

PROJECT DESCRIPTION
COPAR-IMENA Pilot Greenhouse Tomato Production

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

Cooperative de Production Agricole au Rwanda (COPAR-IMENA) is a cooperative made up of 150 associations from six tomato growing zones in Gasabo and Kicukiro Districts, Kigali Urban. The 793 farmer members of the cooperative grow tomatoes on individual fields and collectively market them through the cooperative. The growth in tourism after the war has led to a spike in the number of new hotels and restaurants that has in turn, created a demand for vegetables and in particular, high quality salad tomatoes. Tomatoes are a seasonal crop but the demand is year round. Presently, the demand for salad tomatoes for such high end consumers is not being met. COPAR-IMENA would like to capture this growing market segment by introducing a new variety of high quality salad tomatoes called "ANNA F1" and pilot a new greenhouse production technology to enable it to grow high quality tomatoes throughout the year. COPAR-IMENA, while potentially profitable, must improve its management and technical capabilities as well as financial systems if it is to realize its potential.

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 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. COPAR-IMENA Contribution

COPA-IMENA will contribute the labor of its staff and members in the implementation of the EDI. The cooperative will pay salaries for its part-time workers, and for two guards to be recruited, and the veterinarian and agronomist. COPAR-IMENA will also pay half the salaries of the Coordinator and Accountant for the final six months of the Project thereafter pay full salaries for all their staff. In addition, the cooperative will pay for water and electricity, motorcycle maintenance and 100 per cent of the cost of motorcycle fuel after the first year.

IV. Project Goal

The goal of the Project is to increase income for poor smallholder farmers in Rwanda.

V. Project Purpose

The purpose of the project is to test the viability of producing greenhouse ANNA F1 tomatoes as a cash crop as indicated by the production of 45 metric tons of high quality greenhouse tomatoes in Year 2.

VI. Project Outputs

A. Improved Production Capacity

Participating COPAR-IMENA farmers master the new tomato greenhouse production technology as evidenced by the production of high quality greenhouse tomatoes.

B. Improved Management and Business Systems Capabilities

Automated financial management and accounting systems produce records and reports used by management in decision making.

VII. Project Activities

COPAR –IMENA will ensure the following major activities are implemented with the assistance of consultants where necessary. The Cooperative will also ensure that all Terms of Reference (TOR) for consultancies are developed in collaboration with the ADF Partner organization.

A. Production

Under the Project the cooperative will test a new greenhouse production technology using a new variety of tomato seed called “Anna F1” and specialized fertilizers to produce a high quality tomato. COPAR-IMENA will hire a consultant to work with it to construct and equip three greenhouses of 150m² each to be used for demonstration of the greenhouse tomatoes production system to all members of the cooperative. Greenhouse equipment includes the frameworks, polythene paper covers, water tanks and pumps. Greenhouse construction activities will utilize labor of the participating farmer members. Safety and protective gear will be provided for participating member farmers, including gumboots, nose masks, gloves and overcoats and COPAR-IMENA will insure that protective gear is used at all times by its members.

B. Management

1. Business Plan

COPER-IMENA will engage a consultant to develop a 5-year business growth and expansion plan that will include a market study for greenhouse tomatoes including analysis of the number of greenhouses and production capabilities of existing cooperative members. The market study will also analyze how to: assist cooperative members to improve marketing of lower quality field tomatoes; increase revenue to the cooperative through membership fees, check-off fees, etc.; and exploit new market opportunities such as chili pepper production.

2. Operations Management

The cooperative will hire a coordinator to manage its operations and prepare it for future expansion.

3. Financial Management

An accountant will be hired to manage the cooperative's financial and reporting activities.

C. Training and Technical Assistance

1. Greenhouse Production Technology

The Project will provide six months of training through a consultant in the development, implementation and monitoring of greenhouse tomato production to:

- a. all COPAR-IMENA farmers in all activities on greenhouse tomato production technology; and
- b. fifty members (including the management team) of COPAR-IMENA with intensive training in greenhouse activities and training in safe pesticide use, storage and disposal, sprayer pumps, and fertilizer. These members will in turn train other cooperative members in their associations on the safe use of chemicals as they adopt the greenhouse production system.

2. Business Systems Formalization

To improve COPAR-IMENA's financial management, accounting software will be purchased and installed and basic in-house training will be provided to users. Technical assistance consultants will develop a financial policies and procedures manual and train COPAR-IMENA staff in financial management.

VIII. Roles and Responsibilities

ADF's Partner in Rwanda will provide the standard ADF training in bookkeeping, monitoring and assessment. COPAR-IMENA is responsible for ensuring the proper management and implementation of the Investment. The ADF Partner in Rwanda will provide COPAR-IMENA with technical and management assistance during implementation.

AGROPHA, the only training center for greenhouse tomato production in Rwanda, will provide technical assistance and training on all aspects of greenhouse tomato production including construction of the greenhouses, selection of the tomato variety and installation of necessary water supply system.

COPAR-IMENA will work with the Rwanda Environment Management Authority (REMA) to continuously explore environmentally friendly farming systems and ensure proper use, application, and disposal of chemicals to be used.

IX. Monitoring and Evaluation

ADF's Partner in Rwanda will closely monitor the activities of COPAR-IMENA 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 ongoing coaching and advisory service. The Partner will review ADF's quarterly reports and will submit comments and observations to the management of COPAR-IMENA as part of the ongoing performance assessment.

X. Other Implementation Issues

For the technical training on greenhouse production, members will be divided initially into five groups of at least 150 members each. A roster will be drawn whereby 50 members will train in one activity at a time until all members are trained in a particular activity. Member training will last for six months and within that time, each member will have attended at least 35 days of training. A committee of five members from COPAR-IMENA will oversee the training.

The following issues will need to be closely monitored:

- all COPAR-IMENA staff to be paid from ADF funds have employment contracts which are in line with GOR requirements; and
- salaries and allowances set forth in the budget are gross amounts and all employee deductions law will be deducted accordingly in accordance with Rwandan law.