Projects worldwide

MALI

Linking Fertilizer Micro Dosing with Input-Output Markets to Boost Smallholder Farmers’ Livelihoods

Country: Mali
Project length: 2009-2012
Funders: Alliance for a Green Revolution in Africa (AGRA)
Total budget: USD 756,118

GOAL
To increase the production of millet, sorghum and cowpea by at least 50% accompanied by an increase in farm income of 30% for 130,000 farm households in Mali by the end of the project through a wide scale dissemination and adoption of the Fertilizer Microdosing and Warrantage System.

PROJECT DESCRIPTION
EUCORD has been sub-contracted by the Institut d’Economie Rurale (IER) in Mali to assist with the implementation of the AGRA funded “Achieving pro-poor green revolution in dry lands of Africa: linking fertilizer micro-dosing with input-output markets to boost smallholder farmers’ livelihoods in Mali”. Other partners include ICRISAT and a local NGO, Voisins Mondiaux. EUCORD is focusing on the diffusion of micro-dose fertilization technology in rainfed crops including millet, sorghum, maize and others. Micro-dose fertilization allows for a more efficient and cost-effective application of fertilization resulting in higher yields using the same or less amount of fertilizer. This technology is particularly relevant given the current high cost of (imported) inorganic fertilizers.

ACTIVITIES
- To scale out the fertilizer micro-dosing technology among smallholder farmers in the project sites;
- To scale out the inventory credit system (warantage) in order to improve access to inputs and outputs market;
- To enhance the capacity of farmers, and agro-dealers in integrated soil fertility management;
- To provide science-based solutions to researchable issues backstopping to project field activities to improve system performance and sustainability;
- To monitor and assess the impacts of the interventions adopted on livelihood of the smallholder farmers.

ACCOMPLISHMENTS
- At the end of August 2011, over 100% of the initial physical targets (building construction, rehabilitation of structures, land development) have been reached; this includes completion of 10 inventory credit buildings.
- 83% of the field demonstrations objectives have been realized (873 plots of fertilizer and variety demonstrations (including some in school fields) had been organized in 44 villages of the Segou region;
- 35,337 households (out of total target of 39,000) are involved in at least one of the project activities (variety introduction, fertilizer microdosage, warantage (inventory control)).

**EVALUATION/TESTIMONIALS**
The project has received much exposure in national media.
Development of Agriculture through Sorghum Hybrids (DASH)

Country: Mali
Project length: 2011-2013
Funders: Common Fund for Commodities (CFC)
Alliance for a Green Revolution in Africa (AGRA)
Total budget: USD 270,503

GOAL
To transform subsistence farmers to become market oriented entrepreneurs through the introduction of hybrid sorghum varieties to Malian smallholders and by facilitating the marketing of sorghum to wholesalers and processors.

PROJECT DESCRIPTION
The project has four main objectives:

- Introduce hybrid sorghum varieties through on-farm testing and demonstrations to smallholder farmers;
- Strengthen the technical and organizational capacity of extension agents, producers and rural organizations by a series of training sessions;
- Strengthen communication and information flow among stakeholders along the sorghum value chain (e.g. producers, processors, traders, equipment suppliers, consumers);
- Facilitate sorghum marketing to wholesale dealers (for human consumption), poultry farmers, and processors/end-users such as animal feed producers and breweries, in order to add increased value to sorghum.

The project will be implemented in close collaboration with Faso Kaba, a private seed company which is producing sorghum seed since 2006; AOPP Association of Professional Rural Organizations of Mali (Association des Organisations Professionnelles Paysannes du Mali); ULPC (Local Union of Cereal Producers) based in the prefectorate of Dioila; the Cooperative of Oure, and Dalabani seed producers (Bougouni, Sikasso region); Institut d'Economie Rurale du Mali (IER); International Crops Research Institute for the Semi-Arid Tropics (ICRISAT).

ACTIVITIES

- Trial plots will be carried out in 30 sites in the Koulikoro, Segou, and Sikasso regions and the urban periphery of Bamako;
- Farmer field days and culinary days will be organized;
- Farmer group leaders will be trained in marketing, commercialization and basic accounting;
- Farmers will be trained to produce hybrid seed in rural areas;
- Seed field days will be organized within the country;
- Advertisements, broadcasts, and flyers will be carried out to inform decision-makers and actors;
- Cooperative managers will be trained in stock management techniques and conditioning of products;
- Federations and cooperatives will be involved in cereal commercial fairs;
- Exchange visits will be organized among producers, wholesalers and processors.

