

PROJECT DESCRIPTION

Moiyabana Leatherworks and Handicrafts Project
Botswana

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

Mosema Conservation Trust works with village level interest groups and community-based associations on natural resource conservation and sustainable development activities. Mosema Trust and Action for Economic Empowerment Trust (AEEET), ADF's partner in Botswana, undertook a participatory development methodology exercise to help village residents identify their development priorities. Based on this process, the residents chose to form two interest groups to participate in a community leatherworks and handicrafts project. Mosema Trust lacks the financial resources to launch the project or the organizational capacity required.

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 7 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. Client Contribution

Mosema Conservation Trust will finance its office expenses, salaries of the facilitator and bookkeeper and capacity building training activities after Project Year 1. Mosema Conservation Trust's members and interest group members will contribute their labor to the Project.

IV. Project Goal

The Project's goal is to improve the standard of living for residents of Moiyabana village.

V. Project Purpose

The purpose of the Project is to increase the incomes of Mosema Conservation Trust and selected members of Moiyabana Village through two small-scale income generation activities in leatherworks and handicrafts as evidenced by the following indicators.

APPENDIX A

- A. Mosema Trusts's income (before taxes and depreciation) will increase from a baseline of Botswana Pula (BWP) 0 to:
 - 1. BWP 37,500 in Project Year I; and
 - 2. BWP 75,000 in Project Year II;
- B. The participating community members' income from leatherworks and handicrafts production will increase from a baseline of Botswana Pula (BWP) 0 to:
 - 1. BWP 50,000 in Project Year I; and
 - 2. BWP 100,000 in Project Year II;

VI. Outputs

- A. Increased capacity of Mosema to produce and sell crafts and leather products as evidenced by the following.
 - 1. Annual production volumes will change from a baseline of 0 to:
 - a. 10 baskets, 22 crafts and 598 leather products in Project Year I; and
 - b. 20 baskets, 44 crafts and 1,196 leather products in Project Year II.
 - 2. Mosema's projected annual gross revenues will change from a baseline of Botswana Pula (BWP) 0 to:
 - a. BWP 75,000 in Project Year I; and
 - b. BWP 150,000 in Project Year II.
- B. Increased capacity of Mosema Trust to support and coordinate community development projects, as demonstrated by the following.
 - 1. Mosema Trust's management routinely utilizes documents produced during the Project, such as quarterly bank reconciliations, budget expenditures, profit and loss statements, balance sheets and cash flow statements in making financial, and management decisions for how to advance income generation activities.
 - 2. Mosema Trust utilizes the established purchase, production and marketing methods from the small-scale leatherworks and handicrafts project to determine a method to increase the participation of village residents.

VII. Activities

- A. Leatherworks and Handicrafts Production
 - 1. Through a participatory process the residents of Moiyabana Village identified unemployment, poverty, poor health, and lack of financial resources as major problems in their community. Village members decided that the establishment of a leatherworks and handicrafts workshop would

APPENDIX A

help them address these problems. Mosema Trust was identified as the most suitable entity to facilitate socio-economic development activities in the village, given its ongoing work with interest groups and community-based organizations in Moyabana village. This Project will provide Mosema Trust with the resources needed to coordinate the leatherwork and handicraft workshop and expand its capacity to develop income generation activities in the Village.

2. The leatherworks and handicrafts project participants will be separated into two distinct interest groups. Both groups will work at a workshop leased from the Village Development Committee. The facilitator and management of Mosema Trust will provide overall coordination of the interest groups.
 3. In addition, the following activities will be undertaken to achieve the production and sales outputs.
 - a. Mosema Trust will procure the necessary equipment to implement the planned small-scale leatherworks and craft production activity.
 - b. The members of the interest groups will be trained in crafts and leatherwork production and marketing through workshops and ongoing mentoring by the facilitator and the AEET PDM-CI staff.
 - c. Mosema Trust will procure the raw materials such as skins and hides for leather materials and cloth and harvesting of veld materials for crafts necessary for production.
 - d. Mosema will develop the basic marketing system for their products including transport to the market and advertising.
- B. Increased capacity to coordinate community development projects by a consolidation and successful continuation of the PDM-CI process to guide Mosema Trust's growth in the short, medium and long term.
1. Mosema Trust will hire a facilitator to work closely with the Trust and members of the interest groups. The Trust will continue to work with AEET in the PDM-CI process to guide growth of the organization and its capabilities. The facilitator will manage and ensure that project activities are implemented.
 2. By month 18 of the project Mosema Trust, with the assistance of technical experts, will complete a business plan and marketing strategy that will guide the growth of the leatherworks and crafts activity as well as and determine the feasibility of other small scale income generation projects.
- C. Management
1. Mosema will recruit a qualified bookkeeper who will be trained in financial management to perform the bookkeeping functions, generate financial reports and financial statements, and develop appropriate financial procedures; and

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1. Mosema will recruit a qualified bookkeeper who will be trained in financial management to perform the bookkeeping functions, generate financial reports and financial statements, and develop appropriate financial procedures; and

2. Mosema Trust will engage technical experts to train the leadership and staff of Mosema Trust in governance and organizational dynamics.

VIII. Roles and Responsibilities of the Parties

The staff and elected leadership of Mosema Trust are responsible for the management and the proper implementation of the Project. AEET, ADF's PDM-CI Partner in Botswana, will provide training in the areas of management, ADF reporting, corporate and cooperative governance and business planning. The Partner will also provide technical assistance to the members and leadership in those areas.

IX. Monitoring and Evaluation

Within sixty days of the effective date of this Agreement, the Grantee, working with the ADF Partner, will form a monitoring and assessment committee composed of a representative cross-section of the Client's organization. The committee will provide the Partner input for the Project monitoring plan. In addition, during implementation, the committee will have responsibility for ensuring that the Project follows the implementation plan, and that problems identified through monitoring and evaluation are properly addressed in a timely manner.

X. Other Implementation Issues

- A. Mosema Trust will employ the services of an expert to advise the Association on the disposal of waste products.
- B. Mosema Trust will rely on the Agricultural Resources Board's advice and monitoring of Mosema's harvesting of wood species to ensure the Trust avoids degradation of the veld.