

AG 3794. Afghanistan: Research in Alternative Livelihoods Fund (RALF)

QUARTERLY NARRATIVE REPORT January 19, 2006 – April 18, 2006

Narrative Summary

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| Project Title: | Research in Alternative Livelihoods Fund (RALF) |
| DFID Number: | AG 3794 |
| Project Manager: | Najib Malik, RALF Programme Manager |
| Organisation: | International Centre for Agricultural Research in the Dry Areas (ICARDA) |
| Start Date: | January 19, 2004 |
| Implementation | Round-1 Projects: June-July 2004 Round-2 Projects: Feb-April 2005 |
| Completion Date: | January 31, 2007 |
| Total Budget: | £ 3,000,210 |

Project Goal

Super-goal: Sustainable reduction and elimination of illicit poppy cultivation in Afghanistan.

Goal: Sustainable livelihoods in place for rural Afghans in poppy growing areas.

Background

As stated in the Annual Report

Project Objectives

The purpose of RALF is to develop and promote innovative alternative livelihood options for rural Afghans currently economically dependent on opium poppy.

Expected outputs of the project are:

- A competitive mechanism for funding innovative applied research projects tailored to the programme purpose.
- Recommended technologies and support services, tested and available for implementation.
- Improved capacity for applied research and extension in government, Afghan universities and NGO partners.

The outcome of RALF will be licit alternatives to opium production that are practicable in the socio-economic environment of Afghanistan, and that are accessible to rural people. The beneficiaries will be the, predominantly poor, farming population and casual workers who currently depend on the illicit activity of growing poppy for their livelihood.

RALF operates through the mechanism of a competitive research fund (CRF) managed by ICARDA to mobilise innovative ideas for the development and promotion of alternative livelihoods opportunities in Afghanistan. Projects are proposed and implemented by 'mini-consortia' comprising a partnership that includes an international or non-Afghan research institution and an Afghan-based partner with experience in the area that fieldwork is to be carried out. This combination is intended to maximise synergy between international research practice and knowledge of the local Afghan context.

Projects are also intended to include a significant element of capacity building for Afghan Government, Afghan universities and NGO collaborators. Apart from generating practical results of research that can be applied by rural people, RALF will also test the CRF mechanism, which may provide lessons for Afghanistan's emerging broader agricultural research strategy. The international public goods (IPG's) generated as a result of the research projects may be applicable in other countries with similar socioeconomic circumstances.

Achievements of the 3-Month Period (January 19-April 18, 2006)

OUTPUT 1: A Competitive Mechanism for Funding Innovative Applied Research Projects Tailored to the Programme Purpose.

RALF is managed by ICARDA, which is responsible for managing the selection, supervision, and monitoring and evaluation of projects funded under the CRF. The CRF is implemented through Requests for Proposals (RFPs). Project selection is made through an autonomous Project Review Panel. There have been two rounds of RFP's so far.

1. Administrative and Governance Mechanisms:

Project Review Panel: As reported in the last Annual Report, the Project Review Panel (PRP) was instrumental in the review and selection of the research proposals for both rounds of RALF. The PRP is now dormant until funding becomes available for another round of RFPs.

RALF Steering Committee: As recommended by DFID, a Steering Committee was established on July 14, 2005. Membership of the Steering Committee comes from DFID, ICARDA and MAAHF. The Steering Committee which has met 4 times (July 14, 2005, October 20, 2005, January 25, 2006 and March 19, 2006) has taken over most of the functions of the PRP.

RALF-DFID and RALF-MAAHF Communication: In addition to the formal tri-lateral Steering Committee Meetings every quarter, informal and bi-lateral meetings are held, as needed, between DFID and the Programme Manager (PM) and between MAAHF senior management and the PM. The PM reports to "Afghanistan Task Force", comprised of senior management at ICARDA-HQ, after each mission to Afghanistan.

2. RALF Website: The RALF website launched on 19 January 2004 is accessible to the public at large at <http://www.icarda.cgiar.org/RALFweb/RALF.htm> The

website has a “protected field” which is accessible only to DFID, ICARDA, MAAHF, Ministry of Counter Narcotics, RALF Project Partners, and the Civil Society on Alternative Livelihoods. The username and password are provided to authorised users in order to access the proceedings of the workshops, minutes of the meetings, etc. Access maybe granted by PM to other interested groups, upon request.

