

PROJECT DESCRIPTION

AVIDEL Institutional Strengthening

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

AVIDEL (Association Villageoise pour le Développement Local) is a non-governmental organization headquartered in Bujumbura, Burundi, and is comprised of 574 active members, over 450 of whom are women. AVIDEL acts as an umbrella group to provide technical and financial assistance to local community-based organizations operating in the provinces of Gitega and Bururi. In these areas, reduced cropland size, lack of quality seeds and seedlings, poor soil conditions, inadequate farming knowledge and techniques and the lack of protection against plant diseases have resulted in poor agricultural production. To address these problems, AVIDEL plans to help its member associations increase their vegetable production levels to provide farming families with increased food security and higher incomes. AVIDEL's operational capabilities to deliver community development services however, are limited due to a lack of qualified and dedicated manpower and technical and financial resources that would reduce its dependence on outside assistance.

III. Funding

A. ADF Contribution

The financial plan for ADF's contribution is set forth in Appendix A-1 of this Agreement. The parties may make changes to the financial plan without formal amendment, if such changes are made in accordance with Article 8 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. AVIDEL Contribution

AVIDEL will contribute its assets towards the implementation of the Project and the time, skills and labor of its staff. AVIDEL will continue to pay annual operational costs not covered by ADF including, but not limited to rent, office space, wages for part-time unskilled workers, storage costs, electricity and water. In addition, although ADF will cover full gross salaries for the first 15 months after the date of hire for the Project Coordinator, Accountant, and Administrative Assistant, AVIDEL will cover the full gross salaries for these positions after ADF funding has ended.

IV. Project Goal

The goal of this Project is to strengthen the institutional and operational capacity of AVIDEL in order to better promote the development of small-scale agricultural enterprises in Gitega and Bururi provinces.

V. Project Purpose

The purpose of this Project is to improve AVIDEL's prospects for sustainability as demonstrated by the development of a strategic plan that ADF or other donor organizations deem suitable for funding.

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VI. Project Outputs

- A. Improved AVIDEL business systems as demonstrated by automated financial management and accounting systems that meet ADF requirements and routinely produce records and reports for the Board of Directors' and management team's use in decision making.
- B. AVIDEL's improved capacity to organize and assist member associations to develop into more sustainable and independent NGOs as demonstrated by facilitating the formation of one NGO for each of the four communes in the Project area and assuring the official registration of each of the four newly-formed NGOs with the Ministry of the Interior by the end of the Project period.
- C. AVIDEL's improved ability to manage and generate income from farmer supported activities, as evidenced by increased gross revenue from income generating activities from BIF 410,000 per growing season in 2008 to:
1. BIF 4,000,000 per growing season in 2009;
 2. BIF 4,400,000 per growing season in 2010; and
 3. BIF 7,000,000 per growing season in 2011.
- D. Increased use of best agricultural practices by farmers as demonstrated by an increase in total productivity (kg) per growing season for:
1. Potatoes, from 8,700 kg for the October to December 2008 growing season to:
 - i) 56,000 kg for the October to December 2009 growing season to;
 - ii) 56,000 kg for each of the three growing seasons in calendar year 2010; and
 - iii) 75,000 kg for the February to April 2011 growing season.
 2. Red and White Onions, from 2,100 kg for the October to December 2008 growing season to:
 - i) 36,000 kg for the October to December 2009 growing season to;
 - ii) 36,000 kg for each of the three growing seasons in calendar year 2010; and
 - iii) 58,000 kg for the February to April 2011 growing season.
 3. Cabbages, from 4,500 kg for the October to December 2008 growing season to:
 - i) 36,000 kg for the October to December 2009 growing season to;
 - ii) 36,000 kg for each of the three growing seasons in calendar year 2010; and
 - iii) 55,000 kg for the February to April 2011 growing season.
- E. Increased ability of farmers' associations to manage and generate income as demonstrated by an increase in combined gross revenue from communal production for all 17 associations from BIF 1,600,000 per growing season in 2008 to:
1. BIF 16,000,000 per growing season in 2009;
 2. BIF 17,800,000 per growing season in 2010; and
 3. BIF 28,000,000 per growing season in 2011.
- F. Increased household income as demonstrated by an increase in average gross revenue from communal farming activities for individual farmers from BIF 5,200 per growing season in 2008 to:
1. BIF 50,000 per growing season in 2009;
 2. BIF 56,000 per growing season in 2010; and
 3. BIF 88,000 per growing season in 2011.

