

PROJECT DESCRIPTION**Mother Theresa Fonio Processing and Marketing****SENEGAL****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

Mother Theresa (GIE Mere Theresa) was established in 2001 as an Economic Interest Group composed of 24 women who process and sell fonio, a local cereal. The members of Mother Theresa are Bassari, a minority ethnic group that has been marginalized for a long time. The members have been successful in selling all of their production of fonio in the local markets and are eager to improve the quantity and quality of their product to meet additional demand but face several constraints. The group's production process does not meet the standards for HACCP certification for foreign export and it cannot increase its production capacity because its production equipment is obsolete. In addition, Mother Theresa does not have an adequate administrative and financial management system to enable it to operate as a modern business and it lacks a well defined marketing strategy for reaching new markets and attracting new clients.

III. Funding**A. ADF Contribution**

The financial plan for ADF's contribution is set forth in Appendix A.-1 of 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. Mother Theresa Contribution

Mother Theresa will contribute its current equipment estimated at CFA 1,883,000 and the labor of its members.

IV. Project Goal

The goal of this Project is to strengthen the organizational capacity of Mother Theresa and improve the standard of living of its women members who live in the Kédougou Eastern region of Senegal.

V. Project Purpose

The purpose of the Project is to improve Mother Theresa's prospects for sustained expansion as indicated by the development of a five-year business plan that ADF deems suitable for funding by a donor or other financial institution.

VI. Project Outputs

By the end of the Project, it is expected that Mother Theresa will achieve the following results.

- A. Mother Theresa's management capacities will be strengthened so that it meets accepted standards in financial and administrative management, and accounting, as indicated by the following:
 - 1. an accounting and financial management system that fulfills ADF requirements is established;
 - 2. financial statements are routinely produced and used by management to trace financial transactions; and
 - 3. the organization's management bodies meet on a regular basis and report on their meetings to the members.

- B. Mother Theresa will strengthen its production and marketing capacities, as indicated by the following:
 - 1. Mother Theresa's production process meets HACCP quality standards; and
 - 2. Mother Theresa develops and implements a marketing strategy to reach new clients in both domestic and international markets.

VII. Project Activities

Mother Theresa will undertake the following major activities by using the services of trainers or consultants when necessary.

- A. Improved Financial Management and Accounting Systems
 - 1. The group recruits and hires an experienced accountant.
 - 2. Its leaders and the accountant are trained on ADF's accounting and reporting system.
 - 3. The management team receives training in accounting and financial management.
 - 4. With the help of a consultant, a manual of procedures is developed and adopted by the organization.

- B. Organizational Development
 - 1. The 24 current members of Mother Theresa receive training on community-based organizations.

2. The group's managers and main officers receive training in networking techniques and marketing and sales techniques for local and international markets.
3. With the help of a consultant, Mother Theresa develops a business plan that includes a marketing strategy.
4. Members of Mother Theresa visit groups engaged in similar activities to share and learn best practices.

C. Improved Production Capacity

1. The members of Mother Theresa receive training on hygiene and quality standards for fonio processing.
2. With the help of a consultant, the ability of the production unit to meet HACCP standards is analyzed.
3. Equipment and materials are purchased to improve the production unit's operating capacity.
4. Farmers supplying fonio to the group receive training in fonio cultivation and post-production techniques.
5. The group acquires a license to produce processed fonio.

VIII. Roles and Responsibilities

The ADF Partner in Senegal will provide the standard ADF training in bookkeeping, monitoring, and remediation assistance to Mother Theresa EIG. Group members are responsible for ensuring the proper management and implementation of the grant.

IX. Monitoring and Evaluation

The ADF Partner in Senegal will closely monitor the activities of the project to ensure proper reporting, adherence to the Project implementation plan by the Grantee and progress made toward the achievement of Project objectives. The Partner Organization will assess the Project risks and take remedial actions on an ongoing basis. Monitoring by the Partner Organization will be an important aspect of the on-going coaching and advisory service. The Partner will review the Grantee's quarterly reports and discuss its comments and observations with the Project management team. Such an interaction will be part of an on-going performance assessment.