



Ministry of Agriculture, Irrigation and Livestock Horticulture and Livestock Project GRAPE VALUE CHAIN PROJECT (GVCP)

MONTHLY PROGRESS REPORT JULY 2009

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Submitted to:
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Executive Summary

Focus this month was on pre-harvest preparations:

1. Training/follow-up with producers on product quality,
2. Mirbacha Kot (MBK) pack house refurbishment completed,
3. MBK extension office set-up begun,
4. Continued meetings with merchants (important, new information found), and
5. Search begun for a replacement for the Pilot Manager, Team Leader and Pack House Manager, Mr. Matt Tokar, who resigned due to health problems.

Participating Focus Group grape farmers have been given on-farm training to remove low value grape clusters from their vines and to remove dried and/or low value berries from clusters. MBK processing center prepared for use during the coming marketing season (refrigeration equipment tested/repared, packing rooms cleaned and repainted).

Meetings have been held in Pakistan, Peshawar and Islamabad between Afghan fresh fruit exporter and Pakistani buyers, with marketing agreements finalized. Discovered a way to send Afghan grapes past the disruptive Peshawar market. New 9kg crate was introduced to Afghan and Pakistan merchants. Quotations were collected for new 9kg crate.

Direct sale of Afghan produce to international armed forces in Afghan moved forward with a visit to Supreme Support Services (Supreme) head office in Dubai. Supreme invited ROP to introduce Afghan merchants to an evaluation process in which the merchant would initially sell

produce to Supreme Kabul for resale to a non-military, international organization in Afghanistan with non-military quality control requirements. After a period of sales via this channel, Supreme would move to reselling to the more demanding military buyers in Afghanistan. This will require a certified pack house (MBK) and higher quality standards. ROP introduced Kabul merchant Haji Sher Ahmad of Khalid Shikeeb Co as potential packer of Shamali grapes. ROP assisted Khalid Shikeeb submit a list of available fresh fruit and vegetable products and prices for review by Supreme Kabul office.

Lessons Learnt and Best Practices

An important lesson learned relates to the operation of the fresh fruit market channel inside Pakistan. Due partially to the fact that Afghans cannot truck produce past Peshawar and cannot sell directly to Pakistani merchants outside the Peshawar auction market, and due to the fact that some fresh fruit from Afghanistan has arrived in Peshawar in poor condition; Pakistani commission agents in Peshawar have extraordinary power over the Afghan trade and have evolved a system which has resulted in Afghans putting up a low-quality package of fresh grapes. The commission agents in Peshawar are acting as regular merchants even though they have verbal contracts with the Afghans to act solely as commission agents. These “commission agents” purchase the Afghan grapes, sort and repack them, then resell to buyers in Lahore, Islamabad-Pindi and other Pakistani cities. This breaks the link between Afghan marketers and the final buyers so that price and quality signals do not flow well between producers and marketers. To make a profit on the grapes from Afghanistan, the Pakistani commission agents are effectively paying for average (poor) quality grapes and have created a system that does not reward Afghans for high-quality packs. By learning about this situation and having the resources from HLP to mediate, ROP has been able to bring this situation to the attention of both Pakistani and Afghan merchants involved and to propose an effort to break-up this “destructive” lack of marketing communications between Pakistan and Afghan merchants and Afghan producers. The “effort” proposed is the GVC Action Plan. By introducing a “new” package for high quality grapes, the GVC is providing Afghan merchants a visible way to demonstrate, to their Pakistani buyers, their intention of changing the old system. If the effort is successful, high-quality Afghan grapes will flow directly through the Peshawar market to buyers in the interior of Pakistan without repacking at Peshawar and the new “product” will receive the higher prices it deserves. This price signal will be transmitted all the way back to the Afghan producers who will be given the reward they deserve for their high-quality grapes.

Overall Project Directions

The project has made good progress toward achieving its objectives. The new crate design was approved by Kabul fresh fruit traders and Islamabad buyers. Grape farmers trained on low quality grape pruning. Mirbachakot market center repaired for the new grape export to Supreme.

Attachments

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| Attachment 1: | Notable events during the month |
| Attachment 2: | Trip Report: meeting Afghans and Pakistani traders in Peshawar and Pindi Fruit and Vegetable Markets |
| Attachment 3: | Trip Report: meeting with Supreme Support Services in Dubai |
| Attachment 4: | Additional service providers identified in MBK |
| Attachment 5: | Lists of farmers who trained on pruning low value grape |
| Attachment 6: | Selected Photos of Project Activity |

Detailed Progress Report

This section of the monthly report provides detailed descriptions of progress based on the Contract Expected Results. Following the results monitoring matrix is an additional table showing achievement of the tasks planned for achievement of the two Marketing Strategies of the Action Plan.

