

PROJECT DESCRIPTION**Atar 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

The *Union des Associations Oasiennes en Adrar* (UNASOAD) is a social and professional union, registered April 2, 2001, responsible for defending the interests of smaller oasis farming groups (AGPOs). An opportunity exists for the farmer members to market their vegetable production more efficiently and avoid surplus crop losses, but they lack central collection points and storage warehouses. To better assist its members, UNASOAD also needs to strengthen its managerial capacities, develop a market strategy, organize training and technical assistance for AGPO leaders, and improve implementation of Union policies and rules.

III. Funding**A. ADF Contribution**

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

UNASOAD will contribute the time and skills of its staff in the implementation of the Project. The Grantee will pay the rent for the production and office spaces after the first year of the Project.

IV. Project Goal

The goal of this Project is to build the capacity of UNASOAD and improve the standard of living for oasis farmers in the Atar region of Mauritania.

V. Project Purpose

The Project purpose is to improve UNASOAD'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. Outputs

A. Improved financial capacity of UNASOAD as evidenced by the following:

1. UNASOAD management routinely uses documents produced during the Project, such as quarterly bank reconciliations, budgets, profit and loss statements, balance sheets, and cash flow statements in making financial and management decisions regarding how to advance income generation activities; and
2. UNASOAD establishes a financial and accounting system that produces financial statements including monthly income, balance sheet and cash flow statements, consolidated quarterly and annual statements, and has adequate financial controls, accounting procedures, policies, and systems that meet international audit standards.

B. Improved production and marketing capacities of UNASOAD as indicated by attainment of a longer shelf life for farmer produce and the implementation of a marketing strategy that reaches new clients in domestic markets by the end of the Project.

VII. Activities

UNASOAD will implement the Project activities with the assistance of consultants, the local ADF partner, and/or the Program for Sustainable Development of the Oases (PDDO) program.

A. Financial Management Activities

1. Hire an accountant.
2. Train the Union leaders and accountant in basic accounting and the ADF reporting system.
3. Train Union leaders in general accounting principles, management skills, and marketing techniques.

B. Organizational and Governance Activities

1. Develop a manual of administrative, accounting, and financial procedures.
2. Develop a business plan that includes a marketing strategy.
3. Train AGPOs on organization dynamics and governance structures.

C. Production Capacity Activities

1. Train AGPO leaders in gardening techniques and best practices to transfer information to other members within the AGPOs. These sessions will be facilitated with the help of government extension agents (AVBs) in the region, who are specialized in agronomy techniques.
2. Establish and equip three sites with offices and warehouses to act as collection points for weighing and packaging products in order to reduce spoilage and organize distribution to market shopkeepers and wholesalers.

VIII. Roles and Responsibilities of the Parties

The staff and management of UNASOAD are responsible for the management and the proper implementation of the Project. The ADF Partner Organization in Mauritania will provide training in ADF required training and provide oversight of private consultants' training in the areas of governance, strategic planning, and preparation of a marketing and business plan. Under the PDDO program, the Mauritanian government and FIDA (the International Fund for Agricultural Development) will provide technical and financial support to the AGPOs throughout the Project.

IX. Monitoring and Evaluation

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