EXPECTED OUTCOMES
Adaptability testing and large-scale sorghum hybrid demonstrations conducted;
Results shared with sorghum value chain stakeholders through fields days and mass media;
Organizational capacity of farmer groups strengthened to allow them access to and renewal of hybrid sorghum varieties;
Sorghum marketing process facilitated with wholesalers and major users or processors e.g. poultry feed manufacturers or breweries.

**ACCOMPLISHMENTS**

- During a survey conducted in the Sikasso, Koulikoro and Segou regions 27 villages and two agricultural training centers were selected where demonstrations, farmer field schools and demonstration farms will be conducted during the first year.
- EUCORD signed MOUs with: 1) the Institut d’Economie Rurale (IER) for the implementation of project activities; and 2) the Secteur Agricole at Kati for the conduct of demonstrations in that sector.
- In 2011, 17 farmers and 8 extension agents were trained on hybrid sorghum seed production and monitoring of on-farm demonstrations.
- A total of 38 demonstrations with 6 hybrids were conducted in the Kati and Bougouni areas, two model farms were established at agricultural training centers and a total of 7 field days were conducted with 455 farmers participating in 3 regions and 13 districts. Sorghum hybrids have also been introduced at 10 farmer field schools in the Segou and Bougouni areas. The project supported the production of an estimated 2 MT of hybrid seed and 4 MT of parent seed.
- A newspaper article was published on the project in the daily l’Essor and reports on the project were broadcast both on national TV and radio.

**EVALUATION/TESTIMONIALS**

Not applicable at this stage.
GUINEA AND SENEGAL

Potato Value Chain Development in West Africa

Country: Guinea and Senegal

Project length: 2007-2012

Funders: Common Fund for Commodities (CFC)

Total budget: $3,584,026
- CFC: $1,794,476
- Government of Senegal: $147,160
- Government of Guinea: $184,900
- EUCORD contribution in kind: $174,590
- Participating Farmers: $1,182,900
- AGRICO: $100,000

GOAL
The main objective of this project is to develop a more competitive potato sector in West Africa, particularly in Guinea and Senegal, and to increase income at the producer, dealer and processor level. It is believed that a more competitive potato sector will have a positive impact on food security and the fight against poverty.

PROJECT DESCRIPTION
The Senegal component was initiated in the second year of the overall project. An important parameter of the potato sector in Senegal is that the Agriculture Ministry is presently implementing a food security program at the national level, which includes 50% subsidies for potato seeds, in order to support that sub-sector. Coordination with that program is key to the success of the CFC-sponsored potato sector. A loan to farmers allowed the purchase and shipment to Senegal of 20 tons of seeds for Arnova, Ditta and Konsul potato varieties. Those varieties are known to perform well in the local environment. The seeds were purchased for the cold off-season (November 2008 - February 2009). Potatoes are growing to the entire satisfaction of producers participating in the project.

ACTIVITIES
- To introduce new sustainable technologies for production, post harvest and storage of potatoes;
- To facilitate access by producers to inputs, credit and markets;
- To introduce new sustainable technologies for seed propagation;
- To adapt drip-irrigation techniques to potato seed production;
- To support the emergence of producers and/or propagators able to meet the supply needs;
- To facilitate access to credit;
- To conduct gender sensitivity training;
- Identify preferred varieties for alternative household preparations (boiled; fried; French fried, chips);
- Develop a marketing strategy for alternative uses of potato uses;
- Facilitate export of consumption potatoes to surrounding countries;
- To form National Steering Committees in Guinea and Senegal;
- To conduct workshops and disseminate relevant reports in order to develop information exchange and support mechanisms at the national level among stakeholders such as producers, traders, scientists, extension agents, and ministry officials;
To leverage additional institutional support to stakeholders.

