

PROJECT DESCRIPTION

WOPININ MANGO PROCESSING EXPANSION PROJECT

IVORY COAST

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

Mango is the third fruit exported by Côte d'Ivoire after pineapple and banana. Mango processing represents makes up four percent of mango production in Côte d'Ivoire which largely revolves on juice production. Dried mango from Côte d'Ivoire is mainly exported to Europe, Burkina Faso, and Ghana. This is a niche segment that, although very profitable, is not accessible to all producers due to the lack of equipment and financing = necessary for processing.

WOPININ-WOIGNON SCOOP-CA (“WOPININ-WOIGNON”) is a cooperative society with a board of directors and mango producers from Ferkessedougou in the Tchologo region (north of Côte d'Ivoire, at 570 km from Abidjan). Created in 2009, it is composed of 405 members spread over several villages in the region. WOPININ-WOIGNON specializes in the processing of dried mango. Unfortunately, the cooperative is currently only able to process three percent of the total production of fresh mangoes available from its members, which was estimated at 2,000 tons in 2021. Concurrently, it is unable to meet the demand for dried mangoes from its main customer because of the low drying capacity of its processing unit.

III. FUNDING

A. USADF Contribution

The financial plan for USADF’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 8 of the Agreement and do not cause USADF’s contribution to exceed the obligated amount specified in Article 4, Section 4.1 of the Agreement.

B. GRANTEE Contribution

WOPININ WOIGNON will make a cash contribution of FCFA 876,150 to purchase 135 work coats for the factory. Additionally, they will provide a non-cash contribution of 5000 m² of land to build their new factory.

IV. PROJECT GOAL

The goal of the project is to improve the standard of living and economic well-being of WOPININ WOGNON members in Côte d'Ivoire and to contribute towards the development of mango processing in Côte d'Ivoire.

V. PROJECT PURPOSE

The purpose of the project is to enhance WOPININ WOGNON's profitability, sustainability, and the revenue of its suppliers as evidenced by the changes in the following indicator:

A. A change in WOPININ WOGNON's net income (before income taxes and depreciation) from a baseline of FCFA 2,710,329 to:

1. FCFA 14,166,402 in Project Year 1;
2. FCFA 10,923,783 in Project Year 2;
3. FCFA 9,649,536 in Project Year 3; and
4. FCFA 8,887,750 in Project Year 4.

B. A change in sales revenue from a baseline of FCFA 19,826,700 to:

1. FCFA 24,280,200 in Project Year 1;
2. FCFA 54,630,450 in Project Year 2;
3. FCFA 60,700,500 in Project Year 3; and
4. FCFA 66,770,550 in Project Year 4.

VI. PROJECT OUTPUTS

A. By the end of this project the Grantee will have increased its technical and managerial capacity as evidenced by changes in the following indicators:

Indicator Name	Baseline	Year 1	Year 2	Year 3	Year 4
Quantity of Raw mango purchased (tons)	61 543	77 080	173 430	192 700	211 970
Quantity of Raw mango transformed (tons)	55 161	69 372	156 087	173 430	190 773
Quantity of dried mango sold (tons)	5 516	6 937	15 609	17 343	19 077
Day laborers hired during the campaign	45	45	90	105	120

B. WOPININ WOGNON will have improved and increased its technical capacity and productivity with:

1. The acquisition of IT equipment and office furniture.
2. The acquisition of dryer and trimming equipment.
3. The acquisition of electronic scales.
4. The establishment of a fund to purchase fresh mangoes.
5. Trainings in Good Manufacturing Practices and Cooperative Life.
6. The attainment of Hazard Analysis Critical Control Point (HACCP) Certification.

C. WOPININ WOGNON will have improved its management capacity as demonstrated by the routine production of financial statements as well as its ability to implement comprehensive financial controls, accounting procedures, policies, and financial systems appropriate for earning full financial certification, as determined by USADF's Senior Auditor, through:

1. The recruitment of a junior accounting assistant and a cashier.
2. Twelve months of accounting support by an accounting firm.
3. A training in accounting and financial management for four staff members.
4. The development and implementation of an accounting procedures manual
5. The development business plan.

