939.00	\$1,078.00	\$84,623.00	\$10,911.50	13%
Total			454mt			\$197,422			\$403,961.02	\$51,415.50	13%



Installing posts in Shamali



Farza, Shamali, Kabul



Kandahar trellising

KANDAHAR POMEGRANATES EXPORT

This quarter, CHAMP signed a Memorandum of Understanding with three merchants and then assisted them implement the first-ever refrigerated (40' reefer) shipments of pomegranates from Afghanistan. The pomegranates were harvested in Kandahar and Zabul, processed, packed in 5.2kg cartons designed by CHAMP, chilled and exported from Kabul via Karachi's seaport to Canada and Holland. The first reefer with 16mt of chilled pomegranates left from Kabul on October 27th and reached Canada with the pomegranates in very good condition after 60 days in transit. In early December 2010, the second consignment of fresh chilled pomegranates followed the same route to Karachi and then proceeded to Holland.



Training on pomegranate sorting and packaging



Checking pomegranates packaged for Canada

On October 6th 2010, CHAMP's marketing team invited three participating merchants from Kandahar to take part in the USAID Ag-Fair exhibition in Kabul. Following introductions at the Fair, CHAMP's marketing team held a meeting at ROP office between the Afghan participating merchants and international buyers from Tajikistan and India. The positive results of this meeting were:

- Two Indian buyers (commission agents), (AR-Rahman-U-Rahim Company) and a Kandahar merchant agreed on 500mt of pomegranates exports from Kandahar to Delhi.
- The Tajik buyer and Bradan e Noran Company of Kandahar agreed on 10mt pomegranates test export to Tajikistan's market.

Taking prompt action soon after the meeting, CHAMP team assisted Bradran e Noran Company to prepare 10mt of pomegranates with the improved system for an export to Tajikistan. The pomegranates were sorted, graded and packed into CHAMP-recommend cartons and were sent to Tajikistan's market in October. The shipment reached Tajikistan in good condition and demonstrated good profits as shown in the following table:

Comparison between the Traditional and Tajikistan Market Sales		
Activities	Pomegranate Sales	
	Traditional Peshawar Market (mt)	Tajikistan Market (mt)
Total cost	\$1,150.56	\$2,212.48
Sales revenue	\$1,176.00	\$2,387.00
Total gross profit	\$25.44	\$174.52
Profit on Sales	2%	7%
Merchants Increased Profit		350%

Meanwhile, CHAMP marketing team assisted Al Rahman Rahim Company ship un-chilled pomegranates to India, using the Indian market standards for proper grading, processing and packing. Two consignments of 15mt each were shipped by road across Pakistan. The difference between traditional domestic market and the sales in India are as follows.

Traditional and Improved Indian Market Sales		
Activities	Pomegranate Sales (\$/mt)	
	Traditional Peshawar Market	Improved Indian Market
Total cost	\$1,150.56	\$1,802.40
Sales revenue	\$1,176.00	\$1,893.00
Total gross profit	\$25.44	\$90.60
Gross profit on Sales	2%	4.7%



Kandahar training on pome packaging



Kandahar pomes for Kazakhstan



Chilled Kandahar pomes for Dubai

STORED POMEGRANATES IN KANDAHAR

CHAMP and participating merchant accidentally discovered the benefit of storing pomegranates in the Indian Cold Store in Kandahar. The price of the stored pomegranates doubled in two months. Following their original plan, the CHAMP marketing team had assisted Amin Karim Company to prepare 5.5mt pomegranates for export to Dubai, assisting them to properly pack, pre-chill and store in the Indian cold store in Kandahar. Due to the Eid holidays, delays were caused in the export program. Therefore, the pomegranates were stored in the Indian cold store in Kandahar at the cost of \$25 per mt per month. To our surprise, we saw that the price of fresh pomegranates in Kandahar had doubled during two months of storage. (The price has continued to rise into January 2011.) Since the profit on marketing the pomegranates in Dubai was only 30%, Amin Karim Ltd decided to sell the stored pomegranates directly in Kandahar and earn substantially more than if they had continued with the original plan. The volumes sold on this trial were relatively small (5.5mt) but a valuable experience was gained on the potential of cold stored pomegranates. The table below shows the difference between the sales during the season and after storage.

