

PROJECT DESCRIPTION

Guidimakha Women's Cooperative Union Vegetable Production and Marketing

Mauritania

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

Insufficient rainfall in the Guidimakha region has exacerbated the high levels of poverty and food insecurity, making small-scale horticulture a critical economic activity. Small vegetable plots are the primary source of food in the region. The Union des Coopératives des Femmes du Guidimakha (UCFG) is a union of 76 cooperatives representing 5,000 women engaged in fruit and vegetable production on small communal plots. The Union has a small common vegetable plot, and provides services such as the provision of seeds and fencing, organizing training sessions, and marketing. Currently, the Union struggles to carry out its mandate because it has weak organizational structures, limited managerial capacity and lacks a business plan.

III. Funding

A. ADF 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. UCFG Contribution

The Union will contribute land, labor of its members, and its assets (estimated total value MRO 6,405,000) including an office building (MRO 4,500,000), chain link weaving machine (MRO 200,000), computer equipment (MRO 200,000), bank balance (MRO 800,000), accounts receivable (MRO 300,000), and unskilled labor for well rehabilitation (MRO 440,000).

IV. Project Goal

The goal of this Project is to improve the standard of living for women farmers in the Guidimakha region of Mauritania.

V. Project Purpose

The purpose of the Project is to improve UCFG's prospects for sustained expansion as indicated by the development of a five-year business plan that ADF deems suitable for funding by a donor or other financial institution.

VI. Project Outputs

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

- A. Improved financial management as evidenced by:
 - 1. UCFG 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; and
 - 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 making financial and management decisions for the Union.
- B. UCFG's improved business and community management capacity as evidenced by:
 - 1. the application of formalized business practices through a regular annual general meeting and board meetings, as documented in meeting minutes; and
 - 2. the active participation of community members in the decision making process, as documented in meeting minutes.
- C. Increase in the amount of vegetables produced by the member associations from a baseline of 456 tons per year to 570 tons per year by the end of the Project.

VII. Project Activities

- A. Management Improvement Activities
 - 1. UCFG will hire a project manager responsible for coordinating project activities and working closely with the leadership of all member cooperatives. The project manager's 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. UCFG will hire an accounting service on a part-time basis to operate the Union's financial management system. The accountant and union leaders will be trained in ADF reporting requirements, and be responsible for preparing quarterly financial reports.

3. The management team and the leaders of the member cooperatives will receive training in administrative and financial management. The training will focus on basic accounting methods, monitoring success and mitigating risks, and sending activity and financial reports to the Union headquarters.
4. A consultant will conduct an in-depth needs and performance assessment survey. The consultant will evaluate the lessons learned from previous assistance that UCFG has received, solicit input from members, and examine the strengths and weaknesses of the management structure and team. The study will also analyze the dynamics between the Union and its members and will seek to determine to what extent Union initiatives benefit all the members.
5. The management team and the leaders of member cooperatives will attend a training session on cooperative governance and management. The training session will teach principles of good group dynamics, communication skills, and the roles of the Union and its member cooperatives.
3. UCFG 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.
4. UCFG will develop a manual of procedures. The manual will document administrative, governance, and accounting policies.

B. Agricultural Production Improvement Activities

1. UCFG will improve its collective one hectare plot by deepening its two wells by ten feet and refurbishing its irrigation system. It will also enclose the plot with a wire-mesh fence.
2. UCFG will purchase inputs (seeds, fertilizer, chain link rolls, and fuel) in bulk before the agricultural season. It will distribute the inputs to members prior to the sowing season and be reimbursed after the harvest. It will also sell seeds for cash to non-members.
3. An expert in water management will conduct a study on the local hydrology and recommend sustainable ways to irrigate members' plots. The consultant will evaluate the risk of over-pumping and compare the benefits and risks of manual and motorized water pumping. The study will also recommend measures to prevent soil erosion for plots located along the floodplain.
4. Based on the findings of the water management study, the union will determine the appropriate technologies for improving water retrieval methods and fifty members will be trained in water conservation techniques. The training will result in a manual on water conservation specifically tailored to the needs of the members and the hydrology of the region.
5. An expert in horticulture will train 42 producers and eight trainers in vegetable production. The training will teach principles of soil preparation, crop rotation, irrigation, nursery techniques and other relevant issues. The trainers will replicate the training to other members. To build the institutional strength of the Union, the training will be recorded in a vegetable production manual for use in future years and by new members.

6. UCFG will keep an agronomist on retainer during the agricultural season. The agronomist will be available to advise member cooperatives on the implementation of skills taught during the training sessions.

C. Other income generating activities

1. UCFG will purchase 100 rolls of chain link fencing material. Members will use the material to sell fences to producers in the area.
2. A consultant will conduct a study on establishing a microfinance fund at the Union. The study will document all the regulations governing microfinance institutions in Mauritania, and assess UCFG's capacity to function as a bona fide microfinance provider. The consultant will also study UCFG's past attempts to manage a credit fund for its members and document the lessons it has learned. The study will also assess the current demand for microcredit and assess the strength of competing microcredit institutions operating in the region. The study will explore the potential of integrating the seed bank into a larger, institutionalized micro-credit fund.
3. UCFG will incorporate the findings of the microfinance study into the creation of a small credit fund for members. The credit fund will offer small loans to members seeking to diversify their income generating activities. Initially, the loan fund will focus on members engaged in fencing services and seed reproduction.
4. A consultant will train members on how to diversify their income generating activities. The training will teach members how to identify market opportunities, accurately price inputs, and mitigate risks.

D. Business Expansion Activities

The management team will work closely with a consultant to design a comprehensive business plan. The business plan will address the following:

1. analyzing the best organization and staffing structure to operate a sustainable and profitable business. This will involve analyzing UCFG's organizational structure;
2. assessing and recommending product lines that UCFG can develop based on the relative profitability and feasibility of production of each and provide strategies for penetrating markets for product lines recommended;
3. measuring the benefits to members and recommend ways to expand membership and extend benefits to members;
4. conducting a market analysis of existing and potential product lines, including competitors, and additional markets in Mauritania;
5. assessing the current production capacity and determine the levels of manpower, additional training in technical expertise and capital investment needed for production expansion;
6. providing five-year production and profit and loss projections based on current production, costs and sales trends; and
7. conducting any other additional analysis that will prepare the organization for expansion and sustained growth, to be determined

during the design process of the business plan and implementation of this Project.

VIII. Roles and Responsibilities

The ADF Partner in Mauritania will provide the standard ADF training in bookkeeping, monitoring, and remediation assistance to UCFG. Group members are responsible for ensuring the proper management and implementation of the Grant.

IX. Monitoring and Evaluation

The ADF Partner in Mauritania will closely monitor the activities of the Project to ensure proper reporting, adherence to the Project implementation plan by UCFG, and progress made toward the achievement of Project objectives. The Partner Organization will assess the Project risks and take remedial actions on an ongoing basis. Monitoring by the Partner Organization will be an important aspect of the on-going coaching and advisory service. The Partner will review the UCFG's quarterly reports and will discuss its comments and observations with the Project management team. Such an interaction will be part of an on-going performance assessment.