

Des professionnels engagés pour les territoires ruraux

ANNUAL REPORT



Editorial

In 2018, TERO has developed its action and strengthened its institutional capacity. Our turnover increased to reach 670k€, which represents a growth of 18% in relation to 2017; the net result is in excess of 11,5k€. It is explained by the expansion of our international expertise, core of our activity with 25 assignments in more countries and with new funders, and by the stability of the expertise in France with 3 assignments. Moreover, 2018 was our first full year of cooperation with the SPP (Small Producers' Symbol) fair trade label, resulting in the certification of 26 producer organizations and comercial operators.

These results were possible thanks to quality professional collaborations with associated experts as well as the technical team's management (composed of Pierril Lacroix, Alexandre Vigot and Sylvain Aubert) which ensures the coordination of answers to calls for tenders, the achievement of missions, the quality control of the services provided to funders, the the facilitation of cooperative life and communication. In order to strengthen our administrative and financial management capacity, a fourth employee position has been created in October 2018 (currently held by Gabrielle Hauducoeur).

However, TERO's action development met some constraints in 2018. The development of service activities in France progressed slowly because TERO is still not completely identified within the providers and funders network, which is different from the international cooperation actors network. The SPP certification market showed a slow evolution as well in 2018. In terms of international expertise, the competition of historic and emerging consultancy firms is strong, and we are waiting for delayed responses to several project proposals, particularly in the context of medium-term methodological support partnerships with multiple NGOs. Finally, TERO currently relies on share capital and its own funds, which are under consolidation to replace the loans provided by URSCOP and the Crédit Coopératif at cooperative's creation in 2015.

Relying on its associates, a professional and dynamic technical team, enhanced references and a healthy financial situation, our cooperative is fully capable of facing new challenges

During 2018, 22 TERO's associates provided, through effective assignments, quality professional services in the joint areas of family farming and landscape development in France and internationally. Their contributions also related to cooperative life, with their participation to the Cooperative Council meetings, 4 times a year, to targeted works (business model, expertise in France, SPP, governance...), to the discussion workshop about practices and evaluation methods and at the General Assembly that took place on March 23rd, 2018.

In December 2018, TERO had 78 associates, as one new member signed in and two other left. The Cooperative Council has been partially renewed with Hubert Cathala, Xavier Peyrache and Joseph Le Blanc who replaced Marine Renaudin, Charlène Nicolay and Christophe Eberhart. The collaborative platform Terosphere, developed with the support of Mélanie Carton, contributes to boost the cooperative dynamic by facilitating the access for associates to useful information and by stimulating remote exchange and collaboration.

Relying on its associates, a professional and dynamic technical team, enhanced references and a healthy financial situation, our cooperative is not only able to continue its consolidation in 2019, but is also fully capable of facing new challenges, such as: (i) deployment of its expertise in France and internationally, through medium-term partnerships with privileged funders, (ii) scaling-up of the SPP certification activity to new operators and additional services. (iii) strenghtening of TERO's methodological abilities and commitment to family farming values in assignments, (iv) and a greater financial economy with an increase of the share capital and economic results.

Jean-Jacques BOUTROU President

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Pierril LACROIX Director orde

TERN committed experts to rural territories

TERO is a French consultancy firm created January 16th, 2015 as a Société Coopérative d'Intérêt Collectif (SCIC) by 51 associates, individuals or corporate entities.

Our services and areas of expertise

TERO offers expertise and innovations in diversified thematical fields: sustainable management of natural resources and improvement of the agro-ecological performance of production systems; strengthening of livestock systems and animal health devices; improvement of vulnerable families' food security; development of foodchains and markets beneficial for family farming; and capacity building of local actors and agricultural sector.

Our associates

TERO currenty gathers 78 associates, divided into 4 colleges, with diverse profiles (experts, institutions, companies) committed for the fair and sustainable development of territories and the peasant farming promotion. Among them, more than 60 associated experts, confirmed consultants or professionals, are skilled in rural and agricultural development, in France and internationally.



TERO Cooperative Council, formed by Hubert Cathala (College of Associated Experts), Joseph Le Blanc (College Support), Xavier Peyrache (College CSO), Pierril Lacroix (College Employees) and Jean-Jacques Boutrou (President), met four times in 2018 to ensure that the guidelines established by the General Assembly were respected and applicated.