In the meantime, CHAMP was assisting Wafa Zahiri Ltd to export a trial shipment of chilled Kandahar pomegranates to Kazakhstan. As the pomegranates were sorted, graded, packaged, and were ready to go, the Eid holidays came across resulting delays in the export plan. Due the long delay out of cold storage, the pomegranates were damaged and infected by a kind of bugs. The total shipment had to be sold in Kandahar market at a profitable price.

Comparison Between Seasonal Price And Off Seasonal Price After Storing Pomegranates In The Indian Cold Store at Kandahar	
Item	\$/mt
Price of Pomegranates at Harvest	\$997
Price After Two Months Cold Storage	\$2,000
Cost of pomegranates per mt	\$997
Storage cost per mt	\$50
Total cost	\$1,047
Total gross profit per mt	\$953
Percentage increase in gross profit due to storage	96%

AFGHAN MERCHANTS PARTICIPATION IN IITF

The fifteen-day Indian International Trade Fair (IITF) Exhibition took place in New Delhi from 14-27 November 2010 and was attended by CHAMP's marketing team along with a group of fresh and dry fruit merchants from Kabul, Wardak and Kandahar Provinces to advertise their fresh fruit and dried fruits. The merchants were situated in two separate booths reserved for ROP with assistance from USAID-ASAP and USAID-ACE. The IITF is held annually in New Delhi with participation from many countries including Afghanistan.

Afghan merchants and CHAMP marketing specialists learned from interaction and discussions with the large number of visitors (wholesalers, retailers, local nationals, commission agents, etc) interested in buying Afghan products. We noted the requirements concerning the product grading, sorting, polishing and packing methods for each state of India and will share this information in future training to Afghan merchants. During the Fair, 2.2mt pomegranates, 0.5mt apples and 0.2mt dried apricots were sold at outstanding prices. The differences between the open market and Trade Fair sales are listed below in the table:

Indian Wholesale Market & Trade Fair Sales (\$/mt)		
Pomegranates		
Activities	Sales in Wholesale Market	Sales in Trade Fair
Total cost	\$1,150.56	1846.84
Sales revenue	\$1,176.00	\$2754.22
Total gross profit	\$25.44	\$907.38
Profit Percentage	2%	33%
Apples		
Total cost	\$1,284.25	\$1,367.58
Sales revenue	\$1,587.30	\$2,111.10
Total gross profit	\$303.05	\$743.52
Profit Percentage	24%	54%
Dried Apricots		
Total cost	Not sold yet	\$4,006.47
Sales revenue	Not sold yet	\$7,222.22
Total gross profit	Not sold yet	\$3,215.75
Profit Percentage		45%

For their outstanding booth and business performance, the IITF awarded our team of marketing specialists and merchants the IITF Gold Medal. The IITF noted that our team was the only group to display Afghan products using high-quality packaging and following international standards..

DRY FRUIT EXPORT FROM KABUL

This year, Estalif farmers, with assistance from CHAMP and participating merchant Haidar Refat Co. Ltd., produced 23.5mt of export quality dried mulberry, which was then purchased by Haidar Refat Co. Ltd. CHAMP marketing team assisted Haidar Refat Co by showing them the right method of cleaning, sorting and packaging the mulberries to meet the international market requirements and standards. On October 03, 2010 the company exported a 40' container with 2,200 X 10kg cartons (22mt) of dried mulberries via land and sea to Canada. Having reached the Canadian market with much better quality and packaging than typical, consumer demand was higher than usual. Evaluating the difference, Haidar Refat Co. decided to ship a second consignment of dried mulberries; but, due to the lack of quality mulberries in Estalif District caused by heavier-than-normal rains, the company failed to find the necessary quantity. As an alternative, a small test shipment was sent to Holland while planning for a larger quantity of dried export quality mulberries to be exported to both Holland and Canadian markets next year.

Next Quarter Activities: Marketing Program

Next quarter priorities include as following.

