

PROJECT DESCRIPTION**ASREAD Bokk Doole Farmers' Project****Senegal****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 Association Senegalaise de Recherche d'Études et d'Appui au Développement (ASREAD) is a non-governmental organization that assists grassroots organizations, such as the Bokk Doole Economic Interest Group (EIG), with income-generating and other community development activities. The Bokk Doole EIG represents market-gardening members in the Lac de Guiers area. The Senegalese government recently improved the infrastructure along the Senegal River to stabilize the water level in Lake Guiers. Predictable water supply has allowed the 282 members of Bokk Doole to begin dry season farming of onions, fresh groundnuts, and cassava. These three products command high profit margins for the farmers, but Bokk Doole members have not been able to maximize production because they lack an irrigation system to access water, money to purchase inputs, and the technical and managerial capacities to coordinate members' activities. Moreover, unorganized distribution and poor understanding of market principles constrain Bokk Doole's members from increasing the value of their products and realizing additional revenues.

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 4, section 4.1 of the Agreement.

B. Bokk Doole EIG

The Bokk Doole EIG will contribute FCFA 18,900,000 for the purchase of seeds, fertilizers, and pesticides.

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IV. Project Goal

The goal of the Project is to improve the living conditions of the rural poor in the Lac de Guiers region in Senegal's Keur Momar Sarr district.

V. Project Purpose

The purpose of the Project is to increase the net income of Bokk Doole's members from a baseline of FCFA 39,238,340 in 2008 to the following:

- A. FCFA 87,796,720 in Project Year 1;
- B. FCFA 120,371,216 in Project Year 2;
- C. FCFA 181,045,669 in Project Year 3;
- D. FCFA 208,413,517 in Project Year 4; and
- E. FCFA 288,285,014 in Project Year 5.

VI. Project Outputs

- A. Production of onions will increase from a baseline of 293 tons in 2008 to the following:
 - 1. 614 tons in Project Year 1;
 - 2. 675 tons in Project Year 2;
 - 3. 675 tons in Project Year 3;
 - 4. 743 tons in Project Year 4; and
 - 5. 743 tons in Project Year 5.
- B. Production of groundnuts will increase from a baseline of 295 tons in 2008 to the following:
 - 1. 612 tons in Project Year 1;
 - 2. 675 tons in Project Year 2;
 - 3. 673 tons in Project Year 3;
 - 4. 740 tons in Project Year 4; and
 - 5. 740 tons in Project Year 5.
- C. Production of cassava will increase from a baseline of 334 tons in 2008 to the following:
 - 1. 691 tons in Project Year 1;
 - 2. 760 tons in Project Year 2;
 - 3. 760 tons in Project Year 3;
 - 4. 836 tons in Project Year 4; and
 - 5. 836 tons in Project Year 5.

- D. Overall revenue for the Bokk Doole FIG will increase from a baseline of FCFA 200,419,040 in 2008 to the following:
1. FCFA 448,350,000 in Project Year 1;
 2. FCFA 505,410,000 in Project Year 2;
 3. FCFA 578,487,000 in Project Year 3;
 4. FCFA 660,096,690 in Project Year 4; and
 5. FCFA 761,419,767 in Project Year 5.

VII. Project Activities

A. Production of Onions, Groundnuts, and Cassava

ASREAD will organize two training sessions on production for 40 Bokk Doole farmers, who will transfer the lessons learned to all other farmer members. During the first training session, a consultant will encourage collaborative dialogue on current constraints and possible solutions to common problems associated with onion, groundnut, and cassava production. Another consultant will run the second training session, which will introduce Bokk Doole producers to contemporary fertilizer application and crop protection techniques. A horticultural technician and a natural resources management officer, whom Bokk Doole will hire for the Project, will attend a separate intensive training session on production practices and fertilization application techniques. Following this special training, these two staff members will provide ongoing assistance to Bokk Doole producers and ensure compliance with environmental protection standards. Bokk Doole will also purchase onion and groundnut seeds, fertilizers, and pesticides for distribution to its members.

With assistance from ASREAD, Bokk Doole will increase its production capacity by putting in place an irrigation system. It will purchase and supply its members with motor pumps for irrigation of their crops. By December 2008, ASREAD will organize the replacement of manual irrigation pumps with motorized equipment that Bokk Doole will purchase, and an engine mechanic will be recruited to perform maintenance and upkeep on the motor pumps.

B. Revolving Fund

Bokk Doole and ASREAD will collaborate during the first year of the Project to recruit personnel and establish procedures for the creation and management of a revolving fund. A committee composed of the Bokk Doole FIG executive committee, ASREAD's executive secretary, and local leaders will manage the fund at the Caisse Nationale de Cr dit Agricole du S n gal (CNCAS). The CNCAS fund will have two sub-accounts. One account will fund equipment purchases, and the other will be used for seed, fertilizer, and pesticide purchases. The management committee will choose the type and quantity of inputs, select beneficiaries, and ensure repayment to the revolving fund. Bokk Doole will purchase the inputs and distribute them to member farmers. As part of its process

for selecting farmers that qualify for inputs and equipment purchased through the revolving fund, the management committee will ensure that only farmers with documented land use rights will have access to the revolving fund. Each village within the Bokk Doole EIG will elect representatives to advise the management committee on its duties.

C. Management

Bokk Doole will hire a project coordinator and accountant to ensure proper management of members' accounts and improve financial reporting. The project coordinator will supervise activities, oversee funds and write progress reports on the Project's implementation and activities. The accountant will keep account of funds allocated and write financial reports. A consultant will train the project coordinator, accountant and ASREAD's executive secretary in ADF accounting and reporting procedures. Another consultant will train Bokk Doole's management committee on organizational development.

D. Marketing

The principal officers of the Bokk Doole EIG and village leaders will attend two training sessions on marketing. The first session, carried out by a consultant over the course of two days, will teach marketing strategies uniquely designed for onion, groundnut and cassava. A second ten-day training session will train members on techniques for introducing products to the market, setting prices, and identifying distribution channels. The Project will encourage sharing of marketing strategies and best practices among member.

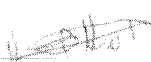
VIII. Roles and Responsibilities of the Parties

ASREAD, working with the Bokk Doole EIG, has ultimate responsibility for ensuring the proper implementation of this Project.

IX. Monitoring and Evaluation

ADF's partner in Senegal will closely monitor the activities of ASREAD and the Bokk Doole EIG to ensure proper reporting, adherence to the Project implementation plan, and progress toward the achievement of Project objectives. The Partner will continuously assess the Project's 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 Bokk Doole EIG as a part of the on-going performance assessment.

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