

**PROJECT DESCRIPTION****Gogounou Livestock Market Improvement Project****Benin****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**

The Gogounou Local Livestock Market Management Association (ALGMB) is a registered cooperative group formed in 1998 to manage one of the largest livestock markets in Benin. ALGMB provides secure brokerage services between its members and livestock buyers, facilities for herders and transporters to water, feed, and load their animals, guest house facilities for buyers frequenting the market, and secure parking for bicycles and motorcycles during the market.

Locally managed livestock markets have provided a framework to promote the interests of livestock owners while generating funds used for local social development. ALGMB organizes markets that are attended by hundreds of buyers and sellers with thousands of animals each week, many coming from Niger, Nigeria, and Burkina Faso. In addition, ALGMB regularly organizes training sessions for its members. Inadequate lodging, watering, and loading facilities result in costly delays, frequent injuries to animals and handlers, high fees and conflict over access to limited water resources, and frequent thefts of animals and money from buyers and sellers who are forced to travel over thirty kilometers after the markets to find lodging facilities. ALGMB would like to improve its services in order to foster additional growth of the livestock market and increase its members' incomes, but is constrained by a lack of capital to expand its lodging and improve the loading and watering facilities in the market.

**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. Grantee Contribution**

ALGMB will contribute the fenced two hectare plot of land where the market is located.

**IV. Project Goal**

The goal of the Project is to improve the standard of living of livestock owners in Gogounou Commune.

**V. Project Purpose**

The purpose of the Project is to increase the incomes of ALGMB and its members as measured by the following.

- A. Income to ALGMB members from sales of their livestock increased from a baseline of 3,603,430,000 to:
  - 1. 3,630,430,000 CFA in Year 1,
  - 2. 3,691,320,000 CFA in Year 2, and
  - 3. 3,778,200,000 CFA in Year 3.
  
- B. Net income realized by ALGMB before depreciation and taxes increased from a baseline of 6,121,150 CFA to:
  - 1. 9,400,000 CFA in Year 1,
  - 2. 10,600,000 CFA in Year 2, and
  - 3. 11,800,000 CFA in Year 3.

**VI. Outputs**

- A. ALGMB's improved service capacity as indicated by:
  - 1. The number of nights spent by traders and herders in the guest house increased from a baseline of 299 to 937 in Year 2.
  - 2. Revenues collected by ALGMB from the guest house, sales intermediation, water, and parking services increased from a baseline of 29,265,975 CFA in 2008 to:
    - a. 33,500,000 CFA in Year 1,
    - b. 34,700,000 CFA in Year 2, and
    - c. 35,900,000 CFA in Year 3.

- B. Expanded market in Gogounou as evidenced by the number of cattle sold at the market increased from a baseline of 9,537 to 9,537 in Year 1, 9,728 in Year 2, and 9,922 by Year 3.

## VII. Activities

The Project will improve the facilities at the Gogounou Livestock Market. Six new rooms and a reception area will be added to the guest house, four new latrines and showers will be added for market participants, corrals and a loading dock will be constructed to facilitate handling and loading of livestock, and a well and watering troughs will be constructed to ensure adequate access to water for animals at the market. In addition, training will be provided to improve ALGMB's capacity to manage the services provided at the market.

### A. Infrastructure

ALGMB will hire specialized contractors through a competitive bidding process to construct the following structures.

1. A new guest house with seven rooms (each 20 m<sup>2</sup>), waiting room (51.5 m<sup>2</sup>), and a veranda. ALGMB will equip the guest house with two beds, a table, two chairs and other basic amenities for each room.
2. A loading area consisting of a corral for animals sold (200 m<sup>2</sup>), a treatment corral (100 m<sup>2</sup>), and a loading dock (50 m<sup>2</sup>). The loading dock will be constructed of reinforced concrete.
3. A watering complex consisting of an improved well 1.8 meters interior diameter and a watering trough of reinforced concrete 12 meters by 1 meter with a reinforced concrete slab 1.5 meters on each side to protect the trough.
4. A module of four toilets and showers for use by the public during the markets.

### B. Training and Technical Assistance

1. *Administrative, accounting and financial management and internal controls* - ADF will provide mandated training activities for key ALGMB managers and committee members to ensure ongoing compliance with reporting requirements just after grant signing. ALGMB will hire a consultant to provide training in simplified accounting and financial management and internal controls for three management committee members and three market management committee members after project personnel are in place. The consultant will also produce an administrative

procedures manual to document the financial management system and internal controls.

2. *Water point and waste management training* – ALGMB will hire consultants to provide training to ten water management committee members on measures to ensure hygiene around the well and watering trough. Consultants will also provide training to ten dock management committee members on safe animal handling and loading techniques.
3. *Hospitality training* – ALGMB will hire a specialist in hospitality services to provide training to ALGMB management staff members and three employees who will be hired to operate the guest house.

#### C. Operations

ADF will provide ALGMB with operating capital to purchase initial supplies needed to operate and clean the guest house, as well as funds to cover transportation, utilities, copying, and bank charges during the first year of the project.

### VIII. Roles and Responsibilities of the Parties

ALGMB has primary responsibility for ensuring that the Project's activities are properly implemented. ADF's Partner in Benin will provide technical support and guidance.

### IX. Monitoring and Evaluation

Within sixty days of the effective date of this Agreement, the Grantee, working with the ADF Benin Partner, will form a monitoring and assessment committee composed of a representative cross-section of the Grantee organization. The committee will provide the Partner with input for the Project monitoring plan. In addition, during implementation the committee will be responsible for ensuring that the Project follows the implementation plan and that problems identified through monitoring and evaluation are adequately addressed in a timely manner.