College of Associated Experts

Jean-Marie Abbès Frédéric Apollin Sylvain Aubert Vincent Auvigne Xavier Barat Emmanuel Bavle Cécile Bérut Jean-Eudes Beuret Sylvain Bleuze Christophe Boscher Jean-Jacques Boutrou Georges Jay Hubert Cathala Martial Charpin Christophe Chauveau Joseph Le Blanc Anaïs Chotard Marc-Edouard Colin Pierre Collière Philippe Collin Sylvain Colmet-Daage Gilles Maréchal Florent Cornu Carlos Cubillos

Laurent Dietsch Guy Durand Grégoire Etesse Anaïs Faure Chloé Fontfrevde Bernard Fouquet Angel Garcia Sébastien Girard Barbara Guittard Hédia Hadjaj-Castro Pierre Johnson Michel Laforge André Leseigneur Philippe Lhoste Mvriam Mackiewicz Laurence Marandola Romain Valleur Cédric Martin Sarah Métais

David Millet Charlène Nicolay Johan Pasquet Sabine Patricot Jean Paven Xavier Pevrache Yves Raffin Aurélie Rakotofiringa Marine Renaudin Gauthier Ricordeau Gaylord Robin Katia Roesch Anne-Marie Schmutz-Poussineau Danièle Sexton Frédéric Soula Christian Taupiac Carl Waroquier

College of Individual and Collective Support

Institutional Support Category



ETHIQUABLE

Individual Support Category

Claudie Baucher Valentin Beauval Catherine Bureau Thierry Caillaux Julien Desmedt Jean-Noël Faure

Bruno Forand Jacques Lovat Élisabeth Muller Bertrand Naegelen Michel Prost Luc Raballand

College of Civil Society Organizations



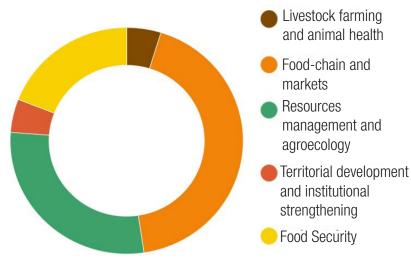
College Employees

Pierril Lacroix Alexandre Vigot

TERO's 2018 missions

In 2018, TERO achieved 28 missions, including 3 in France and 25 internationally, enhancing the main areas of expertise and services of our cooperative.

Areas of expertise mobilized in 2018 missions

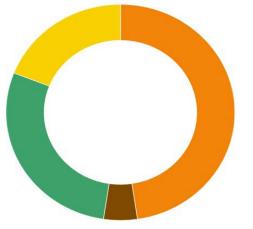


In 2018, TERO has been mobilized mainly on topics of food-chain and markets, as well as resources management and agroecology. At the same time, requests for food security are emerging.

Services provided in 2018 missions

In 2018, TERO has been heavily solicited for diagnoses and feasibility studies. Requests for evaluation are still important.

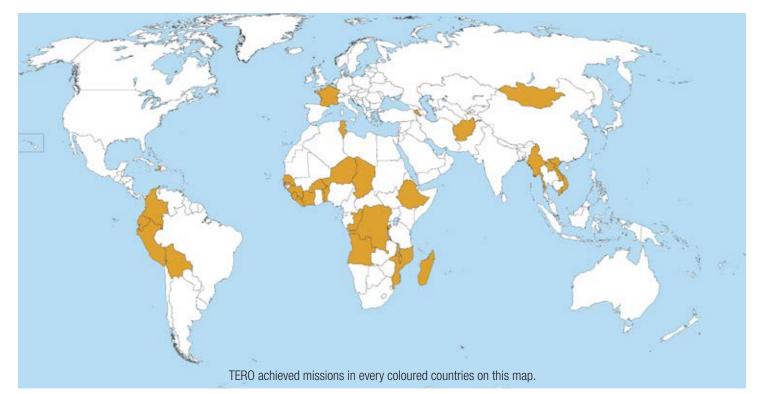
Assessments and studies
Capitalization
Project engineering
Institutional support and advice





Sylvain Colmet-Daage was in Mauritania at the end of 2018 in order to realize the monitoring of the RESANUT project results, financed by the European Union.

Overview of international missions



Main missions achieved by TERO in 2018

Final evaluation of the MIARY project, which supports agroecology and irrigation - Madagascar -Cécile Bérut.

Diagnostic study and development of a national project on the poultry sector - Guinea-Conakry -Hubert Cathala.



Final evaluation of the FISONG project, on adaptation inter dide of agricultural practices to climate change - Ethiopia - Pierril Lacroix.

Monitoring of relations with the Green Fund for the AFD final formulation of the AGAVE project - Haiti - Pierril Lacroix.



GFA/ Study on the certification of organic soybean - Togo msulting Group - Pierre Johnson.



