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Burundi Agribusiness Program: PY 3 Q2 Quarterly Report

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Acronyms and Abbreviations

ADC	Agent de Développement Communautaire
AFAB	The Burundi Association of Women Entrepreneurs
ARFIC	Agence Régulateur de la Filière Café
ASBL	Association sans but Lucratif
BAP	Burundi Agribusiness Program
BBIN	Burundi Business Incubator
BBN	Burundi Bureau of Normalization
CAPAD	The Confederation of Agricultural Producer Associations for Development
CECM	Caisse d'Epargne et Credit Mutuelle
CERADER	Centre de Recherche Agronomique et du Développement Rurale (U Ngozi)
CNAC	Confédération National des Caféculteurs
CNTA	Centre Nationale de Technologie Agro-Alimentaire
COP	Chief of Party
COTR	Contracting Officer's Technical Representative
CQI	Coffee Quality Institute
CTO	Cognizant Technical Officer
CURDES	Centre Universitaire de Recherche sur le Développement Socio-économique
CWS	Coffee Washing Station
DCA	Development Credit Authority
DG	Directeur Général (Managing Director)
DPAE	Direction Préfectorale de l'Agriculture et Elevage
EAFCA	East African Fine Coffee Association
ESF	Economic Support Funds
EU	European Union
FAO	Food and Agricultural Organization of the United Nations
FBU	Francs Burundais
GAP	Good Agricultural Practices
GDP	Gross Domestic Product
GMP	Good Management Practices
GOB	Government of Burundi
HACCP	Hazard Analysis and Critical Control Point
IAB	Industrie Agro-alimentaire de Buterere (dairy)
IFAD	International Fund for Agricultural Development
IMF	International Monetary Fund
INADES	Institut Africain du Développement Economique et Sociale
IQC	Indefinite Quantity Contract
IRAZ	Institut de la Recherche Agronomique en Zootechnie
ISABU	Institut de Recherche Agronomique du Burundi
KTBH	Kenyan Top Bar Hive
LOE	Level of Effort
LOL	Land O'Lakes
MFI	Micro-Finance Institution
MINAGRIE	Ministère de l'Agriculture
MCC	Milk Collection Center
MOU	Memorandum of Understanding
MSU	Michigan State University

NGO	Non-Governmental Organization
OTF	On the Frontier
OCIBU	Office du Café de Burundi (Coffee Board)
PAGE	Projet d'Appui à la Gestion Economique
PRASAB	World Bank Funded Development Program in Burundi
PO	Producer Organization
PP/S	Participants per Session
SCAA	Specialty Coffee Association of America
SCEP	Service Conseil aux Efforts de Privatisation
SIVCA	Société pour la Valorisation Industrielle du Café
SODECO	Société de déparchage du Café
SOGESTAL	Société de Gestion des Stations de Lavage
STTA	Short Term Technical Assistance
UHT	Ultra-High Temperature
USD	US Dollar
USG	US Government
VC	Value Chain
WB	World Bank

Introduction

The second quarter of this project year was one of intense administrative and technical activity for the Burundi Agribusiness Program. Administratively, we started out the quarter finalizing our workplan and budget submissions for the third project year. In February we began actions linked to setting up of the Burundi Business Incubator. Our contract modification for year 3 was signed in early March 2010.

For the coffee value chain this quarter is key in preparing the 2010/2011 coffee campaign. With the transition from OCIBU to ARFIC and the setting up of the new Private Sector Trade Association InterCafe, the actors in the sector spent a lot of time adjusting to their new roles and in informing the world of the positive transitions occurring in the sector. During this quarter the Alliance for the Cup of Excellence (ACE) under contract with BAP facilitated two training sessions for cuppers, one to determine whether people identified by the sector had the minimum capacities to become trainers of cuppers and a second session qualifying selected cuppers as Trainer's of Trainers. BAP cadre with the newly accredited ACE trainers then facilitated an introductory cupping training in three provinces for upwards of 55 participants in an effort to begin the process of giving Burundian Farmers and Washing Station Managers an empowered stance in negotiations with International Buyers. The BAP Team assisted in preparing the Burundi delegation for its participation at the East Africa Fine Coffee Association (EAFCA) meetings in Mombasa including working on the presentation by the president of the coffee reform committee updating the transformations to the sector, preparing posters, maps, tablecloths and other presentation materials for the exposition booth and arranging meetings with buyers, roasters, importers and financiers. In preparation for the campaign BAP worked with Root Capital, Interbank Burundi and the Coffee Sector Actors on dossiers related to campaign financing. BAP also trained 43 washing station management personnel and 203 farmer cooperative representatives in improved techniques in coffee harvesting and processing. These sessions for the first time permitted the actors to reach consensus on processing cooperative coffee separately from that of individual farmers, improved traceability, and included the commitment that farmer's producing quality lots of coffee would be paid differentially than farmers who only produced commercial grade coffee. ADC continued training of lead farmers who replicated the training to their neighbours on the hillsides surrounding the pilot washing stations. Outreach of project activities in the coffee sector extended to 30 CWS and included collaboration with WEBCOR, CPC and COPROTRA as private sector actors.

In Dairy the majority of our activities focused on the production zones in Muramvya. In Rutegama and Bukéyé, communes where milk collection centers are anticipated to be operational by the end of the fiscal year we continued working with dairy farmers to increase the quality of the forages in their zones. Initial data show that animals fed with improved forages promoted by the program on a trial basis improve their production by 2 to 4 liters per milking over those fed either with traditional pasturing or forage grasses. A secondary effect of the forage nursery production with leguminous shrubs in Rutegama has been the creation of contour hedgerows on farmer's hillsides and the beginning of micro-terracing. A number of the

dairy farmers are also interested in intercropping fruit trees on their hedgerows and perhaps contracting for the production of grafted passion fruit with Fruito. The second major activity that BAP facilitated in the production zones was the training of community identified farmer extension/veterinary agents. Twenty agents, including five women were trained in the basics of animal health, hygiene and nutrition and equipped with kits before being sent back to their communities. Since the training qualitative information on the rates of common illnesses among the dairy cattle on their hillsides appear to have declined. This phenomena will be closely monitored and documented in future reports. During this reporting period one dairy dossier submitted to Interbank received financing in the amount of 120.000.000 FBU (appx. \$100,000) for the setting up of a UHT line. A production contract was negotiated between the IAB dairy and farmers of the dairy cooperative in Rutegama. Initially the contract was respected, but when local milk collectors learned of the contract, they raised their offer to the dairy farmers from 350 FBU/ltr to 400 FBU/ltr and offered to make advance payments to dairy farmers based on projected daily dairy production for up to 30 days in advance of the farmer's actual physical delivery of the milk. This new competitive climate should assist the farmers in earning a better market price for their milk. It will also force a renegotiation of the IAB supply contract.

In Horticulture, this quarter saw two women's horticultural associations in Bubanza province receive grants to assist in improving and diversifying their production. The ADC began training horticulture associations in the best agronomic practices curricula developed with assistance by MSU. A number of initiatives were piloted including local construction of a solar dryer and the construction of wooden transport crates to prevent bruising as the produce travels from the field to the market. On the supply side effort was made to promote tutoring of horticultural crops with associations and to assist them in nursery preparation and management. Tutoring will result in less crop loss due to fungus, mold, and insect infestation while proper nursery management should result in higher germination rates for the horticultural plants. Constraints on the supply side include mastery of new practices and adoption of new technology, mastery of small scale irrigation and improved understanding of the markets and their requirements. On the demand side BAP reached out to the retail, restaurant and hotel industries, explaining our program, current market trends and discussion international norms and standards for food quality, cold chain and food handling.

In women's leadership and microenterprise development the quarter saw BAP investing much time and energy in the preparation of training sessions for women leaders in literacy, beekeeping, and English; monitoring of capacity reinforcement and reporting by the ADC; and reviewing/analyzing and offering technical assistance to individuals and groups requesting matching grant financing through BAP. ADC continued to reinforce the capacities of partner associations in their legal structures, the planning of revenue generating activities, and the management of the associations. Further we sponsored the participation of two Burundian entrepreneurs to the HORTEC trade fair in Kenya and assisted in the organization of a workshop for women leaders in the coffee sector designed to result in the creation of a Burundian Chapter of the International Woman's Coffee Alliance.

During this reporting period BAP financed two grants for horticultural sector activities and six grants for piloting the construction of effluent control systems at coffee washing stations, together with construction of latrines and training in water hygiene and sanitation. Technical analysis of the proposed community water infrastructure renovations was completed and a local NGO was contracted to provide trainings to communities in the setting up of water management committees and personal hygiene and sanitation.

Finally, BAP began its assistance in setting up the Burundi Business Incubator. By the end of the quarter founding members for a local ASBL to manage the incubator had been identified, legal statutes were being developed, a demand survey for services coupled with a survey on willingness to pay had been completed and the incubator's business plan in draft form was being completed. Internally, the Program recruited a local coordinator for the BBI whose role is to act as component leader internally to BAP and liaison with the ASBL and BBI management team once they are in place.

Value Chains

Coffee Value Chain

Introduction

The second quarter of this project year was spent preparing for the coffee campaign of 2010/2011. It was a period of intense training and was marked by BAP's assistance to ARFIC and InterCafe at the EAFCA Trade Fair in Mombasa.

During this reporting period ADC trained a total of 3.223 lead farmers of whom 531 (16.7%) were women in 99 training sessions at BAP assisted coffee washing stations, an average of 33 pp/s. These farmer leaders in turn held 366 sessions on 272 different *sous-collines*, replicating the training to 14.951 producers, 37% of who were women. This is an average of 40.85 pp/session. Themes developed focused on improved cultural practices for maintenance of the coffee plantation: weeding, pesticide and fertilizer application and those related to the harvesting and processing of coffee cherry: picking ripe cherries, flotation, conditioning, and improved processing techniques.

Our coffee team trained 43 washing station technicians and 203 producer representatives, including 74 women (36%), 10 production managers of SOGESTAL and 3 Farmer Federation Agronomists in improved techniques and technologies for coffee processing in the provinces and at the washing stations. A total of 13 enterprises participated in these sessions. These enterprises manage 43 washing stations of which, 27 or 63% are privately owned and operated.

In addition, during this quarter BAP financed the Alliance for the Cup of Excellence (ACE) to come to Burundi and train trainers of cuppers. Paul Songer of ACE was assisted by BAP's quality control specialist. Of the 10 candidates to become trainers, seven (5 men and 2 women) were judged adequate to train beginning cuppers. Of these seven, two are from depulping enterprises, one is working for a dry mill, three work in ARFIC's certification labs and one is an exporter. Following their training, these new trainers, together with BAP's coffee team held introductory sessions in cupping for 58 participants, including 18 women in the provinces of Kayanza, Ngozi and Kirundo. These participants represented a cross section of pilot washing station management staff, cooperative members, and farmer federation representatives. The goal was to introduce the participants to Burundi's Coffee and to ensure that they could differentiate between a stellar cup, a good cup and a poor cup of coffee. Eventually this training will result in Burundian's having an empowered stance in negotiations with the international community of buyers and roasters.

Even though we are in the early stages of cupping training there are some indications that the training is having an impact.

WEBCOR has already recruited two of the seven qualified cupping trainers to their staff and is paying the school fees for a University of Ngozi student who qualified as a Q Grader. WEBCOR has agreed to pay her school fees through graduation, employ her during vacations and integrate her in their cupping lab after graduation.

CA&B, another private enterprise has offered a scholarship to a young woman who is not only SIVCA's head of post milling quality control, but a Q graded cupper as well, so that she may learn English in Uganda.

BAP assisted the Burundian Delegation at EAFCA. In addition to decorating the stand in a professional fashion, developing new publicity materials for Burundian Coffee and preparing and serving coffee at the stand in the exposition hall, BAP also arranged a series of meetings with key importers, roasters, financiers, buyers, importers and certification agencies. The Burundian delegation included a cross section of the private sector actors as well as farmer's confederation and ARFIC representatives.

In our effort to improve communications through the sector and document innovations underway, BAP continued our collaboration with Radio Isanganiro and produced 11 weekly Radio Programs and one panel discussion for diffusion in Kirundi during this reporting period.

Finally, we note that during this quarter BAP signed MOU and began work on six pilot effluent control systems at coffee washing stations in Kayanza and Ngozi. This work is paired with hygiene and sanitation training as well as with the construction of latrines at each station. It includes organic separation and waste water treatment/remediation.

Capacity Reinforcement by ADC for Lead Farmers and their Organizations

During this reporting period a total of 99 sessions were offered for lead farmers at 30 BAP assisted washing stations. An average of 3.3 sessions/CWS. Participation totalled 3223 of whom 537 (16.7%) were women. Average participation per session at any washing station was 32.5. The theme offered with the greatest frequency concerned coffee processing techniques (31 sessions) followed by quality and the marketplace (25 sessions), and organization of producer associations (19 sessions).

The most subscribed themes (those with the greatest participation/session however were: Fertilization (47.7pp/s), organization of Producer associations (45.53pp/s) and coffee processing techniques (35.06 pp/s). Women's participation was greatest at the sessions on pest management (6.8 pp/s), fertilization (6.7 pp/s) and maintenance of the coffee plantations (6.6 pp/s).

	Kayanza				Kirimiro				Kirundo-Muyinga				Mumirwa				Ngozi				Total			
	M	W	T	S	M	W	T	S	M	W	T	S	M	W	T	S	M	W	T	S	M	W	T	S
Producer Association Mgmt	625	80	705	11									109	42	151	7	8	1	9	1	742	123	865	19
Quality and the Marketplace									82	26	108	3	75	28	103	7	232	17	249	15	389	71	460	25
Coffee Processing Techniques	304	75	379	8	52	19	71	2	255	47	302	8	104	28	132	6	189	14	203	7	904	183	1087	31
Agronomic maintenance of coffee plantations					170	54	224	8	99	25	124	4									269	79	348	12
Pesticide Application					80	24	104	3	56	17	73	3									136	41	177	6
Fertilization	203	29	232	5	43	11	54	1													246	40	286	6
Total	1132	184	1316	24	345	108	453	14	492	115	607	18	288	98	386	20	429	32	461	23	2686	537	3223	99

More training sessions occurred in Kayanza and Ngozi than in any other SOGESTAL. But distribution of training sessions across themes was better in Kirimiro and Kirundo-Muyinga than in the other locations.

More sessions were offered at more washing stations for the theme “coffee processing techniques” than for any other theme with 31 sessions at 21 CWS held during the reporting period. The second most offered theme concerned quality and the market place with 25 sessions held at nine CWS, mainly in the SOGESTALS of Mumirwa and Ngozi. The third ranking theme was Producer Association organization and management offered with 19 sessions offered at 9 CWS, mainly in Kayanza and Mumirwa SOGESTALS.

SOGESTAL	CWS	Producer Association Mgmt	Quality and the Marketplace	Coffee Processing Techniques	Agronomic maintenance of coffee plantations	Pesticide Application	Fertilization	Total Sessions (themes)
Kayanza	Butegana			1			1	2 (2)
	COPROTRA	3		1			2	6 (3)
	CPC	2					1	3 (2)
	KAREHE	2		1			1	4 (3)
	BWAYI	1		2				3(2)
	Kinyovu	1		2				3(2)
	Kiryama			1				1(1)
Rohororo	2						2(1)	
Kirimiro	Butemba			1	1			2 (2)
	Kibuye				3	1		4 (2)
	Mahonda			1	4	2	1	8(4)
	Teka							0(0)
Kirundo-Muyinga	Kagombe			1				1(1)
	Murago			1		1		2(2)
	Ngogomo			2				2(1)
	Nyamasaka			2	2	1		5(3)
	Rugerero		2		2	1		5(3)
	Buhimba		1					1(1)
Mumirwa	Gasura			2				2(1)
	Buhayira		2	1				3(2)
	Mugina	4	4	1				9(3)
	Murwi	2	1	2				5(3)
	Ntamba	1		2				3(2)
Ngozi	Rugabo			2				2 (1)
	Ruhama			2				2(1)
	Gatukuza			2				2 (1)
	Gitwa	1	4					5(2)
	Rutegana		4	1				5(2)
	Rwintare		4					4(1)
	Murambi		3					3(1)
								TS= 99
Total sessions (CWS)		19(9)	25(9)	31(21)	12(5)	6(5)	6(5)	Mean #S/CWS= 3.3

Training Sessions by Lead Farmers replicated to the hillsides

Lead Farmers at 21 BAP partner washing stations facilitated a total of 366 training sessions on 272 sub-hillsides for 14,951 of their neighbours of whom 5579 (37%) were women during this reporting period. On average there were 40.85 participants per session. The top three themes developed were: Agronomic Maintenance of Coffee Plantations (5320 participants on 91 sub-hillsides adjacent to 17 CWS); Coffee Processing Techniques (3673 participants from 83 hillsides adjacent to 16 CWS) and Quality and the Marketplace (3160 participants on 68 hillsides adjacent to 17 CWS). Women's participation was highest at sessions related to Coffee Processing (an average of 38.5 pp/s); Producer Association Organization and Management (average of 38,4 pp/s); and agronomic maintenance of coffee plantations (average of 38,2 women pp/s).