- 3. RALF Electronic Database:** The Electronic Database, with search capability, was established in July 2005 and contains the records of all Project Agreements, Progress Reports, Finance Reports as well historical records of Project Proposals. The E-Database is currently available on ICARDA Intranet, but will become available to DFID, the senior management at MAAHF and Ministry of Counter-Narcotics, with security measures in place. Access maybe granted by the PM to other Alternative Livelihood Programmes and donor agencies, upon request. The E-Database, like any other database, needs periodic updating.

OUTPUT 2: Recommended Technologies and Support Services, Tested and Available for Implementation.

-Research is progressing, and there are early indications, even though anecdotal, that the projects funded by RALF are yielding results that will translate into practicable recommendations that can be used to improve incomes or food security, or provide employment and replace poppy cultivation. The first round of projects (RALF 01) has been underway for 20-21 months, whereas the implementation of the second round (RALF 02) projects has been in progress for 12-14 months only.

-It should be noted that not all projects are progressing at the same rate. The contribution of a few of the Principle Investigators to their respective Projects, and to the RALF Programme as a whole, is not as significant as that of the PI's who are based in Afghanistan or travel to Afghanistan more frequently, even if based overseas, and keep in touch through email. Security is still the key factor that has limited the scope as well as the impact of the projects being implemented in Laghman, Helmand and Kandahar, despite the best efforts of the PI's and Implementing Partners.

Summary of Project Outputs/Activities in the Last Quarter

RALF 01-03:

Village Decision Driven Research Project- Laghman Province

Outputs/Activities:

- 1- Activity descriptions were completed by Washington State University (WSU) for the following:
 - Nursery development.
 - Forage crop improvement.
 - Woodlots.
 - Fisheries.
- 2- Surveys were conducted with DACAAR and MAAH in Alingar District of Laghman. The target villages were Salab, Sangar and Mango

- 3- Capacity building activities are in progress for Provincial MAAH officials in Mehterlam, capital of Laghman Province
- 4- Joint field monitoring involving WSU, DACAAR, MAAHF-Mehterlam and ICARDA was conducted in the target villages April 6-8th.

Activities Planned for Summer 2006:

1. The following animal husbandry activities have already begun by WSU and DACAAR:
 - Annual forage/legume production
 - Purchasing cows
 - Arranging artificial insemination training with Madera.
 - Forming associations.
 - Developing women's resource centers.
 - Preparations for milk processing for cheese making.
2. Woodlots
 - Improved varieties of fast growing poplar
 - Stream and canal bank improvement.
3. Capacity Building: Efforts are underway to sign an Agreement of Cooperation between WSU and Nangarhar Univ.
4. A Concept Note will be developed in collaboration with ICARDA, WSU, DACAAR, MAAHF and Nangarhar Univ. and will be submitted to MAAHF for CNTF funding. This activity will be undertaken as an extension and expansion of the RALF Programme utilizing the research needs identified by the people of Alingar District of Laghman Province through the participatory approach.

RALF01-04:

Introduction, Evaluation and Promotion of Appropriate Crop Legumes and Vegetables for Eastern Afghanistan (Nangarhar, Laghman, Kunar, Nuristan)

Outputs/Activities:

1. Participatory R&D trials were established in 25 communities representing 10 districts in Nangarhar Province. These districts were among the highest poppy cultivating areas in the province. In 2004 about 85% of the good agricultural land of these districts was cultivated with opium poppy.
2. In variety performance trials, seedlings of 11 onion varieties, 13 tomato varieties, 10 eggplant varieties and 13 pepper varieties were successfully produced at Nangarhar University's Agriculture Research Farm.
3. The collaborating farmers of RALF 01-04 were able to produce healthy seedlings for their own needs and for sale. The surplus seedlings were sold to other vegetable growers at a very good price earning additional income as an alternative to poppy cultivation. The supply of improved vegetable seedlings to the surrounding communities had a significant

positive impact on the economic development of the farming community.

