

PROJECT DESCRIPTION

GWIZUMWIMBU Crop Production and Storage Capacity Building Project

Burundi

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 should be construed as amending any of the definitions, conditions, or terms of the agreement.

II. Background

GWIZUMBWIMBU is a Cooperative of five farmer associations whose members grow potato and wheat in the Muruta Commune of the Kayanza Province in northern Burundi. However, members are limited by a need for improved agricultural skills, greater access to agricultural inputs, and an appropriate produce storage facility. The group also lacks adequate marketing and negotiation skills that would enable them to sell member produce when market conditions are most favorable. As a result, many members sell their produce at low prices during harvest time. GWIZUMWIMBU lacks the capacity necessary to assist its members to overcome these limitations.

III. Funding**A. ADF Contribution**

The financial plan for ADF's contribution is set forth in Appendix A-1 to this Agreement. 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. GWIZUMWIMBU Contribution

GWIZUMBWIMBU will contribute the labor of its members during field preparation, cropland maintenance, produce harvesting, and marketing. The Cooperative will also pay the salaries of newly hired personnel starting from the second year of Project implementation. Farmers will also provide labor for the Cooperative's soil protection activities against rainwater erosion.

IV. Project Goal

The goal of this Project is to improve the standard of living for smallholder potato and wheat farmers of Muruta Commune of Kayanza Province in northern Burundi.

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V. Project Purpose

The purpose of this Project is to improve GWIZUMWIMBU's prospects for sustained growth and expansion through the development of a comprehensive five-year business plan that ADF deems suitable for funding by a donor or other financial institution.

VI. Project Outputs

- A. Improved financial management capability as demonstrated by GWIZUMWIMBU's ability to produce sound and accurate financial statements from its books of accounts, as well as its implementation of comprehensive financial controls, accounting procedures, policies, and financial systems capable of being audited by a professional accounting or audit entity.
- B. Improved potato productivity as evidenced by an increase in potato production from a baseline of 8,000 kilograms per hectare to:
 1. 11,000 kilograms per hectare in Year 1; and
 2. 13,000 kilograms per hectare in Year 2.
- C. Improved wheat productivity as evidenced by an increase in wheat production from a baseline of 800 kilograms per hectare to:
 1. 1,100 kilograms per hectare in Year 1; and
 2. 1,200 kilograms per hectare in Year 2.
- D. Increased total sales revenue from a baseline of BIF 15,083,898 to:
 1. BIF 23,000,000 in Year 1; and
 2. BIF 34,000,000 in Year 2.

VII. Project Activities

- A. Institutional Capacity Building Activities
 1. GWIZUMWIMBU will hire a qualified accountant that will be responsible for a 12-month training of a technical team of three trainees selected from the Cooperative's membership. Once this initial training process is complete, GWIZUMWIMBU will provide one of the three trainees an additional six months of accounting training in order for that trainee to assume the role of permanent accountant.
 2. GWIZUMWIMBU will purchase a computer and accessories and accounting software, and three key staff members will be trained in managing an automated accounting system.
 3. GWIZUMWIMBU's key personnel will be trained in basic ADF bookkeeping and financial management.

4. GWIZUMWIMBU will hire qualified local consultants to train key members and representatives in leadership and governance, business management and marketing skills, and cooperative formation and management.
5. GWIZUMWIMBU will hire qualified local consultants to develop a comprehensive strategic business plan, to create an administrative and financial procedures manual, and to conduct a bookkeeping review process to determine the organization's financial capacity.
6. GWIZUMWIMBU will provide training to key personnel in basic computer skills.

B. Agricultural Improvement Activities

1. GWIZUMWIMBU will hire a qualified agricultural extension worker who will manage the Project's activities as well as train a technical team of three trainees for a period of 12 months. Once this initial training process is complete, GWIZUMWIMBU will provide one of the three trainees an additional six months of agricultural training in order for that trainee to assume the role of permanent agricultural extension worker;
2. GWIZUMWIMBU will purchase a motorcycle in order to facilitate the work of the agricultural extension worker;
3. GWIZUMWIMBU will purchase ten bicycles for GWIZUMWIMBU members in order to facilitate the transport of produce during the harvesting time;
4. GWIZUMWIMBU will purchase quality agricultural inputs such as seeds, fertilizers, pesticides, sprayers, and protective gear to improve potato and wheat farming productivity;
5. GWIZUMWIMBU will purchase construction materials to build a produce storage hangar for proper after-harvest management. A portion of this hangar will be used as office space. Also, a water catchment system will be installed at the site once the hangar is constructed; and
6. GWIZUMWIMBU will plan and conduct a study tour to an ADF-funded potato growing cooperative in Rwanda, COAPTKA, where selected representatives will learn improved agricultural techniques.

- C. GWIZUMWIMBU will recruit a qualified social worker to train a group of five individuals (each association being represented by one person) in HIV/AIDS prevention and Healthy Nutrition practices. These trainees will then train fellow community members.

VIII. Roles and Responsibilities of the Parties

ADF's Partner in Burundi will provide the necessary standard ADF training in bookkeeping, monitoring and assessment. GWIZUMWIMBU is responsible for ensuring the proper management and implementation of the Project. Kilimanjaro International Burundi Ltd "KIB", the ADF Partner in

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Burundi, will provide GWIZUMWIMBU with technical and management assistance during Project implementation.

IX. Monitoring and Evaluation

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

X. Other Implementation Issues

- A. Since ADF funds will cover costs for quality seeds for the first agricultural season only, GWIZUMWIMBU association will set aside sufficient seeds for the second year as well as funds to purchase seeds and fertilizers for the following seasons.
- B. By the end of the Project GWIZUMWIMBU will ensure that the Association is fully registered as a Cooperative with the Ministry of Industry and Commerce.

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