Contract Expected Results Monitoring Matrix	
Grape Value Chain Tasks Per Contract	Accomplishments
Task 1: Grape Value Chain Action Plan	
Identify key stakeholders for developing the GVC Action Plan	Completed. Identified farmers and Horticulture Interest Groups (HIG) near Focus Center of Mirbachkot. Identified export merchants sourcing from the target areas and merchants in the target markets of Pakistan. See lists in Attachment 4. In June report
Conduct an assessment of on-going programs being implemented in the GVC by other national and international organizations.	Completed. See Action Plan.
Conduct an assessment of the current GVC in cooperation with grape merchants and producers, to better understand and document current marketing practices, constraints and opportunities, costs and returns.	Completed. See Action Plan.
Identify the most suitable grape varieties for various export markets (including Pakistan, India and potentially Dubai and the Russian Federation)	Completed. See Action Plan.
Define the size of the potential higher value national and/or export markets for fresh and dried grapes of these varieties	Completed. See attached 3.
Review current planting details for these varieties	Completed. See Action Plan. Typical planting of Kishmishi grapes is on 2.5m x 2.5m grid without trellising. Trend is to install trellising and to shift from Kishmishi to Taifee and Shundulkhani grapes.
Define the type of value addition and infrastructure currently being employed to market grapes, recognizing the current strengths of the marketing system	Completed. Kishmishi grapes are processed into raisins. Fresh grapes are packed in the field without shade, scales, or other infrastructure.
Identify and assess additional service providers operating in the MBK Focus Cluster, including micro-finance institutions (MFI).	Completed. See attachment 4.
Within three months of project start-up, the FP will organize a workshop to share the results of the NHUDA feasibility study and the consultant's additional assessment with key stakeholders and to then finalize the Grape Value Chain Action Plan.	Completed. See Action Plan. Stakeholder's meetings were held: June 14 and 16.
Task 2: Provision of Improved Market Information	
Set up and maintain a market information service (MIS) that provides market information to processors and traders/exporters and identifies additional market linkages.	Not started
Organize buyer-seller meetings, market study tours, and dissemination of product information to buyers and producers.	Completed. See attachments.
Provide market information, in particular fresh grape quality	On-going. Fresh grape quality standards

standards of major export markets to HFP and IPM FP for translating them into extension messages and support programs related to the production of grapes	are well-understood. Extension publications need to be produced.
Assist the cluster organization to sell fresh grapes to the market linkages identified at the beginning of implementing the GVC pilot.	On-going. Stakeholder/buyer/seller meetings promote direct linkages to buyers.
Task 3: Capacity Building of Stakeholders	
Provide skills training in simple value addition at village and cluster levels, which would include quality control, grading, sorting, packing, etc.	On-going. GVC Market Extension Agents are trained farmers to manage their vines and cluster shape/size to maximize quality. But Sorting, packing, grading training is not started.
Assist the cluster organization to develop a quality control mechanism at the cluster level, which will include development of a collection point at village and cluster levels, providing information on quality (size, timing of picking), etc.	On-going.
Provide emerging private sector players with training in grading, sorting and processing of fresh table grapes.	On-going.
In close cooperation with NUHDA, the GVC FP should establish/strengthen associations of processors and traders/exporters to a level allowing them to continue the marketing of quality grapes after the end of the GVC demonstration pilot.	On-going. HLP funding for NUHDA has been stopped. ROP is working with established associations of traders/exporters and with the Focus Group and HIGs.
Task 4: Infrastructure Development	
Assist the cluster organization to develop a proposal for the development of value addition infrastructure, including site selection, technical specifications, investment proposals, financial management etc.	Simple infrastructure for field packing has been designed and will be put in place this season. See Action Plan.
Proposals for improvements in transportation and storage facilities, including options for cold storage/chilling facilities operating independently from electricity supply at MBK, as well as the need for a cold storage/chilling facility at the airport.	Not started.
The GVC FP will support the cluster organization to implement the technical aspects of operating the infrastructure installed by the project.	On-going. Simple infrastructure for field packing has been designed and will be put in place this season.
FODSC will provide training to the cluster organization in financial management, accounting, procurement, and management of the infrastructure.	
For facilities that are feasible, the proposal is to be forwarded to HLP for approval and financing.	
Task 5: Preparation and Dissemination of Information Materials	
Production for Quality Manual	Available, existing materials from other international programs are being gathered for assembly of a manual specifically for Afghanistan
Harvesting for Quality Manual	Same as above.
Post Harvest Handling Manual	Same as above.
HACCP Manual for Pack Houses	Same as above.
Operation Manual for replicating the GVC model in other regions.	
Outputs and Outcomes (Deliverables)	
Grape Value Chain Action Plan developed and documented.	Submitted to HLP July 15.
Marketing activities recommended by the Action Plan implemented.	On-going.

Markets and quality standards identified, and corresponding extension messages formulated and disseminated.	On-going. Markets and quality standards identified. Extension training is taking place. Extension publications not completed.
Quality control mechanisms developed and implemented.	Same as above.
Value addition infrastructure, recommended by the Action Plan, developed, managed and maintained by the Focus Cluster organization.	On-going. The infrastructure is simple structures, equipment, tables, etc required for improved (shaded) field packing. This will be transferred to the Focus Cluster organization.
Quarterly meetings of the GVC stakeholders held.	Initial meetings held. See June monthly report.
Quality control mechanisms and value addition infrastructure evaluated.	On-going.
Preparation of Quality Manuals for members of the GVC	On-going. See above.
GVC Improvement Operational Manual drafted, and a set of recommendations formulated for further developing and replicating the GVC improvement program.	Not started.
Final Report	