VII. ACTIVITIES

The grantee will ensure the following major activities are implemented:

A. Infrastructure

Construct a structure composed of a factory for the transformation of fresh mangoes into dried mangoes (it will accommodate the two new dryers), offices and toilets. The service provider will be procured through a competitive process. The factory will be composed of a separate reception and storage area for the raw material, a washing area, a preparation area for peeling, cutting, and slicing, a drying area which will host the three dryers, a packaging area. There will be an office for the production manager, located in the center of the building to supervise production and a laboratory for the analysis of finished products. The land to be used for the construction is owned by the cooperative and has an area of 5000 m2 hectares.

B. Equipment and Working Capital

1. Purchase, through a competitive process, the following equipment:
 - a. Two dryers with a capacity of 1.2 tons each for the new processing unit. These dryers will increase the cooperative's processing capacity, which is currently insufficient to meet market demand and allow the cooperative to reach its full potential. WOPININ WOGNON will thus

go from one dryer with a capacity of 1,2 tons to 3 dryers with a total capacity of 3,6 tons.

- b. Eight stainless steel trimming tables (four per dryers) to peel, cut and slice mangoes before drying.
 - c. Personal protective equipment (safety shoes, gloves, and face mask) and a fire extinguisher to ensure compliance with hygiene, manufacturing, and safety standards when processing mangoes.
 - d. Four electronic scales: one with a larger capacity (up to 300 kg) for weighing raw materials as they enter the plant; and three of a smaller capacity (2 g to 40 kg) for weighing packaged finished products.
 - e. Other small equipment for the processing activity specifically: 200 manual peelers, a penetrometer to measure the mangoes' ripeness level, 100 stackable fruit box, ten buckets for mangoes collections, and a refractometer to measure the mangoes' acidity level.
2. Establish a working capital fund to purchase mangoes from the producers of the cooperative.

C. Training

1. Select a company/consultant, through a competitive process, to train the production team (20 individuals) on the Hazard Analysis Critical Control Point (HACCP) method for mango drying. This training will take place in Ferkéssédougou for six weeks.
2. Select a company/consultant, through a competitive process, to train the co-op "producteurs relais" and the management team on Cooperative Life to improve the cooperative's governance and organization. This training will take place over five days.
3. Select a company/consultant, through a competitive process, to train the hired junior assistant accountant and five people from the management committee in accounting and financial techniques. This training will be conducted over five days.
4. Select a company/consultant, through a competitive process, to train 25 members from the production team on Good Food Processing Practices to ensure that the Grante can meet agri-food standards. The remaining production staff will then be trained by the 25 trained individuals. This training will be conducted over five days.

D. Technical Assistance

1. WOPININ WOGNON will recruit through a competitive process:

- a. A junior assistant accountant for a period of 24 months. He/She will work along with the accounting firm and the accounting committee made up members of the cooperative to keep the cooperative's accounts during its first year. He/She will be fully responsible of the accounting after the 12 months of service of the accounting firm. The cooperative will continue to employ the accountant after the life of the project.
 - b. A cashier for a period of 24 months. He/she will assist the accounting assistant in recording purchases from producers and other tasks. The cooperative will continue to employ the cashier after the life of the project.
 - c. A production assistant who will assist the production manager in his daily tasks. This person will be a good support considering the two new drying lines that will be set up in the project. His/Her salary will be paid by USADF for 12 months and then paid by the cooperative.
2. Select an accounting firm, through a competition, for the development and implementation of the accounting procedures manual and accounting assistance for twelve months including the training and installation of accounting software.
 3. WOPININ WOGNON will obtain HACCP to align their products with international standards and thus facilitate their sale on international markets. The certification process takes three years. To achieve this, a certified company will be selected after a competitive procurement process.

VIII. ROLES AND RESPONSIBILITIES

WOPININ WOGNON is responsible for ensuring the proper management and implementation of the Project. Pursuant to the Cooperative Agreement with USADF's Partner in Côte d'Ivoire. Entrepreneurial Solutions Partners (ESP) will provide WOPININ WOGNON the required USADF training in bookkeeping, monitoring and assessment, and technical and management assistance during Project implementation.

IX. MONITORING AND EVALUATION

Within sixty days of the effective date of this Agreement, "The Grantee" working with the USADF 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 to develop 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.