VII. Project Activities

AVIDEL will ensure, with the assistance of consultants as necessary, the following major activities are implemented:

- A. Strengthening of AVIDEL's institutional and technical capacity by:
 1. training key personnel in good corporate governance and leadership;
 2. undertaking a comprehensive review of AVIDEL's governance by-laws and updating them where necessary;
 3. training key personnel in project design, management and monitoring and evaluation;
 4. hiring a project coordinator;
 5. assisting farmers' associations to evaluate the need and opportunities available for selling their products together;
 6. negotiating an optimal vegetable and potatoes delivery contract for the farmers' associations with consumers in the Project area such as schools, military institutions, hospitals, restaurants, prisons, and major grocery stores;
 7. ensuring that selected members of the farmers' associations sales committees work directly with the consultant hired by AVIDEL to conduct a market study to identify new buyers and customers for their produce;
 8. assisting all the farmers' associations in each of the four communes to form one independent and officially recognized NGO including, but not limited to, assisting with creation of governance and management structures, election of officers and development of by-laws; and
 9. developing an environmental manual for work in rural areas.

- B. Strengthening of AVIDEL's financial and administrative management by:
 1. procuring accounting software and training AVIDEL staff to manage an automated accounting system;
 2. training in standard ADF bookkeeping and financial management;
 3. developing a human resources and operational procedures manual;
 4. conducting an external audit;
 5. developing and implementing a financial procedures manual; and
 6. hiring an accountant and administrative assistant.

- C. Improvement of AVIDEL's prospects for increased revenue by developing a five-year strategic plan and a market study that includes the following:
 1. an analysis of current activities and options for increasing the number and quality of projects;
 2. a marketing strategy intended to add new local organizations to AVIDEL's network; and
 3. a strategy to make AVIDEL a more viable, stable, independent, profitable, and business oriented organization.

- D. Improvement of farmers' organizational skills by:
 1. training in management and leadership skills;
 2. forming sales committees for each farmers' association;
 3. training in recordkeeping; and
 4. training in product pricing and selling strategies.

E. Improvement of farmers' technical skills and production capacity by providing:

1. training in agricultural best practices;
2. training in safe chemical use, storage and disposal;
3. access to high quality vegetable seeds;
4. increased access to fertilizers to increase yield; and
5. increased access to agriculture extension services for technical mentoring.

VIII. Roles and responsibilities

ADF's Partner in Burundi will provide the standard ADF Training in bookkeeping, monitoring and assessment. AVIDEL is responsible for ensuring the proper management and implementation of the Investment. The ADF Partner in Burundi will provide AVIDEL with technical and management assistance during implementation.

IX. Monitoring and Evaluation

ADF's Partner in Burundi will closely monitor the activities of AVIDEL to ensure proper reporting, adherence to the Project implementation plan by the client, and movement towards the achievement of Project objectives. The Partner will continuously assess the Project risk and take remedial actions as needed. Monitoring by the Partner will be an important aspect of the on-going coaching and advisory service. The Partner will review AVIDEL's quarterly reports and will submit comments and observations to the management of AVIDEL as part of the on-going performance assessment.

X. Other Implementation Issues

Within the first three months of being hired for this Project, the agronomist(s) from the agricultural extension services selected by AVIDEL will develop and present a comprehensive plan for training the farmers in best agricultural practices and in the appropriate use of protective clothing.

AVIDEL will assess the prospects to expand and diversify technical services to their members to include items such as business support activities.

At the end of each growing season, the farmers' associations will ensure that individual farmers retain a sufficient quantity of vegetable produce to improve food availability at the household level.