- Establishing 2011 marketing plan and budget which will be including:
- Hiring staff for marketing in Nangarhar, Wardak, Logar, Parwan, Paktya
- Identify merchants willing to participate in CHAMP marketing export program in Kandahar, Paktya, Parwan, Wardak, Nangarhar and Kabul.
- Identifying buyers in international markets.
- Purchase and install apricot, apple grading machinery.
- Working with ACE and MAIL to resolve the trade credit issue.
- Identifying farmer associations willing to participate in solar raisin drying program
- Working on SPS and Global GAP for Afghan fresh and dried fruit export



Improved system of harvesting mulberry



Mulberries fall on tarp not on ground. Pole and tarp provided by CHAMP



Improved system of harvesting mulberry



Improved harvest baskets from CHAMP

Challenges to Implementation: Marketing Program

Security is a challenge in the targeted provinces. No other unexpected or abnormal challenges to note at this point.

Performance Measurement Cycle



7. PROGRAM MEASUREMENT AND IMPACT EVALUATION UNIT REPORT

Quarterly Achievements

The Program Measurement and Impact Evaluation Section (PMIE) is mandated for performance measurement of ongoing intervention and impact evaluation of immediate and long term program results over time. Likewise, PMIE section regularly produces biweekly, quarterly progress reports based on the approved result framework.

In this quarter, the PMIE staff conducted Performance Management Plan (PMP) workshops for the CHAMP implementing staff on the process of collecting and verifying PMP data. The PMIE staff also conducted regular monitoring spot checks of CHAMP activities. We have also been submitting regular performance monitoring reports with suggestions for program improvements. The executive management has seriously reviewed these reports and correction measures have been taken.

Due to seasonal activities of the CHAMP program PMIE team during this quarter did not conduct many field visits. The data from previous PMIE verification visits are being analyzed to develop orchard sapling survival rates by district.

Revision of Indicators

Initial list of performance indicators for the year one and project work plans were prepared with activities outcomes and shared with all activity directors to seek their feedback. Similarly, performance indicator reference sheets were also prepared for the CHAMP performance indicators.

Updating PMIE Databases

PMIE database System

The PMIE databases have been developed and implemented since the project initiation. All the nominated users from each section have been trained for entering their biweekly progress data into the databases and

thereby generate the sections reports. Various support forms have been developed in the database for storing details associated with some activities like events; trainings data verification checklists, etc.

Afghan Info Database (USAID Database)

AfghanInfo database webpage was created for CHAMP at the beginning of the project. All the program performance data are being entered to the database on a quarterly basis. The table of Performance Indicators on page 2 of this document displays the data being entered into the AfghanInfo database.

TraiNet Database (TraiNet Webpage)

During this quarter the PMIE team attended the TraiNet training course which was conducted by Academy for Educational Development (AED) funded by USAID. As the result of this Training workshop a TraiNet webpage was created with three users to report the training events of the CHAMP. However, since CHAMP does not normally conduct training sessions lasting longer than one day (almost all trainings last less than 8 hours on a single day) CHAMP does not usually have TraiNet data to report.

CHAMP internal Databases

During this quarter, PMIE team has developed/updated internal databases for the new program activities which manage and store horticulture, gender and marketing activities.

PMIE Staffing

As CHAMP program has extended to the South and Western regions of the country, the PMIE team has also expanded to monitor the activities in the new regions.

During this quarter, PMIE has employed three extra staff :

Female PMIE analyst for Paktya
Regional PMIE analyst for Kandahar, Zabul and Urozgan
Provincial PMIE officer for Helmand

Next Quarter Activities: PMIE Unit

- Update the USAID Afghan Info and TrainNet data bases with the required data.
- Implementing PMIE Verification plan of new established orchards in Eastern region (Nangarhar, Laghman & Kunar).
- Collecting of inputs distribution data of orchards and trellising vineyards for next season.
- Recruiting PMIE officer for Ghazni province and service female verifiers on daily wages for Gender program verification in regions.
- Preparing regular biweekly & Quarterly reports.
- Maintaining CHAMP Coordination with the MAIL M&E team
- Conducting PMIE verification survey on the new established orchards & vineyards in Helmand, Urozgan, Zabul & Kandahar provinces.
- Tracking USAID & Program internal indicator according to the PMP
- Performing other regular activities given by the COP

Challenges to Implementation: PMIE Unit

Security is a challenge in the targeted provinces. No other unexpected or abnormal challenges to note at this point.