ACCOMPLISHMENTS

- Substantial decrease of potato losses during storage due to improved conservation techniques and preventive treatments (5 to 10% losses in 2009 and 2010, as compared to 50% upward before the project);
- Major yield increases (over 50%) for potato varieties introduced by the project and increased amounts of ware and seed potatoes marketed locally; Arnova, Konsul and Ditta varieties were widely adopted; yields ranging from 28 to 37 tons/ha were recorded; recent introduction of Arizona variety very successful as well;
- Following organized field visits, increasing expression of interest by local potato producers (men and women) for purchasing potato seeds produced by project seed multipliers (rather than purchase of imports);
- Participants of local field visits included 1525 producers, including 1200 women. In addition to direct plant growth observations, the visits led to several adaptations of the cultural techniques and post-harvest practices.
- Senegal and Guinea are multiplying exchanges of scientists and producers; Senegalese farmers are interested in purchasing seeds from Guinea when all pest control conditions have been met;
- Ralstonia constitutes one hurdle to the project, as a number of fields used for potato production have been declared unsuitable for seed production;
- Seed certification procedures are being developed in Guinea.

NIGERIA

**Children of Hope**

Country: Nigeria  
Project length: 2008-2012  
Funders: USAID  
Total budget: USD 4,997,770

**PROJECT DESCRIPTION**

EUCORD, in equal partnership with a local partner, Widows Empowerment Organization (WEWE) leads and builds the capacity of a consortium of ten other indigenous service providers (ISPs) to implement the ‘Children of Hope Project’ (CH). CH provides livelihood improvement opportunities to care givers of Orphans and Vulnerable Children (OVC), an underserved segment of the population in Nigeria.

**Goal:** The overall goal of the Children of Hope (CH) Project is to improve the quality of life of OVC and reduce the prevalence of HIV/AIDS in their communities.

**ACTIVITIES:**
- **ISP Capacity Building**: To strengthen the technical and organization capacity of WEWE and eight (8) ISPs to design, implement, manage, evaluate and expand delivery of HIV/AIDS services in their communities and Nigeria.

- **Preventing HIV sexual transmission**: To increase knowledge on HIV sexual risk reduction strategies and influence behavior change among 10,000 adolescent, youth, and adults through community-based prevention programs.

- **Providing quality comprehensive & compassionate care for AIDS OVC**: To reduce the vulnerability status of 12,000 OVC and 3,500 care givers by providing educational, psychosocial, nutritional support, protection assistance as well as health services and economic strengthening activities for 3,500 families.

The Children of Hope Project activities are focusing on assessing and strengthening the financial, administrative and technical capacity of the ISPs and developing training guidelines to ensure sustainability and compliance with USAID regulations and quality programming. OVC activities are focusing on assessment and targeted service provision in the areas of food and nutrition, educational and psychosocial support, child protection, economic strengthening, and building the competency of volunteers to implement the strategies.

The Prevention Component of the Project is focusing on provision of minimum prevention interventions that include Community Awareness Campaigns, Peer education, School based interventions, Peer Education Plus and Community Outreaches. Also, as part of CH’s exit strategy, there are plans to transit cohort groups formed into community based organizations.

**ACCOMPLISHMENTS**

- Organizational and Technical Capacity Assessments have been conducted for all the Indigenous Service Providers (ISPs), including further training and support supervision.
- Nigerian Breweries has provided continuous donations of ‘Maltina’ brand of Malt drinks. This malt drinks support program was aimed at providing orphans and vulnerable children with drinks enriched with multivitamins which will build, protect and vitalize them for better growth and development. 12,000 OVCs and 4,000 caregivers have been served with Maltina drinks on a monthly basis during the kid’s club and caregiver’s meeting.
- Prevention: a total of 9,055 OVCs have received 3 or more service including psychosocial, educational, food & nutrition, and health support.
- 386 caregivers have been trained and 280 have been given loans. The goal of the training is to equip caregivers with skills on income generating activities, financial planning and savings strategies.
- 506 peer educators have been recruited and trained to carry out prevention interventions in the communities (6,030 persons have been reached).
BURUNDI AND DEMOCRATIC REPUBLIC OF CONGO

Increase Food Security and Improve Livelihoods of Sorghum and Rice Producers

Country: Burundi and DR Congo
Project length: 2009 – 2012
Donors: Dutch Ministry, Heineken International
Budget: $7,553,048
Schoklandfond $2,702,661
Heineken $ 3,101,228
Heineken in kind contribution $1,749,159

GOAL
The overall objective of this project is to increase food security and improve access to primary education by integrating farmers into the supply chain of beverage industries.

