

PROJECT DESCRIPTION

ASSOLUCER Capacity Building Project for the Production and Marketing of Sesame

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 de Lutte Contre l'Exode Rural (ASSOLUCER), located in Medina El Hadj Souane, Senegal, is a federation of 200 agricultural organizations in 138 villages. Its farmer members grow sesame and other vegetables. Sesame farming offers high profit margins for rural farmers because it requires limited processing time. An expanding market abroad, especially among Indian, Chinese, and French consumers, provides the opportunity for Senegalese sesame farmers to increase their incomes. However, ASSOLUCER's weak accounting practices and organizational structure, its poorly defined relationships with its member groups, and the farmers' lack of technical skills in sesame production constrain ASSOLUCER and its members from increasing their production to take advantage of the unmet demand for sesame.

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. ASSOLUCER Contribution

ASSOLUCER will contribute Senegalese Francs (FCFA) 1,600,000 for the transportation and accommodation of members traveling between Seidhiou, Zinguinchor and Dakar.

ADF



ASSOLUCER



Page 1 of 4

Investment No. 1881-SEN



IV. Project Goal

The goal of the Project is to promote the growth of small-scale agricultural enterprises that increase incomes and improve the standard of living for vegetable farmers in Sedhiou, Senegal.

V. Project Purpose

The purpose of the Project is to improve the prospects of ASSOLUCER and its member groups for sustained expansion as indicated by the development of a comprehensive five-year business plan that ADF deems suitable for funding by a donor or other financial institution.

VI. Project Outputs

A. Improved Management and Business Systems Capacities

1. Automated financial management and accounting systems routinely produce records and audit reports using standardized forms by the end of the 18-month Project period.
2. ASSOLUCER's management team functions according to clearly defined roles and responsibilities that are ratified by its General Assembly and recorded in a manual of procedures.
3. ASSOLUCER functions in relation to its member groups according to clearly defined rights and obligations.

B. Improved Production and Technical Capacities.

A pilot effort by ASSOLUCER, consisting of the purchase and distribution of improved seeds and technical training for a core group of farmers, increases the quantity and quality of members' production, as indicated by increased production of sesame grain from 865 tons in 2006-2007 to over 1,000 tons by the end of the Project period.

VII. Project Activities

A. Institutional Capacity Building

1. With the help of a consultant, ASSOLUCER will develop and implement a system of internal financial management. At every annual General Meeting, ASSOLUCER's management will present a financial balance sheet that reflects all transactions. The consultant will help design an operations recording system that includes a bank book, general ledger, bank reconciliation forms, and financial reporting forms. ASSOLUCER will use voucher forms to record transactions.

ADF  ASSOLUCER 

Page 2 of 4

Investment No. 1881-SEN



2. ASSOLUCER's management, with assistance from a facilitator, will assess the structure and function of its four management organs (i.e., General Assembly, Administrative Council, Administrative Council Bureau, and Coordination Team). Over the course of several meetings, ASSOLUCER will restructure its management to improve the group's efficiency. The General Assembly will ratify any proposed changes, and a manual of procedures will record the revised structure and functions of the management team.
3. A consultant will train ASSOLUCER's management team in leadership and good governance to ensure proper implementation of ASSOLUCER's management plan.
4. ASSOLUCER will revise and formalize its relationships with its member organizations and enter into written contracts that define the rights and obligations of all parties within the Federation. By defining its relationships with its member groups, ASSOLUCER will clarify its role and mission as an umbrella organization.
5. With the help of a consultant, ASSOLUCER will develop a business plan and conduct a market study. The business plan will assess ASSOLUCER's potential for profitability, sustainability, and expansion. It will examine potential partnerships with Indian and Chinese traders, as well as prospects for exporting sesame to Gambia. The marketing plan will aim to improve ASSOLUCER's visibility and to develop strategies that emphasize the improved quality of the Federation's seeds. ASSOLUCER will also purchase new packaging to promote product recognition.

B. Pilot Improved Sesame Production and Sales

1. ASSOLUCER will procure and distribute five tons of improved sesame seeds to pilot producers who will test the quality of the new seeds. It will develop test plots around 18 wells for white sesame cultivation in order to train farmers in dry season production. A consultant will train a technical team in seed reproduction techniques using varieties of sesame seeds provided by ASSOLUCER. The technical team will then train a core group of contact farmers, who will disseminate the information to their local farmers' organizations. Selected members will also visit other successful sesame farmers to learn best practices and teach the new techniques to ASSOLUCER's members. The pilot farmers will store their yields using sacks, tarpaulins, and pallets purchased by ASSOLUCER.
2. A consultant will train ASSOLUCER's management team in negotiating and marketing techniques. ASSOLUCER will apply the new techniques by purchasing the sesame harvest from member producers and re-selling it to outside retailers before the January 2009 harvest. Acting on behalf of its member groups, ASSOLUCER will negotiate contracts with sesame buyers.

before the harvest to ensure a marketing outlet for its members. ASSOLUCER will redistribute harvest revenues among the producers according to a customs rebate system.