SOGESTAL	CWS	Producer Association Mgmt				Quality and the Marketplace				Coffee Processing Techniques				Agronomic maintenance of coffee plantations				Pesticide Application				Fertilization				Total				
		M	W	T	SC	M	W	T	SC	M	W	T	SC	M	W	T	SC	M	W	T	SC	M	W	T	SC	M	W	T	S	SC
Kayanza	Butegana	24	17	41	1	386	275	661	7	38	48	86	2	254	192	446	10	61	52	113	2	69	55	124	3	832	639	1471		24
	COPROTRA					30	12	42	1					30	12	42	1									30	12	42	1	1
	CPC	27	9	36	2																					27	9	36	2	2
	KAREHE	15	0	15	1	39	1	40	1	70	12	82	2	17	0	17	1	19	4	23	2	9	2	11	1	169	19	188		
	BWAYI	56	22	78	3	37	21	58	3	71	40	111	4	172	75	247	6	129	55	184	4					465	213	678	21	20
	Kinyovu									68	38	106	2	31	65	96	4	11	5	16	1					110	108	218	7	7
	Kiriyama	76	67	143	2	177	102	279	2	117	119	236	4	182	197	379	4									552	485	1037	12	12
	Rohororo																													
TOTAL	198	115	313	9	669	411	1080	14	364	257	621	14	686	541	1227	26	220	116	336	9	78	57	135	4	2185	1485	3670	43	66	
Kirimiro	Butemba																													
	Kibuye																													
	Mahonda	78	52	130	1	50	17	67	2	322	230	552	4	26	48	74	1									476	347	823	8	8
	Teka																													
	TOTAL	78	52	130	1	50	17	67	2	322	230	552	4	26	48	74	1									476	347	823	8	8
Kirundo-Muyinga	Kagombe																													
	Murago					28	22	50	2	65	55	120	3	101	80	181	3	108	95	203	4					302	252	554	12	16
	Ngogomo	7	15	22	1					65	45	110	2	291	192	483	8	123	61	184	5					486	313	799	16	19
	Nyamasaka					5	3	8	1					169	104	273	9									174	107	281	10	10
	Rugerero					462	236	698	11	386	250	636	12	1139	584	1723	19	416	229	645	13	189	96	285	5	2592	1395	3987	60	98
	Buhimba					211	147	358	7	74	60	134	5													285	207	492	12	12
	Gasura					90	63	153	5	256	210	466	16	18	15	33	1									364	288	652	22	22
TOTAL	7	15	22	1	796	471	1267	26	846	620	1466	38	1718	975	2693	40	647	385	1032	22	189	96	285	5	4203	2562	6765	132	177	
Mumirwa	Buhayira																													
	Mugina					112	37	149	3	76	21	97	1													188	58	246	4	4
	Murwi																													
	Ntamba	36	11	37	1	104	29	133	7	79	18	97	3	39	2	41	3									258	60	308	14	15
	TOTAL	36	11	37	1	216	66	282	10	155	39	194	4	39	2	41	3									446	118	564	18	19
Ngozi	Rugabo					15	0	15	1	310	62	372	12	579	329	908	15	133	104	237	6	25	26	51	2	1062	521	1583	36	50
	Ruhama													235	136	371	5	54	36	90	2	54	28	82	1	343	200	543	8	10
	Gatukuza																													
	Gitwa					101	10	111	4																	101	10	111	4	9
	Rutegana																													
	Rwintare					72	11	83	5	16	7	23	2	6	0	6	1									94	18	112	8	12
	Murambi					137	118	255	6	335	200	535	9													472	318	790	15	15
	TOTAL					325	139	464	16	661	269	930	23	820	465	1285	21	187	140	327	8	79	54	133	3	2072	1067	3139	71	96
Grand TOTAL	319	193	502	12	2056	1104	3160	68	2348	1415	3763	83	3289	2031	5320	91	1054	641	1695	39	346	207	553	12	9382	5579	14951	272	366	

Lead farmers in Kirundo Muyinga facilitated the most training sessions on their hillsides (177) followed by Ngozi (96) and Kayanza with 43. Lead farmers in Kirimiro facilitated the fewest sessions of all (8).

Training Sessions in Coffee Quality

During February and March BAP's Coffee Team facilitated training sessions in all five SOGESTAL and included as participants washing station managers and farmers from the private washing stations of WEBCOR, Coprotra-Kayanza, Coffee Processing Company (CPC), Ubwiza Bw'ikawa (Rohororo), Gatukuzwa, and the FHI assisted mini-washing station at Mussema. Details on participation are provided in the table on the beginning of the following page.

The training sessions covered the following themes: cherry harvest, selection of mature cherry, depulping, fermenting, washing and grading of coffee, settling, drying, bagging, stocking and transport of parchment. We note that participation was particularly dynamic in the provinces of Kayanza and Muyinga and is related to the fact that it is farmers in these two provinces who have benefitted the most from direct sales agreements and the payment of quality premiums.

Participation at Coffee Quality Training Sessions

Province	Société & Stations	Men	Women	Total
Cibitoke	Sogestal Mumirwa : CWS Murwi, Mugina, Buhayira,	11	5	16
Bubanza	Sogestal Mumirwa. CWS : Ntamba	33	13	46
Muyinga	Sogestal Kirndo-Muyinga CWS :Ngogomo,Rugererro,Murago,Nyamasaka,Kagombe	17	11	28
Kirundo	Sogestal Kirundo-Muyinga CWS: Gasura,Buhimba	11	4	15
Kayanza	Sogestal Kayanza: CWS:Bwayi,Kinyovu,Kiryama. Societe CPC: CWS Buziraguhindwa Societe Coprotra: CWS Kirema Societe Ubwiza Bw'ikawa:CWS Ruhororo 3 Cooperatives from Musema	41	13	54
Ngozi	Sogestal Ngozi CWS:Murambi,Ruhama,Rugabo,Gitwa,Rutanga,Rwintare. Entreprise Nduwayezu:CWS Gatukuza	25	12	37
Gitega	Sogestal Kirimiro CWS:Kibuye, Mahonda, Butemba,Teka	15	7	22
WebCor	CWS Ngozi et Kayanza, WebCor Mgmt Team	31	10	41
Total		184	75	259

Observations and Remarks made during the training sessions

- 1) Harvest of Ripe Cherries and the Selection process prior to reception. The farmers of stations that have previously received BAP assistance attest to being aware of the concept of coffee quality and its link to ripe cherry in good condition. However, many farmers continue to harvest immatures or over ripe cherry and bring it to the CWS for processing. Lead farmers at the training sessions committed to organizing reminder sessions on their hillsides and accepted to participate actively in the flotation and initial selection of cherry at the CWS.
- 2) Depulping. The participants recognize that the water used at the CWS is often dirty and that the quality of the water can have a detrimental impact on the final quality of the water. The Washing Station Managers have accepted to monitor water quality through the process and to recommend to their supervisors that remedial procedures for the protection of the water entering the cisterns are adopted. Both the washing station managers and farmers were aware that coffee brought to the CWS during the morning was most likely harvested the previous afternoon and is thus of much poorer quality than coffee picked the same day that it is brought to the station. Often the coffee at the stations is grouped together for processing without any real regard to the time of reception resulting in a loss of coffee quality because first in, is not necessarily the first coffee out, and little attempt has been made to group coffees by reception time. For this to occur it is necessary to divide the reception bins into multiple compartments using wooden planking and then manage the reception so that there is a rotation of the reception bins based on the time of arrival of the coffee. The coffee received and depulped together should then be fermented, washed, dried and stored separately with a maximum effort made to maintain lot integrity and traceability.
- 3) Fermentation. Many of the private stations use the double fermentation method of processing their coffee. As many fermentation vats have not been re-dimensioned to date it was recommended that CWS wishing to adopt the single fermentation method divert their A1 coffee into the smaller fermentation vats and use recycled depulping water to accelerate the fermentation process. Further it was recommended to batch depulping and to group batches together in separate fermentation vats in 2-3 hour reception lots.
- 4) Drying. Participants were unanimous that pre-drying was a lost art at the washing stations. It was abandoned because of cost and human resource constraints. The pyramidal drying technique is only known to staff and farmers at BAP pilot washing stations. To date this technique has seen little replication. Washing station staff demonstrates a poor mastery of techniques to monitor humidity on the drying tables. The coffee is often over dried. This impacts the transformation ratios, profitability margins and overall quality of the end product. Participants were interested in re-adopting pre-drying but only if the tables are prepared in time. It was agreed that BAP would continue the experiments with pyramidal drying this campaign in order to track costs and quality

derived using this method. It was recommended that the washing station supervisory staff monitor more closely the distribution of the parchment on the tables, the humidity, and rates of drying. The moisture meters need recalibration by ARFIC and there may be a need for a refresher course in interpretation of the numeric data and standard humidity reference curves.

- 5) Production of Day Lots. First practiced last campaign, the limiting factor is keeping the integrity of these lots is the lack of warehouse space for parchment at the CWS and once the parchment has been transported to the dry mill for milling. Where this technique was practiced last year, it will be repeated. For new stations, the decision whether or not to proceed with day lots depends on a decision from upper management. The farmers appreciate the day lots because it should help keep from mixing good quality and bad quality coffees together. Also those producing the better coffees will be able to be compensated differentially if the integrity of the lots is maintained. There is an urgent need for the CWS to be furnished with new sacs and appropriated non-petroleum based marking products if day lots are to become a reality and higher quality coffee disaggregated from the mass.
- 6) Transport. A majority of the participants were unaware that environmental factors could influence coffee quality during transport. If the truck is dirty or has residual odors, particularly odors related to petroleum products (diesel fuel, motor oil, hydraulic fluid, etc.), household cleaning products, tobacco smoke, mold, mildew or pesticides this can impact the final quality of the coffee. The CWS managers promised to make a better effort control the cleanliness of vehicles picking up bags of parchment at their washing stations.
- 7) Coffee Sales, Quality Premiums, and Differential Payment Schemes. The farmer participants at the different sessions were ill informed of the possibility to sell coffee by lots and to pay differential prices based on the quality of coffee lot by lot. They were also unaware that the CWS had the capacity to identify which farmers provided coffee for a specific lot of coffee. The CWS managers admitted this was a possibility but stated that to drill down to this level of traceability would incur additional costs. When the question was raised concerning how distribution of quality premiums should occur, initially a majority of the participants stated that all farmers serving the station should benefit. However, a facilitated discussion, often passionate at times, led participants to change their minds. Most participants began supporting the principle that those who produce quality should benefit differentially from those who do not. In this way quality will be promoted and a positive emulation of better performing farmers by poorer performers will be engendered.
- 8) Separate treatment of coffee produced by cooperative members from that produced by non affiliated individual farmers. Certain members of cooperatives present at the training session expressed the desire to see their coffee processed and traced separately from that of non-members. The managing directors of the SOGESTAL Kayanza and Kirundo-Muyinga stated that this was a

possibility, but only for cooperatives that were well organized and well managed. In Kayanza the MD stated that he believed the CWS of Bwayi and Kinyovu should pilot this experiment.

Cupping Training

In January 2010 BAP with assistance from Paul Songer of ACE held a cupping session for 11 potential trainer of trainers in cupping to determine their capacities as both cuppers and trainers. Five candidates, all men were selected by the trainer, however, Bap negotiated so that two women could also participate in the more intensive Training of Trainers course which occurred in February post-EAFCA. Three of the seven trainers come from ARFIC's certification labs, one from the SIVCA dry mill, one from WebCor, one from the Sogestal Kirundo-Muyinga, and the final candidate is a private sector coffee exporter. Throughout this year and next, this team will receive progressively more training and exposure, enabling them to organize and be the jury for an eventual Burundi X Cup of Excellence competition.

Following their training as trainers, the seven trainers initiated a total of 58 farmers and washing station management personnel, including 18 women (31%), in cupping at three sites: Kayanza, Ngozi and Kirundo. The goal of this training was to introduce grass roots Burundian producers and processors to the notion of quality and their role in producing quality through cupping in order to give the industry a more empowered stance in negotiations with external buyers/roasters going forward. During the session participants learned to distinguish gross defects and to determine the difference between an excellent, a good and a poor cup of coffee.

Results of the Pyramidal Drying Pilot

In order to extend the shelf life of Burundian Coffee enabling it to better support the rigors of transport and arrive at destination in superlative condition, extending the window on the world market for Burundian Coffee, rendering its export less time sensitive and resulting in consequently higher purchase prices for the coffee due to reduced risk, BAP began piloting a new method of "slow" drying to avoid aging the coffee prematurely through overexposure to solar radiation at altitude. In order to see if the theory translated to the cup BAP performed comparative timeline cupping for eight lots over a period of six months from September 2009 through the end of March 2010. Results are presented in the following table.

Sogestal	Station		23/09/09		20/11/09		04/02/10		31/03/10			
			Degustat.1		Degustat.2		Degustat.3		Degustat.4			
		Séchage	Moy. points	Place	Moy. points	Place	Moy. points	Place	Moy. points	Place	Moyenne générale	Place
Kayanza	Bwayi	T	81.40	7	82.50	5	80.00	7	84.17	6	82.02	8
	Bwayi	P	84.00	1	83.20	2	90.90	1	86.83	2	86.23	1
Kirundo-Muyinga	Ngogomo	T	83.37	2	83.05	4	83.30	5	85.75	4	83.87	4
	Ngogomo	P	83.00	3	84.10	1	82.60	6	86.25	3	84.04	3
	Ngogomo	T	82.62	4	82.45	6	87.20	2	83.00	7	83.82	5
Kirimiro	Ngogomo	P	82.00	5	81.75	8	86.01	3	84.75	5	83.65	6
	Teka	T	83.00	3	83.15	3	83.80	4	87.33	1	84.32	2
	Teka	P	81.50	6	81.90	7	87.20	2	82.33	8	83.23	7

Burundi Agribusiness Second Quarterly Report for PY 3 Jan-March 2010

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The samples were taken from three of our initial pilot washing station partners (Bwayi, Ngogomo, and Teka) in three different SOGESTAL: Kayanza, Kirundo-Muyinga and Kirimiro. It is not easy to draw definitive conclusions from this first year's limited sampling which was constrained by poor productivity, differential mastery of the drying technique by CWS personnel and a perception among washing station management that the new system was costly in terms of human resources and it was unlikely that the additional labor costs could be recouped through the final sales price of the coffee. Two of the three top finishers, taking first and third place are from the pyramidal drying with average cupping scores at the end of six months of: 86.23 and 84.04, respectively. The Teka traditionally dried coffee took second in the rankings with a score of 84.32. This experiment will be replicated this campaign. One impact of this time comparison is that the trained Burundian cuppers recruited by WebCor who participated in this test exited with the firm belief that single fermentation produces consistently better cups and convinced their upper management to convert all 13 washing stations to single fermentation processing, effective 2010.

Quality Premium Payment to Farmers

Prices received by farmers bringing their cherry to BAP assisted pilot washing stations varied were between 8 and 27% greater than the prices received by farmers serving other stations. A separate payment scheme for the quality premiums garnered through direct sales was organized at Bwayi and Kinyovu CWS in Kayanza Province and for the UTZ Certified CWS at Kagombé in Muyinga. Farmers at Bwayi and Kinyovu received a quality premium in a separate payment from the ARFIC rebates of 75 FBU/kg of cherry brought to the washing station, while farmers at Kagombé received a third payment of 23,8 FBU/kg of cherry. For other stations who negotiated direct sales agreements with quality premiums, the additional payment was rolled into the second payment by AFRIC.

Overall the farmers and washing station personnel are pleased with the benefits accruing to them through the direct sales agreements and has motivated farmers to increase investment in their plantations. Further, there is positive emulation occurring between stations seeking to improve the overall quality of their coffee and thus benefit from increased prices.

BAP provided media coverage through its contract with Radio Isaganiro of the premium payments. Farmer's interviewed stated their quality premiums would be used to improve their productivity and pay for day labor costs associated compost and mulching.

Promotion and Marketing

Market development objectives contained in the BAP Year 3 work plan include the implementation of a 3-year plan to upgrade Burundian exhibit booths and presentations at international coffee trade shows. In year 3 BAP is also responsible for working with international certifying bodies to extend coffee certification programs to new coffee washing stations and SOGESTALS. In Year 3 BAP continues its strategic efforts to

increase direct export sales volumes through the introduction of new and differentiated buyers to specialty coffee producers in Burundi.