PROJECT DESCRIPTION
This project, which started on February 1, 2009, is focusing on the inclusion of smallholder farmers into the rice and sorghum value chain, including access to credit and markets. The project permits a simultaneous enhancement of agricultural supply chains for the food and beverage industry while sharing and minimizing the associated risks. It will contribute to improving the livelihood conditions of the households involved by improving food security and generating a regular income. Moreover, by mobilizing social investment funds, the program will involve the community in the development of social projects, such as improving access to primary education in both isolated and impoverished areas. This project is especially focused on the promotion of rice culture in the DRC. A smaller component of the project will support sorghum production in Burundi.

ACTIVITIES
Objective 1. Increase agricultural capacity production of rural households.
- Develop and strengthen producers groups and/or associations.
- Train farmers in improved rice and sorghum cultivation and post-harvest technologies.
- Leverage short term credit.

Objective 2. Limit DRC and Burundi dependency on imported food products.
- Establish six long-term partnerships between producer groups, intermediaries and agro-processors.
- Develop marketing capacities.
- Facilitate transport and other logistics.

Objective 3. Improve primary school conditions and increase school enrolment for children in rice and sorghum producing communities and for children in Kinshasa.
- Mobilize and manage the social funds.
- Support school construction and school facilities.

ACCOMPLISHMENTS
- In DRC over 30,000 households have received project support, over 20,000 hectares are under improved management. In 2011, 12,597 MT of locally produced rice was sold to the brewery Bralima worth USD 9,749,941 while 2,220 metric tons of rice has been sold in the local market. The breweries in all locations (except Boma and Lubumbashi) are now close to 100% self-sufficiency in rice.
- In Burundi of the planned 266 MT of Gambella sorghum, only 52 MT were produced in 2011. The main cause of the shortfall was erratic rainfall during both A season and B seasons. EUCORD is following several strategies to increase volumes: 1) Strengthening of extension and agronomic support in high potential areas; 2) Motivation of the associations through the allocation of bicycles to facilitate sensitization and monitoring; 3) Increased awareness by organizing information sessions to be attended by local chiefs, supervisors, producer representatives, and other development partners.

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**Kingabwa Rice Intensification Project**

**Country**  
Democratic Republic of Congo

**Project length**  
2011 – 2014

**Donors**  
USAID/Winrock  
Bralima Foundation  
CFC

**Budget**  
$2,038,000  
USAID/Winrock $891,353  
Bralima Foundation $270,000  
CFC $120,000  
Match from Schokland project $756,412

**GOAL**
The overall goal of the Kingabwa Rice Intensification Project is to improve the level of food security and living standards of people who cultivate rice in the Pool Malebo area of Kinshasa by a quantitative and qualitative increase in rice production, through the development of the Kingabwa perimeter.

**PROJECT DESCRIPTION**
Agriculture accounts for 56.3 percent of GDP, and is the main source of livelihood, especially among the poor (80 % of the labor force) in the DRC. In contrast to other food crops, rice production has stagnated since 1996. Since 1994, imports of rice have shown fairly dramatic, if erratic, increases. The local rice supply cannot meet the needs of the country hence the yearly importation of large quantities of rice. This dependency of the DRC from the outside is a serious problem for an economy with very limited foreign currency reserves. Current annual imports of (milled) rice stand at more than 70,000 tons. The special opportunity that the project site offers is due to: (a) the proximity to the urban human food and industrial market; (b) the willingness of a local private sector partner to guarantee access to post-harvest processing facilities and nearby markets; and (c) the involvement of two NGOs with proven track records in the successful implementation of Public-Private Partnership projects. This project meets the USAID economic growth strategy for the DRC by: (a) focusing on a geographic area with maximum potential impact; (b) contributing to the self sufficiency of rice, a major food crop; and (c) securing collaboration with the agro-processing industry in order to overcome post-harvest processing, handling, storage, and transport constraints.
ACTIVITIES
By completion of the 36-month Kingabwa Rice Intensification Project, the project will:

- Expand area of irrigable rice farms to 520 hectares
- Expand area of other high value crops to 180 hectares
- Create market linkages for over 1,500 smallholder farmers and producer groups.
- Create annual on- and off-farm revenue of over $1 million.
- Increase rice productivity to 3.5 MT/ha.
- Train at least 15 farmers in irrigation technology
- Train at least 30 farmers in seed multiplication
- Train at least 300 farmers in improved logistical and processing methods.