4. Project has been impacting on the capacity building of the Faculty of Agriculture at Nangarhar Univ. in many ways, as described in the full Quarterly Report for 01-04.
5. The socio-economic baseline survey was completed. Farmers are now able to compare the “halal” earnings from the high-value vegetable crops to that of opium poppy. Comparison of income/Jerib from opium poppies vs high-value crops is as follows:

Opium Poppies: 60,000 Afs/Jerib

Onions: 57,250 Afs/Jerib

Okra: 54,320 Afs/Jerib

Garlic: 52,000 Afs/Jerib

Spinach: 50,000 Afs/Jerib

Wheat: 10,000 Afs/Jerib

Vegetable Nursery: 120,000 Afs/Jerib (*twice the poppy income*)

RALF01-07:

Restorative Agriculture and Rural Economy (RARE) Research Project, Helmand and Kandahar

Outputs/Activites:

1. Economic analysis of a variety of staple, cash and specialty crops and out-of-season vegetable production.
2. Economic analysis of different types of improved small-scale irrigation systems – tomato and egg plant (drip and ditch)
3. Review of past and current extension services, including recommendations for future market-driven supplies of agricultural support services, including technical agro-enterprise development and group/cooperative development
4. Evaluations of at least 10 different existing small-scale agro-processing industries.
5. Case studies of agro-enterprises that prove to have value-added through experimental processing
6. Community participation and agricultural governance
7. 30-month study testing the effectiveness of local decision-making in encouraging alternative livelihoods

8. Review and analysis of past and current agricultural governance and recommendation for future role of Provincial Ministry of Agriculture in supporting the creation of alternative livelihoods

RALF01-08:

Innovative Financial Mechanisms for Improving the Livelihoods of Rural Afghans Currently Economically Dependent on Opium Poppy, Badakhshan.

Outputs/Activities:

1. 21 CDC's comprising 25 villages have been selected for the microfinance programme
2. Staff recruited
3. Workshops launched in Jurm and Ishkashim Districts of Badakhshan
4. Group formation exercises held

Activities Planned:

- Formation of self-help groups.
- Introducing savings and credit to the groups.
- Setting up member-level and group level systems.
- Create member data base.

RALF 01-09:

Marketing of Livestock and Livestock Products: Market Demand, Potential Returns to Producers and Constraints to Market Access

-The Project has been completed.

Outputs/Activities:

1. The project focused on the production and marketing of sheep, goats and cattle and to a lesser extent buffalo. It has identified "lamb fattening" as a viable alternative livelihood.
2. The Project has identified "constraints" to the most profitable alternative livelihood (lamb fattening), as "lack of feed" and "lack of credit".
3. The Project has identified the potential for the marketing and processing of wool, skins and hides

-Impact: The outputs of the project have already been picked up. For example, Mercy Corps have used the finding that micro-credit schemes will be needed if livestock numbers are to recover to design a rural

microfinance program for southern Afghanistan. This proposal is currently being reviewed by donors. Other proposals have also focused on the role of livestock in rural livelihoods to suggest program activities ranging from animal health interventions to artificial insemination. Through incorporating the project's findings into current programming and future initiatives, Mercy Corps is able to apply the research in order to better target its humanitarian programs

RALF 01-11:

Improved Rural Incomes from Better Forage Production and Sales of Milk Products, Baghlan Province

Outputs/Activities:

1. Farmer-participatory workshops were conducted in 15 communities representing a total of 75 households to identify farmers' perceptions of their major constraints to forage and milk production.
2. Survey of the selected households was completed and the results have been analyzed.
3. Research trials are underway on forage grass and forage legumes at MAAHF Research Station at Poze Eshan. Provincial MAAHF officials are being engaged in conducting the field trials as part of the capacity building goal of the project.
4. The feeding trials on dairy cows will be repeated in several communities this fall.

RALF 01-16:

Western Afghanistan Agro-enterprise Action Research Project, Ghor and Herat.

Outputs/Activities:

1. The PEAR (Participation - Efficiency – Adaptation (Substitution) – Redesign) approach is being tested by CRS. The entire planning, implementation and monitoring of activities is done in a participatory way. Initially for gaining confidence of farmers, activities are being undertaken to increase the efficiency of existing practices / systems followed by the farmer. Once that is achieved, the new techniques will be introduced, if required by substituting for the existing practice. Subsequently the farming system will be redesigned based on whole farm analysis.
2. Territorial Approach to Agro-enterprise Development. The second step of the Territorial Approach, Market Opportunity Identification, was completed.

