

**PROJECT DESCRIPTION****Pô Shea Butter Production Capacity Building Project****Burkina Faso****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**

Wemoukiga, an association that works with some 265 women in the Pô district, has the potential to become an industry leader in shea butter production through better production levels, improved product quality, and more exports. The group, however, lacks the resources and skills necessary to create a stronger umbrella organization build its capacity in organizational, administrative, and financial management, coordinate large purchases of raw materials, improve technical skills to meet high international quality standards, and collaborate with other organizations and environmental services for actions to raise public awareness for the protection of the shea tree.

**III. Funding****A. ADF's 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. Wemoukiga's Contribution**

Wemoukiga will contribute materials and manual labor to the building of the shea nut drying area and restoration of the crushing room. Wemoukiga's contribution can be assessed at about five percent of the total Project cost, i.e., about US\$4,900.

**IV. Project Goal**

The Project goal is improve the living conditions of rural people living in the Nahouri Province in the Southern Region of Burkina Faso.

ADF

Wemoukiga 

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**V. Project Purpose**

The purpose of the Project is to help improve Wemoukiga to improve delivery services to its member shea butter collectors and producers, as evidenced by the development of a comprehensive business plan that ADF deems suitable for investment.

**VI. Project Outputs**

By the end of this Project, it is expected that Wemoukiga will achieve the following results.

- A. Improved financial and administrative management capacity as evidenced by:
  - 1. Wemoukiga 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;
  - 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 tracing financial transactions and making financial and management decisions for the group;
  - 3. an accounting and financial management system that fulfills ADF requirements is established; and
  - 4. the organization's management bodies meet on a regular basis and report on their meetings to the members.
- B. Improved capacity of the Wemoukiga members to produce shea butter as evidenced by total shea butter production in Wemoukiga increasing from a baseline of 30 tons in 2010 to 76 tons by the end of the Project.

**VII. Project Activities**

- A. Management Improvement Activities
  - 1. Wemoukiga will hire an accountant manager to operate the group's financial management system. The accountant will be trained in ADF reporting requirements and prepare quarterly financial reports. The accountant will help coordinate Project activities. Responsibilities will include preparing work plans, monitoring activities, assessing and analyzing implementation problems, investigating and applying corrective measures, and helping to organize the training sessions and technical assistance services.

2. Wemoukiga will engage a consultant to create an umbrella organization to provide better support and acknowledgement to rural grassroots member organizations. The group will strengthen this umbrella organization by hiring a consultant to conduct training sessions on organizational dynamics for the management team and selected members to improve the management structure and information dissemination between the group and village groups.
3. The management team and selected members will receive training in administrative and financial management. The training will focus on simplified accounting methods, cooperative management, monitoring success and mitigating risks, and preparing financial, performance, and activity reports.
4. Wemoukiga will set up 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.
5. Wemoukiga will develop a manual of procedures. The manual will document administrative, governance, and accounting policies.

**B. Production Improvement Activities**

1. Wemoukiga will establish a functional workshop to accommodate the different processing steps involved in the production of shea butter;
2. Wemoukiga will set up a revolving fund to procure raw materials for the first year of shea butter production; and
3. Wemoukiga will implement the Project activities with the assistance of consultants and the local ADF technical partner, ICDE. Wemoukiga members will receive training and technical assistance as follows:
  - a. four (4) sessions on collection and processing techniques at the village level;
  - b. best production practices for forty (40) women, with an emphasis on hygienic quality to meet international standards;
  - c. developing sales and marketing strategies; and
  - d. training of a trainer, hired by Wemoukiga, in how to raise awareness and share information among village groups.

**VIII. Roles and Responsibilities**

ICDE in Burkina Faso will carry out the monitoring and provide technical support for the Project's execution. It will support the Association in defining the consultants and trainers' mandates and contracting with them.

Wemoukiga will be responsible for the implementation of the various Project activities and production of technical and financial reports.

**IX. Monitoring and Evaluation**

ICDE, the ADF technical Partner in Burkina Faso, will closely monitor the activities of the Association to ensure proper reporting, adherence to the Project implementation plan by the Grantee, and movement towards the achievement of Project objectives. ICDE will continuously assess the Project risk and take remedial actions as needed. Monitoring by ICDE will be an important aspect of the on-going coaching and advisory service. ICDE will review ADF's quarterly reports and will submit comments and observations to the management of the group as part of the on-going performance assessment.