ACCOMPLISHMENTS
The project which started in May 2011 has thus far achieved the following results:

- 1,500 meters of storm drains dug;
- 800 meters of rivers cleaned and dredged;
- 100 meters of road rehabilitated;
- 540 beneficiaries assisted;
- 12 associations assisted.

EAST AFRICA

East Africa Sorghum Value Chain Development

Country  
Kenya, Tanzania, Uganda

Project length  
2011-2015

Total budget  
USD 4,044,667

Funders  
East African Breweries Ltd. / Diageo
Common Fund for Commodities

GOAL
The objective of the project is to implement a public-private-partnership project to develop a stable and high quality sorghum supply chain that will increase incomes of sorghum farmers and enable national beverage industries to substitute imported grains by locally produced sorghum.

PROJECT DESCRIPTION
This project will develop a stable and high quality sorghum supply chain in Tanzania, Kenya, and Uganda that will allow the national beverage industry to substitute imported grains by locally produced sorghum through: (a) improving the productivity of the sorghum varieties and cultivation practices; (b) organizing and strengthening producers groups by technical training and facilitating access to inputs and credit; (c) introducing out-growers schemes by facilitating collaboration between medium and large commercial farmers and surrounding groups of smallholder farmers; and (d) strengthen private sector input providers and intermediary long-distance traders through the facilitation of contractual arrangements, introduction of ware-house receipt credit and other credit provisions and business development training. A qualitative and quantitative increase in sorghum production and the simultaneous provision of a sustainable market will improve the level of food security and living standards of sorghum farmers in Eastern Africa.

ACTIVITIES
- Introduce better production technologies;
- Facilitate secure access to markets (with local beverage companies);
- Organize farmers in producers/out-growers groups in order to reduce transaction costs for both outputs (sorghum) and inputs (seeds, fertilizers);
- Facilitate access to credit.

EXPECTED OUTCOMES
By the end of the project, sorghum farmers will be able to improve productivity and incomes through greater access to improved inputs, technologies, and marketing options via commercial agribusiness. 25,000 farm families (or 150,000 people according to an average family size of six) will be benefited by the program. Agricultural yield for sorghum will increase to 1750 kg/ha, in an area of over 15,000 hectares. This will inevitably yield 10 million USD in cash income for farmers within the network. It is expected that the project will become fully sustainable within four years. Economic incentives for all stakeholders should then lead to continuation of the established value chain structures and their autonomous management by the beneficiaries.

EVALUATION
The agreements with Common Fund for Commodities and East African Breweries Ltd. were signed in September 2011.

Currently project start-up activities include:
- Recruitment of staff for Kenya, Uganda, Tanzania. The International Project Coordinator position has been in place for several months, however now that the agreements have been signed, support staff can now be recruited (Agronomists, Accountant, Para-extension Staff, Field Supervisors)
- Signing of Memorandums of Understanding with collaborating institutions
- Aggregation of farmers into groups/producer organizations
- Management of quality seeds, suitable varieties to meet brewery expectations.
Rice Sector Development in East Africa/Study

Country Uganda, Tanzania
Project length 01 September 2011 to 31 October 2011
Total budget USD 45,372
Funders Common Fund for Commodities

GOAL
To develop a project in the East African rice sector that is synergetic and complementary to ongoing or recently terminated rice projects of the Japan International Cooperation Agency (JICA) in East African countries. These projects aim to increase access to improved seed varieties, and to provide sustainable mechanisms for agribusiness connections.