Report of Marketing Strategy tasks accomplishment progress

Marketing Strategy One: Kishmishi Grapes to Pakistan				
#	Action	Start Date	Completion Date	Completed tasks
1	Identify merchants at the farm, export and Pakistan wholesale market level who are committed to participating.	July 20	26 July	Completed
2	Identify farmers willing to participate.			Completed
3	Provide Gibberellic Acid tablets and training on its application to participating farmers.	June 14	June 20	Completed
4	Provide training to farmers on grape canopy and cluster management to enhance quality grape production.	July 1	July 10	Completed
5	Identify packaging materials: Locally-made wooden crates, liner material and sulfur pages (to reduce fungus growth during transport) with a colorful stick-on label, identifying the grape type, grade and merchant. The actual crates used and the weight of grapes to be packaged in each crate will be decided by Afghan merchants after conferring with Pakistani merchants (facilitation by ROP). Merchants may decide to use different crates for different qualities of grapes.	June 20	Aug 15	
6	Develop a grading standard with two grades for use by farmers and merchants (packers) in packing the grapes. Train farmers and merchants on use of the grading scheme. Train farmers and merchants on use of brix meters.	Aug 10	Sep 30	
7	Facilitate meetings between farmers, local and Pakistani merchants just prior to harvest to review and agree on plans.	July 20	July 26	Completed
8	Provide information on market prices at important wholesale markets and train farmers on understanding the information.	Aug 8	Aug 30	
9	Prior to harvest, provide training on use of mobile infrastructure for field packing. . And in the case of field packing , insure packing materials are in place and that a shaded area is provided for packed fruit	Aug 10	Aug 20	

10	Prior to harvest monitor fruit maturity and mark clusters nearing maturity	Aug 10	Oct 10	
11	During fruit harvest monitor fruit temperatures and stop harvest when fruit temperatures reach 30C	Aug 10	Oct 30	
12	At harvest, oversee/facilitate the harvest, post-harvest processing, packaging and sale of the packaged fruit to participating merchants.	Aug 20	Oct 10	
13	Accompany representative farmers and merchants to the Pakistani market to observe the marketing process.	July 20	July 26	Completed
14	At the end of the season, review the production and marketing process with farmers, local merchants and Pakistani wholesale market merchants.	Oct 30	Nov 10	

Marketing Strategy Two: Kishmishi and Shundulkhani Grapes to International Military Bases In Afghanistan

#	Action	Start Date	Completion Date	
1	Identify merchants at the farm and wholesale market level who are committed to participating.	July 26	July 30	Completed
2	Identify farmers willing to participate.			
3	Provide Gibberellic Acid tablets and training on its application to participating farmers.	June 14	June 20	Completed
4	Provide training to farmers on grape canopy and cluster management to enhance quality grape production.	July 1	July 10	Completed
5	Identify packaging materials: Locally-made wooden crates, liner material and sulfur pages (to reduce fungus growth during transport) with a colorful stick-on label, identifying the grape type, grade, weight, merchant and contact information. The actual crates used and the weight of grapes to be packaged in each crate will be decided by ROP staff and Supreme buyers.	10 July	Aug 10	
6	Develop a grading standard with two grades for use by farmers and merchants (packers) in packing the grapes. Train farmers and merchants on use of the grading scheme. Train farmers and merchants on use of refractometers, to measure brix (sugar content)	Aug 10	Sep 30	
7	Facilitate meetings between farmers and local merchants just prior to harvest to review and agree on plans.			
8	Provide information on market prices at important wholesale markets and train farmers on understanding the information.	Aug 8	Aug 30	
9	Prior to harvest, provide training on use of mobile infrastructure for field packing. And in the case of field packing, insure packing materials are in place and that a shaded area is provided for packed fruit	Aug 10	Aug 20	
10	Prior to harvest monitor fruit maturity and mark clusters nearing maturity	Aug 10	Oct 10	
11	During fruit harvest monitor fruit temperatures and stop harvest when fruit temperatures reach 30C	Aug 10	Aug 30	
12	At harvest, oversee/facilitate the harvest, post-harvest processing, packaging and sale of the packaged fruit to participating merchants.	Aug 20	Oct 10	
13	Bring the Mir Bacha Kot postharvest center up to HACCP standards.	June 25	July 15	Completed

14	Have the Mir Bacha Kot postharvest center inspected by the US military and approved as being suitable to supply fruit and vegetables to military bases in Afghanistan	July 15	July 15	
15	Meet with the Supreme Group to start trial shipments for military bases throughout Afghanistan	June 15	July 30	Completed
16	At the end of the season, review the production and marketing process with farmers, local merchants and Pakistani wholesale market merchants.			

