2005

Report

AGRISUD INTERNATIONAL
Since 1992, Agrisud has created a total of 14,300 small farming family enterprises in Africa and South Asia, helping thousands of families to pave their way out of extreme poverty.

These family enterprises are sustainable. After 4 years of existence, 85% of them are fully operational. Overall, nearly 60,000 jobs have been created. Food security around urban areas has been improved.

In so doing, Agrisud contributes to sustainable development. Eco-management of natural resources, adapting produce to local market needs as well as know-how transfer to farmers are levers used by Agrisud to ensure durability of the enterprises.

The average cost of a small enterprise created and technically backed by our local teams over a period of 4 years is about €2,000.

Agrisud’s action is in line with the Millennium Development Goals set by the United Nations:
• eradicate extreme poverty and hunger
• promote gender equality
• ensure environmental sustainability
• ensure food independence of local populations

Our approach draws upon the dynamics of the market economy which, in our view, is the main lever for development.

Agrisud is comprised of a staff of 162 including a team of 7 in France.

“Development relies on the possibility for people to freely exercise their initiatives (…)”
Amartya Sen, Nobel Prize in Economics 1998, “Development as freedom”
2005 Overview

Robert Lion, chairman

For Agrisud, 2005 was a successful year.

Our NGO continued to implement over twenty projects in Africa and South Asia, leading to the launch of 1,365 new family enterprises. At the same time, activities were extended to three new countries: Laos, Sri Lanka, and Congo. Agrisud also proved its capacity to support economic reconstruction in regions that have fallen victim to armed conflict or natural disaster.

In 2005, financial support from the private sector grew considerably. Also, the year ended with an operational surplus of over 10,000 Euros.

At year-end 2005, 22 operations were underway, which the present report will review: They aim to create or reinforce over 7,000 small enterprises which grow and market fresh produce on a local scale. The overall financial support for these projects will amount to 14.3 million Euros, essentially provided by our major traditional sponsors: the European Union, French Cooperation, French local communities, local governments, United Nations institutions. Further funding is provided by foundations, private sponsors and donors.

Additional projects were prepared during 2005, particularly in new countries such as Madagascar where our operation was launched in January 2006, Niger and Brazil where preliminary identification studies were conducted at the end of the year.

Partnerships were established in 2005 with Médecins du Monde and Care France, as well as with several new sponsors. Ongoing cooperation was reinforced with institutions such as Volontaires du Progrès and Caisse d’épargne. Agrisud supported its network of NGOs, namely Agridev in Congo and Agricam in Cambodia. Our “training cycle” aimed at reinforcing local NGOs held sessions in Central Africa and in Cambodia.

“From humanitarian aid to sustainable development”: Agrisud’s capabilities were confirmed in post-crisis and post-conflict situations. Prior to 2005, Agrisud had already contributed to the economic re-integration of some 6,000 families affected by armed conflict in Congo, Cambodia and Angola. Today, our NGO offers its expertise to reconstruction efforts – the “Post-Crisis Economic Recovery” as designated by UNDP. In Sri Lanka, following the tsunami, the Agrisud project presented in this report aims at re-invigorating 1,300 small enterprises around Trincomalee with improved sustainability and profitability.

These results were made possible thanks to Agrisud’s professionalism which we have been building over the past fifteen years. We use a corporate approach in order to create small sustainable enterprises, robustly rooted in their local markets.

Faithful to its slogan “Fighting poverty through enterprise”, Agrisud is a player in sustainable development. We contribute, at our level, to achieving several Millennium Development Goals.
As an NGO, our life is not always smooth. In 2005, Agrisud had to delay its projects in Mali, Benin and Haiti. The procedures followed by some funding sources or occasional bureaucratic requirements have at times created a difficult financial situation for us … just as for many fellow NGOs!

This, however, does not undermine the resolve of our teams or the active support of our Board of Directors, nor does it weaken the backing we receive from our different partners and sponsors.

In my view, nothing is more eloquent than our tangible results: thousands of small entrepreneurs are fully active, well established on their markets and enjoying regular income generation. They are empowered to move further away each day from poverty. Every one of them is a contributor to sustainable development by strengthening the local economy, job market and food security as well as by protecting the environment.

Agrisud’s “raison d’être” is put into motion in the field. For us, this is the leading motive to pursue our action relentlessly.