Participation at EAFCA the East African Specialty Coffee Conference in Mombasa

In preparation for EAFCA BAP cadre and marketing advisor Anne Ottaway of MSU worked with representatives of the Burundi government to prepare its presentation to the East Africa Fine Coffee Association Annual Conference in Mombasa, Kenya. Specifically the program ensured that the government articulated relevant information about the liberalization of the coffee sector that will further the sales of washing stations and direct purchases of specialty coffee.

BAP also supported efforts to professionalize the appearance of the Burundi exhibit booth at EAFCA through promotional materials that highlight the quality and development of Burundi's specialty coffee sector;

In Mombasa BAP arranged meetings with international specialty coffee buyers, coffee certifiers and finance organizations. Focus on expanding interest among large roasters and specialty coffee importers representing a diversity of roaster buyers.

BAP staff also assisted in manning the Burundi booth, preparing coffee, meeting with visitors, providing context on the transition of coffee sector operations to a private sector footprint with the disengagement of the State from ownership of the sector's productive assets, detailing the assistance of DAI and BAP to the sector and responding to questions.

Summary of Meetings, Activities and Recommendations

1. EAFCA Planning Meetings with BAP Team, Adrien SIBOMANA(InterCafe,) Nestor NIYUNGECO (Principal Counselor-Minister of Agriculture for Coffee Reforms)

In preparation for the EAFCA Conference in Mombasa BAP readied several promotional tools: 1) a Burundi coffee map showing locations and elevations for all coffee washing station in Burundi 2) A 3'x6' vinyl banner for the exhibit booth showing photographs to illustrate the quality and distinguishing character of the specialty coffee industry in Burundi 3) a brochure to reflect up to date information about developments in the specialty coffee sector including BAP Initiatives in the areas of farmer, cupper and capacity building training.

At a meeting with InterCafe, Executive Director Adrien Sibomana revealed the strategy for launching this new trade organization and set forth their initial goals. InterCafe has begun the process of developing a website and Adrien informed BAP that the InterCafe logo will be ready by the start of the 2010 coffee campaign. Discussed was the idea of a competition to identify the best design. According to Adrien InterCafe has goals in 3 areas: 1) development of committees represented by dry mills, growers, ARFIC and other

stakeholders 2) coffee quality initiatives 3) Environmental issues relating to coffee production. Adrien elaborated on InterCafe responsibilities, including its role to implement a plan for distribution of inputs, oversee arbitration, assess costs associated with each stage of value chain, develop logistics for 2010 coffee campaign, determine potential for value added activities and focus on capacity building training.

The BAP team reviewed a presentation prepared by Nestor NIYUNGEKO for EAFCA Conference attendees and assisted in making refinements to his PowerPoint to clearly convey that Burundi was in a period of peace and democracy offering a stable investment climate, a government in full support of direct trade sales and a new emerging specialty coffee sector where producers have 25% ownership.

2. Meeting with Root Capital (Richard Tugame)

The meeting began with a discussion of new roles of ARFIC and InterCafe in Burundi's coffee sector. Though ARFIC theoretically will no longer have a role in financing the coffee sector it cannot immediately step away. InterCafe will be mandated to facilitate the old system of financing provided under OCIBU and group negotiations for credit while looking for alternative methods of financing. For the SOGESTAL owned washing stations financing is needed now and they are interested in Root. Richard stressed the need for forward sales contracts in order to provide this financing. Root would like to partner with 3-4 SOGESTALS that can offer the following:

1. Completed Application forms for each coffee washing station for which financing is requested
2. Cash Statement for coffee season showing inputs and outputs
3. Robust washing station management team
4. Contracts (or evidence to support high likelihood of contracts) with buyer

Financing rates at Root are offered between 9.5-12%. Reputable buyers command lower rates.

Next Steps for Follow Up

BAP will continue to facilitate communications between Root and SOGESTALS in the preparation of necessary documents for those washing station with prospective direct trade buyers

3. Meeting with Sustainable Harvest (David Griswold, Stephen Vick and other company representatives)

Sustainable Harvest is a specialty coffee importer representing a number of volume roasters in the US. With its social enterprise model Sustainable Harvest invests in farmer development and operates a coffee improvement project in Kigoma, Tanzania. Sustainable Harvest is a BAP partner and in Year 3 will address project coffee quality and processing activities. Specifics about this involvement with BAP were discussed

and it was decided that Sustainable Harvest would send a team to Burundi in April during the beginning of the harvest to offer on-site remedial technical assistance and training. In August Coffee washing station managers will travel to Kigoma, Tanzania for short course training focusing on technical traceability management of specialty coffee production.

Regarding the potential of sourcing Burundi coffee David Griswold offered to begin estimation of coffee quality through the coffee washing station visits the company will be making in April. Sustainable Harvest looks for information, specifically stories behind the coffee, especially regarding Burundi as few people know about the origin.

Next Steps for Follow Up

BAP will facilitate expedition of samples to Stephen Vick in order for Sustain Harvest to begin process of building a Burundi coffee database

In organizing the next buyers tour to Burundi BAP will reach out to some of the large roaster customers of Sustainable Harvest (i.e.: Green Mountain, Allegro etc.)

4. Meeting with Atlantic Specialty Coffee (Andi Trindle)

Representing another specialty coffee importer Andi Trindle was eager to explore the possibility of sourcing Burundi specialty coffee for a growing number of interested roaster buyers. The company is very interested to expand its East Africa options and Andi needs information about Burundi coffee and the farmers who produce it, information about BAP and project activities and most importantly a cross section of 2010 specialty coffee samples for evaluation and subsequent transmittal to various Atlantic customers and prospective Burundi buyers. Andi will consider visiting Burundi in 2010, especially in the company of Atlantic roasters interested in sourcing Burundi coffee.

Nest Steps for Follow Up

BAP will supply Wendy with information about BAP coffee quality initiatives and developments in Burundi's specialty coffee sector. After meeting with Tony's Coffee, BAP will need to re-visit discussions with Andi about a Burundi coffee tour.

BAP will facilitate transmittal of a cross section of 2010 coffee samples to Atlantic Specialty Importers.

5. Meeting with Dunn Bros. Coffee (Scott Kee)

As an early buyer of Burundi specialty coffee Dunn Bros. reported their resounding market success with the sales of Bwayi coffee. With 90 stores operating under a franchised owner run business model Dunn is the 9th

largest coffeehouse chain in the US. Scott shared with the BAP team the company's plans for creating and supporting sustainable coffee relationships in Burundi. They include:

- Exploring opportunities to underwrite and install Penagos wet mill equipment in Burundi, including subsidizing Deloitte & Touche in their tracking system (of both quality and farmer price improvements)
- Supporting development of Grain Pro bags to assist with coffee quality issues in exporting from East Africa
- Organizing coffee tour of 16 Dunn franchisees scheduled to come to East Africa (Kenya, Burundi and Rwanda) in November 2010.

Next Steps for Follow Up

Scott is dealing directly with Alphonse Penagos and will facilitate discussion between company and BAP at EAFCA or SCAA,

BAP and Dunn Bros. to have further discussions regarding the November coffee tour in April at SCAA

6. Meeting with Peet's Coffee (Shirin Moayyad)

With almost 8% of US specialty coffee market Peet's looks to increase its sale of Burundi coffee. Timely delivery of 2009 Burundi coffee led to high quality ratings for coffee received and allowed Peet's to create a promotion campaign to highlight Burundi coffee. Shirin shared some of the written promotional materials with the BAP Team. She reiterated her interest in obtaining specific stories behind the coffee, especially with regard to women coffee farmers. The team explained recent sales of coffee washing stations in Kayanza and Ngozi to Webcor and Shirin expressed interest in knowing the specific washing stations sold and in meeting Hans de Heer.

Present at the meeting was Francois NKURUNZIZA and Marc Schonland of Dreyfus Commodities to address and answer export issues and questions.

Next Steps for Follow Up

BAP will supply Shirin with a list of CWS now owned by Webcor and will facilitate introduction of Shirin and Hans.

Working with Dreyfus Commodities BAP will assemble 2010 samples from various pilot CWS for timely transmittal to Peet's.

BAP will supply Peet's with information about quality premiums paid to farmers at pilot CWS and activities to address the disruptive fluctuations of Burundi coffee production.

The possibility exists that Shirin will visit a cross section of Burundi CWS during an upcoming 2010 visit to East Africa (Rwanda) and BAP will continue in efforts to coordinate a tour for Shirin and colleagues from Peets.

7. Meeting with Tony's Coffee (Wendy DeJong)

As Director of Coffee for Tony's, a large specialty coffee roaster based in Seattle, WA Wendy actively seeks sources of quality coffees directly from origin. Wendy is also the 2010-2011 Chairman of the SCAA Roasters Guild.

Wendy has interest in visiting Burundi to source coffee for Tony's and discussed plans to visit with Andi Trindle of Atlantic Specialty Coffee.

She also offered to entertain the possibility of including Burundi as an origin destination for a 2010 or 2011 East Africa Roaster Guild Tour. She explained some of the benefits of this arrangement, including the focus Burundi coffee would receive at the annual Roasters Guild Retreat in August 2010/2011 and as a potential beneficiary of a silent auction conducted during the retreat, returns of which are applied directly to community development projects in origin countries.

Next Steps for Follow Up

At SCAA the BAP team, together with other members of the Burundi coffee sector attending SCAA, will continue the dialogue about plans for a 2010 or 2011 Roaster Guild Tour to Burundi

BAP will work with Atlantic Specialty (Andi Trindle) to coordinate a 2010 coffee buyers tour with Tony's and other interested roaster customers of Atlantic.

8. Meeting with Atlas Coffee (Craig Holt and Chris Davidson)

A Seattle based importer representing a broad swath of coffee roasters Atlas has just acquired a major new customer and has the potential to purchase a substantial quantity of Burundi coffee. The most essential prerequisite at this time is samples. Atlas has not had any experience with Burundi coffee and needs to build a quality profile database of the coffee from a cross section of samples. The company makes frequent trips to coffee origins around the world and is interested to consider a visit to Burundi.

Next Steps for Follow Up

BAP is in a position to facilitate information between Atlas and Burundi exporters so that there is timely and regular delivery of coffee samples. BAP made clear their role in providing information regarding coffee washing stations, coffee producers and other needed stories behind the coffee.

Craig Holt was open to considering touring Burundi separately or as part of a coffee tour with other roasters.

9. Tranfair (Ben Schmerler)

Through discussions with Webcor BAP has learned that the company is taking steps to qualify some of their newly acquired coffee washing stations for fair trade certification. With an office in Kigali, Rwanda Tranfair has an agent in the region who can work with Webcor and BAP in a coordinated fashion to take steps necessary for expeditious certification. Conversation with Ben Schmerler at the EAFCA Conference precipitated his communication with Christine Condo of the Tranfair office in Rwanda for the purpose of making initial introductions to BAP.

Next Steps for Follow Up

Emile Kamwenubusa will communicate and work with Christine Condo to ready the documents needed to begin the application process for Fairtrade certification of selected BAP pilot washing stations.

BAP will arrange a follow up meeting with Ben at SCAA in April to assess progress and address any constraints.

9. SCAA Planning Meeting with BAP Team, InterCafe and Burundi Advertising Company

Responsibility for preparations of the Burundi exhibit booth at the annual SCAA Conference in Anaheim, CA is unclear. This is a critical time for discussions between ARFIC and InterCafe so that appropriate steps can be taken in a timely manner. Following the EAFCA Conference BAP identified various steps that needed to be addressed in order to be prepared for the upcoming (mid-April) SCAA conference in Anaheim, California. InterCafe announced its intention to discuss SCAA matters with ARFIC. Adrienne Sibomana, Director of InterCafe requested BAP's assistance in readying a coffee brochure to promote Burundi specialty coffee. He also asked BAP for other support in professionalizing the appearance and operation of the Burundi coffee exhibit booth. Under discussion are the following:

- A second promotional banner (3'x6') to be freestanding and placed in the aisle just outside the exhibit booth in the SCAA Conference Hall
- Flat screen TV/DVD strategically placed in the booth to continually show various DVD's illustrating the quality of Burundi specialty coffee
- A manageable coffee brewing system with insulated serving cups
- A 2 sided revised Burundi coffee map
-

To ready Burundi trade show participants for the event BAP will prepare informational hand-outs on the following topics:

- Principles of Trade Show Etiquette

- Preparation for Trade Shows
- What Is a Trade Fair and Why Participate?

In meeting with Frida UMURERWA of Burundi Advertising Agency a timeline for the preparation and printing of the coffee brochure was decided. Basic design of the brochure was determined, including weight of paper, # of pages and placement of photos and map.

Conclusion

Important market contacts were made at EAFCA and there are some exciting opportunities for Burundi to expand their direct trade relationships with coffee roasters and buyers in the coming year. The upcoming SCAA conference in Anaheim, CA presents an excellent opportunity to demonstrate and discuss quality advancements in the coffee sector and to follow up with selected roasters and importers about accepting BAP's invitation to join the June Buyers Tour or to visit Burundi in 2010.

InterCafe has already been active in conveying consistent information about the upcoming 2010 campaign. Members are assuring the marketplace about the timely delivery of inputs and pesticides, improvements in logistics and transport and a rise in coffee production to 31 T total, 20 T of fully washed.

BAP has reached out to Dreyfus Commodities to inform the exporter of interested Burundi specialty coffee buyers who did not receive samples of Burundi coffee in 2009. In addition Dreyfus will facilitate coffee sample transmittals for new prospective buyers identified at EAFCA.

The only sour note in Mombasa was the precipitated departure of the head of the Burundian Delegation, the DG ARFIC and his Technical Director as well as their exposition stand representative with their publicity materials, coffee, etc.. on Friday. After consultation with InterCafe and the President of the Reform Committee, BAP decided to re-open the booth on Saturday and staff it with our own personnel.

With the creation of InterCafe, there is a transferral of responsibility for marketing and promotion away from the GOB and ARFIC. The International Coffee community proved to be more interested in meeting the Burundian private sector actors than in conferring with the representatives of the State regulatory agency ARFIC. The articulation between ARFIC and InterCafe will require a lot of work and close collaboration in the near term, but the interest from the specialty coffee community in InterCafe also indicates that no time should be wasted before recruiting the personnel necessary to render InterCafe fully operational.

Inbound Specialty Buyers

In February BAP hosted a team of specialty coffee importers/buyers/roasters from Café Imports in Minneapolis and Counter Culture Coffee in North Carolina. Both these institutions have previously procured Burundian Coffee and wanted to ensure the washing stations they'd sourced from were still committed to

relationships with their companies. Counter Culture signed an intention to purchase the coffee from CPC and has expressed an interest in collaborating with BAP on piloting actions designed to reduce the presence of potato taste in Burundian coffees. Both Café Imports and Counter Culture stressed the importance of upgrading the infrastructure at SIVCA and in replacing/repairing the colorimetric sorter.

Coffee Communications

During this reporting period BAP continued its weekly radio program “*Akeza Karigura*” (Quality pays) on Radio Isanganiro. Eleven programs were produced and repeated at least once. A total of 71 people including 8 women participated in the different programs which covered the following topics:

Coffee Productivity

ARFIC and InterCafe

Payment of the UTZ certification premium to farmers at Kagombe CWS and the quality premiums at Bwayi and Kinyovu CWS

Point-Counterpoint between WebCor and CNAC

The Coffee Campaign 2010/2011- the perspective of ARFIC and InterCafe (a roundtable discussion)

Promotion of Burundian Coffee

Preparing the coffee campaign

Additionally a Panel Discussion was organized to discuss four different themes: preparation of washing stations for the coffee campaign, strategies developed by ARFIC and InterCafe to assure the quality of Burundian Coffee, Cherry purchase and payment schemes, and the financing of the coffee campaign.

Other Coffee Sector Activities during Q2

1. Participation in meetings and workshops related to the coffee sector
 - a. Minagrie working group on coffee
 - b. Participation at the working group for development of a new Project on Agricultural Production and Markets
 - c. Participation at a workshop on environmental strategies for CWS
 - d. Meetings with UTZ/Solidaridad, concerning an increased visibility certification program for Burundi
2. Participation at a strategy session meeting between WebCor and CNAC
3. Participation at the Inauguration of a new mini-CWS in Rutegama

Key Activities Planned for Q3

- Monitoring implementation of technological improvements at pilot washing stations
- Completion of Effluent Control Systems at Pilot Washing Stations
- Initiate Certification and Productivity Enhancement Activities
- Monitor application of new technology for composting with lead farmers
- Participation at SCAA
- Coffee Buyer's Tour
- ACE Training of Burundian cuppers

Dairy Value Chain

Introduction

Activities in Dairy during the second quarter of PY 3 focused on the preparation and facilitation of a training session for hillside level farmer leaders as livestock extension/community veterinary care agents and the acquisition, and dissemination of improved forages for multiplication in the zones contiguous to the anticipated sites of the milk collection centers.