Attachment 1: Notable Events During the Month

Date	Event
July, 1-12	92 Shamali grape farmers were trained on how to remove low quality clusters from their vines and shown how to remove dried or poor quality berries from remaining clusters to maximize their value. This training was arranged by ROP Horticultural staff for the ROP GVCP. See list of participating farmers.
July, 9	ROP collected quotations for the new 9kg grape crate.
July 12	Meeting was held with Haji Sher Ahmad, Kabul Fresh Fruit Association president (0799-325-839) and Haji Farooq, fruit exporter (0700262313) in ROP office to identify their capacity for fruit export to Supreme.
July 13	ROP MBK processing center repaired and painted completely for grape export to Supreme.
July-17	Meeting was held with Kabul traders to introduce the new 9kg crate to them, they said that the new crate size is fine for them but till they introduce this crate to Pakistan market they need some financial support. They requested ROP to help them with 50% contribution for the price of this new crate for 2009 export.
July 19	Meeting was held with Supreme officials in Dubai and to discuss how Afghan fresh grape and other produce could be sold to international military forces in Afghanistan. See trip report.
July, 21	Contract was signed between ROP and Bagram processing center owner for the next year. ROP will use this center for grape export to Bagram or Supreme.
July, 22	Fresh fruit price list completed and sent it to Supreme office for further actions.
July, 23-27	Marketing trip to Pakistan, visiting Islamabad and Peshawar market and met commission agents in Islamabad to discuss exporting grape directly to Islamabad. See trip report.

Attachment 2

Trip Report: Peshawar and Islamabad Fresh Fruit Market July 23 – 27, 2009

The objectives of the trip to the Fruit and Vegetable markets of Pindi and Peshawar were to gain an understanding of:

- Gain approval of the GVC Action Plan, specifically, the “new” crate for Kishmishi grapes
- Meet marketing agents
- Meeting with Sunny international

Summary

Identified potential commission agents for quality, graded Kishmishi grape in Islamabad-Pindi who will purchase Afghan grapes directly from Afghanistan traders rather than from commission agents in Peshawar. This will allow the higher prices of these markets to be transmitted by the changed marketing system to Afghan producers and traders. This shows the possibility of a significant increase in grape prices for Afghan traders and producers

Meeting has been held with Sunny International (a re-exporter to international market). They are very interested in closer working relationships with Afghan exporters. They can offer their services to Afghan traders for sale and export of fruit and vegetables from Afghanistan to Dubai, Canada, Europe and Saudi Arabia markets on 50% partnership basis.

Visits of Fruit markets in Islamabad-Pindi

Three afghan fresh fruit exporters (AFE) and the GVC Pilot Coordinator, Mr. Sharif Osmani, visited Islamabad market on July 24, 2009, to identify the market for quality graded Kishmishi grape. The AFE met four different commission agents who are receiving fresh fruit from Peshawar commission agents. After their discussion concerning a 10kg crate with graded grape to replace the currently used 14kg crate (with poorly graded grape), both parties agreed to work with the 10kg crate. The Pakistani merchants noted that this product should complete much better than the traditional product which is currently being sorted and repacked at Peshawar in Chinese grape packaging materials.

After discussions regarding the Pakistani restrictions on Afghan truck movement (Afghan trucks must unload at Peshawar), the Islamabad traders agreed to take delivery of the fruit in Peshawar. It was also agreed that the Islamabad fruit commission agents will charge Afghan traders 7% of the total amount for their operation.

Visits of Sunny International (SI) in Peshawar

SI is a company started on 1997 and working on the re-export of Afghan fruit and Pakistani fruit and vegetables to Dubai, Canada, Europe and Saudi Arabia. SI is also working on the seed production and extension side. SI have a center in Peshawar., this company is buying Afghan fruit from the Peshawar market and re-sorting, re-packing and exporting them by PIA to other international markets. They are not using cold chain system because it takes only four hours from their pack house till Dubai by air and the product arrives in good condition. They are interested in buying quality fruit directly from Afghan traders; but, are concerned because sometimes the Afghan fruit cannot reach Pakistan on time due to road blockage problems in Afghanistan (Mahi Par). If the fruit arrives late, then they will miss the flight to Dubai. Due to this risk, they are buying fruit from the Peshawar market and re-sorting.

During the discussions between SI Director Mr. Khalid Mahmood and Afghan traders, Khalid Mahmood said that they are interested to work with Afghan traders. He said that if they get Afghan fruit in Dubai on time, they will sell them in a 50% partnership with the Afghans.

Difference between Islamabad and Peshawar Commission Agents

The most important achievement of the trip was in understanding the difference in payment practices of the Peshawar and Islamabad commission agents and the impact these practices have on Afghan grape marketing practices and profits. The payment practices of the Peshawar agents provide an incentive for Afghans to pack poor grape in the bottom of the crates and to push 14kg grape in to 12kg crates. Because Afghan trucks cannot drive further into Pakistan than Peshawar, Afghans have been compelled to market their grapes only to Peshawar commission agents. The Peshawar commission agents are re-exporting these grapes to Lahore, Islamabad and other cities around Peshawar and are capturing the profits of these markets by acting as regular merchants and outside their prescribed roles as commission agents.

After the Peshawar agents sell these grapes in Islamabad or elsewhere, they are paying the standard 7% sales commission to the commission agents in Islamabad or elsewhere; but charging the Afghans 6.25%. Additionally, they are paying the transport cost to the interior cities rather than deducting that expense from the sales revenue before handing the remainder to their Afghan clients. So, why are they willing to pay most of the commission fees and transport from Peshawar to the other cities? It appears that this is a method of hiding the prices they receive from the interior markets from their Afghan clients. This method allows them to act as regular merchants, “buying”¹ and reselling the grapes. Normally, acting as commission agents, they should charge their clients the transport costs and commission fees and transfer the remainder of the interior market price/revenue to their clients.