PROJECT DESCRIPTION
Specific objectives are:

- Desktop study and analysis on the rice sector in East Africa, the value chain(s) and pertaining constraints and opportunities;
- Desktop study and analysis on all JICA rice projects in East Africa that are either active or have been terminated in the recent past;
- Analyze and document other development grants in East Africa which address improvements in the rice sector, e.g. targeting at productivity and/or post harvest technology;
- Obtain an overview of the regional rice sector, describe (the) major value chain(s) and identify main bottlenecks along identified relevant rice value chains;
- Make contact with local and regional JICA personnel involved in rice development projects for purposes of identification and formulation of a specific project goal and objective(s), that should be based on the achievements and/or lessons learned of regional JICA rice sector interventions;
- Critically evaluate the approach applied in JICA rice projects;
- Assess possible countries of implementation and identify the two most likely countries and respective pilot zones for a successful grant based project based on the assessment of JICA projects, on a review of possible partners, current infrastructure, available human resources and national and local government priorities;
- Identify co-financing and counterpart contribution as defined in the CFC Project Manual, bearing in mind that the there is a cap of not more than USD 1,000,000 in possible CFC support;
- Draft the project document according to the CFC format.
- Submit, to the Common Fund, a fully developed project proposal in hard copy and electronic formats.

ACCOMPLISHMENTS
- EUCORD organized Consultative Rice Round Table Meetings in Uganda and Tanzania, hosted by respectively Sasakawa Global 2000 and SNV and with participants from research, government, development projects and the private sector. Objectives of the meetings were to: 1) review current state of rice value chains in Tanzania; 2) identify key constraints and opportunities; and 3) provide recommendations on how rice value chains can be enhanced.
- Common constraints identified for both countries include include: 1) lack of access to production technologies including quality seed, fertilizer and agro-chemicals; 2) poor access to agricultural credit; 3) lack of appropriate mechanization (both production and post-
harvest); 4) limited investment in irrigation; 5) lack of grading standards; 6) limited private sector investment in large-scale rice processing.

- Preliminary recommendations that would apply to both Uganda and Tanzania: 1) Support seed multiplication and marketing of improved rice varieties; 2) Capacity building of farmers on rice intensification and post-harvest handling; 3) Diffusion of improved rice technologies using a private sector led approach (stockists and use of rice box); 4) Rice is a labor-intensive crop and appropriate labor-saving technologies need to be accessed by the farmers especially as they tend to commercial production. Promotion of equipment hiring schemes; 5) Scaling up of proven supply chain models, e.g. nucleus estate out-grower schemes in collaboration with large scale agro-processors.
# Project funders

## Corporations
- East African Breweries Ltd., Diageo
- Heineken
- Agrico

## Foundations
- Bralima Foundation

## Government agencies
- Ministry of Foreign Affairs from the Netherlands
- Government of Senegal
- Government of Guinea

## Multilaterals
- Common Fund for Commodities (CFC - UN)

## Nonprofits
- Alliance for a Green Revolution in Africa (AGRA)
- USAID
- Winrock
Board of Directors and Officers

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Henk Knipscheer
Managing Director

Niels Hanssens
Deputy Managing Director

Pierre Antoine,
Director F&A

Philippe Gustin
Financial Manager

Marie Thirion
Operations Manager

Astère Simbashizweko
Project Coordinator in Burundi

Joseph Egwunwu
Nigeria representative

Alpha Diallo
Project Coordinator in Guinea

Magatte Ndoye
Project Coordinator in Senegal

On the field

Sako Karamoko
Regional Coordinator in Mali

Frédéric Mbaki
Country Programme Coordinator in DRC

Paul Muthangya
Project Coordinator in Kenya
Financial Statement

ASSETS

<table>
<thead>
<tr>
<th>Year</th>
<th>12/2011</th>
<th>12/2010</th>
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<tbody>
<tr>
<td>Current Assets</td>
<td></td>
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<tr>
<td>Cash and Cash Equivalents</td>
<td>$728,084</td>
<td>$518,995</td>
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<tr>
<td>Customers (Amounts receivable &lt; 1 year)</td>
<td>$186,218</td>
<td>$56,821</td>
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<tr>
<td>Accrued Revenues</td>
<td>$116,455</td>
<td>$138,720</td>
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<tr>
<td>Deferred Costs</td>
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<td>$137,691</td>
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<td>Total Current Assets</td>
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<td>$1,180,728</td>
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<tr>
<td>Investments</td>
<td>$0</td>
<td>$0</td>
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<tr>
<td>Property, Plant and Equipment, Net at Cost</td>
<td>$2,634</td>
<td>$6,081</td>
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<tr>
<td>Guarantees paid in cash</td>
<td>$2,634</td>
<td>$6,081</td>
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<td>TOTAL ASSETS</td>
<td>$1,054,677</td>
<td>$1,184,402</td>
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LIABILITIES AND NET ASSETS

