

PROJECT DESCRIPTION

CMA Shea Nut Capacity Building

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

Christian Mothers' Association (CMA) harvests, processes, and markets shea nuts and shea butter. The group is located in Damongo in the Northern Region of Ghana. CMA would like to take advantage of increased local and international demand for shea nuts and shea butter; however, insufficient training in farming practices, lack of working capital, inadequate financial management systems, and weak internal management capability prevent the association 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

CMA will contribute land and labor.

IV. Project Goal

The goal of the CMA Project is to improve the standard of living of women throughout the Damongo Diocese of Northern Ghana.

V. Project Purpose

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

VI. Project Outputs

By the end of the Project period, CMA will achieve the following.

- A. Improved technical capacities as demonstrated by the value of raw materials purchased from farmers increasing from GHS -1,580 in the Project's base year to:
 - 1. GHS 37,200 in Year 1; and
 - 2. GHS 44,400 in Year 2.

- B. Improved management and operating systems capacity as demonstrated by:
 - 1. Improved business systems and accounting systems are implemented and CMA is certified as compliant with ADF financial and reporting requirements; and
 - 2. management uses financial and accounting reports and audited yearly account reports in its decision making.

VII. Project Activities

CMA will ensure the following major activities are implemented.

- A. Improve the management and institutional capability of CMA by:
 - 1. preparing a comprehensive business plan;
 - 2. developing an organizational development plan with the help of a consultant in order to improve CMA's organizational structure;
 - 3. training two members of the association in project monitoring and evaluation;
 - 4. purchasing a motorcycle to conduct outreach activities;
 - 5. refurbishing the office and acquiring additional office equipment that will increase the organization's accessibility to the farmers and potential buyers; and
 - 6. establishing a more professional leadership core by recruiting and paying association staff.

- B. Institute improved financial and operating procedures by:
 - 1. hiring an accountant to manage the financial accounting system and handle the finances of the association;
 - 2. developing accounting processes and roles specifically tailored to the operations of CMA and documenting them in a financial manual;
 - 3. acquiring and installing accounting software to enhance CMA's accounting and internal control systems; and
 - 4. developing an operations manual and an administrative procedures manual for CMA.

C. Improve production systems by:

1. purchasing protective clothing for the farmers to ensure their safety while picking and processing shea nuts;
2. upgrading processing capacity through the procurement of modern processing equipment;
3. drilling a borehole to provide a constant supply of water for the production facility;
4. supplying working capital inputs for the members of the association;
5. signing a Memorandum of Understanding with Naasakle, Ltd. to ensure a consistent and fair market for CMA products;
6. training group leaders in environmental management to mitigate any environmental hazards that could occur during production;
7. training group leaders in quality control for shea nut processing and storage;
8. training group leaders in health and safety practices; and
9. training members of the association on group cohesion, harvesting techniques, financial planning and management, and healthy living.

VIII. Roles and Responsibilities of the Parties

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

IX. Monitoring and Evaluation

Within sixty days of the effective date of this Agreement, the Grantee, working with the ADF Partners, will form a monitoring and assessment committee composed of a representative cross-section of the Grantee's organization. The committee will provide the Partners 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.