

APPENDIX A:

PROJECT DESCRIPTION

BANITURI TRADITION HERBAL MEDICINE MICRO ENTERPRISE PROJECT

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

According to the Nigerien Ministry of Health, only 32 percent of the country's population has access to public health services. This is because in a country where 63 percent of the population is below the poverty line, most people cannot afford medical treatment or prescription medicine. The Government of Niger has responded to this problem, in part, by establishing a national list of approved herbal medicines.

The Banituri Cooperative (Banituri) has processed and marketed herbal medicines since 2000. However, financial and logistical constraints prevent it from establishing a viable operation that can respond effectively to the demand for herbal medicines.

III. Funding

A. ADF Contribution

The financial plan for ADF's contribution is set forth in AppendixA-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 7 of the Agreement and do not cause ADF's contribution to exceed the obligated amount specified in Article 3, Section 3.1 of the Agreement.

B. Grantee's Contribution

The Banituri Cooperative's contribution is estimated to be 75,511,679 FCFA. It will include supplemental costs of equipment, materials and tools, administrative expenses, land for construction, and labor for harvesting and infrastructure improvements.

IV. Goal

The goal of the Project is to enhance the quality of life for Banituri clients in urban and rural communities of Niger.

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V. Purpose

The purpose of the Project is to increase access to affordable and safe medicinal products.

The measurable indicator will be the number of clients purchasing products. The number of clients will increase from 8,025 to 26,884 in year 1, 34,949 in year 2, 41,939 in year 3, 46,971 in year 4, and 52,608 in year 5.

VI. Project Outputs

In order to achieve the above purpose the Project will generate the following:

A. A viable phyto-pharmaceutical production and marketing enterprise. Attainment of this output will be measured by the following indicators:

1. Yearly average gross revenue of the enterprise will increase from approximately FCFA 7,711,200 before Project to around:
 - FCFA 13,371,000 in year 1;
 - FCFA 17,382,300 in year 2;
 - FCFA 20,858,760 in year 3;
 - FCFA 23,361,811 in year 4; and
 - FCFA 26,165,229 in year 5.
2. Quantity of herbal medicines produced by the Banituri will increase from 15,882 units before Project to:
 - 53,280 units in year 1;
 - 69,264 units in year 2;
 - 83,117 units in year 3;
 - 93,091 units in year 4; and
 - 104,262 units in year 5.

B. A study on herbal medicines that will assess the effectiveness of five of Banituri's products and their impact on the health of its clients.

VII. Major Activities to be Financed under the Grant

A. Production Process

The production process involves transforming indigenous, naturally growing plants into medicines. Banituri will gather the plants by hand, dry them on open-air racks or in solar heated driers, remove debris, grind the plants to the appropriate consistency, and conduct bacteriological analysis at a laboratory. Banituri will place the products in double-layered bags that are hermetically sealed and label the bags with information about the medicine and its recommended uses. The ADF Grant will finance the construction of and equipment for a production facility, vehicles to transport raw materials to the production site and monitor the Project, and labor costs for one year.

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B. Nursery Operation

Banituri will locate a nursery in close proximity to the production facility. The nursery will produce twenty plant species that are facing extinction and other plants that are only available at great distances from the production site. Banituri will hire a local contractor to install an appropriate irrigation system for the nursery. The system will pump water from a nearby river into an existing water tower. Banituri will use only organic fertilizers. The ADF Grant will finance the construction of the irrigation system.

C. Research

Working with a senior researcher and a medical doctor, Banituri will study the effectiveness of at least five of its products. In addition, the study will assess the impact of the products on the health of patients.

D. Training

Banituri will contract with experts to provide training in accounting and financial management, grassroots organizational development, marketing, medicinal plant cultivation, and HIV/AIDS. The ADF Partner will provide training in project monitoring and assessment and bookkeeping.

E. Marketing

Banituri will promote its products to modern-medicine physicians, practitioners, and the community-at-large. In addition to selling products from its central office, Banituri will establish external sales offices or pharmacies. It will engage a contractor to develop an advertising strategy.

VIII. Roles and Responsibilities of the Parties

Banituri is responsible for ensuring the proper management and implementation of the Project. The ADF Partner in Niger, ADIDB, will provide technical and management assistance to Banituri during the implementation of the Project.

IX. Monitoring and Evaluation

Within sixty days of the effective date of this Agreement, the Grantee, working with the ADF Partner (ADIDB), will form a monitoring and evaluation committee composed of a representative cross-section of the Grantee's organization. The committee will provide the Partner with input for the Project monitoring plan. In addition, during implementation, the committee will have responsibility for ensuring that the Project follows the implementation plan, and that problems identified through monitoring and evaluation are properly addressed in a timely manner.

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