Expertise mission to assist the identification of FD a commercial agriculture development project -Angola - Jean Payen.



Formulation of a multisectoral food and nutrition security program targeting the most vulnerable populations - Haiti - Cécile Bérut and Alexandre Vigot.



Evaluation of a non-timber forest products project -Guinea-Conakry - Stéphane Person.



Capitalization of interventions financed by the FFEM between 2006 and 2017 - Sylvain Aubert.

Value chain study in the scope of projects that aim to strengthen the resilience of Lake Chad's population and of PRO-ACT - Chad - Pierre Johnson and Alexandre Vigot.

Feasibility study of a strategic sectors support AFD project - Ecuador - Xavier Barat and Sylvain Bleuze.



care

Programming of CARE Burundi against food and nutrition insecurity - Burundi - Alexandre Vigot.



Agroecological expertise for the feasibility study of the MERIT project - Mali - Johan Pasquet.

Agronomic and economic expertise for the determination of a scheme for the Cayes plain Haiti - David Millet.

Regular support for the implementation and the management of the monitoring and evaluation system of the Ecopaz project - Colombia - Carlos Cubillos.

Evaluation of the SADMAD food security project -Senegal - Johan Pasquet.

Animation of a workshop on the improvement opportunities of APDRA's intervention strategies Madagascar - Laurent Dietsch.

Evaluation of Euroclimat+ financing applications -Laurent Dietsch, Grégoire Etesse, Angel Garcia and Pierril Lacroix.



WORLD BAN





Assistance to APDRA's farmers relays device

MADAGASCAR, since 2017, Laurent DIETSCH



TERO and APDRA's joint work began in 2017 with two missions on rice-fish farming projects. The assignment completed in 2018 by Laurent Dietsch pertained to the evaluation of farmers relays device implemented by APDRA in Madagascar, which purpose is a wide diffusion of new breeding techniques of carps in rice fields. This promising beginning has led to two other missions which mobilized Laurent Dietsch in 2018.

« Early 2018, I conducted a workshop about the improvement possibilities of APDRA's strategic interventions, during which was highlighted the way producers adapt these techniques to their individual situations. At the end of 2018, I was asked to train the team of facilitators to the methodology of participatory solutions research, which takes into account the relevance of farmers' practical knowledge, as they are more able to find the answers they actually need. Another mission is planned for May 2019 with the objective to capitalize the application of these new approaches whithin APDRA's strategic interventions and to improve its monitoring and evaluation device. »



Study of a national support project on poultry sector

GUINEA-CONAKRY, January-December 2018, Hubert CATHALA.



The Ministry of Livestock and Animal Production (MEPA) of Guinea wishes to support the development of Guinean poultry farming in order to fill in deficits of broilers and eggs on its territory, contributing to the national food and nutritional security as well as to poverty reduction. These challenges are crucial for Guinea, as 55% of the population live below the monetary poverty line and 22% of the households are food insecure.

In this context, TERO was asked by the AFD to conduct a study at national level as well as write a short, medium and long-term action plan on the dynamization of the poultry sector. The MEPA and the AFD accepted TERO's proposal on semi-intensive laying hen and village chicken sectors and launched, on this basis, the instruction of a €15 million program.

« The elaboration of a national development program

on poultry sector illustrates the forces at work when making political decisions related to agricultural development strategies. Urban decision-makers have a productivist vision pushing them to encourage intensive models, associated to important investments and sanitary risks, and not adapted to farming communities. In this case, TERO managed to convince the MEPA that the impact of the support to village poultry farming on economic development and national food security would be higher than the support to a more industrial broiler production, as assessed by the number of peasant poultry farmers, the risky bio-security context, the high quality of village chickens and the low price of industrial imported chicken. »



Monitoring and evaluation of the environmental impacts of 19 projects of the EQUITE program

WESTERN AFRICA, October 2017-December 2018, Pierril LACROIX.



On Fair Trade France's request (CEF), the consultancy firms Kinomé and TERO combined their skills in fair trade, environment and evaluation to achieve a fifteen-month regular support mission with the Fair Trade France and AVSF team of the EQUITE program, which operates in 5 Western Africa countries (Burkina Faso, Côte d'Ivoire, Ghana, Mali, Togo). Pierril Lacroix was in Côte d'Ivoire for this occasion.