Improved Forage Production

The objective of this activity is increase diffusion of improved fodder species currently being developed by ISABU on station, but that are little known to farmers and little tested under on-farm conditions in Burundi. BAP foresees that in the future, replication of proven high quality forage seed for sale by farmers to neighbours in proximity can contribute to: a) improved milk production; b) diversification of rural income streams; c) accelerated diffusion of available research to farmers.

For the purposes of this exercise, larger farmers were chosen in five communes (Bukeye, Mugamba, Muramvya and Rutegama), as having the available land area necessary for the production and replication of the sourced forage seed. These farmers have accepted to allow their fields to be used for training and demonstration purposes. The following table details the seed which was purchased and disseminated to lead farmers.

Espèce	Variété	Quantité	Coût en FBU
Pennissetum Purpureum	Bana grass	1000	10.000
	Cameroon	1000	10.000
	Keyberg	250	2.500
	Mott	250	2.500
Stylosanthes guianensis	CIAT 136	5 kg	75.000
Desmodium intortum		5 kg	75.000
Avena sativa		20 kg	300.000
Panicum maximum	T 58	5 kg	75.000
Lablab purpureus		10 kg	15.000
Hordeum arvense	904	100 kg	PM
	923	100 kg	PM

In addition to what has been sourced from ISABU, the dairy farm at Bukéyé is also test producing alfalfa, Sudanese sorghum, lablab and *stylosanthese*.

Training of Dairy Sector Lead Farmers by ADC

Two ADC offered training sessions to dairy farmers in their provinces. Two themes were developed. One related to the organization and institutional development of producer associations and the other, a technical theme, was destined to motivate farmers to plant forage crops for their large ruminants in the hope of increasing overall productivity. A total of 97 participants attended of whom 25 (26%) were women. Average participation was 19.4 pp/s. Going forward we expect the ADC to intensify their assistance in this value chain.

Thèmes	Muramvya				Ngozi				TOTAL			
	M	W	T	#S	M	W	T	#S	M	W	T	#s
Forage Crops and Intensive Livestock Production	52	17	69	2					52	17	69	2
Producer Association Organization	14	7	21	2	6	1	7	1	20	8	28	3
Total	66	24	90	4	6	1	7	1	72	25	97	5

Training of Lead Farmer/Community Livestock Extension workers

Twenty lead farmers chosen by their respective communities, including 5 women from three communes (Rutegama- 10, including 3 women, Ryarusera-5 and Bukeye-5, including 2 women) and one communal veterinary agent from Bukeye participated in an 10 day training session co-facilitated in Gitega by BAP's Dairy VC Manager and a private veterinarian Dr. Lucien Karikurubu. The objectives of this training were to enable participants to:

1. Make a diagnosis of ailments common to dairy cattle and treat these conditions
2. Elements to include in a report to communal veterinary agents
3. Define, organize/coordinate preventive measures to improve animal health, to cure common ailments and to train others in improved livestock management
4. Facilitate training sessions in improved stabling and nutrition for dairy cattle, the use of balanced feed rations and integration of forage crops into traditional farming systems to improve overall productivity
5. Train others in improved herd hygiene, milking hygiene and improved milk storage techniques
6. Assist in birthing
7. Understand the importance of taking protective measures to preserve both animal and human health

Principle themes which were developed include:

- Morphology and physiology of dairy cattle

- Animal husbandry under permanent stabling
- Nutrition of dairy cattle
- Raising calves
- Personal Hygiene and Environmental Protection
- Operation of a community solidarity chain to improve breed
- Role of Community Livestock workers
- Dominant health issues of dairy cattle, their prevention and treatment
- Basic veterinary care of animals
- Dehorning of dairy cattle
- Hoof care for cattle under permanent stabling
- Development of an integrated farming system containing animals, forage, crops and agro-forestry techniques

At the end of the training which included both class work and practical field experiences, each community livestock agent received a kit with basic veterinary and hygiene supplies as well as protective garments.

For this training a number of technical documents were developed in Kirundi and distributed to the participants to assist them once they were back on their hillsides. These brochures included:

- Training of veterinary assistants
- Hygiene and proper storage of milk
- Raising dairy cattle under permanent stabling
- Production and use of multipurpose forages to improve animal nutrition and productivity

We note that participants have proven to be highly motivated for this type of operational training .BAP collaborated with the “*Messenger Agricole* “ to provide both written and audio-visual press coverage of the training.

Evolution of the Milk Collection Centers

Bukeye

The decision has been made to convert a portion of the existing warehouse infrastructure into a collection center. Work on this center should commence during the 3rd quarter of this year.

Rutegama

Negotiations are underway between IAB(a dairy processor) and the cooperative to develop a cost sharing arrangement for construction of this MCC

Mugamba (Bururi)

The promoter of this project is developing an integrated plan to include both improved collection and local processing of milk in Mugamba. The project document is almost completed, currently under review and we anticipate its submission to financial institutions during Q3.

Evolution of Dairy Processing

IAB

This dairy has begun industrial operations. After negotiating a supply contract with the livestock cooperative in Rutegama to source milk at 500 FBU/liter, IAB has been confronted by competition from the traditional suppliers who also raised their prices to farmers by 50 FBU and are now willing to pay for milk in advance of its production. IAB needs to review its strategy so that it can offer terms and conditions which motivate the small farmers to respect the agreements they have signed rather than side selling their milk. Once the MCC is operational and can purchase, receive and store the afternoon milk production, this situation may alleviate itself.

Nyabisabo

The first dossier submitted by Nyabisabo to Interbank to cover installation and operation of a UHT line was rejected following a delay of over two months. BAP, has assisted the promoter of this project in sourcing comparative equipment at bargain prices and in rationalizing his overall cost projections and cash flow needs. The revised dossier totalling 120 million FU (appx \$100,000) was re-submitted and accepted by Interbank for coverage under the DCA.

Central Dairy of Bujumbura

Renovation of this infrastructure continues. No production has yet started.

Milk-Chel

Financing Milk Chel's infrastructure and operations expenditures through the PTA bank has proven problematic for the founder, she is now preparing a financial dossier for submission to Interbank.

Principle Activities Planned for Q3

- Monitor the evolution of forage trials
- Monitor performance of farmer leader/community veterinary agents
- Prepare two study tours for farmer leaders to Byumba and the ISABU research Stations
- Construction of MCC in Bukéyé and Rutegama
- Exchange visit with dairy producers/processors to participate in ESADA in Kigali, followed by field visits with producers, producer coops and Rwandan dairies
- Negotiation of “outgrower” supply contracts between dairy farmers in Bukéyé and the MCC of Bukéyé.
- Provide technical assistance to 2 artisanal cheese making operations

Horticulture Value Chain

Introduction

This section summarizes the activities carried out during the second quarter of Year 3 on supply-side, demand-side and cross-cutting training activities according to this year's work plan for Horticulture.

On supply-side activities, this quarter was characterized by greater emphasis on farmer organizations addressing technical challenges and field-based training. Under supply-side activities, follow-up to specific farmer organization work plans was carried out and built into grant requests proposals while programs under way with larger private companies continues.

Field visits to farmer associations already using BAP support has led to the identification of other training needs that will be addressed in the next quarter. Particularly, further training on improved seedling production techniques to increase germination rates and avoid losses due to heavy rainfall has started with some associations.

Concerning demand-side support activities, a first approach to the retail, hotel and restaurant industry was organized with good results which heralds further interaction with the sector. The president of the organized hotel sector in Bujumbura was present at the event. A partnership between BAP and the *Conseil National des Hoteleries* will be discussed to include training activities to their food handlers. The importance of this relationship is the connection with buyers that understand the importance of food safety and higher quality. Farmer associations producing under these standards will be then linked to these businesses to expand their sales.

Several activities on training and capacity building were also carried out jointly with ADCs. The training packages conceived for Good Agricultural Practices, Good Manufacturing Practices and Integrated Pest Management have been expanded into small irrigation practices, good soil conservation practices and trellising techniques for several horticultural crops. Some ADCs have begun to use these materials with the farmers in their regions and further training activities will be organized. Training on fruit and vegetable drying using solar power has started with ADCs and further training envisioned as we have built the first solar dryer prototype with local materials. Increasing our list of training available in Kirundi and French has been our goals this quarter and as a result all our training packages are available in either language.

Below we detail each of the major activities performed, some preliminary results as well as the expected impact and follow up. Most of these activities are on-going and will be monitored against the approved work plan.

Update on specific company work plans

FRUITO: The purchase of passion fruit seeds of yellow variety from Madagascar was done successfully and the seedling beds have been established. The horticulture team visited the seedling location and

confirmed the planting and management of the rootstock. About 10,900 seeds were planted and will be used as the foundation for the grafting of the local purple variety. The purple variety is the fruit of choice by FRUITO given its aroma, taste and sugar level, three important characteristics in the fruit juice line. Once grafted and in good health, the new plants are programmed to be distributed among farmer associations and individual growers through memoranda of understanding and BAP and FRUITO's follow up. The investment committed for this project is \$6525.00 for seeds, wire and tutoring pipes, and 200m2 of healthy grafting material.



ATB: Solanaceas and cucurbitaceas production

Seedlings of different varieties have been ordered from the company African Forest in Kenya. Delivery of the first portion of 1536 seedlings of Valoria tomatoes, 1664 seedlings of Nemo netta tomatoes, 768 seedlings of cucumber, 169 seedlings of eggplants and 47 seedlings of pepper was scheduled since early March, but, the supplying company has suffered several setbacks. BAP has advised to consider not sourcing from the supplier given its lack of success in delivering the order.

DME: The apple bananas project is under review and the seedling preparation is in its beginning stages.

Analysis of grant requests for farmer associations

Two associations' projects were approved. The first one was to ACEPE, a group of 5 men and 10 women located in the province of Bubanza. Four hectares will be planted with tomatoes, peppers, eggplants, onions, amaranths and cabbages for the local market. The granted amount is \$8122.00. Follow up training on seedling production, trellising and good agricultural practices is in place. This amount has been used for tools, pumping engine, soil preparation, manure, seeds, trellising material.

The second association is DUFATANEMUNDA. Tomatoes, peppers and cabbage will be planted for several cycles on 2 hectares. The granted amount has been \$8399.00. JB: This amount has been used for tools, pumping engine, soil preparation, manure, seeds, trellising material.

Two more grant proposals are being evaluated. These are for the associations of ALUCOVIS and DUFASHANYE) in CIBITOKÉ province. The grants are anticipated to be used for tools, pedal pumps for

irrigation, soil preparation, manure, seeds, trellising material. Nineteen more grant requests are under development by horticulture associations (see Annex 1). Check lists of information needed to complete these 19 dossiers have been developed and submitted to the ADC.

Follow up to work plans submitted by farmer associations

Several follow on activities are being implemented concerning the use of agricultural inputs and tools. Training on improved nursery practices, trellising practices and good agricultural practices is being provided to ACEPE and DUFATANEMUNDA associations. It was also confirmed that the manufacturing of the wooden box developed by BAP for improved post harvest transportation of vegetables is under way.

Different production manuals in French and Kirundi have been distributed to farmer associations and follow up training on technical and financial reporting has been carried out with the participation of ADCs.

- **Assistance to the group of “Confiturerie de Bugarama”**

A training session on good agricultural and manufacturing practices was facilitated for the members of Confiturerie de Bugarama by Mr. Luis Flores and the ADC of the Muramvya Province. This is an association composed of 24 men and 8 women dedicated to the production of fruit jam. The training included a review of product packaging alternatives for different market segments. The training also allowed the horticulture team to validate the practicability of the training material developed, which was well received by the trainees. The project will follow up with the association to improve their facilities, support their marketing efforts and complete the building of a sales shop on their property next to the road.

- **Expanding small farmer linkages with national and regional buyers**

A first approach to urban end-buyers of horticultural products was initiated this quarter. A business dinner with 12 hotel, restaurant and supermarket representatives was held on March 30th. The list of attendees included

- ▶ Alimentation Au Bon Prix
- ▶ Supermarché Mutoyi
- ▶ Alimentation FIDODIDO et Le CADDIE
- ▶ King’s Conference Center
- ▶ Village Hotel
- ▶ Hôtel Source du Nil
- ▶ Kiriri Résidence
- ▶ Sun Safari Club
- ▶ Restaurant Le Flamboyant
- ▶ Restauranr « Ku Kayange »

- ▶ Safari Gate Hotel
- ▶ Restaurant Botanica

Prior to the dinner, a training session on world horticultural markets, consumer expectations for quality and the implications this has for the Burundian Market was facilitated by Dr. Flores of Michigan State University. This training session was highly welcomed by attendees who agreed that their business are missing this information and training, particularly to the food handlers, most of whom only speak Kirundi. In order to make this knowledge available to them and land on more concrete follow up actions, the following recommendations were made by the attendees.

1. BAP should organize training sessions targeted by individual sub groups (supermarkets, hotels and restaurants)
2. BAP should provide a version of the training in Kirundi concerning good manufacturing practices. These materials can stay with each company's management so that they can train their personnel on a consistent basis. Their personnel is characterized by a high turnover and having these training guides in-house would be valuable.
3. BAP should link these businesses to the most competitive producer groups in a way that they can recommend their wholesalers to work with them. This can lead to more personalized relationships between the end users and the suppliers.
4. BAP should provide the same training to wholesalers particularly targeting transportation of fruits and vegetables. The current conditions in which horticultural products are delivered is unacceptable, but they do not have other options.
5. A trip to the field to visit best practices applied by some organizations should be organized as soon as there are some groups are in harvest and following these practices. This can be done in one afternoon with the major hotel, restaurant and supermarket owners in order to confirm the differences with the current supply system. This can be organized as a marketing tour for the farmer organizations.
6. Establish a partnership with the *Conseil National des Hoteleries* to formalize the development of training activities with the expanded hotel sector.

A parallel activity to this meeting has been the development of an inventory of the horticulture buying capacity, installed cold room capacity and total area dedicated to fresh fruits and vegetables is undergoing and a policy brief was conducted. Important insights as far as the size of the high-end Bujumbura market for fruits and vegetables will be obtained with this information.

Training material for Good Manufacturing and Hygiene Practices for hotels and restaurants has been developed and translated to French and Kirundi.

- **Follow up to training activities on small scale irrigation practices through BAP ADCs**

Three irrigation pilot activities are being pre-designed (pedal pump, sprinkling and drip irrigation with water from lakes or wells). The localities for the installation of these pilots were visited and measurements taken. These models will be installed in Kirundo, Bubanza and Bujumbura Rural, three areas where irrigation will play a major role in the increased production of fruits and vegetables year-round. The pilots will be used as demonstration sites for other farmers who may adopt irrigation for their production of fruits and vegetables. BAP will be partnering with two local companies Aquasan and Techsol, to provide the technical follow up and source the materials on a consistent basis from Kenya and Uganda. These partnerships are necessary to make sure the technical support remains after the project. The description of the models is as follows:

Kirundo: Association TWITEZIMBERE, a group of 10 men and 11 women working along the Cohoha Lake. A sprinkler irrigation system will be installed on half a hectare for training purposes.

Bubanza: DUFATANEMUNDA, an association of 22 women who will use a perma-well and a pump. Drip irrigation and sprinkler irrigation systems will be installed on half a hectare for training purposes.

Bujumbura Rural: TWITEZIMBERE: A perma-well in Bujumbura rural will be installed with drip and sprinkler irrigation to be used for training purposes.

- **Training kit for best trellising practices for several products**

A presentation to ADCs on trellising techniques was accomplished. Trellising training materials have been developed and translated to Kirundi and practical field demonstrations were done in ACEPE, Bubanza. The trellising techniques shown need that a standardized planting system be adopted so that the use of tutors can be minimized in number and maximized in use. Trellising will permit farmers to increase yields through better plant aeration, better use of space and improved development of cultural practices. The written material in Kirundi has been well accepted by ADCs and there is increasing interest in continuing field practices in every region.

- **Seedling production**

The need to establish three seedling production mini stations was identified to show different techniques that increase germination rate, minimize losses due to heavy rain, increase seedling robustness and health and shorten seedling growing period. The three locations chosen are

TWITEZIMBERE, Kirundo: 1350m above sea level (asl), currently working under dry conditions and low relative humidity. DUKURAMABOKO MU MPUZU in the Muramvya province, located at 2000m asl. Muramvya has more humid conditions and thus cannot use seedlings developed in less humid climates. Another production unit will be located in ALUCOVIS, Cibitoke, at 900m asl for warm-weather, tropical, crops.

- **Training on solar dehydration for fruits and vegetables**

A mid-size prototype for food dehydration has been developed. Calibration is on-going and some modifications will be necessary to accelerate the drying time. A presentation to ADCs on solar dehydration for fruits and vegetables was made. One suggestion that came out of the training is to have a small models built for training in Kirundo, an area where these technology can help associations dehydrate surplus production and keep it for consumption at a later date. Solar dehydration training materials have been developed and translated to Kirundi.



