

PROJECT DESCRIPTION**Tin Ba Sesame 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

The Tin Ba Association (Tin Ba) assists farmers in the Gourma Province of Burkina Faso organize to take advantage of production activities. Member producers have been moving from cotton production to white sesame seed (S42) production because it requires less input and has a stronger market opportunity. The organization does not have enough working capital to procure seeds for its members and purchase all of their harvest to avoid selling by its members to side buyers. The Association is weak in areas of administrative and financial management, and needs to be reorganized into departmental unions and village groups in order to improve communication channels and help to facilitate delivery of training and technical assistance.

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. Tin Ba's Contribution

Tin Ba will contribute salaries for the coordination team supervisor, technical advisers, and guard, the means for distribution of inputs and collection systems of sesame harvests, the supply of sifting screens, and one year of rent and utilities for the main office. In Year 2 of the Project, Tin Ba will pay the staff salaries covered by the Project in Year 1.

IV. Project Goal

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

V. Project Purpose

The purpose of the Project is to position Tin Ba to improve service delivery to farmers, 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 Tin Ba will achieve the following results.

- A. Improved financial and administrative management capacity as evidenced by:
 - 1. Tin Ba producing financial statements and reports that include monthly income, balance sheet and cash flow statements, consolidated quarterly and annual statements, and establishing adequate financial controls, accounting procedures, policies, and systems that meet international audit standards;
 - 2. the management team routinely utilizing 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. establishing an accounting and financial management system that meets ADF requirements;
 - 4. the organization's management bodies meeting on a regular basis and reporting on their meetings to the members; and

- B. Improved capacity of Tin Ba as evidenced by:
 - 1. an increase in Tin Ba's total sales from a baseline of CFA 67,500,000 to CFA 150,000,000 by the end of the Project; and
 - 2. an increase in Tin Ba's gross revenue (before taxes and depreciation) of Tin Ba from a baseline of CFA 12,094,750 to CFA 16,605,514 by the end of the Project.

VII. Project Activities

- A. Management Improvement Activities
 - 1. Tin Ba 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. Tin Ba will conduct an annual internal financial review to ensure appropriate financial management.

2. The management team and selected members will receive training in financial management and accounting systems. The training will focus on simplified accounting methods, SYSCOHA standard principles and procedures, management of rural micro-enterprises, management of harvests and supplies, monitoring success and mitigating risks, and preparing financial, performance, and activity reports. To strengthen financial management, Tin Ba will engage a consultant to establish a formalized accounting system.
3. Tin Ba will set up an office for its management team. The office will be equipped with a computer, furniture, and office supplies to strengthen its organizational and operational capacities.
4. Tin Ba will develop a manual of procedures to be in compliance with current practices. The manual will document administrative, governance, and accounting policies.
5. Tin Ba will organize an exchange visit with another sesame producer organization to exchange experiences on organizational structure, production techniques, storage, and other aspects of sesame farming and marketing.
6. Tin Ba will transition from an association to a federation of nine unions that will be made up of member associations of village groups.

B. Production Improvement Activities

1. Tin Ba will equip the technical advisors with three (3) motorcycles to conduct regular visits to producer groups and ensure appropriate information dissemination.
2. Tin Ba will establish a ten (10) hectare seed multiplication area through procurement of seeds, fertilizer, tarps, and bags, and hiring a consultant to train farmers and agricultural advisors in proper techniques.
3. Tin Ba will create a sesame purchase fund to provide farmers with a percentage of the purchase price of the harvest upon collection to reduce the risk of members selling to outside buyers.
4. Tin Ba will implement the Project activities with the assistance of consultants and the local ADF technical partner, ICDE. Tin Ba technical team members will receive training and technical assistance in:
 - a. understanding rural organizations, including topics such as types of producers' organizations, regulations and governance, development

of statutes, gender and development, communication and conducting meetings, and preparation of evaluations and reports;

- b. technical advisers will receive training in different ways to facilitate training sessions for unions and grassroots groups; and
- c. best production practices, including quality control for sesame production with quality control to expand access to new markets based on consumer demand.

VIII. Roles and Responsibilities

Cabinet de Ingénierie et de Conseil en Développement d'Entreprises (ICDE), ADF's Partner organization in Burkina Faso, will assist Tin Ba to carry out the Project monitoring. It will support the Association in defining the consultants and trainers' mandates and contracting with them. Tin Ba will be responsible for the implementation of the various Project activities and production of technical and financial reports.

IX. Monitoring and Evaluation

ICDE will closely monitor Tin Ba's activities 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 risks and advise Tin Ba on remedial actions as needed. Monitoring by ICDE will be an important aspect of the on-going coaching and advisory service that will be provided to Tin Ba by ICDE. 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.