APPENDIX A:
PROJECT DESCRIPTION
BAMAKO TRADITIONAL TEXTILES PROMOTION PROJECT

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

Weaving is a traditional art that is part of the overall historical, economic, and cultural fabric of Mali and West Africa in general. However, the sector has been generally neglected by national development programs and has been subjected to intense competition from the modern textile sector, particularly as consumer purchasing power has declined with real per capita incomes over the past thirty years. Low prices of modern textiles and the sale of used clothing have severely affected traditional weavers, making it difficult for many to obtain raw materials and earn a living.

Most weavers do not have the necessary financial resources to procure sufficient quantities of yarn, the main raw material for their craft. This results in a substantial reduction in their production capacity or places them in a continual cycle of indebtedness. A number of weavers also would like to acquire improved looms that are more productive, but require specialized training.

In spite of these difficulties, traditional fabrics continue to provide an important source of employment and income generation. Their contribution can be considerably enhanced by increasing the quality and productivity of traditional weavers and by providing them with marketing assistance.

The *Association Malienne des Tisserands Traditionnels* (ATM) represents the interests of traditional weavers and promotes the traditional Malian textile sector. The Association provides publicity and advertising, marketing services, raw materials, and training to its members to improve their productivity and product quality. ATM currently has 150 members spread among the six communes of Bamako.

ATM currently lacks the necessary financial resources to meet its members' demand for services. These include facilitating members' access to production materials, improved technologies, and training. In addition, it lacks an appropriate place from which to coordinate its activities. Members also need additional administrative, financial, marketing, and accounting training to improve their capacity to plan and manage appropriate marketing, outreach, and lobbying strategies.

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

ATM will collect dues from its members over the five years of the project. The dues will be used to cover a portion of the association's overhead costs (salaries, utilities, rent, etc.).

IV. Project Goal

The goal of the Project is to improve the living conditions of traditional weavers in Bamako.

V. Project Purpose

The purpose of the Project is to increase the incomes of ATM members in Bamako, as measured by the following.

A. Average monthly incomes of members using traditional looms will increase from 35,000 CFA to 40,000 CFA by Year II, 45,000 CFA by Year III, and 50,000 CFA by Year IV and thereafter.

B. Average monthly incomes of members using improved looms will increase from 35,000 CFA to 70,000 CFA by Year II, 105,000 CFA by Year III, and 135,000 CFA by Year IV and thereafter.

VI. Project Outputs

The Project will generate the following major outputs in order to attain the Project's purpose.

A. Headquarters

1. Members' access to weaving yarn will increase from 1.5 balls per month to 25 balls per month by month 6 and 50 balls per month by the end of Year I and thereafter.

2. The number of members provided with improved looms and technical training will reach 30 by the end of Year II and 60 by the end of Year III.

3. The association will cover 100% of its overhead expenses by Year III and thereafter.

B. Training and marketing services

1. Showroom monthly sales will average 25,000 CFA during Year I, 200,000 CFA during Year II, 400,000 CFA during Year III, 600,000 CFA during Year IV, and 630,000 CFA during Year V

2. Contracts averaging 1,250,000 CFA/month will be negotiated in Year I, 1,650,000 CFA/month in Year II, 2,500,000 CFA/month in Year III, 2,900,000 CFA/month in Year IV, and 3,300,000 CFA/month in Year V.

3. The association will be represented at 2 national and 2 international craft/trade fairs annually by Year II and thereafter.

4. A total of 150 members will be provided with management/ marketing training by Year IV.

VII. Activities

A. Service Center

The project will increase ATM's capacity to provide services to its members. ATM will rent a building to serve as its headquarters. The headquarters will provide a focal point for promotion and marketing of members' products, including a showroom/sales outlet, a store for sale of yarn, and 2 offices from where lobbying and promotional activities can be conducted. ADF funds will be used to procure and install showroom and office furniture and equipment. ADF will provide working capital for three months' rent and initial overhead costs such as fuel, energy/water costs, office supplies, communications costs, and bank fees.

ATM will purchase yarn in bulk with ADF funds and provide it on credit through the store. ATM will advance yarn to members for up to one month. The members who receive the yarn will repay the cost plus a commission of 100 CFA for each packet of yarn received by the end of the month. The Yarn Committee will manage the distribution of the yarn and recovery of payments, under the supervision of the Management Committee and a newly recruited financial manager. The initial purchase of yarn will be limited to 25 balls. Additional funds may be disbursed to increase the yarn revolving fund every four months up to the total amount budgeted based on repayment and reordering performance as well as actual demand.

ADF funds will be used to provide 12-month equipment loans for improved looms to not more than 60 weavers. These weavers will demonstrate that they have appropriate space to house the looms. They will pay a training fee of 25,000 CFA with their applications. These weavers will receive technical training of approximately one month in the use of the looms and business management training before the looms are installed. ATM will purchase and distribute the looms at cost under a lease/purchase contract to qualified applicants. Interest of 15% will be charged on the loans; repayments will be made quarterly. ATM will repossess the looms if the borrowers miss two consecutive loan payments. No reimbursement of loan payments will be made to the borrower if the looms are repossessed.

ATM will continue to promote the image of traditional Malian weavers and the cultural context of their products. It will organize participation by its members in key national and international fairs and expositions. It will develop a website and a catalog of products to promote members' products and facilitate orders. In addition, ATM will develop an advertising campaign for local television and radio.

ATM will sell members' products in the showroom at its headquarters on a commission basis. This will provide a focal point for customers to contact weavers, as well as provide samples and advertising of their products. ATM will hire a cashier/clerk to operate the showroom under the supervision of the financial manager.

ATM will continue to receive and coordinate large orders that must be produced by a number of artisans. In return for this service, ATM will charge a sales commission on these orders.

B. Training and Technical Assistance

The Project provides for technical assistance and training for ATM members, Management Committee members, and employees to ensure appropriate operation and administration of the revolving funds and store, and to institute adequate general management and accounting practices by ATM managers. Training in business management, including accounting, financial and administrative management, inventory management, product design, and marketing will be provided during the project. Appropriate follow-up technical assistance will be provided on-site.

A specialized organization will provide HIV/AIDS prevention training to all ATM members. The ADF Partner in Mali will train the Grantee in participatory performance monitoring to ensure that the Grantee establishes appropriate systems to monitor its progress toward project objectives. The Project will provide training and technical assistance on ADF administrative and reporting requirements. An external audit will be conducted during and/or upon completion of the project.

The Project will provide ATM with specialized technical assistance to develop and maintain a website to promote the association's members and products.

A Project Financial Manager will be identified and hired with the assistance of the ADF Partner during the first quarter of the project to provide the grantee with full-time, on-site assistance to meet ADF reporting, financial management, and procurement requirements.

VIII. Roles and Responsibilities of the Parties

ATM is responsible for ensuring the proper management and implementation of the Project. ATM will hire a Project Financial Manager to oversee the day-to-day activities of the Project. The ADF Partner in Mali, AED Sahel, will provide ATM technical and management assistance 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 on 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.

X. Other Implementation Issues

ATM will establish two bank accounts: (a) an account to receive ADF funds, and (b) a current account. The second account will serve as their operating account to receive all revenues and from which payments will be made for all expenses not covered by ADF grant funds