

APPENDIX A

PROJECT DESCRIPTION

Hondobomokoïna Rice Production and Marketing and Support for Women Income Generating Activities

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

In Mali, 68 percent of the population lives below the poverty line. The villages of Hondobomokoïna and Tintelout are located in one of the poorest districts in the country – Timbuktu. However, Hondobomokoïna and Tintelout have significant agricultural potential which, if exploited, would promote food security in the area. The Grantee, the Agricultural Cooperative of Hondobomokoïna, has adopted a strategy to help its members and other residents of these villages exploit the agricultural potential of the area, but lacks the resources to implement the strategy fully.

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 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 Contribution

The Hondobomo-Koïna cooperative will contribute 108 hectares for rice farming, one hectare for vegetable gardening for women; 2 operational motor-pumps; 4 deep wells for vegetable gardening; one thresher; and one multifunctional working platform. In addition, the Cooperative will provide land to construct the animal vaccination station. The Touareg Women's Association of Tintelout will contribute 0.50 hectare of land for vegetable gardening. This plot is irrigated by a drilled pit equipped with a solar pump.

IV. Project Goal

The goal of the Project is to reduce malnutrition among the poor and displaced populations of Hondobomo-Koina and Tintellout.

V. Project Purpose

The purpose of the Project is to improve household food security and income of farmer project participants in Hondobomo-koïna and Tintellout, as measured by the following.

- A. The number of hectares of rice under cultivation will increase from the actual level of 56 hectares to 108 hectares from Year II through Year V of the Project.
- B. The average daily adult caloric intake will increase from the current level of 1000 to 2000 by Year V of the Project.
- C. The average annual income each woman in Tintellout receives from gardening will increase from the current amount of 1,000 FCFA to 40,000 FCFA in Year I, 44,000 FCFA in Year II, 48,400 FCFA in Year III, 53,240 FCFA in Year IV, and 58,565 FCFA in Year V.
- D. The average annual income of each woman involved in handicrafts will increase from the current 36,800 FCFA to 138,000 FCFA in Year I, 151,588 FCFA in Year II, 166,980 FCFA in Year III, 183,678 FCFA in Year IV, and 202,046 FCFA in Year V.
- E. The average annual income of each woman involved in morocco leather processing will increase from the current 63,800 FCFA to 138,000 FCFA in Year I, 151,800 FCFA in Year II, 166,980 FCFA in Year III, 183,678 FCFA in Year IV, and 202,046 FCFA in Year V.
- F. The average annual income of each woman involved in wickerwork in Tintellout will increase from the current level of 25,500 FCFA to 51,000 FCFA in Year I, 56,100 FCFA in Year II, 61,710 FCFA in Year III, 67,880 FCFA in Year IV, and 74,670 FCFA in Year V of the project.

VI. Project Outputs

The Project will generate the following major outputs in order to attain the Project's purpose.

- A. The Cooperative's members, especially women, will increase their agricultural productivity and production.
1. The average annual yield of rice per hectare will increase from the current level of 4,000 kilograms per hectare to 4,500 kilograms per hectare in Year I, 5,000 kilograms per hectare in Year II, 5,500 kilograms per hectare in Year III, to 6,000 kilograms per hectare in Year IV, and 6,500 to 7,000 kilograms per hectare in Year V.
 2. Annual rice production will increase from the current level of 264 to 486 tons in Year I, 540 tons in Year II, 594 tons in Year III, 648 tons in Year IV, and 702 to 756 tons in Year V.
 3. The number of vaccinated livestock will increase from the current level of 17,850 cows and 16,650 small ruminants (sheep and goats) per year to 23,700 cows and 27,722 small ruminants in Year I, 32,849 cows and 46,157 small ruminants in Year II, 44,403 cows and 76,851 small ruminants in Year III, 60,417 cows and 127,956 small ruminants in Year IV, and 66,267 cows and 197,061 small ruminants in Year V.
- B. The Cooperative will strengthen its technical and managerial capacity.
1. A financial management system that produces monthly profit and loss statements will be operational in Year I.
 2. A project performance monitoring plan will be developed and functioning in Year I.
 3. Data will be collected, analyzed, and reported every three months on critical project indicators.
 4. During Year II, a marketing strategy will be developed and implemented.
 5. The number of jobs will increase from the current level of 6 to 18 in Year I; 18 in Year II; 26 in Year III; 26 in Year IV; and 34 in V.
 6. 200 part-time jobs will be created for the nursery plants, farm plough, planting, weeding, harvest, threshing, winnowing, and livestock vaccination activities.