- **Development of a soil conservation practices training kit**

A presentation to ADCs on soil conservation practices was done with a brief field practice. Soil conservation training materials have been developed and translated to Kirundi and will be distributed to ADCs to use with their farmer associations.

- **Partnership between EUCORD and BAP**

The MOU, the work plan and the budget of the white sorghum project were developed by BAP and Eucord. The project intends to increase white sorghum production in the provinces of Bubanza and Cibitoke through

farmer organizations. The target market is BRARUDI. Eucord will be responsible for technical issues, while BAP will provide to farmer organizations capacity building on institutional and organizational levels. Both sides have agreed to the terms and conditions of the initiative and the MOU has been signed.

Training of Lead Farmers by ADC in Horticulture

ADC in nine provinces facilitated training sessions during this reporting period for lead farmers of partner horticultural associations. A total of 852 leaders of whom 457 (52%) were women participated in these trainings. Four themes were developed in 56 sessions. Average participation was 15.6 person's per training session. The most training sessions (41) and highest average participation (16.9/pp/s) occurred for the themes Producer Associations. The least subscribed theme was Food Processing with only 1 session and nine participants. ADC in the provinces of Bubanza and Bujumbura Rural offered three of the four themes to their partners during this reporting period, while ADC in Gitega and Muramvya offered two themes. Agents in the other provinces focused primarily on the institutional development of horticultural associations. The table on the following page gives more detail on participation.

	Bubanza				Buj Rural				Cibatoke				Gitega				Kayanza				Kirundo				Muramvya				Mwaro				Ngozi				Total							
	M	W	T	S	M	W	T	S	M	W	T	S	M	W	T	S	M	W	T	S	M	W	T	S	M	W	T	S	M	W	T	S	M	W	T	S	M	W	T	S				
Good Agronomic Practices	3	19	22	2																					26	14	40	3													29	33	62	5
Producer Organizations	0	43	43	2	0	3	3	1	4	1	5	2	10	18	28	5	77	43	120	6	38	21	59	3	93	93	186	6	168	174	346	21	31	13	44	2	354	340	694	41				
Food Processing													3	6	9	1																									3	6	9	1
Use of the Cajot for transporting produce	1	55	56	3	28	23	51	6																																	29	78	107	9
Total	4	117	121	7	28	26	54	7	4	1	5	2	13	24	37	6	77	43	120	6	38	21	59	3	119	107	226	9	168	174	346	21	31	13	44	2	415	457	872	56				

Planned activities for quarter 3, FY 10 Work plan

▶ Introduction of small-scale irrigation practices.

- ✓ The SOW for STTA irrigation expert will be developed specifically to budget out, install and train farmers on the use of irrigation, pumps and other equipment
- ✓ Final design and installation of three irrigation models in Bubanza, Bujumbura Rural and Kirundo is scheduled for May or early June before the dry season begins.

▶ Improving yields through easy-to-apply cultural practices.

- ✓ Further training to farmer associations training on planting density and trellising will be coordinated through ADCs. To this effect, two planting densities for tomatoes will be tested against normal planting techniques in four associations (ACEPE, Bubanza; DUFATANEMUNDA, Bubanza; ALUCOVIS, Cibitoke; TWITEZIMBERE, Bujumbura Rural; TWITEZIMBERE, Kirundo).
- ✓ Farmer associations training on good harvesting practices will be carried out with the participation of ADCs.

▶ Solar dehydration for fruits and vegetables

- ✓ Calibration of solar dehydrator in April and May will take place.
- ✓ Farmer associations training on solar dehydration will follow up in the driest provinces of the country (Bujumbura Rural, Cibitoke, Kirundi, Bubanza).

▶ Seedling production

- ✓ Three seedling production mini stations will be established in Bubanza, Cibitoke and Muramvya. We are branding this activity as “Bon Debut” where we will show farmers how to maximize the use of their seeds (increasing germination, shortening growing time, reducing losses) through practical seedling techniques using plugs and trays. Imported material will be used for training purposes and substitutes with local materials will be assessed. Follow up training to show these practice to ADCs, DPAEs and other farmer associations will be developed.

- ✓ We will work with several input suppliers to show them these techniques and make seedling production kits available for individuals and grower associations to purchase them.

▶ **Facilitation of specific inputs and training**

FRUITO: An inventory of farmer associations that will grow passion fruit seedlings in partnership with FRUITO. Their GPS coordinates, area committed to planting and training (encadrement) program will be developed in a team effort with FRUITO and the DPAE assigned to this project. The grafting of passion fruit plants is scheduled for June and the planting is scheduled for October this year.

Leaders of producer associations from Matongo will be visiting this location at grafting time (June) for training purposes.

ATB: Follow up to the seedlings delivery issue is planned.

DME: Follow up to the project study on banana seedlings is scheduled for this coming quarter.

FERGA: We are currently looking for berry seedling sources in the US since the Kenya provider identified has failed to deliver the offered root stock.

▶ **Expanding small farmer linkages with national and regional buyers**

An inventory of the horticulture buying capacity, installed cold room capacity and total area dedicated to fresh fruits and vegetables will be done in Kigali, Rwanda according to the workplan. The inventory in Bujumbura is under way. The data was collected and is pending tabulation and analysis. A short report will be developed for BAP and shared with USAID on the findings. This is the first time such analysis is attempted in Burundi and we expect to monitor it every year.

▶ **Adapting products to markets through customized Business Development Services**

- ✓ Confiturerie de Bugarama, Bugarama: will be assisted on new packaging techniques and utilization of other fruits and vegetables.
- ✓ TRANSJUMA AKARENZO, Matongo: Will be assisted on developing processed products with passion fruit, their major production item.

▶ **Farmer associations training on GAP, SCP**

We will concentrate on targeting farmer organizations that use this material to adopt better practices

▶ **Wooden boxes “Cajos” extension for fruit and vegetable transport**

Tomato box presentations at local markets, Bujumbura central market, intermediaries, supermarkets and farmer associations will be carried out by the Horticulture intern working with BAP. Adopting this box as a general transportation standard size is a goal that will be attained through the presentation of its benefits to its users. The cost represents a barrier to adoption, but it can be brought down if local scrap wood materials are used.

▶ **Relocation of Muramvya vegetables market**

The owner of the land where the market would be relocated will be contacted to negotiate a trial period of one year. If he accepts, we will proceed to organize the farmer organization to paint and install billboards, simple shelf infrastructure, access to water, a latrine and hand washing facilities at the lowest cost possible during the trial period. Improvements will be base as long as the new market location is working. The ADC assigned to this province will be instrumental in carrying out this project.

Cross Cutting Activities

Women's Leadership, Micro-Enterprise Development, and Assistance to Producer Associations

Introduction

Activities during this reporting period were highlighted by the validation of women's associations in the western zone of the program: Cibatoké, Bubanza and Bujumbura Rural; the preparation of training sessions for women leaders in literacy, beekeeping, and English; monitoring of capacity reinforcement and reporting by the ADC; and reviewing/analyzing and offering technical assistance to individuals and groups requesting matching grant financing through BAP.

Details of Activities undertaken during Q2

- 1) The validation of women's associations anticipated to be assisted in PY 3 was accomplished using a mixture of field visits and completing questionnaires. Analysis of the visits and questionnaires revealed that one reason prior capacity reinforcement of these associations was not sustainable was due, in large part, to illiteracy on the part of the leaders. This led to leaders being trained but who were unable to replicate the training to their members.
- 2) ADC in six provinces offered capacity reinforcement to women's associations. The principle theme developed was organization and functioning of women's associations. In Bubanza and Bujumbura Rural Sessions were held for functional literacy. The table below gives details on participation by province. Average overall participation per training session was 18. Participation in literacy sessions was lower at 10.3 pp/s.

		Reinforcement of Producer Associations	Literacy	Total
Bubanza	Men	5	0	5
	Women	53	9	62
	Total	58	9	67
	Sessions	3	1	3
Buj Rural	Men		3	3
	Women		43	43
	Total		46	46
	Sessions		4	4

		Reinforcement of Producer Associations	Literacy	Total
Cibatoke	Men	6		6
	Women	20		20
	Total	26		26
	Sessions	3		3
Gitega	Men	48		48
	Women	69		69
	Total	117		117
	Sessions	12		12
Kayanza	Men	81		81
	Women	338		338
	Total	419		419
	Sessions	15		15
Mwaro	Men	3		3
	Women	97		97
	Total	100		100
	Sessions	7		7
TOTAL	Men	143	3	146
	Women	577	52	753
	Total	720	55	921
	Sessions	40	5	45

- 3) Twenty candidates from AFAB and Team Travel Agency have begun or continued coursework in English. Eight additional candidates from CAPAD will continue lessons, starting in May. Our objective is that at least 30 women leaders attain a minimum intermediate level in English, as this is the level that should allow them to function commercially in the East African Community.
- 4) Twenty two beekeeping associations have been identified in Mwaro Province. BAP anticipates training 110 leaders (5 per association) in advanced beekeeping techniques starting in May 2010. At the end of the training each association will receive a kit with equipment designed to improve the productivity of their member's beekeeping operations. The associations currently have a total of 584 hives, of which 200 are modern Kenyan Top Bar Hives. Actual Production averages 6 kg of honey/year for the traditional hives. The modern KTBH hives can produce between 20 and 60 kg of honey/yr. Also the KTBH preserve the honeybee population during harvesting so they can repopulate the hive, while the traditional hives are destroyed during the collection process. Many of the modern hives are empty. These hives were received as a grant from PRASAB, but no training was offered with the hives, and the members have yet to learn how they may transfer populations from traditional hives to the modern ones; or, barring this,

place the hives so that they will likely be populated by wild honeybees. In addition to beekeeping, the members of these associations produce cabbage, eggplant, amaranth, tomatoes, Japanese prunes, oranges, guavas and pineapple, as well as having small ruminants.

- 5) BAP, together with the National Literacy Service, is preparing a trainer of trainer's workshop for women members of associations in Bubanza, Cibatoké and Bujumbura Rural. These sessions should last five days and prepare women identified by their associations, to facilitate training sessions for, at a minimum, the members of their association's executive committees, with perhaps wider, secondary impact to other members, volunteering as participants. The training of trainers will be completed during April 2010, the individual literacy sessions are anticipated to commence in May.
- 6) Four grant dossiers, two for women's association and two for mixed sex associations are under development with assistance from the ADC, the Gender Specialist and her intern. By the end of the reporting period two dossiers, Dafatane Munda 1 and ACEPE, women's associations with respectively 22 and 10 members from Bubanza Province had received grants totaling 23.248.000 FBU (appx \$19,147 USD) representing 61% of the total cost of their proposed horticultural projects. Both projects involve irrigated production of vegetables on at least 2 Ha. Of land. ACEPE will plant tomatoes, eggplant, onions, green pepper, amaranthe and cabbage while Dafatane Munde 1 will cultivate only tomatoes, green peppers and cabbage.
- 7) The woman's association Bizoza of Bukirasazi in Gitega Province received assistance from BAP to assist in training six members, four women and two men, of their association in sewing in order to enable the association to take full advantage of three machines received as grants from IFAD. IFAD also provided the association with a two room atelier, however the promised cassava hammer mill never materialized. The training is expected to last six months at a rhythm of two seven hour training sessions per week (Tuesdays and Fridays) and will be monitored for quality control by the ADC of Gitega. At the end of this period it is expected the women will have sufficient capacity to design, sew and sell clothing on the local market. The association has 25 members of whom 22 are women. The association accepts to contribute the material, tape measures, needles, thread, notebooks and pens, while BAP will pay for the services of their sewing resource person (trainer).
- 8) Two enterprises, Christa Flore and Ishurwe Ikirinzi received partial sponsorship in the amount of 6.772.800 FBU (appx. \$5,440) representing 75% of their total anticipated costs to attend HORTEC 2010 in Nairobi Kenya. The participants manned a booth in the exposition hall. Because of their participation at HORTEC 2010, two potential investors will travel to Burundi in late April to explore partnership relationships with these two enterprises.

- 9) PAIR facilitated the organization of a workshop for women actors in the coffee sector who were interested in starting a Burundi Chapter of the International Women's Coffee Alliance. At the end of the workshop which was attended by 32 participants, a committee was constituted to prepare the paperwork necessary for the legal recognition of the alliance (anticipated to occur in August 2010).

Assistance to Producer Associations

During this reporting period ADC facilitated a total of 185 training sessions for members of Farmer's associations in the project zone. A total of 4035 farmers participated, an average of 21.8 pp/session of whom 1430 (35.4%) were women. Themes developed included creation of associations, role of leaders, project development and the management of the associations.

Seances de renforcement des capacites des OP (janvier-mars 2010)

chaîne de valeur café																				
SDL	Organisation des associations				Role des leaders				Elaboration des projets et plan d'affaires				Gestion des associations				Total			
	H	F	T	#S	H	F	T	#S	H	F	T	#S	H	F	T	#S	H	F	T	#S
COPROTA	190	18	208	4													190	18	208	4
Bwayi	14	4	18	1									116	20	136	3	130	24	154	4
Ngogomo	16	1	17	1					17	3	20	3	74	9	83	1	107	13	120	5
Rwintare	15	0	15	1	23	3	26	2									38	3	41	3
Gitwa					63	11	74	2									63	11	74	2
Ruhama	22	3	25	1					24	12	36	6	20	2	22	1	66	17	83	7
Kinyovu	62	10	72	1					80	28	108	3	41	8	49	2	183	46	229	6
CPC Buziragu	149	15	164	3													149	15	164	3
Buhimba									32	17	49	1					32	17	49	1
Kinyangurube									29	15	44	2					29	15	44	2
Teka									58	14	72	5					58	14	72	5
Rutanga					26	7	33	2									26	7	33	2
Mahonda									19	3	22	1					19	3	22	1
Butehana									15	1	16	3					15	1	16	3
Karehe	250	44	284	3													250	44	284	3
Murwi	38	17	55	2													38	17	55	2
Mugina	22	13	35	2													22	13	35	2
Rugerero									19	5	24	2					19	5	24	2
Murago									12	3	15	1	20	9	29	1	32	12	44	2
Murambi									24	4	28	4					24	4	28	4
Rugabo	63	10	73	2					22	3	25	2	30	5	35	1	115	18	133	5
Gatukuza									79	53	132	14					79	53	132	14
Gasura									110	34	144	3					110	34	144	3
Musema									14	3	17	2					14	3	17	2
Kiryama									60	11	71	3	79	12	91	2	139	23	162	5
Ruhororo	74	6	80	2													74	6	80	2
Total1	327	135	396	9	112	21	133	6	558	209	754	49	380	65	445	11	2021	436	2457	94
chaîne de valeur horticulture																				
	421	409	830	48													421	409	830	48
chaîne de valeur lait																				
	20	8	28	3													20	8	28	3
Genre																				
	143	577	720	40													143	577	720	40
Total gen.																	2605	1430	4035	185

Priorities for Q3

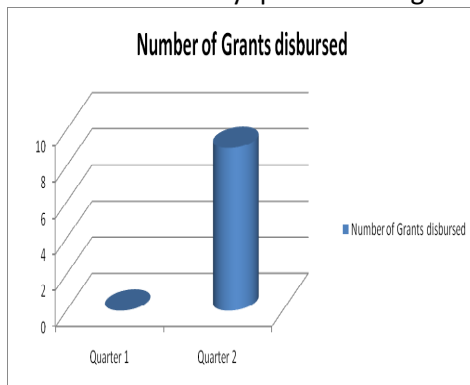
- Reinforce the capacity of women leaders of 44 associations in financial management, entrepreneurship and mobilization of resources
- Literacy training will occur in Cibatoké, Bubanza and Bujumbura Rural Provinces
- Training in improved beekeeping will occur in Mwaro Province
- Continue negotiations with micro-finance institutions to incite them to lend to women's associations partnering with BAP

Grants and Financial Intermediation

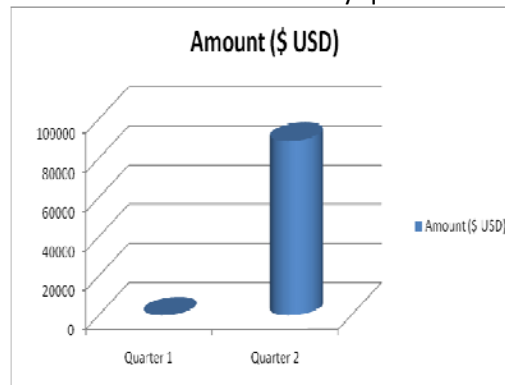
Introduction

During this reporting period the number of grant dossiers reviewed increased, as did the dollar value of grants that were approved. See graphs below.