2005 : 1365 new enterprises
2005 financial data

Agrisud

Statement of income data

Operating expenses 3 501 604 euros
Surplus 10 447 euros
Operating income 3 512 051 euros

2005 Expenses

- Preparation of new operations 4.1%
- General and administrative expenses 6.6%
- Field operations 79.3%

2005 Revenues

- Private funding 34.7%
- Public funding 65.3%

Private funding:
Caisse d’épargne, Kwanda Angola, Total Angola, Fondation de France, LSDH, others (1)

Public funding:
European Union, French and Gabonese Foreign Ministries, French development agency, others (2)

(1) including CDC, Accor, Médecins du Monde, Les Pélicans, Conseil Supérieur du Notariat, Centre des Jeunes Dirigeants
(2) including Aquitaine Region, Vaucluse Department, FAO, Luanda French School

Agrisud Network*

Statement of income data

Operating expenses 6 074 991 euros
Surplus 33 061 euros
Operating income 6 108 052 euros

*Including the following entities and projects: Congolese Institute for Economic Support and Development, AgriCam, Agridev, Laos, India, Morocco projects.

Auditor
Cabinet LOPES et Associés, Bordeaux
Angola
• Professionalizing peri-urban agriculture in Luanda: 1500 small enterprises, funded by French Cooperation over 2002-2006 (€950,000).
• Creating an agricultural perimeter for Sungui refugees: 90 small enterprises, funded by UNHCR over 2004-2005 (€100,000).
• Establishing a Resource Center in CAOP-Luanda: 40 small enterprises, training facility, funded by Total – French School over 1 year (€70,000).
• Creating an agricultural perimeter in Soyo: 80 small enterprises, funded by Total-Sonangol over 2.5 years (€316,000).
• Creating an agricultural perimeter in Cabiri: 50 small enterprises, funded by Total-Sonangol over 2 years (€156,000).
• Developing market gardening in Catumbela (Benguela): 150 small enterprises, funded by French Cooperation over 1 year (€147,000), in partnership with the NGO ADC.

Gabon
• Supporting peri-urban agriculture in Libreville and provinces: 920 small enterprises and agro-ecological experiments, funded by French Cooperation and Gabonese Ministry of Foreign Affairs over 2004-2008 (€7,500,000).
• Creating a manioc processing workshop: supporting a group of 60 women in Coucal, funded by Total over 2003-2004 (€30,000).
• Professional training and support for market gardening activities: 40 small enterprises, funded by Citigroup Foundation–UWI over 2004 (€30,000).
• Creating an agricultural perimeter in Soyo: 80 small enterprises, funded by Total-Sonangol over 2.5 years (€316,000).
• Supporting agricultural development in the “3 frontiers zone” (Gabon, Equatorial Guinea, Cameroon): pilot activities, funded by European Union over 16 months (€85,000), in partnership with AFVP and a Cameroon NGO.

Cambodia
• Improving food security in the Banteay Meanchey Province: 800 small enterprises to create over 2002-2006, funded by European Union, Agrisud, Laiterie Saint Denis de l’Hôtel, Caisse d’épargne (€1,190,000).
• Promoting local products for tourism: 50 small enterprises, funded by Accor (€15,000).
• Re-introducing orcharding: 220 small enterprises, funded by Caisse des Dépôts et consignations over 2003-2005 (€30,000).
• Professionalizing agricultural activity in the Kandal Province: 300 small enterprises, funded by French Ministry of Foreign Affairs (€50,000), in partnership with AgriCam.
• Supporting the development of AgriCam, a local NGO.

India
• Agricultural diversification in Dehra Dun: 150 small enterprises, financial support of funded by Agrisud, Rajiv Gandhi Foundation and Uttaranchal Government over 2003-2005 (€190,000). In partnership with AFVP.

Morocco
• Improving food security and fighting poverty in the Draa and Dades valleys: 300 small enterprises, co-funding by Agrisud, CJD, Aquitaine Region, CDC, Les Pélicans, Vaucluse Department, Helen Keller International-AMAID, National Moroccan Aid (€365,000). In partnership with AFVP and AGRIDEV.

Central Africa
• Professional training: 575 beneficiaries over 2 years, reinforcing training capabilities, training of future trainers, inter-country exchanges and transfers, co-funding by European Union (€925,000).

NGO Training Cycle
• Transferring know-how to NGOs: training on sustainable economic programs focused on small enterprises, 3 NGOs trained in Central Africa and 23 in Asia.
New operations

Democratic Republic of Congo
• Supporting peri-urban agriculture in Kinshasa, Lukaya Valley: 130 small enterprises, funded by French Cooperation and the program beneficiaries over 1.5 years (€280,000). In partnership with FOLECO, a local NGO.
• Supporting peri-urban agriculture in Kinshasa, Kimwenza Valleys: 200 small enterprises, funded by European Union and private funds over 3 years (€515,000). In partnership with AFVP and AGRIDEV.

Laos
• Supporting peri-urban agriculture in Luang Prabang: 300 small enterprises, funded by European Union, town of Chinon and other partners over 3 years (€600,000).