8. HUMAN RESOURCES REPORT

CHAMP Team													
Categories	Jan	Feb	March	April	May	Jun	July	Aug	Sep	Oct	Nov	Dec	To date
No. of Afghan Employees	0	3	23	21	5	7	7	11	2	9	2	5	95
No. of American Employees	1	0	0	0	0	0	0	0	0	0	0	0	1
No. of Third Country Employees	2	0	0	0	0	0	0	0	0	0	0	0	2
Total													98



The Afghan delegation with their award for an outstanding booth at the Indian International Trade Fair (IITF), 14-27 November 2010

9. FINANCIAL PROGRAM REPORT

CHAMP OBLIGATED EXPENDITURE DATA Feb/1/2010- Dec /31/2011											
U.S. DOLLARS											
COST CATEGORY	ACTUALS TO DATE 11 Months	Forecast Jan 2011	FORECAST YR 1	BUDGET YR 1	INCREASE/ (DECREASE)	VARIANCE %	FORECAST YR 2 + YR 3 + YR 4	TOTAL CHAMP FORECAST	TOTAL CHAMP BUDGET	INCREASE/ (DECREASE)	VARIANCE %
Salaries	662,840	116,328	779,168	1,008,993	(229,825)	-22.8%	3,734,777	4,513,945	4,513,945	0	0.0%
Fringe Benefits	87,325	17,462	104,787	134,981	(30,194)	-22.4%	495,077	599,864	599,864	0	0.0%
Allowances	179,688	10,860	190,548	228,466	37,918	16.6%	796,964	987,512	987,512	0	0.0%
Travel & Per Diem	69,372	17,169	86,541	201,710	(115,169)	-57.1%	863,639	950,180	950,180	0	0.0%
Program Inputs & Supplies	1,131,040	405,274	1,536,314	771,354	764,960	99.2%	12,993,799	14,530,113	14,530,113	0	0.0%
Other Direct Costs	247,005	28,062	275,067	396,300	(121,233)	-30.6%	1,395,948	1,671,015	1,671,015	0	0.0%
Subcontractor	750,000		750,000	576,884	173,116	30.0%	1,416,486	2,166,486	2,166,486	0	0.0%
Training	6,717	31	6,748	40,500	(33,752)	-83.3%	155,252	162,000	162,000	(0)	0.0%
Procurement	355,295	845	356,140	511,170	(155,030)	-30.3%	322,070	678,210	678,210	0	0.0%
Sub Total	3,489,282	596,031	4,085,313	3,870,358	290,791	7.5%	22,174,012	26,259,325	26,259,325	(0)	0.0%
ROP G&A	19,268		19,268	19,268	0	0.0%	53,093	72,361	72,361	0	0.0%
ROP Overhead	517,626	41,277	558,903	558,903	(0)	0.0%	3,529,652	4,088,555	4,088,555	(0)	0.0%
TOTAL	4,026,176	637,308	4,663,484	4,448,529	290,791	6.5%	25,756,757	30,420,241	30,420,241	(0)	0.0%
Notes: Explanation of Variances											
Travel & Per Diem	Due to programatic scheduling - we project a variance of 57.1% under in the travel and per diem line in year 1 of the contract which will be utilized in year 2-4 resulting in a zero variance at the end of the contract.										
Program Inputs & Supplies	Due to the seasonality of the agricultural activities under contract and because the Cooperative Agreement was executed on February 1, 2010 versus December 1, 2009, 12 months of program inputs and supplies will need to be purchased in the last 10 months of the year for both Roots of Peace and Global Partnership for Afghanistan. The purchase of program inputs and supplies will occur for additional items at the end of the Year 1 for both the 1st and 2nd year. Purchases over years 2,3 and 4 will result in a zero variance at Program end.										
Other Direct Cost	Due to programatic scheduling - we project a variance of 30.6% under in the other direct cost line in year 1 of the contract which will be utilized in year 2-4 resulting in a zero variance at the end of the contract.										
Subcontractors	As above, the timings are driven by the seasonality of CHAMP's activities, and therefore our Subcontractors work and procurements also need to be accelerated in Year 2 in order to be in time for Spring planting in 2011, which creates a variance only in Year 1 of 30.0% and no change overall during the entire life of the CA.										
Training	Due to programatic scheduling - we project a variance of 83.3% under in the training line in year 1 of the contract which will be utilized in year 2-4 resulting in a zero variance at the end of the contract.										
Procurements	Due to programatic scheduling - we project a variance of 30.3% under in the procurement line in year 1 of the contract which will be utilized in year 2-4 resulting in a zero variance at the end of the contract.										