The commission agents are receiving 1000Rs to 300Rs per crate from different city markets; but, they show the Afghans the lowest price which they receiving from any of those cities. This allows them to keep the extra revenue from the higher priced sales. It also means that they are paying the Afghans a standard price that reflects the need to re-sort and re-pack all of the Afghan grapes they receive. Thus, Afghans who attempt to sell a high-quality pack are paid the standard price that is received by Afghan shippers who put up a poor quality pack. So, if someone packs good quality grapes, they don’t receive any better price than someone who packs poor quality grapes, because everyone is receiving the same price in the same day. Thus, the incentive built into this system is to reward packers who pack poor quality packages. The Pakistani commission agents report that they find not only poor quality grapes, but, grass and rocks in some Afghan packs.

But the Islamabad commission agents are not re-exporting the products they receive from the Peshawar commission agents to other markets. Neither are they re-packing the products. They are acting as true commission agents, simply selling the products in the market and remitting the sales revenue to their clients after deducting their sales commission of 7% and any additional fees (such as transport) associated with the sale. Normally, they charge their clients 10Rs/crate for transport from the Peshawar market. This method allows the actual sales price and revenue from the product to reach the merchant who employs the commission agent to sell the product. Thus, merchants/packers who pack superior quality packages of grapes tend to receive higher prices and revenue than those who sell a poor quality package of grapes. The incentive built into this system is to reward those who produce quality. Thus, the AFE and the GVC Pilot Coordinator learned that if they can get their products past the Peshawar market and into the hands of the commission agents in Islamabad, they will probably be rewarded for producing and marketing high-quality grapes.

Merchants met in Pakistan		
Name	Position	Contact
Khalid Mahmood	Director of sunny international in Peshawar	0092-3339174536
Haji Nadir	Commission Agent in Islamabad	0092=3005131099
Ahsanullah	Commission Agent in Islamabad	0092-3005902165
Haji Samdani	Commission Agent Islamabad	0092-3339143930
Saraj Agha	Commission Agent Islamabad	0092-3005212445
Afghan merchants who visited Pakistan		
Haji Farog	Fresh fruit exporter from Kabul Market	0093-700262313
Saeed Mir	Frehs fruit exporter from Kabul market	0093-787053346

¹ As commission agents, they do not actually buy the grapes. They simply receive them from the traders.

Ahmad Monir	Fresh fruit exporter from Kabul market	0093-700238223
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Attachment 3: Trip Report: Meeting with Supreme Support Services in Dubai

Date of Trip: July 18-19

Travelers: Zach Lea and Matt Tokar

Purpose of Trip: Discuss Possibility of Assisting Afghan Merchants Supply Afghan Produce to the “International Market” Represented by the International Military Forces in Afghanistan.

Introduction

ROP approached the US military at Bagram Air Force Base with a request for them to purchase food from Afghan suppliers. We were told that all supplies for the base are sourced through a small number of international suppliers, The primary supplier is Supreme Support Services. The military personnel told us we would have to approach Supreme Support Services (Supreme) and provided details on the process of having a pack house in Afghanistan certified in order to sell to Supreme. After numerous attempts, we were able to contact the appropriate person within Supreme and found that his office was in Dubai. His next planned trip to Afghanistan was late August or early September. We asked if we could meet with them in Dubai as soon as possible. We took advantage of the fact that Matt Tokar was leaving the country and would be in Dubai on July 18 to request a meeting with Supreme on the 19th of July, which they granted.

Supreme Support Services, www.supreme-group.net, holds a contract to supply the US Department of Defense and NATO with food and other food-related goods and services. Almost all of the food is now being imported into Afghanistan because the international suppliers have passed stringent quality control inspections and other requirements and because the large array of such international suppliers assures Supreme that the required food supplies can be obtained reliably, without question, whenever needed. Supreme is understandably concerned about sourcing supplies from Afghan suppliers due to the reduced certainty of supply quality and availability associated with Afghan suppliers, the lack of certified Afghan suppliers and the expected additional cost of dealing with suppliers unaccustomed to international standards.

Notes from the Meeting with Supreme in Dubai

Meeting Attendees:

- For Supreme: Benedikt Garcia, Purchasing Manager, cell +971 (0) 50-655-8802, Office +971 (0) 4326-3799 Afghanistan cell 0798-208-903, benedikt.garcia@supreme-group.net
- For Supreme: Senthil Kumar, Purchasing Analyst, cell +971 (0) 506- 536-546, senthil.kumar@supreme-group.net
- For GVC: Zach Lea, ROP Country Director
- For GVC: Matt Tokar, GVC Pilot Manager, Team Leader and Pack House Manager

Meeting Points:

Benedikt Garcia indicated he had received the application for an initial sanitary inspection of the MBK pack house and accompanying photos from ROP. He explained that Supreme was interested in assisting Afghan suppliers; but, was concerned that ROP or GVC were not established fruit and vegetable merchants and wondered how ROP/GVC would operate. We explained that we would be facilitating/training participating merchants and producers via the GVC and the existing ROP pack house at MBK and would select one merchant to represent to Supreme in the initial stages of the development. Mr. Garcia indicated that Supreme had a program in Afghanistan to introduce/train Afghan merchants to supply the high-quality products demanded by Supreme's clients. In the initial stage of the program, the Afghan merchant would supply produce to Supreme that it would resell to non-governmental international organizations that do not have the highly-demanding product quality requirements of the international governmental organizations, such as the US Department of Defense. Once the Afghan merchant had proven their capability to supply produce at the entry-level of quality, Supreme would then consider arranging for the inspection of the merchant's packing facility and, if the facility passed the inspection, would begin purchasing produce and reselling to the government purchasing organizations supplying the international military.