« The EQUITE program's purpose

was to strengthen fair trade producer organizations in the 5 concerned Western Africa countries. Our mission consisted in analysing the potential consequences of the projects led by these organizations on the environment, by collectively building with AVSF field teams specific tools and indicators as well as their application during two consecutive years. Though the impact analysis was complex, because of the limited duration of the projects (two years) whereas environmental changes can be observed over the long term, the mission has been relevant for TERO for several reasons. The achievement of two field missions with a remote support allowed the device to be iteratively improved. Moreover, the joint work done with Kinomé allowed sharing references and complementary approaches on environmental aspects. Finally, this mission has made available practical tools for a better inclusion of environmental questions for CEF and AVSF future projects. »



CARE INTERNATIONAL IN CHAD

« A real experience in the study of value chains and a true technical expertise »

TERO achieved two study missions on value chains of supporting sectors in the market gardening field for CARE International in Chad in 2018, one in the context of the PRO-ACT project implemented by the CARE-OXFAM consortium, and the other within the framework of the resilience strengthening project of the Chad Lake populations. TERO was selected for the achievement of these missions thanks to its real experience in the study of value chains and a true technical expertise. We were fully satisfied of the realized studies and we look forward to working with TERO again.

Perpétue Nombre Yamma, Coordinator of the Resilience and Adaptation to Climate Change Pillar (RACC).

TERO in France

Good prospects for 2019

TERO continues to develop its expertise in France, mostly in the field of Local Food Systems (including the notions of short chains, local supply, out-of-home catering, quality indications and local agricultural policy). Several missions were achieved in France in 2018 by TERO's associates, among which two technical support missions, one for the Grand Avignon and another for the Drôme department, as well as one feasibility study for the Syndicat Mixte du Pays de Saintonge Romane. They were carried out in good conditions and gave satisfaction to the funding local authorities.

In a context of strong competition, TERO answered to a significant number of calls for tenders. Many projects were completed at the end of 2018 - in the early 2019. A mission began at the end of 2018 to support the Grésivaudan community of municipalities for the elaboration of its agricultural and food policy. We were also able to provide long-term services with the realization of consecutive missions for 3 local authorities (Drôme department, Grand Avignon, Grésivaudan community of municipalities). A new step was also achieved with the selection of TERO for a wider market: the achievement of a study-action on out-of-home catering in the context of a Territorial Food Project (PAT), at the scale of a territory such as Aix-Marseille Provence and Pays d'Arles. This mission was the occasion to integrate a new associated expert in our consultant team working for our expertise in France.

GRAND AVIGNON

« A commitment for sustainable development and land preservation »

The common work with TERO started in 2016 and has been continued in 2018, with the implementation of consultations and animations of work groups with the actors integrated to the study on suburban agriculture. It took a wider dimension with the writing of an answer to the call for tenders of the National Food Program (PNA), for which Grand Avignon received a prize during the 2019 Agriculture Exhibition in Paris.

At the beginning, TERO was selected for its understanding of the land-based challenges as well as for its commitment within the social and solidarity economy; the consultancy firm succeeded in being truly attentive and represented a real support in the study realization and the response to the PNA call for tenders. Moreover, its commitment for sustainable development and land preservation, as well as its cooperative and partnership dimension represented a real added value compared to other consultancy firms, which are mainly focused on the single technical aspect of their services.

For all these reasons, Grand Avignon looks forward to work with TERO again in the future, specifically on the elaboration of a Territorial Food Project (PAT), for which we will launch a call for tenders.

Laetitia Vinuesa, Director of Economic Development and Tourism of Grand Avignon.



What is SPP?

The Small Producer Symbol is a fair trade certification system belonging to small producer organizations, whose rules and norms, such as granted minimum prices or the composition of products, are established by SPP bodies, constituted by fair trade cooperatives. Willing to support its development and on the request of its institutional associate Ethiquable, TERO decided to engage in SPP certification activity in September 2017. If it was originally internationally oriented, TERO is also developing its SPP certification activity with commercial operators in France.



2018 SPP activity



TERO trained 12 assessors and expanded its activity in a dozen of countries, in majority localized on the African continent. Of the 26 registered certification requests, 12 were related to an initial labelling in 2018, which proves the interest generated by the SPP. This first phase was also very productive in terms of identification of networks and multilingual devices creation, such as training modules, contractual models or communication tools.

ASSESSOR TESTIMONY

« SPP, a label which includes, but is not restricted to, sustainable and fair organic production criteria »

In 2018, in Burkina Faso, I collaborated with TERO to conduct the COOPAKE (Kénédougou Agricultural Cooperative) field audit which administers the production, transformation and exportation of mangoes, cashews, sesame, hibiscus, oranges and lemons. Created in 1963, the cooperative brings together 216 members localized in 7 villages. Already enrolled in an organic and fair-trade certification process, the COOPAKE wished to deepen its commitment by applying to the SPP certification, which includes sustainable and fair organic production, but also gives importance to other dimensions.

