

APPENDIX A:
PROJECT DESCRIPTION

CASSAVA FLOUR PRODUCTION & MARKETING EXTENSION PROJECT

--BENIN--

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 Communale des Associations des Femmes d'Adja-Ouèrè" (UCAFA) consists of 2,210 women arranged into 437 producer groups, 200 of which manufacture cassava (manioc) flour called "gari," a staple food in Benin, Nigeria, and other neighboring countries. UCAFA facilitates the development of its member groups by creating favorable conditions for increasing the sale of gari, specifically on the export market, and improving the productivity of its members engaged in the production and processing of cassava. However, UCAFA lacks adequate operational processes, management financial systems infrastructure, and appropriate production technologies and processes to grow into a viable export enterprise.

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

UCAFA will contribute a computer for the purposes of facilitating administrative work, and financial and commercial management. The cost of the computer equipment, including accessories, is estimated at FCFA 1,500,000.

IV. Project Goal

The goal of the Project is to increase the incomes of UCAFA's members from the production and export of gari.

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V. Project Purpose

The purpose of the Project is to establish the operational process, business management and financial systems infrastructure required to effectively manage the UCAFA Adja-Ouère enterprise. This will be measured by the development of a comprehensive five-year business and production expansion plan that responds to market opportunities.

VI. Outputs

The major output of the Project will be the increased general management skills of UCAFA's Board members and staff, as follows:

- A. UCAFA demonstrates that they have the managerial skills to solve their problems and understand external forces that may affect their enterprise, as indicated by:
 - the internal administration control procedures are in place and in use by the end of Year 1;
 - the development and implementation of an annual action plan; and
 - the establishment of a competent management team.

- B. UCAFA maintains the necessary financial and management records to assure financial certification and full accountability of ADF funds, as indicated by:
 - UCAFA's records are certified by the ADF Country Representative and audited by the end of the Project; and
 - showing adequate internal control, full accountability, and transparency in business operations.

- C. UCAFA is able to develop, carry out and react to the opportunities and challenges of managing the Cooperative, as indicated by:
 - UCAFA's marketing strategy and plan elaborated and implemented in Year 1; and
 - sales increase to FCFA 14 million in Year 1 and to FCFA 25 million in Year 2.

- D. UCAFA improves its capacity to deliver services to its member groups, as indicated by:
 - at least twelve (12) member groups with presses, and (20) member groups are provided with grating services by UCAFA in Year 2.

VII. ACTIVITIES

A. Production

The Project proposes to introduce new technologies and develop standard production processes, as well as financial management approaches, to maximize the benefits of the technology. UCAFA and its member groups will purchase, acquire, test, and put into service modern cassava production and processing equipment. The Grantee will also purchase a motorbike to be used by a technician hired to assist in quality control. UCAFA will also reinforce their operating capital in order to introduce more premium *sohoui* cassava flour in the target market.

B. Training and Technical Assistance

The focal point of the Project is to develop UCAFA's underlying management, marketing and financial management systems. The training plan will consist of three main components, as follows:

- The training in internal control systems will focus on ADF funds management procedures, and financial and corporate management in general. It will be provided to the Board members and staff, and aims at ensuring the healthy management of grant funds, wise management of financial flows and cash, and the facilitation of financial monitoring, by providing reliable and well-kept documents. The training will be provided by the Partner with the assistance of an external consultant.
- Training on the management of community-based organizations, including governance and business management, will be provided to the Union members. The training will focus on the use of governance rules and formal business tools. More specifically the training will center on: a) the different roles performed by the main bodies of the Organization (such as the Administration Board, Management Board, Auditor, and General Assembly); b) the importance of building relationships with different partners for the organization; c) identifying opportunities for organizational development; and d) the scheduled implementation of business and organizational development tools and according economic activities.
- A Marketing Specialist will be recruited and hired. The Specialist will focus on developing UCAFA's marketing plan and distribution network, particularly for the export market. The Specialist will collaborate with Union officials to develop a marketing plan implemented through trips and commercial initiatives. Marketing training will be provided to the Management Team by the Specialist. This will prepare members to make an effective contribution to the elaboration of the marketing plan. It will also enable them to take part in the implementation of the marketing strategy, which will continue beyond the term of the specialist.

The implementation of the Project will also require qualified and highly skilled management and technical personnel. UCAFA will aggressively recruit three specialists, as follows:

ADF  Grantee 

- A **senior advisor**, likely from an international network of voluntary advisors, to work with the group to evaluate their business model and impart the necessary business skills to manage the business going forward.
- An agricultural engineer with experience in cassava processing and **project management**, particularly with community-based groups. He/she will be in charge of quality control and management during the Project. He/she will organize the overall management of the Project for two years. As an agricultural engineer, he/she will train the staff on legal standards in the food industry. This will reduce the risk of marketing prohibition, and result in making members more sensitive to hygiene and quality issues.
- An **accountant** responsible for the financial management of the business. He/she will receive training in ADF bookkeeping procedures, thus enabling him/her to produce the financial statements required by ADF as well as the necessary financial and activity reports.

C. Promotion and Marketing

UCAFA will develop an aggressive marketing strategy. The marketing plan will be prepared by the Marketing Specialist. The Management Team will also receive training in basic marketing concepts. Promotional activities will include: 1) organizing promotional visits in the region; 2) preparing informational documents (such as brochures on gari, samples in smaller packaging, and a press book on the Union and its member groups); 3) preparing programs and objectives for specific trips; 4) seeking-out gari importers with the capabilities to serve as intermediaries between the Union and the end consumers and restaurant owners; 5) developing a logo that identifies gari produced by UCAFA (all gari products made by the Union will bare this brand); 6) maintaining current prices; 7) establishing a gari *sohovi* export network; 8) developing a reputation for dependability and accountability among importers by maintaining a constant supply of gari to prevent interruptions of deliveries; and 9) developing a distribution system in the countries that receive the exported product.

VIII. Roles and Responsibilities of the Parties

The staff and elected leadership of UCAFA are responsible for the management and the proper implementation of the Project.

The ADF partner in Benin will provide technical and monitoring assistance and advice 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, will form a monitoring and assessment committee composed of a representative cross-section of the Grantee's organization. The committee will work with the Partner to develop 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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