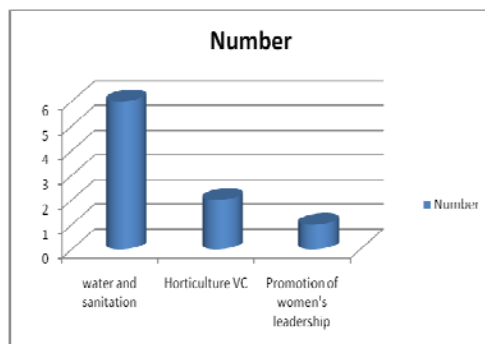
Grants disbursed by quarter during PY 3



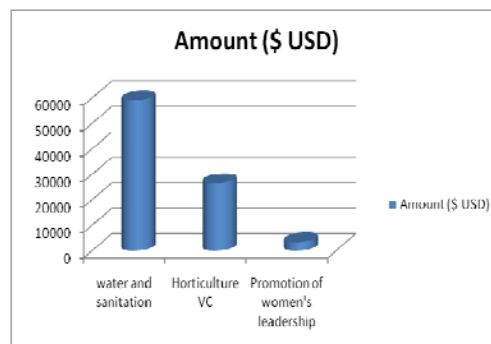
Value of Grants Disbursed by quarter during PY 3



of grants disbursed by sector during Q2 PY 3



\$ value of grants disbursed by sector during Q2 PY 3



Too, after a slow start, one dossier was approved by IBB for credit under the DCA in the amount of 120.000.000 FBU (appx \$100,000) to the Nyabisabo Dairy to purchase equipment for installation of a UHT line in Bujumbura. Additionally the program assisted in developing three other dossiers, two of which totaling 15.000.000 FBU are now being analyzed by IBB- all from the coffee sector and all concerning either the installation or operations of mini-washing stations in Kayanza province. The final dossier in the amount of 36.368.495 FBU for construction of a mini-washing station in Kayanza province is still in the hands of its promoter. Further, two coffee sector dossiers totaling \$600,000 USD were

submitted to Root Capital for review and analysis from the SOGESTAL Kayanza and a third dossier in the amount of \$805,000 USD remains under development in the SOGESTAL Kirundo-Muyinga. Supplemental to this IBB has accepted to finance lines of credit for the three privately built washing stations in Ngozi SOGESTAL, as well as financing operations of the producer built and managed washing station at Rohororo, "Ubwiza Bw'lkawa" .

Details on Activities

1) Grant agreements related to Coffee Washing Station Effluent Remediation and Hygiene

Six of nine grant agreements in this domain were signed during this reporting period. BAP's contributions equaled 48.4% of the anticipated total budget of the activity. The CWS are either in Kayanza or Ngozi provinces. None of these CWS are State Owned as ARFIC declined the opportunity to participate in this activity, citing budgetary shortfalls, particularly in the area of its infrastructure (and property) management funds. We thus have tabled plans for Bwayi and Ngogomo washing stations (original pilots) and shifted our resources to active partnerships with the private sector. This is a lost opportunity for the State, given that these two washing stations have elicited specialty buyer interest in the past, but may lose their appeal going forward if environmental remediation is not enacted in the near future. Three other washing stations, owned by WEBCOR, are developing grant requests. These are anticipated to be finalized during Q3. These infrastructure grants include bloc latrines, solid separation, wastewater decantation and treatment facilities at each washing station. BAP will finance hygiene and sanitation training sessions separately.

Partner	Washing Station	Contributions by Partner			Grant Signature Date
		Total en FBU	Partner	PAIR	
Coop Ubwiza bw'lkawa	Rohororo	26.504.157	14.707.761 (55,5%)	11.796.396 (44,5%)	22 Feb 2010
Sogestal Ngozi	Gitwa	23.800.455	11.815.761 (49,6%)	11.984.694 (51,4%)	23 Feb 2010
	Rwintare	23.800.455	11.815.761 (49,6%)	11.984.694 (51,4%)	23 Feb 2010
	Rutanga	23.800.455	11.815.761 (49,6%)	11.984.694 (51,4%)	23 Feb 2010
Sogestal Kayanza	Kinyovu	25.741.705	13.768.511 (53,5%)	11.973.194 (46,5%)	9 March 2010
	Buhorwa	24.498.642	12.525.448 (51%)	11.973.194 (49%)	9 March 2010
TOTAL	6	148.145.869 (\$121,930.75)	76.449.003 (51.6%)	71.696.866 (48.4%)	

- 2) Two horticultural sector grant dossier were analyzed and approved for financing by BAP's grant committee. Both associations (Danfatanemunda 1 and ACEPE) are principally women's associations. Both are based in Bubanza Province. The details of the associations and their proposed activities are discussed in the previous section of this report. The total anticipated budget of their combined activities is \$31,389.86 USD of which BAP grants are contributing 61% or appx. \$9600 per grant. The challenge for these two associations will be a) the adoption of new irrigation technology and b) the adoption of improved agronomic practices destined to improve overall quality and quantity of their production. Both associations, additionally, are constructing "cajos" to improve the transportability of their product to market.

- 3) During this reporting period one dairy and two coffee sector credit dossiers developed with BAP assistance were submitted to IBB for consideration for financing under the DCA. By the end of the reporting period only one of three dossiers, that of Nyabisabo Dairy for 120.000.000 FBU (appx \$100,000) for purchasing equipment for the installation of a UHT Milk line had been approved. This dossier, submitted in November 2009, had been initially rejected after three months of analysis for the following reasons: the promoter was not a bank client, insufficient guarantees were presented, the promoter was a competitor of a previous IBB client who was having trouble respecting his engagements toward the bank because they were unable to secure sufficient quantities of milk necessary for their operations from production zones. Further, the bank was concerned about competition with Ugandan UHT milk in the extremely thin Burundian niche market because price differentials in the business plan were not notably different from the final sales price of the Ugandan milk. BAP assisted in the promoter in developing his initial financials- Balance sheet, Income statement and Cash Flow. We also provided mediation services with the bank and assisted in re-dimensioning the dossier, but also in educating the promoter to the bank's expectations and the bank to the finer details of the EAC dairy business, but also to BAP's assistance to sector actors. The two other dossiers, for coffee mini-washing station equipment for cooperatives in Kayanza , totaling 15.000.000 FBU were still under analysis at the end of this reporting period. BAP assisted the cooperatives in developing both the written description of their projects and in constituting their financials. The cooperatives are hesitant because they find the interest rate being offered (17%) to be elevated and the proposed conditions for reimbursement (1 year) to be limiting.

- 4) BAP also assisted the SOGESTAL KAYANZA in the development of coffee campaign credit dossiers for their privately owned and operated washing stations at Kinyovu, Buhorwa, Gatere and Mutumba, as well as for the State owned, SOGESTAL managed washing station at Bwayi in the amount of \$600,000 for submission to Root Capital. The table below gives the details of money requested by Coffee Washing Station.

Coffee Washing Station	Commune	Amount of Campaign Financing Requested (in USD)
Bwayi	Matongo	\$187,500
Kinyovu	Matongo	\$ 87,500
Gataré	Rango	\$112,500
Buhorwa	Bukeye	\$ 87,500
Mutumba	Bussiga	\$125,000
Total		\$600,000

Root Capital's interest rates vary from 9% to 12% depending on the credit history and financials of the client. Further, Root Capital is willing to advance 60% of the money requested by a client but the client's requests must be backed by sales contracts or formal letters of intent to purchase. Root Capital will also advance medium term credit for the purchase/upgrading of infrastructure based on the capital value of the infrastructure to be purchased, though this guarantee can be completed with land titles or sales contracts.

BAP collaborated with the SOGESTAL direction and financial staff on the narrative for the dossiers and by providing tips for the completion of the financials, as well as an initial analytical proofing of the dossiers. By the end of this reporting period, these dossiers, as well as one for the SOGESTAL Kirundo-Muyinga in the amount of \$805,000 were still under construction. Their submission to Root Capital is anticipated during April 2010. All the washing stations to be financed have coffee buyers who have already formally manifested their interest for coffee produced y these stations during 2010/2011.

- 5) ADC held 52 sessions with partners related to the development of revenue generating activities and business plans during this reporting period. A total of 762 people attended these training session of whom 284 (37%) were women. Average participation was 14.65 pp/s.

Sector	M	W	T	#s
Coffee	223	69	292	26
Horticulture	134	87	221	17
Dairy	9	4	13	2
Gender/Micro-Enterprise Development	22	124	146	7
Total	388	284	672	52

Gender and micro-enterprise development had the highest average participation of any sector (20.86pp/s) while dairy had the fewest (6.5 pp/s). Most sessions were held with coffee sector groups followed by those in the Horticultural sector. At times it is difficult to disaggregate horticulture from gender as a high percentage of women's associations are focused on production and marketing of horticultural products.

Principle Activities to be undertaken in Q3

- Provide technical assistance to 15 Producer Associations in planning by objective, elaboration of business plans and the preparation of grant and/or credit dossiers
- Provide initial analysis and technical assistance in preparing grant dossiers for review by BAP's grant's committee
- Provide capacity reinforcement in basic principles of financial management to at least 10 Producer's Associations
- Provide technical assistance to ADC, Private firms and Producer Associations in the development of at least 15 requests for financing for submission to Burundi's Commercial Banking and/or Micro-Finance Operators
- Continue negotiations with Commercial Banks and Burundian Micro-Finance Institutions concerning their willingness to finance BAP clients and partners.

Community Water

Introduction

During this reporting period BAP began the actual physical infrastructure work under this component. The hydrological engineer finished the field work necessary to prepare the bidding documents for the community infrastructure renovations, six grant agreements were signed with private operators for the construction of latrines and effluent control systems at washing stations in Kayanza and Ngozi provinces, and negotiations were finalized with the local NGO who will provide hygiene and sanitation training to the communities and populations serving the washing stations.

Details on Activities

1) Construction of Effluent Control Systems and latrines at Coffee Washing Stations

As discussed in previous sections BAP has partnered with private sector actors in Kayanza and Ngozi to co-finance and pilot this activity at six washing stations. The infrastructures under construction per washing station include a block of 6 latrines, a system for the separation of organics from the effluents prior to their being extracted for composting, and the treatment of the effluent waters through decantation, settling, filtration and pH remediation prior to their reintegration into surface and groundwater.



Block latrines under construction



Separation of pulp from wastewater



a view of wastewater treatment infrastructure

- 2) Contracting a water engineering firm for the design and oversight of Community Water Infrastructure Renovations

Six of ten shortlisted candidates responded to our request for proposals in this area. Following Analysis and budgetary negotiations the local NGO/Engineering Firm "*Promotion des Associations et Initiatives pour l'Habitat Rural*" PAIHAR was selected to undertake this design initiative for five different community water system renovations at four separate sites in Kayanza and Muyinga Provinces, and the associated eventual control of the entrepreneur selected for the construction work. These sites are Kinyovu and Bwayi in Matongo Commune of Kayanza Province and Klgoganya and Kayenzi, respectively in the communes of Gasorwé and Muyinga in Muyinga Province.

- 3) Negotiation of MOU with communities where infrastructure renovations are anticipated

MOU were signed between the communities and PAIR for all four sites. These MOU define the roles and responsibilities of each party.

- 4) Recruitment of a Local NGO for Hygiene and Sanitation Training for Communities and Washing Stations

Three short listed dossiers made BAFO. Financial and Technical negotiations took much of the quarter. Finally the contract was awarded to AVEDEC who will begin these training in this sector at all sites during Q3.

- 5) Participation in Workshops on Water

- a. Workshop on the revision of decree #1/41 of 26 November creating and providing the organic structure for public waterworks- facilitated by the Burundi Policy Reform Project

- b. Workshop validating recommendations for the harmonization of laws governing public waterworks- facilitated by the Burundi Policy Reform Project
- c. Annual Review of Actions in Water and Sanitation

Constraints

- Lack of proactivity on the part of certain partners in the conception and presentation of their grant request documents and signatures of MOU related to effluent control systems and the construction of latrines at the CWS
- PAIHAR's first technical submissions were insufficient and needed to be re-drafted by the partner in conformity with our agreement before BAP could accept the product. This delayed the preparation and publication of the bidding documents for the water infrastructure work.

Principle Activities to be undertaken in Q3

- Publication of Bidding Documents for Community Water Infrastructure Work; analysis of dossiers submitted; contract for necessary infrastructures signed
- Construction continues; renovations start; work is properly supervised
- Hygiene and Sanitation Training is completed
- Monitoring and Supervision visits occur on a regular basis
- Water Quality and Effluent chemical/physical characteristics are monitored at inflows and outflows in pilot CWS

Business Incubator

Update on the progress that has been made by our team on the creation of the BBI.

On Tuesday March 30th, we held a meeting to constitute the creation of an association sans but lucrative (ASBL) to provide a legal structure to manage the incubator. This is the first critical step in our move for a national institution and its long term sustainability,

In 6 weeks, we managed to recruit 20 founding members (list attached with their contact details and information) comprised of some of the leading businesses in the country (2 banks, one cell phone company, one insurance company, and others) as well as representative organizations for our target clients (youth, women, enterprise, industry, etc).

On the 30th they discussed the articles of incorporation and reached consensus on their global objective and specific objectives.

They are holding a second meeting on Wednesday April 7 during which we hope that they will elect their Executive Committee and we can really get down to business.

We have also made very good progress on the business plan, following greater market research on the types of services needed, existing providers, pricing for those products, etc.

Relevant market data was collected and analyzed. The information concerned key areas of the future incubators business model, and included (but not limited to): the price of renting commercial real estate, the price of internet access, and the price of printing goods.

A demand survey was conducted to better understand individual needs within the Burundian SME community. This survey helped not only provide a better picture of the SME market but also allowed the creation of a modest pipeline of possible future BBI customers.

We have finished the financial model for the business plan, which allows us great flexibility in testing different pricing and service provision assumptions, but it does appear that, if well managed, the BBI may become operationally sustainable after a few years.

We are now proceeding to completing the written business plan.

Monitoring and Evaluation

Activities Undertaken during Q2

- Participation in small grants committee meetings
- Monitoring of Dairy Sector activities in Rutegama- it was noted that a) the contour planting exists, b) most forage hedgerows have sufficient vegetative matter and are well maintained; c) the population appears to understand the importance of the forage crops, the hedgerow planting and the micro-terracing efforts currently underway.
- Preparation and facilitation of two workshops: one for senior staff and another for ADC in the concept, monitoring and evaluation of projects with particular attention to the monitoring of deliverables and program indicators. A discussion was led on the advancement to date re-indicators and for the development of alternative strategies to be adopted where constraints were noted or objectives were lagging
- Population of the Program database in Access from ADC field reports and information provided by component leaders
- Supervision of the M&E intern.
- Publication of minutes from BAP's senior staff weekly meetings
- Analysis of Project mid-year performance with recommendations.

Conclusion

The second quarter of BAP's third project year found us expanding programmatically. A number of initiatives started earlier in the Program are starting to bear fruit. Impact is being seen in all three sub-sectors as well as in women's leadership. Our grants program is heating up, the number of credit dossiers submitted to financial institutions is increasing and our community water program is finally off the ground and moving forward. With effluent control systems at pilot coffee washing stations under construction, new latrines being built and hedgerows of multipurpose leguminous forages being planted on hillside slopes we are starting to have a secondary positive effect on the environment in the project's target zone. However, these initiatives need to be capitalized upon and replicated out in the near future. We are excited by the progress made to date with the Burundi Business Incubator and were pleased to have had the opportunity to present our program to the private sector working group. We look forward to increasing both our programmatic and geographic footprint in the coming months and to consolidating a number of the preliminary impacts we perceive in the field. Finally, we are continuing our radio outreach via Radio Isanganiro and will soon diversify the programming to encompass our entire program, not merely the coffee aspects. We note too that media coverage was provided by the Ministry of Agriculture of our dairy initiatives and this resulted both in an article being published in "Le Messenger Agricole" as well as video appearing on RTNB.