We concluded the meeting and agreed to select an Afghan merchant for entry into this program. We promised to assist the selected merchant prepare and submit a catalogue of products, including fresh grapes from the MBK area.

Attachment 4: Additional service providers identified in MBK

1. FAO works with pesticides, insecticides.
2. SDO originated the focus cluster. Currently their project is finished and they don't work any more.
3. NUHDA is not active currently.
4. NUHDA has plan to work on marketing of fresh fruit in future.
5. CARE is active in the area.
 - CARE is providing 100% free labors for grape farmers to shovel their grape vineyard in each village.
 - CARE's labor is responsible to shovel 20 vine everyday.
6. IRD is active in the area.
 - IRD's provided 3000 bags of fertilizers to all Mirbachakot district. The fertilizer price in local market was 720Afs per bag but IRD charges to farmer was 125 afs per bag.
7. APNA is not active currently.
 - APNA has plan to provide 100% free 15 chickens to each family.
 - APNA also provide these families 25 kg of feeds for the provided chicken.
8. ASAP trellising program is active in Mirbachakot.
 - ASAP has 4 master trainer for Kabul, Parwan and Kapisa, these trainers are providing the agriculture new techniques to the grape farmers.

- ASAP also works through Drokshshan input supplier, these input shops are selling the \$8 trellising posts to the grape farmers in \$3 and charging \$5 on ASAP.
- The farmer is responsible for the posts transportation from the shop to their grape farm.
- ASAP's trainer will provide the techniques and design of the trellising to the farmer who purchased the posts from the Drokshshan shop.
- Farmer is also responsible for the installation of the posts and purchasing the wire with 50% discount for their farm.
- **Meeting with the Drokshshan shop in Mirbachakot.**

There is just one Drokshshan input supplier shop in Mirbachakot district, the man who is operating this shop is Mr. Nasir, cell 0772-004-013. There is also one Drokshshan input shop in Qarabaghi and the man who is operating is Mr. Dawod, 0772-023-357. These Drokshshan shops have received training from ASAP to design and show to farmers how to install their trellising posts. These shops are getting \$50 per jerib when they show to farmers how to install their posts. The shop is selling the posts for 150 Afs. The posts are delivered to the farmer by the post manufacturer who has a contract with ASAP. The shopkeeper also sells wire and wire-pullers to the farmers with 50% subsidies from ASAP. ASAP is also paying the shopkeeper a 5% fee on the subsidized value of the materials (posts, wire, etc) sold to the farmers.

- **Meeting with ABS**

We met with Mr. Qudratullah, cell 0708-155-492, of ABS company who have a contract with ASAP to produce posts and deliver them to the farmers. Under this contract, ABS has manufactured 22,000 two-wire posts and 39,000 four-wire posts. They have a contract for 17,000 additional posts to be produced within a few weeks. They have capacity to make 1,200 posts per day. The price of the posts which they are making is 420Afs, according to their contract with ASAP. Mr. Qudratullah said that, under the ASAP contract, they sold two types of posts from 2008 till now: first: a two-wire model then a four-wire model. He said he sold 10,000 two-wire posts and 10,000 four-wire posts. He mentioned that after the farmers saw that the two-wire posts often break, they stopped buying those posts. In response, ASAP reduced the program-subsidized price of 210Afs per post to 100Afs. At the same time, ASAP began offering the four-wire posts at the subsidized price of 150Afs which was acceptable for the farmers, He also said that a lot of farmers are asking for more four-wire posts but due to the shortage of posts from ASAP, Drokshshan cannot provide them.

- **Meeting with the farmers who installed posts.**

We met Mr Fahim in Aqa aAi Khwaja village of Shakardara, cell 0779-529-137. He had 2.2 jerib with 650 Shondulkhani vines. He purchased 300 posts from which was delivered in to his farm, he also was received the technical assistance from the Drokshshan shopkeeper without paying money because Drokshshan people are receiving \$50 per jrib from ASAP for their assistance.

He said that he just paid 150Afs per post and he was happy with the program.

We met also Mr. Wahid in Jahanshah village, Shakardara, cell 0797-714-363. He had 9 jerib with 3,000 Shondulkhani vines. He purchased 1000 posts which were delivered to his farm and received the technical assistance from the Drokhsan shopkeeper without paying money. He said when he received his 1000, four-wire posts, he found 25 broken posts during delivery. He explained that the delivery personnel are not very careful with unloading and do it very quickly in order to unload his truck and get back to work.