These initial MOI activities have led to identification of potential alternatives that will be field tested in the upcoming months. Following the field tests, the CRS staff and community members will create “product cards” detailing the agronomic and economic factors of the alternatives. CRS staff and communities can then make plans for scaling up the most appropriate alternatives for individual communities.

3. Agronomic Characteristics Tables. These tables were completed for most crops identified by farmers as those with high value or that they think might work well.
4. Capacity Building-training provided to the CRS team as well as MAAHF officials so they can identify the most profitable alternatives to test in the field.
5. Looking at Livestock and Fodder- the importance of livestock in the target villages cannot be overstated. The potential of fodder production as a business was tested. The potential of livestock products such as wool has also been examined (ie, integrating carpet interventions like natural dyes, wool and weaving, etc.)
6. Small scale enterprise development is being explored. Most likely alternatives will be diverse across Afghanistan as well as within communities. Not all members of a community will be able to substitute just one alternative. There will need to be several options.

RALF 02-02:

Research in Sustainable Production and Successful Marketing of Saffron, Herat Province

Outputs/Activities:

1. Research is underway on the market potential of Afghan saffron.
2. Expansion of saffron association and establishment of saffron bank are in progress.
3. Development of linkages/cooperation with GSE (a Dutch company called Growing Sales Exchange) on saffron production and marketing is in progress.
4. Development of linkages with Iranian saffron firms in Khorasan Province. Is in progress.
5. Production of saffron video and extension material is underway.
6. Public awareness created: One of the key objectives of the project is to increase understanding among farmers regarding opportunities related to the production of saffron in Pushtun Zargum District of Herat Province.

7. Study of farm economics of saffron producers: A comprehensive study on the socio-economic aspects of saffron was conducted.
8. National and international market structures for saffron export from Afghanistan were analysed
9. WSU imparted training for the staff of DACAAR and MAAHF in conducting cost-benefit analysis of saffron and other major crops grown in the project area
10. DACAAR and WSU conducted cost-benefit analyses of saffron. MAAHF staff participated in data collection as part of the capacity building. WSU will produce an analytical report on the farm economics of saffron.
11. Saffron production and processing training was provided to MAAHF and DACAAR staff by Dutch consultants

Planned Activities:

-Establish saffron corm certification and quality control procedures with MAAHF: DACAAR and WSU will continue discussions with MAAHF on establishing corm certification and quality control procedures.

RALF 02-05:

Increased Productivity and Profitability of Wheat-Based Cropping System, Balkh, Jawzjan, Baghlan, Kunduz, Badakhshan

Outputs/Activities:

1. Dryland winter wheat planting in Kunduz with IAM, using JDA's 4WT no-till planter was completed.
2. Flax planting in Char Bolak with Chinese 2WT2006 has been completed.
3. Agricultural Research Methods Workshop was held in Mazar
4. Presentation to Sholgara (Balkh province) mirabs about conservation agriculture and bed planting.
5. Presentation on "Oilseed Crops & Seed Production" at ICARDA-sponsored workshop in Kabul in January (good networking with ICARDA about oilseed crops, and their VBSE project).
6. The edible oils market has been researched in Kabul, Balkh, Baghlan and Badakhshan. Contacts have been made for potential business development around oilseed crops, and conservation agriculture equipment. JDA will be exploring the potential for bringing an oil press from India for the Sherabad Seed Company (FAO project), located in Balkh province.
7. Introducing *Conservation Agriculture*: Winter wheat has been planted using conservation agriculture methods and equipment (min till/no-till) in four provinces- Balkh, Baghlan, Kunduz and Jawzjan.

