

**PROJECT DESCRIPTION****Bath Chengroun Fodder Plants and Cereal Production and Marketing****Mauritania****I. Introduction**

This appendix describes the activities to be undertaken and the results to be achieved with the funds obligated under this Agreement. Nothing in this Appendix A shall be construed as amending any of the definitions, conditions, or terms of the Agreement.

**II. Background**

N'Tah Chengroun is an agro-pastoral cooperative organization of small-scale women farmers engaged in the production of fodder plants, wheat, barley, vegetables, and dates, which have seen an increase in demand in the Atar market. N'Tah Chengroun intends to scale-up production levels, but has a broken water supply system and lacks the financial accounting skills and management capacity to operate a larger enterprise and to expand into other areas of the local market through small income-generating activities by its members.

**III. Funding****A. ADF Contribution**

The financial plan for ADF's contribution is set forth in Appendix A-1 to this Agreement. The Parties may make changes to the financial plan without formal amendment, if such changes are made in accordance with Article 8 of the Agreement and do not cause ADF's contribution to exceed the obligated amount specified in Article 4, Section 4.1 of the Agreement.

**B. N'Tah Chengroun Contribution**

N'Tah Chengroun will contribute land, members' tools and implements, and labor to the implementation of the Project.

**IV. Project Goal**

The goal of the Project is to improve the standard of living for women farmers in Mauritania.

**V. Project Purpose**

The purpose of the project is to improve N'Tah Chengroun's prospects for sustained expansion as evidenced by the development of a comprehensive five-year business plan that ADF deems suitable for funding by a donor or other financial institution.

## VI. Outputs

By the end of the project, it is expected that N'Tah Chengroun will achieve the following results

- A. N'Tah Chengroun's management capacities will be strengthened so that it meets accepted standards in financial accounting and administrative management, as indicated by the following:
  - 1. N'Tah Chengroun produces financial statements and reports that include monthly income, balance sheet and cash flow statements, consolidated quarterly and annual statements, and it establishes adequate financial controls, accounting procedures, policies, and systems that meet international audit standards; and
  - 2. the management team routinely utilizes the management and financial reports produced such as performance reports, budget expenditures, profit and loss statements, cash flow statements, and balance sheets in making financial and management decisions for the Cooperative.
  
- B. N'Tah Chengroun will strengthen its production and marketing capacities as indicated by the following:
  - 1. Improved management capacity as evidenced by an active board of directors that meets quarterly to assess management progress and address implementation constraints necessary to move the organization forward, and that convenes an annual general meeting in accordance with its constitution to update members on N'Tah Chengroun's ongoing activities.
  - 2. Improved productive capacity, as evidenced by an increase in the amount of vegetables produced from a baseline of 19,509 kilograms to 21,556 kilograms by the end of the Project.

## VII. Activities

N'Tah Chengroun will implement the following activities with the help of the ADF Partner or by using the services of trainers or consultants when necessary.

- A. Improved financial management and accounting activities
  - 1. N'Tah Chengroun will hire an accountant who will manage the financial system of the Cooperative. During the Project, the accountant will receive technical assistance in the preparation of financial reports. The accountant will be responsible for setting up internal control systems, recording financial transactions, and reporting on the financial status of the Cooperative.
  - 2. The accountant and management team will be trained in ADF's accounting and reporting system.

3. N'Tah Chengroun will establish an office for its management team. The office will be equipped with accounting software and management will be trained in proper use of accounting software.
4. N'Tah Chengroun will develop a manual of procedures. The manual of procedures will document administrative, governance, and accounting policies.
5. N'Tah Chengroun will strengthen the internal governance of the cooperative, as well as improve the flow of information disseminated to members, by holding regular general assembly meetings and developing a set of adapted internal regulations.

B. Production Improvement Activities

1. N'Tah Chengroun will engage a consultant to improve the water supply system by:
  - a. Conducting a study for the best strategy to improve water supply. The study will suggest locations for a water pump, propose technical specifications of the equipment, and advise members of fair, efficient, and environmentally sound ways to distribute water.
  - b. Installing a water pump and building two water basins in accordance with the water supply study recommendations. The water pump will be powered by a solar panel, and be of a make and model familiar to local technicians. N'Tah Chengroun will identify local suppliers for spare parts.
  - c. Training members in the proper use of the water pump and teach strategies for water conservation.
2. A consultant will train N'Tah Chengroun members in gardening techniques, such as seed selection, cultivation practices, and maintenance.
3. A consultant will train N'Tah Chengroun members in income generating activities, such as tie-dyeing, leatherwork, value-adding processing to grains, and marketing techniques.
4. An agronomist who specializes in cereal cultivation and fodder plant production will be hired to provide members with advice in farming techniques and to help them take advantage of the growing market for these products.

C. Credit Fund Activities

N'Tah Chengroun will hire a consultant to:

1. Conduct a study on microfinance funds to identify the optimal credit structure for the cooperative based on existing financial services, the needs and specific situation of the cooperative to help members develop income generating activities.
2. Set up a credit fund in the form of Mourabaha (Islamic credit) based on the outcomes generated by the study to provide funding for members to begin small income generating activities.

3. Train members in income generating activities based on handcrafted products which are in high market demand.

### **VIII. Roles and Responsibilities of the Parties**

The staff and elected leadership of N'Tah Chengroun are responsible for the management and the proper implementation of the Project. ADF's Partner Organization in Mauritania will provide training in the area of standard ADF bookkeeping, monitoring, and assessment. ADF's Partner Organization will also provide technical assistance and management during implementation.

### **IX. Monitoring and Evaluation**

ADF's Partner in Mauritania will closely monitor the activities of the Cooperative to ensure proper reporting, adherence to the Project implementation plan by the Cooperative, and movement towards the achievement of Project objectives. The Partner will continuously assess risks and take remedial action as needed. Monitoring by the Partner will be an important aspect of the on-going coaching and advisory service. The Partner will review ADF's quarterly reports and will submit comments and observations to the management of the Cooperative as part of the on-going performance assessment.