



# Draft Design and Monitoring Framework

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Project Number: 39370  
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## Proposed Asian Development Fund Grant Islamic Republic of Afghanistan: Agriculture Market Infrastructure Project

A design and monitoring framework is an active document, progressively updated and revised as necessary, particularly following any changes in project design and implementation. In accordance with ADB's public communications policy (2005), it is disclosed before appraisal of the project or program. This draft framework may change during processing of the project or program, and the revised version will be disclosed as an appendix to the report and recommendation of the President.

**Asian Development Bank**

## DESIGN AND MONITORING FRAMEWORK

<b>Design Summary</b>	<b>Performance Targets/Indicators</b>	<b>Data Sources/ Reporting Mechanisms</b>	<b>Assumptions and Risks</b>
<p><b>Impact</b></p> <p>Agricultural growth increased</p>	<p>Agriculture's contribution to gross domestic product (GDP) increased by 2% by 2013</p>	<p>Government's national statistics</p> <p>Project completion report</p>	<p><b>Assumptions</b></p> <ul style="list-style-type: none"> <li>• Government policies continue to support private sector-led economic growth.</li> <li>• Government and other sector projects achieve expected outcomes.</li> </ul>
<p><b>Outcome</b></p> <p>More efficient horticulture and livestock agribusiness industries</p>	<p>Increased value of horticulture commodities (export and domestic) by 7% by 2013</p> <p>7% increase in domestic consumption of horticulture products by 2013</p> <p>Increased consumption of hygienically slaughtered meat in Kabul and major provincial cities by at least 15% by 2013</p> <p>Increased value of livestock by-products (hides and casings) by 7% by 2013</p>	<p>Government statistics, agribusiness surveys, and reports</p> <p>Ministry of Commerce and Industries (MOCI) trade statistics</p> <p>Project monitoring system</p> <p>Export Promotion Agency of Afghanistan reports</p> <p>Ministry of Agriculture, Irrigation, and Livestock (MAIL) agricultural commodity statistics</p>	<p><b>Assumptions</b></p> <ul style="list-style-type: none"> <li>• Government policies support agribusiness development.</li> <li>• Expansion in rural finance</li> </ul> <p><b>Risk</b></p> <ul style="list-style-type: none"> <li>• Unstable security conditions</li> </ul>
<p><b>Outputs</b></p> <p>1. Improved marketing infrastructure</p> <p>1.1 Slaughterhouses constructed and operational</p>	<p>Five slaughterhouses constructed—2 in Kabul and 3 in provincial cities—by 2012</p> <p>Management contracts with private entities signed and implemented by beginning 2011</p> <p>Throughput of at least 3,000 head of large ruminants and 15,000 head of small ruminants per slaughterhouse realized at full capacity by 2013</p>	<p>Project monitoring system</p> <p>Project records on infrastructure facilities</p> <p>Progress reports</p> <p>Enterprise records</p>	<p><b>Assumptions</b></p> <ul style="list-style-type: none"> <li>• Financial institutions are able to meet increased demand for agribusiness equipment investments and working capital.</li> <li>• Operators of slaughterhouses and small-scale market facilities maintain them in good working condition.</li> </ul>

Design Summary	Performance Targets/Indicators	Data Sources/ Reporting Mechanisms	Assumptions and Risks
<p>1.2 Farm-level collection and marketing facilities set up and operational</p> <p>1.3 Product standard laboratories established and operational</p> <p>2. Effective project management and capacity support</p>	<p>Reduced urban waste from animal slaughter by at least 20% by 2012</p> <p>About 200 farmer market facilities<sup>a</sup> constructed and operational by 2013 (collection centers; packing houses; and cold storage, drying, and processing facilities)</p> <p>Farmers' associations and groups, including women's producer associations, manage the facilities efficiently</p> <p>MOCI dried fruit and nut testing laboratories internationally accredited by 2012</p> <p><b>Project Management:</b> Project management office (PMO) functional by first 6 months of Project</p> <p>Project reports submitted on time according to ADB standards</p> <p>Timely mobilization and coordination of project resources</p> <p><b>Technical Capacity Support:</b></p> <p><b>Farm Market Infrastructure</b> Selection criteria developed and standard designs approved by mid-2009.</p> <p>At least 200 targeted market facility users (traders, processors, exporters, suppliers), including women, trained in market opportunities, product quality, management, and marketing practices by 2011</p>	<p>Project monitoring records</p> <p>Association business records and accounts</p> <p>MOCI fruit and nut testing lab accreditation certificates</p> <p>Project monitoring and evaluation system, which will include gender-disaggregated data on beneficiaries</p> <p>ADB review missions</p> <p>Project progress reports, quarterly and annual</p> <p>Project records and infrastructure designs</p> <p>Project monitoring systems</p> <p>Training needs assessment</p>	<p><b>Risks</b></p> <ul style="list-style-type: none"> <li>• Adverse seasonal conditions affect agricultural commodity supply.</li> <li>• Slow progress on simplifying trade and nontrade barriers in neighboring countries</li> </ul> <p><b>Assumptions</b></p> <ul style="list-style-type: none"> <li>• Livestock commodity grades and standards are prepared with the support of other development partners.</li> <li>• World Trade Organization (WTO) accession remains a priority of the Government.</li> <li>• Trained laboratory technicians are retained.</li> </ul> <p><b>Risks</b></p> <ul style="list-style-type: none"> <li>• Delays in meeting grant effectiveness conditions</li> <li>• Delays in obtaining procurement approvals</li> </ul>

