

## PROJECT DESCRIPTION

### Cooperative Yelou Africa Market Garden Project

#### Niger

#### 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

Cooperative-Yelou (Taimakon Juna) is a rural cooperative located in the village of Yelou, Gaya administrative department, Republic of Niger established in 2002 around two artesian well sites and a 36.27 hectare irrigation perimeter. The Cooperative's 146 members have focused their irrigation program primarily on production and marketing of sugar cane for which there is a limited market.. The irrigated perimeter offers great opportunities for diversification of production systems to higher value horticultural and tree crops. However, Cooperative members lack the necessary resources and technical capabilities to diversify their activities to take advantage of these opportunities.

#### 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. Client Contribution

Cooperative Yelou will contribute its land, infrastructure, and equipment and salaries paid to Cooperative staff. This contribution is valued at approximately CFA 270,000,000 over the life of the Project.

##### C. Other Contribution

The Government of Niger, through its irrigation agency, the Direction de la Mise en Valeur à l'Office National des Aménagements Hydro-agricoles ("ONAHA"), provides a full-time irrigation management specialist to assist with perimeter operations and maintenance problems.

#### IV. Project Goal

The goal of the Project is to improve the living standards of the Yelou, Gaya village and the surrounding communities.

#### V. Project Purpose

The Project purpose is to increase average annual net incomes of the Cooperative's 146 members from a baseline of 130,000 CFA to an average of:

- A. CFA 186 200 in Year 1;
- B. CFA 315 923 in Year 2;
- C. CFA 435 223 in Year 3;
- D. CFA 763 023 in Year 4; and
- E. CFA 1 307 023 in Year 5.

#### VI. Outputs

- A. Cooperation Yelou develops and institutionalizes a financial and management system that complies with ADF's reporting requirements, regularly produces financial documents and reports and loan tracking information that is used by management in its decision making.
- B. Average gross annual revenues of the Cooperative's 146 members derived from higher value horticultural and tree crops increases from a baseline of CFA 0 to:
  - 1. CFA 437 000 in Year 1;
  - 2. CFA 524 000 in Year 2;
  - 3. CFA 643 000 in Year 3;
  - 4. CFA 971 500 in Year 4; and
  - 5. CFA 1 515 500 in Year 5.
- C. Technical capabilities of Cooperative members increase, as indicated by the following:
  - 1. AMG's low-pressure drip irrigation methods adopted by 30 Cooperative members to propagate and cultivate tree crops by the end of Project Year 1;
  - 2. AMG's low-pressure drip irrigation methods adopted for year-round production of high value vegetable crops conducted by 80 Cooperative members by the end of Project Year 1; and
  - 3. AMG's low-pressure drip irrigation methods adopted to produce seed for high value vegetable and fruit crops by 36 Cooperative members by the end of Project Year 1.

## VII. Activities

The Project will undertake the following activities.

### A. Site Development and Production

Cooperative-Yelou will participate in African Market Garden (AMG) concept where 5.0 hectares of low pressure drip irrigation system will be installed to produce vegetable and tree crops on a year round basis.

During the first month of the Project, Cooperative Yelou will level and fence five hectares of land where vegetable and fruit tree crops will be developed for drip irrigation. The Cooperative will also install two fruit tree nurseries, one for women and one for men. Each nursery will cover an area of 375 square meters and be fenced. In addition, 820 fruit trees will be established and used for grafting operations.

Cooperative Yelou will install a solar-powered booster pump to force water from the existing wells into 40 raised reservoirs. Once filled with water, the reservoirs will provide adequate pressure for the drip irrigation system. The Cooperative will construct one-meter high brick reservoir stands to support 40 reservoirs and install a drip irrigation system to supply the new perimeter over the following five months. The Cooperative will construct a 400 square meter service center where they can store agrochemicals and spare parts, hold meetings, and process and package their produce.

After Cooperative Yelou has financial management systems in place that meet ADF requirements, ADF will provide Cooperative Yelou with working capital to purchase vegetable seeds and fruit tree seedlings, ADF-approved pesticides and fertilizers, in order to initiate production in the irrigation perimeter.

### B. Training and Technical Assistance

The ADF Partner will provide bookkeeping training to the Yelou Cooperative director and accountant to ensure that Cooperative Yelou establishes bookkeeping and reporting systems consistent with ADF requirements.

Cooperative Yelou will contract with the International Crops Research Institute for the Semi Arid Tropics (ICRISAT) to provide project planning and coordination, supervision of drip irrigation installation, training of the technical supervisor, and farmers, and technical monitoring services for the first two years of the Project. Cooperative Yelou will hire a specialist to provide technical assistance to on a half-time basis.

Cooperative Yelou will send eight cooperative farmers to be trained in ICRISAT Sadoré in seed production and fruit tree propagation. These farmers will return to serve as lead farmers and trainers to other Cooperative members at the irrigation site.

**VIII. Roles and Responsibilities of the Parties**

Cooperative Yelou has primary responsibility for ensuring that the Project's activities are properly implemented. ADF's Partner in Niger will provide technical support and guidance.

**IX. Monitoring and Evaluation**

Within sixty days of the effective date of this Agreement, Cooperative Yelou, working with the ADF Niger Partner, will establish a Project monitoring plan, including market analyses, to ensure that the Project follows the implementation plan and that problems identified through monitoring and evaluation are adequately addressed in a timely manner.