VII. Activities

A. Rice Production

The Cooperative will help participating farmers overcome the following constraints to expanding production and improving the quality of their rice crops.

- **Access to water:** using the motor pumps provided by this Project, the Cooperative will coordinate an irrigation scheme to cover a total of 108 hectares available for cultivation of rice. The Cooperative will supervise the scheme to ensure proper distribution of water and compliance with pumping schedules.
- **Access to agricultural inputs:** the Cooperative will establish and manage a fund to provide agricultural inputs for rice farmers. The fund will be available for the purchase of improved seeds, fertilizer, petrol and lubricants, and maintain equipment. The Cooperative will establish transparent terms and conditions for participation in the fund. Each farmer will withdraw his or her quota in exchange for a signed and dated delivery slip.
- **Access to improved production technology:** the Cooperative will provide farmers access to safer and more efficient technology for rice threshing and husking. It will ensure that workers receive adequate training in the operation and maintenance of the equipment. In addition, the Cooperative will record data related to the use of the threshers and establish monthly operating accounts. Once the agriculture campaign is over, the threshers will be warehoused until the next campaign. The Cooperative will record information useful to management on the daily operations of the rice husking machines, such as the types of uses, quality and quantity of processed paddy rice and any other crops processed, breakdowns, appropriate solutions to problems, number of workers and wages, servicing, quantity and cost of petrol, and so on.

B. Livestock Health

The Cooperative will provide vaccination services to one of its group members, the Livestock Breeders' Association. The targeted diseases are peripneumonia, pasteurellosis, and symptomatic anthrax, small ruminants plague, and bacterial anthrax. The Cooperative will establish a committee to organize a vaccination campaign, record the number of livestock breeders needing the service, record the number of livestock vaccinated, instruct breeders on administration of dosages, collect fees and allocate them to the operating costs of the vaccination station. To support these services, the Cooperative will construct and equip a vaccination station.

C. Vegetable Gardening

The Cooperative will establish an operating fund to purchase seeds for vegetable gardening and agricultural tools. The Hondobomo-Koïna Women's Association will purchase the inputs on credit and distribute them to its members.

D. Morocco Leather Processing and Wickerwork

The Cooperative will establish a revolving fund for the Women's Association of Tintellout to carryout their income generating activities in morocco leather processing and wickerwork. The Cooperative will extend interest-bearing loans to the women for the purchase of inputs.

E. Training and Technical Assistance

The Grantee will provide its staff training in business management and technical skills, including financial management and accounting, bookkeeping and reporting, agricultural production technique, equipment servicing and maintenance, and training in marketing. In addition, the Grantee will retain the following expertise to assist in the implementation of this Project.

- A marketing specialist will be recruited in the second year of the Project to provide follow-up marketing assistance and ensure the Cooperative develops a marketing strategy that identifies and responds to a profitable market niche for the surplus production of rice.
- The Nyesigiso Micro Finance Institution will provide technical assistance in managing the credit component of the project. This assistance will consist in the management of the cash loan component of the project.
- The Cabinet d'Expertise Comptable Traoré will provide accounting services to the Cooperative. The services will cover training, accounting monitoring and preparation of required ADF reports.

VIII. Roles and Responsibilities of the Parties

The Multifunctional Cooperative of Hondobomokoïna is responsible for ensuring the proper management and implementation of the Project. With the assistance of the entity in Bamako that works in partnership with ADF, the Cooperative will hire a project coordinator during the first quarter of the Project to provide the Grantee full-time assistance to meet ADF reporting, financial management, and procurement requirements. However, given the distance between Bamako and the project site in Timbuktu, the NGO ADENORD, a non-governmental organization in the region of Timbuktu, will provide timely and adequate monitoring for the project.

IX. Monitoring and Evaluation

Within sixty days of the effective date of this Agreement, the Grantee, working with ADENORD NGO will form a monitoring and assessment committee composed of a representative cross-section of the Grantee's organization. The committee will work with the ADENORD to develop a 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.

X. Other Implementation Issues

The Hondobomo-Koïna Cooperative will establish a bank account to receive ADF funds.