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	<p><b>Product Standards:</b></p> <p>MAIL establishes agricultural product grades for priority commodity value chains, and Afghanistan National Standardization Authority (ANSA) establishes with MAIL's assistance agricultural product standards that are consistent with Codex Alimentarius by 2011</p> <p>MAIL's Afghan agricultural policy developed by 2010 as input into WTO accession process</p> <p>All MOCI laboratory technicians in Kabul, Kandahar, and Mazar-e-Sharif laboratories trained in improved laboratory procedures and laboratory management practices by 2011</p>	<p>ANSA documentation</p> <p>ANSA technical committee meeting minutes</p>	
<p><b>Activities with Milestones</b></p> <p><b>1. Improved agricultural marketing infrastructure</b></p> <p><b>1.1 Slaughterhouses contract package</b></p> <p>1.1.1 Prepare tender documents (year 1)</p> <p>1.1.2 Evaluate bids (year 1)</p> <p>1.1.3 Award contract (year 1)</p> <p>1.1.4 Construct slaughterhouses (year 2-4)</p> <p>1.1.5 Undertake oversight of slaughterhouse construction (year 1 onwards)</p> <p><b>1.2 Farm collection and marketing infrastructure contract package</b></p> <p>1.2.1 Prepare tender documents (year 1)</p> <p>1.2.2 Evaluate bids (year 2)</p> <p>1.2.3 Award contract (year 2)</p> <p>1.2.4 Undertake contract for small scale infrastructure (year 2 onwards).</p> <p>1.2.5 Undertake oversight of small scale infrastructure construction (year 2 onwards)</p> <p><b>1.3 Product Standards Laboratories, MOCI</b></p> <p>1.3.1 Prepare laboratory equipment specifications (year 2)</p> <p>1.3.2 Prepare tender documents (year 2)</p> <p>1.3.3 Evaluate bids (year 2)</p> <p>1.3.4 Procure and install equipment (year 2)</p> <p>1.3.5 Implement procedures for international accreditation (start in year 2; need 3 years of operation before accreditation)</p>		<p><b>Inputs</b></p> <ul style="list-style-type: none"> <li>• ADB \$30.0 million</li> <li>• Government \$1.0 million</li> </ul>	

<p><b>2. Project Management and Capacity Support</b></p> <p><b>2.1 Project Management</b></p> <p>2.1.1 Project director appointed by MAIL (start year 1)</p> <p>2.1.2 Project staff appointed to PMO by MAIL (early year 1).</p> <p>2.1.3 Equipment for PMO procured and installed (mid-year 1)</p> <p>2.1.4 Establish MAIL project tender committee (early year 1)</p> <p>2.1.5 Establish project steering committee (mid-year 1)</p> <p>2.1.6 Mobilize international and domestic project consultants (mid-year 1 onwards).</p> <p>2.1.7 Undertake baseline survey (mid-year 1)</p> <p>2.1.8 Prepare annual work plans (yearly)</p> <p>2.1.9 Carry out midterm and completion evaluations and semiannual ADB review missions (continuous).</p> <p><b>2.2-2.5 Technical Capacity Support</b></p> <p><b>2.2 Farm Market Infrastructure</b></p> <p>2.2.1 Update commodity value chain gap assessment (year 1)</p> <p>2.2.2 Evaluate priority needs for small-scale infrastructure, technology support, and training (year 1)</p> <p>2.2.3 Prepare selection criteria</p> <p>2.2.4 Develop standard infrastructure designs (year 1)</p> <p>2.2.5 Undertake selection (year 1)</p> <p>2.2.6 Train agribusinesses, traders, marketers and MAIL in targeted commodities in market and product management (year 2)</p> <p><b>2.3-2.5 Product Standards Development</b></p> <p><b>2.3 MAIL</b></p> <p>2.3.1 Assist MAIL in establishing policies, grades, and standards for Project's targeted commodities (years 1–2)</p> <p>2.3.2 Strengthen MAIL capacity in implementing SPS policy and regulatory issues for priority value chains (mid-year 1 to end of project)</p> <p>2.3.3 Prepare laboratory system design and specification (year 2)</p> <p><b>2.4 MOCI</b></p> <p>2.4.1 Design and implement improved lab system management (year 2)</p> <p>2.4.2 Undertake laboratory technical training (year 2)</p> <p><b>2.5 WTO accession</b></p> <p>2.5.1 Assist MAIL and MOCI in integrating the agriculture sector's needs and special considerations on sensitive products into the WTO accession process (year 1)</p>	
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ADB = Asian Development Bank, ANSA = Afghanistan National Standardization Authority, MAIL = Ministry of Agriculture, Irrigation and Livestock, MOCI = Ministry of Commerce and Industries, PMO = project management office, SPS = sanitary and phytosanitary, WTO = World Trade Organization.

<sup>a</sup> Mix of facilities is demand-driven and the actual breakdown of the facilities will be determined in 2009.

Source: ADB staff estimates.