

PROJECT DESCRIPTION**Eden Tree Vegetable Processing****Ghana****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

Eden Tree LTD (Eden Tree) is a vegetable, fruit, and herb processing company based in Accra, Ghana. Eden Tree would like to take advantage of increased market demand from the local supermarkets and hotels; however, outdated and obsolete technology, lack of working capital, and inadequate skills prevent the company from capitalizing on the market demand.

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

Eden Tree will contribute time, labor, and farm land.

IV. Project Goal

The goal of the Project is to improve the standard of living for farmers in the Greater Accra Region of Ghana.

V. Project Purpose

The purpose of the Project is to increase the income of Eden Tree's employees, members, and suppliers in the following ways:

- A. Eden Tree's net income (before taxes and depreciation) will increase from the current baseline of GHS 63,895 to:
 - 1. GHS 74,119 in Year 1;
 - 2. GHS 143,944 in Year 2; and
 - 3. GHS 199,823 in Year 3.

- B. Total salaries and wages paid to workers (full time and part time) will increase from GHS 73,320 in the Project's base year to:
 - 1. GHS 91,518 in Year 1;
 - 2. GHS 112,446 in Year 2; and
 - 3. GHS 136,513 in Year 3.

- C. The value of raw materials purchased from farmers will increase from GHS 396,876 in the Project's base year to:
 - 1. GHS 480,985 in Year 1;
 - 2. GHS 583,235 in Year 2; and
 - 3. GHS 707,604 in Year 3.

VI. Project Outputs

By the end of the Project period, the capacity of Eden Tree and its members to process and market vegetables, fruits, and herbs will increase as evidenced by the following.

- A. Eden Tree's sales revenue will increase from GHS 844,306 in the Project base year to:
 - 1. GHS 1,019,024 in Year 1;
 - 2. GHS 1,230,545 in Year 2; and
 - 3. GHS 1,486,748 in Year 3.

- B. The number of active farmer members will increase from 30 in the Project base year to 40 by the end of the Project.

- C. The volume of products sold will increase from the current 257,299 kilograms in the Project base year to:
 - 1. GHS 514,598 kilograms in Year 1;
 - 2. GHS 549,492 kilograms in Year 2; and
 - 3. GHS 587,047 kilograms in Year 3.

- D. The value of loans disbursed to members will increase from GHS 0 in the Project's base year to:
1. GHS 47,388 in Year 1;
 2. GHS 53,501 in Year 2; and
 3. GHS 60,402 in Year 3.

VII. Project Activities

Eden Tree will ensure the following major activities are completed with the assistance of consultants where necessary.

- A. Institute improved financial and operating procedures by training Eden Tree management, staff and outgrower farmers in financial and business skills.
- B. Improve farmer productivity and access to farm inputs by:
1. establishing a revolving loan fund for farmer inputs and training the farmers on credit use and management;
 2. establishing a teaching farm and hiring a technical assistance provider to train farmers on agronomic best practices for growing exotic vegetables as well as on quality control techniques to maintain product value; and
 3. providing farmers with group dynamics and leadership training to facilitate establishment of a stronger association with expanded membership.
- C. Improve processing and marketing systems by:
1. upgrading processing capacity through procurement of modern processing equipment and expanding the space for sorting and cleaning the goods;
 2. limiting loss of product value in transit and storage by purchasing a cold storage unit and a refrigerated delivery van;
 3. renovating the packaging area to meet Ghana Food and Drugs Board quality control standards; and
 4. developing promotional materials and improved packaging to increase the Eden Tree brand name awareness and quality.

VIII. Roles and Responsibilities of the Parties

ADF's Partners in Ghana will provide the standard ADF training in bookkeeping, monitoring and assessment. Eden Tree is responsible for ensuring the proper management and implementation of the grant. The ADF Partners in Ghana will provide Eden Tree with technical and management assistance during implementation.

IX. Monitoring and Evaluation

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

X. Other Implementation Issues

- A. The Grantee will try to find a safer substitute for sodium dichloriosocyanate. If this chemical is used, the Grantee will ensure there is adequate exhaust ventilation and protective gear (suits, gloves, footwear, headgear and eye goggles). Emergency eye washing fountains and showers will be available to the workers. Workers will not take contaminated clothing home. Workers will not eat or drink around this substance or wear contact lenses when using it. Dry sweeping will not be done; spills will be vacuumed. This chemical will not be combined with strong bases and oxidizing agents (ammonia, soda ash, peroxides, and calcium or sodium hydroxide).
- B. Sodium hypochlorite may be used in concentrations below 40 percent by weight. Workers will use gloves, protective clothing, and eye goggles when applying sodium hypochlorite. Sodium thiosulfate solution (5 mg/liter) will be used to remove sodium hypochlorite spills from skin.