8. Capacity building has been done through the project's developing relationship with the Balkh University's Faculty of Agriculture (BUFA) in Mazar-i-Sharif. A soybean variety trial and a mass selection experiment on an open-pollinated CIMMYT maize variety proved to be very fruitful in terms of research results and building staff capacity to conduct research. The project has also begun to build capacity in relation to conservation agriculture. Farmers, BUFA staff and students, MAAHF staff in Kabul have all been exposed to the principles of conservation agriculture.
9. The project has built capacity in MAAH through field days, training events, joint project research, farmer visits to research sites and sending some ARIA and FAO staff to CIMMYT headquarters for training.
10. The project has connected with another DFID program- Alternative Agricultural Livelihoods Programme (AALP), which is being implemented by FAO in northern Afghanistan. They are interested in oilseeds.

Project 02-07:

Multi Stakeholder Program on Natural Ingredients for Food, Pharmaceuticals and Cosmetics (10 Provinces)

Outputs/Activities:

(Note: No updates were received from the Principle Investigator, Novib/Profound, based in the Netherlands).

1. Stakeholder meetings were completed, roles/responsibilities were identified among the multiple IP's of this Project.
2. Faculty of Pharmacy at Kabul Univ. has emerged as pivotal implementing partner. The Faculty and students are involved in:
 - Botanical studies
 - Mapping/distribution of the species
 - Method of harvesting/collection
 - Sustainability of the resource-base
 - Potential volume of the outtake
 - Physico-chemical analysis
 - Development of methodology for collection, processing and quality control
 - Development of product standards.
3. Initiated resource mapping (for selected areas).
4. Initiated the Value Chain Analysis.
5. Analyses of the trade structure is in progress.
6. Design, product and market strategies have started.

Project 02-11:

Cultivation of Mint as a Viable Alternative Livelihood, Nangarhar, Kunduz, Helmand

Outputs/Activities:

1. Project planted 17 demonstration plots in 3 target provinces that would be used for research as well as training purposes.
2. Collection of germplasm from inside Afghanistan and other countries was completed. Improved germplasm plays a key role in raising the production of any crop quantitatively and/or qualitatively. Therefore, project collected nine local germplasm from Afghanistan, five from Pakistan, four from Taiwan, and one from Iran. To preserve, multiply and evaluate this plant material, a "*Germplasm Collection Centre*" has been established inside the Sheesham Bagh Research Station of the MAAHF at Jalalabad. Additionally, all these germplasms were also grown under protected conditions using a plastic tunnel at Badam Bagh Agricultural Research Station of MAAHF in Kabul. the evaluation of various varieties in different environmental conditions.
3. A simple equipment to produce "*mint-water*" was installed at Badam Bagh. The facility was inaugurated by HE Minister Ramin and is currently used for training and production.
4. A training workshop was held at Badam Bagh Research Station on mint-water extraction.
5. More than 150 women have been trained in mint-water extraction in Helmand.
6. Mint Producers Association of target provinces provided with small plastic tunnels reported significant profit through production and marketing of mint during winters.
7. As part of the RALF Programme's "Communication Strategy", tri-lingual attractive labels and posters have been produced.
8. Discussions have taken place with the Faculty of Pharmacy, Kabul University to develop the facilities to distil mint-oil, and to analyze it quantitatively, and if possible qualitatively as well. With an over all aim of capacity building, the project would strengthen the laboratory facilities and will provide hand-on trainings to students. Similar efforts would be made with the University of Nangarhar.

OUTPUT 3: Improved Capacity for Applied Research and Extension in Government, Afghan Universities and NGO Partners

1. Capacity Building at MAAHF

-The MAAHF Deputy Ministers as well as heads of the Departments of Research, Extension, Planning, Alternative Livelihoods and Media & Publications are all active members of the RALF Steering Committee. There is ongoing dialogue between the PM and the MAAHF Members of the Steering Committee.

-The PM has involved the provincial research and extension staff in field visits to project sites.

-The MAAHF senior management in Kabul and the Directors of Research and Extension in key provinces have been invited to RALF functions.

-ICARDA has contributed to the development of the Master Plan as well as the MAAHF Proposal on Rebuilding the Research Capacity.

-ICARDA/RALF and ICARDA, as the lead agency for the FHCRAA, are currently working with MAAHF and RALF Partners to develop Concept Notes for CNTF.

2. Capacity Building Within RALF Projects

Each project has conducted training activities for the development of its own staff as well as MAAHF officials, both in the capital, as well the provinces.