<table>
<thead>
<tr>
<th>12/2011</th>
<th>12/2010</th>
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</thead>
<tbody>
<tr>
<td>Deferred Revenues</td>
<td>$617,331</td>
</tr>
<tr>
<td>Amount payable &lt; 1 year</td>
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<td>Noncurrent liabilities</td>
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<td>Total Liabilities</td>
<td>$689,197</td>
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<td>Net Assets*</td>
<td>$386,580</td>
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<td>TOTAL LIABILITIES AND NET ASSETS</td>
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* 2011 result was affected to a special category for Severance Liabilities.
<table>
<thead>
<tr>
<th>Description</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover - Contracts and Operating Giants</td>
<td>$3,960,974</td>
<td>$3,430,925</td>
</tr>
<tr>
<td>- Depreciation</td>
<td>-$51,712</td>
<td>-$51,708</td>
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<tr>
<td>- Raw materials, consumables, services</td>
<td>-$2,386,117</td>
<td>-$2,836,919</td>
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<tr>
<td>- Remuneration, social security costs &amp; pensions</td>
<td>-$1,485,365</td>
<td>-$797,683</td>
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<tr>
<td>- Other operating charges</td>
<td>-$2,038</td>
<td>-$8,353</td>
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<tr>
<td>= Operating Surplus</td>
<td>$51,751</td>
<td>$841,789</td>
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<tr>
<td>+ Financial income</td>
<td>$27,193</td>
<td>$346,955</td>
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<tr>
<td>- Financial charges</td>
<td>-$68,151</td>
<td>-$445,152</td>
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<tr>
<td>= Gain (loss) on ordinary activities</td>
<td>$18,793</td>
<td>-$198,193</td>
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<tr>
<td>+ Extraordinary income</td>
<td>$5,234</td>
<td>$505,301</td>
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<td>- Extraordinary changes</td>
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<td>-$33,225</td>
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<tr>
<td>TOTAL SURPLUS (LOSS) of the period</td>
<td>$11,992</td>
<td>-$324,025</td>
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** Change in Net Assets:  
- Net Assets at the beginning of Year: $805,588  
- Net Assets at the end of Year: $805,588  

** In 2010 and 2011, large gross revenues were acquired for the sub-awards (G3N) from the CH project on which no VAT can be charged. This is why the turnover is going down. But this fact doesn’t affect our surplus.
**CASH FLOWS FROM OPERATING ACTIVITIES**  
12/31/2011

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Change in Net Assets</td>
<td>$11,992</td>
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<tr>
<td>Depreciation</td>
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<td>Loss/(gain) on disposal of fixed assets</td>
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</tr>
<tr>
<td>Unrealised (gain)/loss on investments</td>
<td>$0</td>
</tr>
<tr>
<td>Realised loss/(gain) on investment</td>
<td>$0</td>
</tr>
<tr>
<td><em>(Increase)/decrease in:</em></td>
<td></td>
</tr>
<tr>
<td>Customers (Amounts receivable &lt; 1 year)</td>
<td>($129,397)</td>
</tr>
<tr>
<td>Deferred Costs</td>
<td>$116,405</td>
</tr>
<tr>
<td>Guarantee paid in cash</td>
<td>$3,369</td>
</tr>
<tr>
<td>Accrued Revenues</td>
<td>$272,765</td>
</tr>
<tr>
<td><em>(Increase)/(decrease) in:</em></td>
<td></td>
</tr>
<tr>
<td>Amount payable &lt; 1 year</td>
<td>($30,086)</td>
</tr>
<tr>
<td>Deferred Revenues</td>
<td>($87,671)</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>$157,378</td>
</tr>
</tbody>
</table>

**CASH FLOWS FROM INVESTING ACTIVITIES**  
$0

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net increase/(decrease) in cash and cash equivalents</td>
<td>$209,089</td>
</tr>
<tr>
<td>Cash and cash equivalents at beginning of the year</td>
<td>$518,995</td>
</tr>
<tr>
<td><strong>CASH AND CASH EQUIVALENTS AT END OF YEAR</strong></td>
<td>$728,084</td>
</tr>
</tbody>
</table>