Sri Lanka
• Post-tsunami reconstruction in Trincomalee: 1,300 small enterprises, co-funded by French Ministry of Foreign Affairs, Fondation de France, Ile-de-France Region, town of Cergy over 3 years (€1 million).

Projects

Madagascar
• Fighting food insecurity in the Southern region of the island: 18,000 families, funded by European Union over 3 years (€1,100,000). In partnership with Care and AFVP. Launched in January 2006.

Mali
• Supporting peri-urban agriculture in Bamako: 900 small enterprises, €1,700,000 over 3 years. Funding underway.

Brazil
• Supporting peri-urban agriculture in Fortaleza, 200 small enterprises over 2 years. In partnership with Banco Palmas, a local NGO. Feasibility study completed.
• Developing agricultural activity in Macae, Rio State: 200 small enterprises over 3 years. In partnership with Pro-Natura. Funding for feasibility study underway.

Niger
• Improving food security and economic development: 1,200 small enterprises over 3 years. Feasibility study completed, funding underway.

India
• Alleviating poverty in the Himalaya through organic farming: 4,000 small enterprises over 2006-2009 evaluated at €335,000. In partnership with HARC and Rajiv Gandhi Foundation. Feasibility study completed, funding underway.

Angola
• Supporting re-integration of the armed conflict victims in Kachiungo, Huambo Province: 340 small enterprises, funded by IRSEM-World Bank over 1 year (€240,000). Launch by mid-2006.
Puja Mangain lives in the village of Rajawala near the town of Dehra Dun (capital city of Uttaranchal). She is one of the beneficiaries of the project conducted from mid-May 2003 through December 2005 following a partnership between Agrisud, Rajiv Gandhi Foundation and Uttaranchal Department of Rural Development. The project is aimed at poverty alleviation by creating 150 small enterprises in the field of aromatic plants.

Puja received backing by Agrisud and the local Center for Aromatic Plants:
- production techniques and integration into traditional systems;
- improved natural resources management (water conservation and soil fertility);
- processing expertise;
- supply of appropriate cuttings;
- know-how through professional training;
- technical and economic support and advisory (yield and quality improvement);
- organization of farmer groups.

Puja is a member of the recently set up “Cooperative of farmers and processors of aromatic plants”. Objectives: supply the Dehra Dun and Delhi areas with aromatic oil.

The operation is funded by: Uttaranchal State, Rajiv Gandhi Foundation and Agrisud (funds provided by Caisse d’épargne Foundation).

Results achieved by year-end 2005:
=> 75,000 m² farmed
=> 1,050 quintals of lemon grass harvested
=> 420 kg of aromatic oil produced
=> 5,000 euros in complementary revenues
=> A Farmers’ Cooperative created to process the herbs and market the aromatic oil
=> A collective distillation unit set up in the Rajawala village

Not so long ago, Puja lived far below the poverty line without any hope of regular income to properly feed and raise her two daughters.

Today, thanks to lemon grass, she runs a small diversified farm:
- 500 m² of irrigated lemon grass parcel;
- 2,500 m² of traditional crops surface such as peas, wheat, rice;

The first harvest, in 2005, brought her 6,500 Rupees (130 Euros). In full-scale production, Puja will earn 300 to 350 Euros/ year from her lemon grass surface, which she is planning to double next year.
In April 2005, Agrisud launched a project to support peri-urban agriculture in Kinshasa (7 million inhabitants) in partnership with 2 local NGOs: FOLECO (DRC) and AgriCam (Congo-Brazzaville).

The objective is to alleviate poverty and improve fresh produce supply in Kinshasa where a number of serious food problems remain unresolved. 330 small market gardening enterprises are to be created over three years involving 1,800 people.

The goals to attain by 2008 are:
- 330 sustainable enterprises in full activity;
- increase income for families to improve their food intake;
- upgrade supply of the local market in terms of quantity, quality and regularity;
- strengthen local professional organizations;
- upscale management of natural resources.

The typical program beneficiary is a traditional market gardener in a fragile situation with scarce resources and barely able to raise his family.

He will transform his parcel into a small sustainable farm:
- an 800 m² parcel, equipped, integrated into a worked-out perimeter and professionally farmed;
- a know-how acquired through two months of training;
- technical back-up and advisory on how to maintain soil fertility, diversify production, improve yields and stay in line with market demands;
- organization of farmer groups.

His produce will partially be consumed by his family who, in this manner, can secure its food consumption. He will also deliver his produce to the local market. Regular revenues will help the family to progressively step out of poverty and improve their living conditions definitively.

Agrisud's support consists of creating conditions for sustainable family farms:
- study of the local context, particularly the food market;
- individual training (2 months), backed by a network of “master-farmers”;
- supporting the creation or rehabilitation of farms: infrastructure works, access to water (collective network), soil fertility conservation, access to inputs such as seeds and plants;
- technical back-up and advisory over a long period (3 to 4 years);
- permanent information on markets and prices, “economic observatories”, outlet organization, in particular among traditional merchants
- organization of professional groups.