3. Capacity Building at Afghan Universities:

The capacity building component of RALF, as first envisioned, was very weak. Only 3 of the 11 RALF Projects have an Afghan university as a partner. The financial share of these three universities is extremely small. It was too late to boost the share of the universities as the Principal Investigators were reluctant to transfer some funds to the universities. Nevertheless, substantial progress has been made in developing linkages with Afghan universities. Eight RALF Projects now have a linkage with Afghan universities. The most significant linkages are:

-Faculty of Agriculture at Kabul University: With the RALF Programme as a whole.

-Faculty of Pharmacy at Kabul University: With Project 02-07 and 02-11

-Faculty of Agriculture at Nangarhar University: With Project 01-03, 01-04, 02-11. Project 01-04 has resurrected the University's Research Farm which is being used for research as well as training for the faculty and students. Efforts are underway to sign an Agreement of Cooperation between NU and WSU.

-Faculty of Agriculture at Balkh University: With Project 02-05

-Faculty of Agriculture at Herat University: With Project 02-02 and 01-16

-Faculty of Agriculture at Baghlan University: With Project 01-11.

Output 4: Other Activities (Not Envisioned When Project Agreement First Signed)

1. Develop New Linkages with Afghan Universities.

-At least 8 RALF Projects have established linkages with Afghan universities, as reported above.

2. Develop Linkages with Other Government Ministries.

-Linkages have been developed with Ministry of Counter-Narcotics and Ministry of Commerce.

3. Develop Linkages with ALP's

-Participation in the AL events organized by Ministry of Counter-Narcotics.

-Participation in Civil Society AL Working Group

-Participation in CSANDS WG on AL

4. Communication Strategy for RALF

-Draft Communication Strategy developed was discussed at the 4th RALF Steering Committee Meeting

-Comments received from Project Partners and MAAHF were incorporated into the revised Draft.

-In addition to the resources of ICARDA/RALF, MAAHF and Project Partners, contacts have been established with consultant(s) who could help in disseminating the research results for a fee.

5. CNTF

-RALF Management is developing new Concept Notes in collaboration with MAAHF and RALF Partners for CNTF funding, as an extension and expansion of the RALF Programme.

7. Preparations for OPR by DFID Consultant

-The TOR for OPR, drafted by DFID, was circulated to all Project Partners for comment. Comments received were communicated to DFID and the TOR was revised.

Activities Planned (April 19-July 10, 2006)

1. Forum on Microfinance

-A full-day thematic event is planned for May 18th. The senior managers of all 17 departments of MAAHF have been invited to this event. There will be presentations by NRI/AKDN (Implementing Partners of Project 01-08), MISFA, ARMP, ACTED, BRAC and WOCU.

2. Third RALF Projects Workshop

-The next formal Workshop is planned on June 14-15, 2006. The timing of the Workshop coincides with the RALF OPR.

3. Communication Strategy

-The Draft Communication Strategy will be finalized.

-Implementation of the Strategy, however, will require funds, as such a comprehensive plan for dissemination of the research results of the RALF projects had not been envisioned before.

4. RALF E-Forum

-The RALF E-Forum will be launched on the RALF website

5. Preparations for OPR by DFID Consultant

-The TOR for OPR, drafted by DFID, was circulated to all Project Partners for comment. Comments received were communicated to DFID and the TOR was revised.

- PM is in contact with the DFID Consultant, who will be starting the review on June 12, 2006. Electronic copies of all the relevant documents will be provided to the Consultant. Access has been provided to the “protected fields” of the RALF Website as well as the RALF Electronic Database.

-The timing of the next formal Workshop will coincide with the DFID Consultant Review of the RALF Programme. Post-Workshop field trips to several target provinces have been planned.

6. Develop Concept Notes for CNTF Funding:

-Efforts are underway to develop joint Concept Notes in collaboration with MAAHF and RALF Partners, in order to scale out and scale up the successful themes emerging out of the RALF Projects or on other novel themes that will contribute to development of sustainable alternative livelihoods.

-Funding opportunities other than CNTF (ie, the WB Grant to MAAHF) will be explored in partnership with CNTF and the RALF Partners in order to extend and expand the Programme.

**ANNEX 1, 2, 3: Contain Full Quarterly Reports as Submitted to ICARDA
by 3 Projects**