For example, decision-making procedures must be established by the General Assembly, as the Board of Directors can't take decisions alone without reporting back. Moreover, SPP certification is reserved to small producers who are mainly relying on family-based workforce and takes into account the implementation of specific working conditions for women. Finally, an advantage of SPP certification is the freedom for organizations to negotiate prices.

TERO's SPP certification coordinator was very open-minded and accessible, and he quickly understood the specific characteristics of the landscape and the situation.

Armel Kambou, SPP assessor.

2018 financial statement

2018 net result is positive, with a surplus exercise of +11 437€, i.e. 5 000€ more than in 2017, and a turnover increase of 18% in relation to last year. This turnover is slightly below the 2018 forecast by 10%, because of delays in validation and launch of missions in 2018 second semester. The added value is also increasing and the trading profit grew from 1,5% to 2,3%

INCOME STATEMENT*	2015	2016	2017	2018
Revenues	215 777	438 995	567 490	669 940
Added value	54 879	104 335	168 280	197 932
Gross operating surplus	-20 225	14 788	8 817	15 132
Operating result	-21 878	17 843	8 221	15 253
Net income (after taxes)	-22 258	17 394	6 487	11 437

of the turnover. The activity is in balance and produces low surpluses which enable a gradual improvement of shareholders' equity, which are fundamental in this period of development of the activity and of consolidation of the technical team. The 2019 estimated budget is built with a turnover hypothesis of 780 000€ and 10 000 € of benefits; it includes the strengthening of the technical team, with the creation of a full-time administrative position in second semester 2019.

ACTIVE BALANCE SHEET*	12/31/2017	12/31/2018	PASSIVE BALANCE SHEET*	12/31/2017	12/31/2018
TOTAL FIXED ASSETS	3 436	2 344	TOTAL LONG-TERM LIABILITIES	109 470	111 523
TOTAL CURRENT ASSETS	265 377	318 358		14.000	0.004
Cash flow	40 683	66 255	Bank loan	14 968	8 884
VAT credit to carry forward		3 611	Share capital	67 000	64 500
	000 507		Retained earnings	-4 864	0
Trade receivables	223 597	235 042	Result for the year	6 487	11 437
Prepayment of expenses	1 097	13 450	Other long-term debts	25 879	25 079
ASSETS TOTAL	268 813	320 702	TOTAL CURRENT LIABILITIES	159 343	209 179
		Supplier debts	105 745	151 171	
* In euros			Tax and social security debts	38 853	35 008
DIVIDENDS DISTRUBUTED In accordance with article 243 bis of the General Tax Code, the Council reminds that no dividend was distributed during the last four financial years.			Short-term debts	0	0
			Deferred income	14 745	21 000
SIGNIFICANT EVENTS AFTER THE END OF 2018 FINANCIAL YEAR. To date, no significant event is to report since the end of 2018 financial year.			LIABILITIES TOTAL	268 813	320 702

The balance sheet is solvent, with slightly lower permanent capital because of the repayment of the bank loan and limited assets. Accounts payable are significantly increasing if compared to the 2017 financial year, and trade accounts receivable remain high as payments from major clients were importantly delayed at the end of 2018, which has an impact on the payment by TERO of service providers. The cash position is improving in regard to 2017, with the implementation of monitoring and reminder devices on payments. The working capital is stable, reaching 109 $179 \in$, and the operating working capital is in clear decline (39 $313 \in$ in 2018, for 65 $982 \in$ in 2017).

To conclude, we can state that the financial indicators are gradually improving to ensure in the medium term a good autonomy for the structure, and its capacity to handle the variability of the activity specific to the consultancy business.

Our partners



They trust us



SOCIÉTÉ CANAL DE PROVENCE

« Skilled consultants on food-chains, territories and social management of water »

TERO and the Société Canal de Provence (SCP) own a framework contract with the AFD for the realization of occasional assignments in the area of agriculture and irrigation. Indeed, the joint work of the SCP water experts and the TERO consultants experts on food-chains, landscape and social management of water produces relevant and complete projects to present to the AFD.

We have a genuine will to collaborate, we are still full of enthusiasm and that's why we will keep presenting joint projects to the AFD in 2019.

Julien Lecollinet, Project Director at the Hydro-Agricultural Installations Department of the SCP.

Areas of expertise

Services



Livestock farming and animal health



Assessment and studies



Food-chain and markets



Resources management and agroecology



Capitalization



Project engineering



Landscape development and institutional strengthening



Food security



Institutional support and advice





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