The cost of these measures is about 2,000 euros per farm. Funding for the project is provided by European Union, French Cooperation and private funds (Caisse d’épargne Foundation)

Results at year-end 2005:
=> 200 market gardens in activity
=> 120,000 m² surface under cultivation
=> 120 tons of vegetables harvested during the first 5 months
=> 36,000 € generated in total revenues
=> 6 market gardening professional groups

330 market gardening enterprises in Democratic Republic of Congo

suburbs of Kinshasa
Agrisud and post-conflict recovery
From humanitarian aid to sustainable development

“Economic recovery” following the Tsunami disaster

With the support of Médecins du Monde who extended their emergency humanitarian aid, Agrisud conducted a diagnosis and proposed a development project focused on economic recovery. The project addresses 1,300 families in a zone devastated by the tsunami and civil war. The next three years will be devoted to implementing the program and supporting the farmers.

In November 2005, our operation continued in difficult conditions, (humanitarian outbidding, inter-community conflict, elections…). By December 2005, 250 families had begun farming on rehabilitated parcels.

“Creating an agricultural perimeter” for the refugees of Sungui

In November 2003, Agrisud carried out infrastructure works to create a farming perimeter for 90 refugee families sheltered in difficult conditions by UNHCR and dependent on the World Food Program.

In November 2005, 90 market gardening parcels, each representing 1,000 m² on average, were in full activity. Our produce has offered self-sufficiency and regular income. Living conditions have been upgraded and the social re-integration of the families has started. Yesterday a refugee camp, Sungui is on its way to becoming an economic development zone.

“Food security and local economic development program” in response to Food crisis in Niger

The famine striking Niger is a recurrent phenomenon, driving vulnerable populations into extreme poverty. These crises do not only stem from the 2004 drought. Structural causes, namely galloping demography and degraded soil fertility are largely responsible for the country’s plight.

In October 2005, with the support of the French Embassy in Niamey, Agrisud conducted a diagnosis and identified projects in specific zones in order to seek a way out of the present crisis. The projects aim to reinforce food security, create farming activities and jobs in a sustainable development perspective.

At year-end 2005, the funding for the first operation addressing 1,200 families was underway.
Board of Directors

Chairman
Robert Lion, former managing director, Caisse des dépôts et consignations

Founding Chairman
Jacques Baratier, chairman, Global Ethics

Executive Board
- Frédéric Pascal, Economic and Social Council
- Pierre Sicard, senior corporate manager
- Alain Chétaille, former director, French development agency (AFD)

Directors
- François Audibert, C.E.O, Caisse d’épargne Aquitaine Nord
- Yves Berthelot, chairman, French committee for international solidarity
- Geneviève Ferone, director of sustainable development, Eiffage Group

Management

Managing director
Yvonnick Huet, agronomist, INP-ENSA Toulouse

CFO
Raphaël Vincent, agronomist, FUSA Gembloux (Belgium)

Director of operations
Sylvain Berton, agronomist, CNEARC Montpellier

Director of communications and fundraising
Marina Ezdiari, EMBA, HEC Paris

Partners and Sponsors

Humanitarian aid
CARE-France, Médecins du Monde, Volontaires du Progrès

NGO’s on the field

NGO networks
Coordination Sud, CFSI (French Committee for International Solidarity), RADSI (Aquitaine), Inter-réseau

Higher education
Bordeaux School of Management, UNESCO Chair – University of Bordeaux III, CNEARC (National Center for Agronomic Studies), ICRA (International Center for development oriented Research in Agriculture), IFAID (Training and Support Institute for Development Initiatives), INA-Pg (National Agronomy Institute), ENSAT (Higher College of Agronomy in Toulouse), ISTOM

Research
CIRAD (Center of Agronomic Research for Development), IRD (Research Institute for Development)

Sustainable development
Comité 21 (French Committee for Environment and Sustainable Development), World Wildlife Fund, Novethic, SOS-Planet-Earth

Corporate
Accor Group, Laiterie Saint Denis de l’Hôtel, Caisse des dépôts et consignations, (CDC), Centre des Jeunes Dirigeants (CJD), Total Gabon, Total Angola, Kwanda Angola, Conseil Supérieur du Notariat

French Local Governments
Aquitaine Region, Ile-de-France Region, City of Cergy (Green Triangle), City of Chinon, Vaucluse Department

Foundations
Caisse d’épargne, PhiTrust, les Pélicans, Fondation de France, Citigroup Foundation

Institutional
European Union, French Ministry of Foreign Affairs, French development agency, UN High Commission for Refugees, Food and Agricultural Organization, World Bank
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