He said for the installation of the posts he hired 8 people at 300Afs each per day. This team has installed 800 posts during 16 days. He also said that because he is concerned that the strong winds of certain seasons of the year might damage the trellising if it was relatively tall, he is satisfied with the 230cm height of the ASAP program posts. He does not like long trellising posts.

Attachment 5

Farmers Participating in Grape Cluster Pruning Demonstration							
No	Farmer	Village	District	Variety	GIB Tablets Used	Vines Pruned	Phone
1	Haji Meharbudin	Baba Quchqar	MBK	Kishmishi	6	10	(0)786923211
2	Khoda dad	Baba Quchqar	MBK	Kishmishi	6	20	(0)797090124
3	Malik Mohamd	Baba Quchqar	MBK	Kishmishi	6	7	(0)772523954
4	HajiMoahamd Enham	Baba Quchqar	MBK	Kishmishi	6	15	(0)799928272
5	Said Abdul Samad	Baba Quchqar	MBK	Kishmishi	6	5	(0)799374416
6	Rahim Khan	Baba Quchqar	MBK	Kishmishi	36	20	(0)799232274
7	Mangal	Baba Quchqar	MBK	Kishmishi	6	2	(0)774563749
8	Hajab gul	Baba Quchqar	MBK	Kishmishi	6	5	(0)794117927
9	Mohamad Ehsan	Baba Quchqar	MBK	Kishmishi	6	7	(0)778663011
10	Mohamad Sidiq	Baba Quchqar	MBK	Kishmishi	6	5	(0)799860331
11	Mohamad Nasir	Baba Quchqar	MBK	Kishmishi	6	3	(0)776439167
12	Haji Husain	Baba Quchqar	MBK	Kishmishi	6	5	(0)772121947
13	Khouaja Mohamad	Baba Quchqar	MBK	Kishmishi	6	2	(0)773621109
14	Ghulam Hazrat	Baba Quchqar	MBK	Kishmishi	6	3	(0)789529005
15	Mohamad Wakil	Baba Quchqar	MBK	Kishmishi	6	2	(0)778814236
16	Wali Mohamad	Baba Quchqar	MBK	Kishmishi	6	4	(0)799192631
17	Sardar Mohamad	Baba Quchqar	MBK	Kishmishi	.	7	(0)772272961
18	Haji Fazil Mohamad	Baba Quchqar	MBK	Kishmishi	6	2	(0)775220948
19	Haji Baz Mohamad	Baba Quchqar	MBK	Kishmishi	6	2	(0)799499822

Farmers Participating in Grape Cluster Pruning Demonstration							
No	Farmer	Village	District	Variety	GIB Tablets Used	Vines Pruned	Phone
20	Khoda dad	Baba Quchqar	MBK	Kishmishi	6	10	(0)774150173
21	Abdul Shukor	Baba Quchqar	MBK	Kishmishi	6	2	(0)778492937
22	Mohamad Hiwaz	Baba Quchqar	MBK	Kishmishi	6	4	.
23	Haji Allah Bakhsh	Baba Quchqar	MBK	Kishmishi	6	7	(0)794305070
24	Haji Mohamad	Baba Quchqar	MBK	Kishmishi	6	2	(0)775183161
25	Mohamad Shafih	Baba Quchqar	MBK	Kishmishi	6	.	(0)799222631
26	Anjamudin	Baba Quchqar	MBK	Kishmishi	6	3	(0)799437809
27	Mohamad Halam	Baba Quchqar	MBK	Kishmishi	36	20	(0)779527256
28	Painda Khan	Baba Quchqar	MBK	Kishmishi	6	4	
29	Mohamad Jan	Baba Quchqar	MBK	Kishmishi	6	3	
30	Mohamad Hazim	Baba Quchqar	MBK	Kishmishi	6	5	
31	Painda Mohamad	Baba Quchqar	MBK	Kishmishi	6	2	
32	Allah Mohamad	Baba Quchqar	MBK	Kishmishi	6	1	
33	Ghulam Rabani	Baba Quchqar	MBK	Kishmishi	6	7	
34	Mohamad Asghar	Baba Quchqar	MBK	Kishmishi	6	5	(0)7970965
35	Abdul Haq udin	Qali Pushtak	MBK	Kishmishi and Shundul khani	5	7	
36	Mir Habas	Qali Pushtak	MBK	Kishmishi	6	2	
37	Abdul Wahab	Qali Pushtak	MBK	Kishmishi	6	8	(0)7778725498
38	Abdul Hamed	Mashwani Bala	MBK	Kishmishi	6	3	(0)778213876
39	Mohamad Akaram	Mashwani Bala	MBK	Kishmishi	6	1	(0)772335858
40	Hinayat ullah	Mashwani Bala	MBK	Kishmishi	6	5	
41	Sardar Mohamad	Qalam Chaq	MBK	Kishmishi	6	3	(0)799723951
42	Khuwaja Abdul Rahman	Qalam Chaq	MBK	Kishmishi	6	3	(0)799336698
43	Khan Mohamad	Qalam Chaq	MBK	Kishmishi	6	1	
44	Haji Tor Rahamt	Laghmani		Kishmishi	36	2	
45	Kamaludin	Zamin oghar		Kishmishi	6	2	(0)778209377
46	Mohamad Kabir	Zamin oghar		Kishmishi	6	2	(0)774084182
47	Ghulam Eshan	Abchakan		Kishmishi	6	2	(0)774099569
48	Shafiullah	Abchakan		Kishmishi	6	2	(0)775038686
49	Nisar Ahmad	Marki		Kishmishi	6	2	(0)799638794
50	Haji Rahim	Marki		Kishmishi	6	2	
51	Sufi Tahir	Marki		Kishmishi	6	2	
52	Zailgai	Marki		Kishmishi	6	2	(0)799316076
53	Mohamad Yusuf	Marki		Kishmishi	6	2	(0)796110163

