

**PROJECT DESCRIPTION****Capacity Building of the Federation of Onion Producers Unions****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 Federation of Onion Producers' Unions (Butwoa E Zhe Lù) was registered in 2003 in Tenado Prefecture and is comprised of four producers' unions. The member unions are also organized in village associations, with a total membership of 255 village associations, 5,430 farm owners, and about 10,800 people working on the 2,715 hectare onion farm every year. Onions are one of the main products grown and marketed in the area, but onion marketing is not organized and the small-scale producers are hampered by the quality and price of their product.

To better assist its members with the production and marketing of onions, the Federation aims to improve the structure of its Unions and village associations through better technical training modules, training the Unions' trainers, facilitating the supply of quality inputs to the Unions, and developing and implementing policies and operational rules for the organization.

**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. The Federation's Contribution**

The Federation will contribute the members' time in carrying out Project activities. It will also contribute to the building of a main input store through the provision of the raw materials (stones, sand and water) required for the building. The Federation's contribution can be assessed at about five percent of the total Project cost, i.e., about US\$4,806.

**IV. Project Goal**

The Project goal is improve the living conditions of rural people living in the Tenado District of Burkina Faso.

**V. Project Purpose**

The purpose of the Project is to improve the Federation's organizational and management capacities to deliver services to its member Unions and to onion producers, as evidenced by the development of a comprehensive business plan that ADF deems suitable for investment.

**VI. Project Outputs**

A. Improved institutional and organizational capacities of the Federation, as evidenced by the following:

1. establishment of financial management policies and regulations, and an accounting system based on standard practices;
2. development of a market strategy that will help regulate the marketing system of onion producers; and
3. development of a business plan for an onion marketing co-operative.

B. Improved capacity of the Federation's members to produce onions as evidenced by the following.

1. The total onion production of all member producers in the Federation will increase from 26,700 tons in 2009 to:
  - a. 31,320 tons in Year 1; and
  - b. 40,050 tons in Year 2.
2. The total sales for all member producers in the Federation will increase from CFA 3,393,750,000 in 2009 to:
  - a. CFA 4,072,500,000 in Year 1 ; and
  - b. CFA 5,090,625,000 in Year 2.

**VII. Project Activities**

The Federation will implement the Project activities with the assistance of a marketing expert, consultants, and the local ADF partner.

A. Operations

1. The Federation will develop position descriptions, advertise the positions, and recruit a marketing expert and store watchman.

2. The Federation will procure the necessary equipment to strengthen its organizational and operational capacities.
3. To improve its marketing capability, the Federation will construct a main store for the storage and supply of quality inputs to the Union's shops.

**B. Training and Technical Assistance**

The Federation members will receive training and technical assistance as follows:

1. setting up and operating financial management and accounting systems that will receive final assessment from ADF;
2. developing and implementing a manual of procedures for the Federation;
3. drafting training modules for trainers;
4. implementing training programs in:
  - a. seed production;
  - b. agricultural extension for young advisors;
  - c. marketing skills;
  - d. administrative management skills; and
  - e. communication and information dissemination;
5. developing a marketing strategy;
6. developing policies and management rules for the Unions and Federation;
7. defining a policy for the regulation of onion prices and the local market; and
8. studying an onion marketing co-operative.

**VIII. Roles and Responsibilities**

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

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

The member producers of the Federation will be directly responsible for the daily management of the agricultural input warehouse and for the production and sale of their onions.

**IX. Monitoring and Evaluation**

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