VIII. Roles and Responsibilities of the Parties

ASSOLUCER 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 ASSOLUCER 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 ASSOLUCER as a part of the on-going performance assessment.



PROJECT DESCRIPTION

ASSOLUCER Capacity Building Project for the Production and Marketing of Sesame

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 de Lutte Contre l'Exode Rural (ASSOLUCER), located in Medina El Hadj Souane, Senegal, is a federation of 200 agricultural organizations in 138 villages. Its farmer members grow sesame and other vegetables. Sesame farming offers high profit margins for rural farmers because it requires limited processing time. An expanding market abroad, especially among Indian, Chinese, and French consumers, provides the opportunity for Senegalese sesame farmers to increase their incomes. However, ASSOLUCER's weak accounting practices and organizational structure, its poorly defined relationships with its member groups, and the farmers' lack of technical skills in sesame production constrain ASSOLUCER and its members from increasing their production to take advantage of the unmet demand for sesame.

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. ASSOLUCER Contribution

ASSOLUCER will contribute Senegalese Francs (FCFA) 1,600,000 for the transportation and accommodation of members traveling between Seidhiou, Zinguinchor and Dakar.

IV. Project Goal

The goal of the Project is to promote the growth of small-scale agricultural enterprises that increase incomes and improve the standard of living for vegetable farmers in Sedhiou, Senegal.

V. Project Purpose

The purpose of the Project is to improve the prospects of ASSOLUCER and its member groups for sustained expansion as indicated by the development of a comprehensive five-year business plan that ADF deems suitable for funding by a donor or other financial institution.

VI. Project Outputs

A. Improved Management and Business Systems Capacities

1. Automated financial management and accounting systems routinely produce records and audit reports using standardized forms by the end of the 18-month Project period.
2. ASSOLUCER's management team functions according to clearly defined roles and responsibilities that are ratified by its General Assembly and recorded in a manual of procedures.
3. ASSOLUCER functions in relation to its member groups according to clearly defined rights and obligations.

B. Improved Production and Technical Capacities.

A pilot effort by ASSOLUCER, consisting of the purchase and distribution of improved seeds and technical training for a core group of farmers, increases the quantity and quality of members' production, as indicated by increased production of sesame grain from 865 tons in 2006-2007 to over 1,000 tons by the end of the Project period.

VII. Project Activities

A. Institutional Capacity Building

1. With the help of a consultant, ASSOLUCER will develop and implement a system of internal financial management. At every annual General Meeting, ASSOLUCER's management will present a financial balance sheet that reflects all transactions. The consultant will help design an operations recording system that includes a bank book, general ledger, bank reconciliation forms, and financial reporting forms. ASSOLUCER will use voucher forms to record transactions.

2. ASSOLUCER's management, with assistance from a facilitator, will assess the structure and function of its four management organs (i.e., General Assembly, Administrative Council, Administrative Council Bureau, and Coordination Team). Over the course of several meetings, ASSOLUCER will restructure its management to improve the group's efficiency. The General Assembly will ratify any proposed changes, and a manual of procedures will record the revised structure and functions of the management team.
3. A consultant will train ASSOLUCER's management team in leadership and good governance to ensure proper implementation of ASSOLUCER's management plan.
4. ASSOLUCER will revise and formalize its relationships with its member organizations and enter into written contracts that define the rights and obligations of all parties within the Federation. By defining its relationships with its member groups, ASSOLUCER will clarify its role and mission as an umbrella organization.
5. With the help of a consultant, ASSOLUCER will develop a business plan and conduct a market study. The business plan will assess ASSOLUCER's potential for profitability, sustainability, and expansion. It will examine potential partnerships with Indian and Chinese traders, as well as prospects for exporting sesame to Gambia. The marketing plan will aim to improve ASSOLUCER's visibility and to develop strategies that emphasize the improved quality of the Federation's seeds. ASSOLUCER will also purchase new packaging to promote product recognition.

B. Pilot Improved Sesame Production and Sales

1. ASSOLUCER will procure and distribute five tons of improved sesame seeds to pilot producers who will test the quality of the new seeds. It will develop test plots around 18 wells for white sesame cultivation in order to train farmers in dry season production. A consultant will train a technical team in seed reproduction techniques using varieties of sesame seeds provided by ASSOLUCER. The technical team will then train a core group of contact farmers, who will disseminate the information to their local farmers' organizations. Selected members will also visit other successful sesame farmers to learn best practices and teach the new techniques to ASSOLUCER's members. The pilot farmers will store their yields using sacks, tarpaulins, and pallets purchased by ASSOLUCER.
2. A consultant will train ASSOLUCER's management team in negotiating and marketing techniques. ASSOLUCER will apply the new techniques by purchasing the sesame harvest from member producers and re-selling it to outside retailers before the January 2009 harvest. Acting on behalf of its member groups, ASSOLUCER will negotiate contracts with sesame buyers

before the harvest to ensure a marketing outlet for its members. ASSOLUCER will redistribute harvest revenues among the producers according to a customs rebate system.

VIII. Roles and Responsibilities of the Parties

ASSOLUCER 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 ASSOLUCER 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 ASSOLUCER as a part of the on-going performance assessment.