Farmers Participating in Grape Cluster Pruning Demonstration							
No	Farmer	Village	District	Variety	GIB Tablets Used	Vines Pruned	Phone
54	Said Amir	Marki		Kishmishi	6	2	(0)778870941
55	Mohamad Osaman	Bala Dara		Kishmishi	6	2	
56	Ghulam Rabani	Deh mir		Kishmishi	6	2	
57	Abdul Karim	Khuajagiyan		Kishmishi	6	2	(0)799767862
58	Aminullah	Shikhbaqa big		Kishmishi	6	2	(0)772182998
59	Khalil	Shikhbaqa big		Kishmishi	6	2	(0)799472201
60	Hamedulah	Shikhbaqa big		Kishmishi	6	2	(0)797071668
61	Shir shah	Shikhbaqa big		Kishmishi	6	2	(0)799667997
62	Mohamad Sabir	Khuajagiyan		Kishmishi	6	4	(0)774556149
63	Fazil Rahim	Abchakan		Kishmishi	6	3	
64	Rahimudin	Sarah farza		Kishmishi	6	3	
65	Khuaja Noor sahid	Khuajagiyan		Kishmishi	6	3	
66	Mohamad Hazim	Shikhbaqa big		Kishmishi	6	2	(0)796381464
67	Kamal udin	Deh Saqau bala		Kishmishi	6	4	(0)772024298
68	Fawad	Baqabig		Kishmishi	6	3	(0)799472201
69	Rahimullah	Baqabig		Kishmishi	6	2	
70	Haji Asad ullah	Sarah farza		Kishmishi	6	2	(0)799303800
71	Haji Qaum	Sarah farza		Kishmishi	6	3	(0)778163578
72	Khalilullah	Marki		Kishmishi	6	3	
73	Mahfuz	Sari khuaja		Kishmishi	6	4	
74	Haji Shukrullah	Laghmani		Kishmishi	6	3	(0)799541988
75	Allahdad	Laghmani		Kishmishi	6	3	(0)776853612
76	Mohamad Rahim	Laghmani		Kishmishi	6	2	
77	Ziaudin	Deha Saqau Bala		Kishmishi	6	3	(0)772024298
78	Gul Rahman	Shikhbaqa big		Kishmishi	6	2	(0)774454911
79	Haji Asef	Shikhbaqa big		Kishmishi	6	2	(0)798206309
80	Mohamad Agha	Shikhbaqa big		Kishmishi	6	2	
81	Jamil	Dakoi Payan		Kishmishi	6	3	(0)778643504
82	Hayatullah	Dakoi Payan		Kishmishi	6	3	(0)779217116
83	Mohamad Saleem	Dakoi Payan		Kishmishi	6	3	(0)799076484
84	Mohamad Amir	Dakoi Payan		Kishmishi	6	2	(0)771201934
85	Sofi Abdul Rahman	Dakoi Payan		Kishmishi	6	2	(0)794022952
86	Bashir Ahmad	Dakoy Bala		Kishmishi	6	3	(0)776121204
87	Wahed khan	Dakoy Bala		Kishmishi	6	2	(0)772233872
88	Abdul Shaiq	Dakoy Bala		Kishmishi	6	2	(0)799646988
89	Eid mohamad	Dakoy Bala		Kishmishi	6	2	(0)799329484

Farmers Participating in Grape Cluster Pruning Demonstration							
No	Farmer	Village	District	Variety	GIB Tablets Used	Vines Pruned	Phone
90	Mohamad Sididq	Dakoy Bala		Kishmishi	6	2	
91	Haji Shah Mohamad	Dakoy Bala		Kishmishi	6	2	
92	Abdul Mutalib	Dakoy Bala		Kishmishi	6	2	(0)779610917
93	Abdul Razaq	Dah saqau bala		Kishmishi	6	3	(0)700249150

Attachment 6: Selected Photos of Project Activity



Farmers pruning training on grape quality control



ROP Marking staff pruned low value grape with farmers



Outside of MBK Processing center



MBK Processing center is ready for use



Afghan traders Met Sunny International in Peshawar



Afg traders Met Ahssanullah commission agent in Islamabad



Afg traders met Haji Nadir fruit Commission agent in Islamabad



Afg traders met Haji Samdani commission agent in Islamabad



Afg traders meeting Peshawar traders



Afg traders met Sarag Agha the commission agent in Islamabad



Sunny processing center in Peshawar



Afghan traders are looking the vegetable bags in sunny office.