10. ANNEX

Details of the orchard plantations

CHAMP - New Commercial Fruit Orchard Fall Planting - 2010 (Number of Saplings)										
S/N	Province	District	Almond	Apricot	Grape	Pomegranate	Apple	Plum	Persimmon	Total
1	Nangarhar	Khogiany				3,500				3,500
2	Nangarhar	Sherzad				4,374				4,374
3	Nangarhar	Batikot		260		1,375				1,635
4	Kunar	Nari		610			1,600			2,210
5	Kunar	Ghazi Abad		1300						1,300
6	Laghman	Mehtarlam							975	975
7	Zabul	Qalat	924							924
8	Urozgan	Trinkot	1040	715						1,755
9	Urozgan	Chora	650	2600						3,250
10	Urozgan	Dehrawod	650	780						1,430
11	Helmand	Nawa		195		250		910		1,355
12	Helmand	Lashkargah		390		625		585		1,600
13	Helmand	Nad Ali						1380		1,380
14	Helmand	Musa Qala		520				650		1,170
15	Bamyan	Sighan		4775						4,775
16	Bamyan	Kahmard		3250						3,250
17	Kandahar	Arghandab		975	1320	500		780		3,575
18	Kandahar	Arghistan				6250				6,250
Total Saplings			3,264	16,345	1,320	16,874	1,600	4,225	975	44,708

CHAMP - New Commercial Fruit Orchard Fall Planting - 2010 Number of Hectares

S/N	Province	District	Almond	Apricot	Grape	Pomegranate	Apple	Plum	Persimmon	Total
1	Nangarhar	Khogiany	0	0	0	6	0	0	0	6
2	Nangarhar	Sherzad	0	0	0	7	0	0	0	7
3	Nangarhar	Batikot	0	0.8	0	2	0	0	0	3
4	Kunar	Nari	0	1.8769	0	0	4	0	0	6
5	Kunar	Ghazi Abad	0	4	0	0	0	0	0	4
6	Laghman	Mehtarlam	0	0	0	0	0	0	3	3
7	Zabul	Qalat	2.8431	0	0	0	0	0	0	3
8	Urozgan	Trinkot	3.2	2.2	0	0	0	0	0	5
9	Urozgan	Chora	2	8	0	0	0	0	0	10
10	Urozgan	Dehrawod	2	2.4	0	0	0	0	0	4
11	Helmand	Nawa	0	0.6	0	0	0	2.8	0	4
12	Helmand	Lashkargah	0	1.2	0	1	0	1.8	0	4
13	Helmand	Nad Ali	0	0	0	0	0	4.2462	0	4
14	Helmand	Musa Qala	0	1.6	0	0	0	2	0	4
15	Bamyan	Sighan	0	14.692	0	0	0	0	0	15
16	Bamyan	Kahmard	0	10	0	0	0	0	0	10
17	Kandahar	Arghandab	0	3	0.8	1	0	2.4	0	7
18	Kandahar	Arghistan	0	0	0	10	0	0	0	10
Total hectares			10	50	1	27	4	13	3	108.5



Roots of Peace Afghanistan

Ayoub Mina Khan Road

Ayoub Mina Khan, Kabul, Afghanistan