

PROJECT DESCRIPTION**Youth for Development and Progressive Actions Capacity Building Project****Liberia****I. Introduction**

This appendix describes the activities to be undertaken and the results to be achieved with the funds obligated under this Agreement. Nothing in this Appendix A shall be construed as amending any of the definitions, conditions, or terms of the Agreement.

II. Background

Youth for Development and Progressive Actions ("YDPA") consists of 100 low-income war-affected members who produce field crops and vegetables for sale in markets in Gbargna. YDPA was established in 2008 to promote opportunities for war affected youths to engage in reconstruction and agricultural activities to earn income and encourage them to move away from life styles that are characterized by violence and juvenile crimes. YDPA currently produces field crops and some vegetables on seven acres of land just outside Gbargna. They have obtained access to an additional thirteen acres of land that they intend to develop to expand their production of high value crops. There is high a demand for vegetables from the local schools, hospitals, and the United Nations peacekeeping garrison that is supplied primarily by producers from other areas and imports from the subregion since local production and marketing systems are inadequate to provide reliable supplies. YDPA's lack of a permanent source of water for irrigation during the dry season, insufficient knowledge of modern production and processing techniques, insufficient equipment, and weak business and financial management skills prevent it from taking advantage of the opportunity afforded by the local market.

III. Funding**A. ADF Contribution**

The financial plan for ADF's contribution is set forth in Appendix A-1 to this Agreement. The Parties may make changes to the financial plan without formal amendment, if such changes are made in accordance with Article 8 of the Agreement and do not cause ADF's contribution to exceed the obligated amount specified in Article 4, Section 4.1 of the Agreement.

B. Grantee Contribution

YDPA will contribute the labor of its members, 20 acres of land, and its used production equipment to the Project.

IV. Project Goal

The goal of this Project is to improve the standard of living of low-income, war-affected vegetable producers in Bong County of Liberia.

ADF



YDPA



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V. Project Purpose

The purpose of the Project is to improve YDPA's prospects for sustained growth and expansion through the development of a comprehensive five-year business plan that ADF deems suitable for funding by a donor or other financial institution.

VI. Outputs

- A. Improved financial management capacity as evidenced by the following:
1. YDPA produces financial reports from financial and accounting systems that include monthly income and expense statements, consolidated quarterly, and annual statements, as well as adequate financial controls, accounting procedures, policies, and systems that will be capable of being audited by an independent accounting or audit firm; and
 2. YDPA's management team routinely utilizes financial documents produced during the Project, such as quarterly bank reconciliations, budget expenditures, and profit and loss statements, in making financial and management decisions for the group.
- B. Improved management capacity as evidenced by a functioning and active management committee that meets at least monthly to assess management implementation progress, addresses implementation constraints as necessary to move the organization forward, and convenes the annual general meeting to update members on YDPA's on-going activities.
- C. Improved technical and marketing capacity as evidenced by increased vegetable sales from zero to \$12,889 in Year 1 and \$19,335 in Year 2.

VII. Activities

- A. Production and Marketing Improvement Activities
1. YDPA will hire an agronomy consultant to conduct training, establish an annual production plan, and provide follow-up monitoring on chemical and fertilizer application, prohibited chemicals, soil and water conservation, irrigation and water management, compost preparation and application, pump operation and maintenance, production techniques, and post-harvest treatment. The consultant will be hired by month four of Project year one.
 2. The agronomy consultant will establish demonstration plots which will be used to provide practical demonstrations of improved vegetable production and best practices, including specialty crops and out-season production techniques, for adoption on members' individual plots. The consultant will update the annual production plan quarterly based on experience and changes in market conditions. The demonstration plots will be established by month five of Project year one.
 3. YDPA will hire a firm specialized in water supply systems to conduct an assessment for the siting of wells, construct two concrete-lined large diameter

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wells, and place four 1,500 gallon capacity polytanks for water storage and distribution. YDPA will hire the firm by month five of Project year one.

4. YDPA will establish supply contracts with retailers selling vegetables in the main Gbargna markets and establish a process that will provide feedback to the farm on the general trend of the market regarding supply, demand, quality, preferences, pricing, and scheduling to inform its own production planning. YDPA members will also begin direct marketing of their produce in local neighborhoods in Gbargna. The group may also open a market stall in one of the main Monrovia markets to serve as an outlet for deliveries and sales.

B. Management and Accounting Improvement Activities

1. YDPA will hire a management consultant to work with the group's Board of Directors and management team to develop a comprehensive five-year business plan detailing opportunities for further expansion and sustained profitability of the group. The consultant will be hired by month nine of Project year one and the business plan will be developed by month three of Project year two. The business plan will:
 - a. document lessons learned from Project year one, particularly in the implementation of improved production techniques;
 - b. determine the most cost-effective ways of producing and marketing the group's products and services;
 - c. explore options for additional income generation activities for the group;
 - d. explore options for expanding group membership and/or providing benefits to non-members;
 - e. review current marketing practices, market trends and associated risks, and update the group's strategy for marketing its products; and
 - f. develop indicators that track benefits to members and the community.
2. YDPA will hire an accounting consultant to work closely with the group's Board of Directors and management team to develop and operate appropriate financial accounting procedures, policies, and systems. The accounting consultant will document these in a financial systems manual, including a comprehensive set of organizational policies, procedures, and internal controls. The consultant will mentor and provide training to the secretary, the management team, and the Board of Directors to develop their financial skills and provide training in financial principles. The accounting consultant will be hired by month three of Project year one.
3. YDPA will hire technical assistance provider(s) to train YDPA members, the management team, and the Board of Directors in business principles, monitoring and evaluation techniques, group dynamics, organizational development, and business entrepreneurship. The technical assistance provider(s) will be hired by month four of Project year one.

4. DEN-L will provide YDPA with leadership and governance training to strengthen the group's ability to work together, resolve conflicts, and enhance its ability to meet the group's goals and objectives. The initial training session will be conducted by month five of Project year one, with follow-up sessions scheduled at approximately six month intervals.

VIII. Roles and Responsibilities of the Parties

The members and management of YDPA are responsible for the management and the proper implementation of the Project. ADF's Partner in Liberia will provide training in the areas of standard ADF bookkeeping, monitoring, and assessment. The Partner will also provide technical assistance and management assistance during implementation.

IX. Monitoring and Evaluation

ADF's Partner in Liberia will closely monitor the activities of YDPA to ensure proper reporting, adherence to the Project implementation plan by YDPA and progress towards the achievement of Project objectives. The Partner will continuously assess risks and take remedial actions as needed. Monitoring by the Partner will be an important aspect of the on-going coaching and advisory service. The Partner will review the group's quarterly reports to ADF and will submit comments and observations to the management of YDPA as part of the on-going performance assessment.

