

PROJECT DESCRIPTION

ARD Cooperative Agreement

Burundi

1.0 INTRODUCTION

This annex describes the activities to be undertaken and the results to be achieved with the funds obligated under this Cooperative Agreement. Nothing in this Annex A shall be construed as amending any of the definitions or terms of the Agreement.

2.0 BACKGROUND

Grassroots entities in Burundi are engaged in a diverse range of activities that hold significant potential for benefiting their communities. Viewed in the aggregate; these activities can play a critical role in fostering sustained economic and social development of the country. However, for the most part grassroots entities are constrained in exploiting these opportunities and participating actively in the social and economic development of their country by lack of access to financial, technical, and other resources.

The African Development Foundation (ADF) provides such entities direct financial support in the form of grants to:

- a. carry out activities at the local level designed to enlarge opportunities for community development;
- b. expand their participation in development processes; and
- c. establish and promote indigenous development institutions that can respond to the requirements of the poor.

The shortage of community development institutions that can provide in-country expertise to support successful grassroots activities impedes these objectives. ADF has found that it can overcome this obstacle by helping local development institutions strengthen their capacity to support community-based and other activities that benefit the poor.

The Recipient under this Agreement, Association Auto-Assistance à la Reconstruction et au Développement (ARD), is a legally recognized Burundi organization that has demonstrated expertise in grassroots development.

3.0 FUNDING

The financial plan for the Project is set forth in Annex A-1. The Parties may make changes to the financial plan without formal amendment to the Agreement, if such changes do not cause ADF's contribution to exceed the amount specified Article 3 of the Agreement.

4.0 GOAL

The Goal of the Project is to expand local capacity to promote and support grassroots participatory development.

5.0 PROJECT PURPOSES

5.1 Build a self-supporting sustainable local community development agency that provides technical assistance and support to grassroots groups. Drawing on the ADF participatory development model, ARD will become an "anchor" for ensuring that competent local leadership and technical capacity are institutionalized and continue to be available to grassroots groups, even in the absence of external assistance.

5.2 Promote grassroots development and demonstrate effective use of participatory development "best practices". Wider use of participatory development "best practices" is essential to empowering grassroots groups and helping them to find viable solutions to their problems. ARD will take on a leadership role in promoting such practices.

6.0 RESULTS TO BE ACHIEVED AND INDICATORS OF ACHIEVEMENT

6.1 Institutional Capacity of ARD

1.1 increased capacity to plan and utilize organizational resources, as indicated by assisting one farmers group, the Muramvya Vegetable Cooperative, VECO, to develop its organizational and operational capacity to engage in vegetable production and marketing activities and present its funding proposal to ADF;

1.2 operational capacity to execute stated objectives, as indicated by the establishment of realistic performance targets and the devolution of decision-making to appropriate levels;

- 1.3 sound financial management, as indicated by compliance with generally accepted accounting and auditing standards;
- 1.4 effective uses of participatory management approaches, as indicated by ARD's organizational decision-making processes;
- 1.5 effective uses of participatory development methodologies in assistance to clients, as indicated by approaches to project planning, design, and monitoring;
- 1.6 ability to counsel and nurture local communities and grassroots entities in the development and execution of their projects, as indicated by the effectiveness of support strategies used by ARD;
- 1.7 enhanced knowledge and expertise in small and medium enterprise (SME) development and cooperative development as indicated by the quality of the proposal for ADF funding for which ARD assists VECO in developing and the technical advice it provides to VECO; and
- 1.8 ability to identify and assess the capabilities of local consultants and experts to provide technical assistance and training to grassroots entities, as indicated by the quality of their advice and other work.

6.2 Utilization of Participatory Development "Best Practices"

Increased effectiveness of activities that adopt such practices, as indicated by improvements in the ability of the project participants to organize their membership, plan an expanded income generating project and ensure transparency and accountability.

7.0 PROJECT ACTIVITIES

The Parties will develop an annual work plan and detailed scopes of work for the key personnel under this Project to guide implementation of these activities. The major activities of ARD will include the following.

7.1 Planning

ARD will undertake a strategic planning exercise to fully integrate the requirements of this Agreement into its operations and clearly establish priorities within the organization. In addition to program priorities and approaches, the plan will address management and operating strategies and long-term strategies for promoting financial sustainability of ARD.

7.2 Capacity Building of VECO

Group Mobilization

ARD will complete its baseline information relative to VECO members and assist to establish organizational structures at the cell, hill and commune level in Muramvya Commune. ARD will assure that at least 500 households have participated in training relative to group organization and leadership, cooperative management, technical production activities and marketing.