ANNEXES

Horticulture Grant Requests

Rapport sur les Indicateurs Strategiques de l'USAID au 31 mars 2010

Nineteen more grant requests which described in the following table are under review:

#	Association	Region	Members		Products
			Male	Female	
1	Twitezimbere	Bujumbura Rural	12	5	Tomatoes, pepper, pili-pili
2	CFR-Twiyunge	Gitega	5	9	Pine apples, prunes du Japon, passion fruits
3	IGANI	Bujumbura Rural	97	186	Tomatoes, eggplant, onions
4	Confiturerie de Bugarama	Muramvya	28	8	Fruit jam
5	Abazimyamuriro	Mwaro	2	14	Tomatoes, passion fruit, onions
6	ACUVAM-Tugwizumwimbu	Cibitoke	10	6	Pineapples
7	ADR	Kirundo	26	12	Plant production
8	AGRED	Mwaro	0	31	Tomatoes, prunes du Japon, onions
9	APROPF	Gitega	1	0	Plants production
10	Twijukirikawa	Kayanza	47	9	Passion fruits
11	Ubumwe	Bujumbura Rural	0	53	Onions, tomatoes, cabbages, watermelon
12	Garukira amatongo	Muramvya	326	194	Passion fruits, avocados
13	Girumwete	Bujumbura Rural	2	15	Tomatoes, onions

14	Tugirisuku	Muyinga	17	30	Tomatoes, eggplants, cabbages, onions, amaranthus
15	Twiyungunganye-Butuhurana	Kayanza	31	2	Passion fruits
16	Twiyungunganye-Ruvumu	Mwaro	0	16	Tomatoes, cabbages, onions, prunes du Japon
17	Cimpaye Michel	Bujumbura Rural	1	0	Tomatoes, eggplants, pepper
18	Urumuri rw'abarimyi n'aborozi	Bujumbura Rural	21	9	Tomatoes, cabbages, eggplant, pepper
19	ADAP-Tugwizumwimbu	Cibitoke	6	5	Tomatoes, onions, cucumber
	Total		632	604	

A check-list of requested information for each project was established and given to ADCs.

Rapport semestriel sur les indicateurs stratégiques d'USAID PY III

Le programme pour la Promotion de l'Agro-Industrie et des Entreprises Rurales (PAIR) contribue sur l'un des objectifs stratégiques d'USAID : « **Croissance économique** ». Sur cet objectif, il contribue à un certain nombre d'indicateurs stratégiques. Ces indicateurs ont des définitions précises pour que tous les contributeurs (Organisations travaillant avec les fonds d'USAID) à ces derniers sachent quels types de données il faut collecter par rapport à chaque indicateur. Le programme PAIR contribue à 15 indicateurs stratégiques. Le but du présent rapport est de montrer le niveau de ces indicateurs au milieu de l'année fiscale par rapport aux cibles annuels pour trois raisons : (i) mettre en exergue le niveau de performance du programme vis-à-vis de ces indicateurs, (ii) partager le rapport avec les membres du personnel pour qu'ils se rendent compte de leurs contributions respectives, (iii) amorcer les échanges avec USAID sur la méthodologie de collecte des données et sur la révision du niveau des cibles des indicateurs soit en haut ou en bas là où c'est nécessaire. Dans la suite, il est présenté le niveau de chaque indicateur pendant la première moitié de l'année 3 du programme.

Indicateur 1 : Number of firms receiving capacity building assistance to export

Definition: *Number of firms that received training/or information from USG supported trade promotion related entities. Typically, promotional activities include trade shows, buyer/seller match making programs, market analysis and information, trade finance assistance and guidance how to comply with foreign country customs regulations and procedures.*

Selon cette définition, au cours de la première moitié de l'année 3, les organisations assistées dans le domaine de l'exportation sont du secteur café et du genre. Dans le secteur café, il est pris en compte les organisations des producteurs qui ont été représentées dans les séances de formations organisées par les experts et les agents de terrain du programme sur les thèmes en rapport avec la production du café de spécialité en vue de pouvoir l'exporter. Ces organisations sont normalement les 30 coopératives des stations de lavage encadrées par le programme. Il est également pris en compte les stations de lavage qui ont été représentées par leurs chefs et ces dernières sont prises comme des petites entreprises et elles sont également au nombre de 30. Il y a aussi les entreprises de taille moyenne en l'occurrence les 5 Directions Générales des SOGESTALs. Dans le domaine du genre, l'association AFAB et Burundi Business Company ont été appuyées par le programme en vue de participer à des expositions internationales afin de tirer des leçons importantes pouvant promouvoir l'exportation. Donc, au total, les entreprises qui ont été

assistées par le programme pendant les six premiers mois sont au nombre de **67**. En comparant le niveau actuel et la cible de PY III qui est de **80** entreprises, au stade actuel, le programme est à 83,75%.



Indicateur 2: Number of participants in USG supported trade and investment capacity building trainings

Definition: Number of participants trained on trade and investment capacity building.

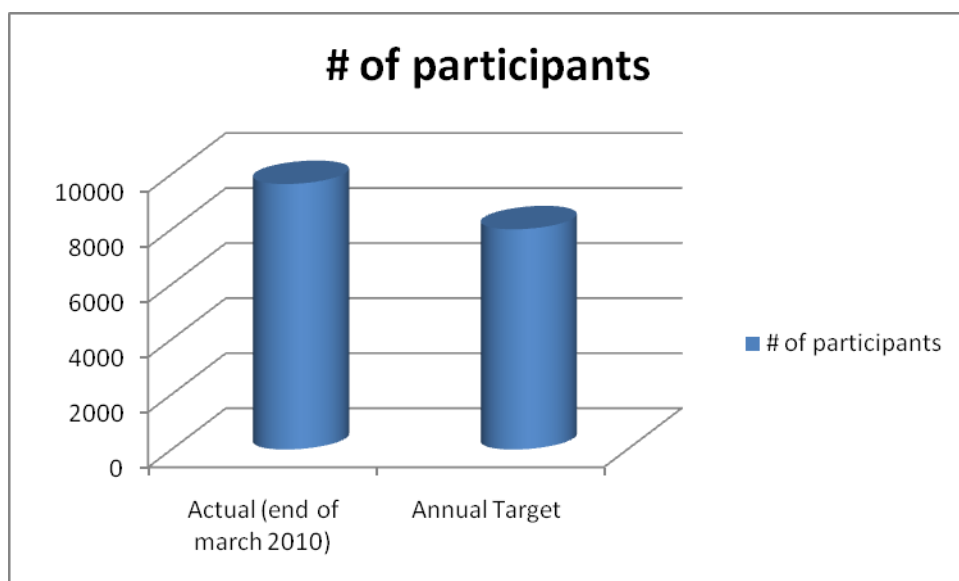
Les trois chaînes de valeur en l'occurrence la chaîne de valeur café, la chaîne de valeur lait et la chaîne de valeur horticulture ont contribué à cet indicateur. Toutefois, la chaîne de valeur café a apporté une contribution plus grande.

Dans la chaîne de valeur café, il est pris en compte les participants aux formations sur les stations de lavage assurés par les agents du programme, les participants au niveau des sous collines organisées par les leaders des organisations des producteurs et les participants aux formations facilitées par les experts du programme dans ce domaine. Les thèmes pris en compte pour cet indicateur sont la qualité et le marché, les techniques de transformation du café (sélection des cerises, flottaison, bonne récolte, dépulpage, fermentation, lavage, trempage, séchage, conservation/stockage, transport).

Dans la chaîne de valeur horticole, le programme a déjà développé les thèmes relatifs à l'utilisation des cageots, aux techniques de conservation des produits horticoles et à l'emballage. Dans la chaîne de valeur laitière, il a été question au cours de la période, des discussions avec la laiterie IAB sur les opportunités du lait. La répartition des participants par chaîne de valeur est reprise dans le tableau ci-dessous.

Participants à la formation sur la production du café de spécialité	122	53	175
Participants à la formation sur la dégustation	39	19	58
Participants du secteur horticole (utilisation du cageot, stockage et conservation des produits horticoles, alternatives d'emballage)	24	66	90
Participants des éleveurs de Rutegama sur les opportunités de commerce avec la laiterie IAB	21	7	28
Participants des stations de lavage du café (formations des ADCs et des leaders)	6303	2991	9294
Total général	6509	3136	9645

En comparant le niveau de cet indicateur à la fin du mois de mars 2010 et la cible à atteindre d'ici la fin du mois de septembre 2010 (8000 participants) et selon la méthodologie de comptage utilisée, la cible est déjà dépassée de 20%. Dans ces conditions, il est nécessaire de revoir à la hausse la cible de cet indicateur compte tenu des performances du programme au cours du premier semestre de l'année.



Indicateur 3: _ Number of rural households benefiting directly from USG interventions

Definition: A household is a beneficiary if it contains at least one individual who is a beneficiary. An individual is a beneficiary if s/he is engaged with a project activity and either already has shown benefit from the activity) or has a high likelihood of gaining one of those benefits due to his/her significant level of engagement with the project. If a project's tactic is to work through a group or association to create benefits for the membership of that group or association, the members of the group can be counted as direct beneficiaries, even if the technical assistance is not provided directly to those individuals. The implementing partner needs to be able to demonstrate from the records of the group or otherwise that the assistance was transmitted to its membership. This would be particularly clear and feasible for small producer groups and trade associations; it would not be credible for an apex cooperative association that might have hundreds of thousands of members.

Au cours de PY II, il a été pris en compte les ménages appuyés dans les trois chaînes de valeur du programme. D'une manière particulière, dans la chaîne de valeur café, le nombre de ménages appuyés a été estimé sur base des personnes qui ont vendu le café sur les stations de lavage régulièrement appuyés par le programme. Au cours de l'année 2, le programme a appuyé 21954 ménages et la cible de l'année 3 a été fixée à 25000 ménages à appuyer.

Pour l'année 3, la cible est de 25000 ménages à appuyer. Cette cible sera certainement dépassée parce que d'une part le nombre de stations de lavage du café appuyées par le programme a augmenté en passant de 17 à 32 stations de lavage du café. D'autre part la production du café attendue au cours de cette campagne café (2010-2011) est de loin supérieure à celle de l'année passée (2009-2010). Par conséquent le nombre de ménages qui va apporter le café cerise sur les stations va largement augmenter. Dans ces conditions, il est nécessaire de fixer la cible à un niveau plus supérieur compte tenu de la production du café au cours de cette campagne et par conséquent du nombre de ménages qui vont apporter le café aux stations de lavage.

Indicateur 4 : Number of producers organizations, water users associations, trade and business associations, and community-based organizations (CBOs) receiving USG assistance.

Definition: Organizations assisted are those that are engaged with a project activity and either already has shown benefit from the activity (as measured by any of the types) or have a high likelihood of gaining one of those benefits due to their significant level of engagement with the project. Organizations whose primary purpose is to serve women are not included, because they are counted in a separate indicator. In some cases, producer associations or other organizations operate firms. In these cases both entities could be counted (under organizations assisted and under firms assisted) if both the organization and the firm receive appropriate (presumably different) types of assistance.

Selon cette définition, les associations appuyées par le programme ici sont celles qui ont déjà été représentées dans les activités organisées par le programme. Ces organisations existent dans trois secteurs d'interventions du programme en l'occurrence le secteur café qui enregistre le plus grand nombre d'associations, le secteur horticole et le secteur laitier. Selon toujours cette définition, les organisations féminines ne sont pas prises en compte sous cet indicateur.

Dans la suite, il est présenté la répartition des associations par secteur et une synthèse générale des organisations appuyées.

a)Associations du secteur café

Associations appuyées par stations de lavage

Station de lavage	# associations
Gasura	25
Buhimba	28
Kinyangurube	32
Murago	28
Rugerero	18
Ngogomo	23
Kagombe	26
Nyamasaka	23
Rugabo	27
Ruhama	20
Gatukuza	24
Murambi	19
Rwintare	11
Gitwa	21
Teka	10
Butemba	34
Mahonda	12
Kibuye	9
Kinyovu	28
Kiryama	25
Bwayi	37
Musema	2
Butegana	17
Buziraguhindwa	12
Karehe	24
COPROTA	20
Buhayira	15
Murwi	14
Ntamba	20
Mugina	14
Ruhororo	13
Total	631

Les fédérations (5) appuyées : Mumirwa, Kayanza, Kirimiro, Kirundo-Muyinga, Ngozi

Coopératives (17) : Kibuye, Mahonda, Butemba, Nyamasaka, Buhimba, Ntamba, Murago, Gasura, Murambi, Teka, Rugabo, Rugerero, Mugina, Murwi, Ngogomo, Buhayira, Ruhama, Kinyovu, Musigati, Bwayi

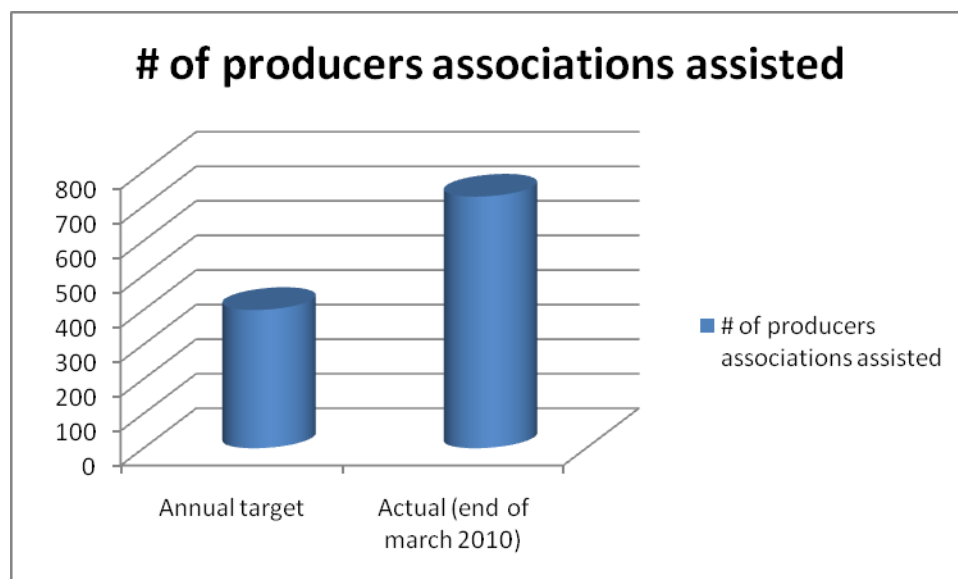
b) Les associations du secteur laitier (2) : Garukiramatongo et APRODEL de Muramvya

c) **Associations horticoles (73)** : Muramvya (31), Bubanza (3), Ngozi (19), Bujumbura (3), Kirundo (15), Cibitoke (2)

Synthèse des associations appuyées jusqu’au 31 mars 2010

Associations affiliées aux SDL	631
Les coopératives café	17
Les fédérations café	5
Association lait	2
Association horticole	73
Total	728

Comme le montre la figure ci-dessous, la cible (400 associations) telle que fixée au début de l’année est largement dépassée. Par conséquent, il convient de revoir cette cible à la hausse. Au regard du rythme de travail et des données relatives à cet indicateur, il serait raisonnable de fixer la cible autour de 850 associations.



Indicateur 5: Number of people in target areas with access to improved drinking water supply as a result of USG assistance

Definition: Improved drinking water technologies are those more likely to provide safe drinking water than those characterized as unimproved. Extensive research in rural areas has found that people satisfy their basic needs for water if the source can be reached in a round trip of 30 minutes or less. When it takes more than 30 minutes to get to the water source and back, people typically haul less water than they need to meet their basic requirements.

Improved sources may still contain harmful substances, and water can be contaminated during transport and storage.

Improved drinking water sources = Water supply technologies including household water connection, public standpipe, borehole, protected dug well, protected spring, rainwater collection and bottled water (if a secondary source is also improved).

Unimproved drinking water sources (not counted here) = Unprotected well, unprotected spring, rivers or ponds, vendor-provided water, tanker truck water

Pour cet indicateur, il n'y a pas jusque là des chiffres à avancer mais des travaux sont en cours pour rendre disponible l'eau potable aux populations. Selon la définition, pour trouver le nombre de personnes qui ont accès à potable, il sera estimé le nombre personnes qui ont accès à l'eau potable mais ne faisant pas plus de 30 minutes pour accéder à une source d'eau. La cible pour cet indicateur est de 15000 personnes d'ici la fin de l'année fiscale. Cette cible devrait être atteinte au cours de cette année selon les estimations du domaine de l'eau et de l'assainissement du programme PAIR.

Indicateur 6: Number of people who have access to sanitation facilities as a result of USG assistance

Definition(s): Improved sanitation facilities=Technologies more likely to ensure privacy and hygienic use, i.e, connection to a public sewer, connection to a septic system, pour-flush latrine, simple pit latrine, and ventilated improved pit (VIP) latrine. Unimproved sanitation facilities (not counted here)=public or shared latrines, open pit latrines, and bucket latrines.

Pour cet indicateur aussi, il n'y a pas de chiffres disponibles mais des travaux d'assainissement sur les stations de lavage sont en cours. La cible de 6000 personnes devrait être atteinte d'ici la fin de l'année fiscale selon toujours les estimations du domaine de l'assainissement et de l'eau potable du programme PAIR.

Indicateur 7: Number of women who have participated in USG supported leadership trainings

Definition: Leadership trainings are those organized for women representing others in associations/organization/institutions or a community.

Comme le signifie la définition précise de cet indicateur, il est pris en compte toutes femmes participantes aux formations pour la promotion du leadership. Jusqu'à la fin du mois de mars 2010, les femmes considérées sont celles de la chaîne de valeur café. Ce sont les femmes qui ont participé aux formations sur les séances de renforcement organisationnel et institutionnel des organisations des producteurs. A la fin de ce semestre, le programme enregistre 132 femmes leaders formées. Comparée à la cible annuelle de 300 femmes leaders qui doivent être formées d'ici la fin du mois de septembre, le chemin reste long et il que le programme fournisse plus d'efforts.



