PROJECT DESCRIPTION

GOAN Organic Agriculture 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

Ghana Organic Agriculture Network (GOAN) is a non-governmental organization located in Kumasi, Ghana that provides technical services and training in organic farming to smallholder farmers. GOAN would like to take advantage of an increased demand for its services; however, inadequate financial management systems, insufficient means of transport, weak internal management capability, and a lack of strategic planning prevent the organization 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

GOAN will contribute land and labor.

IV. Project Goal

The goal of the GOAN Project is to improve the standard of living of smallholder farmers in Ghana.

V. Project Purpose

The purpose of the Project is to improve GOAN'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, GOAN will achieve the following.

A. Improved technical capacities of smallholder farmers who receive training and technical assistance from GOAN as demonstrated by the value of raw materials purchased from the farmers increasing from GHS 1,733,760 in the Project's base year to:

1. GHS 2,100,000 in Year 1; and
2. GHS 2,800,000 in Year 2.

B. Improved management and operating systems capacity as demonstrated by:

1. Improved business systems and accounting systems are implemented and GOAN 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

GOAN will ensure the following major activities are implemented.

A. Improve the management and institutional capability of GOAN by:

1. preparing a comprehensive business plan;
2. creating an organizational development plan with the help of a consultant in order to improve GOAN's organizational structure;
3. purchasing a vehicle to undertake routine monitoring and follow up on farmer adoption of new techniques as a result of knowledge gained in field trainings;
4. acquiring additional office equipment that will increase the organization's accessibility to the farmers; and
5. establishing a more professional leadership core by recruiting and paying association staff.

B. Institute improved financial and operating procedures by:

1. hiring an accounting firm 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 GOAN and documenting them in a financial manual; and
3. acquiring and installing customized accounting software to enhance GOAN's accounting and internal control systems.

C. Improve services by:

1. mobilizing 80 farmers in Tepa and assisting them to register as two co-operatives;
2. training 80 farmers in Tepa in best agronomic practices and organic vegetable cultivation;
3. training 80 farmers in Tepa in basic record keeping, budgeting and costing, and sales and expenditure tracking; and
4. training 720 farmers from four Ghanaian regions in market production planning to develop their skills in year-round production and introduce them to emerging organic market sources to meet market demands for their produce.

VIII. Roles and Responsibilities of the Parties

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