7.3 Project Development

3.1 Design Project Activities

Applying and promoting participatory development methodologies (PDM), ARD will work together with the designated grant applicant, VECO, to assist them in transforming their unsolicited proposal into a sustainable development project. ARD will assist applicants to develop a long-term vision and strategy for sustaining and advancing their projects, conduct the necessary analyses and feasibility studies to assess the viability of their projects, design technical components, budgets, management plans, implementation plans, and other project elements, form participatory monitoring and evaluation (PM&E) committees and develop a PM&E plan in accordance with guidelines provided by ADF, gather project baseline data, and develop skills inventory, training needs assessments, and training plans. ARD may provide the required expertise directly or through the use of outside technical assistance providers (TAPs).

3.2 Prepare a Project Proposal

Following on the results of the PDM process used to design project activities with VECO, ARD will draft a project document and business plan for review by the applicant. Based on the applicant's approval, ARD will submit the documents to ADF for review and approval of direct financial assistance to VECO.

7.4 Project Implementation

4.1 Training

- a. ARD will provide or arrange training for VECO in the areas of group governance, leadership and group dynamics, cooperative management, vegetable, flower and fruit marketing, and technical production training.
- b. With guidance from ADF, ARD will provide introductory training o/a month twelve in the role of project monitoring and evaluation (PM&E) committees in evaluating project progress, identification of data sources needed to resolve issues impeding on the achievement of project objectives, and the establishment and maintenance of project information systems.

4.2 Financial Management

ARD will submit financial reports and disbursement requests prepared in accordance with the terms and conditions of their cooperative agreement and regularly visit the project site to assist VECO staff to maintain sound internal financial management practices, and provide on-site training in bookkeeping and recordkeeping.

4.3 Activities

ARD's global objective is to strengthen the institutional, management, and marketing capabilities of the VECO Cooperative. As such, the activities that ARD will undertake with VECO membership include the following:

- a. re-establishing vegetable production activities in Muramvya Commune and re-energizing the agriculture sector;
- b. organizing and registering the cooperative producers at cell and hill levels to promote team spirit and group dynamics;
- c. assuring producers have the same objectives and work together to solve organizational problems;
- d. assisting producers to establish a functional management and organizational structure;
- e. providing training in at least four key areas-organizational development and leadership, cooperative management, production and marketing;

- f. field-testing improved horticultural production planning and marketing skills;
- g. developing in a participatory manner, an Action Plan - 2010 for the further development and profitability of the VECO Cooperative;
- h. assisting members of VECO develop and authenticate their statutes and register the Cooperative with the Ministry of the Interior; and
- i. documenting the participatory process undertaken to be able to promote the approach the Cooperative's achievement throughout the country.

4.4 Outcomes

By the end of the Cooperative Agreement period and as a result of the training provided, VECO members will be able to:

- a. understand the benefits of working together;
- b. elaborate a functional structure for the cooperative;
- c. define roles responsibilities at all levels of the cooperative structure;
- d. establish the minimum required recordkeeping system to account for the cooperative's income and expenses;
- e. determine soil characteristics and allocate species to cultivate accordingly;
- f. define the crop seasonal calendar to have different types of produce available in sufficient quantity for sale year-round;
- g. establish systems for timely harvesting and minimal crop wastage;
- h. demonstrate how to establish and maintain nurseries for the various garden plants;
- i. understand and practice the technique of composting;
- j. transplant seedlings at appropriate times to avoid loss;
- k. identify insect pests and basic plant diseases and apply proper methods of control;
- l. understand the necessity for and means to establish anti-erosion measures;
- m. determine the cost of production and selling price for their produce and adapt to fluctuating market conditions;
- n. manage the logistics of the entire market gardening operation; and

- o. develop their expansion action plan for their business that at a minimum defines their local and capital city market strategy and means of distribution, establishes the VECO brand name and organizes marketing campaigns for seasonal produce, creates methods for developing customer loyalty, and demonstrates financial viability.

8.0 Roles and Responsibilities

ARD will report to the ADF Implementing Partner in Burundi, who in turn reports to the Regional Program Coordinator (RPC). The Implementing Partner and the RPC will collaborate with ARD on various activities including monitoring progress and conducting reviews of their work with VECO, reviewing ARD's financial and progress reports prior to submitting them to Washington.

9.0 Implementation

ARD and the Regional Program Coordinator will agree on a work plan that will guide ARD's activities for the duration of the Agreement. At a minimum, this plan will specify implementation targets and timing, monitoring and evaluation mechanisms, and staffing and training needs.