8. Number of micro, small and medium-sized enterprises who have received business development services from USG assisted sources and improved their operations

Definition: Includes both paying clients and estimated numbers of beneficiaries of information and other free services.

Pour cet indicateur, il est compté les entreprises appuyées par le programme pendant la période d’octobre à mars 2010 qui peuvent avoir changé leur façon de travailler. Il s’agit des petites et moyennes entreprises de la chaîne de valeur café, des entreprises appuyées dans la chaîne de valeur horticole et dans la chaîne de valeur laitière. Le tableau ci-dessous reprend le nombre de ces entreprises par

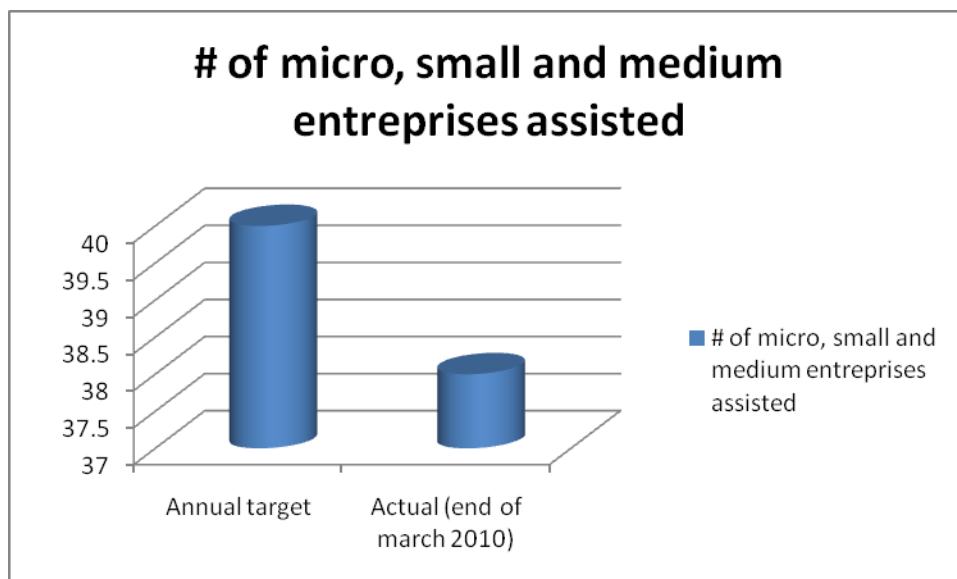
Dans la chaîne de valeur café, les entreprises sont les suivantes :

Entreprises moyennes	SOGESTAL (Kir-Muyinga, Ngozi, Kayanza, Kirimiro, Mumirwa)	5
Petites entreprises	28 cws: Kibuye, Mahonda, Butemba, Nyamasaka, Buhimba, Ntamba, Murago, Gasura, Murambi, Teka, Rugabo, Rugerero, Mugina, Murwi, Ngogomo, Buhayira, Ruhama, Kinyovu, Musigati, Bwayi, Kagombe, Gitwa, Rwintare, Gatukuza, Kiryama, Butegana, COPROTA, CPC	28

Dans la chaîne de valeur horticulture (2): FRUITO et ATB

Dans la chaîne de valeur lait (3): Ferme de Bukeye, Ferme de Biranyuranwa, Laiterie Nyabisabo

Au total, 38 entreprises ont été assistées au cours de ce premier semestre de cette année fiscale III. La cible annuelle de cet indicateur est de 40 entreprises. Il n'y a pas de doute que cette cible ne sera atteinte d'ici la fin de l'année. Il n'est même pas opportun de revoir le niveau de la cible parce qu'il n'est pas attendu qu'il y ait un nombre important d'entreprises qui seront assistées. Ce sont essentiellement ces mêmes entreprises qui continueront être appuyées au cours de la période restante avant la fin de l'année fiscale.



Indicateur 9: Number of organizations/institutions/firms which have received assistance to improve their business practices and develop market oriented products

Definition: This indicator measures the number of firms that receive USG assistance to improve their management practices (financial management, strategic planning, marketing etc).

Les entreprises et les organisations prises en compte pour cet indicateur sont celles qui ont été appuyées par les agents du programme dans le montage des projets visant une production orientée sur le marché. Dans ce qui suit, il est présenté les organisations appuyées dans ce sens par chaîne de valeur.

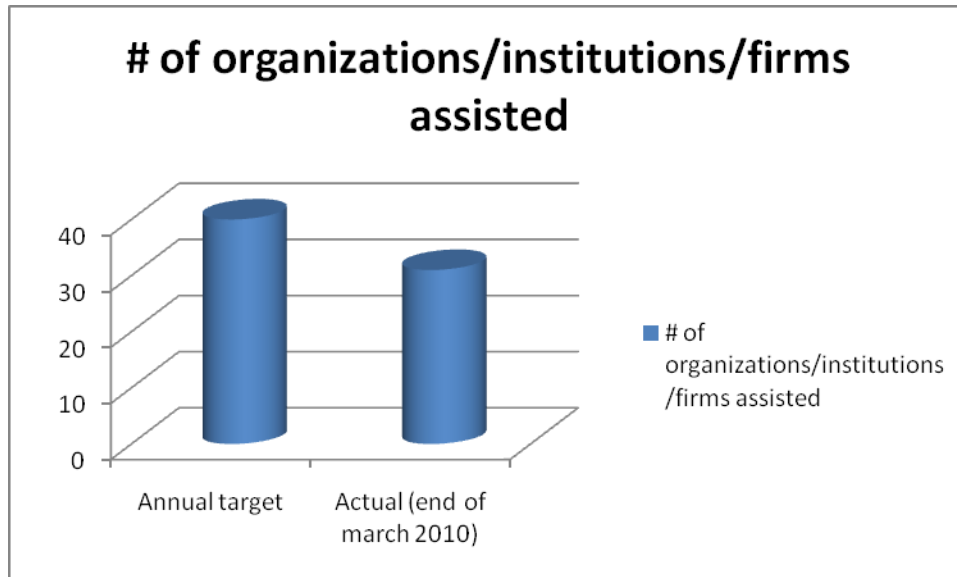
Dans le secteur café (17 SDL): Gitwa, Rutanga, Rwintare, Kinyovu, Buhorwa, Ruhororo, Gasura, Buhimba, Butemba, Mahonda, Bwayi, Kinyovu, Butegana, Murambi, Rugerero, Tekka

Dans le secteur horticole (9) : Ass. Dufatanemunda de Bubanza, Ass. ACEPE de Bubanza, Ass. Dufashanye de Cibitoke, Ass. ALUCOVIS de Cibitoke, Ass. IGANI de Bujambura-R, Ass. Gikumwete de Bujambura-R, Centre de formation de Giheta-Twiyunge, ADAP TUGWIZUMWIMBU, APPROPF de Gitega

Dans le secteur laitier (5) : Ass.Turemeshanye de Kayanza, Ass.Dukundane de Kayanza, Ass. Mfashangufashe de Kirundo, Burundi Bio Agricultural Corporation de Muramvya, CAB de Mr Lucien de Gitega

Total : 17+9+5=31

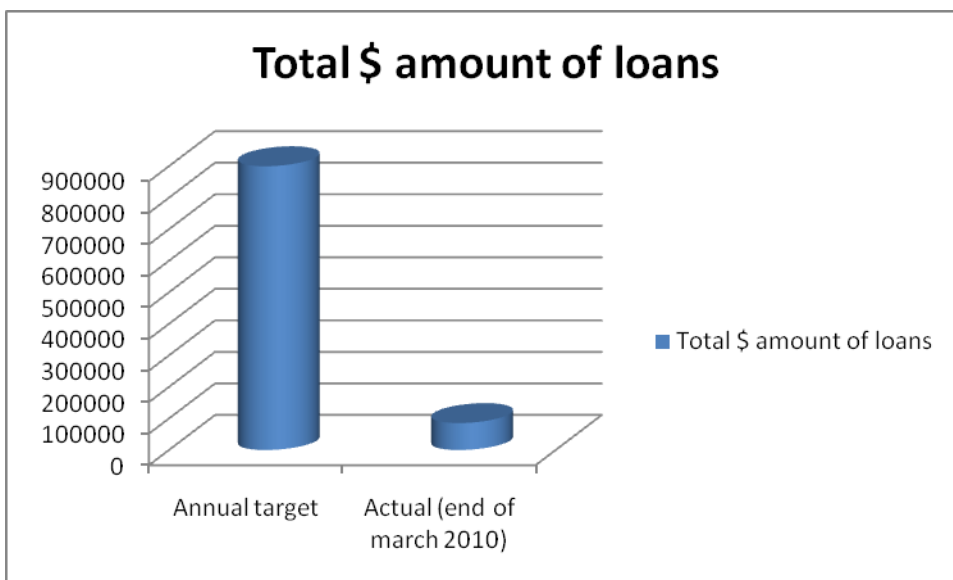
Au total, 31 organisations ont été assistées jusqu'au 31 mars 2010. La cible pour l'année fiscale III du programme PAIR est de 40 organisations. Il y a une grande possibilité que cette cible soit atteinte sans grande difficulté.



Indicateur 10: Total \$ amount of loans disbursements to qualifying borrowers

Definition: This indicator measures the amount of lending that is mobilized with USG support to finance agriculture sector activities.

Jusqu'au 31 mars 2010, le programme BAP a déjà déboursé 85627 dollars américains pour financer le secteur agricole. La cible pour l'année fiscale en cours est de 900000 dollars américains. A la fin du semestre, le programme est à près de 10% de la cible. Des efforts doivent donc être déployés pour approcher au moins la cible d'ici la fin de l'année fiscale (fin septembre 2010).



Indicateur 11: Value of Africa Growth and Opportunity Act (AGOA) exports from AGOA-eligible countries to the U.S as a result of USG assistance (% of Burundi coffee that is sold on US specialty coffee market)

Pour cet indicateur, on ne connaît pas encore la quantité de café de spécialité burundais qui sera vendu sur le marché américain. Toutefois, selon les experts de la chaîne de valeur café du programme, la production du café attendue au cours de cette campagne 2010-2011 est de loin supérieure à celle de la campagne 2009-2010. Par conséquent, il ne sera pas facile qu'il soit vendu sur le marché américain 12% de la production. Il est donc opportun de revoir le niveau de la cible de cet indicateur vers le bas.

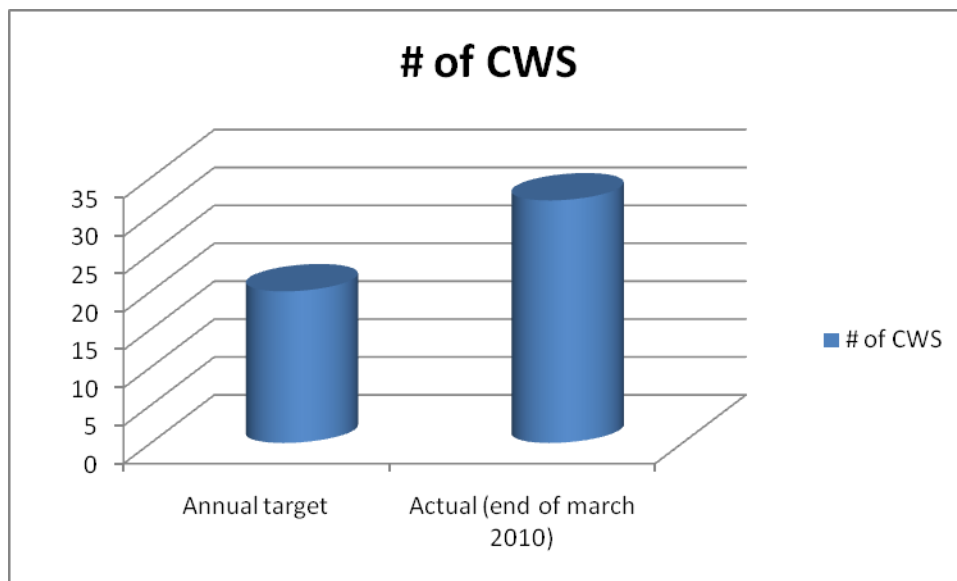
Indicateur 12: Number of coffee washing stations that improved their production and management standards as a result of USG

Province	Nom des stations de lavage	Nombre
Kayanza	Bwayi, Kinyovu, Butegana, Kiryama, COPROTA, CPC, Ruhororo, Fh, SCQ,, Cooperative Kazoza n'ikawa de Bwayi	10
Ngozi	Murambi, Rugabo, Ruhama, Gatukuza, Rutanga, Gitwa, Mihigo	7
Kirundo	Gasura, Buhimba	2
Muyinga	Ngogomo, Rugerero, Murago,	5

	Kagombe, Nyamasaka	
Gitega	Kibuye, Butemba, Mahonda	3
Muramvya	Teka	1
Cibitoke	Murwi, Buhayira, Mugina	3
Total		32

Definition: Production and management standards are considered a package of techniques like coffee drying, coffee cherry picking, single fermentation, daily lots tracing, etc.

Le tableau ci-dessous reprend le nombre de stations de lavage appuyées par province par le programme dont il est attendu qu'ils vont changer le système de gestion. Au total, 32 stations de lavage du café pilotes sont appuyées par le Programme PAIR et il est attendu que ces dernières adoptent au moins certaines techniques vulgarisées par le programme. La cible pour l'année fiscale est de 20 stations de lavage et compte tenu des stations couvertes par le programme, il est nécessaire de revoir vers le haut le niveau de la cible de cet indicateur. Il serait raisonnable de fixer la cible à au moins 25 stations de lavage en partant du fait qu'il peut y avoir 7 stations de lavage qui n'adoptent pas le paquet technique du programme.



Indicateur 13: Number of women's associations assisted in developing leadership in production processes

Definition: Organizations assisted are those that are engaged with a project activity and either already have shown benefit from the activity (as measured by any of the types) or have a high likelihood of gaining one of those benefits due to their significant level of engagement with the project.

“Organizations assisted” does not include those merely contacted or touched by an activity through brief attendance at a meeting or gathering by one or more employees.

Only those organizations whose primary purpose is to serve women should be counted. In some cases men will be members of these organizations; this would not prevent counting the organization, as long as the primary intended beneficiaries of the organization are women.

Operating units should require of each implementing partner a written explanation for why those included in the partner's estimates of beneficiaries belong there.

Selon cette définition, les organisations féminines prises en compte dans le développement du leadership féminin dans le processus de production sont jusqu'à la fin du mois de mars 2010 : AFAB et CAPAD. Il importe de spécifier que la deuxième organisation est un collectif des associations féminines. Comme la cible annuelle 2010 est de 8 organisations féminines, il est clair que des efforts doivent être fournis pour arriver à la cible.

Indicateur 14: Number of policy reforms/regulations administrative procedures passed/approved to enhance sector governance and/or facilitate private sector participation and competitive markets as a result of USG assistance

Definition: This indicator tracked coffee sector reforms

Jusqu'à la fin du mois de mars 2010, il n'y a pas encore de réformes encore enregistrées dans le secteur café. La cible est pour l'année fiscale en cours est de 3 réformes. A ce niveau aussi, il est important de voir comment réaliser des activités qui peuvent déclencher des réformes dans le secteur café.

Indicateur 15: Number of USAID-assisted agro-enterprises receiving and successfully using loans from the DCA facility

Definition: This indicator tracks how many of the USAID-supported agro-enterprise access credit as a result of the USAID support DCA long guarantee program (with Interbank) to promote lending to the Agriculture sector

A ce niveau aussi, à la fin du premier semestre de cette année, il n'y a pas d'entreprise qui avait reçu un crédit sous la garantie du DCA alors que la cible est de 30 entreprises. Compte tenu de cette situation, il faudrait que le programme accélère le rythme de travail pour espérer approcher au moins la cible de l'année fiscale 3.

Conclusion

Sur les 15 indicateurs auxquels le programme PAIR contribue, trois indicateurs sont sur la bonne voie d'être atteints d'ici la fin de l'année fiscale III. Par contre, sept indicateurs sur les 15 sont à un niveau faible à la fin du premier semestre et cela suppose que le programme doit fournir plus d'efforts pour le second semestre pour atteindre ou au moins approcher les cibles.

Toutefois, quatre indicateurs ont déjà dépassé la cible déjà avec le premier semestre de l'année et pour 1 indicateur, il ne sera pas probablement facile d'approcher la cible. Par conséquent, une analyse préalable devrait être réalisée au sein du programme PAIR pour fixer le niveau raisonnable de la cible à atteindre d'ici la fin de l'année fiscale.